Talking Points: CS/HB 21- Hospital Licensure

Did You Know?

 Florida's CON program currently restricts 11 services—ranging from acute hospital beds to organ transplants and psychiatric services—requiring a CON from the state before the service may be offered.

In reports from the Federal Trade Commission and the U.S Department of Justice for the last decade and recently in April 2017,

- The Agencies historically have suggested that states consider repeal or retrenchment of their CON laws.
- CON laws can prevent the efficient functioning of health care markets in several ways that may undermine the goals of reducing health care costs and improving access to care.

According to a <u>Mercatus</u> study in 2015,

- In Miami-Dade County (with a population around 2.62 million), the CON program results in approximately:
 - o 3,428 fewer hospital beds;
 - 5 to 10 fewer hospitals offering MRI services; and
 - 18 fewer hospitals offering CT scans.

- **CS/HB 21** reforms the state's hospital licensure system to remove barriers to health care access and quality by:
 - Repealing Florida's Certificate of Need (CON) review for general hospitals, complex medical rehabilitation beds and tertiary hospital services effective July 1, 2019.
 - Maintaining CON review for hospices, nursing homes and intermediate care facilities for the developmentally disabled.
 - Maintaining CON review for specialty hospitals until July 1, 2021.
 - Maintaining current law prohibition on specialty hospitals for cardiac, orthopedic, surgical or oncology specialties.
 - Requiring OPPAGA to study and make recommendations for licensure standards for tertiary hospital services by November 1, 2019.
- The bill removes regulatory barriers that hinder competition and block innovation.
- Free and competitive markets are the most effective means of reducing prices and improving quality.
- We are committed to improving access to affordable, quality healthcare.
- Our goal is to remove governmental barriers to innovation and to empower consumers to get better services at better prices.

The bottom line: CS/HB 21 eliminates barriers to better health care services and access in Florida.