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Testimony Neither For Nor Against L.D. 2200

An Act to Prohibit Noncompete Clauses for Health Care Professionals as 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 Joint Standing Committee on Health Coverage, Insurance, and Financial Services:

My name is Dan Demeritt, the Executive Director of the Maine Association of Health Plans. Insurance coverages offered or administered by our member plans provide access to care and better outcomes for many of the Mainers who receive coverage through an employer plan or the individual market. Our mission is to improve health by promoting affordable, safe, and coordinated health care.

The Maine Association of Health Plans does not take a position on the underlying intent of L.D. 2200 and its attempt to reduce restrictions on the employment of physicians and other licensed health care professionals as it relates to their areas of clinical practice.¹

However, there are definitional and structural elements of the bill that warrant refinement to avoid unintended effects on health insurance carriers and other entities that employ health care professionals in non-clinical roles as well as for practitioners with ownership interests.

Health Care Practitioner Acting Within Their Licensed Clinical Role

The definition of a “health care practitioner” as proposed in Section 1 of the bill is overly broad and would apply to many health plan employees who maintain their professional licenses but serve in administrative, pharmacy, clinical review, and utilization review roles—not direct patient care.

The definition would also apply to professionals working in sales and other corporate functions who retain their credentials but are not engaged in clinical practice.

In both examples a health insurance carrier may appropriately request a non-compete clause as a condition of employment to protect their trade secrets and proprietary information from being shared with a competing carrier without restricting a person’s ability to accept employment as a health care provider.

¹ <https://legislature.maine.gov/doc/12215> Commission Report, Dec. 2025, P. 21

Ownership-Interest Exception Should Mirror Existing Maine Law

We also encourage the Committee to carry forward an important principle that already exists in Maine’s non-compete law for veterinarians with an ownership interest in the facility. A comparable exception for health care practitioners who hold an ownership stake in a health care organization ought to be permitted as non-compete protections serve the legitimate purpose of preserving business value and protecting proprietary information—not limiting the clinician’s ability to practice medicine.

If the Committee wishes to advance this bill, we urge it to consider narrowing the health care practitioner term to apply to practitioners acting within their licensed clinical role.

Thank you for your consideration.

