



May 28, 2026

The Honorable Louis DiPalma, Chairman  
Senate Finance Committee  
State House  
Providence, RI 02903

**RE: S3330, Relating to State Affairs and Government – Medicaid Program Funding and Reallocation of Enrollment Savings; Support with Proposed Amendments**

Dear Chairman DiPalma and Honorable Members of the Committee:

On behalf of Tides Family Services (“Tides”), I write to thank Senate Majority Whip David Tikoian for introducing S3330 and to express our strong support for the spirit and intent of this legislation. The principle that savings generated by reductions in Medicaid enrollment should remain within the healthcare system and be reinvested in the providers who continue to serve Rhode Island’s most vulnerable residents is both sound and necessary.

For members of the Committee who may not be familiar with our work: Tides Family Services is a Rhode Island nonprofit organization incorporated in 1983, with a singular mission of serving children and youth, and families across RI who are navigating significant behavioral health, social, and systemic challenges. We serve individuals and families in communities that have historically experienced high levels of poverty, trauma, disinvestment, and barriers to accessing care and opportunity. Our "no-walls" philosophy means we go where the kids are – into homes, schools, and neighborhoods – 24 hours a day, 7 days a week, 365 days a year. Our programs include a range of programming including diversion, family preservation, children’s behavioral health, youth substance use treatment, and educational programming. Tides currently delivers the majority of these services under contract with the Rhode Island Department of Children, Youth and Families (DCYF), serving children involved in the child welfare and juvenile justice systems who have the most significant behavioral health needs in our state. We serve approximately 550 high-risk youth and their families every day statewide.

This context is directly relevant to S3330. As the Committee may be aware, the Executive Office of Health and Human Services has embarked on a Medicaid Transformation project, under which services that Tides and similar providers currently deliver under DCYF contracts will transition to direct Medicaid billing effective July 1, 2027. This means that beginning in the very fiscal year in which this bill’s savings are calculated and reinvested, Tides will be billing Medicaid for services we currently provide to Rhode Island’s most vulnerable children. The decisions made now about how Medicaid reimbursement rates are structured will directly determine the financial viability of our programs.



**TIDES FAMILY SERVICES**

**WE NEVER GIVE UP ON A KID... NEVER!**

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It is therefore of great concern to us that S3330, as currently drafted, directs enrollment-driven savings exclusively to hospitals, hospital outpatient services, physician services, and Federally Qualified Health Centers. Community-based behavioral health providers like Tides – organizations that will be billing Medicaid for children’s services under the State’s own Medicaid Transformation initiative – are not included. This omission would exclude precisely the providers the State is counting on to deliver care to its most vulnerable children through the Medicaid system.

The services Tides provides are not only essential – they are among the most cost-effective investments the State makes in its children. Our 24/7 Children’s Mobile Response and Stabilization Services (MRSS) respond to behavioral health crises in the community, diverting children and families from hospital emergency departments.. Our Home Based Clinical Services keep children stable in their homes and communities, reducing the need for costly out-of-state residential placements and institutional care. The State’s own commitment to community-based care is grounded in this calculus – it is far less expensive, and far better for children, to provide intensive community-based support than to rely on hospital emergency rooms and residential programs. These diversions represent millions of dollars in savings to the State of Rhode Island each year. The financial logic that is embedded in S3330 – reinvesting savings to protect access to care – applies with equal force to the community behavioral health providers making those savings possible.

We respectfully urge the Committee to amend S3330 to broaden the list of eligible provider types in Section 42-169-2(2) to include RI Department of Children Youth and Families (“DCYF”) community-based service array providers – including licensed mental health and substance use disorder treatment organizations and other providers that bill Medicaid for services to children and families. Such an amendment would ensure that the savings generated by enrollment reductions are reinvested across the full Medicaid provider continuum, consistent with the stated intent of the legislation.

We are grateful to Senator Tikoian for his leadership on this issue and stand ready to work with the sponsor and the Committee, to craft language that accomplishes this goal. Thank you for your consideration and for your commitment to Rhode Island’s children and families.

Sincerely,

Beth A. Bixby, LICSW  
Chief Executive Officer  
Tides Family Services



## PROPOSED AMENDMENTS

### 1. 42-169-2(2)

starting on line 19 with the deletion of “and” and the addition of (v) as follows:

(iv) Federally qualified health center services; and

(v) DCYF home and community based service array providers.

### 2. §42-169-1 (Definitions) – Line 9 Add:

As used in this chapter, “DCYF home and community-based service array providers” means providers currently delivering services under contract with the Rhode Island Department of Children, Youth and Families that are scheduled to transition to Medicaid billing pursuant to the EOHHS Medicaid Transformation project.

### 3. §42-169-3(2) (Implementation) – Line 29 Add new section (3) as follows:

(3) EOHHS, in consultation with DCYF, to adjust contract rates for DCYF home and community-based service array providers consistent with the applicable rate structure — whether through DCYF contract amendments pre-transformation or through the Medicaid fee schedule post-transformation — at the same 90% pass-through floor and within the same 180-day implementation window.

Line 29 delete: and

Line 30 change: (3) to (4)

### 4. §42-169-4(5) (Reporting) Add new section (6):

(6) The executive office of health and human services shall submit an annual report to the General Assembly on rate adjustments implemented for DCYF home and community-based service array providers and their compliance with the pass-through requirements established under the amended §42-169-3.