



OFFICE OF MANAGEMENT & BUDGET

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MEMORANDUM

To: The Honorable Marvin L. Abney, Chairman, House Finance Committee
The Honorable Louis P. DiPalma, Chairman, Senate Finance Committee

From: Joseph Codega Jr., Budget Officer *John M. Codega Jr.*

Date: May 22, 2026

Subject: Amendments to FY 2027 Appropriations Act (26-H-7127)

Governor's Budget Amendment #19

The Governor requests that several amendments be made to Article 1 of the FY 2026 Revised Appropriations Act. The amendments include changes to the appropriation amounts in Article 1, Relating to Making Revised Appropriations in Support of FY 2026.

The amendments proposed reflect a variety of technical revisions to recommended appropriations, most notably for updated expenditure estimates adopted by the May 2026 Caseload Estimating Conference, enrollment updates to the education funding formula, and correcting an inadvertent omission with respect to Rhode Island Capital Plan funds.

If you have any questions regarding these amendments, please feel free to call me or my staff at 222-6300.

cc: Sharon Reynolds Ferland, House Fiscal Advisor
Stephen Whitney, Senate Fiscal Advisor
Thomas Verdi, Acting Director of Administration
Brian Daniels, Director, Office of Management and Budget

ARTICLE 1, RELATING TO MAKING APPROPRIATIONS IN SUPPORT OF FY 2027

SECTION 1, APPROPRIATIONS IN SUPPORT OF FY 2027

Executive Office of Health and Human Services

Decrease General Revenue in the Central Management Program, Page 12, Line 23, by \$995,037 from \$94,942,371 to \$93,947,334. This amendment shifts funding from the Central Management program to the Medical Assistance program for funding added in the Governor's Recommended Budget for anticipated wage increases for non-employee personal care attendants in unions that have not yet ratified new contracts (27-EOHHS2).

Decrease General Revenue in the Managed Care Program, Page 12, Line 32, by \$944,901 from \$479,954,645 to \$479,009,744. This amendment consists of six separate adjustments, 1) a decrease of \$1,859,554 to align the level of financing within this category of Medical Assistance expenditure with caseloads as adopted by the May 2026 Caseload Estimating Conference (27-EOHHS1), 2) a decrease of \$2,183 to align the Hospital Inpatient/Outpatient Inflationary Rate Adjustment initiative with the May 2026 Caseload Estimating Conference adopted estimates (27-EOHHS3), 3) an increase of \$460,905 to align the elimination of the Substance Abuse Residential Services (SUD) Inflationary Rate Adjustment initiative with the May 2026 Caseload Estimating Conference adopted estimates (27-EOHHS5), 4) an increase of \$27,399 to align the Glucagon-like Peptide-1 (GLP-1) Coverage Removal initiative with the May 2026 Caseload Estimating Conference adopted estimates (27-EOHHS6), 5) an increase of \$770,709 to align the Federally Qualified Health Center (FQHC) Inflationary Rate Adjustment initiative with the May 2026 Caseload Estimating Conference adopted estimates (27-EOHHS7), and 6) a decrease of \$342,177 to override the Parent and Caregiver Premium Assistance Program initiative as revised cost projections were adopted during the May 2026 Caseload Estimating Conference. This overrides adjustment 27-EOHHS1 included in GBA 2 (27-EOHHS8).

Decrease General Revenue in the Hospitals Program, Page 12, Line 33, by \$6,810,836 from \$147,921,080 to \$141,110,244. This amendment consists of two separate adjustments, 1) a decrease of \$6,824,551 to align the level of financing within this category of Medical Assistance expenditure with caseloads as adopted by the May 2026 Caseload Estimating Conference (27-EOHHS1) and 2) an increase of \$13,715 to align the Hospital Inpatient/Outpatient Inflationary Rate Adjustment initiative with the May 2026 Caseload Estimating Conference adopted estimates (27-EOHHS3).

Increase General Revenue in the Nursing Facilities Program, Page 12, Line 34, by \$2,094,683 from \$200,251,776 to \$202,346,459. This amendment consists of two separate adjustments, 1) an increase of \$2,113,500 to align the level of financing within this category of Medical Assistance expenditure with caseloads as adopted by the May 2026 Caseload Estimating Conference (27-EOHHS1) and 2) a decrease of \$18,817 to align the Nursing Facility Inflationary Rate Adjustment initiative with the May 2026 Caseload Estimating Conference adopted estimates (27-EOHHS4).

Increase General Revenue in the Home and Community Based Services Program, Page 13, Line 1, by \$6,823,119 from \$128,212,807 to \$135,035,926. This amendment consists of three separate adjustments, 1) an increase of \$5,537,370 to align the level of financing within this category of Medical Assistance expenditure with caseloads as adopted by the May 2026 Caseload Estimating Conference (27-EOHHS1), 2) an increase of 995,037 which

represents a shifting of funds from the Central Management program to the Medical Assistance program for funding added in the Governor's Recommended Budget for anticipated wage increases for non-employee personal care attendants in unions that have not yet ratified new contracts (27-EOHHS2), and 3) an increase of \$290,712 to align the Office of the Health Insurance Commissioner's (OHIC) Rate Review initiative with the May 2026 Caseload Estimating Conference adopted estimates (27-EOHHS9).

Increase General Revenue in the Other Services Program, Page 13, Line 2, by \$8,001,444 from \$128,214,236 to \$136,215,680. This amendment consists of six separate adjustments, 1) an increase of \$7,724,808 to align the level of financing within this category of Medical Assistance expenditure with caseloads as adopted by the May 2026 Caseload Estimating Conference (27-EOHHS1), 2) a decrease of \$316 to align the Hospital Inpatient/Outpatient Inflationary Rate Adjustment initiative with the May 2026 Caseload Estimating Conference adopted estimates (27-EOHHS3), 3) an increase of \$585 to align the Nursing Facility Inflationary Rate Adjustment initiative with the May 2026 Caseload Estimating Conference adopted estimates (27-EOHHS4), 4) an increase of \$19,935 to align the elimination of the SUD Inflationary Rate Adjustment initiative with the May 2026 Caseload Estimating Conference adopted estimates (27-EOHHS5), 5) an increase of \$3,346 to align the GLP-1 Coverage Removal initiative with the May 2026 Caseload Estimating Conference adopted estimates (27-EOHHS6), and 6) an increase of \$253,386 to align the FQHC Inflationary Rate Adjustment initiative with the May 2026 Caseload Estimating Conference adopted estimates (27-EOHHS7).

Decrease General Revenue in the Pharmacy Program, Page 13, Line 3, by \$2,237,268 from \$98,981,507 to \$96,744,239. This amendment aligns the level of financing within this category of Medical Assistance expenditure with caseloads as adopted by the May 2026 Caseload Estimating Conference (27-EOHHS1).

Increase General Revenue in the Rody Health Program, Page 13, Line 4, by \$3,824,353 from \$271,026,029 to \$274,850,382. This amendment consists of five separate adjustments, 1) an increase of \$3,448,883 to align the level of financing within this category of Medical Assistance expenditure with caseloads as adopted by the May 2026 Caseload Estimating Conference (27-EOHHS1), 2) an increase of \$1,240 to align the Hospital Inpatient/Outpatient Inflationary Rate Adjustment initiative with the May 2026 Caseload Estimating Conference adopted estimates (27-EOHHS3), 3) a decrease of \$1,671 to align the Nursing Facility Inflationary Rate Adjustment initiative with the May 2026 Caseload Estimating Conference adopted estimates (27-EOHHS4), 4) an increase of \$126,244 to align the FQHC Inflationary Rate Adjustment initiative with the May 2026 Caseload Estimating Conference adopted estimates (27-EOHHS7), and 5) an increase of \$249,657 to align the OHIC Rate Review initiative with the May 2026 Caseload Estimating Conference adopted estimates (27-EOHHS9).

Increase Federal Funds in the Managed Care Program, Page 13, Line 6, by \$8,813,242 from \$680,237,625 to \$689,050,867. This amendment consists of six separate adjustments, 1) an increase of \$7,559,554 to align the level of financing within this category of Medical Assistance expenditure with caseloads as adopted by the May 2026 Caseload Estimating Conference (27-EOHHS1), 2) a decrease of \$3,176 to align the Hospital Inpatient/Outpatient Inflationary Rate Adjustment initiative with the May 2026 Caseload Estimating Conference adopted estimates (27-EOHHS3), 3) an increase of \$629,568 to align the elimination of the

SUD Inflationary Rate Adjustment initiative with the May 2026 Caseload Estimating Conference adopted estimates (27-EOHHS5), 4) an increase of \$37,543 to align the GLP-1 Coverage Removal initiative with the May 2026 Caseload Estimating Conference adopted estimates (27-EOHHS6), 5) an increase of \$1,052,698 to align the FQHC Inflationary Rate Adjustment initiative with the May 2026 Caseload Estimating Conference adopted estimates (27-EOHHS7), and 6) a decrease of \$462,945 to override the Parent and Caregiver Premium Assistance Program initiative as revised cost projections were adopted during the May 2026 Caseload Estimating Conference. This overrides adjustment 27-EOHHS1 included in GBA 2 (27-EOHHS8).

Increase Federal Funds in the Hospitals Program, Page 13, Line 7, by \$2,143,282 from \$293,608,369 to \$295,751,651. This amendment consists of two separate adjustments, 1) an increase of \$2,124,551 to align the level of financing within this category of Medical Assistance expenditure with caseloads as adopted by the May 2026 Caseload Estimating Conference (27-EOHHS1) and 2) an increase of \$18,731 to align the Hospital Inpatient/Outpatient Inflationary Rate Adjustment initiative with the May 2026 Caseload Estimating Conference adopted estimates (27-EOHHS3).

Increase Federal Funds in the Nursing Facilities Program, Page 13, Line 8, by \$2,860,718 from \$273,484,597 to \$276,345,315. This amendment consists of two separate adjustments, 1) an increase of \$2,886,500 to align the level of financing within this category of Medical Assistance expenditure with caseloads as adopted by the May 2026 Caseload Estimating Conference (27-EOHHS1) and 2) a decrease of \$25,782 to align the Nursing Facility Inflationary Rate Adjustment initiative with the May 2026 Caseload Estimating Conference adopted estimates (27-EOHHS4).

Increase Federal Funds in the Home and Community Based Services Program, Page 13, Line 9, by \$7,959,668 from \$175,128,285 to \$183,087,953. This amendment consists of two separate adjustments, 1) an increase of \$7,562,630 to align the level of financing within this category of Medical Assistance expenditure with caseloads as adopted by the May 2026 Caseload Estimating Conference (27-EOHHS1) and 2) an increase of \$397,038 to align the OHIC Rate Review initiative with the May 2026 Caseload Estimating Conference adopted estimates (27-EOHHS9).

Increase Federal Funds in the Other Services Program, Page 13, Line 10, by \$26,567,229 from \$734,939,712 to \$761,506,941. This amendment consists of six separate adjustments, 1) an increase of \$25,533,609 to align the level of financing within this category of Medical Assistance expenditure with caseloads as adopted by the May 2026 Caseload Estimating Conference (27-EOHHS1), 2) a decrease of \$2,841 to align the Hospital Inpatient/Outpatient Inflationary Rate Adjustment initiative with the May 2026 Caseload Estimating Conference adopted estimates (27-EOHHS3), 3) an increase of \$5,267 to align the Nursing Facility Inflationary Rate Adjustment initiative with the May 2026 Caseload Estimating Conference adopted estimates (27-EOHHS4), 4) an increase of \$26,822 to align the elimination of the SUD Inflationary Rate Adjustment initiative with the May 2026 Caseload Estimating Conference adopted estimates (27-EOHHS5), 5) an increase of \$30,110 to align the GLP-1 Coverage Removal initiative with the May 2026 Caseload Estimating Conference adopted estimates (27-EOHHS6), and 6) an increase of \$974,262 to align the FQHC Inflationary Rate Adjustment initiative with the May 2026 Caseload Estimating Conference adopted estimates (27-EOHHS7).

Decrease Federal Funds in the Pharmacy Program, Page 13, Line 11, by \$62,732 from \$418,493 to \$355,761. This amendment aligns the level of financing within this category of Medical Assistance expenditure with caseloads as adopted by the May 2026 Caseload Estimating Conference (27-EOHHS1).

Increase Federal Funds in the Rhody Health Program, Page 13, Line 12, by \$4,716,233 from \$386,619,266 to \$391,335,499. This amendment consists of five separate adjustments, 1) an increase of \$4,203,426 to align the level of financing within this category of Medical Assistance expenditure with caseloads as adopted by the May 2026 Caseload Estimating Conference (27-EOHHS1), 2) an increase of \$1,694 to align the Hospital Inpatient/Outpatient Inflationary Rate Adjustment initiative with the May 2026 Caseload Estimating Conference adopted estimates (27-EOHHS3), 3) a decrease of \$2,290 to align the Nursing Facility Inflationary Rate Adjustment initiative with the May 2026 Caseload Estimating Conference adopted estimates (27-EOHHS4), 4) an increase of \$172,435 to align the FQHC Inflationary Rate Adjustment initiative with the May 2026 Caseload Estimating Conference adopted estimates (27-EOHHS7), and 5) an increase of \$340,968 to align the OHIC Rate Review initiative with the May 2026 Caseload Estimating Conference adopted estimates (27-EOHHS9).

Increase Restricted Receipts in the Medical Assistance Program, Page 13, Line 14, by \$3,589,274 from \$7,350,000 to \$10,939,274. This adjustment aligns the level of financing within this category of Medical Assistance expenditure with caseloads as adopted by the May 2026 Caseload Estimating Conference (27-EOHHS1).

Department of Human Services

Increase General Revenues in the Supplemental Security Income Program, Page 17, Line 10, by \$183,300 from \$16,569,000 to \$16,752,300. This adjustment aligns the level of financing within this category of Cash Assistance expenditure with caseloads as adopted by the May 2026 Caseload Estimating Conference (27-DHS2).

Decrease Federal Funds in the Rhode Island Works program, Page 17, Line 13, by \$22,957,644 from \$109,507,861 to \$86,550,217. This adjustment aligns the level of financing within this category of Cash Assistance expenditure with caseloads as adopted by the May 2026 Caseload Estimating Conference (27-DHS1).

Decrease General Revenues in Other Programs, Page 17, Line 16, by \$431,856 from \$2,452,648 to \$2,020,792. This adjustment aligns the level of financing within this category of Cash Assistance expenditure with caseloads as adopted by the May 2026 Caseload Estimating Conference (27-DHS3).

Behavioral Healthcare, Developmental Disabilities, and Hospitals

Increase General Revenues in the Services for the Developmentally Disabled program, Page 18, Line 11, by \$1,263,450 from \$232,730,377 to \$233,993,827. This adjustment aligns the level of financing within this category of Developmental Disabilities expenditure with caseloads as adopted by the May 2026 Caseload Estimating Conference. The amendment comprises two adjustments (1) A total increase of \$1,943,336 to reflect adopted caseload estimates (27-BHDDH1) and (2) A decrease of \$679,886 to align the OHIC Rate Review initiative with the May 2026 Caseload Estimating Conference adopted estimates (27-BHDDH2).

Increase Federal Funds in the Services for the Developmentally Disabled program, Page 18, Line 12, by \$2,779,550 from \$307,121,997 to \$309,901,547. This adjustment aligns the level of financing within this category of Developmental Disabilities expenditure with caseloads as adopted by the May 2026 Caseload Estimating Conference. The amendment comprises two adjustments (1) A total increase of \$3,742,776 to reflect adopted caseload estimates (27-BHDDH1) and (2) A decrease of \$963,226 to align the OHIC Rate Review initiative with the May 2026 Caseload Estimating Conference adopted estimates (27-BHDDH2).

Elementary and Secondary Education

Increase General Revenue in the Davies Career and Technical School program, Page 20, Line 24, by \$11,148 from \$21,082,757 to \$21,093,905. This adjustment reflects updated enrollment counts as of March 1, 2026, as well as a Student Success Factor weight of 43%, consistent with the Governor's Recommendation, which used October enrollment (27-RIDE1).

Increase General Revenue in the Metropolitan Career and Technical School program, Page 21, Line 8, by \$329,235 from \$14,669,329 to \$14,998,564. This adjustment reflects updated enrollment counts as of March 1, 2026, as well as a Student Success Factor weight of 43%, consistent with the Governor's Recommendation, which used October enrollment (27-RIDE1).

Increase General Revenue in the Education Aid program, Page 21, Line 14, by \$19,005,660 from \$1,292,587,560 to \$1,311,593,220. This adjustment reflects updated enrollment counts as of March 1, 2026, as well as a Student Success Factor weight of 43%, consistent with the Governor's Recommendation, which used October enrollment (27-RIDE1).

Increase General Revenue in the Central Falls School District program, Page 21, Line 21, by \$1,562,803 from \$53,683,500 to \$55,246,303. This adjustment reflects updated enrollment counts as of March 1, 2026, as well as a Student Success Factor weight of 43%, consistent with the Governor's Recommendation, which used October enrollment (27-RIDE1).

SECTION 13. Rhode Island Capital Plan Fund Appropriations through June 30, 2031

Increase Rhode Island Capital Plan Funds for the DEM – Fort Adams Rehabilitation project, Page 40, line 32, increase funding for FY Ending 06/30/2030 by \$500,000 from \$0 to \$500,000. This change reflects a correction to the agency's capital budget submission, which omitted the previously approved FY 2030 outyear request and was inadvertently excluded from the Governor's Recommended Budget (27-DEM1).

Summary of Governor's Article 1 Amendments to FY 2027 Appropriations Act (26-H-7127)

	General Revenue	Federal Funds	Restricted Receipts	Other Funds	Total	Amendment Code (27-AGENCY#)
FY 2027 Expenditures (Original Governor's Recommend)	5,959,039,693	5,643,025,526	460,765,791	2,937,689,227	15,000,520,237	
May 2026 Amendments						
Executive Office of Health and Human Services						
<i>Reconcile to May 2026 CEC Adopted Estimates: Medical Assistance</i>	7,903,188	49,807,538	3,589,274		61,300,000	27-EOHHS1
<i>Personal Care Attendants funding shift</i>	-					27-EOHHS2
<i>Hospital Inpatient/Outpatient Inflationary Rate Adjustment: May CEC Rebase</i>	12,456	14,408			26,864	27-EOHHS3
<i>Nursing Facility Inflationary Rate Adjustment: May CEC Rebase</i>	(19,903)	(22,805)			(42,708)	27-EOHHS4
<i>Eliminating Substance Abuse Residential Services (SUD) Inflationary Rate Adjustment: May CEC Rebase</i>	480,540	656,390			1,136,930	27-EOHHS5
<i>Glucagon-like Peptide-1 (GLP-1) Coverage Removal: May CEC Rebase</i>	30,745	67,653			98,398	27-EOHHS6
<i>Federally Qualified Health Center (FQHC) Inflationary Rate Adjustment: May CEC Rebase</i>	1,150,339	2,199,395			3,349,734	27-EOHHS7
<i>Parent and Caregiver Premium Assistance Program override: May CEC Rebase</i>	(342,177)	(462,945)			(805,122)	27-EOHHS8
<i>Office of the Health Insurance Commissioner's (OHIC) Rate Review: May CEC Rebase</i>	540,369	738,006			1,278,375	27-EOHHS9
Department of Human Services						
<i>Reconcile to May 2026 CEC Adopted Estimates: Rhode Island Works/Child Care Assistance Program</i>		(22,957,644)			(22,957,644)	27-DHS1
<i>Reconcile to May 2026 CEC Adopted Estimates: SSI State Supplemental Payment</i>	183,300				183,300	27-DHS2
<i>Reconcile to May 2026 CEC Adopted Estimates: General Public Assistance</i>	(431,856)				(431,856)	27-DHS3
Behavioral Healthcare, Developmental Disabilities and Hospitals						
<i>Reconcile to May 2026 CEC Adopted Estimates: Developmental Disabilities</i>	1,943,336	3,742,776			5,686,112	27-BHDDH1
<i>Office of the Health Insurance Commissioner's (OHIC) Rate Review: May CEC Rebase</i>	(679,886)	(963,226)			(1,643,112)	27-BHDDH2
Elementary and Secondary Education						
<i>March Enrollment Update</i>	20,908,846				20,908,846	27-RIDE1
Total	31,679,297	32,819,546	3,589,274	-	68,088,117	
Grand Total	5,990,718,990	5,675,845,072	464,355,065	2,937,689,227	15,068,608,354	