

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
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that you probably don't need to do this kind of analysis for, and we've adopted those exceptions as well--for a company that writes \$2 million of premiums or less; for health insurance service organizations that cover 2,000 people or less--and those appear on the Statement of Intent. The bill is consistent with the NAIC. It's supported by our Insurance Department. It was reported out unanimously. It carries the concept we have applied elsewhere in our statutes to these kinds of organizations. It makes appropriate exemptions for the smaller ones and, eventually, what the public policy gets us is this. We get a more sensitive instrument for determining problems in safety and soundness in insurance-style companies, in this case an HMO, through the use of risk-based capital analysis than we would with the traditional norm of simply an aggregate amount of capital or an aggregate amount of surplus. With that, I'd ask for the advancement of LB 258.

SENATOR CROSBY: Thank you, Senator Landis. Discussion.
Senator Janssen.

SENATOR JANSSEN: Thank you, Madam President, members of the Legislature. I would like to ask a few questions of Senator Landis, if he would respond.

SENATOR CROSBY: Senator Landis, will you yield for questions?

SENATOR LANDIS: I'll do my best.

SENATOR JANSSEN: Senator Landis, are you talking about health insurance, hospital insurance, or all types of property, casualty, all of...all types of insurance?

SENATOR LANDIS: Life and health, property and casualty have already occurred.

SENATOR JANSSEN: Okay.

SENATOR LANDIS: We're now down to the HMO and large-scale dental plans in which you're paying, in essence, for a kind of insurance and expect to get the services back when you need them.