



To: Senate Committee on Finance
From: Care New England Health System
Date: June 2, 2026
Subject: CNE Testimony in Support of S3330 — An Act Relating To State Affairs And Government -- Medicaid Program Funding And Reallocation Of Enrollment Savings

Dear Chairman DiPalma and members of the Committee,

Care New England (CNE) Health System is a trusted, integrated health care organization that fuels the latest advances in medical research, attracts the nation's top specialty-trained doctors, features nationally recognized services and cutting-edge programs, and engages in the important discussions people need to have about their health. CNE is helping to transform the future of health care, providing a leading voice in the ongoing effort to ensure the health of the individuals and communities we serve. With over 8,000 employees throughout Rhode Island, we are the fourth-largest employer and second-largest health system in the Ocean State.

On behalf of Care New England, I am writing in support of Senate Bill 3330. This legislation offers a prudent and strategic approach to an emerging challenge: anticipated declines in Medicaid enrollment driven by federal policy changes. This bill ensures that any resulting savings are retained within the Medicaid program and reinvested in provider reimbursement, thereby stabilizing the healthcare system and preserving access to care for Rhode Islanders.

Senate Bill 3330 acknowledges that the loss of insurance coverage does not reduce the need for healthcare services. Individuals who lose Medicaid coverage will continue to seek care, often presenting later and requiring more complex and costly interventions. The result will be higher levels of uncompensated care that will further strain an already fragile system.

S3330 ensures that Medicaid savings are not diverted to non-healthcare purposes, but instead are directed toward preserving continued access to essential healthcare services, specifically hospital inpatient and outpatient care, physician services, and Federally Qualified Health Care Centers (FQHCs). Most importantly, this legislation makes these funds additive to existing reimbursement levels.

By reinvesting savings into reimbursement rates, S3330 helps offset the anticipated increase in uncompensated care associated with enrollment declines. This is not purely a financial issue; it is a patient access issue. In the absence of this reallocation of Medicaid savings, providers may be



forced to reduce services, placing increased burden on emergency departments as primary care and behavioral health care resources are further constrained by this loss of funding.

Senate Bill 3330 represents a responsible, forward-looking policy solution to a predictable challenge. It preserves the integrity of the Medicaid program while protecting access to care for Rhode Islanders.

Thank you for your consideration.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Michael Wagner".

Michael Wagner, MD
President and Chief Executive Officer
Care New England Health System