

Janet T. Mills
Governor

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Commissioner



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May 11, 2023

Senator Donna Bailey, Chair
Representative Anne Perry, Chair
Members, Joint Standing Committee on Health Coverage, Insurance, and Financial Services
100 State House Station
Augusta, ME 04333-0100

Re: LD 1399 - *An Act to Improve State Oversight of Proposed Health Care Entity Transactions*

Senator Bailey, Representative Perry, honorable members of the Committee on Health Coverage, Insurance, and Financial Services:

Thank you for the opportunity to provide information on LD 1399, *An Act to Improve State Oversight of Proposed Health Care Entity Transactions*.

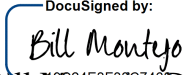
The Division of Licensing and Certification (DLC) and Department of Health and Human Services (DHHS) shares concerns about market consolidation in healthcare. While this can provide a safety net for facilities and services that are less lucrative, it can also create access issues and limit consumer options with respect to cost and quality.

This bill defines a material change transaction involving a health care entity, creates a process for review of a material change transaction and requires the Attorney General to review and approve or deny any material change transaction.

However, DLC believes this proposed bill overlaps, and in some ways duplicates, our current Certificate of Need (CON) statute and the subsequent responsibilities and functions of DHHS (See Title 22 §329). DHHS currently has oversight over the finances (including audit, rate-setting, CON, and data analytics) and quality (licensing) of many of the providers cited in the proposed bill. This bill creates similar functions and responsibilities in the Attorney General's Office (OAG).

I want to thank you for your consideration of this issue. I would be happy to answer any questions you may have and can be available for your work session if needed.

Sincerely,

DocuSigned by:

Bill Montejó, Director
Division of Licensing and Certification