

NAME: Doug Wisby President/CEO MCDS BILL: HB 2275 SUPPORT: In support of this bill TESTIMONY: Written COMMITTEE: House Committee on Commerce, Labor and Economic Development

February 7, 2023

Honorable Representative Sean Tarwater Chair Kansas House Committee on Commerce, Labor and Economic Development Kansas State Capitol Building Room 346-S 300 SW 10<sup>th</sup> Street Topeka, Ks. 66612

RE: HB 2275

Dear Representative Tarwater and Distinguished Members of the Committee:

I am providing written testimony on behalf of Multi Community Diversified Services, a community service organization that has provided services to persons with intellectual and developmental disabilities for 49 years.

House Bill 2275 provides for a 15% tax credit on the purchase of products and services produced by persons who are blind or severely disabled in Kansas. It is the intent of this bill to move persons with severe disabilities off of Medicaid and the Home and Community Based Waiver to gainful, community employment with companies that are:

- 1. Non-profit.
- 2. Have a primary purpose of employing persons who are blind or severely disabled.
- 3. Pay minimum wage or better.
- 4. Offer health insurance or contribute towards the cost of insurance.
- 5. Produce products and services that are cost and quality competitive with what is available in the marketplace.

The benefits to the state are many:

1. State General Fund savings of approximately 40 cents on every dollar of Medicaid spent on waiver services.



- 2. Additional state income tax revenue for wages paid to employees.
- 3. The capture of sales tax revenue for purchases made with wages paid.
- 4. The turn of dollars kept in the state of Kansas.
- 5. Individuals who are now covered under commercial health insurance not Medicaid.

Intangible benefits:

- 1. Increased self-esteem for individuals who now work.
- 2. Reductions in behaviors and hospitalizations for individuals who can now work and provide for themselves and their families.
- 3. The state and society both benefit when individuals can be more productive.

This bill is a rare win for everyone involved. Please support the passage of HB 2275.

Sincerely, Doug Wisby President/CEO