

June 2, 2026

**Rhode Island State Senate**  
Senate Committee on Finance

Re: **Concerns Regarding S-3330**, Reinvesting Unexpended Medicaid Funds

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 expressing **concerns regarding S-3330**, which would reinvest Medicaid allocations not expended due to reduced caseloads into the healthcare delivery system through increased rates for inpatient and outpatient hospital services, physician services, and federally qualified health center services.

RIPIN **strongly supports the underlying rationale** behind this proposal. The loss of Medicaid coverage will destabilize access to care for *all* Rhode Islanders. Those losing coverage will lose access to the care they need. The providers caring for those Medicaid enrollees will see their bottom lines threatened. And if those providers fail, all Rhode Islanders will suffer.

And RIPIN **strongly supports an approach that does not score reduced Medicaid expenditures as “savings”** for the state. The General Assembly has demonstrated the intent to provide coverage for the people who will lose their Medicaid because of H.R.1. That federal law should have no impact on whether Rhode Island continues to spend Rhode Island dollars on care for those same people.

However, RIPIN is concerned that the approach identified in S-3330 will not adequately protect people losing Medicaid and the providers who treat them, and recommends three changes:

First, **funds reinvested in the health care system should go to providers who see uninsured patients**. S-3330 would invest in FQHCs and hospitals – both of whom are required to treat patients regardless of ability to pay – but it would also invest in private physicians who have no such obligation. S-3330 should require a commitment from benefiting providers to treat the uninsured.

Second, **this funding should be directly tied to treating uninsured patients**. As patients lose their Medicaid, their care needs will not go away. RIPIN would strongly encourage the Committee to ensure that additional funding be tied to demonstrable increases in uncompensated care provided.

Third, **S-3330 would unintentionally incentivize providers not to treat uninsured patients**. Under its current design a provider could treat an uninsured patient, or receive an elevated reimbursement for kicking that patient out of their practice and bringing in a new Medicaid-enrolled patient. RIPIN would encourage modifications to remove that perverse incentive.

RIPIN restates our **strong support for reinvesting Medicaid “savings”** in the delivery system, but **strongly encourages amendments** to S-3330 that would **ensure that providers providing uncompensated care are the primary beneficiaries**, and that participating providers be **incentivized to maximize, not minimize, the uncompensated care they provide** to beneficiaries losing health insurance through no fault of their own. Thank you for the opportunity to provide these comments.

Sincerely,

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