

The Kowalski Group, L.L.C.

53 Russ Street, 2nd Floor
Hartford, CT 06106
860-246-4346
FAX 860-548-1947
www.thekowalskigroup.com

Government Relations

Statement of the
Connecticut Chiropractic Association
Connecticut Naturopathic Physicians Association
Connecticut Podiatric Medical Association
Finance, Revenue and Bonding Committee
House Bill 6349
February 9, 2009

Sen. Daily, Rep. Staples and members of the committee:

The above groups oppose legislation that extends the sales tax to medical services.

We oppose this proposal, believing that it will have the unintended effect of driving up the cost of health care in the state.

Many of our patients are self-pay. This bill will automatically add five percent onto their bill. Whether insurers or managed care entities would reimburse for this cost is an open question. Assuming that they do not, the result is a five percent cut in the fees paid to medical providers.

This provision in HB 6349 will increase the cost of health care. This will lower the level of access—the two elements are correlated.

We are very mindful of the state's budget situation. But H.B. 6349 will hurt patients and providers alike. It is simply the wrong solution. The provision will also be an administrative nightmare for physicians and other payors, who will have to separate out taxable and non-taxable items on patient bills or EOBs.

Times are very difficult right now for many families in Connecticut. This bill will make them just more difficult. We urge the committee to continue to exempt medical services from the Connecticut sales tax and, as such, we oppose passage of H.B. 6349. Thank you.