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LB 1121, 1253

will then transfer out of that fund and into the pool that will go to the other purposes for which we pay money out of the premium tax, and that includes state aid, the Mutual Financial Assistance Fund, and the General Fund. And that's what this bill does. It was recommended to us by the CHIP board, by the department, PRO had a hand in writing this, and of course the insurance industry thinks it's a good idea because we don't have to overassess them and interrupt their cash flow process so exorbitantly to fund CHIP. CHIP policyholders like this idea and the reason they like the idea is the more accessible and the more this pot exists on a stand-alone, this-is-for-CHIP basis first, the more they know the state will be there for them when they need a subsidy for the CHIP program. I would ask for the adoption of AM2692.

SENATOR CUDABACK: Thank you, Senator Landis. We are discussing the Landis amendment, AM2692, to LB 1253. Senator Bourne.

SENATOR BOURNE: Thank you, Mr. President, members. I support the entire amendment, but I just kind of wanted to explain what Senator Landis had referred to as my portion of it I guess, LB 1121, which is found on page 27 and 28 of the amendment. Basically, all that portion of this amendment does is it amends the definition of "preexisting condition" and it adopts definitions for "enrollment date" and "waiting period" and the Small Employer Health Insurance Availability Act and the Group Health Plans Act. The federal government passed a law which is commonly referred to as HIPAA. It's the Health Insurance Portability and Accountability Act. This was passed in 1997 and in 1997 our Legislature enacted LB 862, which was designed to enact the requirements set forth by HIPAA. Since some of the requirements of HIPAA were promulgated after our act or after our legislative bill, we need this portion of the amendment to kind of clean up our state portion so that we comply with HIPAA. All that section of it does is, again, is to comply with the federal regulations. I do support the entire amendment, but I just thought I would explain what the last two pages dealt with. Thank you.

SENATOR CUDABACK: Thank you, Senator Bourne. Senator Landis, there are no lights on. Excuse me, there is. Senator Chambers, it came on just as I was stating that.