



Rhode Island Executive Office of Health and Human Services
3 West Road, Virks Building, Cranston, RI 02920
phone: 401.462.5274 fax: 401.462.3677

May 28, 2026

The Honorable Susan R. Donovan, Chairwoman
House Committee on Health and Human Services
Room 101 - State House
Providence, RI 02903

RE: 2026 – H 8500 – An Act Relating to State Affairs and Government – Office of Health and Human Services

Dear Chairwoman Donovan:

The Executive Office of Health and Human Services (EOHHS) strongly supports **2026 H 8500** which seeks to strengthen the stability of our state's healthcare system through transparency, trust, and accountability. Additionally, this legislation's intent is to provide a faster identification of financial issues of certain healthcare facilities, "covered entities," by requiring quarterly financial reporting of the covered entities. This bill would define "covered entities" as hospitals and their parent organizations, nursing homes, Federally Qualified Community Health Centers (FQHCs), Certified Community Behavioral Health Clinics (CCBHCs) certified and regulated by the Department of Behavioral Healthcare, Developmental Disabilities, and Hospitals (BHDDH) as the state's mental health and substance abuse disorder authority and the Department of Children, Youth, and Families as the State's mental health authority for children.

This legislation does not impose financial penalties on a covered entity that fails to submit a quarterly report. Consistent with the intent to ensure solvency of reporting covered entities, upon finding financial risk or imminent financial jeopardy, the EOHHS Secretary would meet with the reporting entity to identify and document strategies to address financial risks or imminent financial jeopardy. The Secretary would suggest a range of possible corrective actions, follow-up reports, or additional documentation. In circumstances in which government action may be warranted and no authority for such action exists within the EOHHS, RIDOH, BHDDH, DCYF, or any other state agency, the recommendations shall be forwarded to the Governor for the prompt resolution of any imminent risks identified.

By requiring the health care entities covered in this bill to submit data in a standardized format on a quarterly basis, the state will be better positioned to determine the ongoing financial health of reporting covered entities and engage those determined to be in distress before their continued viability is at issue. Access to the requested information in this legislative proposal would be restricted to state officials and analysts. We are not looking to put non-audited financial information into the public domain.

The EOHHS considers adoption of the enhanced reporting and reviews and strengthened oversight to be necessary and appropriate action for the State to take at this time, given the recent financial challenges of some of our large health care facilities whose closure could impact the continuum of care. We welcome the opportunity to work with members in both chambers to ensure legislation to achieve this important end will be enacted during this legislative session.

Sincerely,

Richard Charest, R.Ph., MBA
Secretary, Executive Office of Health and Human Services

Cc: Honorable Members of the House Committee on Health and Human Services
Danica Iacoi, Esquire, Chief of Staff and Special Legal Counsel to the Speaker of the House