

[Conn. Gen. Stat. § 19a-486a.]

§ 19a-486a. Sale of nonprofit hospitals: Certificate of need determination letter.
Hearing. Application for approval: Health Care Institutions

(a) No nonprofit hospital shall enter into an agreement to transfer a material amount of its assets or operations or a change in control of operations to a person that is organized or operated for profit without first having received approval of the agreement by the executive director and the Attorney General pursuant to sections 19a-486 to 19a-486h, inclusive, and pursuant to the Attorney General's authority under section 3-125. Any such agreement without the approval required by sections 19a-486 to 19a-486h, inclusive, shall be void.

(b) Prior to any transaction described in subsection (a) of this section, the nonprofit hospital and the purchaser shall concurrently submit a certificate of need determination letter as described in subsection (c) of section 19a-638 to the executive director and the Attorney General by serving it on them by certified mail, return receipt requested, or delivering it by hand to each office. The certificate of need determination letter shall contain: (1) The name and address of the nonprofit hospital; (2) the name and address of the purchaser; (3) a brief description of the terms of the proposed agreement; and (4) the estimated capital expenditure, cost or value associated with the proposed agreement. The certificate of need determination letter shall be subject to disclosure pursuant to section 1-210.

(c) Not later than thirty days after receipt of the certificate of need determination letter by the executive director and the Attorney General, the purchaser and the nonprofit hospital shall hold a hearing on the contents of the certificate of need determination letter in the municipality in which the new hospital is proposed to be located. The nonprofit hospital shall provide not less than two weeks' advance notice of the hearing to the public by publication in a newspaper having a substantial circulation in the affected community for not less than three consecutive days. Such notice shall contain substantially the same information as in the certificate of need determination letter. The purchaser and the nonprofit hospital shall record and transcribe the hearing and make such recording or transcription available to the executive director, the Attorney General or members of the public upon request. A public hearing held in accordance with the provisions of section 19a-639a shall satisfy the requirements of this subsection.

(d) The executive director and the Attorney General shall review the certificate of need determination letter. The Attorney General shall determine whether the agreement requires approval pursuant to this chapter. If such approval is required, the executive director and the Attorney General shall transmit to the purchaser and the nonprofit hospital an application form for approval pursuant to this chapter, unless the executive director

refuses to accept a filed or submitted certificate of need determination letter. Such application form shall require the following information: (1) The name and address of the nonprofit hospital; (2) the name and address of the purchaser; (3) a description of the terms of the proposed agreement; (4) copies of all contracts, agreements and memoranda of understanding relating to the proposed agreement; (5) a fairness evaluation by an independent person who is an expert in such agreements, that includes an analysis of each of the criteria set forth in section 19a-486c; (6) documentation that the nonprofit hospital exercised the due diligence required by subdivision (2) of subsection (a) of section 19a-486c, including disclosure of the terms of any other offers to transfer assets or operations or change control of operations received by the nonprofit hospital and the reason for rejection of such offers; and (7) such other information as the executive director or the Attorney General deem necessary to their review pursuant to the provisions of sections 19a-486 to 19a-486f, inclusive, and chapter 368z. The application shall be subject to disclosure pursuant to section 1-210.

(e) No later than sixty days after the date of mailing of the application form, the nonprofit hospital and the purchaser shall concurrently file an application with the executive director and the Attorney General containing all the required information. The executive director and the Attorney General shall review the application and determine whether the application is complete. The executive director and the Attorney General shall, no later than twenty days after the date of their receipt of the application, provide written notice to the nonprofit hospital and the purchaser of any deficiencies in the application. Such application shall not be deemed complete until such deficiencies are corrected.

(f) No later than twenty-five days after the date of their receipt of the completed application under this section, the executive director and the Attorney General shall jointly publish a summary of such agreement in a newspaper of general circulation where the nonprofit hospital is located.

(g) Any person may seek to intervene in the proceedings under section 19a-486e, in the same manner as provided in section 4-177a.