

Mathieson

Senator Bailey, Representative ~~Crannin~~ and members of the Health Coverage, Insurance and Financial Services Committee. My name is Julie Pease and I live in Topsham. As a practicing psychiatrist since 1987, I want to speak of what Private Equity will mean for patients here in Maine. We can't be focused just on finances. After all it is the patients, you and me, for which our healthcare system exists"

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As recent events have demonstrated, hospitals here in Maine are on shaky financial ground, which to my mind, make them vulnerable targets for raiding by private equity. As a physician and a patient and a family member, this prospect is alarming.

Experience throughout the country demonstrates that when private equity companies take over hospitals, the quality and accessibility of care suffers.

A Bipartisan U.S. Senate Budget Committee Report¹, published this January, exposed how private equity firms prioritize profits over patients and patient care. Senator Chuck Grassley (R-Iowa): "Under private equity ownership, wait times at Ottumwa Regional Health Center have gone up as patient experience has gone down. The diminishing quality of care, service availability and care capacity at the hospital is forcing Ottumwa residents to travel significant distances in order to receive appropriate treatment."

A January 2025 study² published in JAMA compared 73 private equity-acquired hospitals with 293 matched control hospitals. The investigators found that patient care experience worsed after private equity acquisition, as did patient-reported staff responsiveness. Not only did patient care worsen, but the difference in these measures of patient care experience at PE-acquired hospitals, compared with matched control hospitals, increased with each subsequent year after acquisition.

A December 2023 study³, funded in part by NIH, showed that hospitals saw a 25% increase in hospital-acquired conditions after PE acquisition relative to the control group. PE acquisition was associated with a 27% increase in falls and a 38% increase in infections after central line placement. The authors also found that PE-owned hospitals were more likely to transfer sick patients to other hospitals during their stay. In an interview⁴ about the study, one of its authors, Dr. Zurui Song, commented: "We had previously found that private equity acquisitions led to higher charges, prices, and societal spending. Now, we're learning that there are also downstream concerns for the clinical quality of care delivered to hospital patients."

Please vote "Ought to Pass" on LD 985, to allow time for you, our legislators, to come up with solutions that will protect our hospitals, so that they can maintain or improve the vital patient care that they deliver for all of us.

Thank you for your time.

¹ 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

² "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

³ "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

⁴ "Infections and falls increased in private equity-owned hospitals" NIH Research Matters, Jan 23, 2024.