

May 5, 2026

Rhode Island State Senate
Senate Committee on Finance

Dear Chair DiPalma and Members of the Senate Committee on Finance:

RIPIN thanks the Senate Committee on Finance for the opportunity to provide this testimony in support of **S-2811**, which would establish a state program to **reinforce and expand healthcare for uninsured Rhode Islanders** in the face of significant federal cuts to health insurance coverage.

Thanks to the significant expansion of coverage under the federal Affordable Care Act, the uninsured rate in Rhode Island declined significantly from 10.9% in 2012 to a low of 2.2% in 2024.¹ However, recent federal actions are expected to drive up the uninsured population in Rhode Island significantly. Significant cuts to Medicaid from the federal H.R. 1 are expected to result in 33,000 Rhode Islanders losing Medicaid, and 7,000 Rhode Islanders losing coverage through HealthSourceRI. And the loss of enhanced Premium Tax Credits due to the federal government's failure to extend them have already resulted in 9,500 fewer HealthSourceRI enrollees as of early 2026 as compared to December 2025, with a total expected impact of 13,000 HealthSourceRI enrollees losing coverage by 2027. Altogether, **more than 50,000 Rhode Islanders are expected to lose their health insurance coverage**, more than doubling the state's uninsured population.

But as many of our family, friends, and neighbors lose their health insurance, their healthcare needs will not go away. And options for uninsured Rhode Islanders are limited, both in the scope of the services they cover and in their capacity to serve a growing uninsured population. S-2811 would **invest in the existing care infrastructure for uninsured Rhode Islanders**, allowing it to expand to treat more patients and offer expanded services, and it would establish a State-moderated program to **provide limited access to services that are currently unavailable** to uninsured patients, like prescription drugs, imaging, and scheduled specialty services. And it would do so with a combination of **reinvested funds originally expected to be appropriated to Medicaid** and new General Revenue funding, with an intent to improve care and avoid the collapse of our healthcare safety net in response to an increase in uncompensated care by safety net providers.

The state's existing care infrastructure for uninsured people is insufficiently resourced to absorb a growing uninsured population

Rhode Island has existing options for care for uninsured Rhode Islanders, including hospitals, community health centers (CHCs) and certified community behavioral health centers (CCBHCs), and free clinics, specifically the Rhode Island Free Clinic and Clínica Esperanza. However, these safety-net providers have limited funding, and the services they provide are limited too. S-2811 would provide for additional funding for these providers, allowing them to absorb the anticipated significant increase in the state's uninsured population.

Hospitals must treat anyone in an emergency regardless of their ability to pay, and must offer financial assistance to lower out-of-pocket costs for uninsured individuals with incomes below a specified threshold. Hospitals also frequently offer some limited follow-up or on-call care through clinical programs, and financial assistance programs can sometimes help with bills from hospital-affiliated providers. However, those ancillary programs have limited capacity, and affiliated providers

¹ 2024 Health Information Survey, HealthSourceRI, https://healthsourceri.com/wp-content/uploads/HIS-2024_Executive-Summary-FINAL-10.4.24.pdf





of even large, integrated hospital systems generally do not offer access to ongoing specialty care, scheduled non-emergency surgeries, or most other services through their hospital financial assistance programs – and would not be able to without an increase in funding. And a significant increase in emergency room use by newly-uninsured Rhode Islanders without access to care in more appropriate settings would result in longer emergency room wait times for all healthcare consumers, and could risk destabilizing hospital budgets if uncompensated care funding is not expanded.

Similarly, community health centers and certified community behavioral health centers offer reduced-fee, sliding-scale services to uninsured individuals with limited income, and are a significant and important part of Rhode Island's primary care infrastructure, particularly for those with limited means. But community health centers offer a relatively narrow range of mostly primary-care services, and cannot meaningfully expand their patient panels without a corresponding increase in funding. And the Rhode Island Free Clinic and Clínica Esperanza both offer free services to low-income Rhode Islanders without health insurance, but are limited in how many patients they can treat by their funding.

S-2811 would provide additional state investment in safety-net hospitals through Disproportionate Share Hospital payments (similarly to the Governor's proposal in Article 3, Section 8 of his proposed budget); additional investment in community health centers, and additional investment in the RI Free Clinic and Clínica Esperanza, to allow them to increase capacity and potentially offer broader services in response to a growing uninsured population.

There are many essential services unavailable to uninsured Rhode Islanders

While many primary care and emergency services are available to low-income uninsured Rhode Islanders for no or reduced cost, there is much of the care continuum that uninsured Rhode Islanders cannot obtain without paying full price. Notably, these gaps include prescription drugs, imaging services, durable medical equipment, routine specialty care (e.g. from cardiologists, pulmonologists, etc.), and scheduled surgery. As more Rhode Islanders lose their health insurance coverage, some individuals will incur bills they cannot afford for services they need – and many others will forego necessary care because of financial stress, resulting in worse health outcomes (and higher costs, both for the individuals and for the state as a whole) down the road.

Approximately half of Americans report using at least one prescription drug in the last 30 days,² with approximately 90% of those prescriptions being filled as generics.³ However, for the 10% of prescriptions where brand names were required (or generics were unavailable), prices are frequently much higher. And while there are some limited programs that assist with drug costs for those without insurance (including reduced-price generics through certain pharmacies, or prescription drug assistance programs for brand-name drugs), those programs are limited in scope, there are many drugs not covered, and the programs can be administratively cumbersome to apply for or may exclude certain uninsured individuals from coverage for a wide variety of reasons. This results in significant avoidance of care; a 2025 KFF study found that 23% of Americans took an over-the-counter drug instead of filling a prescription, 21% of people chose not to fill a prescription they needed, and 15% of people skipped doses of medicine or cut pills in half. These cost-saving measures can be clinically harmful, but will be exacerbated as more Rhode Islanders lose the health insurance they use to pay for their drugs.

² <https://www.cdc.gov/nchs/fastats/drug-use-therapeutic.htm>

³ <https://www.fda.gov/drugs/generic-drugs/office-generic-drugs-2022-annual-report>



And other types of care are even harder to access for uninsured patients. Imaging services, specialty care, and routine, non-emergency surgical services all generally require up-front payment, and unlike services through hospitals or community health centers, many of these providers do not offer reduced-cost services for low-income patients. Rhode Islanders who lose their coverage will have to decide between paying full price for these services, or skipping care altogether.

And this is all happening at the same time as health care services grow more expensive, and more and more Rhode Islanders report financial difficulties related to healthcare. In 2024, 7.8% of Rhode Islanders report having used up most of their savings, 7.2% report having been unable to pay for basic necessities like food, heat, or rent due to medical bills, 7.1% report having large credit card debt or loans against their homes to pay for medical care, and 0.6% report having filed for medical bankruptcy.⁴ Each of those figures has increased since 2020, despite the uninsured rate falling by nearly half in that same period.⁵ As the uninsured rate increases, it is likely that those figures will increase even more.

S-2811 would address these gaps by establishing a State-moderated program to provide limited care in identified areas where uninsured Rhode Islanders cannot currently obtain needed care. While State-only funding cannot fully replace canceled federal funding (in the form of Medicaid cuts, ultimately totaling nearly \$280 million annually by FY28), targeted State investments can provide for access to a limited suite of benefits in State-identified priority areas like those discussed above. This can help ensure improved health care outcomes – and by allowing timely care in appropriate locations, it can help reduce the State’s ultimate expenditures by reducing costs for inappropriate emergency room care and the costs of stabilizing the healthcare delivery system when safety net providers’ financial conditions deteriorate.

The State can and should reinvest money already expected to be appropriated to care for low-income Rhode Islanders to fund this program

S-2811 is intended to address the impact of a significant increase in the state’s uninsured population caused by federal Medicaid cuts made in H.R. 1. As discussed above, those cuts, in combination with other federal actions, are expected to result in more than 50,000 newly-uninsured Rhode Islanders over the next two years. However, those cuts will also result in significantly reduced Medicaid expenditures by the State due to reduced Medicaid enrollment. As RIPIN Executive Director Sam Salganik and Rhode Island Health Center Association president and CEO Elena Nicoletta argue in a January 14, 2026 op-ed published in the Boston Globe (which is included with our testimony),⁶ we strongly believe that the State should not score these reduced expenditures as “savings” and should instead reinvest them in the continuum of care that would otherwise have been available to those same individuals had Medicaid coverage remained available.

The Rhode Island Federal Compliance Advisory Group estimated that the elimination of Medicaid coverage for many categories of lawfully-present immigrants and the imposition of work requirements would reduce State expenditures by \$26.6 million in FY27 and \$54.8 million in FY28. S-2811 calls for this sum to be reinvested as a starting point, and for a matching sum of State general revenue be invested to make the program substantive and meaningful. As discussed above, the State cannot reasonably replace the full cost of the coverage being eliminated; the total cost (including both State and federal funding) is expected to reach \$333.1 million annually by FY28. S-

⁴ https://healthsourceri.com/wp-content/uploads/HIS-2024_Executive-Summary-FINAL-10.4.24.pdf

⁵ Id.

⁶ <https://www.bostonglobe.com/2026/01/14/metro/commentary-trump-health-insurance-ri/>



2811 instead proposes that the State keep the money it expected to spend (by establishing the Medicaid program we have today) on the table, along with sufficient additional funds to shore up the existing care infrastructure and fill some crucial gaps.

RIPIN strongly supports the passage of S-2811 to stabilize access to care for uninsured Rhode Islanders, and we encourage the Committee to recommend its passage. Thank you for the opportunity to provide these comments. RIPIN is a statewide nonprofit founded in 1991 by a group of parents of children with special healthcare needs. While RIPIN's roots are in serving children and families with special needs, RIPIN now serves all Rhode Islanders who might benefit from education, advocacy, and peer support in navigating healthcare and education systems. RIPIN operates Rhode Island's health insurance consumer assistance program, RIREACH, which has helped several thousand Rhode Islanders save more than \$10 million in health care costs since 2018.

Sincerely,

/s/

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THE RHODE ISLAND PROTECT OUR HEALTHCARE ACT OF 2026

H-8137 (Donovan), S-2811 (DiPalma)








Starting in 2026, many Rhode Islanders are losing their health insurance

- 33,000 losing Medicaid because of federal cuts
- 20,000 losing coverage through HealthSource RI
- Many others being priced out of coverage
- Would more than double the state's existing uninsured population

Care for the uninsured is limited

Uninsured Rhode Islanders can receive treatment at hospitals, Community Health Centers, the RI Free Clinic, and Clínica Esperanza, but capacity is limited and cannot accommodate double the patients without extra resources.

Gaps in care for the uninsured include:

-  Prescription drugs
-  Imaging services (MRIs, X-rays, CT scans)
-  Durable medical equipment
-  Routine care from specialist providers
-  Scheduled surgical services

THE STATE WILL SPEND \$26.6 MILLION LESS IN FY27 AND \$54.8 MILLION LESS IN FY28 ON CARE FOR RHODE ISLANDERS BECAUSE OF LOWER MEDICAID CASELOADS

- This is money the State already appropriated towards care for low-income Rhode Islanders without other coverage, and should stay dedicated to that purpose
- The **Protect Our Healthcare Act** calls on Rhode Island to maintain this investment, and provide additional funding (for a total of \$53.2 million in FY27, \$109.6 million in FY28 and thereafter) to **keep the most vulnerable Rhode Islanders healthy**

THE PROTECT OUR HEALTHCARE ACT WOULD

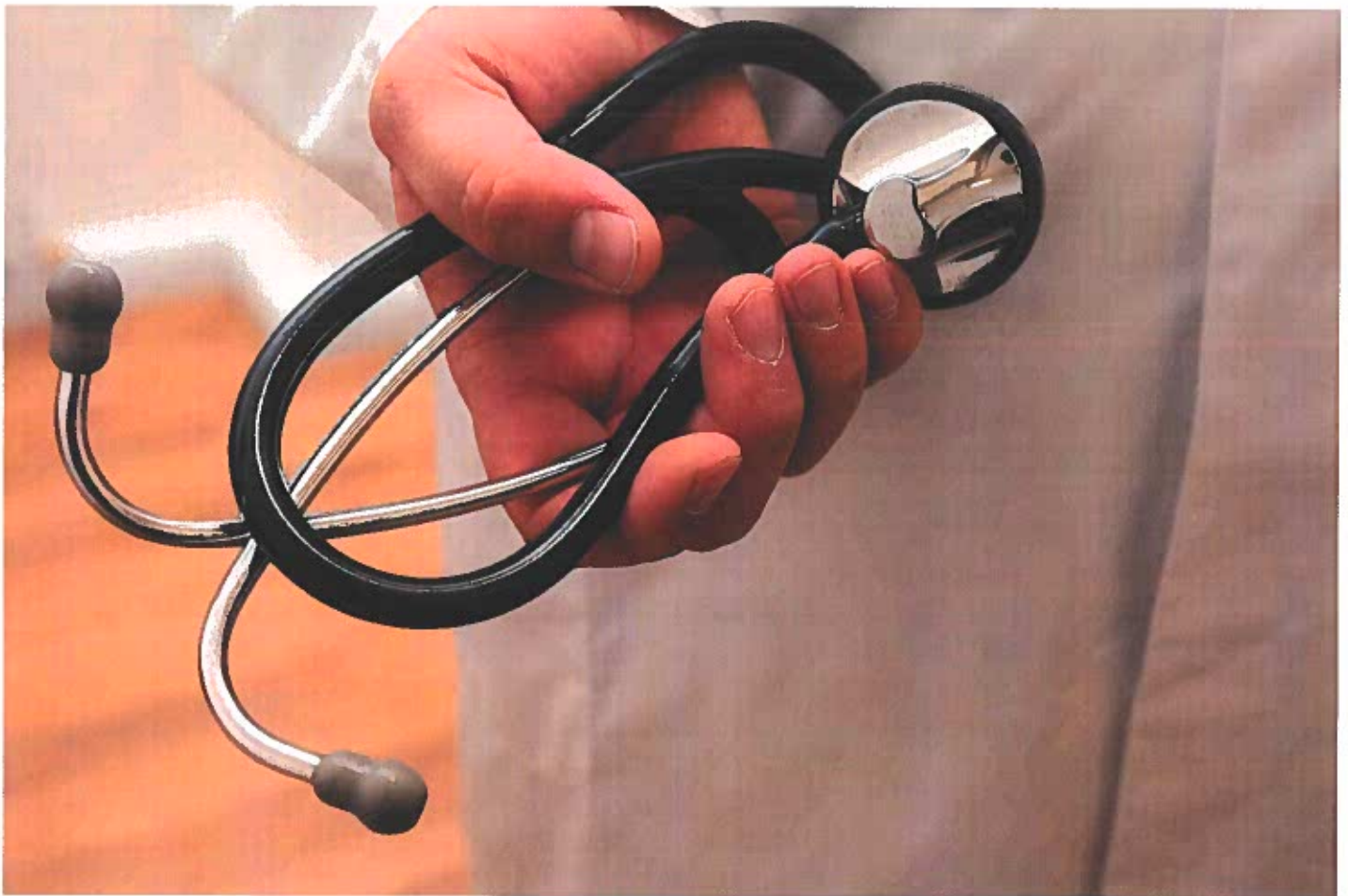
- ✓ **Create a health care program for the uninsured**, modeled on similar initiatives in New York, Massachusetts, and elsewhere, to provide essential healthcare services and address gaps in the current system.
- ✓ **Build on funding** for the existing sources of care for the uninsured, so they can absorb new patients
- ✓ **Reduce unnecessary emergency room admissions** for uninsured patients with nowhere else to get care
- ✓ **Prevent a health care crisis** if hospitals, community health centers, and free clinics close because of financial distress caused by increased uncompensated care

COMMENTARY

Protecting health care is paramount as cuts eliminate coverage for tens of thousands of R.I. patients

If the state can commit to reinvesting Medicaid expenditures, we can still provide lifesaving care, write two state health care advocates

By **Sam Salganik and Elena Nicolella** Updated January 14, 2026, 5:55 a.m.



ADAM BERRY/GETTY IMAGES

The [One Big Beautiful Bill Act](#) (OBBBA), a centerpiece of President Trump's economic agenda, will cause [30,000 to 50,000 Rhode Islanders](#) to lose health insurance in the

next two years. Our relatives, friends, and neighbors will lose access to lifesaving medical care, and the hospitals, health centers, and free clinics providing care to the uninsured will face [significant financial hardship](#).

By terminating these Rhode Islanders' health insurance, the OBBBA also reduces state Medicaid expenditures by more than \$50 million annually. As the governor and legislative leaders work on plans to [mitigate the impact](#) of the OBBBA, we hope that the state will commit to reinvesting these funds, at a minimum, to keep people covered, provide care for the uninsured, and support providers who care for them.

Two provisions of the OBBBA create most of the coverage losses. First, work requirements will cause an estimated [24,000](#) Rhode Islanders to lose Medicaid. Second, the OBBBA will strip coverage from roughly [9,000](#) lawfully present non-citizens, such as refugees and asylees.

Though not part of the OBBBA, enhanced federal subsidies to purchase "Obamacare" plans through [HealthSource RI](#) (HSRI) also expired on Jan. 1. The reduction in these subsidies will make coverage more expensive, and HSRI estimates that [13,000](#) Rhode Islanders will drop coverage over the next two years as a result.

These [coverage losses will devastate](#) low- and middle-income families who rely on Medicaid and HSRI-based coverage. They will also double Rhode Island's uninsured population, [straining safety net health care providers](#) like free clinics, hospitals, and community health centers, which provide care to the uninsured regardless of their ability to pay.

There is a widespread misconception, however, that the OBBBA is a state budget buster. This is not true. While some provisions create state budget pressure, the most significant provisions reduce federal Medicaid expenditures by [restricting Medicaid enrollment](#). Since Medicaid is paid for jointly by state and federal governments, restricting Medicaid enrollment also reduces state-funded Medicaid expenditures.

The [final report](#) of the Rhode Island's Federal Compliance Advisory Group — formed to analyze the impact of the OBBBA — estimates that the Medicaid eligibility restrictions will reduce Rhode Island's state-funded Medicaid expenditures by \$26.6 million in fiscal year 2027 and \$54.8 million in fiscal year 2028 and every year thereafter. This expected reduction in state Medicaid enrollment and expenditures is also highlighted in recent [Office of Management and Budget](#) and [Rhode Island Public Expenditure Council reports](#) describing the state's budget outlook.

The OBBBA's impact on the state budget creates both an opportunity and an obligation. Absent the OBBBA, which all local political leaders opposed, the state was absolutely planning to expend these funds to help low-income Rhode Islanders access health care. Keeping these state dollars on the table to mitigate the OBBBA's impact is the least we can do.

These funds will not be sufficient, however, to make patients or providers whole. While the state is saving \$54.8 million in fiscal year 2028 when roughly 33,000 people lose Medicaid due to the OBBBA, those coverage losses also reduce federal matching funds by \$276.3 million. The care we can provide with \$54.8 million will not look like the care that we can provide with \$333.1 million of combined state and federal funding. But \$54.8 million is still something, and should be the starting point for reinvestments.

Three priorities should drive these investments. First, the state must create programs and systems to help Rhode Islanders maintain health insurance coverage wherever and however possible.

Second, the state must provide access to some basic level of lifesaving care to all uninsured adults. Hospitals, health centers, and free clinics already have free care and sliding scale programs that can serve as models. But these programs need to be strengthened to prepare for an influx of patients, and expanded to close current gaps such as outpatient specialty care and prescription drugs.

Third, the state must direct the resources toward the providers that bear the greatest burden of caring for the uninsured. Hospitals, health centers, and free clinics have legal or mission-driven obligations to care for the uninsured. If these institutions buckle under the strain of caring for so many newly uninsured patients, it will impact all Rhode Islanders.

The OBBBA undoubtedly creates significant challenges for the state, its residents, and its health care system. There is no magic bullet to replace the critical role from which the federal government is retreating. But the state can rise to the challenge, and our leaders have expressed the will to do so.

Together, we can and must craft a plan to ensure continued access to care for all Rhode Islanders, and continued stability for our health care system. For those looking for funds to make this happen, there is an obvious place to start — the funds that the state would have otherwise spent on those whom the OBBBA strips of coverage.

Sam Salganik is the executive director of RIPIN, a statewide nonprofit that helps Rhode Islanders navigate health care, special education, and health aging.

Elena Nicolella is the president and CEO of the Rhode Island Health Center Association, which works to support, sustain, and strengthen Rhode Island's eight community health centers.

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