

**WRITTEN TESTIMONY FROM BRAD KLAWITTER, CEO, MAINE VETERANS' HOMES
BEFORE THE COMMITTEES ON APPROPRIATIONS AND FINANCIAL AFFAIRS AND HEALTH AND
HUMAN SERVICES, 132nd MAINE LEGISLATURE**

**IN SUPPORT OF LD 2212: AN ACT MAKING SUPPLEMENTAL APPROPRIATIONS AND
ALLOCATIONS FROM THE GENERAL FUND AND OTHER FUNDS FOR THE EXPENDITURES OF
STATE GOVERNMENT AND CHANGING CERTAIN PROVISIONS OF THE LAW NECESSARY TO THE
PROPER OPERATIONS OF STATE GOVERNMENT FOR THE FISCAL YEARS ENDING JUNE 30, 2026
AND JUNE 30, 2027**

February 17th, 2026

Good afternoon. Chairpersons Rotundo and Ingwersen and Chairpersons Gattine and Meyer and members of these honorable committees, I am Brad Klawitter, CEO of Maine Veterans' Homes.

I appreciate the opportunity to provide our support for LD 2212 and respectfully request one change in the bill that will profoundly benefit MVH.

I first want to thank Governor Mills for her on-going support of MVH and applaud the Administration for including three (3) separate funding lines for MVH in this budget proposal: 0147 and Z009 (both one-time supplemental payments to MVH) and 0148 which would pay an increased per diem rate to MVH for MaineCare residents. This is the first time any Administration has recognized MVH's increased costs to care for its MaineCare residents and I greatly appreciate Governor Mills' support.

In total, these three funding lines amount to \$3,084,559 in General Fund appropriations but, importantly, only the 0148 line of \$505,794 would be on-going as the remaining \$2,578,765 is composed of the other one-time only funds.

This budget, though, has the potential to be the budget that saves the Maine Veterans' Homes and keeps all six Homes open and operational. What I respectfully propose is simply reallocating funding lines to maximize the federal match and make all this funding on-going. If the committee can reallocate the one-time only lines (0147, \$1,192,705 and Z009, \$1,386,060) and transfer them to the on-going 0148 line, this would create a General Fund appropriation of \$3,084,559.

And if this committee moved the \$750,000 currently in the baseline budget for MVH to this same 0148 line, the new General Fund appropriation would be \$3,834,559. This enhanced state appropriation would trigger an additional \$6,531,670 in Federal Expenditures Funds. Combined, this new state and federal total would be \$10,600,128—enough to save MVH, keep all six Homes open and operational, and allow MVH to budget and focus on the future, knowing that sustainable funding is here and real.

What I want to stress and underscore is that this budget can save MVH. I am not asking for new funding or additional monies, all I am asking is that this committee simply reallocate the funding that is either in the baseline budget or in this proposed supplemental. The size of this supplement budget would not change but reallocating these funds would unlock more than \$6.5M in federal funds and emphatically resolve what has been an existential threat to the Homes and its over 200,000 Bed Days of Care treating Veterans, Spouses, and Gold Star Families, 1,200 dedicated employees, and over \$60 million in payroll support.

The funding is in the baseline budget and here in this supplemental. If we—the Administration, this committee, MVH, and this Legislature—can agree to move these funds into the 0148 bucket, we can do something truly transformational for Maine’s veterans today and tomorrow. We can sustainably fund the Homes and save the entire MVH system. We are as close to this as we have ever been. With this committee’s support, we can do this.

Thank you, and I am happy to answer any questions.

Respectably Submitted,

A handwritten signature in black ink, appearing to read "Brad", written in a cursive style.

Brad Klawitter, FACHE
CEO

Enclosure: MVH Funding Proposal

Maine Veterans' Homes
 Maine State Supplemental Budget Amounts for MVH
 State Fiscal 2026 - 2027

2026-27

Medical Care - Payments to Providers 0147

Initiative: Provides one-time funding for a supplemental payment to MVH for MaineCare residents.

| | |
|---------------------------|-------------|
| General Fund | \$1,192,705 |
| Federal Expenditures Fund | 1,836,002 |

Nursing Facilities - 0148

Initiative: Provides funding to reflect meaningful cost differences faced by MVH nursing facilities in per diem rates for services provided to MaineCare members

| | |
|-----------------------------|---------|
| General Fund | 505,794 |
| Federal Expenditures Fund | 861,554 |
| Other Special Revenue Funds | 87,367 |

PNMI Room and Board - 2009

Initiative: Provides one-time funding for a supplemental payment to MVH for MaineCare residents.

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|--------------|-----------|
| General Fund | 1,386,060 |
|--------------|-----------|

Add: LD 2001 to require notification of any MVH home closure (Nursing Facilities 0148)

Currently in baseline budget

| | |
|-----------------------------|-----------|
| General Fund | 750,000 |
| Federal Expenditures Fund | 1,545,668 |
| Other Special Revenue Funds | \$146,532 |

Proposed Adjustment to State Appropriation

2026-27

Nursing Facilities - 0148

Initiative: Provides funding to reflect meaningful cost differences faced by MVH nursing facilities in per diem rates for services provided to MaineCare members

| | |
|-----------------------------|-------------|
| General Fund | \$3,834,559 |
| Federal Expenditures Fund | 6,531,670 |
| Other Special Revenue Funds | 233,899 |

Total \$10,600,128

Proposed Adjustment to State Appropriation

Reallocate the proposed General Fund appropriations from lines 0147 (\$1,192,705) and 2009 (\$1,386,060) to line 0148 (\$505,794) in the current Supplemental Budget. This would create a General Fund appropriation of \$3,084,559.

Move the \$750,000 currently in the baseline budget for MVH to line 0148 in the current Supplemental Budget. This would create a new General Fund appropriation of \$3,834,559. This enhanced General Fund appropriation would trigger an additional \$6,531,670 in Federal Expenditures Funds.

The Other Special Revenue Funds are unchanged from the baseline and supplemental budgets.

Combined, this new State and Federal total would be \$10,600,128 and would close the MVH funding gap.

All this requires is a reallocation of currently proposed funding for MVH. Without any new money or allocation, the Governor's proposed budget can save the entire MVH system.