

basically make the decision that would be in contrast to the present system where the Health Department makes decisions. It used to be with HSA local citizen input and the Department would make the decision allowing for an appeal to a citizen appeal board and then a possible appeal to the courts although I don't think that has ever been followed. The problem is this. The proposal that is contained in LB 378 is it's more costly than the present system and I think also would be a boon to the providers in terms of their efforts to try and get certificate of needs approval of the different projects. So dealing with the first question, that being the problem of cost, I've got a handout that you should just be receiving from the Health Department where I asked them about the cost involved with 378's proposed process of dealing with certificate of need. You will see from that first off, that the concerns that Senator Cullan has previously expressed about the high staff ratio at the Health Department are not accurate information, that, in fact, the comparisons that have been made are apples and oranges between us and other states and I think that information at the start of the handout clarifies that. So the next item which is found on page 3 of the handout deals with the problem of the costs involved with the system Senator Cullan would have us adopt through LB 378. What he does is take a different position of having this review committee be presented the provider's side and the Health Department would take the consumer's side and then the review committee would make a decision and then an appeal could be made to this appeal board and then finally to the courts. Now the problem is that each and every application for certificate of need will have to have a hearing and this committee will have to meet and will have to consider the information involved and the Health Department has estimated that the total cost of this project is going to be about sixty some thousand dollars over what is presently the situation. What I am proposing is that instead of going through this lengthy and more cumbersome review process, we set up a system where the Health Department continues as they have been, making the decisions on certificate of need but at any point when an application is made a referral to a local citizen hearing board can be made and a public hearing must be held in that locality or in that area where a proposal is emanating from so that citizens have a chance to attend the public hearing and to comment upon it. But if there is not a need for a public hearing, if there is not a contest or a controversy involved with an application from certificate of need, then there is not any need to hold a hearing which is very expensive. And so this system, we feel, will actually, from the information you'll have in the handout, will actually save money from what is presently the situation whereas the present LB 378