

SENATOR NELSON: Senator Landis, I feel you're far more knowledgeable than I on this. Since Central Community College has been self-insuring very successfully, they have a three months' reserve put aside, and so on and so forth. There's been no problems whatsoever, and I think their coverage is up to 810,000 per individual per year. What would this do to Central Community College? They themselves would have to go out and pay double for their insurance...

SENATOR LANDIS: Couple things.

SENATOR NELSON: ...right quick, or their lid, or I mean their...

SENATOR LANDIS: Well, if the bill doesn't pass,...

SENATOR NELSON: I mean there's no exclusion.

SENATOR LANDIS: If the bill doesn't pass and they're faced with the Insurance Department, they're going to have to change the way they do business. They'll either have to move to a straight deductible for their employees, or first dollar coverage, whatever. But they'll have to change the way they're doing business. In the event the bill passes, they'll also have to do some changes.

SENATOR NELSON: Sure, I realize that.

SENATOR LANDIS: One of the things they'll have to do is establish a set aside, segregated reserve fund to hold the money, can't dip into it.

SENATOR NELSON: They have that.

SENATOR LANDIS: Okay. They've got to have that sufficient to meet their obligation. Secondly, they are going to have to work with their insurer and their actuarial staff, or their own actuary, and have an annual review to ensure that the amount of money they're collecting, and that their insurance coverage with their insurer is adequate to meet their needs, got to do it on an annual basis with either their insurer, or an independent actuary of their own choice to make their system have enough money to fund their obligations.