



General Assembly

February Session, 2024

Raised Bill No. 5316

LCO No. 1538



Referred to Committee on PUBLIC HEALTH

Introduced by:
(PH)

***AN ACT CONCERNING THE OFFICE OF HEALTH STRATEGY'S
RECOMMENDATIONS REGARDING THE CERTIFICATE OF NEED
PROGRAM.***

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

1 Section 1. Subdivision (9) of section 19a-630 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective from*
3 *passage*):

4 (9) "Large group practice" means eight or more full-time equivalent
5 physicians, legally organized in (A) a partnership, (B) a professional
6 corporation, (C) a limited liability company formed to render
7 professional services, (D) a medical foundation, (E) a not-for-profit
8 corporation, (F) a faculty practice plan, (G) a group owned or controlled
9 by a public company or an entity, as defined in section 33-602, (H) an
10 entity, as defined in section 33-602, in which both the payer and
11 provider share the financial risk of managed care or the provider entity
12 serves as both a payer and provider, including, but not limited to, (i) a
13 payer that offers health care, (ii) a provider that offers health care
14 insurance, and (iii) joint ventures between payers and providers, or

15 [other] (I) a similar entity [(A)] (i) in which each physician who is a
 16 member of the group, including any physician working under a
 17 professional service agreement, provides substantially the full range of
 18 services that the physician routinely provides, including, but not limited
 19 to, medical care, consultation, diagnosis or treatment, through the joint
 20 use of shared office space, facilities, equipment or personnel; [(B)] (ii) for
 21 which substantially all of the services of the physicians who are
 22 members of the group are provided through the group and are billed in
 23 the name of the group practice and amounts so received are treated as
 24 receipts of the group; or [(C)] (iii) in which the overhead expenses of,
 25 and the income from, the group are distributed in accordance with
 26 methods previously determined by members of the group. An entity
 27 that otherwise meets the definition of group practice under this section
 28 shall be considered a group practice although its shareholders, partners
 29 or owners of the group practice include single-physician professional
 30 corporations, limited liability companies formed to render professional
 31 services or other entities in which beneficial owners are individual
 32 physicians.

33 Sec. 2. Subdivision (10) of subsection (a) of section 19a-486i of the
 34 general statutes is repealed and the following is substituted in lieu
 35 thereof (*Effective October 1, 2024*):

36 (10) "Group practice" means two or more physicians, legally
 37 organized in (A) a partnership, (B) a professional corporation, (C) a
 38 limited liability company formed to render professional services, (D) a
 39 medical foundation, (E) a not-for-profit corporation, (F) a faculty
 40 practice plan, (G) a group owned or controlled by a public company or
 41 an entity, as defined in section 33-602, (H) an entity, as defined in section
 42 33-602, in which both the payer and provider share the financial risk of
 43 managed care or the provider entity serves as both a payer and
 44 provider, including, but not limited to, (i) a payer that offers health care,
 45 (ii) a provider that offers health care insurance, and (iii) joint ventures
 46 between payers and providers, or [other] (I) a similar entity [(A)] (i) in
 47 which each physician who is a member of the group, including any
 48 physician working under a professional service agreement, provides

49 substantially the full range of services that the physician routinely
50 provides, including, but not limited to, medical care, consultation,
51 diagnosis or treatment, through the joint use of shared office space,
52 facilities, equipment or personnel; [(B)] (ii) for which substantially all of
53 the services of the physicians who are members of the group are
54 provided through the group and are billed in the name of the group
55 practice and amounts so received are treated as receipts of the group; or
56 [(C)] (iii) in which the overhead expenses of, and the income from, the
57 group are distributed in accordance with methods previously
58 determined by members of the group. An entity that otherwise meets
59 the definition of group practice under this section shall be considered a
60 group practice although its shareholders, partners or owners of the
61 group practice include single-physician professional corporations,
62 limited liability companies formed to render professional services or
63 other entities in which beneficial owners are individual physicians; and

64 Sec. 3. Subsection (h) of section 19a-486i of the general statutes is
65 repealed and the following is substituted in lieu thereof (*Effective October*
66 *1, 2024*):

67 (h) Not later than January 15, [2018] 2025, and annually thereafter,
68 each group practice comprised of [thirty] eight or more physicians,
69 including any physician working under a professional service
70 agreement, that is not the subject of a report filed under subsection (g)
71 of this section shall file with the Attorney General and the executive
72 director of the Office of Health Strategy a written report concerning the
73 group practice. Such report shall include, for each such group practice:
74 (1) The names and specialties of each physician practicing medicine
75 with the group practice; (2) the names of the business entities that
76 provide services as part of the group practice and the address for each
77 location where such services are provided; (3) a description of the
78 services provided at each such location; and (4) the primary service area
79 served by each such location.

80 Sec. 4. Section 19a-638 of the 2024 supplement to the general statutes
81 is repealed and the following is substituted in lieu thereof (*Effective*

82 *October 1, 2024*):

83 (a) A certificate of need issued by the unit shall be required for:

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

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

86 (3) A transfer of ownership of a large group practice to any [entity
87 other than a (A) physician, or (B) group of two or more physicians,
88 legally organized in a partnership, professional corporation or limited
89 liability company formed to render professional services and not
90 employed by or an affiliate of any hospital, medical foundation,
91 insurance company or other similar entity] person;

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

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

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

100 (7) The termination of surgical services by an outpatient surgical
101 facility, as defined in section 19a-493b, or a facility that provides
102 outpatient surgical services as part of the outpatient surgery department
103 of a short-term acute care general hospital, provided termination of
104 outpatient surgical services due to (A) insufficient patient volume, or (B)
105 the termination of any subspecialty surgical service, shall not require
106 certificate of need approval;

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

109 (9) The establishment of cardiac services, including inpatient and

110 outpatient cardiac catheterization, interventional cardiology and
111 cardiovascular surgery;

112 (10) The acquisition of computed tomography scanners, magnetic
113 resonance imaging scanners, positron emission tomography scanners or
114 positron emission tomography-computed tomography scanners, by any
115 person, physician, provider, short-term acute care general hospital or
116 children's hospital, except (A) as provided for in subdivision (22) of
117 subsection (b) of this section, and (B) a certificate of need issued by the
118 unit shall not be required where such scanner is a replacement for a
119 scanner that was previously acquired through certificate of need
120 approval or a certificate of need determination, including a replacement
121 scanner that has dual modalities or functionalities if the applicant
122 already offers similar imaging services for each of the scanner's
123 modalities or functionalities that will be utilized;

124 (11) The acquisition of a proton radiotherapy machine or nonhospital
125 based linear [accelerators] accelerator, except a certificate of need issued
126 by the unit shall not be required where such machine or accelerator is a
127 replacement for [an] a machine or accelerator that was previously
128 acquired through certificate of need approval or a certificate of need
129 determination;

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

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

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

138 (15) The termination of inpatient or outpatient services offered by a
139 hospital or other facility or institution operated by the state that
140 provides services that are eligible for reimbursement under Title XVIII

141 or XIX of the federal Social Security Act, 42 USC 301, as amended.

142 (b) A certificate of need shall not be required for:

143 (1) Health care facilities owned and operated by the federal
144 government;

145 (2) The establishment of offices by a licensed private practitioner,
146 whether for individual or group practice, except when a certificate of
147 need is required in accordance with the requirements of section 19a-
148 493b or subdivision (3), (10) or (11) of subsection (a) of this section;

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

151 (4) Residential care homes, as defined in subsection (c) of section 19a-
152 490, and nursing homes and rest homes, as defined in subsection (o) of
153 section 19a-490;

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

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

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

157 (8) Outpatient rehabilitation facilities;

158 (9) Outpatient chronic dialysis services;

159 (10) Transplant services;

160 (11) Free clinics, as defined in section 19a-630, as amended by this act;

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

166 (13) A program licensed or funded by the Department of Children

167 and Families, provided such program is not a psychiatric residential
168 treatment facility;

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

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

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

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

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

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

201 (20) The partial or total elimination of services provided by an
202 outpatient surgical facility, as defined in section 19a-493b, except as
203 provided in subdivision (6) of subsection (a) of this section and section
204 19a-639e;

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

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

209 (23) On or before June 30, 2026, an increase in the licensed bed
210 capacity of a mental health facility, provided (A) the mental health
211 facility demonstrates to the unit, in a form and manner prescribed by
212 the unit, that it accepts reimbursement for any covered benefit provided
213 to a covered individual under: (i) An individual or group health
214 insurance policy providing coverage of the type specified in
215 subdivisions (1), (2), (4), (11) and (12) of section 38a-469; (ii) a self-
216 insured employee welfare benefit plan established pursuant to the
217 federal Employee Retirement Income Security Act of 1974, as amended
218 from time to time; or (iii) HUSKY Health, as defined in section 17b-290,
219 and (B) if the mental health facility does not accept or stops accepting
220 reimbursement for any covered benefit provided to a covered
221 individual under a policy, plan or program described in clause (i), (ii) or
222 (iii) of subparagraph (A) of this subdivision, a certificate of need for such
223 increase in the licensed bed capacity shall be required.

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

226 (25) On or before June 30, 2028, a birth center, as defined in section
227 19a-490, that is enrolled as a provider in the Connecticut medical
228 assistance program, as defined in section 17b-245g.

229 (c) (1) Any person, health care facility or institution that is unsure
230 whether a certificate of need is required under this section, or (2) any
231 health care facility that proposes to relocate pursuant to section 19a-
232 639c, shall send a letter to the unit that describes the project and requests
233 that the unit make a determination as to whether a certificate of need is
234 required. In the case of a relocation of a health care facility, the letter
235 shall include information described in section 19a-639c. A person, health
236 care facility or institution making such request shall provide the unit
237 with any information the unit requests as part of its determination
238 process. The unit shall provide a determination within thirty days of
239 receipt of such request.

240 (d) The executive director of the Office of Health Strategy may
241 implement policies and procedures necessary to administer the
242 provisions of this section while in the process of adopting such policies
243 and procedures as regulation, provided the executive director holds a
244 public hearing prior to implementing the policies and procedures and
245 posts notice of intent to adopt regulations on the office's Internet web
246 site and the eRegulations System not later than twenty days after the
247 date of implementation. Policies and procedures implemented pursuant
248 to this section shall be valid until the time final regulations are adopted.

249 (e) On or before June 30, 2026, a mental health facility seeking to
250 increase licensed bed capacity without applying for a certificate of need,
251 as permitted pursuant to subdivision (23) of subsection (b) of this
252 section, shall notify the Office of Health Strategy, in a form and manner
253 prescribed by the executive director of said office, regarding (1) such
254 facility's intent to increase licensed bed capacity, (2) the address of such
255 facility, and (3) a description of all services that are being or will be
256 provided at such facility.

257 (f) Notwithstanding the provisions of this section and sections 19a-
258 639, as amended by this act, and 19a-639a, on or before December 31,
259 2025, the unit shall automatically issue a certificate of need to any large
260 group practice for a transfer of ownership, as defined in subparagraph
261 (C) of subdivision (16) of section 19a-630, to any physician or group of

262 two or more physicians, legally organized as a partnership, professional
263 corporation or limited liability company formed to render professional
264 services and not employed by or an affiliate of any hospital, medical
265 foundation, insurance company or other similar entity, upon such large
266 group practice's submission of a certificate of need request for
267 determination to the unit.

268 [(f)] (g) Not later than January 1, 2025, the executive director of the
269 Office of Health Strategy shall report to the Governor and, in accordance
270 with the provisions of section 11-4a, to the joint standing committee of
271 the General Assembly having cognizance of matters relating to public
272 health concerning the executive director's recommendations, if any,
273 regarding the establishment of an expedited certificate of need process
274 for mental health facilities.

275 Sec. 5. Section 19a-639 of the general statutes is repealed and the
276 following is substituted in lieu thereof (*Effective October 1, 2024*):

277 (a) In any deliberations involving a certificate of need application
278 filed pursuant to section 19a-638, as amended by this act, the unit shall
279 take into consideration and make written findings concerning each of
280 the following guidelines and principles:

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

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

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

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

291 (5) Whether the applicant has satisfactorily demonstrated how the

292 proposal will improve quality, accessibility and cost effectiveness of
293 health care delivery in the region, including, but not limited to, the
294 provision of or [any change in] the access to services for Medicaid
295 recipients and indigent persons;

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

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

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

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

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

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

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

319 [(b) In deliberations as described in subsection (a) of this section,
320 there shall be a presumption in favor of approving the certificate of need
321 application for a transfer of ownership of a large group practice, as

322 described in subdivision (3) of subsection (a) of section 19a-638, when
323 an offer was made in response to a request for proposal or similar
324 voluntary offer for sale.]

325 [(c)] (b) The unit, as it deems necessary, may revise or supplement the
326 guidelines and principles, set forth in subsection (a) of this section,
327 through regulation.

328 [(d)] (c) (1) For purposes of this subsection and subsection [(e)] (d) of
329 this section:

330 (A) "Affected community" means a municipality where a hospital is
331 physically located or a municipality whose inhabitants are regularly
332 served by a hospital;

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

334 (C) "New hospital" means a hospital as it exists after the approval of
335 an agreement pursuant to section 19a-486b, as amended by this act, or a
336 certificate of need application for a transfer of ownership of a hospital;

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

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

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

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

351 (2) In any deliberations involving a certificate of need application
352 filed pursuant to section 19a-638, as amended by this act, that involves
353 the transfer of ownership of a hospital, the unit shall, in addition to the
354 guidelines and principles set forth in subsection (a) of this section and
355 those prescribed through regulation pursuant to subsection [(c)] (b) of
356 this section, take into consideration and make written findings
357 concerning each of the following guidelines and principles:

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

362 (B) Whether the plan submitted pursuant to section 19a-639a
363 demonstrates, in a manner consistent with this chapter, how health care
364 services will be provided by the new hospital for the first three years
365 following the transfer of ownership of the hospital, including any
366 consolidation, reduction, elimination or expansion of existing services
367 or introduction of new services.

368 (3) The unit shall deny any certificate of need application involving a
369 transfer of ownership of a hospital unless the executive director finds
370 that the affected community will be assured of continued access to high
371 quality and affordable health care after accounting for any proposed
372 change impacting hospital staffing.

373 (4) The unit may deny any certificate of need application involving a
374 transfer of ownership of a hospital subject to a cost and market impact
375 review pursuant to section 19a-639f, as amended by this act, if the
376 executive director finds that (A) the affected community will not be
377 assured of continued access to high quality and affordable health care
378 after accounting for any consolidation in the hospital and health care
379 market that may lessen health care provider diversity, consumer choice
380 and access to care, and (B) any likely increases in the prices for health
381 care services or total health care spending in the state may negatively
382 impact the affordability of care.

383 (5) The unit may place any conditions on the approval of a certificate
384 of need application involving a transfer of ownership of a hospital
385 consistent with the provisions of this chapter. Before placing any such
386 conditions, the unit shall weigh the value of such conditions in
387 promoting the purposes of this chapter against the individual and
388 cumulative burden of such conditions on the transacting parties and the
389 new hospital. For each condition imposed, the unit shall include a
390 concise statement of the legal and factual basis for such condition and
391 the provision or provisions of this chapter that it is intended to promote.
392 Each condition shall be reasonably tailored in time and scope. The
393 transacting parties or the new hospital shall have the right to make a
394 request to the unit for an amendment to, or relief from, any condition
395 based on changed circumstances, hardship or for other good cause.

396 [(e)] (d) (1) If the certificate of need application (A) involves the
397 transfer of ownership of a hospital, (B) the purchaser is a hospital, as
398 defined in section 19a-490, whether located within or outside the state,
399 that had net patient revenue for fiscal year 2013 in an amount greater
400 than one billion five hundred million dollars or a hospital system, as
401 defined in section 19a-486i, as amended by this act, whether located
402 within or outside the state, that had net patient revenue for fiscal year
403 2013 in an amount greater than one billion five hundred million dollars,
404 or any person that is organized or operated for profit, and (C) such
405 application is approved, the unit shall hire an independent consultant
406 to serve as a post-transfer compliance reporter for a period of three years
407 after completion of the transfer of ownership of the hospital. Such
408 reporter shall, at a minimum: (i) Meet with representatives of the
409 purchaser, the new hospital and members of the affected community
410 served by the new hospital not less than quarterly; and (ii) report to the
411 unit not less than quarterly concerning (I) efforts the purchaser and
412 representatives of the new hospital have taken to comply with any
413 conditions the unit placed on the approval of the certificate of need
414 application and plans for future compliance, and (II) community
415 benefits and uncompensated care provided by the new hospital. The
416 purchaser shall give the reporter access to its records and facilities for

417 the purposes of carrying out the reporter's duties. The purchaser shall
418 hold a public hearing in the municipality in which the new hospital is
419 located not less than annually during the reporting period to provide
420 for public review and comment on the reporter's reports and findings.

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

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

431 ~~[(f)]~~ (e) Nothing in subsection ~~[(d)]~~ (c) or ~~[(e)]~~ (d) of this section shall
432 apply to a transfer of ownership of a hospital in which either a certificate
433 of need application is filed on or before December 1, 2015, or where a
434 certificate of need determination letter is filed on or before December 1,
435 2015.

436 Sec. 6. Subsection (b) of section 19a-486b of the general statutes is
437 repealed and the following is substituted in lieu thereof (*Effective October*
438 *1, 2024*):

439 (b) The executive director and the Attorney General may place any
440 conditions on the approval of an application that relate to the purposes
441 of sections 19a-486a to 19a-486h, inclusive. In placing any such
442 conditions the executive director shall follow the guidelines and criteria
443 described in subdivision (4) of subsection ~~[(d)]~~ (c) of section 19a-639, as
444 amended by this act. Any such conditions may be in addition to any
445 conditions placed by the executive director pursuant to subdivision (4)
446 of subsection ~~[(d)]~~ (c) of section 19a-639, as amended by this act.

447 Sec. 7. Subsection (d) of section 19a-639f of the general statutes is

448 repealed and the following is substituted in lieu thereof (*Effective October*
449 *1, 2024*):

450 (d) The cost and market impact review conducted pursuant to this
451 section shall examine factors relating to the businesses and relative
452 market positions of the transacting parties as defined in subsection [(d)]
453 (c) of section 19a-639, as amended by this act, and may include, but need
454 not be limited to: (1) The transacting parties' size and market share
455 within its primary service area, by major service category and within its
456 dispersed service areas; (2) the transacting parties' prices for services,
457 including the transacting parties' relative prices compared to other
458 health care providers for the same services in the same market; (3) the
459 transacting parties' health status adjusted total medical expense,
460 including the transacting parties' health status adjusted total medical
461 expense compared to that of similar health care providers; (4) the quality
462 of the services provided by the transacting parties, including patient
463 experience; (5) the transacting parties' cost and cost trends in
464 comparison to total health care expenditures state wide; (6) the
465 availability and accessibility of services similar to those provided by
466 each transacting party, or proposed to be provided as a result of the
467 transfer of ownership of a hospital within each transacting party's
468 primary service areas and dispersed service areas; (7) the impact of the
469 proposed transfer of ownership of the hospital on competing options for
470 the delivery of health care services within each transacting party's
471 primary service area and dispersed service area including the impact on
472 existing service providers; (8) the methods used by the transacting
473 parties to attract patient volume and to recruit or acquire health care
474 professionals or facilities; (9) the role of each transacting party in serving
475 at-risk, underserved and government payer patient populations,
476 including those with behavioral, substance use disorder and mental
477 health conditions, within each transacting party's primary service area
478 and dispersed service area; (10) the role of each transacting party in
479 providing low margin or negative margin services within each
480 transacting party's primary service area and dispersed service area; (11)
481 consumer concerns, including, but not limited to, complaints or other

482 allegations that a transacting party has engaged in any unfair method of
 483 competition or any unfair or deceptive act or practice; and (12) any other
 484 factors that the unit determines to be in the public interest.

485 Sec. 8. Subsection (j) of section 19a-639f of the general statutes is
 486 repealed and the following is substituted in lieu thereof (*Effective October*
 487 *1, 2024*):

488 (j) The unit shall retain an independent consultant with expertise on
 489 the economic analysis of the health care market and health care costs
 490 and prices to conduct each cost and market impact review, as described
 491 in this section. The unit shall submit bills for such services to the
 492 purchaser, as defined in subsection [(d)] (c) of section 19a-639, as
 493 amended by this act. Such purchaser shall pay such bills not later than
 494 thirty days after receipt. Such bills shall not exceed two hundred
 495 thousand dollars per application. The provisions of chapter 57, sections
 496 4-212 to 4-219, inclusive, and section 4e-19 shall not apply to any
 497 agreement executed pursuant to this subsection.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	19a-630(9)
Sec. 2	<i>October 1, 2024</i>	19a-486i(a)(10)
Sec. 3	<i>October 1, 2024</i>	19a-486i(h)
Sec. 4	<i>October 1, 2024</i>	19a-638
Sec. 5	<i>October 1, 2024</i>	19a-639
Sec. 6	<i>October 1, 2024</i>	19a-486b(b)
Sec. 7	<i>October 1, 2024</i>	19a-639f(d)
Sec. 8	<i>October 1, 2024</i>	19a-639f(j)

Statement of Purpose:

To amend the (1) definitions of "large group practice" and "group practice" relating to the certificate of need program, (2) size and composition of the type of group practices required to annually report to the Attorney General, (3) types of large group practice transfers of ownership and acquisition of medical equipment that require certificate of need approval, and (4) presumption in favor of certificate of need approval for certain large group practice transfers of ownership.

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