



March 4, 2026

Dear Chair Abney and Members House Finance Committee,

SACRI's mission is to mobilize people to implement an agenda that improves the quality of life of older Rhode Islanders and adults with disabilities. In thinking about improving *quality of life*, promoting timely access to needed health and long term care ranks as one of SACRI's top priorities. Several of the budget Articles being heard today deal with health and long term care funding and I am pleased to for the opportunity to offer comments on H7127 Articles 8, 10, and 11.

Article 8.

This article adds an additional \$23.9M in payments to hospitals for uncompensated care which is expected to increase as the number of uninsured persons increases from the impact of HR1. SACRI supports this increase but recognizes this amount may not be sufficient to address the projected need and encourage you to consider allocating an amount representing the value of the cost savings due to projected decreased Medicaid enrollments.

Section 2. We are concerned that limiting nursing facility rate increases to 2.5% is not sufficient for providing quality care to the hundreds of vulnerable older adults and adults with disabilities residing in our state's nursing facilities and urge your consideration of providing the full 3.2% as recommended by CMS. We also support the creation of the "Nursing Facility Rate Adjustment Wage Pass-through Compliance" fund and would recommend that the required certification reports relating to compensation increases resulting from inflation adjustments be made public.

Section 6. SACRI appreciates that the Governor's budget would provide for one-half of the recommended rate increases for home and community providers as determined by the mandated OHIC rate review process. However, as home care worker shortages continue with persons waiting several months to receive services, we urge your consideration of providing for the full rate increase and to require reporting on how the rate increases have impacted service wait lists, direct care staff compensation and worker recruitment and retention efforts. In addition, we request you consider higher rate increases for those Assisted Living Residences that are Medicaid certified at the highest acuity levels.

Article 10.

Sections 2 and 6. SACRI fully supports adding the establishment and operation of the RI 9-8-8 Suicide & Crisis Lifeline center system as a duty of the Department of Behavioral Health, Developmental Disabilities and Hospitals (BHDDH) and creating a new Chapter to codify 9-8-8 requirements and operations into law. Rhode Island joined the national 988 Suicide & Crisis Lifeline in 2022. Currently the 988 program is managed by Horizon Health Partners in East Providence. A data dashboard managed by BHDDH showed 16,203 calls were received in 2025 with 98% answered in-state. This volume clearly demonstrates the importance of the 988 program and its need.

Article 11.

Section 1. As Rx drug costs have outpaced other components of healthcare SACRI supports adding this new Chapter - Pharmacy Benefit Manager Transparency Reporting and Study Act -- to the Insurance laws. It would require comprehensive reporting to OHIC to include aggregate amounts of rebates the PBM received from all pharmaceutical manufacturers for all health carrier clients and for each health carrier clients, amounts retained by the PBM not passed through to health plans, aggregate administrative fees, and responses to standard set of questions on business practices. It would also require the OHIC to provide a report to the Governor and general assembly with an analysis of the information provided by PBMs along with recommendations for improving oversight of PBM's doing business in RI.

Sections 12 & 13. SACRI fully supports requiring the Office of Health Insurance Commissioner to create the "Health Spending Accountability and Transparency Program" as a way to promote affordability and curb the growth of healthcare spending. As healthcare costs become increasingly unaffordable many persons choose to skip medical appointments, skip pill doses or delay going for care to afford other basic necessities. High healthcare costs also hurt our economy as high healthcare costs crowd out employee wage growth. Sections 12 and 13 provide a plan for OHIC to better control healthcare costs by: 1) tying growth to economic indicators including household income, 2) creating and All-payor investment target to help rebalance healthcare spending, 3) promoting transparency through public reporting of the \$9Billion spend on healthcare for R.I.ers, 4) requiring annual public testimony of insurers, large providers, PBMs, employers and consumers and 5) adding enforcement authority by requiring performance improvement plans for large providers and commercial insurers and the ability to levy penalties for excessive cost growth.

Section 14. Authorizes the RI Health Benefit Exchange to establish a state marketplace affordability Program to help mitigate the impact of the high and increasing growth of healthcare costs for low- and middle-income persons who purchase health insurance through the exchange. SACRI appreciates that the Governor's proposed budget recognizes that the expiration of the extended premium tax credits has resulted in significant increases in health insurance premiums (a doubling from 2025 to 2026) for those purchasing health insurance through the state insurance marketplace. These increases are projected to cause 13,000 HealthSource RI enrollees to drop their coverage between 2026 and 2027. Dropping health insurance altogether will cause persons with emergent health issues to go untreated and seek care in emergency rooms putting added financial strain on our hospitals. The Governor's budget proposes a limited replacement of the expanded tax credits for those with incomes up to 200%FPL. This would only replace federal assistance for about half (20,000) HealthSourceRI enrollees. Together with other federal changes, the state's uninsured population would more than double and undermine the stability of our healthcare system. I encourage you to consider a more extensive replacement of the expired federal tax credits than that proposed in the Governor's budget.