



March 4, 2026

**SEIU 1199NE Opposition to Article 8, Section 6 (a), (b), and (c) – Governor’s Proposed FY 2027 Budget: Hospital, Nursing Facility, and Federally Qualified Health Center Rate Provisions**

Dear Chair Abney and Members of the House Finance Committee,

Our union represents approximately 7,500 essential healthcare and childcare workers across Rhode Island, including about 3,000 hospital workers, roughly 750 nursing home workers, and approximately 500 workers in Federally Qualified Health Centers.

SEIU 1199NE respectfully urges the committee to reject the reimbursement limits proposed in **Section 6(a)**, **Section 6(b)**, and **Section 6(c)** of Article 8 and to support higher Medicaid reimbursement rate increases for hospitals, nursing facilities, and Federally Qualified Health Centers.

Our members work across Rhode Island’s healthcare system caring for patients and residents every day. Our members working in Federally Qualified Health Centers help provide care to more than 100,000 Rhode Islanders each year. At Women & Infants Hospital, our members help deliver approximately 8,500 babies annually. At Butler Hospital, our members provide critical mental health and behavioral health care services to thousands of Rhode Islanders each year. Our members in nursing homes care for some of the most vulnerable Rhode Islanders, including seniors and individuals with significant medical needs who rely on consistent, high-quality care.

**Section 6(a)** of Article 8 would limit rate increases for inpatient and outpatient hospital services, **Section 6(b)** would apply the same approach to nursing facilities, and **Section 6(c)** would apply it to Federally Qualified Health Centers. All three provisions tie healthcare reimbursement increases to the projected growth in state tax revenues rather than to the actual cost of providing care.

**Article 8, Section 6 would cap healthcare reimbursement increases based on projected tax revenue rather than the real cost of providing care. If revenues are insufficient to support**

**the healthcare system Rhode Islanders rely on, the solution should be to raise the revenue needed — not to reduce healthcare reimbursement rates.**

Rhode Island has already gone through extensive analysis and review processes to determine what Medicaid reimbursement rates should be in order to adequately support healthcare providers and the care they deliver. These sections move away from those determinations by tying healthcare reimbursement increases to the growth of state tax revenues.

Healthcare reimbursement rates should be based on what it actually costs to deliver care — not on how much revenue the state decides it has available in a given year. When rates are artificially constrained in this way, hospitals, nursing homes, and community health centers face greater difficulty recruiting and retaining staff, services become harder to maintain, and patients experience longer waits or reduced access to care.

Many of the healthcare workers we represent in these settings are also feeling the strain of Rhode Island's rising cost of living. They are dedicated workers who care deeply about the people they serve, yet many are still struggling to keep up with rent and childcare costs. Some are working multiple jobs or extra shifts just to make ends meet. When the workers who provide care across our healthcare system are stretched this thin, it becomes harder for providers to recruit and retain staff, and that ultimately affects the care patients and residents receive.

For these reasons, SEIU 1199NE respectfully urges the committee to reject the reimbursement limits proposed in **Section 6(a)**, **Section 6(b)**, and **Section 6(c)** of Article 8 and instead ensure that hospital, nursing facility, and Federally Qualified Health Center rates reflect the levels that Rhode Island has already determined are necessary to support quality care.

Thank you for your time and consideration.

Respectfully,

A handwritten signature in black ink that reads "Alex Moore". The signature is written in a cursive, flowing style.

Alex Moore  
Political Director  
SEIU 1199NE

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