Senate Health and Human Services Committee

Sophie Walsh 271-3469

SB 613, relative to licensing requirements for health care facilities established within a 15 mile radius of a critical access hospital.

Hearing Date: March 4, 2026

Time Opened: 11:02 a.m. **Time Closed**: 11:18 a.m.

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

Members of the Committee Absent: None

Bill Analysis: This bill requires a health care facility to provide certified, written notice to a critical access hospital if the facility will be located within a 15 mile radius of the critical access hospital.

Sponsors:

Sen. Prentiss	Sen. Gannon	Sen. Rosenwald
Sen. Fenton	Sen. Perkins Kwoka	Sen. Watters
Sen. Long	Sen. Altschiller	Sen. Reardon

Who supports the bill: Sen. Prentiss, Sen. Fenton, Sen. Altschiller, Sen. Reardon, Sen. Rosenwald, Kathy Corey Fox (St. Joseph Hospital), Ben Bradley (NH Hospital Association), Teresa Rosenberger (North Country Health), Jennifer Favreau, and Kathleen Malsbenden.

Who opposes the bill: Aubrey Freedman, Cory Stone, Curtis Howland, Timothy Finney, Jenny Bourgeois, Heather Gollnick, Lisa Willis, Thomas Stewart, Susan Peterson, Cynthia Rodenhauser Stewart, Lorraine Drake, Stan Duncan, Pamela Harders, Victoria Diehl, Tami Lanzillo Zeimetz, and Bill Alleman.

Who is neutral on the bill: No one.

Summary of testimony presented:

Senator Sue Prentiss, Senate District 5

- Senator Prentiss explained that this bill would require health care facilities to notify nearby critical access hospitals when they plan to establish service within a certain distance. This notification would only be required if the proposed health care facility is within 15 miles of the critical access hospital.

- This bill would cover facilities such as ambulatory surgical centers, emergency medical care centers, birthing centers, walk-in and drop-in care centers, dialysis centers, and other specialized health care services, in addition to newly established hospitals.
- The intent of this bill is to protect and stabilize care by ensuring that critical access hospitals are informed when new health care facilities plan on operating nearby. This allows them to prepare for potential impacts on services, staffing, and patient volumes.
- Critical access hospitals are often the only lifeline for health care in rural communities. Policies that protect the stability of these hospitals ultimately protect the health and safety of the people who rely on them.
- Rural hospitals serve as essential access points for health care. They allow for patients to be put in contact with other providers and facilities if they cannot provide a certain service. They also serve as key stabilization points for critically ill and trauma care patients.
- Senator Prentiss noted that critical access hospitals are often many miles away from tertiary care centers, so if competition from new facilities cause these hospitals to limit services or close, that distance would be further increased for patients.
- Senator Prentiss noted that these hospitals are already operating on thin margins and are large employers for their communities. They often serve as central points within these communities.
- Federal leaders have recognized this crisis and testified that these hospitals are centerpieces in many communities and essential to their survival.
- Advanced notice allows for critical access hospitals to make an assessment and review potential concerns.
- Senator Prentiss emphasized that limiting competition is not her goal, but rather ensuring that rural facilities are properly protected and stable in order to protect rural communities.
- Senator Rochefort emphasized that this is not preventing health care facilities from entering new areas and operating, but rather just requiring them to notify nearby critical access hospitals and allow for review. Senator Prentiss confirmed that it is just notice and review.
- Senator Rochefort acknowledged the economic impact of critical access hospitals, emphasizing that they are often the largest local employer in these communities.

Aubrey Freedman

- Mr. Freedman stated that he is speaking in opposition to the bill. He described it as an anti-competition bill.

- He noted that the category of special health care services has too broad of a definition, as it encompasses essentially any medical service.
- Any enterprise entering an area and offering specialized services will fail if there is not a demand for the services. Mr. Freedman questioned why critical access hospitals would not be happy with patients having another avenue to receive services that they may not be able to provide.
- Mr. Freedman emphasized that competition is a good thing and patients should have the right to choose their health care services.
- Mr. Freedman said the RSA referenced by this legislation should be repealed and not replaced. He emphasized that we should be encouraging new medical facilities and focus on the benefit to patients and the public.

Ben Bradley, New Hampshire Hospital Association

- Mr. Bradley stated that he is speaking in support of the bill.
- The bill's provisions remain an important tool for the state's efforts to ensure access to care in rural communities. Without them, the state is blind to the effects of a new proposed licensed facility on a critical access hospital.
- New Hampshire has recently been rewarded $204 million in the first year of a 5-year Rural Health Transformation Program. Notice and review requirements are important to ensure that these federal investments are not undermined by a new facility having a material adverse impact on critical access hospitals.
- The provisions of this bill align with sustainable access, which is a major pillar of the Rural Health Transformation Program. Critical access hospitals are vulnerable to financial challenges that directly threaten access to essential services in their communities.
- At least 7 of New Hampshire's 26 acute-care hospitals had negative operating margins in 2024, including 4 critical access hospitals.

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