

April 28, 1981

LB 522

SENATOR LAMB: Do you see that much of an escalation in a matter of six years or so?

SENATOR V. JOHNSON: The fiscal analyst says Medicaid is growing at a rate of 20% per annum and when they project it all out they can expect in eight years time, in eight years time the county share of Medicaid cost to be about 71 million dollars in the absence of a state take over.

SENATOR LAMB: Thank you, Senator Johnson. Well I guess this is the point that I want to make is that, I don't know what the answer is but I see a real problem here as we continue down this road in the future and whether you call it property tax, sales and income tax, whatever type of tax it is, there is a real burden here and I am not sure that this solution which really does not do anything to lessen that burden, is one that really attacks the basic problem.

SPEAKER MARVEL: Senator Johnson. Where did Senator Johnson go? Would you like to be the last speaker?

SENATOR V. JOHNSON: I guess the only comments I want to make in addition, I think again I want to just to speak to Senator Lamb's point. His point is that by the end of this decade we can reasonably anticipate, based on present statistics, the Medicaid aspect of the welfare program to have grown quite large and that will continue to be a burden on the property taxpayer under the existing system. So my system says let's start making the change now so that we can relieve the property taxpayer of that burden and place it on the sales and income taxpayer. I should also tell you that I do anticipate significant changes at the federal level in the next year in the Medicaid program because I know some are being discussed very earnestly right now and those changes, in my opinion, will have an effect on ultimate costs. But I have not projected that out. I just said, you know, if the Medicaid program continues to grow as it is presently growing it will be a high cost operation in this state and it will either burden our property or it will burden our sales and income taxes. In my opinion, it is better government for us to have a state operated welfare program where one person is responsible for the administration of that program, i.e. the director of the department, where we can pinpoint accountability and where we know exactly what the story is. It is good government. This I guess is the Johnson equivalent to the Luff report. I ask advancement of the bill.

SPEAKER MARVEL: The motion is to advance the bill. All those in favor of that motion vote aye, opposed vote no. Have you all voted? Senator Johnson.