



Testimony of
Doug Kelly, President and CEO of Make-A-Wish® Ohio
Presented to the Senate Finance Health and Medicaid
Subcommittee

May 17, 2017

Chairman Hackett, Vice Chair Tavares, and members of the Senate Finance Committee. It is my pleasure to testify in support of two amendments to the State of Ohio Budget, **H.B. 49**. While our state senator, Sen. Kunze, is supportive of both amendments we are still seeking a member of the Senate Finance Committee to sponsor the amendments for inclusion into the budget bill.

The first amendment would create a \$1 million matching grant for Make-A-Wish Ohio and the second would rename the existing "Wishes for Sick Children" tax checkoff fund to be called the "Make-A-Wish Ohio" tax checkoff fund.

Both amendments are smart public policy that not only will help foster healthier kids, stronger families, and more united communities, but they will actually save significantly more money than they cost. In fact, one of the amendments – the tax checkoff name change – has zero budget impact, but will help do a tremendous amount of good for Ohio children battling critical illnesses.

Background on Make-A-Wish®

Make-A-Wish Ohio is a non-profit organization headquartered right here in Columbus. We grant the wishes of children with life-threatening medical conditions. We've granted more than 9,000 life-changing wishes to Ohio children in all 88 counties.

We are **not** a last-wish organization. In fact, the vast majority of our wish kids go on to survive and thrive. Doctors and families tell us a wish is an essential part of a child's treatment process. The statistics, from our national wish impact study, are compelling:

- 74% of wish parents observed that **the wish marked a turning point** in their children's response to treatment
- 81% of parents observe an **increased willingness by their wish kids to comply with treatment protocols**
- 96% of medical referral sources observe **increases in wish kids' emotional health**

Closing Ohio's Wish Gap

We support these amendments because they will help us reduce the "wish gap" in Ohio.

Last year, Make-A-Wish Ohio granted the wishes of 450 Ohio children with life-threatening medical conditions. But CDC disease data indicate that more than 1,000 Ohio kids each year are diagnosed with medical conditions that qualify for a wish, leaving a "wish gap" of 555 Ohio children each year.

We are doing our part to close this “wish gap.” Make-A-Wish Ohio has built partnerships with local hospitals to find more eligible kids and we are establishing new revenue pipelines – private and public – to pay for these wishes.

The \$1,000,000 of matching funding would be a game-changer. It would help us cut the wish gap by **one-third**. By making this funding a matching grant that we have to earn to get, this amendment will also help us leverage additional sources of private philanthropic funding.

Additionally, the tax checkoff name change amendment would also help us grant more life-changing wishes.

Two years ago, lawmakers approved the “Wishes for Sick Children Fund,” a fund in the Ohio Department of Health that helps grant wishes to children battling life-threatening medical conditions.

This fund is supported by voluntary contributions from taxpayers eligible for a state income tax refund, and last year it raised \$108,000 that Make-A-Wish Ohio applied for and received.

By changing the tax checkoff name from “Wishes for Sick Children” to “Make-A-Wish Ohio,” more taxpayers would give more money to the fund because “Make-A-Wish” is a known entity with high brand name recognition and deep trust. There is also precedent for this in other states, with Make-A-Wish chapters in Colorado and Louisiana being specifically designated by name on their state tax forms.

This name change is **not** a request for state funding, but it would help leverage more money through an existing grant program.

New Study Highlights the Medical and Financial Return of a Wish

In a time of scarce resources, why should granting more wishes be a funding priority in the budget? Because it makes great fiscal sense!

A first-of-its-kind study by Nationwide Children’s Hospital shows why wishes should be prioritized in this budget: Their study found that **wishes help make kids healthier and wishes help slash healthcare costs by 50 percent in the first year.**

Dr. Anup Patel, Director of the Complex Epilepsy Clinic at Nationwide Children’s, conducted the study which compared kids at the hospital who received a wish in the last five years to a control group of kids with similar diagnosis who did not receive a wish. *Dr. Patel shared these findings with the House Finance Committee on April 27, 2017 and his testimony from these is attached.*

The study found that

- **No wish, no change:** The children who did not get wishes had no measurable difference in the number of hospital visits or treatment cost from one year to the next.
- **Kids receiving wishes show big improvements:** Kids receiving a wish, however, had fewer unplanned hospitalizations, charges, and shorter lengths of stay in the year after

their Wish. Additionally, there was a decrease in planned hospitalizations, lengths of stay, and overall charges in the one year after their Wish experience.

- **One wish cuts hospital costs by 50%:** The year before a wish, hospital charges averaged \$250,000 for each kid. In the year after the wish, these costs decreased significantly to an average of \$124,000 – a 50% reduction in healthcare costs, or a \$126,000 savings.

Implications of this Study

The implications of Dr. Patel's findings are compelling. By helping us grant more wishes, the State of Ohio will help:

- **Save Millions of Dollars:** Based on the study, one wish yields a first-year healthcare cost savings of \$126,000 – that's a 20-fold return on investment compared to the average cash cost of a wish. Granting 100 additional wishes could free up \$12.6 million for other public and private priorities.
- **Healthier kids:** A child who has received a wish is healthier and hospitalized less in the first year after the wish. They miss fewer days of school; have more time with family and friends; and participate in more activities, all of which are essential to the well-being and development of a child, especially teenagers.
- **Stronger, more secure families:** Shorter hospital stays mean parents miss fewer days of work and deplete less of their income to pay medical bills. This makes families less economically vulnerable and allows them save for other important goals like home ownership, education, and retirement.

These new findings reinforce why Make-A-Wish Ohio is a “need to have” organization that transforms lives and is an integral part of a child's fight against life-threatening medical conditions.

Closing Remarks

Ideally, Ohio lawmakers would approve and pass into law both amendments because granting wishes helps transform lives and new data indicates that wishes can reduce healthcare costs.

But we recognize funding is tight and that you have some tough choices to wrestle with. That's why there is one low-cost and one no-cost amendment to **H.B. 49**.

Thank you for your time, for your consideration, and I'm happy to take any questions you might have.

Sub. H.B. 49

As Passed by the House

_____ moved to amend as follows:

In line 88 of the title, after "3701.601," insert "3701.602,"

In line 562, after "3701.601," insert "3701.602,"

After line 48034, insert:

"Sec. 3701.602. ~~(A) As used in this section, "eligible nonprofit corporation" means a nonprofit corporation that meets all of the following requirements:~~

~~(1) The nonprofit corporation is exempt from federal income taxation under subsection 501(c)(3) of the Internal Revenue Code.~~

~~(2) For at least ten years before the effective date of this section, the primary purpose of the nonprofit corporation, or the nonprofit corporation's predecessor in interest, has been granting the wishes of individuals under the age of eighteen who have been diagnosed with a life-threatening medical condition.~~

~~(3) The nonprofit corporation has spent at least one million dollars per year for each of the last three years in furtherance of the purpose described in division (A)(2) of this section.~~

~~(B) There is hereby created in the state treasury the wishes for sick children~~ Make-a-Wish Ohio income tax contribution fund, which shall consist of money contributed to it under section 5747.113 of the Revised Code and of contributions made directly to

it. Any person may contribute directly to the fund in addition to 21
 or independently of the income tax refund contribution system 22
 established in section 5747.113 of the Revised Code. 23

The department of health shall distribute all funds 24
 contributed under this section to ~~an eligible Make-a-Wish Ohio or~~ 25
~~its successor entity, if it is a nonprofit corporation that will~~ 26
~~use the exempt from federal income taxation under subsection~~ 27
~~501(c)(3) of the Internal Revenue Code. The contributions shall be~~ 28
~~used~~ to grant the wishes of individuals who are under the age of 29
 eighteen, are residents of this state, and have been diagnosed 30
 with a life-threatening medical condition. ~~Not later than six~~ 31
~~months after the effective date of this section, the department~~ 32
~~shall develop guidelines under which an eligible nonprofit~~ 33
~~corporation may apply to receive funding under this section."~~ 34

In line 101118, strike through "wishes for sick children" and 35
 insert "Make-a-Wish Ohio" 36

In line 101146, strike through "wishes for sick children" and 37
 insert "Make-a-Wish Ohio" 38

In line 101155, strike through "wishes for sick children" and 39
 insert "Make-a-Wish Ohio" 40

In line 101161, strike through "wishes for sick" 41

In line 101162, strike through "children" and insert 42
 "Make-a-Wish Ohio" 43

In line 101201, strike through "wishes for sick children" and 44
 insert "Make-a-Wish Ohio" 45

In line 101224, strike through "wishes for sick children" and 46
 insert "Make-a-Wish Ohio" 47

In line 105475, after "3701.601," insert "3701.602," 48

In line 132631, delete "Children's Wish Grant" and insert	49
"Make-a-Wish Ohio"	50
Delete line 132631a	51

The motion was _____ agreed to.

SYNOPSIS

Wishes for Sick Children fund: exclusively Make-a-Wish Ohio	52
R.C. 3701.602 and 5747.113	53
Renames the "Wishes for Sick Children income tax contribution	54
fund" the "Make-a-Wish Ohio income tax contribution fund."	55
Provides that Make-a-Wish Ohio or its successor entity is the	56
only eligible nonprofit corporation that receives contributions	57
from the renamed fund.	58
Department of Health	59
Section 291.10	60
Changes the name of DPF appropriation item 440520 from	61
"Children's Wish Grant Program" to "Make-a-Wish Ohio."	62

_____ moved to amend as follows:

1 Between lines 132604a and 132605, insert:

2 "GRF 4405XX Make-a-Wish Ohio \$1,000,000 \$1,000,000"

3 In line 132606, add \$1,000,000 to each fiscal year

4 In line 132654, add \$1,000,000 to each fiscal year

5 Between lines 132734 and 132735, insert:

6 "MAKE-A-WISH OHIO

7 The foregoing appropriation item 4405XX, Make-a-Wish Ohio,
8 shall be used by the Department of Health to make distributions
9 to Make-a-Wish Ohio on a quarterly basis. However, before any
10 funds are distributed, Make-a-Wish Ohio shall provide the
11 Department with documentation showing the amount of private
12 sector dollars the organization has collected. The amount of
13 each distribution provided by the Department shall be equal to
14 the amount documented, but shall not exceed \$1,000,000 in total
15 in each fiscal year."

16 The motion was _____ agreed to.

SYNOPSIS**Department of Health****Sections 291.10 and 291.20**

Creates new GRF appropriation item 4405XX, Make-a-Wish Ohio, and appropriates \$1 million in each fiscal year. Requires the Department to distribute the funds to Make-a-Wish Ohio on a quarterly basis. Specifies that Make-a-Wish Ohio shall provide the Department with documentation showing the amount of private sector dollars the organization has collected before funds are distributed. Specifies that the amount of each distribution provided by the Department shall be equal to the amount documented, but shall not exceed \$1,000,000 in total in each fiscal year.