



Senator Barry J. Hobbins
Democratic Leader

Senator Justin Alford
Assistant Democratic Leader

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January 17, 2012

Mr. Grant Pennoyer, Executive Director
Office of Fiscal and Program Review
State House, Room 226
Augusta, Maine 04333

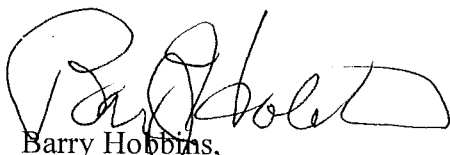
Dear Mr. Pennoyer,

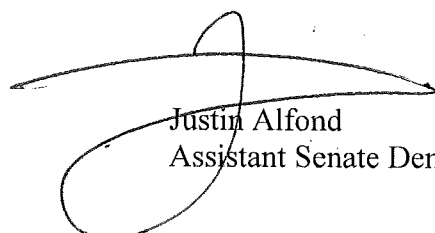
The Governor has been quoted in the newspapers that the Office of Fiscal and Program Review agrees with the numbers that the Administration has issued in regard to the Medicaid shortfall in LD 1746. We would appreciate clarification with respect to the extent of the shortfall.

1. Do you agree with the Governor's calculation of a \$220 million shortfall in FY 2012 and FY 2013?
2. Has OFPR verified for each fiscal year of the Biennium the shortfall as defined by the Administration and DHHS?
3. Have you identified the reasons for the shortfall?
4. If you have not verified the shortfall based on the Administration's and the DHHS calculations, please explain why.
5. What information do you need to verify the shortfall that has not yet been provided?
6. What is the total amount of one-time costs and what is the total amount of the structural gap?

Thank you for your help. We look forward to your response.

Sincerely,


Barry Hobbins,
Senate Democratic Leader


Justin Alford
Assistant Senate Democratic Leader