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Maine Coast Hospital  
Mayo Hospital  
Mercy Hospital  
Northern Light Health Foundation  
Northern Light Pharmacy  
Sebastiack Valley Hospital

**LD 189 An Act to Increase Availability and Affordability of Mental Health  
Care and Substance Use Disorder Services by Removing the  
Certificate of Need Requirement**

**LD 743 An Act to Increase the Availability and Affordability of Health Care  
by Eliminating Certificate of Need Requirements**

**Testimony in Opposition  
March 11, 2025**

Senator Bailey, Representative Mathieson and members of Health Coverage, Insurance and Financial Services Committee, my name is Lisa Harvey-McPherson RN. I am providing testimony on behalf of Northern Light Health and our member organizations speaking in opposition to these bills. Northern Light Health member organizations include 10 hospitals located in southern, central, eastern and northern Maine, nursing facilities, air and ground ambulance, behavioral health, addiction treatment, pharmacy, primary and specialty care practices and a state-wide home care and hospice program. Ninety three percent of Maine's population lives in the Northern Light Health service area. Northern Light Health is also proud to be one of Maine's largest employers with more than 10,000 employees statewide.

Today Maine is one of 35 states with a Certificate of Need program, our program dates back to 1978. Over time various legislatures have evaluated our CON program and implemented changes that increased the regulatory burden and then later relaxed the regulatory burden. With all of the review, analysis and input both for and against, policy makers have always come to agreement that the general framework of a Certificate of Need program should exist as a health planning tool to balance investment of limited resources and the provision of care and services to Maine citizens. Healthcare is not a free market; federal and state governments have a significant funding role and set reimbursement rates without negotiating.

The financial underpinning of healthcare in Maine is based on not-for-profit community based providers and the interdependent balance of commercial, governmental and charity care. Maine's Certificate of Need process supports investment of resources for the critical healthcare needs of our communities maintaining a delicate balance of competition, quality and volume of services. In our predominately large and rural state, this balance is critical to maintain local access to health care services.

My health care colleagues will focus on general repeal of Maine's certificate of need law. I will transition my testimony to focus on repeal of CON for mental health care and substance use disorder services.

Maine's CON law is focused on projects with significant financial investments or transfer of ownership or control of a health care facility. It is in the public interest to have regulatory review of projects with multimillion dollar expenditures. For behavioral health providers it is the large psychiatric hospital projects, like the recent hospital construction and renovation project at Northern Light Acadia Hospital, that meet the threshold for review. On June 10<sup>th</sup> 2021 Northern Light Acadia Hospital submitted a letter of intent for the project with an estimated cost of \$26 million dollars. The review by the CON team at DHHS was thorough and efficient. We received a preliminary analysis approving the project on September 2<sup>nd</sup> and the project was approved by the Commissioner of DHHS on October 6, 2021. Northern Light Acadia Hospital expanded our inpatient bed capacity to 100 beds and began admitting patients in January of 2024. As a not-for-profit organization our mission is to care for the people of Maine and we do so irrespective of their ability to pay for services.

Non- hospital based behavioral health and substance use disorder services are not capital-intensive organizations. In general, they are outpatient service locations with an ambulatory population that enters and leaves the building receiving counselling and group therapy. Eliminating CON requirements for this type of service will have no effect on community based behavioral health services since this type of provider doesn't meet the threshold for project review. But there is real risk in eliminating CON for inpatient based care as national for-profit behavioral health/substance use disorder hospitals can enter into Maine's health care market with the sole purpose of caring for commercially insured patients leaving caring for the poor and uninsured to not for profit organizations like Northern Light Health.

In the end Certificate of Need provides a regulatory investment framework that reflects the realities of conducting the business of healthcare in a market dominated by government payers and commitment to care and services irrespective of ability to pay. We strongly urge you to oppose both bills before you today.

Thank you.

Certificate of Need State Laws

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