

Submitter: Dave Pierson  
On Behalf Of:  
Committee: Senate Committee On Human Services  
Measure: SB576

I am writing today in support of SB576. It makes no cents or sense to deprive someone from working because of income limits. From a cents perspective if an individual utilizes significant state-provided medical services that cost the state \$100K a year...under current income limits the individual doesn't work because the income limits are too restrictive.

Now if income limits were removed, that same individual gets a job making \$50K. Their life gets better with financial security, but even better they are now paying all taxes on that earned income. In this scenario it would be about \$4K state income tax and \$4K federal income tax. Since medicaid is jointly funded we can reasonably say that \$100K effectively cost \$92K now! Not a bad monetary return for the state, for passing a less restrictive law!

Lets go a little more extreme. This individual has a job making \$400K. In this scenario they would pay about \$104K in federal income taxes and \$35K in state income taxes. Now there is a \$39K surplus effective cost for the essential medical support that the state is paying for regardless of this individual working.

In summary, this is a win/win.

Respectfully,  
Dave Pierson