

STATE OF RHODE ISLAND



Department of Behavioral Healthcare, Developmental Disabilities & Hospitals

OFFICE OF THE DIRECTOR

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May 7, 2025

The Honorable Marvin L. Abney, Chairman
House Committee on Finance
State House
Providence, RI 02903

RE: Amendments to the FY26 Appropriations Act (2025 H-5076)

Dear Chairman Abney:

I am writing in support of the Governor's Budget Amendment #13 to Article 10 of the FY 2026 Appropriations Act. This amendment would establish quarterly financial reporting requirements for licensed organizations providing healthcare services, including hospitals, nursing facilities, Federally Qualified Health Centers, Certified Community Behavioral Health Clinics (CCBHCs) and large physician practices.

Currently, organizations that have contracts with the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals (BHDDH), including eight (8) of the nine (9) organizations certified as CCBHCs, are required to submit an annual certified financial audit conducted in accordance with generally accepted accounting practices. The current submission schedule does not adequately ensure that BHDDH can identify significant financial challenges that an organization may be experiencing.

If EOHHS, as the State agency responsible for oversight and coordination of health and human services, has timely and accurate information available on a more frequent basis, the agency will have more time to assist the CCBHC and protect the statewide service delivery system. By having the opportunity to review the financial status of providers on a more frequent cadence, EOHHS would have an expanded opportunity to offer recommendations and possibly prevent the loss of critical services arising from provider insolvency.

Persons receiving or needing behavioral healthcare services are at very high risk of not having access to services due to critical provider shortages. By instituting measures to prevent provider insolvency, this proposal would help to avoid further disruptions to their care and treatment that often lead to poor client outcomes.

Thank you for the opportunity to comment on this important legislation which will help to protect the integrity of public funding which supports access to high quality healthcare services for all Rhode Islanders.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard Leclerc", written in a cursive style.

Richard Leclerc
Director

Cc: The Honorable Members of the House Committee on Finance
Nicole McCarty, Esquire, Chief Legal Counsel to the Speaker of the House
Lynne Urbani, Director of House Policy
Sharon Reynolds, House Fiscal Advisor
Joseph Codega, State Budget Officer