



Maryland
Hospital Association

**Senate Bill 494 - Maryland Health Care Commission - Certificates of Need and Material
Change Transactions**

Position: *Oppose*
February 24, 2026
Senate Finance Committee

MHA Position

On behalf of the Maryland Hospital Association's (MHA) member hospitals and health systems, we appreciate the opportunity to comment in respectful opposition to Senate Bill 494.

MHA appreciates the intent of this SB494 and Maryland hospitals are committed to ensuring the health care system continues to provide access to high quality, affordable care. We share the concerns surrounding increased private equity investment in health care facilities and the potential negative impacts this can have on access to care and increasing health care costs.

However, we are concerned that SB 494, as drafted, does not directly target those issues. The bill does not define private equity or focus on quality or patient outcomes, yet it would apply broadly to a wide range of routine health care transactions that pose no connection to the concerns the legislation seeks to address. Although acute care hospitals are excluded from the bill, many of our members are part of a larger health care system, under which all corporate transactions identified in the bill would be subject to MHCC review. The proposed review process is substantial and could require extensive documentation and approval for numerous low-risk transactions. This would impose significant administrative burdens, for both hospitals and the MHCC, without advancing the bill's stated goals. The scope of the public interest review, combined with the MHCC's broad discretion, could also delay time-sensitive transactions at a moment when health systems must remain agile in response to financial uncertainty under the AHEAD model.

MHA respectfully urges the Committee not to advance SB 494 in its current form. We welcome the opportunity to work collaboratively with the Committee, MHCC, and stakeholders to develop a more targeted and effective approach that protects patients while supporting an innovative and financially stable health care system.

For more information, please contact:

Andrew Nicklas, Senior Vice President, Government Affairs & Policy and General Counsel
Anicklas@mhaonline.org