

How CON Affects: Quality, Cost, and Access



93

Peer-reviewed studies

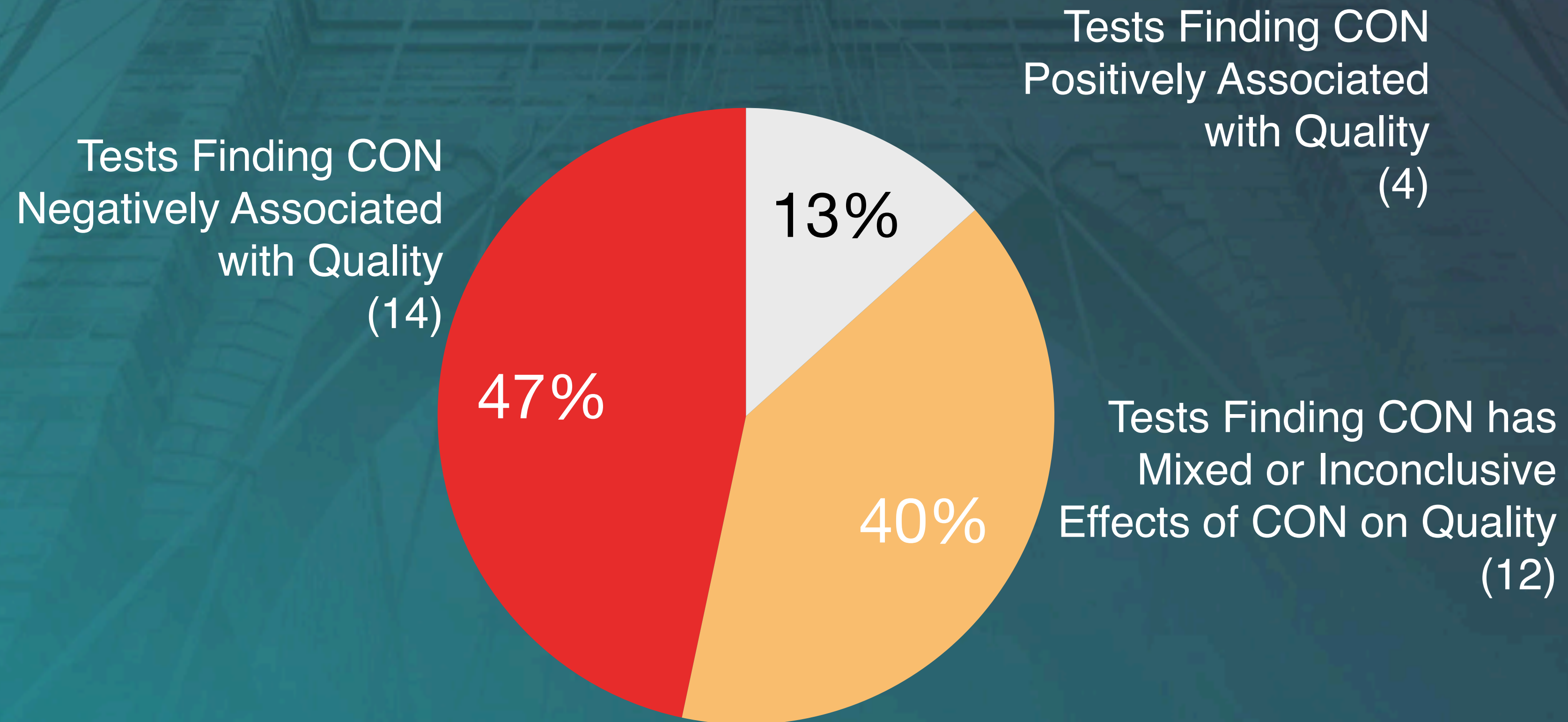
1. There have been 93 peer reviewed studies (and counting) of CON. These contain 115 tests. (About 90% were not published by Mercatus, though, of course, I stand by the Mercatus publications too).
2. 3.5 times as many tests find CON is associated with lower quality than find it is associated with higher quality.
3. 10.5 times as many studies find CON is associated with worse cost/spending/efficiency outcomes than find it is associated with better cost/spending/efficiency outcomes.
4. 16.5 times as many studies find CON is associated with diminished access than find it is associated with increased access.

How CON Affects: Quality, Cost, and Access



115 tests

How CON Affects: Quality



How CON Affects: Quality

3.5X

How CON Affects: Quality

Tests Finding CON Negatively Associated with Quality (14)

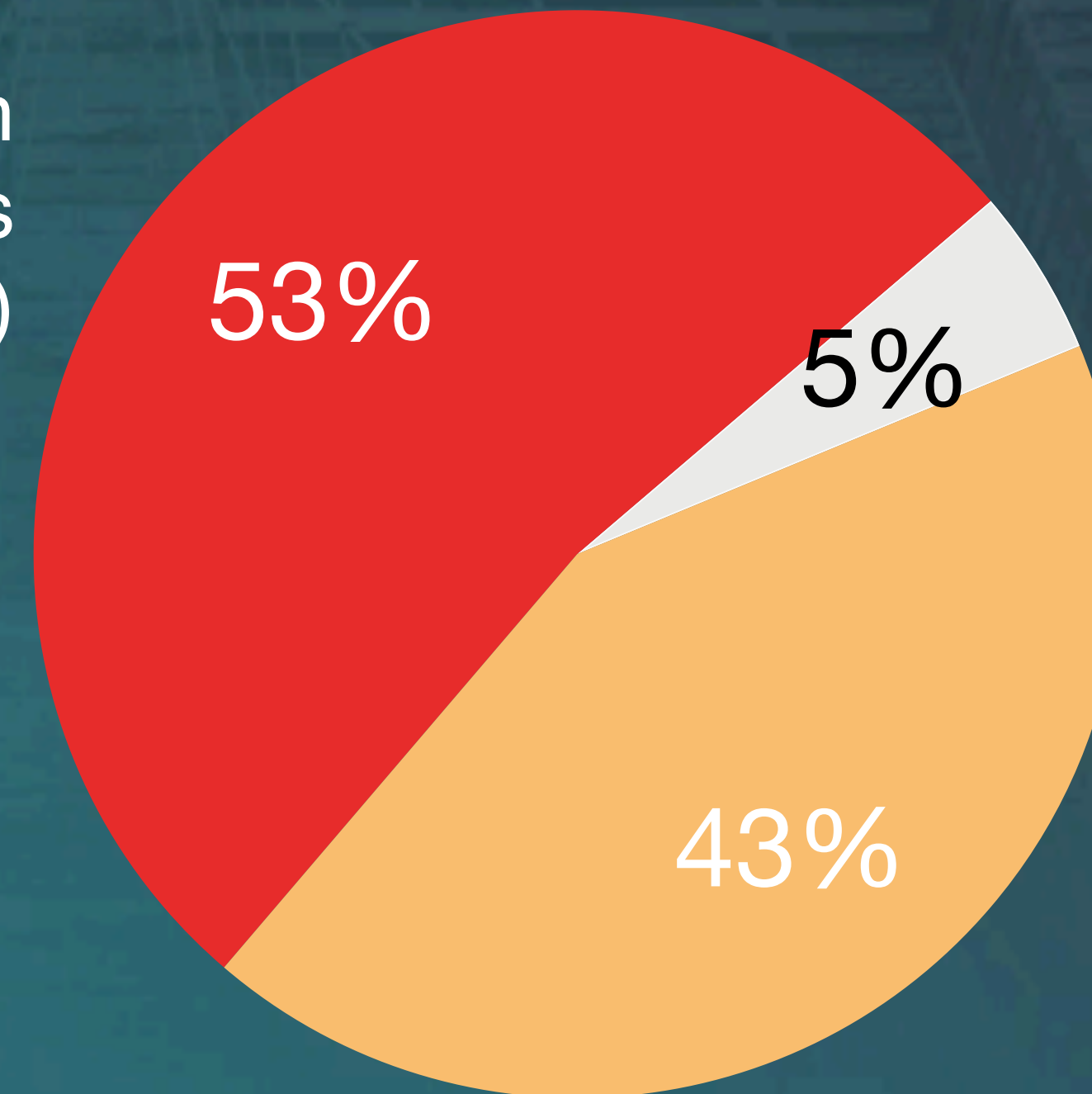
- Higher mortality rates following heart attack, heart failure, and pneumonia.
- Higher readmission rates,
- Higher death rates from postsurgery complications,
- Lower hospital ratings,
- Lower nursing home ratings,
- Lower home health agency scores,
- Nursing home patients are more likely to be restrained,
- Home health agency clients are less likely to see improvements in mobility,
- Surgeries are more likely to be performed by lower-quality surgeons.

How CON Affects: Cost

“Price”
“Expenditures”
“Efficiency”



CON associated with
“bad” cost outcomes
(21)



CON associated with
“good” cost outcomes
(2)

CON associated with
“neutral” cost outcomes
(17)

How CON Affects: Cost

10.5X

The ratio of “bad” to “good” cost results

How CON Affects: Cost

Tests Finding CON is
Associated with
Higher
Spending Per Service
(7)

\$/Q

“Price”

- Reimbursement costs for coronary artery bypass grafts fell **2.8** percent in Ohio and **8.8** percent in Pennsylvania following repeal
- Hospital charges are **5.5** percent lower in repealing states **five** years after repeal.
- Medicare reimbursements for total knee arthroplasty are **5** to **10** percent lower in non-CON states than in CON states.
- Spinal surgery reimbursements fell faster in non-CON than in CON states (about **11** percent per year).

How CON Affects: Cost

Tests Finding CON
Is Associated with
More Spending Per
Person
(11)

\$/person
“Expenditures”

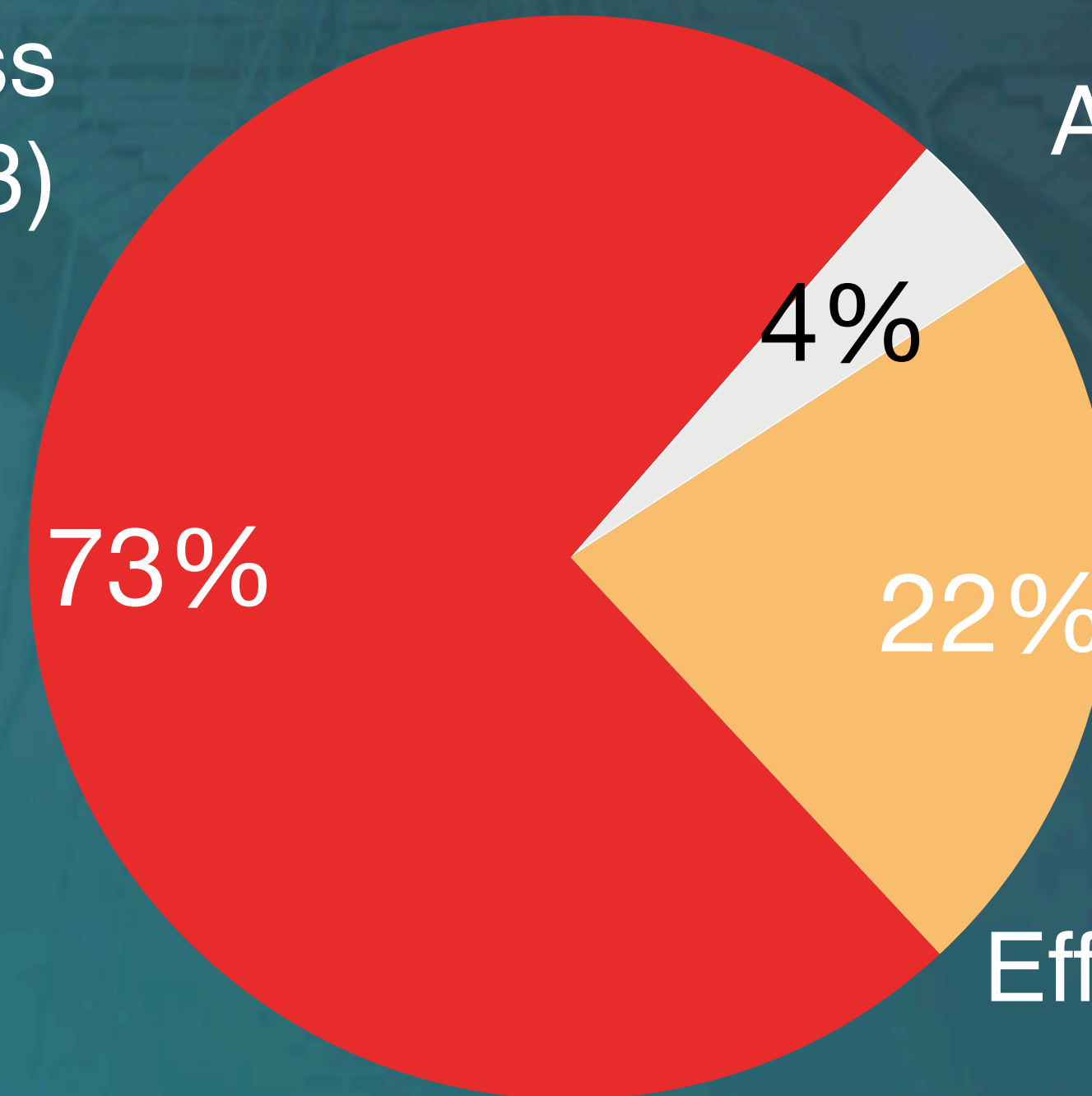
- Medicaid community-based care expenditures per capita are higher in CON than in non- CON states.
- Hospital expenditures per adjusted admission are higher in CON than in non-CON states.
- States that eliminate CON experience 5 percent reductions in real per capita health care spending.

How CON Affects: Access

Tests Finding CON
Associated with Diminished
Access
(33)

Tests Finding CON
Associated with Greater
Access
(2)

Do People Use
the Services?
&
Are Services
(easily) Available?



Tests Finding
Mixed or Inconclusive
Effects of CON on Access
(10)

How CON Affects: Access

16.5X

The ratio of “bad” to “good” access results

How CON Affects: Access

Tests Finding CON Associated with Diminished Access (33)

- The typical patient in a CON state has access to fewer hospitals, hospice care facilities, dialysis clinics, cancer treatment facilities, home health agencies, psychiatric care facilities, drug and substance abuse centers, open-heart surgery programs, revascularization programs, and percutaneous coronary intervention programs.
- Patients in these states have access to fewer hospital beds and are more likely to have been denied beds during the COVID-19 pandemic.
- These patients have access to fewer medical imaging devices.
- Patients in states with CON laws must travel longer distances for care and are more likely to leave their state for care, and must wait longer for care.
- And whereas CON programs do not seem to increase charity care, they do exacerbate Black-White disparities in the provision of care.

How CON Affects: Quality, Cost, and Access



“Bad”
(68)

