



TO: Rep. Phil Barnhart
CC: Members of House Revenue Committee

March 26, 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 Asante Rogue Regional Medical Center. The bill would enact a charity care minimum of 15% of gross revenue in exchange for an exemption from property taxation.

Even prior to the drop in uninsured Oregonians due to the Affordable Care Act, we would have not been able to meet the thresholds being put forth in legislation nor even be close. We believe in our charitable mission, including providing charity care to our community.

Our hospital takes pride in our community benefit activities, which run from charity care to community health fairs and beyond. In 2013, our hospital contributed \$82,547,308 to our community 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 have to redirect spending to our newly acquired tax liability.

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, appearing to read "Scott A. Kelly".

Scott A. Kelly
CEO, Asante Rogue Regional Medical Center

cc: Senator Alan Bates