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HARI STATEMENT ON LOCAL TAXATION OF HOSPITALS

HARI has significant concerns about the impact H5782, an act related to the taxation of real or personal property owned by nonprofit hospitals, will have on the future of healthcare delivery in Rhode Island.

HARI is supportive of the portion of the Mayor Smiley's initiative which taxes commercial businesses housed in properties owned by hospitals. However, the legislation as currently written goes far beyond the stated intent. If enacted, H.5782 would authorize cities and towns to tax hospital owned real estate occupied by not-for-profit physician groups directly connected to a hospital's mission. If enacted, this legislation will allow the City of Providence to create an additional financial burden on our already struggling non-profit hospitals and primary care physicians.

With a record number of physicians leaving Rhode Island because our reimbursement rates are below the national average, and hospitals continuing to sustain revenue losses due to workforce shortages and other environmental factors, we encourage state and local leaders to work with hospitals and healthcare providers to amend this legislation and promote policies that strengthen the Rhode Island healthcare workforce and support access to primary care in the community.