Biden Administration (2023)

"Empirical studies demonstrate certificate-of-need laws fall short of achieving better access to healthcare... CON laws do not ensure access to care in rural areas; rather, they act as a barrier to entry, leading to lower access to care and less innovation."

> - <u>Department of Justice Letter</u> on the Proposed Repeal of Alaska's Certificate-of-Need Laws

WHAT DO THE LAST SEVEN PRESIDENTIAL ADMINISTRATIONS HAVE IN COMMON? THEY ALL AGREE **CERTIFICATE-OF-NEED (CON) LAWS** ARE BAD FOR HEALTH CARE.

Obama Administration (2015)

"CON laws, when enacted, had the laudable goals of reducing health care costs and improving access to care. However, it is now apparent that CON laws can prevent the efficient functioning of health care markets in several ways that may undermine those goals. First, CON laws create barriers to entry and expansion, limit consumer choice, and stifle innovation. Second, incumbent firms seeking to thwart or delay entry by new competitors may use CON laws to achieve that end...Finally, the evidence to date does not suggest that CON laws have generally succeeded in controlling costs or improving quality."

> $-\,\underline{\text{Joint Statement}}\, of\, the\, DOJ\, Antitrust\, Division$ and the FTC to the Virginia CON Work Group

Trump Administration (2018)

"CON laws have failed to produce cost savings, higher quality healthcare, or greater access to care, whether in underserved communities or in underserved areas...the evidence suggests CON laws are ineffective. There is no compelling evidence suggesting that CON laws improve quality or access, inefficiently or otherwise... Evidence also fails to support the claim that CON programs would increase access to care for the indigent, or in medically underserved areas."

Reforming America's Healthcare System Through Choice and Competition. A joint report by the U.S. Department of Health and Human Services, U.S. Department of the Treasury, and U.S. Department of Labor

Clinton Administration (1997)

"Indeed, a large part of the Commission's antitrust law enforcement efforts in the health care field focuses on competitive problems that would not exist, or would be less severe, if there were no CON regulation...We believe that the continued existence of CON regulation would be contrary to the interests of health care consumers in Virginia.'

> - <u>FTC Staff Comment</u> to the Virginia Commission on Medical Facilities Concerning Certificate of Need Reform

Bush Administration (2004)

The Agencies believe that CON programs can pose serious competitive concerns that generally outweigh CON programs' purported economic benefits. Where CON programs are intended to control health care costs, there is considerable evidence that they can actually drive up prices by fostering anticompetitive barriers to entry... CON programs can retard entry of firms that could provide higher quality services than the incumbents...The Agencies believe that CON programs are generally not successful in containing health care costs and that they can pose anticompetitive risks...CON programs risk entrenching oligopolists and eroding consumer welfare.

> - A Dose of Competition: A Report by the Federal Trade Commission and the Department of Justice

Reagan Administration (1987)

"There is no evidence that the CON regulatory process has served its intended purpose of controlling health care costs. Indeed, CON regulation may well increase prices to consumers by restricting supply of hospital services below the level that would exist in a non-regulated competitive environment."

- FTC Staff Comment to Governor Mary George Concerning Hawaii S.B. 213 to Abolish the State Planning and Health Agency, Including its Administration of Certificates of Need



H.W. Bush Administration (1989)

"[W]e believe that Nebraska's current CON regulatory process may, on balance, harm health care consumers. Ongoing improvements in health care financing are resolving the principal problems that prompted CON regulation. Moreover, the benefits of CON regulation, if any, are likely to be outweighed by its adverse effects on competition in health care. As a result, continuing CON regulation is likely to harm consumers by increasing the price and decreasing the quality of health services in Nebraska."

FTC Staff Comment to the Hon. Bernice Labedz Concerning Nebraska L.B. 429, 439, and 745 to Liberalize or Repeal Certificate of Need Regulation