

in this state and in this society in the next few years. That is the problem of how best to provide nursing home care at an affordable cost to our elderly. As you all know, our population is aging, no reference to Senator Nichol's birthday today, necessarily, but all of us are aging. We are all getting older. We have a problem with the Medicaid system. That problem is that, for nursing home residents, our current Medicaid reimbursement rate is not high enough to cover the same cost that a nursing home proprietor can get for that room if they sell it to a private pay. Consequently, in almost all nursing homes in this state there is a difference in the pay rate for a Medicaid patient from that of a private pay individual. It is more profitable for a nursing home to have private pay individuals than Medicaid eligibles. So far it has not been a huge problem, but we're beginning to see the trend. As Senator Wesely said, there are five, six or seven nursing homes in the state who currently take no Medicaid patients, do not participate in the Medicaid program. The problem results when these nursing homes switch over from being part of the Medicaid system to part of the private pay system. It happened to be my own community is the reason I'm bringing the bill. It could happen in any community. These individuals who had lived in this nursing home, some of them up to 11 years, were asked to find new residence. The trauma of transfer for an elderly individual, some of whom do not have their entire mental facilities, is quite a traumatic experience. As Senator Wesely said, the original bill was designed to require every nursing home in the state to participate in the Medicaid system. I have been convinced since then that that probably is too harsh a bill at this point, too harsh a thing to do. We do have adequate, at least at this time, adequate nursing home facilities to provide for new placements, however, it is still a problem. It is a very emotional gut-wrenching sort of problem to a family and to an individual if they must be transferred. I must compliment the Nebraska Health Care Association and the nursing home in my own community for agreeing to work with me on an amendment which at this point we all find basically acceptable and that is this, that rather than requiring a nursing home, as the original bill would have done, requiring a nursing home to participate in the Medicaid program in terms of new placements, we are adding language, and this is the language you will see in the Journal on page 1298, that indicates that a nursing home shall be required to retain residents whose economic status