



June 15th, 2024

Interim Joint Committee on Licensing, Occupations and Administrative Regulations

Dear Co-Chairs Schickel and Koch and Distinguished Members of the Interim Joint Committee (IJC) on Licensing, Occupations and Administrative Regulation:

I appreciate the opportunity to comment on the state of Certificate of Need in Kentucky. My name is Alicia Plemmons, PhD, and I am an assistant professor, research fellow, and coordinator in the Knee Regulatory Research Center at West Virginia University. This comment is not submitted on behalf of any party or interest group.

Normally, I would give a long list of facts and statistics from the literature. This time, I want to highlight just one study that underscores the seriousness of how Certificate of Need affects healthcare in your state.

Earlier this year, I published a peer-reviewed study on the impact of Certificate of Need regulations on the vulnerable population.¹ This is especially important as Kentucky is one of the few states who still have Certificate of Need restrictions in place for substance use disorder treatment facilities. My study used data provided by the Center for Medicaid and CHIP Services within the Center for Medicare and Medicaid Services and finds:

1. Certificate of Need restrictions for substance use disorder treatment facilities severely reduces the number of beds available in treatment facilities for patients using Medicaid.
2. Due to fewer beds available for patients with Medicaid, fewer pregnant women using Medicaid can access treatment for substance use disorder.
3. This lack of beds is directly linked to an increased rate of newborns in Kentucky being born with Neonatal Abstinence Syndrome, which can have long term and even fatal consequences.

Certificate of Need restrictions on substance use disorder facilities in Kentucky is preventing access to treatment for mothers and newborns. States who have removed this Certificate of Need on substance use disorder treatment facilities no longer experienced this higher rate of Neonatal Abstinence Syndrome.

Best regards,

¹ Plemmons, Alicia, Darwyn Deyo, and Sarah Drain. (2024). The Effect of Certificate-of-Need laws on substance use disorder care for vulnerable populations. *Southern Economic Journal*. <https://doi.org/10.1002/soej.12696>