

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE  
Transcriber's Office

May 17, 1999

LB 355

health insurance through CHIP or Comprehensive Health Insurance Pool. And what they pay for a premium, these are high-risk individuals, they pay a max of 135 percent of the average premium of the five largest individual insurers in the state as determined by the Department of Insurance. The balance is paid by CHIP and CHIP is funded by the insurers of the state and...actually is funded by general revenue but the general revenue is contributed by the premium tax offset against the insurer's income and retaliatory taxes, whichever is greater. This is about the only thing really that I can tell you about it, the cap was originally established in 1992 and it provided that the cap would sunset in '96. In '95, the sunset was moved up two years; in '97 it was moved from 1998 to the year 2000. This merely moves it from the year 2000 to January 1, 2002. I ask that you vote for AM1832 (sic--1823). Thank you.

SENATOR SCHIMEK: Thank you, Senator Tyson. The discussion is on the Tyson amendment, AM1823. Senator Lynch, you are recognized. Oh, I'm sorry, I bet I didn't turn your light off last time. Senator Landis, you are recognized to speak.

SENATOR LANDIS: Thank you, Madam President. I was involved with the last bill when this issue came up, and I asked Senator Tyson if he would handle it as Vice Chairman of the committee, and he was gracious enough to do so. I thank him for that because I wouldn't have had a chance to get ready on it. So my words for standing up actually are addressed to the lobby. This bill has twice before passed in this form. Frankly, we will run out of money for CHIP through the insurance premium tax sooner than this bill will wind up I would guess. We will have an interim study this summer on it, and we will have to do some work. We will probably come back to you with something about the General Fund because, frankly, there isn't enough money in the insurance premium tax to do this anymore and we'll have to look for different forms of money. But the reason I stand up is this. When this is done on Select File, and this has happened I think like twice now, the policyholders don't get a chance to ride on this issue and they normally do. If you introduce this as a bill, the policyholders come in and say, yes, and there's some things we'd like at the same time. So I rise only to say to the industry who brought this on Select File if this comes back, this should come back as a bill. Policyholders of CHIP