



January 24, 2013

Dear Concerned Citizen:

Thank you for sharing your views with me on the nursing home bed tax. I appreciate knowing your thoughts on this important matter and I understand the hardship it creates as you care for our state's most vulnerable citizens.

Historically, nursing homes have been charged a tax for each licensed bed. In the 2009-2011 biennial budget, the amount of the bed tax was increased from \$75 per bed per month in 2009 to \$150 in 2010 and \$170 in 2011. There was an expectation among nursing homes that the additional revenue would be used to fund a net rate increase, however a portion of the new revenue was used to meet a budget reduction goal.

Two years ago when I came into office, Wisconsin was facing a \$3.6 billion dollar budget deficit and property taxes had increased 27% over the previous decade. Despite these budget challenges, we used the nursing home bed tax revenue to provide a rate increase to nursing homes.

Due to the difficult decisions made two years ago, Wisconsin is in a better fiscal situation today. I am pleased to let you know that I am proposing an increase in the nursing home rates by \$10.4 million in the 2013-2015 budget. I hope that this additional funding will help you in continuing to provide excellent care for your residents.

Thank you again for writing about this important matter. Thank you for your help in moving Wisconsin forward.

Sincerely,

A handwritten signature in black ink, appearing to be "S. Walker", written over a light blue circular watermark.

Governor Scott Walker