



**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) a mental health facility; (H)  
42 a substance abuse treatment facility; (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, who 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 a 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 sections 2 to 12, inclusive, of this act shall affect the  
299 authority of the Commissioner of Public Health provided under chapter  
300 368v of the general statutes.

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

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

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

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

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

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

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

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

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

368 Sec. 7. (NEW) (*Effective October 1, 2026*) (a) The panel may create an  
369 expedited review pathway and designate categories of applications for  
370 certificates of need required under subsection (a) of section 2 of this act,  
371 or subcategories thereof, as eligible for expedited review on and after  
372 January 1, 2027.

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

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

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

386 (1) For any application that is deemed incomplete, the Certificate of  
387 Need Unit shall, not later than fifteen days after deeming such  
388 application incomplete, notify the applicant, in writing, of any  
389 application or data elements that were not adequately addressed by the

390 applicant. The department shall not review such an application until the  
391 applicant submits an application that adequately addresses such  
392 application or data elements to the department in a subsequent  
393 application period.

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

398 (e) For any complete application that is eligible for expedited review  
399 under this section, the Certificate of Need Unit shall complete its  
400 analysis not later than sixty days after the application is deemed  
401 complete and eligible for expedited review under this section and  
402 present the application to the panel at its next meeting.

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

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

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

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

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

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

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

452       Sec. 9. (NEW) (*Effective October 1, 2026*) (a) On and after January 1,

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

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

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

487 and shall be exempt from disclosure.

488 (d) The cost and market impact review conducted pursuant to this  
489 section shall examine factors relating to the businesses and relative  
490 market positions of the transacting parties as defined in subsection (d)  
491 of section 19a-639 of the general statutes, as amended by this act, and  
492 may include, but need not be limited to: (1) The transacting parties' size  
493 and market share within its primary service area, by major service  
494 category and within its dispersed service areas; (2) the transacting  
495 parties' prices for services, including the transacting parties' relative  
496 prices compared to other health care providers for the same services in  
497 the same market; (3) the transacting parties' health status adjusted total  
498 medical expense, including the transacting parties' health status  
499 adjusted total medical expense compared to that of similar health care  
500 providers; (4) the quality of the services provided by the transacting  
501 parties, including patient experience; (5) the transacting parties' cost and  
502 cost trends in comparison to total health care expenditures state wide;  
503 (6) the availability and accessibility of services similar to those provided  
504 by each transacting party, or proposed to be provided as a result of the  
505 transfer of ownership of a hospital within each transacting party's  
506 primary service areas and dispersed service areas; (7) the impact of the  
507 proposed transfer of ownership of the hospital on competing options for  
508 the delivery of health care services within each transacting party's  
509 primary service area and dispersed service area including the impact on  
510 existing service providers; (8) the methods used by the transacting  
511 parties to attract patient volume and to recruit or acquire health care  
512 professionals or facilities; (9) the role of each transacting party in serving  
513 at-risk, underserved and government payer patient populations,  
514 including those with behavioral, substance use disorder and mental  
515 health conditions, within each transacting party's primary service area  
516 and dispersed service area; (10) the role of each transacting party in  
517 providing low margin or negative margin services within each  
518 transacting party's primary service area and dispersed service area; (11)  
519 consumer concerns, including, but not limited to, complaints or other  
520 allegations that a transacting party has engaged in any unfair method of

521 competition or any unfair or deceptive act or practice; and (12) any other  
522 factors that the unit determines to be in the public interest.

523 (e) The Certificate of Need Unit shall submit the preliminary report  
524 to the applicant and to the Attorney General not later than ninety days  
525 after the data submissions are deemed complete. The applicant shall  
526 respond, in writing, not later than fifteen days after receipt of such  
527 preliminary report with any comments regarding such report. Once the  
528 applicant has submitted such written comments or waived the  
529 opportunity to make such a submission, the unit shall make the  
530 preliminary report and the applicant's comments public. The unit shall  
531 issue a final report not later than one hundred twenty days after the  
532 application was deemed complete and make such final report part of the  
533 public certificate of need record of such application.

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

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

552 (h) For the purposes of this section, the provisions of chapter 735a of

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

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

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

578 (b) The panel, or any agent authorized by the panel to conduct any  
579 inquiry, investigation or hearing under the provisions of sections 2 to  
580 12, inclusive, of this act, shall have authority to administer oaths and  
581 take testimony under oath relative to the matter of inquiry or  
582 investigation. At any hearing under this section, the panel or such  
583 authorized agent may subpoena witnesses and require the production  
584 of records, papers and documents pertinent to such inquiry. If any  
585 person disobeys such process or, having appeared in obedience thereto,

586 refuses to answer any pertinent question put to such person by the panel  
587 or such panel's authorized agent or to produce any records and papers  
588 pursuant thereto, the panel or such panel's authorized agent may apply  
589 to the superior court for the judicial district of Hartford or for the judicial  
590 district wherein the person resides or the business that is the subject of  
591 the inquiry has been conducted, or to any judge of said court if the same  
592 is not in session, setting forth such disobedience to process or refusal to  
593 answer, and said court or such judge shall cite such person to appear  
594 before said court or such judge to answer such question or to produce  
595 such records and papers.

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

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

620 statement of the amount of the civil penalty or penalties to be imposed;  
621 (4) the initial date of the imposition of the penalty; and (5) a statement  
622 of the party's right to a hearing.

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

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

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

650 (h) In addition to any civil penalty imposed under this section, if the  
651 executive director of the Certificate of Need Unit or the executive

652 director's authorized agent has received information and has a  
653 reasonable belief that any person or health care facility or institution has  
654 violated or is violating any provision of sections 2 to 12, inclusive, of this  
655 act, or any policy and procedure or order of the panel, the executive  
656 director or such agent shall notify such person or health care facility or  
657 institution by first class mail or personal service. The notice shall  
658 include: (1) A reference to the sections of the general statutes,  
659 regulations of Connecticut state agencies or orders alleged or believed  
660 to have been violated; (2) a short and plain language statement of the  
661 matters asserted or charged; (3) a description of the activity alleged to  
662 have violated a statute or regulation identified pursuant to subdivision  
663 (1) of this subsection; (4) a statement concerning the right to a hearing  
664 of such person or health care facility or institution; and (5) a statement  
665 that such person or health care facility or institution may, not later than  
666 ten business days after receipt of such notice, make a written request for  
667 a hearing on the matters asserted, to be sent to the commissioner or such  
668 agent.

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

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

686 with section 4-183 of the general statutes.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

777 to section 10 of this act.

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

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

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

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

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

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

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

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

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

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

805 hospital;

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

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

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

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

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

835 (12) An increase in the licensed bed capacity of a health care facility,

836 except as provided in subdivision (23) of subsection (b) of this section;

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

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

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

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

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

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

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

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

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

861 (6) Home health agencies, as defined in section 19a-490;

862 (7) Hospice services, as described in section 19a-122b;

863 (8) Outpatient rehabilitation facilities;

864 (9) Outpatient chronic dialysis services;

865 (10) Transplant services;

866 (11) Free clinics, as defined in section 19a-630;

867 (12) School-based health centers and expanded school health sites, as  
868 such terms are defined in section 19a-6r, community health centers, as  
869 defined in section 19a-490a, not-for-profit outpatient clinics licensed in  
870 accordance with the provisions of chapter 368v and federally qualified  
871 health centers;

872 (13) A program licensed or funded by the Department of Children  
873 and Families, provided such program is not a psychiatric residential  
874 treatment facility;

875 (14) Any nonprofit facility, institution or provider that has a contract  
876 with, or is certified or licensed to provide a service for, a state agency or  
877 department for a service that would otherwise require a certificate of  
878 need. The provisions of this subdivision shall not apply to a short-term  
879 acute care general hospital or children's hospital, or a hospital or other  
880 facility or institution operated by the state that provides services that are  
881 eligible for reimbursement under Title XVIII or XIX of the federal Social  
882 Security Act, 42 USC 301, as amended;

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

886 (16) An outpatient clinic or program operated exclusively by or  
887 contracted to be operated exclusively by a municipality, municipal  
888 agency, municipal board of education or a health district, as described  
889 in section 19a-241;

890 (17) A residential facility for persons with intellectual disability  
891 licensed pursuant to section 17a-227 and certified to participate in the

892 Title XIX Medicaid program as an intermediate care facility for  
893 individuals with intellectual disabilities;

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

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

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

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

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

915 (23) On or before ~~June 30, 2026~~ December 31, 2026, an increase in the  
916 licensed bed capacity of a mental health facility, provided (A) the mental  
917 health facility demonstrates to the unit, in a form and manner prescribed  
918 by the unit, that it accepts reimbursement for any covered benefit  
919 provided to a covered individual under: (i) An individual or group  
920 health insurance policy providing coverage of the type specified in  
921 subdivisions (1), (2), (4), (11) and (12) of section 38a-469; (ii) a self-  
922 insured employee welfare benefit plan established pursuant to the

923 federal Employee Retirement Income Security Act of 1974, as amended  
924 from time to time; or (iii) HUSKY Health, as defined in section 17b-290,  
925 and (B) if the mental health facility does not accept or stops accepting  
926 reimbursement for any covered benefit provided to a covered  
927 individual under a policy, plan or program described in clause (i), (ii) or  
928 (iii) of subparagraph (A) of this subdivision, a certificate of need for such  
929 increase in the licensed bed capacity shall be required; [.]

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

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

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

947 (d) The Commissioner of Health Strategy may implement policies  
948 and procedures necessary to administer the provisions of this section  
949 while in the process of adopting such policies and procedures as  
950 regulation, provided the commissioner holds a public hearing prior to  
951 implementing the policies and procedures and posts notice of intent to  
952 adopt regulations on the office's Internet web site and the eRegulations  
953 System not later than twenty days after the date of implementation.  
954 Policies and procedures implemented pursuant to this section shall be

955 valid until the time final regulations are adopted.

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

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

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

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

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

977 (3) Whether there is a clear public need for the health care facility or  
978 services proposed by the applicant;

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

982 (5) Whether the applicant has satisfactorily demonstrated how the  
983 proposal will improve quality, accessibility and cost effectiveness of  
984 health care delivery in the region, including, but not limited to,

985 provision of or any change in the access to services for Medicaid  
986 recipients and indigent persons;

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

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

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

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

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

1004 (11) Whether the applicant has satisfactorily demonstrated that the  
1005 proposal will not negatively impact the diversity of health care  
1006 providers and patient choice in the geographic region; and

1007 (12) Whether the applicant has satisfactorily demonstrated that any  
1008 consolidation resulting from the proposal will not adversely affect  
1009 health care costs or accessibility to care.

1010 (b) [In] On or before December 31, 2026, in deliberations as described  
1011 in subsection (a) of this section, there shall be a presumption in favor of  
1012 approving the certificate of need application for a transfer of ownership  
1013 of a large group practice, as described in subdivision (3) of subsection  
1014 (a) of section 19a-638, as amended by this act, when an offer was made

1015 in response to a request for proposal or similar voluntary offer for sale.

1016 (c) The unit, as it deems necessary, may revise or supplement the  
1017 guidelines and principles, set forth in subsection (a) of this section,  
1018 through regulation.

1019 (d) (1) For purposes of this subsection and subsection (e) of this  
1020 section:

1021 (A) "Affected community" means a municipality where a hospital is  
1022 physically located or a municipality whose inhabitants are regularly  
1023 served by a hospital;

1024 (B) "Hospital" has the same meaning as provided in section 19a-490;

1025 (C) "New hospital" means a hospital as it exists after the approval of  
1026 an agreement pursuant to section 19a-486b or a certificate of need  
1027 application for a transfer of ownership of a hospital;

1028 (D) "Purchaser" means a person who is acquiring, or has acquired,  
1029 any assets of a hospital through a transfer of ownership of a hospital;

1030 (E) "Transacting party" means a purchaser and any person who is a  
1031 party to a proposed agreement for transfer of ownership of a hospital;

1032 (F) "Transfer" means to sell, transfer, lease, exchange, option, convey,  
1033 give or otherwise dispose of or transfer control over, including, but not  
1034 limited to, transfer by way of merger or joint venture not in the ordinary  
1035 course of business; and

1036 (G) "Transfer of ownership of a hospital" means a transfer that  
1037 impacts or changes the governance or controlling body of a hospital,  
1038 including, but not limited to, all affiliations, mergers or any sale or  
1039 transfer of net assets of a hospital and for which a certificate of need  
1040 application or a certificate of need determination letter is filed on or after  
1041 December 1, 2015.

1042 (2) In any deliberations involving a certificate of need application

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

1050 (A) Whether the applicant fairly considered alternative proposals or  
1051 offers in light of the purpose of maintaining health care provider  
1052 diversity and consumer choice in the health care market and access to  
1053 affordable quality health care for the affected community; and

1054 (B) Whether the plan submitted pursuant to section 19a-639a, as  
1055 amended by this act, demonstrates, in a manner consistent with this  
1056 chapter, how health care services will be provided by the new hospital  
1057 for the first three years following the transfer of ownership of the  
1058 hospital, including any consolidation, reduction, elimination or  
1059 expansion of existing services or introduction of new services.

1060 (3) The unit shall deny any certificate of need application involving a  
1061 transfer of ownership of a hospital unless the commissioner finds that  
1062 the affected community will be assured of continued access to high  
1063 quality and affordable health care after accounting for any proposed  
1064 change impacting hospital staffing.

1065 (4) The unit may deny any certificate of need application involving a  
1066 transfer of ownership of a hospital subject to a cost and market impact  
1067 review pursuant to section 19a-639f, as amended by this act, if the  
1068 commissioner finds that (A) the affected community will not be assured  
1069 of continued access to high quality and affordable health care after  
1070 accounting for any consolidation in the hospital and health care market  
1071 that may lessen health care provider diversity, consumer choice and  
1072 access to care, and (B) any likely increases in the prices for health care  
1073 services or total health care spending in the state may negatively impact  
1074 the affordability of care.

1075 (5) The unit may place any conditions on the approval of a certificate  
1076 of need application involving a transfer of ownership of a hospital  
1077 consistent with the provisions of this chapter. Before placing any such  
1078 conditions, the unit shall weigh the value of such conditions in  
1079 promoting the purposes of this chapter against the individual and  
1080 cumulative burden of such conditions on the transacting parties and the  
1081 new hospital. For each condition imposed, the unit shall include a  
1082 concise statement of the legal and factual basis for such condition and  
1083 the provision or provisions of this chapter that it is intended to promote.  
1084 Each condition shall be reasonably tailored in time and scope. The  
1085 transacting parties or the new hospital shall have the right to make a  
1086 request to the unit for an amendment to, or relief from, any condition  
1087 based on changed circumstances, hardship or for other good cause.

1088 (6) In any deliberations involving a certificate of need application  
1089 filed pursuant to section 19a-638, as amended by this act, that involves  
1090 the transfer of ownership of a hospital and is subject to a cost and market  
1091 impact review, the unit may consider (A) the preliminary report and  
1092 response to the preliminary report, (B) the final report, and (C) any  
1093 written comments from the parties regarding the reports issued or  
1094 submitted as part of the review. The unit shall not place the preliminary  
1095 report in the public record until the transacting parties have had an  
1096 opportunity to respond to the findings of the preliminary report  
1097 pursuant to subsection (f) of section 19a-639f.

1098 (e) (1) If the certificate of need application filed on or before December  
1099 31, 2026, (A) involves the transfer of ownership of a hospital, (B) the  
1100 purchaser is a hospital, as defined in section 19a-490, whether located  
1101 within or outside the state, that had net patient revenue for fiscal year  
1102 2013 in an amount greater than one billion five hundred million dollars  
1103 or a hospital system, as defined in section 19a-486i, whether located  
1104 within or outside the state, that had net patient revenue for fiscal year  
1105 2013 in an amount greater than one billion five hundred million dollars,  
1106 or any person that is organized or operated for profit, and (C) such  
1107 application is approved, the unit shall hire an independent consultant  
1108 to serve as a post-transfer compliance reporter for a period of three years

1109 after completion of the transfer of ownership of the hospital. Such  
1110 reporter shall, at a minimum: (i) Meet with representatives of the  
1111 purchaser, the new hospital and members of the affected community  
1112 served by the new hospital not less than quarterly; and (ii) report to the  
1113 unit not less than quarterly concerning (I) efforts the purchaser and  
1114 representatives of the new hospital have taken to comply with any  
1115 conditions the unit placed on the approval of the certificate of need  
1116 application and plans for future compliance, and (II) community  
1117 benefits and uncompensated care provided by the new hospital. The  
1118 purchaser shall give the reporter access to its records and facilities for  
1119 the purposes of carrying out the reporter's duties. The purchaser shall  
1120 hold a public hearing in the municipality in which the new hospital is  
1121 located not less than annually during the reporting period to provide  
1122 for public review and comment on the reporter's reports and findings.

1123 (2) If the reporter finds that the purchaser has breached a condition  
1124 of the approval of the certificate of need application, the unit may, in  
1125 consultation with the purchaser, the reporter and any other interested  
1126 parties it deems appropriate, implement a performance improvement  
1127 plan designed to remedy the conditions identified by the reporter and  
1128 continue the reporting period for up to one year following a  
1129 determination by the unit that such conditions have been resolved.

1130 (3) The purchaser shall provide funds, in an amount determined by  
1131 the unit not to exceed two hundred thousand dollars annually, for the  
1132 hiring of the post-transfer compliance reporter.

1133 Sec. 16. Section 19a-639a of the general statutes is repealed and the  
1134 following is substituted in lieu thereof (*Effective October 1, 2026*):

1135 (a) [An] On or before December 31, 2026, an application for a  
1136 certificate of need shall be filed with the unit in accordance with the  
1137 provisions of this section and any regulations adopted by the Office of  
1138 Health Strategy. The application shall address the guidelines and  
1139 principles set forth in (1) subsection (a) of section 19a-639, as amended  
1140 by this act, and (2) regulations adopted by the department. The

1141 applicant shall include with the application a nonrefundable application  
1142 fee based on the cost of the project. The amount of the fee shall be as  
1143 follows: (A) One thousand dollars for a project that will cost not greater  
1144 than fifty thousand dollars; (B) two thousand dollars for a project that  
1145 will cost greater than fifty thousand dollars but not greater than one  
1146 hundred thousand dollars; (C) three thousand dollars for a project that  
1147 will cost greater than one hundred thousand dollars but not greater than  
1148 five hundred thousand dollars; (D) four thousand dollars for a project  
1149 that will cost greater than five hundred thousand dollars but not greater  
1150 than one million dollars; (E) five thousand dollars for a project that will  
1151 cost greater than one million dollars but not greater than five million  
1152 dollars; (F) eight thousand dollars for a project that will cost greater than  
1153 five million dollars but not greater than ten million dollars; and (G) ten  
1154 thousand dollars for a project that will cost greater than ten million  
1155 dollars.

1156 (b) Prior to the filing of a certificate of need application pursuant to  
1157 subsection (a) of this section, the applicant shall (1) publish notice that  
1158 an application is to be submitted to the unit (A) in a newspaper having  
1159 a substantial circulation in the area where the project is to be located,  
1160 and (B) on the applicant's Internet web site in a clear and conspicuous  
1161 location that is easily accessible by members of the public, (2) request  
1162 the publication of notice (A) in at least two sites within the affected  
1163 community that are commonly accessed by the public, such as a town  
1164 hall or library, and (B) on any existing Internet web site of the  
1165 municipality or local health department, and (3) submit such notice to  
1166 the unit for posting on such unit's Internet web site. Such newspaper  
1167 notice shall be published for not less than three consecutive days, with  
1168 the final date of consecutive publication occurring not later than twenty  
1169 days prior to the date of filing of the certificate of need application, and  
1170 contain a brief description of the nature of the project and the street  
1171 address where the project is to be located. Postings in the affected  
1172 community and on the applicant's Internet web site shall remain until  
1173 the decision on the application is rendered. The unit shall not invalidate  
1174 any notice due to changes or removal of the notice from a community

1175 Internet web site of which the applicant has no control. An applicant  
1176 shall file the certificate of need application with the unit not later than  
1177 ninety days after publishing notice of the application in a newspaper in  
1178 accordance with the provisions of this subsection. The unit shall not  
1179 accept the applicant's certificate of need application for filing unless the  
1180 application is accompanied by the application fee prescribed in  
1181 subsection (a) of this section and proof of compliance with the  
1182 publication requirements prescribed in this subsection.

1183 (c) (1) Not later than five business days after receipt of a properly filed  
1184 certificate of need application under this section, the unit shall publish  
1185 notice of the application on its Internet web site. Not later than thirty  
1186 days after the date of filing of the application, the unit may request such  
1187 additional information as the unit determines necessary to complete the  
1188 application. In addition to any information requested by the unit, if the  
1189 application involves the transfer of ownership of a hospital, as defined  
1190 in section 19a-639, as amended by this act, the applicant shall submit to  
1191 the unit (A) a plan demonstrating how health care services will be  
1192 provided by the new hospital for the first three years following the  
1193 transfer of ownership of the hospital, including any consolidation,  
1194 reduction, elimination or expansion of existing services or introduction  
1195 of new services, and (B) the names of persons currently holding a  
1196 position with the hospital to be purchased or the purchaser, as defined  
1197 in section 19a-639, as amended by this act, as an officer, director, board  
1198 member or senior manager, whether or not such person is expected to  
1199 hold a position with the hospital after completion of the transfer of  
1200 ownership of the hospital and any salary, severance, stock offering or  
1201 any financial gain, current or deferred, such person is expected to  
1202 receive as a result of, or in relation to, the transfer of ownership of the  
1203 hospital.

1204 (2) The applicant shall, not later than sixty days after the date of the  
1205 unit's request, submit any requested information and any information  
1206 required under this subsection to the unit. If an applicant fails to submit  
1207 such information to the unit within the sixty-day period, the unit shall  
1208 consider the application to have been withdrawn.

1209 (3) The unit shall make reasonable efforts to limit the requests for  
1210 additional information to two such requests and, in all cases, cease all  
1211 requests for additional information not later than six months after  
1212 receiving the application.

1213 (d) Upon deeming an application filed under this section complete,  
1214 the unit shall provide notice of this determination to the applicant and  
1215 to the public in accordance with regulations adopted by the department.  
1216 In addition, the unit shall post such notice on its Internet web site and  
1217 notify the applicant not later than five days after deeming the  
1218 application complete. The date on which the unit posts such notice on  
1219 its Internet web site shall begin the review period. Except as provided  
1220 in this subsection, (1) the review period for an application deemed  
1221 complete shall be ninety days from the date on which the unit posts such  
1222 notice on its Internet web site; and (2) the unit shall issue a decision on  
1223 an application deemed complete prior to the expiration of the ninety-  
1224 day review period in matters without a public hearing. The review  
1225 period for an application deemed complete that involves a transfer of a  
1226 large group practice, as described in subdivision (3) of subsection (a) of  
1227 section 19a-638, as amended by this act, when the offer was made in  
1228 response to a request for proposal or similar voluntary offer for sale,  
1229 shall be sixty days from the date on which the unit posts notice on its  
1230 Internet web site. Upon request or for good cause shown, the unit may  
1231 extend the review period for a period of time not to exceed sixty days.  
1232 If the review period is extended, the unit shall issue a decision on the  
1233 completed application prior to the expiration of the extended review  
1234 period. If the unit holds a public hearing concerning a completed  
1235 application in accordance with subsection (e) or (f) of this section, the  
1236 unit shall issue a decision on the completed application not later than  
1237 sixty days after the date the unit closes the public hearing record.

1238 (e) Except as provided in this subsection, the unit shall hold a public  
1239 hearing on a [properly filed and completed] certificate of need  
1240 application properly filed and completed under this section if three or  
1241 more individuals or an individual representing an entity with five or  
1242 more people submits a request, in writing, that a public hearing be held

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

1254 (f) (1) The unit shall hold a public hearing with respect to each  
1255 certificate of need application filed pursuant to section 19a-638, as  
1256 amended by this act, after December 1, 2015, and on or before December  
1257 31, 2026, that concerns any transfer of ownership involving a hospital.  
1258 Such hearing shall be held in the municipality in which the hospital that  
1259 is the subject of the application is located.

1260 (2) The unit may hold a public hearing with respect to any certificate  
1261 of need application submitted under this [chapter] section. The unit  
1262 shall provide not less than two weeks' advance notice to the applicant,  
1263 in writing, and to the public by publication in a newspaper having a  
1264 substantial circulation in the area served by the health care facility or  
1265 provider. In conducting its activities under this chapter, the unit may  
1266 hold hearings with respect to applications of a similar nature at the same  
1267 time. The applicant shall post a copy of the unit's hearing notice on the  
1268 applicant's Internet web site in a clear and conspicuous location that is  
1269 easily accessible by members of the public. Such applicant shall request  
1270 the publication of notice in at least two sites within the affected  
1271 community that are commonly accessed by the public, such as a town  
1272 hall or library, as well as on any existing Internet web site of the  
1273 municipality or local health department. The unit shall not invalidate  
1274 any notice due to changes or removal of the notice from a community  
1275 Internet web site of which the applicant has no control.

1276 (g) For applications submitted on or after October 1, 2023, and on or  
1277 before December 31, 2026, the unit may retain an independent  
1278 consultant with expertise in the specific area of health care that is the  
1279 subject of the application filed by an applicant if the review and analysis  
1280 of an application cannot reasonably be conducted by the unit without  
1281 the expertise of an industry analyst or other actuarial consultant. The  
1282 unit shall submit bills for independent consultant services to the  
1283 applicant. Such applicant shall pay such bills not later than thirty days  
1284 after receipt of such bills. Such bills shall be a reasonable amount per  
1285 application. The provisions of chapter 57 and sections 4-212 to 4-219,  
1286 inclusive, and 4e-19 shall not apply to any retainer agreement executed  
1287 pursuant to this subsection.

1288 [(h) The Commissioner of Health Strategy may implement policies  
1289 and procedures necessary to administer the provisions of this section  
1290 while in the process of adopting such policies and procedures as  
1291 regulation, provided the commissioner holds a public hearing prior to  
1292 implementing the policies and procedures and posts notice of intent to  
1293 adopt regulations on the office's Internet web site and the eRegulations  
1294 System not later than twenty days after the date of implementation.  
1295 Policies and procedures implemented pursuant to this section shall be  
1296 valid until the time final regulations are adopted.]

1297 Sec. 17. Section 19a-639b of the general statutes is repealed and the  
1298 following is substituted in lieu thereof (*Effective October 1, 2026*):

1299 (a) A certificate of need issued under section 19a-638a shall be valid  
1300 only for the project described in the application. A certificate of need  
1301 issued under said section shall be valid for two years from the date of  
1302 issuance by the unit. During the period of time that such certificate is  
1303 valid and the thirty-day period following the expiration of the  
1304 certificate, the holder of the certificate shall provide the unit with such  
1305 information as the unit may request on the development of the project  
1306 covered by the certificate.

1307 (b) [Upon] On or before December 31, 2026, upon request from a

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

1322 (c) [In] On or before December 31, 2026, in the event that the unit  
1323 determines that: (1) Commencement, construction or other preparation  
1324 has not been substantially undertaken during a valid certificate of need  
1325 period; or (2) the certificate holder has not made a good-faith effort to  
1326 complete the project as approved, the unit may withdraw, revoke or  
1327 rescind the certificate of need.

1328 (d) [A] On or before December 31, 2026, a certificate of need shall not  
1329 be transferable or assignable nor shall a project be transferred from a  
1330 certificate holder to another person.

1331 (e) The Commissioner of Health Strategy may implement policies  
1332 and procedures necessary to administer the provisions of this section  
1333 while in the process of adopting such policies and procedures as  
1334 regulation, provided the commissioner holds a public hearing prior to  
1335 implementing the policies and procedures and posts notice of intent to  
1336 adopt regulations on the office's Internet web site and the eRegulations  
1337 System not later than twenty days after the date of implementation.  
1338 Policies and procedures implemented pursuant to this section shall be  
1339 valid until the time final regulations are adopted.

1340 Sec. 18. Subsection (a) of section 19a-639c of the general statutes is  
1341 repealed and the following is substituted in lieu thereof (*Effective October*  
1342 *1, 2026*):

1343 (a) [Any] On or before December 31, 2026, any health care facility that  
1344 proposes to relocate a facility shall submit a letter to the unit, as  
1345 described in subsection (c) of section 19a-638, as amended by this act. In  
1346 addition to the requirements prescribed in said subsection (c), in such  
1347 letter the health care facility shall demonstrate to the satisfaction of the  
1348 unit that the population served by the health care facility and the payer  
1349 mix will not substantially change as a result of the facility's proposed  
1350 relocation. If the facility is unable to demonstrate to the satisfaction of  
1351 the unit that the population served and the payer mix will not  
1352 substantially change as a result of the proposed relocation, the health  
1353 care facility shall apply for certificate of need approval pursuant to  
1354 subdivision (1) of subsection (a) of section 19a-638, as amended by this  
1355 act, in order to effectuate the proposed relocation. The unit shall provide  
1356 a determination not later than thirty days after receipt of such letter.

1357 Sec. 19. Subsections (a) to (c), inclusive, of section 19a-639e of the  
1358 general statutes are repealed and the following is substituted in lieu  
1359 thereof (*Effective October 1, 2026*):

1360 (a) Unless otherwise required to file a certificate of need application  
1361 pursuant to the provisions of subsection (a) of section 19a-638, as  
1362 amended by this act, any health care facility that proposes on or before  
1363 December 31, 2026, to terminate a service that was authorized pursuant  
1364 to a certificate of need issued under [this chapter] section 19a-638a shall  
1365 file a modification request with the unit not later than sixty days prior  
1366 to the proposed date of the termination of the service. The unit may  
1367 request additional information from the health care facility as necessary  
1368 to process the modification request. In addition, the unit shall hold a  
1369 public hearing on any request from a health care facility to terminate a  
1370 service pursuant to this section if three or more individuals or an  
1371 individual representing an entity with five or more people submits a  
1372 request, in writing, that a public hearing be held on the health care

1373 facility's proposal to terminate a service.

1374 (b) Unless otherwise required to file a certificate of need application  
1375 pursuant to the provisions of subsection (a) of section 19a-638, as  
1376 amended by this act, any health care facility that proposes on or before  
1377 December 31, 2026, to terminate all services offered by such facility, that  
1378 were authorized pursuant to one or more certificates of need issued  
1379 under [this chapter] section 19a-639a, as amended by this act, shall  
1380 provide notification to the unit not later than sixty days prior to the  
1381 termination of services and such facility shall surrender its certificate of  
1382 need not later than thirty days prior to the termination of services.

1383 (c) Unless otherwise required to file a certificate of need application  
1384 pursuant to the provisions of subsection (a) of section 19a-638, as  
1385 amended by this act, any health care facility that proposes on or before  
1386 December 31, 2026, to terminate the operation of a facility or service for  
1387 which a certificate of need was not obtained shall notify the unit not later  
1388 than sixty days prior to terminating the operation of the facility or  
1389 service.

1390 Sec. 20. Subsections (a) and (b) of section 19a-639f of the general  
1391 statutes are repealed and the following is substituted in lieu thereof  
1392 (*Effective October 1, 2026*):

1393 (a) The Health Systems Planning Unit of the Office of Health Strategy  
1394 shall conduct a cost and market impact review in each case where (1) an  
1395 application for a certificate of need filed on or before December 31, 2026,  
1396 pursuant to section 19a-638, as amended by this act, involves the  
1397 transfer of ownership of a hospital, as defined in section 19a-639, as  
1398 amended by this act, and (2) the purchaser in a transaction occurring on  
1399 or before December 31, 2026, is a hospital, as defined in section 19a-490,  
1400 whether located within or outside the state, that had net patient revenue  
1401 for fiscal year 2013 in an amount greater than one billion five hundred  
1402 million dollars, or a hospital system, as defined in section 19a-486i,  
1403 whether located within or outside the state, that had net patient revenue  
1404 for fiscal year 2013 in an amount greater than one billion five hundred

1405 million dollars or any person that is organized or operated for profit.

1406 (b) Not later than twenty-one days after receipt of a properly filed  
1407 certificate of need application involving the transfer of ownership of a  
1408 hospital filed on or after December 1, 2015, and on or before December  
1409 31, 2026, as described in subsection (a) of this section, the unit shall  
1410 initiate such cost and market impact review by sending the transacting  
1411 parties a written notice that shall contain a description of the basis for  
1412 the cost and market impact review as well as a request for information  
1413 and documents. Not later than thirty days after receipt of such notice,  
1414 the transacting parties shall submit to the unit a written response. Such  
1415 response shall include, but need not be limited to, any information or  
1416 documents requested by the unit concerning the transfer of ownership  
1417 of the hospital. The unit shall have the powers with respect to the cost  
1418 and market impact review as provided in section 19a-633.

1419 Sec. 21. Section 19a-641 of the general statutes is repealed and the  
1420 following is substituted in lieu thereof (*Effective October 1, 2026*):

1421 Any health care facility or institution and any state health care facility  
1422 or institution aggrieved by any final decision of said unit issued on an  
1423 application filed on or before December 31, 2026, under the provisions  
1424 of sections 19a-630 to 19a-639e, inclusive, as amended by this act, may  
1425 appeal from such decision in accordance with the provisions of section  
1426 4-183, except venue shall be in the judicial district in which it is located.  
1427 Such appeal shall have precedence in respect to order of trial over all  
1428 other cases except writs of habeas corpus, actions brought by or on  
1429 behalf of the state, including information on the relation of private  
1430 individuals, and appeals from awards or decisions of administrative  
1431 law judges.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2026	New section
Sec. 2	October 1, 2026	New section
Sec. 3	October 1, 2026	New section

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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 Legislative Commissioners:**

In Section 6(a)(3), "this section, sections 2 to 5, inclusive, of this act or sections 7 to 12, inclusive" was changed to "sections 2 to 12, inclusive" for consistency of drafting style, and in Section 6(b), "include but not be limited to" was changed to "include, but need not be limited to" for clarity.

**PH**            *Joint Favorable Subst. -LCO*