

system change, and the provider tax funding alternative concepts. Those are found on pages 28 through 34. The rest of the report is more or less materials and information for you to have. We wanted to give you this before you went back to your district, so you'd have it as you talk to your constituents. We want to engage the public in a discussion about this issue. I think it's the key point in which we can move forward and reform the system. Some of you may want to know well why did we get in the problem we're in, that question has been asked. It's answered, in part, on page 3, where it talks about the different elements that have led to this problem. The fact that county participation was phased out through the early 1980's. In 1986 the overall cost of health care is increasing on the average of 10 percent a year, while inflation is about half that amount. We see an increasing utilization, for the last year and a half 1,400 people a month have been added to the Medicaid program. We're almost double the number of participants from 1980 to 1991, we're at 100..about 130,000, we were at 71,000 in 1980. So, obviously, more people are in the program, and there is more use of higher cost services, particularly in the nursing home area. And part of the reason nursing home costs have gone up is different standards, particularly through federal legislation, have increased their costs. You talk about the federal match rate, how that has been reduced in terms of federal monies, and have increased the share the State of Nebraska has to pay. We talk about...

PRESIDENT MOUL: One minute.

SENATOR WESELY: ...increased numbers of individuals on plan through federal mandates, and also we have some optional services that do provide some coverage as well to the plan. So this is, I think, the best summary and introduction to the Medicaid issue we can give you. There are some complications to the direction we want to take. But I think that the task force has worked long and hard. I want to commend all the task force members and commend the staff of the task force, and would encourage you again to support the resolution. And if you want to engage in discussion on the issue, that would be fine, or simply any support or indication of interest you have would be appreciated. But this is our chance, the special session, is in part the reason we're here is Medicaid. Here is our chance to talk about it a little bit. Thank you.

PRESIDENT MOUL: Thank you, Senator Wesely. Senator Moore,