

Public Health Committee JOINT FAVORABLE REPORT

Bill No: HB-5512 / [Bill Status](#) / [Public Hearing Testimony](#)

AN ACT CONCERNING THE DEPARTMENT OF PUBLIC HEALTH'S
RECOMMENDATIONS REGARDING REAL PROPERTY CHANGE OF

Title: OWNERSHIP.

Vote Date: 3/24/2026

Vote Action: Joint Favorable

PH Date: 3/13/2026

File No.: 520

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SPONSORS OF BILL:

Public Health Committee

REASONS FOR BILL:

Existing law requires the Department of Public Health's (DPH's) approval for a licensed health care institution to change its ownership. HB 5512 requires applicants to give DPH the name of the real property's owner or proposed owner and certain information about the owner's history of regulatory compliance and related matters, for DPH to consider in its review. It allows DPH to waive these requirements for nursing homes if the proposed property owner will not be involved in the home's management or operations. In deciding whether to grant the waiver, DPH may consider (among other things) the terms of the lease between the parties and the property owner's lack of history in owning or managing nursing homes.

SUBSTITUTE LANGUAGE (IF APPLICABLE):

None submitted.

RESPONSE FROM ADMINISTRATION/AGENCY:

Manisha Juthani, MD, Commissioner, Department of Public Health (DPH):

For many health care facilities in the state, the management company or the license holder that together operate a facility do not actually own the physical building referred to as the real property. When a facility undergoes a change of ownership, DPH has the authority to review the regulatory histories of the management company and license holder and can require certain disclosures from them, should there be any concerns with the regulatory history.

HB 5512 would allow DPH to ensure that all entities involved in a health care facility can credibly maintain regulatory compliance, patient safety, and quality of care standards required for Medicare and Medicaid participation and state licensure.

NATURE AND SOURCES OF SUPPORT:

Matthew Barrett, President and CEO, CT Association of Health Care Facilities/CT Center for Assisted Living (CAHCF/CCAL):

We agree that state regulators should have sufficient authorities and tools to evaluate the fitness and suitability of real property owners where a facility will be in our state's change of ownership approval process. This bill provides a new authority over the real property owner where the real estate owner has a history of having previously operated or managed a facility in a manner that can be construed as substandard, whether here in Connecticut or in other jurisdictions, if the real property owners will be involved in the operations of the facility here in Connecticut. In our testimony, the Association has submitted substitute language for the committee's consideration that we believe will further enhance the effectiveness of this bill.

Mag Morelli, President, Leading Age, Connecticut and Rhode Island:

While we do not oppose this provision, we would like to point out that the change-of-ownership statute applies not only to nursing homes but also to other health care facilities such as hospitals, assisted living service agencies, and home health care agencies. The proposed amendments regarding real property may not be applicable to all these provider types. If the provision is applicable to a particular provider, that provider should be afforded the same opportunity to seek a waiver that is proposed for nursing homes in Section 10 lines 211-221.

NATURE AND SOURCES OF OPPOSITION:

Amanda Gunthel, President, CT Association of Ambulatory Surgery Centers (CAASC):

Many Connecticut Ambulatory Surgery Centers (ASCs) operate in leased space owned by third-party landlords. The surgery center licenses and controls the clinical operation; the real estate is owned and managed by an unrelated party. As tenants, ASCs have no control over their landlords. Requiring disclosure of all real property owners — including large holding companies with no connection to patient care — in connection with a change of facility ownership, places an unreasonable burden on our members. Without a clear exemption for property owners with no role in facility operations, the bill imposes regulatory obligations on ASCs for matters entirely outside their control and does little to advance the bill's underlying patient safety goals.

Chris Carter, CT Assisted Living Association (CALA)

Assisted Living Services Agencies (ALSAs) fall under the definition of an "institution" and therefore the owners of the real property on which the ALSA is located would be subject to the requirements set forth under 19a-493. However, the buildings where ALSA services are provided, which are called "Managed Residential Communities" (MRC), are required to register with DPH and provide information regarding ownership, evidence of compliance with building and fire safety codes, and certain other information specified under applicable statutes and regulations prior to ALSA services being provided onsite. Passage of HB 5512 would be confusing and conflict with those existing requirements for MRCs, as MRCs would also be subject to its provisions as owners of the real property where the facility or institution

(i.e. the ALSA) is located. Requiring each property owner to disclose the regulatory compliance history of any facilities in any state operating at a site owned by such real property owner over the prior 5 years is extremely burdensome. Property owners may have no authority or ability to access such information. The information real property owners would be required to provide is unrelated to their history of compliance with applicable laws governing real property ownership such as building, zoning and fire code requirements.

Reported by: Dave Rackliffe, Asst. Clerk

Date: March 25, 2026