2 July 2018

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 842, “Resolve, To Support Home Health Services.”

This bill provides a rate increase specific to just one type of Home Health services—Section 40 in the Maine Care Benefits Manual. Section 40 services are similar to Home Health services available under Section 96 and Section 19, but are intended to be relatively short-term, such as rehabilitation after a hospital stay. Over the past couple of years, DHEIS has done significant work related to rates for Home Health services. It is imperative that an agency with a more than $3.5 billion budget makes rate adjustments in a thoughtful, rational manner. In setting rates, it is vital that proper rates be determined using information from an outside, unbiased expert in actuarial analysis specializing in Medicaid—not anecdotal information heard by legislators.

The rates for Section 40 Home Health services have had a thorough review by such an outside entity over nearly a two-year period. The result of the review conducted was that the rates should receive a reduction, not an increase. While it would have been appropriate, based on the rate study, to propose a decrease to the rates, the department opted to leave the current rates in place. This bill ignores the review of outside experts and the decision of the department to maintain rates in the face of a recommended decrease. Instead, the bill inappropriately provides an increase to providers who should not receive one.

For this reason, I return LD 842 unsigned and vetoed. I strongly urge the Legislature to sustain it.

Sincerely,

Paul R. LePage
Governor