

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

March 15, 2000 LB 1427

SENATOR CUDABACK: Seeing no objection, it is ordered.
Mr. Clerk.

CLERK: Mr. President, LB 1427 was a bill introduced by Senator Jensen and others. (Read title.) The bill was introduced on January 20 of this year, referred to the Health Committee, advanced to General File. I have committee amendments, Mr. President.

SENATOR CUDABACK: Senator Jensen, you're recognized to open.

SENATOR JENSEN: Thank you, Mr. President, members of the Legislature. There are some handouts coming around to you and if you can follow along with me through those I think it would be helpful. This does not affect the budget as, per se, it's a cash fund and I'll explain that as we go through. LB 1427 deals with the Nebraska Health Care Trust Fund Act and, as you know, the trust fund was adopted with the passage of LB 1070 in 1998. The bill was amended last year to address rules for receiving nursing facility conversion grants and to define the term "investment income" under the act. This year four bills were introduced relating to the trust fund. LB 1427 was introduced as both a technical and a substantive revision of the trust fund. There are also committee amendments to the bill which I will discuss with you immediately after this opening. I have handed out a chart of the trust fund and how that mechanism would be changed by LB 1427 as amended by the committee amendment, AM2662. I've also handed out a current balance of the various funds created under the act provided by the DAS Budget Division. The Nebraska Health Care Trust Fund Act puts investment income from the Medicaid intergovernmental transfer and I'll refer that from now on as IGT funds, intergovernmental transfer funds and tobacco settlement in an Excellence in Health Care Trust Fund for nursing facility conversions for various healthcare and public health issues. A six-member Excellence in Health Care Council was created to oversee the allocation of funds in the form of grants. The trust fund was originally established because of concerns over rising Medicaid costs related to financing long-term care and especially the provision of nursing home care. IGT funds were utilized to finance the development of alternatives to nursing home care in a state.