



Testimony in Support of LD 743:

“An Act to Increase the Availability and Affordability of Health Care by Eliminating Certificate of Need Requirements”

Senator Bailey, Representative Gramlich, and the distinguished members of the Committee On Health Coverage, Insurance and Financial Services, my name is Harris Van Pate, and I serve as policy analyst for Maine Policy Institute. Maine Policy is a free market think tank, a nonpartisan, non-profit organization that advocates for individual liberty and economic freedom in Maine. Thank you for the opportunity to testify in support of LD 743, “An Act to Increase the Availability and Affordability of Health Care by Eliminating Certificate of Need Requirements.”

Maine’s Certificate of Need (CON) laws create artificial barriers to healthcare expansion, preventing new providers from entering the market and limiting competition.¹ By requiring healthcare facilities to obtain government approval before expanding services, adding new medical equipment, or establishing new facilities, these laws empower bureaucrats and incumbent providers rather than patients. The result is a system that stifles innovation, restricts patient choice, and inflates costs.

The original intent of CON laws was to control healthcare costs by preventing unnecessary duplication of services.² However, decades of evidence have demonstrated that these regulations do not achieve their intended purpose. Instead, they protect incumbent providers from competition, reduce the supply of available healthcare services, and drive up patient prices.³ States that have repealed or reformed their CON laws have seen increased investment in healthcare infrastructure, greater access to care, and more competitive pricing.⁴ Maine should follow suit and eliminate these outdated and counterproductive restrictions.

The impact of CON laws is particularly harmful in rural parts of states like Maine, where geographic barriers already limit healthcare access. Under the current system, new providers face significant hurdles in establishing facilities that could serve underserved populations.⁵ The bureaucratic process is time-consuming and costly, often deterring investment and innovation. This disproportionately affects low-income and rural residents, who already face challenges in accessing timely and affordable care.

¹ <https://ascnews.com/2024/10/study-con-laws-stifle-asc-growth-raise-health-care-costs-and-limit-access/>

² <https://www.ncsl.org/health/certificate-of-need-state-laws>

³ <https://standtogether.org/stories/health-care/certificates-need-hidden-harms-health-care>

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<https://www.healthcaredive.com/news/states-curb-certificate-of-need-con-laws-boost-bed-capacity/736306/#:~:text=Repealing%20CON%20laws%20would%20allow,overcrowding%20during%20the%20next%20pandemic.>

⁵ <https://www.wabi.tv/2025/02/28/investigatetv-weekend-alarming-ambulance-delays-put-patients-risk/>



Healthcare providers should be able to respond to patient demand without unnecessary government interference. By eliminating CON requirements, Maine can foster a more dynamic healthcare market where providers can expand, innovate, and compete to deliver better care at lower costs. Increased competition will encourage efficiency and quality improvements while ensuring patients have more treatment options.

Eliminating the Certificate of Need requirement is necessary for a more patient-centered health care system. It would remove arbitrary regulatory barriers that benefit entrenched interests at the expense of consumers. Maine has an opportunity to modernize its healthcare regulations and create an environment that encourages investment and expansion in healthcare services.

For these reasons, Maine Policy Institute urges the committee to vote “Ought to Pass” on LD 743. Patients, not government regulators, should determine the availability of health care services. Thank you for your time and consideration.