



To: House Finance Committee
From: Karen Malcolm, Protect Our Healthcare Coalition
Date: March 4, 2025
Re: **OPPOSE H5076** -- Article 3, Section 12 –the Office of Internal Audit

The Protect Our HealthCare Coalition is a group of leading Rhode Island non-profits and consumer groups with a goal to protect, improve, and expand equitable access to quality, person-centered, affordable health care for all. The Coalition **opposes H5076-Article 3, Section 12** – the Office of Internal Audit.

Certainly, ensuring program integrity is important, but it is just as important to combat common myths and the denigration of program beneficiaries who, too often, are unfairly targeted by claims of fraud, when, in truth:

Beneficiaries are the victims, not the perpetrators, of fraud.

This fact is well documented by oversight efforts in programs including SNAP and Medicaid. Just one example is a January 2025 analysis by the Georgetown University McCourt School of Public Policy that synthesized oversight findings, concluding that “beneficiary fraud is negligible,” citing several reviews including the U.S. HHS Office of Inspector General who, in March 2024, found it accounted for just two percent of the reported convictions and one tenth of one percent of the recoveries in Medicaid.¹

Given this fact, **Article 3, Section 12 lacks the guardrails needed to protect beneficiaries from harm**, especially those who may unintentionally make a mistake when applying or renewing for benefits, and, given confusing bureaucratic rules and requirements beneficiaries are forced to contend with. It is essential that Rhode Islanders be protected against unwarranted investigations over errors that do not constitute fraud. Further, this budget article even seems to give credence to welfare stereotypes that stigmatize beneficiaries while inappropriately and unnecessarily singling out the poorest members of our state for special scrutiny.

Therefore, we echo the following recommendation of the RI ACLU: “*Since R.I.G.L. § 35-7.1 already gives OAIP the power to investigate public benefits fraud, we urge the deletion of the new language being proposed in section 2 of this chapter as unnecessary and as likely, however unintentionally, to lead to intrusive investigations into innocuous conduct of residents.*”

Thank you.

Protect Our Healthcare Coalition partners include: Economic Progress Institute, RIPIN, Mental Health Association RI, RI Health Center Association, Latino Policy Institute, Central Providence Opportunities: A Health Equity Zone (CPO-HEZ), United Way of Rhode Island, Senior Agenda Coalition RI, RI Medical Society, Planned Parenthood of Southern New England, SEIU Rhode Island Council, American Cancer Society Cancer Action Network, Leukemia/Lymphoma Society, RI Coalition for the Homeless, Rhode Island Working Families Party, Mental Health Recovery Coalition, RI Community Food Bank, RI Psychological Association, Substance Use & Mental Health Leadership Council, Rhode Island Coalition for Children and Families, HousingWorks RI, Rhode Island Organizing Project (RIOP), National Association of Social Workers RI Chapter, The Womxn Project, Advocates for Better Care

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¹ <https://ccf.georgetown.edu/2025/01/10/the-truth-about-fraud-against-medicaid/>