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Testimony of the Division of Licensing and Certification  
Maine Department of Health and Human Services

Before the Joint Standing Committee on Health Coverage, Insurance and Financial Services

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

Sponsor: Representative Libby  
Hearing Date: March 11, 2025

Senator Bailey, Representative Mathieson and members of the Committee on Health Coverage, Insurance and Financial Services. My name is Bill Montejo, I am the Director of the Division of Licensing and Certification for the Department of Health and Human Services (DHHS/DLC or the “Division”).

This bill is a proposal to eliminate Maine’s Certificate of Need process which is an issue that has been addressed previously in the 130<sup>th</sup> and 131<sup>st</sup> legislative sessions. If this is passed this would eliminate the Department’s ability to review ownership transfers, acquisitions of major medical equipment, capital expenditures exceeding certain thresholds, new health services, new healthcare facilities, and changes in bed complements. This would hinder the Departments’ ability to support effective health planning, ensure access to cost-effective health care services and ensure that state funds are used prudently in the provision of health care services and ensure public participation in the process of determining the array, distribution, quantity, quality and cost of these health care services.

The Certificate of Need process is geared towards ensuring that new healthcare services and facilities are addressing healthcare needs in a geographic area so that the costs associated with introducing the services results in a sustainable health care service with reasonable health care costs to the MaineCare system. The intent of restricting duplicative services is to foster collaboration among health care providers in areas where there is no need for the duplicative services and equipment. The Certificate of Need process does not prohibit duplicative services in areas where the applicant has demonstrated there are insufficient services and a need for new capital expenditures to meet a community need.

I would be happy to address any questions you have.