



# TURNING THE CORNER

RESIDENTIAL TREATMENT PROGRAMS

**May 5, 2026**

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

**Re: Support for H8404 – Medicaid Infrastructure Fund**

Dear Chairman Abney and Honorable Members of the House Finance Committee:

My name is Lauri Smalls, and I serve as Executive Director of Turning The Corner Residential Treatment Programs, a program of Jammatt Housing and Community Development Corporation. I am writing to express my strong support for H8404, which would establish a Medicaid Infrastructure Fund to assist providers in transitioning to dual billing with the Rhode Island Department of Children, Youth and Families and Medicaid.

Turning The Corner has been a critical partner in Rhode Island's system of care since 1996. We operate small, community-based residential programs serving youth with high acuity needs, many of whom have experienced multiple placement disruptions, complex trauma, and significant behavioral health challenges. Our programs stabilize youth in crisis, reduce hospitalizations, support family reunification, and serve as a vital bridge to lower levels of care. Additionally, our assessment center for adolescent males provides vital emergency placement options for youth who require immediate, structured, and therapeutic intervention. We fully support the State's long-term vision of a more integrated Medicaid billing structure which has the potential to strengthen accountability and create a more sustainable behavioral health system over time. This is a sound theory of change. However, the success of that theory depends entirely on the capacity of providers to implement in. At present, the capacity is not being resourced. For providers like Turning The Corner, which are already operating on thin margins after years of flat or reduced funding, this transition presents a significant and immediate financial strain.

A core component of this transition will require us to move from our current electronic records system to a Medicaid-compliant platform, which was not a requirement previously. These costs are not optional but are required to participate in the new system of care. Based on current market analysis and comparable system transitions, we estimate:

- **EHR System Conversion : \$75,000 – \$125,000**  
(Includes licensing, data migration, configuration, vendor implementation support, and compliance customization)

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- **Staff Training and Change Management:** \$25,000 – \$40,000  
(Training for clinical, residential, and administrative staff on documentation standards, service coding, and compliance requirements)
- **Billing & Coding Specialist (New Hire):** \$65,000 – \$85,000 annually  
(Required to ensure accurate claim submission, compliance with Medicaid regulations, and revenue cycle management)
- **Back Office / Revenue Cycle Support Staff:** \$50,000 – \$70,000 annually  
(To manage claims processing, payment posting, denials, and reconciliation)
- **Additional Accounting and Audit Costs:** \$15,000 – \$30,000 annually  
(To support increased financial reporting requirements, audits, and compliance monitoring)
- **Clinical Service Model Adjustments and Compliance Alignment:** \$20,000 – \$50,000  
(Consultation, supervision restructuring, documentation redesign, and workflow alignment to ensure services meet medical necessity and billing standards)

In total, we estimate **initial transition costs between \$200,000 and \$300,000**, with **ongoing annual costs exceeding \$130,000 to \$185,000** to sustain a compliant dual billing infrastructure.

Importantly, this transition is not solely administrative—it will likely require restructuring aspects of our clinical service delivery model. Medicaid billing requires strict adherence to medical necessity criteria, service definitions, credentialing standards, and documentation protocols that may differ from our current DCYF-funded framework. This may impact our staffing patterns, supervision models, service frequency, and documentation workflows. Without careful planning and adequate resources, these changes could disrupt the therapeutic environment that has made our programs effective.

Additionally, cash flow and funding concerns present a significant risk for an agency our size. Delays in Medicaid reimbursement, combined with increased administrative burden, create instability for providers who must continue delivering 24/7 care. Providers are being asked to do more, document more, comply more, and build an entirely new infrastructure with fewer real dollars and minimal transition supports. This creates an fundamentally unsustainable trajectory.

Without targeted investment, providers like Turning The Corner will be forced to scale back and/or eliminate programs. This would result in the loss of critical, community-based services at a time when Rhode Island is under a federal consent decree to strengthen and expand care for children and families.

It is important to note that other large-scale system transformations, such as Certified Community Behavioral Health Clinics (CCBHCs), were supported with significant state and



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federal funding. Community-based residential providers—despite serving equally complex populations—have not received comparable investment.

The creation of a Medicaid Infrastructure Fund is essential. It is not simply an investment in systems—it is an investment in people, programs, and the long-term stability of Rhode Island's behavioral health continuum. It ensures that trusted providers with decades of experience can continue serving youth with the highest needs.

Turning The Corner's services are not easily replaced. Our long-standing partnership with DCYF, our specialized programming, and our proven outcomes in stabilizing youth and supporting family reunification make us a vital part of the system of care. We accept some of the highest-risk youth, prevent deeper system involvement, stabilize crises in real time, and provide continuity when other placements fail in a culturally competent milieu. These services are not easily replaced and are not supplemental. If providers like Turning The Corner are destabilized, the entire system of care will feel the impact.

This is not simply an investment in the systems; it is an investment in the sustainability of care for Rhode Island's most vulnerable youth. I respectfully urge the Committee to support the passage and full funding of H8404. Thank you for your leadership and your continued commitment to Rhode Island's children and families.

  
Sincerely,

**Lauri Smalls**

Executive Director

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