



Rhode Island Health Care Association

57 KILVERT STREET, SUITE 200, WARWICK, RI 02886-1009 (401) 732-9333

FAX (401) 739-3103 www.rihca.com

2025 – H 5168

AN ACT RELATING TO HEALTH AND SAFETY -- LICENSING OF HEALTHCARE FACILITIES

Date: February 24, 2025

Position: Opposed

This testimony is submitted on behalf of the Rhode Island Health Care Association (RIHCA). RIHCA is a trade association that represents sixty-two (62) of the nursing facilities in the State of Rhode Island, representing 80% of the profession.

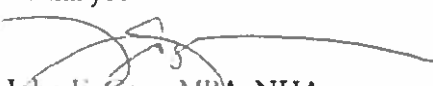
While RIHCA supports the transition of the State's reliance on fossil fuels for energy, to renewable fuels, energy sources and so called "green" sources of energy, health care facilities cannot be singled out and further burdened with this responsibility. The requirement for the transition to renewables should lie with the public utilities that provide energy to the households and businesses throughout the state, not on individual licensed healthcare facilities.

There is no provision for funding this new requirement in H 5168. As such, it would represent yet another unfunded mandate on RI's nursing facilities as well as all other licensed healthcare facilities.

For the greater part of the past decade, since the adoption of legislation and Principles of Reimbursement implementing a price-based payment methodology, the core concepts included in this thoughtful reimbursement model have been eroded through sequential cuts to the annual inflation. There had also been a total disregard for the statutory requirement that the base rate for nursing homes be evaluated every three (3) years to ensure that it remains adequate to cover the actual cost of care. These cuts have resulted in an annual underfunding of nursing homes by RI Medicaid that equals \$50 million/year. Despite the recent rebasing of the price-based system, Medicaid continues to fall short of covering the cost of care for Medicaid residents who represent 65-70% of Rhode Island's nursing home residents.

While RIHCA understands the intent of H 5168, the fiscal impact cannot be absorbed by licensed healthcare facilities. Perhaps the State could lead on this effort by converting the State House and other state buildings to renewable, "green" energy sources.

Thank you.



John F. Gage, MBA, NHA
President & CEO

"Setting the Pace in Nursing Home Care"

A non-profit organization of proprietary and non-proprietary long term health care facilities dedicated to improving health care of the convalescent and chronically ill of all ages. An equal opportunity employer.