



April 9, 2026

The Honorable Louis P. DiPalma,
Chair, Senate Finance Committee
State of Rhode Island General Assembly
82 Smith Street
Providence, RI 02903

Re: Support for Full Implementation of Rate Increases in FY2027 EOHHS Budget for Cedar and Ryan White Services

Dear Chair DiPalma and Members of the Committee,

Thank you for the opportunity to submit testimony in support of rate increases included in the FY2027 EOHHS budget as they relate to programs serving children with special healthcare needs and those living with HIV.

My name is Marie Palumbo-Hayes, Chief of Community Health at Family Service of Rhode Island (FSRI). FSRI is a leading Rhode Island nonprofit provider of behavioral health, educational, and social services. Our agency's Cedar Center provides critical care coordination and management services to children with complex medical, behavioral, and developmental needs. Additionally, FSRI's AIDS Project Rhode Island (APRI) is the oldest AIDS/HIV serving entity assisting Rhode Islanders needs.

As a provider serving these populations, we are experiencing increasing demand alongside growing complexity in the needs of the children, families, and individuals we support. At the same time, reimbursement rates for these services have not kept pace with inflation or the rising costs associated with delivering high-quality, coordinated care. As a result, our clients may experience reduced access to timely, consistent, and comprehensive services.

We appreciate that the Office of the Health Insurance Commissioner (OHIC) has recognized these challenges and recommended inflation-indexed rate increases for these services. We are also encouraged that the Governor's SFY 2027 budget includes these increases. However, the proposed phased implementation providing only 50% of the increase in SFY 2027 and the remaining 50% in SFY 2028 delays the full impact of this much-needed investment.

Given the current workforce crisis and financial pressures facing providers, a delayed implementation risks prolonging existing access challenges for Rhode Islanders and their families. Programs like Cedar and APRI rely on adequate and timely reimbursement to maintain staffing levels, ensure continuity of care, and meet the complex needs of the populations we serve.

We strongly support the recommended rate increases and respectfully urge consideration of accelerating their full implementation within SFY 2027. Doing so will better stabilize the provider network and ensure that children with special healthcare needs and those living with HIV receive the timely, coordinated care they deserve.



Thank you for your time, consideration, and continued commitment to Rhode Island's children, youth, adults and families.

Sincerely,
Marie Palumbo-Hayes

Marie Palumbo-Hayes, LICSW
Chief of Community Health
Family Service of Rhode Island
hayesma@familyserviceri.org
(401)952-6697