

SENATOR WESELY: Thank you, Madam President. Again, the report that's before you is available to you, and you can distribute it within your districts as you wish. Perhaps one of the things we need to mention is if you have some constituents or groups you want it to be sent to, we need to hear from you, because we'll be mailing out. And right now our initial thoughts are to go to certain groups within the communities. I'm trying to remember who we decided, it's a very limited group, but we're trying to figure out who should get copies of this. So, if you have thoughts about who would be interested and who we should send these to, obviously the provider groups, chambers of commerce we're thinking about, some of the leadership in the different communities. But if you have some specific ideas, we'd be open to trying to do that. Let me describe a bit about the concept of managed care. I know you're all familiar with that, but let me try and put a little more on what we're talking about here. Essentially, what we're talking about is putting some controls on what providers you can use, perhaps, on what services you can obtain, on what reimbursement providers will receive. Those are essentially the elements of managed care. On the first, when you determine the providers you can use, for instance, you have a concept of an HMO, where you can only use those physicians or providers within the HMO, either internally hired by the HMO, or contracted for, or affiliated with the HMO. A PPO is another concept that's like that. You can only use certain physicians or providers that are affiliated with the PPO, and as a result of this affiliation they reduce their charges and they benefit by having business sent to them. Those are the concepts. You decide what providers you're going to use, and then you get a price break and a negotiated arrangement as a result, that's one type of managed care. Another is managed care on what services you get. You review what type of services you want and what you need, and try to identify, if what you want is too expensive and you don't really need it, you're directed into a lower cost service. Trying to find, again, a way to not overutilize services, try and match your need with the services that you will be provided, that's another type of managed care. And obviously managed care then also includes the idea of limits on reimbursement, understandings, and contracts, and arrangements on the cost. Managed care is critically important to the idea of saving money through the system. And I think most everybody, at least up to the point of today that has been talking about health care in Medicaid, know that we have to move toward this. The problem with health care and getting a control on the cost