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Title: Repeal Michigan’s Certificate of Need Statute  
Introduced by: Kenneth A. Fisher, MD  
Original Author: Kenneth A. Fisher, MD  
Referred to: Reference Committee B  
House Action: **APPROVE**

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Whereas, innovation, creativity and entrepreneurship are the key ingredients for progress in any society, and

Whereas, in 1968, the American Hospital Association (AHA) began a national campaign to create certificate of need (CON) laws ostensibly to decrease costs and improve health care access for the poor, neither of which have been achieved by this law, and

Whereas, in 1974, in response to AHA lobbying and the hope of controlling costs, the federal government provided funds to encourage states to enact CON laws; and

Whereas, Michigan had already adopted its own CON statute in 1972, which is still in effect although many consider it anti-competitive, and

Whereas, these CON laws remained in effect in most states including Michigan despite the federal government’s conclusion by 1987 that CON laws neither controlled costs nor improved access for the poor and its discontinuation of its support for these laws, and

Whereas, the claim that CON laws are needed because of a lack of price transparency is just defending a presently strongly criticized practice; therefore be it

RESOLVED: That MSMS, in defense of innovation, creativity and entrepreneurship in health care, propose legislation for the abolishment of Michigan’s certificate of need statute.

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WAYS AND MEANS COMMITTEE FISCAL NOTE: NONE

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Reference(s):  
1. [http://mercatus.org/expert\\_commentary/certificate-need-laws-no-longer-needed](http://mercatus.org/expert_commentary/certificate-need-laws-no-longer-needed)