

Rep. Phil Barnhart
900 Court St. NE, H-279
Salem, Oregon 97301

March 27, 2015

Rep. Barnhart and members of the House Revenue Committee,

I write to you today in opposition to House Bill 3034, which is in front of your committee on March 31.

HB 3034 is deeply flawed legislation which would have extreme consequences on the operations and mission of Adventist Medical Center. The bill would enact a charity care minimum of 15% of gross revenue in exchange for an exemption from property taxation.

With the drop in uninsured Oregonians due to the Affordable Care Act, our analysis shows that we would be unable to meet such a minimum, or anything even close. We believe in our charitable mission, including providing charity care, but there simply are not enough uninsured Oregonians in our community to achieve such a level.

Our hospital takes pride in our community benefit activities, which run from community health fairs to charity care and beyond. In 2013, our hospital contributed \$25,476,088 in such activities. Those are direct and measurable contributions to the health of our community. Were HB 3034 to become law, those activities would be in severe jeopardy. We would either have to redirect spending to our newly acquired tax liability, or search out ways to give away care in order to try to achieve the 15% threshold.

Furthermore, the property taxes collected by counties would go to activities outside the realm of community health, and counties would be under no obligation to use funds to improve the health of their communities. We believe in our mission and the health of our community, and we view any attempt to redirect that spending as a threat to the mission of a healthier Oregon.

Again, I urge you to oppose HB 3034.

Thank you,

A handwritten signature in black ink that reads "David Russell".

David Russell
Senior Vice President & COO

CC: Members of House Revenue Committee
Senator Michael Dembrow
Representative Alissa Keny-Guyer
Senator Rod Monroe
Representative Jeff Reardon
Andi Easton, OAHHS