

MaineHealth Local Health Systems

Franklin Community
Health Network
LincolnHealth
MaineHealth Care At Home
Maine Behavioral Healthcare
Memorial Hospital
Maine Medical Center
Mid Coast-Parkview Health
NorDx
Pen Bay Medical Center
Southern Maine Health Care
Synernet
Waldo County General Hospital
Western Maine Health

Part of the MaineHealth Family

MaineHealth Accountable
Care Organization

MaineHealth Affiliates

MaineGeneral Health
New England Rehabilitation
Hospital of Portland
St. Mary's Health System

Testimony of Katie Fullam Harris, MaineHealth In Opposition to LD 927, LD 931, LD 932, LD 935, LD 1004 Bills that Would Repeal Sections of Maine's Certificate of Need Statute April 6, 2021

Senator Sanborn, Representative Tepler and distinguished members of the Joint Standing Committee on Health Coverage, Insurance and Financial Services, my name is Katie Fullam Harris of MaineHealth, and I am here to testify in strong opposition to the five bills before you today that would repeal various sections of Maine's Certificate of Need statute.

MaineHealth is a not-for-profit integrated health care system that provides care in eleven counties in Maine and Carroll County, New Hampshire. Over the last 13 months, MaineHealth's local health systems have stepped up to provide care for patients with COVID-19, testing for our communities, and we set up vaccination sites in our local communities to help Maine move beyond the pandemic. Just last week, we vaccinated our 100,000th Mainer.

Our ability to be nimble during this trying time has relied upon the infrastructure that we have built as an integrated health care system. Maine's Certificate of Need law (CON) plays an important role in ensuring that the state has a strong and cost-effective care delivery system to meet the needs of our communities. The pandemic has proven that system highly effective, as Maine's hospitals have successfully met the needs of our population, even during this very trying time.

Maine's CON program plays a number of very important roles in ensuring that the State maintains a strong and cost-effective health care delivery system. Per the statute's declaration of findings and purpose, the CON law helps to prevent the unnecessary construction or modification to health care facilities or duplication of health services that are substantial factors in the cost of health care while ensuring that the public can obtain necessary medical services. . . . (Title 22 Sub. 2. Chapter 103-A). Specifically, the CON review process is used to promote effective health planning, ensure access to cost effective services, and support the reasonable availability of choices in health care services. The process also plays an important role in preventing excessive and unnecessary duplication of services which can lead to increased and unnecessary health care costs. It is important to note that CON requirements do not block change, but rather they provide a necessary evaluation of proposed projects.

The Maine Legislature has updated the CON law several times over the years, most recently in 2011. The result of an extensive stakeholder process led by the Department of Health and Human Services, the most recent changes amended

the scope and process through which the law is now implemented. Specific changes included increasing thresholds below which projects do not require approval and clarifying the types of projects that are subject to review. That effort resulted in consensus that only those projects that are of significant magnitude should be subject to the CON process. The law is working well, and there is no evidence to suggest that it should be repealed or even changed.

Finally, CON should not be considered a stabilizing force which allows existing providers to embrace new payment models that move away from reliance on fee for service and create incentives for providers to take financial risk, such as the MaineCare Accountable Communities Initiative. The development of a full continuum of integrated care is the objective of these care delivery and payment models. In most parts of Maine, there is sufficient availability and capacity of health care delivery services to support new models of care without allowing unchecked proliferation of new services and facilities. In fact, repealing Maine's CON law under currently evolving payment models would result in fragmentation rather than promoting the integration of care. It is also important to consider what impact eliminating CON oversight might have on the ability of our state's nonprofit health care providers to provide essential access to health care for Maine's most vulnerable residents, to rural communities, and to those who lack adequate insurance coverage.

As we often say, "If it ain't broke, don't fix it." And it ain't broke.

Thank you for the opportunity to testify.