

Testimony in support of LD1972

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

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Senator Bailey, Representative Mathieson and members of the Health Coverage, Insurance and Financial Services Committee. My name is Julie Pease and I live in Topsham. I have practiced psychiatry in Maine since 1987. I am testifying in support of LD1269, An Act to Enhance Transparency and Value in Substantial Health Care Transactions by Changing the Review and Approval Process for Those Transactions.

Experience throughout the country demonstrates that when private equity companies take over hospitals, the quality and accessibility of care suffers. I offered specific examples and references in my earlier testimony in support of LD985. These examples are applicable to LD1972 as well:

[Profits over patients: The Harmful Effects of Private Equity on the U.S. Health Care System, www.grassley.senate.gov/imo/media/doc/profits_over_patients_budget_staff_report.pdf “Changes in Patient Care Experience After Private Equity Acquisition of US Hospitals” Bhatla, Bartlett, Liu et al. JAMA. 2025;333(6):490-497. [doi:10.1001/jama.2024.23450](https://doi.org/10.1001/jama.2024.23450) “Changes in hospital adverse events and patient outcomes associated with private equity acquisition”. Kannan, Bruch, Song. JAMA. 2023;330(24):2365-2375. [doi:10.1001/jama.2023.23147](https://doi.org/10.1001/jama.2023.23147) “[Infections and falls increased in private equity-owned hospitals](#)” NIH Research Matters, Jan 23, 2024]

The presence of healthcare businesses that are focused on financial return on investment rather than patient care is growing. While private capital can present opportunities in the health care sector, it can also pose serious risks. Maine needs a much more specific and detailed process to review potential healthcare acquisitions by private equity and other for-profit entities.

From my perspective as a physician, and as a patient that may need services in the future in a hospital or physician practice owned by one of these entities, I would want to know that they have been closely vetted at the time of acquisition AND that they are subject to ongoing review. I hope this legislation will accomplish that.

In my opinion, a moratorium on private equity acquisitions of hospitals (LD985) should also be voted Ought to Pass, effective for at least one to two years. This would prevent private equity from rushing to acquire hospitals while LD1927 is being implemented. And, it will allow time for the review process to become established for non-hospital entities (health care providers, health provider organizations, pharmacy benefits managers and carriers) before taking on any reviews of hospital acquisitions.

Please vote Ought to Pass on LD1972.
Thank you.