

Testimony on LD 985 An Act to Impose a Moratorium On The Ownership or Operation of Maine Hospitals by Private Equity Investors. May 5, 2025

Senator Bailey, Representative Mathiesen and Honorable Committee members.

I am Jane Pringle, a retired Primary Care physician, and I live in Windham. I am testifying in strong support of LD985.

I will share a story about an Emergency Physician, whose experience working in a Private Equity owned hospital is told in the book These Are The Plunderers: How Private Equity Runs –and Wrecks- America, by financial reporters Gretchen Morgenson and Joshua Rosner (Simon and Shuster 2023)

The physician is a former army doctor named Ray Brovont who was hired in 2012 as Medical Director of the Emergency Department at Overland Park Medical Center in Kansas City Kansas. Overland Park is owned by Hospital Corporation of America (HCA) which had contracted with EmCare, a hospital staffing company to manage it. EmCare was owned by private equity firm Clayton, Dubilier and Rice at the time, but was sold in 2018 to KKR (Kolberg, Kravis and Roberts, best known as Leveraged Buyout kings) under the name of Envision.

Dr. Brovont's job was to ensure that The Level II Trauma Center met the requirements to provide 24 hr immediate coverage by various specialties needed to respond to problems. He had seen combat in Iraq. His 7 years in the army taught him to tackle problems quickly after they arose. He brought that paradigm to the civilian side of practicing medicine. "The goal was to identify an issue before there was a bad outcome."

The problem arose when he tried to update the policy regarding "code blues", the distress calls for help when a patient was no longer breathing or did not have a pulse. ER docs were called to code blues elsewhere in the hospital leaving the ER without a physician to handle code blues there.

As the hospital expanded services adding a pediatric emergency room the lone ER doctor might need to be 3 places at once. The solution was to always have two emergency room doctors in the ER so it was covered when the other was called away. Without this staffing, not only were patients at risk, but the hospital was

violating the Guidelines for Level II Trauma Centers set out by The American College of Surgeons. It also was violating the federal law, EMTALA, requiring an ER physician to be immediately available for anyone arriving with urgent needs.

Dr. Brovont expressed his concerns to his superior Patrick McHugh, an executive with EmCare. He was told there was no money to hire another physician. Brovont kept pushing. McHugh asked if he would like a promotion to another hospital nearby. McHugh preferred to finish the work he had started at Overland.

In July, 2016 Brovont convened a meeting with McHugh and all the ER physicians. He spoke of the violations of federal law that the code blue policy represented and the anxiety it was causing among the doctors. McHugh was upset.

A short time later he emailed Brovont and his colleagues. "HCA is a for-profit company traded on the New York Stock Exchange. Many of their staffing decisions are financially motivated. EmCare is no different. Profits are in everyone's best interest."

Brovont was fired by EmCare and in 2017 and he sued EnCare for "wrongful discharge in violation of public policy." In 2020, after appeals, a jury found in his favor.

The book details the information learned "in discovery" about how EnCare skirted laws to enable their profits. It also provides results of academic studies (Yale School of Public Health) which measure patient harm, injuries and excess deaths.

I urge you to vote "ought to pass" on this important bill and am happy to answer any questions.