

Senate Health and Human Services Committee

Sophie Walsh 271-3469

SB 666-FN, relative to consumer protection, transparency, and oversight of certain health care transactions and establishing a study committee to analyze health insurance providers, their practices, policies, premiums, management, and the impact to consumers.

Hearing Date: February 18, 2026

Time Opened: 9:01 a.m.

Time Closed: 9:43 a.m.

Members of the Committee Present: Senators Rochefort, Avard, Birdsell, Prentiss and Long

Members of the Committee Absent: None

Bill Analysis: This bill:

I. Defines and regulates material health care transactions, and requires notice to the department of justice of health care transactions that change of control of a health care entity and that may reasonably be expected to affect competition, cost of health care services, or access to care. The bill authorizes the department to review, monitor, and approve such transactions and enforce violations of the regulatory requirements as a violation of the consumer protection act.

II. Establishes a legislative committee to study health insurance providers, their practices, policies, premiums, management, and the impact to consumers.

Sponsors:

Sen. Altschiller

Sen. Fenton

Sen. Perkins Kwoka

Sen. Rosenwald

Sen. Reardon

Sen. Long

Sen. Watters

Sen. Prentiss

Who supports the bill: 117 people signed in support of the bill. Full sign in sheets are available upon request by contacting the Legislative Aide, Sophie Walsh (sophie.walsh@gc.nh.gov).

Who opposes the bill: 1 person signed in opposition to the bill. Full sign in sheets are available upon request by contacting the Legislative Aide, Sophie Walsh (sophie.walsh@gc.nh.gov).

Who is neutral on the bill: No one.

Summary of testimony presented:

Senator Debra Altschiller, Senate District 24

- Senator Altschiller outlined the process in which private equity impacts the health care system.
- Private equity firms approach hospital boards and practice owners with promises of investment, efficiency, and growth. They then acquire the facility, often with borrowed money saddled onto the institution itself. This leaves hospitals and practices with debt they never asked for.
- These firms charge management fees and require productivity quotas that ultimately deplete resources with no regard for patient care.
- Private equity firms often ultimately sell off these facilities, leaving communities with less access to critical health care.
- Private equity firms engage with health institutions with a focus on short term value as opposed to long term stability. These companies bring value by relieving health care providers of administrative responsibilities, infusing capital, enhancing revenue cycle management, introducing operational efficiencies, and rescuing failing health care systems.
- However, this focus on short term growth often leads them to strip those acquired facilities of their assets, forcing entities to raise prices through anti-competitive practices, reduce staffing, avoid investment in critical infrastructure, and eliminate vital services to the detriment of patients, health care workers, and communities.
- In 2023, more than 20% of health care entities that filed for bankruptcy were owned by private equity. Over 90% of those at risk of bankruptcy were owned by private equity.
- Steward Healthcare in Massachusetts was one such company that was used to extract profit by private equity before filing for bankruptcy in 2024, closing two hospitals in the process.
- The last decade has seen half of New Hampshire's maternity wards and birthing centers close.
- While no major hospital in New Hampshire is currently owned by private equity, this was not always the case. HCA Healthcare, which owns five hospitals in New Hampshire, was previously acquired by a private equity deal. After being saddled with \$12 million in debt and experiencing a reduction of quality care, reduced staffing, and multiple lawsuits, HCA was able to get out of that ownership and restructure debt. Senator Altschiller emphasized that nothing is stopping private equity from re-engaging.
- Many primary care practices across New Hampshire have already been acquired, including dental offices and special care facilities. Some of these have closed and been replaced by urgent care facilities, which are often seen as more profitable.

- The bill would require advanced notice when private equity attempts to acquire health care facilities and transparency about debt obligations, management fees, and executive payouts.
- The bill would require the Attorney General to review to protect access to quality care and ensure fair competition. It would also provide protection for clinical judgement so that doctors and nurses could practice medicine and not be mandated to maximize profits.
- This has been adopted in other states, including Colorado, Illinois, and Massachusetts.
- Senator Altschiller emphasized that private equity treats human suffering as an investment opportunity and sick patients as revenue streams. This bill would be New Hampshire's way of rejecting this practice.
- Senator Altschiller emphasized that this is not a partisan issue and said this is New Hampshire's chance to work together and guarantee access to quality, affordable health care.
- Senator Rochefort asked if Senator Altschiller was familiar with any plans to acquire hospitals in the North Country, given recent rumors.
- Senator Altschiller said she does not have any substantial information concerning this speculation.
- Senator Avarad referenced the methodology section of the fiscal note and inquired about the role of the Department of Justice in regard to competition.
- Senator Altschiller emphasized that we do not want there to not be any competition. As private equity firms often scoop up multiple practices, there would be no competition if all providers in a given area were owned by the same private equity firm.
- Senator Avarad asked if this would be covered by laws prohibiting a monopoly.
- Senator Altschiller replied that it might, but current laws require the Attorney General to review the forming of mergers, not multiple acquisitions.
- Senator Long inquired about the relationship between HCA and Catholic Medical Center in Manchester.
- Senator Altschiller explained that HCA was acquired by private equity in the early 2000s, and this purchase left \$12 million of debt to be distributed across HCA's hospitals nationwide after private equity got their return.
- It was not until 2011 that HCA was able to go back to being a publicly traded company. Multiple lawsuits began against the hospitals as a result, due to poor patient conditions and a lack of quality of care.
- Senator Altschiller said she believes HCA went back to being publicly traded before there was any involvement with Manchester.
- Senator Rochefort questioned if it would be incumbent on the board of the acquired facility to do their due diligence and asked how this would fix that.

- Senator Altschiller answered that the bill would empower the Attorney General to review possible acquisitions and create a checklist of requirements to ensure private equity firms do not acquire dozens of practices and facilities without advanced notice to the state and transparency.
- This would protect the clinical judgement of providers and mirror other processes in place for the opening of a new hospital or the merger of two hospitals.

Alexandra Sosnowski, Office of the Attorney General

- Ms. Sosnowski stated that she is speaking in support of the bill with additional points to consider.
- There is no required notification to the Consumer Protection and Antitrust Bureau for a transaction. There is, however, a required notification for a nonprofit hospital transaction.
- Ms. Sosnowski explained that the Bureau has no current insight on transactions. This bill would provide that insight and potentially allow them to launch investigations when necessary.
- The bill requires the Bureau to review within 30 days of receipt of notice and to determine the impact on competition, cost of care, access to services, quality, and financial stability. Ms. Sosnowski noted that this is an insufficient timeframe to complete these tasks.
- Ms. Sosnowski explained that it is currently unclear what would be required of the Department of Justice after those 30 days.
- The DOJ primarily conducts merger reviews under RSA 356, the Combinations and Monopolies Act. This is a confidential, non-public investigation that allows the Department to engage with stakeholders and retrieve sensitive information. Ms. Sosnowski expressed concern for a potential public report and what requirements that might carry in the bill.
- The Department would require an in-house economist to assist in this effort. Ms. Sosnowski noted that RSA 356 allows the Department contract with consultants at the charge to the parties involved in the transaction.
- Senator Rochefort referenced the 30-day timeline and noted that mergers can sometimes take years to go through.
- Ms. Sosnowski explained that their reviews typically take 1 to 1.5 years from start to negotiated agreement, which includes an investigation.
- Senator Rochefort noted that one economist may not be enough, and Ms. Sosnowski said the fiscal note provides an additional attorney and paralegal as well.
- Senator Rochefort noted that someone like a dentist may struggle to find someone to buy a practice, so looking to private equity may be a way to

transition a practice in these circumstances. He questioned if a retiring dentist wanting to sell their practice would be at the scrutiny of the Bureau.

- Ms. Sosnowski said that it would likely require a notice to the Attorney General's office under this bill, and they would likely need to look into the private equity firm before a transaction took place. She emphasized that the Bureau takes a holistic view of such matters, and that the circumstances of the case would determine the decision making.
- Senator Avard asked what the trigger for an investigation would be under this bill.
- Ms. Sosnowski noted that it is difficult to say in the abstract, but it would depend on the specific economic circumstances and geographic economic realities of the situation.
- Senator Avard presented a scenario in which someone gets cancer and needs to sell their practice rather quickly and asked how this would work.
- Ms. Sosnowski emphasized that it is a balance and said she has heard that other states have been able to get a sense of the market and where problem areas are developing.
- Senator Avard asked how many staff members would be required for this, and Ms. Sosnowski answered that an attorney, paralegal, and economist would be needed for the 30-day period depending on the volume.
- Senator Avard asked what changes Ms. Sosnowski would propose to the bill at this moment.
- Ms. Sosnowski answered that she did not have any specific recommendations aside from her testimony, but she is interested in working with the Committee and the prime sponsor in the future.
- Senator Birdsell asked whether the potential seller would have to pay for any investigation.
- Ms. Sosnowski answered that current investigations into mergers require the parties to pay for contracted economists in the circumstances of a hospital transaction.
- Senator Birdsell asked if that existing law would extend to the cases that come about from this bill.
- Ms. Sosnowski answered that it would not because the Bureau would be hiring staff resources for such investigations.
- Senator Avard asked for clarification on contracting for hospitals, and Ms. Sosnowski explained that they hire outside consultants to assist in hospital mergers, but they do not have permanent staff for this currently.
- Senator Birdsell asked why the same could not be done for this.
- Ms. Sosnowski responded that it would be difficult due to not knowing when they would require such a consultant and the additional work needed to get

such a consultant up to speed on current cases. Having an internal economist would lead to more efficient investigations and the ability to make a determination much more quickly.

- Senator Rochefort noted the fiscal note deadline and asked if Ms. Sosnowski would agree that this is a complicated issue. He expressed concern that two weeks will not be enough time to adequately examine this.
- Ms. Sosnowski agreed that there is some fine tuning needed for the Department to adequately enforce this law.

Ben Bradley, New Hampshire Hospital Association

- Mr. Bradley stated that he is speaking in opposition to the bill as introduced. While the Hospital Association was not involved in drafting this legislation, they do share some of the concerns outlined about private equity acquisitions.
- Mr. Bradley stated that his testimony primarily focuses on section 3 of the bill. These regulations would run parallel and in addition to existing regulations in RSA 7:19-b, adding costs and delays to an already costly and burdensome process.
- The Hospital Association appreciates the interest in scrutinizing transactions involving private equity and supports the Department's work in reviewing transactions under statute. However, they do not support the new regulatory requirements in separate statute as prescribed by this bill.