



Testimony of Ross Connolly
Regional State Director, Americans for Prosperity
To the Joint Standing Committee on Health Coverage, Insurance, and Financial Services
March 11th, 2025

RE: Americans for Prosperity Support of L.D. 743, An Act to Increase the Availability and Affordability of Health Care by Eliminating Certificate of Need Requirements

Dear Chair Bailey, Chair Mathieson, and Members of the Joint Standing Committee on Health Coverage, Insurance, and Financial Services,

On behalf of Americans for Prosperity, a nationwide grassroots advocacy organization that works to increase opportunities for all Americans, I am submitting the following comments regarding L.D. 743, An Act to Increase the Availability and Affordability of Health Care by Eliminating Certificate of Need Requirements.

Countless studies have shown that Certificate of Need (CON) laws have been ineffective at their stated purpose: lowering health care costs, increasing access to services, and ensuring high quality of care. In practice, CON laws do the opposite. Compared to states without, states with CON laws are associated with higher patient spending, fewer medical facilities, and inferior patient outcomes.¹

States were initially compelled by the federal government to adopt CON laws or risk their health care funding. In 1986, Congress reversed this action and every presidential administration since has called for the total repeal of CON laws throughout the country.² Unfortunately, 35 states and Washington, D.C. have ignored this guidance and still have CON laws on their books.

Maine currently regulates 15 broad categories of health care facilities, services, and equipment through its CON requirements.³ According to the Mercatus Center, Mainers would save an average of \$271 a year on health care spending in the absence of CON laws. The researchers estimate that Maine residents would also benefit from a 5.4% decrease in post-surgery complications and would rate their experiences

1. Matthew D. Mitchell, "Do Certificate-of-Need Laws Limit Spending?," Mercatus Center at George Mason University, September 29, 2016, <https://www.mercatus.org/research/working-papers/do-certificate-need-laws-limit-spending>; Thomas Stratmann and Christopher Koopman, "Entry Regulation and Rural Health Care: Certificate-of-Need Laws, Ambulatory Surgical Centers, and Community Hospitals," Mercatus Center at George Mason University, February 18, 2016, <https://www.mercatus.org/research/working-papers/entry-regulation-and-rural-health-care-certificate-need-laws-ambulatory>; and Thomas Stratmann and David Wille, "Certificate-of-Need Laws and Hospital Quality," Mercatus Center at George Mason University, September 27, 2016, <https://www.mercatus.org/research/working-papers/certificate-need-laws-and-hospital-quality>.

2. Americans for Prosperity Foundation, <https://americansforprosperityfoundation.org/wp-content/uploads/2024/04/AFPF-CON-AdminQuotes.pdf>.

3. Matthew D. Mitchell, Anne Philpot, and Jessica McBirney, "CON Laws in 2020: About the Update," Mercatus Center at George Mason University, February 19, 2021, <https://www.mercatus.org/publication/con-laws-2020-about-update>.

at hospitals 4.3% more favorably.⁴ There is no doubt that Maine’s CON laws are keeping Mainers from accessing safe and affordable health care. As Maine’s population inevitably increases and ages, the health care marketplace will only become further strained, inaccessible, and expensive — especially for the state’s most vulnerable populations.

Americans for Prosperity is appreciative of the reforms proposed in **L.D. 743** and applauds Representative Libby for her important work in introducing this bill. Maine should join the growing trend of states and formulate a plan to fully repeal all the state’s CON laws through the passage of this legislation. We appreciate the Legislature opening this subject up for comment and are hopeful that Maine’s health care market will see these needed changes for the good of all Mainers and the state itself.

With gratitude,

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4. “Certificate-of-Need Laws: Maine State Profile,” Mercatus Center at George Mason University, March 19, 2021, <https://www.mercatus.org/media/73876/download?attachment>.

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LD 743

Please See PDF Attached File.