



MaineHealth



Northern Light Health



Maine Hospital Association

**Testimony of Sarah Calder, MaineHealth, Maine Hospital Association,
and Northern Light Health in Opposition to LD 1578,
“An Act to Require the Department of Health and Human Services to
Review Disruption to or Removal of Health Services”
May 7, 2025**

Senator Bailey, Representative Mathieson, and distinguished members of the Health Coverage, Insurance and Financial Services Committee, I am Sarah Calder, Senior Government Affairs Director for MaineHealth, and I am here to testify on behalf of the Maine Hospital Association, Northern Light Health, and MaineHealth in opposition to LD 1578, “An Act to Require the Department of Health and Human Services to Review Disruption to or Removal of Health Services.”

Maine’s Certificate of Need statute requires a subsequent review and approval of an already approved project within 3 years if the following occur:

- A. There is a significant change in financing;
- B. There is a change affecting the licensed or certified bed capacity as approved in the certificate of need;
- C. There is a change involving the addition or termination of the health services proposed to be rendered;
- D. There is a change in the site or the location of the proposed health care facility; or
- E. There is a substantial change proposed in the design of the health care facility or the type of construction.

LD 1578 proposes extending that review period indefinitely if there is a significant disruption or removal of a health care service.

I have shared with this Committee numerous times this Session that these are increasingly difficult times for our hospitals in Maine. Hospitals are on week 9 of delayed and reduced MaineCare reimbursements due to the failure to pass an emergency Supplemental Budget, Congress is considering \$880 billion in Medicaid cuts, and the President just released a proposed budget calling for even more dramatic cuts. Hospitals in Maine are surviving day-to-day, with many having less than 30 days cash on hand. The only thing we know about the future is that it will be different, and extending the CON subsequent review process beyond the current 3 years, likely will not change the outcome.

We’ve had one hospital and three birthing units announce their closure just in the past few weeks. These closures were based on several reasons, like workforce challenges, inadequate reimbursement rates, and low birth volumes. These are not easy decisions or ones that are taken

lightly. But, at the end of the day, these issues are largely outside of the control of the Department – with the exception of reimbursement rates – or the hospital or community, and we fail to see how a subsequent review could have changed the outcome.

While we appreciate and share the sponsor's concern about the challenging health care landscape, changing the CON process will not result in a different outcome in these difficult situations. The CON process cannot hire more providers, increase the number of births, or address the myriad of issues that cause changes to services. Instead, we would urge the Legislature (and Congress) to ensure that reimbursement rates are adequate to cover the cost of providing care, invest in growing our workforce, and address the lack of affordable housing and childcare, particularly in our rural areas.

Thank you, and I would be happy to answer questions.