

Opposition to SB 1054 – Certificate of Need Exemption

Oregon's certificate of need program was created in 1971 to control the cost of health care by limiting the development of facilities that would create excess capacity in the healthcare delivery system. Such excess capacity carries additional unnecessary fixed costs driving up overall costs in the health care system. The process is intended to be an objective review of a proposed new health care facility to ensure it:

- Fulfills an actual need in the community.
- Will provide quality health care services;
- Is financially feasible; and
- Will foster containment of health care costs.

Creating limited exemptions to Oregon's certificate of need process on a case by case basis is counterproductive to the operation of an effective certificate of need program, hinders hospitals' and other health care entities' ability to conduct long-range planning, and undercuts the State's efforts to transform health care to provide high quality care at lower cost.

For these reasons the following organizations oppose SB 1054:

