

March 24th, 2025
House Health & Human Services

Chair Donovan, Vice Chair Giraldo, Vice Chair Potter, and all distinguished members of the House Health and Human Services Committee:

My name is Alicia Plemmons, and I am an assistant professor and co-director of the Knee Regulatory Research Center at West Virginia University. I appreciate the opportunity to comment on and provide educational insight into HB 5355, concerning the repeal of the Certificate of Need process. This testimony does not represent the opinions of my employer.

A series of peer-reviewed papers were published through 2024 in the *Southern Economic Journal* by regulation-focused economists across several universities and colleges. The highlights of this immense research effort include:

1. A meta-analysis of 128 different academic studies using over 450 different tests finds that the majority of studies observe that Certificate of Need requirements resulted in increased spending, reduced access to healthcare, and undermined quality of healthcare services.¹
2. States which repealed their Certificate of Need programs experienced a substantial increase in hospitals in both rural and urban areas.²
3. States with Certificate of Need programs on substance use disorder facilities, such as Rhode Island, had reduced available care for pregnant mothers experiencing distress, which led to higher rates of neo-natal abstinence syndrome among infants in the Medicaid population.³

In summary, current research on Certificate of Need programs finds increased access and quality of healthcare services in states that have removed their programs over the previous four decades. The research provides support that removal would be beneficial for the healthcare infrastructure of Rhode Island when compared to current data trends if the program were kept in place.

Best regards,



¹ Mitchell, Matthew D. 2024. Certificate-of-Need laws in healthcare: A comprehensive review of the literature. *Southern Economic Journal*.

² Melo, Vitor, Liam Sigaud, Elijah Neilson, and Markus Bjoerkheim. 2024. Rural healthcare access and supply constraints: A causal analysis. *Southern Economic Journal*.

³ Plemmons, Alicia, Darwyn Deyo, and Sarah Drain. 2024. The effects of Certificate-of-Need laws on substance use disorder care for vulnerable populations. *Southern Economic Journal*.

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