

To: Members of the Committee on Housing and Economic Development
From: Marc Restuccia, Orland Maine
Date: May 21, 2025
Subject: LD 1943,
Resolve, to Establish a Commission to Study the Role of Private Equity in
Maine's Economy and in Key Economic Sectors
Sponsor: Representative PUGH of Portland.

I wish to briefly state my support for the above named bill. By way of explanation I am a retired Emergency Physician who currently lives in Orland Maine. I spent my entire professional career working in Massachusetts at The UMass Chan Medical School/UMass Memorial Medical Center. My testimony represents my personal views and not that of my former employer.

I have seen Private Equity firms assume ownership of vibrant, thriving health care systems and bleed them of assets and capacity. The end result, all too often has been hollowed out medical institutions who at best, no longer serve the public in their traditional manner and at worse offer inferior care and or close entirely. The sad case scenario of the Steward Health Care system comes immediately to mind. This once thriving health care system was driven to bankruptcy after years of eroding operations. The end result was the people of Massachusetts suffering not only inferior health care, but the cost of patching together a new health care framework.

Private equity firms have likewise taken over ownership of Emergency Departments and their staffing. The typical result of these acquisitions is the care of patients being subjected to the new owners desperate need to generate income. The effect on the morale and functioning of the medical professionals in these departments has been devastating. In the end, the only "winners" are the private equity owners, who walk away with their profits. Meanwhile, the physicians, nurses, patients and communities suffer irreparable harm.

This bill would at least begin to address the perils faced to Maine's companies and communities. Critical industries such as health care, energy, housing and nursing homes must be protected from being hollowed out for profit by these types of corporations. With increased transparency and hopefully accountability we can protect these industries. More importantly we can protect all of Maine's citizens who rely on these vital industries for health and well being.

Thank you
Respectfully

Marc C. Restuccia, MD
217 Long Point Way
Orland, ME 04472