

TESTIMONY FOR HB 2763

First Presenter:

Stuart Ray, Owner Davis-Moore Auto Group
Board Member – RMHC Wichita
Support - Oral Testimony

Second Presenter:

Susan Smythe, CEO – RMHC Wichita
Support - Oral Testimony

REQUEST FOR SALES TAX EXEMPTION TO BUILD A NEW RONALD MCDONALD HOUSE

Chairperson and Members of the Committee:

Ronald McDonald House Charities® Wichita (RMHC Wichita), which is a qualified 501(c)(3) non-profit, seeks a one-time request for a Sales Tax Exemption to receive a Project Exemption Certificate for the purpose of providing construction, furniture, fixtures and equipment for a new Ronald McDonald House®. This request is only for the construction of the new House and not for future taxable purchases.

Our Ronald McDonald Houses provides affordable, safe, temporary housing, amenities and emotional support for families that have chronically ill, critically ill or injured children while they receive medical care in Wichita, Kansas. We serve families who have children age 21 years of age and younger including high-risk OBGYN patients whose babies after they are born, will need to go to the neonatal intensive care unit. We ask families to contribute a nominal amount toward their nightly stay but we never turn anyone away because of their inability to pay. A family's average stay is 8 days, but many stay for several months, and others return to the hospital (and Ronald McDonald House) repeatedly over a number of months or years for treatment. We provide a private place for families to stay each night and the little things that are otherwise easily taken for granted – warm meals cooked and served by compassionate volunteers almost every day of the year, a hot shower, a play space and friendly faces to come home to after a long day. Volunteers contributed 8720 hours to Ronald McDonald House Charities Wichita in 2017. About 90% of our funds required to operate come from donations and 10% from contributions from our families or insurance.

Pediatric service projections by Wichita's medical care providers helped RMHC Wichita's Board of Directors determine we needed one larger Ronald McDonald House located as close as possible to the majority of neonatal, pediatric and high-risk OBGYN medical care and pediatric specialists in our community. It would allow family members to be together, to be more active participants in their child's treatment plan, be quickly available for critical medical decisions, and work more cohesively with healthcare professionals to best meet the needs of the patient.

Pediatric medical care in Wichita has shifted over the last 35 years since we bought a house originally built in 1900 and remodeled it into our first Ronald McDonald House located by Wesley Medical Center. Two years later in 1985, we constructed another Ronald McDonald House near Via Christi St. Francis Hospital. Most of the families who need us today are receiving medical care closer to the location of our first Ronald McDonald House. This has put a very high demand on the older of our two Houses.

The Houses have small bedrooms with two twin beds. We can have four people in the room but two must sleep on roll-aways or on air mattresses on the floor. Because of the demand, we are only able to give one room per family. Even though each bedroom has a private bath, they are cramped and in need of refurbishment. There are no bedrooms on the main floors and no elevator. This is extremely difficult for new mothers who just gave birth, particularly by C-section. The stairs are a painful process that they must endure several times a day. Both Ronald McDonald Houses were built before the Americans with Disabilities Act.

Most often, the first House is full with a wait list, so new families are given a place to stay three miles away at the second House until a room becomes available. Three miles doesn't seem like much but families tell us it is just too far from their sick or injured child and they often turn this option down. If there is an emergency situation, families want to be at their child's bedside in seconds – not minutes.

Wichita's medical providers are committed to providing expert pediatric care to Kansas children. Wesley Medical Center opened Wesley Children's Hospital, the first in Kansas and the only dedicated hospital designed, built and equipped exclusively for children. They have escalated their hiring of pediatric specialists so that they could provide the expert medical care Kansas children need. They have invested in and are utilizing state-of-the-art technology to provide that care. Because of this concerted effort, according to recent hospital in-migration statistics, 82% of Kansas pediatric patients needing medical care are going to Wichita and they are not going out of state for their treatment. Being able to receive medical care in Kansas benefits Kansas families because they want and need to be closer to their home.

"When an organization which does so much good for families in need also steps up to help raise up our community and improve our neighborhoods, it's an amazing thing. Our challenged 67214 neighborhood will be blessed with the addition of 20 more housing units for families whose children are undergoing medical care in Wichita. Wichita is striving to become a leader in health services, and the need to provide adequate housing for families visiting to receive care is one that is crucial that we address. We support the work of Ronald McDonald House Charities Wichita and hope you will consider their project exemption request." City of Wichita Mayor Jeff Longwell.

The value of the Ronald McDonald House partnership with hospitals and medical providers is measured in achieving the triple aim of enabling family-centered care, positively impacting the patient experience, and reducing the financial burden for families. Patients whose families stay at our Ronald McDonald House tend to be the sickest, have traveled the furthest distances and spend the longest time in the hospital. At least one Ronald McDonald House Charities core program, such as a Ronald McDonald House, provides services to families being cared for at nearly 90 percent of the top children's hospitals worldwide. Hospital accreditation acknowledges the positive impact of having a Ronald McDonald House resource available.

"When children need hospital care, they still need to play, exercise their imagination and be surrounded by family to help them heal," explains Bill Voloch, Wesley Healthcare president and CEO. Bill Voloch believes strongly in the relationship between the hospital and RMHC Wichita and is committed to the charity by being a current Board member. Because of his leadership and dedication to our Mission, Wesley Medical Center has generously donated all the space in the Health Strategies Plaza building needed to build our 20 bedroom Ronald McDonald House and is providing a 50 year lease.

The new Ronald McDonald House is in zip code 67214 where the median household income is less than half of the City of Wichita and the State of Kansas. The construction of the Ronald McDonald House will serve as one project of revitalization for this neglected Wichita neighborhood which is becoming a priority for the Wichita community. Investments such as ours can only go to help that neighborhood.

The plan is to start construction of the Ronald McDonald House by May 1, 2018 and it will take about 8-10 months to complete. The budget is \$3.4 million and the construction portion of the budget is \$2.5 million. In total, we estimate \$900,000 going to local construction workers, architects and engineers. That could benefit more than 100 individuals. Also positively impacted will be the local businesses who we will purchase items such as construction materials, finishes, furniture, and appliances.

Since 1983, 27,877 families have been served in our Ronald McDonald Houses. 25,327 of those families were from Kansas. Last year, 697 Kansas families called the Ronald McDonald House their "home-away-from-home" while their child received medical care in Wichita.

More than simply brick and mortar, Ronald McDonald House is an environment that promotes togetherness. This new House will truly be where **Hope Has A New Home** – a place for patients and their siblings to be kids, a place that offers respite from illness, a place for families to share their stories and find comfort in each other and, ultimately, a place that offers normalcy in our families' displaced lives. We will keep families close to their home in Kansas.

Thank you for your consideration. We would be glad to stand for questions.