

## **CERTIFICATE OF NEED**

Patrick Ishmael

**THE PROBLEM:** Missouri's Certificate of Need (CON) law restricts health care competition by requiring many health care providers to get state approval before entering new markets or expanding services offered in existing facilities. This restriction hampers innovative start-ups and market newcomers that would provide Missourians care and puts upward

**THE SOLUTION:** Open the doors to real competition.

pressure on healthcare prices.

Eliminating CON requirements would end the monopoly and oligopoly power of incumbent providers. Missourians would see the benefits of true marketplace competition in the health care arena.

## WHO ELSE DOES IT?

California, Colorado, Idaho, Indiana, Kansas, New Hampshire, New Mexico, North Dakota, Pennsylvania, South Dakota, Texas, Utah, and Wyoming.

**THE OPPORTUNITY:** Missouri would join a growing list of states that have unshackled institutional health care competition.

## **KEY POINTS**

- A needless and harmful barrier—one that separates
  patients who need care from doctors who want to
  provide it—would be eliminated.
- More competition would place downward pressure on health care prices.



- Missouri would be able to compete with nearby states, including Kansas, where smaller hospitals are opening up shop because they aren't restricted by CON laws.
- CON reform is an opportunity to open the door to new operations in communities threatened by the loss of existing hospitals.
- Ending CON would empower patients to make choices that serve their families, rather than support the government-backed competitive advantages of hospitals.

## SHOW-ME INSTITUTE RESOURCES

Essay: "Demand Supply: Why Licensing Reform Matters to Improving American Health Care"

Blog post: "Missouri's Certificate of Need Law Needs to Go"

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5297 Washington Place I Saint Louis, MO 63108 I 314-454-0647 3645 Troost Avenue I Kansas City, MO 64109 I 816-561-1777

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