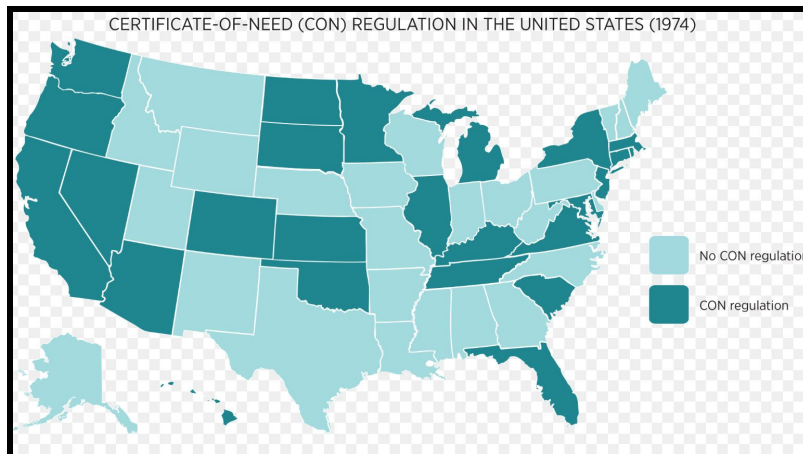


North Carolina Certificate of Need Laws are Bleeding the State's Healthcare System

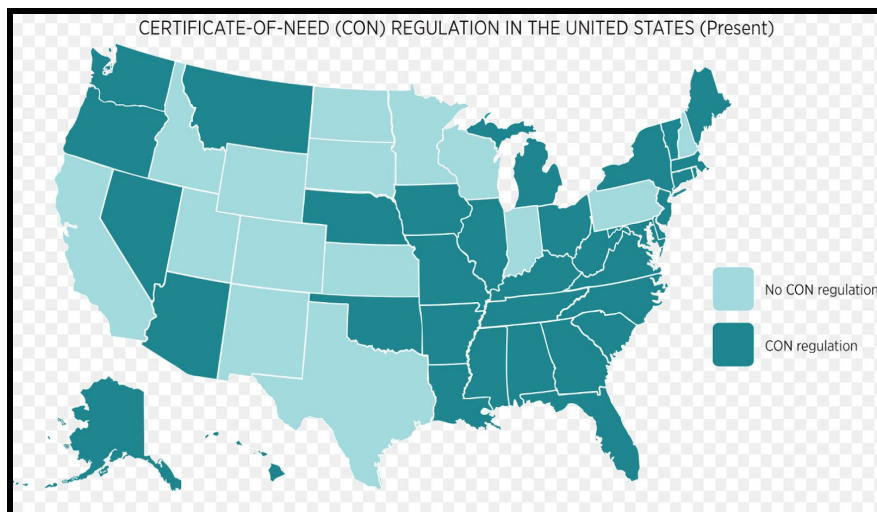
What are Certificate of Need Laws:

A certificate of need (CON) is a legal document in effect in 35 States which requires current and new providers to seek permission from their State before they can open or expand a facility, acquire certain devices or invest in new technology (Baily, 2).

In 1974, Congress passed the National Health Planning and Resource Development Act to control healthcare costs, increase quality of care, and ensure access to healthcare facilities. **This laws has since been repealed** because their intended benefits have been disproven and CON States need to reconsider why they still enforce them.



Permission is granted on the basis of so-called "need" by using complex formulas, hearings and a bureaucratic process which may take **years and hundreds of thousand dollars** before it is granted. In most instances, current providers are invited to challenge a incoming competitor's right to open a facility (Koopman).



RESEARCH PROVES WHY NORTH CAROLINA NEEDS TO REPEAL ITS CON LAWS

THEY DO NOT SAVE US MONEY.

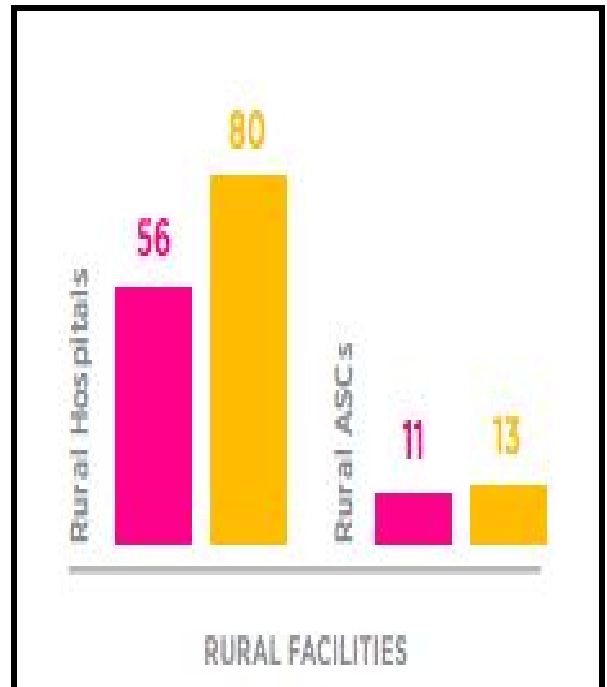
Researchers and economists have found **no** conclusive evidence that CON laws reduce healthcare spending. In North Carolina, research finds that CON laws are associated with **higher** healthcare spending per capita and **higher** physician spending per capita (The Mercatus Center).



THEY DO NOT PROVIDE MORE ACCESS TO RURAL AREAS.

In North Carolina, research finds that the presence of a CON program is associated with **fewer** rural hospitals and ambulatory surgical centers. Furthermore, the American Medical Association states, CONs create barriers and prohibit free competition. Mercatus ranked North Carolina's CON program as the **fourth-most restrictive in the United States.**

Estimated changes in access to healthcare facilities in North Carolina without CON



POSSIBLE SOLUTIONS FOR NC!

WHAT HAVE OTHER NON CON STATES DONE TO MANAGE HEALTHCARE SPENDING AND ACCESS?

- #1. The State of Washington has reduced the number of projects they review by implementing CON exemptions or by streamlining review procedures for expenditures unrelated to clinical services and other smaller projects.
- #2. The State of Colorado, along with many other Western states, have increased their capital spending thresholds to \$2 million, above the maximum federal level.
- #3. A number of non CON states offer an accelerated review of projects such as capital expenditures which do not involve service or bed capacity increases or service terminations.
- #4. Idaho and the Dakotas offer tax benefits and higher pay to providers to serve their rural communities.
- #5. Completely repeal the law and let free market competition and the laws of supply and demand dictate healthcare needs in the State.

PROVIDING AFFORDABLE AND ACCESSIBLE HEALTHCARE IS A PRIORITY IN NORTH CAROLINA. RESEARCH SHOWS THAT CON LAWS INCREASE HEALTHCARE SPENDING AND DECREASE ACCESS IN RURAL AREAS. IT IS TIME TO STAND UP TO THE LOBBYIST! WE NEED TO EDUCATE OUR COMMUNITY AND ASK OUR LEGISLATORS TO REPEAL THE STATE'S CON LAWS!

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