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LB 422

affected, or the state?

SENATOR D. PEDERSON: We split those costs with the employees.

SENATOR CHAMBERS: So the state and the employees are paying more, because it's necessary to do that to pay for the coverage that is being provided?

SENATOR D. PEDERSON: You're absolutely correct.

SENATOR CHAMBERS: Okay. Now, if I can sum it up, the coverage itself remains exactly the same, but the cost has gone up. Is that because the insurance companies have raised their rates? Or why is that?

SENATOR D. PEDERSON: Mostly, yes.

SENATOR CHAMBERS: Did anybody testify on this bill?

SENATOR D. PEDERSON: I don't believe so. I think they just submitted the information concerning the actual cost of these premiums, and we have made the adjustments accordingly.

SENATOR CHAMBERS: And who submitted it? The representatives of the employees? The Insurance Department? Or just whom?

SENATOR D. PEDERSON: Actually, in this case, the Fiscal Office calculated what those changes were from the information that they have acquired from the various offices.

SENATOR CHAMBERS: And had not the competent Fiscal Office done this and the adjustments been made, would the insurance companies have said that you're not paying enough for the coverage that is being given? Is that...

SENATOR D. PEDERSON: I think we would not have...yes.

SENATOR CHAMBERS: ...what the impact would have been?

SENATOR D. PEDERSON: In a sense, what would happen is that we would not keep them current on the amount of coverage that they