



General Assembly

February Session, 2024

Substitute Bill No. 5319



AN ACT REQUIRING A PLAN CONCERNING PRIVATE EQUITY FIRMS ACQUIRING OR HOLDING AN OWNERSHIP INTEREST IN HEALTH CARE FACILITIES.

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

- 1 Section 1. (*Effective from passage*) (a) As used in this section:
- 2 (1) "Health care facility" means an institution, as defined in section
3 19a-490 of the general statutes, licensed under chapter 368v of the
4 general statutes; and
- 5 (2) "Private equity firm" means a firm that uses its own capital or
6 capital raised from investors to acquire a majority stake in a company,
7 increase the revenue and margins of the company and later take the
8 company public or sell it at a profit.
- 9 (b) The executive director of the Office of Health Strategy shall
10 develop a plan concerning private equity firms acquiring or holding an
11 ownership interest in health care facilities in the state. Such plan shall
12 include, but need not be limited to, (1) an assessment of (A) whether a
13 certificate of need should be required for the acquisition of an
14 ownership interest in a health care facility by a private equity firm, and
15 (B) the feasibility of any other limitations on a private equity firm
16 acquiring or holding an ownership interest in a health care facility, and
17 (2) a recommendation for requirements for the disclosure of information

18 by a health care facility if a private equity firm acquires or holds an
19 ownership interest in the health care facility.

20 (c) Not later than January 1, 2025, the executive director shall report,
21 in accordance with the provisions of section 11-4a of the general statutes,
22 to the joint standing committee of the General Assembly having
23 cognizance of matters relating to public health regarding the plan
24 developed pursuant to subsection (b) of this section and the executive
25 director's recommendations for any legislation necessary to implement
26 such plan.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section

Statement of Legislative Commissioners:

In Subsec. (b)(1), "(A)" was moved before "whether" for clarity and, in Subsec. (c), "provision" was changed to "provisions" for accuracy.

PH *Joint Favorable Subst. -LCO*