



Date: May 20, 2025

**To: The Honorable Marvin Abney, Chair
Members, House Finance Committee**

**From: Carol Costa, Executive Director
Senior Agenda Coalition of RI (SACRI)**

Re: H5144, AN ACT RELATING TO HUMAN SERVICES -- MEDICAL ASSISTANCE

The Senior Agenda Coalition of RI (SACRI) strongly supports H5773 sponsored by Representatives Potter, Slater, Speakman, Tanzi, Edwards, Bennett, McGaw, Shanley, Corvese and Cruz. SACRI believes nursing homes are a critical component of our long term service system and it has a long history of advocating for quality long term care and supporting our state's valuable long term care workers. We advocate for our nursing homes to be places in which our loved ones receive good quality care, are treated with dignity and for staff who care for them be valued, well trained and fairly compensated.

Nursing homes in Rhode Island, as in other states across the country, were heavily impacted by the Covid 19 pandemic. Deaths from Covid 19 occurred disproportionately among older persons and nursing home residents. Many staff left the nursing home workforce; nursing home occupancy decreased and is just now returning to pre-Covid levels. Challenges in providing quality nursing home care continue post-Covid. Staff shortages and high rates of staff turnover prevail. A number of nursing homes have closed. And instances of Immediate Jeopardy (substandard care putting the resident at risk of serious harm, injury or death) have increased going from 15 in 2022 to 35 in 2024 (RI Department of Health). These included serious medication errors, elopements, abuse/neglect and hospitalizations and deaths.

Medicaid is the payor for the vast majority of nursing home care. R.I. Medicaid spent close to \$1Billion in the last three years on nursing home care (RI budget Office 2026 technical report). However, payments do not necessarily meet the cost of providing care. In an attempt to more accurately reflect costs incurred by nursing homes especially in the area of staffing, this bill authorizes the office of health and human services to revert nursing home reimbursement back to a cost-based system from the current price-based method. Additionally, the bill requires the state to conduct re-arrays of Medicaid rates every 3 years and for 80% of any reimbursement increase resulting from any applied inflation index be dedicated to increase compensation for direct care staff. Also, to promote higher quality care, the bill requires the Executive Office of Health and Human Services to establish an incentive-based add-on or other mechanism to reward nursing homes that meet certain performance, quality, or staffing metrics.

We urge you to recommend passage of this bill and thank you for your consideration.

