



General Assembly

Amendment

February Session, 2026

LCO No. 5379



Offered by:

REP. RITTER, 1st Dist.

REP. ROJAS, 9th Dist.

REP. MCCARTHY VAHEY, 133rd Dist.

SEN. LOONEY, 11th Dist.

SEN. DUFF, 25th Dist.

SEN. ANWAR, 3rd Dist.

REP. CANDELORA V., 86th Dist.

SEN. HARDING, 30th Dist.

REP. KLARIDES-DITRIA, 105th Dist.

SEN. SOMERS, 18th Dist.

SEN. GORDON, 35th Dist.

To: Subst. House Bill No. 5045

File No. 83

Cal. No. 75

"AN ACT STREAMLINING HEALTH CARE FACILITY APPROVALS."

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

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

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

13 acts as a general partner of a general or limited partnership or manager
14 of a limited liability company.

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

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

20 (4) "Certificate of need" means a certificate issued pursuant to section
21 6 or 7 of this act.

22 (5) "Change of ownership or control" means any change in the
23 ownership or beneficial ownership or the change of control of an entity,
24 including (A) a corporate merger, (B) an acquisition of one or more
25 entities by direct or indirect purchase in any manner of not less than
26 twenty-five per cent of the assets, equity or voting shares of a health care
27 facility, (C) a transfer of control of a board of directors or governing
28 body, or (D) a real estate sale or lease agreement involving not less than
29 twenty per cent of the total assets of a hospital.

30 (6) "Commissioner" means the Commissioner of Public Health, or the
31 commissioner's designee.

32 (7) "Day" means a calendar day.

33 (8) "Department" means the Department of Public Health.

34 (9) "Free clinic" means a private, nonprofit community-based
35 organization that provides medical, dental, pharmaceutical or mental
36 health services at reduced cost or no cost to low-income, uninsured and
37 underinsured individuals.

38 (10) "Health care facility" means (A) a hospital, including any satellite
39 location licensed by the Department of Public Health under chapter
40 368v of the general statutes; (B) specialty hospital; (C) freestanding
41 emergency department; (D) outpatient surgical facility (i) as defined in

42 section 19a-493b of the general statutes and licensed under chapter 368v
43 of the general statutes, or (ii) as established by a short-term acute care
44 general hospital licensed by the department under said chapter; (E) a
45 hospital or other facility or institution operated by the state that
46 provides services that are eligible for reimbursement under Title XVIII
47 or XIX of the federal Social Security Act, 42 USC 301, as amended from
48 time to time; (F) a central service facility; (G) a mental health facility; (H)
49 a substance abuse treatment facility; (I) any other facility requiring
50 certificate of need review pursuant to section 4 of this act; and (J) any
51 parent company, subsidiary, affiliate or joint venture, or any
52 combination thereof, of any facility described in subparagraphs (A) to
53 (J), inclusive, of this subdivision.

54 (11) "Large group practice" means eight or more full-time equivalent
55 physicians, legally organized in a partnership, professional corporation,
56 limited liability company formed to render professional services,
57 medical foundation, not-for-profit corporation, faculty practice plan or
58 other similar entity (A) in which each physician who is a member of the
59 group provides substantially the full range of services that the physician
60 routinely provides, including, but not limited to, medical care,
61 consultation, diagnosis or treatment, through the joint use of shared
62 office space, facilities, equipment or personnel; (B) for which
63 substantially all of the services of the physicians who are members of
64 the group are provided through the group and are billed in the name of
65 the group practice and amounts so received are treated as receipts of the
66 group; or (C) in which the overhead expenses of, and the income from,
67 the group are distributed in accordance with methods previously
68 determined by members of the group. An entity that otherwise meets
69 the definition of group practice under this section shall be considered a
70 group practice although its shareholders, partners or owners of the
71 group practice include single-physician professional corporations,
72 limited liability companies formed to render professional services or
73 other entities in which beneficial owners are individual physicians.

74 (12) "Panel" means the three-person panel established under section

75 2 of this act to decide all certificate of need applications.

76 (13) "Person" means any individual, partnership, corporation, limited
77 liability company, association, governmental subdivision, agency or
78 public or private organization of any character. "Person" does not
79 include the agency conducting the certificate of need application
80 proceeding under section 6 or 7 of this act.

81 (14) "Physician" means an individual licensed to practice medicine
82 pursuant to chapter 370 of the general statutes.

83 (15) "Program" means the certificate of need program established
84 pursuant to section 3 of this act.

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

101 (b) On and after July 1, 2027, the panel shall hold monthly meetings
102 to review and decide any certificate of need application that has been
103 submitted to the panel at least five days before the meeting date. In
104 addition to the monthly meetings, the chairperson may at any time call
105 a special meeting of the panel to review and decide any application

106 prepared for presentation to the panel or any other matter appropriate
107 for panel review under this section or sections 3 to 12, inclusive, of this
108 act. The panel may cancel a monthly meeting if no application or other
109 business has been appropriately submitted with at least five days' notice
110 to the panel for review at such meeting.

111 Sec. 3. (NEW) (*Effective October 1, 2026*) (a) There is established within
112 the department a Certificate of Need Program that shall support the
113 review of certificate of need applications. The commissioner shall
114 designate a director who shall oversee the program.

115 (b) On and after July 1, 2027, (1) each person applying for a certificate
116 of need shall file an application with the Certificate of Need Program,
117 and (2) the program shall prepare a report regarding the certificate of
118 need application.

119 (c) On and after July 1, 2027, the Certificate of Need Program shall
120 make all determinations as to whether a certificate of need is required
121 pursuant to section 4 of this act.

122 (d) The Certificate of Need Program shall monitor compliance with
123 the provisions of sections 2 to 12, inclusive, of this act and with any order
124 or decision, including any conditions placed thereon, that is issued by
125 the panel. In any enforcement action made under section 10 of this act,
126 the Certificate of Need Program shall present the allegations set forth in
127 the enforcement action at the public hearing before the panel.

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

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

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

132 (3) A change of ownership or control of a large group practice to any
133 entity other than a (A) physician, or (B) group of two or more physicians
134 legally organized in a partnership, professional corporation or limited

135 liability company formed to render professional services and not
136 employed by or an affiliate of any hospital, medical foundation,
137 insurance company or other similar entity;

138 (4) The acquisition of computed tomography scanners, magnetic
139 resonance imaging scanners, positron emission tomography scanners or
140 positron emission tomography-computed tomography scanners, by any
141 person, physician, provider, short-term acute care general hospital or
142 children's hospital, except (A) as provided for in subdivision (18) of
143 subsection (b) of this section, and (B) a certificate of need issued by the
144 panel shall not be required where such scanner is a replacement for a
145 scanner that was previously acquired through certificate of need
146 approval or a certificate of need determination, including a replacement
147 scanner that has dual modalities or functionalities if the applicant
148 already offers similar imaging services for each of the scanner's
149 modalities or functionalities that will be utilized;

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

151 (6) The acquisition of equipment utilizing technology that has not
152 previously been utilized in the state;

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

156 (8) The establishment of cardiac services, including inpatient and
157 outpatient cardiac catheterization, interventional cardiology and
158 cardiovascular surgery; and

159 (9) The acquisition of nonhospital-based linear accelerators, except a
160 certificate of need issued by the panel shall not be required where such
161 accelerator is a replacement for an accelerator that was previously
162 acquired through certificate of need approval or a certificate of need
163 determination.

164 (b) On and after July 1, 2027, a certificate of need issued by the panel

165 shall not be required for:

166 (1) A health care facility owned and operated by the federal
167 government;

168 (2) The establishment of offices by a licensed private practitioner,
169 whether for individual or group practice, except when a certificate of
170 need is required in accordance with the requirements of section 19a-
171 493b of the general statutes or subdivision (3), (4) or (6) of subsection (a)
172 of this section;

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

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

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

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

181 (7) Hospice services, as described in section 19a-122b of the general
182 statutes;

183 (8) An outpatient rehabilitation facility;

184 (9) Outpatient chronic dialysis services;

185 (10) Transplant services;

186 (11) A free clinic;

187 (12) A school-based health center and an expanded school health site,
188 as such terms are defined in section 19a-6r of the general statutes, a
189 community health center, as defined in section 19a-490a of the general
190 statutes, a not-for-profit outpatient clinic licensed in accordance with the

191 provisions of chapter 368v of the general statutes and a federally
192 qualified health center;

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

196 (14) Any facility, institution or provider that is (A) operated as a
197 nonprofit or by the state, and (B) solely providing behavioral health or
198 substance use disorder treatment services;

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

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

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

210 (18) Replacement of existing computed tomography scanners,
211 magnetic resonance imaging scanners, positron emission tomography
212 scanners or positron emission tomography-computed tomography
213 scanners, if such equipment was acquired through certificate of need
214 approval or a certificate of need determination, provided a health care
215 facility, provider, physician or person notifies the Department of Public
216 Health of the date on which the equipment is replaced and the
217 disposition of the replaced equipment, including if a replacement
218 scanner has dual modalities or functionalities and the applicant already
219 offers similar imaging services for each of the equipment's modalities or
220 functionalities that will be utilized;

221 (19) Acquisition of cone-beam dental imaging equipment that is to be
222 used exclusively by a dentist licensed pursuant to chapter 379 of the
223 general statutes;

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

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

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

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

236 (24) On or before June 30, 2028, a birth center, as defined in
237 section 19a-490 of the general statutes, that is enrolled as a provider in
238 the Connecticut medical assistance program, as defined in section 17b-
239 245g of the general statutes;

240 (25) An association between a group practice and a management
241 services organization under which such management services
242 organization does not directly share in the profits or net revenue of the
243 group practice but rather is paid a fair market value through a contract
244 for services rendered; and

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

249 (c) On and after July 1, 2027, any person, health care facility or

250 institution that is unsure whether a certificate of need is required for a
251 particular proposal under this section shall send a letter to the
252 Certificate of Need Program that describes the proposal and requests
253 that the program make a determination as to whether a certificate of
254 need is required for such proposal. A person, health care facility or
255 institution making such request shall provide the program with any
256 information the program requests as part of its determination process.
257 The program shall provide a determination not later than thirty days
258 after receipt of such request.

259 (d) On and after July 1, 2027, any acquiring person or entity in a
260 change of ownership or control of a large group practice to any person
261 or entity that does not require a certificate of need pursuant to
262 subdivision (3) of subsection (a) of this section shall submit notices to
263 the program, in a form and manner prescribed by the commissioner, of
264 such transfer consistent with this subsection.

265 (1) Not less than thirty days prior to the closing of a transaction, the
266 acquiring person or entity shall submit a notice for each such group
267 practice, in a form and manner prescribed by the commissioner, setting
268 forth: (A) The names and medical specialties of each physician
269 practicing medicine with the group practice; (B) the names of the
270 business entities that provide clinical or managerial services as part of
271 the group practice; (C) the address for each location where clinical
272 services are provided by the group practice; (D) a description of the
273 clinical services provided at each location of the group practice; (E) the
274 zip codes of the primary service area served by each location of the
275 group practice; and (F) the resulting name, ownership, and business
276 type of the group practice after the proposed change of ownership,
277 control or affiliation, including the name and business type of any
278 person or entity that will control, directly or indirectly, at least ten per
279 cent of the large group practice. The program shall, unless otherwise
280 prohibited by federal or state law, post such information on its Internet
281 web site.

282 (2) Not later than thirty days after the close of the transaction or after

283 the abandonment of such transaction, the acquiring person or entity
284 shall submit a report indicating the date on which the transaction closed
285 or was abandoned.

286 (3) When the provision of thirty days' notice pursuant to subdivision
287 (1) of this subsection is not practicable due to circumstances outside of
288 the acquiring person or entity's control, such as death, incapacity or
289 other exigent circumstances, the acquiring person or entity shall provide
290 notice to the program as soon as practicable but in no case later than
291 fourteen days after the close of the transaction.

292 (e) Not later than January 1, 2028, the commissioner shall report to
293 the Governor and, in accordance with the provisions of section 11-4a of
294 the general statutes, to the joint standing committee of the General
295 Assembly having cognizance of matters relating to public health
296 concerning the commissioner's recommendations, if any, regarding an
297 exemption from certificate of need requirements related to temporary
298 increases in licensed bed capacity of a hospital due to a surge in
299 admissions that cannot be accommodated by the hospital's existing
300 licensed bed capacity.

301 Sec. 5. (NEW) (*Effective October 1, 2026*) (a) In any deliberation
302 involving a certificate of need application filed pursuant to section 6 of
303 this act, the panel shall determine whether the applicant has
304 demonstrated, by a preponderance of the evidence, that the proposal is
305 in the public's interest. In making such determination, the panel shall
306 consider, consistent with any relevant regulations, policies or
307 procedures of the department, the following factors:

308 (1) Whether the proposal promotes delivery of high-quality care in
309 the primary service area of the applicant;

310 (2) Whether the proposal promotes access to health care services,
311 including Medicaid access, in the primary service area of the applicant;

312 (3) Whether the proposal promotes delivery of cost-effective care in
313 the primary service area of the applicant;

314 (4) Whether the proposal promotes financial stability of the health
315 care system, including, but not limited to, whether the proposal is
316 financially feasible for the applicant and whether there is any evidence
317 of prior financial mismanagement or misconduct by the applicant;

318 (5) Whether there is a clear public need for the proposal and the
319 services to be provided under the proposal; and

320 (6) Whether the proposal would result in an unnecessary duplication
321 of services.

322 (b) In analyzing whether a certificate of need application satisfies the
323 certificate of need criteria set forth in subsection (a) of this section, the
324 panel and the Certificate of Need Program may engage, when, in the
325 sole discretion of the director, an expert with specialized knowledge is
326 required, any third-party consultant that the panel or program deems
327 necessary to analyze the application materials and proposal set forth in
328 the application pursuant to such criteria. All costs associated with such
329 third-party consultant shall be borne by the applicant, provided the total
330 costs for all consultants to the panel and the program under this
331 subsection for a single application shall not exceed one hundred
332 thousand dollars. Each third-party consultant engaged under this
333 subsection shall submit each invoice for consulting services directly to
334 the applicant for payment not later than thirty days after the issuance of
335 the invoice. The provisions of chapter 57 of the general statutes and
336 sections 4-212 to 4-219, inclusive, and 4e-19 of the general statutes shall
337 not apply to any retainer agreement executed pursuant to this
338 subsection.

339 (1) No consultant shall be retained in connection with the processing
340 of an application under the expedited review process described in
341 section 7 of this act unless such expedited application is referred for a
342 full review pursuant to subsection (g) of section 7 of this act.

343 (2) If the program determines that a consultant is necessary under this
344 subsection, the program shall provide notice to the applicant prior to

345 expending any money and provide the applicant the opportunity to
346 withdraw the application prior to incurring any consulting fees.

347 (3) Not later than July 1, 2028, and annually thereafter, the
348 commissioner shall report to the Governor and, in accordance with the
349 provisions of section 11-4a of the general statutes, to the joint standing
350 committee of the General Assembly having cognizance of matters
351 relating to public health regarding all consultants engaged under this
352 subsection, including (A) the number of engagements, (B) the categories
353 of certificate of need proposals for which the engagements were made,
354 (C) the amount spent on each engagement, (D) the nature of the
355 expertise sought in each engagement, and (E) any reports produced
356 under each engagement.

357 Sec. 6. (NEW) (*Effective October 1, 2026*) (a) On and after July 1, 2027,
358 an applicant seeking a certificate of need shall submit an application to
359 the Certificate of Need Program, in a form and manner prescribed by
360 the commissioner, and include all information required pursuant to the
361 regulations, policies and procedures promulgated pursuant to section
362 11 of this act. Each application shall be submitted based on monthly
363 deadlines, including submission dates of the fifteenth day of each
364 month.

365 (b) The applicant shall include with the application a nonrefundable
366 application fee based on the total cost associated with the project. The
367 amount of the fee shall be as follows: (1) One thousand dollars for a
368 project that will cost not greater than fifty thousand dollars; (2) two
369 thousand dollars for a project that will cost greater than fifty thousand
370 dollars but not greater than one hundred thousand dollars; (3) three
371 thousand dollars for a project that will cost greater than one hundred
372 thousand dollars but not greater than five hundred thousand dollars; (4)
373 four thousand dollars for a project that will cost greater than five
374 hundred thousand dollars but not greater than one million dollars; (5)
375 five thousand dollars for a project that will cost greater than one million
376 dollars but not greater than five million dollars; (6) eight thousand
377 dollars for a project that will cost greater than five million dollars but

378 not greater than ten million dollars; and (7) ten thousand dollars for a
379 project that will cost greater than ten million dollars.

380 (c) Not later than twenty-one days prior to the deadline to submit a
381 certificate of need application described in subsection (a) of this section,
382 an applicant for a certificate of need shall submit a notice to the program
383 for posting on the program's Internet web site. If the applicant has not
384 submitted the application on or before ninety days after submission of
385 such notice, a new notice shall be required under this subsection prior
386 to submitting the application. Such notice shall include, but need not be
387 limited to:

388 (1) The identity of the applicant and any known parties to the
389 application;

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

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

395 (d) Any person wishing to request party or intervenor status in
396 connection with a certificate of need application shall file a notice of such
397 person's intent, including a statement of whether such person seeks a
398 hearing on the application, with the program not later than twenty days
399 after the posting on the program's Internet web site of the applicant's
400 notice of the intent to file the application. Any person who files such a
401 notice of intent under this subsection, or who demonstrates good cause
402 for failing to file such a notice, may file a petition for party or intervenor
403 status not later than twenty-one days after the applicant's filing of the
404 certificate of need application.

405 (1) If a petition for party or intervenor status is filed, the panel shall
406 appoint a hearing officer to resolve the request.

407 (2) The applicant may object to any request for party or intervenor

408 status not later than five days after the request is filed.

409 (3) The hearing officer shall render a decision on the petition not later
410 than fifteen days after the request is filed.

411 (4) If a request to intervene is granted, the decision granting
412 intervention shall set out the scope of intervention rights granted,
413 including whether or not an intervenor's request for a hearing is granted
414 or whether intervention is limited to submission of written materials.

415 (e) Not later than fifteen days after the deadline to submit an
416 application described in subsection (a) of this section, the program shall
417 notify each certificate of need applicant whether the applicant's
418 application is deemed complete. To be deemed complete, the applicant
419 shall have submitted relevant responses to all application questions and
420 data requests in the application. For any application that is deemed
421 incomplete, the program shall, not later than five days after deeming
422 such application incomplete, notify the applicant, in writing, of each
423 application and data element that was not adequately addressed by the
424 applicant. The program shall not review any incomplete application
425 until the applicant submits a revised and completed application that
426 adequately addresses such application and data elements to the
427 program in a subsequent application period. The subsequent filing of
428 the revised application shall not require any additional filing fee unless
429 the total cost of the proposal is amended such that a different fee would
430 be required under subsection (b) of this section, in which case the
431 applicant shall submit the net difference.

432 (f) The program shall submit a report to the record summarizing the
433 certificate of need application and providing an analysis of each
434 criterion listed in section 5 of this act. The program shall provide such
435 report no later than ten days prior to any public hearing and in no case
436 later than ninety days after the application was deemed complete.

437 (1) The program may request additional information from the
438 applicant during the course of analyzing the certificate of need

439 application. Any such request shall not delay timelines for review of the
440 application except by mutual agreement of the applicant and the
441 program. All additional information shall, unless otherwise prohibited
442 by federal or state law, be made part of the public certificate of need
443 record.

444 (2) The program may supplement the record with relevant data,
445 analyses, reports or other similar evidence not later than seventy-five
446 days after the application is deemed complete, provided the applicant
447 shall have ten days to respond, in writing, to such evidence. Any
448 response from the applicant shall be included in the record.

449 (g) The panel, or a hearing officer designated by the panel, shall hold
450 a public hearing on each properly filed and complete certificate of need
451 application filed under this section unless the applicant waives the
452 applicant's right to a public hearing.

453 (1) An applicant may waive the applicant's right to a public hearing,
454 in writing, not later than thirty days after the application is deemed
455 complete, if the applicant is the only party to the proceeding and no
456 person is granted intervenor status pursuant to section 4-177a of the
457 general statutes and subsection (d) of this section. Such waiver shall
458 constitute a waiver of the applicant's right to appeal under section 4-183
459 of the general statutes.

460 (2) The panel shall convene a public hearing on an application not
461 later than ninety days after the program deems the application as
462 properly filed and complete.

463 (3) The hearing record shall close not later than ten days after the
464 adjournment of the hearing unless the applicant and program mutually
465 agree to maintain the record open for some period. Any transcript of the
466 hearing shall be made part of the record without needing to reopen the
467 record. If no hearing is held, the record shall close ten days after the
468 submission of the report.

469 (4) The panel may appoint a hearing officer to administer any hearing

470 under this section and to draft the proposed final decision consistent
471 with this section and chapter 54 of the general statutes. A hearing officer
472 appointed by the panel may draft a proposed final decision even for
473 dockets in which the applicant waived the right to a hearing and no
474 hearing was held.

475 (h) Not later than sixty days after the record of the public hearing is
476 closed, or one hundred fifty days after the application was deemed
477 complete if the applicant affirmatively waives a public hearing, the
478 hearing officer, if one is appointed, shall transmit the report required
479 pursuant to this section, the record of such hearing, if any, and the
480 hearing officer's proposed final decision to the panel for consideration
481 at the panel's next monthly meeting. If no hearing officer is appointed
482 for a docket that did not have a hearing, the director of the program shall
483 prepare and submit the proposed final decision. If the proposed final
484 decision recommends conditions pursuant to this section, the program
485 or hearing officer shall meet with the applicant, unless otherwise
486 prohibited by law, at least five days before transmitting such proposed
487 final decision, to preview the conditions to be proposed.

488 (i) An applicant may file written briefs or exceptions and request oral
489 argument regarding the proposed final decision not later than fourteen
490 days after the publication of such proposed final decision.

491 (j) At the panel meeting to review one or more certificate of need
492 applications filed under this section, the panel shall vote on the
493 disposition of each application that has been submitted to the panel at
494 least five days prior to such meeting. The panel shall decide any
495 presented application by majority vote. The panel may approve the
496 application, with or without conditions, deny the application or remand
497 the application to the hearing officer for further development of the
498 record for presentation at the next panel meeting, or order the program
499 and applicant to engage in agreed settlement negotiations.

500 (1) Any proposed final decision that is approved by the vote of the
501 panel shall be automatically converted to a final decision upon the

502 approval vote of the panel.

503 (2) Any proposed final decision that is voted to be modified by the
504 panel shall be modified consistent with the direction of the panel and
505 posted as a final decision of the panel not later than thirty days after the
506 panel's vote to modify, provided, at least five days before posting the
507 modified final decision, the program or hearing officer shall meet with
508 the applicant, unless otherwise prohibited by law, to preview the
509 conditions to be finalized.

510 (3) Any docket remanded for further development of the record and
511 presentation at the next meeting shall not be so remanded more than
512 twice by the panel unless by mutual agreement of the panel and the
513 applicant.

514 (4) Any docket referred for settlement negotiations shall have the
515 resulting negotiated proposed settlement presented at the next panel
516 meeting. The panel shall vote on the proposed settlement and may
517 approve the proposed settlement or reject such settlement and move to
518 one of the other available dispositions of the docket.

519 (5) Nothing in this section shall preclude the program and the
520 applicant from engaging in negotiations to reach an agreed settlement
521 at an earlier point in the process, provided such negotiations occur not
522 earlier than thirty days after the application has been deemed complete.
523 Any negotiated agreement shall be presented for review and a vote on
524 the disposition thereof at the next meeting of the panel that is at least
525 five days after the date of the settlement.

526 (k) The Certificate of Need Program may recommend, and the panel
527 may impose, any condition on an approval of a certificate of need
528 application filed under this section, provided (1) any such condition is
529 consistent with the purposes of sections 2 to 12, inclusive, of this act, and
530 (2) the program or hearing officer shall meet with the applicant, unless
531 otherwise prohibited by law, at least five days before issuing a proposed
532 final decision or a final decision that imposes any such condition, to

533 preview each such condition to be met by the applicant. The applicant
534 and any party to the application may request an amendment to or relief
535 from any condition, in a form and manner prescribed by the
536 commissioner, due to changed circumstances, hardship or for other
537 good cause. The panel may grant or deny any such request. The
538 determination to deny such request shall not be subject to appeal under
539 section 4-183 of the general statutes.

540 (l) Any final decision issued pursuant to this section for a docket in
541 which a public hearing was held, either under subsection (e) of this
542 section or as a result of the docket being remanded by the panel for
543 further development of the record pursuant to subsection (j) of this
544 section, shall be subject to appeal under section 4-183 of the general
545 statutes.

546 (m) Any deadlines in this section may be extended by mutual
547 agreement of the program and the applicant.

548 Sec. 7. (NEW) (*Effective October 1, 2026*) (a) Not later than January 1,
549 2028, the panel shall create an expedited review pathway for certain
550 categories of applications for certificates of need required under
551 subsection (a) of section 4 of this act, or subcategories thereof. On and
552 after January 1, 2028, an applicant may request an expedited review of
553 the following categories of applications:

554 (1) The relocation of a health care facility greater than ten miles away
555 from its current location and outside the current town in which it is
556 located;

557 (2) The increase in the number of inpatient or outpatient hospital
558 beds;

559 (3) The acquisition of computed tomography scanners, magnetic
560 resonance imaging scanners, positron emission tomography scanners or
561 positron emission tomography-computed tomography scanners, by any
562 person, physician, provider, short-term acute care general hospital or
563 children's hospital, where certificate of need approval is required for

564 such acquisition;

565 (4) An increase of two or three operating rooms, within any three-
566 year period, by an outpatient surgical facility, as defined in section 19a-
567 493b of the general statutes, or by a short-term acute care general
568 hospital; and

569 (5) Any other category designated by the commissioner in
570 regulations adopted in accordance with the provisions of chapter 54 of
571 the general statutes.

572 (b) On and after January 1, 2028, an applicant requesting expedited
573 review of a certificate of need application shall submit such application,
574 in a form and manner prescribed by the commissioner, pursuant to the
575 deadlines described in subsection (a) of section 6 of this act and provide
576 the same application fee described in subsection (b) of said section and
577 notice of intent to the program as described in subsection (c) of said
578 section.

579 (c) An application processed through the expedited pathway shall
580 not be entitled to a hearing before a hearing officer, except (1) the
581 program may hold a hearing before a hearing officer appointed by the
582 panel not later than thirty days after deeming the application complete
583 without affecting any other timelines under this subsection, or (2) the
584 panel may remove the application from the expedited pathway and
585 have it processed through the standard pathway described in section 6
586 of this act.

587 (d) Not later than fifteen days after submitting an application for a
588 certificate of need for expedited review under this section, the program
589 shall notify the applicant requesting expedited review whether such
590 applicant's application is deemed complete and whether the application
591 meets the requirements for expedited review.

592 (1) For any application that is deemed incomplete, the Certificate of
593 Need Program shall, not later than five days after deeming such
594 application incomplete, notify the applicant, in writing, of any

595 application or data elements that were not adequately addressed by the
596 applicant. The program shall not review such an application until the
597 applicant submits an application that adequately addresses such
598 application or data elements to the program in a subsequent application
599 period.

600 (2) For any application that is deemed complete but ineligible for
601 expedited review under this section, the Certificate of Need Program
602 shall review the application under the standard process set forth in
603 section 6 of this act.

604 (e) Any person who wishes to seek intervenor or party status shall
605 file a request to do so not later than fourteen days after the filing of a
606 certificate of need application filed under the expedited pathway.

607 (1) The panel shall appoint a hearing officer to review any request to
608 intervene or for party status.

609 (2) The applicant may respond to such request not later than five days
610 after filing.

611 (3) The hearing officer shall resolve the request for party or intervenor
612 status not later than five days after the applicant's response.

613 (4) If party or intervenor status is granted, the application shall be
614 removed from the expedited pathway and processed through the
615 standard pathway described in section 6 of this act. In determining
616 whether to grant intervention, the hearing officer shall consider the
617 unique nature of the expedited process and potential burden imposed
618 by permitting intervention.

619 (5) The date of any referral of an application under this subsection to
620 the standard pathway shall be considered the date on which the
621 application was deemed complete.

622 (f) For any complete application that is eligible for expedited review
623 under this section, the Certificate of Need Program shall complete its

624 analysis and the director shall issue a proposed final decision not later
625 than sixty days after the application is deemed complete and eligible for
626 expedited review under this section and present the application to the
627 panel at its next meeting.

628 (g) An applicant may file written briefs or exceptions and request oral
629 argument regarding the proposed final decision not later than seven
630 days after the publication of such proposed final decision. The program
631 shall submit the proposed final decision and any subsequent
632 submissions from the applicant to the panel.

633 (h) The panel shall base its decision in the expedited pathway on the
634 same standards and guidelines as those in subsection (a) of section 5 of
635 this act. At the panel's meeting to consider an expedited application, the
636 panel shall vote on the disposition of the certificate of need application.
637 The panel may approve the application, with or without conditions,
638 deny the application, remand the application to the program for further
639 development of the record for presentation at the next panel meeting,
640 remand the application for further development of the record in the
641 standard certificate of need application process pursuant to section 6 of
642 this act, or order the program and applicant to engage in agreed
643 settlement negotiations.

644 (1) Any proposed final decision that is approved by the vote of the
645 panel shall be automatically converted to a final decision upon such
646 approval.

647 (2) Any proposed final decision that is voted to be modified by the
648 panel shall be modified consistent with the direction of the panel and
649 posted as a final decision of the panel not later than twenty-one days
650 after the panel's vote to modify, provided, at least five days before
651 posting the modified final decision, the program or hearing officer shall
652 meet with the applicant, unless otherwise prohibited by law, to preview
653 the conditions to be finalized.

654 (3) Any docket remanded for further development of the record and

655 presentation at the next meeting shall not be so remanded more than
656 twice by the panel unless by mutual agreement of the panel and the
657 applicant.

658 (4) Any docket remanded for processing under the standard
659 certificate of need application pursuant to section 6 of this act shall have
660 the date of the panel's vote be the date on which the application is
661 considered to be deemed complete in the standard process.

662 (5) Any docket referred for settlement negotiations shall have the
663 resulting negotiated proposed settlement presented at the next panel
664 meeting. The panel shall vote on the proposed settlement and may
665 approve the proposed settlement or reject such settlement and move to
666 one of the other available dispositions of the docket.

667 (6) Nothing in this section shall preclude the program and the
668 applicant from engaging in negotiations to reach an agreed settlement
669 at an earlier point in the process, provided such negotiations occur not
670 earlier than fifteen days after the application has been deemed complete.
671 Any negotiated agreement shall be presented for review and a vote on
672 the disposition thereof at the next meeting of the panel that is at least
673 five days after the date of the settlement.

674 (i) The Certificate of Need Program may recommend, and the panel
675 may impose any condition on, an approval of an expedited certificate of
676 need application, provided (1) any such condition is consistent with the
677 purposes of sections 2 to 12, inclusive, of this act, and (2) the program or
678 hearing officer shall meet with the applicant, unless otherwise
679 prohibited by law, at least five days before issuing a proposed final
680 decision or a final decision that imposes any such condition, to preview
681 each such condition to be met by the applicant. The applicant and any
682 party to the application may request an amendment to or relief from any
683 condition, in a form and manner prescribed by the commissioner, due
684 to changed circumstances, hardship or for other good cause. The panel
685 may grant or deny any such request. The determination to deny such
686 request shall not be subject to appeal under section 4-183 of the general

687 statutes.

688 (j) Not later than July 1, 2029, the Certificate of Need Program, in
689 consultation with relevant stakeholders, shall submit a report, in
690 accordance with the provisions of section 11-4a of the general statutes,
691 to the joint standing committee of the General Assembly having
692 cognizance of matters relating to public health regarding the expedited
693 pathway, including (1) the average time from application submission to
694 final decision, (2) the number of applications processed through the
695 expedited process in comparison to the standard process, (3) the number
696 of applications filed under the expedited pathway that have been
697 transferred to the standard pathway and the reasons for such transfer,
698 and (4) any recommendations for process changes to the expedited
699 pathway.

700 (k) Any deadlines in this section may be extended by mutual
701 agreement of the program and the applicant.

702 Sec. 8. (NEW) (*Effective October 1, 2026*) (a) For a certificate of need
703 issued pursuant to an application filed on or after July 1, 2027, the
704 certificate of need shall be valid (1) only for the proposal described in
705 the application, and (2) for two years from the date of issuance by the
706 panel. During the period of time that such certificate is valid and the
707 thirty-day period following the expiration of the certificate, the holder
708 of the certificate shall provide the Certificate of Need Program with such
709 information as the program may request on the development of the
710 proposal covered by the certificate.

711 (b) Upon request from a certificate of need holder, the program may
712 extend the duration of a certificate of need for such additional period of
713 time as the program determines is reasonably necessary to
714 expeditiously complete the proposal. Not later than five business days
715 after receiving a request to extend the duration of a certificate of need,
716 the program shall post such request on its Internet web site. Any person
717 who wishes to comment on extending the duration of the certificate of
718 need shall provide written comments to the program on the requested

719 extension not later than thirty days after the date the program posts
720 notice of the request for an extension of time on its Internet web site.

721 (c) If the program determines that (1) commencement, construction
722 or other preparation has not been substantially undertaken during a
723 valid certificate of need period, or (2) the certificate of need holder has
724 not made a good-faith effort to complete the proposal as approved, the
725 program may withdraw, revoke or rescind the certificate of need
726 pursuant to the requirements set forth in chapter 54 of the general
727 statutes.

728 (d) For a certificate of need issued pursuant to an application filed on
729 or after July 1, 2027, the (1) certificate of need shall not be transferable
730 or assignable, and (2) project that is the subject of the certificate of need
731 shall not be transferred from a certificate holder to another person.

732 Sec. 9. (NEW) (*Effective October 1, 2026*) (a) On and after July 1, 2027,
733 the Certificate of Need Program shall conduct a cost and market impact
734 review for any transaction involving the transfer of ownership or
735 control of a hospital in which (1) an application for a certificate of need
736 has been filed pursuant to subdivision (2) of subsection (a) of section 4
737 of this act or a notice of material change has been filed with the Attorney
738 General's office pursuant to section 19a-486i of the general statutes that
739 involves the transfer of ownership of a hospital, as defined in section
740 19a-639 of the general statutes, as amended by this act, and (2) the
741 purchaser is (A) a hospital, as defined in section 19a-490 of the general
742 statutes, whether located within or outside the state, that had net patient
743 revenue for fiscal year 2025 in an amount greater than one billion
744 dollars, (B) a hospital system, as defined in section 19a-486i of the
745 general statutes, whether located within or outside the state, that had
746 net patient revenue for fiscal year 2025 in an amount greater than one
747 billion dollars, or (C) any person that is organized or operated for profit.

748 (b) The program shall develop a set of data requests to be used for
749 applications filed on and after July 1, 2027, for all cost and market impact
750 reviews. An applicant that is the subject of a cost and market impact

751 review shall submit all data necessary for such review at the same time
752 that the hospital initiates the application process for a certificate of need
753 with the program or that it submits a notice of material change to the
754 Attorney General under section 19a-486i of the general statutes,
755 whichever is earlier. The program shall review the data submission for
756 completeness not later than thirty days after submission. If the data
757 submission is incomplete, the program shall notify the applicant that it
758 is incomplete and identify which data elements are incomplete.

759 (c) The program shall keep confidential all nonpublic information
760 and documents obtained pursuant to this section and shall not disclose
761 the information or documents to any person without the consent of the
762 person that produced the information or documents, except in a
763 preliminary report or final report issued in accordance with this section
764 if the program believes that such disclosure should be made in the
765 public interest after taking into account any privacy, trade secret or anti-
766 competitive considerations. Such information and documents shall not
767 be deemed a public record under section 1-210 of the general statutes
768 and shall be exempt from disclosure.

769 (d) The cost and market impact review conducted pursuant to this
770 section shall examine factors relating to the businesses and relative
771 market positions of the transacting parties as defined in subsection (d)
772 of section 19a-639 of the general statutes, as amended by this act, and
773 may include, but need not be limited to: (1) The transacting parties' size
774 and market share within its primary service area, by major service
775 category and within its dispersed service areas; (2) the transacting
776 parties' prices for services, including the transacting parties' relative
777 prices compared to other health care providers for the same services in
778 the same market; (3) the transacting parties' health status adjusted total
779 medical expense, including the transacting parties' health status
780 adjusted total medical expense compared to that of similar health care
781 providers; (4) the quality of the services provided by the transacting
782 parties, including patient experience; (5) the transacting parties' cost and
783 cost trends in comparison to total health care expenditures state wide;

784 (6) the availability and accessibility of services similar to those provided
785 by each transacting party, or proposed to be provided as a result of the
786 transfer of ownership of a hospital within each transacting party's
787 primary service areas and dispersed service areas; (7) the impact of the
788 proposed transfer of ownership of the hospital on competing options for
789 the delivery of health care services within each transacting party's
790 primary service area and dispersed service area including the impact on
791 existing service providers; (8) the methods used by the transacting
792 parties to attract patient volume and to recruit or acquire health care
793 professionals or facilities; (9) the role of each transacting party in serving
794 at-risk, underserved and government payer patient populations,
795 including those with behavioral, substance use disorder and mental
796 health conditions, within each transacting party's primary service area
797 and dispersed service area; (10) the role of each transacting party in
798 providing low margin or negative margin services within each
799 transacting party's primary service area and dispersed service area; (11)
800 consumer concerns, including, but not limited to, complaints or other
801 allegations that a transacting party has engaged in any unfair method of
802 competition or any unfair or deceptive act or practice; and (12) any other
803 factors that the program determines to be in the public interest.

804 (e) The program shall submit the preliminary report to the applicant
805 and to the Attorney General not later than ninety days after the data
806 submissions are deemed complete. The applicant shall respond, in
807 writing, not later than fifteen days after receipt of such preliminary
808 report with any comments regarding such report. Once the applicant
809 has submitted such written comments or waived the opportunity to
810 make such a submission, the program shall make the preliminary report
811 and the applicant's comments public. The program shall issue a final
812 report not later than one hundred twenty days after the application was
813 deemed complete and make such final report part of the public
814 certificate of need record of such application.

815 (f) Nothing in this section shall prohibit a transfer of ownership of a
816 hospital, provided any such proposed transfer shall not be completed

817 (1) less than thirty days after the program has issued a final report on a
818 cost and market impact review, if such review is required, or (2) while
819 any action brought by the Attorney General pursuant to subsection (g)
820 of this section is pending and before a final judgment on such action is
821 issued by a court of competent jurisdiction.

822 (g) After the program issues a final report on a transfer of ownership
823 of a hospital under subsection (e) of this section, the Attorney General
824 may: (1) Conduct an investigation to determine whether the transacting
825 parties engaged or, as a result of completing the transfer of ownership
826 of the hospital, are expected to engage in unfair methods of competition,
827 anti-competitive behavior or other conduct in violation of chapter 624
828 or 735a of the general statutes or any other state or federal law; and (2)
829 if appropriate, take action under chapter 624 or 735a of the general
830 statutes or any other state law to protect consumers in the health care
831 market. The program's final report may be evidence in any such action.

832 (h) For the purposes of this section, the provisions of chapter 735a of
833 the general statutes may be directly enforced by the Attorney General.
834 Nothing in this section shall be construed to modify, impair or
835 supersede the operation of any state antitrust law or otherwise limit the
836 authority of the Attorney General to (1) take any action against a
837 transacting party as authorized by any law; or (2) protect consumers in
838 the health care market under any law. Notwithstanding subdivision (1)
839 of subsection (a) of section 42-110c of the general statutes, the
840 transacting parties shall be subject to chapter 735a of the general
841 statutes.

842 (i) The program shall retain an independent consultant with expertise
843 on the economic analysis of the health care market and health care costs
844 and prices to conduct each cost and market impact review, as described
845 in this section. The program shall submit bills for such services to the
846 purchaser, as defined in subsection (d) of section 19a-639 of the general
847 statutes, as amended by this act. Such purchaser shall pay such bills not
848 later than thirty days after receipt thereof. Such bills shall not exceed
849 two hundred fifty thousand dollars per application. The provisions of

850 chapter 57 of the general statutes, sections 4-212 to 4-219, inclusive, of
851 the general statutes and section 4e-19 of the general statutes shall not
852 apply to any agreement executed pursuant to this subsection.

853 Sec. 10. (NEW) (*Effective October 1, 2026*) (a) On and after July 1, 2027,
854 the director of the Certificate of Need Program shall investigate all
855 inquiries concerning compliance with the provisions of sections 2 to 12,
856 inclusive, of this act.

857 (b) The panel, or any agent authorized by the panel to conduct any
858 inquiry, investigation or hearing under the provisions of sections 2 to
859 12, inclusive, of this act, shall have authority to administer oaths and
860 take testimony under oath relative to the matter of inquiry or
861 investigation. At any hearing under this section, the panel or such
862 authorized agent may subpoena witnesses and require the production
863 of records, papers and documents pertinent to such inquiry. If any
864 person disobeys such process or, having appeared in obedience thereto,
865 refuses to answer any pertinent question put to such person by the panel
866 or such panel's authorized agent or to produce any records and papers
867 pursuant thereto, the panel or such panel's authorized agent may apply
868 to the superior court for the judicial district of Hartford or for the judicial
869 district wherein the person resides or the business that is the subject of
870 the inquiry has been conducted, or to any judge of said court if the same
871 is not in session, setting forth such disobedience to process or refusal to
872 answer, and said court or such judge shall cite such person to appear
873 before said court or such judge to answer such question or to produce
874 such records and papers.

875 (c) Any person or health care facility or institution that is required to
876 acquire a certificate of need for any of the activities described in
877 subsection (a) of section 4 of this act and negligently undertakes any of
878 the activities described in said section without such certificate of need,
879 any person, or health care facility or institution that is subject to any
880 terms or conditions enumerated in a certificate of need decision or
881 agreed settlement approved by the panel and negligently fails to comply
882 with any such enumerated term or condition, and any person or entity

883 that is required to submit a notice to the program pursuant to subsection
884 (d) of section 4 of this act or section 12 of this act and negligently fails to
885 submit such notice shall be subject to a civil penalty of up to one
886 thousand dollars a day for each day such person, entity or institution
887 conducts any of the described activities without certificate of need
888 approval as required by section 4 of this act, or for each day any
889 enumerated term or condition is not met or for each day that the notice
890 was not timely submitted. Any civil penalty proceeding authorized by
891 this section shall be initiated by the program, which shall also present
892 allegations of such negligence at a hearing before the panel in
893 accordance with subsections (b) to (f), inclusive, of this section.

894 (d) If the program has reason to believe that a person or health care
895 facility or institution has committed a violation for which a civil penalty
896 is authorized pursuant to subsection (c) of this section or subsection (e)
897 of section 19a-632 of the general statutes, the program shall notify such
898 person or health care facility or institution by first class mail or personal
899 service. The notice shall include: (1) A reference to the sections of the
900 statute, regulation or settlement agreement involved; (2) a short and
901 plain statement of the matters asserted or charged; (3) a statement of the
902 amount of the civil penalty or penalties to be imposed; (4) the initial date
903 of the imposition of the penalty; and (5) a statement of the party's right
904 to a hearing.

905 (e) The person or health care facility or institution to whom the notice
906 is addressed shall have fifteen business days after the date of mailing of
907 the notice to make written application to the program to (1) request a
908 hearing to contest the imposition of the penalty, (2) request an extension
909 of time to file the required data, or (3) comply with enumerated
910 conditions of an agreed settlement. A failure to make a timely request
911 for a hearing or an extension of time to file the required data or a denial
912 of a request for an extension of time shall result in a final order for the
913 imposition of the penalty. All hearings under this section shall be
914 conducted pursuant to chapter 54 of the general statutes. The panel may
915 mitigate or waive the penalty upon such terms and conditions as, in its

916 discretion, it deems proper or necessary upon consideration of any
917 extenuating factors or circumstances.

918 (f) A final order of the panel assessing a civil penalty imposed after a
919 hearing before the panel pursuant to subsection (d) of this section shall
920 be subject to appeal as set forth in section 4-183 of the general statutes,
921 except that any such appeal shall be taken to the superior court for the
922 judicial district of New Britain. Such final order shall not be subject to
923 appeal under any other provision of the general statutes. No challenge
924 to any such final order shall be allowed as to any issue which could have
925 been raised by an appeal of an earlier order, denial or other final
926 decision by the panel.

927 (g) If any person or health care facility or institution fails to pay any
928 civil penalty under this section after the assessment of such penalty has
929 become final, the amount of such penalty may be deducted from
930 payments to such person or health care facility or institution from the
931 Medicaid account.

932 (h) In addition to any civil penalty imposed under this section, if the
933 director of the program or the director's authorized agent has received
934 information and has a reasonable belief that any person or health care
935 facility or institution has violated or is violating any provision of
936 sections 2 to 12, inclusive, of this act, or any policy and procedure or
937 order of the panel, the director or such agent shall notify such person or
938 health care facility or institution by first class mail or personal service.
939 The notice shall include: (1) A reference to the sections of the general
940 statutes, regulations of Connecticut state agencies or orders alleged or
941 believed to have been violated; (2) a short and plain language statement
942 of the matters asserted or charged; (3) a description of the activity
943 alleged to have violated a statute or regulation identified pursuant to
944 subdivision (1) of this subsection; (4) a statement concerning the right to
945 a hearing of such person or health care facility or institution; and (5) a
946 statement that such person or health care facility or institution may, not
947 later than ten business days after receipt of such notice, make a written
948 request for a hearing on the matters asserted, to be sent to the

949 commissioner or such agent.

950 (i) The person or health care facility or institution to whom such
951 notice is provided pursuant to subsection (h) of this section may, not
952 later than ten business days after receipt of the notice, make written
953 application to the program to request a hearing to demonstrate that such
954 violation has not occurred, a certificate of need was not required or each
955 required certificate of need was obtained. A failure to make a timely
956 request for a hearing shall result in the panel issuing a cease and desist
957 order. Each hearing held under this subsection shall be conducted as a
958 contested case pursuant to chapter 54 of the general statutes.

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

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

970 (l) Any civil penalty proceeding and any investigation or cease and
971 desist proceeding may be conducted simultaneously in a unified
972 proceeding.

973 Sec. 11. (NEW) (*Effective October 1, 2026*) The commissioner shall
974 adopt regulations, in accordance with the provisions of chapter 54 of the
975 general statutes, to implement the provisions of sections 2 to 12,
976 inclusive, of this act. The commissioner may implement policies and
977 procedures necessary to administer the provisions of said sections while
978 in the process of adopting such policies and procedures as regulation,
979 provided, prior to implementing such policies and procedures, the

980 department shall convene a working group with relevant stakeholders
981 to provide input on the development of such policies and procedures.
982 The commissioner shall convene the working group not later than
983 January 1, 2027. Policies and procedures implemented pursuant to this
984 section shall be valid until the earlier of two years from the date of their
985 implementation or the time final regulations are adopted.

986 Sec. 12. (NEW) (*Effective October 1, 2026*) (a) On and after July 1, 2027,
987 a hospital may temporarily pause a service for up to ninety days,
988 provided, if a hospital intends to indefinitely terminate a service line or
989 pause a service line for more than ninety days, the hospital shall notify
990 the Certificate of Need Program, in writing, not less than ninety days
991 prior to commencing such pause or termination. For purposes of this
992 section, "service line" means a category of inpatient and outpatient
993 services but does not include services provided by an emergency
994 department.

995 (b) Except as provided in subsection (d) of this section, not less than
996 ninety days prior to commencing any termination of service by a
997 hospital or any pause of a service intended to last more than ninety days,
998 the hospital shall provide notice, either electronically or in writing, to
999 the program that includes the following information:

1000 (1) A description of the service to be paused or terminated;

1001 (2) Current and historical utilization rates for such service;

1002 (3) A description of the anticipated impact of such pause or
1003 termination on individuals and health care facilities in the hospital's
1004 primary service area;

1005 (4) The date set for the pause or termination of service and, if
1006 applicable, the anticipated date of resumption of such service;

1007 (5) A detailed account of any community engagement and planning
1008 that has occurred prior to such notice or that is scheduled to occur prior
1009 to the pause or termination; and

1010 (6) Any other information the director may require.

1011 (c) The hospital shall also send a copy of such notice to the office of
1012 the Attorney General, the Department of Social Services, the Office of
1013 the Healthcare Advocate, and, if it relates to a behavioral health service
1014 or substance use disorder treatment service, the Department of Mental
1015 Health and Addiction Services and the Behavioral Health Advocate.

1016 (d) When the provision of ninety days' notice of the cessation of a
1017 service line is not practicable due to circumstances outside of the
1018 hospital's control, such as the death of the provider of such service or
1019 due to natural disaster, the hospital shall provide notice to the program
1020 as soon as practicable but in no case later than fourteen days after the
1021 initiation of the unanticipated cessation.

1022 (e) The program shall hold a public hearing concerning the proposed
1023 pause or termination of service, the impact on the hospital's primary
1024 service area and the proposed plans for ensuring continued access to
1025 high-quality, affordable health care in such service area. The hearing
1026 record and any submitted public comments shall inform the panel's
1027 review of the proposed plan and any imposed conditions pursuant to
1028 subsection (f) of this section.

1029 (f) Not later than sixty days prior to commencing the pause or
1030 termination of a service, the hospital shall submit a plan for ensuring
1031 access to such service following the hospital's pause or termination of
1032 such service. If the cessation of the service is due to an unplanned event
1033 outside the control of the hospital, as described in subsection (d) of this
1034 section, the hospital shall submit the plan for ensuring access to the
1035 service within fourteen days of the hospital's cessation of the service
1036 line. The plan shall include:

1037 (1) Information on utilization of such service prior to the proposed
1038 pause or termination;

1039 (2) Information on the location and service capacity of alternative
1040 sites that provide such service;

- 1041 (3) Travel times to alternative sites that provide such service;
- 1042 (4) An assessment of transportation needs after the pause or
1043 termination and a plan for meeting such needs;
- 1044 (5) A protocol that details mechanisms to maintain continuity of care
1045 for patients who receive such paused or terminated service;
- 1046 (6) A protocol that describes how patients in the hospital's primary
1047 service area will obtain such service at alternative sites that provide such
1048 service; and
- 1049 (7) A communication plan for ensuring all affected patients in the
1050 hospital's primary service area are aware of the pause or termination of
1051 such service, where they may obtain such service at an alternative site
1052 and the assistance available from the hospital to obtain such service to
1053 preserve continuity of care.
- 1054 (g) The program shall review the plan submitted by the hospital
1055 pursuant to subsection (f) of this section to determine if the plan ensures
1056 continued access to the service to be paused or terminated. The program
1057 shall complete its review of the plan and submit to the hospital and
1058 panel written recommendations regarding the approval, modification
1059 or imposition of conditions upon the plan not later than ten days after
1060 receiving the plan from the hospital. The panel shall hold a meeting on
1061 the plan not later than ten days after receipt of such recommendations.
1062 The hospital may submit a response to such recommendations at or
1063 prior to such meeting. Not later than ten days after such meeting, the
1064 panel shall approve the plan, require modifications to the plan or add
1065 conditions to the plan.
- 1066 (h) The panel's decision approving or modifying the plan shall
1067 constitute a final decision subject to appeal under section 4-183 of the
1068 general statutes.
- 1069 (i) The program shall monitor implementation of the hospital's plan
1070 for preserving access to a health care service following a pause of

1071 termination of such service under this section. If the hospital fails to
1072 implement any aspect of the plan as approved by the panel pursuant to
1073 subsection (g) of this section, the program may impose a performance
1074 improvement plan on the hospital. Failure to comply with the
1075 performance improvement plan and continued failure to perform under
1076 the plan may result in the imposition of civil penalties pursuant to
1077 section 10 of this act.

1078 Sec. 13. Subsection (a) of section 19a-612d of the general statutes is
1079 repealed and the following is substituted in lieu thereof (*Effective October*
1080 *1, 2026*):

1081 (a) The Commissioner of Health Strategy shall oversee the Health
1082 Systems Planning Unit and shall exercise independent decision-making
1083 authority over all certificate of need decisions for applications for a
1084 certificate of need filed on or before June 30, 2027.

1085 Sec. 14. Subsections (a) to (e), inclusive, of section 19a-638 of the
1086 general statutes are repealed and the following is substituted in lieu
1087 thereof (*Effective October 1, 2026*):

1088 (a) [A] On and before June 30, 2027, a certificate of need issued by the
1089 unit shall be required for:

1090 (1) The establishment of a new health care facility;

1091 (2) A transfer of ownership of a health care facility;

1092 (3) A transfer of ownership of a large group practice to any entity
1093 other than a (A) physician, or (B) group of two or more physicians,
1094 legally organized in a partnership, professional corporation or limited
1095 liability company formed to render professional services and not
1096 employed by or an affiliate of any hospital, medical foundation,
1097 insurance company or other similar entity;

1098 (4) The establishment of a freestanding emergency department;

1099 (5) The termination of inpatient or outpatient services offered by a

1100 hospital, including, but not limited to, the termination by a short-term
1101 acute care general hospital or children's hospital of inpatient and
1102 outpatient mental health and substance abuse services;

1103 (6) The establishment of an outpatient surgical facility, as defined in
1104 section 19a-493b, or as established by a short-term acute care general
1105 hospital;

1106 (7) The termination of surgical services by an outpatient surgical
1107 facility, as defined in section 19a-493b, or a facility that provides
1108 outpatient surgical services as part of the outpatient surgery department
1109 of a short-term acute care general hospital, provided termination of
1110 outpatient surgical services due to (A) insufficient patient volume, or (B)
1111 the termination of any subspecialty surgical service, shall not require
1112 certificate of need approval;

1113 (8) The termination of an emergency department by a short-term
1114 acute care general hospital;

1115 (9) The establishment of cardiac services, including inpatient and
1116 outpatient cardiac catheterization, interventional cardiology and
1117 cardiovascular surgery;

1118 (10) The acquisition of computed tomography scanners, magnetic
1119 resonance imaging scanners, positron emission tomography scanners or
1120 positron emission tomography-computed tomography scanners, by any
1121 person, physician, provider, short-term acute care general hospital or
1122 children's hospital, except (A) as provided for in subdivision (22) of
1123 subsection (b) of this section, and (B) a certificate of need issued by the
1124 unit shall not be required where such scanner is a replacement for a
1125 scanner that was previously acquired through certificate of need
1126 approval or a certificate of need determination, including a replacement
1127 scanner that has dual modalities or functionalities if the applicant
1128 already offers similar imaging services for each of the scanner's
1129 modalities or functionalities that will be utilized;

1130 (11) The acquisition of nonhospital based linear accelerators, except a

1131 certificate of need issued by the unit shall not be required where such
1132 accelerator is a replacement for an accelerator that was previously
1133 acquired through certificate of need approval or a certificate of need
1134 determination;

1135 (12) An increase in the licensed bed capacity of a health care facility,
1136 except as provided in subdivision (23) of subsection (b) of this section;

1137 (13) The acquisition of equipment utilizing technology that has not
1138 previously been utilized in the state;

1139 (14) An increase of two or more operating rooms within any three-
1140 year period, commencing on and after October 1, 2010, by an outpatient
1141 surgical facility, as defined in section 19a-493b, or by a short-term acute
1142 care general hospital; and

1143 (15) The termination of inpatient or outpatient services offered by a
1144 hospital or other facility or institution operated by the state that
1145 provides services that are eligible for reimbursement under Title XVIII
1146 or XIX of the federal Social Security Act, 42 USC 301, as amended.

1147 (b) [A] On and before June 30, 2027, a certificate of need issued by the
1148 unit shall not be required for:

1149 (1) Health care facilities owned and operated by the federal
1150 government;

1151 (2) The establishment of offices by a licensed private practitioner,
1152 whether for individual or group practice, except when a certificate of
1153 need is required in accordance with the requirements of section 19a-
1154 493b or subdivision (3), (10) or (11) of subsection (a) of this section;

1155 (3) A health care facility operated by a religious group that
1156 exclusively relies upon spiritual means through prayer for healing;

1157 (4) Residential care homes, as defined in subsection (c) of section 19a-
1158 490, and nursing homes and rest homes, as defined in subsection (o) of
1159 section 19a-490;

- 1160 (5) An assisted living services agency, as defined in section 19a-490;
- 1161 (6) Home health agencies, as defined in section 19a-490;
- 1162 (7) Hospice services, as described in section 19a-122b;
- 1163 (8) Outpatient rehabilitation facilities;
- 1164 (9) Outpatient chronic dialysis services;
- 1165 (10) Transplant services;
- 1166 (11) Free clinics, as defined in section 19a-630;
- 1167 (12) School-based health centers and expanded school health sites, as
1168 such terms are defined in section 19a-6r, community health centers, as
1169 defined in section 19a-490a, not-for-profit outpatient clinics licensed in
1170 accordance with the provisions of chapter 368v and federally qualified
1171 health centers;
- 1172 (13) A program licensed or funded by the Department of Children
1173 and Families, provided such program is not a psychiatric residential
1174 treatment facility;
- 1175 (14) Any nonprofit facility, institution or provider that has a contract
1176 with, or is certified or licensed to provide a service for, a state agency or
1177 department for a service that would otherwise require a certificate of
1178 need. The provisions of this subdivision shall not apply to a short-term
1179 acute care general hospital or children's hospital, or a hospital or other
1180 facility or institution operated by the state that provides services that are
1181 eligible for reimbursement under Title XVIII or XIX of the federal Social
1182 Security Act, 42 USC 301, as amended;
- 1183 (15) A health care facility operated by a nonprofit educational
1184 institution exclusively for students, faculty and staff of such institution
1185 and their dependents;
- 1186 (16) An outpatient clinic or program operated exclusively by or

1187 contracted to be operated exclusively by a municipality, municipal
1188 agency, municipal board of education or a health district, as described
1189 in section 19a-241;

1190 (17) A residential facility for persons with intellectual disability
1191 licensed pursuant to section 17a-227 and certified to participate in the
1192 Title XIX Medicaid program as an intermediate care facility for
1193 individuals with intellectual disabilities;

1194 (18) Replacement of existing computed tomography scanners,
1195 magnetic resonance imaging scanners, positron emission tomography
1196 scanners, positron emission tomography-computed tomography
1197 scanners, or nonhospital based linear accelerators, if such equipment
1198 was acquired through certificate of need approval or a certificate of need
1199 determination, provided a health care facility, provider, physician or
1200 person notifies the unit of the date on which the equipment is replaced
1201 and the disposition of the replaced equipment, including if a
1202 replacement scanner has dual modalities or functionalities and the
1203 applicant already offers similar imaging services for each of the
1204 equipment's modalities or functionalities that will be utilized;

1205 (19) Acquisition of cone-beam dental imaging equipment that is to be
1206 used exclusively by a dentist licensed pursuant to chapter 379;

1207 (20) The partial or total elimination of services provided by an
1208 outpatient surgical facility, as defined in section 19a-493b, except as
1209 provided in subdivision (6) of subsection (a) of this section and section
1210 19a-639e, as amended by this act;

1211 (21) The termination of services for which the Department of Public
1212 Health has requested the facility to relinquish its license;

1213 (22) Acquisition of any equipment by any person that is to be used
1214 exclusively for scientific research that is not conducted on humans;

1215 (23) On or before [June 30, 2026] June 30, 2027, an increase in the
1216 licensed bed capacity of a mental health facility, provided (A) the mental

1217 health facility demonstrates to the unit, in a form and manner prescribed
1218 by the unit, that it accepts reimbursement for any covered benefit
1219 provided to a covered individual under: (i) An individual or group
1220 health insurance policy providing coverage of the type specified in
1221 subdivisions (1), (2), (4), (11) and (12) of section 38a-469; (ii) a self-
1222 insured employee welfare benefit plan established pursuant to the
1223 federal Employee Retirement Income Security Act of 1974, as amended
1224 from time to time; or (iii) HUSKY Health, as defined in section 17b-290,
1225 and (B) if the mental health facility does not accept or stops accepting
1226 reimbursement for any covered benefit provided to a covered
1227 individual under a policy, plan or program described in clause (i), (ii) or
1228 (iii) of subparagraph (A) of this subdivision, a certificate of need for such
1229 increase in the licensed bed capacity shall be required; [.]

1230 (24) The establishment at harm reduction centers through the pilot
1231 program established pursuant to section 17a-673c; or

1232 (25) On or before [June 30, 2028] June 30, 2027, a birth center, as
1233 defined in section 19a-490, that is enrolled as a provider in the
1234 Connecticut medical assistance program, as defined in section 17b-245g.

1235 (c) (1) Any person [.] or health care facility or institution that is unsure
1236 whether a certificate of need is required under this section, or (2) any
1237 health care facility that proposes to relocate pursuant to section 19a-
1238 639c, as amended by this act, shall send a letter to the unit that describes
1239 the project and requests that the unit make a determination as to
1240 whether a certificate of need is required. In the case of a relocation of a
1241 health care facility, the letter shall include information described in
1242 section 19a-639c, as amended by this act. A person [.] or health care
1243 facility or institution making such request shall provide the unit with
1244 any information the unit requests as part of its determination process.
1245 The unit shall provide a determination within thirty days of receipt of
1246 such request.

1247 (d) The Commissioner of Health Strategy may implement policies
1248 and procedures necessary to administer the provisions of this section

1249 while in the process of adopting such policies and procedures as
1250 regulation, provided the commissioner holds a public hearing prior to
1251 implementing the policies and procedures and posts notice of intent to
1252 adopt regulations on the office's Internet web site and the eRegulations
1253 System not later than twenty days after the date of implementation.
1254 Policies and procedures implemented pursuant to this section shall be
1255 valid until the time final regulations are adopted.

1256 (e) On or before [~~June 30, 2026~~] June 30, 2027, a mental health facility
1257 seeking to increase licensed bed capacity without applying for a
1258 certificate of need, as permitted pursuant to subdivision (23) of
1259 subsection (b) of this section, shall notify the Office of Health Strategy,
1260 in a form and manner prescribed by the commissioner, regarding (1)
1261 such facility's intent to increase licensed bed capacity, (2) the address of
1262 such facility, and (3) a description of all services that are being or will be
1263 provided at such facility.

1264 Sec. 15. Subsections (a) to (e), inclusive, of section 19a-639 of the 2026
1265 supplement to the general statutes are repealed and the following is
1266 substituted in lieu thereof (*Effective October 1, 2026*):

1267 (a) In any deliberations involving a certificate of need application
1268 filed on or before June 30, 2027, pursuant to section 19a-638, as amended
1269 by this act, the unit shall take into consideration and make written
1270 findings concerning each of the following guidelines and principles:

1271 (1) Whether the proposed project is consistent with any applicable
1272 policies and standards adopted in regulations by the Office of Health
1273 Strategy;

1274 (2) The relationship of the proposed project to the state-wide health
1275 care facilities and services plan;

1276 (3) Whether there is a clear public need for the health care facility or
1277 services proposed by the applicant;

1278 (4) Whether the applicant has satisfactorily demonstrated how the

1279 proposal will impact the financial strength of the health care system in
1280 the state or that the proposal is financially feasible for the applicant;

1281 (5) Whether the applicant has satisfactorily demonstrated how the
1282 proposal will improve quality, accessibility and cost effectiveness of
1283 health care delivery in the region, including, but not limited to,
1284 provision of or any change in the access to services for Medicaid
1285 recipients and indigent persons;

1286 (6) The applicant's past and proposed provision of health care
1287 services to relevant patient populations and payer mix, including, but
1288 not limited to, access to services by Medicaid recipients and indigent
1289 persons;

1290 (7) Whether the applicant has satisfactorily identified the population
1291 to be served by the proposed project and satisfactorily demonstrated
1292 that the identified population has a need for the proposed services;

1293 (8) The utilization of existing health care facilities and health care
1294 services in the service area of the applicant;

1295 (9) Whether the applicant has satisfactorily demonstrated that the
1296 proposed project shall not result in an unnecessary duplication of
1297 existing or approved health care services or facilities;

1298 (10) Whether an applicant, who has failed to provide or reduced
1299 access to services by Medicaid recipients or indigent persons, has
1300 demonstrated good cause for doing so, which shall not be demonstrated
1301 solely on the basis of differences in reimbursement rates between
1302 Medicaid and other health care payers;

1303 (11) Whether the applicant has satisfactorily demonstrated that the
1304 proposal will not negatively impact the diversity of health care
1305 providers and patient choice in the geographic region; and

1306 (12) Whether the applicant has satisfactorily demonstrated that any
1307 consolidation resulting from the proposal will not adversely affect

1308 health care costs or accessibility to care.

1309 (b) [In] On or before June 30, 2027, in deliberations as described in
1310 subsection (a) of this section, there shall be a presumption in favor of
1311 approving the certificate of need application for a transfer of ownership
1312 of a large group practice, as described in subdivision (3) of subsection
1313 (a) of section 19a-638, as amended by this act, when an offer was made
1314 in response to a request for proposal or similar voluntary offer for sale.

1315 (c) The unit, as it deems necessary, may revise or supplement the
1316 guidelines and principles, set forth in subsection (a) of this section,
1317 through regulation.

1318 (d) (1) For purposes of this subsection and subsection (e) of this
1319 section:

1320 (A) "Affected community" means a municipality where a hospital is
1321 physically located or a municipality whose inhabitants are regularly
1322 served by a hospital;

1323 (B) "Hospital" has the same meaning as provided in section 19a-490;

1324 (C) "New hospital" means a hospital as it exists after the approval of
1325 an agreement pursuant to section 19a-486b or a certificate of need
1326 application for a transfer of ownership of a hospital;

1327 (D) "Purchaser" means a person who is acquiring, or has acquired,
1328 any assets of a hospital through a transfer of ownership of a hospital;

1329 (E) "Transacting party" means a purchaser and any person who is a
1330 party to a proposed agreement for transfer of ownership of a hospital;

1331 (F) "Transfer" means to sell, transfer, lease, exchange, option, convey,
1332 give or otherwise dispose of or transfer control over, including, but not
1333 limited to, transfer by way of merger or joint venture not in the ordinary
1334 course of business; and

1335 (G) "Transfer of ownership of a hospital" means a transfer that

1336 impacts or changes the governance or controlling body of a hospital,
1337 including, but not limited to, all affiliations, mergers or any sale or
1338 transfer of net assets of a hospital and for which a certificate of need
1339 application or a certificate of need determination letter is filed on or after
1340 December 1, 2015.

1341 (2) In any deliberations involving a certificate of need application
1342 filed on or before June 30, 2027, pursuant to section 19a-638, as amended
1343 by this act, that involves the transfer of ownership of a hospital, the unit
1344 shall, in addition to the guidelines and principles set forth in subsection
1345 (a) of this section and those prescribed through regulation pursuant to
1346 subsection (c) of this section, take into consideration and make written
1347 findings concerning each of the following guidelines and principles:

1348 (A) Whether the applicant fairly considered alternative proposals or
1349 offers in light of the purpose of maintaining health care provider
1350 diversity and consumer choice in the health care market and access to
1351 affordable quality health care for the affected community; and

1352 (B) Whether the plan submitted pursuant to section 19a-639a, as
1353 amended by this act, demonstrates, in a manner consistent with this
1354 chapter, how health care services will be provided by the new hospital
1355 for the first three years following the transfer of ownership of the
1356 hospital, including any consolidation, reduction, elimination or
1357 expansion of existing services or introduction of new services.

1358 (3) The unit shall deny any certificate of need application involving a
1359 transfer of ownership of a hospital unless the commissioner finds that
1360 the affected community will be assured of continued access to high
1361 quality and affordable health care after accounting for any proposed
1362 change impacting hospital staffing.

1363 (4) The unit may deny any certificate of need application involving a
1364 transfer of ownership of a hospital subject to a cost and market impact
1365 review pursuant to section 19a-639f, as amended by this act, if the
1366 commissioner finds that (A) the affected community will not be assured

1367 of continued access to high quality and affordable health care after
1368 accounting for any consolidation in the hospital and health care market
1369 that may lessen health care provider diversity, consumer choice and
1370 access to care, and (B) any likely increases in the prices for health care
1371 services or total health care spending in the state may negatively impact
1372 the affordability of care.

1373 (5) The unit may place any conditions on the approval of a certificate
1374 of need application involving a transfer of ownership of a hospital
1375 consistent with the provisions of this chapter. Before placing any such
1376 conditions, the unit shall weigh the value of such conditions in
1377 promoting the purposes of this chapter against the individual and
1378 cumulative burden of such conditions on the transacting parties and the
1379 new hospital. For each condition imposed, the unit shall include a
1380 concise statement of the legal and factual basis for such condition and
1381 the provision or provisions of this chapter that it is intended to promote.
1382 Each condition shall be reasonably tailored in time and scope. The
1383 transacting parties or the new hospital shall have the right to make a
1384 request to the unit for an amendment to, or relief from, any condition
1385 based on changed circumstances, hardship or for other good cause.

1386 (6) In any deliberations involving a certificate of need application
1387 filed pursuant to section 19a-638, as amended by this act, that involves
1388 the transfer of ownership of a hospital and is subject to a cost and market
1389 impact review, the unit may consider (A) the preliminary report and
1390 response to the preliminary report, (B) the final report, and (C) any
1391 written comments from the parties regarding the reports issued or
1392 submitted as part of the review. The unit shall not place the preliminary
1393 report in the public record until the transacting parties have had an
1394 opportunity to respond to the findings of the preliminary report
1395 pursuant to subsection (f) of section 19a-639f.

1396 (e) (1) If the certificate of need application filed on or before June 30,
1397 2027, (A) involves the transfer of ownership of a hospital, (B) the
1398 purchaser is a hospital, as defined in section 19a-490, whether located
1399 within or outside the state, that had net patient revenue for fiscal year

1400 2013 in an amount greater than one billion five hundred million dollars
1401 or a hospital system, as defined in section 19a-486i, whether located
1402 within or outside the state, that had net patient revenue for fiscal year
1403 2013 in an amount greater than one billion five hundred million dollars,
1404 or any person that is organized or operated for profit, and (C) such
1405 application is approved, the unit shall hire an independent consultant
1406 to serve as a post-transfer compliance reporter for a period of three years
1407 after completion of the transfer of ownership of the hospital. Such
1408 reporter shall, at a minimum: (i) Meet with representatives of the
1409 purchaser, the new hospital and members of the affected community
1410 served by the new hospital not less than quarterly; and (ii) report to the
1411 unit not less than quarterly concerning (I) efforts the purchaser and
1412 representatives of the new hospital have taken to comply with any
1413 conditions the unit placed on the approval of the certificate of need
1414 application and plans for future compliance, and (II) community
1415 benefits and uncompensated care provided by the new hospital. The
1416 purchaser shall give the reporter access to its records and facilities for
1417 the purposes of carrying out the reporter's duties. The purchaser shall
1418 hold a public hearing in the municipality in which the new hospital is
1419 located not less than annually during the reporting period to provide
1420 for public review and comment on the reporter's reports and findings.

1421 (2) If the reporter finds that the purchaser has breached a condition
1422 of the approval of the certificate of need application, the unit may, in
1423 consultation with the purchaser, the reporter and any other interested
1424 parties it deems appropriate, implement a performance improvement
1425 plan designed to remedy the conditions identified by the reporter and
1426 continue the reporting period for up to one year following a
1427 determination by the unit that such conditions have been resolved.

1428 (3) The purchaser shall provide funds, in an amount determined by
1429 the unit not to exceed two hundred thousand dollars annually, for the
1430 hiring of the post-transfer compliance reporter.

1431 Sec. 16. Section 19a-639a of the general statutes is repealed and the
1432 following is substituted in lieu thereof (*Effective October 1, 2026*):

1433 (a) [An] On or before June 30, 2027, an application for a certificate of
1434 need shall be filed with the unit in accordance with the provisions of this
1435 section and any regulations adopted by the Office of Health Strategy.
1436 The application shall address the guidelines and principles set forth in
1437 (1) subsection (a) of section 19a-639, as amended by this act, and (2)
1438 regulations adopted by the department. The applicant shall include
1439 with the application a nonrefundable application fee based on the cost
1440 of the project. The amount of the fee shall be as follows: (A) One
1441 thousand dollars for a project that will cost not greater than fifty
1442 thousand dollars; (B) two thousand dollars for a project that will cost
1443 greater than fifty thousand dollars but not greater than one hundred
1444 thousand dollars; (C) three thousand dollars for a project that will cost
1445 greater than one hundred thousand dollars but not greater than five
1446 hundred thousand dollars; (D) four thousand dollars for a project that
1447 will cost greater than five hundred thousand dollars but not greater than
1448 one million dollars; (E) five thousand dollars for a project that will cost
1449 greater than one million dollars but not greater than five million dollars;
1450 (F) eight thousand dollars for a project that will cost greater than five
1451 million dollars but not greater than ten million dollars; and (G) ten
1452 thousand dollars for a project that will cost greater than ten million
1453 dollars.

1454 (b) Prior to the filing of a certificate of need application pursuant to
1455 subsection (a) of this section, the applicant shall (1) publish notice that
1456 an application is to be submitted to the unit (A) in a newspaper having
1457 a substantial circulation in the area where the project is to be located,
1458 and (B) on the applicant's Internet web site in a clear and conspicuous
1459 location that is easily accessible by members of the public, (2) request
1460 the publication of notice (A) in at least two sites within the affected
1461 community that are commonly accessed by the public, such as a town
1462 hall or library, and (B) on any existing Internet web site of the
1463 municipality or local health department, and (3) submit such notice to
1464 the unit for posting on such unit's Internet web site. Such newspaper
1465 notice shall be published for not less than three consecutive days, with
1466 the final date of consecutive publication occurring not later than twenty

1467 days prior to the date of filing of the certificate of need application, and
1468 contain a brief description of the nature of the project and the street
1469 address where the project is to be located. Postings in the affected
1470 community and on the applicant's Internet web site shall remain until
1471 the decision on the application is rendered. The unit shall not invalidate
1472 any notice due to changes or removal of the notice from a community
1473 Internet web site of which the applicant has no control. An applicant
1474 shall file the certificate of need application with the unit not later than
1475 ninety days after publishing notice of the application in a newspaper in
1476 accordance with the provisions of this subsection. The unit shall not
1477 accept the applicant's certificate of need application for filing unless the
1478 application is accompanied by the application fee prescribed in
1479 subsection (a) of this section and proof of compliance with the
1480 publication requirements prescribed in this subsection.

1481 (c) (1) Not later than five business days after receipt of a properly filed
1482 certificate of need application under this section, the unit shall publish
1483 notice of the application on its Internet web site. Not later than thirty
1484 days after the date of filing of the application, the unit may request such
1485 additional information as the unit determines necessary to complete the
1486 application. In addition to any information requested by the unit, if the
1487 application involves the transfer of ownership of a hospital, as defined
1488 in section 19a-639, as amended by this act, the applicant shall submit to
1489 the unit (A) a plan demonstrating how health care services will be
1490 provided by the new hospital for the first three years following the
1491 transfer of ownership of the hospital, including any consolidation,
1492 reduction, elimination or expansion of existing services or introduction
1493 of new services, and (B) the names of persons currently holding a
1494 position with the hospital to be purchased or the purchaser, as defined
1495 in section 19a-639, as amended by this act, as an officer, director, board
1496 member or senior manager, whether or not such person is expected to
1497 hold a position with the hospital after completion of the transfer of
1498 ownership of the hospital and any salary, severance, stock offering or
1499 any financial gain, current or deferred, such person is expected to
1500 receive as a result of, or in relation to, the transfer of ownership of the

1501 hospital.

1502 (2) The applicant shall, not later than sixty days after the date of the
1503 unit's request, submit any requested information and any information
1504 required under this subsection to the unit. If an applicant fails to submit
1505 such information to the unit within the sixty-day period, the unit shall
1506 consider the application to have been withdrawn.

1507 (3) The unit shall make reasonable efforts to limit the requests for
1508 additional information to two such requests and, in all cases, cease all
1509 requests for additional information not later than six months after
1510 receiving the application.

1511 (d) Upon deeming an application filed under this section complete,
1512 the unit shall provide notice of this determination to the applicant and
1513 to the public in accordance with regulations adopted by the department.
1514 In addition, the unit shall post such notice on its Internet web site and
1515 notify the applicant not later than five days after deeming the
1516 application complete. The date on which the unit posts such notice on
1517 its Internet web site shall begin the review period. Except as provided
1518 in this subsection, (1) the review period for an application deemed
1519 complete shall be ninety days from the date on which the unit posts such
1520 notice on its Internet web site; and (2) the unit shall issue a decision on
1521 an application deemed complete prior to the expiration of the ninety-
1522 day review period in matters without a public hearing. The review
1523 period for an application deemed complete that involves a transfer of a
1524 large group practice, as described in subdivision (3) of subsection (a) of
1525 section 19a-638, as amended by this act, when the offer was made in
1526 response to a request for proposal or similar voluntary offer for sale,
1527 shall be sixty days from the date on which the unit posts notice on its
1528 Internet web site. Upon request or for good cause shown, the unit may
1529 extend the review period for a period of time not to exceed sixty days.
1530 If the review period is extended, the unit shall issue a decision on the
1531 completed application prior to the expiration of the extended review
1532 period. If the unit holds a public hearing concerning a completed
1533 application in accordance with subsection (e) or (f) of this section, the

1534 unit shall issue a decision on the completed application not later than
1535 sixty days after the date the unit closes the public hearing record.

1536 (e) Except as provided in this subsection, the unit shall hold a public
1537 hearing on a [properly filed and completed] certificate of need
1538 application properly filed and completed under this section if three or
1539 more individuals or an individual representing an entity with five or
1540 more people submits a request, in writing, that a public hearing be held
1541 on the application. For a [properly filed and completed] certificate of
1542 need application properly filed and completed under this section
1543 involving a transfer of ownership of a large group practice, as described
1544 in subdivision (3) of subsection (a) of section 19a-638, as amended by
1545 this act, when an offer was made in response to a request for proposal
1546 or similar voluntary offer for sale, a public hearing shall be held if
1547 twenty-five or more individuals or an individual representing twenty-
1548 five or more people submits a request, in writing, that a public hearing
1549 be held on the application. Any request for a public hearing shall be
1550 made to the unit not later than thirty days after the date the unit deems
1551 the application to be complete.

1552 (f) (1) The unit shall hold a public hearing with respect to each
1553 certificate of need application filed pursuant to section 19a-638, as
1554 amended by this act, after December 1, 2015, and on or before June 30,
1555 2027, that concerns any transfer of ownership involving a hospital. Such
1556 hearing shall be held in the municipality in which the hospital that is the
1557 subject of the application is located.

1558 (2) The unit may hold a public hearing with respect to any certificate
1559 of need application submitted under this [chapter] section. The unit
1560 shall provide not less than two weeks' advance notice to the applicant,
1561 in writing, and to the public by publication in a newspaper having a
1562 substantial circulation in the area served by the health care facility or
1563 provider. In conducting its activities under this chapter, the unit may
1564 hold hearings with respect to applications of a similar nature at the same
1565 time. The applicant shall post a copy of the unit's hearing notice on the
1566 applicant's Internet web site in a clear and conspicuous location that is

1567 easily accessible by members of the public. Such applicant shall request
1568 the publication of notice in at least two sites within the affected
1569 community that are commonly accessed by the public, such as a town
1570 hall or library, as well as on any existing Internet web site of the
1571 municipality or local health department. The unit shall not invalidate
1572 any notice due to changes or removal of the notice from a community
1573 Internet web site of which the applicant has no control.

1574 (g) For applications submitted on or after October 1, 2023, and on or
1575 before June 30, 2027, the unit may retain an independent consultant with
1576 expertise in the specific area of health care that is the subject of the
1577 application filed by an applicant if the review and analysis of an
1578 application cannot reasonably be conducted by the unit without the
1579 expertise of an industry analyst or other actuarial consultant. The unit
1580 shall submit bills for independent consultant services to the applicant.
1581 Such applicant shall pay such bills not later than thirty days after receipt
1582 of such bills. Such bills shall be a reasonable amount per application.
1583 The provisions of chapter 57 and sections 4-212 to 4-219, inclusive, and
1584 4e-19 shall not apply to any retainer agreement executed pursuant to
1585 this subsection.

1586 [(h) The Commissioner of Health Strategy may implement policies
1587 and procedures necessary to administer the provisions of this section
1588 while in the process of adopting such policies and procedures as
1589 regulation, provided the commissioner holds a public hearing prior to
1590 implementing the policies and procedures and posts notice of intent to
1591 adopt regulations on the office's Internet web site and the eRegulations
1592 System not later than twenty days after the date of implementation.
1593 Policies and procedures implemented pursuant to this section shall be
1594 valid until the time final regulations are adopted.]

1595 Sec. 17. Section 19a-639b of the general statutes is repealed and the
1596 following is substituted in lieu thereof (*Effective October 1, 2026*):

1597 (a) A certificate of need issued under section 19a-638a shall be valid
1598 only for the project described in the application. A certificate of need

1599 issued under said section shall be valid for two years from the date of
1600 issuance by the unit. During the period of time that such certificate is
1601 valid and the thirty-day period following the expiration of the
1602 certificate, the holder of the certificate shall provide the unit with such
1603 information as the unit may request on the development of the project
1604 covered by the certificate.

1605 (b) [Upon] On or before June 30, 2027, upon request from a certificate
1606 holder, the unit may extend the duration of a certificate of need for such
1607 additional period of time as the unit determines is reasonably necessary
1608 to expeditiously complete the project. Not later than five business days
1609 after receiving a request to extend the duration of a certificate of need,
1610 the unit shall post such request on its web site. Any person who wishes
1611 to comment on extending the duration of the certificate of need shall
1612 provide written comments to the unit on the requested extension not
1613 later than thirty days after the date the unit posts notice of the request
1614 for an extension of time on its web site. The unit shall hold a public
1615 hearing on any request to extend the duration of a certificate of need
1616 made under this subsection if three or more individuals or an individual
1617 representing an entity with five or more people submits a request, in
1618 writing, that a public hearing be held on the request to extend the
1619 duration of a certificate of need.

1620 (c) [In] On or before June 30, 2027, in the event that the unit
1621 determines that: (1) Commencement, construction or other preparation
1622 has not been substantially undertaken during a valid certificate of need
1623 period; or (2) the certificate holder has not made a good-faith effort to
1624 complete the project as approved, the unit may withdraw, revoke or
1625 rescind the certificate of need.

1626 (d) [A] On or before June 30, 2027, a certificate of need shall not be
1627 transferable or assignable nor shall a project be transferred from a
1628 certificate holder to another person.

1629 (e) The Commissioner of Health Strategy may implement policies
1630 and procedures necessary to administer the provisions of this section

1631 while in the process of adopting such policies and procedures as
1632 regulation, provided the commissioner holds a public hearing prior to
1633 implementing the policies and procedures and posts notice of intent to
1634 adopt regulations on the office's Internet web site and the eRegulations
1635 System not later than twenty days after the date of implementation.
1636 Policies and procedures implemented pursuant to this section shall be
1637 valid until the time final regulations are adopted.

1638 Sec. 18. Subsection (a) of section 19a-639c of the general statutes is
1639 repealed and the following is substituted in lieu thereof (*Effective October*
1640 *1, 2026*):

1641 (a) [Any] On or before June 30, 2027, any health care facility that
1642 proposes to relocate a facility shall submit a letter to the unit, as
1643 described in subsection (c) of section 19a-638, as amended by this act. In
1644 addition to the requirements prescribed in said subsection (c), in such
1645 letter the health care facility shall demonstrate to the satisfaction of the
1646 unit that the population served by the health care facility and the payer
1647 mix will not substantially change as a result of the facility's proposed
1648 relocation. If the facility is unable to demonstrate to the satisfaction of
1649 the unit that the population served and the payer mix will not
1650 substantially change as a result of the proposed relocation, the health
1651 care facility shall apply for certificate of need approval pursuant to
1652 subdivision (1) of subsection (a) of section 19a-638, as amended by this
1653 act, in order to effectuate the proposed relocation. The unit shall provide
1654 a determination not later than thirty days after receipt of such letter.

1655 Sec. 19. Subsections (a) to (c), inclusive, of section 19a-639e of the
1656 general statutes are repealed and the following is substituted in lieu
1657 thereof (*Effective October 1, 2026*):

1658 (a) Unless otherwise required to file a certificate of need application
1659 pursuant to the provisions of subsection (a) of section 19a-638, as
1660 amended by this act, any health care facility that proposes on or before
1661 June 30, 2027, to terminate a service that was authorized pursuant to a
1662 certificate of need issued under [this chapter] section 19a-638a shall file

1663 a modification request with the unit not later than sixty days prior to the
1664 proposed date of the termination of the service. The unit may request
1665 additional information from the health care facility as necessary to
1666 process the modification request. In addition, the unit shall hold a public
1667 hearing on any request from a health care facility to terminate a service
1668 pursuant to this section if three or more individuals or an individual
1669 representing an entity with five or more people submits a request, in
1670 writing, that a public hearing be held on the health care facility's
1671 proposal to terminate a service.

1672 (b) Unless otherwise required to file a certificate of need application
1673 pursuant to the provisions of subsection (a) of section 19a-638, as
1674 amended by this act, any health care facility that proposes on or before
1675 June 30, 2027, to terminate all services offered by such facility, that were
1676 authorized pursuant to one or more certificates of need issued under
1677 [this chapter] section 19a-639a, as amended by this act, shall provide
1678 notification to the unit not later than sixty days prior to the termination
1679 of services and such facility shall surrender its certificate of need not
1680 later than thirty days prior to the termination of services.

1681 (c) Unless otherwise required to file a certificate of need application
1682 pursuant to the provisions of subsection (a) of section 19a-638, as
1683 amended by this act, any health care facility that proposes on or before
1684 June 30, 2027, to terminate the operation of a facility or service for which
1685 a certificate of need was not obtained shall notify the unit not later than
1686 sixty days prior to terminating the operation of the facility or service.

1687 Sec. 20. Subsections (a) and (b) of section 19a-639f of the general
1688 statutes are repealed and the following is substituted in lieu thereof
1689 (*Effective October 1, 2026*):

1690 (a) The Health Systems Planning Unit of the Office of Health Strategy
1691 shall conduct a cost and market impact review in each case where (1) an
1692 application for a certificate of need filed on or before June 30, 2027,
1693 pursuant to section 19a-638, as amended by this act, involves the
1694 transfer of ownership of a hospital, as defined in section 19a-639, as

1695 amended by this act, and (2) the purchaser in a transaction occurring on
1696 or before June 30, 2027, is a hospital, as defined in section 19a-490,
1697 whether located within or outside the state, that had net patient revenue
1698 for fiscal year 2013 in an amount greater than one billion five hundred
1699 million dollars, or a hospital system, as defined in section 19a-486i,
1700 whether located within or outside the state, that had net patient revenue
1701 for fiscal year 2013 in an amount greater than one billion five hundred
1702 million dollars or any person that is organized or operated for profit.

1703 (b) Not later than twenty-one days after receipt of a properly filed
1704 certificate of need application involving the transfer of ownership of a
1705 hospital filed on or after December 1, 2015, and on or before June 30,
1706 2027, as described in subsection (a) of this section, the unit shall initiate
1707 such cost and market impact review by sending the transacting parties
1708 a written notice that shall contain a description of the basis for the cost
1709 and market impact review as well as a request for information and
1710 documents. Not later than thirty days after receipt of such notice, the
1711 transacting parties shall submit to the unit a written response. Such
1712 response shall include, but need not be limited to, any information or
1713 documents requested by the unit concerning the transfer of ownership
1714 of the hospital. The unit shall have the powers with respect to the cost
1715 and market impact review as provided in section 19a-633.

1716 Sec. 21. Section 19a-641 of the general statutes is repealed and the
1717 following is substituted in lieu thereof (*Effective October 1, 2026*):

1718 Any health care facility or institution and any state health care facility
1719 or institution aggrieved by any final decision of said unit issued on an
1720 application filed on or before June 30, 2027, under the provisions of
1721 sections 19a-630 to 19a-639e, inclusive, as amended by this act, may
1722 appeal from such decision in accordance with the provisions of section
1723 4-183, except venue shall be in the judicial district in which it is located.
1724 Such appeal shall have precedence in respect to order of trial over all
1725 other cases except writs of habeas corpus, actions brought by or on
1726 behalf of the state, including information on the relation of private
1727 individuals, and appeals from awards or decisions of administrative

1728 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
Sec. 4	October 1, 2026	New section
Sec. 5	October 1, 2026	New section
Sec. 6	October 1, 2026	New section
Sec. 7	October 1, 2026	New section
Sec. 8	October 1, 2026	New section
Sec. 9	October 1, 2026	New section
Sec. 10	October 1, 2026	New section
Sec. 11	October 1, 2026	New section
Sec. 12	October 1, 2026	New section
Sec. 13	October 1, 2026	19a-612d(a)
Sec. 14	October 1, 2026	19a-638(a) to (e)
Sec. 15	October 1, 2026	19a-639(a) to (e)
Sec. 16	October 1, 2026	19a-639a
Sec. 17	October 1, 2026	19a-639b
Sec. 18	October 1, 2026	19a-639c(a)
Sec. 19	October 1, 2026	19a-639e(a) to (c)
Sec. 20	October 1, 2026	19a-639f(a) and (b)
Sec. 21	October 1, 2026	19a-641