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LB 589

AM0743 is the Banking Committee amendment and, Mr. President, I will be offering another amendment to replace AM0743 and that would be AM1707.

SENATOR CUDABACK: Mr. Clerk, please.

CLERK: Senator Mines would move to amend the committee amendments with AM1707, Mr. President. (Legislative Journal page 1760.)

SENATOR CUDABACK: Senator Mines, to open on your amendment.

SENATOR MINES: Thank you, Mr. President. As Chair of the Banking, Commerce and Insurance Committee and cosponsor of the amendment which is AM1707, this does become the bill, replaces the standing committee amendment, and I'd like to clarify the intent and purpose of this amendment. AM1707 becomes the bill, and the bottom-line purpose of the bill and the amendment is to provide that the state benefit programs, especially Medicaid, are truly what they're intended to be--payors of last resort when other insurance benefits are otherwise available. The bill as it emerged from committee authorizes HHSS to request coverage information from licensed insurers and self-funded insurers for the purposes of (1) determining an individual's eligibility for state benefit programs or (2) coordinating benefits with state benefit programs. The Legislative Performance Audit Committee requested the introduction of LB 589, which was heard by the Banking, Commerce and Insurance Committee on February 8, 2005, and subsequently advanced with standing committee amendments. The Medicaid program is designed by federal law to be the payor of last resort. That is, to the extent that there is an obligation to make a payment for medical assistance under a state plan, which is Medicaid, and a third party also that has legal liability to make payments for such medical assistance, the state is automatically assigned the right to receive payment from the third party. LB 589 was amended with this amendment and it would provide that such third-party licensed insurers or self-funded insurers, upon request of HHSS, are required to provide health coverage information for the purpose of determining an individual's eligibility for state benefit program benefits, including medical assistance and/or