



Michael Sroczynski
President

April 9, 2026

The Honorable Susan R. Donovan
Chair, House Committee on Health and Human Services
Rhode Island State House
82 Smith Street
Providence, Rhode Island 02903

Re: Oppose H.8364

Dear Chairperson Donovan,

On behalf of the Hospital Association of Rhode Island (HARI) and our member hospitals, I write to express strong opposition to H 8364, an act which would allow for the liquidation of hospital assets under certain circumstances.

While we share the goal of ensuring patient safety and accountability, this legislation establishes a sweeping and unprecedented receivership authority that creates significant risk for all hospitals operating in Rhode Island. Under H 8364, a hospital could be placed into receivership and subject to asset liquidation based on broadly defined and subjective standards, including perceived mismanagement or the waste of corporate assets.

This approach sets a dangerous precedent. Hospitals in Rhode Island are operating under sustained financial pressure driven by reimbursement shortfalls, workforce constraints, and rising costs. Creating a mechanism that allows for court-directed takeover and liquidation in response to these conditions does not solve underlying challenges; it amplifies instability and uncertainty across the entire healthcare system.

Rhode Island already has one of the most robust hospital oversight frameworks in the nation through the Hospital Conversions Act and existing regulatory authority vested in the Department of Health and the Attorney General. H 8364 does not fill a gap—it introduces punitive authority that could discourage investment, limit access to capital, and undermine efforts to stabilize and strengthen the healthcare system.

Healthcare is essential infrastructure. Policies that introduce uncertainty around the continuity of hospital operations risk unintended consequences for patient access, workforce retention, and community stability. Even if rarely used, this authority could introduce uncertainty that affects hospitals' ability to plan and partner effectively over the long term.

For these reasons, HARI respectfully urges the Committee to oppose H 8364.

We appreciate your consideration and continued partnership in strengthening Rhode Island's healthcare system and ensuring access for all Rhode Islanders.

Sincerely,

A handwritten signature in black ink, appearing to read "Lisa P. Tomasso", is written over a horizontal line.

Lisa P. Tomasso
Senior Vice President