

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

January 27, 2005 LB 119

SENATOR CUDABACK: Thank you, Senator Mines. Senator Bourne.

SENATOR BOURNE: Thank you, Mr. President, members. Senator Chambers, it's not that I don't understand Senator Beutler; it's that I don't agree with him. It's that simple. Senator Redfield said this very well when she kind of described the problem or why this is good. This is the national model. This is not anticonsumer. Let me give you a sense of how the system works now. An insurer files with the department a...forms, you know, the actual policy itself, and the rates. And the actuarial rates, they could be hundreds of pages. The law requires the department to read all of those pages of paper verbatim, and you could literally have stacks of hundreds and hundreds of pages of a policy and a rate filing. The law says that they have to read each and every page, and they do so. What they're say...what they are asking for is to go with the national model, and that...it's called file and use. The insurer in the filing states that they are complying with all the laws of the state, and in the first 30 days the department...the burden is on, as I understand it, on the insurer to show that they have complied. If they receive a consumer complaint, the department will then hold a hearing and they will evaluate the filing and they can tell the insurer to cease and desist. So this...I, really, I do not see how this is anticonsumer. It seems to me that what we're doing is taking away the department's quill pens and their paper ledgers and we're giving them computers. That's what we're doing. We're coming into the modern ages with this. This is the national model. It is not anticonsumer. I would imagine that when Senator Loudon buys auto insurance, and again I want...this is property and casualty insurance. This is not health insurance for kids. This is property and casualty insurance only. But I would assume when Senator Loudon or any other concerned or informed consumer buys insurance, they shop around. They get a rate from, say, State Farm or American Family or Allstate, and they pick the rate that is most appropriate to them. And I'll tell you, if you've looked at any auto insurance policies, they're fairly uniform. There's not a heck of a lot of difference between the policies. So, generally, you're buying on rate, and the same thing is true of Medicare supplement insurance and long-term care, Senator Beutler. They're fairly