



Howard M. Dulude  
Interim-President

April 1, 2025

The Honorable Susan R. Donovan  
House Health and Human Services Committee  
Rhode Island State House  
82 Smith Street  
Providence, Rhode Island 02903

Re: SUPPORT – H.5832

Dear Chair Murray,

The Hospital Association of Rhode Island (HARI) and its members strongly support H.5832 by Representative Tanzi. This legislation takes a critical step toward strengthening the state's health care infrastructure by temporarily increasing the hospital and population-based contract rate caps by two percentage points.

Rhode Island is the only state in the country that caps commercial reimbursement rates for hospitals. While originally intended to contain cost growth, these caps have significantly limited hospitals' ability to keep pace with rising labor and operational expenses. Compounding this challenge is the fact that commercial rates in neighboring states such as Massachusetts and Connecticut are approximately 20% higher—making it increasingly difficult to recruit and retain clinical talent and maintain service capacity.

H.5832 offers a measured and responsible solution. It preserves the core cost-control framework while allowing for a modest, three-year adjustment—raising the cap to CPI plus 3% for hospital contracts and CPI plus 3.5% for population-based contracts. This approach would generate an estimated \$30 million annually in new resources that can be reinvested in workforce stabilization, patient care services, and improved access to care.

Hospitals are doing everything possible to meet rising demand, but they are operating under immense pressure. H.5832 provides timely and necessary relief that will help hospitals remain competitive, responsive, and sustainable during a period of unprecedented challenge for the health care sector.

We respectfully urge the committee to advance this important legislation. Thank you for your leadership and continued commitment to improving health care access and equity across Rhode Island.

Sincerely,

A handwritten signature in black ink, appearing to read "Lisa P. Tomasso", is written over a faint, light-colored signature line.

Lisa P. Tomasso  
Senior Vice President

Hospital Association of Rhode Island

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