EXHIBIT 10
DATE 1.19.07
HB 270

WITNESS STATEMENT

Montana House of Representatives
TAXATION COMMITTEE

Please print ~ Please print ~ Please print ~ Please print ~ Please print

DATE: 1-19-2006

NAME: Beth Sirr BILL NO: 270

ADDRESS: 512 Harrison

Whom do you represent? Patients

Support: _____ Oppose: _____ Amend: ✓

Comments:

Every tax dollar is precious - especially to a sick patient, therefore I support tax credits ONLY for direct health costs. When we allow patients to take tax deductions for the cost of direct care, we help offset the financial hardships & barriers to health care most insured patients face i.e. deductibles, co-pays, out of pocket costs for "uncovered" services, including the many "claims denied" for conditions labeled as "pre-existing". The journal, Health Affairs, 2/2005 published a study which quantifies the problem: 76% of those filing for personal bankruptcy because of medical debt HAD INSURANCE at the onset of their

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illness; 68% had insurance at the time of bankruptcy filing; Out of pocket medical costs averaged $13,460 for privately insured. →

(cont.) * Cancer patients out of pocket costs averaged $35,878
* In 2004, 5,972 Montanans were affected by medical bankruptcy.

If health care is the concern of this committee however tax subsidies may not be the most efficient way to help patients

I would urge the committee to review "Tax Policy for Health Insurance" by Jonathan Gruber, Department of Economics for MIT, National Bureau of Economic Research Working Paper 10977 www.nber.org/papers/w10977

In this analysis he says, "every tax policy is much less efficient than public insurance expansions ... tax policies cost the government between $2.36/ and $12.98/ per dollar of insurance value provided."

At some point we must decide what we want to "subsidize" — Patient Care for those in need or Insurance Policies — which indirectly may pay for care for some people — but which studies show ultimately do too little, for too many.

Please, call me if I can be of any help at all in clarifying my perspective. A web site HealthMontana.net is also a helpful resource.

Sincerely,
Beth Sirr R.N., FNP-C
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10 Am - I am sorry, but ...
P.S. My work schedule did not allow me time to present in person.