



**Testimony on the Gross Receipts Tax
Committee of the Whole, Illinois House of Representatives
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Mr. Speaker, members of the Assembly, I am Howard Peters, here on behalf of hospitals all across the state of Illinois. I thank you for this opportunity to make some comments regarding the Gross Receipts Tax proposal. I know that you have had a long day and heard a lot of words, so I won't prolong it unduly.

Much of the testimony that you have heard today has attempted to focus your attention on the mechanics of the Gross Receipts Tax and raised the question, "Is this the best way to raise funds?" But what I would like to do in the brief time that I have with you is to refocus you on the purpose of raising funds.

You see, the Gross Receipts Tax is neither good nor bad unto itself. The Gross Receipts Tax can only be reasoned in the context of purpose. I think you should favor this tax, and indeed approve it, in order to serve a high purpose.

The Gross Receipts Tax represents an historic opportunity to ensure, for the first time in Illinois, that everyone in Illinois has access to affordable, high-quality health care, which will make Illinois a better place to live, a better place to work, indeed, a better place to do business and to raise a family.

Too many of our people, people who work hard everyday, are without health care coverage, and therefore, go without much needed health care. We don't allow people to die in the streets. But the lack of health care coverage really does reduce the quality of their lives. It literally diminishes the quality of their lives, and in some instances, it reduces the length of their lives. People do die for lack of adequate health care because they don't have health care coverage.

The Gross Receipts Tax is an opportunity to make an important correction of this condition in our state.

I could talk, Mister Speaker, about the hundreds of millions of dollars in uncompensated care that hospitals provide each year. But it's not enough. You see, people need, indeed,

they deserve primary care physicians, they deserve preventative care and ongoing treatment for chronic illnesses, not just emergency room and hospital-based care, in order that they might thrive. By the time people arrive in the emergency room, they have often suffered too much, and the prospects of full recovery are much less and much more costly.

I would also want to remind you that free really isn't free. The system of health care delivery today functions on a massive transfer from those who cannot pay because of their uninsured or underinsured status to those who have health care coverage. So businesses and people with coverage, because of this cost shift, are already paying the cost of care for the uninsured. The problem, however, is they're paying for it mostly on an emergency and hospital-based arrangement, which I have already indicated is not the best way to provide care.

So I would urge you to seriously take into consideration the plan that is before you. Someone has said that when you are confronted with complicated, difficult, hard problems, make no small plan. And the plan before you, the Gross Receipts Tax, in order to provide health care for everyone in Illinois and to improve education for all of our children, is a bold plan. We in the hospital community support this plan because it's broad based, it's reliable, and it's sufficient – it really can get the job done – and it does not place additional new burdens on health care providers who are already struggling mightily to provide care to the uninsured and the people across Illinois who need it.

I urge you – let's roll up our sleeves and get to work to find a way to pass this plan so that we really can move toward the day when every child in Illinois is assured of free, quality public education and every person is ensured access to quality, affordable health care.

Thank you very much for giving me your attention.