

Chairperson Cummings and Senators of the Comm., Thank you.

I am Bob Ullrich. My wife and I have been residents of Vermont for 45 years. I am 78 years old.

I am asking you to consider repairing the tax code to restore the medical expense deduction, not as a tax break, but as a fix. I hope that you will see that the restoration more than pays for itself in terms of dollars and benefits to the state and its people.

You have already heard of the personal human costs and distress that the current code has imposed on some Vermonters. I could elaborate further, but you understand, and I believe it useful to discuss the benefits of restoring the deduction of medical expenses. I see the current code as a deterrent to greater good involving Vermont: infrastructure, employment, jobs, prosperity and population.

The Healthcare Industry which I address involves areas where residents incur substantial medical expenses: home care, assisted living, nursing homes, retirement care, long-term health care and memory care facilities. Most of the patients involved are elders, but not exclusively elders.

This legislation has erroneously been termed, "The Wake Robin Bill." It could have been orchestrated by people from any of the types of institutions listed above, but due to happenstance a resident at WR learned of the new VT Tax Code from her accountant. The resident alerted others of the changes and the subsequent increases they would have to pay in taxes. The eldercare community, in general, did not seem to be aware of the situation. So a group of residents at Wake Robin began to study and publicize the impact the new Code would have on the entire Eldercare Industry in Vermont. As you can see from the diversity of today's testimony a wide group is now aware of the difficulties.

THE PROBLEM:

As costs at institutions increase, fewer people can consider these institutions as solutions to their healthcare problems. Fewer residents or patients means less financial stability of the institutions we already have, and the reduced likelihood that any new institutions will form. This leads to more families having to care for their elderly themselves, and more expense and stress on families and state, local and social resources.

I interject that Eldercare is a **rapidly growing financially viable industry** in many states and Vermont is even more suitably situated than most to flourish. I am not implying that Vermont has not participated in this growth, but it can become a growth

