



Maine Hospital Association

MAINE'S LEADING
VOICE FOR HEALTHCARE

Testimony Neither For Nor Against

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

February 18, 2026

Senator Bailey, Representative Mathieson and members of the Health Coverage, Insurance and Financial Services Committee, I am Jeffrey Austin and I am here on behalf of the Maine Hospital Association to testify neither for nor against LD 2190.

We support section 9 of the bill but would suggest that it get amended. We believe section 9 is really the best short-term approach to the fears some have expressed about private equity firms coming into Maine healthcare.

Section 9 should be written to say that if a private equity firm is involved in a transaction that requires either AG review or CON review, then the state may obligate the firm to fund a third-party expert who can help the state dissect the transaction and look for potential risks.

Below are proposed amendments that we think are more consistent with the Commission vote.

Sec. 9. 22 MRSA §335, sub-§5-A, ¶J is enacted to read:

J. With regard to a project that involves a transfer of ownership or acquisition of control of a health care facility pursuant to section 329, subsection 1, an analysis by the staff of the department of the extent to which the applicant's ownership structure involves a private equity company or real estate investment trust and the impact of that ownership structure on the ability of the applicant to meet the conditions set forth in subsection 1 and subsection 7. **IF THE TRANSACTION INVOLVES PRIVATE EQUITY**, The department shall contract with a consultant funded by the applicant to review and investigate the prior activities and conduct of any private equity company or real estate investment trust associated with the project, **TO REVIEW THE PROPOSED TRANSACTION FOR THE PURPOSE OF IDENTIFYING UNDUE RISKS TO THE VIABILITY OF THE HEALTH CARE FACILITY**, and may also consult with the Attorney General to complete the analysis required by this paragraph.

With respect to **Section 6** of the bill, we do not support the addition of two new criteria to CON reviews as proposed.

First, we don't think they are necessary as I believe the CON unit has testified that they can do this now.

Second, it is important that the Legislature give DHHS direction as to what is meant by "affordability" and "accessibility" and this legislation does not do that.

If you are to proceed with section 6, we strongly encourage you to keep both accessibility and affordability in the law. An affordability criteria should not be offered without the corresponding accessibility standard.

Thank you for accepting this testimony from the Maine Hospital Association.