



Office of Affordable Health Care

January 7th, 2025

Senator Donna Bailey

Representative Kristi Mathieson

Members of the Joint Standing Committee on Health Coverage, Insurance, and Financial Services

Cross Building, Room 220

100 State House Station

Augusta, ME 04333

Senator Bailey, Representative Mathieson, and members of the Joint Standing Committee on Health Coverage, Insurance, and Financial Services;

I am Ceilidh Shea, Policy Analyst at the Office of Affordable Health Care. Thank you for the opportunity to testify in support of LD 1890.

The Executive Director of the Office served on the Commission to Evaluate Scope of Regulatory Review and Oversight Over Health Care Transactions, which has recommended the committee adopt the changes included in LD 1890. LD 1890 will align the regulations governing new facilities with those that apply to other projects subject to Certificate of Need by increasing the monetary threshold that requires CON review and approval to establish a new health care facility and requiring that amount be adjusted annually. In current law, the establishment of a new facility is the only project reviewed that has not annually been indexed to inflation. The increase from three to five million reflects a retroactive application of the annual adjustment to ensure these project thresholds are caught up to other expenditures that have been historically adjusted. LD 1890 will align the regulations governing new facilities with those that apply to other projects subject to Certificate of Need.

Adjusting the threshold to reflect current costs and updating it annually helps ensure that oversight remains focused on projects of significance, while taking steps to address concerns about barriers to entry for new facilities with the potential to increase access and lower the costs of care for patients. I encourage you to support the timely and appropriate changes made in LD 1890.

Thank you for your time, and I welcome any questions.

Sincerely,

Ceilidh Shea, Policy Analyst
Office of Affordable Health Care