

operation or health care service. So as a result of the coverage package that health insurance company says, we are not taking this person. That person then is left to their own devices to find some sort of health coverage. So they go from different company to different company saying would you please cover me. Some of them will say yes, some will say no. Those that say yes, though, if they do say yes, will charge such an unbelievably high premium that nobody can really afford the coverage. So, basically, these people are left without any health insurance. Our feeling is that at some point these people may need health services. When they go for those health services, if they don't have health insurance, somebody is going to foot the bill eventually. So the real question is who pays the cost. If they don't have the health insurance and they go in and get the care that they need, the hospital will eat the cost, or the health provider that provides the service. So they have to bear the burden because this person doesn't have health insurance. So this bill is supported by the health care providers in this state. Someway or another somebody is going to pay the bill in other words. So what we are doing here is, instead of having any one entity having to bear an unfair burden, we are spreading it around, sharing the burden and thus lowering the overall impact to any one insurance company or any one health care provider. That is what we are trying to do. As a result it is a much fairer approach to solving this problem. So what we do is the health insurance companies in this state all pool together their resources and work together to provide for this coverage for these people that could not otherwise get health insurance. That is the long and short of the concept. The health premium that would be paid by these people would have a cap of, I believe, 165 percent of the standard risk, that would be the maximum, 135 percent would be the premium for the first year. So what we have here is it will be a higher premium that these people pay than normal health insurance premiums, but it wouldn't be so unbelievably high that they couldn't possibly afford it. These premiums will cover almost all of the costs of the program. We think it should be adequate. But if the premiums are not adequate there is the opportunity to...there is a premium tax that health insurance companies pay that they would be able to offset losses against. In the handout you will see an estimate of the potential lost revenues from that premium tax. We've got this based on other states that have had this program. I think, from what