



Wes Moore | Governor

Aruna Miller | Lt. Governor

Carmel Roques | Secretary

Date: February 23, 2026

Bill Number: HB 944

Bill Title: Maryland Health Care Commission – Certificates of Need and Material Change Transactions

Committee: House Health Committee

MDOA Position: Favorable

Madam Chair, Vice-Chair, and Members of the Committee:

The Maryland Department of Aging (MDOA) respectfully submits this written testimony in strong support of House Bill (HB) 944.

The Maryland Department of Aging strongly supports this legislation because we believe it will help safeguard patient care, promote transparency, and protect the wellbeing of older adults and other vulnerable populations in Maryland’s healthcare system.

Across the nation, including in long-term care, hospitals, and other critical care settings, there is growing evidence that rapidly expanding private equity ownership is associated with alarming trends in quality of care and patient outcomes. These findings raise serious concerns about the impact of financial incentives that prioritize short-term profits over long-term care quality and patient safety.

Private equity firms have dramatically increased their investments in healthcare delivery over the past two decades, acquiring nursing homes, hospitals, surgery centers, physician practices, and other care providers. While proponents argue that these investments bring needed capital, a substantial and growing body of research shows that private equity ownership is linked with measurable declines in care quality and worse health outcomes.



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A recent systematic review of studies on private equity ownership of U.S. nursing homes found that facilities acquired by private equity firms tend to have higher numbers of regulatory deficiencies, increased resident hospitalizations, and elevated mortality rates compared with similarly situated facilities not owned by private equity. This suggests cost-cutting and short-term profit strategies may compromise essential care processes and outcomes.

Other peer-reviewed research shows that residents in private equity-owned nursing homes are more likely to experience emergency department visits and hospital admissions, and incur higher Medicare costs, outcomes associated with lower quality long-term care.

SB 494 would strengthen oversight, transparency, and protections for Maryland patients and families by targeting the practices that have been linked with declining quality in other states and nationally. As Maryland's population ages, and as demand for skilled nursing care, home care, and hospital services grows, the state must ensure that financial motives never outweigh the fundamental obligation to provide high-quality, safe, and person-centered care. The goals of this legislation align with MDOA's recently released Longevity Ready Maryland Plan.

For these reasons, **the Maryland Department of Aging urges a favorable report on HB 944.** By curbing harmful incentives, promoting transparency, and protecting the quality of care, this bill will help ensure that all Marylanders, especially older adults and medically vulnerable individuals, receive the care they need and deserve.