

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

Finance Committee

February 24, 2026

**Position: FAVORABLE**

Mental Health Association of Maryland (MHAMD) is a nonprofit education and advocacy organization that brings together consumers, families, clinicians, advocates and concerned citizens for unified action in all aspects of mental health and substance use disorders (collectively referred to as behavioral health). We appreciate the opportunity to provide this testimony in support of Senate Bill 494.

SB 494 establishes a review process to determine whether proposed consolidations of health care facilities are in the public interest.

The increasingly common practice of health care consolidation – particularly through private equity acquisition of physician practices and health care facilities – leads to higher health care costs with little to no corresponding improvement in quality or patient outcomes. These arrangements allow the consolidated organizations to raise prices, pass along increased costs to consumers, lower wages and eliminate jobs. The rapid expansion of these transactions across Maryland raises serious concerns about health care affordability, access, and patient safety.

SB 494 would establish a notice and review process focused on acquisitions that are highly likely to adversely affect public interest. Prior to certain consolidations, organizations will have to provide public notice. Within 30 days of this notice, the Maryland Health Care Commission (MHCC) will make a determination on whether the transaction would likely have a negative impact on health care quality, safety, cost, accessibility, or equity and require public interest review. Within 60 days after starting a review, MHCC will then issue a decision to approve, approve with conditions, or deny a transaction. This helps prevent and/or limit consolidations that would significantly harm patients by raising costs and lowering quality.

SB 494 will help prevent consolidations that do not serve the public interest. For these reasons, MHAMD supports this bill and urges a favorable report.

*For more information, please contact Dan Martin at (410) 978-8865*