



General Assembly

February Session, 2026

***Raised Bill No. 5398***

LCO No. 1479



Referred to Committee on PUBLIC HEALTH

Introduced by:  
(PH)

***AN ACT CONCERNING THE REVIEW OF HEALTH CARE ENTITY TRANSACTIONS, THE EXPANSION OF EQUITABLE RELIEF AND ENFORCEMENT TOOLS AVAILABLE UNDER THE CONNECTICUT ANTITRUST ACT AND THE INCLUSION OF ADDITIONAL INFORMATION IN HOSPITAL PRICEMASTER FILINGS.***

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

1 Section 1. Section 19a-486i of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective October 1, 2026*):

3 (a) As used in this section:

4 (1) "Advanced practice registered nurse" means an advanced practice  
5 registered nurse licensed pursuant to chapter 378;

6 [(1)] (2) "Affiliation" means the formation of a relationship between  
7 two or more entities that permits the entities to negotiate jointly with  
8 third parties over rates for professional medical services;

9 [(2)] (3) "Captive professional entity" means a partnership,  
10 professional corporation, limited liability company or other entity  
11 formed to render professional services in which a partner, a member, a

12 shareholder or a beneficial owner is a physician, directly or indirectly,  
13 employed by, controlled by, subject to the direction of, or otherwise  
14 designated by (A) a hospital, (B) a hospital system, (C) a medical school,  
15 (D) a medical foundation, organized pursuant to subsection (a) of  
16 section 33-182bb, or (E) any entity that controls, is controlled by or is  
17 under common control with, whether through ownership, governance,  
18 contract or otherwise, another person, entity or organization described  
19 in subparagraphs (A) to (D), inclusive, of this subdivision;

20 (4) "Entity" has the same meaning as provided in section 33-602;

21 (5) "Group practice" means two or more physicians, legally organized  
22 in a partnership, professional corporation, limited liability company  
23 formed to render professional services, medical foundation, not-for-  
24 profit corporation, faculty practice plan or other similar entity (A) in  
25 which each physician who is a member of the group provides  
26 substantially the full range of services that the physician routinely  
27 provides, including, but not limited to, medical care, consultation,  
28 diagnosis or treatment, through the joint use of shared office space,  
29 facilities, equipment or personnel; (B) for which substantially all of the  
30 services of the physicians who are members of the group are provided  
31 through the group and are billed in the name of the group practice and  
32 amounts so received are treated as receipts of the group; or (C) in which  
33 the overhead expenses of, and the income from, the group are  
34 distributed in accordance with methods previously determined by  
35 members of the group. An entity that otherwise meets the definition of  
36 group practice under this section shall be considered a group practice  
37 although its shareholders, partners or owners of the group practice  
38 include single-physician professional corporations, limited liability  
39 companies formed to render professional services or other entities in  
40 which beneficial owners are individual physicians;

41 (6) "Health care entity" means a health care provider, health care  
42 facility, as defined in section 19a-630, provider organization, group  
43 practice or pharmacy benefit manager, as defined in section 38a-479aaa.

44 As used in this subdivision, "provider organization" means any  
45 corporation, partnership, business trust, association or organized group  
46 of persons, including, but not limited to, a physician organization, a  
47 physician-hospital organization, an independent practice organization,  
48 a provider network, an accountable care organization or a management  
49 services organization, that is in the business of health care delivery or  
50 management, whether incorporated or not, and that represents one or  
51 more health care providers in contracting with health carriers for the  
52 payment of health care services;

53 (7) "Health care provider" has the same meaning as provided in  
54 section 19a-17b;

55 [(3)] (8) "Hospital" (A) has the same meaning as provided in section  
56 19a-646, or (B) means a facility licensed as a hospital pursuant to the  
57 laws of another state;

58 [(4)] (9) "Hospital system" means: (A) A parent corporation of one or  
59 more hospitals and any entity affiliated with such parent corporation  
60 through ownership, governance or membership; or (B) a hospital and  
61 any entity affiliated with such hospital through ownership, governance  
62 or membership;

63 [(5) "Health care provider" has the same meaning as provided in  
64 section 19a-17b;]

65 (10) "Management services organization" means an entity that  
66 provides management, administrative support and other services to a  
67 group practice, hospital, hospital system, captive professional entity,  
68 medical foundation or other entity organized by, controlled by or  
69 otherwise affiliated with such hospital or hospital system pursuant to a  
70 contract or other agreement;

71 [(6)] (11) "Medical foundation" means a medical foundation formed  
72 under chapter 594b;

73 [(7) "Physician" has the same meaning as provided in section 20-13a;]

74 (12) "Nurse-midwife" means a nurse-midwife licensed pursuant to  
75 chapter 377;

76 [(8)] (13) "Person" has the same meaning as provided in section 35-25;

77 (14) "Physician" has the same meaning as provided in section 20-13a;

78 (15) "Physician assistant" means a physician assistant licensed  
79 pursuant to chapter 370;

80 [(9)] (16) "Professional corporation" has the same meaning as  
81 provided in section 33-182a;

82 [(10) "Group practice" means two or more physicians, legally  
83 organized in a partnership, professional corporation, limited liability  
84 company formed to render professional services, medical foundation,  
85 not-for-profit corporation, faculty practice plan or other similar entity  
86 (A) in which each physician who is a member of the group provides  
87 substantially the full range of services that the physician routinely  
88 provides, including, but not limited to, medical care, consultation,  
89 diagnosis or treatment, through the joint use of shared office space,  
90 facilities, equipment or personnel; (B) for which substantially all of the  
91 services of the physicians who are members of the group are provided  
92 through the group and are billed in the name of the group practice and  
93 amounts so received are treated as receipts of the group; or (C) in which  
94 the overhead expenses of, and the income from, the group are  
95 distributed in accordance with methods previously determined by  
96 members of the group. An entity that otherwise meets the definition of  
97 group practice under this section shall be considered a group practice  
98 although its shareholders, partners or owners of the group practice  
99 include single-physician professional corporations, limited liability  
100 companies formed to render professional services or other entities in  
101 which beneficial owners are individual physicians; and]

102 [(11)] (17) "Primary service area" means the smallest number of zip  
103 codes from which the [group practice] health care entity draws at least  
104 seventy-five per cent of its patients; and

105 (18) "Private equity entity" means any entity that collects capital  
106 investments from individuals or entities and purchases, as a parent  
107 company or through another entity that the private equity entity  
108 completely or partially owns or controls, a direct or indirect ownership  
109 share of a health care entity or management services organization.  
110 "Private equity entity" does not include a venture capital firm  
111 exclusively funding a start-up company or any other early-stage  
112 business.

113 (b) At the same time that any person conducting business in this state  
114 that files merger, acquisition or any other information regarding market  
115 concentration with the Federal Trade Commission or the United States  
116 Department of Justice, in compliance with the Hart-Scott-Rodino  
117 Antitrust Improvements Act, 15 USC 18a, where a hospital, hospital  
118 system or other health care provider is a party to the merger or  
119 acquisition that is the subject of such information, such person shall  
120 provide written notification [to the Attorney General] of such filing and  
121 [, upon the request of the Attorney General, provide] a copy of such  
122 merger, acquisition or other information to the Attorney General.

123 (c) Not less than [thirty] sixty days prior to the effective date of any  
124 transaction that results in a material change to the business or corporate  
125 structure of a group practice, the parties to the transaction shall submit  
126 [written notice] to the Attorney General written notice of such material  
127 change and each survey analysis, study document and report that was  
128 prepared by or for any officer or director of each party to the transaction  
129 for the purpose of evaluating the transaction with respect to market  
130 shares, competitors, potential for sales growth or expansion into  
131 product or geographic markets. For purposes of this subsection, a  
132 [material change to the business or corporate structure of a group  
133 practice] "material change to the business or corporate structure of a

134 group practice" includes: (1) The merger, consolidation or other  
135 affiliation of a group practice with (A) another group practice that  
136 results in a group practice comprised of eight or more physicians, or (B)  
137 a hospital, hospital system, captive professional entity, medical  
138 foundation or other entity organized or controlled by such hospital or  
139 hospital system; (2) the acquisition of all or substantially all of (A) the  
140 properties and assets of a group practice, or (B) the capital stock,  
141 membership interests or other equity interests of a group practice by (i)  
142 another group practice that results in a group practice comprised of  
143 eight or more physicians, or (ii) a hospital, hospital system, captive  
144 professional entity, medical foundation or other entity organized or  
145 controlled by such hospital or hospital system; (3) the employment of all  
146 or substantially all of the physicians of a group practice, or of a  
147 department or division of a group practice, by (A) another group  
148 practice that results in a group practice comprised of eight or more  
149 physicians, or (B) a hospital, hospital system, captive professional entity,  
150 medical foundation or other entity organized by, controlled by or  
151 otherwise affiliated with such hospital or hospital system, including, but  
152 not limited to, through a transfer of ownership of such group practice to  
153 such hospital, hospital system, captive professional entity, medical  
154 foundation or other entity; and (4) the acquisition of one or more  
155 insolvent group practices by (A) another group practice that results in a  
156 group practice comprised of eight or more physicians, or (B) a hospital,  
157 hospital system, captive professional entity, medical foundation or  
158 other entity organized by, controlled by or otherwise affiliated with  
159 such hospital or hospital system.

160 (d) (1) The written notice of a material change required under  
161 subsection (c) of this section shall identify each party to the transaction  
162 and describe the material change as of the date of such notice to the  
163 business or corporate structure of the group practice, including: (A) A  
164 description of the nature of the proposed relationship among the parties  
165 to the proposed transaction; (B) the names and specialties of each  
166 physician, physician assistant, advanced practice registered nurse and

167 nurse-midwife that is a member of the group practice that is the subject  
168 of the proposed transaction and who will practice [medicine] with the  
169 resulting group practice, hospital, hospital system, captive professional  
170 entity, medical foundation or other entity organized by, controlled by,  
171 or otherwise affiliated with such hospital or hospital system following  
172 the effective date of the transaction; (C) the names of the business  
173 entities that are to provide services following the effective date of the  
174 transaction; (D) the address for each location where such services are to  
175 be provided; (E) a description of the services to be provided at each such  
176 location; [and] (F) the primary service area to be served by each such  
177 location; (G) the names of each individual or entity that holds a direct or  
178 indirect ownership interest of five per cent or more of the resulting  
179 health care entity organized by, controlled by or otherwise affiliated  
180 with such hospital or hospital system following the effective date of the  
181 transaction; and (H) the name and scope of services provided by any  
182 entity serving as a management service organization for the resulting  
183 health care entity or other entity organized by, controlled by or  
184 otherwise affiliated with such hospital or hospital system following the  
185 effective date of the transaction.

186 (2) Not later than thirty days after the effective date of any transaction  
187 described in subsection (c) of this section, the parties to the transaction  
188 shall submit written notice to the Commissioner of Health Strategy.  
189 Such written notice shall include, but need not be limited to, the same  
190 information described in subdivision (1) of this subsection. The  
191 commissioner shall post a link to such notice on the Office of Health  
192 Strategy's Internet web site.

193 (e) Not less than [thirty] sixty days prior to the effective date of any  
194 transaction that results in (1) an affiliation between one hospital or  
195 hospital system and another hospital or hospital system, (2) a transfer  
196 that impacts or changes the governance or controlling body of a hospital  
197 or hospital system, including, but not limited to, any affiliation or  
198 merger, or (3) a transfer of a controlling interest in any entity that  
199 possesses or controls, directly or indirectly, an interest of at least twenty

200 per cent of a health care facility, the parties to the affiliation or transfer  
201 shall submit written notice to the Attorney General of such affiliation.  
202 Such written notice shall identify each party to the affiliation and  
203 describe the affiliation as of the date of such notice, including: [(1)] (A)  
204 A description of the nature of the proposed relationship among the  
205 parties to the affiliation; [(2)] (B) the names of the business entities that  
206 are to provide services following the effective date of the affiliation; [(3)]  
207 (C) the address for each location where such services are to be provided;  
208 [(4)] (D) a description of the services to be provided at each such  
209 location; and [(5)] (E) the primary service area to be served by each such  
210 location. For any transaction that requires a cost and market impact  
211 review under section 19a-639f, the Attorney General may extend review  
212 under this section until thirty days after the release of the final report on  
213 the cost and market impact review.

214 (f) Not less than sixty days prior to the effective date of any material  
215 change transaction, or a series of related transactions that occur within  
216 a five-year period and that, taken together, would amount to a material  
217 change transaction, involving a health care entity in the state that either  
218 has total assets, annual revenues or anticipated annual revenues for new  
219 entities of at least ten million dollars, including both in-state and out-of-  
220 state assets or revenues, or that includes a private equity entity, the  
221 parties to such transaction shall submit a written notice to the Attorney  
222 General of such material change transaction. For purposes of this  
223 subsection, "material change transaction" includes: (1) A corporate  
224 merger involving one or more health care entities; (2) an acquisition of  
225 one or more health care entities, including, but not limited to, insolvent  
226 health care entities, by direct or indirect purchase in any manner,  
227 including, but not limited to, lease, transfer, exchange, option, receipt of  
228 a conveyance, creation of a joint venture or any other manner of  
229 purchase, such as by a health care system, private equity group, hedge  
230 fund, publicly traded company, real estate investment trust,  
231 management services organization or health carrier, or any subsidiaries  
232 thereof, of not less than twenty per cent of the assets or operations of a

233 health care entity; (3) any affiliation, arrangement or contract that results  
234 in a change of control of a health care entity by an arrangement or  
235 agreement in which any other person, corporation, partnership or entity  
236 acquires direct or indirect control over the operations of a health care  
237 entity in whole or in substantial part; (4) the formation of a partnership,  
238 joint venture, accountable care organization, parent organization or  
239 management services organization for the purpose of administering  
240 contracts with health carriers, third-party administrators, pharmacy  
241 benefit managers or health care providers; (5) a sale, purchase, lease,  
242 affiliation or transfer of control of a board of directors or governing body  
243 of a health care entity; or (6) a real estate sale or lease agreement  
244 involving not less than twenty per cent of the assets of a health care  
245 entity.

246 [(f)] (g) The Attorney General may request the submission of any  
247 additional information that is necessary to carry out the Attorney  
248 General's responsibilities under this section. Written information  
249 submitted to the Attorney General pursuant to this subsection and  
250 subsections (b) to [(e)] (f), inclusive, of this section shall be maintained  
251 and used by the Attorney General in the same manner as provided in  
252 section 35-42, except the Attorney General may share such information  
253 with the Commissioner of Health Strategy to receive consultation on  
254 any aspect of the Attorney General's review under this section. Any such  
255 shared information, including, but not limited to, documentary  
256 material, shall be held in the custody of the Office of Health Strategy,  
257 and shall not be available to the public in the same manner as provided  
258 in section 35-42.

259 (h) The Attorney General, in reviewing any notice or information  
260 submitted under this section, shall (1) evaluate a transaction's  
261 compliance with antitrust laws, and (2) if the transaction would not  
262 otherwise require a certificate of need under section 19a-638, consult  
263 with the Office of Health Strategy regarding the effect of the transaction  
264 on access, quality and affordability of health care in the parties' primary  
265 service areas.

266 (i) If the Attorney General identifies any issues of concern in his or  
267 her evaluation of a transaction under subsection (h) of this section, the  
268 Attorney General may offer the parties conditions to meet for the  
269 transaction to proceed unchallenged, provided the Attorney General  
270 deems such conditions appropriate.

271 [(g)] (j) Not later than January [15, 2018, and] first annually,  
272 [thereafter,] each hospital and hospital system shall file with the  
273 Attorney General and the Commissioner of Health Strategy a written  
274 report describing the activities of the group practices owned or affiliated  
275 with such hospital or hospital system. Such report shall include, for each  
276 such group practice: (1) A description of the nature of the relationship  
277 between the hospital or hospital system and the group practice; (2) the  
278 names and specialties of each physician, physician assistant, advanced  
279 practice registered nurse and nurse-midwife practicing [medicine] with  
280 the group practice; (3) the names of the business entities that provide  
281 services as part of the group practice and the address for each location  
282 where such services are provided; (4) a description of the services  
283 provided at each such location; and (5) the primary service area served  
284 by each such location.

285 [(h)] (k) Not later than January [15, 2018, and] first annually,  
286 [thereafter,] each group practice comprised of thirty or more physicians  
287 that is not the subject of a report filed under subsection [(g)] (j) of this  
288 section shall file with the Attorney General and the Commissioner of  
289 Health Strategy a written report concerning the group practice. Such  
290 report shall include, for each such group practice: (1) The names and  
291 specialties of each physician practicing medicine with the group  
292 practice; (2) the names of the business entities that provide services as  
293 part of the group practice and the address for each location where such  
294 services are provided; (3) a description of the services provided at each  
295 such location; and (4) the primary service area served by each such  
296 location.

297 [(i)] (l) Not later than January [15, 2018, and] first annually,

298 [thereafter,] each hospital and hospital system shall file with the  
299 Attorney General and the Commissioner of Health Strategy a written  
300 report describing each affiliation with another hospital or hospital  
301 system. Such report shall include: (1) The name and address of each  
302 party to the affiliation; (2) a description of the nature of the relationship  
303 among the parties to the affiliation; (3) the names of the business entities  
304 that provide services as part of the affiliation and the address for each  
305 location where such services are provided; (4) a description of the  
306 services provided at each such location; and (5) the primary service area  
307 served by each such location.

308 (m) Any person or entity that fails to comply with any provision of  
309 this section or wilfully or knowingly gives false or incorrect information  
310 shall be subject to fines not to exceed one thousand dollars per day for  
311 each day that such person or entity is in violation of this section or for  
312 each day that such information is false or incorrect. Any civil penalty  
313 authorized by this subsection shall be imposed by the Attorney General  
314 and recovered in a civil action brought by the Attorney General. In such  
315 civil action, upon application of the Attorney General, the court may  
316 grant such equitable relief that the court, in its discretion, determines is  
317 necessary or appropriate.

318 (n) Nothing in this section shall be construed to limit or infringe upon  
319 the existing authority of any state agency, including, but not limited to,  
320 the Office of Health Strategy or the Attorney General, to review any  
321 transaction.

322 Sec. 2. Section 35-29 of the general statutes is repealed and the  
323 following is substituted in lieu thereof (*Effective October 1, 2026*):

324 (a) Every lease, sale or contract for the furnishing of services or for  
325 the sale of commodities, or for the fixing of prices charged therefor, or  
326 for the giving or selling of a discount or rebate therefrom, on the  
327 condition or understanding that the lessee or purchaser shall not deal in  
328 the services or the commodities of a competitor or competitors of the

329 lessor or seller, shall be unlawful where the effect of such lease or sale  
330 or contract for sale or such condition or understanding may be to  
331 substantially lessen competition or tend to create a monopoly in any  
332 part of trade or commerce and where such goods or services are for the  
333 use, consumption or resale in this state.

334 (b) It shall be unlawful for any corporation to acquire, directly or  
335 indirectly, the whole or any part of the stock or assets of another  
336 corporation where the effect of such acquisition may be to substantially  
337 lessen competition or tend to create a monopoly in any line of  
338 commerce. This subsection shall not apply to corporations purchasing  
339 such stock solely for investment and not using the same by voting or  
340 otherwise to bring about, or in attempting to bring about, the substantial  
341 lessening of competition. Nor shall anything contained in this section  
342 prevent a corporation from causing the formation of one or more  
343 subsidiary corporations for the actual carrying on of its immediate  
344 lawful business, or the natural and legitimate branches or extensions  
345 thereof, or from owning and holding all or a part of the stock of such  
346 subsidiary corporation or corporations, when the effect of such  
347 formation is not to substantially lessen competition. In addition to any  
348 other remedy provided by this chapter, the Superior Court may order  
349 any corporation to divest itself of the stock or assets held contrary to this  
350 section, in the manner and within the time fixed by such order.

351 Sec. 3. Section 35-34 of the general statutes is repealed and the  
352 following is substituted in lieu thereof (*Effective October 1, 2026*):

353 The state or any person, including, but not limited to, a consumer,  
354 may sue for equitable relief, including, but not limited to, restitution,  
355 disgorgement and injunctive relief, both temporary or permanent,  
356 against threatened loss or damage to its property or business by any  
357 violation of this chapter. In such actions the court shall follow the rules  
358 and principles governing the granting of [injunctive] equitable relief. If  
359 the court issues an injunction or orders other equitable relief, the  
360 plaintiff shall recover a reasonable attorney's fee together with costs, as

361 determined by the court.

362       Sec. 4. (NEW) (*Effective October 1, 2026*) In the enforcement of chapter  
363 624 of the general statutes, the Attorney General may accept an  
364 assurance of voluntary compliance with respect to any method, act or  
365 practice deemed in violation of said chapter from any person alleged to  
366 be engaged or to have been engaged in such method, act or practice.  
367 Such assurance may include an amount as restitution. Thereafter, any  
368 evidence of a violation of such assurance shall constitute prima facie  
369 proof of violation of the applicable law or right in any action  
370 commenced by the Attorney General.

371       Sec. 5. Section 19a-681 of the general statutes is repealed and the  
372 following is substituted in lieu thereof (*Effective October 1, 2026*):

373       (a) For purposes of this section: (1) "Detailed patient bill" means a  
374 patient billing statement that includes, in each line item, the hospital's  
375 current pricemaster code, a description of the charge and the billed  
376 amount; and (2) "pricemaster" means a detailed schedule of hospital  
377 charges.

378       (b) Each hospital shall file with the unit its current pricemaster which  
379 shall include each charge in its detailed schedule of charges and the  
380 corresponding actual cost of each related good or service.

381       (c) Upon the request of the Office of Health Strategy, established  
382 under section 19a-754a, or a patient, a hospital shall provide to the office  
383 or the patient a detailed patient bill. If the billing detail by line item on  
384 a detailed patient bill does not agree with the detailed schedule of  
385 charges on file with the unit for the date of service specified on the bill,  
386 the hospital shall be subject to a civil penalty of five hundred dollars per  
387 occurrence payable to the state not later than fourteen days after the date  
388 of notification. The penalty shall be imposed in accordance with section  
389 19a-653. The unit may issue an order requiring such hospital, not later  
390 than fourteen days after the date of notification of an overcharge to a  
391 patient, to adjust the bill to be consistent with the detailed schedule of

392 charges on file with the unit for the date of service specified on the  
393 detailed patient bill.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2026</i>	19a-486i
Sec. 2	<i>October 1, 2026</i>	35-29
Sec. 3	<i>October 1, 2026</i>	35-34
Sec. 4	<i>October 1, 2026</i>	New section
Sec. 5	<i>October 1, 2026</i>	19a-681

**Statement of Purpose:**

To (1) strengthen the review of health care entity transactions, (2) expand upon the types of equitable relief and other enforcement tools that may be utilized for violations of the Connecticut Antitrust Act, and (3) require additional information in hospital pricemaster filings.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*