



May 5, 2026

The Honorable Marvin L. Abney
Chairman, House Finance Committee
State of Rhode Island General Assembly
82 Smith Street
Providence, RI 02903

Re: Support for H8404 – Children’s Medicaid Transformation Infrastructure Fund

Chairman Abney and members of the House Finance Committee

Thank you for the opportunity to comment in strong support for H8404, which would establish a fund to support children’s community-based and residential providers’ infrastructure changes necessary and related to the state’s Medicaid transformation initiative

My name is Margaret Holland McDuff and I am CEO of Family Service of Rhode Island (FSRI). FSRI is a behavioral health and social service organization with the mission “to advance hope and opportunity in our communities.” We have been serving Rhode Island children, families and communities for over a century, including programming to support healthy child development, to provide essential behavioral health services, and to coordinate crisis intervention programs that help children and families thrive.

FSRI is a provider of residential, foster care, and community-based services under contract with DCYF. This includes five trauma-informed residential programs for youth and young adults, a treatment foster care program and a kinship foster program, and a variety of community-based supports. We have worked for two years with the state to identify the needs and barriers in transitioning to split Medicaid/DCYF billing. To date, our organization has been offered no financial support to make this significant transition.

While FSRI has experience with billing, this is not the case for many of our community-based and residential partners, and this transition requires a level of complexity and risk that we have not experienced before. Transitioning to Medicaid billing is not a simple administrative shift. It requires investments in compliance systems, staff training, billing infrastructure, technology upgrades, and in many cases, changes to service models.

Rhode Island is under a federal Consent Decree to strengthen children’s behavioral health services, and we cannot afford to lose any of our community-based or residential programming in this transition. It should be noted that in previous system transformations, such as the implementation of the CCBHCs (FSRI is a state CCBHC), organizations received significant support. This transition should be no different.



A Medicaid Infrastructure Fund would provide critical, time-limited resources to help providers build the capacity necessary to successfully participate in Medicaid and DCYF dual billing. This is not only an investment in individual providers, it is an investment in the strength, diversity, and accessibility of the entire service system.

I respectfully urge the Committee to support H8404 and full funding of a Children's Medicaid Transformation Infrastructure Fund.

Thank you for your consideration and please feel free to contact me with any questions or follow-up.

Sincerely,

A handwritten signature in black ink that reads 'Margaret Holland McDuff'.

Margaret Holland McDuff
CEO