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February 8, 2023

Senate Health and Welfare Committee
Missouri Senate
201 W. Capital Avenue
Jefferson City, MO 65101

Dear Senator,

On Wednesday February 8, 2023, the Senate Health and Welfare Committee will hold a hearing on [SB 204](#). This bill will repeal outdated certificate-of-need (CON) laws that limit access to affordable care for patients. On behalf of the 35,087 members and supporters of the Council for Citizens Against Government Waste (CCAGW) in Missouri, I urge you to vote in favor of SB 204.

CON laws were first enacted in 1979 in Missouri and originally intended to control healthcare costs by limiting oversupply and development in the medical marketplace. But CON laws have a lengthy and expensive application process to develop or expand healthcare facilities, resulting in fewer new facilities and higher costs. These limitations on access and supply to quality care create barriers to competition.

States with CON laws have higher healthcare spending per capita and higher physician spending per capita. CON law states have healthcare costs that are on average 11 percent higher than those without [such laws](#). By limiting supply, CON laws distort the medical marketplace, which results in higher costs for patients. If Missouri repeals its CON laws the state would save [\\$238](#) million in total healthcare spending.

CON laws are also associated with higher numbers of post-surgery complications and CON states often lead to poorer quality care. Missouri would see a [decrease](#) in deaths by 5.8 percent from post-surgery complications without CON laws. CON laws have a higher negative impact on rural communities. If the CON laws are repealed, the state would gain [25](#) rural facilities and 61 healthcare facilities statewide.

The Missouri legislature has the opportunity to correct existing law that reduces access to affordable healthcare in the state. I urge you to vote in favor of SB 204 which would repeal CON laws in Missouri.

Sincerely,

Tom Schatz