

**Testimony of Chris Coffman, Synerprise Consulting
Before the Senate Assessment and Taxation Committee
In Opposition to House Bill No. 2380
May 17, 2017**

Good Morning, My name is Christopher Coffman and I am currently employed with Synerprise Consulting Services Inc, a small family owned and operated, Third party, medical collection agency located in Mission, Kansas. I currently serve as the Compliance Director and have been with the company for 14 years. Synerprise has been in operation for over 15 years and currently employs over 35 employees and provides full medical and dental coverage to the staff. We provide professional collection services to hospitals, physician groups, and numerous different types of medical specialists. Our ownership stresses a customer service oriented approach to collections and our clients, some of which are local, and some around the country expect it. SCS serves medical clients throughout the nation and in this competitive industry, Price is always a major factor. We see the implementation of HB 2380 as being catastrophic to our company and to our industry especially with the impact that this tax would have on the thin margins that agencies have to work with and therefore impact our ability to stay in business. It is our belief that this tax could result in many companies like ours possibly leaving Kansas and relocating across the state line to Missouri. Our owner, Rich McCoy is a lifelong Kansan and JOCO resident and is very concerned about this tax and its impact on the industry and on KS jobs in the area.

Collection services are portable. Our clients (the account creditors) will view this as a price increase. Creditors have already lost money on their service and will seek the least expensive provider of collection services and will move their collections accounts across state-lines for a 6% savings. Surrounding states have no tax on collection agency services. Clients could decide to move

accounts to - in house collectors, out-of-state agencies or attorneys. House Bill No. 2380 places collection agencies at a competitive disadvantage. This could mean a loss of business for us and results in a loss of Kansas jobs. This measure is a barrier to business growth.

We would like to thank the committee for hearing our plea regarding this unfair tax on services. We ask that you REJECT taxing collection agency services.

Thank you for your time.