



Howard M. Dulude
Interim-President

April 30, 2025

The Honorable Marvin L. Abney
House Committee on Finance
Rhode Island State House
82 Smith Street
Providence, Rhode Island 02903

Re: **SUPPORT – H.6095**

Dear Chairman Abney,

The Hospital Association of Rhode Island (HARI) and its members strongly support H.6095, an act which increases Medicaid payments to hospitals.

Rhode Island's healthcare system is in crisis. Hospitals are facing unprecedented financial strain driven by Medicaid reimbursement rates that do not cover the cost of care. At the same time, hospitals are working to address chronic workforce shortages, reduce wait times, and maintain access to care for all Rhode Islanders—regardless of their ability to pay.

H.6095 offers a practical, no-cost solution to the state. The bill expands Rhode Island's managed Medicaid State Directed Payment (SDP) program by advancing the base year used to calculate the hospital provider tax to 2024. This technical adjustment is expected to generate approximately \$30 million in additional provider tax revenue, which—when matched with federal funds—will yield nearly \$100 million in new Medicaid payments to hospitals across the state.

These payments are essential to helping hospitals:

- Compete for and retain qualified healthcare workers,
- Invest in care models that prevent avoidable emergency visits and hospitalizations, and
- Sustain vital services for high-need populations who rely heavily on Medicaid.

Importantly, this legislation achieves all of this without any new cost to Rhode Island taxpayers, leveraging existing resources to draw down significant federal support.

For these reasons HARI and its members support passage of H.6095 and appreciate your commitment to the well-being of our community.

Sincerely,

A handwritten signature in black ink, appearing to read "Lisa P. Tomasso", written over a horizontal line.

Lisa P. Tomasso
Senior Vice President