

TO: Senator Grohoski  
Representative Perry  
Taxation Committee

FROM: Benjamin Nadeau, CEO, Bedard Pharmacy & Medical Supplies

RE: Testimony in Support of LD 1184 - An Act to Exempt Certain Prescribed Home Medical Supplies from Sales Tax

DATE: April 26, 2023, 9:30 am, State House, Room 127

Senator Grohoski, Representative Perry, and members of the Taxation Committee, thank you for allowing me to testify on LD 1184 today. My name is Benjamin Nadeau, and I am the CEO of Bedard Pharmacy and Medical Supplies in Auburn, Maine. Our 112 employees are proud and dedicated to providing medical equipment and supplies to the people of Central Maine and beyond.

With records dating back to 1898, Bedard has been serving the community for 125 years, and throughout that time, we have been deeply committed to providing healthcare products and services to our patients. Our communities rely on us and other businesses like ours to care for the elderly, sick, and health-compromised, ensuring their well-being and providing access to the care they need at home and work.

LD 1184 is a crucial piece of legislation with bipartisan support. This bill will provide significant relief to our business by eliminating the burden of handling sales tax on prescription medical equipment and supplies. Our company must pay Maine sales tax before being reimbursed by MaineCare, and some insurance companies do not reimburse at all. This process adds unnecessary administrative effort and financial strain on our business and hinders our ability to expand and better serve our community.

This bill will create a more seamless experience for those needing health-improving and life-saving equipment and supplies. Currently, determining taxable items is more complex than it should be. We employ taxation consultants and pay for subscriptions for tax services which help us determine what taxes are owed on products in various states and geographic areas. Although we work in a limited number of states outside of Maine, the burden of maintaining systems and training to ensure we follow proper guidelines remains high. LD 1184 would make providing medical equipment and supplies in Maine significantly easier, streamlining the process for easy training and a better experience for all involved.

It is worth noting that similar exemptions already exist in Maine. According to the Maine Revenue Services Sales, Fuel, & Special Tax Division Instructional Bulletin NO. 41, prescription medicines, prosthetic or orthotic devices, crutches and wheelchairs, diabetic supplies, positive airway pressure and oxygen delivery equipment and supplies, and certain adaptive equipment are exempt from sales and use tax. This leads to some patients receiving multiple prescriptions, insurance covered items with some being taxed and others not taxed in the same delivery or pick up from our store. LD 1184 would eliminate this confusion for patients.

In conclusion, I would like to express my wholehearted support for LD 1184 and urge the importance of this legislation for businesses like Bedard. By providing a sales tax exemption for prescribed medical equipment and supplies, this bill acknowledges our vital role in our communities and empowers us to continue making a positive impact.

Thank you for your time and consideration.

Sincerely,  
Benjamin Nadeau  
CEO

