



February 3, 2026

The Honorable Marvin L. Abney, Chairman
House Finance Committee
State House, Room 35
Providence, RI 02903

Dear Chairman Abney:

As Chairman and CEO of the Centurion Foundation, the nonprofit organization approved by the State of Rhode Island to acquire Roger Williams Medical Center and Fatima Hospital, I write in strong support of House Bill 7408. This legislation supports the transition of these hospitals back to not-for-profit status and preserves the 2,400 jobs and the critical community health services they provide.

I would also like to update the Assembly on the status of the financing and sale of the hospitals to CharterCARE Health of Rhode Island (CCHRI), the Rhode Island 501(c)(3) established by Centurion to acquire and manage the hospitals. CharterCARE Health of Rhode Island will be locally managed by a traditional non-profit hospital Board of Directors, a majority of whom are local Rhode Island physicians and business leaders.

In addition to board level participation, Centurion will provide financial and advisory support to CCHRI and its management team, combined with the availability of operational consultants as needed. Nearly every health care leader in Rhode Island, including elected officials, other hospital executives, labor leaders, and the physician community has commented publicly that these hospitals are an irreplaceable part of the Rhode Island health care system. They treat approximately 54,000 emergency patients, handle 10,000 inpatient admissions, and perform 17,000 surgical procedures each year, plus more than 360,000 outpatient visits, in almost every community in our state as the attached document (hospital only inpatient and outpatient visits) shows.

As we have moved through the financing process, it has become clear from investors that an investment from the State would be required to complete the transaction, as was the case in Massachusetts where the State of Massachusetts committed to providing \$417M over three years to support the purchasers of the Steward hospitals in bankruptcy. Massachusetts also provided at least \$42M to ensure the bankrupt hospitals could make payroll and continue operating while their sale process was ongoing. (<https://www.wbur.org/news/2024/09/05/massachusetts-aid-steward-health-care-buyers>).

This legislation, which would establish an \$18M supplemental debt service reserve fund to support the sale of the bonds, is a meaningful investment from the State which has facilitated our principal underwriter, Bank of America, to identify and obtain commitments from a sufficient number of investors needed to close the bond financing and the sale by the end of February.

At closing on the bonds, a customary debt service reserve fund will be established with approximately \$9M in funds. These funds will come from the proceeds of the bonds, not the State. If CCHRI is unable to make a payment on the bonds, this \$9M of hospital funds will be available to make up any shortfall of the payment. It is only if this occurs that the secondary, supplemental debt service reserve fund established

and funded by the proposed legislation would be called upon. The State funded reserve fund, up to \$18M, would be utilized to maintain the balance in the hospital funded reserve fund at \$9M.

If the State funded reserve fund is fully utilized, the State would be under no obligation to provide additional funds for bondholders. This legislation is NOT an open-ended commitment of the State to guarantee the bonds. It specifically limits the State's liability to \$18M, not the full amount of the bonds. Centurion, which is investing in the hospitals by purchasing \$2M of subordinate bonds, would not be entitled to any of the state funds in the proposed supplemental reserve fund, the hospital funded reserve fund, or the Hospital Fund currently held by the Attorney General.

As we will discuss further at the hearing, Roger Williams and Fatima have over 2,400 full and part-time employees, union and non-union. Its primary service area covers a population of approximately 519,000, with a payor mix of 75% Medicare/Medicaid. Roger Williams and Fatima have long been safety net hospitals which provide care to thousands of our Medicare, Medicaid and under-insured populations.

These hospitals continue to be Joint Commission accredited, have achieved 3 and 4 STAR Ratings from CMS, and maintain other industry level certifications. The hospitals are state leaders in cancer care, including bone marrow transplantation, digestive diseases, behavioral health and addiction medicine, complex surgery, and primary care. There are close to 700 medical staff members, it is a major teaching institution with the second largest primary care training program of 70 residents and fellows, affiliated with Brown and Boston Universities.

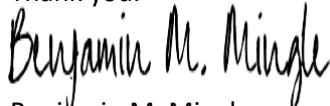
Centurion remains the only applicant to receive Hospital Conversion Act approval from both the Department of Health and RI Attorney General and has agreed to more than 80 conditions of approval, including the hiring of a Chief Restructuring Officer and Chief Quality Officer. We also have a state-reviewed market strategy and multi-year turnaround plan that will transition the system to financial stability.

We look forward to committee hearings to more fully discuss our plans and answer questions about this critically important legislation. Much has been said publicly regarding the essential role of these hospitals. That is undisputable. And now, finally, we have never been closer to completing this sale and securing their future. And you, as legislators, have an opportunity to be a critical part of this solution.

I would like to close with expressing my profound thanks to the doctors, nurses and staff at the hospitals. Quite simply, we would not be here without their dedication and loyalty to these institutions and the communities they have served for generations. I would be remiss if I didn't acknowledge with appreciation the patience and support of Governor McKee, Speaker Shekarchi, Senate President Lawson, Attorney General Neronha and their teams for the countless hours and conversations which led us to this point, and for their support in getting this legislation introduced and before the General Assembly.

For the reasons stated above, I ask for the Committee's support of House Bill 7408 to allow these two critical community hospitals to continue serving the residents of Rhode Island. I am happy to answer any questions.

Thank you.



Benjamin M. Mingle
Chairman

CharterCARE Health Partners

Inpatient & Outpatient Hospital Visits by Patient Community
Calendar Year 2025

<u>Community</u>	<u>Patients</u>
Providence	54,044
North Providence	21,471
Cranston	19,580
Johnston	14,326
Warwick	10,880
Pawtucket	8,127
Smithfield	5,435
East Providence	4,308
Greenville	4,157
Woonsocket	3,552
Cumberland	3,340
Coventry	3,065
West Warwick	3,014
Lincoln	2,663
North Scituate	2,363
Chepachet	2,118
Riverside	1,807
Central Falls	1,776
North Smithfield	1,396
North Kingstown	1,330
East Greenwich	1,290
Pascoag	1,204
Rumford	1,085
Harrisville	1,075
Bristol	867
Foster	822
Barrington	752
Seekon	678
Hope	575
Wakefield	544
Attleboro	430
West Greenwich	429
Narragansett	423
Rehoboth	399
Manville	363
Exeter	306

Mapleville	282
Newport	259
Saunderstown	254
Tiverton	229
Greene	202
Swansea	196
North Attleboro	189
West Kingston	187
Charlestown	185
Jamestown	183
Westerly	169
Glendale	160
Middletown	154
Hope Valley	138
Portsmouth	129
Slatersville	120
Blackstone	118
Danielson	106
All Other	7,660
Total	190,914