



STATE OF MAINE
OFFICE OF THE GOVERNOR
1 STATE HOUSE STATION
AUGUSTA, MAINE
04333-0001

Paul R. LePage
GOVERNOR

1 August 2017

The 128th Legislature of the State of Maine
State House
Augusta, ME

Dear Honorable Members of the 128th Legislature:

Under the authority vested in me by Article IV, Part Third, Section 2 of the Constitution of the State of Maine, I am hereby vetoing LD 517, "An Act To Amend Principles of Reimbursement for Residential Care Facilities."

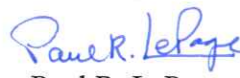
One of the goals of my administration has been to right-size reimbursement rates and to insert some common sense into state Medicaid regulation and reimbursement structure. Over the last six-and-a-half years we have made significant progress, and we look to continue that progress through the duration of my final term.

While I understand the desire of residential care facilities to have the broader authority and flexibility outlined in this proposal, I remain concerned about one specific provision. This proposal outlines in statute that the costs resulting from regulatory changes made at any level of government be considered allowable costs and reimbursed by the state accordingly.

It makes sense that new regulation created by the state and federal government be considered an allowable cost as it relates to residential care reimbursement. The state and federal governments pay the bills; there is a direct correlation between their regulatory expectations and the rate of reimbursement. However, it does not make sense that local county or municipal governments can approve burdensome or costly regulations and expect state and federal reimbursement to mitigate their irresponsible decision making. The Maine people need to hold every level of their government accountable—including their counties and towns.

For this reason, I return LD 517 unsigned and vetoed. I strongly urge the Legislature to sustain it.

Sincerely,


Paul R. LePage
Governor



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