



Northern Light Health
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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

Testimony in Opposition

February 18, 2026

Northern Light Health
Acadia Hospital
AR Gould Hospital
Blue Hill Hospital
CA Dean Hospital
Eastern Maine Medical Center
Home Care & Hospice
Maine Coast Hospital
Mayo Hospital
Mercy Hospital
Sebastcook Valley Hospital
Northern Light Health Foundation
Northern Light Medical Transport
& Emergency Care
Northern Light Pharmacy
Northern Light Work Health

Senator Bailey, Representative Mathieson and member of the Health Coverage, Insurance & Financial Services Committee, my name is Lisa Harvey-McPherson RN and I am the Vice President of Government Relation for Northern Light Health. I am here today testifying in opposition to this bill.

Northern Light Health organizations include 9 hospitals located in southern, central, eastern and northern Maine, nursing facilities, air and ground ambulance, behavioral health, addiction treatment, pharmacy, primary and specialty care practices and a state-wide home care and hospice program. Ninety three percent of Maine's population lives in the Northern Light Health service area. Northern Light Health is also proud to be one of Maine's largest employers with more than 10,000 employees statewide.

During 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 Commission members discussed private equity and hedge fund practices in other states that include a private equity purchase resulting in mandated management service organization services for the health care entity at payment rates that drain cash and direct profit oriented business practices. We believe this was the intent of including management services organizations in this bill. Unfortunately, this bill goes far beyond the MSO arrangement discussed by Commission members and we believe negatively impacts health systems like Northern Light Health.

Northern Light Health is a statewide health care system with a parent organization structure that provides a variety of management services to organization members. Examples include centralized human resources, legal services, finance , risk management, and contracted services that benefit all of our member organizations. We are facing a finically challenging, high risk and uncertain healthcare environment and our ability to consolidate costs and achieve efficiencies is essential business practice. We establish contracts with business partners that bring value to our health system and the communities we serve. Contracts for clinical lab services, nutrition and environmental services resulted in significant savings while providing our patients and member organizations with high quality services. Contracts with a national health care

business partner bring national level expertise and resources to Northern Light Health revenue cycle, care management services, clinical and business information systems along with data analytic resources. Savings are achieved when the healthcare infrastructure costs are eliminated in a contracted services model.

The bill before you today would subject health systems to a burdensome regulatory review process that we believe the Commission intended to align with private equity, hedge fund transactions and not so broad that not for profit health care systems in Maine are brought into the onerous structure envisioned by this bill.

Throughout the Commission discussions hospital members emphasized support for the existing Certificate of Need regulatory structure and recommendations to strengthen the CON division with financial resources, provided by the private equity entity, to effectively evaluate private equity and hedge fund transactions in Maine. We believe this is the right government structure for oversight of these health care transactions.

We ask that you oppose this legislation.

Thank you.