

WHAT THE WV HOSPITAL ASSOCIATION GETS WRONG ABOUT CON

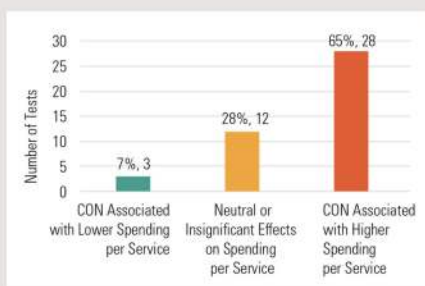
The West Virginia Hospital Association, year after year, attempts to defend our state's Certificate of Need (CON) laws with misleading claims that serve monopolistic interests rather than the public good and health of West Virginia citizens. **The reality is that CON stifles competition, reduces access to care, and artificially inflates costs, all while protecting entrenched hospital monopolies from meaningful market demands.**

Fact Check #1

WVHA claims the CON program protects access to low-cost, high-quality care. **This is not true.**

CON laws do the opposite by restricting access to care and preventing new providers from entering the market. When competition is limited, existing providers can maintain higher prices and lower quality standards without fear of losing patients to superior alternatives.

A majority of studies have shown that states with CON laws experience higher healthcare costs and lower availability of services compared to states without them.



Fact Check #2

WVHA claims CON elimination will allow only those who can afford care to receive it. **This is not true.**

CON laws do nothing to improve care for lower-income individuals. In fact, it stifles their ability to get care. Low-income individuals and families may have less resources to dedicate to longer wait times, longer drive times, and limited access.

Moreover, federally mandated programs such as the Emergency Medical Treatment and Labor Act require hospitals to treat all patients in emergency situations regardless of their ability to pay. By protecting a system that keeps prices high and limits competition, CON makes healthcare less affordable for everyone, particularly the uninsured and underinsured.

Fact Check #3

WVHA claims CON elimination will increase services in urban areas at the expense of rural communities. **This is not true.**

WVHA employs scare tactics to maintain control over healthcare delivery. In reality, rural areas are currently struggling with inadequate healthcare access under CON regulations. By eliminating CON, more healthcare providers—including outpatient clinics, urgent care centers, and specialty hospitals—could enter the market and serve patients more efficiently.

13 counties have no hospital. Those counties are Clay, Tucker, Hardy, Pendleton, Pleasants, Ritchie, Doddridge, Gilmer, Wirt, Lincoln, Mingo, Wyoming, and Monroe. It would appear that CON is already stifling care for our rural communities.

Fact Check #4

WVHA claims the healthcare market is not truly free, and therefore we need CON, because 75% of hospital payments come from government programs.

While it is true that many payments are set by government programs in West Virginia, it does not justify anti-competitive regulations. The solution to inadequate reimbursement rates is policy reform, not restricting competition. A competitive healthcare market drives innovation, efficiency, and better care delivery, forcing hospitals to improve rather than relying on state-enforced barriers to maintain their dominance.

Fact Check #5

WVHA claims eliminating CON will increase costs due to unnecessary infrastructure investment. **This is not true.**

Asserting that adding hospital beds or facilities will inherently increase costs ignores the fundamental principles of supply and demand. More competition leads to lower costs, as providers must compete for patients by offering better care at more affordable rates.

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States that have repealed CON laws have not seen runaway costs. Rather, they have experienced increased access to care and more patient-centered service delivery.

In 2019, Florida did away with its CON requirement to build new hospitals. From 2016 to 2018, Florida approved 20 new facilities. From 2020 to 2022, companies announced plans to build at least 65 hospitals.

Protecting Bottom Lines Over Patients

The West Virginia Hospital Association is not fighting to protect patient access—it fights to protect its members from competition. CON laws allow large hospital systems to maintain a stranglehold on healthcare services, blocking smaller, more innovative providers from providing care.

The American Medical Association has called for the repeal of CON, recognizing they do harm. If West Virginia truly seeks to improve healthcare access and affordability, it must follow the lead of other states that have successfully repealed these outdated and anti-competitive laws.



CON laws benefit hospital systems who seek to maintain a monopoly at the expense of patients. The WVHA's claims are designed to protect interests, not to improve healthcare. **West Virginia lawmakers must take action to repeal CON, allowing competition to drive better care, lower costs, and expand access for all residents.**

About the Cardinal Institute:

Mission

Founded in 2014, the Cardinal Institute for West Virginia Policy, Inc. is a 501c(3) non-profit dedicated to researching, developing, and communicating effective free-market public policies for West Virginia.

Vision - The West Virginia Miracle

The Cardinal Institute envisions an economic turnaround that will transform West Virginia into a beacon of prosperity and hope. For this miracle to occur, it must be built on four pillars: economic freedom, education freedom, worker freedom, and a culture of freedom encapsulated in the state's motto and founding ethos, *Montani Semper Liberi* — Mountaineers Are Always Free.

For more information, please visit our website: <https://cardinalinstitute.com/>

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