



Michael Sroczyński
President

June 6, 2026

The Honorable Louis P. DiPalma
Chairman, Senate Committee on Finance
Rhode Island State House
82 Smith Street
Providence, Rhode Island 02903

Re: Support – S. 3330

Dear Chairman DiPalma,

The Hospital Association of Rhode Island supports **S. 3330**, which ensures any state budget savings related to federally directed Medicaid enrollment reductions will be retained in the healthcare system and reinvested in healthcare providers through targeted increases in reimbursement.

In July 2025, the United States Congress enacted H.R. 1, also known as the “One Big Beautiful Bill Act”. This troubling federal law will result in dramatic changes to state Medicaid programs and access to care for patients. Initial projections show that 10,000 Rhode Islanders will lose Medicaid coverage in FY2027 and an additional 10,000 will lose coverage in FY2028.

We know that when coverage disappears, medical needs do not. Instead, patients often delay care, their conditions worsen, and when they do end up in our hospitals, their treatment is more resource intensive. The costs associated with this care also don’t disappear - they are instead largely shifted onto hospitals. Hospitals, physicians and community health centers will continue to deliver necessary care, all at a financial loss that imperils an already unstable healthcare system.

Hospitals in Rhode Island absorbed more than \$84 million in uncompensated care in 2024 alone. While a final tally for 2025 is not yet available, initial data show that hospital losses associated with uncompensated will grow beyond \$100 million. Most concerning is the fact that the H.R 1 cutbacks all lay ahead. As new enrollment reductions take effect, uncompensated care losses will grow quickly.

The FY2027 House Finance state budget includes \$26 million in Medicaid DSH funding for hospitals. HARI is greatly appreciative of this funding as it will help mitigate the initial H.R. 1 impact. Yet, the financial challenges ahead for Rhode Island’s healthcare providers are enormous.

S. 3330 will preserve funding intended for Medicaid services within the healthcare system and bolster Medicaid rates for hospitals, physicians and health centers. This important step will help preserve the ability of these providers to support care for all Rhode Islanders.



Michael Sroczynski
President

For all of the reasons highlighted here, HARI respectfully urges the committee to support passage of **S. 3330**.

Thank you for your continued commitment to Rhode Island's patients and the healthcare system they rely upon.

Sincerely,

A handwritten signature in black ink, appearing to read "Lisa P. Tomasso", written over a horizontal line.

Lisa P. Tomasso
Senior Vice President