



**Maine Medical
Association**



**TESTIMONY OF THE MAINE MEDICAL ASSOCIATION
AND
THE MAINE OSTEOPATHIC ASSOCIATION**

In Opposition To

**LD 2190 - An Act To Implement Certain Changes In The Certificate Of Need Laws Recommended
By The Commission To Evaluate The Scope Of Regulatory Review And Oversight Over Health Care
Transactions That Impact The Delivery Of Health Care Services In The State**

And

**LD 2201 - An Act To Implement Certain Recommendations Related To The Regulatory Review
And Approval Of Certain Health Care Transactions Involving Private Equity Companies, Hedge
Funds Or Management Services Organizations From The Commission To Evaluate The Scope Of
Regulatory Review And Oversight Over Health Care Transactions That Impact The Delivery Of
Health Care Services In The State**

Joint Standing Committee on Health Coverage, Insurance and Financial Services
Room 220, Cross Building, Augusta, Maine
Wednesday, February 18, 2026

Good Afternoon, Senator Bailey, Representative Mathieson, and Members of the Joint Standing Committee on Health Coverage, Insurance, and Financial Services. My name is Andrew MacLean, and I am the CEO of the Maine Medical Association. I am submitting this testimony in opposition to both **LD 2190 - An Act To Implement Certain Changes In The Certificate Of Need Laws Recommended By The Commission To Evaluate The Scope Of Regulatory Review And Oversight Over Health Care Transactions That Impact The Delivery Of Health Care Services In The State** and **LD 2201 - An Act To Implement Certain Recommendations Related To The Regulatory Review And Approval Of Certain Health Care Transactions Involving Private Equity Companies, Hedge Funds Or Management Services Organizations From The Commission To Evaluate The Scope Of Regulatory Review And Oversight Over Health Care Transactions That Impact The Delivery Of Health Care Services In The State** on behalf of the Maine Medical Association and the Maine Osteopathic Association.

The Maine Medical Association (MMA) is a professional organization representing more than 4,300 allopathic and osteopathic physicians, residents, and medical students in Maine. MMA's mission is to support Maine physicians, advance the quality of medicine in Maine, and promote the health of all Maine people. The Maine Osteopathic Association (MOA) is a professional organization representing more than 1,200 osteopathic physicians, residents, and medical students in Maine whose mission is to serve the Osteopathic profession of the State of Maine through a coordinated effort of professional education, advocacy, and member services in order to ensure the availability of quality osteopathic health care to the people of this State. The MMA and MOA's legislative committees have joined to advocate with one voice.

As an initial matter, we want to thank all of the members of the Commission to Evaluate Regulatory Review and Oversight of Health Care Transactions. They had to cover a lot of ground in a short amount of time, and we appreciated the collegiality of the discussions. We delivered and submitted comments to that Commission on October 8, 2025.¹ In those comments, we raised three points for the members to consider as they deliberated potential legislation.

- Recognize that Maine healthcare organizations **act rationally and in good faith** when making decisions in response to the various struggles they face, including but not limited to the financing, administrative burdens, and need for investment.
- Understand the importance of **inventorying the regulatory tools** already available to avoid layering new regulations without purpose.
- Value **preserving physician autonomy and choice** as it is in society's interest and because it is the critical basis for ensuring career satisfaction, avoiding burnout, and delivering high-quality care to patients. Physicians' choice of practice setting is important not only for physician recruitment and retention in our state, but also for ensuring patients have a choice of practice settings in which to seek care.

We have kept these considerations at the top of mind as we reviewed whether and how to weigh in on the eight bills reported out of the Commission. We also have an obligation to honor the diversity of our membership, from hospital-based physicians to solo practitioners. The decisions made by this Legislature can, from time to time, affect them differently based on where they work.

For example, a minority of physicians today, both in Maine and nationwide, choose an independent private practice model. Both Associations have long supported these members. These members strongly oppose any additional state regulation of business transactions involving independent, private practices and would request to be carved out of mandates, given that they are not afforded the same privileges as non-profit entities.

We ask the Committee to remember that these practices are an important part of Maine's small business sector, supported by physicians' personal investment, tax payments that support the community, and the employment of many fellow Mainers in clinical and administrative positions. We ask that you be as cautious about adding regulatory burden to these small businesses, just as you would to small businesses in tourism, forest products, manufacturing, or maritime sectors of our economy.

As for LD 2190 and LD 2201, we believe they would expand regulatory oversight in ways that create significant new burdens for all of our members. A few specific notes for this Committee to consider:

First, we grouped these two bills together because of their focus on private equity. We are very concerned that the increased state regulatory reach and burden proposed in these bills on private equity financing could have a severely negative impact on the environment for private practice in Maine.

¹ [10.8 Comments Commission to Evaluate the Scope of Regulatory Review and Oversight over Health Ca...](#)

We have worked hard, against strong market forces over the past twenty years, to preserve an environment for private practice in Maine, and we believe these bills would have a chilling effect on a specific financing mechanism. Again, we believe that private medical practices, like most other small businesses, should have all financial tools available to them to ensure viability to give patients choices in the site of medical service.

We acknowledge that Steward Health Care's experience in nearby Massachusetts has drawn the deserved attention of policymakers. However, here in Maine, there appears to be little experience with private equity financing in health care. We are aware of the use of private equity financing in Maine only in the private medical practices of ophthalmology and orthopedics - two in ophthalmology and one in orthopedics.

It is noteworthy that we have no experience with private equity financing in the hospital sector in Maine, as all Maine hospitals are currently nonprofit, community-based organizations. A private equity firm could not acquire one of Maine's current hospitals without the hospital first undergoing the same public process for conversion of its non-profit status to for-profit that was required of Blue Cross Blue Shield of Maine before Anthem's acquisition of the insurer. This was a months-long legal process with the Bureau of Insurance, involving extensive public stakeholder input. MMA was among the consumer and health care organizations that intervened in the process and achieved significant public benefit conditions in the order of approval, including the seed funding that formed the Maine Health Access Foundation.

While very few private medical practices in Maine have used private equity financing, our members in independent, private practice believe it should remain an option without new regulatory hurdles and costs. A practice in our state recently had a positive experience creating a new practice with private equity support, in which the physicians retained sufficient clinical, operational, and financial control to protect their interests and those of their patients. When asked about these bills, the Managing Partner of the new group responded as follows:

Being a surgeon in private practice who recently partnered with private equity, I can so far share a positive experience. I do not think private equity is the absolute monster that is often described to be. Particularly in a state like Maine, where we have difficulty recruiting as it stands, PE is a way to recruit talent to the area and bring in expertise in subspecialty practice management that doesn't exist here.

Second, we believe that expanding the requirements of CON and imposing further regulatory oversight would increase transaction costs, create uncertainty, and potentially discourage investments and partnerships. We believe we should give healthcare entities more tools to succeed, not limit them, and if limitations are needed, then there should be significant buy-in from all involved.

For example, for physician-owned and small group practices, access to capital and management support can be essential to maintaining services, adopting new technologies, and continuing to serve their communities.

Finally, we are not taking a position on LD 2190, adding access and affordability to CON. However, we would ask this Committee to consider the original intent of the CON framework. We believe the CON process was designed to evaluate the need for major capital investments and the efficient use of health care resources and not to assess financing structures or impose broader

policy judgments about ownership models. We worry that expanding CON in this way risks introducing subjectivity and delay into an already complex process, which we believe would discourage innovation and investment in Maine's health care system. We think there are other tools to address access and affordability.

Thank you for considering our thoughts. Please let me know if you have any questions.

Thank you,

Andrew MacLean, JD