

NEW YORK STATE DEPARTMENT OF HEALTH
PUBLIC HEALTH AND HEALTH PLANNING COUNCIL
ESTABLISHMENT AND PROJECT REVIEW COMMITTEE MEETING
August 21, 2025, 10:15 AM
ESP, CONCOURSE LEVEL, MEETING ROOM 6 ALBANY
TRANSCRIPT

Mr. Kraut Good morning! I'm Jeff Kraut. I Chair the Public Health and Health Planning Council. I want to welcome everybody for our Committee Day meeting of the Establishment and Project Review Committee to be held on August 21st, 2025. As you know, we are having some challenges with having all of our members come here, but we have sufficient members to, I think begin the meeting. It was supposed to begin at 10:15am. It's now at 10:30am. In order to accomplish the work of the committee, I want to announce two changes to this committee membership. Michelle Mazzacco and Dr. Wendy Wilcox are no longer going to serve on the Establishment and Project Review Committee today. And instead, I am also, in addition, I am appointing Ms. Lindsay Farrell and Dr. Larry Eisenstein to the committee. That permits us to have our quorum to conduct the business in the event that there are recusals. We've checked with the list of individuals who have signed up to speak. There has been nobody who has signed up to speak that is not present in the room. Most of the people who signed up to speak are here. No one had signed up previously. Therefore, there's no public comment or expecting that might be delayed because of these trains. I feel under those circumstances, we should proceed. We'll have other members who'll be joining us as they arrive. We'll just conduct the business as best we can.

Mr. Kraut Now, I'll turn it over to Mr. Robinson to start the meeting.

Mr. Robinson Good morning, everyone. Thank you, Mr. Kraut, for fixing our committee. I appreciate that. I'm Peter Robinson, Chair of the Establishment and Project Review Committee. I'm pleased to call this meeting to order and welcome all of you here, members, participants, observers, and especially the new members of our committee, most grateful to you. Just in terms of webcasting, letting you know that the meeting is subject to the Open Meetings Law and is being broadcast over the Internet. Webcasts are accessed at the Department of Health's website, NYHealth.Gov, and the On-Demand webcast will be available no later than seven days after the meeting for a minimum of thirty days, and then a copy is retained at the department for four months. A few ground rules which we always share with you, synchronized caption is used so make sure we don't talk over each other. In addition to that the first time you speak, please state your name and briefly identify yourself; a council member, staff or applicant etc. That'll help both us and the broadcasting company record the meeting. Mics are hot so avoid rustling of papers and private conversations. They're very likely to be picked up. Most of you have been here many, many times, but just as a reminder, there is an attendance form that needs to be filled out. It's outside at the front desk. If you haven't done so already, we ask that you please do so.

Mr. Robinson With the housekeeping out of the way, let's get started by calling the first application, which is number 231342C, Mount Sinai Hospital in New York County. Although Dr. Lim is not here, we'll note her conflict and refusal. This is to convert forty-eight physical medicine and rehabilitation beds.

Mr. Robinson Pardon me.

Mr. Kraut Can you just for the purposes of the record, how many members are present right now?

Ms. Leonard Eight.

Mr. Kraut There are eight members present right. It's Mr. Harvey, Mr. La Rue, Peter Robinson, myself, Dr. Berliner, Hugh Thomas, Ms. Farrell and Dr. Eisenstein. Is that correct?

Ms. Leonard That is correct.

Mr. Kraut And that's eight?

Ms. Leonard That is eight.

Mr. Kraut When we have a quorum to do the meeting and there's no... Other than Dr. Lim is not here, we can consider this application because we have eight individuals hearing it.

Mr. Robinson Just to make sure we didn't miss anything, Application 231342C Mount Sinai Hospital in New York County. This is the convert forty-eight physical medicine and rehabilitation beds to eighteen intensive care unit beds and thirty medical surgical beds, decertifying forty physical medicine in rehab beds, and perform renovations to create a cancer hospital on the Mount Sinia Hospital campus. The department is recommending approval with conditions and contingencies. I have a motion by Dr. Berliner and a second by Mr. Thomas.

Mr. Robinson Ms. Glock.

Mr. Kraut Just before you do, I just want to acknowledge Dr. Torres has joined us and we now have nine members sitting.

Ms. Glock Good morning. It's Shelly Glock from the department. Mount Sinai Hospital is an 1,139-bed voluntary not-for-profit Article 28 hospital located at 1 Gustave Levy Place in New York County. This application is requesting approval to renovate existing space in the Klingenstein Clinical Center building on Mount Sinia Hospital's main campus to create seventy-two new private acuity adaptable patient rooms, which will be composed of fifty-four med surg rooms and eighteen ICU rooms dedicated to oncology patients. This project seeks to consolidate Mount Sinai Hospital's existing cancer services by creating these high acuity-adaptable private inpatient rooms in addition to a series of clinical spaces designed to improve the quality of care, improve the patient experience, and enhance operational capabilities. According to the applicant, this state-of-the-art cancer hospital will enhance access to breakthrough therapies, personalized treatment, and clinical trials for Mount Sinai's existing patients. The Guggenheim Pavilion, located on the main campus, currently houses Mount Sinay Hospital's inpatient cancer services. It includes both semi-private and private rooms on several floors of that building. Currently, cancer patients in need of ICU care are moved to Mount Sinai Hospital's other highly used ICU beds. Due to space constraints, two rooms, twenty-three private med surge bed units in the Guggenheim Pavilion will continue to be used as private rooms for oncology patients. In order to accomplish this Mount Sinai hospital seeks to convert forty-eight physical medicine and rehab beds located in the Klingenstein building to eighteen intensive care and thirty medical surgical beds and to decertify forty physical medicine in rehab beds. According to the applicant, physical medicine and rehab services will be accommodated at the Mount

Sinai Morningside campus, which ran an occupancy of about 58% in 2024 for the existing fifteen beds. They were recently approved for an additional thirteen physical medicine and rehab beds and twelve TBI beds for a total of forty, as well as any overflow would be accommodated at the Mt. Sinai West campus, which also has twenty-five physical medicine and rehab beds with an average daily census that's fluctuated between only fourteen to sixteen. The applicant anticipates an incremental increase of about 1% for inpatient visits to 63,857 through the implementation of this project and Medicaid to remain at 31%. The total project cost of two hundred and five million, one hundred eighty-four thousand, five hundred, and sixty-six dollars will be funded with Mount Sinai's accumulated funds. However, they have reserved the right to convert to financing subject to the department's modification regulations based on our review of this project. The department is recommending approval with conditions and contingencies.

Mr. Robinson Thank you very much.

Mr. Robinson Can I have the applicant come forward, please?

Mr. Robinson Quite a presence. If you would, please introduce yourselves.

Mr. Cicero I'm Frank Cicero, a consultant to the applicant.

Mr. Beckstrom Brad Beckstrom, Government and Community Affairs with Mount Sinai.

Mr. Carr I'm Brendan Carr, the CEO of the Mount Sinai Health System.

Dr. Isola I'm Luis M. Isola, Director of Cancer Clinical Programs for the system.

Dr. Reich David Reich, President Mount Sinai Hospital and Chief Clinical Officer of Mount Sinia Health System.

Mr. Kyriacou Jonathan Kyriacou, the Chief Operating Officer of the Madison Hospital.

Mr. Robinson Thank you. It's very impressive that you're all here. Thank you very, very much. Let me just first ask the members of the committee and council if there are any questions for the department on this application. This is not intended to be a lecture, but Mount Sinai has had a recent track record in terms of applications coming before the committee that have suggested that the level of community engagement that Mount Sinai has undertaken with regard to significant capital projects, particularly in Manhattan, has been less than stellar. I think that we recognize that there's new leadership here and a changing of the guard. We're certainly not trying to imply that the sins of the Father, so to speak. It would be helpful to have the leadership of Mount Sinai comment on your plans for community engagement going forward and getting a sense of how you intend to interact with the community as you continue to evolve the health system at Mount Sinai.

Mr. Carr I'm happy to lead off and to say we're well aware of the criticisms and the thanks for bringing them up. It's important to talk about them openly.

Mr. Kraut You just move a little closer to your, yeah.

Mr. Carr I was saying, thank you. It's important to talk about these things openly. I can start with a high-level assurance that the history of the health system is focused on or founded in a deep commitment to community. That it's critically important to me personally

and critically important the leadership team that we make good on that promise. Let's start with that. I'm going to ask some of the folks at the table with me to talk specifically about the cancer connection to the community and the service engagement of the cancer center. If that's okay, I'm happy to obviously circle back to me. I think, I don't know who that is.

Dr. Isola As an NCI designated cancer center, having a community advisory board is part of our mandate from the NCI. We have a very strong engagement with the community that starts with determining what are the important research initiatives for the community, what are they important cancer control initiatives for that community. We've done a lot in that regard. For example, we have a van that drives around Upper Manhattan offering free mammography. We have another van that offers prostate cancer screening for the community. We've identified a large number of patients with these two common cancers that are cared for us at the campus. I give you other examples of community engagement. Our bone marrow transplant unit is one of the most active in terms of offering transplants to minorities. If you look at the number of transplants we perform for a variety of diseases like blood cancers, well over 50% of the patients who are recipients of bone marrow transplants in our system are members of minorities, Blacks. Asians, Hispanic. In fact, I would say that out of the five NCI designated cancer centers that exist in New York City, Mount Sinai probably represents the one that is the most engaged in terms of cancer care and cancer research with the community.

Mr. Beckstrom And if you don't mind, I'll jump in really quick. As part of this application, we did have to do a closure plan for the rehab beds. We're actually relocating those to Mount Sinai Morning Side. We did have fairly extensive community engagement with regard to that specifically. Obviously, we work with all of our local elected officials meaning the borough President or local council member, the state assembly member the State Senator and our federal officials as well. Mount Sinai self has a community advisory board. Jonathan, I think you presented there two or three times to update them. They have actually given some feedback as this is starting to move forward. We've also presented to the local community boards themselves, Community Board 10, Community Board 11. There's a group called the East Harlem Health Alliance. We presented an updated and taken feedback from them. Dr. Isola may want to expand further, but we also partner with a number of local community providers, such as the FQHC, specifically with Burican Health with IFH and with settlement. Obviously, we've talked with them about this process as well. There's other community partners. You may want to mention clinical partners that we have been engaged with.

Mr. Kyriacou To Brad's point, we have discussed this numerous times with our community partners, our labor partners. It's something that we're really excited about. You heard it earlier in the footnote. This is really consolidating services that's probably much needed on a very old campus. It's something that our community's been asking about. They've been waiting for us to come present here. They're as excited as we are to be here.

Mr. Robinson I just want to point out that I don't think that the... I don't want to speak for everybody. I don't think we as a committee and council have an issue with this particular application and what you're intending to do. It's just the occasion of Mount Sinai coming forward with another CON and the historical issues of the Beth Israel transition and the other activities that have occurred in Lower Manhattan and the lack of communication there. That has kind of created a little valley for you guys in terms of whenever you come forward again, there's a sort of a little bit of distrust that I'm trying to convey. For what I'm trying to get out of you, I guess is more of a sense of having learned some lessons there and recognizing the process that you need to go through and potentially even the

compromises that you need to make in order to be able to be responsive to the communities that you serve.

Mr. Carr I mean, again, so I'll take that one and say, you're right, I entered after the decision was made to close Beth Israel but then did rapidly sort of initiate conversations with elected officials and with the state and with lots of other folks around what the path forward should look like. You're right that have more work to do to get to where we would we need to be with PHHOC, especially feeling like they trust the organization.

Mr. Robinson I think that's actually just what I wanted to hear.

Mr. Carr We intend to conduct ourselves in a way that I think will, my expectation for the team, for myself, is that we conduct ourselves in a ways that makes you never say what you said again, which is that you don't have full confidence that the Mount Sinai Health System is acting in good faith to take care of the patients that depend on us.

Mr. Robinson Thank you for that.

Mr. Carr It's hard for us to hear, by the way. Important to tell you that I know these folks really, really well. They've committed their lives to health care delivery.

Mr. Robinson Thank you very much.

Mr. Robinson Anybody else have any questions for the applicant?

Mr. Robinson Dr. Berliner.

Dr. Berliner Is Beth Israel fully closed now? What's the status of Eye and Ear?

Mr. Carr Eye and Ear continues to function as it has. There's a conditional approval to merge that license into the Beth Israel license, which includes many of the downtown ambulatory assets and Mount Sinai Brooklyn. There's lots of other questions being asked to us about what the future of the entirety of the health system looks like. That's where we are is that there's a conditional approve, but whether or not we execute on that versus consider something larger as we consolidate and rationalize, which is what you're hearing, by the way, on the cancer center. This is a rationalization of not wheeling you to one floor for your ICU care and then across to another building for your MedSurg Care. This is putting everything in one place, as is the modern way, and this is our modernization effort that's going to take us a couple years to really get our heads fully around.

Mr. Robinson Thank you.

Mr. Robinson Mr. Lawrence and then Dr. Torres.

Mr. Lawrence Good morning. Harvey Lawrence, member of the committee and the council. I was just looking at your payer mix. I see that with regards to charity care that you're nearly six percent on outpatient, which is to be commended. I'm looking at the inpatient side and you're a little under two percent. Could you explain the difference between inpatient and outpatient charity care.

Dr. Reich First of all, there is emergency Medicaid, as you're aware. Many of the patients that are discharged from the hospital do receive emergency Medicaid. Our

uncompensated care is, as she pointed out, quite high. I'll also point out that for this cancer hospital, 31% Medicaid is our current and we believe that is the highest number in the state. We are for any comprehensive cancer center. I would also just want to point out since I'm speaking at the moment that one of the key things that our Community Advisory Board is concerned about is the amount of time that patients wait in the Emergency Department, whether they have insurance, Medicaid, commercial insurance Medicare for a bed to become available. Right now, because of the nature of the older facilities that we have in our cancer hospital, twenty-three beds, as were noted by Ms. Glock are blocked because cancer patients require protective isolation. They're taking and dividing by the average length of stay. There are probably four or five patients waiting more than 24 hours in the Emergency Department for a bed to open up that will not be waiting once this cancer hospital is built, because we will have accommodated what other health systems are doing around the state, which is building single bedded patient rooms, not only good for patient experience, but also better for infection prevention, and by extension for the experience and the health of patients that seek care, not just from the East Harlem community, which is adjacent to Mount Sinai Hospital on the Upper East Side, but for the entire city because of the referral nature of the hospital. Thank you.

Mr. Lawrence I was just going to ask for a little clarification because I'm not certain I completely followed your explanation for the disparity.

Mr. Carr Can I start with the first part and then happily I'll hand back to David for the second part. I think you asked about uncompensated care. We often think of Medicaid and uncompensated care together because once they're admitted to the hospital, often we will apply for emergency Medicaid. When you look at the Medicaid share that we take care of relative to the other comprehensive cancer centers, our read of the data is that the highest is 25 before you get to and we're above 30 percent. We feel like we have a substantial commitment to that population. We just don't think of it typically as separated from Medicaid and uninsured, which as I think you were looking at the uninsured number. We'll see what happens. As Medicaid eligibility changes, you may see that our Medicaid number drops, and our uninsured number rises. But to date, especially because of the, in general the population that we take care of, which is a large Medicaid population, we are very focused on making sure that anybody who is Medicaid eligible is registered for Medicaid when they're admitted to the hospital. Before we go to David's second part, does that piece make sense?

Dr. Reich I think I'm complete at that point. I think the disparity you were seeing is 6% uncompensated would be related to what we perform in our hospital outpatient departments versus what you see on the inpatient side and when patients are admitted without insurance, many of them qualify for emergency Medicaid. I think when you look at discharge date that probably explains the discrepancy you're observing.

Mr. Robinson Dr. Torres.

Dr. Torres Good morning. It's more of a comment and a recommendation as I'm reflecting upon what was said with community partners. You have a wonderful opportunity to partner with senior centers that serve veterans and other groups that are with high levels of disparities as it relates to cancer and other diagnosis and illnesses. You know, please include them, because there are many. I heard the FQHCs. I've heard state level, local level, the elected officials and so forth, but if you really want to get and make an impact in the community, check out those places, because they're just wonderful and they're thirsty for knowledge and they need help navigating the healthcare system and treatment.

Mr. Robinson Thank you, Dr. Torres.

Mr. Robinson Thank you for stepping up. We're going to ask you to step back now.

Mr. Robinson I'm going to see if there's anyone from the public that wishes to speak on this application.

Mr. Robinson Hearing none, I think it's time to call the question.

Mr. Robinson All in favor?

Mr. Kraut We've received no letters of opposition or support.

Mr. Robinson Call the question.

Mr. Robinson All in favor?

All Aye.

Mr. Robinson Any opposed?

Mr. Robinson Any abstentions?

Mr. Robinson Motion carries.

Mr. Robinson Thank you very much, everyone.

Mr. Robinson You can leave the room, Mr. Kraut.

Mr. Robinson Application 251133C, Peconic Bay Medical Center in Suffolk County. Conflict and recusal by Mr. Kraut. This application is to perform renovations to move the Maternity Unit and C Section Suite into an expanded combined first floor space. Department recommends approval with conditions and contingencies.

Mr. Robinson Dr. Berliner makes a motion.

Mr. Robinson Ms. Glock.

Ms. Glock Peconic Bay Medical Center is a 144-bed acute care hospital located in Suffolk County. This application is seeking approval to modernize and then relocate the Maternity Unit from the third floor to an expanded first floor suite within the existing South building. Peconic Bay Medical Centers part of Northwell Health's integrated healthcare delivery network system. There will be no change to the total number of licensed beds or services upon approval. Deliveries at Peconic Bay Medical Center have trended upwards since 2018, and they're projected to continue to increase. The current Maternity Unit was built, I think somewhere around 1951. Existing patient rooms are not adequately sized to support a labor delivery recovery. Labor delivery recovery postpartum care delivery model. The proposed project merges the Maternity Nursing Unit with the C Section suite to create a combined unit, more modernized model. Currently, there are three labor and delivery rooms and one OR. At the end of this project the new unit will include four labor and recovery rooms, two labor delivery recovery and postpartum rooms, which will be private

rooms, six post private post part of rooms, two dedicated ORs. They're going to add an operating room, a newborn nursery and related support space. The applicant is projecting eight hundred and forty maternity discharges year one and eleven hundred and forty year three. The total project cost is \$31,054,814, and that will be funded with \$11,054,814 from Northwell's obligated group equity and \$20 million from fundraising. Northwell intends to finance up to 90% of this project at a future date as part of Northwell Health Obligated Group tax exempt bond financing through the dormitory authority. With a much-needed modernized Maternity and C Section Suite combined unit, patients will be able to receive high quality maternal care close to home. Based upon our review of this project, the department is recommending approval with conditions and contingencies.

Mr. Robinson Questions from the committee or other members of the council?

Mr. Robinson Ms. Monroe.

Ms. Monroe I apologize for being late. Would you just educate me? It looks like they're spending \$20 million that they've gotten from donors and \$11 million from their own funds, so \$31 million. It says that they'll finance up to 90% of the project, which would mean that they'd be financing money that had come in from donors. I don't understand, personally, how that works. If there's any chance that such a bond issue through the Dormitory Authority would not work. Is that question clear?

Mr. Evans This is Ken Evans with the department.

Ms. Monroe Who's speaking?

Mr. Evans What Northwell does when they do a project, for the most part, they will pay for the project out of equity that they have at this time. They will complete the project, and then they'll roll multiple projects into one larger bond financing at a later date.

Ms. Monroe I think I understand that, but they're going to have \$20 million from fundraising.

Mr. Evans Yeah, it's from their foundation, Peconic Bay's foundation, and they've already got the money.

Ms. Monroe They'll finance their fundraising earn.

Mr. Evans They're going to eventually roll all of their construction projects into one large bond finance.

Mr. Robinson It's like refinancing your mortgage.

Mr. Evans Yeah.

Mr. Robinson Basically, what they're going to do is pool a lot of capital expenses that they've had and turn that into a debt instrument.

Ms. Monroe My question is, if I give \$100.00 to this fundraising campaign, it may not even go towards this project, because it's going to be financed through a bigger thing.

Mr. Robinson No, it's not that. It's just that I think that the institution broadly takes out a certain amount of debt, and then they have to assign certain assets as guarantees against that debt. That's kind of what it looks like.

Mr. Evans That's right.

Mr. Robinson Other questions for the committee?

Mr. Robinson Applicant questions only.

Mr. Lawrence Again, I guess I'm focused on charity care and just looking at this, again, the pay mix here, it's five-tenths of a percent and one percent on the outpatient side. Can someone just explain maybe this is in an area where there's not a lot of people that are in need of charity care?

Mr. Robinson Can we have the applicant come forward please?

Dr. Sun Good morning. My name is Edward Sun. I'm the Associate Medical Director for Peconic Bay Medical Center in Northwell Health. There's a tremendous amount of charitable care that we deliver. Our population, actually, if you look at the distressed communities' indices index, we're an at-risk population. There's general population, about 54% non-Hispanic white in the community. There's 28% that is Hispanic and Latino X. The general population is about 18%. Our population caters to everybody in Riverhead. It started as a farming community. This is a population where we have patients who are uninsured who come to our hospital that we take care of. Again, as you've heard in terms of the Medicaid description, anybody who's eligible for emergency Medicaid, we're able to help them receive them, so that might not be counted in the uninsured numbers.

Mr. Lawrence I think I might have to get educated on this because you start by saying that you've got a population that is in need of charity care and yet it's not reflected in your pay-a-mix. Where is it reflected then?

Mr. O'Donnell Yes, my name is Mike O'Donnell. I am Chief Financial Officer of Peconic Bay Medical Center. What I can share with you is let me just add to Dr. Sun's point is it's we look at it together. It's combined within the charity care and then with Medicaid. We've been fairly successful in obtaining Medicaid for a number of our population, such as emergency Medicaid when patients come in the door. We do serve an underserved population between those two, and between those, and then on the other side, I would say you can see also a significant number of Medicare population as well.

Mr. Robinson Other questions for the applicant or the department?

Ms. Monroe I want to follow up on that question. In your chart, you say you'll have half a percent of charity care. A half a per cent. When we know what's going to be happening is that there are going to more and more people losing coverage. It's distinguished from Medicaid, and it's a half a percent, which seems to me to be incredibly low in a county that, as you said is high risk. How did you calculate that? How do you justify a half of percent or a one percent charity care in this environment?

Mr. O'Donnell I would suggest that I do agree with you.

Ms. Monroe I'd like you to speak up if you wouldn't mind.

Mr. O'Donnell I would suggest that I do agree in this environment. I believe that in this environment that number will probably wind up increasing over time as we start to... You know that Medicaid population will start to change relative to being eligible for Medicaid. When we look at the combined population, and I fully understand what you're saying relative to the percentage that you're seeing of the half a percent and the one percent. The population that we serve, we have been fairly successful in being able to obtain Medicaid for that population. I think that's been helpful. When we're looking at what our commitment is to the community, we do look at both of those together. Because as you know, with the Medicaid population, you are contributing, the hospital and the health system or fun supporting that.

Mr. Robinson Does that get at your question?

Ms. Monroe Pardon me?

Mr. Robinson Does that get at your question?

Ms. Monroe I still have a strong concern about that. I think the charity care is going to be going up, and I think any system as wealthy as yours where you will make a \$10 million profit in the first year can really seriously consider an increase in charity care. That number bothers me, and I'd like to look over time when you come back to see what you've really done.

Mr. Lawrence I guess just one follow-up. Do you have a team of people that are exclusively devoted to getting people who are likely to qualify for Medicaid? I don't know. It just seems incredible that if the large population and then at some point you're able to get them all enrolled in Medicaid. Now, to Ms. Monroe's point, at some with reduction in Medicaid dollars that are available generally, that at some you're going to see an increase beyond your ability to convert everyone, but I'm just amazed with these numbers that you're able to get everyone that shows up.

Dr. Sun I'll speak to that. We do have a very robust team, including social workers who speak multiple languages, case managers as well. We want to be able to provide the community with the care that they need. We anticipate those numbers of people who may not qualify for Medicaid to go up. We are prepared to take care of those patients regardless.

Unknown Speaker I'll just add too, we have a relationship with the federally qualified health center in the area, Sun River Health, and they also assist in getting people enrolled in Medicaid and a lot of their deliveries come to us, if not all of them.

Mr. Robinson Other questions?

Mr. Robinson Anything else for the department?

Mr. Robinson Thank you very much.

Mr. Robinson Is there anyone from the public that wishes to speak on this application?

Mr. Robinson You guys can step back. Thank you.

Mr. Robinson I'm going to call the question.

Mr. Robinson All in favor?

Mr. Robinson Any opposed?

Mr. Robinson Any abstentions?

Mr. Robinson The motion carries.

Mr. Robinson Thank you.

Mr. Robinson Have Mr. Kraut return.

Mr. Robinson Application 251146C, Clifton Springs Hospital and Clinic in Ontario County. I am declaring an interest. This application is to construct a new extension clinic at 833 Canandaigua Road in Geneva to be certified for multispecialty ambulatory surgery, physical therapy and other medical specialties. Department is recommending approval with conditions and contingencies.

Mr. Robinson Motion by Dr. Berliner.

Mr. Robinson Second by Mr. Thomas.

Mr. Robinson Ms. Glock.

Ms. Glock Clifton Springs Hospital and Clinic is a one hundred fifty-four bed acute care hospital located in Ontario county. This application is seeking approval to construct a new extension clinic in Geneva. The clinic will be certified for medical services other medical specialties and ambulatory surgery multi-specialty, inclusive gastroenterology, orthopedics, otolaryngology, pain management, urology, and vascular, as well as ambulatory oncology infusion and imaging services, along with physical therapy. The proposed clinic will be known as Clifton Springs Hospital and Clinic at Rochester Regional Health Geneva Destination Campus. This project will expand services offered by Clifton Springs Hospital in Ontario County, allowing patients to seek coordinated and timely care closer to home in this new location. The applicant is projecting 13,819 visits and almost 19,000 visits with over 2,000 cases by year three. The total project cost of fifteen million, two hundred and twenty-six thousand, five hundred ninety-six dollars will be met with accumulated funds from Rochester Regional Health which is Clifton Springs Hospital active parent and co-operator. The information analysis that was presented in the Health Equity Impact Assessment in the applicant's medication plan demonstrated. That the proposed project would not result in any significant adverse health equity impacts. I just want to note that the Finger Lakes Health Systems Agency, Common Grounds Health did recommend approval of the project. The department upon review of this project is recommending approval with conditions and contingencies.

Mr. Robinson Questions for the department?

Mr. Robinson Anything for the applicant?

Mr. Robinson Applicant questions only.

Mr. Robinson Anyone from the public wishing to speak on this application?

Mr. Robinson Call the question.

Mr. Robinson All in favor?

All Aye.

Mr. Robinson Any opposed?

Mr. Robinson Any abstentions?

Mr. Robinson Motion carries.

Mr. Robinson Thank you.

Mr. Robinson Application 251211C, North Central Bronx Hospital in Bronx County expand and renovate the Emergency Department In the process, the Comprehensive Psychiatric Emergency Program, or CPEP, will be relocated with its own dedicated ambulance bay. The department is recommending approval with conditions and contingencies.

Mr. Robinson Motion by Dr. Berliner.

Mr. Robinson Second by Mr. Thomas.

Mr. Robinson Ms. Glock.

Ms. Glock North Central Bronx Hospital, a division of Jacobi Medical Center, and a member of New York City Health and Hospitals is located in the Bronx and Bronx County. This application is requesting approval to renovate and expand the hospital's first floor Emergency Department. There will be no changes to the certified services of the hospital as a result of the project. North Central Bronx is located within a health professional shortage area for dental, primary care, and mental health, and is also in a medically underserved area. The renovation will involve new layouts for several key areas including a relocated pediatric Emergency Department and an expanded adult Emergency Department. Additionally, the project will include a relocating radiology administration support in office spaces as well as a new ambulatory walk-in entrance and relocation of the comprehensive psychiatric emergency program. The project includes the creation of two new ambulance bays with necessary support spaces to be constructed from the current building footprint. The main catalyst for this project is the placement of outposted therapeutic housing units along with the installation of separate entrances known as Sally Ports, secure entrances for correctional health service patients. These changes are designed to meet the board's minimum standards set by the State Commission on Corrections. Due to the security and intake requirements of this program, one of the hospitals to existing ambulance bays will be repurposed for the dedicated Sally Port. The construction of the outposted therapeutic housing unit in Sally Port are not part of project scope of this present CON application. They will be built under another CON application. However, integration into the hospital operations necessitated the renovation of this Emergency Department project, if that's before you. The remaining ambulance bay will be reserved for dedicated use by the relocated CPEP. While this project is driven by the integration of the outposted therapeutic housing units, it also will deliver a much-needed expansion in upgrades to the Emergency Department. Data indicate an upward trend for

Emergency Department visits from 2021 to 2024, with almost a 24% increase over that time. The applicant is projecting over 47,000 ED visits and over 50,000 ED visits by year three. The total project cost is estimated at \$46,991,484. New York City Health and Hospitals will fund the entirety of this project with proceeds from New York City bonds through an appropriation of funds. The department has reviewed this project and is recommending approval with conditions and contingencies.

Mr. Robinson Thank you.

Mr. Robinson Questions?

Mr. Robinson Applicant questions only.

Mr. Robinson Anyone from the public wishing to speak on this application?

Mr. Robinson Hearing none, call the question.

Mr. Robinson All in favor?

All Aye.

Mr. Robinson Any opposed?

Mr. Robinson Any abstentions?

Mr. Robinson Motion carries.

Mr. Robinson Application 251281C, SBH Health System in Bronx County, increase the number of its inpatient psychiatric beds from forty-nine to seventy-two, an increase of twenty-three beds, through the conversion of twelve inpatient chemical dependents, detoxification beds, and the certification of eleven new psychiatric beds. SBH will gut renovate the hospital's two existing inpatient psychiatric units and create a new inpatient psychiatric unit on another floor. The department is recommending approval with conditions and contingencies.

Mr. Robinson Motion by Dr. Berliner.

Mr. Robinson Second by Mr. Thomas.

Mr. Robinson Ms. Glock.

Ms. Glock St. Barnabas Hospital doing business as SBH Health System is a 422-bed hospital located on 3rd Avenue in the Bronx. This application is requesting approval for the renovation of the hospital's two existing inpatient psychiatric units and the creation of a third unit. SBH is located in a health professional shortage area for dental, mental health, and primary care, and it's also in a medically underserved area. This project seeks to approve to increase the number of inpatient psychiatric beds from forty-nine to seventy-two, an increase of twenty-three beds. Through the certification of eleven new psychiatric beds and the conversion of twelve inpatient chemical dependent detoxification beds to twelve inpatient psych beds. They'll have a total of 433 license beds at the completion. The total project costs of \$27,145,141 is funded with just a little over \$603,000 in equity and a New York State Statewide Healthcare Facility Transformation Three Grant of over

\$26 million. Through this project, SBH will have three units of inpatient psychiatric beds that meet current standards of care for inpatient, psychiatric services and addresses the need for improved access to behavioral healthcare for the residents of Bronx County. The historical utilization shows an upward trend for psychiatric bed utilization and the applicant is projecting about 1,863 psychiatric beds discharges in year one. Those occupancy rates that you see in the exhibit indicate a need for these additional beds. The chemical dependence detox utilization has been somewhere between, it's been soft, somewhere between 42.8% and a little over 56% for the same time period, indicating there's enough capacity to meet the community need, even with the conversion of these beds. In addition, the Health Equity Impact Assessment Summary demonstrates that the renovation and expansion of this inpatient psych unit is almost entirely positive as these services are needed in the community. Based upon our review of the project, the department is recommending approval with conditions and contingencies.

Mr. Robinson Questions on this application?

Mr. Kraut Shelly, on the impact assessment, it says it's basically positive on the application, and also it concluded that the reduction in chemical dependency bed because of the low utilization means there's no negative impact as well for people to get access to those services.

Ms. Glock That's correct.

Mr. Robinson Thank you for that clarification.

Mr. Robinson Other questions from the committee, council?

Ms. Monroe I feel like I'm beating a horse here. I'm just amazed at what I'm seeing in some of these applications with excess revenues exceeding in this case \$20 million dollars. Much of what we've seen in the past has been pretty neutral or even losing money in the beginning. I'm just wondering...the Statewide Health Care Facility Transformation Program grant of \$26 million, which you're receiving, which I'm assuming is in the revenues.

Mr. Robinson No, it's capital.

Mr. Kraut It's capital.

Ms. Monroe I hesitate because I sound like I don't know what I'm doing, which may be true, but I'm just struck with the size of the revenue exceeding expenses, and maybe somebody can tell me why all of a sudden we're seeing several of these changes with such heavy revenue.

Mr. Robinson There is Mr. Cicero to help us.

Mr. Kraut Is there anybody from the applicant here as well to join you who knows the finances? Just so you're not alone up there.

Ms. Glock Can I make a comment?

Ms. Glock I just want to point out for folks, since we're looking at the budget, that there is a typo under year three for the Medicaid managed care rate. It is not \$12,770.15, it's \$3,107. The total amount of \$37,454,000 is correct.

Mr. Kraut So, just if you can frame Ms. Monroe's question in the context, constantly people are in front of us. You have 90/91% government payer. How do you produce the revenue surplus?

Mr. Cicero We'll introduce ourselves first. There's actually a relatively simple answer that I will provide. I'm Frank Cicero, a consultant to the applicant.

Mr. Lombardi I'm Dan Lombardi, Senior Vice President, Chief Medical Officer, SBH Health System.

Mr. Wolf Good morning. Keith Wolf, Chief Administrative Officer at SBH Health System.

Mr. Cicero The explanation, Ms. Monroe, is that these are just the costs and revenues of this unit itself. The allocated overhead, other expenses from the hospital that would belong, you know, that would be allocated to that are not within that budget.

Mr. Cicero As you said, Mr. Crout, with that payer mix, and you can see the overall institution's financials.

Mr. Robinson And inpatient behavioral health, I think, broadly is losing money statewide.

Mr. Robinson I think it's the way it's being presented as direct costs without the rest of the overhead. None of the HR expenses or all of that stuff.

Mr. Kraut On a direct expense, everything is different until we lay over the expense.

Mr. Robinson Other questions since the applicant's up?

Mr. Robinson Other questions for the applicant or the department?

Mr. Robinson Anyone from the public wishing to speak on this application?

Mr. Robinson Call the question.

Mr. Robinson All in favor?

All Aye.

Mr. Robinson Any opposed?

Mr. Robinson Any abstentions?

Mr. Robinson Motion carries.

Mr. Robinson Thank You.

Mr. Robinson Application 251287C, Cumberland Diagnostic and Treatment Center in Queens County, even though we.

Mr. Robinson Noting a conflict and recusal by Dr. Kalkut, who is one of the people stuck on the train. This is to construct a new extension clinic at 1720 Village Lane in Far Rockaway, providing primary care, dental, mental health, and other medical specialties as an FQHC safety net. The department is recommending approval of conditions and contingencies.

Mr. Robinson Motion by Dr Berliner.

Mr. Robinson Second by Mr. Thomas.

Mr. Robinson Ms. Glock.

Ms. Glock Cumberland Diagnostic and Treatment Center is an existing Article 28 federally qualified health center operated by New York City Health and Hospitals and Gotham Health FQHC, Inc. This application seeking approval to certify a new extension clinic. The proposed extension clinic would be located in lease space in Far Rockaway, Queens County and will be certified to provide medical services, primary care, as well as a range of other medical specialties that you can see in the exhibit. The new extension clinic will be named Rockaway Health Center of Excellence. Cumberland operates nine diagnostic and treatment centers along with numerous extension clinics and school-based clinics. The proposed extension clinic will be located within the health professional shortage area for primary care. This proposal aligns with New York City Health hospitals Gotham Health's strategic plan to establish clinic sites in partnership with New York City public and affordable housing agencies as it will be co-located within an affordable housing complex that offers over 1,700 housing units for low to middle income residents in the area. The applicant is anticipating almost 30,000 visits by year three with 46.7% Medicaid and 2% charity care. The total project costs of \$31,586,651 will be met with accumulated funds of \$9,671,652 and a budget appropriation of almost \$22 million from the City of New York Office of Management and Budget. The department is recommending approval with conditions and contingencies on this project.

Mr. Robinson Thank you.

Mr. Robinson Questions?

Mr. Robinson Applicant questions only.

Mr. Robinson Anyone from the public wishing to speak on this application?

Mr. Robinson Hearing none, call the question.

Mr. Robinson All in favor?

All Aye.

Mr. Robinson Any opposed?

Mr. Robinson Any abstentions?

Mr. Robinson Motion carries.

Mr. Robinson This is an application for hospice services. 251157C, Hospice Buffalo Inc in Erie County. This is to renovate an existing vacant space into offices, conference rooms, and educational space while simultaneously decertifying the ten beds in that area. Patient care areas will not be impacted by this application or project. The department is recommending approval with conditions at a contingency.

Mr. Robinson Motion by Dr. Berliner.

Mr. Robinson Second by Mr. Thomas.

Mr. Robinson Ms. Baniak.

Ms. Baniak Good morning. This is Lynn Baniak from the department. This application from Hospice Buffalo Inc is seeking approval to decertify ten currently unused beds from the facility and perform renovations to repurpose that space into office space, conference rooms, and training space. Hospice Buffalo Inc currently has thirty-two inpatient certified beds. Upon approval of this project, the number of inpatient-certified beds will be reduced to twenty-two. The applicant reports that in 2024 the average daily census was 13.2 with length of stay being 8.6 days. The newly constructed offices, conferencing, and educational space will provide several enhancements for employees and the community. The first is that the space will decompress office space elsewhere in the building, which will then be repurposed for clinical staff to be able to spread out more and also give the after-hours staff a dedicated suite. The second enhancement is conferencing space, which is needed. The final piece of this renovation is an educational space which will be outfitted for the clinical staff to continuously enhance their skills. The project will have no impact on the county served or the services being provided. The total project cost of \$3,638,572 will be funded with accumulated funds from Hospice and Palliative Care, Buffalo, Inc. The information provided by the Division of Home and Community-Based Services indicates that the applicant has provided sufficient supervision to prevent harm to the health, safety, and welfare of patients and to prevent recurrent code violations. The Bureau of Financial Analysis has determined that the applicants has demonstrated the capability to proceed in a financially feasible manner. The department is recommending contingent approval.

Mr. Robinson Thank you.

Mr. Robinson Questions?

Mr. Robinson Mr. Thomas.

Mr. Thomas I got it. Colorblind, bad color for me. Hugh Thomas, member of the council, very quickly, the ten unused. Is that because the program has gone to more home-based hospice operations? Should the applicant... Is the applicant here?

Ms. Baniak The applicant should respond to that.

Mr. Thomas That'd be great. Thank you.

Mr. Robinson Dr. Eisenstein.

Ms. Baniak They're not here.

Mr. Robinson There's no one from this application signed in.

Mr. Robinson Keep asking the questions. Let's see if somebody has an answer.

Dr. Eisenstein Thank you.

Dr. Eisenstein Dr. Larry Eisenstein, council member. I also had a question for the applicant, but I could still put the question on the floor, which is recent data shows that New York State is at the bottom, if not dead last in the United States in hospice care services, which I think from a public health perspective is something we need to do better on a personal level. I've had both of my parents go through the hospice system, and I think it's the most important thing that could have happened for my family. I would have liked to ask the applicant, considering New York's already so low, what efforts have they undertaken to help grow a culture of using hospice in the community and losing that capacity, clearly they are able to meet their current need, but is their current need sufficient for what it should be, I guess would have been my question. I think it's fair to put out there even though they're not here.

Mr. Robinson That's an excellent question. I agree. I know you may not be able to answer that question as a department.

Mr. La Rue Mr. Robinson.

Mr. Robinson Yes, Sir.

Mr. La Rue Again, with the applicant not here, I can't clarify, but if the beds are GIP beds, the Medicare or the oversight of those beds and the regulation and requirements for a patient to be in there has changed, or at least it's being enforced in a different way than it had been historically enforced. There are very few patients that qualify for a GIP bed under hospice anymore. I would guess that might be the reason, but in the absence of the applicant, we wouldn't know.

Mr. Kraut I would also rerun the hospice unit, and I think you're 100% correct. The utilization of inpatient hospice, economically there's a disincentive to it, in advance to it. Why don't we do this? Why don't get the questions asked and ask the applicant to write us a letter to respond to those questions in advance of the full council meeting. Just to move it along, unless you want to have a special meeting of the Establishment and Project Review prior to the next meeting, and we would require the applicant to come here or hold over.

Mr. Robinson I think the letter idea is a good one, Jeff, so why don't we follow that suggestion.

Mr. Kraut Just to be clear, let's restate the questions for staff so they can write it so we're clear about our expectations.

Mr. Thomas My question very specifically dealt with, why are those ten beds not being utilized today? I think we've got an explanation from Scott and Jeff. Part of that is also whether or not they've had a great deal of success in terms of expanding home-based hospice, which I experienced in my own life as well as did Dr. Eisenstein.

Mr. Robinson That's a good suggestion.

Mr. Robinson Dr. Eisenstein's suggestion, yours is more broadly.

Dr. Eisenstein About the use of hospice services across New York and what they've done to grow that and it's possible that they've simply moved it and have grown, but I wanted to hear that from the applicant.

Mr. Robinson Right, and then Mr. La Rue's comment, I think, about the particular category of hospice patients and the number of people that are able to qualify under those standards. I think those are the three questions.

Ms. Monroe I would like to see total people served, because there's a lot of hospice taking place at home and in the hospital. I'd like to that they're not decreasing the number of people served.

Mr. Robinson Let me make a suggestion and thank you for the advice from council here. I think what we'll do is advance this application forward to the full council without a recommendation at this point from the committee, pending the receipt of the letter, and then once that letter is received, we can then vote as a full council on this application. I think that's the way to proceed. Is everybody okay with that?

Mr. Kraut Do we need a motion to do so?

Mr. Kraut We have to make a motion.

Mr. Robinson A motion to move this application forward at the moment without a recommendation.

Mr. Robinson Can I have a motion and a second?

Mr. Robinson Thank you.

Mr. Robinson Any discussion?

Mr. Robinson All in favor?

All Aye.

Mr. Robinson Any opposed?

Mr. Robinson Any abstentions?

Mr. Robinson Motion carries.

Mr. Kraut I want to use this opportunity to make another impassioned plea for the applicants that if you have an application here, we expect you to be in this room. If you can't be in the room, move it to another cycle. We are not predisposed to moving applications when we don't have an opportunity to engage with an applicant. It's disrespectful to the work of the department and the work we're doing.

Mr. Robinson Thank you for that.

Mr. Robinson Moving on, applications for ambulatory surgery, 242233B, Flatlands Access Center LLC in Kings County. This is to establish and instruct a single specialty ambulatory

center for vascular access surgical procedures at 3839 Flatlands Avenue in Brooklyn. Note that on Page 1, under the needs summary, it should read, the applicant projects 1,116 visits in year one and 1,138 visits in year three with Medicare at 30 percent, Medicaid at 11 percent and charity care at 2 percent.

Mr. Robinson Motion, please, Dr. Berliner.

Mr. Robinson Second, Mr. Thomas.

Mr. Robinson Ms. Glock.

Ms. Glock Flatlands Access Center is requesting approval to create and construct this single specialty article 28 ambulatory surgery center. The center will be developed by converting an existing office based surgical suite located in Brooklyn That's in King's County. The Ambulatory Surgery Center will focus on vascular access surgical procedures for renal dialysis patients and will include two procedure rooms along with the necessary support space. Dr. Salafoo, who's board certified in internal medicine, nephrology, transplant nephrology, and interventional nephrology, excuse me, will serve as the sole member of Flatlands Access Center, LLC, and Medical Director. As Mr. Robinson gave the projected procedures with Medicaid and charity care, and those projections are based on the current practices of the participating surgeon total project costs will be met with members equity and a bank loan. The department is recommending approval with conditions and contingencies with an expiration of the operating certificate five years from the date of issuance.

Mr. Robinson Is the applicant here?

Mr. Robinson There's nobody signed in for this application.

Mr. Robinson Thank you very much.

Mr. Robinson Questions for the department?

Mr. Robinson Could you make sure that before you leave you sign in?

Mr. Robinson Thank you.

Mr. Robinson Questions for the applicant?

Mr. Robinson Anybody from the public wishing to speak on this application?

Mr. Robinson All in favor?

All Aye.

Mr. Robinson Any opposed?

Mr. Robinson Any abstentions?

Mr. Robinson Motion carries.

Mr. Robinson Thank you.

Mr. Robinson Another ASC application, 251234B, Smith Town ASC in Suffolk County, establish and construct a multi-specialty ambulatory surgery center at 61 Southern Boulevard in Nesconset five existing private office based surgical practices will be converted into an FASC specializing in..... I assume this is freestanding ambulatory surgery center specializing in gastroenterology, pain management, general surgery, and vascular surgery, including vascular disease and varicose veins. The department is recommending approval with conditions and contingencies, with an expiration of the operating certificate five years from the date of issuance.

Mr. Robinson Motion by Dr. Berliner.

Mr. Robinson Second by Mr. Thomas.

Mr. Robinson Ms. Glock.

Ms. Glock Smithtown ASC is requesting approval to establish and construct a multi-specialty article 28 freestanding ambulatory surgery center in Nesconset, Suffolk County Smithtown will specialize in gastroenterology, pain management, general surgery and vascular surgery. This project will convert five existing private office-based surgical practices into a multi-specialty Article 28 freestanding ambulatory surgery center. Upon approval, the surgical components of those private practices will close. However, each practice will continue to provide consultations, follow-up, and pre and post procedure appointments for their patients. The proposed membership of Smithtown ASC is shown in the staff to report, and the department has determined that those individuals do meet the standard for approval under Public Health Law 2801A3. This applicant is projecting about forty-five hundred visits by year three with Medicaid at six and a half percent and charity care at two. Those projections, according to the applicant, are based on the current caseload of the physicians who will be practicing at this freestanding ambulatory surgery center. All of the cases are coming from their existing office-based surgery practices. Total project costs will be funded with members' equity and a loan. The department is recommending approval with conditions and contingencies with an expiration of the operating certificate five years from the date of issuance.

Mr. Robinson Thank you.

Mr. Robinson Questions on this application?

Mr. Robinson Applicant questions only.

Mr. Robinson Anyone from the public wishing to speak on this application?

Mr. Robinson All in favor?

All Aye.

Mr. Robinson Any opposed?

Mr. Robinson Any abstentions?

Mr. Robinson Motion carries.

Dr. Berliner Just a question. I think everyone around this table is expecting charity care to go up in the near future. I'm wondering if it makes sense to reinvestigate or maybe recreate the subcommittee that looked at what charity care should be in ASCs and in freestanding. Just one other point and maybe Dr. Fish could help with this at the full council meeting. How much money is going into the bad debt and charity care fund and how is it being distributed... You know, just kind of a ballpark.

Mr. Kraut I would say in addition to what you're suggesting is we should have data. We're going to have a baseline of good data because we have, these are course reports and financial statements that we'd be able to get. As they file additional stuff, we need to, I suspect from the Department of Health, this is, if not the Department of Health it will be United Hospital Fund. Community advocates are going to be looking at this issue as well, and that information should come and inform the conversations. Because when new applications come in, when we fully appreciate the impact of the OBBBA on the New York State budget, we may change our expectations for applicants.

Mr. Robinson The other thing we don't know is what's the mix of people becoming ineligible for Medicaid as a result of that versus how much is going to be downward pressure on payment rates in Medicaid. It's little bit difficult to sort of like sort that through as well. I think we've got a number, but you're absolutely right that the whole sense of what the projections are going to be is likely to be a little bit up in the air at the moment. I think when these applications were filed, that wasn't in their financial projections. We have to almost deal with this on the fly for the moment, and certainly until we know what the state budget's going to look like next year.

Mr. Kraut I don't want to prolong the discussion, but the other issue that we don't see is there is not a standardized charity care policy. We might want to have applied uniformly across all licensed Article 20. Now, I know there is recommended. I know the state Attorney General put out a kind of a standard of what that may be. I suspect that might be a policy initiative of the state as well to standardize. It's pretty much watched and standardized in the hospitals. It's not outside in these other facilities. That might be a useful way then we know there's a process and it's a standardized process across all the ASCs, across all of the DNTCs. That's the obligation if you have a license, this is the requirement.

Mr. Robinson I think the other thing to keep in mind is that most of the Medicaid impact is not going to hit until after the 2026 election, so in 2027 and 2028, so the early years may not be as significant.

Mr. Kraut Let's keep an eye on it.

Mr. Robinson It's more complex than might appear to be the case on the surface is the only point I'm making.

Mr. Robinson Yes, Dr. Eisenstein.

Dr. Eisenstein I also think it would be helpful, having looked at this within the hospitals and now looking out. I think it will help clarify for our partners in health care what is eligible and what is not, and what it is in the definition of charity care and what is not. While it may sound easy as something we should all know, there are intricacies that you'd be surprised what qualifies and what does not. Even just having that kind of education as part of this process, I think would be very helpful.

Mr. Robinson I do agree, but I think the other thing that came up in several of the applications was the issue of the disparity between inpatient and ambulatory charity care and the role that emergency Medicaid applications have in how people shift from payer mix.

Mr. Kraut That's a revenue cycle. I mean people, this is a real detailed science of revenue cycle of how you do this and how you take advantage of the entitlement programs or not.

Mr. Robinson I think that when we just look at the plain percentages as we do in these applications here, it's legitimate to raise that question. I think we need to almost be clear on why that is existing so that we're not trying to wrestle with it with each application.

Mr. Kraut Let's bring that back to the department. Let them reflect on what we've said and then let's continue.

Mr. Lawrence I guess one of my concerns, and even when I was looking at the numbers and listening to the explanations, is really, you know, that's only capturing inside baseball. We have no way of knowing who is not showing up because they just think it's not, there's no game to be played here, and that they don't have an opportunity. People are in fact self, I guess, I was going to say self-deporting, but self not accessing care because they feel that there's not an opportunity and also staying in this environment really hanging back and not wanting to show up on the radar of any healthcare institution. I don't know. I mean, again, we're just looking at what the accounting is inside the institution, not necessarily looking at what the demand might be for that care and people deciding not to enter, not to cross the threshold.

Ms. Farrell Although, we're such a hospital bed-based state that perhaps what we'd better want to understand is, well, how much care is indeed being delivered in the ambulatory? I mean, you don't want people going to the hospital. Ideally, you want to prevent people from going to a hospital. How do we tease that out?

Mr. Kraut All the hospitals report that.

Ms. Farrell Yes, so it'd be interesting to understand that.

Mr. Kraut It's audited and everything, as the D&TCs report that on their course reports.

Mr. Kraut I think what we're getting at from Mr. Lawrence here is the access question and whether those policies and those percentages create a perception of barrier to access for people who were not covered. I think that's what we really need to present. I think that's what we really need to do.

Mr. Kraut Everybody advertises they have charity care policy. They're supposed to. They're supposed to put it on every bill. It's a legal requirement. It requires a lot of people. That alone is insufficient.

Mr. Kraut That is the essence in part of the 1115 waiver. The social care networks that have been done, that is part of what their job is that we're spending hundreds of millions of dollars funding.

Dr. Berliner I mean, if we're going to do this, I think we should kind of start from scratch and not assume that emergency Medicaid will be here forever.

Mr. Kraut You have to get data. Everybody's just talking... We're talking policy. Let's get some facts and then let the department, they heard what we had to say, let's figure out a way to come back. This may be the subject of a retreat because what I also learned from hearing the conversation is the members who are not part of day-to-day kind of operations. We could do a healthcare 101 finance that explains some of this. Believe me, I wouldn't be the one teaching it. It's a very unique subset of skills that do this. When I've done it with business leaders, the most frequent response is, nah, that can't be possible. That's how you guys operate.

Mr. Kraut Let's bring that back, and let's move on with the agenda.

Mr. Robinson We are, we just acted on the Smittown application. We're now moving to home health agencies. Ms. Baniak get ready.

Mr. Robinson 231129E, Serenity Health and Wellness LLC is a list of geographic service areas for this. This is to transfer 100% membership interest from one withdrawing member to one new member corporation. Department is recommending approval with a condition.

Mr. Robinson Motion by Dr. Berliner.

Mr. Robinson Seconded by Mr. Thomas.

Ms. Baniak This application by Serenity Health and Wellness LLC, which is an existing licensed home care services agency is requesting approval for the transfer of 100% of its membership interest to Swift Home Care Court. Swift Home Care Corp has been providing operational support to the LHCSA through a management agreement previously approved by the department in December of 2020. There are no changes to the name of the agency, county served, or and services provided. The applicant has attested that the existing is serving twenty-five or more patients, therefore the need methodology is waived. The financial requirements are met because they submitted documents prepared by a CPA attesting to their financial feasibility. The applicant has passed the character and competence requirements. The workforce plan was adequately addressed and it's in Attachment A to the exhibit. With that, the department is recommending approval.

Mr. Robinson Is the applicant here?

Mr. Robinson Could you please sign in before you leave?

Mr. Robinson You did it over there?

Mr. Robinson Thank you very much.

Mr. Robinson Questions, yes.

Mr. Robinson We motioned this already.

Mr. Robinson Has anybody got a question here?

Mr. Robinson Applicant questions only.

Mr. Robinson Anybody from the public wishing to speak on this application?

Mr. Robinson All in favor?

All Aye.

Mr. Robinson Any opposed?

Mr. Robinson Any abstentions?

Mr. Robinson Motion carries.

Mr. Robinson Thank you.

Mr. Robinson Application 232065E, Mountain View Management LLC doing business as Mountain View Home Care Agency. Again, the exhibit contains a list of the geographic service area. This is to establish Mountain View Management LLC as the new operator of a licensed home care services agency currently operated by Mountain Home Care Agency at 355 Fishkill Avenue in Beacon. Department recommends approval with the condition.

Mr. Robinson Motion by Dr. Berliner.

Mr. Robinson Second by Mr. Thomas.

Ms. Baniak This application is for Mountain View Management LLC doing business as Mountain View Home Care Agency to become the new operator of the existing LHCSA, currently operated by Mountain Home Care agency in Beacon, New York. The proposed membership of Mountain View Management LLC DBA Mountain View Home Care Agency is Sage Holdings. I'm not sure how to pronounce that. LLC at 100%, which consists of the following members. The organizational chart is provided in Attachment A. There is a separate application for conforming membership changes to the assisted living program, Hedge wood Assisted Living LLC, which is served by this LHCSA. The applicant will continue to serve the same counties and services, except that they have requested that medical supplies, equipment, and appliances be removed from their operating certificate. The department is recommending approval.

Mr. Robinson Thank you.

Mr. Robinson Questions?

Mr. Robinson Applicant questions only.

Mr. Robinson Anybody from the public on this application?

Mr. Robinson All in favor?

All Aye.

Mr. Robinson Any opposed?

Mr. Robinson Any abstentions?

Mr. Robinson Motion carries.

Mr. Robinson Thank you.

Mr. Robinson Application 232147E, Elite HHC LLC. Please see the exhibit for the geographic service area again. This application calls for the transfer of 100% membership interest to a new member LLC. Department is recommending approval.

Mr. Robinson Motion, Dr. Berliner.

Mr. Robinson Second, Mr. Thomas.

Ms. Baniak This application by Elite HHC LLC, which is an existing licensed home care services agency is requesting approval for the transfer of 100% of its membership interest to Houseworks New York Holdings LLC. If approved, the Elite HHHC LLC will become part of the Houseworks family of companies. The transaction will result in a change to Elite HHC LLC's direct parent. However, there will be no change to the operator of the LHCSA. An affidavit of no control has been implemented above the second level great-grandparent entity whereby Personal Care ITC Holdings LLC and all organizations and members above this entity will refrain from exercising control over the LHCSA. The post-closing organizational chart has been provided as Attachment A. There are also no changes being proposed to the county served or to the services provided. The applicant has attested that the existing LHCSA is serving twenty-five or more patients. Therefore, the need methodology is waived. The financial requirements are met because they submitted documents prepared by a CPA attesting to their financial feasibility. The applicant passed the character and competence requirements. The workforce plan was adequately addressed and is an Attachment B to the exhibit. Based on the information provided, the department is recommending approval.

Mr. Robinson Thank you.

Mr. Robinson You want the applicant?

Mr. Kraut Yes.

Mr. Robinson Could we ask the applicant to come forward, please?

Mr. La Rue I'm Frank Cicero, a consultant representing the applicant.

Applicant Brad Coppin is a member of the board of directors of the parent company of the applicant.

Applicant Brian Buehle, I'm an attorney for the applicant.

Mr. Kraut My question, very simply, is you have eleven entities above the applicant. Just why so complicated a structure? I know you've acknowledged that there will only be control up to the second grandparent or the grandparent. Can you just explain the reason why we're seeing a structure this complex? That's all.

Applicant On behalf of the applicant, I'll answer that question. There are, where the affidavit of no control sits, that's essentially the direct parent. All of the entities, including

that one, all of those entities above are the investment entities for raising capital. That's where the investors, and these are passive investors sit. When you're looking at that org chart, everything from that Personal Care ITC Holdings level and above is essentially. It's just money. It's the investment vehicle for the larger Houseworks enterprise, which is beyond New York State.

Mr. Kraut You're the operator or you are the owner?

Applicant Current owner.

Mr. Kraut Is the assets or the people that are employed, if there's some issue here, who is accountable for delivering care to the patients that we're going to approve?

Mr. Cicero Mr. Kraut, it is the four individuals who are in this, who have undergone character and competence.

Mr. Robinson Other questions for the applicant or the department?

Mr. Robinson Thank you for coming up.

Mr. Robinson Anyone from the public wishing to speak on this application?

Mr. Robinson All in favor?

All Aye.

Mr. Robinson Any opposed?

Mr. Robinson Any abstentions?

Mr. Robinson Motion carries.

Mr. Robinson Thank you.

Mr. Robinson Application 232199E, Kingsway Home Care Services, Inc. As with these applications, the geographic service area is in the material that was presented.

Mr. Robinson I withdraw that. I apologize.

Mr. Robinson Ignore what I just said.

Mr. Robinson Application 232150E, Adept Healthcare Services. Again, the geographic service area defined in the material. This is to transfer 100% ownership interest from a deceased shareholder to a new shareholder. Department recommends approval with a condition.

Mr. Robinson Motion by Dr. Berliner.

Mr. Robinson Second by Mr. Thomas.

Ms. Baniak This application from Adept Healthcare Service, Inc., which is an existing LHCSA is requesting approval for a 100% ownership transfer from one deceased

shareholder to one new shareholder, Michelle Travis. With the exception of the request to add homemaker and housekeeping services, there are no changes being proposed to the services provided or the county served. The applicant has attested that the existing LHCSA is serving twenty-five or more patients. Therefore, the need methodology is waived. The financial requirements are met because they submitted documents prepared by a CPA attesting to their financial feasibility. The applicant had passed the character and competence requirements. The workforce plan was adequately addressed and is in Attachment A to the exhibit. The department is recommending approval.

Ms. Monroe Thank you.

Ms. Monroe I appreciate that the agency has financial feasibility. In your review, do you look at whether or not the person purchasing the entity has the financial capacity to purchase such an entity? I can't tell here what the dollar amount of the sale was. I don't see anywhere where the department has said, this person, this individual, and I don't mean anything disparaging against her, has the financial capacity to purchase the agency. Is that anything that comes under your purview when you look at this transaction?

Ms. Baniak For the LHCSAs, the requirement is that a CPA or other financial professional submits documentation attesting to the financial feasibility, and in this case they did so.

Ms. Monroe I'm sorry, you said the financial capacity of the agency or of the new owner?

Ms. Baniak The new owner.

Mr. Robinson You have a third party. Put it this way, is there any concern about the consideration paid for the agency because we don't disclose the purchase price or the transfer price? That's one question. And then the second issue, do you, first, do review that for reasonableness, whatever. Second, that you have a.... It's a certified public accountant that gives you that attestation.

Mr. Squillaciotti Hi. Chris Squillaciotti, Department of Health. We do ask for financial information in our applications. We do take a look at it. However, what we're really looking for is that a certified public accountant or other Chief Financial Officer in an organization is attesting to that financial feasibility, which is two months of working capital. We do ensure that that is documented that we have it, but we ultimately sign off from up from our financial feasibility regulation that there is somebody who is attesting that they can meet that requirement. In this particular case, this was more of a transfer due to the deceased shareholder, so I believe this is the daughter who is assuming the interest in this organization. I don't have the financial data in front of me. Again, we did ensure before that, the CPA did a test.

Ms. Monroe Just so I understand you, you look for two months of working capital to make sure the organization is viable. You don't necessarily look to see if the successor or the purchaser has the financial capacity to take on the ownership.

Mr. Squillaciotti That's correct. We're asking that they attest to that.

Ms. Monroe Thank you.

Mr. Thomas One other quick question. You have a deceased shareholder, daughter stepping in, but the daughter is more, she's been running the place since 1998. From that

perspective, there's working capital for the organization, I guess. Who knows what the relationship is between the estate and the daughter? That's up to them. Am I stating that correctly?

Mr. Squillaciotti Yes.

Mr. Robinson Anyone from the public wishing to speak on this application?

Mr. Robinson All in favor?

All Aye.

Mr. Robinson Any opposed?

Mr. Robinson Any abstentions?

Mr. Robinson Motion carries.

Mr. Robinson Thank you.

Mr. Robinson Now we go to 232199E, Kingsway Home Care Services Inc. Again, the geographic service area and the exhibits. This is to transfer 100 percent ownership interest from- did we just do this?

Mr. Robinson It's the same thing.

Mr. Robinson Sorry, this is a parallel kind of application. Transfer 100 percent ownership interest from one deceased shareholder to a new shareholder. I want to make a note here that on page one of the exhibit under OALTC recommendation was changed to approval rather than contingent approval. Department is recommending approval with a condition.

Mr. Robinson Motion by Dr. Berliner.

Mr. Robinson Second by Mr. Thomas.

Mr. Robinson This application from Kingsway Home Care Services Inc, which is an existing LHCSA is requesting approval for a 100% ownership transfer from one deceased shareholder to one new shareholder, Christina McPartlin. There are no proposed changes to the county served or the services provided. The applicant has attested that the existing LHCSA is serving twenty-five or more patients. Therefore, a need methodology is waived. The financial requirements are met because they submitted documents prepared by a CPA attesting to their financial feasibility. The applicant passed the character and competence requirements. The workforce plan was adequately addressed and is an Attachment A to the exhibit. Based on all of that, the department is recommending approval.

Mr. Robinson Thank you.

Mr. Robinson Questions?

Mr. Robinson Applicant questions only.

Mr. Robinson Anyone from the public on this application?

Mr. Robinson All in favor?

All Aye.

Mr. Robinson Any opposed?

Mr. Robinson Any abstentions?

Mr. Robinson Motion carries.

Mr. Robinson Application 241300E, Parkview Mansion LLC doing business as Parkview Home Care. Geographic service area noted in the exhibit. To establish Parkview Mansion LLC as the new operator of a licensed home care services agency currently operated by Parkview HFA Inc located at 3200 Bronx Boulevard in the Bronx. Department recommends approval with conditions.

Mr. Robinson Motion by Dr. Berliner.

Mr. Robinson Second by Mr. Thomas.

Ms. Baniak This application is for Parkview Mansion LLC doing business as Parkview Home Care to be established as the new operator of the existing LHCSA currently operated by Parkview HFA Inc in Bronx, New York. The proposed membership of Parkview Mansion LLC doing business as Park View Home Care will be Mark Reisman at 50% and Mordecai Steg at 50%. There is a separate application for conforming membership changes to the assisted living program, Parkview Assisted Living, which is served by the LHCSA. There will be no changes to the county served and the services provided. The applicant affirms that the existing LHCSA is serving twenty-five or more patients. Therefore, the need methodology is waived. The financial requirements are met because they submitted documents prepared by a CPA attesting to their financial feasibility. The applicant passed the character and competence requirements. The workforce plan was adequately addressed and is in Attachment A to the exhibit. The department is recommending approval.

Mr. Robinson Questions?

Mr. Robinson Applicant questions only.

Mr. Robinson Anyone from the public on this application?

Mr. Robinson All in favor?

All Aye.

Mr. Robinson Any opposed?

Mr. Robinson Any abstentions?

Mr. Robinson Motion carries.

Mr. Robinson We are now running through certificates, so pause me if you want to ask a question, but otherwise we will run through these pretty quickly. Certificate of amendment of the certificate of incorporation for Nazareth Home of the Franciscan Sisters of the Immaculate Conception. The Nazareth Home for the Franciscan Sisters of the Immaculate Conception requests approval to amend their certificate of operation to change their listed purposes, update the status of the entity, and change their mailing address for purposes of service. Department recommends approval.

Mr. Robinson Motion by Dr. Berliner.

Mr. Robinson Second by Mr. Thomas.

Mr. Robinson All in favor?

All Aye.

Mr. Robinson Any opposed?

Mr. Robinson Any abstentions?

Mr. Robinson Motion carries.

Mr. Robinson In a restated certificate of incorporation for Arnot Ogden Medical Center, this transaction will allow Centralis Health, Inc to manage Arnot Ogden Medical Center and is necessary to effectuate Centralis Health Inc.'s establishment as the active parent of Arnot Health, which was approved in CON 241015. Department recommends approval.

Mr. Robinson Motion by Dr. Berliner.

Mr. Robinson Second by Mr. Thomas.

Mr. Robinson All in favor?

All Aye.

Mr. Robinson Any opposed?

Mr. Robinson Any abstentions?

Mr. Robinson Motion carries.

Mr. Robinson Ira Davenport Memorial Hospital, Inc. The Ira Davenport Memorial Hospital Inc requests approval to restate its certificate of incorporation to reserve management powers to its member, Arnot Ogden Medical Center, among other things. Arnot Ogden Medical center's sole member is Arnot Health Inc, and Arnot Health Inc's sole member is Centralis Health Inc. This transaction will allow Centralis Health Inc to manage the Ira Davenport Memorial Hospital, Inc., and it's necessary to effectuate Centralis Health Inc.'s establishment as the active parent of Arnot Health, inc., which was approved in Application 241015. Department recommends approval.

Mr. Robinson Motion by Dr. Berliner.

Mr. Robinson Second by Mr. Thomas.

Mr. Robinson All in favor?

All Aye.

Mr. Robinson Any opposed?

Mr. Robinson Any abstentions?

Mr. Robinson Motion carries.

Mr. Robinson Young Adult Institute, Inc, the Young Adult Institution Inc requests approval to restate its certificate of incorporation to remove the language permitting it to operate a home care agency pursuant to Article 36 of the Public Health Law, add language permitting it to operate programs for the mentally disabled pursuant to Article 31 of the Mental Health Law. Update the language used to describe its mission and update its indemnification and tax-exempt clauses. The department recommends approval.

Mr. Robinson Motion by Dr. Berliner.

Mr. Robinson Second by Mr. Thomas.

Mr. Robinson All in favor?

All Aye.

Mr. Robinson Any opposed?

Mr. Robinson Any abstentions?

Mr. Robinson Motion carries.

Mr. Robinson Finally, a certificate of dissolution for the Flushing Manor Geriatric Center, Inc. Flushing Manor Geriatric Center Inc requests Public Health and Health Planning Council approval of its proposed dissolution in accordance with 10 NYCRR Part 650. The department recommends approval.

Mr. Robinson Motion by Dr. Berliner.

Mr. Robinson Second by Mr. Thomas.

Mr. Robinson All in favor?

All Aye.

Mr. Robinson Any opposed?

Mr. Robinson Any abstentions?

Mr. Robinson The motion carries.

Mr. Robinson I do want to thank the public and everybody here for tolerating our delay in getting started because of a quorum. Thank very much our newly minted committee members for their participation and turn it over to Mr. Kraut to talk about what happens next.

Mr. Kraut Yes, so our next meeting of the full Council of Public Health and Health Planning Council is going to be held on Thursday, September 18th, 2025, at 10:00am at 90 Church Street in Manhattan. At that time, we'll have a pretty full agenda. I just want to acknowledge that We're going to ask Mr. La Rue to give an update on the initiate, or really a description of the Nursing Home Certificate of Need Ad Hoc Committee, the charge statement has been posted to our website as to the activities of that committee and so he'll be giving a report at that time to update it.

Mr. Robinson Where are we for our next meeting?

Mr. Kraut Our next meeting is in New York City and Manhattan.

Mr. Kraut I'll turn it over to you to close the committee meeting.

Mr. Robinson I thank you all very much and we are adjourned.

Mr. Kraut Thank you.

Mr. Kraut We take a motion.

Mr. Kraut We've got to vote.

Mr. Robinson You've got a vote to adjourn?

Mr. Robinson Can I have a motion to adjourn?

Mr. Robinson Second.

Mr. Robinson All those in favor?

All Aye.

Mr. Robinson Any opposed?

Mr. Robinson No one is opposed.

Mr. Robinson You can abstain if you like.

Mr. Robinson Motion carries.

Mr. Robinson We're adjourned.

Mr. Kraut The New York City train will be arriving in fifteen minutes.