



OFFICE OF MANAGEMENT & BUDGET


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MEMORANDUM

To: The Honorable Marvin L. Abney, Chairman, House Finance Committee
The Honorable Louis P. DiPalma, Chairman, Senate Finance Committee

From: Joseph Codega Jr., Budget Officer 

Date: April 21, 2025

Subject: Corrections to the FY 2026 Appropriations Act (25-H-5076)

Governor's Budget Amendment #16

The Governor requests amendments to the FY 2026 Appropriations Act within Article 10, Relating to Health and Human Services. The provisions and policy goals underlying these amendments are set forth below, with associated legislative changes and/or additions detailed in the subsequent technical section.

- **Determination of Need for New Healthcare Equipment and New Institutional Health Services.** This amendment offers two changes to the Certificate of Need (CON) process:
 - Restoring full body magnetic resonance imaging (MRI), and computerized axial tomography (CT) to the CON process. This will allow Rhode Island CON laws to align with neighboring states and the region.
 - Reinstating the exemption from review any applications that proposes one-for-one equipment replacement as defined in regulation which was stricken inadvertently. The amendment seeks to ease the burden for healthcare facilities to purchase new equipment.
- **Rhode Island Office of Veterans Affairs Fees.** The Federal Department of Veterans Affairs (VA) recently revised its regulations to permit reimbursement for the outer burial receptable (OBR), also known as a burial liner, when used for eligible spouses and dependents buried in state-run veterans cemeteries. As a result, this amendment requests the ability for the Rhode Island Office of Veterans Affairs to update its fees in regulation, with the intent of waiving fees in such cases that departmental expenses are reimbursed through federal funding.

Please feel free to contact me with any questions about these requested changes.

cc: Sharon Reynolds Ferland, House Fiscal Advisor
Stephen Whitney, Senate Fiscal Advisor
Brian Daniels, Director, Office of Management and Budget
Jonathan Womer, Director of Administration

Article 10 – Relating to Health and Human Services

1. Page 239, Lines 8 - 17: Replace with the following:

~~(9) (14) “New healthcare equipment” means linear accelerators, full body magnetic resonance imaging (MRI), computerized axial tomography (CT), and positron emission tomography (PET). , any single piece of medical equipment (and any components that constitute operational components of the piece of medical equipment) proposed to be utilized in conjunction with the provision of services to patients or the public, the capital costs of which would exceed two million two hundred fifty thousand dollars (\$2,250,000); provided, however, that the state agency shall exempt from review any application that proposes one-for-one equipment replacement as defined in regulation. Further, beginning July 1, 2012, and each July thereafter, the amount shall be adjusted by the percentage of increase in the consumer price index for all urban consumers (CPI-U) as published by the United States Department of Labor Statistics as of September 30 of the prior calendar year.~~

2. Page 257, After Line 21 Insert the following:

The director ~~shall~~ may charge and collect a grave liner fee per interment of the eligible spouse and/or eligible dependents of the qualified veteran, national guard member, and/or reservist equal to the department’s cost for the grave liner. The director may promulgate rules and regulations necessary to fulfill the intent of this chapter.