



May 15, 2024

The Honorable Marvin Abney
Chairman, House Committee on Finance
RI House
By Email To: HouseFinance@rilegislature.gov

Re: In support of H-7591

Dear Chair Abney:

We write in strong support of Representative Spears' bill H-7591 to require that social and human service rates recommended by the Office of Health Insurance Commissioner (OHIC) be incorporated into the caseload estimating process and that the Governor include the recommended rates for each department in the Governor's annual budget submission.

Last year's OHIC report from the Social and Human Service Programs Review process represents a significant step forward in identifying and remedying significant access challenges in the priority areas of behavioral health, home- and community-based services, children's services, and intellectual and developmental disability services. Unfortunately, although the OHIC rate review process was transparent and thorough, the Governor's budget only proposes to fund 1/3rd of the recommended rate increases for nearly every covered service. We have significant concerns about what the delay in fully increasing funding will mean for the many Rhode Islanders we help connect to social service programs.

Representative Spears' bill is an important step in ensuring that future rates do not again fall so far behind what is needed that the state finds it financially difficult to fund needed corrections. A stable social and human service system requires provider rates to be updated regularly and consistently.

With one extremely minor exception, RIPIN does not stand to gain financially from rate changes because we do not provide these services. We do, however, help many Rhode Islanders connect to these services, and we therefore have a front-row seat to severe access challenges and their consequences.

In our day-to-day work at RIPIN, we support clients facing challenges accessing social and human service programs in just about every program area, including children with special needs, adults with intellectual or developmental disabilities, and seniors and people with disabilities navigating home care. For decades, our State (and our nation) have underinvested in behavioral health care, home- and community-based services, children's services, and intellectual and developmental disability services. This systemic underinvestment has resulted in an underdeveloped workforce, providers without the financial capacity to support the community, and significant gaps in specialized services. It has resulted in many of the services that we say that we offer to our most vulnerable neighbors existing only on paper, not in reality.

In developing their recommended rates based on the General Assembly's statutory instructions last year, OHIC engaged with national experts to examine the actual input costs of providing services; to survey reimbursement rate benchmarks from Medicare, commercial payers, and other state Medicaid programs; and to analyze inflation since the most recent rate adjustments. The results

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were striking, with current reimbursement rates for behavioral health and critical home and community-based services about 30% below recommended levels on average. It's no wonder why these providers struggle to attract and retain staff and why community members struggle to access services.

While we urge the state to make the needed investments to correct these inadequacies in the FY25 budget, Rhode Island also needs a reassessment of the rate review and allocation process. We thank Representative Spears for introducing this thoughtful legislation that will help the state better plan and schedule social and human services rates to ensure our state's safety net is truly available when we need it.

Sincerely,

/s/

Samuel Salganik, JD
Executive Director
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