

Written Testimony on Vermont Certiticate of Need Bills

Presented to

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My name is Hayden Dublois, and I am a Visiting Fellow at FGA Action, a non-profit organization dedicated to advancing public policy solutions. I am also a former Vermonter who appreciates the opportunity to weigh in on this important policy discussion.

Thank you for allowing me to provide opportunity to submit testimony to your committee on several companion bills related to Certificate of Need (CON) laws.

FGA Action supports these bills for the reasons listed below.

S.10, S.20, and H.96 would all increase monetary thresholds that trigger CON requirements in Vermont. CON requirements are, in effect, special permission that medical establishments must receive in order to open a new facility, expand an existing facility, or even make an expensive purchase of medical equipment.

These requirements unnecessarily and unfairly limit competition, discourage medical innovation, and protect vested interests. Non-partisan research by the Mercatus Center has found that Vermont has among the most-onerous CON requirements in the nation.¹ According to this research, CON laws add an extra \$228 per Vermonter in health care expenditures each year, all while reducing access to health care and harming patient outcomes.²

Each of these bills take meaningful steps to reform Vermont's CON laws to make them more aligned with other states. S.20 and H.96, two companion bills, are preferable given that they increase CON threshold triggers by greater amounts. However, any of these bills would be a strong step in the right direction towards encouraging competition, lowering health care costs, improving patient access, and enhancing health outcomes.

For all of these reasons, this committee should advance this legislation.

² Ibid.

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¹ Mercatus Center, "Vermont and Certificate-of-Need Programs 2020," George Mason University (2020), https://www.mercatus.org/publication/vermont-and-certificate-need-programs-2020.