



Maine Hospital Association

MAINE'S LEADING
VOICE FOR HEALTHCARE

Testimony Neither For Nor Against

LD 2198 - *An Act to Implement Certain Recommendations Related to the Ratio of Debt to Equity in Transactions Involving Health Care Entities 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*

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 2198.

We believe the terms of this legislation should be restricted to transactions involving private equity owned facilities only. The Commission heard no commentary about the risks of equity ratios outside of those that involve private equity.

We believe the majority of our members are above the 50% debt-equity threshold in the bill and would thus be barred by line 26 of this legislation from ever entering any transaction of any kind. Ever.

We don't collect debt equity data, but MHDO does collect equity financing ratio data. Its not exactly the inverse of debt equity, but we believe it is close enough for your purposes. Every hospital on the following MHDO equity financing page that is *below 50% equity financing* could be *considered above the 50% debt-equity* ratio in this legislation.

Please restrict this legislation to private equity transactions.

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

Equity Financing

Hospital Name	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Peer Group A					
Central Maine Medical Center	2.20%	25.98%	26.78%	34.53%	30.28%
Maine Medical Center	11.16%	26.06%	32.08%	37.86%	41.50%
MaineGeneral Medical Center Augusta	29.62%	33.99%	33.24%	32.79%	31.10%
NLH Eastern Maine Medical Center	24.26%	33.18%	30.54%	32.30%	21.90%
Peer Group B					
Mid Coast Hospital	56.73%	74.46%	65.95%	64.42%	71.22%
NLH AR Gould Hospital	21.57%	20.19%	9.24%	17.69%	3.42%
NLH Mercy Hospital	17.68%	20.89%	18.23%	21.33%	23.10%
Pen Bay Medical Center	61.17%	63.48%	69.51%	72.42%	76.60%
Southern Maine Health Care	42.07%	50.51%	53.49%	62.55%	66.06%
St. Joseph Hospital	36.33%	45.47%	31.08%	33.05%	43.21%
St. Mary's Regional Medical Center	42.08%	36.34%	(1.83%)	(24.77%)	(29.31%)
York Hospital	33.91%	43.12%	48.02%	42.73%	26.44%
Peer Group C					
Cary Medical Center	48.03%	56.82%	66.27%	68.32%	65.25%
Franklin Memorial Hospital	50.99%	55.45%	57.36%	62.34%	69.33%
NLH Inland Hospital	(4.68%)	3.93%	(34.31%)	(45.33%)	(156.82%)
NLH Maine Coast Hospital	10.81%	10.88%	19.93%	28.67%	27.70%
Northern Maine Medical Center	47.90%	53.54%	40.83%	39.83%	40.37%
Peer Group D					
Bridgton Hospital	68.80%	52.06%	45.66%	61.71%	65.64%
Calais Regional Hospital	(21.51%)	19.67%	27.61%	29.05%	34.73%
Down East Community Hospital	32.59%	51.70%	61.08%	63.21%	62.06%
Houlton Regional Hospital	11.46%	32.24%	45.43%	45.68%	46.64%
LincolnHealth	79.40%	83.56%	79.13%	69.70%	65.22%
Millinocket Regional Hospital	22.80%	48.68%	49.25%	56.05%	40.68%
Mount Desert Island Hospital	39.89%	43.70%	57.39%	56.64%	56.12%
NLH Blue Hill Hospital	38.86%	46.44%	52.36%	42.94%	47.01%
NLH C.A. Dean Hospital	26.80%	49.66%	48.38%	30.09%	34.51%
NLH Mayo Hospital	12.37%	30.13%	45.41%	71.24%	65.26%
NLH Seabasticook Valley Hospital	59.12%	72.45%	82.50%	81.14%	79.42%
Penobscot Valley Hospital	(26.98%)	28.72%	31.01%	16.19%	8.16%
Redington-Fairview General Hospital	58.78%	69.31%	70.23%	76.08%	77.75%
Rumford Hospital	53.45%	50.33%	52.17%	52.37%	60.65%
Stephens Memorial Hospital	48.31%	52.97%	66.34%	64.46%	71.47%
Waldo County General Hospital	82.47%	81.24%	77.52%	67.48%	73.50%
Peer Group E					
Maine Behavioral Health	45.68%	77.12%	75.80%	68.10%	75.56%
NLH Acadia Hospital	46.04%	57.55%	62.62%	34.82%	44.79%
Peer Group F					
New England Rehabilitation Hospital	49.31%	27.08%	41.95%	51.85%	37.14%
All Maine Hospitals Median	39.37%	47.56%	48.20%	48.77%	45.72%

† - data not applicable