

**CERTIFICATE OF NEED TASK FORCE**  
**Minutes of the 6th Meeting of the 2023 Interim**  
**November 20, 2023**

**Call to Order and Roll Call**

The sixth meeting of the Certificate of Need Task Force was held on November 20, 2023, at 10:30 AM in Room 171 of the Capitol Annex. Representative Russell Webber, Chair, called the meeting to order, and the secretary called the roll.

**Present were:**

Members: Senator Donald Douglas Co-Chair; Representative Russell Webber Co-Chair; Senators Karen Berg, David P. Givens, Stephen Meredith, and John Schickel; Representatives Lindsey Burke, Daniel Elliott, Marianne Proctor, and Susan Witten.

Guests: Senator Gex Williams; Jeffrey A. Singer, MD, FACS, Senior Fellow, Cato Institute; Laura D'Agostino, Attorney, Pacific Legal Foundation; Deborah Hayes, President, Chief Executive Officer, The Christ Hospital Health Network; and Matt Shuler, Vice President, Chief Legal Officer, The Christ Hospital Health Network.

LRC Staff: DeeAnn Wenk, Logan Bush, and Becky Lancaster.

**Approval of Minutes**

A motion to approve the minutes of the October 19, 2023, meeting was made by Senator Douglas, seconded by Senator Meredith, and approved by voice vote.

**Certificate of Need Laws**

Jeffrey A. Singer, MD, FACS, Senior Fellow, Cato Institute, discussed his view on the reasons certificate of need laws should be repealed, including monopoly privileges for existing facilities, greater spending per patient on Medicare and Medicaid in rural areas, limitations on establishing birthing centers, and reduced rapid response ability to the health care system due to sudden changes.

In response to questions and comments from Senator Meredith, Dr. Singer stated that Arizona has many areas that are ambulance deserts. It should be up to the facility and market conditions to determine whether or not to open a facility not the government. Alternatives to hospitals may provide services at lower costs.

In response to questions and comments from Representative Proctor, Dr. Singer stated that Arizona repealed certificate of need laws 33 years ago and has not had problems with new hospitals developing or expanding.

In response to questions and comments from Representative Burke, Dr. Singer stated that one of the reasons for a shortage of healthcare services are because the healthcare system needs major reform and repealing certificate of need laws is one part of that reform process.

In response to questions and comments from Senator Douglas, Dr. Singer stated that Kentucky should move healthcare to a free-market space and that markets serve the consumer.

Laura D'Agostino, attorney, Pacific Legal Foundation, discussed her experience with the health system in Italy. She stated that research shows there are fewer service providers and services offered in certificate of need states than in non-certificate of need states. She made suggestions for a partial repeal of the certificate of need laws.

### **Hospitals: Certificate of Need Discussion**

Deborah Hayes, President, Chief Executive Officer, The Christ Hospital Health Network, discussed The Christ Hospital Health Network's performance awards, service area, Kentucky residents it employs, and the number of Kentucky patients it serves. She discussed the hospital's experiences and costs with trying to obtain a certificate of need in Kentucky and potential services needed that require a certificate of need.

In response to questions and comments from Senator Berg, Ms. Hayes stated that The Christ Hospital Health Network physicians are not required to use their MRI facilities but prefer to use The Christ Hospital Health Network facilities, because it is more convenient and they are familiar with who will be reading the MRI.

In response to questions and comments from Senator Meredith, Ms. Hayes stated that she is asking for a repeal of the certificate of need law based on testimony given and she does not believe repealing the certificate of need will have a negative effect on rural hospitals if healthcare systems can partner with the existing rural hospital systems.

In response to questions and comments from Representative Proctor, Ms. Hayes stated that since the hospital is required to list routine services on its website, they can analyze prices with hospitals in surrounding areas and other states. They found that in March of 2023, the cost of four common health procedures were higher in Northern Kentucky than in Cincinnati.

In response to questions and comments from Representative Burke, Ms. Hayes stated that as a nonprofit healthcare provider they have every intention to continue providing uncompensated care to patients and the community.

In response to questions and comments from Senator Williams, Ms. Hayes stated that the hospital works well with Cincinnati Children's Hospital but they do not provide care for children beyond stabilizing them in the emergency room.

In response to questions and comments from Representative Elliott, Ms. Hayes stated that St. Elizabeth Healthcare opposed The Christ Hospital Health Network's certificate of need requests.

### **Adjournment**

There being no further business, the meeting was adjourned at 11:46 AM.