



**Testimony of Angela Westhoff, President & CEO
Maine Health Care Association**

Testimony neither for nor against before the Committee on Health Coverage, Insurance, and Financial Services

**LD 1972, An Act to Enhance Transparency and Value in Substantial Health Care Transactions by
Changing the Review and Approval Process for Those Transactions**

Public Hearing: Tuesday, May 25, 2025, at 1:00 PM

Senator Bailey, Representative Mathieson, and Distinguished Members of the Committee on Health Coverage, Insurance and Financial Services:

My name is Angela Cole Westhoff, and I serve as the President & CEO of the Maine Health Care Association. We represent approximately 200 nursing homes, assisted living centers, and residential care facilities across the state. Our mission is to empower members to ensure the integrity, quality, and sustainability of long term care in Maine.

I am testifying neither for nor against **LD 1972, An Act to Enhance Transparency and Value in Substantial Health Care Transactions by Changing the Review and Approval Process for Those Transactions**. It is our understanding that nursing facilities would be exempt from this approval process and would continue to follow the current Certificate of Need (CON) process. The language in Part A of the bill references 22 MRSA §329, sub-§1 and explicitly clarifies that this section of law would pertain only to transfer of ownership; acquisition by lease, donation, transfer; acquisition of control of a nursing facility.

However, it does not appear that assisted living facilities, residential care facilities, or Private Non-Medical Institutions (PNMIs) would be exempt from the proposed regulatory approval process in LD 1972. The definition of “health care entity” in this bill is far broader than what is defined in the CON Act, which does not apply to residential care facilities. As a result, it seems likely that the bill would subject some entities providing this level of care (those large enough to meet the \$10 million asset or

revenue threshold) to an unprecedented level of prior approval requirements for a wide variety of transactions. Including residential care facilities in this new regulatory system, when they have never been subjected to such scrutiny under CON, seems inconsistent with exempting nursing facilities from this new approach. We would strongly urge the committee to exempt assisted living, residential care, and Private Non-Medical Institutions (PNMIs) from this bill explicitly.

If they are not excluded, then we have significant concerns with the overly broad and sweeping proposal to create a far reaching oversight system, in some instances including relatively commonplace transactions such as real estate leases, especially given how little time remains in this legislative session for policy makers to fully consider this proposal. The language in this bill includes broad oversight powers, and it lists a wide variety of transactions that would be subject to approval and post-transaction monitoring. This is deeply concerning to us, and we would be opposed to such changes without a more comprehensive process to solicit feedback from health care providers. This type of policy could have serious negative impacts on a health care sector like long term care, which is already extremely fragile.

Maine has experienced over 50 nursing home closures and/or conversions to lower acuity care in the last 10 years. We already have an access-to-care problem. This proposal could exacerbate that problem if it creates barriers to transitions or change of ownership. Moreover, the regulation of reductions in services has enormous implications – it is unsustainable to impose obligations to continue providing service without simultaneously guaranteeing adequate reimbursement for the costs of doing so.

Thank you for the opportunity to comment.