State of Rhode Island

Caseload Estimating Conference

STEPHEN H. WHITNEY
Senate Fiscal Advisor
November 2026 Conference Chair

SHARON REYNOLDS FERLAND
House Fiscal Advisor

JOSEPH M. CODEGA JR.
State Budget Officer

MEMORANDUM

To: The Honorable Valarie J. Lawson, President of the Senate
The Honorable Christopher R. Blazejewski, Speaker of the House
The Honorable Daniel McKee, Governor

From: Stephen H. Whitney, Senate Fiscal Advisor
Sharon Reynolds Ferland, House Fiscal Advisor
Joseph M. Codega Jr., State Budget Officer

Date: November 18, 2026

Subject: **November 2026 Caseload Estimating Conference**

SUMMARY

The Caseload Estimating Conference convened on November 4, 2026, in an open public meeting to estimate cash assistance caseload, costs for private community providers serving individuals with developmental disabilities, and medical assistance expenditures for FY 2027 and FY 2028.

Compared to the enacted budget, the Caseload Estimating Conference adopted estimate for FY 2027 decreases funding by $38.3 million to $4,723.7 million from all sources, including $5.5 million from general revenue and $32.9 million from federal funds.

For FY 2028, program costs are estimated to total $4,901.8 million, which is $178.1 million more than the revised estimate and $139.8 million more than the enacted budget. The general revenue components of the increases are $111.1 million and $105.7 million, respectively.

The following table summarizes the adopted estimates.

November 2026 Caseload Estimates	FY 2027 Enacted	FY 2027 Nov. CEC	Change to Enacted	FY 2028 Nov. CEC	Change to FY 2027 Nov. CEC
Cash Assistance					
All Funds	$ 118,066,806	$ 112,465,634	$ (5,601,172)	$ 115,246,421	$ 2,780,787
General Revenues	$ 28,557,313	$ 28,324,275	$ (233,038)	$ 28,451,971	$ 127,696
Medical Assistance					
All Funds	$4,137,073,275	$4,104,500,000	$ (32,573,275)	$4,263,700,000	$ 159,200,000
General Revenues	$1,485,000,209	$1,480,212,160	$ (4,788,049)	$1,584,192,657	$ 103,980,497
Private Community Developmentally Disabled Services					
All Funds	$ 506,875,873	$ 506,734,579	$ (141,294)	$ 522,859,957	$ 16,125,378
General Revenues	$ 217,416,916	$ 216,972,373	$ (444,543)	$ 224,006,727	$ 7,034,354
Consensus Caseload Total					
All Funds	$4,762,015,954	$4,723,700,213	$ (38,315,741)	$4,901,806,378	$ 178,106,165
General Revenues	$1,730,974,438	$1,725,508,808	$ (5,465,630)	$1,836,651,355	$ 111,142,547

Cash Assistance

Cash assistance programs for FY 2027 are estimated to total $112.5 million, a decrease of $5.6 million from the enacted budget. Activities funded by general revenue are estimated to be $28.3 million, $233,038 less than enacted.

FY 2028 expenditures are estimated to total $115.2 million, $2.8 million more than the revised FY 2027 estimate. General revenue expenditures are estimated at $28.5 million, or $127,696 more than the revised estimate.

November 2026 Consensus Caseload Estimates	FY2027 Enacted	FY2027 Nov. CEC	Change to Enacted	FY2028 Nov. CEC	Change to FY2027 Nov. CEC
Cash Assistance					
Rhode Island Works					
Persons	6,600	5,671	(929)	5,248	(423)
Monthly Cost per Person	$ 286.84	$ 283.00	$ (3.84)	$ 286.00	$ 3.00
Cash Payments	$ 22,717,728	$ 19,258,716	$ (3,459,012)	$ 18,011,136	$ (1,247,580)
Monthly Bus Passes	325,710	279,864	(45,846)	258,989	(20,875)
Supportive Services	1,000,000	766,000	(234,000)	760,000	(6,000)
Clothing - Children	600,000	471,000	(129,000)	360,000	(111,000)
Catastrophic	1,000	-	(1,000)	-	-
Total Costs (TANF)	**$ 24,644,438**	**$ 20,775,580**	**$ (3,868,858)**	**$ 19,390,125**	**$ (1,385,455)**
Child Care					
Subsidies	6,937	6,650	(287)	6,900	250
Annual Cost per Subsidy	$ 10,761	$ 11,000	$ 239	$ 11,200	$ 200
Total Costs	**$ 74,649,276**	**$ 73,150,000**	**$ (1,499,276)**	**$ 77,280,000**	**$ 4,130,000**
Federal Funds	64,865,055	63,365,779	(1,499,276)	67,404,325	4,038,546
General Revenues	9,784,221	9,784,221	-	9,875,675	91,454
SSI					
Persons	30,550	30,477	(73)	30,500	23
Monthly Cost per Person	$ 45.50	$ 45.11	$ (0.39)	$ 45.12	$ 0.01
Cash Payments	$ 16,680,300	$ 16,497,810	$ (182,490)	$ 16,513,920	$ 16,110
Transaction Fees	72,000	70,000	(2,000)	72,000	2,000
Total Costs	**$ 16,752,300**	**$ 16,567,810**	**$ (184,490)**	**$ 16,585,920**	**$ 18,110**
GPA Bridge					
Persons	718	693	(25)	708	15
Monthly Cost per Person	$ 162.00	$ 159.00	$ (3.00)	$ 156.00	$ (3.00)
Total Payments	$ 1,395,792	$ 1,322,244	$ (73,548)	$ 1,325,376	$ 3,132
Burials	625,000	650,000	25,000	665,000	15,000
GPA/Bridge	**$ 2,020,792**	**$ 1,972,244**	**$ (48,548)**	**$ 1,990,376**	**$ 18,132**
Cash Assistance Total	**$ 118,066,806**	**$ 112,465,634**	**$ (5,601,172)**	**$ 115,246,421**	**$ 2,780,787**
Federal Funds	89,509,493	84,141,359	(5,368,134)	86,794,450	2,653,091
General Revenues	28,557,313	28,324,275	(233,038)	28,451,971	127,696

Rhode Island Works

The conferees project a caseload of 5,671 at an average monthly cost of $283.00 in FY 2027, which is 929 individuals fewer than enacted and a $3.84 decrease in monthly cost. For FY 2028, the conferees adopt a caseload of 5,248 at an average monthly cost of $286.00, which is 423 fewer individuals than FY 2027 revised estimate and an increase of $3.00 in monthly cost. Expenditures for Rhode Island Works, including monthly bus passes and other supportive services, total $20.8 million for FY 2027 and $19.4 million for FY 2028. Program expenses are funded entirely by the federal Temporary Assistance for Needy Families (TANF) block grant.

Child Care Assistance

The FY 2027 caseload estimate for child care assistance includes $73.2 million to provide 6,650 children with subsidized care at an average yearly cost of $11,000 per subsidy. The revised estimate assumes use of $63.4 million from federal block grant funds and $9.8 million from general revenue. Projected program expenses are anticipated to decrease by $1.5 million from the enacted budget based on updated enrollment data. The estimate also reflects the expansion of the Child Care Assistance Program (CCAP) initial eligibility limit to 285.0 percent of the Federal Poverty Level (FPL) and the transitional eligibility limit to 325.0 percent FPL.

For FY 2028, program costs are estimated to be $77.3 million, for 6,900 subsidies at an average yearly cost of $11,200 per subsidy. This represents 250 more subsidies and $200.00 more per subsidy than the revised FY 2027 estimate. The estimate assumes $67.4 million from federal block grant funds and $9.9 million from general revenue. The total cost is $4.1 million more than the revised FY 2027 estimate.

Supplemental Security Income

The caseload for the Supplemental Security Income program is estimated to be 30,477 persons in FY 2027 and 30,500 in FY 2028. The estimated monthly cost per person is $45.11 in FY 2027 for total funding of $16.6 million from general revenue, a decrease of $184,490 from the enacted budget. In FY 2028, the estimated monthly cost per person is $45.12 for total funding of $16.6 million, an increase of $18,110 over the revised FY 2027 estimate. Both total estimates include transaction costs.

General Public Assistance

Total expenditures for general public assistance are estimated to be $2.0 million in FY 2027 and FY 2028, with $650,000 assumed for burials in FY 2027 and $665,000 in FY 2028. Total costs are estimated to be $48,548 less than the enacted budget in FY 2027 and $18,132 more than the revised level in FY 2028. For FY 2027, the Conference assumes 693 individuals at a monthly cost of $159.00, which is 25 fewer individuals than the enacted budget and $3.00 less in monthly cost. The FY 2028 estimate assumes 708 individuals at $156.00 per month which is 15 more individuals and $3.00 less in monthly cost than the revised FY 2027 estimate.

Private Services for Individuals with Developmental Disabilities

The Conference projects total costs for private services for individuals with developmental disabilities of $506.7 million in FY 2027, including $289.8 million from federal funds and $217.0 million from general revenue. This is $141,294 less than the FY 2027 enacted level, including $444,543 less from general revenue.

For FY 2028, the Conference projects spending of $522.9 million, including $298.9 million from federal funds and $224.0 million from general revenue. This is $16.1 million more than the revised FY 2027 total, including $7.0 million more from general revenue. The following subsections describe the service categories selected for estimating purposes.

November 2026 Consensus Caseload Estimates	FY2027 Enacted	FY2027 Nov. CEC	Change to Enacted	FY2028 Nov. CEC	Change to FY2027 Nov. CEC
Private Community Developmentally Disabled Services					
Residential Habilitation (Non-L9)	$ 232,146,319	$ 230,000,000	$ (2,146,319)	$ 239,000,000	$ 9,000,000
Residential Habilitation (L9 Supplemental)	21,000,000	22,400,000	1,400,000	22,400,000	-
Residential Habilitation Total	*$ 253,146,319*	*$ 252,400,000*	*$ (746,319)*	*$ 261,400,000*	*$ 9,000,000*
Community-Based Supports	200,508,552	200,000,000	(508,552)	206,000,000	6,000,000
Day Program	6,869,982	6,700,000	(169,982)	9,100,000	2,400,000
Employment	8,141,250	7,900,000	(241,250)	8,100,000	200,000
Transportation	17,448,014	16,900,000	(548,014)	17,100,000	200,000
Professional & Other Supports	15,849,138	16,900,000	1,050,862	17,400,000	500,000
Transformation Phase III	900,000	1,300,733	400,733	1,000,000	(300,733)
Contract Transportation	2,000,000	1,950,000	(50,000)	1,950,000	-
DD State Subsidies	12,618	9,041	(3,577)	9,041	-
Non-Medicaid Placements	2,000,000	2,674,805	674,805	800,916	(1,873,889)
Total Costs	**$ 506,875,873**	**$ 506,734,579**	**$ (141,294)**	**$ 522,859,957**	**$ 16,125,378**
Federal Funds	289,458,957	289,762,207	303,250	298,853,230	9,091,023
General Revenues	217,416,916	216,972,373	(444,543)	224,006,727	7,034,354

Residential Habilitation

Residential habilitation includes congregate and non-congregate living supports. The estimate for residential habilitation is divided into standard and L9 supplemental estimates, depending on the type of authorization used for service delivery. For FY 2027, standard residential habilitation expenditures are estimated to be $230.0 million, while L9 supplemental expenses are estimated at $22.4 million. Together, these total $252.4 million, which is $0.7 million less than the enacted level. The FY 2028 projection totals $261.4 million, which is $9.0 million more than the FY 2027 estimate, and includes $239.0 million for standard expenses and $22.4 million for L9 expenses.

Community-Based Supports

The community-based supports category captures services offered at community-based day programs including the provision of education and training. The Conference estimates $200.0 million for FY 2027, a decrease of $0.5 million as compared to the enacted level. For FY 2028, the estimate is $206.0 million, or $6.0 million more than the revised FY 2027 estimate.

Day Program

Day program captures services offered at center-based day programs, including the provision of education and training. Expenditures are estimated at $6.7 million for FY 2027, $0.2 million less than the enacted total. FY 2028 expenditures are estimated at $9.1 million, a $2.4 million increase as compared to the FY 2027 revised estimate. The FY 2028 estimate includes funding for anticipated additional supports for some

individuals who had previously received Adult Day Health services through their managed care benefit but no longer can because they do not meet the medical necessity criteria.

Employment
Employment services include job assessment and development, job coaching, and job retention for adults with developmental disabilities. For FY 2027, the Conference estimates $7.9 million for employment services, which represents a decrease of $0.2 million from the enacted level. FY 2028 expenditures are estimated to be $8.1 million, which is $200,000 more than the revised FY 2027 total.

Transportation
The transportation service category provides funding for transportation for individuals to and from employment and day program activities. Transportation costs are estimated to be $16.9 million in FY 2027, which represents a decrease of $548,014 from the enacted level. For FY 2028, the Conference estimates $17.1 million, an increase of $200,000 from the FY 2027 revised estimate.

Professional and Other Supports
The professional and other supports category encompasses the various services an individual can receive including, but not limited to, medical, psychiatric, and attendant care, home modifications, assistive technology, and support facilitation. For FY 2027, the Conference estimates $16.9 million, an increase of $1.1 million as compared to the enacted estimate. For FY 2028, the Conference estimates $17.4 million, an increase of $500,000 from the revised FY 2027 estimate.

Transformation Phase III
This category represents a pool of funding that will be granted to providers based on submitted proposals to increase employment outcomes for the caseload population. The Conference estimates $1.3 million for FY 2027, an increase of $400,733 as compared to the enacted level. FY 2028 expenditures are estimated to be $1.0 million, a decrease of $300,733 as compared to the revised estimate.

Contract Transportation
Contract transportation reflects the expected cost of the agreement with the Rhode Island Public Transit Authority to cover expenses for public transportation used by the caseload population. The Conference estimates $2.0 million for each year, which represents a $50,000 decrease from the FY 2027 enacted level and no change from FY 2028 to the revised FY 2027 level. Expenses will be fully funded with general revenue in FY 2027, as the Department continues to work with the Executive Office of Health and Human Services to determine if an agreement can be reached to claim a Medicaid match for these services. Given, reported progress toward this agreement, the FY 2028 estimate assumes a return to the Medicaid match, and the expenses are split between general revenue and federal funds accordingly.

Non-Medicaid Funded
This category includes items that are not currently eligible to receive Medicaid. The Conference estimates $2.7 million in FY 2027, an increase of $671,228 as compared to the enacted level. In FY 2028, the Conference estimates $809,957, a decrease of $1.9 million as compared to the revised estimate. Estimates in each year include $9,041 in monthly stipend payments to family caregivers of individuals who formerly resided at the Ladd Center.

Medical Assistance

The Conference projects total medical assistance spending of $4,104.5 million in FY 2027, including $2,613.3 million from federal funds, $1,480.2 million from general revenue, and $10.9 million from restricted receipts. This is $32.6 million less than the enacted amount, including $4.8 million less from general revenue.

For FY 2028, the Conference projects spending of $4,263.7 million, including $2,668.6 million from federal funds, $1,584.2 million from general revenue, and $10.9 million from restricted receipts. This estimate is $159.2 million more than the revised estimate for FY 2027, including $55.2 million from federal funds and $104.0 million from general revenue, with restricted receipts remaining level.

Estimates for both fiscal years reflect a decline in enrollment partially due to the use of post-eligibility income verification tools for certain beneficiaries. Enrollment estimates are also impacted by federal changes required by H.R. 1 including immigration status and new community engagement requirements. Estimates also reflect annualized impacts of rate increases approved in the FY 2027 enacted budget.

November 2026 Consensus Caseload Estimates	FY2027 Enacted	FY2027 Nov. CEC	Change to Enacted	FY2028 Nov. CEC	Change to FY2027 Nov. CEC
Medical Assistance					
Regular Hospital Payments	$ 82,371,652	$ 82,755,053	$ 383,401	$ 94,955,053	$ 12,200,000
Disproportionate Share Payment	38,900,000	38,900,000	-	38,900,000	-
State Directed Payements	331,344,947	331,344,947	-	331,344,947	-
Hospitals - Total	*$ 452,616,599*	*$ 453,000,000*	*$ 383,401*	*$ 465,200,000*	*$ 12,200,000*
Nursing Facilities	483,725,685	492,700,000	8,974,315	524,500,000	31,800,000
Home & Comm. Care	340,116,096	374,800,000	34,683,904	401,200,000	26,400,000
Long Term Care Services	*$ 823,841,781*	*$ 867,500,000*	*$ 43,658,219*	*$ 925,700,000*	*$ 58,200,000*
Managed Care	1,173,814,294	1,130,900,000	(42,914,294)	1,206,300,000	75,400,000
Rhody Health Partners	340,249,821	337,200,000	(3,049,821)	359,900,000	22,700,000
Medicaid Expansion	734,552,792	715,900,000	(18,652,792)	667,300,000	(48,600,000)
Rhody Health Options	287,890,533	268,400,000	(19,490,533)	287,300,000	18,900,000
Other Medical Services	227,007,455	230,000,000	2,992,545	237,000,000	7,000,000
Pharmacy/Clawback	97,100,000	101,600,000	4,500,000	115,000,000	13,400,000
Total Medical Assistance	**$ 4,137,073,275**	**$4,104,500,000**	**$(32,573,275)**	**$ 4,263,700,000**	**$ 159,200,000**
Federal Funds	2,641,133,792	2,613,348,566	(27,785,226)	2,668,568,069	55,219,503
General Revenues	1,485,000,209	1,480,212,160	(4,788,049)	1,584,192,657	103,980,497
Restricted Receipts	10,939,274	10,939,274	-	10,939,274	-

Hospitals

Hospital expenditures are estimated to be $453.0 million for FY 2027. While the increase to the enacted is only $0.4 million, there are significant adjustments including a $1.5 million increase in fee-for-service activity. That includes an underlying utilization increase as well as a $7.0 million reduction to support long-term behavioral health beds to recognize the delayed April start date. This is partially offset by adjustments to the Upper Payment Limit (UPL) supplementary payments based on Medicare cost report submissions.

FY 2028 hospital expenditures are projected to reach $465.2 million, an increase of $12.2 million over the revised FY 2027 estimate. The project assumes a price increase of 3.2 percent and the annualized cost of the behavioral health beds at $11.3 million. There is $25.7 million allocated for the UPL, consistent with the FY 2027 revised level.

The largest piece of the estimate is the state directed payments made through the managed care plans totaling $331.3 million for both FY 2027 and FY 2028, consistent with the enacted level. Disproportionate Share Hospital payments in both FY 2027 and FY 2028 total $38.9 million, consistent with the enacted budget.

Long Term Care
Long term care expenditures are estimated to be $867.5 million in FY 2027 and $925.7 million in FY 2028. Nursing facility expenses represent $492.7 million of the FY 2027 amount and $524.5 million in FY 2028. In FY 2027 the increase of $9.0 million over the enacted is due to increased utilization and the corrected value of the 3.9 percent rate increase implemented on October 1, 2026; the enacted budget assumed 3.2 percent based on an error in the May 2026 testimony. The increase of $31.8 million in FY 2028 relative to the revised estimate reflects a price increase of 3.8 percent, effective October 1, 2027, and a modest utilization increase.

The estimates include $374.8 million for FY 2027 and $401.2 million in FY 2028 for home and community-based services. The FY 2027 estimate is $34.7 million higher than enacted, primarily due to increased utilization of personal care services. The FY 2028 estimate is $26.4 million more than the revised estimate, primarily reflecting adjusted utilization assumptions as well as the annualized impact of the rate increases in the FY 2027 enacted budget. The estimate assumes a $3.0 million reduction in adult day health expenses due to the enforcement of the medically necessary threshold. Some offsetting costs appear in the caseload estimate for services to adults with developmental disabilities.

Managed Care
FY 2027 expenditures for managed care are estimated to be $1,130.9 million, $42.9 million less than the enacted budget. Lower enrollment projections across managed care product lines and a reduction in forecasted birth rates primarily drive the decrease. These are partially offset by a decline in drug rebates, due to lower enrollment, and an increase in fee-for-service payments.

Costs for FY 2028 are estimated to total $1,206.3 million, $75.4 million more than the enacted budget. The increase primarily reflects the assumption of an aggregate 5.0 percent price increase, and the previously delayed expansion of adult dental services.

Rhody Health Partners
Rhody Health Partners program expenses are estimated at $337.2 million for FY 2027, which is $3.0 million less than the enacted based on decreased enrollment and a reduction in the composite monthly payment. FY 2028 expenditures are estimated to be $359.9 million, which is $22.7 million more than the revised estimate. The FY 2028 increase is primarily due to price and enrollment adjustments.

Medicaid Expansion
The FY 2027 estimate for the Medicaid Expansion population is $715.9 million, which is $18.7 million less than the enacted budget. The FY 2028 estimate of $667.3 million is $48.6 million less than the revised estimate. The variances in both fiscal years are largely explained by changes in enrollment estimates impacted by H.R. 1 federal changes and the utilization of post-eligibility income verification tools. Medicaid Work Requirements (MWR) are effective January 1, 2027.

Rhody Health Options
Expenses for Rhody Health Options, the state's integrated care initiative, which provides acute and long-term care services to individuals eligible for both Medicare and Medicaid (dual eligibles), are estimated to be $268.4 million for FY 2027. This represents a decrease of $19.5 million compared to the enacted budget driven by decreases in enrollment and per-member costs.

FY 2028 expenses are estimated to total $287.3 million, $18.9 million more than the revised FY 2027 estimate, due primarily to utilization and per-member cost increases in Community LTSS, one of the most expensive populations, as well as per-member cost increases across all the populations.

Other Medical Services
Expenditures for other medical services are estimated to be $230.0 million for FY 2027, an increase of $3.0 million compared to the enacted. The FY 2028 estimate of $237.0 million is $7.0 million more than the revised FY 2027 estimate. The changes are driven primarily by Medicare premium payment cost increases; however, the estimate assumes that recoveries continue to grow through enhanced program integrity and other measures.

Pharmacy
Pharmacy expenses are estimated to be $101.6 million for FY 2027 and $115.0 million for FY 2028. The FY 2027 estimate is $4.5 million above the enacted level. Nearly all expenses are for the Medicare Part D clawback payment, funded solely from general revenue. This is the state's portion of the federal Medicare pharmacy costs for its population that are dual eligibles and the increases of $3.7 million in FY 2027 and $13.3 million in FY 2028 are due primarily to a forecasted increase in per-member cost. The remaining pharmacy cost increases are related to utilization compounded by a price increase in FY 2028.

The next required meeting of the Conference is May 2027.

cc: The Honorable Louis P. DiPalma, Chairman
Senate Finance Committee

The Honorable Marvin L. Abney, Chairman
House Finance Committee