

Op-Ed: Don't Take a Wrecking Ball to West Virginia's Health Care System

By Craig P. Blair

There's a growing chorus led by Americans for Prosperity (AFP) calling for the outright elimination of West Virginia's Certificate of Need (CON) program for health care. I respect AFP. They've done good work advocating for free-market reforms, and their heart is in the right place. It's no surprise Governor Patrick Morrisey, with a strong record of conservative leadership, has adopted their proposal. In fact, I've supported efforts to eliminate CON in other sectors, including waste hauling and mobile medical services.

But here's the uncomfortable truth: Eliminating the Certificate of Need for health care in West Virginia simply won't work. Not now. Not in the economic and demographic conditions we currently face. In fact, doing so would deepen our existing crises and unravel the fragile safety net that holds rural health care together.

Let me explain.

The U.S. Department of Health and Human Services has long encouraged states to phase out Certificate of Need laws, arguing they stifle competition. That argument works well in states with growing populations and strong private payer markets. But West Virginia is not one of those states or at least not yet. We already have food deserts. Eliminating CON would add health care deserts, especially in rural areas where access is already strained.

Here's the real issue: health care follows money. Reimbursement rates from Medicaid and PEIA are woefully low. That wouldn't matter as much if we had a robust population of private payers. That's people working in jobs with private insurance. But our workforce participation rate is low, and private sector job growth has lagged for decades and is only now beginning to rebound. As a result, hospitals rely on a delicate financial balancing act. Profitable service lines in high-density areas help subsidize essential services in rural communities that don't generate a return. That's the equity model.

Eliminate the CON, and you open the floodgates to out-of-state providers cherry-picking only the profitable segments like imaging centers, surgical centers, specialty care in Charleston or Morgantown. But they won't touch rural emergency rooms, behavioral health clinics, or long-term care in McDowell or Hardy counties. Those services lose money, but they save lives.

Hospitals will be forced to consolidate, cut services, and retreat from marginal communities just to survive. Imagine having a car accident in Pendleton County and facing a three-hour trip to the nearest trauma center. That's not just inconvenient, it's fatal. And

it's not hypothetical. It's already happening in other states that moved too fast, without vision.

What's more, eliminating CON won't save money. It'll raise costs. As providers abandon less profitable services, Medicaid, PEIA, and even private insurers will absorb the shock which will drive premiums up and discourage job creation. That's not reform. That's sabotaging all the progress we've made over the past decade.

West Virginia doesn't need a wrecking ball approach. We need a blueprint for sustainable growth. That starts with smart economic policy. Finish eliminating the personal property tax on machinery and equipment. That'll draw more industry and investment and yes, even hospitals pay that tax. Boost workforce participation. Train and retrain our people. Give our youth the opportunity to stay in West Virginia to work, live, play and most importantly...raise a family. We must restore dignity to work and get more of our citizens on to private insurance plans.

Then and only then should we revisit eliminating the Certificate of Need for health care. When we've grown our population and rebuilt our base of private payers, competition can work. But right now, we're not there.

Governor Morrissey means well. And AFP's goals are noble. But they're admiring the shiny CON hood ornament instead of watching the road ahead. If we want to drive West Virginia toward sustained prosperity, we must keep our eyes on the destination, and not veer off the road to prosperity just to make a political point.

Governor Morrissey please steer clear and don't call a special session on Certificate of Need.