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LB 522

function but we are recognizing the fact that that is a major change and we are taking an extra year to accomplish that change. The next change would be that the counties would continue to be responsible for general assistance. Under the bill we change over totally, as introduced, the bill would change over totally all welfare operations that are now county and state to the state. And what we say is that general assistance has always been a county function without state monies, has been a county responsibility and we just preferred, rather than turning that over to the state as well, that the counties handled it in the past. It is purely a county function, responsibility. We might as well just keep it there so the committee asked that we keep it where it is at and just change over the other welfare functions to the state. The third change is that the county contributions to Medicaid will be phased out at a rate of 2% a year rather than by July 1, 1982, as proposed by the bill. Senator Kahle has a bill similar to this phasing out over time, well actually from 16% to 10%, the state, I mean the county match on the Medicaid funding in the State of Nebraska. What we would essentially do is pick up on Senator Kahle's proposal and instead of going 16, 14, 12, 10 and then keep going down to 8, 6, 4, 2 and then phase out totally local support in Medicaid over a period of years at 2% a year. Again, the reasoning is similar to what Senator Kahle talked about. The counties really have very little influence over Medicaid questions. They do not really influence who is eligible that much. They do not have much say over it and yet they are putting up the money that they are which is now at 16% and in the past has been up to 20%. So it is only fair that if they do not have much control over the expenditures, they should not really have to contribute the money. If, in fact, they had more control over the area, then it would be more reasonable that they contribute but that is not the case. The next change is that before any county welfare office could be closed the Director of Public Welfare would have to receive approval by the local County Board of Commissioners or Supervisors. This was to deal with one of the major problems with this proposal, that what we have is local control now with our state-county operation and each county has a welfare office so that is kind of a nice dispersal of offices and assistance and that that is a better way to go. What we say is, okay, we recognize the fact that people probably do not like to lose the accessibility of having a County Welfare Office in every county and although the state, when they take over the welfare system, may find regionalization may be a wise idea. For instance, we may find that you could group two or three counties in certain areas of this state and have just one welfare office to serve those two or three counties and thus save administrative costs and at the same time be a good service for those