General Process for Cost and Market Impact Review

(Pursuant to 19a-639f C.G.S.)

Application for Certificate of Need (CON) is filed with Office of Health Care Access (OHCA)

1. Involves the transfer of ownership of a hospital; and
2. The purchaser is a hospital or hospital system with net patient revenue for FY 2013 greater than $1.5 billion; **or**
   a person that is organized or operated for profit

Written notice is sent to transacting parties **within 21 days** of filed CON, initiating cost and market impact review

- Describes basis for cost and market impact review
- Requests information and documents

No later than 30 days after receiving notice, the transacting parties respond to OHCA's notice

OHCA determines substantial compliance with requests for documents and information

Within 90 days of determining compliance with any request for documents or information (or a later date set by mutual agreement between OHCA and transacting parties), OHCA makes factual findings and issues a preliminary report on the cost and market impact review

The preliminary report shall include an indication as to whether or not transacting party meets the following criteria:

- Currently has or is likely to have a dominant market share for the services the transacting party provides ***and***
- Currently charges or is likely to charge prices that are materially higher than the median prices ***or*** currently has or is likely to have a health status adjusted total medical expense that is materially higher than the median total medical expense

Transacting parties may respond in writing to OHCA's findings **no later than 30 days** after the issuance of the preliminary report

OHCA issues a final report on the cost and market impact review **not later than 60 days** after the issuance of the preliminary report

Final reports on any proposed transfer of ownership that meets the specified criteria is referred to the Attorney General

The Attorney General may:

- Conduct an investigation to determine whether the transacting parties engaged or are expected to engage in unfair methods of competition, anti-competitive behavior or other conduct
- If appropriate, take action to protect consumers in the health care market

Note: This flow chart is intended to provide a general overview of the process set forth in Connecticut General Statutes §19a-639f, *et. seq*. It does not modify or supplant any state statute, regulation or departmental policy.

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