

SB 13

January 17, 2019

To: Senate Assessment and Taxation Committee
Senator Caryn Tyson, Chair

From: Karren Weichert, CEO
Midland Care Connection, Inc.

Chairperson Tyson and Members of the Committee,

Thank you for the opportunity to provide testimony on behalf of Midland Care Connection. We appear as proponents of Senate Bill 13 in so far as it provides a sales tax exemption [Ref: (nnnn) on the last page of the Bill] for our organization. Our lawyer provided written testimony Tuesday.

Midland Care Connection has served northeast Kansas for more than 40 years. As a unique, nonprofit integrated community care organization providing multiple programs, we focus on care to the aging and indigent population. Our services include hospice, inpatient care, adult day care, home health and home support services, home delivered meals to low income seniors, limited housing, and clinic and rehabilitative services as a PACE (program of all- inclusive care for the elderly). As a PACE provider, we are at full financial risk for all of our PACE participants including all medical and social support services as well as all medical specialties, acute inpatient care and long-term care placement should it become necessary. Under two of the programs we provide not only all the medical and supportive care needed but also are responsible by regulation to provide, coordinate and pay for all medical equipment, supplies, transportation and meal supplements. The majority of the patients we serve are at or below poverty level.

Midland Care Connection truly is unique in the comprehensive nature of our programming, as well as, the significant geographic area served.

There are hundreds of Kansas not-for-profits which are sales tax exempt. Many are exempt because of their parent organization, religious affiliation or because they are operating as a department of a not for profit hospital. Consistent tax policy suggests that Midland should be exempt as well. We serve the same populations, often times even serving a higher need ,lower income population.

The fiscal impact to the State would be less than \$275,000 per year but the impact to our patients and families would be significant. It would mean 1,617 more days of hospice care; fifty-five months of care for PACE participants; or 55,000 more home delivered meals.

Thank you again for the opportunity to present today. I'll be happy to stand for any questions.