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

BACKGROUND MATERIALS

The Commission was established by the Legislature following consideration of proposed legislation by the Health Coverage, Insurance and Financial Services Committee during the most recent legislative session. The substantive duties of the Commission reflect the issues raised by the following bills related to the regulatory review and oversight of health care transactions:

- 1. <u>LD 985</u>, An Act to Impose a Moratorium on the Ownership or Operation of Hospitals in the State by Private Equity Companies or Real Estate Investment Trusts
- 2. <u>LD 1578</u>, An Act to Require the Department of Health and Human Services to Review Disruption to or Removal of Health Services (*original proposed bill was amended into Resolve 2025*, *chapter 106 to establish commission*)
- 3. <u>LD 1972</u>, An Act to Enhance Transparency and Value in Substantial Health Care Transactions by Changing the Review and Approval Process for Those Transactions

In addition, the links to the additional resources described below may also be of interest.

Resources Related to Certificate of Need Laws in Maine and Other States and State Legislative Proposals to Address Oversight of Health Systems and Health Care Markets

- 1. Maine's Certificate of Need laws, Maine Revised Statutes, Title 22, chapter 103-A https://legislature.maine.gov/legis/statutes/22/title22ch103-Asec0.html
- 2. Department of Health and Human Services, Division of Licensing and Certification, Healthcare Oversight webpage https://www.maine.gov/dhhs/dlc/healthcare-oversight
- 3. National Academy of State Health Policy Legislation Tracker: 50-State Scan of State Certificate-of-Need Programs

 https://nashp.org/state-tracker/50-state-scan-of-state-certificate-of-need-programs/
- NCSL Webinar Recording, Health Care Consolidation and Competition: State Actions and Innovations, November 13, 2024 https://www.ncsl.org/events/details/health-care-consolidation-and-competition-state-actions-and-innovations
- 5. National Academy of State Health Policy Toolkit: States' Efforts to Understand and Address Health Care Consolidation

 https://nashp.org/states-efforts-to-understand-and-address-health-care-consolidation/
- NCLS Database of State Legislative Proposals Related to Health Care Costs, Coverage and Delivery https://app.powerbi.com/view?r=eyJrIjoiNDNINTJjNzItNjQyNS00NjVmLTk4MjItZDYzZjBINTQ0
 ZDA2IiwidCI6IjM4MmZiOGIwLTRkYzMtNDEwNy04MGJkLTM10TViMjQzMmZhZSIsImMiOjZ9

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- 7. National Academy of State Health Policy Legislation Tracker: 2024 State Legislation to Lower Health System Costs https://nashp.org/state-tracker/state-legislative-action-to-lower-health-system-costs/
- 8. Kinsler S. Separating the Haves from the Have-Nots: State Options for Targeted Application of Hospital Affordability Policies. Milbank Memorial Fund. September 25, 2025

 https://www.milbank.org/publications/separating-the-haves-from-the-have-nots-state-options-for-targeted-application-of-hospital-affordability-policies/?utm_medium=email&utm_campaign=Milbank%20Monthly%20September%202025&utm_content=Milbank%20Monthly%20September%202025+CID_68306f116e963a76610ea76c8a866d33

 &utm_source=Email%20Campaign%20Monitor&utm_term=Separating%20the%20Haves%20from%20the%20Haves

 Nots%20State%20Options%20for%20Targeted%20Application%20of%20Hospital%20Affordability%20Policies
- 9. Hostert N, Ryan AM. Rhode Island's Health Care Affordability Standards: Lessons for Other States Seeking to Control Health Care Spending. Milbank Memorial Fund. September 16, 2025 https://www.milbank.org/wp-content/uploads/2025/09/RIAffordability_Issuebriefs_final.pdf

Resources Related to the Role of Private Equity in Health Care Markets

- 1. "Private Equity's Role in Health Care" (explainer), David Blumenthal, Commonwealth Fund, Nov. 17, 2023 https://www.commonwealthfund.org/publications/explainer/2023/nov/private-equity-role-health-care
- "HEALTH CARE CONSOLIDATION: Published Estimates of the Extent and Effects of Physician Consolidation", Report to Congressional Committees, Government Accountability Office https://files.gao.gov/reports/GAO-25-107450/index.html?gl=1*1svxvo4*ga*NDQ3MjgwNTEuMTc1ODgyMDAxMQ..*gaV393SNS3SR*czE3NTg4MjAwMTEkbzEkZzAkdDE3NTg4MjAwMTEkajYwJGwwJGgw
- 3. U.S. Department of Health and Human Services HHS "Consolidation in Health Care Markets RFI Response Report" prepared by the HHS Office of the Secretary (OS), in consultation with the U.S. Department of Justice and the U.S. Federal Trade Commission https://www.hhs.gov/sites/default/files/hhs-consolidation-health-care-markets-rfi-response-report.pdf
- 4. "URBAN HOSPITALS: Factors Contributing to Selected Hospital Closures and Related Changes in Available Health Care Services", Report to Congressional Requesters, Government Accountability Office https://files.gao.gov/reports/GAO-25-106473/index.html
- 5. "PROFITS OVER PATIENTS: THE HARMFUL EFFECTS OF PRIVATE EQUITY ON THE U.S. HEALTH CARE SYSTEM", Senate Budget Committee Bipartisan Staff Report January 2025 https://www.grassley.senate.gov/imo/media/doc/profits_over_patients_budget_staff_report.pdf

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- 6. Private Equity and the Corporatization of Health Care, Stanford Law Review, March 2024 https://review.law.stanford.edu/wp-content/uploads/sites/3/2024/03/Fuse-Brown-Hall-76-Stan.-L.-Rev.-527.pdf
- 7. JULY 2024 HPC POLICY BRIEF, "Private Equity Investments in Massachusetts Health Care and State Policy Opportunities", Massachusetts Health Policy Commission https://masshpc.gov/sites/default/files/2024_Private_Equity_Investments.pdf
- 8. Kannan S, Bruch JD, Song Z. Changes in Hospital Adverse Events and Patient Outcomes Associated With Private Equity Acquisition. JAMA. 2023;330(24):2365–2375. doi:10.1001/jama.2023.23147 https://jamanetwork.com/journals/jama/fullarticle/2813379?guestAccessKey=e0cef9be-d55c-4bcf-8892-412af8f24355&utm_source=For_The_Media&utm_medium=referral&utm_campaign=ftm_links&utm_content=tfl&utm_term=122623#google_vignette
- Hospital Staffing and Patient Outcomes After Private Equity Acquisition, Annals of Internal Medicine, September 2025 https://www.acpjournals.org/doi/full/10.7326/ANNALS-24-03471