

MAINE STATE LEGISLATURE

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6/10/25

(Filing No. H- 625)

HEALTH COVERAGE, INSURANCE AND FINANCIAL SERVICES

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
132ND LEGISLATURE
FIRST SPECIAL SESSION**

COMMITTEE AMENDMENT "A" to H.P. 1036, L.D. 1578, "An Act to Require the Department of Health and Human Services to Review Disruption to or Removal of Health Services"

Amend the bill by striking out the title and substituting the following:

'Resolve, to Establish 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'

Amend the bill by striking out everything after the title and inserting the following:

'Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, this resolve establishes a 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; and

Whereas, the Legislature believes it is important to conduct this evaluation because the State's health care delivery system faces significant financial and workforce challenges; and

Whereas, this legislation must take effect as soon as possible in order to provide adequate time for the commission to complete its work in a timely manner before submitting its report; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore, be it

Sec. 1. Commission established. Resolved: That the Commission to Evaluate the Scope of Regulatory Review and Oversight over Health Care Transactions That Impact

1 the Delivery of Health Care Services in the State, referred to in this resolve as "the
2 commission," is established.

3 **Sec. 2. Commission membership. Resolved:** That, notwithstanding Joint Rule
4 353, the commission consists of 15 members appointed as follows:

5 1. Two members of the Senate, including one member of the party holding the largest
6 number of seats in the Legislature and one member of the party holding the 2nd largest
7 number of seats in the Legislature, appointed by the President of the Senate;

8 2. Two members of the House of Representatives, including one member of the party
9 holding the largest number of seats in the Legislature and one member of the party holding
10 the 2nd largest number of seats in the Legislature, appointed by the Speaker of the House;

11 3. Two members representing hospitals, one member appointed by the President of the
12 Senate and one member appointed by the Speaker of the House;

13 4. Two members representing health care providers, one of whom must represent an
14 independently owned specialty practice and is appointed by the President of the Senate and
15 the other of whom is appointed by the Speaker of the House;

16 5. One member representing a statewide association of nursing homes or other long-
17 term care facilities, appointed by the President of the Senate;

18 6. One member of the public representing health insurance consumers, appointed by
19 the Speaker of the House;

20 7. One member representing health insurance carriers, appointed by the President of
21 the Senate;

22 8. One member representing a statewide association of health care purchasers,
23 appointed by the Speaker of the House;

24 9. One member of the public who is a lawyer who has practiced in the field of certificate
25 of need law or mergers or acquisitions of health care entities, appointed by the Speaker of
26 the House;

27 10. The executive director of the Office of Affordable Health Care or the executive
28 director's designee; and

29 11. The Commissioner of Health and Human Services or the commissioner's designee.

30 **Sec. 3. Chairs. Resolved:** That the first-named Senate member is the Senate chair
31 and the first-named House of Representatives member is the House chair of the
32 commission.

33 **Sec. 4. Appointments; convening of commission. Resolved:** That all
34 appointments must be made no later than 30 days following the effective date of this
35 resolve. The appointing authorities shall notify the Executive Director of the Legislative
36 Council once all appointments have been completed. After appointment of all members,
37 the chairs shall call and convene the first meeting of the commission. If 30 days or more
38 after the effective date of this resolve a majority of but not all appointments have been
39 made, the chairs may request authority and the Legislative Council may grant authority for
40 the commission to meet and conduct its business.

41 **Sec. 5. Duties. Resolved:** That the commission shall:

1. Evaluate potential changes to the State's certificate of need laws, including, but not limited to, expanding the scope of review to the termination or disruption of health care services and changing the monetary thresholds that trigger review;

2. Evaluate potential legislative changes to require regulatory review and oversight of substantial health care transactions, such as transfers of ownership or control, among hospitals, health care facilities and health care provider organizations;

3. Evaluate the role of a private equity company or real estate investment trust taking a direct or indirect ownership interest, operational control or financial control of a hospital in the State; and

4. Examine any other issues to further the duties and purposes of the study.

The commission shall review and identify best practices learned from similar efforts in other states. The commission may hold hearings and invite testimony from experts and the public to gather information.

Sec. 6. Staff assistance. Resolved: That the Legislative Council shall provide necessary staffing services to the commission, except that Legislative Council staff support is not authorized when the Legislature is in regular or special session.

Sec. 7. Stakeholder participation. Resolved: That the commission may invite the participation of stakeholders to participate in meetings or subcommittee meetings of the commission to ensure the commission has the information and expertise necessary to fulfill its duties, including the Maine Health Data Organization.

Sec. 8. Report. Resolved: That, notwithstanding Joint Rule 353, no later than January 15, 2026, the commission shall submit a report that includes its findings and recommendations, including suggested legislation, to the Joint Standing Committee on Health Coverage, Insurance and Financial Services. The joint standing committee may report out legislation based on the report to the Second Regular Session of the 132nd Legislature.

Sec. 9. Outside funding. Resolved: That the commission may seek funding contributions to contribute to the costs of the study. All funding is subject to approval by the Legislative Council in accordance with its policies.

Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect when approved.'

Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

SUMMARY

This amendment replaces the bill with a resolve. The amendment establishes 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. The amendment requires the commission to:

1. Evaluate potential changes to the State's certificate of need laws, including, but not limited to, expanding the scope of review to the termination or disruption of health care services and changing the monetary thresholds that trigger review;

3. Evaluate the role of a private equity company or real estate investment trust taking a direct or indirect ownership interest, operational control or financial control of a hospital in the State.

FISCAL NOTE REQUIRED

(See attached)



132nd MAINE LEGISLATURE

LD 1578

LR 775(02)

An Act to Require the Department of Health and Human Services to Review Disruption to or Removal of Health Services

Fiscal Note for Bill as Amended by Committee Amendment
Committee: Health Coverage, Insurance and Financial Services
Fiscal Note Required: Yes

A (H-625)

Fiscal Note

Legislative Cost/Study

Legislative Cost/Study

The general operating expenses of this study are projected to be \$3,050 in fiscal year 2025-26. The Legislature's proposed budget for the 2026-2027 biennium includes \$22,196 in each of fiscal years 2025-26 and 2026-27 for the costs of legislative studies, as well as \$8,265 in projected balances from fiscal year 2024-25 and \$33,073 of balances carried over from prior years for this purpose. Whether these amounts are sufficient to fund all studies will depend on the number of studies authorized by the Legislative Council and the Legislature. The additional costs of providing staffing assistance to the study during the interim can be absorbed utilizing existing budgeted staff resources.

Fiscal Detail and Notes

Any additional costs to the Department of Health and Human Services and the Office of Affordable Health Care to serve on a study commission are expected to be minor and can be absorbed within existing budgeted resources.