



Richard A. Bennett
Senator, District 18

THE MAINE SENATE
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3 State House Station
Augusta, Maine 04333

**Joint Standing Committee on Health Coverage, Insurance and Financial
Services on LD 985, An Act to Impose a Moratorium on the Ownership or
Operation of Hospitals in the State by Private Equity Companies or Real
Estate Investment Trusts
May 6, 2025**

Good morning, Senator Bailey, Representative Mathieson, and distinguished members of the Joint Standing Committee on Health Coverage, Insurance and Financial Services:

I am Senator Rick Bennett of Oxford, and I have the privilege of representing the people of 14 wonderful communities in Western Maine. I am pleased to cosponsor of LD 985, "An Act to Impose a Moratorium on the Ownership or Operation of Hospitals in the State by Private Equity Companies or Real Estate Investment Trusts."

Let me begin by saying that health care in Maine today is a far cry from what it was when I was growing up. Back then, medicine was local and personal. Many of us had family doctors we knew by name, who lived in our towns, whose kids went to school with ours. Today, most of those small, independent practices have been absorbed by large hospital systems. While these systems have often stepped in out of necessity, to prevent service disruptions, it is undeniable that we have lost something in the process — something deeply rooted in trust, accessibility, and community.

Now we face another threat — a newer, more insidious one. As hospitals across our state grapple with financial pressures, they may be tempted by outside buyers promising fast relief. But not all lifelines come without strings. Increasingly across the country, we see private equity firms and real estate investment trusts — entities with no medical expertise or community accountability — taking over struggling nonprofit hospitals. Their business model is not subtle: cut services, raise costs, and extract profit. When the returns aren't high enough, they close shop. And it's the people — our people — who are left behind.

We've already got challenges in rural health care. In parts of Maine, it's not unusual to drive 30, 45 minutes, or more just to see a doctor. If a hospital closes because it no longer serves a financial interest, that drive can become two hours. For an elderly patient, for someone without reliable transportation, or for someone in the middle of a medical emergency — that can be the difference between life and death.

We are at a crossroads. Do we continue to let out-of-state investors with no stake in our communities buy up the institutions that safeguard our health? Or do we pause — as LD 985 proposes — and give ourselves time to assess, to protect, and to preserve what matters most?

LD 985 establishes a five-year moratorium on private equity and REIT ownership of hospitals in Maine. This is not a ban. This is a timeout — a deliberate, responsible pause — to ensure that our

Legislature and regulatory agencies have the tools and insight necessary to prevent profiteering at the expense of public health.

We cannot afford to be reactive when it comes to health care. We must be proactive, especially when the well-being of our citizens is on the line. I urge you to support this thoughtful and necessary legislation.

Thank you for your time and your consideration.