

states. A series of meetings were held that continued to refine those drafts. I submitted those drafts to both sides. On April 4 I got a letter from Ted Kessner who said that on behalf of NSEA he found a number of issues that remained. His arguments were based on philosophy and concern. There was no suggestion for specific language to improve the bill. On February...on April 22, I received a second letter from NSEA, this time from Mark McGuire, again saying that NSEA opposed any self-funding this year that goes beyond grandfathering existing plans, with no specific language on what we should do to LB 167. We continued again to draft, and there have been 11, I believe at least 11 drafts of the bill. Amendments have been available for consideration improvement. I have not heard of any amendments coming from the opponents of the bill in the last three weeks since the amendments have been available. The amendments probably can most easily be understood if you take a look at this handout, this picture coverage. If you start on the back of it, you'll see what existing practices are, generally. If you're now a public employee...employer, you probably have a system that has some kind of coverage beyond the deductible that the employee pays. That's the normal practice out there. But a number of political subdivisions have adopted one, two, or three, on the other side, as the way they go. What LB 167 does, and the amendments do, is to provide a way of doing these three options, and the obligations that the political subdivision has to meet before they can do them. They just simply can't move to these systems without some standards. The first example, too, is where there's an employee deductible, then an employer pays an additional part of the deductible, and then there's health coverage over it. LB 167 says to move to this system you have to have an independent actuarial study saying that you've set aside enough money. It can be the actuary of the insurance company you're dealing with, it can be an independent actuary. Secondly, the money the public employer is using is put in a segregated and restricted fund, accruals are done on a monthly basis, and the board has an obligation of keeping a sufficient amount of money in that to make sure it's capable of paying off its obligations. Additionally, that public employer, for the amount of coverage it is responsible for, has to provide claim forms, has to provide a copy of the plan, has to deal with the claims in an immediate and timely fashion. In the event they do not pay off the claim, because it's disputed, they have to send a letter every 90 days to the employee telling them what their rights are and where things stand. Above that point there has to be excess coverage for