

insurance. Those two task forces separately and independently came to the same conclusion, that our health insurance coverage for our employees, whether public or private, can no longer afford first dollar coverage and that is what the State of Nebraska continues to provide for our state employees and under the committee amendment would continue to provide in the future for our state employees. It is time we changed the concept of first dollar coverage. If an employee, if an individual doesn't have to pick up at least a small fraction of the cost of health care there is no incentive for that employee to try to deal with the cost of that health care. Their incentive is not to worry about it because somebody is going to pick up the cost. That has got to change. In order to contain health care costs everybody has got to be affected by those costs. The employee has to have a deductible, a co-payment, some sort of small amount of money they have to pay to feel the cost of health care. You've got to have the employer providing incentives and working on behalf of employees to get the best possible coverage at the lowest possible cost. You've got to have the health insurance industry out there batting for their insureds, trying to help them get better coverage at a lower cost and health providers also have to do what they can to be more efficient and effective in delivering health care. All the different people involved in health care, all of us in this state have a role to play in health care cost containment. This plan goes exactly opposite of what we need to do. What I am suggesting is that we reject the committee amendment which continues the present policy. It is a Cadillac policy. It is a policy from the 1950's and 1960's, maybe the 1970's but it is not the policy for the 1980's. We have to go to a plan where the employees pick up at least part of the cost. That will save the state money. One of the handouts that I have for you, I have passed out two different things. One compares the different plans and shows you the increased cost, just to give you an idea of what is going on there. The other one talks about the overall bottom line. What is the bottom line on the different proposals? If you look at that handout you will find that presently we are paying about \$15.4 million total funding for our health insurance coverage for state employees.