

obviously, something has to be done about the problem. As some of you suggested during the special session, not enough was done to take money out of the Medicaid program. Some small amounts in administrative cuts are being looked at. We did look at some statutory cuts in optional services. But because of the fact that concern in the committee was expressed about long-term savings and would it actually, in fact, save money, and how does it relate to the rest of the system, that bill was not advanced. And so this is the rest of the system look that we need to examine. If you look at the resolution, it's on page 149 and 150, all the members of the task force have signed the measure. It does, basically, go through the requests we're making of the Department of Social Services, that a managed care plan be developed and submitted to the Legislature by the end of this year, that would be January 1 of 1993, that any plan would be given to the Legislature 30 days prior to implementation so we would have adequate chance to review it, and that this plan would include a number of things to save money including taking a look at Medicaid recipients in nursing homes, to ensure that they need to be there. So the bottom line and what we're asking, what the Medicaid Task Force is asking the Legislature to do is to endorse our effort to bring some managed care cost savings to the Medicaid program. And we will be following up with the issuance of the report. That will be released next week across the state. We will then follow up with some hearings, later on in October, and then, in November and December, revise that report into our final report and final recommendation. So we're on track and working hard at it. Let me tell you, though, one of the complicating factors involved here, and I realize everybody is...feels like the session is over and they're not too worried about what's happening. Could I...including the President, if you don't mind...

PRESIDENT MOUL: (Gavel.)

SENATOR WESELY: All right. Let me tell you there's a problem that's developed. The task force that's been working on this, as I've indicated, is coming to you saying we think a managed care approach to the Medicaid cost problem is where we need to go. But, unfortunately, at this point, although we haven't had it confirmed, it looks as though the administration has taken a different view. And the hospital settlement, which we haven't seen a copy of yet, may, in fact, preclude us from being able to do a managed care plan, at least dealing with the Omaha hospitals and specifically with St. Joe's Hospital in Omaha at