



General Assembly

February Session, 2026

**Governor's Bill No. 5045**

LCO No. 623



Referred to Committee on PUBLIC HEALTH

Introduced by:

Request of the Governor Pursuant  
to Joint Rule 9

***AN ACT STREAMLINING HEALTH CARE FACILITY APPROVALS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1       Section 1. (NEW) (*Effective October 1, 2026*) As used in this section and  
2       sections 2 to 12, inclusive, of this act, unless the context otherwise  
3       requires:

4       (1) "Affiliate" means a person, entity or organization controlling,  
5       controlled by or under common control with another person, entity or  
6       organization. "Affiliate" does not include a medical foundation  
7       organized under chapter 594b of the general statutes. As used in this  
8       subdivision, "controlled by" means the other person, entity or  
9       organization, or one of such other person's, entity's or organization's  
10      affiliates, officers or management employees, acting in such capacity,  
11      acts as a general partner of a general or limited partnership or manager  
12      of a limited liability company.

13      (2) "Applicant" means any person or health care facility that applies  
14      for a certificate of need pursuant to section 6 or 7 of this act.

15 (3) "Bed capacity" means the total number of inpatient beds in a  
16 facility licensed by the Department of Public Health under sections 19a-  
17 490 to 19a-503, inclusive, of the general statutes.

18 (4) "Certificate of need" means a certificate issued by the Certificate  
19 of Need Unit of the Department of Public Health pursuant to section 6  
20 or 7 of this act.

21 (5) "Commissioner" means the Commissioner of Public Health, or the  
22 commissioner's designee.

23 (6) "Day" means a calendar day.

24 (7) "Department" means the Department of Public Health.

25 (8) "Free clinic" means a private, nonprofit community-based  
26 organization that provides medical, dental, pharmaceutical or mental  
27 health services at reduced cost or no cost to low-income, uninsured and  
28 underinsured individuals.

29 (9) "Group practice" has the same meaning as provided in section 19a-  
30 486i of the general statutes.

31 (10) "Health care facility" means (A) a hospital, including any satellite  
32 location licensed by the Department of Public Health under chapter  
33 368v of the general statutes; (B) specialty hospital; (C) freestanding  
34 emergency department; (D) outpatient surgical facility (i) as defined in  
35 section 19a-493b of the general statutes and licensed under chapter 368v  
36 of the general statutes, or (ii) as established by a short-term acute care  
37 general hospital licensed by the department under said chapter; (E) a  
38 hospital or other facility or institution operated by the state that  
39 provides services that are eligible for reimbursement under Title XVIII  
40 or XIX of the federal Social Security Act, 42 USC 301, as amended from  
41 time to time; (F) a central service facility; (G) mental health facilities; (H)  
42 substance abuse treatment facilities; (I) any other facility requiring  
43 certificate of need review pursuant to section 4 of this act; and (J) any

44 parent company, subsidiary, affiliate or joint venture, or any  
45 combination thereof, of any facility described in subparagraphs (A) to  
46 (J), inclusive, of this subdivision.

47 (11) "Panel" means the three-person panel established under section  
48 2 of this act to decide all certificate of need applications.

49 (12) "Person" means any individual, partnership, corporation, limited  
50 liability company, association, governmental subdivision, agency or  
51 public or private organization of any character. "Person" does not  
52 include the agency conducting the certificate of need application  
53 proceeding under section 6 or 7 of this act.

54 (13) "Physician" has the same meaning as provided in section 20-13a  
55 of the general statutes.

56 (14) "Change of ownership or control" means any change in the  
57 ownership or beneficial ownership or the change of governance of an  
58 entity, including (A) a corporate merger, (B) an acquisition of one or  
59 more entities by direct or indirect purchase in any manner, including,  
60 but not limited to, lease, transfer, exchange, option, receipt of a  
61 conveyance, creation of a joint venture or any other manner of purchase,  
62 such as by a health care system, private equity group, hedge fund,  
63 publicly traded company, real estate investment trust, management  
64 services organization or health carrier, or any subsidiaries thereof, of not  
65 less than twenty per cent of the assets or operations of a health care  
66 entity, (C) any affiliation, arrangement or contract that results in a  
67 change of control of an entity by an arrangement or agreement in which  
68 any other person, corporation, partnership or entity acquires direct or  
69 indirect control over the operations of the entity in whole or in  
70 substantial part, (D) the formation of a partnership, joint venture,  
71 accountable care organization, parent organization or management  
72 services organization for the purpose of administering contracts with  
73 health carriers, third-party administrators, pharmacy benefit managers  
74 or health care providers, (E) a transfer of control of a board of directors

75 or governing body, sale, purchase, lease or affiliation of an entity, or (F)  
76 a real estate sale or lease agreement involving not less than twenty per  
77 cent of the assets of an entity.

78       Sec. 2. (NEW) (*Effective October 1, 2026*) (a) There is established within  
79 the department, for administrative purposes only, a panel that shall  
80 make all final decisions and rulings regarding certificate of need  
81 applications submitted on and after January 1, 2027, pursuant to section  
82 6 or 7 of this act, civil penalties and cease and desist orders imposed on  
83 and after January 1, 2027, pursuant to section 10 of this act, policies and  
84 procedures effective on and after January 1, 2027, pursuant to section 11  
85 of this act, hospital plans for continued access to care during service  
86 termination on and after January 1, 2027, pursuant to section 12 of this  
87 act, and sales of nonprofit hospitals pursuant to section 19a-486a of the  
88 general statutes. The panel shall consist of three members, that shall  
89 include (1) the Commissioner of Public Health, or the commissioner's  
90 designee, who shall act as chairperson of the panel, (2) the Secretary of  
91 the Office of Policy and Management, or the secretary's designee, and  
92 (3) the Commissioner of Social Services, or the commissioner's designee.

93       (b) On and after January 1, 2027, the panel shall hold quarterly  
94 meetings to review and decide any certificate of need application that  
95 has been presented to the panel. In addition to the quarterly meetings,  
96 the chairperson may at any time call a special meeting of the panel to  
97 review and decide any application prepared for presentation to the  
98 panel.

99       Sec. 3. (NEW) (*Effective October 1, 2026*) (a) There is established within  
100 the department a Certificate of Need Unit that shall support the panel  
101 in its decision making. The commissioner shall appoint an executive  
102 director who shall oversee the unit.

103       (b) On and after January 1, 2027, (1) each person applying for a  
104 certificate of need shall file an application with the Certificate of Need  
105 Unit, and (2) the unit shall prepare a summary analysis of the record of

106 the certificate of need application and present such analysis at any  
107 public hearing and the panel meeting concerning such application.

108 (c) On and after January 1, 2027, the Certificate of Need Unit shall  
109 make all determinations as to whether a certificate of need is required  
110 pursuant to section 4 of this act.

111 (d) The Certificate of Need Unit shall monitor compliance with the  
112 provisions of sections 2 to 12, inclusive, of this act and with any order or  
113 decision, including any conditions placed thereon, that is issued by the  
114 panel. In any enforcement action made under section 10 of this act, the  
115 Certificate of Need Unit shall present the allegations set forth in the  
116 enforcement action at the public hearing before the panel.

117 Sec. 4. (NEW) (*Effective October 1, 2026*) (a) On and after January 1,  
118 2027, a certificate of need issued by the panel shall be required for:

119 (1) The establishment of a new health care facility;

120 (2) A change of ownership or control of a health care facility;

121 (3) A change of ownership or control of a group practice involving a  
122 group practice that has total assets, annual revenues or anticipated  
123 combined annual revenues of at least ten million dollars, including both  
124 in-state and out-of-state assets or revenues, or that includes a private  
125 equity entity;

126 (4) The acquisition of computed tomography scanners, magnetic  
127 resonance imaging scanners, positron emission tomography scanners or  
128 positron emission tomography-computed tomography scanners, by any  
129 person, physician, provider, short-term acute care general hospital or  
130 children's hospital, except (A) as provided for in subdivision (22) of  
131 subsection (b) of this section, and (B) a certificate of need issued by the  
132 panel shall not be required where such scanner is a replacement for a  
133 scanner that was previously acquired through certificate of need  
134 approval or a certificate of need determination, including a replacement

135 scanner that has dual modalities or functionalities if the applicant  
136 already offers similar imaging services for each of the scanner's  
137 modalities or functionalities that will be utilized;

138 (5) An increase in the licensed bed capacity of a health care facility;

139 (6) The acquisition of equipment utilizing technology that has not  
140 previously been utilized in the state; and

141 (7) An increase of two or more operating rooms within any three-year  
142 period by an outpatient surgical facility, as defined in section 19a-493b  
143 of the general statutes, or by a short-term acute care general hospital.

144 (b) On and after January 1, 2027, a certificate of need shall not be  
145 required for:

146 (1) A health care facility owned and operated by the federal  
147 government;

148 (2) The establishment of offices by a licensed private practitioner,  
149 whether for individual or group practice, except when a certificate of  
150 need is required in accordance with the requirements of section 19a-  
151 493b of the general statutes or subdivision (3), (4) or (6) of subsection (a)  
152 of this section;

153 (3) A health care facility operated by a religious group that  
154 exclusively relies upon spiritual means through prayer for healing;

155 (4) Residential care homes, nursing homes and rest homes, as defined  
156 in section 19a-490 of the general statutes;

157 (5) An assisted living services agency, as defined in section 19a-490 of  
158 the general statutes;

159 (6) A home health agency, as defined in section 19a-490 of the general  
160 statutes;

161 (7) Hospice services, as described in section 19a-122b of the general

162 statutes;

163 (8) An outpatient rehabilitation facility;

164 (9) Outpatient chronic dialysis services;

165 (10) Transplant services;

166 (11) A free clinic;

167 (12) A school-based health center and an expanded school health site,  
168 as such terms are defined in section 19a-6r of the general statutes, a  
169 community health center, as defined in section 19a-490a of the general  
170 statutes, a not-for-profit outpatient clinic licensed in accordance with the  
171 provisions of chapter 368v of the general statutes and a federally  
172 qualified health center;

173 (13) A program licensed or funded exclusively by the Department of  
174 Children and Families, provided such program is not a psychiatric  
175 residential treatment facility;

176 (14) Any nonprofit facility, institution or provider solely providing  
177 behavioral health or substance use disorder treatment services;

178 (15) A health care facility operated by a nonprofit educational  
179 institution exclusively for students, faculty and staff of such institution  
180 and their dependents;

181 (16) An outpatient clinic or program operated exclusively by or  
182 contracted to be operated exclusively by a municipality, municipal  
183 agency, municipal board of education or a health district, as described  
184 in section 19a-241 of the general statutes;

185 (17) A residential facility for persons with intellectual disability  
186 licensed pursuant to section 17a-227 of the general statutes and certified  
187 to participate in the Title XIX Medicaid program as an intermediate care  
188 facility for individuals with intellectual disabilities;

189       (18) Replacement of existing computed tomography scanners,  
190       magnetic resonance imaging scanners, positron emission tomography  
191       scanners or positron emission tomography-computed tomography  
192       scanners, if such equipment was acquired through certificate of need  
193       approval or a certificate of need determination, provided a health care  
194       facility, provider, physician or person notifies the Department of Public  
195       Health of the date on which the equipment is replaced and the  
196       disposition of the replaced equipment, including if a replacement  
197       scanner has dual modalities or functionalities and the applicant already  
198       offers similar imaging services for each of the equipment's modalities or  
199       functionalities that will be utilized;

200       (19) Acquisition of cone-beam imaging equipment;

201       (20) The partial or total elimination of services provided by an  
202       outpatient surgical facility, as defined in section 19a-493b of the general  
203       statutes;

204       (21) The termination of services for which the Department of Public  
205       Health has requested the facility to relinquish its license;

206       (22) Acquisition of any equipment by any person that is to be used  
207       exclusively for scientific research, provided the equipment shall not be  
208       used in the diagnosis, treatment or prevention of any medical condition  
209       for humans;

210       (23) The establishment of a harm reduction center through the pilot  
211       program established pursuant to section 17a-673c of the general  
212       statutes;

213       (24) On or before June 30, 2028, a birth center, as defined in  
214       section 19a-490 of the general statutes, that is enrolled as a provider in  
215       the Connecticut medical assistance program, as defined in section 17b-  
216       245g of the general statutes;

217       (25) An association between a group practice and a management



218 services organization under which such management services  
219 organization does not directly share in the profits or net revenue of the  
220 group practice but rather is paid a fair market value through a contract  
221 for services rendered; and

222 (26) The relocation of health care facility within the same town or  
223 within ten miles of the existing facility location, provided such  
224 relocation will not result in a substantial change to the payer mix or  
225 patient population served by the facility.

226 (c) On and after January 1, 2027, any person or health care facility or  
227 institution that is unsure whether a certificate of need is required for a  
228 particular proposal under this section shall send a letter to the  
229 Certificate of Need Unit that describes the proposal and requests that  
230 the Certificate of Need Unit make a determination as to whether a  
231 certificate of need is required for such proposal. A person or health care  
232 facility or institution making such request shall provide the unit with  
233 any information the Certificate of Need Unit requests as part of its  
234 determination process. The Certificate of Need Unit shall provide a  
235 determination not later than thirty days after receipt of such request.

236 Sec. 5. (NEW) (*Effective October 1, 2026*) (a) In any deliberation  
237 involving a certificate of need application filed pursuant to section 6 of  
238 this act, the panel shall determine whether the applicant has  
239 demonstrated, by a preponderance of the evidence, that the proposal is  
240 in the public's interest. In making such determination, the panel shall  
241 consider the following:

242 (1) Whether the proposal set forth in the application is consistent with  
243 any policies and procedures promulgated by the panel;

244 (2) Whether the proposal promotes delivery of high-quality care in  
245 the primary service area of the applicant;

246 (3) Whether the proposal promotes access, including Medicaid  
247 access, in the primary service area of the applicant;

248 (4) Whether the proposal promotes delivery of cost-effective care in  
249 the primary service area of the applicant;

250 (5) Whether the proposal promotes financial stability of the health  
251 care system, including, but not limited to, whether the proposal is  
252 financially feasible for the applicant and whether there is any evidence  
253 of prior financial mismanagement or misconduct by the applicant;

254 (6) Whether there is a clear public need for the proposal and the  
255 services to be provided under the proposal; and

256 (7) Whether the proposal would result in an unnecessary duplication  
257 of services.

258 (b) In analyzing whether a certificate of need application satisfies the  
259 certificate of need criteria set forth in subsection (a) of this section, the  
260 panel and the Certificate of Need Unit may engage any third-party  
261 consultant that the panel or unit deems necessary to analyze the  
262 application materials and proposal set forth in the application pursuant  
263 to such criteria. All costs associated with such third-party consultant  
264 shall be borne by the applicant, provided the total costs for all  
265 consultants to the panel and the Certificate of Need Unit for a single  
266 application shall not exceed two hundred thousand dollars. Each third-  
267 party consultant engaged under this subsection shall submit each  
268 invoice for consulting services directly to the applicant for payment not  
269 later than thirty days after the issuance of the invoice. The provisions of  
270 chapter 57 of the general statutes and sections 4-212 to 4-219, inclusive,  
271 and 4e-19 of the general statutes shall not apply to any retainer  
272 agreement executed pursuant to this subsection.

273 Sec. 6. (NEW) (*Effective October 1, 2026*) (a) On and after January 1,  
274 2027, an applicant seeking a certificate of need shall submit an  
275 application to the Certificate of Need Unit, in a form and manner  
276 prescribed by the unit, and include all information required pursuant to  
277 the policies and procedures promulgated pursuant to section 11 of this  
278 act. Each application shall be submitted based on quarterly deadlines

279 established by the panel, including submission dates of March first, June  
280 first, September first and December first.

281 (1) For any certificate of need application submitted under this  
282 section that includes a change of ownership or control of a health care  
283 facility or institution that is required to be approved in accordance with  
284 section 19a-493 of the general statutes, such application shall include the  
285 application required by said section for such approval.

286 (2) Upon deeming an application made under subdivision (1) of this  
287 subsection complete, the Certificate of Need Unit shall submit the  
288 change of ownership or control application to the commissioner for  
289 review under section 19a-493 of the general statutes. After the  
290 commissioner completes the review under said section, the  
291 commissioner shall provide the determination of such review and any  
292 supporting documentation to the Certificate of Need Unit to be added  
293 to the record for the certificate of need application, and the process of  
294 reviewing such application under this section shall resume. A certificate  
295 of need shall not be issued to an applicant for whom the commissioner  
296 has denied an application for change of ownership under section 19a-  
297 493 of the general statutes.

298 (3) Nothing in this section, sections 2 to 5, inclusive, of this act or  
299 sections 7 to 12, inclusive, of this act shall affect the authority of the  
300 Commissioner of Public Health provided under chapter 368v of the  
301 general statutes.

302 (b) Not later than thirty days prior to the deadline to submit a  
303 certificate of need application described in subsection (a) of this section,  
304 an applicant for a certificate of need shall submit a notice to the  
305 Certificate of Need Unit for posting on the unit's Internet web site. Such  
306 notice shall include but not be limited to:

307 (1) The identity of the applicant and any known parties to the  
308 application;

309       (2) The street address and town where the proposal that is the subject  
310 of the application is located; and

311       (3) A brief description in plain language of the proposal, including a  
312 reference to the subdivision of subsection (a) of section 4 of this act  
313 under which the application is being submitted.

314       (c) Not later than thirty days after the deadline to submit an  
315 application described in subsection (a) of this section, the Certificate of  
316 Need Unit shall notify each certificate of need applicant whether the  
317 applicant's application is deemed complete. For any application that is  
318 deemed incomplete, the unit shall, not later than fifteen days after  
319 deeming such application incomplete, notify the applicant, in writing,  
320 of each application and data element that was not adequately addressed  
321 by the applicant. The unit shall not review any incomplete application  
322 until the applicant submits a revised and completed application that  
323 adequately addresses such application and data elements to the unit in  
324 a subsequent application period.

325       (d) The panel shall hold a public hearing on each properly filed and  
326 complete certificate of need application filed under this section unless  
327 the applicant waives the applicant's right to a public hearing. An  
328 applicant may waive the applicant's right to a public hearing if the  
329 applicant is the only party to the proceeding and no person is granted  
330 intervenor status pursuant to section 4-177a of the general statutes. Such  
331 waiver shall constitute a waiver of the applicant's right to appeal under  
332 section 4-183 of the general statutes. The panel shall convene a public  
333 hearing on an application not later than ninety days after the unit deems  
334 the application as properly filed and complete. Any person seeking to  
335 participate as an intervenor in the public hearing shall file a request, in  
336 a form and manner prescribed by the executive director of the  
337 Certificate of Need Unit, not later than thirty days after the posting of  
338 the notice of the application. Not later than sixty days after the record of  
339 the public hearing is closed, or after the applicant affirmatively waives  
340 a public hearing, the hearing officer shall transmit the report required

341 pursuant to subsection (e) of this section and record of such hearing, if  
342 any, and the hearing officer's proposed final decision to the panel for  
343 consideration at the panel's next quarterly meeting.

344 (e) The executive director of the Certificate of Need Unit shall submit  
345 a report summarizing the certificate of need application and providing  
346 an analysis of each criterion listed in section 4 of this act to the panel or  
347 any designated hearing officer prior to a public hearing held pursuant  
348 to subsection (d) of this section or at the panel meeting at which the  
349 application is reviewed. The unit shall provide such report to the panel  
350 or hearing officer and post such report on the unit's Internet web site not  
351 later than five days prior to any public hearing or scheduled meeting on  
352 the application.

353 (f) At the panel meeting to review a certificate of need application  
354 filed under this section, the panel shall vote on the disposition of the  
355 application. The panel may approve the application, with or without  
356 conditions, deny the application or remand the application to the  
357 hearing officer for further development of the record for presentation at  
358 the next panel meeting.

359 (g) The Certificate of Need Unit may recommend, and the panel may  
360 impose, any condition on an approval of a certificate of need application  
361 filed under this section, provided any such condition is consistent with  
362 the purposes of sections 2 to 12, inclusive, of this act. The applicant and  
363 any party to the application may request an amendment to or relief from  
364 any condition, in a form and manner prescribed by the unit, due to  
365 changed circumstances, hardship or for other good cause. The panel  
366 may grant or deny any such request. The determination to deny such  
367 request shall not be subject to appeal under section 4-183 of the general  
368 statutes.

369 Sec. 7. (NEW) (*Effective October 1, 2026*) (a) The panel may create an  
370 expedited review pathway and designate categories of applications for  
371 certificates of need required under subsection (a) of section 2 of this act,

372 or subcategories thereof, as eligible for expedited review on and after  
373 January 1, 2027.

374 (b) On and after January 1, 2027, an applicant requesting expedited  
375 review of a certificate of need application shall submit such application  
376 pursuant to the deadlines described in subsection (a) of section 6 of this  
377 act and provide the same notice to the Certificate of Need Unit as  
378 described in subsection (b) of said section.

379 (c) An applicant requesting such expedited review shall submit an  
380 application for such expedited review to the Certificate of Need Unit, in  
381 a form and manner prescribed by the executive director of the unit.

382 (d) Not later than thirty days after submitting an application for a  
383 certificate of need for expedited review under this section, the  
384 Certificate of Need Unit shall notify the applicant requesting expedited  
385 review whether such applicant's application is deemed complete and  
386 whether the application meets the requirements for expedited review.

387 (1) For any application that is deemed incomplete, the Certificate of  
388 Need Unit shall, not later than fifteen days after deeming such  
389 application incomplete, notify the applicant, in writing, of any  
390 application or data elements that were not adequately addressed by the  
391 applicant. The department shall not review such an application until the  
392 applicant submits an application that adequately addresses such  
393 application or data elements to the department in a subsequent  
394 application period.

395 (2) For any application that is deemed complete but ineligible for  
396 expedited review under this section, the Certificate of Need Unit shall  
397 review the application under the standard process set forth in section 6  
398 of this act.

399 (e) For any complete application that is eligible for expedited review  
400 under this section, the Certificate of Need Unit shall complete its  
401 analysis not later than sixty days after the application is deemed

402 complete and eligible for expedited review under this section and  
403 present the application to the panel at its next meeting.

404 (f) Notwithstanding the provisions of subsection (d) of section 6 of  
405 this act, the panel may hold a public hearing regarding any complete  
406 and eligible expedited certificate of need application.

407 (g) At the panel's meeting to consider an expedited application, the  
408 panel shall vote on the disposition of the certificate of need application.  
409 The panel may approve the application, with or without conditions,  
410 deny the application or remand the application to the hearing officer for  
411 further development of the record for presentation at the next panel  
412 meeting.

413 (h) The Certificate of Need Unit may recommend, and the panel may  
414 impose any condition on, an approval of an expedited certificate of need  
415 application, provided any such condition is consistent with the  
416 purposes of sections 2 to 12, inclusive, of this act. The applicant and any  
417 party to the application may request an amendment to or relief from any  
418 condition, in a form and manner prescribed by the unit, due to changed  
419 circumstances, hardship or for other good cause. The panel may grant  
420 or deny any such request. The determination to deny such request shall  
421 not be subject to appeal under section 4-183 of the general statutes.

422 Sec. 8. (NEW) (*Effective October 1, 2026*) (a) For a certificate of need  
423 issued pursuant to an application filed on or after January 1, 2027, the  
424 certificate of need shall be valid (1) only for the proposal described in  
425 the application, and (2) for two years from the date of issuance by the  
426 panel. During the period of time that such certificate is valid and the  
427 thirty-day period following the expiration of the certificate, the holder  
428 of the certificate shall provide the Certificate of Need Unit with such  
429 information as the unit may request on the development of the proposal  
430 covered by the certificate.

431 (b) Upon request from a certificate of need holder, the Certificate of  
432 Need Unit may extend the duration of a certificate of need for such

433 additional period of time as the unit determines is reasonably necessary  
434 to expeditiously complete the proposal. Not later than five business  
435 days after receiving a request to extend the duration of a certificate of  
436 need, the unit shall post such request on its Internet web site. Any  
437 person who wishes to comment on extending the duration of the  
438 certificate of need shall provide written comments to the unit on the  
439 requested extension not later than thirty days after the date the unit  
440 posts notice of the request for an extension of time on its Internet web  
441 site.

442 (c) If the Certificate of Need Unit determines that (1) commencement,  
443 construction or other preparation has not been substantially undertaken  
444 during a valid certificate of need period, or (2) the certificate of need  
445 holder has not made a good-faith effort to complete the proposal as  
446 approved, the unit may withdraw, revoke or rescind the certificate of  
447 need.

448 (d) For a certificate of need issued pursuant to an application filed on  
449 or after January 1, 2027, the (1) certificate of need shall not be  
450 transferable or assignable, and (2) project that is the subject of the  
451 certificate of need shall not be transferred from a certificate holder to  
452 another person.

453 Sec. 9. (NEW) (*Effective October 1, 2026*) (a) On and after January 1,  
454 2027, the Certificate of Need Unit shall conduct a cost and market impact  
455 review for any transaction where (1) an application for a certificate of  
456 need has been filed pursuant to subdivision (2) of subsection (a) of  
457 section 4 of this act or a notice of material change has been filed with the  
458 Attorney General's office pursuant to section 19a-486i of the general  
459 statutes that involves the transfer of ownership of a hospital, as defined  
460 in section 19a-639 of the general statutes, as amended by this act, and (2)  
461 the purchaser is (A) a hospital, as defined in section 19a-490 of the  
462 general statutes, whether located within or outside the state, that had  
463 net patient revenue for fiscal year 2025 in an amount greater than one  
464 billion dollars, (B) a hospital system, as defined in section 19a-486i of the



465 general statutes, whether located within or outside the state, that had  
466 net patient revenue for fiscal year 2025 in an amount greater than one  
467 billion dollars, or (C) any person that is organized or operated for profit.

468 (b) The Certificate of Need Unit shall develop a set of data requests  
469 to be used for applications filed on and after January 1, 2027, for all cost  
470 and market impact reviews. An applicant that is the subject of a cost and  
471 market impact review shall submit all data necessary for such review at  
472 the same time that the hospital initiates the application process for a  
473 certificate of need with the unit or that it submits a notice of material  
474 change to the Attorney General under section 19a-486i of the general  
475 statutes, whichever is earlier. The unit shall review the data submission  
476 for completeness not later than thirty days after submission. If the data  
477 submission is incomplete, the unit shall notify the applicant that it is  
478 incomplete and identify which data elements are incomplete.

479 (c) The Certificate of Need Unit shall keep confidential all nonpublic  
480 information and documents obtained pursuant to this section and shall  
481 not disclose the information or documents to any person without the  
482 consent of the person that produced the information or documents,  
483 except in a preliminary report or final report issued in accordance with  
484 this section if the unit believes that such disclosure should be made in  
485 the public interest after taking into account any privacy, trade secret or  
486 anti-competitive considerations. Such information and documents shall  
487 not be deemed a public record, under section 1-210 of the general  
488 statutes, and shall be exempt from disclosure.

489 (d) The cost and market impact review conducted pursuant to this  
490 section shall examine factors relating to the businesses and relative  
491 market positions of the transacting parties as defined in subsection (d)  
492 of section 19a-639 of the general statutes, as amended by this act, and  
493 may include, but need not be limited to: (1) The transacting parties' size  
494 and market share within its primary service area, by major service  
495 category and within its dispersed service areas; (2) the transacting  
496 parties' prices for services, including the transacting parties' relative

497 prices compared to other health care providers for the same services in  
498 the same market; (3) the transacting parties' health status adjusted total  
499 medical expense, including the transacting parties' health status  
500 adjusted total medical expense compared to that of similar health care  
501 providers; (4) the quality of the services provided by the transacting  
502 parties, including patient experience; (5) the transacting parties' cost and  
503 cost trends in comparison to total health care expenditures state-wide;  
504 (6) the availability and accessibility of services similar to those provided  
505 by each transacting party, or proposed to be provided as a result of the  
506 transfer of ownership of a hospital within each transacting party's  
507 primary service areas and dispersed service areas; (7) the impact of the  
508 proposed transfer of ownership of the hospital on competing options for  
509 the delivery of health care services within each transacting party's  
510 primary service area and dispersed service area including the impact on  
511 existing service providers; (8) the methods used by the transacting  
512 parties to attract patient volume and to recruit or acquire health care  
513 professionals or facilities; (9) the role of each transacting party in serving  
514 at-risk, underserved and government payer patient populations,  
515 including those with behavioral, substance use disorder and mental  
516 health conditions, within each transacting party's primary service area  
517 and dispersed service area; (10) the role of each transacting party in  
518 providing low margin or negative margin services within each  
519 transacting party's primary service area and dispersed service area; (11)  
520 consumer concerns, including, but not limited to, complaints or other  
521 allegations that a transacting party has engaged in any unfair method of  
522 competition or any unfair or deceptive act or practice; and (12) any other  
523 factors that the unit determines to be in the public interest.

524 (e) The Certificate of Need Unit shall submit the preliminary report  
525 to the applicant and to the Attorney General not later than ninety days  
526 after the data submissions are deemed complete. The applicant shall  
527 respond in writing not later than fifteen days after receipt of such  
528 preliminary report with any comments regarding such report. Once the  
529 applicant has submitted such written comments or waived the

530 opportunity to make such a submission, the unit shall make the  
531 preliminary report and the applicant's comments public. The unit shall  
532 issue a final report not later than one hundred twenty days after the  
533 application was deemed complete and make such final report part of the  
534 public certificate of need record of such application.

535 (f) Nothing in this section shall prohibit a transfer of ownership of a  
536 hospital, provided any such proposed transfer shall not be completed  
537 (1) less than thirty days after the unit has issued a final report on a cost  
538 and market impact review, if such review is required, or (2) while any  
539 action brought by the Attorney General pursuant to subsection (g) of  
540 this section is pending and before a final judgment on such action is  
541 issued by a court of competent jurisdiction.

542 (g) After the Certificate of Need Unit issues a final report on a transfer  
543 of ownership of a hospital under subsection (e) of this section, the  
544 Attorney General may: (1) Conduct an investigation to determine  
545 whether the transacting parties engaged or, as a result of completing the  
546 transfer of ownership of the hospital, are expected to engage in unfair  
547 methods of competition, anti-competitive behavior or other conduct in  
548 violation of chapter 624 or 735a of the general statutes or any other state  
549 or federal law; and (2) if appropriate, take action under chapter 624 or  
550 735a of the general statutes or any other state law to protect consumers  
551 in the health care market. The unit's final report may be evidence in any  
552 such action.

553 (h) For the purposes of this section, the provisions of chapter 735a of  
554 the general statutes may be directly enforced by the Attorney General.  
555 Nothing in this section shall be construed to modify, impair or  
556 supersede the operation of any state antitrust law or otherwise limit the  
557 authority of the Attorney General to (1) take any action against a  
558 transacting party as authorized by any law, or (2) protect consumers in  
559 the health care market under any law. Notwithstanding subdivision (1)  
560 of subsection (a) of section 42-110c of the general statutes, the  
561 transacting parties shall be subject to chapter 735a of the general

562 statutes.

563 (i) The Certificate of Need Unit shall retain an independent  
564 consultant with expertise on the economic analysis of the health care  
565 market and health care costs and prices to conduct each cost and market  
566 impact review, as described in this section. The unit shall submit bills  
567 for such services to the purchaser, as defined in subsection (d) of section  
568 19a-639 of the general statutes, as amended by this act. Such purchaser  
569 shall pay such bills not later than thirty days after receipt thereof. Such  
570 bills shall not exceed two hundred fifty thousand dollars per  
571 application. The provisions of chapter 57 of the general statutes, sections  
572 4-212 to 4-219, inclusive, of the general statutes and section 4e-19 of the  
573 general statutes shall not apply to any agreement executed pursuant to  
574 this subsection.

575 Sec. 10. (NEW) (*Effective October 1, 2026*) (a) On and after January 1,  
576 2027, the executive director of the Certificate of Need Unit shall  
577 investigate all inquiries concerning compliance with the provisions of  
578 sections 2 to 12, inclusive, of this act.

579 (b) The panel, or any agent authorized by the panel to conduct any  
580 inquiry, investigation or hearing under the provisions of sections 2 to  
581 12, inclusive, of this act, shall have authority to administer oaths and  
582 take testimony under oath relative to the matter of inquiry or  
583 investigation. At any hearing under this section, the panel or such  
584 authorized agent may subpoena witnesses and require the production  
585 of records, papers and documents pertinent to such inquiry. If any  
586 person disobeys such process or, having appeared in obedience thereto,  
587 refuses to answer any pertinent question put to such person by the panel  
588 or such panel's authorized agent or to produce any records and papers  
589 pursuant thereto, the panel or such panel's authorized agent may apply  
590 to the superior court for the judicial district of Hartford or for the judicial  
591 district wherein the person resides or the business that is the subject of  
592 the inquiry has been conducted, or to any judge of said court if the same  
593 is not in session, setting forth such disobedience to process or refusal to

594 answer, and said court or such judge shall cite such person to appear  
595 before said court or such judge to answer such question or to produce  
596 such records and papers.

597 (c) Any person or health care facility or institution that is required to  
598 acquire a certificate of need for any of the activities described in  
599 subsection (a) of section 4 of this act and negligently undertakes any of  
600 the activities described in said section without such certificate of need,  
601 and any person or health care facility or institution that is subject to any  
602 terms or conditions enumerated in a certificate of need decision or  
603 agreed settlement approved by the panel and negligently fails to comply  
604 with any such enumerated term or condition, shall be subject to a civil  
605 penalty of up to five thousand dollars a day for each day such person or  
606 health care facility or institution conducts any of the described activities  
607 without certificate of need approval as required by section 4 of this act,  
608 or for each day any enumerated term or condition is not met. Any civil  
609 penalty proceeding authorized by this section shall be initiated by the  
610 Certificate of Need Unit, which shall also present allegations of such  
611 negligence at a hearing before the panel in accordance with subsections  
612 (b) to (f), inclusive, of this section.

613 (d) If the Certificate of Need Unit has reason to believe that a person  
614 or health care facility or institution has committed a violation for which  
615 a civil penalty is authorized pursuant to subsection (a) of this section or  
616 subsection (e) of section 19a-632 of the general statutes, the unit shall  
617 notify such person or health care facility or institution by first class mail  
618 or personal service. The notice shall include: (1) A reference to the  
619 sections of the statute, regulation or settlement agreement involved; (2)  
620 a short and plain statement of the matters asserted or charged; (3) a  
621 statement of the amount of the civil penalty or penalties to be imposed;  
622 (4) the initial date of the imposition of the penalty; and (5) a statement  
623 of the party's right to a hearing.

624 (e) The person or health care facility or institution to whom the notice  
625 is addressed shall have fifteen business days after the date of mailing of

626 the notice to make written application to the Certificate of Need Unit to  
627 (1) request a hearing to contest the imposition of the penalty, (2) request  
628 an extension of time to file the required data, or (3) comply with  
629 enumerated conditions of an agreed settlement. A failure to make a  
630 timely request for a hearing or an extension of time to file the required  
631 data or a denial of a request for an extension of time shall result in a final  
632 order for the imposition of the penalty. All hearings under this section  
633 shall be conducted pursuant to chapter 54 of the general statutes. The  
634 panel may mitigate or waive the penalty upon such terms and  
635 conditions as, in its discretion, it deems proper or necessary upon  
636 consideration of any extenuating factors or circumstances.

637 (f) A final order of the panel assessing a civil penalty imposed after a  
638 hearing before the panel pursuant to subsection (d) of this section shall  
639 be subject to appeal as set forth in section 4-183 of the general statutes,  
640 except that any such appeal shall be taken to the superior court for the  
641 judicial district of New Britain. Such final order shall not be subject to  
642 appeal under any other provision of the general statutes. No challenge  
643 to any such final order shall be allowed as to any issue which could have  
644 been raised by an appeal of an earlier order, denial or other final  
645 decision by the panel.

646 (g) If any person or health care facility or institution fails to pay any  
647 civil penalty under this section after the assessment of such penalty has  
648 become final, the amount of such penalty may be deducted from  
649 payments to such person or health care facility or institution from the  
650 Medicaid account.

651 (h) In addition to any civil penalty imposed under this section, if the  
652 executive director of the Certificate of Need Unit or the executive  
653 director's authorized agent has received information and has a  
654 reasonable belief that any person or health care facility or institution has  
655 violated or is violating any provision of sections 2 to 12, inclusive, of this  
656 act, or any policy and procedure or order of the panel, the executive  
657 director or such agent shall notify such person or health care facility or

658 institution by first class mail or personal service. The notice shall  
659 include: (1) A reference to the sections of the general statutes,  
660 regulations of Connecticut state agencies or orders alleged or believed  
661 to have been violated; (2) a short and plain language statement of the  
662 matters asserted or charged; (3) a description of the activity alleged to  
663 have violated a statute or regulation identified pursuant to subdivision  
664 (1) of this subsection; (4) a statement concerning the right to a hearing  
665 of such person or health care facility or institution; and (5) a statement  
666 that such person or health care facility or institution may, not later than  
667 ten business days after receipt of such notice, make a written request for  
668 a hearing on the matters asserted, to be sent to the commissioner or such  
669 agent.

670 (i) The person or health care facility or institution to whom such  
671 notice is provided pursuant to subsection (h) of this section may, not  
672 later than ten business days after receipt of the notice, make written  
673 application to the Certificate of Need Unit to request a hearing to  
674 demonstrate that such violation has not occurred, a certificate of need  
675 was not required or each required certificate of need was obtained. A  
676 failure to make a timely request for a hearing shall result in the panel  
677 issuing a cease and desist order. Each hearing held under this subsection  
678 shall be conducted as a contested case pursuant to chapter 54 of the  
679 general statutes.

680 (j) If the panel finds, by a preponderance of the evidence, following a  
681 hearing held under subsection (i) of this section that such person or  
682 health care facility or institution has violated or is violating any  
683 provision of sections 2 to 12, inclusive, of this act, or any regulation or  
684 order of the department, the panel shall issue a cease and desist order to  
685 such person or health care facility or institution that shall be considered  
686 a final decision subject to appeal to the Superior Court in accordance  
687 with section 4-183 of the general statutes.

688 (k) Any cease and desist order issued under this section may be  
689 enforced by the Attorney General pursuant to section 19a-642 of the

690 general statutes.

691 (l) Any civil penalty proceeding and any investigation or cease and  
692 desist proceeding may be conducted simultaneously in a unified  
693 proceeding.

694 Sec. 11. (NEW) (*Effective October 1, 2026*) The executive director of the  
695 Certificate of Need Unit may implement policies and procedures  
696 necessary to administer the provisions of section 2 to 12, inclusive, of  
697 this act, provided (1) the executive director holds a public hearing prior  
698 to review by the panel, and (2) such policies and procedures are  
699 unanimously approved by the panel. Policies and procedures approved  
700 by the panel, or any amendment thereto, shall not take effect until at  
701 least thirty days after the panel votes to approve such policies and  
702 procedures. Such policies and procedures shall not be required to be  
703 adopted as a regulation in accordance with the provisions of chapter 54  
704 of the general statutes.

705 Sec. 12. (NEW) (*Effective October 1, 2026*) (a) On and after January 1,  
706 2027, a hospital may temporarily pause a service for up to ninety days,  
707 provided if a hospital intends to indefinitely terminate a service or  
708 pause a service for more than ninety days, the hospital shall notify the  
709 Certificate of Need Unit in writing not less than ninety days prior to  
710 such pause or termination. For purposes of this section, "service"  
711 includes all inpatient and outpatient services but does not include  
712 services provided by an emergency department.

713 (b) Not less than ninety days prior to any termination of service by a  
714 hospital or any pause of a service intended to last more than ninety days,  
715 the hospital shall provide notice, either electronically or in writing, to  
716 the Certificate of Need Unit that includes the following information:

717 (1) A description of the service to be paused or terminated;

718 (2) Current and historical utilization rates for such service;



719 (3) A description of the anticipated impact of such pause or  
720 termination on individuals and health care facilities in the hospital's  
721 primary service area;

722 (4) The date set for the pause or termination of service and, if  
723 applicable, the anticipated date of resumption of such service;

724 (5) A detailed account of any community engagement and planning  
725 that has occurred prior to such notice or that is scheduled to occur prior  
726 to the pause or termination; and

727 (6) Any other information the executive director may require.

728 (c) The hospital shall also send a copy of such notice to the office of  
729 the Attorney General, the Department of Social Services, the Office of  
730 the Healthcare Advocate, and, if it relates to a behavioral health service  
731 or substance use disorder treatment service, the Department of Mental  
732 Health and Addiction Services and the Behavioral Health Advocate.

733 (d) The executive director may order a public hearing concerning the  
734 proposed pause or termination of service, the impact on the hospital's  
735 primary service area and the proposed plans for ensuring continued  
736 access to high-quality affordable health care in such service area.

737 (e) Not later than sixty days prior to the pause or termination of a  
738 service, the hospital shall submit a plan for ensuring access to such  
739 service following the hospital's pause or termination of such service. The  
740 plan shall include:

741 (1) Information on utilization of such service prior to proposed pause  
742 or termination;

743 (2) Information on the location and service capacity of alternative  
744 sites that provide such service;

745 (3) Travel times to alternative sites that provide such service;

746 (4) An assessment of transportation needs after the pause or  
747 termination and a plan for meeting such needs;

748 (5) A protocol that details mechanisms to maintain continuity of care  
749 for patients who receive such paused or terminated service;

750 (6) A protocol that describes how patients in the hospital's primary  
751 service area will obtain such service at alternative sites that provide such  
752 service; and

753 (7) A communication plan for ensuring all affected patients in the  
754 hospital's primary service area are aware of the pause or termination of  
755 such service, where they may obtain such service at an alternative site  
756 and the assistance available from the hospital to obtain such service to  
757 preserve continuity of care.

758 (f) The Certificate of Need Unit shall review the plan submitted by  
759 the hospital pursuant to subsection (e) of this section to determine if the  
760 plan ensures continued access to the service to be paused or terminated.  
761 The unit shall complete its review of the plan and submit to the hospital  
762 and panel written recommendations regarding the approval,  
763 modification, imposition of conditions upon or rejection of the plan not  
764 later than ten days after receiving the plan from the hospital. The panel  
765 shall hold a meeting on the plan not later than ten days after receipt of  
766 such recommendations. The hospital may submit a response to such  
767 recommendations at such meeting. Not later than ten days after such  
768 meeting, the panel shall approve the plan, require modifications to the  
769 plan, add conditions to the plan or reject the plan.

770 (g) The Certificate of Need Unit shall monitor implementation of the  
771 hospital's plan for preserving access to a health care service following a  
772 pause or termination of such service under this section. If the hospital  
773 fails to implement any aspect of the plan as approved by the panel  
774 pursuant to subsection (f) of this section, the unit may impose a  
775 performance improvement plan on the hospital. Failure to comply with  
776 the performance improvement plan and continued failure to perform

777 under the plan may result in the imposition of civil penalties pursuant  
778 to section 10 of this act.

779 Sec. 13. Subsection (a) of section 19a-612d of the general statutes is  
780 repealed and the following is substituted in lieu thereof (*Effective October*  
781 *1, 2026*):

782 (a) The Commissioner of Health Strategy shall oversee the Health  
783 Systems Planning Unit and shall exercise independent decision-making  
784 authority over all certificate of need decisions for applications for a  
785 certificate of need filed on or before December 31, 2026.

786 Sec. 14. Subsections (a) to (e), inclusive, of section 19a-638 of the  
787 general statutes are repealed and the following is substituted in lieu  
788 thereof (*Effective October 1, 2026*):

789 (a) [A] On and before December 31, 2026, a certificate of need issued  
790 by the unit shall be required for:

791 (1) The establishment of a new health care facility;

792 (2) A transfer of ownership of a health care facility;

793 (3) A transfer of ownership of a large group practice to any entity  
794 other than a (A) physician, or (B) group of two or more physicians,  
795 legally organized in a partnership, professional corporation or limited  
796 liability company formed to render professional services and not  
797 employed by or an affiliate of any hospital, medical foundation,  
798 insurance company or other similar entity;

799 (4) The establishment of a freestanding emergency department;

800 (5) The termination of inpatient or outpatient services offered by a  
801 hospital, including, but not limited to, the termination by a short-term  
802 acute care general hospital or children's hospital of inpatient and  
803 outpatient mental health and substance abuse services;

804       (6) The establishment of an outpatient surgical facility, as defined in  
805 section 19a-493b, or as established by a short-term acute care general  
806 hospital;

807       (7) The termination of surgical services by an outpatient surgical  
808 facility, as defined in section 19a-493b, or a facility that provides  
809 outpatient surgical services as part of the outpatient surgery department  
810 of a short-term acute care general hospital, provided termination of  
811 outpatient surgical services due to (A) insufficient patient volume, or (B)  
812 the termination of any subspecialty surgical service, shall not require  
813 certificate of need approval;

814       (8) The termination of an emergency department by a short-term  
815 acute care general hospital;

816       (9) The establishment of cardiac services, including inpatient and  
817 outpatient cardiac catheterization, interventional cardiology and  
818 cardiovascular surgery;

819       (10) The acquisition of computed tomography scanners, magnetic  
820 resonance imaging scanners, positron emission tomography scanners or  
821 positron emission tomography-computed tomography scanners, by any  
822 person, physician, provider, short-term acute care general hospital or  
823 children's hospital, except (A) as provided for in subdivision (22) of  
824 subsection (b) of this section, and (B) a certificate of need issued by the  
825 unit shall not be required where such scanner is a replacement for a  
826 scanner that was previously acquired through certificate of need  
827 approval or a certificate of need determination, including a replacement  
828 scanner that has dual modalities or functionalities if the applicant  
829 already offers similar imaging services for each of the scanner's  
830 modalities or functionalities that will be utilized;

831       (11) The acquisition of nonhospital based linear accelerators, except a  
832 certificate of need issued by the unit shall not be required where such  
833 accelerator is a replacement for an accelerator that was previously  
834 acquired through certificate of need approval or a certificate of need

835 determination;

836 (12) An increase in the licensed bed capacity of a health care facility,  
837 except as provided in subdivision (23) of subsection (b) of this section;

838 (13) The acquisition of equipment utilizing technology that has not  
839 previously been utilized in the state;

840 (14) An increase of two or more operating rooms within any three-  
841 year period, commencing on and after October 1, 2010, by an outpatient  
842 surgical facility, as defined in section 19a-493b, or by a short-term acute  
843 care general hospital; and

844 (15) The termination of inpatient or outpatient services offered by a  
845 hospital or other facility or institution operated by the state that  
846 provides services that are eligible for reimbursement under Title XVIII  
847 or XIX of the federal Social Security Act, 42 USC 301, as amended.

848 (b) [A] On and before December 31, 2026, a certificate of need issued  
849 by the unit shall not be required for:

850 (1) Health care facilities owned and operated by the federal  
851 government;

852 (2) The establishment of offices by a licensed private practitioner,  
853 whether for individual or group practice, except when a certificate of  
854 need is required in accordance with the requirements of section 19a-  
855 493b or subdivision (3), (10) or (11) of subsection (a) of this section;

856 (3) A health care facility operated by a religious group that  
857 exclusively relies upon spiritual means through prayer for healing;

858 (4) Residential care homes, as defined in subsection (c) of section 19a-  
859 490, and nursing homes and rest homes, as defined in subsection (o) of  
860 section 19a-490;

861 (5) An assisted living services agency, as defined in section 19a-490;

- 862       (6) Home health agencies, as defined in section 19a-490;
- 863       (7) Hospice services, as described in section 19a-122b;
- 864       (8) Outpatient rehabilitation facilities;
- 865       (9) Outpatient chronic dialysis services;
- 866       (10) Transplant services;
- 867       (11) Free clinics, as defined in section 19a-630;
- 868       (12) School-based health centers and expanded school health sites, as  
869 such terms are defined in section 19a-6r, community health centers, as  
870 defined in section 19a-490a, not-for-profit outpatient clinics licensed in  
871 accordance with the provisions of chapter 368v and federally qualified  
872 health centers;
- 873       (13) A program licensed or funded by the Department of Children  
874 and Families, provided such program is not a psychiatric residential  
875 treatment facility;
- 876       (14) Any nonprofit facility, institution or provider that has a contract  
877 with, or is certified or licensed to provide a service for, a state agency or  
878 department for a service that would otherwise require a certificate of  
879 need. The provisions of this subdivision shall not apply to a short-term  
880 acute care general hospital or children's hospital, or a hospital or other  
881 facility or institution operated by the state that provides services that are  
882 eligible for reimbursement under Title XVIII or XIX of the federal Social  
883 Security Act, 42 USC 301, as amended;
- 884       (15) A health care facility operated by a nonprofit educational  
885 institution exclusively for students, faculty and staff of such institution  
886 and their dependents;
- 887       (16) An outpatient clinic or program operated exclusively by or  
888 contracted to be operated exclusively by a municipality, municipal

889 agency, municipal board of education or a health district, as described  
890 in section 19a-241;

891 (17) A residential facility for persons with intellectual disability  
892 licensed pursuant to section 17a-227 and certified to participate in the  
893 Title XIX Medicaid program as an intermediate care facility for  
894 individuals with intellectual disabilities;

895 (18) Replacement of existing computed tomography scanners,  
896 magnetic resonance imaging scanners, positron emission tomography  
897 scanners, positron emission tomography-computed tomography  
898 scanners, or nonhospital based linear accelerators, if such equipment  
899 was acquired through certificate of need approval or a certificate of need  
900 determination, provided a health care facility, provider, physician or  
901 person notifies the unit of the date on which the equipment is replaced  
902 and the disposition of the replaced equipment, including if a  
903 replacement scanner has dual modalities or functionalities and the  
904 applicant already offers similar imaging services for each of the  
905 equipment's modalities or functionalities that will be utilized;

906 (19) Acquisition of cone-beam dental imaging equipment that is to be  
907 used exclusively by a dentist licensed pursuant to chapter 379;

908 (20) The partial or total elimination of services provided by an  
909 outpatient surgical facility, as defined in section 19a-493b, except as  
910 provided in subdivision (6) of subsection (a) of this section and section  
911 19a-639e, as amended by this act;

912 (21) The termination of services for which the Department of Public  
913 Health has requested the facility to relinquish its license;

914 (22) Acquisition of any equipment by any person that is to be used  
915 exclusively for scientific research that is not conducted on humans;

916 (23) On or before [June 30, 2026] December 31, 2026, an increase in the  
917 licensed bed capacity of a mental health facility, provided (A) the mental

918 health facility demonstrates to the unit, in a form and manner prescribed  
919 by the unit, that it accepts reimbursement for any covered benefit  
920 provided to a covered individual under: (i) An individual or group  
921 health insurance policy providing coverage of the type specified in  
922 subdivisions (1), (2), (4), (11) and (12) of section 38a-469; (ii) a self-  
923 insured employee welfare benefit plan established pursuant to the  
924 federal Employee Retirement Income Security Act of 1974, as amended  
925 from time to time; or (iii) HUSKY Health, as defined in section 17b-290,  
926 and (B) if the mental health facility does not accept or stops accepting  
927 reimbursement for any covered benefit provided to a covered  
928 individual under a policy, plan or program described in clause (i), (ii) or  
929 (iii) of subparagraph (A) of this subdivision, a certificate of need for such  
930 increase in the licensed bed capacity shall be required; [.]

931 (24) The establishment at harm reduction centers through the pilot  
932 program established pursuant to section 17a-673c; or

933 (25) On or before [June 30, 2028] December 31, 2026, a birth center, as  
934 defined in section 19a-490, that is enrolled as a provider in the  
935 Connecticut medical assistance program, as defined in section 17b-245g.

936 (c) (1) Any person [.] or health care facility or institution that is unsure  
937 whether a certificate of need is required under this section, or (2) any  
938 health care facility that proposes to relocate pursuant to section 19a-  
939 639c, as amended by this act, shall send a letter to the unit that describes  
940 the project and requests that the unit make a determination as to  
941 whether a certificate of need is required. In the case of a relocation of a  
942 health care facility, the letter shall include information described in  
943 section 19a-639c, as amended by this act. A person [.] or health care  
944 facility or institution making such request shall provide the unit with  
945 any information the unit requests as part of its determination process.  
946 The unit shall provide a determination within thirty days of receipt of  
947 such request.

948 (d) The Commissioner of Health Strategy may implement policies



949 and procedures necessary to administer the provisions of this section  
950 while in the process of adopting such policies and procedures as  
951 regulation, provided the commissioner holds a public hearing prior to  
952 implementing the policies and procedures and posts notice of intent to  
953 adopt regulations on the office's Internet web site and the eRegulations  
954 System not later than twenty days after the date of implementation.  
955 Policies and procedures implemented pursuant to this section shall be  
956 valid until the time final regulations are adopted.

957 (e) On or before ~~June 30, 2026~~ December 31, 2026, a mental health  
958 facility seeking to increase licensed bed capacity without applying for a  
959 certificate of need, as permitted pursuant to subdivision (23) of  
960 subsection (b) of this section, shall notify the Office of Health Strategy,  
961 in a form and manner prescribed by the commissioner, regarding (1)  
962 such facility's intent to increase licensed bed capacity, (2) the address of  
963 such facility, and (3) a description of all services that are being or will be  
964 provided at such facility.

965 Sec. 15. Subsections (a) to (e), inclusive, of section 19a-639 of the 2026  
966 supplement to the general statutes are repealed and the following is  
967 substituted in lieu thereof (*Effective October 1, 2026*):

968 (a) In any deliberations involving a certificate of need application  
969 filed on or before December 31, 2026, pursuant to section 19a-638, as  
970 amended by this act, the unit shall take into consideration and make  
971 written findings concerning each of the following guidelines and  
972 principles:

973 (1) Whether the proposed project is consistent with any applicable  
974 policies and standards adopted in regulations by the Office of Health  
975 Strategy;

976 (2) The relationship of the proposed project to the state-wide health  
977 care facilities and services plan;

978 (3) Whether there is a clear public need for the health care facility or

979 services proposed by the applicant;

980 (4) Whether the applicant has satisfactorily demonstrated how the  
981 proposal will impact the financial strength of the health care system in  
982 the state or that the proposal is financially feasible for the applicant;

983 (5) Whether the applicant has satisfactorily demonstrated how the  
984 proposal will improve quality, accessibility and cost effectiveness of  
985 health care delivery in the region, including, but not limited to,  
986 provision of or any change in the access to services for Medicaid  
987 recipients and indigent persons;

988 (6) The applicant's past and proposed provision of health care  
989 services to relevant patient populations and payer mix, including, but  
990 not limited to, access to services by Medicaid recipients and indigent  
991 persons;

992 (7) Whether the applicant has satisfactorily identified the population  
993 to be served by the proposed project and satisfactorily demonstrated  
994 that the identified population has a need for the proposed services;

995 (8) The utilization of existing health care facilities and health care  
996 services in the service area of the applicant;

997 (9) Whether the applicant has satisfactorily demonstrated that the  
998 proposed project shall not result in an unnecessary duplication of  
999 existing or approved health care services or facilities;

1000 (10) Whether an applicant, who has failed to provide or reduced  
1001 access to services by Medicaid recipients or indigent persons, has  
1002 demonstrated good cause for doing so, which shall not be demonstrated  
1003 solely on the basis of differences in reimbursement rates between  
1004 Medicaid and other health care payers;

1005 (11) Whether the applicant has satisfactorily demonstrated that the  
1006 proposal will not negatively impact the diversity of health care  
1007 providers and patient choice in the geographic region; and

1008       (12) Whether the applicant has satisfactorily demonstrated that any  
1009 consolidation resulting from the proposal will not adversely affect  
1010 health care costs or accessibility to care.

1011       (b) [In] On or before December 31, 2026, in deliberations as described  
1012 in subsection (a) of this section, there shall be a presumption in favor of  
1013 approving the certificate of need application for a transfer of ownership  
1014 of a large group practice, as described in subdivision (3) of subsection  
1015 (a) of section 19a-638, as amended by this act, when an offer was made  
1016 in response to a request for proposal or similar voluntary offer for sale.

1017       (c) The unit, as it deems necessary, may revise or supplement the  
1018 guidelines and principles, set forth in subsection (a) of this section,  
1019 through regulation.

1020       (d) (1) For purposes of this subsection and subsection (e) of this  
1021 section:

1022       (A) "Affected community" means a municipality where a hospital is  
1023 physically located or a municipality whose inhabitants are regularly  
1024 served by a hospital;

1025       (B) "Hospital" has the same meaning as provided in section 19a-490;

1026       (C) "New hospital" means a hospital as it exists after the approval of  
1027 an agreement pursuant to section 19a-486b or a certificate of need  
1028 application for a transfer of ownership of a hospital;

1029       (D) "Purchaser" means a person who is acquiring, or has acquired,  
1030 any assets of a hospital through a transfer of ownership of a hospital;

1031       (E) "Transacting party" means a purchaser and any person who is a  
1032 party to a proposed agreement for transfer of ownership of a hospital;

1033       (F) "Transfer" means to sell, transfer, lease, exchange, option, convey,  
1034 give or otherwise dispose of or transfer control over, including, but not  
1035 limited to, transfer by way of merger or joint venture not in the ordinary

1036 course of business; and

1037 (G) "Transfer of ownership of a hospital" means a transfer that  
1038 impacts or changes the governance or controlling body of a hospital,  
1039 including, but not limited to, all affiliations, mergers or any sale or  
1040 transfer of net assets of a hospital and for which a certificate of need  
1041 application or a certificate of need determination letter is filed on or after  
1042 December 1, 2015.

1043 (2) In any deliberations involving a certificate of need application  
1044 filed on or before December 31, 2026, pursuant to section 19a-638, as  
1045 amended by this act, that involves the transfer of ownership of a  
1046 hospital, the unit shall, in addition to the guidelines and principles set  
1047 forth in subsection (a) of this section and those prescribed through  
1048 regulation pursuant to subsection (c) of this section, take into  
1049 consideration and make written findings concerning each of the  
1050 following guidelines and principles:

1051 (A) Whether the applicant fairly considered alternative proposals or  
1052 offers in light of the purpose of maintaining health care provider  
1053 diversity and consumer choice in the health care market and access to  
1054 affordable quality health care for the affected community; and

1055 (B) Whether the plan submitted pursuant to section 19a-639a, as  
1056 amended by this act, demonstrates, in a manner consistent with this  
1057 chapter, how health care services will be provided by the new hospital  
1058 for the first three years following the transfer of ownership of the  
1059 hospital, including any consolidation, reduction, elimination or  
1060 expansion of existing services or introduction of new services.

1061 (3) The unit shall deny any certificate of need application involving a  
1062 transfer of ownership of a hospital unless the commissioner finds that  
1063 the affected community will be assured of continued access to high  
1064 quality and affordable health care after accounting for any proposed  
1065 change impacting hospital staffing.

1066 (4) The unit may deny any certificate of need application involving a  
1067 transfer of ownership of a hospital subject to a cost and market impact  
1068 review pursuant to section 19a-639f, as amended by this act, if the  
1069 commissioner finds that (A) the affected community will not be assured  
1070 of continued access to high quality and affordable health care after  
1071 accounting for any consolidation in the hospital and health care market  
1072 that may lessen health care provider diversity, consumer choice and  
1073 access to care, and (B) any likely increases in the prices for health care  
1074 services or total health care spending in the state may negatively impact  
1075 the affordability of care.

1076 (5) The unit may place any conditions on the approval of a certificate  
1077 of need application involving a transfer of ownership of a hospital  
1078 consistent with the provisions of this chapter. Before placing any such  
1079 conditions, the unit shall weigh the value of such conditions in  
1080 promoting the purposes of this chapter against the individual and  
1081 cumulative burden of such conditions on the transacting parties and the  
1082 new hospital. For each condition imposed, the unit shall include a  
1083 concise statement of the legal and factual basis for such condition and  
1084 the provision or provisions of this chapter that it is intended to promote.  
1085 Each condition shall be reasonably tailored in time and scope. The  
1086 transacting parties or the new hospital shall have the right to make a  
1087 request to the unit for an amendment to, or relief from, any condition  
1088 based on changed circumstances, hardship or for other good cause.

1089 (6) In any deliberations involving a certificate of need application  
1090 filed pursuant to section 19a-638, as amended by this act, that involves  
1091 the transfer of ownership of a hospital and is subject to a cost and market  
1092 impact review, the unit may consider (A) the preliminary report and  
1093 response to the preliminary report, (B) the final report, and (C) any  
1094 written comments from the parties regarding the reports issued or  
1095 submitted as part of the review. The unit shall not place the preliminary  
1096 report in the public record until the transacting parties have had an  
1097 opportunity to respond to the findings of the preliminary report  
1098 pursuant to subsection (f) of section 19a-639f.

1099 (e) (1) If the certificate of need application filed on or before December  
1100 31, 2026, (A) involves the transfer of ownership of a hospital, (B) the  
1101 purchaser is a hospital, as defined in section 19a-490, whether located  
1102 within or outside the state, that had net patient revenue for fiscal year  
1103 2013 in an amount greater than one billion five hundred million dollars  
1104 or a hospital system, as defined in section 19a-486i, whether located  
1105 within or outside the state, that had net patient revenue for fiscal year  
1106 2013 in an amount greater than one billion five hundred million dollars,  
1107 or any person that is organized or operated for profit, and (C) such  
1108 application is approved, the unit shall hire an independent consultant  
1109 to serve as a post-transfer compliance reporter for a period of three years  
1110 after completion of the transfer of ownership of the hospital. Such  
1111 reporter shall, at a minimum: (i) Meet with representatives of the  
1112 purchaser, the new hospital and members of the affected community  
1113 served by the new hospital not less than quarterly; and (ii) report to the  
1114 unit not less than quarterly concerning (I) efforts the purchaser and  
1115 representatives of the new hospital have taken to comply with any  
1116 conditions the unit placed on the approval of the certificate of need  
1117 application and plans for future compliance, and (II) community  
1118 benefits and uncompensated care provided by the new hospital. The  
1119 purchaser shall give the reporter access to its records and facilities for  
1120 the purposes of carrying out the reporter's duties. The purchaser shall  
1121 hold a public hearing in the municipality in which the new hospital is  
1122 located not less than annually during the reporting period to provide  
1123 for public review and comment on the reporter's reports and findings.

1124 (2) If the reporter finds that the purchaser has breached a condition  
1125 of the approval of the certificate of need application, the unit may, in  
1126 consultation with the purchaser, the reporter and any other interested  
1127 parties it deems appropriate, implement a performance improvement  
1128 plan designed to remedy the conditions identified by the reporter and  
1129 continue the reporting period for up to one year following a  
1130 determination by the unit that such conditions have been resolved.

1131 (3) The purchaser shall provide funds, in an amount determined by

1132 the unit not to exceed two hundred thousand dollars annually, for the  
1133 hiring of the post-transfer compliance reporter.

1134 Sec. 16. Section 19a-639a of the general statutes is repealed and the  
1135 following is substituted in lieu thereof (*Effective October 1, 2026*):

1136 (a) [An] On or before December 31, 2026, an application for a  
1137 certificate of need shall be filed with the unit in accordance with the  
1138 provisions of this section and any regulations adopted by the Office of  
1139 Health Strategy. The application shall address the guidelines and  
1140 principles set forth in (1) subsection (a) of section 19a-639, as amended  
1141 by this act, and (2) regulations adopted by the department. The  
1142 applicant shall include with the application a nonrefundable application  
1143 fee based on the cost of the project. The amount of the fee shall be as  
1144 follows: (A) One thousand dollars for a project that will cost not greater  
1145 than fifty thousand dollars; (B) two thousand dollars for a project that  
1146 will cost greater than fifty thousand dollars but not greater than one  
1147 hundred thousand dollars; (C) three thousand dollars for a project that  
1148 will cost greater than one hundred thousand dollars but not greater than  
1149 five hundred thousand dollars; (D) four thousand dollars for a project  
1150 that will cost greater than five hundred thousand dollars but not greater  
1151 than one million dollars; (E) five thousand dollars for a project that will  
1152 cost greater than one million dollars but not greater than five million  
1153 dollars; (F) eight thousand dollars for a project that will cost greater than  
1154 five million dollars but not greater than ten million dollars; and (G) ten  
1155 thousand dollars for a project that will cost greater than ten million  
1156 dollars.

1157 (b) Prior to the filing of a certificate of need application pursuant to  
1158 subsection (a) of this section, the applicant shall (1) publish notice that  
1159 an application is to be submitted to the unit (A) in a newspaper having  
1160 a substantial circulation in the area where the project is to be located,  
1161 and (B) on the applicant's Internet web site in a clear and conspicuous  
1162 location that is easily accessible by members of the public, (2) request  
1163 the publication of notice (A) in at least two sites within the affected

1164 community that are commonly accessed by the public, such as a town  
1165 hall or library, and (B) on any existing Internet web site of the  
1166 municipality or local health department, and (3) submit such notice to  
1167 the unit for posting on such unit's Internet web site. Such newspaper  
1168 notice shall be published for not less than three consecutive days, with  
1169 the final date of consecutive publication occurring not later than twenty  
1170 days prior to the date of filing of the certificate of need application, and  
1171 contain a brief description of the nature of the project and the street  
1172 address where the project is to be located. Postings in the affected  
1173 community and on the applicant's Internet web site shall remain until  
1174 the decision on the application is rendered. The unit shall not invalidate  
1175 any notice due to changes or removal of the notice from a community  
1176 Internet web site of which the applicant has no control. An applicant  
1177 shall file the certificate of need application with the unit not later than  
1178 ninety days after publishing notice of the application in a newspaper in  
1179 accordance with the provisions of this subsection. The unit shall not  
1180 accept the applicant's certificate of need application for filing unless the  
1181 application is accompanied by the application fee prescribed in  
1182 subsection (a) of this section and proof of compliance with the  
1183 publication requirements prescribed in this subsection.

1184 (c) (1) Not later than five business days after receipt of a properly filed  
1185 certificate of need application under this section, the unit shall publish  
1186 notice of the application on its Internet web site. Not later than thirty  
1187 days after the date of filing of the application, the unit may request such  
1188 additional information as the unit determines necessary to complete the  
1189 application. In addition to any information requested by the unit, if the  
1190 application involves the transfer of ownership of a hospital, as defined  
1191 in section 19a-639, as amended by this act, the applicant shall submit to  
1192 the unit (A) a plan demonstrating how health care services will be  
1193 provided by the new hospital for the first three years following the  
1194 transfer of ownership of the hospital, including any consolidation,  
1195 reduction, elimination or expansion of existing services or introduction  
1196 of new services, and (B) the names of persons currently holding a



1197 position with the hospital to be purchased or the purchaser, as defined  
1198 in section 19a-639, as amended by this act, as an officer, director, board  
1199 member or senior manager, whether or not such person is expected to  
1200 hold a position with the hospital after completion of the transfer of  
1201 ownership of the hospital and any salary, severance, stock offering or  
1202 any financial gain, current or deferred, such person is expected to  
1203 receive as a result of, or in relation to, the transfer of ownership of the  
1204 hospital.

1205 (2) The applicant shall, not later than sixty days after the date of the  
1206 unit's request, submit any requested information and any information  
1207 required under this subsection to the unit. If an applicant fails to submit  
1208 such information to the unit within the sixty-day period, the unit shall  
1209 consider the application to have been withdrawn.

1210 (3) The unit shall make reasonable efforts to limit the requests for  
1211 additional information to two such requests and, in all cases, cease all  
1212 requests for additional information not later than six months after  
1213 receiving the application.

1214 (d) Upon deeming an application filed under this section complete,  
1215 the unit shall provide notice of this determination to the applicant and  
1216 to the public in accordance with regulations adopted by the department.  
1217 In addition, the unit shall post such notice on its Internet web site and  
1218 notify the applicant not later than five days after deeming the  
1219 application complete. The date on which the unit posts such notice on  
1220 its Internet web site shall begin the review period. Except as provided  
1221 in this subsection, (1) the review period for an application deemed  
1222 complete shall be ninety days from the date on which the unit posts such  
1223 notice on its Internet web site; and (2) the unit shall issue a decision on  
1224 an application deemed complete prior to the expiration of the ninety-  
1225 day review period in matters without a public hearing. The review  
1226 period for an application deemed complete that involves a transfer of a  
1227 large group practice, as described in subdivision (3) of subsection (a) of  
1228 section 19a-638, as amended by this act, when the offer was made in

1229 response to a request for proposal or similar voluntary offer for sale,  
1230 shall be sixty days from the date on which the unit posts notice on its  
1231 Internet web site. Upon request or for good cause shown, the unit may  
1232 extend the review period for a period of time not to exceed sixty days.  
1233 If the review period is extended, the unit shall issue a decision on the  
1234 completed application prior to the expiration of the extended review  
1235 period. If the unit holds a public hearing concerning a completed  
1236 application in accordance with subsection (e) or (f) of this section, the  
1237 unit shall issue a decision on the completed application not later than  
1238 sixty days after the date the unit closes the public hearing record.

1239 (e) Except as provided in this subsection, the unit shall hold a public  
1240 hearing on a [properly filed and completed] certificate of need  
1241 application properly filed and completed under this section if three or  
1242 more individuals or an individual representing an entity with five or  
1243 more people submits a request, in writing, that a public hearing be held  
1244 on the application. For a [properly filed and completed] certificate of  
1245 need application properly filed and completed under this section  
1246 involving a transfer of ownership of a large group practice, as described  
1247 in subdivision (3) of subsection (a) of section 19a-638, as amended by  
1248 this act, when an offer was made in response to a request for proposal  
1249 or similar voluntary offer for sale, a public hearing shall be held if  
1250 twenty-five or more individuals or an individual representing twenty-  
1251 five or more people submits a request, in writing, that a public hearing  
1252 be held on the application. Any request for a public hearing shall be  
1253 made to the unit not later than thirty days after the date the unit deems  
1254 the application to be complete.

1255 (f) (1) The unit shall hold a public hearing with respect to each  
1256 certificate of need application filed pursuant to section 19a-638, as  
1257 amended by this act, after December 1, 2015, and on or before December  
1258 31, 2026, that concerns any transfer of ownership involving a hospital.  
1259 Such hearing shall be held in the municipality in which the hospital that  
1260 is the subject of the application is located.

1261 (2) The unit may hold a public hearing with respect to any certificate  
1262 of need application submitted under this [chapter] section. The unit  
1263 shall provide not less than two weeks' advance notice to the applicant,  
1264 in writing, and to the public by publication in a newspaper having a  
1265 substantial circulation in the area served by the health care facility or  
1266 provider. In conducting its activities under this chapter, the unit may  
1267 hold hearings with respect to applications of a similar nature at the same  
1268 time. The applicant shall post a copy of the unit's hearing notice on the  
1269 applicant's Internet web site in a clear and conspicuous location that is  
1270 easily accessible by members of the public. Such applicant shall request  
1271 the publication of notice in at least two sites within the affected  
1272 community that are commonly accessed by the public, such as a town  
1273 hall or library, as well as on any existing Internet web site of the  
1274 municipality or local health department. The unit shall not invalidate  
1275 any notice due to changes or removal of the notice from a community  
1276 Internet web site of which the applicant has no control.

1277 (g) For applications submitted on or after October 1, 2023, and on or  
1278 before December 31, 2026, the unit may retain an independent  
1279 consultant with expertise in the specific area of health care that is the  
1280 subject of the application filed by an applicant if the review and analysis  
1281 of an application cannot reasonably be conducted by the unit without  
1282 the expertise of an industry analyst or other actuarial consultant. The  
1283 unit shall submit bills for independent consultant services to the  
1284 applicant. Such applicant shall pay such bills not later than thirty days  
1285 after receipt of such bills. Such bills shall be a reasonable amount per  
1286 application. The provisions of chapter 57 and sections 4-212 to 4-219,  
1287 inclusive, and 4e-19 shall not apply to any retainer agreement executed  
1288 pursuant to this subsection.

1289 [(h) The Commissioner of Health Strategy may implement policies  
1290 and procedures necessary to administer the provisions of this section  
1291 while in the process of adopting such policies and procedures as  
1292 regulation, provided the commissioner holds a public hearing prior to  
1293 implementing the policies and procedures and posts notice of intent to

1294 adopt regulations on the office's Internet web site and the eRegulations  
1295 System not later than twenty days after the date of implementation.  
1296 Policies and procedures implemented pursuant to this section shall be  
1297 valid until the time final regulations are adopted.]

1298 Sec. 17. Section 19a-639b of the general statutes is repealed and the  
1299 following is substituted in lieu thereof (*Effective October 1, 2026*):

1300 (a) A certificate of need issued under section 19a-638a shall be valid  
1301 only for the project described in the application. A certificate of need  
1302 issued under said section shall be valid for two years from the date of  
1303 issuance by the unit. During the period of time that such certificate is  
1304 valid and the thirty-day period following the expiration of the  
1305 certificate, the holder of the certificate shall provide the unit with such  
1306 information as the unit may request on the development of the project  
1307 covered by the certificate.

1308 (b) [Upon] On or before December 31, 2026, upon request from a  
1309 certificate holder, the unit may extend the duration of a certificate of  
1310 need for such additional period of time as the unit determines is  
1311 reasonably necessary to expeditiously complete the project. Not later  
1312 than five business days after receiving a request to extend the duration  
1313 of a certificate of need, the unit shall post such request on its web site.  
1314 Any person who wishes to comment on extending the duration of the  
1315 certificate of need shall provide written comments to the unit on the  
1316 requested extension not later than thirty days after the date the unit  
1317 posts notice of the request for an extension of time on its web site. The  
1318 unit shall hold a public hearing on any request to extend the duration of  
1319 a certificate of need made under this subsection if three or more  
1320 individuals or an individual representing an entity with five or more  
1321 people submits a request, in writing, that a public hearing be held on  
1322 the request to extend the duration of a certificate of need.

1323 (c) [In] On or before December 31, 2026, in the event that the unit  
1324 determines that: (1) Commencement, construction or other preparation

1325 has not been substantially undertaken during a valid certificate of need  
1326 period; or (2) the certificate holder has not made a good-faith effort to  
1327 complete the project as approved, the unit may withdraw, revoke or  
1328 rescind the certificate of need.

1329 (d) [A] On or before December 31, 2026, a certificate of need shall not  
1330 be transferable or assignable nor shall a project be transferred from a  
1331 certificate holder to another person.

1332 (e) The Commissioner of Health Strategy may implement policies  
1333 and procedures necessary to administer the provisions of this section  
1334 while in the process of adopting such policies and procedures as  
1335 regulation, provided the commissioner holds a public hearing prior to  
1336 implementing the policies and procedures and posts notice of intent to  
1337 adopt regulations on the office's Internet web site and the eRegulations  
1338 System not later than twenty days after the date of implementation.  
1339 Policies and procedures implemented pursuant to this section shall be  
1340 valid until the time final regulations are adopted.

1341 Sec. 18. Subsection (a) of section 19a-639c of the general statutes is  
1342 repealed and the following is substituted in lieu thereof (*Effective October*  
1343 *1, 2026*):

1344 (a) [Any] On or before December 31, 2026, any health care facility that  
1345 proposes to relocate a facility shall submit a letter to the unit, as  
1346 described in subsection (c) of section 19a-638, as amended by this act. In  
1347 addition to the requirements prescribed in said subsection (c), in such  
1348 letter the health care facility shall demonstrate to the satisfaction of the  
1349 unit that the population served by the health care facility and the payer  
1350 mix will not substantially change as a result of the facility's proposed  
1351 relocation. If the facility is unable to demonstrate to the satisfaction of  
1352 the unit that the population served and the payer mix will not  
1353 substantially change as a result of the proposed relocation, the health  
1354 care facility shall apply for certificate of need approval pursuant to  
1355 subdivision (1) of subsection (a) of section 19a-638, as amended by this

1356 act, in order to effectuate the proposed relocation. The unit shall provide  
1357 a determination not later than thirty days after receipt of such letter.

1358 Sec. 19. Subsections (a) to (c), inclusive, of section 19a-639e of the  
1359 general statutes are repealed and the following is substituted in lieu  
1360 thereof (*Effective October 1, 2026*):

1361 (a) Unless otherwise required to file a certificate of need application  
1362 pursuant to the provisions of subsection (a) of section 19a-638, as  
1363 amended by this act, any health care facility that proposes on or before  
1364 December 31, 2026, to terminate a service that was authorized pursuant  
1365 to a certificate of need issued under [this chapter] section 19a-638a shall  
1366 file a modification request with the unit not later than sixty days prior  
1367 to the proposed date of the termination of the service. The unit may  
1368 request additional information from the health care facility as necessary  
1369 to process the modification request. In addition, the unit shall hold a  
1370 public hearing on any request from a health care facility to terminate a  
1371 service pursuant to this section if three or more individuals or an  
1372 individual representing an entity with five or more people submits a  
1373 request, in writing, that a public hearing be held on the health care  
1374 facility's proposal to terminate a service.

1375 (b) Unless otherwise required to file a certificate of need application  
1376 pursuant to the provisions of subsection (a) of section 19a-638, as  
1377 amended by this act, any health care facility that proposes on or before  
1378 December 31, 2026, to terminate all services offered by such facility, that  
1379 were authorized pursuant to one or more certificates of need issued  
1380 under [this chapter] section 19a-639a, as amended by this act, shall  
1381 provide notification to the unit not later than sixty days prior to the  
1382 termination of services and such facility shall surrender its certificate of  
1383 need not later than thirty days prior to the termination of services.

1384 (c) Unless otherwise required to file a certificate of need application  
1385 pursuant to the provisions of subsection (a) of section 19a-638, as  
1386 amended by this act, any health care facility that proposes on or before

1387 December 31, 2026, to terminate the operation of a facility or service for  
1388 which a certificate of need was not obtained shall notify the unit not later  
1389 than sixty days prior to terminating the operation of the facility or  
1390 service.

1391 Sec. 20. Subsections (a) and (b) of section 19a-639f of the general  
1392 statutes are repealed and the following is substituted in lieu thereof  
1393 (*Effective October 1, 2026*):

1394 (a) The Health Systems Planning Unit of the Office of Health Strategy  
1395 shall conduct a cost and market impact review in each case where (1) an  
1396 application for a certificate of need filed on or before December 31, 2026,  
1397 pursuant to section 19a-638, as amended by this act, involves the  
1398 transfer of ownership of a hospital, as defined in section 19a-639, as  
1399 amended by this act, and (2) the purchaser in a transaction occurring on  
1400 or before December 31, 2026, is a hospital, as defined in section 19a-490,  
1401 whether located within or outside the state, that had net patient revenue  
1402 for fiscal year 2013 in an amount greater than one billion five hundred  
1403 million dollars, or a hospital system, as defined in section 19a-486i,  
1404 whether located within or outside the state, that had net patient revenue  
1405 for fiscal year 2013 in an amount greater than one billion five hundred  
1406 million dollars or any person that is organized or operated for profit.

1407 (b) Not later than twenty-one days after receipt of a properly filed  
1408 certificate of need application involving the transfer of ownership of a  
1409 hospital filed on or after December 1, 2015, and on or before December  
1410 31, 2026, as described in subsection (a) of this section, the unit shall  
1411 initiate such cost and market impact review by sending the transacting  
1412 parties a written notice that shall contain a description of the basis for  
1413 the cost and market impact review as well as a request for information  
1414 and documents. Not later than thirty days after receipt of such notice,  
1415 the transacting parties shall submit to the unit a written response. Such  
1416 response shall include, but need not be limited to, any information or  
1417 documents requested by the unit concerning the transfer of ownership  
1418 of the hospital. The unit shall have the powers with respect to the cost

1419 and market impact review as provided in section 19a-633.

1420 Sec. 21. Section 19a-641 of the general statutes is repealed and the  
1421 following is substituted in lieu thereof (*Effective October 1, 2026*):

1422 Any health care facility or institution and any state health care facility  
1423 or institution aggrieved by any final decision of said unit issued on an  
1424 application filed on or before December 31, 2026, under the provisions  
1425 of sections 19a-630 to 19a-639e, inclusive, as amended by this act, may  
1426 appeal from such decision in accordance with the provisions of section  
1427 4-183, except venue shall be in the judicial district in which it is located.  
1428 Such appeal shall have precedence in respect to order of trial over all  
1429 other cases except writs of habeas corpus, actions brought by or on  
1430 behalf of the state, including information on the relation of private  
1431 individuals, and appeals from awards or decisions of administrative  
1432 law judges.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>October 1, 2026</i>	New section
Sec. 2	<i>October 1, 2026</i>	New section
Sec. 3	<i>October 1, 2026</i>	New section
Sec. 4	<i>October 1, 2026</i>	New section
Sec. 5	<i>October 1, 2026</i>	New section
Sec. 6	<i>October 1, 2026</i>	New section
Sec. 7	<i>October 1, 2026</i>	New section
Sec. 8	<i>October 1, 2026</i>	New section
Sec. 9	<i>October 1, 2026</i>	New section
Sec. 10	<i>October 1, 2026</i>	New section
Sec. 11	<i>October 1, 2026</i>	New section
Sec. 12	<i>October 1, 2026</i>	New section
Sec. 13	<i>October 1, 2026</i>	19a-612d(a)
Sec. 14	<i>October 1, 2026</i>	19a-638(a) to (e)
Sec. 15	<i>October 1, 2026</i>	19a-639(a) to (e)
Sec. 16	<i>October 1, 2026</i>	19a-639a
Sec. 17	<i>October 1, 2026</i>	19a-639b
Sec. 18	<i>October 1, 2026</i>	19a-639c(a)



Sec. 19	<i>October 1, 2026</i>	19a-639e(a) to (c)
Sec. 20	<i>October 1, 2026</i>	19a-639f(a) and (b)
Sec. 21	<i>October 1, 2026</i>	19a-641

***Statement of Purpose:***

To implement the Governor's budget recommendations.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*