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Alliance for Addiction and Mental Health Services, Maine The unified voice for Maine's community behavioral health providers

Testimony in Opposition to

An Act to Enhance Transparency and Value in Substantial Health Care Transactions by Changing the Review and Approval Process for Those Transactions – LD 1972

May 20, 2025

Good afternoon, Senator Bailey, Representative Mathieson, and honorable members of the Committee on Health Coverage, Insurance and Financial. My name is Adam Bloom-Paicopolos. I am a resident of Wells and am proud to serve as the Executive Director of the Alliance for Addiction and Mental Health Services, Maine (the Alliance). The Alliance is the statewide association representing Maine's community-based behavioral health agencies who provide mental health and substance use services to over 80,000 children, adults, and families annually. The Alliance advocates for the implementation of sound policies and evidence-based practices that serve to enhance the quality and effectiveness of our behavioral health care system.

On behalf of the Alliance, I am here today to speak in opposition to LD 1972, "An Act to Enhance Transparency and Value in Substantial Health Care Transactions by Changing the Review and Approval Process for Those Transactions."

While we appreciate the intent behind LD 1972 – to promote transparency, ensure thoughtful stewardship of health care resources, and safeguard against private equity overtaking healthcare in Maine – we must respectfully oppose this legislation in its current form.

Our concerns stem from the unintended consequences LD 1972 will have on community-based behavioral health providers that are already operating under immense financial strain. Community behavioral health providers across Maine are navigating significant challenges that threaten sustainability and access to care – severe workforce shortages, unprecedented demand, and unsustainable reimbursement rates. For many of our members, strategic partnerships, whether through mergers or acquisitions, are essential to survival and sustained availability of services to the communities they serve.

Such transactions are often done in close partnership with the Department of Health and Human Services to prevent the loss of critical services for those who rely on them. The additional regulatory requirements proposed under LD 1972 will create new administrative and legal burdens that discourage these necessary collaborations or delay critical decisions. Two recent examples of community-based nonprofit providers stepping up to preserve services include Spurwink and Tri-County Mental Health as well as Kennebec Behavioral Health and Crisis & Counseling Centers. Had the cumbersome barriers proposed by LD 1972 been in place, these transactions at times of financial distress would not have been possible – and the

communities of Augusta and Lewiston would have been tremendously impacted with the sudden loss of core mental health, substance use disorder, and crisis services.

Our providers are already subject to robust state and federal oversight, including licensure, accreditation, and funding agency reporting requirements. We urge the Committee to consider the fragile state of the behavioral health system in Maine and to ensure that additional regulatory reforms focused on other facets of the healthcare ecosystem do not further complicate or obstruct efforts to maintain sustainable, community-centered care networks.

For these reasons, we respectfully request that the committee vote "Ought Not to Pass" on LD 1972 or consider an amendment that exempts in-state nonprofit healthcare providers to maintain the intent of this legislation without imposing overly restrictive barriers on existing community providers stepping up to preserve our system of care.

Thank you for the opportunity to provide testimony this afternoon. I would be happy to answer any questions from the Committee.

Respectfully,

Adam Bloom-Paicopolos, MPP

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Executive Director