

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

February 27, 1998 LB 1112

pool my expenses for what I want. Well, now we get to the issue of insurance, which is a pooling mechanism. And here we pool costs that would destroy any single family with a lot of other cost payers in the form of premium payers. There's a second way of pooling risk, and it's called public health, and here we pool through taxpayers. Which is the right pool to use? The involuntary use of what is normally a voluntary contract, or the involuntary use of tax dollars with elected officials deciding them? Which is the better choice to use from the pool, 45 percent of the public, who have private insurance, or 100 percent of the public who are taxpayers? Senator Robak has established need, and that need should be met through public health rather than through acquiring people to write their voluntarily negotiated insurance contracts differently to have the essence, the provisions that people who come to the Legislature want imposed...

SPEAKER KRISTENSEN: One minute.

SENATOR LANDIS: ...on the buying public. Forty-five percent of the public would be affected by 1112, 55 percent won't be, because they are either uninsured or they're covered by ERISA. There is an arguable increase in costs for the premium taxpayers. And this is strange because it's possible there's a savings, or at least a neutrality of covering mental health by saving you physical health. However, the insurance company...one insurance company estimated a 10 to 12 percent premium increase because of the bill. How is that possible? It's possible because you can pay for the mental health coverage, the expanded mental health coverage required by 1112, and then when it gets time to get savings, like when you're elderly or over 65, you're out of insurance and on Medicaid. Who gets the savings? The Medicaid system would. But that's because...

SPEAKER KRISTENSEN: Time.

SENATOR LANDIS: ...you have done a sensible thing early on by treating the mental coverage, but you don't necessarily get cheaper premiums out of the bill. Thank you.

SPEAKER KRISTENSEN: Senator Hilgert.