

From the desk
of Julie
Parrish

5-10-13

Re: HB 2216 regarding Nursing Home Provider Tax and The Removal of the CCRC Exemption

I am a resident since 2009 of Rogue Valley Manor (RVM), a not-for-profit CCRC, located in Medford, OR and a member of LeadingAge Oregon member CCRC's.

We support the Nursing Facility Provider Tax but we oppose the removal of the CCRC Exemption. The reasons for our support of the Nursing Facility Provider Tax is that it brings in additional dollars to help support critical services to Oregon's most vulnerable seniors and people with disabilities.

We do not support the elimination of the existing provider tax exemptions for CCRC's. Our fundamental issue with eliminating the exemptions which have been in place since the provider tax was implemented (back in ~2001) is that it places a tax on seniors who have saved and financed their own services and care. If the exemptions are eliminated, CCRC's like ours will be taxed and that tax will be in turn passed on to residents, like my wife and I, who have saved all our lives to provide for our own needs. But, with the tax, my wife and I, like others living in CCRC's will be taxed at ~ 1.5% per month of our Accommodations Fees (which in our case will cost my wife and I in new taxes at roughly \$65 per month (as a couple, or roughly \$765 per year). Others may be taxed more or less than our situation.

Our facility, RVM, does not participate in the Medicaid program and therefore does not benefit from Medicaid dollars. We estimate that there are roughly 2,800 seniors living in CCRC's in OR that are part of LeadingAge OR member CCRC's. We believe it to be unfair that such a small number of residents be taxed rather than having the tax borne by the general public rather than a small subset who chose to live in a CCRC. We believe it is wrong to tax seniors who selected CCRC's as their living choice.

CCRC's, as you know, provide a continuum of care and services and most do not participate in Medicaid but we do have resident assistance funds used to support residents who may have depleted their resources, thereby preventing them from having to become a Medicaid recipient. RVM does not ask the state of OR to pay for our residents who, through no fault of their own, are no longer able to provide for their needs. Conversely, we believe it is wrong to tax residents like us who do not use state funds to pay their health care bills.

Up to now, and in more difficult budget times, OR has been able to protect the most vulnerable and those that live in CCRC's who have saved (over the last fifty (50) years as in our case) to be able to afford to live at a CCRC and have been able to finance their own care. Now in an improved economy over recent years, the private pay residents in CCRC's are being asked to balance the DHS budget. We are asking that those funds be found outside DHS budget and that the existing exemptions be continued.

Thank you for your consideration and for listening to our concerns.

Meyer Cohen
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