

April 29, 2025

The Honorable Marvin L. Abney

Chair, House Committee on Finance

Via: HouseFinance@rilegislature.gov

Re: H6046 - An Act Relating to Human Services – Medical Assistance

Dear Chairman Abney and Members of the House Finance Committee:

Wood River Health strongly supports House Bill 6046. The bill is an investment in **community health centers** and is needed because:

1. Community health centers are the **true primary care safety net**. They are the only primary care practices that are required to:

- provide care to anyone who walks through the door
- publicly report data on clinical quality performance every year
- be governed by a Board of Directors with a majority of members who are patients - ensuring the health centers meet the unique needs of the communities they serve

2. Community Health Centers are a vital component of Rhode Island's overall healthcare system and need to be sustained. **Over 200,000 Rhode Islanders, or 1 in 5, access their health care through a community health center.** Wood River Health served over 10,000 unique patients in 2024.

3. Community Health Centers are **essential to the Medicaid Program**.

- Across all health centers, 55% of patients are covered by Medicaid.
- Those patients represent about 38% of the total Medicaid enrolled population.

House Bill 6046 helps the Community Health Centers by revising an existing law that governs how the Medicaid Program pays community health centers, RI General Law 40-8-26. House Bill 6046 revises this law in two ways:

1. The bill clarifies the existing law to reflect the full complement of health care services already provided at community health centers. Where the language currently just refers to

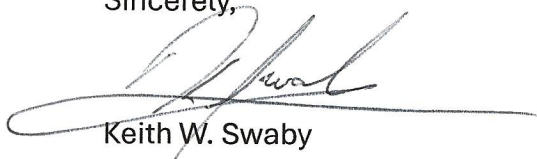
medical care, we recommend including behavioral and dental care to accurately show all the services available at health centers today.

2. This bill establishes a floor below which Medicaid reimbursement rates cannot fall below. Community health centers need such a floor because the gap between what it costs to deliver health care, and the payment received for that care has been growing for many years. In 2019, the Medicaid rate covered 98% of a health center's costs. **Today, the Medicaid payment rates to health centers only cover 85% of costs.** This bill would ensure that health centers receive payment that either reflects their reasonable costs or is equivalent to 125% of the median rate for all health centers. This ensures health centers can continue to provide services.

We urge the Committee to approve this bill and prioritize community health centers in the final budget. Investment in community health centers saves money. In 2024 the Congressional Budget Office concluded that funding community health centers would lead to more cost-effective patient care than the care that patients would otherwise receive. Investment in community health centers will decrease state and federal expenditures in the Medicaid and Medicare programs, by reducing emergency room visits and hospital stays. More importantly, investing in health centers keeps our communities healthy!

Thank you for your consideration of these comments.

Sincerely,

A handwritten signature in black ink, appearing to read 'Keith W. Swaby', with a long horizontal flourish extending to the left.

Keith W. Swaby

Board Member, Wood River Health

Hope Valley, Rhode Island