

January 5, 1989

LB 48, 52, 84, 161-189

the Executive Board will meet in...the Reference Committee will meet in Room 2102 at three-fifteen today for purposes of referencing bills, Reference Committee at three-fifteen.

Mr. President, new bills. (Read LBs 161-189 by title for the first time. See pages 82-88 of the Legislative Journal.)

Mr. President, in addition to those items, I have requests from Senators Chambers, Nelson, Schellpeper, Hefner, Lamb, Crosby and Hartnett to add their name to LB 48 as co-introducer; Senator McFarland and Schellpeper to LB 52 as co-introducer and Senator Carson Rogers to LB 84 as co-introducer. (See page 88 of the Legislative Journal.)

PRESIDENT: No objections, so ordered.

CLERK: Mr. President, an announcement from the Agriculture Committee and signed by Senator Rod Johnson, the Ag Committee has selected Senator Owen Elmer as its Vice-Chairperson. Mr. President, I believe that is all that I have.

PRESIDENT: Ladies and gentlemen, we're about to start the proceedings for the afternoon, and we're very grateful to have with us Father Dawson this afternoon for our invocation. Would you please rise for Father Dawson.

FATHER DAWSON: (Prayer offered.)

PRESIDENT: Thank you, Father Dawson. Please feel free to stay with us as long as you like. We're privileged to have with us this afternoon the Nebraska National Guard who will present colors. Would you please rise.

PRESENTATION OF COLORS

PRESIDENT: Ladies and gentlemen of the National Guard, we appreciate your being with us and presenting the colors today. If I might say a word to those who will be escorting the folks in today, it will be necessary that we do it a little bit different than we usually do it. When one group of ushers brings in their group, please bring them up onto the stage and then retire back to your seats until the inauguration proceedings are over with and then I will call you back one group at a time to take your group back, because if we should all come in and all stay up here on the podium, we wouldn't have

January 9, 1989

LB 52, 58, 121, 187, 188

PRESIDENT NICHOL PRESIDING

PRESIDENT: Good morning, ladies and gentlemen, welcome to the George W. Norris Legislative Chamber. We have with us today as Chaplain of the day, Reverend John Loudon of the Eastridge Presbyterian Church. Would you please rise.

REVEREND LOUDON: (Prayer offered.)

PRESIDENT: Thank you, Reverend Loudon. Please come back and see us again. Roll call, please.

CLERK: There is a quorum present, Mr. President.

PRESIDENT: Thank you. Do you have any corrections to the Journal this morning?

CLERK: Mr. President, I do have a correction. (Read. See page 91 of the Legislative Journal.) That is the only correction that I have, Mr. President.

PRESIDENT: We will move on to the adoption of the temporary rules, please. Senator Moore, please.

SENATOR MOORE: Mr. President, members of the body, I simply move that we adopt the temporary rules this morning.

PRESIDENT: Thank you. All those in favor say aye. Opposed nay. They are adopted. Mr. Clerk, do you have any messages, reports, or announcements this morning?

CLERK: Yes, Mr. President, I do. Mr. President, the first order of business, we received a Reference Report from the Reference Committee referring LBs 1 through 101.

Mr. President, a series of unanimous consent requests: Senator Dierks to add his name to LB 58 as co-introducer, Senator Lamb to LB 188, Senator Lindsay to LB 187, Senator Scofield to LB 52, Senator Ashford to LB 121.

PRESIDENT: No objections, so ordered.

CLERK: Mr. President, a series of reports from a variety of Natural Resources Districts regarding payment of attorney fees as is required by statute. Those will be on file in my office

January 17, 1989

LB 1-6, 8-18, 187

SPEAKER BARRETT PRESIDING

SPEAKER BARRETT: Welcome to the eighth day, first session of the Ninety-First Legislature. Our chaplain this morning, Pastor Bob Rudel of the Immanuel Church. Pastor.

PASTOR RUDEL: (Prayer offered.)

SPEAKER BARRETT: Thank you, sir. Please come back and see us again. Roll call.

CLERK: I have a quorum present, Mr. President.

PRESIDENT NICHOL PRESIDING

PRESIDENT: Thank you. Any corrections to the Journal today?

CLERK: I have no corrections, Mr. President.

PRESIDENT: Very good. How about messages, reports or announcements?

CLERK: Mr. President, your Committee on Enrollment and Review respectfully reports they have carefully examined engrossed LB 1 and find the same correctly Engrossed; LB 2, 3, 4, 5, 6, 8, 9, 10, 11 and 12 all reported... 13, 14, 15, 16, and 17 all reported correctly Engrossed, Mr. President. (See page 240 of the Legislative Journal.)

Mr. President, Senator Labeledz would like to add her name to LB 187 as co-introducer. Mr. President, a report from the Investment Council, filed pursuant to statute. That will be on file in my office. That is all that I have at this time, Mr. President.

PRESIDENT: We'll move on to Select File. Thank you, Mr. Clerk. Senator Lindsay, are you ready to work? All right, just a moment, please. LB 18.

CLERK: Senator, on LB 18 there are amendments pending.

PRESIDENT: Senator Lindsay.

SENATOR LINDSAY: Mr. President, I move that LB 18 be advanced to E & R Final.

January 30, 1989

LB 70, 187, 208, 267, 338, 378, 421

LB 267 General File, and LB 208 General File with amendments, those signed by Senator Chizek. Health and Human Services Committee reports LB 187 to General File with amendments, LB 338 General File, and LB 378 General File with amendments. (See pages 49S-99 of the Legislative Journal.)

Mr. President, Senator Hall offers notice of hearing as Chair of Revenue. Senator Pirsch asks unanimous consent to add her name to LB 70 as co-introducer.

Mr. President, Senator Smith has amendments to be printed to LB 421. (See pages 500-501 of the Legislative Journal.)

Mr. President, the last order of business are motions from the Credentials Committee as well as an accompanying report to be inserted in the Journal. (See pages 502-13 of the Legislative Journal.)

PRESIDENT: Senator Warner, Senator Jerome Warner, your light is on and I failed to call on you. Senator Warner, please.


SENATOR WARNER: Mr. President and members of the Legislature, I just wanted to indicate that handed out to you this morning was the report of the Credentials Committee relevant to the 17th Legislative District contest and appropriate motions reflecting that conclusions of the Credentials Committee have been filed with the Clerk, and I assume the Speaker will place those on the agenda for tomorrow.

PRESIDENT: Thank you. Senator Emil Beyer, I haven't heard your resonant tones of your voice this morning, would you like to rise and say something about adjourning until January 31st at nine o'clock in the morning.

SENATOR BEYER: Mr. Speaker and colleagues, I move that we adjourn until nine o'clock on January 31st.

PRESIDENT: You have heard the motion. All in favor say aye. Opposed nay. We are adjourned. Thank you.

Proofed by:


LaVera Benischek

February 15, 1989 LB 187
 LR 30

CLERK: 27 ayes, 0 nays, Mr. President, on adoption of LR 30.

SENATOR L. JOHNSON: Is there anything further, Mr. Clerk, before we go to General File?

CLERK: I have nothing further, Mr. President.

SENATOR L. JOHNSON: The first item on General File this morning is LB 187.

CLERK: Mr. President, LB 187 was a bill that was introduced by Senator Lynch, Labeledz and Lindsay. (Read title.) The bill was introduced on January 5, Mr. President. At that time, it was referred to Health and Human Services. The bill was advanced to General File. I do have committee amendments pending by the Health and Human Services Committee, Mr. President. (See page 497 of the Legislative Journal.)

SPEAKER BARRETT PRESIDING

SPEAKER BARRETT: Senator Wesely, on the committee amendments, please.

SENATOR WESELY: Thank you, Mr. Speaker, members. LB 187, as mentioned, does deal with the question of medical indigent coverage now the responsibility of the counties. This would shift that responsibility to the State of Nebraska. Just to quickly summarize the committee amendments, or maybe I should even start back a little bit, a couple of years ago a study was done by the Health and Human Services Committee that resulted approximately two years ago in a study report from a task force dealing with this topic. Legislation was introduced two years ago, two different bills. Both pieces of legislation did not succeed. We are back with 187 from Senator Lynch and, again, the question before us is what role the state takes in providing for the indigent care of our citizens. The original bill did provide for the complete take-over of the program by the State of Nebraska. The State Department of Social Services would have the responsibility for administering that program. They did come to the committee in a neutral capacity raising questions on an administrative basis to the bill. The committee did respond to their concerns and I think meet their concerns in the committee amendments, so I would ask for their adoption. What they call for is, first, changing the scope of medical services that are provided. What their intent here is to provide for the

same services that are now provided under the county for the medical indigent program. The concern was that if you didn't exactly match up, that the state took over the program but didn't cover all the services, that individuals would be left in limbo and possibly the county would continue to have responsibility for those unidentified services. So the intent here is to provide for everything that now the counties are providing for the state would also provide for under this program. The payment rates would be set at the Medicaid rate but also the Department of Social Services could contract for the services under a different rate but, essentially, would start at the Medicaid rate. The resource limits that are provided for in the bill which currently call for \$1,500 of automobile equity and \$10,000 of house equity would be stricken and the Department of Social Services would set the resource limits, of course, with the intent to not deviate much from those original figures in the bill but, obviously, some flexibility is needed and the department requested that and the bill under these committee amendments would provide for that. Another committee amendment would deal with the fact that psychiatric services would be provided and then, finally, the funds would be distributed on claims received rather than services provided, and the Prompt Payment Act would not apply to this problem. All these amendments, I think, deal with the concerns of the department and I would ask for the adoption of the committee amendments.

SPEAKER BARRETT: Thank you. Any discussion on the committee amendments? Seeing none, those in favor of the adoption of the committee amendments to 187 please vote aye, opposed nay. Record, please.

CLERK: 28 ayes, 0 nays, Mr. President, on adoption of committee amendments.

SPEAKER BARRETT: The committee amendments are adopted. To the bill, Mr. Clerk, anything? Senator Lynch.

SENATOR LYNCH: Mr. President and members, LB 187 is a carry-over piece of legislation. It was suggested years ago. It was encouraged during Vard Johnson's time in the Legislature, and this morning we passed around to you a letter that he sent in the absence of him being here. He gives a one-page overview of why he believes, and I believe, that this is an important and unmet need, and an important responsibility, and a realistic and

honest responsibility of the state in general. I want to make sure you understand a couple of things. First of all, we can't identify too many people that are being left unserved except in some cases some street people. Some people may be underserved but most people are, in fact, being served. That means that the hospitals and the docs and other health providers are, in fact,...I will wait until they get through talking here. That is all right.

SPEAKER BARRETT: I am sorry, Senator Lynch.

SENATOR LYNCH: Oh, I was just going to wait until they...I couldn't hear, they were talking so loud. No, that is okay. I will wait until you get finished here. But in any case, in any case, people are being served. Our hospitals, physicians and other health providers are, in fact, providing service. The problem is in some cases they are not being reimbursed. With this legislation, even with this legislation and the cost, which is about \$12 million at the most, it is a cap, hopefully not that much money, there will still be people being served for which these health professionals will not be paid. So, first of all, I want you to understand that this bill is not a bill to pick up all of the unpaid costs by health professionals or, in fact, is it intended to be an open gate through which more money can flow and a pool of money can be provided to meet on a cost-plus basis all of the unmet health care needs of this state. Certainly, that is not the case. At the present time, you have Medicare. This does not complicate, overlap, duplicate, supersede, or anything any of those programs. We have Medicaid, the same thing is true. Those people will continue to be served and this program does not violate or overlap with that program at all. We have in place some reasonable, maybe we need some more, but some reasonable children's programs. So we take care of the old, take of the disabled, we take care of the sick, we take care of the kids, what we don't apparently have the chance to do and the resources is to provide some reasonable reimbursement for those people generally between 20 and 60, the working stiff out of a job who maybe has a house that might be worth 10 grand but is making less, if he has got two kids, less than \$500 a month, and it would provide for that medically indigent person some reasonable health care reimbursement so that that medical problem can not only be served on an emergency basis, but served in such a way that there is not extraordinary cost, public cost following that by any jurisdiction of government in the state. The bill, as

written, would provide payment on a quarterly basis, not on a daily, weekly, or monthly basis, but on a quarterly basis. The bill provides a cap. To expedite the payment and to determine eligibility, of course, the people who provide the service can, in fact, develop the information. That means the hospital, the doctor, the clinic, or whoever it might be, and provide that information to the Department of Social Services. The Department of Social Services then has the obligation to determine the eligibility. Why is this a good deal? That is a good deal because we shouldn't have to have social service workers duplicating that kind of a responsibility as well. There is no reason why that information can't be gathered by the provider who generally is providing the service anyhow. There will be an amendment, so you understand, offered on Select File, hopefully, by Senator Haberman that will make it clear that these funds will, in fact, include in those areas, and especially in the greater Nebraska rural counties of the state, funds to cover those extraordinary health costs. In some cases, they are developed for people who are incarcerated and in their jails. To be eligible for the program, the income has to be at or below the current federal poverty guidelines and you have got to meet the resource limits set by the department. You have to be qualified for no other reimbursement programs. In other words, you can't have private insurance and you can't be reimbursed from any of those public, federal or state, programs that I have already mentioned, and you have to have no other payment source. So, in fact, there will be a limited number of people. I honestly don't think we will spend \$12 million, and for that reason, I do have serious concerns about the A bill that is coming up, and the proposed and projected cost for administering this program, which seems to me to be high, if not extraordinarily high. To participate in the program, you have just got to meet the criteria, and in some cases you would even have to spend down to be eligible. Ladies and gentlemen, what this is is an opportunity and, in fact, a responsibility for us to meet a very important unmet need, and I wanted you all to, hopefully without taking too much more time, understand the importance of it. I know we have got a lot of big ticket items. This is an important priority along with all the rest, and I would like to ask that you allow this bill to continue to move from General to Select, and rather than me ramble about the bill, I want to be in a position to answer any specific questions you might have. So with that, Mr. Chairman, thank you.

SPEAKER BARRETT: Thank you. Discussion on LB 187, Senator Weihing, followed by Senator Nelson and Senator Schmit.

SENATOR WEIHING: Mr. President and members of the Legislature, I rise to support this bill, LB 187. It will certainly help to address certain equalities that do exist in our state. We have counties that really have a very difficult time handling any indigent people. They are rather sparsely populated counties which may or may not have any hospital facilities whatsoever when these facilities are needed. As a consequence, many of these people then have to go to regional centers, and it comes to mind, I am certain that Lincoln County where North Platte resides, that we have a considerable number of people that come to that county because of indigent care. Now this is certainly true in Scottsbluff where we have sparsely populated counties to the outside of us and, further, we have the migrant because they are the crossroads of the transportation. We have a lot of people that come and this bring about an inequality with regards to certain counties having to bear the brunt, so to speak, of the cost of indigent care. This particular bill would help to a degree in equalizing that type of cost, and least...and also, and not least, is that it would help to some degree with regards to the property tax problem, because within the counties, their source of funds in part are from the property tax. So I urge you to look upon this bill as one that will help bring about equality within the state in handling the indigent, and equality in the cost of handling the indigent care problem, and I hope that it will advance.

SPEAKER BARRETT: Thank you. Senator Nelson.

SENATOR NELSON: Mr. Speaker and members of the body, I, too, hope to support LB 187. I am like Senator Lynch, when I see some of those fiscal notes, I might have to question the fiscal note, and I guess the bottom line, this is one group of people that if there are any that we need to help, it is probably these. This was pointed out to me and I hurriedly tried to get some facts from my own hospital at home of which they provide this care for some of the out counties, the counties north of Grand Island and so on. What is happening is these people need this care and this service. They are probably brought in in many cases maybe a little sicker because they have not received a preventive care that they should have had. Two things, we should try to provide this service for these folks and also, then, counties that, a hospital like my own, say, for example, a

little county like Greeley County or something like that, they send their patients in and then our hospital or my hospital at home then bills this county for those services. Frankly, what is happening is those counties are up against their mill limit or their money that is available, and then, consequently, the St. Francis Hospital at home does not receive all of their payment, or in a couple of cases in 1988 received no payment whatsoever. One case was in the amount of \$13,000, another case in the amount of \$5,000, over the past year, and my aide just brought these figures up and I called for them earlier this morning. The total amount was \$150,000, a little over that, not, I suppose in hospital expenses, not a big item when you know how much some of them do but eventually what happens is the other patients are going to pay for that or, hopefully, or that is figured in the overall hospital cost. So it is not fair for the larger hospitals that are being brought in to have to absorb that from the smaller counties. I also have another question, if Senator Lynch would answer this for me. I remember a couple of years ago we had quite a large discussion here on the floor of which we were giving somewhat benefits I believe to St. Joe's Hospital in Omaha for serving the indigent. Do you recall that, Senator Lynch? Or can anyone else? I remember, I think Senator Higgins carried that bill, or we had a lot of discussion, and it was since they take care of the indigent in Omaha, they were then given some special benefits, and then about that same time I think they went from a nonprofit to a profit hospital, and the question then entered into it, should or they should not. Would this affect St. Joe and that program at all, or do you know anything about it?

SENATOR LYNCH: Well, it is my understanding, Senator Smith, that...

SENATOR NELSON: Oh, an honor.

SENATOR LYNCH: ...Senator Smith, I am sorry, Senator Nelson, I apologize for that, that the hospitals providing the service to the indigent under this bill would be the ones who receive the dollars, obviously, based on the claims that would be provided from the hospital to the Department of Social Services. It is my understanding, also, that 10 to 15 percent of the hospitals in the state are now providing about 80 percent of the so-called indigent, in this particular case, and under this bill indigent care described by this bill.

SENATOR NELSON: I guess that is enough on my time. Do I have any...

SPEAKER BARRETT: One minute.

SENATOR NELSON: All right, thank you, Senator Lynch. Also from the facts from the county at home, over 50 percent of their care for the indigent brought into the Grand Island Hospital was not reimbursed by the outlying counties, and I am not blaming those counties because they have the same financial burden as the rest of us. So I will be supporting the bill. I may stumble on the \$12 million, though. Thank you.

SPEAKER BARRETT: Senator Schmit, please.

SENATOR SCHMIT: I would like to ask a question of Senator Lynch, if he would please.

SPEAKER BARRETT: Senator Lynch.

SENATOR SCHMIT: Senator Lynch, relative to the fiscal note, I am sorry I wasn't here yesterday, I wanted to visit with you about this, could you give us a little more information about the projected cost and the source and origin. I recognize that although it may look like it is heavily oriented towards Douglas County that there are a great many of the outstate patients who come in from out of state and they are treated at Douglas County. Can you tell me what the cost is going to be annually and what you expect it to be in the future.

SENATOR LYNCH: Well, first of all, it could never exceed \$12 million. That is a cap that we think is important. I don't think it will be that much for the whole year based on what numbers I apparently have seen official and unofficial. The fiscal note also provides, Senator Schmit, some cost for the administration which cause me more concern than the total dollars.

SENATOR SCHMIT: Do you know what Douglas County pays now for this kind of service?

SENATOR LYNCH: Douglas County is one of the counties that has a program called Primary Care, and at the present time, they are spending close to \$2 million a year for indigent care, for those folks described as indigent under this bill.

SENATOR SCHMIT: Well, I have been...

SENATOR LYNCH: I have a list of all the counties in the state here, too, Senator Schmit. If you would like any particular county, I could provide that for you.

SENATOR SCHMIT: Thank you, Senator. I have been contacted by several rural counties who had the bad experience, I guess you would call it, of having to pick up the tab for a rather expensive operation in several instances which seriously threatened their budget process, and my concern right now, as I have mentioned before on this floor, is that you have a limit here of \$10,000 of net worth, apparently, as the top price that one individual can be worth and still receive this kind of care. I know that is, in many cases, rather generous. I have another concern and I don't know how we are ever going to address it, but in the last month, I have had several instances of people, whom I call the working poor, and we have addressed them several times here although we pay very little attention to them, people who have no insurance, who cannot be treated at a hospital, who when they go to the hospital very frankly are treated like second or third class citizens, and shunted back and forth to some other kind of health care. I really don't know what we are going to do about that, and I think that is, probably, Senator Lynch, just as important as the problem you are trying to address, and I don't know that we can address it, and I am sure the Budget Committee is concerned about the cost of this bill, and if I were to try to address the other issue, I think they would probably throw up their hands, but I want to just point out that we have reached the point where many people who are not considered indigent, who consider themselves able to take care of themselves for most of their needs, are not able to take care of their health care needs, are not able to afford the several hundred dollars per month that health care insurance cost, and I would dare say that if most of the state employees had to write a check for their health care insurance, they would probably have difficulty doing it every month. And so I am going to listen to the debate on this bill, and I hope others will raise some of these same questions, because I want to reemphasize again, the cost of health care has reached the point where a lot of people, not just indigent who Senator Lynch is trying to take care of, but a lot of individuals whom you and I meet and visit and work with every day are not able to take care of either. And so, while today we are going to address one issue under

187,...

SPEAKER BARRETT: One minute.

SENATOR SCHMIT: ...the other issue that I have pointed out to you here today is just around the corner and we will still be facing the counties, I am sure, after we have addressed this issue because we have to take care of those people somehow and, unfortunately, unfortunately I know in some instances where they absolutely don't even present themselves for medical care because they can't afford it. It is a sad situation. Thank you very much.

SPEAKER BARRETT: Thank you. Before proceeding to Senator Elmer, the Chair is pleased to announce that Senator Smith has a guest under the north balcony, Mr. Harry Milligan from Hastings. Mr. Milligan, would you please stand and be recognized. We are glad you are here. And Senator Scofield has a guest under the north balcony, Mary Lou Strauch from the Panhandle Area Development District. Mary Lou, would you please stand and be recognized by the Legislature. Thank you. Glad to have you with us also. Additional discussion on LB 187, Senator Elmer followed by Senators Moore, Hartnett, and Nelson.

SENATOR ELMER: Thank you, Mr. Speaker. Would Senator Lynch yield to a couple of questions?

SPEAKER BARRETT: Senator Lynch, would you respond?

SENATOR LYNCH: Yes.

SENATOR ELMER: Senator Lynch, I know that in some areas of the state this instance has occurred. The Highway Patrol discovers, picks up an individual who is driving while intoxicated. They take him before the local magistrate and he is irresponsible, he doesn't have any kin, and they put him in jail. During the process of his court appearances, they discover the man is ill with a very catastrophic illness. The county then has to transfer that individual to an intensive care facility in Lincoln or Omaha or Grand Island or Kearney and the bills run up into the 100, well, could be 50 to 100 thousand dollars. The man has no way to pay, the county is liable. Would this bill address that particular need?

SENATOR LYNCH: With the Haberman amendment, yes, it would.

SENATOR ELMER: And Rex isn't here to provide that amendment.

SENATOR LYNCH: Well, he apologized for not being able to be here today, Senator Elmer, but on Select File he said he would.

SENATOR ELMER: Sometimes these counties out there are faced with this kind of a situation. They are unable to pay it. Their tax base will not allow it. They are up against their caps. Is the county going to go bankrupt or are we going to help them? I think that this kind of a bill is overdue. We talk about property tax relief. We talk about doing things that can really help the people out there that are in need. This looks like both, help people, at the same time, give some relief to property tax. I intend to support this legislation. Thank you, Senator Lynch.

SPEAKER BARRETT: Thank you. Senator Moore.

SENATOR MOORE: Mr. Speaker and members, I rise, I guess I am not one that cries wildly supporting this bill. Now we all know as with all A bills, this will wait until the end of session before we will actually have a chance to vote on it, when we consider everything that is going to cost us money, but I have a few questions for Senator Lynch, I guess is the person I want to ask them to.

SPEAKER BARRETT: Senator Lynch, would you respond?

SENATOR LYNCH: Yes.

SENATOR MOORE: Just so I am clear on this, and I honestly ask these questions I don't know the answers to, and I would like to have them answered on the record. Now if we pass LB 187, are additional people...is there more services provided to more people than are presently being covered?

SENATOR LYNCH: More services will be paid for than are not being paid for, but the services probably will stay about the same, Senator.

SENATOR MOORE: But as far as, morally, if I want to help indigent people, am I going to help more indigent people if I pass this bill than if I don't?

SENATOR LYNCH: Yes, absolutely.

SENATOR MOORE: Well, I heard you. On your time, I want that better explained. how it does that. I am still trying to figure out if the state is taking over the cost, if I am not serving any more people, than why am I immoral if I vote against the bill because I really do want to help out indigent care, I want to do that, but I am concerned about who pays for it. Now as Senator Nelson has already mentioned, there has been several people that have called me and mentioned that we are not talking about helping poor people out, we are talking about property tax relief and how we need to help the counties out, how we need to do all this. And though I agree with that, the only problem I have for those of you in the body who always like to mention how bills are good because they are going to provide property tax relief, I would suggest that LB 187 is not the best bill to do that because you are never going to get credit for it. Because if you want to give property tax relief, then spend \$12 million in property tax relief and do it that way. You are going to be one too many times removed for the state ever to realize the benefits of saving some property taxpayers money in this bill. And just to go into that, my concern about the \$12 million cap, I know that has been mentioned that this will only cost the state \$12 million, and that is all it ever will cost the state, I have some concern about that. If you have looked at the handout I have passed out regarding the state take-over of Medicaid, I remember some promises back a few years ago about what that would cost the state when the state took over Medicaid. Well, it cost us a lot more for that. Do you remember, I forget the exact figures, but when took over the additional 14 percent, there was something like an \$18 million fiscal note, if I remember correctly, and if someone can correct me, please do so, I am speaking off the top of my head. But as you can see, it is much more than \$18 million the state is picking up on that right now. And the concern that I have is that this \$12 million, though there is a \$12 million cap in there, next year that cap is going to be 14, and the next year it is going to be 18, next year it is going to be...after that it is going to be 24. It is going to continue to cost us money. Now if you want to do this in the name of it makes common sense because 46 other states do it, that is fine. That is a good argument I will buy. If you want to do it because...you want to pass this bill because you want to help indigent care people out, that is fine but I don't know if you are really helping that many more people out. The only thing is you are shifting

who is paying for it, and I don't know if the state wants to do this. And so I guess today I will be voting no on this bill. As I look into it more, I hope that people would explain to me, if my no vote, does that mean I am against property tax relief, does that mean I am against indigent care, I don't know. I sure don't want to be against poor people receiving health care, but I guess I am saying that I don't think anybody should vote for this because it is property tax relief because you will never get credit for it.

SPEAKER BARRETT: Thank you. Senator Hartnett.

SENATOR HARTNETT: Mr. Speaker, members of the body, I guess that with health issues I don't understand them as much as Senator Wesely and Senator Lynch. Senator Lynch, I would like to ask you some questions, if I could. I would like to put it in kind of practical terms if I could. Say that I am an indigent person, and sometimes I think I am, that how does it work. Say that I have to check into the hospital in Omaha because we don't have any hospitals in our district, I suffer from ulcers. How does it work, then how does it go from there? I check into the hospital and so forth. If you can take me through the sequence. You know, is there...what kind of a room am I put in? You know, is there some control over the expenses of the hospital, and so if you could do that, Senator Lynch, I would really appreciate it.

SENATOR LYNCH: First of all, I would say that you would not be eligible for this program, as poor as you are. Right. Seccondly, if you went into the hospital on an emergency basis, you would be cared for and treated. Like everybody else, information would be gathered to determine how you would pay for that care and treatment.

SENATOR HARTNETT: No, what I said, I was an indigent person.

SENATOR LYNCH: You are an indigent person.

SENATOR HARTNETT: Yeah, I am an indigent.

SENATOR LYNCH: You will be provided with care without regard to whether you...in fact, when you went in, they probably wouldn't know whether you were indigent or not at the time. They would just take care of you. But afterwards, that is the reason I mentioned the information. The information they would gather

would provide whether or not you could, even though you were indigent, be reimbursed for this program. You can, in fact, be poor and not be eligible for this program. There is criteria for eligibility which could, in some cases, even though you were poor preclude you from being...from the hospitals or the physicians being reimbursed for your care. However, however, we estimate that there are probably about 3,500 people actually in the state that probably could be eligible for these kinds of programs. Please understand that if you go into that hospital and you are poor, but you are at that time eligible for Medicare, for Medicaid, if you are a child and eligible for one of the children's health programs, you would not be eligible. If you had any kind of third party reimbursement of any kind, you would not be eligible. If you were out of a job, you were laid off of your work, and you were on your health care, company's health care program because you can stay on (interruption)...

SENATOR HARTNETT: I am none of that, I am none of that.

SENATOR LYNCH: Well, you would simply be cared for, and you were eligible (interruption)...

SENATOR HARTNETT: Then under the bill, where would the bill go?

SENATOR LYNCH: The hospital would provide the information they would gather after you were treated and released, hopefully in good shape, to the Department of Social Services. The Department of Social Services, upon receiving that information from the hospital, would determine your eligibility and then put that hospital on the list of people to be reimbursed from this fund for that care for you.

SENATOR HARTNETT: Is there a cap on how much the hospitals can charge?

SENATOR LYNCH: Yeah, the rates are rates now established and very similar to Medicare and Medicaid rates.

SENATOR HARTNETT: Okay, thank you very much.

SPEAKER BARRETT: Before going to the next speaker, the Chair is pleased to announce that Senator Jenny Robak has a guest under the south balcony, Ruby Beckman from Columbus. Ruby, would you please take a bow. Thank you. And also as guests of Senator

Dennis Byars, in the north balcony, we have 9 students and 3 sponsors from Beatrice Public Schools, Academically Able-Difference of Opinion Program. Would you folks please stand and be recognized. Thank you. We are glad to have you visiting with us this morning. Further discussion on the bill, Senator Nelson, please. (Gavel.)

SENATOR NELSON: Mr. Speaker, members of the body, I, too, and seldom Senator Moore and I really are somewhat on the same side, I have some reservations about this bill, and I don't know if the body knows or not, but we have also coming down the pipeline LB 44, which, in essence, that would be, would be the cost, the state would pay the cost of care for patients committed to the State Regional Centers when they have determined to be incompetent and to stand trial. Currently, the county of residence pays that cost of this care. That bill is carrying \$570,000. I, too, am questioning two points on this bill, whether or not the indigent would get any more service than maybe they are now. I can't see that my hospitals, maybe some would refuse them if the knew they would not be compensated. I do somewhat call this property tax relief, and in the discussion in Judiciary Committee on LB 44, that was my question to Senator Conway. This is strictly property tax relief, and I have the same comments as Senator Moore. By the time that my local newspaper gets a hold of it and how horrible we are down here at the Legislature in providing property tax relief, and so on, I don't get one ounce of credit for this. I just get my ears wrapped back a little bit more. So I call this a property tax relief and I don't know how we would be able to toot our horns in the amount of \$12 million, because when we took over the state Medicaid, my local newspaper doesn't know about it or chooses not to even think about that when he says that we are not providing any property tax relief. I wonder if Senator Lynch would be comfortable if an amendment were offered to put a five or six million dollar cap on this bill. It seems to me like that the fiscal note is entirely...is really high because I, too, am like Senator Schmit. When we start taking in this and the hospitals are not being reimbursed, as I said, then we have the next class, which is a little bit too much to not have health care but still don't qualify for any assistance, and we see a lot of young couples in that position. And, again, they are in a bad position, too. So with that, I just wanted the body to know that we also have LB 44 coming down the pipeline, and I do support that.

SPEAKER BARRETT: (Gavel.) The house is not in order. Senator Weihing, followed by Senator Scofield.

SENATOR WEIHING: Mr. President and members of the Legislature, I, in my original comments, I mentioned that this would help bring about equality because certain counties have to pay a much larger amount with regards to indigent people in the fact that they are attracted to them by the hospitals or governmental centers that they may have. It has led over to that of relieving property taxes, and it does to an extent. Let us take a county budget, and what does the county commissioners have to work with. They have what is left over after what the schools have taken out. The schools will take, on an average, 65 percent of all of the property tax revenues. May even take more within certain counties. So that leaves about 35 percent for that county to be run on on all areas of government within the county. So, when we are talking about some relief there within the county in this case, we are talking about a relatively small amount, and that small amount, it means more to those county commissioners than simply that total budget of which 65 percent is already allocated to the schools. So there can be, even though the amount may not seem all that great. And I do want to point out that out in the greater part of Nebraska you have more of the indigents going where the hospitals are, such as in Lincoln County, down in Red Willow County, McCook, and Scotts Bluff County in the far west, and they do have to have a higher burden per person there than they do in the lesser populated counties where they are really not able to take care of them. Thank you. I do hope you will be able to feel free to advance LB 187 to Select File.

SPEAKER BARRETT: Thank you. Senator Scofield, followed by Senator Smith.

SENATOR SCOFIELD: Mr. Speaker and members, I rise I guess to kind of express some of my concern at this point that as we start to move some very big bills, and this is a very big bill, it is an important issue, and it addresses a concern that the people in my area have and, obviously, people in Omaha have, and it is a statewide concern. I was kind of sitting here jotting down the kinds of issues that we are beginning to hear about that people want to do this session. And while it is true we have some money to spend, I think if we continue to take these bills piece by piece, all of which are standing alone good ideas, that very quickly we are going to be at an unmanageable

point at the end of the session. And I don't even have a comprehensive list but you know as well as I some of the big ones, Senator Chizek's state aid bill to schools, Senator Nelson's bill that would do nursing reimbursements. Senator Smith has a good little bill out there for the elderly, and, obviously, I have got some good little bills out there for children, as Senator Lynch pointed out. There are higher education issues that people are going to want to address later, the big ticket item coming with technical colleges, and the list goes on. And each of you as you sit there probably have some other worthwhile ideas for how we should spend the money this year. And I guess I rise at this point just to say that this might be a good time to kind of pause and reflect about what are your priorities this year because, obviously, the fact that there is a bit more money than we have been accustomed to having has gotten us all to thinking about, boy, we can finally do some things that we have wanted to do for a long time. But, obviously, we are not going to be able to do all of those things, and I think if you have not, as an individual, sat down and started to put together that little list of what your personal priorities are, that none of us should have the luxury of just voting for everything just because they sound like good ideas. And, frankly, this is one of those things that sounds like a good idea. If you will recall a few years ago, the state took over welfare. That was a form of property tax relief. The state took over municipal courts. That was a form of local relief, but as I have sat on the Appropriations Committee, I have noticed the cost of those things, which were good ideas and we wouldn't go back and do it differently, but, nevertheless, we are looking at an issue here that will grow and build and build into the state's budget, and I think we need to look at these with a little bit more seriousness than I sense people are doing this morning, that we really need to kind of pause and reflect a bit about where we want to end up this year and what, in fact, our priorities are going to be or otherwise we are going to end up with a logjam of bills out there, all good ideas, all worth funding, and we are going to have a really difficult time at the end of the session arriving at those priorities, if you haven't started making your own personal list of priorities at this point. That is not an easy process. You are not going to do that this morning. Even having done an initial review of the budget, I am not done yet with where I think things ought to come out, but I guess I am just rising to say that I know counties are up against the limit. I have got some of them myself. We have all got them. And I know that people are, in

some respects, looking at this as property tax relief. Twelve million dollars, obviously, isn't much property tax relief, and so I think you need to kind of put that in the context of the discussion we had earlier when Senator Withem raised the bill, attempted to raise the bill that would do 50 million. It is a complicated issue. It would be nice for us to be able to say, I can just vote for all these things because they are good things, and this deserves as much attention as anything else, but if we just continue to kind of float along and merrily advance these things to Select File, you are creating a problem for all of us at the end of the session as we try to finally sort out those final priorities. You are creating a real problem, I think, for Senator Hall and the Revenue Committee if they have to go out and not only not do what the Governor has proposed in terms of income tax but, in fact, find new money. So I just...I rise at this point I guess just to kind of say, now is the time to start thinking about what your own personal spending priorities are and start reflecting...

SPEAKER BARRETT: One minute.

SENATOR SCOFIELD: ...those priorities in the votes you cast on this floor.

SPEAKER BARRETT: Thank you. Senator Morrissey has a guest under the south balcony, some members of the Auburn Chamber of Commerce with their leader. Would you people please stand and be recognized by the Legislature. Thank you for visiting us this morning. Additional discussion on the advancement of the bill, Senator Smith, followed by Senator Nelson. Senator Smith, please, discussion on LB 187. Senator Nelson, additional discussion on 187. Senator Smith, please, followed by Senator Nelson and Senator Schellpeper.

SENATOR SMITH: Mr. Speaker, Senator Lynch, could I ask you a few questions, please. I have been listening to the conversation surrounding this whole issue this morning, and was interested to hear what you responded to when you talked to Senator Hartnett, and now I would like to pursue that just a little bit further here regarding how this process would work. And then my next question to you is in reading the explanation as far as the amendments are concerned, talking about the payment rates would be set by the Medicaid rate unless the contract with the Department of Social Services was for a different amount, my next questions would be, are hospitals and

doctors required to provide the service then at that set rate?

SENATOR LYNCH: Yes, they would be.

SENATOR SMITH: But are they required...do they have to do it? In other words, can they elect not to accept and they just don't do it?

SENATOR LYNCH: Well, some hospitals could provide the service and not even claim reimbursement. We are not sure, but if a hos...the Department of Social Services would contract with providers, and in the process of that contracting, would predetermine what they would pay, and so when a hospital or provider of any kind provided care for somebody who ultimately was eligible for this program, that provider or hospital would be reimbursed based on that amount predetermined by the Department of Social Services by contract.

SENATOR SMITH: Right, but what my question is, does a hospital in a vicinity, are they required to provide the service? So, in other words, if they don't want to do it at this rate, then they don't have to do it anyway, so the indigent care is still not provided, is that correct?

SENATOR LYNCH: They have to provide emergency. All hospitals have to provide emergency care, but after the emergency is served, that hospital, if it decided it did not want to participate or that physician, then the patient after being treated and his life stabilized could be transferred to another institution or physician for ongoing care.

SENATOR SMITH: Okay, and then I guess what I would also like to ask is that in the committee amendments that were adopted, the section here that deals, I guess it would be on your first page, Section 7, regarding the scope of medical services to be provided. Immunizations, prescription medications, examinations, treatment provided in, by, or through an office, clinic, center, or other facility which is approved by or under contract, and then it also talks about psychiatric services and those kind of things, is there any cap on this kind of service, and is there any...who is overseeing that process of providing the services?

SENATOR LYNCH: The key in that section, Senator Smith, to help answer your question, is contained beginning in line 15 where it

says if the absence of such care will lead to a medical condition requiring hospitalization, institutionalization, or residence in a long-term care facility. So the purpose of this is to try to treat in a primary way these people who are ill and sick so that it, in fact, does not lead to, and that is where some cost savings can be developed, so it does not lead to institutionalization or further hospitalization or long-term care.

SENATOR SMITH: Is there a cap that is placed on, like for instance, the prescription? In other words, you know, the doctor will prescribe a medication. Are the druggists limited to what they can charge for the prescriptions?

SENATOR LYNCH: It would be based on a contract, but this reimbursement provides for primary care, so related health services like immunization, prescriptions, medications, examinations...

SENATOR SMITH: Yeah, okay, but are the prescriptions limited in the amount?

SENATOR LYNCH: No, they would not be capped. It would depend on the need of the patient served, that indigent person served.

PRESIDENT NICHOL PRESIDING

PRESIDENT: One minute.

SENATOR LYNCH: So if they needed a month and a half supply of drugs, they would get a month and a half supply of drugs to be cared for.

SENATOR SMITH: And the prescription could be the fee set by the druggist?

SENATOR LYNCH: Yes, ma'am. This legislation would (inaudible) to reimburse that cost for that necessary prescription and medication.

SENATOR SMITH: Thank you.

PRESIDENT: Thank you, Senator Smith. (Cavel.) May I have your undivided attention for a very important announcement. You have all been waiting for this. Senator Rod Johnson, would you tell

us something please.

SENATOR R. JOHNSON: Thank you, Mr. President. I guess to save a lot of time, I would like to make a quick announcement. Yesterday my wife and I received a Valentine's present, a baby girl, Alexa Rae. Thank you.

PRESIDENT: Good timing. Senator Schellpeper, please.

SENATOR SCHELLPEPER: Thank you, Mr. President and members. I think we are looking at this bill a little bit wrong if we look at it as property tax relief. I think it is more of a health issue. It is something that is morally right. If we really want property tax relief this year, it is going to take a sales tax increase, and I think we just need to realize that. We cannot have a property tax decrease for the people back home unless we have a sales tax or some other way to really fund it. But I think this issue this morning is really a health issue. It is something that we need to do. It is something that the people of Nebraska that don't have the resources, they just have to have this here coverage. So I think we are looking at it just a little bit wrong. Thank you.

PRESIDENT: Thank you. Senator Conway, please.

SENATOR CONWAY: Mr. President, I would like to call the question, please.

PRESIDENT: Thank you, but you are the last one, but appreciate it. Senator Lynch, would you like to close on the advancement of the bill?

SENATOR LYNCH: Mr. President, members, I will do my best. First of all, please remember what this does not do. This does not overlap or duplicate whatever Medicare does, whatever Medicaid does, whatever children's programs do, or whatever county general assistance programs do. It does none of that. What this does is provide some reimbursement to health professionals who are providing care for those people who are falling through the cracks, primarily people from 20 to 60, those not eligible for Medicare, those not sick enough to be on Medicaid. The stiff who has got a job and a couple of kids, is out of work for a long time, needs to be treated, sometimes is afraid to go to the hospital because he knows he doesn't have the money, permit himself and his family to get worse than they

should be medically, ultimately costing the state much much more money than what this cost would be. This would not reimburse hospitals for an awful lot of other costs that they have. The cost was determined based on information we have had for sometime from hospitals that are providing this kind of care, and remember I mentioned the percentage of hospitals that are providing that 80 percent of the care, but every hospital in the state to a degree is providing this kind of care, and if they are a greater Nebraska hospital, even if it is a very small amount of care, if they have a large amount of Medicare patients, their costs are already limited, and even though they have a small amount of people they are treating indigently, the cost is even more severe, even though it might be just 2 or 3 percent of the people they serve. Senator Elmer mentioned a couple of things, and I appreciate his support, and I just want to reiterate the fact that the only people served in this program will be those who will be determined to be eligible for it, and no one else. Senator Moore mentioned about property tax relief, and you shouldn't vote for this because it is a property tax relief bill. It will, in fact, provide funds for payment for indigent care that counties are now providing. I think this year that will be somewhere over \$4 million, whatever the recent numbers are. The list I had of medical and hospital expenditures for counties by county is, the last number I had is '86-87 number, and given the cost of health care programs, I am sure it is higher than that, but please remember that this is a capped program. This isn't an open-ended pool of money that health professionals and providers can get their hands on at all. This recognizes that there are, in fact, people falling through the cracks. There are people that should be served. There are institutions out there that if they are not reimbursed for some of this indigent cost have to transfer it and pass it on to other costs, and they can't do it to Medicare, they can't do it to Medicaid, they can't do it to general assistance, so they simply have to transfer some of that cost onto the people who privately pay, and that is all of us, all of us in this room. But, in fact, if Medicaid costs have gone up, Senator Moore, to some degree that has to do with the very liberal program which is a very good program in Nebraska. It wasn't the fault of counties. At the time that Medicaid bill was passed, by the way just so you all remember, Nebraska was only one of four states in the country where the counties were demanded to pay and use property taxes to pay for health care costs, and that is unreasonable. That is unfair. In fact, that is not and should not be an issue as this bill is considered. Senator

Nelson suggested that maybe the A bill is too high. You know, we can talk about that but to summarily change that or to not allow this bill to continue to proceed through the system because we are not sure would not be fair. I understand Senator Scofield's concern. You know, how many of these are we going to have? Well, Senator Scofield, we are going to have a bunch of them. I don't know how many bills that cost millions and hundreds of millions of dollars that your Appropriations Committee is hearing. All of us, because we don't have the opportunity to be there with you at the Appropriations hearings, don't know what they are. So you can consider those and present them to us in the twelfth hour of the Legislature like it always happens, and we don't have the chance like we have with this one, and like with other big ticket items, to consider, so to summarily suggest that these we should set our priorities now, and we should not allow some of these to consider, establish our priorities now, do you know all the priorities, everybody? Do you know all the big ticket items that are out there? Do you know how much they all cost? Well, if you do that, somebody stand up and tell me what they all are because I will join with you, Senator Scofield, and everybody else to decide our priorities right now. Have the Appropriations Committee kick them all out right now. They can't because the process isn't completed yet. This process isn't completed yet. This bill should be allowed to consider so they can be included in and be part of the process. We should not, we have an obligation, in fact, not to preclude further consideration of these things, whatever the cost might be, until we all know what all of the priorities are so we, at that time, can make up our mind. But to do any different than that would suggest that, you know, we have made up our mind, we don't want to be confused with the facts, so simply kill the bill. Lastly, the process we have now is obviously the most costly. When these people aren't being reimbursed, when they know when these kinds of people that this would serve don't go to get treated because they know they can't afford it, it means simply that rather than taking care of them in a primary way and primary to any serious medical problems, we simply let the problem fester and get worse, creating even more cost and severely affecting even more people. I would just simply hope that you would allow this legislation to consider through the process. It is a very complicated bill in some ways. Like so many others, it needs an awful lot of time, tender loving care to understand, but please let it continue through the process. Give it a chance along with all of those other priorities that maybe you know about that I don't know

about so that I can consider along with this your priority, as well as this one, and we can come to some meaningful and fair resolution at the time we decide how much money we are going to spend and how it should be spent. So I would ask, hopefully, for your support and allow this bill to proceed to Select File.

PRESIDENT: Thank you. The question is the advancement of the bill. All those in favor vote aye, opposed nay. Record, Mr. Clerk, please.

CLERK: 27 ayes, 4 nays, Mr. President, on the motion to advance LB 187.

PRESIDENT: LB 187 advances. LB 187A.

CLERK: Mr. President, LB 187A by Senator Lynch. (Read title.) I have no amendments to the bill, Mr. President.

PRESIDENT: Senator Lynch, on your 187A.

SENATOR LYNCH: Thank you, Mr. Chairman, if I can find the A bill information here. Mr. President and members, as you know how A bills work, they are just like all the other bills. If this A bill, for example, were not allowed to proceed to Select File, we could, in fact, wind up with the bill but no money to fund it. So the same, without repeating it all over and over again, the same justification for allowing the A bill to continue is as important as the bill, itself, so that, in fact, those priority things we talked about can be justified. In the case of the A bill, though, I would like to suggest that in Section 1 where it provides for \$577,000 from the General Fund for administration and nine hundred and some thousand in July 1, 1990, when the bill goes into effect, by the way, July 1, 1990, I am concerned with those numbers. And I know something about what it takes to process claims, and this is a very, very large amount of money to process this amount of claim and work in this amount of money. I had the chance, Laurie and I had the chance this morning to sit down with Mary and somebody else from the Fiscal Office to try to determine these costs and, apparently, what the Fiscal Office is trying to do is to merge the administration of a program like this into a data system they call the MMIC data system. Now I am not quite sure if that is the best alternative or not but, apparently, it is a system that would be compatible that is going to be in that brand new building that we are building across the street that cost a few

February 16, 1989 LB 183, 187, 187A, 214, 214A, 332, 421
433, 516, 556
LR 30

SPEAKER BARRETT PRESIDING

SPEAKER BARRETT: Welcome to this, the one-third mark, the 30th day in the life of the first session of the ninety-first Legislature. Our Chaplain this morning, Harland Johnson. Please rise for the opening prayer.

HARLAND JOHNSON: (Prayer offered.)

SPEAKER BARRETT: Thank you, Harland. Roll call.

CLERK: There is a quorum present, Mr. President.

SPEAKER BARRETT: Thank you. Any corrections to the Journal?

CLERK: No corrections, Mr. President.

SPEAKER BARRETT: Any announcements, reports, or messages?

CLERK: Mr. President, your Committee on Enrollment and Review respectfully reports they have carefully examined and reviewed LB 187 and recommend that same be placed on Select File; LB 187A, LB 556, LB 421, LB 516, LB 214 and LB 214A, all on Select File, some having E & R amendments attached. (See pages 765-66 of the Legislative Journal.)

Mr. President, LR 30 is ready for your signature.

I have an Attorney General's Opinion addressed to Senator Lamb regarding LB 183. (See pages 766-68 of the Legislative Journal.)

I have amendments to be printed by Senator Haberman to LB 187; Senator Kristensen to LB 332 and, Mr. President, a motion from Senator Wesely to place LB 433 on General File notwithstanding the committee action. That will be laid over. And that is all that I have, Mr. President. (See pages 768-69 of the Legislative Journal.)

SPEAKER BARRETT: Thank you. While the Legislature is in session and capable of transacting business, I propose to sign and I do sign LR 30. (See page 769 of the Legislative Journal.)

Members will please return to their seats in anticipation of Final Reading. As a matter of interest, LB 198 will not be read

PRESIDENT: The Chambers amendment is adopted. Do you have anything else on it, Mr. Clerk?

CLERK: Nothing further on the bill, Mr. President.

PRESIDENT: Senator Moore, would you like to...

SENATOR MOORE: I would move for the advancement of LB 443.

PRESIDENT: You've heard the motion. All in favor say aye. Opposed nay. It is advanced. LB 187.

CLERK: Senator, first order on 187 are E & R amendments.

PRESIDENT: Senator Moore, please.

SENATOR MOORE: Move we adopt the E & R amendments to LB 187.

PRESIDENT: You've heard the motion. All in favor say aye. Opposed nay. They are adopted.

CLERK: Mr. President, I have an amendment from Senator Haberman, but I have a note that Senator Haberman wishes to withdraw those.

PRESIDENT: All right, we'll withdraw it.

CLERK: Mr. President, the next amendment I have is by Senator Lynch. Senator, I have AM516 in front of me. (Amendment appears on pages 952-53 of the Legislative Journal.)

PRESIDENT: Senator Lynch, please.

SENATOR LYNCH: Yes, Mr. President and members, being passed out now is a copy of this amendment. What happened was that it was my understanding that 187 did include prisoners. However, the bill, as it was introduced and brought to my attention, was that a criminal statute addressing the maintenance and upkeep of prisoners needed to be amended into the bill to make it clear that, in fact, prisoners were included in 187, and will include prisoners in the medically indigent program as well as the original intention of the bill. It allows the prisoners that meet eligibility criteria in the bill, not anybody else, just those who meet eligibility criteria. In other words, if they've

got insurance or another means of paying for their health care while they are incarcerated they, you know, ought to use that means to pay for that care and not use public dollars. And the only exception in the amendment would be that for long-term psychiatric costs of a prisoner that has been determined mentally incompetent to stand trial will not be covered by this and those of you who used to be county officials, were involved with county officials, can understand the consequence and the cost of that kind of a responsibility. It will provide, however, though, psychiatric care on a short-term basis for those that need it, you know, while they re in the county jail, but if they are determined incompetent to stand trial, simply put, make sure you understand, and in the process of that have to be treated, that kind of long-term and very expensive mental health care will not be provided under 187. However, just so you know that that issue is being addressed, LB 44 (sic) does address that issue and and, if successful, will accomplish that particular goal and that is the sense of the amendment and, hopefully, ask for your support for the amendment.

PRESIDENT: Thank you. Senator Chambers, please.

SENATOR CHAMBERS: Mr. Chairman and members of the Legislature, I would like to ask Senator Lynch a question.

PRESIDENT: Would you respond, Senator Lynch, please.

SENATOR LYNCH: Yeah.

SENATOR CHAMBERS: Senator Lynch, as I listened as carefully as I was able to and I'm not sure if I completely understood. Is your amendment changing what care, the state or whoever was going to provide that care, would be liable for in terms of a prisoner's treatment?

SENATOR LYNCH: No. What it would clearly spell out though is with the addition of statutes regarding the maintenance and upkeep of prisoners being included in the bill that, in fact, this bill does include health care for prisoners in jails.

SENATOR CHAMBERS: But is it reducing the health care liability that would be on those who have custody of the inmates? Would it be reducing the responsibility that they currently have?

SENATOR LYNCH: No, they are responsible for them with the one

exception I mentioned, Senator Chambers, and that was that if they are, in fact, being incarcerated as incompetent to stand trial and under long-term psychiatric care, no, it would not cover that responsibility.

SENATOR CHAMBERS: Who covers that now?

SENATOR LYNCH: Right now that is covered in a number of ways, I think generally by the state...(interruption)

SENATOR CHAMBERS: And under your bill, oh, excuse me.

SENATOR LYNCH: ...at the present time. Pardon? That's covered by the county now? Oh, guess that would continue to be covered by the county.

SENATOR CHAMBERS: Okay, but the coverage would still be there.

SENATOR LYNCH: Yes.

SENATOR CHAMBERS: Okay, now when we get to the part about the inmate who may have insurance or some other means of paying for medical requirements, is that currently the law now?

SENATOR LYNCH: Well, it's...yeah. Presently, there is only one county that really has a care program and that is in Douglas County. The others do the best they can. Yeah, generally if you're...if they are a prisoner and they have other means of providing a cost for their health care, the counties don't pay for that now.

SENATOR CHAMBERS: And how do they determine means, because I've had problems brought to me and sometimes I've been able to work them out where the county would say, and in some cases a city, we're simply not going to pay for the treatment of this inmate, it's not our responsibility when really it is, so if they can tell an inmate, we don't have to cover this, I don't want that to be encouraged by what your amendment is attempting to do. Let me ask the question a different way. Let's say that the inmate has been incarcerated for a month and develops an illness associated with being locked up, then why should the inmate pay for something that may be attendant on his or her being locked up?

SENATOR LYNCH: They wouldn't have to as long as they meet the

eligibility criteria. If they are indigent, have no other means of paying for it, meet the criteria, they are covered and paid for.

SENATOR CHAMBERS: Let's say that they are not indigent but somebody in the jail hits them with a knuckle, well, with a group of knuckles, and hurts them and causes them to need medical care.

SENATOR LYNCH: Well, the county responsibilities still won't change. Under this bill, for example, a number of people would not be eligible. One of the responsibilities of the counties, even under this bill, that would be maintained would be general assistance. Part of the health care costs would still be maintained by the counties and, in that case, where he got knuckled and is hurt and needs help and he didn't have any other means of paying...but did meet...

SENATOR CHAMBERS: No, no.

SENATOR LYNCH: ...the eligibility criteria, the county would pick up the tab and he would have to be treated, yes.

SENATOR CHAMBERS: No, he's got means, he's a millionaire.

SENATOR LYNCH: Oh, then no, nobody should, a public fund shouldn't be used to pay for that.

SENATOR CHAMBERS: Even if he was hurt as a result of the problems created within the area of incarceration. You'd be saying that he'd have to seek a lawsuit to try to recover and that's the only way and if he did not sue, then he could not get any care or attention...

PRESIDENT: One minute.

SENATOR CHAMBERS: ...from the county.

SENATOR LYNCH: Well, if he were out in the street and not in jail and got knuckled, I'm sure his health insurance, if he had it, would pay for it because they always do.

SENATOR CHAMBERS: But in this case...

SENATOR LYNCH: If you're covered, no, let me finish, they

always pay for that. But then that person knuckled out in the street just like if he were knuckled in jail would probably sue, just like he were in jail, to recover those costs and any damage, and I hope the insurance company would recover through subrogation, those costs that they put out that was the responsibility and caused by someone else.

SENATOR CHAMBERS: But the person on the outside can go to a doctor or whoever he or she chooses to go to. When you're locked up, that's not the case. And if you're not going to pay for it and you receive the injury while in jail and the county says we're not going to pay for it, then you don't go to a doctor. Is that what I am being told?

SENATOR LYNCH: Oh, no.

SENATOR CHAMBERS: Okay, so they would be treated.

SENATOR LYNCH: Sick people, hurt people have to be treated.

SENATOR CHAMBERS: Okay.

SENATOR LYNCH: Everybody is going to be treated and should be treated.

SENATOR CHAMBERS: Okay. And then anything else will be resolved at a later time, any disputing about who is going to pay?

SENATOR LYNCH: Yeah, any kind of wrongful cause of...lawsuits to recover damages, that would not be affected at all by this bill.

SENATOR CHAMBERS: Okay.

PRESIDENT: Senator Lynch, would you like to close on your amendment?

SENATOR LYNCH: I think that pretty well explains it, Mr. Chairman. Unless there are any other lights on, I would just...

PRESIDENT: There are none.

SENATOR LYNCH: ...waive closing and ask for your consideration

and support for the amendment.

PRESIDENT: Thank you. The question is the adoption of the Lynch amendment. All those in favor vote aye, opposed nay. I need a little help, ladies and gentlemen, just a little bit. Senator Chambers, it could be that everybody that is here has voted. Senator Lynch, I mean, excuse me.

SENATOR LYNCH: Mr. Chairman, we're at 24 now and we're 25, so the need for a call of the house is overcome.

PRESIDENT: Thank you, I was wrong. Thank you. Record, Mr. Clerk.

CLERK: 25 ayes, 0 nays, Mr. President, on adoption of Senator Lynch's amendment.

PRESIDENT: The Lynch amendment is adopted. Anything further on the bill, Mr. Clerk?

CLERK: No further amendments, Mr. President.

PRESIDENT: Senator Moore.

SENATOR MOORE: Yes, well, I want to speak on the bill. I need to make the motion first?

PRESIDENT: All right, we're to speak on the advancement of the bill, so you're first on the advancement of the bill.

SENATOR MOORE: Okay, I do want to speak. If you remember on General File, I passed a sheet out talking about the 20 percent cost of Medicaid savings when the state took that over, how it grew from an estimated 15 million to \$52 million and at that time I expressed my concerns about the growth of this bill and the cost of this bill, realizing there is a \$12 million cap on it now. I am very concerned about the potential growth and the cost of this and to prove my point I'm having the Pages pass out right now an excerpt from a report entitled Medical Indigency in Nebraska, a report to the Nebraska Legislature's Task Force on Medical Indigency for Health and Human Services Committee, Don Wesely, Chairperson. And if you will look at...you know, I'm passing out the chapter on the scope of the problem of indigent care in Nebraska and I want to read into the record a couple of things and so next year or the year after when we come and raise

that \$12 million cap, at least I can look back for the record and say, I told you so. The first part on page 7, the middle paragraph, it says, a general estimate of the amount of charity care provided by hospitals may be determined by multiplying the statewide gross revenue of hospitals by the national percentage of estimated charity care. The statewide gross revenue for hospitals in Nebraska is approximately \$800 million. Multiplied by the 4.1 percent national estimate for charity care, one has a figure approaching \$32.8 million for charity care in Nebraska, \$32.8 million is that estimate. If you go back to page 8, the second full paragraph, it's another estimate and I'm going to just read it into the record so it is there and you can read the whole thing. But previous to this, it is described another way of calculating it, and it says, this method estimates that the statewide total cost for indigent care of those persons under 100 percent of the poverty guidelines is 40 million, 40 million. Now if you take it on further, those persons under 125 percent of poverty guidelines it is 75 million and those persons under 150 percent of poverty guidelines is 98 million. Well, the last two figures are...really don't make any difference, we're not talking about that but, as you can see, the actual scope of the problem out there is between somewhere possibly, very likely, between 32 and \$40 million. Now this bill has a cap on it. Now it has been sold basically as property tax relief. Now the actual impact it will have to counties is even less than the \$12 million, we know that, but actually I am saying here and I had the people who made predictions from this microphone, I know that, but I'm saying that the scope of this problem is much more than \$12 million right now. It is estimated between 32 and \$40 million and you can bet your boots in a few years the state is going to be picking up this whole 32, \$40 million cost and, obviously, there are some other ways we can spend our money and, once again, it won't be 32 to \$40 million of property tax relief then, it will just be the share of what the state is going to have to pay. And I guess I'm just very concerned about our previous track record in this area. Ten years ago the 20 percent Medicaid takeover, you know, now it's roughly four times what we said it was going to be. Now we're taking this over which if you're going to argue, argue that we need to do it is one thing, but argue it in the name of property tax relief and really is actual property tax relief impact is much less than the actual bill and actually the scope of the problem is much more than \$12 million. It could be estimated as between 32 and \$40 million and, for the record, that's in the record and once again I'll probably be voting no on the bill at this time.

PRESIDENT: Thank you. Senator Abboud, your light is on.

SENATOR ABOUD: Mr. President, colleagues, Senator Moore, would you yield to a question? Senator Moore, you serve on the Appropriations Committee and I know you deal a lot with the Medicare and Medicaid payments that we make to deal with the indigent problem. As far as with the fiscal note on LB 187, it's marked at \$12 million, but what you're saying here is that a more true and accurate fiscal note, if you included what the actual dollars that should go toward indigent care, that the actual fiscal note should be in the neighborhood of 32 to \$40 million. Is that what you're trying to tell the body?

SENATOR MOORE: Well, I'm not really finding fault with the fiscal note the way the bill is drafted. I'm just saying if you're...the scope of the problem potentially is much more than what this bill has talked about. Obviously, this bill is a cap, I mean, it's capped at 12 million, all you're going to spend.

SENATOR ABOUD: Oh, I see.

SENATOR MOORE: I'm saying the scope of the problem is much more than that.

SENATOR ABOUD: So this is just an unrealistic cap that the sponsors of the bill placed on the bill at this time.

SENATOR MOORE: This is an acceptable cap.

SENATOR ABOUD: Oh, acceptable cap, okay. Well, I suppose that...thank you, Senator Moore. At this time, I'm looking at all the options that are available to the body on spending and I suppose this may cost us a little bit more in the future. Thirty-two to \$40 million is a lot of money, more than Senator Korshoj made last year, right, Frank? Thank you very much.

PRESIDENT: Senator Lynch, please.

SENATOR LYNCH: Yes, Mr. President and members, Senator Scott raises a legitimate issue and an honest concern. What he quotes from is a study that was done a couple of years ago because most people had no idea what real costs existed out there. Most people still can't define what really is medically indigent. I'll give you an example as possible, you could be making 50,000

a year but if you wind up with a serious head injury, you can spend \$400,000 within the year and you could have insurance that is a limited policy and it won't take you long to sell the farm, the house and the kids that you can get rid of and have to pay those bills. This bill, 187, was never intended to cover all of the unmet and the unpaid bills for hospitals and for physicians. However, in the state there was one program at least that had been in existence for a couple of years that did develop criteria for reimbursement to hospitals for the truly medically indigent. As I said before, a working stiff with a couple of kids that got laid off, he's been gone for two or three months, no longer has coverage, he's not covered by any of the federal criteria any longer that provides that, if he can afford to pay for it, he can continue the coverage up to six months; he doesn't have any money, he can't buy it, he doesn't have it. They are sick and they need help. They have \$10,000 worth of assets left in their house and they've got a car that might be worth 3,500 or \$4,000, he could get help. So the criteria established in 187, unless you change the criteria, you've got to feel...please feel fairly safe with the cap. I can't tell you what they are going to do two years from now or three years from now or four years from now. This bill or no other bill, I would not support another bill, I would simply just pay bills like we used to with Medicare and Medicaid. That kind of a process ruined, almost ruined the Medicare system. It provided, in fact, the incentive for President Reagan to establish what was called the DRG system, diagnosis related grouping system, where they say, we're not going to just pay bills anymore, we can't afford this cost plus time and material, whatever your bill is I'll pay it kind of business. We want you to tell us, in fact, for about 450 some procedures we'll determine what an average cost of that procedure should be, how long that procedure should be...how much hospital time and how much doctor's cost should be involved with that process and that's what you're going to pay. Now if you want to provide that kind of care, hospitals, doctors, sign up, you can do it. Some didn't, most did. But as long as the eligibility criteria in 187 is what it is, hopefully, you won't have to worry about that 32 million or 50 million or 60 million. I would not support this bill if it were an open-ended bill that would obligate future legislators and taxpayers for those kinds of dollars. This is simply to help hospitals, help health providers, help clinics and doctors be reimbursed for just a portion of what maybe some people can describe, if they can describe it, better than I've seen it described so far as medically indigent

responsibilities. It is a reasonable piece of legislation. If we don't provide this kind of help, this cost still continues to exist. As I told you before, these people are being treated. These medical professionals are doing the job but if we don't reimburse them, at least to some degree, to this degree at least, it's going to be even more serious to provide the kind of care for these kind of lost souls in the future. Anybody that can afford to pay for it ought to pay for it. This does not provide that we should do that. Anybody that skips an obligation in a hospital that has the money, that's not an indigent care, that's a bad debt. Hospitals have to be, doctors have to be, health professionals have to be businesswise, astute enough to make sure that doesn't happen to them and we shouldn't have a bill and LB 187 is not that kind of a bill that would provide for that kind of medical incompetence in business. So I understand Senator Moore's concern, but I don't think it's a real concern at this point in time and, hopefully, that helped explain to some degree, my opinion of it.

PRESIDENT: Thank you. Senator Moore, please.

SENATOR MOORE: Well, I just want to point out for...and I agree with...the cap is \$12 million. Now it can be argued that with what has been passed out here, I'm saying you're basically talking about, with some minor differences, the same eligibility but the same eligibility would be a little bit less than the \$32 to \$40 million, but it far exceeds \$12 million, but fortunately the \$12 million cap is what is going to keep them from going over \$12 million but who is being driven by the actual cost, at least from the research I have done, the cost is more than \$12 million but, as I said, I'm not against caring for indigent people. I just want to make sure the body is totally aware of the proverbial camel with the nose under the tent with this bill and the cost is very likely...the cost is actually probably more than \$12 million. Within a matter of years I'm afraid this Legislature will be picking up a very high cost tab for what came in at a very low cost price tag to begin with.

PRESIDENT: Thank you. Senator Lynch, would you like to close on the advancement of the bill? Senator Weihing.

SENATOR WEIHING: Mr. President and members of the Legislature, when this bill was up before I spoke to this one issue. It hasn't been brought up at this time, and there is some disproportionate amount of bearing on certain counties in the

indigent care part. The centers which have the hospitals do attract. When I'm speaking of this I'm speaking of rural Nebraska, such as North Platte, would have a center which attracts a large number of indigents and all these expenses go to that county and, of course, there are those counties that really do...would have a problem with regards to this, it does help in that. The centers, such as McCook, North Platte, Scottsbluff, areas of that, actually in the Panhandle area, the Scottsbluff area, where it has the primary medical center attracts from all of those counties and this does bring a disproportionate load cost, cost to that particular county. I rise in support of this particular bill and I hope that it can be passed.

PRESIDENT: Thank you. Senator Lynch, would you like to close on your...

SENATOR LYNCH: Yes. Thank you, Senator Weihing, and just briefly, colleagues and Mr. President, at the present time we're probably providing the most expensive and costly system because there is no vehicle for some indigent for care. Sometimes it's possible they only treat on an emergency basis and they leave without sometimes continuing care which is most and necessary. But remember what this doesn't do, there is an awful lot of people out there that this can't apply to and won't, that's Medicare and Medicaid, children's programs, people on county general assistance and all those people who are on health insurance programs. I would appreciate your allowing this bill to continue to survive so that it can be considered as part of the priority considerations and important legislation that is still out there. I know it's a big ticket item, nevertheless, it's the kind of a thing that satisfies I think the responsibility of the state for those less fortunate than us. It helps to reimburse just to some degree, not in total, but to some degree some of that cost that unfairly is being absorbed by private and, in some cases, public institutions and providers that ultimately winds up in your...coming out of your pocket anyhow and probably out of proportion to cost. So, hopefully, you would support the continued advancement of this bill to Final Reading.

PRESIDENT: Thank you. The question is the advancement of the bill to E & R Engrossing. All those in favor vote aye, opposed nay. Okay, let's back up. All those in favor of advancing the bill say aye. Opposed nay. It is advanced. Thank you. Move

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LB 187, 187A, 214, 214A, 224, 320, 326
334, 354, 354A, 421, 516, 556, 638

PRESIDENT: The motion fails. Mr. Clerk, do you want to read in some things before we proceed?

ASSISTANT CLERK: Yes, Mr. President. I have priority bill designations from Transportation Committee and Senator Carson Rogers. Government Committee reports LB 638 to General File with committee amendments. Committee on Enrollment and Review reports the following bills correctly engrossed--LB 187, LB 187A, LB 214,...

PRESIDENT: The call is raised.

ASSISTANT CLERK: ...LB 214A, LB 320, LB 326, LB 334, LB 354, LB 354A, LB 421, LB 516, and LB 556. That is all that I have, Mr. President. (See pages 988-91 of the Legislative Journal.)

PRESIDENT: We're back on the advancement of the bill. Senator McFarland, on the advancement of the bill, followed by Senator Chambers and Senator Hefner.

SENATOR MCFARLAND: Yes, I'd like to address some of the concerns that Senator Chambers has raised because he's really overstated, he's misled and he had not apparently read the bill in detail, as he tries to convey to us. Let's just look at one thing. He's alleging that this is going to be a state enforcement procedure, an...

PRESIDENT: The call is raised.

SENATOR MCFARLAND: ...agent for the NCAA. And all it is to do is to protect eligibility of college athletes for the institutions. Well the fact of the matter is that in the part dealing with the noneligible student athlete we say that they cannot be contacted either, unless the sports agent registers with the Secretary of State. Earlier Senator Chambers said, well why should they have to be concerned, if they don't have eligibility, why should they have to be concerned about whether the sports agent registers with the Secretary of State. The reason is we're concerned about all athletes, eligible, noneligible, high school athletes, athletes who may be in professional school or graduate school or whatever. The goal of the bill is to protect athletes from being exploited by sports agents. If you read that particular provision that talks about noneligible student athletes they can be contacted, it's on page 4, they can be contacted if the sports agent is registered.

unnecessarily. Senator Wesely says that quality is going to decline. CON has nothing to do with quality. The quality is borne by these services, by the physicians. Reputation and medicine is built on quality. When you're sick you want the best. When your physician refers you to another physician he thinks he is the best. Physicians practice as a group in hospitals and oversee each other's work and they are all overseen by the federal and state government and the Department of Health. Medical staffs establish standards of practice that are ongoing and become national standards of practice. Physicians are accountable to the community hospitals where they work and to their association and to the insurance companies who pay their bills and to the federal government who monitors the cost of their care. And if this isn't comforting at all in the way of quality, we can't do it with CON. CON just looks at a facility before it even operates. It has no idea what the quality is after it starts. The ongoing licensing reviews that the Department of Health does assures that quality, not the CON. I would ask you to reject this amendment.

SPEAKER BARRETT: The Chair is pleased to take a moment to suggest that Senator Withem has some guests in our north balcony. We have 50 fourth graders from G. Stanley Hall School in LaVista, Nebraska, with their teacher. Would you folks please stand and take a bow. Thank you. We're glad you could take the time to visit. Thank you. Senator Schmit, further discussion. Senator Moore.

SENATOR MOORE: Mr. Speaker and members, oh, it's not too often I agree with Senator Wesely and I probably don't agree with him today, but you notice I voted on the last amendment because I share some of his frustration. The fact of the matter is, is what are we going to do about health care costs? The problem is, as he mentioned very clearly, in LB 187 the \$12 million bill, you've got a variety of requests and appropriations coming from the health care industry. It goes on and on and on and on, couple that with the fact, as you all know, state employees' health insurance cost went up 36 percent. What are we going to do about it? And I think oftentimes I consider ourselves kind of a board of directors and I think what Senator Wesely mentioned about the university, University of Nebraska Medical Center addition, you know us, the board of directors, us 49 people in here, University of Nebraska Med Center came and said we need this and we voted yes on that. The vote was 40-3. Korshoj, Schmit and I voted no. We don't know anything about

period of time to acquire the specific equipment for which money is appropriated. And the reason for doing that is that historically there will be, particularly in larger agencies, there will be an annual, sort of an annual amount of money available for equipment replacement that is usually related to sort of an amortizing over a period of time, a replacement or inventory replacement, obsolescence replacement that will run fairly consistent year in and year out, but if you have unusual expenses, one-time expenses, usually those are placed in the capital construction budget in order that they can be singled out as a one-time expenditure and will not ever become a part of the operations budget. Those are the kinds of reasons that generally was considered in the proposals that are in LB 814. Others will probably be talking on some of the specifics and we can do that a little later, too, as time permits.

PRESIDENT: Thank you. Senator Moore, please.

SENATOR MOORE: Yes, Mr. President and members, I guess I rise with a little bit of difficulty because I am going to be the odd-ball here because I am going to vote for this, and just for my own sake, I want to explain my reasons why. And as I do it, in many ways I guess maybe I am the Judas of the nine, or something like that, because I am going to be the one that is going to go against the other eight and I apologize for that, but, yet, I am being consistent because I voted no on this proposal as it came out of committee. My reasoning was very simple, as I said then, there has been a variety of stances I have taken...I have personally taken on this floor throughout this session, you know, fighting an unpopular battle and cutting down the price tag of LB 89; fighting an unpopular battle sometimes and trying to stop LB 187, indigent care bill; fighting LB 683, the MIRE bill; and fighting the protocol bill, little bills like that that I continually said on that there is things that I have a higher priority than those type of things, and just as last week, some items that I, personally, just, and I am speaking only for myself now, I, personally, tried to oppose getting in the mainline budget bill because I wanted to save room for other things. Well, the problem I have with this capital construction bill is, without pointing fingers and naming any names, there is no reason to, is there is certain items in this bill that are not that high a priority for me. And the one thing I learned early on in my tenure in the Legislature, there is...very few times is there a perfect a bill, and I probably ain't going to learn any quicker on

you care to proceed, Senator Moore, or....Fine. I'll leave your light on, Senator Moore. Yours is on first.

SENATOR MOORE: (Mike not activated immediately.) ...as far as I'm concerned, but....

SPEAKER BARRETT: Senator Warner, would you....Well, let's take them individually, Senator Moore, as you requested. Senator Moore, or Senator Warner, please, would you care to explain Section 1?

SENATOR WARNER: Sure. Section 1, it's still difficult not to...because there is a relationship, but I...we can work this out. Section 1 is the increase in Medicaid rates for noninstitutional medical providers, that's medical providers other than hospitals. As indicated earlier, this was a request by the...within the Social Services budget, was not included in the Governor's, but it is our belief that it would be appropriate that this section be adopted and available for the Legislature to enact...act upon in LB 525. I move its adoption. I don't think this one is argumentative.

SPEAKER BARRETT: Thank you. A priority motion on the desk.

CLERK: Mr. President, Senator Lynch would move to bracket the bill until Monday, May 15.

SPEAKER BARRETT: Senator Lynch.

SENATOR LYNCH: Mr. President, members, I reluctantly do what I have, just suggest that we do for a number of reasons. The first part of the bill does deal with Medicaid reimbursement. As you all know, I'm also the sponsor of LB 187, the indigent health care bill, which would also provide for some reimbursement to hospitals and also the doctors. My bill, I think, would especially address the serious problem in the greater Nebraska hospitals, where they have folks who aren't on Medicare and Medicaid and necessarily are falling through the cracks. Somebody, given the fact there are numbers in 525 that involve reimbursement to doctors and also the hospitals, somebody, I assume, must have some numbers about how that money, how that amount of money was established and how it would be distributed. As it applies to physicians, especially as it applies to Medicare, I think we should have some schedule of reimbursement, compared to what they're reimbursed for now.

I've got to be frank with you, in my opinion I think there are some docs who are providing care for these kinds of folks, who are family type physicians, general practitioner type physicians, who might not be getting enough. That \$15 for the call at the office probably should be more like 20. I understand that. But, on the other hand, there are some specialties that I think are receiving more than adequate amounts of money. I'm not going to sit here and tell you who they are right now, because I don't even know if, in fact, the schedule, if there is a schedule, that justified this \$4.3 million over the next two years exist, who they are. But I think at least, at least we should have the opportunity to see that schedule. And I certainly don't want to hold up or reflect upon the integrity of any other part of the bill as it applies to the reserves or the county or the city aid at all. I understand and you understand like I do the cities would just as soon see the cities out of it, the A bill, and they'd get "MIRFed" because they think it's a trade-off, you know all that kind of politics that is going on, so there is no sense in my dwelling on it. But, if we bracket it until Monday, it will give the Department of Social Services a chance to get to all of us the schedule of reimbursement for the physicians and for the hospitals, so, in fact, we know what we're allocating for, almost \$10 million for. The ticket item on my indigent care bill was \$12 million. Obviously we can't afford both. You know that. I wouldn't suggest that we do. But so that I can understand the difference, and I would appreciate it as a courtesy to me, as sponsor of LB 187, so that I can, and those of us that support the bill, the indigent care bill, know the difference, give us a chance, by Monday, to get the bill. We still have time, if Monday or Tuesday then we can get this back and amend it, if not amend it just pass it, we still have time to get it through the system. So, I'd simply like to suggest that we do that.

SPEAKER BARRETT: Thank you.

SENATOR LYNCH: Mr. Chairman, I'm sorry, if we can, the remaining time to Senator Byars.

SPEAKER BARRETT: Senator Byars.

SENATOR BYARS: Mr. Speaker, I am in support of these two sections of the bill, but I think that probably the request that has been made by Senator Lynch is a reasonable one. It is my

SENATOR PIRSCH: Right.

SENATOR WARNER: ...to the medical community which would help relieve their burden to others who are sick who have to pick up the difference.

SENATOR PIRSCH: I understand now a lot better. Thank you, very much for that explanation. Senator Lynch, did you mean to bracket just Section 1 and Section 2, or are you intending to bracket the entire bill?

SENATOR LYNCH: Senator Pirsch, I was just talking to Speaker Barrett about it. It wasn't, I agree, my intention...I re...well, I'm sorry to have to raise this kind of an issue at this point in time at this time in the session. The trouble is we can't just bracket a section of any bill,...

SENATOR PIRSCH: Okay.

SENATOR LYNCH: ...we've got to bracket the whole bill, that's the reason I moved to bracket the whole bill.

SENATOR PIRSCH: It is really just Section 1 and 2 that you are bracketing the bill for.

SENATOR LYNCH: I know more about Sections 1 and 2 and have concerns with those because of the conflict with LB 187, the indigent health care bill. However, the rest of them I'd have to listen to debate to find out what we can do.

SENATOR PIRSCH: Sure.

SENATOR LYNCH: Maybe dividing the question, like Senator Moore suggested, is fine. But, if we do that, we would...the only way to resolve the issue on Sections 1 and 2 is to simply not approve of those and take them, or hold them.

SENATOR PIRSCH: Yeah.

SENATOR LYNCH: Now, the effect that could have on the rest of the bill is yet to be determined by the body.

SENATOR PIRSCH: Okay.

SENATOR LYNCH: So it's complicated.

interested in this and concerned. It would have been a matter of courtesy for those, especially me since I'm the sponsor of LB 187, to have some information. Senator Scofield said you have any legitimate questions. I think I raised legitimate questions. I'll ask her a legitimate question. If her hospital says that she would rather have the Medicaid/Medicare increases than 187, can she tell me now how much more it means to her hospital with Medicare than the indigent care bill, and what doctors will get the money and how much will they get? That's a legitimate question.

SPEAKER BARRETT: Senator Scofield.

SENATOR SCOFIELD: Not by hospital I can't tell you, Senator Lynch. I must have misspoke, because I didn't...if my comments implied that you didn't have legitimate questions, I wasn't...I misspoke, because I think what I intended to say was you have raised some legitimate questions and I'm willing to work with you on it. I have a lot of hospitals in my district, Senator Lynch, and I simply couldn't tell you on a hospital by hospital basis today. Generally speaking, though, I think the increases would be more significant based on what my hospitals have, and I do a couple of letters back in my files that would...at least they're saying, yes, we think we'd be better off...

SENATOR LYNCH: You're on my time now, can I say this,...something...

SENATOR SCOFIELD: Excuse me.

SENATOR LYNCH: ...can I just, for what it's worth...

SENATOR SCOFIELD: It's all yours, Dan.

SENATOR LYNCH: Okay. No, I agree to that. I think the outstate hospitals are harder hit than most because of the percentage of Medicaid/Medicare patients they have, I understand that. So, I would suggest that maybe the best way is for me to withdraw my bracket motion, providing we separate the issue, as I understand Senator Moore is willing to do, and by the time we consider this on Select File we just don't get something indirectly but in writing, officially, from the Department of Social Services, from the Nebraska Medical Association, from the Hospital Association, from everybody about who is going to get this \$9.6 million, and I'm satisfied. It might even overcome

some of the concerns we have with LB 187, except that as you all know 187 also provides a form of relief for some of those small, outstate counties as well, as all you folks should know, who are sharing some of the burden, and in fact an unfair burden for providing health care costs for the folks that come through their counties and get sick and would not help, would not be helped in any way by 525 and the Medicaid increases. They can only be helped, those hospitals that are now being hurt because of indigents coming through their counties, getting sick, and going to the county sponsored hospitals. Some of those will certainly not be helped by 525. I think we deserve to know the difference. So, with that, and assuming that that will all happen in good faith, from what I hear on the floor, Mr. Chairman, I respectfully withdraw my motion to bracket.

SPEAKER BARRETT: Thank you, Senator Lynch, it is withdrawn. And this might be a good time to again suggest, as Senator Lynch did, the conversation we had a few moments ago in bracketing a bill until Monday, despite the fact that I'm not generally in favor of bracketing, I repeat, bracketing a bill until Monday, with the pipeline as plugged as it is at the present time, might cause considerable problems. Monday will be the beginning of the countdown to Friday, five days left. The bill is on General File. It might have caused a considerable problem. Thank you, Senator Lynch, for your consideration. Mr. Clerk.

CLERK: Mr. President, if I might, some items for the record before we proceed.

SPEAKER BARRETT: Certainly.

CLERK: Your Committee on Enrollment and Review reports LB 352, LB 355, and LB 355A to Select File. I have amendments to be printed, by Senator Abboud, to LB 285; and Senator Withem to LB 813. (See pages 2276-78 of the Legislative Journal.)

Mr. President, we're back to committee amendments. And, pursuant to a ruling of the Chair, discussing Section 1 of the committee amendments.

SPEAKER BARRETT: Senator Landis, your light is on, would you care to discuss Section 1?

SENATOR LANDIS: Mr. Speaker, members of the Legislature, I'll use this time, since I'm up, although I won't be referring to

the sections be advanced so we have alternatives available to us. However, however much you feel about any issue, one, a big ticket item, and, obviously, LB 84 is a big ticket item. LB 84 is a big ticket item, there is others, but that is, obviously, one. However strongly you feel that that is going to pass and however strongly you feel that that is what you want to do, it doesn't hurt us to have other alternatives. We have just advanced the first two sections of this bill, and we know, or we are fairly sure that we are not going to do those first two sections, and as a matter of fact, we have another section dealing with straight county aid that is somewhat of a compliment to that, we can't do that and LB 187 both without making some serious changes in the other items that we have. It is not wrong to advance the bill with the idea that it is an alternative that is there for us. As Senator Warner has tried to point out several times, this is not to say we are going to do all of this and nothing else, but failing other things, and he has reiterated before that it is a trailing situation, it is a trailing kind of concept, that if other things don't happen, this gives us a good reason, a good alternative to look at. It makes obviously good sense, rather than just having the money on the table in the budget, \$50 million, it makes good sense to plug it away and let it trickle back to us, than it does just, if nothing else passes, and all that money is sitting there because we do have propensity to spend. If we put it away and let it come back to us, just like we did last year with the Cash Reserve Funds, and let it come back to us, it makes our budget look better. It makes our flow, our cash flow look better. It gives us a good alternative. I don't see any reason not to advance this section along with the rest.

SPEAKER BARRETT: Senator Korshoj.

SENATOR KORSHOJ: Question.

SPEAKER BARRETT: The question has been called. Do I see five hands? I do. Shall debate now close? Those in favor vote aye, opposed nay. Record.

CLERK: 27 ayes, 0 nays to cease debate, Mr. President.

SPEAKER BARRETT: Debate ceases. Senator Warner, to close.

SENATOR WARNER: Well, Mr. President, again I would urge this be adopted. I would hope you would not think of it in terms,

SPEAKER BARRETT: The question has been called. Do I see five hands? I do. Shall debate now cease? Those in favor vote aye, opposed nay. Shall debate cease? That is the question. Please record.

CLERK: 25 ayes, 2 nays to cease debate, Mr. President.

SPEAKER BARRETT: Debate ceases. Senator Moore, would you care to close.

SENATOR MOORE: Yes. Mr. Speaker and members, I know in this morning we have had a little lax in attendance this morning, I hope you're listening to what's going on. We're talking about a bracket motion to LB 525. The bill, by it's very introduction, is designed to be a trailer bill to give the Legislature maximum options...

SPEAKER BARRETT: Senator Moore, please excuse me. (Gavel.)

SENATOR MOORE: ...designed to give the Legislature maximum options throughout the next week. Now my concern is and the reason I'm bracketing this bill is I honestly do not believe Senator Warner's amendment may or may not have the horses today. I know I cannot vote for it today. I think that possibly, if indeed the body really wants to do this, come Friday when we have a little clearer picture on how much we're going to spend and what we're going to spend it on and have a little clearer picture of where our priorities are, maybe at that time the Warner amendment would be in order. Today, it failed; last week by two or votes. There was two or three votes there that given some different circumstances would have supported it. Now my concern with this Warner amendment and I know Senator Warner has made it very clear that his intention and Senator Wesely's and Senator Crosby's that the money set aside would give continued hope to the Commonwealth depositors. I have supported that bill and probably will continue to do so but my concern is that just like the dollar figure for aid to cities is very similar to the MIRE bill, just like the dollar figures to...on the hospitals and doctors is very similar to indigent care, LB 187, you know, it just so happens that the \$40 million figure in Senator Warner's amendment is exact...almost exactly the same as the dollar figure that he would like to decrease LB 84 by, the amendment that Senator Warner and Senator Wehrbein have offered. And because of that I will not vote for Senator Warner's

that state aid will not be increased and reload for next year and then do it through the entire process, do it through every step of the process and have the state aid come in through the front door instead of slipping in the back door with this amendment. With that, I would yield to my respected senator from Stromsburg, Senator Moore.

SPEAKER BARRETT: Senator Moore.

SENATOR MOORE: Yes, Mr. Speaker and members, like I said, with Mac and me co-sponsoring an amendment we may get 10 votes between the two of us as some of the amendments we carry. But there is something, you know, is there a person in this body that thinks come May 25th, both LB 89 and state aid are going to be on the books? Is there one person in here who really thinks that is going to happen? Senator Goodrich, would you yield to a question?

SPEAKER BARRETT: Senator Goodrich.

SENATOR MOORE: Senator Goodrich, how is that going to happen?

SENATOR GOODRICH: Why, we'll send them over there and the "Gov" will be so happy to receive them, she'll sign them.

SENATOR MOORE: Well, that is one theory that may or may not be true. If I was a betting man I would bet no, I don't think she's going to sign them both. I think all of us in here know that. You know, it's like one of those things, ain't you folks had any learnin'? One thing you don't do is make promises you cannot keep and this is a promise we all know we can't keep. We know that. But yet, like I said before, since we're unable to say no to anyone, we'll make the promise, just like we've made the promise to the UN-L faculty, we're going to fund them an 11.5 percent increase over two years. We've made the promise on LB 187 probably. We led people to believe we're going to fund indigent care. The other day we led Regents to believe that we're going to fund a million dollar increase in the waiting list on mental retardation, all fine promises but we know we can't keep them all. You know, I don't...I hate to oppose the amendment because, like I said early on this session, if I had a choice, I'd rather spend money on state aid in LB 89. Lo and behold, we've got LB 89 in a form that it's going to pass, probably going to pass. I don't know, I'm going to guess the Governor is going to sign it and then this won't happen but, for

think of something to say. I can sing a song that is appropriate about the ill, the sick and the poor. Give me your tired, your poor, your poor county mental patients waiting to be served...(laughter), somehow, somewhere those property taxpayers will find the funds because the state alas fails to. I hope...we need three more. Mr. President, I hate to have a call of the house and I understand the inconvenience of this, and I really regret that, but it's possible, so I would ask for a call of the house. Well,...

SPEAKER BARRETT: A call of the house has been requested. Please record your presence. Senator Scofield, Senator Warner. Senator Schmit, record your presence, please. Senator Robak. Senator Nelson. Senator Weihing. Senator Lamb, please record your presence. Thank you, Senator Lynch. Return to your seats, please, for a roll call vote on Senator Lynch's motion to return the bill. Members are asked to be in their seats during a roll call vote. Proceed, Mr. Clerk.

CLERK: (Roll call vote taken. See pages 2599-2600 of the Legislative Journal.) 27 ayes, 13 nays, Mr. President.

SPEAKER BARRETT: The motion is adopted. The bill is returned. Senator Lynch, on the amendment.

SENATOR LYNCH: Mr. Chairman and members, are there any other lights on?

SPEAKER BARRETT: There is one.

SENATOR LYNCH: One, okay, I'll just wait and listen.

SPEAKER BARRETT: Thank you. Senator Warner.

SENATOR WARNER: I only want to indicate that the other side of the equation at least on the sheets I have, I don't know that it shows, that a part of LB 525, which was...is in the bill is increased aid to counties. That was an issue that was discussed one other time when 525 was being discussed earlier. That was intended to be an offset for the property tax relief that was discussed on LB 187 early on. As I recall, the property tax relief was somewhat indeterminable, but the number I recall hearing was 3.3 or 3.4 million as the most frequent number per year. This bill...or LB 525 was...the first year was 2.6, I think, million, but the second year would be at 4.1, obviously

distributed differently. But I guess all I'm going to say is I would suspect that both will not pass. They may pass, but both will not become law, partly for the cost. I suspect here is where one should make the choice. If this is adopted, I will, obviously, offer the next amendment that I would not have otherwise done on the A bill because I do think it may well jeopardize the bill because of two subject matters. But aside from that, once that's done then it doesn't make any difference because one more amendment will not create any greater problem than would already be there. It was intended to provide a choice for two ways putting in, in total, \$12 million into the health care system and provide some reduction to the counties and their property tax requirements was the option in LB 525. The option that is being proposed to you now is to put in twice as much General Fund money with both being passed, as well as the federal funds. And I still have a lot of doubt in my mind that a cap will be effective. It takes one amendment to a bill to show, and experience I'm sure will show that the 7.5 million is way too low. The Appropriations Committee only became involved in this issue because part of the budget request from the Department of Social Services was increased provider fees, both the hospital and medical. That's how...it came as a budget request. The increase in fees was not included in the Governor's budget, but we did include that in LB 525, and we thought that it was an important thing to do. I still think it was an important thing to do, but I have a question in my mind whether both can be done even at a reduced level with the cap. So I'd urge that you give careful thought to the adoption of the amendment. Most of the problem I'm raising, if the bill itself was used, constitutional issue, it would essentially go away. And I'm sure there are those who feel that they probably don't have to worry about who's going to file a lawsuit. But the one person who doesn't have to file a lawsuit to raise a question is an opinion from the Attorney General.

SPEAKER BARRETT: Senator Moore, for discussion, followed by Senators Langford and Scofield.

SENATOR MOORE: Well, I guess I really can't say much more. We all know that I'm actually opposed to LB 187. And I think by...once again I will compliment Senator Lynch and the folks behind this move, it's clever because you're getting a little more money. I still think you're making a rather large mistake, one, doing it with this measure, and, two, just as we usually do compromising up and spending just more dollars. And Senator

Warner touched on the fact that \$7.2 million...is that...is the cap...the 7.2...would Senator Lynch yield to a question?

SPEAKER BARRETT: Senator Lynch.

SENATOR MOORE: The \$7.2 million is what General Fund appropriated to the...the cap is still \$12 million, correct?

SENATOR LYNCH: Right, the cap is still 12 million.

SENATOR MOORE: Okay, well, that's all, Senator Lynch. I wanted to remind, I think, several months ago when we debated LB 187 I mailed out...sent out to all of you the original premise point of the whole issue of LB 187 was property tax relief. We discovered, of that \$12 million, only 3.7 million was actually expended on property taxes, about 80 percent of which was spent in Douglas County, at least in '87-88. And the other thing is that this is far from a \$12 million problem, according to some experts in the health care field, it's more like a 35 to 40 million dollar problem. And so that \$12 million cap, though I think it's put there in good faith, is going to go nowhere but up. We're buying into a very expensive program in the future. But, really, that's to the bill itself. I'll make those arguments again with you when we debate the bill, before we read it but, for the reason Senator Warner has mentioned, I think you're jeopardizing the whole bill, the whole issue, by the constitutional problems you raise by doing it this method. So I still oppose the amendment.

SPEAKER BARRETT: Thank you. Senator Langford.

SENATOR LANGFORD: Mr. President, I'm going to surprise everybody and talk. Actually, I was a little amused by Senator Lynch talking about Douglas County having all that money that it wasn't going to be that important for them, but some of the rural counties didn't have that much money. It was interesting to me because Buffalo County now budgets \$200,000 a year for indigent care and they never spend that amount. So, actually, I would say that it is not nearly as important for the rural counties as it is for the 80 percent in Douglas County. We use...we used in LB 525 funds that would bring match from the federal government, because this gives us more money to spend on health care. So I would ask you to very carefully think the benefits to your own area when you vote for this bill. Thank you.

answer most of these concerns, not necessarily in the order of importance or because I like one member of the Appropriations Committee better than another, but as I can think of them in order. Senator Scofield read from this document. This document is wrong. This document is right. I'm not going to take the time to read, because I'm on my time. All of these things where it said the county has sole responsibility, operates in a different kind of standards and state laws than we operate from in Nebraska. There are, in fact, only four states in the country, four states that mandate the counties pay any part at all of the indigent health care issue, and I'll get into more detail, if we have to. Secondly, as far as the trade-off is concerned, I do understand, and you folks should understand as well whenever an agency of state government comes into the Appropriations Committee with the recommendation, like they did, in this case for a Medicaid readjustment, funds to be matched with federal funds and then changing the formula for reimbursement for the docs, that doesn't come before the Health and Human Services Committee, obviously. It only goes to Appropriations. But, quickly, I want to point out that's one of the problems with the system, you see. At the same time, in Health and Human Services we were talking about indigent care, the Appropriations Committee was talking about a trade-off already and it's in the trailer bill, and we didn't know anything about it. I didn't try to create this problem or cause it, believe me. And I don't want to cause anybody any misery, I support LB 525. But remember that, remember that, and that can happen to any standing committee. As far as the kick in, the kick-in in 1990 and '91, is intentional. We never did intend to fund LB 187 in 1989-90, because we were told by the Department of Social Services it would take at least a year to gear up to administer this kind of legislation. Secondly, as far as the...again, as far as the concern is about regarding the problem with some constitutionality, everything in this bill addresses the same subject, indigent care. Now the numbers change because, obviously, we went from 12 million to 7.2. I'm not a lawyer, again, but I don't think that that should be a problem. I understand maybe the dilemma and frustration of the Appropriations Committee, but this is probably as good an example as we had for years around here where what we're doing in one building, part of the building at the same time we're doing something else in another part of the building, we're both trying to do the same thing and the whole problem becomes complicated. What we simply did with this, and, by the way, I also want to correct something. I understand with the amendment

a bit ahead because of the federal match. See, the way the system works, just to run through it real quickly, is you've got Medicaid out there right now, state Medicaid, that's a federal-state program. Medicaid is 40 percent state, 60 percent federal. So for every dollar the state puts in, \$1.50 federal comes in. We have the flexibility, under Medicaid, to set a number of different provisions in our law, determining eligibility, for instance, and determining reimbursement rates. So we have a flexible situation. We have found, under the Medicaid program, that we had reimbursements that were too low for providers, they were rejecting Medicaid patients, the doctors, the hospitals, they were being reimbursed too much below their actual cost. So the Appropriations Committee saw that need and is increasing, under LB 525, the reimbursement rate, and for every extra dollar they put in, they get \$1.50 federal money. So this increases the amount of money going into the providers by a total of \$12 million, when you count both state and federal money. And this is being offered as an alternative to the \$12 million originally in LB 187, but LB 187 deals with a different population. Right now Medicaid, you have to be in a categorical area and under a certain income level, that means your family situation or disability and below an income level that is quite below the poverty level. If you don't fit in that, you don't get covered by Medicaid. And, if you don't fit in that, and you're below the medically needy level, which we've established, you're considered indigent and LB 187 would pick you up. Now the big concern that is out there isn't so much that this...the couple of concerns are, number one, who should pick up that responsibility right now. The counties have it in Nebraska. Counties are paying something like \$3.5 million statewide for this responsibility. Under the original 187, that 3.5 million would have gone to 12 million under the state. So that's quite a jump. This would bring it back down to 7.2 million, but still it's about double what they were getting in the past for this coverage. So the question is, should the county do it, should the state do it? If the state does it, how much, in fact, should they pay for this activity? But, in any event, they do target different populations but they mesh together. And I also want to mention another bill we might be voting on perhaps later this evening, LB 354 deals with a similar type of situation. That's for individuals that are pregnant women and children, aged, blind and disabled individuals. These are individuals now covered under a program we passed last year, again state-federal match under the Medicaid option program. And that bill will also target a

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LB 44, 187A, 187, 354, 525

different group, a high need group, but will also bring in some federal monies and will be of assistance to help low income individuals with their medical needs. So you can...what I'm saying is you can combine three different elements that all kind of seem to tie in or be the same, but they're not. LB 525 targets one area, LB 187 targets a different area, LB 354, coming up later, will target another area. All attempt to address the need of low-income individuals to get medical care. A couple of them bring in federal monies, LB 187 does not because the federal government does not set up an indigent care match or program. Hopefully, some day they will but, nevertheless, there is a need and the counties, again, are meeting that responsibility at this time. I'm just trying to summarize as best I can the kind of interrelationship...

SPEAKER BARRETT: One minute.

SENATOR WESELY: ...of these issues and, again, I'd be happy to answer questions if you have any.

SPEAKER BARRETT: Thank you. Senator Schellpeper.

SENATOR SCHELLPEPER: I call the question.

SPEAKER BARRETT: The question has been called. Five hands? Yes, I do. Shall debate cease? All in favor vote aye, opposed nay. Please record.

ASSISTANT CLERK: 25 ayes, 0 nays to cease debate, Mr. President.

SPEAKER BARRETT: Debate ceases. Senator Lynch, for a closing statement.

SENATOR LYNCH: Mr. President and members, I also would apologize that, as I tried to run through this almost as quickly as I could, I probably or maybe confused some people regarding two subject matters in one bill because I mentioned LB 44. I only did that...anything that has to do with LB 44 is like any other bill that has to do with the same issues in other bills, sometimes needs explanation. And since LB 44 was a consideration of this year, I only mentioned that to make sure that you understood the difference and why, in fact, there was no conflict between the two. We've already discussed it. I think it has been explained. I think you all probably

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LB 44, 84, 187, 187A, 683

LB 187, it has nothing to do with LB 84, or LB 44, excuse me. The problem lies in that the substantive legislation for which the funding is contained in the A bill is not a part of your amendment. And so you've got funding for a purpose in this A bill that that purpose isn't there. It's in a different bill, and so there are...in a very fine technical sense, there could be two subject matters in the bill. I raise the issue so if it gets vetoed, if the Attorney General would write a letter, you know, the body has been warned and those who drafted the amendment to this bill will know that they may have...you know, it may have been a really fine idea and I don't object to learning fine ideas, I...one of the advantages I have, I've seen so many fine ideas I didn't have to originate hardly any, I just copied a lot. But there still is that potential. And I've also made a decision, because I filed an amendment what's up there that I'm going to withdraw because I think it makes the problem more complex if I don't add an amendment, so...with that, I would urge that the bill be advanced.

SPEAKER BARRETT: Thank you. Any other discussion? Shall the bill be readvanced? Those in favor say aye. Opposed no. Ayes have it, motion carried, the bill is advanced. Senator Warner, did you say you wanted to withdraw the other amendment? Thank you. It is withdrawn. Nothing further on that bill, Mr. Clerk?

CLERK: Nothing further on that bill, Mr. President.

SPEAKER BARRETT: To LB 683.

CLERK: Mr. President, 683, the first motion I have, Senator Scofield, I had amendments from you, Senator, printed on page 1883. I have a note that you'd like to withdraw those.

SPEAKER BARRETT: Withdrawn.

CLERK: Mr. President, the next, I have a note...Senator Warner, the next amendment was from you, Senator, on page 1891. I have a note that you want to withdraw that one.

SPEAKER BARRETT: Withdrawn.

CLERK: Mr. President, Senator Warner would move to return the bill to Select File for a specific amendment. Senator, I have AM1550 in front of me. It is on page 1931 of the Journal.

first, but the Cash Fund does allow that if the...if there are sufficient funds there, then there won't have to be an expenditure of state funds. But to start up, I think we need to have the A bill. It certainly needs to have some initial funding for the Protocol Office itself. After that and if we find in the future that it's not necessary and there are enough private contributions to support the process and support the duties that the Protocol Office performs, then maybe later we could do that, but right now I think the A bill is essential to have it. Thank you.

PRESIDENT: And, Senator Moore, you wish to withdraw it. Fine. Read the bill, please.

CLERK: (Read LB 177 on Final Reading.)

PRESIDENT: All provisions of law relative to procedure having been complied with, the question is, shall LB 177A pass? All those in favor vote aye, opposed nay. Record, Mr. Clerk, please?

CLERK: (Record vote read as found on page 2688 of the Legislative Journal.) 25 ayes, 19 nays, on the passage of the bill, Mr. President.

PRESIDENT: LB 177A passes. LB 187.

CLERK: Mr. President, I have two motions on the bill. I have a priority motion. Senator Lynch would move to bracket LB 187 until January 3, 1990.

PRESIDENT: Senator Lynch, please.

SENATOR LYNCH: Mr. President and members, I would ask for your permission to bracket 187, which I don't think will be hard to get to tell you the truth. I do it, just quickly, for a number of reasons. I didn't know at the time we were pursuing LB 187 that LB 525 was coming down the pike, and I know this year is a difficult year with funds. This is about \$7.2 million which wouldn't be spent until 1990 and '91. I also have terrible problems with the A bill which provides for...well, I'll talk about the A bill when we get to that. But, in any case, I also know that we all have to give and take a little. I think we have to do a better job helping the body to understand who, in fact, would be served by this and it probably would be good to

let LB 525 take its place and see what effect that could have on medical costs as far as the state are concerned and I think it will have a very positive effect, especially for those professionals in institutions that are serving those people qualified for Medicaid. Hopefully it will help as far as the Governor's concerns about how much money we're spending. I'd just simply like to say that I do appreciate the courtesy of the body all through the debate on 187 and, in fact, LB 225. My motion is to bracket this and the following motion for LB 187A will be to bracket both bills until January 3rd of 1990. By then we'll have a better understanding of how they should work and it will not delay, except hopefully for one year, the funding for I still think this very important aid. With that, I would move to bracket LB 187 until January 3, 1990.

PRESIDENT: Thank you. Senator Ashford, please, followed by Senator Moore.

SENATOR ASHFORD: Thank you, Mr. President and members. I appreciate the bracket motion but, to me, it's a little bit of a two-edged sword. I...last summer when we started meeting on what became LB 187 it was presented to, at least those of us in the Omaha delegation who went to a couple of meetings on this bill, as being a very significant piece of health care legislation. And I know Senator Vard Johnson was extremely supportive of this and it really, as far as I can tell from talking to him, was the most important thing that...to him that was coming up in this session. And I'm a strong supporter of LB 187. I believe LB 187 is more important than LB 525 and LB 429. I think that in a sense we did, and I know people say this all the time, but I think in this case the lobby kind of got ahead of us a little bit here and kind of forced these other issues upon us when I think the real issue in the health care area, at least for my part of the state, was LB 187 and I was convinced that it also was a great help to other parts of the state. I regret, quite frankly, that we are not able to do LB 187 this year. I realize the financial constraints, but I don't think those financial constraints needed to be there if we had...if 187 had the priority that it deserved in this session. I understand the needs of the physicians in the hospitals, but I think we've really gone overboard for the needs of the physicians in the hospitals. I hope LB 429 will...is going to be good legislation and will not increase health care costs. I hope the Medicaid legislation will satisfy the concerns of the hospitals and the physicians in their...with their problems in

dealing with their costs, but I really believe that LB 187 was an important piece of legislation. I will support the bracket motion but with the understanding and the hope that we can come back next session and deal with what I think is the...really the central core problem of health care and that's dealing with those individuals in our society who are unable to have insurance, who are unable to get the kind of health care that they need for themselves and their children. I just...I feel that this is unfortunate, but I certainly will go along with the introducer's motion. Thank you.

PRESIDENT: Senator Moore, please.

SENATOR MOORE: Yes, Mr. President and members. Since I have the other motion on this bill up there, which was a motion to strike the enacting clause, obviously I will agree with Senator Lynch's motion to bracket this until next year. I think that would be wise for the body. As you are all aware, I've expressed my concerns in the past about the price tag of this bill and the uncertainty of where, exactly it leads to. Maybe possibly with this bracket motion we can, between now and the summer, now and next year at least, come up with a program that maybe will appease some of the concerns that the counties have on this particular issue without the uncontrollable costs that I think this bill may, in turn, lead us to. And so, obviously, I am a big fan of Senator Lynch's bracket motion and, for those senators that are concerned about who may be left out if you bracket this bill, obviously Senator Ashford and Senator Lynch have both alluded to in LB 525 there is matching funds, there's some money that's leveraging matching funds that actually gives about the same dollar amount for the health care industry. And also in that measure is funding for the counties because obviously a portion of the \$12 million price tag on LB 187, \$4 million would have, roughly, went to the counties and the county, there's state aid to counties included in LB 525 as well. And so those concerned about...those who were originally contacting you in support of LB 187, that is what you can tell them. It is my hope that maybe between now and next year we can devise some sort of plan. I know there's 46 states that now pay for indigent care. Maybe there's some better ways we can do this while controlling cost and particularly solving some of the counties' problem on those when they suffer large, unanticipated costs that really throw their budget out of whack. And so I am supporting Senator Lynch's bracket motion and hope to work with Senator Lynch and others over the interim to develop a more

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LB 187, 187A, 213, 258, 272

acceptable solution to this problem.

PRESIDENT: Thank you. Senator Korshoj, please.

SENATOR KORSHOJ: Question.

PRESIDENT: Thank you. You were the last one so it won't be necessary, but thank you anyway, Senator. The question has been asked for unanimous consent to bracket. Is there any objection? If not, it is bracketed. Senator Lynch, you meant that to apply to LB 187 and LB 187A?

SENATOR LYNCH: Mr. President and members, I think we have to consider both separately since they're two separate bills.

PRESIDENT: Okay. The question is, unanimous consent to bracket LB 187A. Is there any objection? If not, it is bracketed also. LB 213 with the emergency clause attached.

ASSISTANT CLERK: (Read LB 213 on Final Reading.)

PRESIDENT: All provisions of law relative to procedure having been complied with, the question is, shall LB 213 pass with the emergency clause attached? All those in favor vote aye, opposed nay. Have you all voted? Record, Mr. Clerk, please.

ASSISTANT CLERK: (Record vote read as found on page 2689 of the Legislative Journal.) 49 ayes, 0 nays, Mr. President.

PRESIDENT: LB 213 passes with the emergency clause attached. LB 258 with the emergency clause attached.

ASSISTANT CLERK: (Read LB 258 on Final Reading.)

PRESIDENT: All provisions of law relative to procedure having been complied with, the question is, shall LB 258 pass with the emergency clause attached? All those in favor vote aye, opposed nay. Have you all voted? Record, Mr. Clerk, please.

ASSISTANT CLERK: (Record vote read as found on page 2690 of the Legislative Journal.) Vote is 49 ayes, 0 nays, Mr. President.

PRESIDENT: LB 258 passes with the emergency clause attached. LB 272 with the emergency clause attached.

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LB 187, 514, 742, 851, 856, 908, 957
964, 966, 968, 1004, 1005, 1078, 1079
LR 8

Senator Robak, Moore, Schmit, Chizek, Elmer, Withem, Korshoj, Smith and Ashford and Labedz. (Read title.) The bill was introduced on January 19 of last year, at that time it was referred to the Transportation Committee for public hearing. The bill was advanced to General File. I have Transportation Committee amendments pending, Mr. President.

PRESIDENT: Senator Lamb, are you going to take those?

SENATOR LAMB: Mr. President, members, LB 742, a bill introduced by Senator Robak, and it has to do with changing the eyesight requirements for drivers licenses. The committee amendments are minor. There are two of them. On page 2, line 19, strike "or" and insert "and"; and then on page 3, line 7, strike "the applicant"...the words "the applicant has". These are merely...

PRESIDENT: Senator Lamb.

SENATOR LAMB: ...drafting errors that were...

PRESIDENT: (Gavel.) Senator Lamb, could I interrupt you?

SENATOR LAMB: Yes.

PRESIDENT: I hate to interrupt you in the line of thought, but I've just been notified there is a bomb threat and you're all supposed to evacuate the building. Okay.

SENATOR LAMB: What if we don't?

PRESIDENT: Mr. Speaker, Speaker Barrett. Would you like to read some things into the record while we're waiting for the bomb to go off?

CLERK: Mr. President, very quickly, I have a designation of priority bill by Senator Schimek for LB 514. I have notice of hearing for the Urban Affairs Committee. And notice of hearing from the Agriculture Committee. (Re: LB 851, LB 856, LB 908, LB 957, LB 964, LB 966, LB 968, LB 1004, and LB 1005.)

New bills. (Read LB 1078 and LB 1079 by title for the first time. See page 244 of the Legislative Journal.)

Mr. President, I have in addition to that amendments to printed by Senator Lynch to LB 187, and Senator Lindsay to LR 8CA;

January 31, 1990

LB 163, 187, 187A, 549, 551, 769, 962A
1059, 1066, 1094, 1101, 1212

SENATOR LABEDZ: A machine vote has been requested. All those in favor vote aye, all those opposed vote nay. Have you all voted? A record vote has been requested. Have you all voted? Record, Mr. Clerk.

CLERK: (Read record vote. See pages 598-99 of the Legislative Journal.) 32 ayes, 10 nays, Madam President, on the adoption of Senator Morrissey's amendment.

SENATOR LABEDZ: Senator Morrissey's amendment has been adopted. Do you have anything to read in, Mr. Clerk?

CLERK: Madam President, I do. Amendments to be printed to LB 163 by Senator Hefner. A new A bill, LB 962A by Senator McFarland. (Read for the first time by title.) Amendments to be printed to LB 163 by Senator Schimek; Senator Lynch to LB 769, LB 187, and LB 187A; Senator Labeledz to LB 1059. (See pages 599-606 of the Legislative Journal.)

Mr. President, Health and Human Services reports LB 551 to General File with amendments; LB 1101 General File with amendments...Health and Human Services General File with amendments, signed by Senator Wesely. General Affairs reports LB 1101 to General File with amendments, signed by Senator Smith. Banking reports LB 1066 to General File, LB 549 General File with amendments, LB 1094 General File with amendments, those signed by Senator Wesely (sic) as Chair. Finally, Madam President, Senator Pirsch would like to add her name to LB 1212 as co-introducer. (See pages 607-11 of the Legislative Journal.) That is all that I have, Madam President.

SENATOR LABEDZ: Thank you, Mr. Clerk. Senator Pirsch, would you like to adjourn us until tomorrow morning.

SENATOR PIRSCH: I would love to. I move that we adjourn until February 1st at nine o'clock in the morning.

SENATOR LABEDZ: Thank you, Senator Pirsch. We are adjourned.

Proofed by:

LaVera Benischek
LaVera Benischek

February 2, 1990

LB 187, 399, 821-829

CLERK: (Read LB 827 on Final Reading.)

SPEAKER BARRETT: All provisions of law relative to procedure having been complied with, the question is, shall LB 872 become law? All in favor vote aye, opposed nay. Have you all voted? Please record.

CLERK: (Read record vote as found on page 641 of the Legislative Journal.) 39 ayes, 0 nays, 2 present and not voting, 8 excused and not voting, Mr. President.

SPEAKER BARRETT: LB 827 passes. LB 828.

ASSISTANT CLERK: (Read LB 828 on Final Reading.)

SPEAKER BARRETT: All provisions of law relative to procedure having been complied with, the question is, shall LB 828 pass? Those in favor vote aye, opposed nay. Record, please.

ASSISTANT CLERK: (Read record vote as found on page 642 of the Legislative Journal.) The vote is 42 ayes, 0 nays, 7 excused and not voting, Mr. President.

SPEAKER BARRETT: LB 828 passes. LB 829.

ASSISTANT CLERK: (Read LB 829 on Final Reading.)

SPEAKER BARRETT: All provisions of law relative to procedure having been complied with, the question is, shall LB 829 become law? All in favor vote aye, opposed nay. Have you all voted? Record, Mr. Clerk.

ASSISTANT CLERK: (Read record vote as found on pages 642-43 of the Legislative Journal.) The vote is 43 ayes, 0 nays, 6 excused and not voting, Mr. President.

SPEAKER BARRETT: LB 829 passes. And while the Legislature is in session and capable of transacting business, I propose to sign and I do sign LB 821, LB 822, LB 399, LB 823, LB 824, LB 825, LB 826, LB 827, LB 828, and LB 829. Mr. Clerk, proceed to LB 187.

CLERK: Mr. President, I have a motion on the desk. First motion I have on the bill is by Senator Moore. Senator Moore, Mr. President, would move to return the bill for purposes of

striking the enacting clause.

SPEAKER BARRETT: Chair recognizes Senator Moore.

SENATOR MOORE: I will save my dissertation on how unwise it would be for the Legislature to advance this bill for a later time and pull that at this point in time.

SPEAKER BARRETT: It is withdrawn.

CLERK: Mr. President, Senator Lynch would move to return the bill for specific amendment. Senator, I have your AM2000 that's printed on page 249 of the Journal.

SPEAKER BARRETT: Chair recognizes Senator Lynch.

SENATOR LYNCH: Mr. President, members, I think it's important for us to give you a briefing as to what happened and why we're doing this today. Back in May, about the 23rd, in 1989, when this bill was on Final Reading and could have been considered, it was obvious that at the same time LB 525, a trailer bill to the appropriations bill, was in fact in place. And, in fact, I supported that legislation. I supported it because it did, in effect, the same thing, to some degree, in a different way than 187, involved the reimbursement for hospitals, involved the reimbursement for doctors. LB 525 was good because it provided funds and reimbursement for physicians, especially in areas outside of Omaha and Lincoln. And, in the process of developing that reimbursement schedule, recognized the need for especially family practitioners reimbursements, which were too low, and at the same time adjusted some specialty costs downwards which were apparently too high. The physicians part of 525 was successful. However, it was obvious to me that it would also be unfair to suggest, by passing 187 to the Governor, that she would have to make a choice regarding 525 or portions of it, and 187 together. And, obviously, this Legislature would not consider those kinds of costs in total as well. So I moved, on May 23, 1989, to bracket 187 until January 3rd, and today, of course, we're discussing it now. What I would like to suggest we do is amend the bill with the amendment 2000, found on page 249, to that total that, in fact, is left after 525's success last year. Before I do that, though, let me explain just quickly that this is, in fact, a program of last resort for reimbursement to hospitals. Medically indigent are those individuals whose family's income fall below the federal poverty guidelines, who

have no public or private health insurance coverage, who are not eligible to receive health care benefits under any other public program, who are unable to pay for needed health care themselves. Many of the medically indigent are between jobs, or unemployed, or employed individuals who lack coverage simply because they work in service industries, agriculture, for example, and other seasonable and unstable vocations. They may be a farm wife in Greeley County, a temporary unemployed food processing worker in some other county, or a jail inmate and an accident victim. The demographics of the people who would be involved in this indicate that about 15.2 percent of all Americans are living below the federal poverty guidelines. The medically indigent population is interesting as well. About two-thirds are white, a little more than two-thirds, actually, less than one-third black, and less than one-tenth Hispanic. Traditionally hospitals and physicians, God bless them, have traditionally cared for these people, but they do it in the old Robin Hood fashion. They take care of them and get as much back as they can with reimbursement. Also want to point out to you, especially the senators who live outside the areas of Omaha and Lincoln, that 90 percent of the uncompensated care, which is what we use to describe the service provided by these hospitals, was provided by 20 percent of the Omaha and Lincoln area hospitals, but 75 percent of that care was provided by hospitals outside the State of...outside the Omaha and Lincoln area. The Department of Social Services estimated that there are about 3,450 medically indigent persons that would, in fact, need 10.6 million dollars to adequately reimburse for that indigent care. In addition to that, another 3 million dollars for about two point...about 2,600 people who are in jails and need care as well. That's fairly close, to be completely frank, to the estimates developed by the Department of Social Services and also the fiscal office. Eligibility criteria is pretty tough. For example a family of four, under the eligibility standards for poverty guidelines, cannot make more than \$970 a month. But they would have to spend down, from that 970, \$445 that month for medical services before they became eligible for these funds. So, in fact, it is, in effect, something difficult to do and fair, but it also means that people have to go to extraordinary lengths to provide for themselves before being eligible. The criteria for resources would be determined by the Department of Social Services who would administer the program, and there would be ongoing review, either quarterly, every six months, or annually to make sure that the families who would use this program would, in fact, qualify for it. The amendment,

found on page 249, simply provides adjustment from the 12 million dollars down to 7.2, the difference being that last year, in 525, there were 4.8 million dollars of General Fund revenues suggested for reimbursement to physicians and to hospitals. It simply does that. I would try to answer any questions you might have. But I would ask for your support to at least return it for further discussion and debate regarding this amendment, at which time I'd be happy to answer any questions you might have.

SPEAKER BARRETT: Thank you. Is there discussion on the Lynch motion to return the bill to Select File for purposes of an amendment? Is there discussion? Seeing none, those in favor of that motion please vote aye, opposed nay. Record, Mr. Clerk.

CLERK: 28 ayes, 0 nay, Mr. President, on the motion to return the bill.

SPEAKER BARRETT: The motion prevails, the bill is returned. Senator Lynch, please.

SENATOR LYNCH: Thank you, Mr. President and members. I think I described to you in some, I hope, adequate form the purpose of the bill and why it's important. I know it will and should take its place as priorities exist for the spending of any state funds. I think it would also be fair because of the obvious need and the importance of it, though, to be given the chance to take its place with those priorities. And so I would hope you would allow it to proceed. I'd like to point out something without being asked, because there is some concern, especially as it applies to psychiatric care for people. This bill does provide for long-term psychiatric care. On page 10, under Section 8, there are two definitions. Number one, on page 16, says "emergency inpatient and outpatient medical, surgical, psychiatric and hospital care". Although line 2, found on page 18, says "medically necessary inpatient and outpatient medical, surgical and hospital services", I'm told and understand that without saying it, even though it may seem silent, long-term psychiatric care is, in fact, a medical service and, in fact, considered as part of that medical necessary inpatient care. And I thought I should make that clear and answer that question even before it may be asked. I want to point out, talking to you about the costs, but as far as Medicaid is concerned, this state spends about \$260 million a year on Medicaid, and we're very grateful for that. Of that,

about 100 million dollars is state funds. We have in place a program that recognizes the needs of those people who are not eligible for Medicare, at the same time we should not, I think, admit on the one hand that Robin Hood exists without recognizing the fairness of reimbursing those 75 percent of the hospitals in the areas outside of Omaha and Lincoln that are providing this care, and the 20 percent of the hospitals in the Lincoln and Omaha area who are also doing the same thing. It's not fair for them to assume this cost and, I'm sure, not recover all of it, but do the best they can to cope with it. This is the kind of responsibility that should be ours. There is a cap, please remember, at 7.2 million dollars. We can spend no more than that. We don't have to spend that much. And so you understand, it would be spent on a quarterly basis through the year. One-fourth of that 7.2 would be eligible for reimbursement at the end of the first three months. If, in fact, the request for those funds did not exceed that quarterly amount, the balance could be carried over. And everybody who applied for reimbursement would get what they requested, obviously based on the eligibility of that bill. In the second quarter if, in fact, the requests exceeded the quarterly amount, then everybody would be paid at the end of that quarter based on and in proportion to the amount of money available for that quarter only. There would be nothing, obviously, that would be transferred from the second quarter to the third quarter, and the unreimbursed portion of their requests for the second quarter would not be transferred to the third quarter. I thought I should explain that to help you understand that even though you may have concerns about this, remember, that in fact it is a cap, a sacred cap, I guess, and should not be violated, and I thought you should understand the mechanics of how it would work. Basically, that's the amendment. I would ask for your support.

SPEAKER BARRETT: Thank you, sir. Is there discussion on the Lynch amendment? Senator Korshoj, followed by Senator Moore.

SENATOR KORSHOJ: Mr. Speaker, members, I don't remember, Dan, I've got a question I'd like you to briefly answer, if you could.

SPEAKER BARRETT: Senator Lynch, would you respond?

SENATOR LYNCH: Yes, sir.

SENATOR KORSHOJ: And I'm sure it's in the bill, but how is this money going to be distributed to the outlying counties? Is there a formula in the bill, and will all the money stay in Douglas County, or will it go out?

SENATOR LYNCH: No. The money...

SENATOR KORSHOJ: I have no further comments, so just take whatever time you want.

SENATOR LYNCH: Well, I'll just take a few minutes. As I described the totals of how they would...as I've already described how the totals would be spent, Senator Korshoj, they would be provided...all the monies would be provided to all the hospitals, irregardless of where those hospitals are, whether they're in Omaha, Lincoln or outside of the Omaha-Lincoln area. And, as I described, if the requests for reimbursement did not exceed the quarterly allocation, they would be paid in full, without regard as to where in the state they were. I have a sneaking suspicion that because some of the hospitals outside the Omaha-Lincoln area, I'm saying that, by the way, so you'll all understand because Sandy Scofield corrected a lot of us from the Omaha-Lincoln area saying, don't say outstate. You know, if we're from the Panhandle, say the Panhandle, if we're from Tekamah, say Tekamah, or Herman, say Herman, but don't say greater Nebraska or outstate. So I'm not going to say that. I'm saying everywhere outside of Omaha and Lincoln, all of those hospitals would be reimbursed in total. I have a sneaking suspicion, Senator Korshoj, since an awful lot of the hospitals outside the Omaha and Lincoln area, everywhere else, who are hurting, because they do, in fact, provide a high proportion of care for the indigent, jail prisoners from smaller counties, less populated counties, that they will maybe benefit more than the Omaha area hospitals. The purpose of this is to provide the cost for the care to hopefully even offer an incentive to some of these hospitals who are already hurting to make sure they get covered, and we know they're already taken care of some of them, but maybe even do it a little bit better and have some confidence and guarantee they will be reimbursed. After about a year into this, we'll have some pretty good idea about what proportion would go to the Omaha-Lincoln area as compared to outstate. But right now, and I'm not saying this because I want your votes, and I do, but it's true. I really think that the hospitals outside the Omaha and Lincoln area have more, and rightfully so, more to gain from this than the metropolitan area

hospitals.

SENATOR KORSHOJ: Well, there's no priorities how it goes, it's as the requests come in. I...

SENATOR LYNCH: No, they come in for the first three...none, no...none of the bills are paid until at the end of the three months.

SENATOR KORSHOJ: Okay.

SENATOR LYNCH: And so the bills are collected. Depending upon the amount of the pool, which would be, in the first quarter, one-quarter of the 7.2 million dollars,...

SENATOR KORSHOJ: Um-huh.

SENATOR LYNCH: ...if it didn't...if all the requests came in from outside of Omaha and Lincoln, they would all be paid.

SENATOR KORSHOJ: And, if the requests are too great, it would be prorated and...

SENATOR LYNCH: It would be prorated...

SENATOR KORSHOJ: ...accordingly.

SENATOR LYNCH: ...equally across the board, yes. If an Omaha hospital sent in a bill for 10,000 bucks, and there was 80 percent of the money available, they would get 8,000 bucks. If a hospital outstate sent in a bill for 40,000, you know, they would get the 80 percent of that.

SENATOR KORSHOJ: So we're all playing on the same...

SENATOR LYNCH: Yes, sir.

SENATOR KORSHOJ: ...level field, as we call it.

SENATOR LYNCH: I sure hope so.

SENATOR KORSHOJ: Thank you, Dan. That's all.

SPEAKER BARRETT: Thank you. Senator Moore, further discussion.

SENATOR MOORE: Yes, Mr. Speaker and members, I have no intent to stall 187. As I said, I think it's been pretty evident why I don't like the bill. But today is not the day to fight that battle, and I'll save my fire power for another day. But a couple things I do want to mention about the body, and Senator Korshoj spurned it. There is two reasons I don't like the bill. The first reason is that, and Senator Lynch has addressed this pretty accurately, obviously, but my concern is that primarily the activity in this area, if you go on past activity, going back to '87, something like 80 percent of the money in this bill would go to Douglas County, because that is where the activity was at that point in time. And that's the one reason I was bothered by the counties last year selling this bill as a property tax relief measure, when primarily the money would be going to Douglas County. And the old argument that if you really want property tax relief, it don't happen that way, because you never get credit for it. If you want property tax relief, deal with it in a property tax relief bill. But Senator Lynch says regardless of that, it's still something that is a policy decision maybe you should do. But the second problem is that, you know, you can't open up Pandora's box. What Senator Lynch says is correct, the rural hospitals will, in all likelihood, take advantage of this bill once it gets up and going. I mean they probably will, you know, to put it in laymen's terms, the Douglas County hospitals have done a good job of applying for this, the rural hospitals, for a variety of reasons, won't. Maybe when the bill is up and going and the state is paying for it and it's state dollars then, my guess is that a lot of hospitals throughout the state will become more active in trying to get these funds. That creates a second problem on the price tag. There was a study done in 1987, that estimated the problem of indigent care, not at 7 million, not at 12 million, but between 40 and 45 million dollars. That's what the real amount that the hospitals theoretically were eating in the State of Nebraska. That was a few years ago. We all know what health care costs have done. My concern with this bill is, given the history of items like the state Medicaid takeover, what is a 7 and 12 million dollar expenditure today will be much like state Medicaid takeover, which was in the teens at one time, now it's 55 million dollars. This bill, within five years, is going to be costing the state a lot more money than 7 or 12 million dollars. We don't need to talk about this much today. I think Senator Lynch's amendment I guess in my opinion makes a bad bill a little better. I have no problem with it. But you'll be hearing more from me when we vote on Final

Reading, and I hope the body will take a good, hard look before they advance this bill on over to the Governor's desk.

SPEAKER BARRETT: Thank you, sir. Further discussion on the amendment. Senator Scofield, please.

SENATOR SCOFIELD: Mr. President and members, I have assured the interested parties on this bill today that unlike last year I'm not going to stall this bill at this point. And I will continue to work with Senator Lynch on trying to get us some place that solves the very important problem of reimbursing hospitals out there. But Senator Korshoj raises a question about where is all this money going to be distributed. And until I have a chance to really look again at the distribution formula, Senator Lynch's answer of, no, not all the money goes to Omaha, is in fact correct. But I wonder if perhaps the correct answer isn't well most of it might. And that continues to concern me, obviously, given the part of the state that I represent and the failing condition of many of our small hospitals out there. The second concern that I have about this bill continues to be that of the price tag. And while we need to put the help out there, I want to put you on...just to indicate to you again, Senator Lynch, that I'm interested in once again looking at the price tag of this bill because I'm not so sure that it isn't still too high, given what our history has been of what we're picking up. And I know some of my hospitals out there have devised some fairly ingenious ways of dealing with indigent health care. And so I offer my willingness to continue to help solve this important problem of hospital costs, but I have to go on record today as that I still have some skepticism about the cost of the bill as currently...even as it's been reduced and the distribution formulas. Thank you.

SPEAKER BARRETT: Thank you. Any other discussion on the amendment? Seeing none, Senator Lynch, would you care to close?

SENATOR LYNCH: Yes, sir, Mr. President, members. It's a little scary when two members of the Appropriations Committee show some concern, but just so we all understand. Those of us in Omaha and Lincoln didn't raise too much fuss when the community college budget was discussed, and the increase and all of it went to greater Nebraska. Put in any case we understand the difference, though, we really do. And I think we have to understand that where indigent care is provided that's probably where the funds will go. But I also want you to understand that

we've got about 100 hospitals in this state, and a lot of them are county hospitals not in Omaha and Lincoln. And you've got to know, if you live out there, that they are so frustrated with this whole thing that they just take care of them and forget about the bill. They probably don't even submit because they know there is no money in the county to get it. This is, in that sense, a property tax relief bill as important as any other property tax relief bill you can think of, I don't care by who, because what you're going to be able to do with this is to stop the rather silly, if not stupid, but mostly unfair practice of using property tax dollars to pay for health care costs and at the same time cap off that responsibility for reimbursement for these kinds of patients based on this very difficult eligibility at 7.2. I certainly understand and respect the concerns of both Senator Moore and Senator Scofield, but understand this is a cap. Now, if it escalates to hundreds of millions of dollars (laugh), the body is going to have to be involved with that, not me. This bill won't cause that to happen, it can't, it has the cap. There is no suggestion that it be changed. I think we have to give it a shot. And I think with this you will, at the same time, begin, like 46 or 7 other states, to understand that property tax is not the appropriate vehicle to pay for health care costs. And at the same time put in place some eligibility standards for reimbursement that makes sense, and most importantly as far as the areas outside...Sandy has a resolution, I'm not quite sure what it says, but whatever she calls it, that's what I'll use. So insert in the record whatever she says in her....But, in any case, those areas outside of Omaha and Lincoln, you'll probably see, after the first year, hopefully that this is successful. How many of your hospitals out there have been hurting? How many just haven't passed in the bills? I know a lot of county officials, I used to be one, and I talk to a lot of them, they just haven't submitted them because they know their county doesn't have the money. And I think their county boards appreciate that. But it seems to make sense to me to do two things, recognize the rightful use of whatever source of funds to pay for these care...this kind of care, help the hospitals, God bless them, that are doing the work, not just all the hospitals, whether they deserve it or not, but by this criteria just those that are providing this care for these poor souls and keep a cap on it so we can understand that all those hospitals involved will know they have to be pretty selective when they submit these bills that, in fact, it's appropriate and fair. I would ask for your support for this amendment.

SPEAKER BARRETT: Thank you. You've heard the closing. The question is the adoption of the Lynch amendment to LB 187. Those in favor of that motion vote aye, opposed nay. Record, Mr. Clerk.

CLERK: 30 ayes, 0 nays, Mr. President, on adoption of Senator Lynch's amendment.

SPEAKER BARRETT: The amendment is adopted. Senator Lynch, is it your desire to advance the bill?

SENATOR LYNCH: I would move it be readvanced.

SPEAKER BARRETT: Thank you. If there's no discussion, those in favor say aye. Opposed no. Ayes have it, motion carried, the bill is readvanced.

CLERK: Senator, you had that other amendment.

SENATOR LYNCH: Mr. President, members, I respectfully request that...the second amendment be withdrawn.

SPEAKER BARRETT: It is withdrawn. Mr. Clerk, let's proceed to LB 240, please. Senator Lynch, I believe we're on the A bill. (LB 187A)

SENATOR LYNCH: Yes, sir.

SPEAKER BARRETT: My apologies. Mr. Clerk.

CLERK: Mr. President, Senator Lynch, Senator, you had an amendment printed earlier this year, on page 244. I understand you want to withdraw that one.

SENATOR LYNCH: Yes, I would respectfully, Mr. President, members, ask that be withdrawn.

SPEAKER BARRETT: So ordered.

CLERK: Mr. President, Senator Lynch would move to return the bill. The amendment is on page 604 of the Journal.

SPEAKER BARRETT: The Chair recognizes Senator Lynch.

SENATOR LYNCH: Excuse me just a minute, Mr. President. Mr. President, members, I wanted to make sure that I had the right number and page. It's AM2358, found on page 604. It does three things. It changes the dollar amounts and years to reflect the fact that this bill did not pass last year. It deletes the state liability cap language from the A bill, the cap remains the same as the main bill, which is 7.2, and deletes language which was needed last year in case both LB 44 and LB 187 were passed. I could go into some more detail, but it does adjust the amount of funds to administer the program. And I won't, at this time, reflect on my concern about the total cost because I would need more information. But at the appropriate time, unless somebody is interested, I could explain the difference between the administrative costs for the 260 million dollars now in Medicaid and the percentage needed to administer this, but there may be a better time for that. I would simply ask for your support to return LB 187 (sic) for the adoption of this amendment.

SPEAKER BARRETT: Thank you. Is there discussion on the motion to return the A bill for purposes of an amendment? If not, those in favor of that motion please vote aye, opposed nay. Record, Mr. Clerk.

CLERK: 30 ayes, 0 nays, Mr. President, on the motion to return the bill.

SPEAKER BARRETT: The bill is returned. Senator Lynch, on the amendment.

SENATOR LYNCH: Yes, sir. I think it's been discussed. Unless there are some specific questions, I'd ask for its adoption.

SPEAKER BARRETT: Thank you. Any discussion? Any questions? If not, the question is the adoption of the Lynch amendment. All in favor vote aye, opposed nay. Record, please.

CLERK: 30 ayes, 0 nays, Mr. President, on adoption of Senator Lynch's amendment.

SPEAKER BARRETT: The amendment is adopted. Senator Lynch.

SENATOR LYNCH: I would move the advancement back to Final Reading, Mr. Chairman.

February 2, 1990

LB 187, 399, 465, 708, 821-829, 980
LR 249

SENATOR HANNIBAL: Motion passes. Senator Chambers, please.

SENATOR CHAMBERS: I move adoption of the amendment as discussed.

SENATOR HANNIBAL: Any discussion? Any closing, Senator Chambers? Motion before you is the adoption of the amendment. All those in favor vote aye, opposed nay. Record, Mr. clerk.

CLERK: 26 ayes, 0 nays, Mr. President, on the adoption of the Select File amendment.

SENATOR HANNIBAL: Motion is adopted. Senator Chambers.

SENATOR CHAMBERS: I move that LB 465 be readvanced to E & R for engrossing.

SENATOR HANNIBAL: Any discussion? All those in favor say aye. Opposed same. It's readvanced. Mr. Clerk.

CLERK: Mr. President, may I read some items for the record? Mr. President, your Enrolling Clerk has presented to the Governor bills read on Final Reading this morning as of 10:45 a.m. (Re. LB 821, LB 822, LB 399, LB 823, LB 824, LB 825, LB 326, LB 827, LB 828, and LB 829.)

I have an amendment to be printed by Senator Moore to LB 187. Senator Lamb designates LB 980 as one of the Transportation Committee's priority bills. And, Mr. President, new resolution, LR 249 by Senators Scofield and Dierks. (Read brief summary of resolution.) That will be laid over, Mr. President. That's all that I have, Mr. President. (See pages 646-48 of the Legislative Journal.)

SENATOR HANNIBAL: We'll proceed to General File, LB 708.

CLERK: Mr. President, 708, I believe, was discussed yesterday by the Legislature. (Read title.) The bill was introduced last year, Mr. President, referred to Judiciary, advanced to General File. Yesterday there was an amendment to the bill by Senator Chambers that was adopted. I now have pending, Mr. President, an amendment to the bill by Senator McFarland. (McFarland amendment appears on page 648 of the Legislative Journal.)

SPEAKER BARRETT: LB 164 passes. The A bill, Mr. Clerk.

CLERK: (Read LB 164A on Final Reading.)

SPEAKER BARRETT: (Mike not on.) ...provisions of law relative to procedure having been complied with, the question is, shall LB 164A pass? Those in favor vote aye, opposed nay. Have you all voted? Record, please.

CLERK: (Read record vote. See page 1694 of the Legislative Journal.) 40 ayes, 2 nays, 3 present and not voting, 4 excused and not voting, Mr. President.

SPEAKER BARRETT: LB 164A passes. LB 187.

CLERK: Mr. President, I have a motion on the desk. Senator Moore would move to return LB 187 to Select File for a specific amendment, that amendment being to strike the enacting clause.

SPEAKER BARRETT: The Chair recognizes Senator Moore.

SENATOR MOORE: Well, Mr. Speaker and members, LB 187 is a bill that we've not debated for quite some time and I think at the very least we should remind the body of just what this bill is now and what it costs. You remember this bill first advanced over 12 months ago to General File and eventually to Select File and as I'm sure Senator Lynch will probably tell you in his time what happened to the bill last year and why it's in this form this year. But I think it's important that to begin with the body looks at the second page of the back part of the green sheet and looks at the price tag of this bill and understands the dollars that we're talking about. As you can see, if you look at that, we're talking roughly a half million dollars for this fiscal year and \$8.6 million of price tag in the years after that. That's the first point I just want to simply bring out that people are aware of that as we start reading the varieties of A bills this morning. Now, if you remember back last year on General File the debate on 187 at that time this bill carried a \$12 million price tag, one of the major selling points of this bill back then at least, was the fact that, you know, this was a cost of health care that county government has picked up and on this floor more than one senator voiced their support on LB 187 because it would help property tax relief. We tie that to a lot of things. If we didn't pass this bill it would be cost that would be incurred by local county

governments. Well, after that debate, as you'll remember in things I passed out before, I had the opportunity to look into just how much of the counties' budget for indigent care. As you remember, you know, the most recent year my data is a little dated, I'll admit that, but in '87 at least, you know, there was only about \$4 million budgeted statewide among 93 counties for indigent care. So you've got a \$12 million bill originally of which only \$4 million, you know, arguably, was going to go towards local governments. And so is it a property tax relief bill? No. I think we've gone far away from that argument now and I compliment the sponsors of the bill and those behind the glass for getting away from that argument of this bill and getting to what the bill is all about and they make a good argument that 46 states do this, but certainly don't talk about property taxes when you talk about this bill even though, yes, it would have some impact to the tune of five, \$6 million possibly, but it certainly is not going to be a panacea that anyone is ever going to write you and thank you for lowering their property taxes by voting for LB 187. Now, the second thing about LB 187 that when you look into it you'll see that in recent data that we have, you know, it's a data...it's a problem on this particular area but in the recent data that we have that, you know, back in '87 at least, not being able to find any additional information to that, but of the money spent on indigent care in this state, you know, well over 70 percent was spent in Douglas County. Why? Because they obviously have a different type of population when it comes to indigent care and that's where most of the services go on, so I'm not going to say, you know, I'm not going to critique all the money spent in Douglas County, but I think you need to know that's where this particular money was spent, that's where the bulk of LB 187 will go. You know, one, yes, it will help Douglas County but probably much more so help the Douglas County hospitals, you know, not the Douglas County Hospital, but all the Douglas County hospitals. You know, and that's why, you know, the various hospitals from...you know, that hire those, you know, they don't exactly have hayseed lobbyists back there, they have some of the best in the business back there which is fine, but this just goes to show we're talking big money for big money hospitals under this bill. And if you look at the sheet I passed out just to give you a...you know...and maybe someone else can explain this better than I can, I think it's important to look at what are we talking about as far as what type of money these hospitals have. You know, for one they are hiring some pretty good blue pin-striped suited lobbyists back there to

help the poor people with LB 187 and you can see, you know, some of the financial health those hospitals are in. I'm not going to sit here and say they're (inaudible) money can do anything they want to, but on the other hand, I don't think 187 is going to make them or break them either. I think it is that important that we understand that. You know, and then after I raised the concern that, you know, the bulk of this money goes to Douglas County, well, you know, to begin with, the bill, LB 187, also raised the concern that there are \$8.6 million at the tip of an iceberg, and what the cost of this problem is statewide. And, you know, one of the arguments I've had about why all this money is located in Douglas County is because of the sophistication of Douglas County hospitals, they were the first ones to figure out how to play the game. And you pass a bill like this, a lot of those hospitals out across the state, it would be nice if their county boards, you know, are going to figure out they are entitled to this money and they are going to go get it. Now the part that concerns me is the fact that, yeah, they were nice to their county boards and wanted state money, but we've got to go get that. And so, I mean, if you're talking, if you're going to argue that...if you're going to argue that, you know, all across the state hospitals are going to start getting a lot more of this money, well that goes back into your problem of how much does this bill cost? I think Senator Wesely maybe can address, you know, there has been a variety of studies and this is a 40 to \$50 million problem statewide. And if you adhere to the argument that all the hospitals across the state, when the state gets involved in paying for this, are going to work a lot harder in getting the money, I think that just proves the theory that it's much more than an \$8.6 million problem. Yes, I know there is a cap on this bill the way it is right now, but it's just one of those things that, you know, and I use the state Medicaid takeover as an example of a program that comes in, you know, at 10, \$15 million and now is a 40 to \$50 million price tag that we all pick up here in the Legislature. Basically, it is an entitlement program that we lose control over. In 187 my major concern is that, yes, it's \$8.6 million in '91-92, but I...you know, my fear is that '94-95 we're talking 40, 50, 60, \$70 million and no, when we get to that price tag, no, a great percentage will not just go to Douglas County, it will go to hospitals across the state, but when you, you know, if you buy the argument that everybody is going to get a piece of this pie when it becomes a state program, I think you also have to buy the argument that it's much more than an \$8.6 million problem and it's going to cost a lot more. Those are my concerns about

LB 187. That's why I filed this motion to at least talk about it before we vote on it. You know, it's just one of those things where, you know, Senator Lynch and others will make a good argument that, you know, the vast majority of the state's do something like this and that is a good argument to make. But the fact of the matter is can we afford this bill as a state this year? We've done some other things to pick up cost. It is something we want to do this year or last year, I mean I'm not going to say wait until next year because I won't vote for it then either quite honestly, probably. What you're talking about a large price tag, is this a priority, is it that necessary that we're going to spend \$8.6 million? It is basically, to begin with at least, assuredly, is going to go to primarily the hospitals listed on this page. If you want to spend \$8.6 million and give it to those folks, which I'm not saying they don't need it to some degree, and say no to many, many others, I think you have to look at your priorities. Yes, I'm going to urge you to vote no on LB 187. I know that Senator Lynch and others may have some things to say. I apologize to the Speaker for using time debating LB 187 on Final Reading, you know, but the reason is this is an issue that, you know, has been laying there for months and months. I think we need to spend just a few minutes talking about it before we cast our final vote. For that reason, you know, I will...I'm actually not going to return the bill to Select File but I'm certainly going to urge the body to vote no on the advancement of the bill.

SPEAKER BARRETT: Thank you. For purposes of discussion the Chair recognizes Senator Haberman followed by Senators Nelson, Lynch and Wesely.

SENATOR HABERMAN: Mr. President, members of the body, Senator Lynch, are you the leader spokesman on this bill, please?

SPEAKER BARRETT: Senator Lynch.

SENATOR LYNCH: Oh, I don't know if I'm a leader spokesman, but I'll try to answer questions that are reasonable and fair and honest and decent and all that.

SENATOR HABERMAN: And up front?

SENATOR LYNCH: Yeah.

SENATOR HABERMAN: Senator Lynch, out in boot country, as Senator Landis said yesterday, we have a hospital at Benkleman, Imperial, Grant, Ogallala, North Platte and McCook. Are those hospitals included in receiving any of these funds in this bill?

SENATOR LYNCH: Yes, sir. If you would look at the exhibit I passed out, Senator Haberman.

SENATOR HABERMAN: I'm looking at Scott's. Is that the one?

SENATOR LYNCH: Well, don't look at that one because that doesn't give you the information you need to answer the question you asked. The one that just was handed you indicates in those counties the percentage of people who are living below the poverty level. However, many of those people that live in those counties, you can see from the population in a percentage of poverty level people in Douglas County, Sarpy County area as compared to Dundee County, which is 16 percent et cetera, how many people wouldn't be able to use this program.

SENATOR HABERMAN: May I ask...or stop you right there and answer a question. What you're telling me then is that in Keith County there is nine people; Perkins County there is 16 people; Chase County there is 17 people; Dundy County there is 17 people; Lincoln County there is seven people, that those small numbers of people transpose over into this \$8 million?

SENATOR LYNCH: Gee, I'm sorry, Senator Haberman, I should have explained it better. If you will look at Douglas County, that says 9.9. See the numbers on the counties don't list the number of people because Douglas County obviously has more than 9 people who are poverty level, under poverty level. That is the percentage of people living in the county who are under the poverty guidelines who are eligible for this medical indigent program.

SENATOR HABERMAN: But my question is, are these hospitals included and are they going to receive some of the \$8 million bucks that is on this fiscal note, yes or no?

SENATOR LYNCH: Yes, sir. Anybody who qualifies...

SENATOR HABERMAN: Okay, qualification...

SENATOR LYNCH: ...and when...

SENATOR HABERMAN: All these hospitals in Keith, Perkins...

SENATOR LYNCH: Yes, all the hospitals qualify.

SENATOR HABERMAN: ...Chase, Dundy and Lincoln, are they going to qualify?

SENATOR LYNCH: All hospitals qualify. All 100 hospitals in the state qualify.

SENATOR HABERMAN: And after they qualify they will be refunded some of this money. That is correct?

SENATOR LYNCH: Well, Senator, if you don't mind me...

SENATOR HABERMAN: No.

SENATOR LYNCH: Hospitals don't qualify. The people who are provided the service in the hospitals are qualified and are certified, but all hospitals who turn in those bills in Nebraska, all hospitals that turn in the bills from those people who qualify for this aid, those hospitals will receive that aid from this fund. No hospital is excluded in the state.

SENATOR HABERMAN: But one of my reasons I'm bringing these questions is, I really haven't had any input from any of my hospitals as to whether they do or don't receive money or going to get money or are hurting for money and so I'm raising the question and I thank Scotty Moore for bringing this up. I think the idea is great, but I'm going to be, say, we'd like to have our share. I mean, I don't mind Omaha and Douglas and the Lincoln, Lancaster County getting their share, but we'd like to have at least the peeling off the apple.

SENATOR LYNCH: Senator, I guess if you were from Douglas County you'd say we could maybe divide the share by checking everybody that comes into Douglas County because of the two medical schools and then sending them all back to the counties or the states or the countries they are from rather than being treated as indigent in Douglas County as well.

SENATOR HABERMAN: Well, I'm already supporting the medical school. I'm already supporting that so I'm all right on that issue. Thank you, Senator Lynch.

SPEAKER BARRETT: One minute.

SENATOR HABERMAN: I'm through.

SPEAKER BARRETT: Thank you. Senator Nelson, please.

SENATOR NELSON: Senator Moore, would you help me out on a few things. This somewhat goes from memory and I remember a couple of years ago or last year when we were talking about this bill. I think it was originally they could come up with figures of about 13.5 million and then got it back down to 12 million. Of that breakdown, last year the hospital's share was estimated annual cost, 35 percent of the program and the state's share 65 percent of the program. I think at that time then we got the cap on it at 7.2 million or whatever it is right now. What bothers me is the same thing that you said, is that once...I take it our famous retirement bill coming down line, there might be a little money there but it won't be there very long, and I take this as the same thing, the additional cost. Is there anything, to your knowledge and what I remembered at all, to guarantee that this will not be a 12 or 13,000, million dollar bill very shortly.

SENATOR MOORE: Well, I mean, the only guarantee is the fact that it's capped in the bill of 8., next year, the cap is actually less than that. I mean and as long as they had a cap there that is a guarantee that the cost won't be any more than that, but what my argument is, is that the problem, and I think Senator Lynch will certainly agree with me, the problem is a lot larger than that in terms of dollars. And once you start recognizing the problem, you say you're going to pay for it, then what's to prevent you next year coming into the cap and saying, well, you're only throwing \$8 million at a \$40 million problem, you should throw more than that.

SENATOR NELSON: All right. I also remember from last year when we passed the trailer bill we had 2.2, 2.3 million for the doctor's portion of that bill and the 2.7 or 2.8 million was vetoed, passed by the body and vetoed by the Governor, and also that was our way of trying to get some help at that time for the hospitals. I'm not clear, I don't suppose they got any help. For the body, I remember last year it was \$97,000, maybe, for St. Francis Hospital in Grand Island for indigent care. I've not had any contacts excepting, of course, from my hospital and

from my county board and, naturally, they would like to have us pick up any dollars whatsoever that they might be obligated to pay. So I have a lot of fears on this one.

SPEAKER BARRETT: Senator Lynch, followed by Senators Wesely and Labedz.

SENATOR LYNCH: Mr. Speaker and members, it's probably that good we do revisit the history for a moment here. As you will remember, LB 187 or something like it has been around for a number of years. Last year LB 187 did proceed to Final Reading very quickly. In the process of that, though, the Appropriations Committee also found another way which, in fact, was better I would admit and I supported LB 525 for that reason. LB 525, rather than developing \$12 million about 4.7 for docs and the rest for hospitals, provided a match with federal funds by revising the reimbursement for doctors and hospitals through the Medicaid program and it made very much sense. It, for example, rather than spending \$12 million in total, provided that if we came up with \$2.5 million for docs and \$2.6 million for hospitals or 4.8 million rather than 12, with the match we would ultimately wind up with the same number, \$12 million to reimburse hospitals and doctors. LB 525 was also good, probably the most important aspect was that they redesigned and defined the reimbursement procedure so that family doctors and doctors, especially those practicing in the rural areas of the state outside of Lincoln and Omaha, were reimbursed more fairly than, and in fact, some specialists whose fees were actually cut back. I supported that. I moved that we bracket 187 because I knew very well that this body and the Governor could not support a \$24 million medical package. I thought that was fair and reasonable. Well, when it went to...when 525 was considered the hospital side was vetoed out. So the hospital costs, as provided in 525, have not been met and that's the reason I'm back today with this legislation because that unmet need still exists out there and it makes very little difference if you live in Douglas County or in any other county. Whatever your county budgeted for is an absolute unknown. For an example, an indigent who is a serious drug user or abuser with AIDS, for example, that isn't even the worst scenario, but it could be one, could visit your county jail sometime and get sick. That county board probably didn't budget 65 to \$135,000 to care for that person until they die, but they would have to pay for it and do any of you think that is a proper use of property tax dollars? I don't think so. How do you budgeted for that if

you're a county? How do you budget for that especially given the cap that we provided in 1059 if 1059 is successful for these kind of indigent medical care needs? Obviously, you can't. That's why you can't use the indicator that Scotty Moore used saying that only \$4 million is budgeted for. That's the tip of the iceberg. By the way, the numbers are pretty consistent over the last three years. Twelve million dollars would be fair...could you...\$12 million could be fair because, in fact, that's what hospitals actually need. The hospitals across the state, though graciously agreed, given the budget circumstances we are at this time in the state, to settle for the 7.2. That means again, I want you to know I'm not, if my voice sounds funny, I'm not again emotional, I'm still carrying over from a cold. Understand that, I'm not trying to get your sympathy by talking like I'm really emotional, I'm not. But what I do want you to understand is that this is a serious and important issue and, in fact, deserves your attention and understanding, hopefully, so you can support it.

SPEAKER BARRETT: One minute.

SENATOR LYNCH: I have much more to say so I'll put my light back on or maybe use it in closing. But 90 percent of the uncompensated care for the poor is provided by 20 percent of the hospitals in Omaha and by 75 percent of the hospitals in greater Nebraska. So 20 percent of the hospitals in the Omaha area and 25 percent of the hospitals in your areas are providing this indigent care. You can cut up the pie any way you want to and that hurts, ladies and gentlemen. That hurts those institutions. We can document that in case it's necessary. However small it might be, the hospital in your area, this indigent care cost is a terrible burden to bear. If we don't address this issue this year, when? This issue will be with us again next year. It should be a property tax relief bill and it would be if, in fact, we don't use property taxes to pay these health care costs.

SPEAKER BARRETT: Time.

SENATOR LYNCH: Thank you.

SPEAKER BARRETT: Thank you. Senator Byars is announcing the presence of 12 ninth graders from Odell Public School in our south balcony with their teacher. Would you folks please stand and be recognized. Thank you. We're pleased to have you with

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LB 163, 163A, 164, 164A, 187, 536, 898
899, 1031, 1125, 1126, 1170, 1220

us. While the Legislature is in session and capable of transacting business, I propose to sign and I do sign LB 1031, LB 1125, LB 1170, LB 536, LB 1220, LB 1126, LB 898, LB 899, LB 163, LB 163A, LB 164 and LB 164A. (See page 1695 of the Legislative Journal.) Senator Wesely, further discussion on the motion to return the bill.

SENATOR WESELY: Yes, Mr. Speaker, members, just very briefly, I rise to indicate for the record why it is I'm going to change position today on this bill. I have supported the concept of the state participating in the cost of indigent care. I have worked and led task forces and introduced legislation to this effect, but I've had conversations with the Nebraska Hospital Association about the two-way street we live on and then that two-way street, when additional public tax dollars go into any particular area, it seems to me that an amount of accountability is in order and unfortunately we have had a desire on the part of the hospitals in particular to ask and request for Medicaid increases, for this legislation on indigent care reimbursement and additional public monies, but when requested to participate in different health care cost containment initiatives they object and block every effort we make practically. For instance, I remember last year on certificate of need their efforts blocked my concerns about certificate of need and that process to contain costs was weakened dramatically as a result of legislation promoted by the Hospital Association last year. This year we have a health care cost data bill that has got the support of a number of different organizations and interests with the exception of the Hospital Association and they are working very hard, as you all know, to block that piece of legislation. If we were able to pass that, if we were able to work with them on the cost containment side of things, I very much support the work of Senator Lynch and those in support of LB 187. The concept is valid. The state should take a responsibility in this area, but before further monies get spent in this field or any other field that go into the hospitals in particular in this state it seems to me appropriate to ask those hospitals to work with us, the public, the taxpayers, the Legislature, to try and deal with the cost issue, the cost containment problem that we have across the State of Nebraska and across this country. And as long as the hand is out to receive the money but there is no assistance whatsoever to help us deal with the cost of this, I, for one, feel unable to support further funding in this manner. I would want to add that in some of the data, in some of the information we have

looked at, Senator Moore did pass out some of the figures on assets which indicate there are a couple of hospitals in Omaha that have something like \$70 million in assets over liabilities. Also some figures we looked at indicate a profit in 1988 of about \$65 million overall in the state, but I would like to emphasize that profit primarily came from the urban hospitals and not from those rural hospitals and so it's important to understand some of these figures and we could spend a lot of time on this. I don't know that we need to do that. All I'm raising for the record is a deep and abiding concern about the fact that the Hospital Association which is pushing so hard for this legislation seems unwilling to push for any sort of effort whatsoever to deal with the cost problems that we're having in the state.

SPEAKER BARRETT: Thank you. Senator Labeledz.

SENATOR LABEDZ: Call the question.

SPEAKER BARRETT: The question has been called. Do I see five hands? I do. The question is, shall debate now cease? Those in favor vote aye, opposed nay. Record, please.

CLERK: 25 ayes, 0 nays, Mr. President, to cease debate.

SPEAKER BARRETT: Debate ceases. Senator Moore, would you like to close on your motion?

SENATOR MOORE: Yes, Mr. Speaker. You know, as I begin my closing I want to reiterate that it's not that I'm questioning that there may not necessarily be, somebody has to pay for these services, yes, and I do acknowledge Senator Lynch's concern about, yes, counties do pick up some of the cost for this and we don't know exactly how much that is and so, yes, to a certain degree money spent here would be money saved on the property tax side, but certainly it's so insignificant in the total scheme of things that that's not a good reason to vote for the bill at least. You know, as I mentioned in my opening, and I say this not to try and drive a wedge in a rural-urban type split, but I think it's important that the body understand that a good share of the money under LB 187 would go to many of the hospitals in Douglas County. Going back to my handout sheet, it's going to hospitals like, you know, look at some of the long-term investment these hospitals are holding. You know, Bergan, 23 million; Clarkson, 77 million; Immanuel, 91 million, Nebraska

Methodist, 29 million, you know, not to mention Bryan here in Lincoln with 39 million. And these are hospitals that are growing and building. You know, hospitals are doing a fine job. I want to compliment them for the health services they provide to all of us Nebraskans, you know, but can they live without this bill? Yes, yes, they can. They can live just fine. I think it's important that all of us remember that, I don't know, I don't know how many calls you got from your hospitals associations, but just take a look back in the lobby and see who wants this bill. It's those hospitals I just listed that aren't exactly going to the poorhouse. It's as simple as that. They are good business people. Good business is to get money. The best business...the great way to get money is in the stating of this bill. Yes, the county gets some money and, yes, these hospitals are serving some indigent care but I think that is something you need to think about as you vote for this \$8 million appropriation. Second point I want to make, and, Senator Haberman, I'm not saying that rural Nebraska, greater, upstream Nebraska, stop short of saying great or anything else, just whatever that is, upstream Nebraska, yes, they can qualify for these things and part of the reason they have not to date, one is they just haven't done it; two, is that they've been sympathetic to the local governments. They haven't submitted a bill and I think it...you know, if you swallow the argument that, yes, upstream Nebraska is going to become a larger player in receiving these funds, the next point in that argument is that the cost is just going to go up and up and up and up. Those are the two reasons that I urge this body to vote no on LB 187. At this time I'd like to respectfully withdraw my amendment, read the bill and see what happens.

SPEAKER BARRETT: Thank you, Senator Moore. It is withdrawn. Members, please return to your seats. Proceed, Mr. Clerk.

CLERK: (Read LB 187 on Final Reading.)

SPEAKER BARRETT: All provisions of law relative to procedure having been complied with, the question is, shall LB 187 pass? Those in favor vote aye, opposed nay. Have you all voted? Record, Mr. Clerk.

CLERK: (Read record vote. See pages 1695-96 of the Legislative Journal.) 33 ayes, 13 nays, 2 present and not voting, 1 excused and not voting, Mr. President.

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LB 187, 187A, 220, 1212

SPEAKER BARRETT: LB 187 passes. The A bill, Mr. Clerk.

CLERK: (Read LB 187A on Final Reading.)

SPEAKER BARRETT: All provisions of law relative to procedure having been complied with, the question is, shall LB 187A pass? Those in favor vote aye, opposed nay. Have you all voted? Please record.

CLERK: (Read record vote. See pages 1696-97 of the Legislative Journal.) 37 ayes, 4 nays, 7 present and not voting, 1 excused and not voting, Mr. President.

SPEAKER BARRETT: LB 187A passes. LB 220, Mr. Clerk.

CLERK: Mr. President, I have a motion on the desk. Senator Hannibal would move to return the bill for a specific amendment.

SPEAKER BARRETT: The Chair recognizes Senator Hannibal.

SENATOR HANNIBAL: Thank you, Mr. Speaker and members of the Legislature. LB 220 is a bill that Senator Pirsch introduced originally. I have asked that my name be added to it and Senator Pirsch agreed. What I'd like to do today is ask you to return LB 220 for purposes of adding a bill and the bill is LB 1212 that was heard before the Judiciary Committee and was passed out of the Judiciary Committee with not only the thought, but even the approval of the Chair, I believe, and members of the committee that this bill become...that 1212 be amended into 220 so that we could pass it yet this year. LB 1212...well, LB 220 if you'll recall, deals with intensive supervision probation, deals with establishing a cash fund for the Supreme Court's administration to be able to collect fees for electronic monitoring devices and to collect fees for testing types of procedures provided that those people submitting to those tests and those electronic monitoring devices would be capable of paying those fees. LB 1212 is somewhat of a continuation, somewhat of a companion to this. What 1212 is doing is authorizing statewide intensive probation system that we have talked about under our discussions on corrections and on our discussions of prison overcrowding. It was one of the recommendations that came out of the select task force, select committee to look as an alternative to prison overcrowding to install an intensive supervision probation program. This LB 1212 sets up language that says this is a good program, it is

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LB 187, 187A, 259, 259A, 260, 260A, 272A
313A, 313

Journal.) 29 ayes, 19 nays, 1 excused and not voting,
Mr. President.

SPEAKER BARRETT: LB 272A passes. Senator Landis, for what
purpose do you rise?

SENATOR LANDIS: Could I rise for a point of personal privilege
for just a moment, Mr. Speaker?

SPEAKER BARRETT: Proceed.

SENATOR LANDIS: On behalf of a great many people, I would like
to thank this body for its statesmanship and its compassion. I
recognize it's done with political cost but with a sense of
responsibility. And on behalf of many people, I want to say
thank you.

SPEAKER BARRETT: Thank you. While the Legislature is in
session and capable of transacting business, I propose to sign
and I do sign, LB 187, LB 187A, LB 259, LB 259A, LB 260, and
LB 260A. Have you anything for the record, Mr. Clerk?

CLERK: Not at this time, Mr. President.

SPEAKER BARRETT: Thank you. Proceed to LB 313.

CLERK: (Read LB 313 on Final Reading.)

SPEAKER BARRETT: All provisions of law relative to procedure
having been complied with, the question is, shall LB 313 become
law? All in favor vote aye, opposed nay. Have you all voted?
Record, Mr. Clerk.

CLERK: (Read record vote. See pages 1704-05 of the Legislative
Journal.) 46 ayes, 1 nay, 1 present and not voting, 1 excused
and not voting, Mr. President.

SPEAKER BARRETT: LB 313 passes. The A bill.

CLERK: (Read LB 313A on Final Reading.)

SPEAKER BARRETT: All provisions of law relative to procedure
having been complied with, the question is, shall LB 313A become
law? Those in favor vote aye, opposed nay. Have you all voted?
Please record.

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LB 163, 163A, 164, 164A, 187, 187A, 259
259A, 260, 260A, 272A, 313, 313A, 338
488, 488A, 503, 503A, 520, 520A, 536
567, 567A, 662, 898, 899, 1031, 1125
1126, 1170, 1220

morning visiting in the south balcony. While the Legislature is in session and capable of transacting business, I propose to sign and I do sign LB 520, LB 520A, LB 567, and LB 567A. Senator Lynch, please check in. Senator Byars. Senator Schimek, please. Senator Labedz. Members will return to your seats for a roll call vote. Mr. Clerk.

CLERK: (Roll call vote taken. See pages 1713-14 of the Legislative Journal.) 14 ayes, 33 nays, Mr. President, on the motion to return the bill.

SPEAKER BARRETT: Motion fails. Mr. Clerk, have you a priority motion?

CLERK: I do, Mr. President. May I read some items?

SPEAKER BARRETT: Proceed.

CLERK: Mr. President, amendments to be printed to LB 338 by the Health and Human Services Committee. (See pages 1714-17 of the Legislative Journal.)

Messages that bills read on Final Reading this morning have been presented to the Governor. (Re: LB 1031, LB 1125, LB 1170, LB 536, LB 1220, LB 1126, LB 898, LB 899, LB 163, LB 163A, LB 164, LB 164A, LB 187, LB 187A, LB 259, LB 259A, LB 260, LB 260A, LB 272A, LB 313, LB 313A, LB 488, LB 488A, LB 503, LB 503A. See page 1714 of the Legislative Journal.)

And LB 272A has been reported correctly enrolled, Mr. President. That is all that I have.

SPEAKER BARRETT: To the motion.

CLERK: Mr. President, the first motion, Senator Hall would move to recess until one-thirty, Mr. President.

SPEAKER BARRETT: You have heard the motion to recess until one-thirty. All in favor say aye. Opposed no. Carried. We are recessed.

RECESS

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LB 163, 163A, 164, 164A, 187, 187A, 503
503A, 520A, 536, 662, 662A, 678, 678A
898, 1031, 1126, 1170, 1220

PRESIDENT NICHOL PRESIDING

PRESIDENT: Ladies and gentlemen, welcome to the George W. Norris Legislative Chamber. We have with us this morning as our Chaplain of the day, Pastor Jim McGaffin of the Victory Outreach in Omaha. You might be interested to know that his father was the Chairman of the Board of Nebraska Education TV at one time and he was also News Director of WOW-TV. Would you please rise for the invocation by Pastor McGaffin.

PASTOR MCGAFFIN: (Prayer offered.)

PRESIDENT: (Gavel.) Thank you, Pastor McGaffin. We appreciate your being here. Roll call, please. Mr. Clerk, please.

CLERK: I have a quorum present, Mr. President.

PRESIDENT: Thank you. Do we have any corrections to the Journal today?

CLERK: No corrections, Mr. President.

PRESIDENT: Do we have any messages, reports, or announcements?

CLERK: Mr. President, I have received a series of veto messages from the Governor, specifically a veto message on LB 163 and LB 163A, LB 164 and LB 164A, LB 187, LB 187A, LB 503, LB 503A, LB 520A, LB 536, LB 662, LB 662A, LB 678, LB 678A, LB 898, LB 1031, LB 1126, LB 1170, LB 1220. All of those messages will be placed in the Journal, Mr. President. (See pages 1912-25.) That is all that I have.

PRESIDENT: Thank you. How about the confirmation report, Transportation Committee.

CLERK: Mr. President, confirmation report offered by Senator Lamb is found on page 1852 of the Journal.

PRESIDENT: Senator Lamb, please.

SENATOR LAMB: Mr. President and members, the Committee on Transportation reports favorably on a number of appointments. We have three for the Board of Public Roads Classifications and Standards. They are Marvin Athey, William Lindholm, and Robert Stutzman. There were no negative votes for those appointments.

is the statutory intent language for the ADC money that we voted on earlier, that in order for the money to be spent this language must be adopted. So that's all this is and I would urge that the...that that be done. Thank you.

PRESIDENT: Senator Warner, please.

SENATOR WARNER: Well, Mr. President, I was just going to say the override on the funding has been...oh, hey, which bill are you on?

PRESIDENT: We're on 536.

SENATOR WARNER: Oh, okay, I was looked at the top board. The funding for 536 was...and 1031 was overridden earlier and there is really no reason to debate this. We should just vote and have it done because otherwise the money couldn't be used for the purpose it was overridden.

PRESIDENT: The question is, shall the veto on LB 536 be overridden? All in favor vote aye, opposed nay. Have you all voted? Record, Mr. Clerk, please.

CLERK: (Record vote read. See page 2041 of the Legislative Journal.) 40 ayes, 0 nays, Mr. President, on the motion to override LB 536.

PRESIDENT: The veto on LB 536 is overridden. LB 187.

CLERK: Mr. President, Senator Lynch would move that LB 187 become law notwithstanding the objections of the Governor.

PRESIDENT: Senator Lynch, please.

SENATOR LYNCH: Mr. Chairman and members, first of all, I think it's important to give you a report on what's happening with vetoes and to show how nonpartisan this group really is. So far, to date, there have been 24 Republicans and 23 Democrats who have suggested overrides of the Governor. And starting with that sense of obvious fair play and evenhandedness in this group, I thought I should also share with you, I passed out again, in case you forgot, a map of Nebraska by counties of the poverty guidelines of the people living within those counties and indicating those people who would need this kind of legislation. There are, in the 93 counties, 75 of those with

higher poverty limits, in case you associate this bill with Douglas County and, in fact, 17 counties with lower percentages of poverty level folks. I also would like to remind you that there are two hospitals in the Omaha-Lincoln areas that provide about 90 percent of this kind of care, in outstate about 75 percent of the hospitals provide 90 percent of the care in those areas. I would just also like to remind you, because I don't want to talk any more than necessary on this, it's an issue we've discussed many times, to remind you how important it is. If you go by Lutheran Hospital which recently closed, there is a sign on the door and it says, For Emergencies Go To Creighton, St. Joe Hospital. They are accepting all the poor folks, all of the people who fall through the cracks, those that aren't eligible for Medicare and Medicaid, those that don't have enough income to get into a CHIPS program and, in fact, the eligibility criteria, if anything, is too...is too restrictive. But, nevertheless, it's a beginning. It helps us, I think, understand the priorities that we should use when we spend property tax dollars. In any case, they should never be used to try to pay for health care costs. It also creates, as far as I'm concerned, very good policy for the state and I think it's the kind of legislation that does deserve your attention. And if we don't do it now, when? Now is as good a time, in fact, even a better time than any to consider this important legislation. So I would simply ask for your support to override the veto on 187.

PRESIDENT: Thank you. Senator Warner, please, followed by Senator Langford.

SENATOR WARNER: Mr. Chairman and members of the Legislature, this is another large spending item. It was pointed out, not this year, but it's long-term impact is significant. If this is overridden and 1059 is overridden, there's still a million eight left this year, so there's no problem as far as the 3 percent reserve is concerned. But, at the cost and with the projections and the assumptions, rather, that are used for the following fiscal year, whether LB 1059 is overridden or not, based on the assumptions we would be running a deficit of somewhere between 12 and \$20 million. One of the concerns I have had all along on some of this legislation as we expand what, in effect, is entitlement programs, because if they're being enacted, they ought to be funded. But if we're going to have nearly half, 40 to 50 percent of our budget, state General Fund budget, increasing at a rate faster than the average growth in receipts

that the state can expect normal growth when not...when adjusted for no rate changes, and 40 to 50 percent of your budget is growing at a rate faster than the average growth than the alternative is that every four or five years probably you are faced with a rate increase in order to be able to fund other programs. In between that period of four to five years, then those programs which we have some flexibility about will tend to be underfunded because that's the only place we have to get it. And I have a very real concern as we move more and more into entitlement type of programs without the accompanying revenue growth tied right to it. And, yes, there is no question but what this can be done now. But the impact beginning in the session in 1991-93, together with other things that are being proposed, will make it increasingly difficult to avoid either a tax increase or not adequately funding other programs that the state has responsibility for and there are not entitlement programs and, obviously, each of you need to vote however you feel is correct. I have no quarrel with that. But you shouldn't vote without recognizing that the long-term impact is very likely to be, as I have suggested, and that's even with assuming 6.5 percent growth each of the next two years of the following biennium and that, of course, is in excess of the average that we have used of 5 percent. So I would urge the body to give careful thought to that inevitability as you vote on this bill.

PRESIDENT: Thank you. Senator Lynch, would you like to close on your motion, please.

SENATOR LYNCH: Mr. President and members, I take with respect the concerns addressed by Senator Warner. I would like to point out to you that in fiscal year 1990-91 this bill provides spending of about five hundred and some thousand dollars. Given the fact that with the 80...taken from the document given us by the Appropriations Committee, \$83,293,839, if this 500,000, in fact, were implemented, you would still be at \$7,179,143 away from imposing on the reserve provided and necessary within the statutes. I would like to also point out that I know this is an entitlement program of sorts but it's not really that, it's a policy issue as well. For those of you that were and have been concerned with how the system works around here, think about this for just a minute. Generally, we come within a few days of ending the Legislature with recommendations on main-line appropriations like 1031. Most of us know very little about that. We all know though that the agencies of the state have

already gotten their oar in with the Appropriations Committee and generally much, much larger increases than this particular legislation proposes are already included in the budget. This is what's really interesting and I want you to think about it. You know, for the first time in a long time this Legislature will be able to establish policy and have its policy implemented because of this legislation along with and sometimes on an equal and I would hope on an equal basis with the bureaucracies that exist and have always been very well maintained, thank you, because of the process we have. I think this is important to recognize that using property tax dollars is certainly an inappropriate thing for spending and using to reimburse health care costs. Remember this also, there is another session before the age sections come into effect. Remember also that this bill caps off the spending. Unless you decide to change it, we will spend no more than the legislation provides. Also remember I have terrible problems with the A bills when they provide in this case, for example, a million and a half dollars to administer \$7 million worth of aid. I'm not sure how we ever get a hold of that but I can imagine that that is how, through the appropriations process, these bureaucracies continue to grow and expand. I would also like to point out that there is a lot of things you probably even don't know about, for example, the university budget that has \$2.5 million in it to pay off 10-year professors. Nobody seems to be worried or talking about that too much. That policy is established, it's already in the budget. I'm not going to go into examples of 35, 45, 50 examples like that that eat up more money than this even starts to begin to touch. It's an appropriate use of state dollars. It's good policy. It establishes, in a sense, a precedent where, in fact, this Legislature can, in fact, establish some budget policy just like all the other bureaucracies in the state and I think that's important. Last but not least, please remember that county or two out there that's going to have somebody drop by some night, get thrown in jail and be identified with a serious illness or sickness, with AIDS or whatever it might be, and because you can't budget for this sort of thing be stuck with possibly well over a \$100,000 worth of responsibility. And if that county is at their limit, spending limit, it's got to be tough. A meaningful piece of legislation and I think it's good policy. I can certainly understand the problems and I admire the way it's described by Senator Warner, but, hopefully, you will also understand the way I tried to explain from our point of view that same kind of a circumstance. Hopefully, you will support the override.

PRESIDENT: Thank you. The question is, shall the veto on LB 187 be overridden? All those in favor vote aye, opposed nay.

SENATOR LYNCH: Mr. Chairman, if I could, why don't we just check in...

PRESIDENT: Yes.

SENATOR LYNCH: ...and have a roll call vote in regular order?

PRESIDENT: Okay. Please record your presence. Senator Scofield, please. Thank you. Senator Bernard-Stevens, please. Senator Conway, Senator Schmit. We're waiting for Senator Schmit. Roll call vote has been requested and the question is, shall the veto on LB 187 be overridden? All in favor vote aye and opposed nay. Mr. Clerk, roll call.

CLERK: (Roll call vote taken. See page 2042 of the Legislative Journal.) 25 ayes, 23 nays, Mr. President.

PRESIDENT: The motion fails. LB 1126, please.

CLERK: Mr. President, Senator Wesely would move that LB 1126 become law notwithstanding the objections of the Governor.

PRESIDENT: Thank you. Senator Wesely, please.

SENATOR WESELY: Yes, Mr. President, and members, LB 1126 deals with Medicaid personal care aides. These individuals care for the disabled in their home and provide assistance so that they can live independent and healthy lifestyles. These individuals are physically handicapped, by and large, and have the need of assistance to get out of bed, get their clothes on, to bathe themselves, to eat. Personal hygiene, grooming, other types of things, just everyday types of needs that we all take for granted these individuals cannot perform and so personal care aides come in to assist them. This legislation was a part of a study of a task force shared by Senator Lynch on caregiving that resulted in a number of recommendations and the bill was introduced by the Health and Human Services Committee and referenced to the Appropriations Committee. The original bill called for about a million and a half dollars in expenditures to provide for a number of different improvements and reimbursement in a similar area that caregiving has a great need of.

April 9, 1990

LB 187, 1031, 1222A

SENATOR HARTNETT: Mr. Speaker, and members of the body, I simply ask the body to adopt the A bill to 1222. Thank you.

SPEAKER BARRETT: Thank you. Any discussion? If not, the question is, shall LB 1222A become law notwithstanding the Governor's veto? All in favor vote aye, opposed nay. Have you all voted? Please record.

CLERK: (Record vote read. See pages 2049-50 of the Legislative Journal.) 31 ayes, 14 nays, Mr. President.

SPEAKER BARRETT: Motion prevails and the veto of the A bill is overridden. LB 898.

CLERK: Mr. President, I have a priority motion. Senator Wesely would move to reconsider the Coordsen motion with respect to the line-item veto override of Section 8 of LB 1031.

SPEAKER BARRETT: Senator Wesely, please.

SENATOR WESELY: Thank you, Mr. Speaker, members. Senator Coordsen came to me and asked, as a courtesy, for me to offer this motion, and I'm doing so to allow the opportunity for him to again address that issue.

SPEAKER BARRETT: Senator Coordsen.

SENATOR COORDSEN: Thank you, Mr. Speaker. Thank you, Senator Wesely, for giving us this opportunity again. For those of us that had been supporting this, we had heard rumors off and on throughout the afternoon that there may have been members of the body who had changed their position on this particular issue. Rather than live in doubt, I asked Senator Wesely to offer the reconsideration motion. He graciously consented. And I would simply, with that, since we discussed this at some length, I'm well aware of where we're at in the funding. But it would give the body a chance to reaffirm or deny the decision made earlier today. Thank you.

SPEAKER BARRETT: Thank you. Senator Lynch.

SENATOR LYNCH: Mr. Speaker and members, Senator Coordsen and I did, in fact, try to offer a motion to reconsider both LB 187 and 1031 as a package. There could have been, even though there is no specific rule that we can see that would say we can't, the

SPEAKER BARRETT: Thank you. Members, please record your presence. Please check in. Senator Ashford, Senator Chizek. Senator Moore, Senator Schmit. Senator Schmit, would you please check in. Senator Chizek, please, record your presence. I had a request for the roll call in reverse. Mr. Clerk, please proceed with the roll call on the reconsideration motion.

CLERK: (Roll call vote taken. See pages 2050-51 of the Legislative Journal.) 14 ayes, 26 nays, Mr. President.

SPEAKER BARRETT: Motion fails. LB 898.

CLERK: Well, Mr. President, I have a second reconsideration motion.

SPEAKER BARRETT: Proceed.

CLERK: Senator Lynch would move to reconsider...I'm sorry, Senator Wesely would move to reconsider the Lynch motion with respect to the veto override of LB 187.

SPEAKER BARRETT: Senator Wesely.

SENATOR WESELY: Yes, again, Mr. Speaker, I'm offering this as a courtesy to Senator Lynch and an opportunity to address the issue again.

SPEAKER BARRETT: Senator Lynch, please.

SENATOR LYNCH: Mr. Speaker and members, I intend to withdraw this, obviously, because of the vote on the first motion. However, I guess I haven't talked that much about the process but I'll talk about it now. Our process is, to be completely frank, I think in place to serve the bureaucracies of the state and at best to make sure that no new ideas, good ideas, in fact, worthwhile and necessary legislation is passed. Lloyd C. Douglas used to write a book and I don't usually memorialize much but he used the term once, it was called "It's all used up." And that's what happens with our appropriations process. To be completely frank, what we should do in the 60-day session is do nothing except talk about how we spend the money, in the 90-day session talk about the hopes and dreams and wishes of everybody but also force the existing bureaucracies to justify what they do so that when we talk about new ideas we can talk about cutting out what now exists and seemingly continues to

expand. For example, in the university budget...I don't mean to be picking on the university, but they're as good as anybody else, I guess. Back in '85-86 the appropriations request for the university was \$455,109,540. Anybody want to guess what it is this year? The appropriations request is \$678,249,677. So when we talk about what we can afford and not afford, think about that for a while. What do we have in that particular budget, just like so many others, that simply is there because that bureaucracy went to the Appropriations Committee and continued to expand whatever they want. And with a few days and what little time any of us have with our other legislative responsibilities, we don't have the time to understand what all of that means. It isn't dishonorable. There's nothing wrong with it, as far as the process is concerned, it's legal. But what you do by having a process like that is cut out meaningful legislation like 187 and like 1013. You're left to be grateful for what you got and keep your mouth shut and sit down kind of a thing. I don't know about you but I think that's not too good. To be completely frank, we all ought to know a hell of a lot more about what we spend and how we spend it. And, to tell you the truth, I understand we can stand up on the floor and say, well, there isn't any money left. I don't know, I've got the Treasurer's report here and says we've got one billion nine hundred and some million dollars in the bank. It's interesting that about a billion dollars of that is never spent. It's there year in and year out. It's not a reserve, it's cash. But isn't that great to have that kind of cash around? You've got a \$1,313,000,000 General Fund budget and you've got a billion dollars in the bank every day. I don't think we ought to spend it, understand that. But you ought to understand, what's the difference between a 3 percent reserve and cash you never spend? Wouldn't you love to have that kind of money in the bank back home when you try to think about what kind of house payment you're going to make or anything else? I think we need a total and complete review of how the system works and we should probably consider last, last, not first, we should consider last the main-line appropriations bill, because, see, if we consider it last, we can talk about some of the priorities that exist out here on the floor, like LB 1013 and like 187 and some others and then maybe adjust, just maybe adjust a main-line appropriations bill to make room for what we think may be important without really hurting any of the bureaucracies if we're given time to understand the difference. Maybe the system exists because most of us are lazy and don't want to take the time to understand what it's all about. I can understand that. It's easy to sit

back and do what you're told and to be embarrassed because you don't know very much and you can be put down very easily because you don't know very much. But the system we have in place now needs fixing, needs fixing. I hate to tell you this but if we ran an appropriations program like...in the counties like we did here, it would be, obviously, very interesting. We just wouldn't be able to do it because most of the county boards know how we spend all the money. I'm grateful for the time the Appropriations Committee people take to understand these things and they're only doing it because for so many years none of you really cared that much about how it's spent. That's fine. But I only raise this today to point out to you that we can't be satisfied with the system like it is and we shouldn't complain and kick when we're down to the last day and the last few hours and we're told that there just isn't any room for this. Remember that special session we had a few years ago that we had to cut out, what, 15, 16 million bucks because we were going broke? And before we left town, somebody had committed to building a new building across the street in which a hell of a big appropriations increase was needed by the agencies of the state to pay for the darn thing. The same time we were talking about we've got to save money, we were spending it and nobody knew anything about it in the special session, did they? No. Wasn't even discussed. I think we need to change things, have to take a serious look at the process. It's been frustrating for me for years, to be completely frank, because of that. There is no room down here for any change, all of you understand that. Do what you're told, keep your mouth shut, and be grateful for what you get and that's how we operate. I respectfully withdraw or request that Senator Wesely withdraw the motion to reconsider 187.

SPEAKER BARRETT: Senator Wesely.

SENATOR WESELY: Yes, I would have it withdrawn. Thank you.

SPEAKER BARRETT: It is withdrawn. The next item.

CLERK: Mr. President, Senator Scofield would move that LB 898 become law notwithstanding the objections of the Governor.

SPEAKER BARRETT: Senator Scofield.

SENATOR SCOFIELD: Mr. President, and members, there are three motions that I have got filed coming right up now, one, two, and