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On Behalf Of:
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Certificates of Need (CONs) are a con.

Oregon's existing certificate of need law is a protectionist racket that grants monopoly privileges to existing hospitals and healthcare facilities. The OHA justified its oppressively long "covid-19" lockdowns due to lack of ICU bed capacity in the state due to the existing CON law, and an investigation of Oregon's law by Reason magazine found it exacerbated the effects of the "pandemic." [1] Oregon's CON law for mental health treatment has created crisis levels for treatment options during a drug epidemic. [2]

A 2011 study found that CONs "reduce the number of beds at the typical hospital by 12% on average, and the number of hospitals per 100,000 persons by 48%. These reductions ultimately lead urban hospital CEOs in states with CON laws to extract economic rents of \$91,000 annually." [3]

This bill proposes extending the CON racket to hospice facilities, creating an artificial shortage that primarily benefits hospital executives and protectionism for existing providers. It also adds to the cost of government in that OHA staffers will need to be paid to evaluate CON, adding to the cost of hospice services who will pay fees to to have their applications evaluated. The bill eliminates free market competition and deters innovation in hospice care, all of which will deter competition. Because facilities are capped, healthcare workers are also trapped with fewer career opportunities because there are only a limited number of employers in a given locality.

And if any entity is not the entity to enforce a CON law in Oregon, it is the corrupt Oregon Health Authority where I used to work. The OHA, through administrative rulemaking, has issued 40 CON requirements not found in other states with CON laws many having no relation to the legislative intent. An investigation by the Oregonian found Oregon's CON law is the primary cause Eugene, OR, lacked a single emergency room for over a year[4]. How many Oregonian's died for lack of timely treatment due to the OHA's excessive red tape implementing the CON law. Having worked there, I can say for many OHA staff, it's not about the health of Oregonians - it's about the power trip. Per Dr. Martin Bolmaski, an Oregon physician specializing in Physical Medicine, the CON process has been "weaponized in recent years by competing interests who seek to protect their share of a limited market." [5]

15 states have eliminated CON laws since Congress repealed a CON mandate in

1987 [5].

I understand that hospice care is sometimes unnecessarily or wrongly pushed onto patients due Medicare incentives, but creating a monopoly for those existing problematic providers is not the way to address this problem. If anything, the inevitable hospice shortage that will emerge will incentivize rapid turnover.

REFERENCES

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