



Governor Ned Lamont

Fact Sheet: 2026 Legislative Proposal

HOUSE BILL 5045

AN ACT STREAMLINING HEALTH CARE FACILITY APPROVALS

The Current Situation

Connecticut's certificate of need (CON) program began more than fifty years ago. Over the decades, as the state faced new challenges in the healthcare field, new types of applications were added to CON reviews. Additional categories for review or additional criteria were often added without the necessary adjustments to modernize the process and ensure that the reviews reflected the goals of the state. With the successful implementation of the Emergency CON process, Connecticut has seen how effectively and efficiently a CON program can function when given the proper tools, flexibility and authority.

Connecticut needs to modernize and streamline the CON program, clearly define the goals, and refine the categories requiring CON review to ensure the state has oversight of important transactions while reducing the burdens on providers seeking to implement standard care. The healthcare challenges of 2026 are not the same as the challenges of 1973 when CON came to Connecticut. It is time for Connecticut to update its toolkit to ensure residents have equitable access to high-quality, affordable healthcare.

Governor Lamont's Solution

Modernize and streamline the CON process under a new 3-member panel supported by analysts at the Department of Public Health (DPH) to enhance input and oversight from state agencies regarding quality, access, and affordability of healthcare:

- Remove CON requirements for categories of proposals that have become more standard practice over time



- Expand the types of healthcare transactions and healthcare entities that require review, such as:
 - The sale of a hospital's property to a real estate investment trust
 - The sale of a majority share of a physician practice to a private equity firm
 - Establishing a complex corporate structure of holding companies, management service organizations, subsidiaries, and affiliates to avoid regulatory review
- Streamline the regulatory process for facilities so that DPH's change of ownership review can be conducted as part of a unified process under CON
- Ensure applicants have automatic options to attend a hearing
- Establish a quarterly application process to make the review process more efficient
- Reduce the back-and-forth nature of multiple rounds of letters and responses for supplemental questions
- Hold application review cycles to a more standardized timeline with quarterly meetings of the CON Panel to issue final decisions
- Authorize the CON Panel to impose conditions without protracted settlement negotiations
- Remove CON applications for terminations of services in favor of standardized requirements for plans ensuring continuity of care and access to services
- Revise the review criteria to ensure decisions focus on key goals of the state including access, quality, affordability, and cost effectiveness of healthcare, and a new emphasis on the track record of prior financial management practices by applicants

The proposal overhauls the current process to ensure the state can act nimbly as the healthcare landscape changes. This reformed CON process will result in fewer categories requiring CON, a faster review timeline, clearer criteria for analysis, and broader input from relevant state agencies, all while enhancing the state's oversight of key transactions that have, at times, been used as tools to disrupt the state's healthcare system. Collectively, the reforms will decrease the burdens on providers while improving the protections for Connecticut residents.