



Communities for People

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May 5, 2026

The Honorable Marvin Abney, Chair
House Finance Committee
Room 35, Rhode Island State House
Providence, RI 02903

Dear Chairman Abney and Members of the House Finance Committee:

I am writing to express strong support for H8404, legislation to establish a Medicaid Infrastructure Fund to support community-based providers transitioning to dual Rhode Island Department of Children, Youth & Families (DCYF) and Medicaid billing.

I am the Chief Operating Officer of Communities for People, Inc. (CFP), a child welfare agency that serves more than 200 youth and their families each day. For over 45 years, CFP has provided services across every community in Rhode Island. We offer a full continuum of community-based programs, including prevention services, in-home supports, vocational and life skills training, foster care, independent living, and community-based residential treatment homes. These services are designed both to prevent family involvement with DCYF and to support successful reunification. They are not easily replicated and are essential to maintaining placement stability, preventing higher levels of care, and meeting the State's obligations under the Rhode Island DCYF Consent Decree.

Over the past two years, our organization has partnered with the State to identify the operational and financial barriers associated with Medicaid transformation. Despite this collaboration, providers have not received the financial support necessary to implement these changes.

Transitioning to Medicaid billing is not a simple administrative adjustment. It requires significant upfront investment in compliance systems, workforce training, billing infrastructure, and data systems, as well as, in some cases, redesign of service delivery models. For small- and mid-sized child welfare providers operating on thin margins, these costs are prohibitive.

Our organization estimates startup costs of approximately \$200,000, with ongoing annual expenses of \$100,000 to sustain compliance and billing operations. In addition, cash flow challenges associated with Medicaid reimbursement create significant financial risk. Requiring providers to absorb these costs without support is not sustainable.

Without targeted investment, we anticipate difficult decisions, including the potential reduction or elimination of programs. This would result in a loss of critical community-based services at a time

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when Rhode Island is working to expand—not contract—its continuum of care for children and families. Smaller providers like CFP offer flexibility, cultural responsiveness, and deep community relationships that cannot be quickly or effectively replaced.

A Medicaid Infrastructure Fund would provide essential, time-limited resources to stabilize providers during this transition. This is not only an investment in individual agencies—it is an investment in the strength, accessibility, and long-term viability of Rhode Island’s child-serving system.

I respectfully urge the Committee to support the creation and full funding of the Medicaid Infrastructure Fund through H8404.

Thank you for your continued commitment to Rhode Island’s children, families, and community-based providers.

Sincerely

A handwritten signature in black ink, appearing to read "EGABORIAULT". The signature is fluid and cursive, with the first few letters being larger and more prominent.

Eric B. Gaboriault, LMHC
Chief Operating Officer
Communities for People Inc.