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LATE

**HOUSE COMMITTEE ON HEALTH
TESTIMONY REGARDING HB 2939
RELATING TO LONG TERM CARE COMMISSION**

*****WRITTEN TESTIMONY ONLY*****

TESTIFIER: KURT KAWAFUCHI, DIRECTOR OF TAXATION (OR DESIGNEE)

DATE: FEBRUARY 2, 2010

TIME: 10AM

ROOM: 329

This bill, among other things, requires the long term care commission to review the feasibility of establishing a long term care fund and finances the fund by proposing to impose or increase the general excise tax on food and drugs commencing January 1, 2012.

The Department of Taxation (Department), **opposes this measure because it recommends a tax increase** on food and drugs.

As a general matter, the Department opposes tax increases. The Department particularly opposes recommendations to tax the bare necessities of Hawaii residents. These bare necessities include food to eat and medicine to stay healthy. No one should be taxed for sustenance or healthful costs.

The Department suggests that the Committee recommend that the funding come from sources other than taxing people who are hungry or sick.

From: mailinglist@capitol.hawaii.gov
Content: Monday, February 01, 2010 8:06 PM
Subject: HLTtestimony
Subject: I estimony for HB2939 on 2/2/2010 10:00:00 AM
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Testimony for HLT 2/2/2010 10:00:00 AM HB2939

Conference room: 329
Testifier position: oppose
Testifier will be present: No
Submitted by: Anthony Lenzer
Organization: Individual
Address:
Phone:
E-mail:
Submitted on: 2/1/2010

Comments:

I wish to withdraw testimony submitted earlier today on behalf of the Policy Advisory Board for Elder Affairs. My testimony erroneously indicated that HB 2939 deals with extending the life of the State's Long-Term Care Commission, a position supported by PABEA. Instead, this bill calls for the commission to review the feasibility of establishing a long term care fund, to be financed by imposing or increasing the general excise tax on food and drugs.

PABEA has taken no position on this matter, and therefore my testimony was both inaccurate and inappropriate. Speaking as an individual, I would oppose this as a source of funding, should such a long term care fund be established. This type of taxation is undesirable, inasmuch as it falls most heavily on those least able to pay.

Thank you for the opportunity to correct my earlier testimony.



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February 2, 2010

To: The Honorable Ryan I. Yamane
Chair, House Committee on Health

From: 'Ohana Health Plan

Re: House Bill 2939-Relating to the Long Term Care Commission

Hearing: Tuesday, February 2, 2010, 10:00 a.m.
Hawai'i State Capitol, Room 329

'Ohana Health Plan (OHP) is a health plan offered by WellCare Health Insurance of Arizona, Inc. WellCare is a leading provider of managed care services dedicated to government-sponsored health care programs, focusing on Medicaid and Medicare. We operate a variety of health plans for families, children, the aged, blind or disabled as well as prescription drug plans and private fee-for-service plans. Our local team of over 140 Hawai'i residents have been serving approximately 22,500 low-income, aged, blind, and disabled clients through the QUEST Expanded Access (QExA) program since February 1, 2009.

We appreciate this opportunity to submit testimony in support of House Bill 2939-Relating to the Long Term Care Commission.

It is extremely important that we continue the discussion about long-term care as our population ages. There are many unresolved issues that must be addressed. Expanding the scope of the long-term care commission will facilitate a more comprehensive discussion and may generate solutions for one of our neediest populations..

As a QExA provider for our kupuna, 'Ohana cares deeply about long-term care issues. We appreciate any opportunity to participate in the dialogue about long-term care, including discussion on this bill and others similar to it.

OHP respectfully requests passage of this bill. Thank you for the opportunity to testify on House Bill 2939.