



## Maryland Community Health System

<b>Committee:</b>	<b>Senate Finance Committee</b>
<b>Bill:</b>	<b>Senate Bill 494 - Maryland Health Care Commission – Certificates of Need and Material Change</b>
<b>Transactions</b>	
<b>Hearing Date:</b>	<b>February 24, 2026</b>
<b>Position:</b>	<b>Support with Amendment</b>

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The Maryland Community Health System supports *Senate Bill 494 - Maryland Health Care Commission – Certificates of Need and Material Change – Transactions*. The bill provides a regulatory framework for healthcare mergers, acquisitions, and other material changes valued at over \$10 million.

MCHS is a network of federally qualified health centers providing somatic, behavioral health, and dental care to underserved communities across Maryland. We support the legislation because material transactions in healthcare can have a significant impact on access to care for consumers. A growing body of research demonstrates that significant private equity investments in healthcare can increase costs, lower staffing levels, and negatively impact patient outcomes.<sup>i</sup> We think it appropriate that Maryland create a regulatory framework to ensure appropriate disclosure and review of material transactions.

We believe that the main focus of this legislation is related to private equity investment, and the legislation is not intended to apply to federally qualified health centers. Therefore, we request an amendment that exempts federally qualified health centers as follows:

On page 10 after line 10, insert “A FEDERALLY QUALIFIED HEALTH CENTER”.

Thank you for consideration of our testimony. If we can provide any additional information, please contact Robyn Elliott at [relliott@policypartners.net](mailto:relliott@policypartners.net) or (443) 926-3443.

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<sup>i</sup> <https://www.healthaffairs.org/content/forefront/private-equity-health-care-state-based-policy-perspective>