

VETO MESSAGE ON ESSB 6872

May 4, 2010

To the Honorable President and Members,
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to Section 6,
Engrossed Substitute Senate Bill 6872 entitled:

"AN ACT Relating to medicaid nursing facility
payments."

This bill makes several changes to the nursing facility rate
statute.

Section 6 of this bill would reduce the financing allowance
from 10 percent to 4 percent for assets purchased prior to May
17, 1999 and from 8.5 percent to 4 percent for assets purchased
on or after May 17, 1999. These retroactive reductions in
return on investments would apply to owners the state
previously had urged to upgrade their facilities. Such changes
could make additional needed investments unlikely.

For these reasons I have vetoed Section 6 of Engrossed
Substitute Senate Bill 6872.

With the exception of Section 6, Engrossed Substitute Senate
Bill 6872 is approved.

Respectfully submitted,
Christine O. Gregoire
Governor