

of Health to help offset the cost of running this particular program. With that I would urge you to adopt the amendment which provides for a \$500 per application fee for certificate of need application.

PRESIDENT: The Chair recognizes Senator Schmit.

SENATOR SCHMIT: Senator Cullan, is there any difference in the fee that is required based upon the size of the application, the dollar size of the application or are all applications treated identically?

SENATOR CULLAN: Under this amendment every application whether it is \$500 thousand or \$400 thousand or several million would be \$500.

SENATOR SCHMIT: Isn't it true, Senator, that an application such as has been proposed for Bryan Memorial will require many many times the amount of work for the Department of Health as will an application for \$400 thousand for a small addition to a hospital?

SENATOR CULLAN: That is clearly true, Senator Schmit... and that is true. I certainly can't disagree with that.

SENATOR SCHMIT: Is there any method whereby the fee can somehow or other be equated to the cost of the application?

SENATOR CULLAN: Well that is one thing that could be done and I just thought that a \$500 fee times the number of applications would raise about twenty to twenty-five thousand dollars and that is probably enough to cover any claim, fiscal impact to the bill and that is really what I am doing but, yes, there could be a mechanism drawn up to meet what you are talking about.

SENATOR SCHMIT: Thank you, Senator Cullan. Well I don't see anything wrong with what Senator Cullan is trying to do. It is an acknowledgement of the cost of the operation. I do believe, however, that there is a basic flaw and that is that you treat the \$500 thousand application exactly the same as you do a \$25 million application whereas the cost to the Department will be many, many times greater on the latter rather than on the former. I want to point out also again, I'm not going to take a lot of time, that this is not a substantive type of an amendment. It is one which has some merit but certainly does not in any way materially reduce the cost of health care and that is what 378 is supposed to be all about. Thank you, Senator Cullan.

PRESIDENT: Any further discussion on the Cullan amendment