



**SEIU**Healthcare®  
United for Quality Care

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**Subject: Testimony in Support of H-5144 – The Rewarding Quality Care in Nursing Homes Act**

Chair Abney and Honorable Members of the House Finance Committee,

On behalf of SEIU 1199NE, which represents approximately 1,000 nursing home workers across Rhode Island, I'm writing in strong support of **H-5144**, the Rewarding Quality Care in Nursing Homes Act, introduced by Representative Brandon Potter.

This legislation represents a thoughtful effort to strengthen Rhode Island's nursing home system by aligning Medicaid reimbursement more closely with the actual costs of providing high-quality resident care. It also includes reforms that will help ensure funds meant to support direct-care staff are used for that purpose.

Over the past year, we've worked closely with providers—including RIHCA—to find common ground on nursing home workforce issues. That collaboration, which led to agreement on a path forward for the enforcement of Rhode Island's Safe Staffing law, has shown that labor and providers can work together in pursuit of shared goals. We hope that same spirit of partnership can help guide further dialogue around reimbursement.

**Why H-5144 Matters**

Rhode Island's current price-based reimbursement system standardizes rates across facilities, based largely on historical cost data. While intended to promote predictability and cost control, the price-based approach has had unintended consequences: providers that invest more in staffing and care quality often struggle to break even, while facilities that spend less are rewarded with higher margins.

H-5144 proposes a return to a **cost-based reimbursement model**—one that would ensure Medicaid payments more accurately reflect a facility's actual, allowable expenses. This would help stabilize providers committed to staffing, training, and resident-centered care.

The bill also **closes the 80% wage passthrough loophole**, helping to ensure that Medicaid dollars intended for direct care reach frontline caregivers. And it establishes **performance-based incentives** that reward facilities for achieving high-quality outcomes, safe staffing levels, and continuous improvement.

### **A Balanced, Forward-Looking Approach**

H-5144 does not undo past reforms, nor does it call for unlimited spending. Instead, it seeks to rebalance the system—ensuring that we’re supporting the kind of care we want to see in Rhode Island nursing homes: safe, compassionate, and well-staffed.

Our members work in every corner of the long-term care system, and they want to be part of something they can be proud of. When facilities invest in their workforce, our members stay longer, residents do better, and families have greater peace of mind.

We also know that not every facility faces the same challenges, and that any reimbursement reform must be paired with thoughtful oversight. But we believe that the principles in H-5144—fund care based on real needs, direct resources to staff, and reward quality—are sound, fair, and necessary.

We thank Representative Potter for his leadership on this issue and urge the committee to advance H-5144.

Thank you for your consideration.

Respectfully,

Alex Moore  
Political Director, SEIU 1199NE