



House passes its versions of budget, income-tax plan

Week 10 proved to be busy yet productive for the House, with passage of a budget and a tax plan setting the stage for the end of the session.

The only requirement for the Legislature is to pass a budget each session. I have concerns about both bills, but voted for them to get to a conference.

The next stage for the session is for the House and Senate to meet in a conference committee, where differences in bills are discussed and negotiations between different houses take place.

Each chamber presents its bill and position along with what its members like and don't like about the other chamber's bill. The top three members of each committee represent their respective chamber's position in the negotiations. As a new chairman this year, this will be my first experience being on conference committees.

When both sides believe they have an equitable agreement, they submit their report back to their respective chambers and each body votes on the plan. If it passes both chambers, it goes to the governor



Letter from Topeka

By State Rep. Ward Cassidy
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for his signature or veto.

If either house rejects the agreement, however, they go back to conference to find another compromise. The process happens for each bill which has differences between two versions.

Some highlights from the week:

- Kansas exports increased \$1.75 billion dollars since 2010. Exports from Kansas for 2012 were \$11.66 billion. In the five-state regions, the average of exports was 9.2 billion, placing Kansas squarely ahead of the average.

- The House passed HB 2253, a very strong Pro Life bill which I voted for, 92-31. Under it, no taxpayer dollars will be used to subsidize abortions.

- I enjoyed talking with former Sen. Bill Bradley, the famous New

York Knicks basketball player. He was at the Capitol to discuss investment options for the Kansas Public Employees Retirement Plan. It appears that there will be no new legislation this year on the system.

This issue continues to be a financial concern to all involved, but I feel the director, Alan Conroy, is outstanding. He will be a strong leader in solving these problems.

This past week, I was appointed as chairman for the Legislative Educational Planning Committee. The six senators and six representatives will meet for two days this summer to review proposals for the 2014 session. There are many topics to study. I have selected to research the costs associated with Common Core testing and the reports required from each school district.

Anniversary reminds us raising taxes always a big deal

Taxes have always been a controversial issue in America.

Colonists dumping tea into Boston Harbor to protest British duties is one of the defining events of America's birth. Colonists were not necessarily protesting all taxes, but they resented and opposed a far-off king and Parliament imposing taxes on them: "No taxation without representation."

Many of these same protesting colonists, our Founding Fathers, maintained their same concern about an all-too-powerful federal government, and wrote a Constitution that permitted only the House — the direct representatives of the American people — to raise taxes or revenue. In a nation that valued freedom over the power of the state, it was supposed to be a big deal to raise taxes.

It still is, and it still should be. But for some in Washington, raising taxes is seen as no big deal.

With the passage of the "fiscal cliff deal" last month (which I opposed), 77 percent of all American households saw taxes on their incomes increase. Paychecks shrank for all workers as the Social Security tax holiday was not renewed. And, for many family farms and other small businesses, the President's tax-increase agenda will hamper their ability to hire new employees, invest in equipment and pay for employee health care. The so-called tax



On the Potomac

By Rep. Tim Huelskamp
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on the rich pushed by Obama will trap many a Main Street business here in Kansas — taxing more of the owners incomes now and more of their estates later.

This February marked the 100th anniversary of the ratification of the 16th Amendment, which allowed Congress to tax individual income directly. Except during the Civil War — when an income tax was levied to pay for Union efforts — taxes were not imposed on wages and earnings. In fact, prior to the 1913 Amendment, a flat income tax had failed constitutional muster.

While it is unlikely that the 16th Amendment will be abandoned, there is no reason why we have to continue suffering under the current complicated and convoluted system. When it takes Americans more than six billion hours to prepare their taxes and at a cost to them of \$168 billion, we have a problem.

A tax code with 4 million words is destructive and full of danger: the complexity has negative eco-

omic impacts, is ripe for political favoritism and cronyism, and even an unintentional mistake may invite penalties and fines.

We can and must simplify the tax code to make it fairer, flatter and smarter. Doing so not only lessens the burden on individuals, families and businesses, but might also address the challenges we have with revenue shortfalls.

Make no mistake, the problem in Washington is still that we spend too much. But cleaning up a messy web of deductions, credits, exemptions — and reducing tax rates — would certainly create a pro-growth economic environment that benefits everyone, not just large businesses like GE or billionaires like Warren Buffett who can afford legions of lawyers and accountants to avoid taxes other Americans must pay.

Tim Huelskamp, a Republican from Fowler, and a former state senator, is the congressman for the 1st District of Kansas.

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Photo Policy

The Oberlin Herald wants to emphasize photos of people doing things in the community. If you know of an event or news happening that we should attend, please call 475-2206.

Please be sure to allow a couple of days' notice so we can arrange to be there.

Space in the paper is limited and so is the time of our staff, so we may not be able to get to every event, but we will try.

Because space is so limited, we *cannot* run team or group photos, any pictures of people lined up or of people passing checks, certificates and the like. (We will always try to make room for a story about any of these events, however.)

We do run wedding and engagement pictures and "mug" shots with stories and obituaries, when they are

provided to us. Please remember that we need a clear, sharp picture. Dark or fuzzy prints will not work.

We cannot return photos unless you submit a self-addressed, stamped envelope with clear instructions for return. Other photos submitted may be picked up at our office within two weeks. After that, they will be disposed of.

Laser proofs of photos which have run in *The Herald* are available, first come, first served.



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Happy Doctor's Day! - March 30, 2013
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Come Home to Decatur Health Systems Reorganization Initiative

Impact of existing Medicare provider payment cuts and sequestration

Post-Sequestration figures ¹	(Losses)
Affordable Care Act cuts	(\$91,500)
Bad Debt Payment cuts	(\$102,900)
Home Health Coding Adjustments	(\$6,600)
Sequestration cuts as of April 1, 2013	(\$805,900)
10 year total	(\$1,006,900*)
Per year total	(\$100,690)
To that we add:	
New expenses related to annual clinical growth (estimated)	(\$550,000)
New total, annual cuts and expenses for Decatur Health	(\$650,690)
The above figure per month	(\$54,224)
Previous 12 month average net loss per month	(\$65,000)
New per monthly total of cuts and expenses: (\$119,224)	

¹ Data from the Kansas Hospital Association

* Figures calculated by estimating and aggregating Medicare Fee-For-Service revenue over a 10-year period without the effect of existing legislative or regulatory cuts.

An additional \$441,800 in cuts are expected for critical access hospitals in the next 10 years, which is not reflected in the above figures.

With these measures the Hospital administration is working towards a balanced budget while continuing to give excellent care to our community. See more information on page 2A of today's Herald.

The numbers that were used as the basis for these decisions came from the Kansas Hospital Association, which prepared a report for each facility showing the harsh financial reality that must be faced. For Decatur Health Systems, we previously had been looking at 441,800 in cuts over the next 10 years due to our position as a critical access hospital. That's not a great number, but it can be managed. However, with sequestration, the picture changes drastically. The new figures total over a million in cuts over the next decade, for an additional \$100,690 in cuts per year. Specifically, we are looking at a loss of \$91,500 due to the Affordable Care Act, \$102,900 to bad debt payment cuts, \$6,600 to home health Medicare coding adjustments, and - the bulk of the impending cuts - \$805,900 due to sequestration.

In order to deal with these new budget figures, DHS administration developed a four-part plan to help reconcile the numbers and stabilize the hospital for future growth. They are as follows:

- Provide in-house physicians and providers to increase patient visits and reduce the need for contract labor.
- Focus on providing services that are reimbursable, as we are a critical access hospital and are only reimbursed for Medicare and Medicaid approved services.
- Collect on all services provided and bill appropriately and timely from now on.
- Reduce all non-essential personnel to provide quality and timely care in the most cost-effective way.

