STATE OF NEW YORK
PUBLIC HEALTH AND HEALTH PLANNING COUNCIL

COMMITTEE DAY

AGENDA

August 27, 2026
10:15 a.m.

Empire State Plaza, Concourse Level, Meeting Rooms 2-4, Albany

I. COMMITTEE ON ESTABLISHMENT AND PROJECT REVIEW

Peter Robinson, Chair

A Application for Construction of Health Care Facilities/Agencies

Ambulatory Surgery Center – Construction

	Number	Applicant/Facility
1.	261252 C	21 Reade Place ASC LLC d/b/a Bridgeview Endoscopy (Dutchess County)

B. Applications for Establishment and Construction of Health Care Facilities/Agencies

Residential Healthcare Facilities – Establish/Construct

	Number	Applicant/Facility
1.	251186 E	Highland Operations, LLC d/b/a Highland Park Rehabilitation & Nursing Center (Allegany County)
2.	252238 E	TPRC OPCO LLC d/b/a Astoria at Rochester Nursing and Rehabilitation Center (Monroe County)

Home Care Service Agency Licensures

Licensed Home Care Services Agencies - Changes of Ownership

	Number	Applicant/Facility
1.	241233 E	Peak Outcomes, LLC d/b/a Duet Care at Home (Please see exhibit for list of Geographical Service Area)

2.	241270 E	Ez Living Home Care of NY, Inc. (Please see exhibit for list of Geographical Service Area)
3.	241273 E	Simpson Solutions LLC d/b/a All Care Living Assistance Services (Please see exhibit for list of Geographical Service Area)
4.	251085 E	Bridges LHCSA LLC d/b/a Bridges Cornell Heights Home Health (Please see exhibit for list of Geographical Service Area)

Ambulatory Surgery Centers – Establish/Construct

	Number	**Applicant/Facility**
1.	251159 E	Wehrle Drive ASC, LLC d/b/a Atlas Surgery Center (Erie County)
2.	252013 E	The Endoscopy Center of Queens, Inc. d/b/a The Endoscopy Center of Queens (Queens County)
3.	261203 E	Binghamton ASC, LLC d/b/a Greater Binghamton Eye Surgery Center (Broome County)

Diagnostic and Treatment Centers – Establish/Construct

	Number	**Applicant/Facility**
1.	242223 E	Kahr Health, LLC d/b/a Park Avenue Health Center (Rockland County)
2.	261177 B	Richmond Comprehensive Health, LLC d/b/a Richmond Comprehensive Health (Richmond County)

Acute Care Services – Establish/Construct

	Number	**Applicant/Facility**
1.	261152 E	St. John Riverside Health – St Johns Division (Westchester County)
2.	261237 E	Maimonides Medical Center (Kings County)

C. Certificates

Certificate of Amendment of the Certificate of Incorporation

Applicant

Long Island Select Healthcare, Inc.
RiverSpring DTC Corp.

******Agenda items may be called in an order that differs from above******

Public Health and Health Planning Council

Project # 261252-C
21 Reade Place ASC LLC d/b/a Bridgeview Endoscopy

Program: **Diagnostic and Treatment Center** ***County:*** **Dutchess**
Purpose: **Construction** ***Acknowledged:*** **June 4, 2026**

Executive Summary

Description
21 Reade Place ASC, LLC d/b/a Bridgeview Endoscopy (Bridgeview), an Article 28 single specialty freestanding ambulatory surgery center (FASC), at 21 Reade Place, Poughkeepsie (Dutchess County), seeks approval to certify and construct a single-specialty (gastroenterology) extension clinic on Snook Road, Fishkill (Dutchess County).

The proposed extension clinic will have four (4) procedure rooms and related support spaces.

Sunil Khurana, M.D., a board-certified gastroenterologist, will continue to serve as Medical Director. The applicant has an existing Transfer & Affiliation Agreement for backup and emergency services with Vassar Brother Medical Center, 13 miles/23 minutes away.

OPCHSM Recommendation
Contingent approval with an expiration of the operating certificate five years from the date of its issuance.

Need Summary
The applicant projects 3,341 visits representing 3,675 procedures in Year One and 4,455 visits representing 4,900 procedures in Year Three, with Medicaid at 5.0% and Charity Care at 2.0%.

Program Summary
Based on the results of this review, a favorable recommendation can be made regarding the facility's current compliance pursuant to 2802-(3)(e) of the New York State Public Health Law.

Financial Summary
Total project costs of $11,817,709 will be funded with landlord improvements of $7,762,918, a $1,960,631 capital equipment lease, and $2,094,160 in equity from 21 Reade Place ASC, LLC.

Budget	Year One	Year Three
Revenues	$3,020,101	$4,026,776
Expenses:	3,003,460	3,622,835
Net Income (Loss)	$16,641	$403,941

Health Equity Impact Assessment
The information and analysis presented in the Health Equity Impact Assessment and the applicant's mitigation plan demonstrate the proposed project will not result in any significant adverse health equity impacts.

Recommendations

Health Systems Agency

There will be no HSA recommendation for this project.

Office of Primary Care and Health Systems Management

Approval with an expiration of the operating certificate five years from the date of its issuance, contingent upon:

1. Submission of a check for the amount enumerated in the approval letter, payable to the New York State Department of Health. Public Health Law Section 2802.7 states that all construction applications requiring review by the Public Health and Health Planning Council shall pay an additional fee of fifty-five hundredths of one percent of the total capital value of the project, exclusive of CON fees. [PMU]
2. Architectural Design Development Drawings: submission of architectural and life safety drawings, acceptable to the Department, as described in the Bureau of Architecture and Engineering Review Drawing Submission Guidelines DSG-1.0. [AER]
3. Engineering Design Development Drawings: submission of mechanical, electrical, plumbing and fire protection drawings, acceptable to the Department, as described in the Bureau of Architecture and Engineering Review Drawing Submission Guidelines DSG-1.0. [AER]
4. Submission of an executed real property loan commitment acceptable to the Department of Health. [BFA]
5. Submission of an executed capital equipment lease commitment acceptable to the Department of Health. [BFA]
6. Submission by the governing body of the ambulatory surgery center of an Organizational Mission Statement which identifies, at a minimum, the populations and communities to be served by the center, including underserved populations (such as racial and ethnic minorities, women, and handicapped persons) and the centers commitment to meet the health care needs of the community, including the provision of services to those in need, regardless of ability to pay. The statement shall also include a commitment to the development of policies and procedures to assure that charity care is available to those who cannot afford to pay. [RNR]
7. Submission of a signed agreement with an outside, independent entity satisfactory to the Department to provide annual reports to DOH. Reports are due no later than April 1st for the prior year and are to be based upon the calendar year. Submission of annual reports will begin after the first full or, if greater or equal to six months after the date of certification, partial year of operation. Reports should include:
    a. Data displaying actual utilization including procedures;
    b. Data displaying the breakdown of visits by payor source;
    c. Data displaying the number of patients who needed follow-up care in a hospital within seven days after ambulatory surgery;
    d. Data displaying the number of emergency transfers to a hospital;
    e. Data displaying the percentage of charity care provided;
    f. The number of nosocomial infections recorded during the year reported;
    g. A list of all efforts made to secure charity cases; and h. A description of the progress of contract negotiations with Medicaid managed care plans. [RNR]

Approval conditional upon:

1. This project must be completed by **October 1, 2028**, including all pre-opening processes, if applicable. Failure to complete the project by this date may constitute an abandonment of the project by the applicant and the expiration of the approval. It is the responsibility of the applicant to request prior approval for any extensions to the project approval expiration date. [PMU]
2. Construction must start on or before **April 1, 2027**, and construction must be completed by **July 1, 2028**, presuming the Department has issued a letter deeming all contingencies have been satisfied prior to commencement. It is the responsibility of the applicant to request prior approval for any changes to the start and completion dates. In accordance with 10 NYCRR Section 710.10(a), if construction is not started on or before the approved start date, this shall constitute abandonment of the approval. [PMU]
3. The submission of Final Construction Documents, as described in BAER Drawing Submission Guidelines DSG-05, is required prior to the applicant's start of construction. [AER]
4. The submission of annual reports to the Department as prescribed by the related contingency, each year, for the duration of the limited life approval of the facility. [RNR]
5. The staff of the facility must be separate and distinct from the staff of other entities; the signage must clearly denote that the facility is separate and distinct from other entities; the clinical space must be used exclusively for the approved purpose; and the entrance must not disrupt any other entity's clinical program space. [HSP]
6. The applicant must ensure registration for and training of facility staff on the Department's Health Commerce System (HCS). The HCS is the secure web-based means by which facilities must communicate with the Department and receive vital information. Upon receipt of the Operating Certificate, the Administrator/director that has day-to-day oversight of the facility's operations shall submit the HCS Access Form at the following link to begin the process to enroll for HCS access for the first time or update enrollment information as necessary: https://www.health.ny.gov/facilities/hospital/docs/hcs_access_form_new_clinics.pdf. Questions may be directed to the Division of Hospitals and Diagnostic &Treatment Centers at 518-402-1004 or email: hospinfo@health.ny.gov. [HSP]
7. Reimbursable TPC (representing the Fit-Out costs only) is limited to $7,298,677.00. [CCC]

Council Action Date

September 17, 2026

Need Analysis

Project Description

21 Reade Place ASC, LLC d/b/a Bridgeview Endoscopy (Bridgeview) is seeking approval to certify and to construct a single-specialty freestanding ambulatory surgical center (FASC), specializing in Gastroenterology, at 21 Reade Place, Poughkeepsie, New York 12601 (Dutchess County). The proposed extension clinic will be fit-out in a to-be-constructed building on Snook Road, Fishkill (Dutchess County), New York 12524, approximately 13.5 miles and 27-minute travel time from Bridgeview's main site.

This project involves the conversion of an existing private office-based surgical practice consisting of two physicians, in New Windsor, New York in Orange County into this Article 28 ambulatory surgery center extension clinic. This will enable Bridgeview Endoscopy to relocate about 2,800 existing gastroenterology procedures from the main site. The main site has capacity constraints, scheduling issues and an overflow of patients. Upon approval of this project, the surgical component of only the private practice will close, but the physicians will continue to provide consultations, follow-up, and pre- and post-procedure appointments. The physicians will also continue to be on call with their respective hospitals and will continue to perform inpatient and ambulatory surgery procedures that are more appropriately done in a hospital. None of the projected procedures are being performed in hospitals.

Background & Analysis

The primary service area (PSA) for this project is Dutchess County. The applicant also expects to see patients from northeast Orange County and parts of northern Putnam County. The population of the PSA is estimated at 298,220 based on 2024 American Community Survey data and is projected to decrease to 290,034 by 2031, per projection data from the Cornell Program on Applied Demographics (PAD), a decline of 2.7%. Demographics for Dutchess County are noted below, including a comparison with New York State.

Demographics	Dutchess County	New York State
Total Population – 2024 Estimate	298,220	19,852,366
Hispanic or Latino (of any race)	15.4%	19.8%
White (non-Hispanic)	66.1%	52.8%
Black or African American (non-Hispanic)	9.2%	13.4%
Asian (non-Hispanic)	3.4%	9.0%
Other (non-Hispanic)	5.9%	5.0%

Source: 2024 American Community Survey (5-year Estimates Data Profiles)

The population cohort aged 45 to 75 years old was 39.3% of the total population in Dutchess County in 2024. By 2031, Cornell PAD estimates the 45 to 75 years and over cohort will be 37.3% of the total population, a decline of 2.0%. This cohort is important as the current colorectal screening guidelines from the Centers for Disease Control, and the American Cancer Society recommend that adults aged 45 to 75 years old be screened for colorectal cancer.

In 2024, 96.1% of the population of Dutchess County had health coverage as follows:

Employer Plans	54.9%
Medicaid	13.4%
Medicare	14.0%
Non-Group Plans	13.3%
Military or VA	0.55%

Source: Data USA

The table below shows the projected payor source utilization for Years One and Year Three.

Payor	Year One		Year Three	
	Volume	%	Volume	%
Commercial FFS	2,161	58.8%	2,880	58.8%
Medicare FFS	768	20.9%	1,024	20.9%
Medicare MC	489	13.3%	652	13.3%
Medicaid FFS	18	0.5%	25	0.5%
Medicaid MC	165	4.5%	221	4.5%
Charity Care	74	2.0%	98	2.0%

Source: Applicant

The applicant projects 3,341 visits representing 3,675 procedures in Year One and 4,455 visits representing 4,900 procedures in Year Three with Medicaid at approximately 5.0% and Charity Care at 2.0%.

The table below shows the number of patient procedures for relevant facilities providing ambulatory surgery services in Dutchess County for 2022 through 2025.

Ambulatory Surgery Services within 27-mile Radius of the Applicant					
Facility Name	Type	Patient Procedures			
		2022	2023	2024	2025
Hudson Valley Endoscopic Center	ASC	6,484	6,576	6,255	4,887
St Luke's Cornwall Hospital/Newburgh	Hospital	4,971	4,763	4,556	4,664
Vassar Brothers Medical Center	Hospital	8,346	8,857	8,473	9,472
Bridgeview Endoscopy	ASC	8,338	8,873	8,792	9,043
Mid-Hudson Valley Division of Westchester Medical Center	Hospital	4,336	4,426	4,551	5,021
Putnam Gastroenterology[1]	ASC	0	205	3,546	3,434
Putnam Hospital	Hospital	3,583	3,696	4,051	3,613
Garnet Health Medical Center	Hospital	12,190	13,487	14,911	15,075
Orange Regional Medical Pavilion[2]	Hospital Ext. Clinic	0	0	0	0
Total Visits		**48,248**	**50,883**	**55,135**	**55,209**

Source: HFIS & SPARCS
[1]No SPARCS data available for 2022
[2]No SPARCS data available

All the facilities listed above provide single-specialty gastroenterology services and/or multi-specialty services.

As an existing ASC, Bridgeview currently contracts with several Medicaid Managed Care plans, including Fidelis Care; Emblem Health; Anthem Blue Cross and Blue Shield and United Healthcare. Moreover, the Center will also reach out to local hospitals and other healthcare providers such as Federally Qualified Health Centers (FQHC) like Sun River Health and Cornerstone Family Healthcare, to bring in additional Charity Care and Medicaid patient referrals and provide services to the under-insured in their service area

Conclusion

Approval of this project will provide expanded gastroenterology surgical services in an outpatient setting for the residents of Dutchess County.

Program Analysis

Project Proposal

Operator	21 Reade Place ASC, LLC
To Be Known As	Bridgeview Endoscopy - Fishkill
Site Address	**#TBD** Snook Road, Fishkill, NY 12524 (Dutchess County)
Specialties	Ambulatory Surgery - Single-Specialty (Gastroenterology)
Shift / Hours	Monday through Friday, 7:00 a.m. to 3:30 p.m.
Staffing (1st Year / 3rd Year)	10.2 FTEs / 12.6 FTEs
Medical Director	Sunil Khurana, M.D.
Transfer Agreement and Distance	Vassar Brothers Medical Center 13 miles away / 23 minutes away
Nearest Hospital	Montefiore SLC Hospital 70 Dubois Street, Newburgh, NY 12550 9 miles away / 13 minutes away

Sunil Khurana, M.D., who is currently a managing member of 21 Reade Place ASC, LLC and is a board-certified gastroenterologist, will continue to serve as the Medical Director and perform gastroenterology procedures at the new extension clinic.

Two (2) additional physicians have committed to perform procedures at the extension clinic**.** Arif Muslim, M.D. and Majed Zouhairi**,** M.D. have submitted commitment letters to perform GI procedures at Bridgeview Endoscopy-Fishkill. Both physicians are currently performing surgeries at their private practice at 955 Little Britain Rd, New Windsor, NY (Orange County). These physicians' patients who will be treated at this new clinic already reside in the surrounding area of the clinic and are existing patients of the participating physicians' private practice. Arif Muslim, M.D. and Majed Zouhairi will continue to perform inpatient and ambulatory procedures that are more appropriately performed in general hospital setting at the hospitals in which they are affiliated. Procedures to be performed at the extension clinic will originate from Dutchess County with no procedures coming from local hospitals.

Certain individuals who are currently employed at the main Bridgeview Endoscopy facility may transition to the new extension ASC to facilitate the ramp-up period, and a clear delineation of roles, responsibilities, and reporting structures will be maintained. Additional employees needed will be recruited from accredited schools, training programs and job fairs. As needed, outsourced staffing and recruiting firms will be engaged. The Center will be certified by CMS and will seek accreditation from the Joint Commission on Accreditation of Healthcare Organizations (JCAHO), as with its main D&TC site, within two (2) years of becoming operational.

The main facility only has two (2) procedure rooms which creates an imbalance resulting in long wait lists, limited availability for urgent cases, and puts operational strain on physicians splitting their time between surgical sessions and office follow-up care. Patients currently face late-day colonoscopy appointments that are undesirable for many and contribute to missed or delayed screenings.

The new extension ASC will be in a one (1) storied building to encompass approximately11,602 square feet on the ground floor. The ASC will include four (4) procedure rooms and sixteen (16) pre- and post-patient stations with required support spaces also located on the ground floor. The scope of work will include installing all new HVAC, plumbing, electrical, fair alarm, nurse call systems and fire protection systems. Completion of construction is expected to take approximately nine (9) months to complete.

The Center will be open Monday through Friday from 7:00 am to 3:30 pm. It is expected that there will be expanded operating schedules will be maintained to accommodate the needs of both patients and physicians. Weekend and evening procedures will be made available, if needed, to accommodate patient scheduling issues.

Bridgeview Endoscopy has an existing Transfer and Affiliation Agreement with Vassar Brothers Medical Center located at 45 Reade Place, Poughkeepsie, NY 12601, which will be 13 miles / 23 minutes away.

There following tables shows the projected FTEs in Year One and Year 3 following completion of the project:

Position	Year One	Year Three
Management and Supervision	1.0	1.0
Technician & Specialist	2.0	2.7
Registered Nurses	5.2	6.9
Infection Control, Environment and Food Service	1.0	1.0
Clerical and Other Administrative	1.0	1.0
Total	**10.2**	**12.6**

Arif Muslim, M.D. has committed to performing 850 procedures and Majed Zouhairi, M.D. committed to performing 1,250 procedures. The remaining 2,800 procedures will be relocated from the Poughkeepsie main site.

Integration with Community Resources:

The proposed extension clinic plans to work closely with its patients to educate them regarding availability of primary care services offered by local providers, including the broad array of outpatient primary care services offered by the community. Through this program, the extension clinic's patients will be better able to make informed choices regarding preventive medicine, to understand personal health care options going forward and to hopefully avoid unnecessary hospitalization and emergency room visits. Prior to leaving the extension clinic, each patient will be provided with information concerning local availability of primary care services.

Post-operative care protocols will include discharge planning that reinforces the patient's connection to their primary care provider, ensuring continuity of care following procedures performed at the Center.

Compliance with Applicable Codes, Rules, and Regulations

The medical staff will continue to ensure that the procedures performed at the facility conform to generally accepted standards of practice and that privileges granted are within the physician's scope of practice and expertise. The Facility's admissions policy includes anti-discrimination provisions regarding age, race, creed, color, national origin, marital status, sex, sexual orientation, religion, disability, or source of payment. All procedures are performed in accordance with all applicable federal and state codes, rules, and regulations.

This facility has no outstanding Article 28 surveillance or enforcement actions and based on the most recent surveillance information, is deemed to be currently operating in substantial compliance with all applicable State and Federal codes, rules, and regulations. This determination was made based on a review of the files of the Department of Health, including all pertinent records and reports regarding the facility's enforcement history and the results of routine Article 28 surveys as well as investigations of reported incidents and complaints.

Conclusion

Based on the results of this review, a favorable recommendation can be made regarding the facility's current compliance pursuant to 2802-(3)(e) of the New York State Public Health Law.

Financial Analysis

Total Project Cost and Financing

Total project costs for new construction, renovations and acquisition of movable equipment are estimated at $11,817,709. broken down as follows:

Description	Fit-Out	Core & Shell	Total
Land Acquisition	$0	$650,000	$650,000
New Construction	$0	$1,633,482	$1,633,482
Renovation & Demolition	$3,896,255	$0	$3,896,255
Site Development	$0	$1,328,000	$1,328,000
Design Contingency	$389,626	$163,348	$ 552,974
Construction Contingency	$389,626	$81,674	$471,300
Architect/Engineering Fees	$194,813	$162,880	$357,693
Construction Manager Fees	$97,406	$40,720	$138,126
Other Fees	$20,000	$458,928	$478,928
Movable Equipment	$2,244,320	$0	$2,244,320
Total Basic Cost of Construction	$7,232,046	$4,519,032	$11,751,078
CON Application Fee			$2,000
CON Processing Fee			$64,631
Total Project Cost			$11,817,709

The applicant's financing plan appears as follows:

Applicant - members cash equity	$2,094,160
Lease (Space $7,762,918 & Equipment $1,960,631)	9,723,549
Total	$11,817,709

The reimbursable total project cost is limited to $7,298,677 (representing fit-out costs and fees) as noted in Construction Cost Control's August 3, 2026, review.

The landlord will advance $7,762,918 (or 65.7%) of the project costs, funded via $612,918 in cash from KMP-Fishkill, LLC and $7,150.000 construction loan from M&T Bank, terms one-month SOFR plus 250 basis points or 6.14% as of 7/27/26. Mini-permanent loan, interest one-month SOFR plus 200 points 30-year amortization. There will be a $1,960,631 capital equipment lease, 4.5% interest rate for four years. Olympus Financial Services has provided a letter of interest at the stated terms. The $2,094,160 balance is funded by the applicant, 21 Reade Place ASC, LLC. Both KMP-Fishkill, LLC and 21 Reade Place ASC, LLC has sufficient liquid assets to meet their entity requirements as shown on BFA Attachment A and B, respectively. The landlord's $7,762,918 advance and the $1,960,631 capital lease will be recovered from the applicant through rent payments.

Operating Budget

The applicant has submitted first, and third year projected operating budgets, in 2028 dollars, as summarized below:

	Year One		Year Three	
Revenues:	Per Proc.	Total	Per Proc.	Total
Medicaid - FFS	$819.72	$14,755	$819.76	$20,494
Medicaid - MC	$551.79	$91,045	$551.79	$121,946
Medicare - FFS	$469.79	$360,799	$469.79	$481,065
Medicare - MC	$589.92	$288,471	$589.92	$384,628
Commercial - FFS	$1,048.14	$2,265,031	$1,048.14	$3,018,643
Total Revenues:		$3,020,101		$4,026,776
Expenses:				
Operating	$344.54	$1,266,199	$377.34	$1,848,973
Capital	$472.72	$1,737,261	$362.01	$1,773,862
Total Expenses:	$817.26	$3,003,460	$739.35	$3,622,835.
Net Income (Loss)		$16,641		$403,941
Procedures		3,675		4,900

The following is noted with respect to the submitted budget:

- The number of procedures is based on the participating physicians' current caseload and their commitment to bring cases to the extension clinic along with Bridgeview's need to relocate cases from its main FASC site.
- The payer mix was determined based on the participating physicians' existing payer mix in their private practice and the existing payor mix at the FASC's main site.
- The number and mix of staff were determined based on the applicant's experience in providing ambulatory services along with the experiences from other similar New York State FASCs.
- Net revenue per procedure was based on the applicant's 2024 FASC cost report.
- Reimbursement rates reflect current and projected Federal and New York State government rates, with other payers based on experience in the region.
- Expenses were derived based on the experience of the applicant in providing similar services.
- Utilization assumptions are supported by letters from the two physicians to perform their office-based surgical practice at the extension clinic. Also, the extension clinic will serve to reduce the capacity issues at the FASC main site, where they perform more than 9,000 procedures annually in two procedure rooms, exceeding the Departments of 800-1,200 procedure per year per room.

Utilization by payor source for Year One and Year Three are summarized below

	Year One		Year Three	
Payor:	Procedure	%	Procedure	%
Medicaid - FFS	18	0.49%	25	0.51%
Medicaid - MC	165	4.49%	221	4.51%
Medicare - FFS	768	20.90%	1,024	20.90%
Medicare – MC	489	13.31%	652	13.31%
Commercial - FFS	2,161	58.80%	2,880	58.77%
Charity Care	74	2.01%	98	2.00%
Total	3,675	100%	4,900	100%

Lease Agreement

The applicant has submitted an executive lease rental agreement, which is summarized below:

Date:	May 1, 2026
Premises:	An extension clinic (11,602 sq. ft.) located on Snook Road, Fishkill (Dutchess County
Landlord:	Fishkill Medical Park ASC, LLC
Tenant:	21 Reade Place ASC, LLC
Project:	The design and construction of the building, (excluding Tenant Improvements)
Tenant Improvements:	All fit-up work to be performed by Tenant in the Premises for the proper operation of Tenant's business, except that included in Landlord's development and construction of the Project pursuant to Section 1.1.
Term:	25 years and one (2) additional period of five (5) years
Rent Payment:	$347,965 Core & Shell Base Rent (attributed to the use of the core and shell) $384,054 ASC Base Rent (attributed to the fit-up of the ambulatory surgical center) $732,019 Total Base Rent The base rent shall be fixed to enable Landlord to 7.70% on the project costs. The base rent shall be increased by 2.5% yearly.
Reimburse Capital Equipment. Lease	$536,511 per year for four years (Olympus Financial Services -Quote Q-02087720)
Provisions:	Triple Net

The lease for this site is between Fishkill Medical Park ASC, LLC, as Lessor, and 21 Reade Place ASC, LLC, as Lessee, and is a non-arm's-length agreement. The building the extension clinic will occupy will be owned by Fishkill Medical Park ASC, LLC (Landlord). Fishkill Medical Park ASC, LLC is owned by Fishkill Medical Park ASC Holdings, LLC, an entity owned by two (2) other entities, SSNV Realty, LLC and KMP-Fishkill, LLC. SSNV Realty LLC is a realty entity owned by 11 of the 12 physician members of KVBDA, LLC, 21 Reade Place ASC, LLC's sole member. KMP-Fishkill LLC is a realty entity owned by members of Kirchhoff Builders LLC, the developer of this project.

The applicant has submitted an affidavit attesting to the relationship between 21 Reade Place ASC, LLC and Fishkill Medical Park ASC, LLC, which will be a non-arms-length lease arrangement in that the realty and operating entities have members in common. The applicant has submitted two letters from a New York Licensed Real Estate Broker attesting that the base rent costs at fair market value

Capability and Feasibility

Total project costs of $11.817,709 include the construction of the buildings' core and shell and the fit-out of the extension clinic. The landlord will advance $7,762,918 (or 65.7%) of the project costs, funded via $612,918 in cash from KMP-Fishkill, LLC and a $7,150.000 construction loan from M&T Bank, terms one-month SOFR plus 250 basis points or 6.14% as of 7/27/26. Mini-permanent loan, interest one-month SOFR plus 200 points 30-year amortization. There will be a $1,960,631 capital equipment lease, 4.5% interest rate for four years. Olympus Financial Services has provided a letter of interest at the stated terms. The $2,094,160 balance is funded by the applicant, 21 Reade Place ASC, LLC. The landlord's $7,762,918 advance and the $1,960,631 capital lease will be recovered from the applicant through rent payments

The working capital requirement is estimated at $603,806 based on two months of third year expenses and will be funded from the ongoing operations of 21 Reade Place ASC, LLC. BFA Attachment E, 21 Reade Place ASC, LLC 2025 Internal Financial Statement, shows sufficient resources to fund the requirement.

The budget projects a net income of $16,641 and $403,941 in the first and third years of operations. The budget appears reasonable.

BFA Attachment D, 21 Reade Place ASC, LLC 2024 Certified Financial Statement and BFA Attachment E show positive working capital, net assets, and net income.

Conclusion

The applicant has demonstrated the capability to proceed in a financially feasible manner.

Health Equity

Health Equity Impact Assessment Summary

The Applicant seeks to establish a new ambulatory surgery center in Fishkill, NY, that will improve health equity and reduce health disparities for medically underserved groups. The center will provide endoscopic and gastrointestinal services for patients. Currently, the Applicant's primary site, located in Poughkeepsie, experiences long waitlists and has insufficient capacity for urgent and routine services. With the addition of four procedure rooms at the new facility, the project is expected to increase access to preventative screenings, advance the number of procedures and enhance quality of care for medically underserved groups in the service area.

As an unintended negative impact, the Independent Entity noted that a substantial increase in patient intake could potentially create challenges for timely follow-up care and may affect access to care and social services. However, the Independent Entity also identified an unintended positive impact of the project, advising that patients could gain access to a variety of social services and additional community resources. The service area currently experiences medium to high levels of stress and potentially preventable hospitalizations. The new clinic may help reduce hospitalizations by increasing access to specialty and preventative care.

Conclusion

Approval is recommended based on the information and analysis presented in the Health Equity Impact Assessment and the applicant's mitigation plan, which demonstrates the proposed project will not result in any significant adverse health equity impacts.

Attachments

BHFP Attachment	Map
BFA Attachment A	KMP-Fishkill, LLC, July 17, 2026, Balance Sheet
BFA Attachment B	21 Reade Place ASC, LLC, June 30, 2026, Financial Statement
BFA Attachment C	Fishkill Medical Park ASC, LLC 2025, Organizational Chart
BFA Attachment D	21 Reade Place ASC, LLC 2024 Certified Financial Statement
BFA Attachment E	21 Reade Place ASC, LLC 2025 Internal Financial Statement
OHEHR Attachment	Health Equity Impact Assessment

NEW YORK STATE OF OPPORTUNITY. Department of Health

Public Health and Health Planning Council

Project # 251186-E
Highland Operations, LLC d/b/a
Highland Park Rehabilitation & Nursing Center

Program: **Residential Health Care Facility** ***County:*** **Allegany**
Purpose: **Establishment** ***Acknowledged:*** **May 6, 2025**

Executive Summary

Description

Highland Operations, LLC d/b/a Highland Park Rehabilitation & Nursing Center, a limited liability company, requests approval to be established as the new operator of Highland Park Rehabilitation & Nursing Center, an existing 80-bed residential health care facility (RHCF), at 160 Seneca Street, Wellsville, New York (Allegany County). The facility includes an off-site Adult Day Health Care Program (ADHCP) at 100 Chamberlain Street, Wellsville (Allegany County).

On September 1, 2018, Highland Operations, LLC entered into an Asset Purchase Agreement (APA) with HRNC, LLC. On February 1, 2024, the members of Highland Operations, LLC agreed to purchase the facility from HRNC, LLC. The members then assigned their entire membership interest in Highland Operations, LLC to HPRC Opco, LLC. On June 1, 2024, HPRC Realty, LLC agreed to purchase the real estate associated with the facility from Highland ZBLO Realty, LLC. The real estate transaction closed on February 28, 2025.

HPRC Realty LLC will lease the property for the RHCF and ADHCP to Highland Operations, LLC.

The sole member of Highland Operations, LLC, is HPRC Opco, LLC.

Ownership of the operations before and after the requested change in ownership is:

Current Operator
HRNC, LLC d/b/a Highland Park Rehabilitation and Nursing Center

Member	Ownership %
Efraim Steif	39.9%
Uri Koenig	60.0%
David Camerota	0.1%
Total	100%

Proposed Operator
Highland Operations, LLC d/b/a Highland Park Rehabilitation & Nursing Center

Member	Ownership %
HPRC Opco, LLC	100%
Members	
Yaakov Geldzahler	24.50%
Chaim Ausch	24.50%
Chaim Rosenwasser	50.00%
Efraim Siegfried	1.00%
Total	100%

OALTC Recommendation

Contingent Approval

Need Summary

There will be no changes to beds or services as a result of this application. As of June 30, 2026, the facility reported 95.0% occupancy of its staffed bed compared to Allegany County's occupancy of staffed beds of 92.9%.

Program Summary

The individual background review indicates the proposed members have met the standard for approval as set forth in Public Health Law §2801-a(3).

Financial Summary

The purchase price for the operations is $400,000 and $9,160,000 for the reality and will be funded with $400,000 in equity from the proposed members, a $100,000 escrow in deposit, and a bank loan of $9,060,000, interest only at 9.52% for a two-year term and payout period. The landlord plans to refinance this loan through HUD financing prior to the expiration of the loan term.

The proposed budget is as follows:

Budget	Year One	Year Three
Revenues	$11,073,247	$11,128,012
Expenses	10,320,524	10,383,506
Net Income	$752,723	$744,506

Health Equity Impact Assessment

This project does not meet the requirements for a Health Equity Impact Assessment under Public Health Law §2802-B.

Recommendations

Long Term Care Ombudsman Program
The LTCOP recommends Approval. (See LTCOP Attachment A)

Health Systems Agency
There will be no HSA recommendation for this project.

Office of Aging and Long-Term Care
Approval contingent upon:
1. Submission of an executed real estate loan that is acceptable to the Department of Health. [BFA]
2. Submission of a commitment signed by the applicant which indicates that, within two years from the date of the council approval, the percentage of all admissions who are Medicaid and Medicare/Medicaid eligible at the time of admission will be at least 75 percent of the planning area average of all Medicaid and Medicare/Medicaid admissions, subject to possible adjustment based on factors such as the number of Medicaid patient days, the facility's case mix, the length of time before private paying patients became Medicaid eligible, and the financial impact on the facility due to an increase in Medicaid admissions. [RNR]

Approval conditional upon:
1. This project must be completed by one year from the date of the approval letter, including all pre-opening processes, if applicable. Failure to complete the project by this date may constitute an abandonment of the project by the applicant and the expiration of the approval. It is the responsibility of the applicant to request prior approval for any extensions to the project approval expiration date. [PMU]
2. Efraim Seifried, or a suitably experienced owner approved by the Department, will remain as a member of the proposed operator LLC for 4 years to ensure adequate operator experience is maintained. [LTC]

Council Action Date
September 17, 2026

Need Analysis

Background and Analysis

The primary service area is Allegany County, which has a population projected to decrease by 5.8% to 44,442 by 2031 based on Cornell Program of Applied Demographic estimates. Demographics for the primary service area are noted below, including a comparison with New York State.

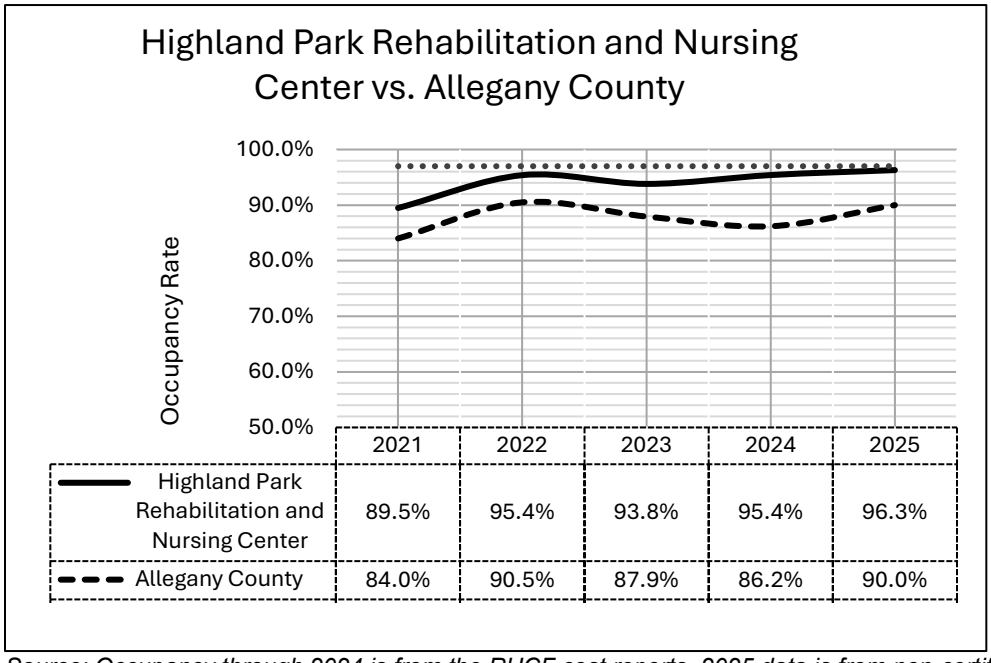
Demographics	Allegany County	New York State
Total Population (2024 Estimate)	47,159	19,852,366
Hispanic or Latino (of any race)	2.2%	19.8%
White (non-Hispanic)	92.7%	52.8%
Black or African American (non-Hispanic)	1.5%	13.4%
Asian(non-Hispanic)	1.4%	9.0%
Other (non-Hispanic)	2.2%	5.0%

Source: 2024 American Community Survey (5-year Estimates Data Profiles)

The table below provides population estimates of individuals 65 years old and above in Allegany County and New York State.

	Allegany County		New York State	
	Age 65-84	Age 85+	Age 65-84	Age 85+
Estimated 2024 Population	8,228	1,228	3,108,608	445,420
Population Projection by 2031	8,408	1,471	3,749,085	638,383
Percent Change	+2.2%	+19.8%	+20.6%	+43.3%

Source: 2024 American Community Survey (5-Year Estimates) and Cornell Program on Applied Demographics



Source: Occupancy through 2024 is from the RHCF cost reports, 2025 data is from non-certified Health Electronic Response Data System (HERDS)

The table below shows the CMS Rating and the utilization of the closest RHCF to Highland Park Rehabilitation and Nursing Center.

Facility Name	CMS Overall Rating	RHCF Beds	Distance from other RHCFs	Occupancy			
	As of 6/2026		Miles/Time	2022	2023	2024	2025
Highland Park Rehabilitation and Nursing Center	5	80	0 miles/0 mins	95.4%	93.8%	95.4%	96.3%
Wellsville Manor Care Center	5	120	0.7 miles/3 mins	95.3%	92.2%	94.4%	94.5%
Cuba Memorial Hospital Inc SNF	3	61	25 miles/36 mins	75.3%	81.0%	72.4%	75.9%
Maple City Rehabilitation and Nursing Center	1	114	26 miles/37 mins	51.9%	88.1%	95.6%	96.7%
Houghton Rehabilitation & Nursing Center	2	100	27 miles/38 mins	90.0%	82.4%	77.3%	88.1%
Elderwood at Hornell	4	112	29 miles/40 mins	91.4%	88.9%	89.6%	92.9%

Source: CMS and RHCF Cost Reports. Occupancy through 2024 is from the RHCF cost reports, 2025 data is from non-certified Health Electronic Response Data System (HERDS)

Based on weekly census data, the facility reported 100% of their 80 licensed beds were staffed and 95.0% occupied on June 30, 2026, for a 95.0% occupancy of staffed beds. Allegany County had 97.5% of the county's 361 licensed beds staffed and 90.6% occupied, for a 92.9% occupancy of staffed beds.

The following table provides the Case Mix Index (CMI) for the facility and surrounding RHCFs, which reflects the relative resources predicted to provide care to a resident. The New York State average CMI was 1.3520 and 1.4132 for Allegany County. The higher the case mix weight, the greater the resource requirement for the residents.

Case Mix Index	2023	
	All Payor	Medicaid Only
Highland Park Rehabilitation and Nursing Center	1.4702	1.6180
Wellsville Manor Care Center	1.5117	1.5766
Cuba Memorial Hospital Inc SNF	1.1027	1.0156
Maple City Rehabilitation and Nursing Center	1.1042	0.9769
Houghton Rehabilitation & Nursing Center	1.4032	1.4210
Elderwood at Hornell	1.4084	1.2761

Medicaid Access

To ensure that the Residential Health Care Facility needs of the Medicaid population are met, 10 NYCRR §670.3 requires applicants to accept and admit a reasonable percentage of Medicaid residents in their service area. The benchmark is 75% of the annual percentage of residential health care facility admissions that are Medicaid-eligible individuals in their planning area. This benchmark may be increased or decreased based on the following factors:

- the number of individuals within the planning area currently awaiting placement to a residential health care facility, and the proportion of total individuals awaiting such placement that are Medicaid patients and/or alternate level of care patients in general hospitals;
- the proportion of the facility's total patient days that are Medicaid patient days and the length of time that the facility's patients who are admitted as private paying patients remain such before becoming Medicaid eligible;
- the proportion of the facility's admissions who are Medicare patients or patients whose services are paid for under provisions of the federal Veterans' Benefit Law;
- the facility's patient case-mix based on the intensity of care required by the facility's patients or the extent to which the facility provides services to patients with unique or specialized needs;
- the financial impact on the facility due to an increase in Medicaid patient admissions.

An applicant will be required to make appropriate adjustments in its admission policies and practices to meet the resultant percentage. Based on the applicant's data, the facility's Medicaid admissions rate was above the threshold of 75% of the Allegany County rate.

Medicaid Access	2022	2023	2024
Allegany County Total	41.6%	44.7%	32.9%
Allegany threshold value	*31.2%*	*33.5%*	*24.7%*
Highland Park Rehabilitation and Nursing Center	41.8%	41.7%	41.8%

Conclusion

There will be no changes to beds or services as a result of this application. As of June 30, 2026, the facility reported 95.0% occupancy of its staffed beds, while Allegany County had 92.9% of staffed beds.

Program Analysis

Program Description

	Existing	Proposed
Facility Name	Highland Park Rehabilitation and Nursing Center	Highland Park Rehabilitation & Nursing Center
Address	160 Seneca St Wellsville, NY 14895	Same
RHCF Capacity	80 beds	Same
ADHCP Capacity	21 participants offsite	Same
Type of Operator	Limited Liability Company	Limited Liability Company
Class of Operator	Proprietary	Proprietary
Operator	**HRNC, LLC** Members: Uri Koenig 60.0% Efraim Steif 39.9% David Camerota 0.1%	**Highland Operations, LLC** Member: HPRC Opco LLC 100% Members Yaakov Geldzahler* 24.5% Chaim Rosenwasser* 50.0% Chaim Ausch* 24.5% Efraim Siegfried* 1.0% **Managing Members*

Highland Operations, LLC d/b/a Highland Park Rehabilitation & Nursing Center has indicated that there will not be a consulting and administrative services agreement in place upon approval of this Certificate of Need application.

Highland Operations, LLC will lease the property from HPRC Realty LLC. There will be common ownership, in that three members of HPRC Opco, LLC, Yaakov Geldzahler, Chaim Ausch, and Chaim Rosenwasser, are also members of HPRC Realty LLC.

Character and Competence

Yaakov Geldzahler is currently employed as the Co-Owner of Eminent Care Group, a healthcare consulting company, in Brooklyn, NY. Yaakov is also a licensed operator of skilled nursing facilities in Ohio and Pennsylvania and the Chief Executive Officer of both the Pearl Nursing Center of Rochester and Highland Park Rehabilitation & Nursing Center. In addition, Yaakov is also a Partner in property development projects in Brooklyn, NY. Yaakov was previously Co-Founder, Owner, and Operator of Triple-C Interiors, a business specializing in healthcare construction in Brooklyn, NY. Yaakov holds a high school diploma from Yeshivas Eitz Chaim Wilrijk and discloses the following healthcare facility interests:

<u>New York Nursing Homes</u>	
The Pearl Nursing Center of Rochester	Pending
<u>Out of State Nursing Homes</u>	
Atrium Nursing & Rehabilitation Center (OH) (50%)	01/2025 to Present
Aristos Nursing & Rehabilitation Center (OH) (50%)	01/2025 to Present
Alpine Nursing & Rehabilitation Center (OH) (50%)	01/2025 to Present
Champion City Nursing & Rehabilitation Center (PA) (50%)	02/2026 to Present
Forbes Road Nursing and Rehabilitation Center (PA)	Pending
Platinum Ridge Center for Rehabilitation and Healing (PA)	Pending

Chaim Rosenwasser is currently self-employed as an owner and manager of real estate properties with a real estate portfolio that includes ownership in over 35 properties, including over 700 residential apartments in New York, New Jersey, and Pennsylvania. Chaim holds a degree in Hebrew Letters from Israel Torah Research Institute and discloses no healthcare facility ownership interests.

Chaim Ausch is currently employed as the Co-Owner/Operator of the Eminent Care Group, a healthcare consulting company, in Brooklyn, NY. Chaim is also a licensed operator of skilled nursing facilities in Ohio and Pennsylvania. In addition, Chaim is also a Partner in property development projects in Brooklyn, NY. Chaim was previously Co-Founder, Owner, and Operator of Triple-C Interiors, a business specializing in healthcare construction in Brooklyn, NY. Chaim holds a high school diploma from United Talmudical Academy of Brooklyn, and discloses the following healthcare facility interests:

<u>New York Nursing Homes</u>	
The Pearl Nursing Center of Rochester	Pending
<u>Out of State Nursing Homes</u>	
Atrium Nursing & Rehabilitation Center (OH) (50%)	01/2025 to Present
Aristos Nursing & Rehabilitation Center (OH) (50%)	01/2025 to Present
Alpine Nursing & Rehabilitation Center (OH) (50%)	01/2025 to Present
Champion City Nursing and Rehabilitation Center (PA) (50%)	02/2026 to Present
Forbes Road Nursing and Rehabilitation Center (PA)	Pending
Platinum Ridge Center for Rehabilitation and Healing (PA)	Pending

Efraim Siegfried is currently employed as the Founder and Principal Consultant of Satin Healthcare, a healthcare consulting company, located in Toms River, NJ. Efraim is also a Partner and Administrator of Complete Care at Green Acres, a skilled nursing facility located in Toms River, NJ. Efraim was previously the Senior Vice President and Partner of Complete Care SJ, also a healthcare consulting services company, in Toms River, NJ. Efrain holds a Nursing Home Administrator license in the state of New Jersey. Efraim holds a bachelor's degree in Talmudic Law from Yeshivas Lev Aryeh Institute, and discloses the following healthcare facility interests:

<u>New York Nursing Homes</u>	
The Pearl Nursing Center of Rochester	Pending
<u>Out of State Nursing Homes</u>	
Complete Care at Green Acres (NJ) (10%)	10/2017 to Present
Platinum Ridge Center for Rehabilitation & Healing (PA)	Pending

Quality Review

The proposed owners have been evaluated, in part, on the distribution of CMS Star ratings for their portfolio. For the proposed owners, the distribution of CMS star ratings for their facilities meets the standard described in state regulations.

CMS Star Rating Criteria					
		Duration of Ownership*			
		< 48 Months		48 months or more	
Owner	Total Nursing Homes	Number of Nursing Homes	Percent of Nursing Homes with a Below Average Rating	Number of Nursing Homes	Percent of Nursing Homes with a Below Average Rating
Yaakov Geldzahler	4	4	50%	0	N/A
Chaim Rosenwasser	0	0	N/A	0	N/A
Chaim Ausch	4	4	50%	0	N/A
Efraim Siegfried	1	0	N/A	1	0%

**Duration of Ownership as of 09/17/2026* *Data date: 06/2026*

Ohio
The proposed owner's portfolio includes ownership in three Ohio facilities. Two of the facilities in the ownership portfolio, Aristos Nursing & Rehabilitation Center and Alpine Nursing & Rehabilitation Center, have a CMS overall quality rating of average or higher. The remaining facility, Atrium Nursing & Rehabilitation Center, has a CMS overall quality rating of below average. When asked to explain what measures were being put into place to improve the overall CMS rating at Atrium Nursing & Rehabilitation Center, the applicant indicated the following:

Atrium Nursing & Rehabilitation Center
Atrium Nursing and Rehabilitation Center was removed from the Special Focus Facility Program on January 22, 2026. As a result, the facility currently shows two (2) CMS stars in the Overall rating. It is important to note that the removal of the facility from the Special Focus Facility Program is a direct result of the positive operational improvements that have been made by Mr. Geldzahler and Mr. Ausch, despite owning this facility for only 16 months. These efforts and quality improvements are testament to Mr. Geldzahler's and Mr. Ausch's ability to provide high-quality care at their affiliated facilities.

In order to enhance the facility's Overall rating, Mr. Geldzahler and Mr. Ausch plan to improve the quality of care provided at this facility. Specifically, Mr. Geldzahler and Mr. Ausch visit this facility on at least a bi-weekly basis, and they also utilize a Regional Administrator who lives in the vicinity of the facility. The Regional Administrator serves as a liaison between this facility and Mr. Geldzahler and Mr. Ausch when they are not able to be physically present at the facility. It is important to note that the facility shows four (4) stars in the Staffing rating and five (5) stars in the Quality Measures rating. Although the facility has not had a health inspection since December 11, 2025, it is expected that the next health inspection will be positive as a result of the operational improvements made at the facility by Mr. Geldzahler and Mr. Ausch, which should then lead to the facility's Overall star rating increasing to three (3) stars within the near term, due to the expected increase in the Health Inspection rating from one (1) star (the facility's current Health Inspection rating to two (2) or three (3) stars.

Pennsylvania
The proposed owner's portfolio includes ownership in one Pennsylvania facility. Champion City Nursing & Rehabilitation Center has a CMS overall quality rating of much below average. When asked to explain what measures were being put into place to improve the overall CMS rating at Champion City Nursing & Rehabilitation Center, the applicant indicated the following:

Champion City Nursing and Rehabilitation Center
Please note that Chaim Ausch and Yaakov Geldzahler became members of this facility only four (4) months ago. The facility currently shows one (1) star in the Overall category. However, Mr. Ausch and Mr. Geldzahler are already working to improve the facility's Overall star rating. To that end, the facility has implemented a comprehensive quality improvement strategy focused on enhancing resident outcomes, staff retention, regulatory compliance and overall resident satisfaction, which should improve the facility's current Overall rating from one (1) star to two (2) or three (3) stars within the near-term.

A key component of this effort has involved the recruitment and retention of high-quality, motivated staff in order to improve the facility's current Staffing rating of one (1) star. To accomplish this, the facility has strengthened its compensation and benefits package by offering competitive wages, medical, dental and vision insurance and a variety of other valuable employee benefits. These initiatives have helped to improve staffing stability, employee satisfaction and continuity of resident care. In addition, the facility has implemented several employee engagement and recognition programs designed to improve workplace culture, increase retention and promote accountability. The facility regularly recognizes employee achievements, encourages staff involvement in operational improvements and focuses on creating a positive and supportive work environment.

The facility has also invested significantly in capital improvements and renovations. Resident rooms, common areas and the main lobby have been upgraded to create a more comfortable, modern and welcoming environment for residents, families and staff. These enhancements contribute to improved resident satisfaction and quality of life.

Operationally, the facility has strengthened its focus on quality measures, clinical outcomes, infection control, survey preparedness and interdisciplinary care coordination. Leadership teams conduct ongoing monitoring of quality metrics and implement targeted action plans to address opportunities for improvement. The facility plans to continue to invest in its people, physical environment and clinical programs, with the goal of achieving sustained improvements in resident care, employee satisfaction and overall CMS Star Ratings.

New Jersey
The proposed owner's portfolio includes ownership in one New Jersey facility. Complete Care at Green Acres has a CMS overall quality rating of much above average.

Facility	Ownership Since	Overall	Health Inspection	Quality Measure	Staffing
New York					
Highland Park Rehabilitation and Nursing Center	Subject Facility	*****	*****	****	**
Ohio					
Atrium Nursing and Rehabilitation Center †	Current	**	*	*****	****
	01/2025	18*	18*	18*	18*
Aristos Nursing and Rehabilitation Center	Current	***	***	*****	*
	01/2025	**	***	*	****
Alpine Nursing and Rehabilitation Center	Current	***	**	*****	**
	01/2025	*	*	***	*
Pennsylvania					
Champion City Nursing and Rehabilitation Center ††	Current	*	*	*	*
	02/2026	*	*	*	***
New Jersey					
Complete Care at Green Acres	Current	*****	*****	*****	**
	10/2017	****	***	*****	****

Data date: 06/2026
10 NYCRR §600.2(b)(5)(i)(g) requires PHHPC consideration for any instance of a nursing home being designated a Special Focus Facility or Special Focus Facility Candidate.
18 Indicates that this facility was not rated due to a history of serious quality issues and is included in the Special Focus Facility Program.*
† Special Focus Facility (Atrium Nursing & Rehabilitation Center was on the list for 21 months and graduated from the program on 01/22/2026)
†† Special Focus Facility Candidate (Champion City Nursing & Rehabilitation Center was on the list for 2 months and removed from the candidate list on 04/29/2026)

Enforcement History

Ohio

A review of the operations of Atrium Nursing and Rehabilitation Center under 10 NYCRR §600.2 requirements for approval reveals no enforcements.

A review of the operations of Aristos Nursing and Rehabilitation Center under 10 NYCRR §600.2 requirements for approval reveals no enforcements.

A review of the operations of Alpine Nursing and Rehabilitation Center under 10 NYCRR §600.2 requirements for approval reveals the following:

- The facility was assessed a federal CMP of $27,706.25 for the survey dated April 8, 2025. The facility was cited for the following harm level federal tags: F684 at a G level for failure to provide appropriate treatment and care according to orders, resident's preferences and goals. F690 at a G level for failure to provide appropriate care for residents who are continent or incontinent of bowel/bladder, appropriate catheter care, and appropriate care to prevent urinary tract infections.

Pennsylvania

A review of the operations of Champion City Nursing and Rehabilitation Center under 10 NYCRR §600.2 requirements for approval reveals no enforcements.

New Jersey

A review of the operations of Complete Care at Green Acres under 10 NYCRR §600.2 requirements for approval reveals no enforcements.

- The facility was assessed a federal CMP of $650.00 on 01/10/2022 for failure to report National Health Safety Network data.
- The facility was assessed a New Jersey state fine of $96,000.00 for surveys dated November 10, 2021, and February 8, 2024. The facility was cited for staffing deficiencies under N.J.S.A. 30:13-18 on ninety-six different days. The applicant states the enforcement action is currently pending litigation on behalf of the facility as part of a class action lawsuit in New Jersey state court.
- Medicaid Fraud Settlement: In 2023, the facility's operator, Green Acres Rehab and Nursing LLC, reached a settlement agreement with the State of New Jersey, Office of the State Comptroller, Medicaid Fraud Division (MFD). The settlement resolved claims that the facility improperly received Medicaid managed care and Medicaid Fee for Service (FFS) overpayments totaling $183,028.33 between February 2018 and July 2021. As terms of the settlement, nothing in the agreement shall constitute an admission, concession, waiver or finding of wrongdoing or liability by any party.

Conclusion

The individual background review indicates the applicants have met the standards set forth in Public Health Law §2801-a(3).

Financial Analysis

Operating Budget

The applicant has submitted an operating budget, in 2026 dollars, for the first and third years, summarized below:

	Current Year		Year One		Year Three	
	Per Patient Day	Total	Per Patient Day	Total	Per Patient Day	Total
Revenues						
Medicare FFS	$644.02	$3,162,767	$644.03	$3,194,395	$644.01	$3,210,367
Medicare MC	$644.02	$370,310	$643.74	$374,013	$643.64	$375,883
Medicaid FFS	$268.75	$4,482,133	$287.17	$4,837,327	$287.17	$4,861,514
Medicaid MC	$268.75	$210,427	$255.25	$201,905	$255.24	$202,915
Private Pay	$472.76	$2,322,204	$472.77	$2,345,426	$472.75	$2,357,153
Other		$120,181		$120,181		$120,181
Total Revenues		$10,668,022		$11,073,247		$11,128,012
Expenses						
Operating	$307.47	$8,565,796	$309.68	$8,713,804	$301.38	$8,776,786
Capital	$53.31	$1,485,046	$57.10	$1,606,720	$56.82	$1,606,720
Total Expenses	$360.78	$10,050,842	$366.78	$10,320,524	$358.20	$10,383,506
Net Income		$617,180		$752,723		$744,506
Utilization (Days)		27,859		28,138		28,278
Occupancy		95.41%		96.36%		96.84%
Breakeven Occ		91.56%		93.51%		93.89%

The following is noted with respect to the submitted operating budget:

- Revenues are based on 2024 historical experience.
- The projected percentage of direct care staffing costs to projected facility revenues is 51.51% in Year One and 54.29% in Year Three, exceeding the 40% requirement in Public Health Law §2828.
- The percentage of direct resident care costs to projected staffing revenues is 71.98% in Year One and 72.15% in Year Three, exceeding the 70% requirement in Public Health Law in §2828.
- The facility's projected profit percentage is forecasted to be 4.31% in Year One and 4.32% in Year Three, less than the 5% maximum outlined in Public Health Law §2828.
- Staffing ratio is 4.0 hours, meeting the required hours of care per resident per day under 10 NYCRR §415.13.

Utilization by payor source for the Current Year, Year One and Year Three is as follows:

Payor	Current Year	Year One	Year Three
Medicare FFS	17.63%	17.63%	17.63%
Medicare MC	2.06%	2.56%	2.07%
Medicaid FFS	59.87%	59.87%	59.87%
Medicaid MC	2.81%	2.81%	2.81%
Private Pay	17.63%	17.63%	17.63%
Total	100.00%	100.00%	100.00%

Asset Purchase Agreement

The applicant has submitted an executed asset purchase agreement for the operations, summarized below:

Date	December 28, 2021
Purpose	The purchase of the 80-bed residential health care center known as Highland Park Rehabilitation and Nursing Center and the associated adult medical day care facility known as Highland Day Services located at 160 Seneca Street, Wellsville, NY and 100 Chamberlain Street, Wellsville, NY.
Seller	HRNC, LLC
Purchaser	Highland Operations, LLC
Assets Acquired	Operations Seller's rights, title, and interest in and to the licenses, the Facility's business and operations, the intellectual property rights associated with the Facility and/or with the operation thereof, the rights to use "Highland Park Rehabilitation and Nursing Center", all inventory, supplies and other expendable items, the Facility's Medicare and Medicaid provider agreements and Medicaid and Medicare provider numbers, books and records related to ownership and operation of the Facility, resident files and any other related medical records, all telephone numbers, facsimile numbers used by the Facility, and any goodwill associated with the Facility.
Excluded Assets	Any of Seller's cash, cash equivalents, investments, Seller's actual and/or potential accounts receivable, funds from all rate adjustments, Seller's original financial books, records and ledgers, all of Seller's insurance policies and any permits that are not assignable or transferable to the Buyer.
Assumed Liabilities	The only liabilities that Buyer is assuming in connection with acquiring the Transferred Assets are any and all liabilities arising on or after the Closing Date.
Purchase Price	$400,000
Payment of Purchase Price	Cash at Closing

The applicant has submitted an original affidavit, which is acceptable to the Department, in which the applicant agrees, notwithstanding any agreement, arrangement or understanding between the applicant and the transferor to the contrary, to be liable and responsible for any Medicaid overpayments made to the facility and/or surcharges, assessments or fees due from the transferor pursuant to Article 28 of the Public Health Law with respect to the period of time prior to the applicant acquiring its interest, without releasing the transferor of its liability and responsibility. As of January, 27 2026, the facility had no outstanding liabilities.

Real Estate Agreement

The applicant has submitted an executed real estate agreement for the purchase of the real estate, which is summarized below:

Date	June 1, 2024
Seller	Highland ZBLO Realty, LLC, Highland ZBLO Realty, LLC, and Highland ZBLO, Realty III, LLC
Purchaser	HPRC Realty, LLC
Purchase Price	$9,160,000
Payment of Purchase Price	$100,000 Deposit and the balance due at Closing.

The real estate will be financed as follows: $100,000 escrow in deposit and a bank loan of $9,060,000 at interest only at 9.52% for a two-year term and payout period. The landlord plans to refinance this loan with HUD financing prior to the expiration of the loan term. The real estate transaction closed on February 28, 2025.

Lease Rental Agreements

The applicant has submitted executed lease rental agreements for the nursing home site and the ADHCP, summarized as follows:

Nursing Home

Date	February 3, 2025
Lessor	HPRC Realty, LLC
Lessee	Highland Operations, LLC
Term	10 years
Rental	Year One $1,500,000 with a 8% annual increase thereafter.
Provisions	The lessee shall be responsible for real estate taxes, maintenance and utilities.

The applicant has provided two real estate letters attesting to the reasonableness of the per square foot rental. The applicant has indicated that the lease agreement will be a non-arm's length lease arrangement.

ADHCP

Premises	January 2, 2025
Lessor	HPRC, LLC
Lessee	Highland Operations, LLC
Term	5 years with a 5-year renewal period
Rental	$24,000 annually
Provisions	The lessee shall be responsible for real estate taxes, maintenance and utilities.

The applicant has indicated that the lease agreement will be a non-arm's length lease arrangement.

Capability and Feasibility

The purchase price is $9,160,000 for real estate, and $400,000 for operations. The total project cost will be funded with equity of $400,000 for the operations from the proposed members' personal resources. The real estate will be financed with $100,000 escrow in deposit and a bank loan of $9,060,000 at interest only at 9.52% for a two-year term and payout period. The landlord plans to refinance this loan with HUD financing prior to the expiration of the loan term.

Working capital requirements are estimated at $1,720,087, which is equivalent to two months of first year expenses. The applicant will meet the working capital requirement by way of equity from the personal resources of the proposed members of Highland Operations, LLC. BFA Attachment A, Personal Net Worth Statements - Proposed Members, indicates the availability of sufficient funds for the operations purchase and the working capital requirement. BFA Attachment D, Pro Forma Balance Sheet of Highland Operations, LLC as of the first day of operation, indicates a positive net asset position of $1,760,087.

The submitted budget indicates a net income of $752,723 and $744,506 during the first and third years, respectively. Revenues are based on current reimbursement methodologies. The submitted budget appears reasonable.

BFA Attachment B, 2023 Certified Financial Statements of Highland Park Rehabilitation and Nursing Center, shows the entity had a negative working capital position, positive net asset position, and a net loss of ($141,360). The applicant has indicated the reason for the negative working capital position was the accounting treatment related to the facility's lease and higher-than-expected level of accounts payable. A high accounts payable balance will not be an issue going forward, as the applicant is not assuming any liabilities as part of this transaction. The losses can be attributed to lower-than-expected occupancy levels and higher-than-expected levels of purchased services/administrative expenses. Occupancy has since increased, and expenses have leveled out.

BFA Attachment C, 2024 Certified Financial Statements of Highland Park Rehabilitation and Nursing Center, shows the entity had a negative working capital position, positive net asset position, and a net income of $617,180. High accounts payable balances were still driving the negative working capital.

Conclusion
The applicant has demonstrated the capability to proceed in a financially feasible manner.

Attachments

LTCOP Attachment	Long-Term Care Ombudsman Program Recommendation
BHFP Attachment	Map
BFA Attachment A	Personal Net Worth Statement - Proposed Members
BFA Attachment B	Financial Summary - 2023 Certified Financial Statements of Highland Park Rehabilitation and Nursing Center
BFA Attachment C	Financial Summary - 2024 Certified Financial Statements of Highland Park Rehabilitation and Nursing Center
BFA Attachment D	Pro Forma Balance Sheet

NEW YORK STATE OF OPPORTUNITY. Department of Health

Public Health and Health Planning Council

Project # 252238-E
TPRC OPCO LLC d/b/a Astoria at Rochester Nursing and Rehabilitation Center

Program: **Residential Health Care Facility** ***County:*** **Monroe**
Purpose: **Establishment** ***Acknowledged:*** **January 7, 2026**

Executive Summary

Description
TPRC OPCO LLC d/b/a Astoria at Rochester Nursing and Rehabilitation Center, an existing limited liability company, requests approval to be established as the operator of The Pearl Nursing Center of Rochester, an existing 120-bed residential health care facility (RHCF) at 1335 Portland Avenue, Rochester (Monroe County), New York. Upon approval, the facility will be renamed Astoria at Rochester Nursing and Rehabilitation Center.

Pursuant to the Operating Transfer Agreement dated August 7, 2025, TPRC OPCO, LLC agreed to purchase the facility from The Pearl Nursing Center of Rochester, LLC. Additionally, on August 7, 2025, TPRC PROPCO, LLC agreed to purchase the real estate from New Roc Realty, LLC. Upon approval of this application, TPRC PROPCO, LLC will lease the space to TPRC OPCO, LLC.

Ownership of the operations before and after the requested change in ownership is:

Current Ownership
The Pearl Nursing Center of Rochester, LLC

Members:	Ownership %
Sima Shapiro	21.25%
Yaakov Abramczyk	21.25%
Nattali Abramcyk	21.25%
Scott Wheeler	36.25%
Total	100%

Proposed Ownership
TPRC OPCO LLC

Members:	Ownership %
Efraim Siegfried	1.00%
Yaakov Geldzahler	49.50%
Chaim Ausch	49.50%
Total	100%

OALTC Recommendation
Contingent Approval

Need Summary
There will be no changes to beds or services as a result of this application. As of June 30, 2026, the facility reported 100% occupancy of its staffed beds, while Monroe County had 93.1% occupancy of staffed beds.

Program Summary
The individual background review indicates the proposed members have met the standard for approval as set forth in Public Health Law §2801-a(3).

Financial Summary
The purchase price for the operation is $100,000 and will be met with equity from the proposed members. The purchase price for the real estate is $9,400,000 and will be met as follows: a $250,000 initial deposit, the assumption of the HUD loan of $8,137,025, and $1,012,975 in equity from the proposed members' personal resources.

The proposed budget is as follows:

Budget	Year One	Year Three
Revenues	$12,859,186	$12,923,481
Expenses	12,592,950	12,613,689
Net Income	$266,236	$309,792

Health Equity Impact Assessment

This project does not meet the requirements for a Health Equity Impact Assessment under Public Health Law §2802-B.

Recommendations

Long Term Care Ombudsman Program
The LTCOP recommends Approval. (See LTCOP Attachment A)

Health Systems Agency
There will be no HSA recommendation for this project.

Office of Aging and Long-Term Care
Approval contingent upon:
1. Submission of a commitment signed by the applicant which indicates that, within two years from the date of the council approval, the percentage of all admissions who are Medicaid and Medicare/Medicaid eligible at the time of admission will be at least 75 percent of the planning area average of all Medicaid and Medicare/Medicaid admissions, subject to possible adjustment based on factors such as the number of Medicaid patient days, the facility's case mix, the length of time before private paying patients became Medicaid eligible, and the financial impact on the facility due to an increase in Medicaid admissions. [RNR]

Approval conditional upon:
1. This project must be completed by one year from the date of the approval letter, including all pre-opening processes, if applicable. Failure to complete the project by this date may constitute an abandonment of the project by the applicant and the expiration of the approval. It is the responsibility of the applicant to request prior approval for any extensions to the project approval expiration date. [PMU]
2. Efraim Seifried, or a suitably experienced owner approved by the Department, will remain as a member of the proposed operator LLC for 4 years to ensure adequate operator experience is maintained. [LTC]

Council Action Date
September 17, 2026

Need Analysis

Background and Analysis

The primary service area is Monroe County, which has a population projected to increase by 0.6% to 758,231 by 2031 based on Cornell Program of Applied Demographic estimates. Demographics for the primary service area are noted below, including a comparison with New York State.

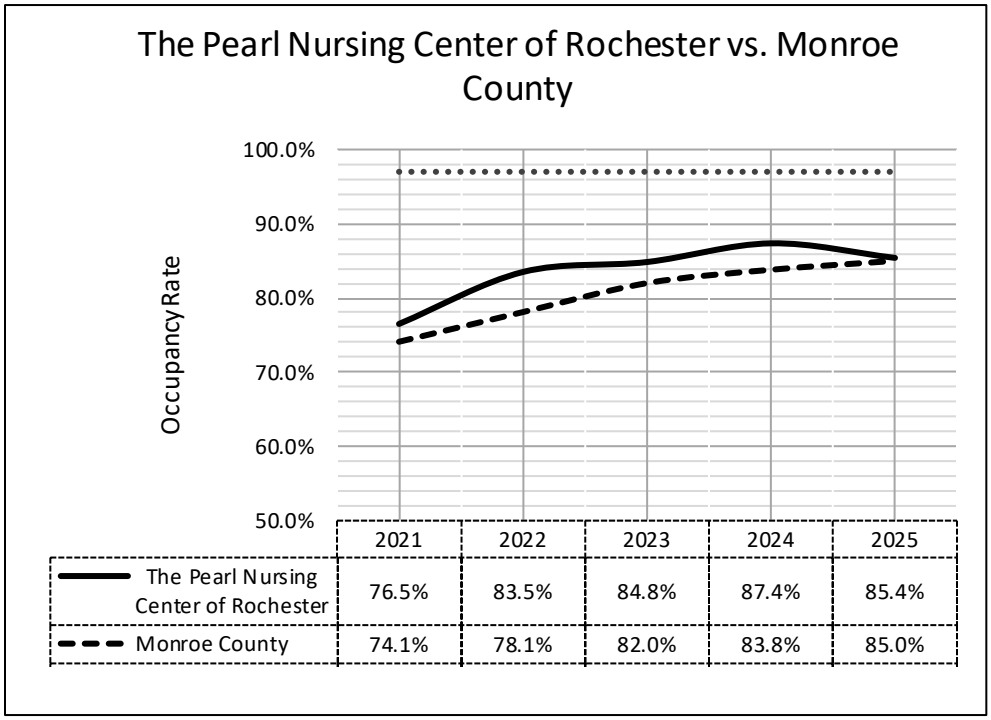
Demographics	Monroe County	New York State
Total Population (2024 Estimate)	753,753	19,852,366
Hispanic or Latino (of any race)	9.9%	19.8%
White (non-Hispanic)	67.7%	52.8%
Black or African American (non-Hispanic)	13.5%	13.4%
Asian (non-Hispanic)	3.8%	9.0%
Other (non-Hispanic)	5.1%	5.0%

Source: 2024 American Community Survey (5-year Estimates Data Profiles)

The table below provides population estimates of individuals 65 years old and above in Monroe County and New York State.

	Monroe County		New York State	
	Age 65-84	Age 85+	Age 65-84	Age 85+
Estimated 2024 Population	123,274	18,230	3,108,608	445,420
Population Projection by 2031	147,312	26,116	3,749,085	638,383
Percent Change	+19.5%	+43.3%	+20.6%	+43.3%

Source: 2024 American Community Survey (5-Year Estimates) and Cornell Program on Applied Demographics



Source: Occupancy through 2024 is from the RHCF cost reports, 2025 data is from non-certified Health Electronic Response Data System (HERDS)

The applicant reports they plan to improve the facility's star ratings and optimize occupancy by making enhancements in the following areas:

- Staffing – including offering retention bonuses to help retain staff.
- Administration and Compliance – members with extensive experience in nursing home administration and compliance will help to provide a high level of resident care.
- Quality of Life – facility will seek to improve the facility's infrastructure and add features to improve resident quality of life.
- Marketing – investments in resources including communication and relationship building with area doctors, hospitals, and resident family members.
- Concierge Program – to personalize services to residents.
- Recreation – addition of new entertainment and activity programs for residents.
- Infrastructure – assess if improvements are needed to the physical plant.

The table below shows the CMS Rating and the utilization of the closest RHCF to The Pearl Nursing Center of Rochester.

Facility Name	CMS Overall Rating	Beds	Distance from other RHCFs	Occupancy			
	As of 6/2026		Miles/Time	2022	2023	2024	2025
The Pearl Nursing Center of Rochester	1	120	0 miles/0 mins	83.5%	84.8%	87.4%	85.4%
St. Ann's Community	4	376	0.4 miles/2 mins	67.6%	97.1%	96.9%	97.7%
The Brook at High Falls Nursing Home and Rehabilitation Center	2	28	2.5 miles/8 mins	90.1%	88.2%	85.6%	91.9%
Lilac Manor Rehabilitation and Nursing Cetner	1	200	3.4 miles/10 mins	59.6%	58.8%	59.0%	61.5%
Kirkhaven	1	147	3.6 miles/11 mins	72.7%	83.0%	90.6%	90.6%

Source: CMS and RHCF Cost Reports. Occupancy through 2024 is from the RHCF cost reports, 2025 data is from non-certified Health Electronic Response Data System (HERDS)

Based on weekly census data, the facility reported 92.5% of their 120 licensed beds were staffed and 92.5% occupied on June 30, 2026, for a 100% occupancy of staffed beds. Monroe County had 91.1% of the county's 4,741 licensed beds staffed and 84.8% occupied for a 93.1% occupancy of staffed beds.

The following table provides the Case Mix Index (CMI) for the facility and surrounding RHCFs, which reflects the relative resources predicted to provide care to a resident. The New York State average CMI was 1.3520 and 1.1709 for Monroe County. The higher the case mix weight, the greater the resource requirement for the residents.

Case Mix Index	2023	
	All Payor	Medicaid Only
The Pearl Nursing Center of Rochester	1.1927	1.1693
St. Ann's Community	1.1509	1.0446
The Brook at High Falls Nursing Home and Rehabilitation Center	1.4222	1.3198
Lilac Manor Rehabilitation and Nursing Center	1.1893	1.1542
Kirkhaven	1.1323	1.0902

Medicaid Access

To ensure that the Residential Health Care Facility needs of the Medicaid population are met, 10 NYCRR §670.3 requires applicants to accept and admit a reasonable percentage of Medicaid residents in their service area. The benchmark is 75% of the annual percentage of residential health care facility admissions that are Medicaid-eligible individuals in their planning area. This benchmark may be increased or decreased based on the following factors:

- the number of individuals within the planning area currently awaiting placement to a residential health care facility, and the proportion of total individuals awaiting such placement that are Medicaid patients and/or alternate level of care patients in general hospitals.
- the proportion of the facility's total patient days which are Medicaid patient days and the length of time that the facility's patients who are admitted as private paying patients remain such before becoming Medicaid eligible;
- the proportion of the facility's admissions who are Medicare patients or patients whose services are paid for under provisions of the federal Veterans' Benefit Law;
- the facility's patient case-mix based on the intensity of care required by the facility's patients or the extent to which the facility provides services to patients with unique or specialized needs;
- the financial impact on the facility due to an increase in Medicaid patient admissions.

An applicant will be required to make appropriate adjustments in its admission policies and practices to meet the resultant percentage. Based on the applicant's data, the facility's Medicaid admissions rate has been above the threshold of 75% of the Monroe County rate.

Medicaid Access	2022	2023	2024
Monroe County Total	20.0%	17.1%	15.2%
Monroe threshold value	*15.0%*	*12.8%*	*11.4%*
The Pearl Nursing Center of Rochester	100.0%	19.4%	50.0%

Conclusion

There will be no changes in beds or services as a result of this application. As of June 30, 2026, the facility reported 100% occupancy of its staffed beds, while Monroe County had 93.1% occupancy of its staffed beds.

Program Analysis

Program Description

	Existing	Proposed
Facility Name	The Pearl Nursing Center of Rochester	Astoria at Rochester Nursing and Rehabilitation Center
Address	1335 Portland Avenue Rochester, NY 14621	Same
RHCF Capacity	120 beds	Same
ADHCP Capacity	N/A	Same
Type of Operator	Limited Liability Company	Limited Liability Company
Class of Operator	Proprietary	Proprietary
Operator	The Pearl Nursing Center of Rochester, LLC Members: Sima Shapiro 21.25% Yaakov Abramczyk 21.25% Naftali Abramczyk 21.25% Scott Wheeler 36.25%	TPRC OPCO LLC Members: Yaakov Geldzahler* 49.5% Chaim Ausch 49.5% Efraim Siegfried 1.0% **Managing Member*

TPRC OPCO LLC d/b/a Astoria at Rochester Nursing and Rehabilitation Center has indicated that there will not be a consulting and administrative services agreement in place upon approval of this Certificate of Need application.

TPRC OPCO LLC will lease the property from TPRC PROPCO LLC. There will be common ownership, in that all three members of TPRC OPCO LLC (Yaakov Geldzahler, Chaim Ausch, and Efraim Siegfried) are indirect members of TPRC PROPCO LLC.

Character and Competence

Yaakov Geldzahler is currently employed as the Co-Owner of Eminent Care Group, a healthcare consulting company, in Brooklyn, NY. Yaakov is also a licensed operator of skilled nursing facilities in Ohio and Pennsylvania and the Chief Executive Officer of both the Pearl Nursing Center of Rochester and Highland Park Rehabilitation & Nursing Center. In addition, Yaakov is also a Partner in property development projects in Brooklyn, NY. Yaakov was previously Co-Founder, Owner, and Operator of Triple-C Interiors, a business specializing in healthcare construction in Brooklyn, NY. Yaakov holds a high school diploma from Yeshivas Eitz Chaim Wilrijk and discloses the following healthcare facility interests:

New York Nursing Homes
Highland Park Rehabilitation and Nursing Center — Pending

Out of State Nursing Homes
Atrium Nursing & Rehabilitation Center (OH) (50%) — 01/2025 to Present
Aristos Nursing & Rehabilitation Center (OH) (50%) — 01/2025 to Present
Alpine Nursing & Rehabilitation Center (OH) (50%) — 01/2025 to Present
Champion City Nursing & Rehabilitation Center (PA) (50%) — 02/2026 to Present
Forbes Road Nursing and Rehabilitation Center (PA) — Pending
Platinum Ridge Center for Rehabilitation and Healing (PA) — Pending

Chaim Ausch is currently employed as the Co-Owner/Operator of the Eminent Care Group, a healthcare consulting company, in Brooklyn, NY. Chaim is also a licensed operator of skilled nursing facilities in Ohio and Pennsylvania. In addition, Chaim is also a Partner in property development projects in Brooklyn, NY. Chaim was previously Co-Founder, Owner, and Operator of Triple-C Interiors, a business specializing in healthcare construction in Brooklyn, NY. Chaim holds a high school diploma from United Talmudical Academy of Brooklyn, and discloses the following healthcare facility interests:

New York Nursing Homes

Highland Park Rehabilitation and Nursing Center	Pending

Out of State Nursing Homes

Atrium Nursing & Rehabilitation Center (OH) (50%)	01/2025 to Present
Aristos Nursing & Rehabilitation Center (OH) (50%)	01/2025 to Present
Alpine Nursing and Rehabilitation Center (OH) (50%)	01/2025 to Present
Champion City Nursing and Rehabilitation Center (PA) (50%)	02/2026 to Present
Forbes Road Nursing and Rehabilitation Center (PA)	Pending
Platinum Ridge Center for Rehabilitation and Healing (PA)	Pending

Efraim Siegfried is currently employed as the Founder and Principal Consultant of Satin Healthcare, a healthcare consulting company, located in Toms River, NJ. Efraim is also a Partner and Administrator of Complete Care at Green Acres, a skilled nursing facility located in Toms River, NJ. Efraim was previously the Senior Vice President and Partner of Complete Care SJ, also a healthcare consulting services company, in Toms River, NJ. Efrain holds a Nursing Home Administrator license in the state of New Jersey. Efraim holds a bachelor's degree in Talmudic Law from Yeshivas Lev Aryeh Institute, and discloses the following healthcare facility interests:

New York Nursing Homes

Highland Park Rehabilitation and Nursing Center	Pending

Out of State Nursing Homes

Complete Care at Green Acres (NJ) (10%)	10/2017 to Present
Platinum Ridge Center for Rehabilitation & Healing (PA)	Pending

Quality Review

The proposed owners have been evaluated, in part, on the distribution of CMS Star ratings for their portfolio. For the proposed owner, the distribution of CMS star ratings for their facilities meets the standard described in state regulations.

CMS Star Rating Criteria					
		Duration of Ownership*			
		< 48 Months		48 months or more	
Owner	Total Nursing Homes	Number of Nursing Homes	Percent of Nursing Homes With a Below Average Rating	Number of Nursing Homes	Percent of Nursing Homes With a Below Average Rating
Yaakov Geldzahler	4	4	50%	0	N/A
Chaim Ausch	4	4	50%	0	N/A
Efraim Siegfried	1	0	N/A	1	0%

**Duration of Ownership as of 09/17/2026* *Data date: 06/2026*

Ohio
The proposed owner's portfolio includes ownership in three Ohio facilities. Two of the facilities in the ownership portfolio, Aristos Nursing & Rehabilitation Center and Alpine Nursing & Rehabilitation Center, have a CMS overall quality rating of average or higher. The remaining facility, Atrium Nursing & Rehabilitation Center has a CMS overall quality rating of below average. When asked to explain what measures were being put into place to improve the overall CMS rating at Atrium Nursing & Rehabilitation Center, the applicant indicated the following:

Atrium Nursing and Rehabilitation Center
Atrium Nursing and Rehabilitation Center was removed from the Special Focus Facility Program on January 22, 2026. As a result, the facility currently shows two (2) CMS stars in the Overall rating. It is important to note that the removal of the facility from the Special Focus Facility Program is a direct result of the positive operational improvements that have been made by Mr. Geldzahler and Mr. Ausch, despite owning this facility for only 16 months. These efforts and quality improvements are testament to Mr. Geldzahler's and Mr. Ausch's ability to provide high-quality care at their affiliated facilities.

In order to further enhance the facility's Overall rating, Mr. Geldzahler and Mr. Ausch continue to improve the quality of care provided at this facility. Specifically, Mr. Geldzahler and Mr. Ausch visit this facility on at least a bi-weekly basis, and they also utilize a Regional Administrator who lives in the vicinity of the facility. The Regional Administrator serves as a liaison between this facility and Mr. Geldzahler and Mr. Ausch when they are not able to be physically present at the facility. It is important to note that the facility shows four (4) stars in the Staffing rating and five (5) stars in the Quality Measures rating. Although the facility has not had a health inspection since December 11, 2025, it is expected that the next health inspection will be positive as a result of the operational improvements made at the facility by Mr. Geldzahler and Mr. Ausch, which should then lead to the facility's Overall star rating increasing to three (3) stars within the near term, due to the expected increase in the Health Inspection rating from one (1) star (the facility's current Health Inspection rating to two (2) or three (3) stars.

Pennsylvania
The proposed owner's portfolio includes ownership in one Pennsylvania facility. Champion City Nursing & Rehabilitation Center has a CMS overall quality rating of much below average. When asked to explain what measures were being put into place to improve the overall CMS rating at Champion City Nursing & Rehabilitation Center, the applicant indicated the following:

Champion City Nursing and Rehabilitation Center
Please note that Chaim Ausch and Yaakov Geldzahler became members of this facility only four (4) months ago. The facility currently shows one (1) star in the Overall category. However, Mr. Ausch and Mr. Geldzahler are already working to improve the facility's Overall star rating. To that end, the facility has implemented a comprehensive quality improvement strategy focused on enhancing resident outcomes, staff retention, regulatory compliance and overall resident satisfaction, which should improve the facility's current Overall rating from one (1) star to two (2) or three (3) stars within the near-term.

A key component of this effort has involved the recruitment and retention of high-quality, motivated staff in order to improve the facility's current Staffing rating of one (1) star. To accomplish this, the facility has strengthened its compensation and benefits package by offering competitive wages, medical, dental and vision insurance and a variety of other valuable employee benefits. These initiatives have helped to improve staffing stability, employee satisfaction and continuity of resident care. In addition, the facility has implemented several employee engagement and recognition programs designed to improve workplace culture, increase retention and promote accountability. The facility regularly recognizes employee achievements, encourages staff involvement in operational improvements and focuses on creating a positive and supportive work environment.

The facility has also invested significantly in capital improvements and renovations. Resident rooms, common areas and the main lobby have been upgraded to create a more comfortable, modern and welcoming environment for residents, families and staff. These enhancements contribute to improved resident satisfaction and quality of life.

Operationally, the facility has strengthened its focus on quality measures, clinical outcomes, infection control, survey preparedness and interdisciplinary care coordination. Leadership teams conduct ongoing monitoring of quality metrics and implement targeted action plans to address opportunities for improvement. The facility plans to continue to invest in its people, physical environment and clinical programs, with the goal of achieving sustained improvements in resident care, employee satisfaction and overall CMS Star Ratings.

New Jersey
The proposed owner's portfolio includes ownership in one New Jersey facility. Complete Care at Green Acres has a CMS overall quality rating of much above average.

Facility	*Ownership Since*	*Overall*	*Health Inspection*	*Quality Measure*	*Staffing*
New York					
The Pearl Nursing Center of Rochester	Subject Facility	*	*	****	*
Ohio					
Atrium Nursing and Rehabilitation Center †	Current	**	*	*****	****
	01/2025	18*	18*	18*	18*
Aristos Nursing and Rehabilitation Center	Current	***	***	*****	*
	01/2025	**	***	*	****
Alpine Nursing and Rehabilitation Center	Current	***	**	*****	**
	01/2025	*	*	***	*
Pennsylvania					
Champion City Nursing and Rehabilitation Center ††	Current	*	*	*	*
	02/2026	*	*	*	***
New Jersey					
Complete Care at Green Acres	Current	*****	*****	*****	**
	10/2017	****	***	*****	****

Data date:06/2026
10 NYCRR §600.2(b)(5)(i)(g) requires PHHPC consideration for any instance of a nursing home being designated a Special Focus Facility or Special Focus Facility Candidate.
18 Indicates that this facility was not rated due to a history of serious quality issues and is included in the special focus facility program.*
† Special Focus Facility (Atrium Nursing & Rehabilitation Center was on the list for 21 months and graduated from the program on 01/22/2026)
†† Special Focus Facility Candidate (Champion City Nursing & Rehabilitation Center was on the list for 2 months and removed from the candidate list on 04/29/2026)

Enforcement History

Ohio

A review of the operations of Atrium Nursing and Rehabilitation Center under 10 NYCRR §600.2 requirements for approval reveals no enforcements.

A review of the operations of Aristos Nursing and Rehabilitation Center under 10 NYCRR §600.2 requirements for approval reveals no enforcements.

A review of the operations of Alpine Nursing and Rehabilitation Center under 10 NYCRR §600.2 requirements for approval reveals the following:

- The facility was assessed a federal CMP of $27,706.25 for the survey dated April 8, 2025. The facility was cited for the following harm level federal tags: F684 at a G level for failure to provide appropriate treatment and care according to orders, resident's preferences and goals. F690 at a G level for failure to provide appropriate care for residents who are continent or incontinent of bowel/bladder, appropriate catheter care, and appropriate care to prevent urinary tract infections.

Pennsylvania

A review of the operations of Champion City Nursing and Rehabilitation Center under 10 NYCRR §600.2 requirements for approval reveals no enforcements.

New Jersey

A review of the operations of Complete Care at Green Acres under 10 NYCRR §600.2 requirements for approval reveals the following:

- The facility was assessed a federal CMP of $650.00 on 01/10/2022 for failure to report National Health Safety Network data.
- The facility was assessed a New Jersey state fine of $96,000.00 for surveys dated November 10, 2021, and February 8, 2024. The facility was cited for staffing deficiencies under N.J.S.A. 30:13-18 on ninety-six different days. The applicant states the enforcement action is currently pending litigation on behalf of the facility as part of a class action lawsuit in New Jersey state court.
- Medicaid Fraud Settlement: In 2023, the facility's operator, Green Acres Rehab and Nursing LLC, reached a settlement agreement with the State of New Jersey, Office of the State Comptroller, Medicaid Fraud Division (MFD). The settlement resolved claims that the facility improperly received Medicaid managed care and Medicaid Fee For Service (FFS) overpayments totaling $183,028.33 between February 2018 and July 2021. As terms of the settlement, nothing in the agreement shall constitute an admission, concession, waiver or finding of wrongdoing or liability by any party.

Conclusion

The individual background review indicates the proposed members have met the standard for approval as set forth in Public Health Law §2801-a(3).

Financial Analysis

Operating Budget

The applicant has submitted an operating budget, in 2026 dollars, for the Current Year (2024), Year One and Year Three after the change in operator, summarized below:

	Current Year		Year One		Year Three	
	Per Patient Day	Total	Per Patient Day	Total	Per Patient Day	Total
Revenues						
Medicare FFS	$628.40	$1,381,845	$645.56	$4,893,350	$645.55	$4,917,817
Medicare MC	$628.41	$1,552,789	$645.39	$863,532	$645.72	$867,850
Medicaid FFS	$217.44	$5,517,643	$231.54	$5,175,132	$231.55	$5,201,007
Medicaid MC	$217.44	$1,287,052	$217.46	$857,645	$217.44	$861,933
Private Pay	$241.50	$555,444	$241.48	$1,069,527	$241.49	$1,074,874
Grants		$225,065		$0		$0
Total Revenues		$10,519,838		$12,859,186		$12,923,481
Expenses						
Operating	$288.07	$11,022,560	$279.14	$11,065,194	$278.27	$11,085,933
Capital	$27.11	$1,037,217	$38.54	$1,527,756	$38.35	$1,527,756
Total Expenses	$315.18	$12,059,777	$317.68	$12,592,950	$316.62	$12,613,689
Net Income/(Loss)		($1,539,939)		$266,236		$309,792
Patient Days		38,264		39,641		39,839
Occupancy		87.36%		90.50%		90.95%
Breakeven				88.63%		88.77%

The following is noted with respect to the submitted operating budget:

- Historically, the facility has been forced to turn away many clinically complicated residents due to a lack of suitable staff. The facility now has the appropriate staff and is ready to accept these high-acuity residents. As such, the forecasted increase in Medicare utilization in Years One and Three is based on the applicant's plan to reverse its network of referral services to effectively market the facility to residents in need of rehabilitative services.
- Revenues are based on 2024 historical experience.
- The projected percentage of direct care staffing costs to projected facility revenues is 62.19% in Year One and 62.10% in Year Three, exceeding the 40% requirement in Public Health Law §2828.
- The percentage of direct resident care costs to projected staffing revenues is 77.79% in Year One and 77.54% in Year Three, exceeding the 70% requirement in Public Health Law §2828.
- The facility's projected profit percentage is forecasted to be 2.07% in Year One and 2.40% in Year Three, less than the 5% maximum outlined in Public Health Law §2828.
- Staffing ratios is 3.82 hours, meeting the required hours of care per resident per day under 10 NYCRR §415.3.

Utilization broken down by payor source during the current year, first year and the third year are summarized below.

Payor	Current Year	Year One	Year Three
Medicare FFS	5.75%	19.12%	19.12%
Medicare MC	6.46%	3.38%	3.37%
Medicaid FFS	66.32%	56.38%	56.38%
Medicaid MC	15.47%	9.95%	9.95%
Private Pay	6.00%	11.17%	11.18%
Total	100.00%	100.00%	100.00%

Lease Rental Agreement

The applicant has submitted an executed lease rental agreement for the site that they will occupy, which is summarized below:

Premises	November 6, 2025
Lessor	TPRC PROPCO, LLC
Lessee	TPRC OPCO, LLC
Term	10 years
Rental	$120,000 per month and 1.05% of the monthly debt service payments due under the current mortgage. The Base Rent increased by 5% each year.
Provisions	The lessee shall be responsible for maintenance, utilities and real estate taxes.

The applicant has indicated that the lease arrangement is a non-arm's length lease arrangement. The applicant has submitted two real estate letters attesting to the reasonableness of the per square foot rental.

Operations Transfer Agreement

The applicant has submitted an executed operations transfer agreement, summarized below:

Date	August 7, 2025
Seller	The Pearl Nursing Center of Rochester, LLC
Purchaser	TPRC Opco, LLC
Assets Acquired	Patient trust funds, all resident contracts or other agreements with residents of the Facility, all licenses, permits, accreditations, and other applicable regulatory approvals issued by any federal, state, or local governmental authority and copies of all the regulatory approvals and the provider agreements and any documents required by HUD in connection with the Transfer Approval, supplies, furniture and equipment.
Purchase Price	$100,000

The applicant has submitted an original affidavit, which is acceptable to the Department, in which the applicant agrees, notwithstanding any agreement, arrangement or understanding between the applicant and the transferor to the contrary, to be liable and responsible for any Medicaid overpayments made to the facility and/or surcharges, assessments or fees due from the transferor pursuant to Article 28 of the Public Health Law with respect to the period of time prior to the applicant acquiring its interest, without releasing the transferor of its liability and responsibility. As of August3,2026, the facility had outstanding liabilities of $0.

Asset Purchase Agreement

The applicant has submitted an executed asset purchase agreement, which is summarized below:

Date	August 7, 2025
Seller	New Roc Realty, LLC
Purchaser	TPRC Propco, LLC
Assets Acquired	The real properties of the land, all buildings and all other structures, the Warranties, those certain rights (if any) vested in Seller, to the extent legally assignable, to allow an operator or operators licensed by the DOH to operate 120 licensed beds and the Property, name of the facility and those rights related to deposits and prepaid expenses and claims for refunds.
Excluded Assets	All cash, cash equivalents, accounts receivable, noted receivable prior to the Applicable Date, all rights to refunds relating to the period prior to the Applicable Date, corporate organizational documents, minute books, tax records and third-party settlements and other proceeds relating to the pre-closing periods.
Assumed Liabilities	None
Purchase Price	$9,400,000
Payment of Purchase Price	$250,000 Initial Deposit. The proposed members will assume the HUD Loan of $8,137,025. The remaining $1,012,975 will be met via equity from the proposed members of TPRC Propco, LLC.

Capability and Feasibility

The purchase price for the operation is $100,000, which will be met with equity. The purchase price for the real estate is $9,400,000 and will be met as follows: $250,000 initial deposit, the assumption of the HUD Loan of $8,137,025 and the remainder of $1,012,975 in equity via the proposed members personal resources.

Working capital requirements are estimated at $2,098,825, which is equivalent to two months of first year expenses. The applicant will provide equity from the proposed members personal resources. BFA Attachment A, Net Worth Statement of the Proposed Members, indicates the availability of sufficient funds to meet both the purchase price and the working capital requirements. The applicant provided an affidavit that Yaakov Geldzahler will provide equity that is disproportionate to his ownership interests.

BFA Attachment D, Pro Forma Balance Sheet shows the applicant will begin with $2,198,825 in members' equity as of the first day of operations.

The submitted budget indicates a net income of $266,236 and $309,792 during Years One and Three, respectively. Revenues are based on current reimbursement methodologies. The submitted budget appears reasonable.

BFA Attachment B, 2023-2024 Certified Financial Statements of The Pearl Nursing Center of Rochester, show the entity had an average negative working capital position, a negative average net asset position, and incurred average losses of ($1,861,458) for the period. The reason for the negative working capital position was primarily due to the accounting treatment related to the facility's lease and a higher-than-expected level of accounts payable. The accounts payable balance will not be applicable going forward, as the applicant is not assuming any current liabilities as part of this transaction. The negative equity situation was due to historical operating losses at the facility.

BFA Attachment C, 2025 Internal Financial Statements of The Pearl Center of Rochester, show the entity had a negative working capital position, negative net asset position, and a net income of $314,282. As previously noted, the negative working capital is due to accounting and high accounts payable, while the negative equity is due to historical losses.

Conclusion
The applicant has demonstrated the capability to proceed in a financially feasible manner.

Attachments

LTCOP Attachment A	Long-Term Care Ombudsman Program Recommendation
BHFP Attachment	Map
BFA Attachment A	Net Worth Statement of Proposed Members
BFA Attachment B	Financial Summary - 2023 and 2024 Certified Financial Statements of The Pearl Center of Rochester
BFA Attachment C	Financial Summary - 2025 Internal Financial Statements of The Pearl Center of Rochester
BFA Attachment D	Pro Forma Balance Sheet

Public Health and Health Planning Council

Project # 241233-E
Peak Outcomes, LLC d/b/a Duet Care at Home

Program:	**LHCSA**	***County:***	**New York**
Purpose:	**Establishment**	***Acknowledged:***	**June 7, 2024**

Executive Summary

Description
Establish Peak Outcomes, LLC d/b/a Duet Care at Home as the new operator of a Licensed Home Care Servies Agency (LHCSA) currently operated by Besure Home Health Services Agency, Inc. at 115 West 30th Street, New York (New York County).

There are no proposed changes to the counties served or services provided.

OALTC Recommendation
Approval

Need Summary
In accordance with 10 NYCRR §765-1.16(c)2, this application is exempt from Public Need review as the agency is actively serving over 25 patients, as attested to by the current operator.

Program Summary
The individual background review indicates the proposed members have met the standard for approval as set forth in Public Health Law §3605.

Financial Summary
The total purchase price for the acquisition of the LHCSA is $450,000. In addition, to the purchase price, the Purchaser shall pay the Seller $3,000 every three months until closing starting August 23, 2026.

The applicant intends to fund the projected operating costs during the first two months after being licensed by utilizing existing financial resources from ongoing operations and current assets held by Peak Outcomes, LLC.

In accordance with 10 NYCRR §765-1.2(b)(3), the applicant has submitted financial documents prepared by a Certified Public Accountant (CPA) demonstrating the agency's financial feasibility.

Recommendations

Health Systems Agency

There will be no HSA recommendation for this project.

Office of Aging and Long-Term Care

Approval conditional upon:

1. This project must be completed by one year from the date of the approval letter, including all pre-opening processes, if applicable. Failure to complete the project by this date may constitute an abandonment of the project by the applicant and the expiration of the approval. It is the responsibility of the applicant to request prior approval for any extensions to the project approval expiration date. [PMU]
2. Effective July 27, 2026, there is a six-month moratorium on all Licensed Home Care Services Agency (LHCSA) applications for Medicaid Provider Enrollment, including changes of ownership applications. Peak Outcomes, LLC d/b/a Duet Care at Home must comply with all Medicaid enrollment and revalidation requirements before serving Medicaid members, including enrolling as a Medicaid Enrolled Provider via New York's Provider Services Portal following the moratorium period. [CHA]

Council Action Date

September 17, 2026

Program Analysis

Background

Peak Outcomes, LLC d/b/a Duet Care at Home requests approval to become the new operator of the LHCSA.

There are no proposed changes to the counties served or to the services provided.

In July 2023, the Department approved a Management Agreement between Peak Outcomes, LLC and Besure Home Health Services Agency, Inc. The Management Agreement will terminate upon the closing of this transaction.

The current membership of Besure Home Health Services, Inc. is as follows:

- Valrie Henry (100%)

The proposed membership of Peak Outcomes, LLC d/b/a Duet Care at Home will be as follows:

- Kyle Budinscak (70.4%)
- Larisa Polonsky (29.6%)

The applicant will continue to serve the residents of the following counties:

- Bronx
- Kings
- New York
- Queens
- Richmond
- Westchester

The applicant will continue to provide the following healthcare services:

- Home Health Aide
- Homemaker
- Housekeeper
- Nursing
- Personal Care

Character and Competence Review

Peak Outcomes, LLC d/b/a Duet Care at Home will be comprised of the following individuals:

Kyle J. Budinscak (70.4%), Managing Member

Employment

- Managing Director/Managing Member of the LLC, Peak Outcomes, LLC d/b/a Duet Care at Home (May 2015 – Present)

Affiliations

- Peak Outcomes, LLC d/b/a Duet Care at Home (Companion Care), (May 2015 – Present)
- Besure Home Health Services, Inc. d/b/a Harmony Home Care (Management Agreement) (July 2023 – Present)

Larisa Polonsky (29.6%), Member

Employment

- Member/Director, Peak Outcomes, LLC d/b/a Duet Care at Home (September 2015 – Present)

Affiliations

- Peak Outcomes, LLC d/b/a Duet Care at Home (Companion Care), (May 2015 – Present)
- Besure Home Health Services, Inc. d/b/a Harmony Home Care (Management Agreement) (July 2023 – Present)

A search of the individuals and entities named above revealed no matches on either the Medicaid Disqualified Provider List or the OIG Exclusion List.

Agency Compliance/Enforcement

The information provided by the Center for Home and Community Based Services has indicated that the applicant has provided sufficient supervision to prevent harm, maintain the health, safety, and welfare of residents, and to prevent recurrent code violations.

Need Review

In accordance with 10 NYCRR §765-1.16(c)2, this application is exempt from Public Need review as the agency is actively serving over 25 patients, as attested to by the current operator.

Financial Review

The total purchase price for the acquisition of the LHCSA is $450,000. In addition, to the purchase price, the Purchaser shall pay the Seller $3,000 every three months until closing starting August 23, 2026.

The applicant intends to fund the projected operating costs during the first two months after being licensed by utilizing existing financial resources from ongoing operations and current assets held by Peak Outcomes, LLC.

In accordance with 10 NYCRR §765-1.2(b)(3), the applicant has submitted financial documents prepared by a Certified Public Accountant (CPA) demonstrating the agency's financial feasibility.

Workforce Review

The applicant's response regarding the recruitment and retention of the workforce was adequately addressed in their project narrative. Please refer to Attachment A for the agency's Workforce Summary.

Conclusion

A review of the Personal Qualifying Information indicates that the applicant has the required character and competence to operate a Licensed Home Care Services Agency.

The individual background review indicates the proposed members have met the standard for approval as set forth in New York State Public Health Law §3605.

Attachments

OALTC Attachment A	Workforce Summary

Department of Health Public Health and Health Planning Council

Project # 241270-E
Ez Living Home Care of NY, Inc.

Program: **LHCSA**
Purpose: **Establishment**
County: **Kings**
Acknowledged: **July 1, 2024**

Executive Summary

Description
Ez Living Home Care of NY, Inc, an existing Licensed Home Care Services Agency (LHCSA), requests approval to transfer 91% ownership interest from three withdrawing shareholders to one existing shareholder and one new shareholder.

There are no proposed changes to the counties served or to the services provided.

OALTC Recommendation
Approval

Need Summary
In accordance with 10 NYCRR §765- 1.16(c)2, this application is exempt from public need review as the agency is actively serving 25 patients, as attested to by the current operator.

Program Summary
The individual background review indicates the proposed members have met the standard for approval as set forth in Public Health Law §3605.

Financial Summary
The total purchase price for the acquisition of the LHCSA is $3,000,000. The applicant reports they intend to fund the projected operating costs during the first two months after being licensed by utilizing existing financial resources from ongoing operations and current assets held by Ez Living Home Care of NY, Inc.

In accordance with 10 NYCRR §765-1.2(b)(3), the applicant has submitted financial documents prepared by a Certified Public Accountant (CPA) demonstrating the financial feasibility of the agency.

Recommendations

Health Systems Agency

There will be no HSA recommendation for this project.

Office of Aging and Long-Term Care

Approval conditional upon

1. This project must be completed by one year from the date of the approval letter, including all pre-opening processes, if applicable. Failure to complete the project by this date may constitute an abandonment of the project by the applicant and the expiration of the approval. It is the responsibility of the applicant to request prior approval for any extensions to the project approval expiration date. [PMU]
2. Effective July 27, 2026, there is a six-month moratorium on all Licensed Home Care Services Agency (LHCSA) applications for Medicaid Provider Enrollment, including changes of ownership applications. Ez Living Home Care of NY, Inc. must comply with all Medicaid enrollment and revalidation requirements before serving Medicaid members, including enrolling as a Medicaid Enrolled Provider via New York's Provider Services Portal following the moratorium period. [CHA]

Council Action Date

September 17, 2026

Program Analysis

Background

Ez Living Home Care of NY, Inc requests approval to transfer 91% ownership interest from three withdrawing shareholders to one existing shareholder and one new shareholder.

There are no proposed changes to the counties served or to the services provided.

The current membership of Ez Living Home Care of NY, Inc. is as follows:

- Felix Slepitsky (30.5%)
- Mikhail Litvin (30.5%)
- Victor Izhak (30.0%)
- Aron Goldberger (9.0%)

The proposed membership of Ez Living Home Care of NY, Inc. will be as follows:

- Aron Goldberger (50.0%)
- Shimon Lieber (50.0%)

The applicant will continue to serve the residents of the following counties:

- Bronx
- Kings
- Nassau
- New York
- Queens
- Richmond

The applicant will continue to provide the following healthcare services:

- Audiology
- Home Health Aide
- Homemaker
- Housekeeper
- Medical Social Services
- Nursing
- Nutritional
- Personal Care
- Therapy - Occupational
- Therapy - Physical
- Therapy - Respiratory
- Therapy - Speech-Language Pathology

Character and Competence Review

Ez Living Home Care Of NY, Inc. will be comprised of the following individuals:

Aron Goldberger, (50%) (President)

Employment

- Director of Operations, Excellent Home Care Services, (2009 – Present)

Affiliations

- Advent Health Care Services LLC (CHHA) (July 2024 – Present)

Shimon Lieber, (50%) (Vice President)

Employment
- Chief Executive Officer, Silveredge Management, (December 2022 – Present)

Affiliations
No offices held or ownership interests in other health facilities.

A search of the individuals and entities named above revealed no matches on either the Medicaid Disqualified Provider List or the OIG Exclusion List.

Agency Compliance/Enforcement
The information provided by the Center for Home and Community-Based Services has indicated that the applicant has provided sufficient supervision to prevent harm, maintain the health, safety, and welfare of residents, and to prevent recurrent code violations.

CHHA Quality of Patient Care Star Ratings*	
CHHA Name	**Quality of Care Rating**
Advent Health Care Services LLC	2.5 out of 5 stars

** CMS data as of July 15, 2026. The National average is 3.5 out of 5 stars.*

Need Review
In accordance with 10 NYCRR §765- 1.16(c)2, this application is exempt from public need review as the agency is actively serving 25 patients, as attested to by the current operator.

Financial Review
The total purchase price for acquisition of the LHCSA is $3,000,000. The applicant reports they intend to fund the projected operating costs during the first two months after being licensed by utilizing existing financial resources from ongoing operations and current assets held by Ez Living Home Care of NY, Inc.

In accordance with 10 NYCRR §765-1.2(b)(3), the applicant has submitted financial documents prepared by a Certified Public Accountant (CPA) demonstrating the financial feasibility of the agency.

Workforce Review
The applicant's response regarding the recruitment and retention of the workforce was adequately addressed in their project narrative. Please refer to Attachment A for the Workforce Summary.

Conclusion
A review of the Personal Qualifying Information indicates that the applicant has the required character and competence to operate a Licensed Home Care Services Agency.

The individual background review indicates the proposed members have met the standard for approval as set forth in New York State Public Health Law §3605.

Attachments

OALTC Attachment A	Workforce Summary

Public Health and Health Planning Council

Project # 241273-E
Simpson Solutions, LLC d/b/a
All Care Living Assistance Services

Program: **LHCSA** ***County:*** **Bronx**
Purpose: **Establishment** ***Acknowledged:*** **July 1, 2024**

Executive Summary

Description
Simpson Solutions, LLC d/b/a All Care Living Assistance Services, is an existing Licensed Home Care Services Agency (LHCSA) seeking approval for a 90.1% transfer of membership interest from one withdrawing shareholder to the remaining shareholder.

There are no proposed changes to the counties served or services provided.

OALTC Recommendation
Approval

Need Summary
In accordance with 10 NYCRR §765-1.16(c)2, this application is exempt from Public Need review as the agency is actively serving over 25 patients, as attested to by the current operator.

Program Summary
The individual background review indicates the proposed members have met the standard for approval as set forth in Public Health Law §3605.

Financial Summary
The total purchase price for the acquisition of the LHCSA is $50,000. The applicant reports they intend to fund the projected operating costs during the first two months after being licensed by utilizing existing financial resources and current assets held by Dada Home Care, LLC.

In accordance with 10 NYCRR §765-1.2(b)(3), the applicant has submitted financial documents prepared by a Certified Public Accountant (CPA) demonstrating the agency's financial feasibility.

Recommendations

Health Systems Agency

There will be no HSA recommendation for this project.

Office of Aging and Long-Term Care

Approval conditional upon:

1. This project must be completed by one year from the date of the approval letter, including all pre-opening processes, if applicable. Failure to complete the project by this date may constitute an abandonment of the project by the applicant and the expiration of the approval. It is the responsibility of the applicant to request prior approval for any extensions to the project approval expiration date. [PMU]
2. Effective July 27, 2026, there is a six-month moratorium on all Licensed Home Care Services Agency (LHCSA) applications for Medicaid Provider Enrollment, including changes of ownership applications. Simpson Solutions, LLC d/b/a All Care Living Assistance Services must comply with all Medicaid enrollment and revalidation requirements before serving Medicaid members, including enrolling as a Medicaid Enrolled Provider via New York's Provider Services Portal following the moratorium period. [CHA]

Council Action Date

September 17, 2026

Program Analysis

Background

Simpson Solutions, LLC d/b/a All Care Living Assistance Services seeks approval for a 90.1% transfer of membership interest from one withdrawing shareholder to the remaining shareholder, Dada Home Care, LLC.

There are no proposed changes to the counties served or services provided.

Since September 2023, there has been a Management Agreement between Simpson Solutions, LLC d/b/a All Care Living Assistance Services and Dada Home Care, LLC. Upon approval of this application, the Management Agreement will be terminated.

The current membership of Simpson Solutions, LLC d/b/a All Care Living Assistance Services is as follows:

- Shannon Simpson (90.1%)
- Dada Home Care, LLC (9.9%)

The proposed membership of Simpson Solutions, LLC d/b/a All Care Living Assistance Services will be as follows:

- Dada Home Care, LLC (100%)

The sole member of Dada Home Care, LLC is Syed Hayat.

The applicant will continue to serve the residents of the following counties:

- Bronx
- Kings
- New York
- Queens
- Richmond
- Westchester

The applicant will continue to provide the following home care services:

- Home Health Aide
- Homemaker
- Housekeeper
- Medical Social Services
- Nursing
- Nutritional
- Personal Care
- Therapy- Occupational
- Therapy- Physical
- Therapy- Respiratory
- Therapy- Speech Language Pathology

Character and Competence Review

The sole shareholder of Simpson Solutions, LLC d/b/a All Care Living Assistance Services, Dada Home Care, LLC, will be comprised of the following individual:

Syed K Hayat (100%)

Employment

- Chief Executive Officer, Family Wellness Program, LLC, (July 2016– Present)
- Simpson Solutions, LLC d/b/a All Care Assistance Services, (January 2017-Present)

Affiliations

- Family Wellness Program, LLC, (CDPAP), (July 2016 – Present)
- Simpson Solutions, LLC d/b/a All Care Assistance Services, (LHCSA), (January 2017 - Present)

A search of the individuals and entities named above revealed no matches on either the Medicaid Disqualified Provider List or the OIG Exclusion List.

Agency Compliance/Enforcement

The information provided by the Center for Home and Community-Based Services indicated that the applicant has provided sufficient supervision to prevent harm, maintain the health, safety, and welfare of residents, and prevent recurrent code violations.

Need Review

In accordance with 10 NYCRR §765-1.16(c)2, this application is exempt from Public Need review as the agency is actively serving over 25 patients, as attested to by the current operator.

Financial Review

The total purchase price for the acquisition of the LHCSA is $50,000. The applicant reports they intend to fund the projected operating costs during the first two months after being licensed by utilizing existing financial resources and current assets held by Dada Home Care, LLC.

In accordance with 10 NYCRR §765-1.2(b)(3), the applicant has submitted financial documents prepared by a Certified Public Accountant (CPA) demonstrating the agency's financial feasibility.

Workforce Review

The applicant’s response regarding the recruitment and retention of the workforce was adequately addressed. Please refer to Attachment A for the agency’s Workforce Summary.

Conclusion

A review of the Personal Qualifying Information indicates that the applicant has the required character and competence to operate a Licensed Home Care Services Agency.

The individual background review indicates the proposed members have met the standard for approval as set forth in New York State Public Health Law §3605.

Attachments

OALTC Attachment A	Workforce Summary

NEW YORK STATE OF OPPORTUNITY. Department of Health

Public Health and Health Planning Council

Project # 251085-E
Bridges LHCSA, LLC d/b/a
Bridges Cornell Heights Home Health

Program: **LHCSA**
Purpose: **Establishment**
County: **Tompkins**
Acknowledged: **February 20, 2025**

Executive Summary

Description
Establish Bridges LHCSA, LLC d/b/a Bridges Cornell Heights Home Health as the new operator of a Licensed Home Care Services Agency (LHCSA), currently operated by Bridges Senior Concepts, Inc., at 403 Wyckoff Avenue, Ithaca (Tompkins County).

There are no proposed changes to the county served or services provided.

OALTC Recommendation
Approval

Need Summary
In accordance with 10 NYCRR §765-1.16(c)2, this application is exempt from Public Need review as the agency is actively serving over 25 patients, as attested to by the current operator.

Program Summary
The individual background review indicates the proposed members have met the standard for approval as set forth in Public Health Law §3605.

Financial Summary
The transfer of ownership of Bridges LHCSA, LLC is a component of a larger transaction for independent senior living residences in Ithaca. The total transaction amount is $28 million, which includes $27.95 million for the purchase of real estate (8 separate buildings) and associated assets (furniture, equipment and goodwill). The amount allocated to the purchase price for the acquisition of the LHCSA is $50,000. The applicant intends to fund the projected operating costs during the first two months after being licensed by utilizing existing financial resources from ongoing operations and current assets held by Bridges Cornell Heights Operator LLC.

In accordance with 10 NYCRR §765-1.2(b)(3), the applicant has submitted financial documents prepared by a Certified Public Accountant (CPA) demonstrating the agency's financial feasibility.

Recommendations

Health Systems Agency

There will be no HSA recommendation for this project.

Office of Aging and Long-Term Care

Approval conditional upon:

1. This project must be completed by one year from the date of the approval letter, including all pre-opening processes, if applicable. Failure to complete the project by this date may constitute an abandonment of the project by the applicant and the expiration of the approval. It is the responsibility of the applicant to request prior approval for any extensions to the project approval expiration date. [PMU]
2. Effective July 27, 2026, there is a six-month moratorium on all Licensed Home Care Services Agency (LHCSA) applications for Medicaid Provider Enrollment, including changes of ownership applications. Bridges LHCSA, LLC d/b/a Bridges Cornell Heights Home Health must comply with all Medicaid enrollment and revalidation requirements before serving Medicaid members, including enrolling as a Medicaid Enrolled Provider via New York's Provider Services Portal following the moratorium period. [CHA]

Council Action Date

September 17, 2026

Program Analysis

Program Description

Bridges LHCSA, LLC d/b/a Bridges Cornell Heights Home Health requests approval to become the new operator of the LHCSA.

The current membership of Bridges Senior Concepts, Inc. is as follows:

- Elizabeth Classen Ambrose (100%)

The proposed membership of Bridges LHCSA, LLC d/b/a Bridges Cornell Heights Home Health will be as follows:

- Elizabeth B. Demisse (33.34%)
- Theodors Z. Lakew (33.33%)
- Dawit M. Solomon (33.33%)

The applicant will continue to serve the residents of the following county:

- Tompkins

The applicant will continue to provide the following healthcare services:

- Nursing
- Home Health Aide
- Personal Care

Character and Competence Review

Bridges LHCSA, LLC d/b/a Bridges Cornell Heights Home Health will be comprised of the following individuals:

Elizabeth B. Demisse (33.34%), Managing Member

Employment:

- Executive Vice President & Director, Elizabeth Ambrose – Bridges Cornell Heights, (March 2006 - Present)

Affiliations:

No offices held or ownership interests in other health facilities.

Dawit M. Solomon (33.33%)

Employment:

- Regional Program Leader, Consultative Group on International Agricultural Research (CGIAR), (May 2017 – Present)

Affiliations:

No offices held or ownership interests in other health facilities.

Theodors Z. Lakew (33.33%)

Employment:

- Co-Founder and Previous CEO, Great Abyssinia PLC, (October 2023 – Present)
- Co-Owner, General Industrial & Commercial PLC, (December 2015 – Present)
- Co-Founder and Owner, Noah Real Estate PLC, (October 2006 – Present)
- Co-Founder and Part-Owner, Royal Concept, LLC, (February 2016 – Present)

Affiliations:
No offices held or ownership interests in other health facilities.

A search of the individuals and entities named above revealed no matches on either the Medicaid Disqualified Provider List or the OIG Exclusion List.

Agency Compliance/Enforcement
Not applicable, as there are no affiliated licensed healthcare agencies.

Need Review
In accordance with 10 NYCRR §765-1.16(c)2, this application is exempt from Public Need review as the agency is actively serving over 25 patients, as attested to by the current operator.

Financial Review
The transfer of ownership of Bridges LHCSA, LLC is a component of a larger transaction for independent senior living residences in Ithaca. The total transaction amount is $28 million, which includes $27.95 million for the purchase of real estate (8 separate buildings) and associated assets (furniture, equipment and goodwill). The amount allocated to the purchase price for the acquisition of the LHCSA is $50,000. The applicant intends to fund the projected operating costs during the first two months after being licensed by utilizing existing financial resources from ongoing operations and current assets held by Bridges Cornell Heights Operator LLC.

In accordance with 10 NYCRR §765-1.2(b)(3), the applicant has submitted financial documents prepared by a Certified Public Accountant (CPA) demonstrating the agency's financial feasibility.

Workforce Review
The applicant's response regarding the recruitment and retention of the workforce was adequately addressed in their project narrative. Please refer to Attachment A for the agency's Workforce Summary.

Conclusion
A review of the Personal Qualifying Information indicates that the applicant has the required character and competence to operate a Licensed Home Care Services Agency.

The individual background review indicates the proposed members have met the standard for approval as set forth in New York State Public Health Law §3605.

Attachments

OALTC Attachment A	Workforce Summary

Public Health and Health Planning Council

Project # 251159-E
Wehrle Drive ASC, LLC d/b/a Atlas Surgery Center

Program: **Diagnostic and Treatment Center** ***County:*** **Erie**
Purpose: **Establishment** ***Acknowledged:*** **April 11, 2025**

Executive Summary

Description
Wehrle Drive ASC, LLC d/b/a Atlas Surgery Center (The Center), an existing Article 28 multi-specialty freestanding ambulatory surgical center (FASC) at 50 George Karl Boulevard, Amherst, NY (Erie County), requests approval to transfer 60% ownership from one (1) withdrawing member and six (6) remaining members to one (1) new member LLC., Ambulatory Partner Holdings, LLC.

Below is the current and proposed membership in the Center:

Member	Current	Proposed
Douglas Moreland, M.D.	20.00%	5.00%
Michael Stoffman, M.D.	15.00%	5.00%
John Fahrbach, M.D.	15.00%	5.00%
Elad Levy, M.D.	10.00%	5.00%
John Pollina, M.D.	10.00%	5.00%
Jafar Siddiqui, M.D.	10.00%	5.00%
Michael Courmyea, CPA, M.D.	10.00%	0.00%
Jeffrey Mullins, M.D.	5.00%	5.00%
Joshua Meyers, M.D.	5.00%	5.00%
Ambulatory Partners Holding LLC (APH)	0.00%	60.00%
Total	100.00%	100.00%

The Center is currently owned by nine (9) individuals. Seven (7) of the Center's nine existing members, who collectively own 90% of the Center, entered into a Membership Interest Purchase Agreement to sell 60% of their 90% interest to Ambulatory Partner Holdings, LLC (APH). APH is comprised of the following three individual members: Rafael Axen, MD. (33.33%), Matthew Jenkins (33.33%) and Ann Sariego (33.33%).

OPCHSM Recommendation
Contingent approval with an expiration of the operating certificate three years from the date of its issuance.

Need Summary
There will be no need review per Public Health Law §2801-a (4).

Program Summary
The individual background review indicates the proposed members have met the standard for approval as set forth in Public Health Law §2801-a(3).

Financial Summary
The total purchase price for the membership interests will be $54,000,000 and will be paid with equity from the operations of Ambulatory Partner Holdings, LLC.

Budget:	Year One	Year Three
Revenues	$26,621,434	$28,024,691
Expenses	$21,980,051	22,445,729
Net Income	$4,641,383	$5,578,962

Health Equity Impact Assessment
This project does not meet the requirements for a Health Equity Impact Assessment under Section 2802-B of the PHL.

Recommendations

Health Systems Agency

There will be no Health Systems Agency recommendation for this project.

Office of Primary Care and Health Systems Management

Approval with an expiration of the operating certificate three years from the date of its issuance, contingent upon:

1. Submission of a signed agreement with an outside, independent entity satisfactory to the Department to provide annual reports to DOH. Reports are due no later than April 1st for the prior year and are to be based upon the calendar year. Reports should include:
   a. Data displaying actual utilization including procedures;
   b. Data displaying the breakdown of visits by payor source;
   c. Data displaying the number of patients who needed follow-up care in a hospital within seven days after ambulatory surgery;
   d. Data displaying the number of emergency transfers to a hospital;
   e. Data displaying the percentage of charity care provided;
   f. The number of nosocomial infections recorded during the year reported;
   g. A list of all efforts made to secure charity cases; and
   h. A description of the progress of contract negotiations with Medicaid managed care plans. [RNR]

Approval conditional upon:

1. This project must be completed by **one year from the date of the recommendation letter**, including all pre-opening processes, if applicable. Failure to complete the project by this date may constitute an abandonment of the project by the applicant and the expiration of the approval. It is the responsibility of the applicant to request prior approval for any extensions to the project approval expiration date. [PMU]
1. The submission of annual reports to the Department as prescribed by the related contingency, each year, for the duration of the limited life approval of the facility. [RNR]
2. The staff of the facility must be separate and distinct from the staff of other entities; the signage must clearly denote that the facility is separate and distinct from other entities; the clinical space must be used exclusively for the approved purpose; and the entrance must not disrupt any other entity's clinical program space. [HSP]
3. The applicant must ensure registration for and training of facility staff on the Department's Health Commerce System (HCS). The HCS is the secure web-based means by which facilities must communicate with the Department and receive vital information. Upon receipt of the Operating Certificate, the Administrator/director that has day-to-day oversight of the facility's operations shall submit the HCS Access Form at the following link to begin the process to enroll for HCS access for the first time or update enrollment information as necessary: https://www.health.ny.gov/facilities/hospital/docs/hcs_access_form_new_clinics.pdf. Questions may be directed to the Division of Hospitals and Diagnostic &Treatment Centers at 518-402-1004 or email: hospinfo@health.ny.gov [HSP]

Council Action Date

September 17 2026

Program Analysis

Project Proposal

Proposed Operator	Wehrle Drive ASC, LLC d/b/a Atlas Surgery Center
To Be Known As	Atlas Surgery Center
Site Address	50 George Karl Boulevard Amherst, New York 14221 (Erie County)
Specialties	Ambulatory Surgery- Multispecialty
Hours of Operation	Monday through Friday, 8:00 a.m. to 6:00 p.m.
Staffing (1st Year / 3rd Year)	30.81 FTEs / 30.81 FTEs
Medical Director	Douglas Moreland, M.D.
Emergency, In-Patient and Backup Support Services Agreement and Distance	Kaleida health-Millard Fillmore Suburban Hospital

Wehrle Drive ASC opened in January 2023 and is the only FASC of its kind in New York State offering same day, awake Endovascular Neurosurgery procedures. It is at the forefront of innovation, delivering non-invasive treatments that address complex conditions like brain tumors, vascular disorders and cerebrovascular disease. There will be no changes to services or hours of operation.

The Center has an existing transfer agreement with Kaleida Health - Millard Fillmore Suburban Hospital to provide backup and emergency services four (4) miles/12 minutes' travel time away.

There will be no change in staffing as a result of this application

Position	Year One	Year Three
Management and Supervision	1.00	1.00
Technician and Specialist	2.48	2.48
Registered Nurses	17.13	17.13
Aides, Orderlies & Attendants	7.74	7.74
Clerical and Other Administrative	2.46	2.46
Totals	**30.81**	**30.81**

Seven (7) of the Center's nine (9) existing members, who collectively own 90% of Center, entered into Membership Interest Purchase Agreement (MIPA) to sell 60% of their 90% interest to Ambulatory Partner Holdings, LLC (APH) which is a former subsidiary of UnitedHealth Group Incorporated.

Ambulatory Partner Holdings, LLC, has ownership interest in four (4) other Article 28 Freestanding Ambulatory Surgery Centers (FASCs) in New York State. APH is comprised of (3) individual members:

Rafael Axen, M.D. (33.33%); Matt Jenkins (33.33%); and Ann Sariego (33.33%). Surgical Care Affiliates (SCA Health), a primary ambulatory care subsidiary of UnitedHealth Group, will provide administrative services to the facility.

The existing member, Michael Cournyea, will withdraw as a member of the Center; and the other six (6) selling members will each retain 5% membership interest in the Center, or 30% membership interest in the aggregate.

The two (2) non-selling existing members, Jeffrey Mullin, M.D. and Joshua Meyers, M.D., will each retain existing 5% membership interest in the Center.

Wehrle Drive ASC, LLC is currently owned by nine (9) individuals:

MEMBERS	CURRENT MEMBERSHIP INTEREST (Percentage)
Douglas Moreland, M.D.	20.00%
Michael Stoffman, M.D.	15.00%
John Fahrbach, M.D.	15.00%
Elad Levy, M.D.	10.00%
John Pollina, M.D.	10.00%
Jafar Siddiqui, M.D.	10.00%
Michael Courmyea, CPA, MBA	10.00%
Jeffrey Mullin, M.D.	05.00%
Joshua Meyers, M.D.	05.00%
Totals	**100.00%**

Wehrle Drive ASC, LLC proposed membership**:**

MEMBERS	CURRENT MEMBERSHIP INTEREST (Percentage)
Douglas Moreland, M.D.	05.00%
Michael Stoffman, M.D.	05.00%
John Fahrbach, M.D.	05.00%
Elad Levy, M.D.	05.00%
John Pollina, M.D.	05.00%
Jafar Siddiqui, M.D.	05.00%
Jeffrey Mullin, M.D.	05.00%
Joshua Meyers, M.D.	05.00%
Ambulatory Partner Holdings, LLC (APH)	60.00%
Totals	**100.00%**

Proposed Ambulatory Partner Holdings LLC ’s members’ direct and indirect ownerships interests:

MEMBER	DIRECT MEMBERSHIP INTEREST IN APH	INDIRECT MEMBERSHIP INTEREST IN WEHRLE
Rafael Axen, M.D.	33.30%	20.00%
Matt Jenkins	33.30%	20.00%
Ann Sariego	33.30%	20.00%
TOTAL	**100%**	**100%**

. The Board of Managers will include the following individuals:

• Class A Managers - Michael Stoffman, M.D. and Douglas B. Moreland, M.D.; and
• Class B Managers - Ann Sariego and Rafael Axen, M.D.

Douglas Moreland, M.D. will continue to serve as the Medical Director, and the current Administrator will stay on. Dr. Moreland will continue to run the day-to-day operations.

Character and Competence

Ann Sariego (aka Ann Hoff), RN, BS, CASC
Ann Sariego is a Registered Nurse who has indirect ownership in multiple other Article 28 facilities throughout New York State.

Ann is the current Market President for Physician Endoscopy/PEGI Solutions since 2019; was the Senior Vice President of Operations with PEGI Solutions in NY and in NJ from 2017 to 2019; and the Vice President in NY and in NJ from 2011 to 2017. Ann graduated with an Associate's in Applied Science (AAS) degree in Nursing from Pace University which is in New York City in 1979; and with a Bachelor of Science degree in Health Administration from Warren University located in Cheyenne, WY in 2005.

Rafael Z. Axen, M.D.
Dr. Axen is a senior medical director for Optum Medical Group, provides anesthesia care in ASC and OBS settings and has ownership in multiple Article 28 facilities throughout New York.

Since 2023, Dr. Axen has been the Director of Perioperative Care with Optum Tristate in NY and in NJ; was the Senior Medical Director for Surgical Specialties as well as Anesthesiology, Cardiology, Gastroenterology, Neurology, Pain Management, Physiatry from 2020 to 2024). Since 2020, Dr. Axen has been the Senior Medical Director for CareMount Medical, PC; previously worked as the Medical Director from 2019-2020 and as an Associate Medical Director from 2017- 2019, and as the Chair of the Department of Anesthesiology and Perioperative Medicine from 2017-2020; and is a Clinical Assistant Professor, Department of Anesthesiology at the Zucker School of Medicine at Hofstra/Northwell. Hempstead, NY since 2020. Dr. Axen also worked as the Chief of Anesthesiology at Bedford Anesthesia, PLLC from 2016-2017 and as the Assistant Chief of Anesthesiology from 2012-2016; is the Chief Strategy Officer with the Ambulatory Surgery Center of Westchester since 2022 and was the Medical Director and President of Medical Staff of the Ambulatory Surgery Center of Westchester from 2016-2017.

Dr. Axen graduated from the University of Rochester with a bachelor's degree in 1997 and from Rutgers New Jersey Medical School with a Doctor of Medicine degree in 2001. Dr. Axen completed an internship at Atlantic Health Systems in 2002 and a residency in Anesthesiology at New York Presbyterian Hospital-Weill Cornell Medical Center in 2005. Dr. Axen is board certified in Anesthesiology.

Dr. Axen received his Medical Degree from Rutgers New Jersey Medical School located in Newark, New Jersey in 2001 and completed his Bachelor of Arts degree at the University of Rochester located in Rochester, New York in 1997.

Matthew A. Jenkins
Matthew A. Jenkins has ownership in multiple Article 28 facilities throughout New York. Mr. Jenkins has been the Group Vice President of Development of SCA Health since 2021, previously was the acting Vice President of Development from 2019-2021, the Senior Director of Development from 2015-2019.

Matt Jenkins graduated with a Bachelor of Finance degree from Auburn University located in Auburn, AL in 2008 and from Northwestern University with a Master of Business Administration degree from Northwestern University located in Evanston, IL in 2019.

Axen, Jenkins, and Sariego disclosed ownership in sixteen (16) New York facilities under PE Healthcare Associates, LLC:

Advanced Endoscopy Center
Long Island Digestive Endoscopy Center d/b/a Ambulatory Surgery Center of Long Island
Carnegie Hill Endoscopy Center, LLC
Endoscopy Center of Niagara, LCC
Endoscopy Center of Western New York, LLC
Eastside Endoscopy Center of New York, LLC
Great South Bay Endoscopy Center, LLC
Island Digestive Health Center, LLC
Liberty Endoscopy Center, LLC
Long Island Center for Digestive Health, LLC

Mid-Bronx Endoscopy Center, LLC
Manhattan Endoscopy Center, LLC
Putnam GI, LLC
Queens Endoscopy Center, LLC
Digestive Diseases Diagnostic & Treatment Center, LLC d/b/a South Brooklyn Endoscopy Center
Yorkville Endoscopy, LLC d/b/a The Endoscopy Center of New York

In addition, **Axen, Jenkins, and Sariego** disclosed ownership in the following facilities under Ambulatory Partners Holding, LLC:

Crystal Run ASC
Crystal Run Ambulatory Surgery Center of Middletown, LLC (Orange County)
Day-Op Center of Long Island, LLC
Northern Westchester Facility Project, LLC d/b/a Yorktown Center for Specialty Surgery
Prohealth Ambulatory Surgery Center, Inc

The following undisclosed lawsuits were found:

Facility	Legal Cases Found
Endoscopy Center of Western New York LLC	Crimens, Donna M et al vs. North American Partners in Anesthesia, LLP et al/Erie Supreme Court/806310/2023/Tort-Medical, Dental, or Podiatric Malpractice
Great South Bay Endoscopy Center LLC	SANCHEZ, JAN M., JR. vs. BROOKHAVEN MEMORIAL HOSPITAL/Suffolk Supreme Court/ 620597/2016/Tort-Medical, Dental, or Podiatric Malpractice
	Sachse, Carol et al vs. Singh M.D., Ravi et al/Suffolk Supreme Court/617958/2024/Tort-Medical, Dental, or Podiatric Malpractice
Manhattan Endoscopy Center, LLC	Evans, Kurt vs. Robbins M.D., David et al/New York Supreme Court/805165/2024/Tort-Medical, Dental, or Podiatric Malpractice
Putnam GI, LLC	Tierney, Elizabeth vs. Brenner MD, Jack L et al/Westchester Supreme Court/63606/2022/Tort-Medical, Dental, or Podiatric Malpractice
Queens Endoscopy ASC, LLC	PEREZ, RAFAEL vs. QUEENS MEDICAL OFFICE, P.C. et al/Queens Supreme Court/704758/2024/Tort-Medical, Dental, or Podiatric Malpractice
South Brooklyn Endoscopy Center	Cook, Lateef vs. Digestive Diseases Diagnostic & Treatment CTR LLC/Kings Supreme Court/530643/2021/Tort-Other Negligence
Crystal Run Ambulatory Surgery Center	BONA, ANDREW vs. PATEL M.D., ARCHIT et al/Orange Supreme Court/EF007618-2021/ Tort-Medical, Dental, or Podiatric Malpractice
	Krok, Brian et al vs. Crystal Run Healthcare Ambulatory Surgery Center/ Rockland Supreme Court/035356/2024/Tort-Medical, Dental, or Podiatric Malpractice
Prohealth Ambulatory Surgery Center Inc.	Kalmar, Amy et al vs. Cirlincione D.P.M., Adam et al/Queens Supreme Court/725554/2022/Tort-Medical, Dental, or Podiatric Malpractice

Per the applicant, Wehrle Drive ASC LLC deny all claims and are defending these matters which are still pending in their respective courts.

Affiliations

UnitedHealth Group (UHG)
Optum Health
Surgical Care Affiliates, LLC d/b/a SCA Health (SCA) - Administrative Services Contractor
Ambulatory Partner Holdings, LLC (APH)

Enforcement

The Department issued a Stipulation and Order (S&O) dated 09/10/2015, and fined Yorkville Endoscopy LLC $16,000 based on deficiencies found during a survey completed on 09/05/2014. Deficient practices were found in Governing Body and Management, Surgical Services, Medical Staff, and Patient Rights.

Integration with Community Resources

The Wehrle Drive ASC, LLC's leadership team oversees the charity care program meets regularly to focus on increasing and developing different avenues for reaching Medicaid and charity care patients by developing more relationships with local Federally Qualified Health Centers (FQHCs) in the surrounding area. The Center is currently in discussions with Jericho Road Ministries (a FQHC) in Buffalo, and will continue to explore additional FQHC partnerships, to include the Neighborhood Health Care of Western New York and with the Community Health Center of Buffalo. The Center, with the assistance of Ambulatory Partner Holdings, LLC, will increase the Center's outreach, focus on community-based needs and the necessity for pre-emptive health screening.

Wehrle Drive ASC, LLC will maintain medical records in accordance with applicable requirements. This includes the assurance of confidentiality of patient's records, as well as prompt and efficient transfer of medical records to other practitioners and/or facilities upon patient request. In addition, the Center will adhere to the data requirements provided in Section 755.10 of 10 NYCRR.

Compliance with Applicable Codes, Rules and Regulations

Staff from the Division of Certification & Surveillance reviewed the disclosure information submitted regarding licenses held, formal education, training in pertinent health and/or related areas, employment history, a record of legal actions, and a disclosure of the applicant's ownership interest in other health care facilities. Licensed individuals were checked against the Office of Medicaid Management, the Office of Professional Medical Conduct, and the Education Department databases as well as the US Department of Health and Human Services Office of the Inspector General Medicare exclusion database.

Additionally, the staff from the Division of Certification & Surveillance reviewed the ten-year surveillance history of all associated facilities. Sources of information included the files, records, and reports found in the Department of Health. Included in the review were the results of any incident and/or complaint investigations, independent professional reviews, and/or comprehensive/focused inspections. The review found that any citations were properly corrected with appropriate remedial action.

Conclusion

The individual background review indicates the proposed members have met the standard for approval as set forth in Public Health Law §2801-a(3).

Financial Analysis

Operating Budget

The applicant has submitted an operating budget, in 2026 dollars, for the first and third years of operation, which is summarized below as follows:

	Current Year		Year One		Year Three	
	Per PD	Total	Per PD	Total	Per PD	Total
Revenues:						
Commercial FFS	$10,175	$17,388,896	$10,175	$17,388,896	$10,177	$18,258,341
Medicare FFS	$2,391	$1,006,702	$2,391	$1,006,702	$2,391	$1,057,037
Medicare MC	$5,695	$3,787,120	$5,695	$3,787,120	$5,697	$3,976,476
Medicaid FFS	$2,955	$5,909	$14,705	$29,410	$2,941	$44,115
Medicaid MC	$3,744	$1,078,171	$3,744	$1,441,305	$3,744	$1,591,051
Private Pay	$26,320	$579,030	$26,320	$579,030	$26,434	$607,982
Other	$1,495	$2,014,373	$1,495	$2,014,373	$1,496	$2,115,092
Non Op Rev		$374,597		$374,598		$374,598
Total Revenues		$26,234,798		$26,621,434		$28,024,692
Expenses:						
Operating	$4,848	$17,524,523	$4,047	$18,836,049	$3,930	$19,301,727
Capital	$870	$3,144,002	$676	$3,144,002	$640	$3,144,002
Total Expenses	$5,717	$20,668,525	$4,723	$21,980,051	$4,571	$22,445,729
Net Income		$5,566,273		$4,641,383		$5,578,963
Utilization: (Proc)		4,484		4,654		4,911

The following is noted with respect to the submitted operating budget:

- Utilization assumptions are based on a 5% increase in volume in Year One and Year Three of this project, as compared to the Current Year, to account for the growth of the Center's participating physicians' private practices.
- Expense assumptions are based on the historical experience of the facility.
- Reimbursement rates are based on 2023 historical experience of the facility.
- Other payor sources include workers compensation, no fault and government.

- Utilization broken down by payor source, for the current year (2025), year one and year three are as follows:

	Current Year (2025)	Year One	Year Three
Commercial FFS	38.37%	36.72%	36.53%
Medicare FFS	9.45%	9.05%	9.00%
Medicare MC	14.93%	14.29%	14.21%
Medicaid FFS	0.04%	0.21%	0.31%
Medicaid MC	6.47%	8.27%	8.65%
Private Pay	0.49%	0.47%	0.47%
Charity Care	0.00%	2.04%	2.04%
Other	30.25%	28.94%	28.79%
Total	100.00%	100.00%	100.00%

Purchase and Sale of Membership Interest

The applicant has submitted an executed membership interest purchase agreement, which is summarized as follows:

Date	February 20, 2026
Direct Seller	50 GKB, LLC
Indirect Seller	Douglas Moreland, MD., Michael Stoffman, MD., John Fahrback, MD., Elad Levy, MD., John Polina, MD., Jafar Siddiqui, MD. and Michael Cournyea.
Company	Wehrle Drive ASC, LLC
Purpose	The sale of 60% of the issue and outstanding membership interests of the Company.
Purchase Price	$54,000,000
Payment of Purchase Price	Cash at Closing

Administrative Services Agreement

The applicant has submitted an executed administrative services agreement, which is summarized below:

Date	March 14, 2025
Contractor	Surgical Care Affiliates, LLC d/b/a SCA Health
Company	Wehrle Drive ASC, LLC
Services Provided	The Contractor will provide the following services: accounting services, human resources/staffing services, supply chain services, IT services, clinical support services, treasury/cash management services, tax services/risk management and insurance services, compliance services and physician recruitment/business development services.
Term	7 years with an additional 5-year term.
Compensation	Year One: $350,000 annually with annual increase based on the increase in the Consumer Price Index.

Consulting Services Agreement

The applicant has submitted an executed consulting services agreement, which is summarized below:

Date	March 14, 2025
Consultant	Michael Cournyea
Owner	Wehrle Drive ASC, LLC
Purpose	To assist in the orderly transition in the operation of the Center in connection with the transaction of the change in membership interests, Owner, desires to obtain from

	consultant, and Consultant is willing to provide to Owner, certain consulting services, on a temporary basis.
Term	1 year
Compensation	$250 per hour with a maximum of 15 hours per week.

Capability and Feasibility

The total purchase price for the 60% membership interest is $54,000,000 and will be met with equity from the operations of Ambulatory Partner Holdings, LLC. The working capital requirements are estimated at $2,932,887, which is equivalent to two months of first year expenses. The working capital requirement will be met with equity from the operations of Ambulatory Partner Holdings, LLC and Wehrle Drive ASC, LLC. Presented as BFA Attachments B and C are the financial summaries of Wehrle Drive ASC, LLC and Ambulatory Partners Holdings, LLC, respectively, and indicate the availability of sufficient funds for equity contributions.

The submitted budget indicates a net income of $2,643,022 and $3,303,096 during the first and third years, respectively. Revenues are based on current reimbursement methodologies. The submitted budget appears reasonable.

As shown on BFA Attachment B, the entity had a negative working capital position and a positive net asset position in 2025. Furthermore, the entity achieved a net income of $6,003,078 in 2025. The applicant indicated that the reason for the negative working capital position was the timing of payables and how accounts receivable was recorded. Since accounts receivable was not included on the Internals Financial Statements, current assets appear lower on the balance sheet. Once completed, the 2025 Certified Financial Statements will include accounts receivable, and positive working capital is expected.

As shown on BFA Attachment C, Ambulatory Partner Holdings, LLC had a positive working capital position and a positive net asset position in 2025.

Conclusion

The applicant has demonstrated the capability to proceed in a financially feasible manner.

Attachments

BFA Attachment A	Current and Proposed Ownership of Wehrle Drive ASC, LLC
BFA Attachment B	Financial Summary- Wehrle Drive ASC, LLC
BFA Attachment C	Financial Summary- Ambulatory Partner Holdings, LLC

NEW YORK STATE OF OPPORTUNITY. Department of Health

Public Health and Health Planning Council

Project # 252013-E
The Endoscopy Center of Queens, Inc. d/b/a The Endoscopy Center of Queens

Program: **Diagnostic and Treatment Center** ***County:*** **Queens**
Purpose: **Establishment** ***Acknowledged:*** **July 14, 2025**

Executive Summary

Description

The Endoscopy Center of Queens, Inc. d/b/a The Endoscopy Center of Queens (TECQ Inc.), an existing New York proprietary business corporation, Article 28 single-specialty freestanding ambulatory surgical center (FASC) at 23-25 31st Street, 2nd floor, Astoria (Queens County) requests approval to convert TECQ, Inc. from a business corporation to a limited liability company named The Endoscopy Center of Queens LLC (TECQ, LLC).

100% of the TECQ LLCs ownership will be transferred to two new member entities, ECQ Holdco, LLC (ECQH), a Delaware limited liability company, comprised of the eight (8) existing physician owners of TECQ, Inc. and PE Healthcare Associates, LLC (PEHA). Two (2) existing non-physician owners of TECQ, Inc. will withdraw their membership.

The current and proposed membership of The Endoscopy Center of Queens is as follows:

Member	Current	Proposed
Steven Ackerman	7.92%	0.00%
Sabino Augello, M.D.	3.96%	0.00%
Dan Cimponeriu, M.D.	4.96%	0.00%
Jeffrey Klingenstein, M.D.	3.96%	0.00%
Emanuel Kouroupos, M.D.	5.94%	0.00%
Brian Marmor	7.92%	0.00%
Barry Obadiah, M.D.	30.69%	0.00%
Nicholas Roditis, M.D.	30.69%	0.00%
George Surla, M.D.	2.98%	0.00%
Aaron Walfish, M.D.	1.00%	0.00%
PE Healthcare Associates LLC	0.00%	58.75%
ECQ Holdco LLC	0.00%	41.25%
Total	100.00%	100.00%

PE Healthcare Associates LLC is comprised of Rafael Axen, M.D. (33.33%); Matthew Jenkins (33.33%); and Ann Sariego (33.33%).

Nicholas Roditis, M.D., current member and board certified in gastroenterology, will continue to serve as Medical Director.

The Endoscopy Center of Queens has an existing transfer and affiliation agreement with Mount Sinai Queens 0.8 miles/7 minutes' travel time away.

OPCHSM Recommendation

Contingent approval with an expiration of the operating certificate three years from the date of its issuance.

Need Summary

There will be no need review per Public Health Law §2801-a (4).

Program Summary

The individual background review indicates the proposed members have met the standard for approval as set forth in Public Health Law §2801-a(3).

Financial Summary

The purchase price for the sale and acquisition of 58.75% operating interest in The Endoscopy of Queens is $17,100,000 and will be financed with equity from the existing operations of PEHA. The cost to redeem the membership interest of Steven Ackerman and Brian Marmor is $4,609,666 and will be financed with equity from the remaining ECQH LLC members.

Budget:	Current Year	Year One	Year Three
Revenues	$8,642,253	$8,957,695	$9,404,179
Expenses	$5,194,141	$5,449,787	$5,711,276
Net Income	$3,448,112	$3,507,908	$3,692,903

Health Equity Impact Assessment

This project does not meet the requirements for a Health Equity Impact Assessment under Section 2802-B of the PHL.

Recommendations

Health Systems Agency

There will be no Health Systems Agency recommendation for this project.

Office of Primary Care and Health Systems Management

Approval with an expiration of the operating certificate three from the date of its issuance, contingent upon:

1. Submission of a signed agreement with an outside, independent entity satisfactory to the Department to provide annual reports to DOH. Reports are due no later than April 1st for the prior year and are to be based upon the calendar year. Reports should include:
   a. Data displaying actual utilization including procedures;
   b. Data displaying the breakdown of visits by payor source;
   c. Data displaying the number of patients who needed follow-up care in a hospital within seven days after ambulatory surgery;
   d. Data displaying the number of emergency transfers to a hospital;
   e. Data displaying the percentage of charity care provided;
   f. The number of nosocomial infections recorded during the year reported;
   g. A list of all efforts made to secure charity cases; and
   h. A description of the progress of contract negotiations with Medicaid managed care plans. [RNR]
2. Submission of an executed Buyout and Termination of Management Agreement acceptable to the Department of Health. [BFA]
3. Submission of an executed Escrow Agreement acceptable to the Department of Health. [BFA]
4. Submission of an executed Transition Services Agreement acceptable to the Department of Health. [BFA]

Approval conditional upon:

1. This project must be completed by **one year from the date of the recommendation letter**, including all pre-opening processes, if applicable. Failure to complete the project by this date may constitute an abandonment of the project by the applicant and the expiration of the approval. It is the responsibility of the applicant to request prior approval for any extensions to the project approval expiration date. [PMU]
2. The submission of annual reports to the Department as prescribed by the related contingency, each year, for the duration of the limited life approval of the facility. [RNR]

Council Action Date

September 17, 2026

Program Analysis

Project Proposal

The Endoscopy Center of Queens, Inc. is an Article 28 single-specialty (gastroenterology) freestanding ambulatory surgical center (FASC) at 23-25 31st Street, Astoria (Queens County), New York 11105. The Endoscopy Center of Queens, Inc. is currently owned by 10 individual shareholders, consisting of eight (8) physicians and two (2) non-physicians. The Endoscopy of Queens proposes to:

1. Convert The Endoscopy Center of Queens, Inc. from a business corporation to a limited liability company named The Endoscopy Center of Queens, LLC;
2. Transfer 100% of the Center's ownership to two (2) new member entities, ECQ Holdco, LLC and PE Healthcare Associates, LLC (PEHA). Upon approval of this application, the Center will be operated by The Endoscopy Center of Queens, LLC, which will have two (2) entity members, ECQ Holdco, LLC (41.25%) and PEHA (58.75%). The eight (8) existing physician owners of The Endoscopy Center of Queens, Inc. are the members ECQ Holdco, LLC. PEHA, which has ownership in other Article 28 FASCs in New York State, is comprised of the following three (3) individual members: Rafael Axen, M.D. (33.33%); Matthew Jenkins (33.33%); and Ann Sariego (33.33%); and
3. Redeem the two (2) existing non-physician owners of The Endoscopy Center of Queens, Inc., who will withdraw from the ownership of the Center (Steven Ackerman and Brian Marmor).

This transaction is the result of the Center's desire to bring in PEHA, a results-driven and successful operator of other New York State FASCs, to continue growing and operating the Center and to help alleviate day-to-day business and operational challenges so the physician owners can focus more on patient care and clinical excellence. In addition to PEHA's ability to improve operations and efficiency, as part of this project, the Center will enter into an Administrative Services Agreement with Surgical Care Affiliates, LLC d/b/a SCA Health for administrative services necessary to support the day-to-day operations of the Center.

There is no construction or other capital cost associated with this project, and the Center is not proposing any change to the surgical services it provides.

The Center will continue to be open Monday through Friday from 8:00 a.m. to 4:00 p.m.

The Center has an existing has an existing transfer and affiliation agreement with Mount Sinai Queens, 0.8 miles/seven (7) minutes away.

The Endoscopy Center of Queens, Inc. (current ownership chart)

Members	%
Steven Ackerman	7.92%
Sabino Augello, M.D.	3.96%
Dan Cimponeriu, M.D.	4.96%
Jeffrey Klingenstein, M.D.	3.96%
Emanuel Kouroupos, M.D.	5.94%
Brian Marmor	7.92%
Barry Obadiah, M.D.	30.69%
Nicholas Roditis, M.D.	30.69%
George Surla, M.D.	2.98%
Aaron Walfish, M.D.	1.0%
Total	**100%**

Proposed Ownership of The Endoscopy Center of Queens, LLC

Members	%
PE Healthcare Associates, LLC	**58.75%**
Rafael Axen, M.D.	(19.58%)
Matt Jenkins	(19.58%)
Ann Sariego	(19.58%)
ECQ Holdco, LLC	**41.25%**
Sabino Augello, M.D.	(1.94%)
Dan Cimponeriu, M.D.	(2.43%)
Jeffrey Klingenstein, M.D.	(1.93%)
Emanuel Kouroupos, M.D.	(2.91%)
Barry Obadiah, M.D.	(15.04%)
Nicholas Roditis, M.D.	(15.04%)
George Surla, M.D.	(1.46%)
Aaron Walfish, M.D.	(0.49%)
Total	**100%**

The following table shows the projected FTEs in Year One and Year Three after completion of this project:

Position	Year One	Year Three
Management and Supervision	0.5	0.5
Technician and Specialist	5.78	6.07
Registered Nurses	6.9	7.25
Aides, Orderlies & Attendants	2.86	3.0
Physicians	1.0	1.0
Clerical and Other Administrative	3.92	3.92
Totals	**20.96**	**21.74**

Character and Competence

Nicholas Roditis, M.D., will continue to be the Medical Director of the facility. Dr. Roditis has been the President of Metropolitan Gastroenterology, P.C. since October 2002. Dr. Roditis graduated from Queens College with a bachelor's degree in 1982 and from Autonomous U of Guadalajara with a Doctor of Medicine in 1987. Dr. Roditis received a Fifth Pathway, Doctor of Medicine from Mount Sinai School of Medicine in 1989 and completed an Internal Medicine Residency at Beth Israel Medical Center in 1992 followed by a Gastroenterology Fellowship in 1995. Dr. Roditis is board certified in Internal Medicine with a sub-certification in Gastroenterology.

Rafael Axen, M.D. has ownership in multiple other Article 28 facilities throughout New York and has been the Director of Perioperative Care at Optum Tristate since 2023. Dr. Axen has also been the Senior Medical Director for CareMount Medical, PC since 2020, previously working as the Medical Director from 2019-2020 and the Associate Medical Director from 2017- 2019, and the Chair of the Department of Anesthesiology and Perioperative Medicine from 2017-2020. Dr. Axen also worked as the Chief of Anesthesiology at Bedford Anesthesia, PLLC from 2016-2017 and the Assistant Chief of Anesthesiology from 2012-2016. Dr. Axen also worked as the Medical Director and President of Medical Staff of the Ambulatory Surgery Center of Westchester from 2016-2017. Dr Axen graduated from the University of Rochester with a Bachelor's degree in 1997 and from Rutgers New Jersey Medical School with a Doctor of Medicine in 2001. Dr. Axen completed an internship at Atlantic Health Systems in 2002 and a residency in Anesthesiology at New York Presbyterian Hospital- Weill Cornell Medical Center in 2005. Dr. Axen is board certified in Anesthesiology.

Matt Jenkins has ownership in multiple other Article 28 facilities throughout New York. Jenkins has been the Group Vice President of Development of SCA Health since 2021, previously acting as the Vice President of Development from 2019-2021, the Senior Director of Development from 2015-2019, and the Director of Development from 2011-2015. Matt Jenkins graduated from Auburn University with a Bachelor of Finance degree in 2008 and from Northwestern University with a Master of Business Administration in 2019.

Ann Sariego is a Registered Nurse who has indirect ownership in multiple other Article 28 facilities throughout New York State. Ann is the current Market President for Physician Endoscopy/PEGI Solutions since August 2019. Prior to this, Ann was the Senior Vice President of Operations from December 2017 to August 2019 and the Vice President from November 2011 to August 2017. Ann was also the Vice President of Facility Development and Management (FDM) from September 2008 to November 2011 and prior to this was the Director of Nursing at Somerset Ambulatory Surgery Center in New Jersey from August 2006 to September 2008. Ann graduated from Pace University with an Associate of Applied Science in Nursing in 1979 and from Warren University with a Bachelor of Science in Health Administration in 2005.

Axen, Jenkins, and Sariego disclosed ownership in 16 other New York facilities under PE Healthcare Associates, LLC:

The following undisclosed lawsuits were found:

Facility	Legal Cases Found
Endoscopy Center of Western New York LLC	Crimens, Donna M et al vs. North American Partners in Anesthesia, LLP et al/Erie Supreme Court/806310/2023/Tort-Medical, Dental, or Podiatric Malpractice
Great South Bay Endoscopy Center LLC	Sanchez, Jan M., Jr. vs. Brookhaven Memorial Hospital/Suffolk Supreme Court/ 620597/2016/Tort-Medical, Dental, or Podiatric Malpractice
	Sachse, Carol et al vs. Singh M.D., Ravi et al/Suffolk Supreme Court/617958/2024/Tort-Medical, Dental, or Podiatric Malpractice
Manhattan Endoscopy Center, LLC	Evans, Kurt vs. Robbins M.D., David et al/New York Supreme Court/805165/2024/Tort-Medical, Dental, or Podiatric Malpractice
Putnam GI, LLC	Tierney, Elizabeth vs. Brenner MD, Jack L et al/Westchester Supreme Court/63606/2022/Tort-Medical, Dental, or Podiatric Malpractice
Queens Endoscopy ASC LLC	Perez, Rafael vs. Queens Medical Office, P.C. et al/Queens Supreme Court/704758/2024/Tort-Medical, Dental, or Podiatric Malpractice
South Brooklyn Endoscopy Center	Cook, Lateef vs. Digestive Diseases Diagnostic & Treatment CTR LLC/Kings Supreme Court/530643/2021/Tort-Other Negligence
Crystal Run Ambulatory Surgery Center	Bona, Andrew vs. Patel M.D., Archit et al/Orange Supreme Court/EF007618-2021/ Tort-Medical, Dental, or Podiatric Malpractice
	Krok, Brian et al vs. Crystal Run Healthcare Ambulatory Surgery Center/ Rockland Supreme Court/035356/2024/Tort-Medical, Dental, or Podiatric Malpractice
Prohealth Ambulatory Surgery Center Inc.	Kalmar, Amy et al vs. Cirlincione D.P.M., Adam et al/Queens Supreme Court/725554/2022/Tort-Medical, Dental, or Podiatric Malpractice

Per the applicant, The Endoscopy Center of Queens is denying all claims and is defending these matters which are still pending in their respective courts.

Compliance with Applicable Codes, Rules and Regulations

Staff from the Division of Certification & Surveillance reviewed the disclosure information submitted regarding licenses held, formal education, training in pertinent health and/or related areas, employment history, a record of legal actions, and a disclosure of the applicant's ownership interest in other health care facilities. Licensed individuals were checked against the Office of Medicaid Management, the Office of Professional Medical Conduct, and the Education Department databases as well as the US Department of Health and Human Services Office of the Inspector General Medicare exclusion database.

Additionally, the staff from the Division of Certification & Surveillance reviewed the ten-year surveillance history of all associated facilities. Sources of information included the files, records, and reports found in the Department of Health. Included in the review were the results of any incident and/or complaint investigations, independent professional reviews, and/or comprehensive/focused inspections. The review found that any citations were properly corrected with appropriate remedial action.

Conclusion

The individual background review indicates the proposed members have met the standard for approval as set forth in Public Health Law §2801-a(3).

Financial Analysis

Operating Budget

The applicant has provided the current year (2024) results and the first-and third-year operating budget, in 2026 dollars, subsequent to the change in ownership. The budget is summarized below:

	Current Year		Year One		Year Three	
	Per Procedure	Total	Per Procedure	Total	Per Procedure	Total
Revenue:						
Commercial FFS	$1,078.33	$4,032,947	$1,078.25	$4,162,039	$1,078.25	$4,369,064
Medicare FFS	$730.99	533,626	$730.82	560,540	$730.82	588,311
Medicare MC	$667.33	1,408,729	$667.31	1,434,724	$667.31	1,506,794
Medicaid FFS	$690.50	4,143	$695.00	4,170	$695.00	4,170
Medicaid MC	$643.35	2,662,808	$643.40	2,796,222	$643.40	2,935,840
Total Revenue		$8,642,253		$8,957,695		$9,404,179
Expenses:						
Operating	$414.17	$4,448,555	$414.13	$4,670,984	$414.16	$4,904,534
Capital	69.41	745,586	69.05	778,803	68.13	806,742
Total	$483.58	$5,194,141	$483.18	$5,449,787	$482.29	$5,711,276
Net Income		$3,448,112		$3,507,908		$3,692,903
Total Procedures		10,741		11,279		11,842
Cost per Procedure		$480.58		$483.18		$482.29

Utilization by payor source for Year One and Year Three is as follows:

Payor:	Current Year		Year One		Year Three	
Commercial FFS	3,740	34.82%	3,860	34.22%	4,052	34.22%
Medicare FFS	730	6.80%	767	6.80%	805	6.80%
Medicare MC	2,111	19.65%	2,150	19.07%	2,258	19.07%
Medicaid FFS	6	0.06%	6	0.05%	6	0.05%
Medicaid MC	4,139	38.53%	4,346	38.53%	4,563	38.53%
Charity Care	15	0.14%	150	1.33%	158	1.33%
Total	10,741	100.00%	11,279	100.00%	11,842	100.00%

The following is noted with respect to the submitted budget:

- The number and mix of staff were determined by the historical experience of TECQ in providing gastroenterology services. Year One and Year Three staffing levels are based upon anticipated demand need.
- Revenue and expenses in the Current Year are based on TECQ's 2024 Certified Financial Statements.
- Revenue and expenses in Years One and Year Three are projected based on the experience of the applicant in providing gastroenterology services.
- Increases in procedures in Years One and Year Three is attributable to the TECQ's participating physicians' private practices and the impact PEHA will have on the ability to increase service to underserved communities.
- The applicant indicated they are committed to serving populations and all people in need without regard to the patient's ability to pay or the source of payment. TECQ developed an action plan to expand Medicaid and Charity Care utilization through referrals from insurers, hospitals, FQHCs, and other healthcare providers.

Lease Agreement

The applicant has submitted an executed lease rental agreement for the site to be occupied, summarized below:

Date:	December 3, 2025
Premises:	8,822.40 sq. ft. on the 2nd floor of a building located at 23-25 31st Street, Astoria, NY 11105
Landlord:	Emporios, LLC
Tenant:	The Endoscopy Center of Queens, Inc.
Term:	10 Years with an option to renew for two (5) five-year terms
Base Rent:	Minimum base rent for leased space is $458,764.80 per year ($38,230.40) for the 1st year. Rent will increase at 3% of the base year rent for years 2 - 10.
Security Deposit:	$76,460.80, two months' base rent.
Provisions:	Tenant is responsible for real estate taxes, insurance, utilities and maintenance.

The applicant has submitted an affidavit stating the lease between the property owner and the lessee is a non-arm's length arrangement due to common but not identical ownership. The applicant has submitted letters from two NYS licensed realtors attesting to the reasonableness of the per square footage rental.

Executed Administrative Services Agreement

The applicant has submitted an executed Administrative Services Agreement (ASA), as follows:

Date:	April 15, 2025
Company:	The Endoscopy Center of Queens, LLC
Service Provider/SCA Health:	Surgical Care Affiliates, LLC d/b/a SCA Health
Term:	7 years, the term shall automatically renew for additional one (1)-year terms.
Administrative Duties and Responsibilities:	Accounting services include preparation of financial statements, accrual accounting for revenue, expenses, and balance sheet, supporting service lines including cash, asset management, accounts payable including 1099 reporting, new vendor setup, invoice reconciliation, lease management. Accrual accounting services for revenue, balance sheet, payroll. Supply chain services, including vendor set up, pre-loaded catalogue of supplies, electronic ordering/invoicing, automated accruals. IT services, IT consultation, disaster recovery/business continuity planning assistance, dashboard analysis. Clinical support services including clinical dashboards with benchmarking quality data, policy and procedure resources, OR efficiency performance, patient satisfaction survey and analysis. Treasury/cash management services include cash visibility tools, daily banking transactions, bank account management, treasury assistance, remote deposit support, cash deposit service, daily banking transaction access. Tax services including payee correspondence, taxability determinations, return filing and liability payments, audits, tax accrual and balance sheet reconciliation, federal, state, and local tax return filing and payment. Compliances services including corporate compliance training, compliance policies and procedures, HIPPA compliance. Payer engagement services, physician recruitment/business development services, credentialing services, financial operations services, coding services.
Administrative Fee:	$350,000 ($29,166.67/month) with an annual increase of 2% in subsequent years.
Out-of-Pocket Expenses:	Company shall reimburse SCA Health for SCA Health's out-of-pocket expenses incurred by SCA Health in the performance of the Administrative Services. SCA Health shall present receipts to Company for all out-of-pocket expenses other than mileage; provided that aggregate annual expenses in excess of twenty-five thousand ($25,000) dollars.

TECQ LLC retains ultimate control in all final decisions associated with the services. The applicant has submitted an executed attestation stating that the applicant understands and acknowledges that there are powers that must not be delegated, the applicant will not willfully engage in any illegal delegation and understands that the Department will hold the applicant accountable.

Billing and Collections Agreement

The applicant has submitted an executed billing and collections agreement, summarized below:

Date:	April 15, 2025
Service Provider	Vandalay Management Services, Inc.
Client:	The Endoscopy Center of Queens, LLC operating a surgery center at 23-25 31st Street, Suite 200, Astoria, NY
Contractor:	Nocholas Roditis, M.D.
Services to be Provided:	Billing services including: charge entry, claim generation, payer mapping, ECS enrollments, pending list, codes on claims, denial review, invoice exceptions, Medicare C-codes on claims, CDM updates, mapping payers to contract in PAS; collections services including: accounts receivable collections including: third party payer follow up, payer contracting issues, self-pay follow up, reviewing clinical appeals, review over payment inquiries, collection account placement, working down AR; analytics reporting services: monthly AR review, monthly compliance reports, special reviews or audits requested by client; accounting services: NORI, fin pack, PWC audits; other services: teammate training, yearly CDM validation; payment posting/cash application services: posting payments, identifying over/under payments, refunds process, completing 2 way match, posting adjustment/write offs, ERA/EFT enrollments; and insurance verification services including: out of network/financial orientation, payer website maintenance, authorizations, document benefits, adding payers.
Fee:	$40 per claim

Brian Barmon is an existing shareholder and the chief operating officer of TECQ, Inc. and is an owner of Vandalay Management Services, Inc., upon approval of this application, Mr. Marmor will withdraw as an owner of TECQ, Inc. and will serve as a consultant to TECQ, LLC.

Membership Interest Purchase Agreement

The applicant has submitted an executed membership interest purchase agreement (MIPA) for the sale of aggregate 58.75% membership interest in TECQ summarized below:

Date:	April 15, 2025
Buyer:	PE Healthcare Associates, LLC
Company:	The Endoscopy Center of Queens, Inc.
Sellers:	Barry Obadiah, M.D., Nicholas Roditis, M.D., Brian Marmor, Steven Ackerman, Emanuel Kouroupos, M.D., Jeffrey Klingenstein, M.D., Dan Cimponeriu, M.D., Sabino Augello, M.D., George Surla, M.D., Aaron Walfish, M.D.
Interests:	58.75% of issued and outstanding membership interest in TECQ, LLC
Purchase Price:	$17,100,000 paid on the closing date.

Draft Escrow Agreement

The applicant has submitted a draft escrow agreement the terms of which are summarized below:

Buyer	PE Healthcare Associates, LLC
Seller's Representative:	Brian Marmor
Direct Seller	ECQ Holdco, LLC
Escrow Agent:	Synovus Bank
Escrow Funds:	Buyer is depositing with escrow agent $2,000,000 (Indemnity Escrow Fund) and $350,000 (Adjustment Escrow Fund) in immediately available funds as increased by any earnings thereon and as reduced by any disbursements, amounts withdrawn (escrow agent compensation) or losses on investments.
Escrow Agent Compensation:	$1,500 and all reasonable expenses, compensated 50% by the buyer and 50% by the direct seller.

Draft Buyout and Termination of Management Agreement

The applicant has submitted a draft buyout and termination of management agreement, the terms of which are summarized below:

Current Management Provider (Vandalay):	Vandalay Management Services, Inc.
Company:	The Endoscopy Center of Queens, LLC
Replacement Management Provider (SCA):	Surgical Care Affiliates, LLC
Recitals:	Vandalay and the Company are parties to a Management Services Agreement dated January 1, 2018, (Management Agreement) pursuant to which Vandalay provides certain administrative and business support services to the Company in connection with its operation of an ambulatory surgery center (the Center) in exchange for fees payable by the Company to Vandalay, and Vandalay, the Company, ECQ Holdco, LLC, a Delaware limited liability company (Direct Seller), and PE Healthcare Associates LLC, a New York limited liability company (Buyer), have entered into a Membership Interest Purchase Agreement pursuant to which The Endoscopy Center of Queens, Inc., a New York corporation merged with and into the Company, and pursuant to which Direct Seller will sell to Buyer an aggregate 58.75% membership interest in the Company (the Transaction). In connection with the Transaction, the Company will enter into an agreement with SCA, pursuant to which SCA will provide certain administrative and business support services in connection with the day-to-day operations of the Center. As a condition precedent to the closing of the Transaction, the Company, the members of Direct Seller and Buyer have agreed to for parties to enter into this Agreement. Vandalay and the Company hereby acknowledge and agree that the Management Agreement shall terminate effective as of Closing. Vandalay further acknowledges that all fees which are, or with the passage of time would become due under the Management Agreement have been paid in full.
Consideration:	As consideration for Vandalay's release of its rights under the Management Agreement, SCA shall pay Vandalay an amount equal to nine hundred thousand ($900,000) on the closing date.

Draft Transition Services Agreement

Current Service Provider (Vandalay):	Vandalay Management Services, Inc.
Company:	The Endoscopy Center of Queens, LLC
Replacement Provider (SCA):	Surgical Care Affiliates, LLC
Term:	One (1) year
Recitals/Agreement:	Vandalay provides certain information technology services and other administrative services to the Company. To assist in the orderly transition of the information technology and administrative services from Vandalay to SCA, SCA and the Company wish to obtain from Vandalay and Vandalay is willing to provide or arrange for the provision of the Transition Services, on a temporary basis, in accordance with the terms of this agreement.
IT Transition Services:	Vandalay shall provide to the Company and SCA services necessary to the orderly transfer of all information technology being performed by Vandalay to SCA including: Vandalay to continue to provide or arrange for IT infrastructure services and manage IT infrastructure functions in support of SCA and the Company, support hardware devices and troubleshoot issues, support and troubleshoot connectivity between sites regarding carrier, hardware, or configuration to allow for max uptime, manage passwords resets, group creation/management, account revocation, network access, VPN configuration and troubleshoot, IT Helpdesk, email, server monitoring. Coordinate with SCA for advised network activities and application updates, continue to provide Company staff access to technology applications, including but not limited to Advantx, until HST go-live.
Administrative Transition Services:	Existing contracted services set forth below shall remain available to Company until Company or SCA arranges alternatives or new agreements are executed. Contracted services: Vandalay shall continue the provision of existing quality improvement contracted services, existing life safety contracted services, existing pharmacy, infection control contracted services, medical records oversight and consulting services, biomed contracted services, existing facilities contracted services, existing hazard waste contracted services, existing janitorial services. Clinical: Vandalay to continue to provide the use of Vandalay Press Ganey patient surveying. No interruptions with access to Press Ganey survey process and results/reporting. The Company shall transfer to SCA's Health's survey process, no interruptions with access to past patient satisfaction results for standard accreditation requirements and benchmarking. Human resources services: no interruption in provision of medical, dental, STD, LTD, life insurance, AD&D, workers compensation coverage, and EAP benefits until all employees transition to SCA Health benefits, payroll processing, until all teammates transition to SCA's payroll, coordinate pay and benefit deductions for last Company paycheck and first SCA Health paycheck, SCA Health will assume accrued PTO from Vandalay. Supply chain services: Vandalay shall continue to provide to the Company all of the supply chain operations services that it provided prior to the effective date.
Service Fee:	$198,000 distributed as follows: Month 1: $30,000; Month 2: $24,000; Month 3: $21,000; Month 4: $18,000; Month 5: $15,000; Month 6-12: $15,000.

Capability and Feasibility

There are no project costs for this application. The total purchase price for the sale and acquisition of 58.75% operating interest is $17,100,000, which will be financed with equity from existing operations of PEHA. The total cost to redeem ownership interest of Steven Ackerman and Brian Marmor is $4,609,666, which will be financed with equity from the remaining TECQ, LLC members. BFA Attachment A, Net Worth Summary of the remaining members of ECQH, shows sufficient resources to meet the equity requirements.

Working capital requirement is estimated at $902,762 based on two months of first-year expenses and will be funded using equity from operations. BFA Attachments E and F show sufficient resources to meet the equity requirements.

The submitted budget projects net income of $3,507,908 and $3,692,903 during years one and three of operations, respectively. The budget appears reasonable.

BFA Attachment B presents TECQ 2024 Certified Financial Statements, which show the entity maintained positive working capital, a positive net equity position, and income before other expenses and provision of income taxes of $4,236,076 for the period. Other expenses and taxes reduced revenues by $787,964, resulting in net income of $3,448,112. BFA Attachment C, TECQ's Internal Financial Statements for period ending December 31, 2025, shows the entity reported negative working capital position, a positive net equity position, and reported net ordinary income of $2,539,785. The negative working capital position is attributable to a line of credit which the applicant intends to pay off either at or before the closing of this transaction.

BFA Attachment D, PEHA's 2024 Year-End Internal Financial Statements, show the entity maintained positive working capital, a positive net equity position and a net income of $77,605,313. BFA Attachment E, PEHA's 2025 Year-End Internal Financial Statements, show the entity has maintained positive working capital, a positive net equity position and a net income of $68,133,703.

BFA Attachment F, Pro-Forma balance sheet for TECQ, shows the operation will have $1,668,805 in members' equity as of the first day of operations.

The applicant has demonstrated the capability to proceed in a financially feasible manner

Conclusion

The applicant has demonstrated the capability to proceed in a financially feasible manner.

Attachments

BFA Attachment A	Net Worth Statement of Proposed Members of ECQ Holdco, LLC
BFA Attachment B	The Endoscopy Center of Queens, Inc.– December 31, 2024, Certified Financial Statements
BFA Attachment C	The Endoscopy Center of Queens, Inc. – June 30, 2024, Internal Financial Statements
BFA Attachment D	PE Healthcare Associates – December 31, 2024, Internal Financial Statements
BFA Attachment E	PE Healthcare Associates – December 31, 2025, Internal Financial Statements
BFA Attachment F	Pro-Forma Balance Sheet
BFA Attachment G	The Endoscopy Center of Queens, LLC Organizational Chart and list of Members

Public Health and Health Planning Council

Project # 261203-E
Binghamton ASC LLC d/b/a Greater Binghamton Eye Surgery Center

Program:	**Diagnostic and Treatment Center**	***County:***	**Broome**
Purpose:	**Establishment**	***Acknowledged:***	**May 6, 2026**

Executive Summary

Description
Binghamton ASC LLC d/b/a Greater Binghamton Eye Surgery Center (the Center), an existing Article 28 Single-Specialty Ambulatory Surgery Center specializing in ophthalmology at 530 Columbia Drive, Johnston City, NY (Broome County), requests approval to transfer 90.10% ownership interest from (1) one withdrawing member to an existing member.

Greater Binghamton Eye Surgery Center is currently owned by Sight Medical Doctors PLLC (9.90%) and Daniel Sambursky, MD (90.10%). Sight Medical Doctors PLLC will become the sole member of Binghamton ASC LLC. The sole member of Sight Medical Doctors, PLLC, is Jeffrey L. Martin, MD.

The Center has an existing transfer and affiliation agreement with UHS Wilson Medical Center for backup and emergency services 1.9 miles/7 minutes away.

OPCHSM Recommendation
Conditional approval with an expiration of the operating certificate three years from the date of its issuance.

Need Summary
There will be no need review per Public Health Law §2801-a (4).

Program Summary
The individual background review indicates the proposed members have met the standard for approval as set forth in Public Health Law §2801-a(3).

Financial Summary
The total purchase price for the equity interests will be $211,735 and will be paid with equity from Sight Medical Doctors PLLC the current member.

Budget:	Year One	Year Three
Revenues:	$4,125,314	$4,686,839
Expenses:	4,025,034	4,278,015
Gain/(Loss):	$100,280	$408,824

Health Equity Impact Assessment
This project does not meet the requirements for a Health Equity Impact Assessment under Section 2802-B of the PHL.

Recommendations

Health Systems Agency

There will be no HSA recommendation for this project.

Office of Primary Care and Health Systems Management

Approval with an expiration of the operating certificate three years from the date of its issuance, conditional upon:

1. This project must be completed by **one year from the date of the recommendation letter**, including all pre-opening processes, if applicable. Failure to complete the project by this date may constitute an abandonment of the project by the applicant and the expiration of the approval. It is the responsibility of the applicant to request prior approval for any extensions to the project approval expiration date. [PMU]

Council Action Date

September 17, 2026

Program Analysis

Project Proposal

Binghamton ASC, LLC owns and operates Greater Binghamton Eye Surgery Center, an existing Article 28 Single-Specialty Ambulatory Surgery Center specializing in ophthalmology at 530 Columbia Drive, Johnson City, NY (Broome County). Binghamton ASC LLC is seeking approval for a change in membership interest. Sight Medical Doctors PLLC, an existing member, received their initial membership interest pursuant to a transfer notice and this application is seeking to establish Sight Medical Doctors PLLC as sole member. There will be no changes to services as a result of this application.

Pursuant to Equity Interest Assignment Agreement, Daniel Sambursky, MD, an existing member with an interest of 90.10% will assign his interest to Sight Medical Doctors PLLC, an existing member currently retaining an interest of 9.90%. Upon completion of this transaction, Sight Medical Doctors PLLC will be the sole member of Binghamton ASC LLC. The sole member and manager of Sight Medical Doctors, PLLC will be Jeffrey L. Martin, MD.

The Center is in Health Professional Shortage Area (HPSA) for dental, mental health and for primary care services with the primary service area in Broome County. There will be no changes to the Center's services or to the operating certificate upon project approval.

The Center is currently accredited by an independent third-party accreditation agency, which is set to expire on or about Jan 19, 2027.

There will be no change in FTEs as a result of this project.

Position	Year One	Year Three
Management and Supervision	1.0	1.0
Medical Assistants	3.72	3.72
Registered Nurses	4.74	4.74
Clerical and Other Administrative	1.03	1.03
Total	**10.49**	**10.49**

The applicant projects 3,606 visits in Year One and 3,938 visits in Year Three.

The Center has a transfer and affiliation agreement with UHS Wilson Medical Center, 1.9 miles/7 minutes away.

Daniel Sambursky, MD is the current Medical Director for Greater Binghamton Eye Surgery Center.

Character and Competence:

Jeffrey L. Martin, MD is certified by the American Board of Ophthalmology. Dr. Martin received a Bachelor of Science degree from Muhlenberg College in Allentown, Pennsylvania in 1990 and completed his Medical Degree at SUNY School of Medicine in Stony Brook, New York in 1994. Dr. Martin completed a residency, with a focus on Ophthalmology, at Nassau University Medical Center in East Meadow, New York from 1995 to 1998 and completed an internship in internal medicine at Lenox Hill Hospital in 1994.

Dr. Martin has been the Co-Founder and President of SightMD in Smithtown, New York since 2019 and was previously approved as a member of Long Island Ambulatory Surgery Center, LLC by the Public Health and Health Planning Council, pursuant to CON 191060 on June 6, 2019.

Disclosures
The applicant disclosed the following lawsuits:

- .
- To the best of our knowledge, at no time was Jeffrey Martin named as a defendant in these actions and all of the actions were handled by the defendant's insurance carrier.

The applicant disclosed the following lawsuits:

Practice/Facility	File Date	File #	Court	Plaintiff	Synopsis/Status
Laser and Vision Surgery Center, LLC	11/16/2012	3:12-cv-01635-JBA	US District Court – District of Connecticut	Anthony Buccini	Plaintiff alleged unpaid overtime wages in violation of the Fair Labor Standards Act and Connecticut wage laws. Case settled and voluntarily dismissed on 3/10/2014.
Sight Medical Doctors PLLC; Suffolk Surgery Center LLC	4/2/2018	606181/2018	Suffolk County Supreme Court	Tatiana Rozentale	Plaintiff alleged medical malpractice and lack of informed consent arising from an operating room fire during eye surgery, including failure to adhere to surgical fire safety protocols and improper oxygen management. Case dismissed with prejudice on 11/14/2022.
Sight Medical Doctors, PLLC	1/17/2019	601233/2019	Suffolk County Supreme Court	John Arnone	Plaintiff alleged medical malpractice and lack of informed consent arising from a YAG laser capsulotomy performed on his right eye, resulting in retinal detachment, posterior vitreous detachment, and other severe injuries. Summary judgment granted in favor of defendants; complaint dismissed with prejudice on 3/14/2022; judgment entered 6/29/2022.

Sight Medical Doctors PLLC; Long Island Ambulatory Surgery Center	3/3/2021	603610/2021	Suffolk County Supreme Court	Diane Kurinsky	Plaintiff alleged medical malpractice and lack of informed consent arising from negligently performed eyelid surgery (ptosis repair and blepharoplasty), resulting in worsened eyesight and other vision complications. Order for summary judgment granted and case has been dismissed as to all defendants on 3/19/2026.
Sight Medical Doctors, PLLC; Suffolk Surgery Center, LLC	3/26/2021	605363/2021	Suffolk County Supreme Court	Peter Santacroce	Plaintiff alleged medical malpractice and lack of informed consent arising from ophthalmological treatment received from September 2018 through July 2019, resulting in severe and permanent injuries. Case settled on 1/23/2026.
Sight Medical Doctors PLLC	8/11/2021	615425/2021	Suffolk County Supreme Court	Susanne E. Zimmerman	Summons with Notice filed; no complaint or further proceedings appear on the docket. Case status appears inactive/dormant.
Sight Medical Doctors PLLC	6/29/2022	612295/2022	Suffolk County Supreme Court	Tanya Winkler	Plaintiff alleges medical malpractice and lack of informed consent arising from negligently performed bilateral eyelid blepharoplasty and browplasty procedures, resulting in severe and permanent injuries. Case is pending.

Sight Medical Doctors, PLLC	1/24/2023	602264/2023	Suffolk County Supreme Court	Oskar Serafin & Beata Serafin	Plaintiffs allege medical malpractice, lack of informed consent, vicarious liability, and loss of consortium arising from the failure to diagnose and remove an intra-orbital foreign body (metal fragment), following a nail gun injury to plaintiff's left eye. Allegations include failure to order imaging studies, misdiagnosis, and delayed treatment by multiple providers, resulting in siderosis, permanent vision loss, and multiple surgeries. Case is pending; note of issue filed 4/16/2026, certifying readiness for trial.
Sight Medical Doctors PLLC; Long Island Ambulatory Surgery Center	6/9/2023	614553/2023	Suffolk County Supreme Court	Alice M. Buksa	Plaintiff alleges medical malpractice, negligence, and lack of informed consent arising from multiple right-eye surgeries (cataract surgery, membrane peel, retinal surgeries) that resulted in permanent vision loss. Case is pending.
Sight Medical Doctors PLLC	7/27/2023	618572/2023	Suffolk County Supreme Court	Jean M. Valenzisi	Plaintiff alleges medical malpractice and lack of informed consent arising from a negligently performed left cataractectomy, which led to a post-operative eye infection, total temporary vision loss, elevated intra-ocular pressure, and the need for additional surgery. Case is pending.

Sight Medical Doctors PLLC	12/19/2023	631336/2023	Suffolk County Supreme Court	Ana E. Machado De Campos (as Administrator for deceased)	Plaintiff alleges medical malpractice, lack of informed consent, wrongful death, and loss of consortium arising from the failure to timely diagnose and treat the decedent's eye cancer, resulting in the decedent's death. Case is pending.
Sight Medical Doctors PLLC	7/25/2024	618260/2024	Suffolk County Supreme Court	Maria Cruz Vanegas	Plaintiff alleges negligence (premises liability) arising from a fall at 601 Suffolk Avenue, Brentwood, New York. Plaintiff claims she was directed by an employee to sit in a chair that was not locked in place, causing the chair to spin and plaintiff to fall, resulting in severe and permanent personal injuries. Case is pending.
Sight Medical Doctors PLLC	7/26/2024	618427/2024	Suffolk County Supreme Court	Naomi Edwards	Plaintiff alleges medical malpractice and lack of informed consent arising from a negligently performed left cataractectomy, which led to a post-operative eye infection, total temporary vision loss, elevated intra-ocular pressure, and the need for additional surgery. Case is pending.
Sight Medical Doctors PLLC	10/1/2024	#2:24-cv-06913-SJB-ST	US District Court – Eastern District of New York	Robin Atterole	Plaintiff alleged medical malpractice and lack of informed consent arising from a negligently performed cataract surgery, resulting in IOL dislocation, retinal detachment, vision loss, and forced early retirement. Case was settled at mediation and voluntarily dismissed with prejudice on 4/17/2026.

Sight Medical Doctors PLLC	10/2/2025	626399/2025	Suffolk County Supreme Court	Marina Contreras	Plaintiff alleges medical malpractice and lack of informed consent arising from a negligently performed pterygium excision with graft, resulting in severe injuries including corneal scar/fold and permanent vision complications. Case is pending.
Sight Medical Doctors PLLC	10/3/2025	626490/2025	Suffolk County Supreme Court	Maureen Cronin	Plaintiff alleges medical malpractice and lack of informed consent arising from the failure to timely diagnose and treat acanthamoeba keratitis, resulting in severe and permanent injuries. Case is pending.
Sight Medical Doctors PLLC	1/16/2026	601588/2026	Suffolk County Supreme Court	Kelly A. Triola	Plaintiff alleges medical malpractice, lack of informed consent, failure to communicate significant medical findings, and negligent hiring and supervision arising from the failure to timely diagnose and treat acute central retinal artery occlusion (eye stroke) resulting in monocular blindness and permanent vision loss. Case is pending.

Compliance with Applicable Codes, Rules and Regulations

Staff from the Division of Certification & Surveillance reviewed the disclosure information submitted regarding licenses held, formal education, training in pertinent health and/or related areas, employment history, a record of legal actions, and a disclosure of the applicant's ownership interest in other health care facilities. Licensed individuals were checked against the Office of Medicaid Management, the Office of Professional Medical Conduct, and the Education Department databases as well as the US Department of Health and Human Services Office of the Inspector General Medicare exclusion database.

Conclusion

The individual background review indicates the proposed members have met the standard for approval as set forth in Public Health Law §2801-a(3).

Financial Analysis

Operating Budget

The applicant has provided the 2024 Current Year budget, Year One and Year Three budgets presented in 2026 dollars. The budget is summarized below:

	Current Year (2024)		Year One (2027)		Year Three (2029)	
Outpatient Revenue	Per Visit	Total.	Per Visit	Total	Per Visit	Total
Commercial FFS	$1,188	$710,446	$1,211	$797,041	$1,261	$905,532
Medicare FFS & MC	$1,165	$2,945,737	$3,038	$3,305,270	$1,236	$3,755,173
Medicaid FFS & MC	$1,115	$97,000	$1,132	$108,674	$1,187	$123,466
Private Pay	$390	$16,784	$400	$18,807	$411	$21,367
Workers Comp.	$1,142	$20,562	$1,155	$23,109	$1,193	$26,255
Bad Debt Exp.	-	$0	-	-$127,587	-	-$144,954
Total Rev.		$3,790,529		$4,125,314		$4,686,839
Expenses:	-		-			
Operating	$940.60	$3,080,474	$893.45	$3,221,770	$877.73	$3,456,488
Capital	$242.56	794,400	$222.76	803,264	$208.62	821,527
Total Exp.	$1,183.17	$3,874,874	$1,116.20	$4,025,034	$1,086.34	$4,278,015
Operating Inc./(Loss)		($84,345)		$100,280		$408,824

The following is noted with respect to the submitted budget:

- The provider outsources the accounting, which combines Medicaid MC & FFS and does the same for Medicare MC & FFS.
- Revenues and expenses are based on current experience of the applicant in providing the services outlined in this application.
- Utilization in Years One and Year Three is based on the Current Year experience and projected increase in related to the experience of the current operator.
- FTEs are projected to remain constant at 10.49.
- Cases are projected to increase in Year One and Year Three as credentialed ophthalmologists continue to bring cases to the Center. Physicians include Daniel Sambursky, M.D., Geremie Palombaro, M.D., Jack Klenda, M.D., Lawrence Pecora, M.D. and Michael Herceg, M.D.

Utilization by payor source for the Current Year, Year One, and Year Three is broken down as follows:

Outpatient:	Visits	%	Visits	%	Visits	%
Commercial FFS/MC	598	18.24%	658	18.25%	718	18.23%
Medicare FFS/MC	2,529	77.15%	2,781	77.12%	3,038	77.15%
Medicaid FFS/MC	87	2.65%	96	2.66%	104	2.64%
Private Pay	43	1.31%	47	1.30%	52	1.32%
Charity Care	3	0.09%	4	0.11%	4	0.10%
Workers Comp.	18	0.55%	20	0.55%	22	0.56%
Total	3,278	100.00%	3,606	100.00%	3,938	100.00%

Equity Interest Assignment Agreement

The applicant has submitted an executed equity assignment agreement for membership interest transfer, which is summarized as follows:

Date	January 16, 2026
Assignor:	Daniel Sambursky, M.D.
Assignee:	Sight Medical Doctors, PLLC
Company	Binghamton ASC, LLC
Purpose	Purchase 90.10% of all interests in the Center.
Purchase Price	$211,735
Payment of Purchase Price	Cash within ten (10) days of the closing date.

Administrative Services Agreement

The applicant has submitted an executed Administrative Services Agreement (ASA) to be effective upon PHHPC approval of the change in ownership. The terms of the agreement are summarized below.

Date:	December 19, 2024
Consultant:	New York Vision Management LLC
Licensed Operator:	Binghamton ASC LLC
Services Provided:	Administration Services; Developing Annual Budget; Provide Financial Services; Financial Systems and Procedures; Purchasing and Inventory; Accounts Payable; Cash Management; Managed Care Services; Assist with Operations; Operational Reviews; Charge Control; Physical Plant; Statistical Data; Housekeeping and Maintenance; Committees; Insurance; Supplies; Utilities; Licenses and Permits; Personnel Services; Equipment; and other as needed by the facility.
*Term:	10-year term, unless terminated earlier, with automatic (5) year renewal terms.
Fee:	$1,162,000 in the first year, with a 4% increase each year after.
Authority:	Binghamton ASC LLC will ultimately exercise the decisions and authority.

*Term may be discontinued for cause or any material terms that violate the contract.

Lease Agreement

The applicant provided an executed existing Lease and sublease agreement for the existing site, the terms of which are summarized below:

Date:	December 19, 2024
Premises:	530 Columbia Drive, Johnston City
Landlord:	530 Columbia Drive LLC
Lessee:	New York Vision Management LLC - NYVM
Term:	15 -Year Term and 45 days. With two (5-year) renewal options.
Rent:	$62,130 Base Rent escalated by 2% each subsequent year.
Provisions:	Triple net Lease, as the property taxes, insurance, and maintenance are shifted to the lessee.

Sublease Agreement

Premises:	530 Columbia Drive, Johnston City
Sub-Landlord:	New York Vision Management LLC - NYVM
Sub-Tenant:	Binghamton ASC, LLC
Term:	15 -Year Term (Based on original commencement 12/19/24 and 45 days. Renewal option, subject to the original Lease, may be exercised.
Rent:	$28,222.33 per month base rent increased by 2% per year. The sublease has (2) 5-year extensions if exercised, built into the sublease.
Provisions:	The Lease will comply with the executed prime Lease.

The agreement between New York Vision Management, as Tenant, and Binghamton ASC LLC is non-arm's-length due to indirect common ownership. The master Lease between 530 Columbia Drive LLC and New York Vision Management LLC is an arm 's-length agreement. Jeffrey Martin, M.D., did attest to indirect common ownership.

Capability and Feasibility

The purchase price for the 90.10% membership interest is $211,735 and will be funded with equity from Sight Vision Partners LLC. BFA Attachment D, 2025 Sight Management Vision Partners, LLC Internal Financial Statements, show sufficient funds to cover this purchase price. The working capital requirements of $670,839, based on two months of first-year operating expenses, will be funded from operations of Sight Vision Partners LLC. BFA Attachment A, Net Worth Statement of Jeffrey Martin, M.D., shows resources are available should extra funding needed to purchase membership or additional working capital.

The submitted budget indicates a net income of $100,280 and $408,824 during the first and third years, respectively. Revenues are based on current reimbursement methodologies. The submitted budget appears reasonable.

BFA Attachment C, 2023–2024 Certified Financial Statements of Sight Vision Partners, LLC, show an average negative working capital, average negative net asset position, and an operating loss of ($37,518,486) and ($50,881,380) in 2023 and in 2024, respectively. The losses are due to debt and interest obligations, staffing and supply costs and operational inefficiencies. They are implementing efficiencies for operational improvements and completed a reduction in force in 2025 with a budgeted savings of approximately $15 million dollars annually.

BFA Attachment D, 2025 Sight Management Vision Partners, LLC Internal Financial Statements, show a positive working capital position, negative net asset position, and an operating loss of ($46,285,151). $28,325,773 of the loss is attributable to depreciation and amortization expenses which are not actual cash outflows.

BFA Attachment E, 2024 Certified Financial Statements Binghamton ASC, LLC, show a positive average working capital position, positive average net asset position and an operating loss of ($84,345) for the period shown. Note that depreciation was $304,344, offsetting the loss and leading to a positive gain of $219,999.

BFA Attachment F, 2025 Binghamton ASC, LLC Internal Financial Statements, show a negative working capital position, positive net asset position, and a net loss for the period shown of ($672,996).

The applicant has demonstrated the capability to proceed in a financially feasible manner, and approval is recommended.

Conclusion

The applicant has demonstrated the capability to proceed in a financially feasible manner.

Attachments

BFA Attachment A	Net Worth Statement of Jeffrey Martin, M.D.
BFA Attachment B	Current Pre-and-Post Organizational Chart
BFA Attachment C	2023–2024 Certified Financial Statements of Sight Vision Partners, LLC
BFA Attachment D	2025 Sight Management Vision Partners, LLC Internal Financial Statements
BFA Attachment E	2024 Certified Financial Statements Binghamton ASC, LLC
BFA Attachment F	2025 Binghamton ASC, LLC Internal Financial Statements

Public Health and Health Planning Council

Project # 242223-E
Kahr Health, LLC d/b/a Park Avenue Health Center

Program: **Diagnostic and Treatment Center** ***County:*** **Rockland**
Purpose: **Establishment** ***Acknowledged:*** **January 15, 2025**

Executive Summary

Description
Kahr Health, LLC d/b/a Park Avenue Health Center (PAHC), an existing Article 28 Diagnostic Treatment Center (D&TC), at 421 Route 59, Monsey, NY 10952 (Rockland County) is seeking approval for a transfer of membership interest pursuant to a Membership Interest Purchase Agreement.

Pursuant to the Membership Interest Purchase Agreement (MIPA) dated August 31, 2021, Bikur Cholim, Inc. will acquire 100% of Kahr Health, LLC and then assign, through an Assignment and Assumption Agreement, 80% of that membership interest to Aron Reiner and Chaim Leser who will be managing members.

The current and proposed membership interest of Kahr Health, LLC is as follows:

Current Membership	
KAHR Health LLC	
Meir Adler	10.00%
Seth Kurtz	57.00%
Efraim Steif	16.50%
Uri Koenig	16.50%
Total	100.00%

Proposed Membership	
KAHR Health LLC	
Aron Reiner	40.00%
Bikur Cholim, Inc.	20.00%
Chaim Leser	40.00%
Total	100.00%

The board members of Bikur Cholim, Inc, a not-for-profit organization are Alex Licht, Aryeh Braun, Yossi Botnick, Nesanel Kerpel and Yakov Rosenberg. Currently, Bikur Cholim is led by Rabbi Simon Lauber.

OPCHSM Recommendation
Contingent Approval

Need Summary
There will be no need review per Public Health Law §2801-a (4).

Program Summary
The individual background review indicates the proposed members have met the standard for approval as set forth in Public Health Law §2801-a(3).

Financial Summary
There is no project cost associated with this application. Bikur Cholim Inc. will acquire 100% membership interest for $603, 014. Aron Reiner and Chaim Leser will then purchase a 40% membership interest each from Bikur Cholim, Inc. for $10 apiece.

Budget:	**Year One**	**Year Three**
Revenues	$4,475,349	$5,169,028
Expenses	$4,137,054	$4,261,167
Gain/(Loss)	$338,295	$907,861

Health Equity Impact Assessment
This project does not meet the requirements for a Health Equity Impact Assessment under Section 2802-B of the PHL.

Recommendations

Health Systems Agency

There will be no Health Systems Agency recommendation for this project.

Office of Primary Care and Health Systems Management

Approval contingent upon:

1. Submission of an executed transfer and affiliation agreement, to be signed by the new member, acceptable to the Department, with a local acute care hospital. [HSP]

Approval conditional upon:

1. This project must be completed by **one year from the date of the recommendation letter**, including all pre-opening processes, if applicable. Failure to complete the project by this date may constitute an abandonment of the project by the applicant and the expiration of the approval. It is the responsibility of the applicant to request prior approval for any extensions to the project approval expiration date. [PMU]

Council Action Date

September 17, 2026

Program Analysis

Project Proposal

Kahr Health, LLC D/B/A Park Avenue Health Center (PAHC), an existing Article 28 Diagnostic Treatment Center (D&TC), at 421 Route 59, Monsey, NY 10952 (Rockland County), submitted a Certificate of Need (CON) application for a transfer of membership interest pursuant to a Membership Interest Purchase Agreement.

The current membership interest of Kahr Health LLC is Efraim Steif - 16.50% Uri Koenig - 16.50% Meir Adler - 10.00% Seth Kurtz - 57.00%

Upon completion of this transaction, the members will be Bikur Cholim, Inc. - 20.00%, Aaron Reiner - 40.00%, and Chaim Leser - 40.00%

Pursuant to a Membership Interest Purchase Agreement, Bikur Cholim, Inc. will acquire 100% of the membership interest of Kahr Health LLC and subsequently assign 40% interest each to Aron Reiner and Chaim Leser who will then be managing members

KAHR Health LLC's operators will continue to seek to reduce chronic diseases through preventive health education, screening and early detection. This will allow for continued and refreshed relationships with community leaders and members, local organizations, churches, synagogues, mosques, and other religious leaders to remove the stigma of illness and to raise awareness of conditions that lead to chronic illness.

Character and Competence

James B. Isreal - Dr. Isreal has over 20 years' experience as a gastroenterologist and as an Internist. In 1995, Dr. Isreal received board certification in Gastroenterology and became board certified in Internal Medicine in 1975; completed a fellowship in Gastroenterology at Albert Einstein College of Medicine located in New York City (NYC) in 1975; completed a residency in Medicine in NYC in 1973; Residency 1st year in NYC 1971; completed a medical degree at SUNY Downstate Medical Center 1970 and received a Bachelor's in Science degree at City College NY in 1966.

Since 2022, Dr. Isreal is a medical doctor in Internal Medicine & Gastroenterology at Park Ave Health Center, NY; Medical Doctor Internal Medicine & Gastroenterology at Monsey Health Center, NY from 1994 to present; Medical Doctor private practice in Internal Medicine & Gastroenterology at James. B. Isreal, NY from 1977 to 2022; and Attending Physician in Medicine at Montefiore Hospital & Medical Center, NY from 1975 to 1976.

Aron A. Reiner - Aron Reiner completed a Bachelor of Arts degree in Talmudic Studies at the Bobover Yeshiva Beni Zion located in Brooklyn, NY in 1999; and has a certification from the New York State (NYS) Office of Mental Health (OMH) Bureau of Quality Improvement Certification as Special Investigator.

Since 2010, Mr. Reiner has been the executive director of Bikur Cholim Inc. in Monsey, NY; and has been involved with the Bikur Cholim organization since 2001 in positions as Director of Medical Referrals from 2011 - 2007 and as the Chief Operating Officer (COO) from 2007 - 2010.

Currently, Aron Reiner is the Executive Director of Bikur Cholim Inc d/b/a Achieve Behavioral Health. In 2004, Aron Reiner was approved to become a member of Bikur Cholim Inc's Licensed Home Care Service Agency (LHCSA) which is also in Monsey, NY.

Chaim S. Leser - Chaim Leser (also known as Josh Leser) attended Mesivta Eitz Chaim of Bobov located in Brooklyn, NY from 2005 - 2007. Since 2017, Chaim Leser has been the owner and investor of a real estate company known as Millennium Management in New York City: and is a partner with Lesko, Inc in New York since 2002 which engages in food service sales; and was also in sales from 2010 - 2022 with Lesko, Inc. Chaim Leser is also the CEO of a furniture company Sapphire Bath Inc in Paterson, New Jersey since 2020.

Bikur Cholim Inc. - 2nd level managers / board members - Bikur Cholim Inc is a 41-year-old nonprofit organization, located in New York which focuses as a community support organization. Rabbi Simon Lauber leads Bikur Cholim, which consists of five (5) board members.

Bikur Cholim, Inc. is licensed as a Home Care Service Agency (LHCSA) located in Monsey, New York which provides extensive services in eight (8) counties.

Alex Light -
Alex Licht (aka Shaya) received a bachelor's degree from Touro College in Brooklyn, NY in 2004 and attended Cope College located in Brooklyn, NY from 1999 - 2000. Other educational courses included taking Paramedic classes at the LaGuardia Community College in Long Island City, NY from 2009 - 2010, taking a Phlebotomy course at The Manhattan Institute in New York, NY in 2006 and an EMT course at Brooklyn College in Brooklyn, NY in 2001.

Currently, Alex Licht is the CEO and owner of Vital Exams Inc located in Spring Valley, NY since 2015 and is a Volunteer EMS Paramedic with the Hatzoloh Organization in the Catskill, Passaic and in other Rockland County regions since 2002.

Aryah Braun - Aryeh Braun completed a Master of Science in Accounting degree at Fairleigh Dickinson University located in New Jersey in 2017. Aryeh Braun has been a staff accountant since 2019 with Aaron Sendrovits, CPA in Spring Valley, NY; and was a bookkeeper with Trasco LLC in Northvale, NJ from 2016 - 2018.

Yossi Botnick - Yossi Botnick completed schooling at the Yeshiva & Mesivta Torah Vodaath located in Brooklyn New York in 1993; received an EMT certification from New York State in 2026 and received a Real Estate license from New York State in 2021.

Yossi Botnick states he has over 30 years of EMT experience with Hatzohla EMS; organizes various community health initiatives; has securities background, and real estate experience. Since 2024, Yossi Botnick has been the Director of Operations with The Rent Tracker located in New City, New York; was an Assistant Manager for Mehadrin Dairy Corporation located in Elizabeth, New Jersey from 2018 to 2023; and was a Manger / Account Representative with Reliable Brokerage located in Airmont, New York from 2008 to 2017.

Nesanel Kerpel - Nesanel Kerpel completed a Bachelor's degree at Bnei Tzion Bobov located in Brooklyn, NY in 2009; and has been the operations manager at Hello Lighting LLC in Monsey, NY since 2017. Before 2017, Nesanel Kerpel was studying Jewish Law.

Yakov Rosenberg - Yakov Rosenberg completed high school at Yeshiva Viznitz located in Monsey, NY in 2006; is the owner of Certified Backflow, a plumbing company in Monsey, NY since 2014.

Affiliations
Bikur Cholim, Inc. also has a Licensed Homecare Service Agency (LHCSA #2533L001) located in Monsey, NY (Hudson Valley Region). There have been no enforcement actions against the Operator of this facility during this reporting period.

Staff from the Division of Certification & Surveillance reviewed the disclosure information submitted regarding licenses held, formal education, training in pertinent health and/or related areas, employment history, a record of legal actions, and a disclosure of the applicant's ownership interest in other health care facilities. Licensed individuals were checked against the Office of Medicaid Management, the Office of Professional Medical Conduct, and the Education Department databases as well as the US Department of Health and Human Services Office of the Inspector General Medicare exclusion database.

Conclusion

The individual background review indicates the proposed members have met the standard for approval as set forth in Public Health Law §2801-a(3).

Financial Analysis

Operating Budget

The applicant submitted the Current Year 2024 results and the Year One and Year Three operating budget after the change in ownership, in 2026 dollars, summarized as:

	Current Year		Year One		Year Three	
Outpatient Revenue:	Per Visit	Revenue	Per Visit	Revenue	Per Visit	Revenue
Commercial FFS	$67.29	$369,766	$70.65	$485,318	$74.19	$560,542
Medicare FFS	$103.83	$312,854	$109.02	$427,046	$114.47	$493,238
Medicaid MC	$135.02	$2,513,570	$141.77	$3,562,985	$148.86	$4,115,248
Total Rev.		$3,196,190		$4,475,349		$5,169,028
Expenses:	-		-		-	
Operating	$132.31	$3,615,071	$102.34	$3,723,523	$95.82	$3,835,229
Capital	$14.69	$401,487	$11.37	$413,531	$10.64	$425,938
Total Operating Exp.	$147.00	$4,016,558	$113.70	$4,137,054	$106.47	$4,261,167
Gain/(Loss)		($820,368)		$338,295		$907,861

Utilization for the payor, for the Current Year and Year One and Year Three, after the change in shareholder ownership, is summarized below:

Visits:	Current Year		Year One		Year Three	
Commercial FFS	5,495	20.11%	6,869	18.88%	7,556	18.88%
Medicare FFS	3,013	11.03%	3,917	10.77%	4,309	10.77%
Medicaid MC	18,616	68.13%	25,132	69.07%	27,645	69.07%
Charity Care	199	0.73%	467	1.28%	514	1.28%
Total	27,323	100.00%	36,385	100.00%	40,024	100.00%

The following is noted with respect to the submitted operating budget:

- Revenue, expenses, and utilization assumptions are based on current reimbursement rates and the current experience of the D&TC.
- Revenues for 2024 were lower than expected due to lower-than-expected telehealth and office visits.
- The applicant states that operations are trending upward due to the current operator working with the proposed new operator in outreach programs, increasing utilization, and physician recruitment.
- Park Avenue Center has been negotiating with various Medicaid Managed Care Programs and has experienced success in reimbursement to offset actual costs, which was not happening in 2023.

Membership Interest Purchase Agreement (MIPA)

The applicant has submitted an executed membership interest purchase agreement (MIPA) for the purchase of 100% of the membership, summarized below.

Date:	August 31, 2021
Sellers:	Meir Adler 10%), Seth Kurtz (57%), Efraim Steif (16.50%), and Uri Koenig. (16.50%)
Buyers:	Kahr Health LLC (*Name*), Bikur Cholim, Inc. 100%, then assigns the following: Aron Reiner 40%, Chaim Leser 40%, and Bikur Cholim, Inc. 20%
Purchase:	100% Membership Transfer
Purchase Price:	$603,014
Payment of Purchase Price:	Cash equity will be paid at closing, in proportion to membership interests, whereby Bikur Cholim will hold 20%, Aron Reiner and Chiam Leser will hold 40% each, and they will pay in proportion to their membership interests.

Assignment and Assumption Agreement

The applicant has submitted an executed assignment and assumption agreement between Bikur Cholim, Inc., Assignor, and Bikur Cholim, Inc., Aron Reiner, and Chiam Lesser, collectively known as assignees.

Date:	3/1/2025
Assignor:	Bikur Cholim, Inc. (Assignor 100%) Kahr Health LLC
Assignee:	Aron Reiner 40% Membership, Chaim Leser 40% Membership
Considerations:	$10 each for Aron Reiner and Chiam Leser
Conveys:	Rights, Title, Interest, and indemnify and hold harmless false claims, judgments, settlements, damages, and legal fees resulting from any way under the agreement.
Payment $10.00 (each)	Jointly and responsibly under the MIPA.
Membership:	Bikur Cholim, Inc. (20%) – Aron Reiner and Chiam Leser each have (40%).

Lease Rental Agreement

The original lease was executed and submitted for site control as summarized below:

Date:	January 1, 2018
Premises:	419 Route 59, Monsey, NY 10952.
Lessor:	Wald Realty Co. #5 (three -five-year extensions).
Lessee:	KAHR Management, LLC
Term:	5 years with three 5-year renewal periods
Rental:	$172,800 annually ($40 per sq. ft)
Provisions:	The lessee shall be responsible for insurance, taxes, and utilities.

The Landlord has submitted, from Wald Realty Co #5 LLC, dated August 12, 2019, a document stating that Kahr Management LLC may sublease all property to Kahr Health LLC.

Sublease Agreement

The applicant has submitted an executed sublease agreement for the site that they will occupy, summarized below.

Date:	December 31, 2018
Premises:	419 Route 59, Monsey, NY 10952.
Landlord:	KAHR Management, LLC
Tenant:	KAHR Health, LLC
Term:	4 years (Commencing July 1, 2022, and expiring June 30, 2027). The Lease
Rental:	Annual Rent is $232,800, payable in equal monthly installments, with a 3% annual increase.
Provisions:	The Lease will be subject to the (3) consecutive terms and conditions outlined in the original Lease.

Wald Realty Con #5 LLC, the owner of the building, submitted a letter to the tenant, Kahr Management LLC, stating that it will sublet the leases executed by the landlord to Kahr Health LLC.

Capability and Feasibility

There are no project costs as part of this transaction; however, an executed MIPA, allocating 100% of Kahr Health LLC for $603,014, will be paid by Bikur Cholim, Inc. for 100% membership interest. BFA Attachment C, Internal Financial Statement of Bikur Cholim, Inc. for the Period January 1, 2025, through December 31, 2025, indicate sufficient funds for the transaction. Subsequently, Bikur Cholim, Inc. will assign 40% to Aron Reiner and Chiam Leser each for $10. Aron Reiner and Chiam Leser are collectively known as the buyers through an executed assignment and assumption agreement. A review of BFA Attachment A indicates that Aron Reiner and Chaim Leser have sufficient funds to cover the cost of their membership interests.

The working capital requirement is $689,289, based on two months of first-year expenses and Bikur Cholim, Inc. will fund with equity. BFA Attachment C shows sufficient resources for the working capital requirement.

The budget shows an operating gain of $338,295 in Year One and $907,861 in Year Three. BFA Attachment F, Pro Forma Balance Sheet, shows $689,289 in members' equity as of the first day of operations.

BFA Attachment B, 2023-2024 Certified Financial Statements of Bikur Cholim, Inc., shows a positive average working capital position, positive net asset position, and an operating gain of $1,876,848 and $38,523, in 2023 and 2024, respectively.

BFA Attachment C, Internal Financial Statements of Bikur Cholim, Inc. for the Period January 1, 2025, through December 31, 2025, and partial year, January 1, 2026, through March 31, 2026,, shows positive working capital, a positive net asset position and a gain of 9,607,432 in 2025 and $4,273,173 for partial year 2026.

BFA Attachment D, 2023-2024 Certified Financial Statement for Karh Health LLC. shows negative working capital, a negative net asset position loss of ($1,234,292) and ($820,368), in 2023 and 2024, respectively. Losses were attributed to the ongoing negative impacts of the post-COVID-19 pandemic, including lost visits that never returned. Telehealth did not supplement revenues to the degree expected.

BFA Attachment E, Internal Financial Statement for Kahr Health, LLC, for the Period January 1, 2025, through December 31, 2025, shows a positive working capital position, a negative net asset position, and an operating loss of ($499,574). The applicant indicates they are already working with the proposed members to offset future losses, including reviewing reimbursement methodologies and implementing outreach programs to increase utilization.

Conclusion

The applicant has demonstrated the capability to proceed in a financially feasible manner.

Attachments

BFA Attachment A	Members' net worth statements
BFA Attachment B	Bikur Cholim, Inc. 2023- 2024 Certified Financial Statements
BFA Attachment C	Bikur Cholim, Inc. Internal Financial Statements for the Period 1/1/25-12/31/25
BFA Attachment D	Kahr Health, LLC 2023-2024 Certified Financial Statements
BFA Attachment E	Kahr Health, LLC Internal 1/1/2025 through 12/31/2025
BFA Attachment F	Pro Forma Balance Sheet
BFA Attachment G	Pre- Post Organizational Chart

NEW YORK STATE OF OPPORTUNITY. Department of Health

Public Health and Health Planning Council

Project # 261177-B
Richmond Comprehensive Health LLC d/b/a Richmond Comprehensive Health

Program:	**Diagnostic and Treatment Center**	***County:***	**Richmond**
Purpose:	**Establishment and Construction**	***Acknowledged:***	**April 29, 2026**

Executive Summary

Description
Richmond Comprehensive Health LLC d/b/a Richmond Comprehensive Health (the Center), an existing New York limited liability company, requests approval to establish and construct an Article 28 diagnostic and treatment center (D&TC) in a leased space at 4885 Arthur Kill Road, Staten Island (Richmond County).

Richmond Comprehensive Health will be housed in an existing building on the first (1) floor and will be comprised of five (5) primary medical care exam rooms, one (1) behavioral health treatment room, doctor's consultation room, triage room, nursing station, clinical service areas, staff lounge, reception area and waiting room, and administrative and support spaces.

The Center will be certified for Primary Care and Other Medical Specialties including Cardiology, Neurology, Pain Management and Behavioral Health.

The proposed members of the Center are Jennifer Palmieri (50%) and John Galarza (50%). Jennifer Palmieri currently has an ownership interest in The Richmond Center for Recovery and Wellness, an inpatient OASAS facility in New York State. The same proposed members are seeking OASAS approval to establish a new inpatient OASAS site to be known as Nova Treatment Center.

Abdul-Samad Mirza, D.O. is board-certified in osteopathic neuromusculoskeletal medicine and will serve as the Medical Director.

The applicant has negotiated a transfer agreement for backup and emergency services with Staten Island University Hospital/Northwell Health Hospital 2 miles/10 minutes away.

OPCHSM Recommendation
Contingent Approval

Need Summary
The applicant projects 10,234 visits in Year One and 12,792 visits in Year Three, with 67% Medicaid and 5% Charity Care in Year One and Year Three of operations.

Program Summary
The individual background review indicates the proposed members have met the standard for approval as set forth in Public Health Law §2801-a(3).

Financial Summary
The total project cost of $253,214 will be met through members' equity.

Budget:	Year One	Year Three
Revenues	$1,552,909	$1,941,147
Expenses	$1,346,969	$1,796,759
Net Income	$205,940	$144,388

Health Equity Impact Assessment
This project does not meet the requirements for a Health Equity Impact Assessment under Section 2802-B of the PHL.

Recommendations

Health Systems Agency

There will be no Health Systems Agency recommendation for this project.

Office of Primary Care and Health Systems Management

Approval contingent upon:

1. Submission of a check for the amount enumerated in the approval letter, payable to the New York State Department of Health. Public Health Law Section 2802.7 states that all construction applications requiring review by the Public Health and Health Planning Council shall pay an additional fee of fifty-five hundredths of one percent of the total capital value of the project, exclusive of CON fees. [PMU]
2. Outstanding Architectural Review Comments: Submission of a schematic design and responses, acceptable to the Department, for all outstanding requests for additional information (RFAI) issued by the Bureau of Architecture and Engineering Review. [AER]
3. Architectural Design Development Drawings: submission of architectural and life safety drawings, acceptable to the Department, as described in the Bureau of Architecture and Engineering Review Drawing Submission Guidelines DSG-1.0. [AER]
4. Engineering Design Development Drawings: submission of mechanical, electrical, plumbing and fire protection drawings, acceptable to the Department, as described in the Bureau of Architecture and Engineering Review Drawing Submission Guidelines DSG-1.0. [AER]

Approval conditional upon:

1. This project must be completed by **July 1, 2027**, including all pre-opening processes, if applicable. Failure to complete the project by this date may constitute an abandonment of the project by the applicant and the expiration of the approval. It is the responsibility of the applicant to request prior approval for any extensions to the project approval expiration date. [PMU]
2. Construction must start on or before **February 1, 2027**, and construction must be completed by **April 1, 2027**, presuming the Department has issued a letter deeming all contingencies have been satisfied prior to commencement. It is the responsibility of the applicant to request prior approval for any changes to the start and completion dates. In accordance with 10 NYCRR Section 710.10(a), if construction is not started on or before the approved start date, this shall constitute abandonment of the approval. [PMU]
3. The submission of Final Construction Documents, as described in BAER Drawing Submission Guidelines DSG-05, is required prior to the applicant's start of construction. [AER]
4. The staff of the facility must be separate and distinct from the staff of other entities; the signage must clearly denote that the facility is separate and distinct from other entities; the clinical space must be used exclusively for the approved purpose; and the entrance must not disrupt any other entity's clinical program space. [HSP]

Council Action Date

September 17, 2026

Need Analysis

Project Description

Richmond Comprehensive Health, LLC, is seeking approval to establish and construct Article 28 diagnostic and treatment center (DT&C) at 4885 Arthur Kill Road, Staten Island, (Richmond County), NY, 10309. The Center will be certified for Medical Services – Primary Care, and Medical Services – Other Medical Specialties (Cardiology, Neurology, Pain Management, Psychological O/P (below 30% threshold)).

Background and Analysis

The Primary Service Area (PSA) for the center will be within Richmond Community District 3 within the following zip codes within Richmond County: 10307, 10309 (site zip code), 10312, 10308, and 10306. The secondary service area will be the Central and Northern sections of Richmond County. The population of Richmond County is projected to decrease to 488,218 by 2031, based on the Cornell Program of Applied Demographics, which estimates a decrease of 1.4%. Demographics for the primary service area are noted below, including a comparison with New York State.

Demographics	Zip Code-10307	Zip Code-10309	Zip Code-10312	Zip Code-10308	Zip Code-10306	Richmond County	New York State
Total Population-2024 Estimate	15,512	34,885	63,469	30,568	57,428	494,956	19,852,366
Hispanic or Latino (of any race)	12.3%	7.8%	13.2%	14.6%	15.4%	19.6%	19.8%
White (non-Hispanic)	83.2%	84.0%	72.4%	74.7%	62.6%	55.5%	52.8%
Black or African American (non-Hispanic)	0.0%	0.8%	0.8%	0.6%	2.6%	8.8%	13.4%
Asian(non-Hispanic)	2.6%	4.4%	11.4%	7.9%	15.9%	12.7%	9.0%
Other (non-Hispanic)	1.9%	3.0%	2.2%	2.2%	3.5%	3.4%	5.0%

Source: American Community Survey (2024 5-year Estimates Data Profiles)

The applicant notes approximately 28% of households in the PSA with a language other than English as their primary language. Most common language include Russian, Chinese, and Spanish. The center will provide materials in Spanish and other languages as needed.

In 2024, 95.9% of the population of Richmond County had health coverage as follows:

Employer plans	52.2%
Medicaid	20.6%
Medicare	12.7%
Non-group plans	10.7%
Military or VA plans	0.30%

Source: Data USA

The projected payor mix includes:

Applicant Projected Payor Mix		
Payor	**Year One**	**Year Three**
Commercial	6.00%	6.00%
Medicare	19.0%	19.0%
Medicaid	67.0%	67.0%
Private Pay	1.00%	1.00%
All Other	2.00%	2.00%
Charity Care	5.00%	5.00%

Source: Applicant

The applicant projects10,234 visits in Year One and 12,792 visits in Year Three, with approximately 25% visits for behavioral health.

The applicant projects a 67% Medicaid payor mix based on the specific, complex sub-populations they plan to treat. The center's location is near a proposed 160-bed Arthur Kill Road Adult Men's Homeless Shelter which is expected to be operational by mid-2027 which would have a high Medicaid population. The applicant expects their relationships with regional healthcare providers, support services organizations as well as NYC municipal and political agencies along with their healthcare management experience to bridge the care gap for vulnerable residents on Staten Island. According to the applicant the center plans to reach and provide access for distressed populations beyond the area of Richmond Community Board 3, such as residents within such as St. George, Stapleton, Port Richmond, Mariners Harbor, Clifton, Rosebank as well as South Beach, Willowbrook, New Springville, Todt Hill, with a high prevalence of asthma, diabetes, and mental health issues and elevated rates of preventable hospitalizations.

This project aims to reduce patient wait times for services and reduce out-migration of services. The applicant notes that currently Medicaid patients in the area visit hospital emergency departments for basic primary care and/or travel to central or northern sections of Staten Island for services due to easier transportation.

Prevention Quality Indicators (PQIs) are rates of admission to the hospital for conditions for which good outpatient care can potentially prevent the need for hospitalization, or for which early intervention can prevent complications or more severe disease. The table below provides information on PQI rates for 2024 related to this application, indicating the zip codes for facility service area, as well as PQI rates for Richmond County and New York State.

PQI Name	Zip Code 10307*	Zip Code 10309	Zip Code 10312	Zip Code 10308*	Zip Code 10306	Richmond County	New York State
Diabetes Short-Term Complications	N/A	3	5	N/A	8	7	7
Diabetes Long-Term Complications	16	9	9	21	18	17	13
Chronic Obstructive Pulmonary Disease or Asthma	12	17	21	22	32	29	25
Hypertension	N/A	8	6	3	10	9	7
Heart Failure	28	38	39	41	44	39	38
Community-Acquired Pneumonia	10	11	10	8	7	11	12
Uncontrolled Diabetes	N/A	5	4	4	5	5	5
Urinary Tract Infection	13	11	14	14	19	15	13
Prevention Quality Overall Composite	89	96	101	107	134	123	113

Source: NYSDOH, Data Hub
Rates are per 10,000 and are rounded crude rates
**Some PQIs are unavailable for zip codes 10307 and 10308*

Conclusion

Approval of this project will allow the center to provide health services to people in need in Richmond County.

Program Analysis

Project Proposal

Proposed Operator	Richmond Comprehensive Health, LLC
To Be Known As	Richmond Comprehensive Health
Site Address	4885 Arthur Kill Road Staten Island, NY 10309 (Richmond County)
Specialties	Medical Services-Primary Care Medical Services-Other Medical Specialties: • Cardiology • Neurology • Pain Management
Hours of Operation	8:00 AM to 4:00 PM, Monday through Friday, and 8:00 AM to 12:00 PM on Saturdays. Hours of operation will be extended based on demand, and it is projected that by the commencement of the third year of operations, the clinic will be operating 66 hours per week by extending weekday hours to 8:00 PM.
Staffing (1st Year / 3rd Year)	12.6 FTEs / 15.6 FTEs
Medical Director(s)	Dr. Abdul-Samad Mirza
Emergency, In-Patient and Backup Support Services Agreement and Distance	Staten Island University Hospital – South Campus 3.3 miles / 10 minutes' drive time away

The Applicant proposes to renovate and establish a new Diagnostic and Treatment Center facility which will consist of approximately 2,225 square feet of programmatic space. The Center will occupy one main (1) floor at street level, and it will house five (5) primary medical care exam rooms, one (1) behavioral health treatment room with consultation rooms and designated support areas. In addition, the site will have available parking on site.

The following tables shows the projected FTEs in Year One and year following completion of this project:

Position	Year One	Year Three
Management and Supervision	1	1
Registered Nurses	1	1
Licensed Practical Nurses	1	2
Aides, Orderlies, and Attendants	2	3
Physicians	0.6	0.6
Physicians' Assistants	1	1
Nurse Practitioners	1	1
Social Workers and Psychologist	1.5	1.5
Infection Control, Environment and Food Service	0.5	0.5
Clerical and Other Administrative	3	4
Totals	12.6	15.6

Character and Competence
The members of Richmond Comprehensive Health LLC are Jennifer Palmieri, RN and John Galarza.

Jennifer Palmieri, RN has been an Outpatient Infusion Nurse at Hackensack Meridian Health- Jersey Shore Medical Center since 2019 and a Registered Nurse Oncology Navigator at Riverview Medical Center since 2018. Prior to this, Jennifer worked as a Registered Nurse in the Oncology and Bone Marrow Transplant Unit at Robert Wood Johnson University Hospital from 2005 to 2018. Jennifer is also the CEO of Vesta RN Reporting Services Inc. and Aurora RN Comprehensive Services PLLC, and has pending ownership in two OASAS facilities, The Richmond Center for Recovery and Wellness, LLC, and Nova Treatment Center, LLC. Jennifer graduated from St. Vincent's School of Nursing in 2005 with an associate's degree and from Chamberlain College of Nursing in in 2018 with a Bachelor of Nursing.

The following legal case, names Aurora RN Comprehensive Services:

AMERICAN STATES INSURANCE COMPANY et al vs. RAMOS CERNA, ALEXIS et al (Aurora RN Comprehensive Services)/ Nassau Supreme Court/602998/2024/OM-Other

Per the applicant, these DJ actions are extremely common in New York No-Fault litigation suits, and are not malpractice suits, disciplinary proceedings, or any form of personal liability.

John Galarza is a visionary real estate developer, entrepreneur, and community advocate with 30 years of experience in property development, construction, investment, and healthcare-related community programs. Mr. Galarza founded Richmond County Construction & Redevelopment in 1993, Inner City Redevelopment in 2008, and is the founder and principal of New York City Investment Group, LLC since 2015. Mr. Galarza was also the founder of Tri-State Construction from 2012-2015. John Galarza has pending ownership in an OASAS facility, Nova Treatment Center.

Dr. Abdul-Samad Mirza will be the medical director. Dr. Mirza currently works in Interventional Pain Management at Pain Management NYC since 2025. Prior to this, Dr. Mirza held the following roles: Interventional Pain Management provider at Phoenix Medical Services PC from 2023-2025, provided telemedicine services in Addiction Medicine at Monument from 02/2023 – 11/2023, and worked in the urgent care at Concentra from 2021 to 2023. Dr. Mirza graduated from the New York Institute of Technology with a Bachelor of Science in 2013 and from New York Institute of Technology College of Osteopathic Medicine with a Doctor of Osteopathic Medicine in 2019. Dr. Mirza completed a Preliminary General Surgery Residency at Nassau University Medical Center in 2020 and an Osteopathic Neuromusculoskeletal Medicine Residency at Larkin Community Hospital in 2022 in addition to an Addiction Medicine Fellowship at Larkin Community Hospital in 2023. Dr. Mirza is Board Certified in Osteopathic Neuromusculoskeletal Medicine.

Staff from the Division of Certification & Surveillance reviewed the disclosure information submitted regarding licenses held, formal education, training in pertinent health and/or related areas, employment history, a record of legal actions, and a disclosure of the applicant's ownership interest in other health care facilities. Licensed individuals were checked against the Office of Medicaid Management, the Office of Professional Medical Conduct, and the Education Department databases as well as the US Department of Health and Human Services Office of the Inspector General Medicare exclusion database.

Conclusion
The individual background review indicates the proposed members have met the standard for approval as set forth in Public Health Law §2801-a(3).

Financial Analysis

Total Project Cost and Financing

The total project cost is estimated at $253,214, broken down as follows:

Renovation & Demolition	$86,700
Design Contingency	8,670
Construction Contingency	8,670
Planning Consultant Fees	75,000
Architect/Engineering Fees	30,000
Movable Equipment	25,500
Telecommunications	15,300
Application Fee	2,000
Additional Processing Fee	1,374
Total Project Cost	$253,214

This project will be funded with $253,214 in Members' Equity' Equity

BFA Attachments A is the net worth summary for Richmond Comprehensive Health LLC members, which shows sufficient resources to meet the equity requirements.

Operating Budget

The applicant has submitted an operating budget, in 2026 dollars, for Year One and Year Three, summarized below:

	Year One		Year Three	
Revenues:	Per Visit	Total	Per Visit	Total
Commercial FFS	$79.96	$24,449	$79.96	$30,582
Commercial MC	$66.58	20,440	$66.58	25,567
Medicare FFS	$136.97	56,021	$136.97	70,129
Medicare MC	$114.39	175,589	$114.39	219,514
Medicaid FFS	$223.13	45,742	$223.13	57,121
Medicaid MC	$181.77	1,209,134	$181.77	1,511,418
Private Pay	$83.45	8,512	$83.45	10,682
All Other	$63.52	13,022	$63.52	16,134
Total Revenue		$1,552,909		$1,941,147
Expenses:				
Operating	$122.35	$1,252,118	$132.61	$1,696,353
Capital	9.27	94,851	7.85	100,406
Total	$131.62	$1,346,969	$140.46	$1,796,759
Net Income		$205,940		$144,388
Total Visits		10,234		12,792
Cost per Visits		$131.62		$140.46

Utilization by payor source for Year One and Year Three is as follows:

	Year One		Year Three	
Payor:	Visits	%	Visits	%
Commercial FFS	307	3.00%	384	3.00%
Commercial MC	307	3.00%	384	3.00%
Medicare FFS	409	4.00%	512	4.00%
Medicare MC	1,535	15.00%	1,919	15.00%
Medicaid FFS	205	2.00%	256	2.00%
Medicaid MC	6,652	65.00%	8,315	65.00%
Private Pay	102	1.00%	128	1.00%
Charity Care	521	5.00%	640	5.00%
All Other	205	2.00%	254	2.00%
Total	10,234	100.00%	12,792	100.00%

The following is noted with respect to the submitted budget:

- Revenues and expenses are based on existing and currently operating Article 28 Diagnostic and Treatment centers in the same geographical location with similar square footage, specialties and anticipated patient flow. Customary and usual rates were used in the analysis and review of the AHCF-1 cost report.
- The net income decreases in Year Three due to an increase in expenses. Salaries and benefits are expected to rise as FTEs rise to handle the increased visits. This will impact mostly physicians or billable providers, whose salaries tend to be high. In addition, there are minor changes in operating expenses due to an increased volume of visits such as billing expenses, rent increases and medical supplies.
- The Medicaid Managed Care rate is based on the Medicaid Fee-For-Service rate.
- The Medicaid rate is based on Freestanding APG Base Rates, average visit service intensity weight and regional capital add-on for downstate facilities.
- The estimated reimbursement rates were based on New York State's Ambulatory Patient Group (APG) system alongside established regional commercial and federal healthcare standards. The applicant adjusted rates lower or used an adjusted percentage to conservatively estimate and reflect expected or actual payments.
- All Other revenue includes Workers Compensation.
- The applicant indicated they are committed to serving underinsured populations and all persons in need without regard to the patient's ability to pay or the source of payment. The Center developed a financial assistance policy and is anticipating providing 5% charity care.

Lease Agreement

The applicant has submitted an executed lease rental agreement for the site to be occupied, summarized below:

Date	March 1, 2026
Premises:	4885 Arthur Kill Road, Staten Island, 10309
Landlord:	Bridgeview Plaza, LLC
Tenant:	Richmond Comprehensive Health LLC
Term:	10 years with two (2) 5-year renewal options
Rental:	Base rent for the total leased space is $91,224.96 per year ($7,602.08 per month) for the 1st year. Rent will increase by 3% of the base rent annually for years 2 - 10.
Provisions:	Tenant is responsible for real estate taxes, insurance, utilities, and maintenance.

The applicant has submitted an affidavit attesting that the lease is an arms-length agreement between Bridgeview Plaza, LLC and Richmond Comprehensive Health LLC. The applicant has also submitted letters from two New York State real estate brokers attesting that the rental rate is fair market value.

Capability and Feasibility

The total project cost for this application is $253,214, which will be met through members' equity. Working capital requirements are estimated at $299,460 based on two months of third-year expenses and will be funded with proposed members' equity. BFA Attachment A presents the members' personal net worth statements, which indicate sufficient resources overall to fund the equity requirements.

The submitted budget projects a net income of $205,940 and $144,388 during years one and three of operations, respectively. The budget appears reasonable.

BFA Attachment B is the Pro-Forma balance sheet for Richmond Comprehensive Health LLC, which shows the operation will start with $324,960 in members' equity.

Conclusion

The applicant has demonstrated the capability to proceed in a financially feasible manner.

Attachments

BHFP Attachment	Map
BFA Attachment A	Members Net Worth Statements
BFA Attachment B	Pro-Forma Balance Sheet
BFA Attachment C	Organizational Chart - Richmond Comprehensive Health LLC

NEW YORK STATE OF OPPORTUNITY. Department of Health

Public Health and Health Planning Council

Project # 261152-E

St. John's Riverside Hospital - St Johns Division

Program: **Hospital**
Purpose: **Establishment**

County: **Westchester**
Acknowledged: **April 23, 2026**

Executive Summary

Description

Montefiore Health System, Inc. (MHS), a New York not-for-profit corporation, seeks approval to be established as the sole member, active parent and co-operator of St. Johns Riverside Hospital (SJRH), a New York voluntary not-for-profit corporation, Article 28 hospital. Currently, Riverside Health Care Services (RHCS), a New York not-for-profit corporation is the sole member, active parent and co-operator of St. John's Riverside Hospital. Montefiore Health System's sole member and passive parent is Montefiore Einstein, Inc.

St. John's Riverside Hospital operates three (3) campuses totaling 378 beds in Westchester County.

- St. John's Riverside Hospital – St Johns Division – a 225-bed general acute care hospital with full range of inpatient and outpatient services at 967 North Broadway, Yonkers.
- St. John's Riverside Hospital – Park Care Pavillion – a 141-bed hospital providing rehabilitation and substance abuse, HIV/AIDS services at Two Park Avenue, Yonkers.
- St. John's Riverside Hospital – Dobbs Ferry Pavillion – a 12-bed hospital providing primary medical care, ambulatory surgery and emergency services. Serves as the hub for Centers of Excellence in Orthopedics at 128 Ashford Avenue, Dobbs Ferry.

St. John's Riverside Hospital also operates seven (7) extension clinics.

St. John's Riverside Hospital will be disestablished from Riverside Health Care Services (RHCS) in conjunction with this Application. Riverside Health Care Services (RHCS) will continue to exist, with Montefiore Health System as its sole member, but will not possess the power to operate a hospital.

As active parent and co-operator of St. John's Riverside Hospital, Montefiore Health System will have the power and authority to make decisions for its affiliates as stated in its Affiliation Agreement, its certificate of incorporation, bylaws.

St. John's Riverside Hospital, which will remain a separate not-for-profit corporation licensed under Article 28 of the Public Health Law and Article 32 of the Mental Hygiene Law, will maintain separate operating certificates following completion of the project.

On May 11, 2026, Montefiore Health System and St. John's Riverside Hospital entered into a Membership Substitution Agreement to develop a strategic plan to address short-term and long-term priorities and objectives of St. John's Riverside Hospital and its patient community. Approval of this application, along with a $987,142,713 Safety Net Transformation Program (SNTP) grant awarded by the New York State Department of Health comprised of both operating and capital funds will enable Montefiore Health System and St. John's Riverside Hospital to work on identifying immediate revenue and efficiency-related initiatives with a focus on bringing St. John's Riverside Hospital to financial stability and long-

term viability, while expanding access to high-quality services to the communities served.

OPCHSM Recommendation

Approval

Need Summary

There will be no change in the projected beds or services as a direct result of this application.

Program Summary

The individual background review indicates the proposed members have met the standard for approval as set forth in Public Health Law §2801-a(3).

Financial Summary

There are no project costs associated with this application. The following represents the consolidated budgets for Montefiore Health System and St. John's Regional Hospital post affiliation:

Health Equity Impact Assessment

This project does not meet the requirements for a Health Equity Impact Assessment under Section 2802-B of the Public Health Law.

Recommendations

Health Systems Agency

There will be no Health Systems Agency recommendation for this project.

Office of Primary Care and Health Systems Management

Approval conditional upon:

1. This project must be completed by **one year from the date of the recommendation letter**, including all pre-opening processes, if applicable. Failure to complete the project by this date may constitute an abandonment of the project by the applicant and the expiration of the approval. It is the responsibility of the applicant to request prior approval for any extensions to the project approval expiration date. [Project Management Unit]
2. Submission of documentation confirming final approval of the Safety Net Transformation Program executed grant contract, acceptable to Department of Health. [Bureau of Financial Analysis]

Council Action Date

September 17, 2026

Need Analysis

Project Description

Montefiore Health System, Inc. is seeking approval to become the established sole member and common active parent, and co-operator of St. John's Riverside Hospital and its three campuses.

St. John's Riverside Hospital operates three (3) campuses, totaling 378 beds:

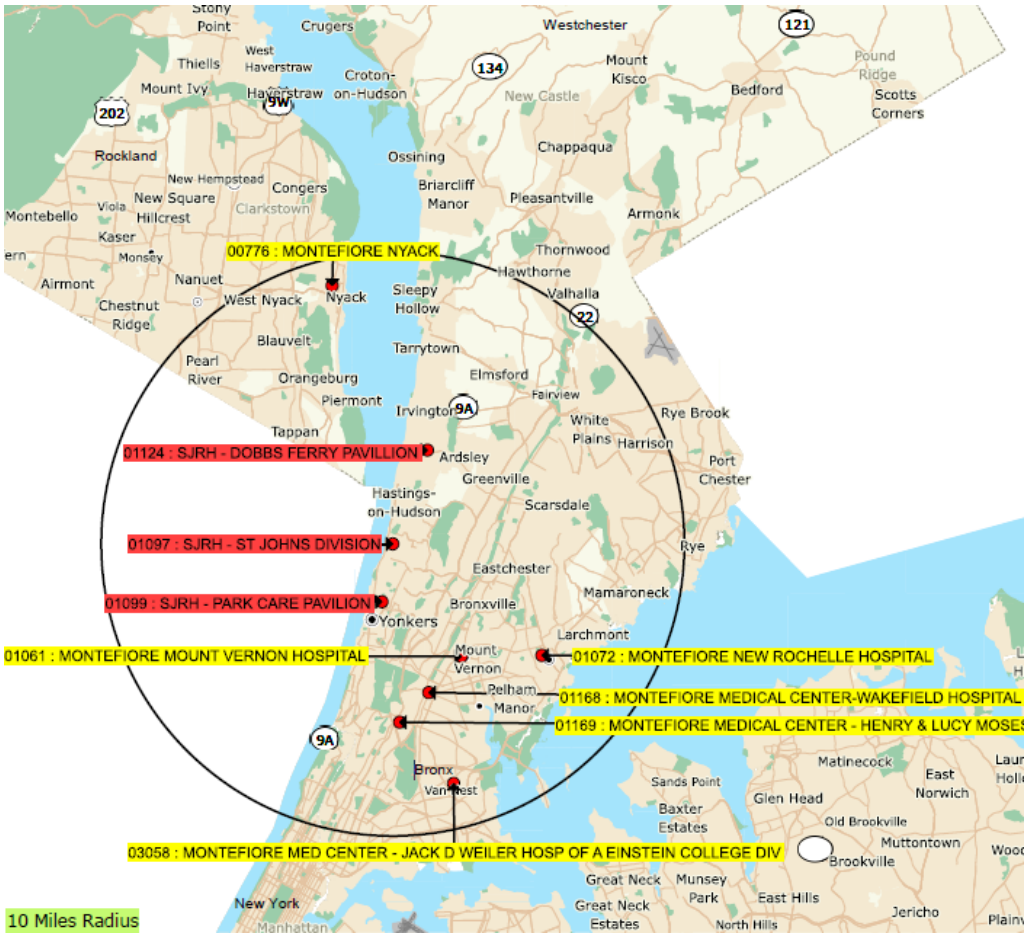
- St. John's Riverside Hospital – St. John's Division a/k/a Andrus Pavilion is located at 967 North Broadway, Yonkers (Westchester County), New York 10701.
- Park Care Pavilion is located at Two Park Avenue, Yonkers (Westchester County), New York 10703; and
- Dobbs Ferry Pavilion is located at 128 Ashford Avenue, Dobbs Ferry (Westchester County), New York 10522.

The table below provides information on the three St. John's Riverside Hospital campuses, including but not limited to services they offer.

Hospital	Beds	Services
St. John's Riverside Hospital St. John's Division a/k/a Andrus Pavilion	Total Beds: 225 • Coronary Care: 8 beds • Intensive Care: 10 beds • Maternity: 25 beds • Med/Surg: 174 beds • Neonatal Continuing Care: 3 • Neonatal Intermediate Care: 5	Ambulatory Surgery, Coronary Care, Audiology O/P, Dental O/P, Emergency Department, Intensive Care, Level II Perinatal Care, Lithotripsy, Maternity, Neonatal Continuing Care, Neonatal Intermediate Care, Nuclear Medicine (Diagnostic and Therapeutic), Primary Stroke Center, Renal Dialysis-Acute, Therapy-Occupational O/P
Park Care Pavilion	Total Beds: 141 • Chemical Dependence Rehab: 69 beds • Chemical Dependence Detoxification: 72 beds	AIDS Center, Chemical Dependence (Detoxification, Rehabilitation, Rehabilitation O/P, Methadone Maintenance O/P, Withdrawal O/P, Dental O/P
Dobbs Ferry Pavilion	Total Beds: 12 • Med/Surg: 12 beds	Ambulatory Surgery, Emergency Department

Source: HFIS

The map below shows the three St. John's Riverside Hospital campuses and six Montefiore hospitals within a 10-mile radius.



Background & Analysis

St. John's Riverside Hospital is within Westchester County. The primary service area for St. John's Riverside Hospital is Yonkers, Hastings-on-Hudson, Irvington, Tuckahoe, Dobbs Ferry, Ardsley, Hartsdale, and Tarrytown comprising 12 zip codes.10701, 10703, 10704, 10705, 10706, 10708, 10710, 10502, 10522, 10530, 10533 and 10591. Demographics for the zip codes of the three current St. John's Riverside Hospital campuses, the PSA, Westchester County, and New York State are noted below.

Demographics	Zip Code 10701	Zip Code 10703	Zip Code 10522	PSA Total (12 Zip codes)	Westchester County	New York State
Total Population-2024 Estimate	70,676	22,586	11,502	284,469	999,677	19,852,366
Hispanic or Latino (of any race)	52.6%	43.6%	12.5%	27.52%	27.4%	19.8%
White (non-Hispanic)	20.4%	27.7%	67.1%	51.25%	49.2%	52.8%
Black or African American (non-Hispanic)	20.6%	20.5%	2.5%	8.11%	12.7%	13.4%
Asian(non-Hispanic)	2.8%	4.3%	12.3%	7.89%	6.2%	9.0%
Other (non-Hispanic)	3.6%	3.9%	5.6%	5.23%	4.6%	5.0%

Source: 2024 American Community Survey (5-year Estimates Data Profiles)

In 2024, 94.9% of the population of Westchester County had health coverage as follows:

Health Plan	Westchester County
Employer plans	55.1%
Medicaid	15.1%
Medicare	13.0%
Non-group plans	11.5%
Military or VA plans	0.282%

Source: Data USA

In 2024, the population within the service area in zip codes where St. John's Riverside Hospital hospitals had the highest market share percentage had public health coverage as noted below:

Zip Code	Medicare Coverage Alone	Medicaid/Means-Tested Coverage Alone
10701	4.0%	29.3%
10703	4.6%	24.4%
10705	5.8%	28.0%
10706	4.9%	3.1%
10522	4.8%	9.1%

Source: American Community Survey (5-Year Estimates); Table S2704

St. John's Riverside Hospital provides several medical, surgical, behavioral health and specialty care programs including providing the largest comprehensive substance abuse services program in Westchester County. St. John's Riverside Hospital -Andrus Pavilion is the only provider of maternity services in the city of Yonkers and is also a designated Level 2 Perinatal Center and Primary Stroke Center. The Park Care Pavilion is a designated AIDS Center.

The table below provides occupancy data by service for 2023-2025 for each St. John's Riverside Hospital hospitals:

St. John's Riverside Hospital St. John's Division a/k/a Andrus Pavilion				
Service	**Beds**	**2023 Total Occupancy**	**2024 Total Occupancy**	**2025 Total Occupancy**
Medical/Surgical	192	46.2%	43.9%	40.0%
Obstetric	25	33.8%	32.1%	28.4%
High Risk Neonates	8	15.8%	5.7%	6.4%
Total	225	43.8%	41.2%	37.5%
St. John's Riverside Hospital Park Care Pavilion				
Service	**Beds**	**2023 Total Occupancy**	**2024 Total Occupancy**	**2025 Total Occupancy**
Chemical Dependency	141	77.5%	80.3%	78.6%
Total	141	77.5%	80.3%	78.6%
St. John's Riverside Hospital Dobbs Ferry Pavilion				
Service	**Beds**	**2023 Total Occupancy**	**2024 Total Occupancy**	**2025 Total Occupancy**
Medical/Surgical	12	23.6%	18.4%	21.1%
Total	12	23.6%	18.4%	21.1%

Source: SPARCS

Other hospitals within Westchester and Bronx Counties with Chemical Dependence related beds are noted below including driving distance from St. John's Riverside Hospital Park Care Pavilion.

Hospital	County	Chemical Dependence – Rehabilitation Beds	Chemical Dependence – Detoxification Beds	Driving Distance from Park Care Pavilion
St Joseph's MC-St. Vincent's Westchester Division	Westchester	30	N/A	1.0 mile/7 min
BronxCare Hospital Center	Bronx	30	36	9.4 miles/37 min
SBH Health System	Bronx	N/A	24	10.1 miles/29 min
Jacobi Medical Center	Bronx	N/A	16	10.2 miles/28 min
Phelps Hospital	Westchester	22	N/A	16.1 miles/31 min
New York-Presbyterian Westchester Behavioral Health Center	Westchester	14	N/A	16.5 miles/31 min

Source: HFIS, Google Maps

The table below provides occupancy for the above Chemical Dependence and Chemical Detoxification hospital beds. St. John's Riverside Hospital has higher occupancy than the nearby hospitals.

Hospital	2023	2024	2025
St. John's Riverside Hospital – Park Care Pavilion	77.5%	80.3%	78.6%
St Joseph's MC-St. Vincent's Westchester Division	58.8%	60.7%	62.5%
BronxCare Hospital Center	45.6%	40.4%	31.9%
SBH Health System	70.2%	60.3%	61.4%
Jacobi Medical Center	35.2%	29.8%	34.7%
Phelps Hospital	79.9%	72.8%	69.2%

Source: SPARCS

According to the applicant, St. John's Riverside Hospital has long served as a safety net provider to the urban, ethnically diverse and economically disadvantaged resident population in the region. St. John's Riverside Hospital is one of the largest Medicaid providers in Westchester County with over 83% of its patient volume being drawn from Medicaid and Medicare patients. They also report that over 50% of visits seen in their Emergency Department (ED) being Medicaid or uninsured patients. Of these patients, many are unemployed, undocumented immigrants, and/or have limited financial resources.

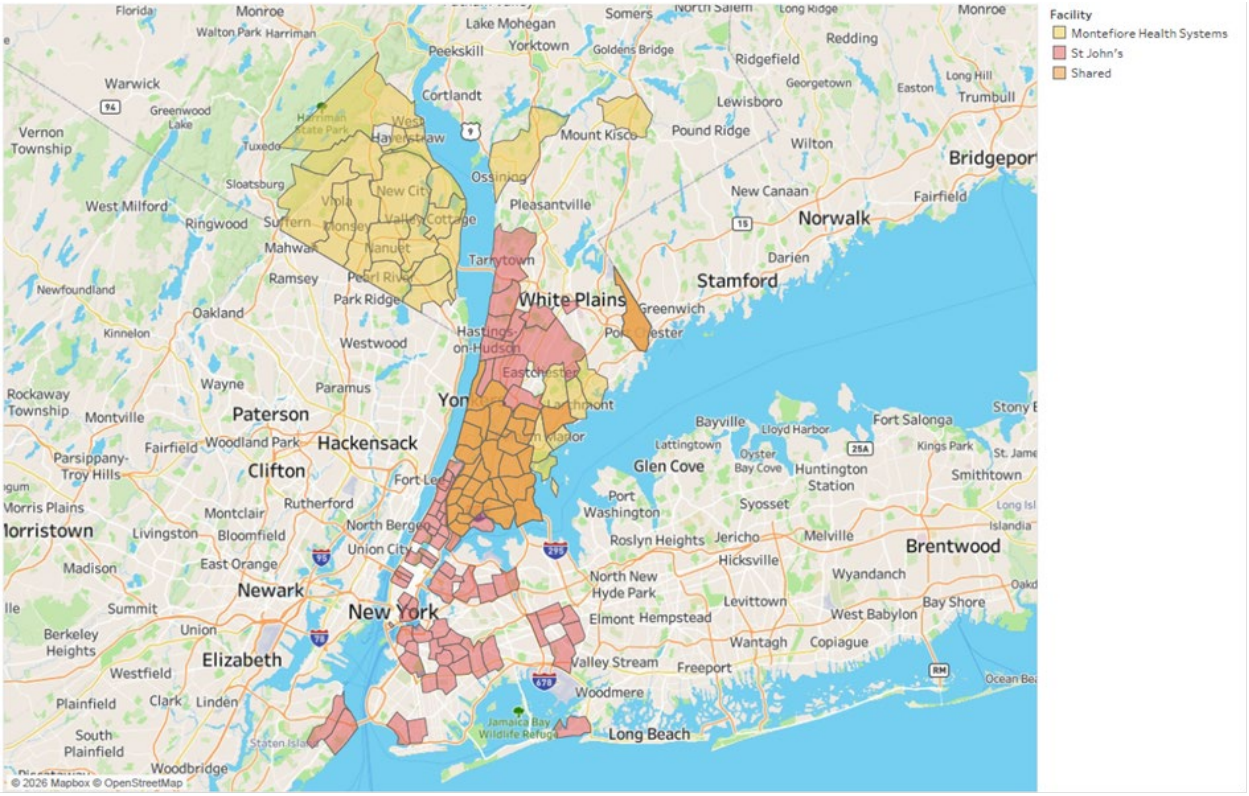
The applicant projects 15,696 inpatient discharges and 243,910 outpatient visits in Year 1, and 17,404 inpatient discharges and 269,671 outpatient visits by Year 3 of operations.

The payor mix for 2025 and projections for Year 1 and 3 are shown below.

St. John's Riverside Hospital Inpatient Discharges			
Payor	**2025**	**Year 1**	**Year 3**
Medicare	35.3%	32.3%	31.8%
Medicaid	54.5%	55.5%	53.9%
Commercial	9.23%	11.0%	13.3%
Private Pay	0.66%	0.00%	0.00%
Charity Care	0.13%	0.12%	0.11%
Other	0.16%	0.90%	0.81%
Total	14,741	15,696	17,404
St. John's Riverside Hospital Outpatient Visits			
Payor	**2025**	**Year 1**	**Year 3**
Medicare	26.0%	25.1%	26.0%
Medicaid	49.7%	48.8%	49.7%
Commercial	17.1%	19.1%	17.1%
Private Pay	3.63%	0.00%	0.00%
Charity Care	1.65%	1.57%	1.42%
Other	1.71%	5.43%	5.58%
Total	231,578	243,910	269,671

Source: Applicant
**Per applicant, Private Pay and Charity Care are included in Other for Year 1 and 3*

The map below shows data of Inpatient Market Share Analysis by patient zip codes, and which (Montefiore Health System and/or St. John's Riverside Hospital) hospital patients visited. Areas shaded in red represent Market Share of zip codes that visited St. John's Riverside Hospital campuses and areas in yellow represent Market Share of zip codes visited Montefiore hospitals. The orange shaded areas show shared Market Share of zip codes where they overlapped coverage. The zip codes with the highest market share percentage of St. John's Riverside Hospital total discharges include 10701, 10705, 10703, 10522, and 10706.



Source: SPARCS

According to the applicant, Montefiore Health System will support St. John's Riverside Hospital to achieve clinical, operational, strategic, and administrative alignment to best serve the needs of the communities. They will support the delivery of services and provide a broader spectrum of services within the communities it serves. Some objectives will focus on a cardiac catheterization lab, cancer center, outpatient imaging center, and expansion of St. John's Riverside Hospital's ambulatory care platform.

Prevention Quality Indicators (PQIs) are rates of admission to the hospital for conditions for which good outpatient care can potentially prevent the need for hospitalization, or for which early intervention can prevent complications or more severe disease. The table below provides information on PQI rates for 2024 related to this application, including the zip codes for the three St. John's Riverside Hospital campus locations, Westchester County, and New York State.

PQI Name	Zip code 10701	Zip code 10703	Zip Code 10522	Westchester County	New York State
Diabetes Short-Term Complications	11	7	N/A	5	7
Diabetes Long-Term Complications	27	17	12	13	13
Chronic Obstructive Pulmonary Disease or Asthma	44	40	21	16	25
Hypertension	11	6	N/A	6	7
Heart Failure	49	42	18	31	38
Community-Acquired Pneumonia	18	15	12	10	12
Uncontrolled Diabetes	9	N/A	N/A	4	5
Urinary Tract Infection	18	22	19	13	13
Prevention Quality Overall Composite	174	142	80	92	113

Source: NYSDOH, Data Hub
Rates are per 10,000 and are rounded crude rates

Conclusion

There will be no impact on the availability of beds or services as a direct result of this project.

Program Analysis

Project Proposal

Montefiore Health System, Inc. submitted an Establishment Certificate of Need (CON) application seeking approval, through a Membership Substitution Transaction, to establish Montefiore Health System as sole member, active parent and as co-operator, of St. John's Riverside Hospital.

Montefiore Health System is the proposed sole member, active parent, and co-operator of St. John's Riverside Hospital. Montefiore Health System's passive parent is Montefiore Einstein, Inc.; and Riverside Health Care System, Inc. (RHCS) is currently the sole member, active parent and co-operator of SJRH St. John's Riverside Hospital. Upon completion of the transaction, Montefiore Health System and St. John's Riverside Hospital will have mirror boards and have no change to the operating certificates other than having Montefiore Health System replace RHCS as co-operator.

Montefiore Health System is an integrated care delivery network with ten (10) hospitals, a residential health care facility, a multi-county ambulatory network providing primary and speciality care at 150 locations, a home health agency, an off campus emergency department, and a school of nursing. Montefiore Health System is the patent organization of Montefiore Medical Center (MMC), Montefiore New Rochelle Hospital, Montefiore Mount Vernon Hospital, Schaffer Extended Care Center, Montefiore Nyack Hsopital, St. Luke's Cornwall Hospital, The Winfred Masterson Burke Rehabilitation Hospital and White Plains Hospital Center. Montefiore Health System is also the sole member and passive memebr of Montifiore Einstein Advanced Care, an Articile 28 Diagnositc and Treatment Center.

St. John's Riverside Hospital operates three (3) campuses with a total of 378 beds: St. John's Division a/k/a Andrus Pavilion, Park Care Pavilion and Dobbs Ferry Pavilion. St. John's Riverside Hospital also has seven (7) hospital extension clinics.

The intent of this transaction is to achieve clinical and financial success for St. John's Riverside Hospital through a long-term affiliation. St. John's Riverside Hospital will be *disestablished* from RHCS in conjunction with this CON application. RHCS will continue to exist, with Montefiore Health System as its sole member, but will not possess the power to operate a hospital. Approval of this application will give Montefiore Health System the ability to exercise Article 28 *active powers* over St. John's Riverside Hospital, which will remain a separate not-for-profit corporation licensed under Article 28 of Public Health Law and Article 32 of the Mental Hygiene Law, maintaining separate operating certificates.

There will be no change in authorized services, number or type of beds, at St. John's Riverside Hospital as a direct result of proposed changes in the governance structure.

The Board of Trustees ("Board") of Montefiore Health System, Inc is as follows:

Matthew H. Nord is a Partner and Co-Head of Equity with Apollo Globel Management and has been on the Montefiore Health System, Inc.'s Board of Trustees since 2014.

William S. Null is an Attorney at Cuddy & Feder LLP and has been on the Montefiore Health System, Inc.'s Board of Trustees since 2020.

Ronald L. Moelis was an Attorney and has since retired from L&M Development Partners and has been on the Montefiore Health System, Inc.'s Board of Trustees since 2017.

Tanya D. Holcomb (non-Trustee Officer) is a Senior Vice-President/Chief Legal Officer for Montefiore Einstein and has been on the Montefiore Health System, Inc.'s Board of Trustees since 2025.

Jonathan A. Lipton is a CEO and Co-Founder of Clade & Co., Inc and has been on the Montefiore Health System, Inc.'s Board of Trustees since 2014.

Gayle F. Robinson was the Chief Operating Officer for Marble Collegiate Church and has been on the Montefiore Health System, Inc.'s Board of Trustees since 2014.

Helen A. (Grishman) **Johnson** is an Attorney, is retired, and has been on the Montefiore Health System, Inc.'s Board of Trustees since 2014.

John Heffer has retired and has been on the Montefiore Health System, Inc.'s Board of Trustees since 2014.

Lewis Henkind is an Attorney, is the President of Lewis Henkind company and has been on the Montefiore Health System, Inc.'s Board of Trustees since 2014.

Daniel R. Tishman is employed with Tishman Realty and has been on the Montefiore Health System, Inc.'s Board of Trustees since 2018.

Thomas L. Harrison was the Chairman of Emeritus, has retired, and has been on the Montefiore Health System, Inc.'s Board of Trustees since 2014.

Nathan Gantcher was the Founder of EXOP Capital LLC, retired, and has been on the Montefiore Health System, Inc.'s Board of Trustees since 2014.

James M. Butler is a Regional CEO with US Insurance Services, LLC and has been on the Montefiore Health System, Inc.'s Board of Trustees since 2019.

Joel I. Braun was the Executive Vice President and Chief Investment Officer for Acadia Realty Trust, is retired, and has been on the Montefiore Health System, Inc.'s Board of Trustees since 2016.

Patricia (Patty Hope & Patricia Freiberg) Green has been on the Montefiore Health System, Inc.'s Board of Trustees since 2014.

Edwin H. Stern III is the Executive Vice-President with Seiden Kreiger Associates, Inc and has been on the Montefiore Health System, Inc.'s Board of Trustees since 2014.

Catherine M. Klema is the President of Nettleton Advisors LLC and has been on the Montefiore Health System, Inc.'s Board of Trustees since 2012.

Emanuel Chirico was the Chief Executive Officer of PVH Corp, retired, and has been on the Montefiore Health System, Inc.'s Board of Trustees since 2016.

Jay B. Abramson is a Senior Partner with Halle Capital Management LLC and has been on the Montefiore Health System, Inc.'s Board of Trustees since 2014.

Peter M. Lehrer is the Chief Executive Officer and President of PML LLC and has been on the Montefiore Health System, Inc.'s Board of Trustees since 2022.

David B. Keidan is retired and has been on the Montefiore Health System, Inc.'s Board of Trustees since 2014.

Jennie Emil is retired and has been on the Montefiore Health System, Inc.'s Board of Trustees since 2014.

Ruth L. Gottesman is retired and has been on the Montefiore Health System, Inc.'s Board of Trustees since 2014.

John P. Gutfreund is a Managing Partner with Halle Capital Management LP and has been on the Montefiore Health System, Inc.'s Board of Trustees since 2017.

Alan N. Suna is the Chairman of Silvercup Studios and has been on the Montefiore Health System, Inc.'s Board of Trustees since 2018.

Allen M. Spiegel is a Physician/Scientist and has been on the Montefiore Health System, Inc.'s Board of Trustees since 2022.

Ellen Breslow Newhouse is retired and has been on the Montefiore Health System, Inc.'s Board of Trustees since 2021.

Jon W. Rotenstreich is a Managing Director with Rotenstreich Family Partners LLC and has been on the Montefiore Health System, Inc.'s Board of Trustees since 2014.

Philip O. Ozuah is the Chief Executive Officer with Montefiore Einstein, Inc., President and Chief Executive Officer with Montefiore Health System, Inc and has been on the Montefiore Health System, Inc.'s Board of Trustees since 2019.

Barry S. Blattman is a Senior Managing Partner with Brookfield asset Management, Inc. and has been on the Montefiore Health System, Inc.'s Board of Trustees since 2014.

Laurence R. Smith is a Founding Partner and Chief Investment Officer with Third Wave Global Investors LLC and has been on the Montefiore Health System, Inc.'s Board of Trustees since 2015.

Bruce Doniger is the President and Chief Executive Director of JE and ZB Butler Foundation and has been on the Montefiore Health System, Inc.'s Board of Trustees since 2014.

Stacey R. (Melinda Rosner) Lane is an Attorney and has been on the Montefiore Health System, Inc.'s Board of Trustees since 2014.

Disclosures

Montefiore Health System disclosed the following actions pertaining to Montefiore Health System, its subsidiaries and affiliates:

White Plains Hospital (WPH)
On April 15, 2015, White Plains Hospital refunded $2,165.82 to the National Government Services for overpayment to the Centers for Medicare & Medicaid Services (CMS) relating to incorrect coding.

On January 22, 2016, White Plains Hospital refunded $5,344.92 82 to the National Government Services for overpayments to the Centers for Medicare & Medicaid Services (CMS) relating to documentation errors.

Montefiore St. Luke's Cornwall Hospital (SLCH)
In July 2024, St. Luke's Cornwall Hospital resolved an issue with the Office of the Medicaid Inspector General (OMIG) with a self-disclosed overpayment of $67,819.0 due to a Healthcare Worker Bonus overpayment.

Montefiore New Rochelle Hospital
On April 29, 2022, a Stipulation & Order Agreement was settled with the Occupational and Safety Health Administration (OSHA) and was fined $9,000 pertaining to its respiratory protection program.

Schaffer Extended Care Center (SECC)
In October 2025 Schaffer Extended Care Center entered into a Stipulation and Order agreement and was fined $10,000 due to a violation of patient rights.

Montefiore Medical Center (MMC)
On November 17, 2023, Montefiore Medical Center entered into a 2-year Corrective Action Plan (CAP) agreement with DHHS Office of Civil Rights related to a HIPPA breach. This Corrective Action Plan was completed on November 17, 2025, with the final close out letter received on March 11, 2026.

Enforcements

- The Department issued a Stipulation and Order (S&O) dated 08/17/2017, and fined Montefiore Medical Center $2000 based on deficiencies found during a survey completed on 4/11/17. Deficient practices were found in Patient Rights.
- The Department issued a Stipulation and Order (S&O) dated10/02/2017, and fined Montefiore Mount Vernon $2000 based on deficiencies found during an allegation survey completed on 10/07/2016. Deficient practices were found in Patient Rights and Restraints.
- The Department issued a Stipulation and Order (S&O) dated 11/14/2017, and fined Montefiore Medical Center, Henry and Lucy $2000 based on deficiencies found during a survey completed on 05/19/2017. Deficient practices were found in Patient Rights, Infection Control.
- The Department issued a Stipulation and Order (S&O) dated 12/13/19, and fined White Plains Hospital Center $10000 based on deficiencies found during an allegation survey completed on 08/19/2019. Deficient practices were found in failure to conduct ongoing evaluation of patients.
- The Department issued a Stipulation and Order (S&O) dated 11/25/2024, and fined Nyack Hospital $14000 based on deficiencies found during a complaint survey completed on 02/09/2024. Deficient practices were found in Patient Rights and Nursing Services.
- The Department issued a Stipulation and Order (S&O) dated 9/12/2025, and fined Montefiore Medical Center - Moses Division $12000 based on deficiencies found during a survey completed on 03/21/2025. Deficient practices were found in Quality Assurance Performance Improvement, Nursing Services, Emergency Services.

Compliance with Applicable Codes, Rules and Regulations

Staff from the Division of Certification & Surveillance reviewed the disclosure information submitted regarding licenses held, formal education, training in pertinent health and/or related areas, employment history, a record of legal actions, and a disclosure of the applicant's ownership interest in other health care facilities. Licensed individuals were checked against the Office of Medicaid Management, the Office of Professional Medical Conduct, and the Education Department databases as well as the U.S. Department of Health and Human Services Office of the Inspector General Medicare exclusion database.

Prevention Agenda

St. John's Riverside Hospital – St. John's Division, located in Westchester County, requests approval to establish Montefiore Health System Inc. as the hospital's new sole member, active parent, and co-operator.

St. John's Riverside Hospital – St. John's Division is implementing multiple interventions to support the priorities of the 2025-2030 New York State Prevention Agenda, including:

- Primary Prevention, Substance Misuse, and Overdose Prevention
- Prevention of Infant and Maternal Mortality
- Preventive Services for Chronic Disease Prevention and Control

Although two of the priorities selected by Montefiore Health System Inc., including Poverty and Anxiety and Stress, are not mentioned in St. John's Riverside Hospital – St. John's Division's Community Service Plan, the proposed project will advance the Prevention Agenda priority of the Prevention of Infant and Maternal Mortality by allowing St. John's Riverside Hospital – St. John's Division to increase immunization rates of RSV vaccines to pregnant patients through enhancing health literacy education training efforts for hospital staff administering vaccines.

As per the latest available report, St. John's Riverside Hospital – St. John's Division spent $1,386,103 on community health improvement services in 2022, representing 0.42% of total operating expenses.

Conclusion

The individual background review indicates the proposed members have met the standard for approval as set forth in Public Health Law §2801-a(3).

Financial Analysis

Consolidated Projections

The following represents the consolidated budgets and assumptions detail for Montefiore Health System and St. John's Riverside Hospital post affiliation:

(in 000's)	Current Year (2025)	Year One (2027)	Year Three (2029)
Total Revenues	$8,765,016	$9,210,403	$9,228,397
Total Expenses	8,886,009	9,331,397	9,349,391
(Deficiency) Revenues/ Expenses	($120,993)	($120,994)	($120,994)
Total Discharges	14,620	15,696	17,404
Total Visits	231,578	243,910	269,669

The following is noted with respect to the submitted budget:

- Current Year revenues and expenses represent the entire Montefiore Health System enterprise and are based on Montefiore Health System's 2025 Certified Financial Statements.
- Years One and Year Three projections represent combined Montefiore Health System and St. John's Riverside Hospital revenues and expenses. Utilization is for St. John's Riverside Hospital only and includes the implementation of certain strategic initiatives intended to increase inpatient and outpatient surgical volume, expand outpatient services and the achievement of cost savings measures.
- Projections include $14.1M and $66.4M in combined cost savings and revenue initiatives during Year One and Year Three, respectively, as a result of the affiliation, and contribute to a projected break-even outcome for St. John's Riverside Hospital.

The following represents the operating budget for St. John's Riverside Hospital:

	Current Year (2025)		Year One (2027)		Year Three (2029)	
	Per Discharge	Total	Per Discharge	Total	Per Discharge	Total
Inpatient Revenue						
Commercial FFS	$14,865.19	$9,335,338	$16,182.76	$12,930,028	$10,713.20	$11,441,702
Commercial MC	$13,325.88	9,767,867	$14,516.21	13,529,108	$9,608.21	11,971,824
Medicare FFS	$16,951.68	46,125,522	$16,949.26	45,000,293	$16,950.50	49,173,386
Medicare MC	$10,517.92	26,137,025	$10,519.56	25,499,414	$10,518.72	27,864,097
Medicaid FFS	$13,965.12	15,948,169	$13,967.49	17,319,692	$13,966.82	18,617,775
Medicaid MC	$6,299.65	43,423,504	$6,299.48	47,157,871	$6,299.53	50,692,280
Private Pay	$4,373.35	424,215	$0.00	0.00	$0.00	0.00
All Other[1]	$21,847.00	502,481	$4,349.11	695,968	$3,849.11	615,858
Total I/P Revenue		$151,664,121		$162,132,374		$170,376,922
	Per Visit	Total	Per Visit	Total	Per Visit	Total
Outpatient Revenue						
Commercial FFS	$955.79	$18,441,913	$1,017.64	$23,061,850	$958.84	$21,554,284
Commercial MC	$839.66	17,104,633	$894.03	21,389,565	$842.34	19,982,042
Medicare FFS	$533.14	11,857,021	$533.13	12,018,389	$533.14	13,807,369
Medicare MC	$467.10	17,824,240	$467.11	18,066,819	$467.10	20,756,129
Medicaid FFS	$415.95	3,068,034	$415.97	3,167,178	$415.96	3,572,691
Medicaid MC	$253.64	27,373,842	$253.63	28,258,431	$253.63	31,876,534
Private Pay	$436.28	3,670,428	$0.00	0.00	$0.00	0.00
All Other	$325.67	1,292,585	$94.67	1,616,394	$79.99	1,510,029
Total O/P Revenue		$100,632,696		$107,578,626		$113,049,078

	Current Year (2025)		Year One (2027)		Year Three (2029)	
	Per Discharge	Total	Per Discharge	Total	Per Discharge	Total
Net Patient Service Revenue		$252,296,817		$269,711,000		$283,426,000
Other Operating Revenue[1]		$137,323,000		$161,489,000		$113,489,000
Total Operating Revenue		$389,619,817		$431,200,000		$396,915,000
Inpatient Expense						
Operating	$17,546.80	$258,657,360	$17,491.17	$274,541,399	$16,411.93	$285,633,179
Capital	$349.79	5,156,267	$385.64	6,053,040	$361.84	6,297,480
Total I/P Expenses	$17,896.59	$263,813,627	$17,876.81	$280,594,439	$16,773.77	$291,930,659
Outpatient Expense						
Operating	$655.98	$151,909,875	$661.06	$161,238,599	$622.06	$167,752,820
Capital	$13.08	3,028,283	$14.57	3,554,960	$13.72	3,698,520
Total O/P Expense	$669.06	$154,938,158	$675.63	$164,793,559	$635.78	$171,451,340
Deficiency of Revenue over Expenses:		($29,131,968)		($14,187,998)		($66,466,999)
Projected Initiatives/Cost Savings		$0		$14,187,998		$66,466,999
Utilization:						
Discharges		14,741		15,696		17,404
Visits		231,578		243,910		269,671

[1] Other Operating Revenue is comprised of grants and other revenue (including VAPAP), physician billing revenue, net investment income, and net assets released from restrictions for operations.
[2] Variance between the Current Year values and those presented on the 2025 Certified Financial Statements is attributable to rounding.

The following is noted with respect to the submitted budget:

- Current Year revenues, expenses, utilization and staffing levels are based on the St. John's Riverside Hospital 2025 Certified Financial Statements.
- St. John's Riverside Hospital's Current Year Net Patient Service Revenue (NPSR) includes $27,792,000 in Direct Payment Template program (DPT) support which was included in the Net Patient Service Revenue reported on St. John's Riverside Hospital's 2025 Certified Financial Statements.
- All Other in Years One and Year Three includes Private Pay revenue and utilization.
- St. John's Riverside Hospital's baseline statistics in the Current Year are based on internal St. John's Riverside Hospital encounter dates from the facilities' Electronic Medical Record system.
- The applicant anticipates $4.3M and $13.1M in Year One and Year Three, respectively in savings stemming from expense-based initiatives including contractual savings, supply chain, pharmacy, and workforce synergies.
- Furthermore, the applicant anticipates generating an additional $9.8M and $53.3M, respectively, from growth/revenue initiatives which include a reduction in outmigration, improvements in utilization, specifically increases in inpatient discharges across the three campuses, increase in ambulatory surgery visits, outpatient endoscopy visits, oncology, and ED volume. The combined cost savings and revenue initiatives of $14.1M and $66.4M in Years One and Year Three, respectively, result in a projected break-even outcome for SJRH.

Utilization by payor for St. John's Riverside Hospital is as follows:

	Current Year 2025		Year One 2027		Year Three 2029	
Inpatient	Discharges	%	Discharges	%	Discharges	%
Commercial FFS	628	4.26%	799	5.09%	1,068	6.14%
Commercial MC	733	4.97%	932	5.94%	1,246	7.16%
Medicare FFS	2,721	18.46%	2,655	16.92%	2,901	16.67%
Medicare MC	2,485	16.86%	2,424	15.44%	2,649	15.22%
Medicaid FFS	1,142	7.75%	1,240	7.90%	1,333	7.66%
Medicaid MC	6,893	46.76%	7,486	47.69%	8,047	46.23%
Private Pay	97	0.66%	0	0.00%	0	0.00%
Charity Care	19	0.13%	19	0.12%	19	0.11%
All Other	23	0.16%	141	0.90%	141	0.81%
Total	14,741	100.00%	15,696	100.00%	17,404	100.00%

	Current Year 2025		Year One 2027		Year Three 2029	
Outpatient	Visits	%	Visits	%	Visits	%
Commercial FFS	19,295	8.33%	22,662	9.29%	22,469	8.33%
Commercial MC	20,371	8.80%	23,925	9.81%	23,722	8.80%
Medicare FFS	22,240	9.60%	22,543	9.24%	25,898	9.60%
Medicare MC	38,159	16.48%	38,678	15.86%	44,436	16.48%
Medicaid FFS	7,376	3.19%	7,614	3.12%	8,589	3.18%
Medicaid MC	107,926	46.61%	111,414	45.68%	125,679	46.61%
Private Pay	8,413	3.63%	0	0.00%	0	0.00%
Charity Care	3,829	1.65%	3,829	1.57%	3,829	1.42%
All Other	3,969	1.71%	13,245	5.43%	15,049	5.58%
Total	231,578	100.00%	243,910	100.00%	269,671	100.00%

The following represents the budget for Montefiore Health System:

MHS Budget:	Current Year 2025 (in '000)	Year One 2027 (in '000)	Year Three 2029 (in '000)
Total Revenues	$8,765,016	$8,765,016	$8,765,016
Total Expenses	$8,886,009	$8,886,009	$8,886,009
Deficiency of Revenues over Expenses	($120,993)	($120,993)	($120,993)

Member Substitution Agreement

Montefiore Health System entered into a Member Substitution Agreement with St. John's Riverside Hospital and Riverside Health Care System, Inc. The applicant has submitted an executed agreement, which is summarized below:

Date:	May 11, 2026
St. John's Riverside Hospital Parties:	Riverside Health Care System, Inc. (RHCS) and St. John's Riverside Hospital
Montefiore Health System:	Montefiore Health System, Inc.
Recitals:	Riverside Health Care System, Inc is the sole member and licensed as the co-operator and "active parent" under Article 28 of the New York State Public Health Law of St. John's Riverside Hospital; Montefiore Health System is the parent entity of an integrated healthcare delivery network and is licensed under Article 28 of the New York State Public Health Law as the co-operator and active parent of the acute care hospitals in such integrated healthcare delivery network.
Strategic Plan:	The Parties shall, prior to the Closing, engage in good faith commercially reasonable best efforts to collaboratively develop a strategic plan to be effective on the Closing and thereafter implemented to address both short-term and long-term priorities and objectives for the St. John's Riverside Hospital Parties, their facilities, and the St. John's Riverside Hospital Parties' patient communities.
Montefiore Health System's Lien on St. John's Riverside Hospital Accounts Receivable:	In order to secure the St. John's Riverside Hospital Parties' obligations to Montefiore Health System under any post-Closing service agreements between Montefiore Health System and any St. John's Riverside Hospital Party, effective immediately upon the closing, each of the St. John's Riverside Hospital Parties shall grant to Montefiore Health System a lien on and security interest in its accounts receivable.
Structure and Governance:	(i) Filing of Active Parent CON - Montefiore Health System and the St. John's Riverside Hospital Parties have heretofore filed a CON Application with the NYDOH seeking approval to establish Montefiore Health System as the licensed co-operator and "active parent" ("Active Parent") of St. John's Riverside Hospital pursuant to 10 NYCRR 405.1(c), and de-establish RHCS as the Active Parent of St. John's Riverside Hospital (the "CON Application"). (ii) Passive Parent Closing; Montefiore Health System as Sole Member of RHCS; Subsequent Transition of Montefiore Health System to Active Parent Status of St. John's Riverside Hospital Upon CON Approval (iii) Active Parent Closing; Montefiore Health System as Active Parent of St. John's Riverside Hospital as of Closing Date

Capability and Feasibility

There are no project costs associated with this application.

Bureau of Financial Analysis (BFA) Attachment C, Montefiore Health System, Inc. – 2024 Certified Financial Statements, shows the organization maintained positive working capital, a positive net asset position, and an excess of operating revenues over operating expenses before other items of $93,902,000 in 2023 and $164,701,000 in 2024.

Bureau of Financial Analysis (BFA) Attachment D, Montefiore Health System, Inc. - December 31, 2025, Internal Financial Statements, show the organization maintained a positive working capital and positive net asset position. The $120,993,000 deficiency of operating revenue over operating expenses is attributable to a $246,591,000 reduction in grant and contracts between 2024 and 2025, and an overall increase in operating expenses compared to revenues.

Bureau of Financial Analysis (BFA) Attachment E, St. Johns Riverside Hospital 2024 Certified Financial Statements, shows the facility maintained negative working capital and a negative net asset position. The hospital experienced a net operating loss of $44,350,000 during this time period. The loss was offset by net periodic pension costs of $2,117,000, pension and postretirement related changes of $10,251,000, and grant funded contributions of $658,000, resulting in an adjusted operating loss of $35,558,000 through December 31, 2024.

Bureau of Financial Analysis (BFA) Attachment F, St. Johns Riverside Hospital December 31, 2025, Internal Financial Statements, indicates the facility maintained negative working capital and a negative net asset position. During the reporting period, St. John's Riverside Hospital experienced a net operating loss of $29,132,000, which was increased by $2,102,000 in non-operating expenses, and reduced $8,342,000 in pension and post-retirement-related changes, $3,062,000 in grant funded capital contributions, as well as a $600,000 transfer to affiliates.

St John's Riverside's poor financial position is attributable to the high-need population/high governmental payor mix, patient outmigration, and outpacing of expenses compared to revenues. Since 2019, outmigration of patients from the City of Yonkers has increased by approximately 10%. Between 2019 and 2021, outmigration from Yonkers increased from 19% to 28%, and the outmigration of high acuity patients has grown to 43%. Factors that contribute to outmigration include limitations on critical local community services, the lack of an integrated and coordinated multi-specialty medical group to support hospital services, outdated facilities infrastructure, and low-quality scores at St. John's Riverside Hospital. Between 2023 through 2025, net patient service revenue (NPSR) decreased by 5.9%, while expenses increased by 15.4%. Salaries and wages increased by 20.5% and employee benefits increased by 31.3%.

The affiliation with Montefiore Health System is essential to stabilizing St. John's Riverside Hospital's finances and operations. St. John's Riverside Hospital is expected to reduce operating losses over the next five years. Montefiore Health System will provide St. John's Riverside Hospital with access to corporate and shared services, and resources, allowing St. John's Riverside Hospital to continue to provide essential clinical services in the communities it serves. The affiliation will also allow Montefiore Health System to strengthen St. John's Riverside Hospital's service offerings.

St. John's Riverside Hospital continues to take steps to address their operational and financial deficiencies, including implementing strategic initiatives to increase inpatient and outpatient surgical volume, expanding outpatient services and other cost savings measures. St. John's Riverside Hospital is reviewing other possible funding arrangements with the New York Department of Health. These include Direct Payment Template Program (DPT) for High Medicaid Voluntary Hospitals. The enhanced rate payments cover Medicaid Managed Care enrollees and are structured to allow qualifying hospitals to receive a hospital specific rate add-on based on the delivery and utilization of services provided to Medicaid beneficiaries. The services eligible for these enhanced rate payments include acute inpatient discharges, outpatient clinic visits, outpatient emergency visits, and outpatient ambulatory surgery visits. These qualified claims began being processed by contracted Medicaid managed care organizations in 2022. For the year ended December 31, 2025, and 2024, St. John's Riverside Hospital had $1,909,000 recouped and received $16,825,000 net.

Conclusion

The applicant has demonstrated the capability to proceed in a financially feasible manner.

Attachments

Bureau of Financial Analysis Attachment A	Riverside Health Care System, Inc. – Current Organizational Chart
Bureau of Financial Analysis Attachment B	Montefiore Health System, Inc. – Current and Proposed Organizational Chart
Bureau of Financial Analysis Attachment C	Montefiore Health System, Inc. – 2024 Certified Financial Statements
Bureau of Financial Analysis Attachment D	Montefiore Health System, Inc. – December 31, 2025, Internal Financial Statements
Bureau of Financial Analysis Attachment E	St. Johns Riverside Hospital – 2024 Certified Financial Statements
Bureau of Financial Analysis Attachment F	St. Johns Riverside Hospital – December 31, 2025, Internal Financial Statements

Public Health and Health Planning Council

Project # 261237-E
Maimonides Medical Center

Program: **Hospital**
Purpose: **Establishment**
County: **Kings**
Acknowledged: **May 22, 2026**

Executive Summary

Description

New York City Health and Hospitals Corporation (H+H), a New York public benefit corporation, seeks approval to operate Maimonides Medical Center (MMC) and Maimonides Midwood Community Hospital (MMCH) through two new, wholly controlled public benefit corporation subsidiaries: H+H Maimonides Corporation (H+H Maimonides) and H+H Maimonides Midwood Corporation (H+H Midwood).

Maimonides Medical Center is a 711-bed acute care hospital whose sole member and passive parent is Maimonides Health Resources, Inc. (MHRI). The New York Community Hospital of Brooklyn, Inc. d/b/a Maimonides Midwood Community Hospital, is a 134-bed acute care hospital, whose sole corporate member is Maimonides Medical Center. For the purposes of this transaction, Maimonides Health Resources Inc, together with its subsidiaries and affiliates, are referred to, collectively, as Maimonides.

New York City Health and Hospitals Corporation (H&H) operates 11 acute care hospital sites across New York City and provides comprehensive medical and behavioral health services regardless of a patients' ability to pay. H&H will continue to operate its 11 acute care hospitals under the H+H public benefit corporation, will become the sole member and active parent of the H+H Maimonides and H&H Maimonides Midwood subsidiary companies and will become the co-operator of the hospitals operated by such subsidiaries: Maimonides Medical Center and Maimonides Midwood Community Hospital respectively.

On December 18, 2025, H+H and Maimonides Health Research Inc, together with its subsidiaries and affiliates, including Maimonides Medical Center and Maimonides Midwood Community Hospital, entered into an Affiliation and Asset Purchase Agreement (APA). The assets and liabilities of Maimonides Medical Center and Maimonides Midwood Community Hospital will be transferred to H+H and H+H will operate the hospitals (Maimonides Hospitals) under the following structure:

- H+H Maimonides will operate Maimonides Medical Center.
- H+H Maimonides Midwood will operate Maimonides Midwood Community Hospital.
- H+H will be the sole member and active parent of H+H Maimonides and H+H Maimonides Midwood and the co-operator of Maimonides Medical Center and Maimonides Midwood Community Hospital.

Consistent with Section 7384(3) of the New York City Health and Hospitals Corporation Act, N.Y. Unconsolidated Law §§ 7381-7406 the individuals who serve as the Board of Directors of H+H will serve in the same capacity as the governing board and established operator of each of the Maimonides Hospitals, functioning similarly to H+H's other Article 28 licensed hospitals, which are organized as unincorporated divisions of H+H.

Maimonides is facing significant financial and operational challenges due to substantial financial losses over multiple years, impacting their ability to maintain necessary services for the community. Approval of this application, along with a $2.245B Safety Net Transformation

Program (SNTP) grant awarded by the New York State Department of Health (DOH) comprised of both operating and capital funds will enable strategic capital investments including a state-of-the-art electronic health record system and updated infrastructure. Together with enhanced Medicaid rates available as part of H+H, this investment will lead to revenue growth and cost reductions, eventually improving financial performance at Maimonides while enhancing clinical quality and patient safety.

OPCHSM Recommendation

Contingent Approval

Need Summary

There will be no change in the number of beds or services as direct result of this application

Program Summary

The individual background review indicates the proposed members have met the standard for approval as set forth in Public Health Law §2801-a (3).

Financial Summary

There are no project costs associated with this application. The following represents the consolidated budget for H+H and H+H Maimonides Hospitals post affiliation:

Budget:	Current Year (in 000s)	Year One (in 000s)	Year Three (in 000s)
Total Revenues	$18,162,696	$17,740,189	$18,219,562
Total Expenses	$18,085,824	$17,645,481	$18,413,239
(Loss) Income Before Other Change in Net Position	$76,872	$94,708	($193,678)
Interest, Depreciation, and Amortization	$838,977	$832,453	$902,864
EBIDA*	$915,849	$927,161	$858,670

** EBIDA represents earnings before interest expense, depreciation, and amortization, and is calculated by adding back interest, depreciation, and amortization to net income.*

Health Equity Impact Assessment

This project does not meet the requirements for a Health Equity Impact Assessment under Section 2802-B of the PHL.

Recommendations

Health Systems Agency

There will be no Health Systems Agency recommendation for this project.

Office of Primary Care and Health Systems Management

Approval contingent upon:

1. Submission of an executed Administrative Services Agreement acceptable to the Department of Health. [Bureau of Financial Analysis]
2. Submission of an original affidavit from the applicant, acceptable to the Department, in which the applicant agrees, notwithstanding any agreement, arrangement or understanding between the applicant and the transferor to the contrary, to be liable and responsible for any Medicaid overpayments made to the facility and/or surcharges, assessments or fees due from the transferor pursuant to Article 28 of the Public Health Law with respect to the period of time prior to the applicant acquiring its interest, without releasing the transferor of its liability and responsibility. [Bureau of Financial Analysis]

Approval conditional upon:

1. This project must be completed by **one year from the date of the recommendation letter**, including all pre-opening processes, if applicable. Failure to complete the project by this date may constitute an abandonment of the project by the applicant and the expiration of the approval. It is the responsibility of the applicant to request prior approval for any extensions to the project approval expiration date. [Project Management Unit]
2. Submission of documentation confirming final approval of the Safety Net Transformation program executed grant contract, acceptable to Department of Health. [Bureau of Financial Analysis]

Council Action Date

September 17, 2026

Need Analysis

Project Description

NYC Health + Hospitals (H+H) is submitting this application seeking approval to operate:

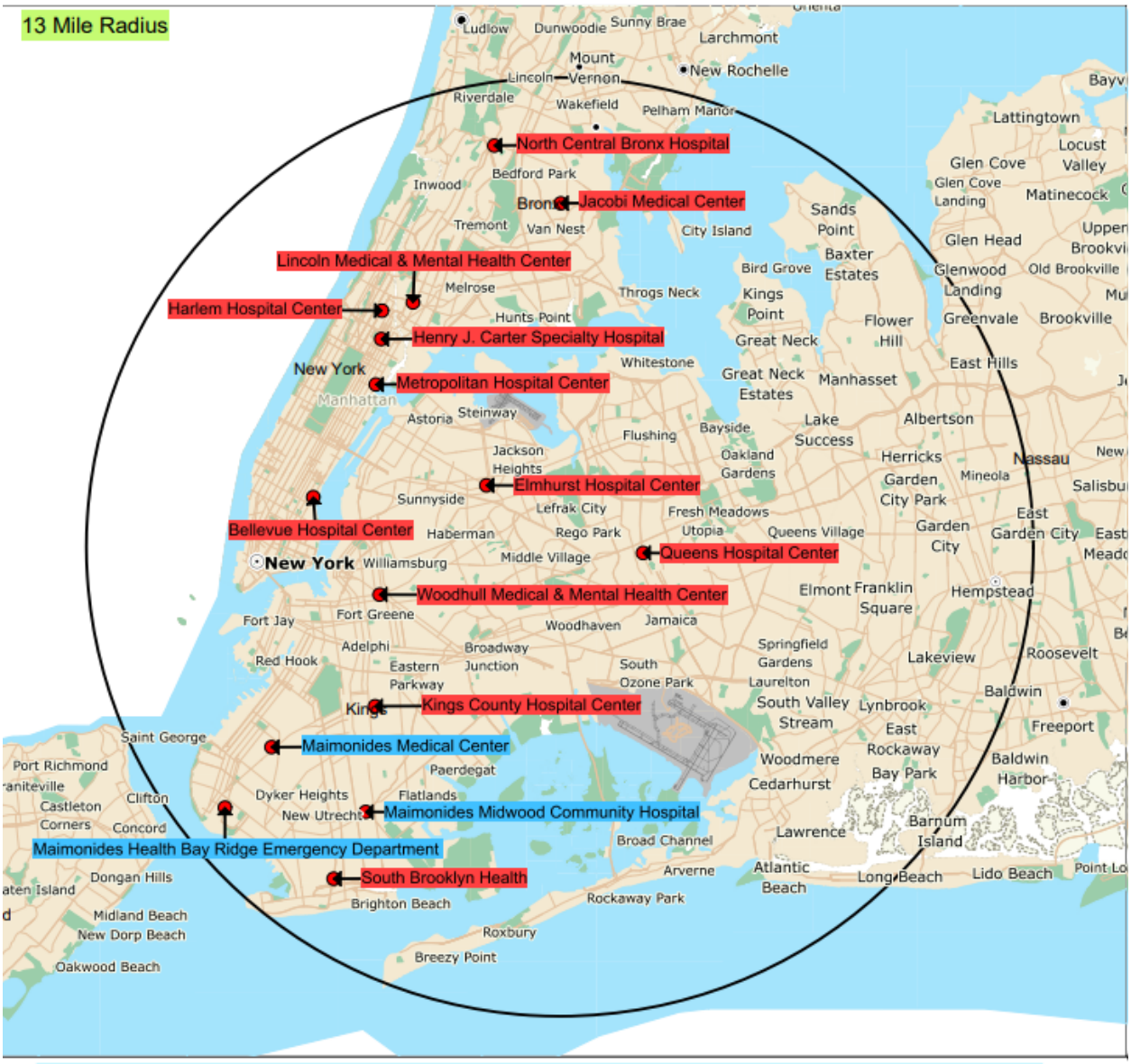
- Maimonides Medical Center (MMC), located at 4802 Tenth Avenue, Brooklyn, New York 11219,
- Maimonides Midwood Community Hospital (MMCH), located at 2525 Kings Highway, Brooklyn, New York, 11229,
- Maimonides Health Bay Ridge Emergency Department, an Off Campus Emergency Department, at 9036 7th Avenue, Brooklyn, New York 11228,
- and 15 extension clinics in Brooklyn.

The table below provides information on the main Maimonides campuses, including but not limited to services they offer.

Hospital	Beds	Services
Maimonides Medical Center	Total Beds: 711 • Coronary Care: 10 beds • Intensive Care: 40 beds • Maternity: 69 beds • Med/Surg: 448 beds • Neonatal Continuing Care: 9 beds • Neonatal Intermediate Care: 10 beds • Neonatal Intermediate Care: 12 beds • Pediatric: 32 beds • Pediatric ICU: 11 beds • Psychiatric: 70 beds	Ambulatory Surgery, Cardiac Catheterization (Adult Diagnostic, Electrophysiology (EP), Percutaneous Coronary Intervention (PCI), Cardiac Surgery-Adult, Comprehensive Stroke Center, Coronary Care, Audiology Outpatient , Dental Outpatient, Emergency Department, Intensive Care, Lithotripsy, Maternity, Neonatal (Continuing Care, Intensive Care, Intermediate Care), Nuclear Medicine (Diagnostic and Therapeutic), Pediatric, Pediatric Intensive Care, Psychiatric, Regional Perinatal Center, Renal Dialysis-Acute, Therapy-Occupational, Physical, and Speech Language Pathology
Maimonides Midwood Community Hospital	Total Beds: 134 • Intensive Care: 7 beds • Med/Surg: 127 beds	Ambulatory Surgery, Cardiac Catheterization (Electrophysiology (EP), Percutaneous Coronary Intervention (PCI), Coronary Care, Emergency Department,

Source: HFIS

The map below shows the Maimonides hospitals and eleven NYC Health & Hospitals within a 13-mile radius.



Facilities highlighted on the map show site locations of all hospitals under NYC H+H highlighted in RED, and Maimonides Medical Center, Maimonides Midwood Community Hospital, and Maimonides Health Bay Ridge ED highlighted in BLUE, that will be taken over by NYC H+H.

Background & Analysis

Maimonides Health is within Kings County. The primary service area for Maimonides Health is neighborhoods: Sunset Park, Windsor Terrace, Bay Ridge, Dyker Heights, Fort Hamilton, Bensonhurst, Bath Beach, Gravesend, Borough Park, Kensington, Ocean Parkway, Coney Island South, Brighton Beach, Homecrest, Sea Gate, Flatbush, Midwood, Ditmas Park, Ocean Parkway, Manhattan Terrace, Prospect Park South, Sheepshead Bay, Gerritsen Beach, Plum Beach, Kings Highway, Manhattan Beach, East Flatbush, Rugby, Remsen Village, Flatlands, Canarsie, Bergen Beach, Georgetown, Marine Park, and Mill Basin. These areas comprise the following zip codes: 11220, 11232, 11209, 11228, 11214, 11219, 11204, 11218, 11223, 11224, 11226, 11230, 11210, 11229, 11234, 11235. Demographics for the zip codes of the two Maimonides hospitals, the Primary Service Area, Kings County, and New York State are noted below.

Demographics	Zip Code 11219	Zip Code 11229	PSA Total (16 Zip codes)	Kings County	New York State
Total Population-2024 Estimate	94,196	78,377	1,176,222	2,631,580	19,852,366
Hispanic or Latino (of any race)	13.2%	9.0%	18.08%	19.0%	19.8%
White (non-Hispanic)	60.5%	57.1%	43.59%	36.1%	52.8%
Black or African American (non-Hispanic)	1.3%	6.7%	13.63%	26.6%	13.4%
Asian(non-Hispanic)	20.7%	22.3%	19.65%	12.1%	9.0%
Other (non-Hispanic)	3.6%	3.9%	5.06%	6.2%	5.0%

Source: 2024 American Community Survey (5-year Estimates Data Profiles)

Maimonides describes their patient population as including large Orthodox Jewish, Chinese, Latino, Russian, Caribbean, and South Asian and Southeast Asian (including Pakistani, Bangladeshi, Indian, Laotian, Filipino, and Indonesian) communities. Based on information provided by the applicant, NYC H&H is experienced and skilled in serving similarly diverse communities.

In 2024, 94.2% of the population of Kings County had health coverage as follows

Health Plan	Kings County
Employer plans	40.3%
Medicaid	34.3%
Medicare	8.42%
Non-group plans	10.8%
Military or VA plans	0.297%

Source: Data USA

In 2024, the population within the service area in zip codes where Maimonides hospitals had the highest market share percentage had public health coverage as noted below:

Zip Code	Medicare Coverage Alone	Medicaid/Means-Tested Coverage Alone
11204	5.2%	44.6%
11218	3.9%	31.6%
11219	3.6%	59.6%
11230	5.1%	32.8%

Source: American Community Survey (5-Year Estimates); Table S2704

Maimonides Medical Center is recognized as having the following designations: Comprehensive Stroke Center, Regional Perinatal Center, and Level I Adult and Pediatric Trauma Center. Maimonides Midwood Community Hospital is a designated Primary Stroke Center.

The table below provides hospital occupancy data by service for 2023-2025:

Maimonides Medical Center				
Service	**Beds**	**2023 Total Occupancy**	**2024 Total Occupancy**	**2025 Total Occupancy**
Medical/Surgical	498	62.6%	75.7%	75.6%
Pediatric	43	38.2%	39.3%	35.0%
Obstetric	69	60.5%	62.3%	58.5%
Psychiatric	70	81.9%	85.2%	78.9%
High Risk Neonates	31	56.3%	72.6%	63.0%
Total	711	62.5%	73.0%	71.2%
Maimonides Midwood Community Hospital				
Service	**Beds**	**2023 Total Occupancy**	**2024 Total Occupancy**	**2025 Total Occupancy**
Medical/Surgical	134	62.6%	70.4%	73.4%
Total	134	62.6%	70.4%	73.4%

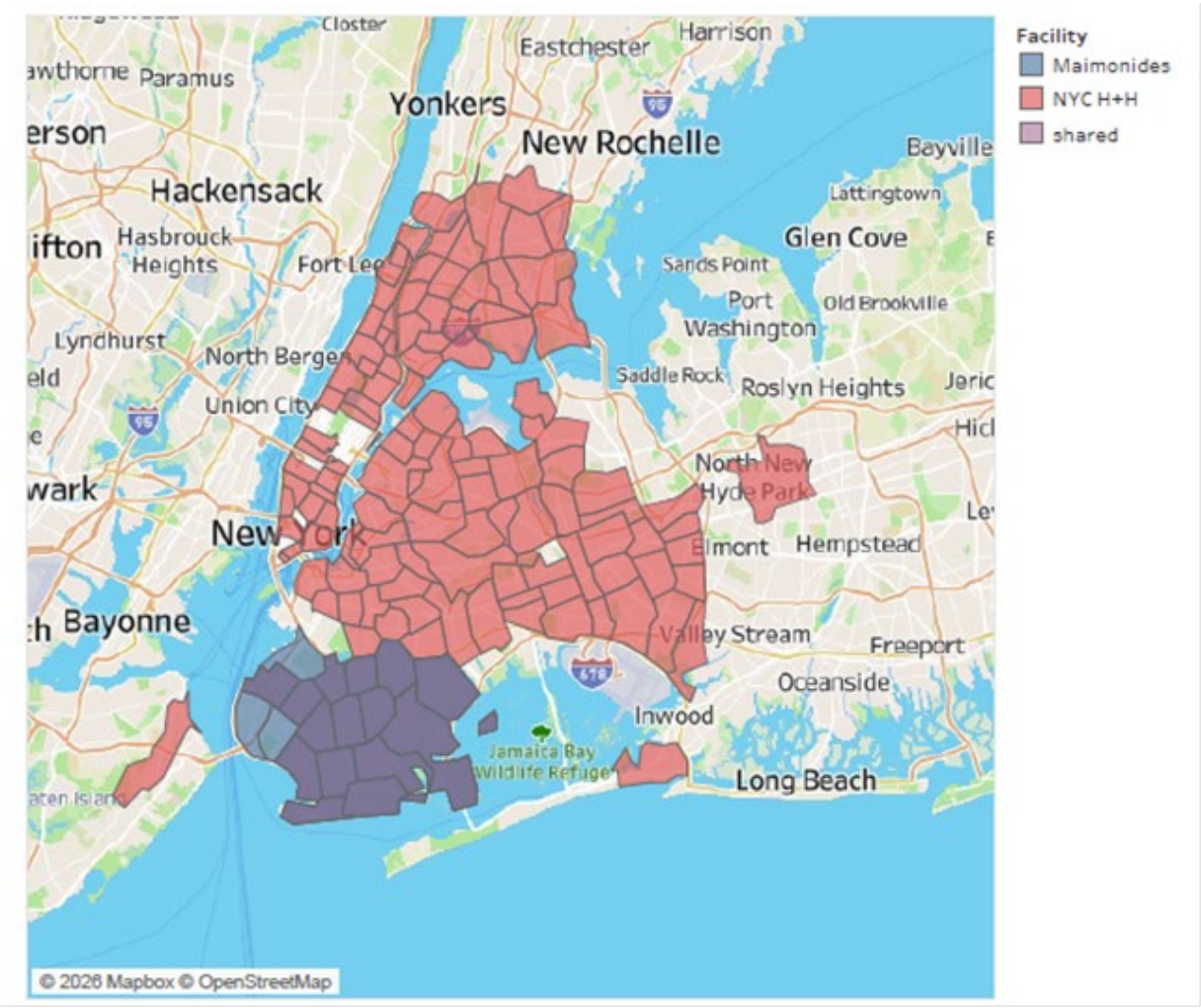
Source: SPARCS

The applicant projects 29,056 inpatient discharges in Year 1 and 38,636 by Year 3 and expects outpatient visits to be 939,448 in Year 1 and 1,306,585 in Year 3 of operations. The payor mix for current year (2025) is shown below. The applicant reports consistent payor mix trends since FY21 and expects that to remain consistent over the projection period. Maimonides reports serving predominately a Medicaid and Medicare population which is similar to NYC H&H.

Applicant Payor Mix						
Payor	**Current**	**Year One**	**Year Three**	**Current**	**Year One**	**Year Three**
	Inpatient			**Outpatient**		
Medicare	41%	41%	41%	41%	41%	41%
Medicaid	29%	29%	29%	29%	29%	29%
Commercial	29%	29%	29%	29%	29%	29%
Private Pay	1%	1%	1%	1%	1%	1%

Source: Applicant

The map below shows data of Inpatient Market Share Analysis by patient zip codes, and which (NYC H&H and/or Maimonides) hospital patients visited. Areas shaded in red represent Market Share of zip codes from which people visited NYC H&H campuses and areas in blue represent Market Share of zip codes of people who visited Maimonides hospitals. The purple shaded areas show shared Market Share of zip codes where they overlapped coverage. The zip codes with the highest market share percentage of Maimonides total discharges include 11219, 11204, 11218, and 11230.



Data Source: SPARCS
Created by OPCHSM-BPN

According to the applicant, NYC Health & Hospitals will allow Maimonides to implement Epic, as on their own they are unable to access electronic medical records using Epic without significant costs and delays. NYC H&H will also help renovate Maimonides labor and delivery suites, double the size of the main Emergency Department (ED), and support other innovations. Health & Hospital's will support other ongoing services, including Brooklyn's only standalone pediatric ED and expand psychiatric services.

Conclusion

There will be no impact on the availability of beds or services as a direct result of this project.

Program Analysis

Project Proposal

Project Number	261237	
Facility Name	Maimonides Medical Center	
Description	NYC Health + Hospitals to become operator of Maimonides Medical Center and Maimonides Midwood Community Hospital through two new subsidiaries – SNTP	
Site	**PFI**	
Maimonides Midwood Community Hospital (MMCH) 2525 Kings Highway Brooklyn, NY 11229 (Kings County).	**1305**	**CHOW** **ENTITY: H+H Maimonides Midwood Corporation** MMCH - No change to operating certificate other than to have H+H Maimonides Midwood Corporation replacing MMCH as operator and H+H as co-operator.
Maimonides Medical Center (MMC) 4802 Tenth Avenue Brooklyn, NY 11219 (Kings County)	**1298**	**ENTITY: H+H MAIMONIDES CORPORATION** MMC - No change to operating certificate other than to have H+H Maimonides Corporation replacing MMC as operator and H+H as co-operator.
Maimonides Health Bay Ridge Emergency Department 9036 7th Avenue Brooklyn, New York 11228 (Kings County)	**15518**	**ENTITY: H+H MAIMONIDES CORPORATION** MMC - No change to operating certificate other than to have H+H Maimonides Corporation replacing MMC as operator and H+H as co-operator.

NYC Health + Hospitals (H+H) submitted a Full Review Certificate of Need (CON) application seeking approval to operate Maimonides Medical Center (**MMC**) and Maimonides Midwood Community Hospital (**MMCH**) through two (2) new, wholly controlled public benefit corporation subsidiaries:

H+H Maimonides Corporation (H+H Maimonides) and
H+H Maimonides Midwood Corporation (H+H Maimonides Midwood).

Pursuant to the terms of an Affiliation and Asset Transfer Agreement, the assets and liabilities of MMC and MMCH will be transferred to H+H and H+H will operate these hospitals (the “Maimonides Hospitals”) under the following structure:

- H+H Maimonides will operate Maimonides Medical Center; and
- H+H Maimonides Midwood will operate Maimonides Midwood Community Hospital.
- H+H will be the sole member and active parent of H+H Maimonides and H+H Maimonides Midwood and the co-operator of Maimonides Medical Center and Maimonides Midwood Community Hospital.

The individuals who serve as the Board of Directors of H+H will serve in the same capacity as the governing board and established operator of each of the Maimonides Hospitals, functioning similarly to H+H’s other Article 28 licensed hospitals, which are organized as unincorporated divisions of H+H.

NYC Health + Hospitals (H+H) operates the municipal hospital system of the City of New York by providing comprehensive medical and behavioral health services within New York City (NYC). H+H operates eleven (11) acute care hospital sites across New York City: Bellevue, Elmhurst, Harlem, Jacobi, Kings County, Lincoln, Metropolitan, North Central Bronx (a division of Jacobi), Queens, South Brooklyn Health and Woodhull. H+H will continue to operate these acute care hospital divisions across NYC.

There will be no change in either authorized services or the number or type of beds at any of the H+H hospitals or clinics as a direct result of approval of this project.

Maimonides Medical Center (MMC) is a 711-bed specialty care teaching hospital located at 4802 Tenth Avenue in Brooklyn, New York (Kings County) and operates fifteen (15) extension clinics in Brooklyn; plus an off-campus Emergency Department (Maimonides Health Bay Ridge Emergency Department). Maimonides Medical Center service designations are noted as a Comprehensive Stroke Center; Level 1 Adult and Pediatric Trauma Center; and as a Regional Perinatal Center.

Maimonides Health System	
Facility	**Facility Type**
Maimonides Medical Center	Hospital
Maimonides Rehabilitation Center	Extension Clinic
Maimonides Pediatric Care 57th Street,	Extension Clinic
Maimonides Sleep Disorder Clinic	Extension Clinic
Fort Hamilton Clinic Treatment Center	Extension Clinic
Mapleton Clinic Treatment Center	Extension Clinic
Maimonides Adult and Pediatric Care Newark Avenue	Extension Clinic
Maimonides Adult/Peds Dental Center	Extension Clinic
Maimonides Adult and Pediatric Care 7th Avenue	Extension Clinic
Maimonides Adult Primary Care 57th Street	Extension Clinic
Bensonhurst Clinic Treatment Center	Extension Clinic
Maimonides Women's Services 9th Avenue	Extension Clinic
Maimonides Cancer Center	Extension Clinic
Maimonides Breast Center	Extension Clinic
2 - Maimonides Cardiology Outpatient Center	Extension Clinic
Maimonides Midwood Community Hospital	Hospital
Maimonides Midwood Community Infusion Therapy Center	Extension Clinic
Maimonides Health Bay Ridge Emergency Department	Off-Campus ED

There will be no change to the operating certificate other than having H+H Maimonides Corporation replace Maimonides Medical Center as operator and H+H as co-operator.

There will be no change in either authorized services or the number or type of beds at the hospitals or clinics as a direct result of approval of this project.

The New York Community Hospital of Brooklyn, Inc. d/b/a Maimonides Midwood Community Hospital (MMCH) is a 134-bed acute care hospital located at 2525 Kings Highway in Brooklyn, New York (Kings County

Maimonides Midwood Community Hospital facility:
Maimonides Midwood Community Hospital Infusion Therapy Center.

There will be no change in either authorized services or the number or type of beds at the Center as a direct result of approval of this project.

The Change of Operator approval letter was received on March 9**,** 2026.

H+H will enter into an administrative services agreement to engage the services of non-physician employees and secure the services of the physicians employed by the Maimonides Entities through an affiliation agreement with a to be formed professional corporation.

BOARD OF DIRECTORS:
As members of the Board, each member stated the following –*I am a Board Member of NYC Health + Hospitals ("NYC H+H"). As the nation's largest municipal health system, NYC H+H is regularly named in civil and administrative actions in various forums in the normal course of business, e.g. employment and tort matters. To the best of my knowledge, none of these matters has related to my personal conduct. In addition, I am aware that during my tenure on the Board NYC H+H settled the following two cases that were brought under the federal False Claims Act: In June 2020, NYC H+H settled a matter involving Medicaid and Medicare billing for podiatry services provided at Coney Island Hospital (now called South Brooklyn Health) during the period 2010 through 2014. The government declined to intervene in this qui tam action and NYC H+H and its co-defendant settled with a private plaintiff. In January 2025, NYC H+H resolved a case involving Medicaid billing during the period 2006 through 2009 at Coler-Goldwater specialty Hospital and Nursing Facility (where NYC H+H's long-term acute care hospital was previously licensed).*

Character and Competence

MICHAEL M. ESPIRITU, MD - Director on the Board of Directors of New York City Health and Hospitals Corporation from 02/20/25.
Dr. Espiritu received a Medical Degree (MD) from the Weill Medical College of Cornell University, located in New York in 2005; and received a Bachelor of Arts (BA) degree from Harvard University, in Massachusetts in 2001.

Since 2018, Dr. Espiritu has been an Assistant Professor of Clinical Pediatrics and Attending Neonatologist at Weill Cornell Medicine; an Assistant Professor of Pediatrics and Attending Neonatologist at the NYU School of Medicine; and a Neonatologist at NYU Langone Medical Center and Bellevue Hospital Center from 2011 to 2018.

Dr. Espiritu has been an officer for 134 health-related facilities and has disclosed the following legal cases:

- *A malpractice case was filed in 2019 regarding a newborn with neonatal hypoglycemia shortly after birth in which the case remains pending.*
- *A malpractice case was filed in 2024 regarding a newborn who had an extensive hospital stay across three New York-Presbyterian campuses in which the case remains pending.*

ANITA P. KAWATRA - Director on the Board of Directors of New York City Health and Hospitals Corporation from 01/01/19.

Anita Kawatra received a Master's in Administration (MA) degree from Columbia University in New York in 1998 and a Bachelor of Arts degree from Yale University in Connecticut in 1988.

Anita Kawatra has been an Executive Advisor with Kallyope in New York since 2025 and was the Executive Vice-President/Corporate Affairs with Kallyope from 2012 to 2025; was Chief Corporate Affairs Officer/Life Sciences with Inference in Massachusetts from 2020 to 2021; was Senior Vice-President/Corporate Affairs with Inheris Biopharma from 2019 to 2020; was a Global Head/Communications with International Aids Vaccine Initiative in New York from 2018 to 2019; and was an Executive Vice-President/Health with Edelman in New York from 2015 to 2017.

The following court information was provided:

- *Anita Kawatra is a Board Member of Sanctuary for Families and GrowNYC. These entities have been involved in litigation and/or administrative proceedings in the normal course of business, however, to the best of Anitia Kawatra knowledge, no proceedings have related to personal conduct.*

VINCENT J. CALAMIA, MD - Director on the Board of Directors of New York City Health and Hospitals Corporation from 01/13/12.

Dr. Calamia received a Master of Science (MS) in Healthcare Management from Harvard School of Public Health in Massachusetts in 2001, completed a Medical Degree (MD) at the University of Miami School of Medicine in Florida in 1978; and received a Bachelor of Science (BS) degree in Biology from SUNY-Stony Brook in New York in 1978.

Since 2018, Dr. Calamia has been the ICM Regional Medical Director Southeast USA with United Healthcare; was a Chief Medical Officer with United HealthCare NJ C&S (Edison, New Jersey) from 2016 to 2018; is an Attending Physician, Endocrinology with Staten Island University Hospital from 2016 to present; was the President & Chief Executive Officer of University Physicians Group from 1989 to 2016; was the Medical Director for Eger Rehab and Care Center from 2012 to 2016; and was the Medical Director for Compassionate Care Hospice from 2011 to 2016.

The following court information was provided: Dr. Calamia was named as a defendant in two medical malpractice actions:

- *In 1992, named in an action alleging delayed diagnosis of Cushing's Disease. I had seen the patient twice for an unrelated condition. The case was settled in 2000.*

- *In 2000, co-named in an action alleging a delay in diagnosis of autoimmune liver disease. The case settled in 2019.*

Dr. Calamia was the CEO of Victory Memorial Hospital in 2010 when it declared bankruptcy as the result of a greater restructuring of hospitals in Brooklyn.

VANESSA RODRIGUEZ - Director on the Board of Directors of New York City Health and Hospitals Corporation from 02/20/25.

Vanessa Rodriguez received a Bachelor's degree in Social Work (BSW) from the College of New Rochelle in New York in 2003.

Vanessa Rodriguez is the Director of Performance Improvement, HIV & PrEP Services with Urban Health plan Inc. in New York from 2021 to present; was the Director of Practice and Performance Improvement Coaching at Urban Health plan Inc. from 2017 to 2021; was a Senior Practice Coach at Urban Health plan Inc. from 2015 to 2017; and was an HIV Program Coordinator at Urban Health plan Inc. from 2011 to 2017.

FREDA J. WANG - Director on the Board of Directors of New York City Health and Hospitals Corporation from 01/01/19.

Freda Wang completed a bachelor's degree at Columbia University in New York in 1992.

Fred Wang has several roles with Goldman Sachs & Co: as a Managing Director from 2011 to present; as Co-COO of Public Sector & Infrastructure Group from 2026 to present; as Co-Head of National Infrastructure from 2023; and as PSI Operating Committee Member from 2023.

Blood Cancer United has been involved in arbitration or other alternative dispute resolution proceedings in the ordinary course of its operations, including contractual disputes involving amounts owed to Blood Cancer United under agreements containing dispute resolution provisions. These matters relate to Blood Cancer United as an affiliated organization and are not related to my personal conduct.

TRICIA TAITT - Director on the Board of Directors of New York City Health and Hospitals Corporation from 02/20/25.

Tricia Taitt received a Master in Business Administration (MBA) degree from Fuqua School of Business, Duke University in North Carolina in 2006; and a bachelor's degree from The Wharton School/University of Pennsylvania in 2022.

Trica Taitt is the Founder and Chief Executive Officer of Art & Money Matters LLC "dba" FinCore since 2010.

JACKIE ROWE-ADAMS - Director on Board of Directors of New York City Health and Hospitals Corporation from 02/15/23

Jackie Rowe-Adams completed a Certificate of Arts degree from the All-City School of Music in New York in 1968.

Jackie Rowe-Adams is the President and Co-Founder of HARLEM MOTHERS STOP ANOTHER VIOLENT END (S.A.V.E.) since 2006; was a Recreational Manager with the NYC Department of Parks & Recreation from 1987 to 2022; and was President of AFSCME DC37-Local 299 from 2005 to 2022.

As one of New York City's largest unions, DC 37 is regularly named in civil and administrative actions in various forums in the normal course of business. To the best of Jackie Rowe-Adams knowledge, none of these matters have related to personal conduct.

SALLY B. HERNANDEZ-PINERO - Director on the Board of Directors of New York City Health and Hospitals Corporation from 01/01/19.

Sally Hernandez-Pinero received a Bachelor of Arts (BA) degree from Wesleyan University in Connecticut in 1974; and a Juris Degree from NYU School of Law in New York in 1977.

Currently, Sally Hernandez-Pinero is retired; and was a hearing officer for the New York City Office of Administrative Trials and Hearings ("OATH") from 2012 to June 2015.

Sally Hernandez-Pinero is a member of the board of MetroPlusHealth (MetroPlus), a health maintenance organization ("HMO") that is a subsidiary of NYC H+H. MetroPlus has been named in civil and administrative actions in various forums in the normal course of business, *e.g.* employment and tort matters, however, none of these matters has related to personal conduct. MetroPlus has been subject to arbitration or Alternative Dispute Resolution during Sally Hernandez-Pinero tenure on the board arising out of the Independent Dispute Resolution (IDR) process set forth in the New York and federal No Surprises Act that apply to health insurance plans.

Sally Hernandez-Pinero has prior involvement on the board of multiple organizations: the American Museum of Natural History, Consolidated Edison, Inc., Lower Manhattan Development Corp, Union Theological Seminary, the Union Square Awards, United Way of Greater New York, Dime Savings Bank, Tarragon Realty Investors, Inc., Marymount Manhattan College, Wesleyan University, National Blue Cross/ Blue Shield Associates (retained as 1 of 3 outside Directors), and Cathedral of St. John the Divine (Executive Committee). During her tenure on the board of these entities, many of these entities were named in civil litigation and employment-related administrative proceedings in the ordinary course of business, including matters before the Equal Employment Opportunity Commission and state equivalent agencies. These matters were not related to personal conduct.

ALISTER MARTIN, MD - Director, Commissioner, Department of Health and Mental Hygiene, as ex-officio, from 02/23/26.

Doctor Martin graduated from Harvard Medical School with a Doctor of Medicine and a Master of Public Policy in 2015.

Dr. Martin has been an Assistant Professor of Emergency Medicine at Harvard Medical School and an Attending Physician for the Department of Emergency Medicine at Massachusetts General Hospital since 2019 and is also a Senior Fellow at Northeastern University since 2024. Prior to this, Dr. Martin was the Chief Executive Officer of a Healthier Democracy, Inc. from 2022 to February of 2026; was a White House Fellow and Senior Advisor to Vice President Kamala Harris and Senior Advisor of the West Wing Office of Public Engagement from 2021-2022; and was a Member of the CMS Advisory Panel on Outreach and Education for the United States Department of Health and Human Services from 2023 to 2025.

In 2019, Dr. Martin was named in a medical malpractice action involving a patient who received obstetrics care at Brigham and Women's Hospital during an internship year in 2015. However, the plaintiff later agreed to voluntarily dismiss Dr. Martin from the lawsuit due to his lack of involvement in the care as Commissioner of the New York City Department of Health and Mental Hygiene.

Dr. Martin is an ex-officio Board Member of the NYC Fund for Public Health, Public Health Solutions, and the Greater New York Hospital Association. In addition, he was previously a Board Member and CEO of A Healthier Democracy and a Board Member of Tenacity and Empath. It is his understanding that some of these entities have been involved in litigation and/or administrative proceedings in the normal course of business, however, to the best of Dr. Martin's knowledge no such proceedings have been related to personal conduct.

ERIN DALTON - Director, Commissioner/Administrator, Human Resources Administration, as ex-officio, since 03/02/26.

Erin Dalton graduated from Carnegie Mellon University with a Master's degree in 2003.
Erin Dalton has been the Commissioner for the New York City Department of Social Services since March of 2026. Prior to this, Erin Dalton was the Deputy Director, Office of Analysis, Technology and Planning of the Allegheny County Department of Human Services from 2007 to 2021 and the Director of the Allegheny County Department of Human Services from 2021 to March of 2026.

The following active court cases involve Erin Dalton:

- *V.O.I.C.E. et al vs. The City of New York et al (Erin Dalton)/ New York Supreme Court/ 154997/2026/ SP-CPLR Article 78 (Body or Officer)*
- *KING, JR., WALTER vs. NYC DSS COMSR, Erin Dalton/ Kings Supreme Court/ 176/2026/ OM-Other*
- *KHAN, RAJA A. vs. THE CITY OF NEW YORK et al (Erin Dalton)/ New York Supreme Court/ 451289/2026/ SP-CPLR Article 78 (Body or Officer)*
- *Saffore, Eula vs. Dalton, Erin et al/ New York Supreme Court/ 451403/2026/ SP-CPLR Article 78 (Body or Officer)*
- *Vega, Dudamel vs. New York State Department of Motor Vehicles et al (Erin Dalton)/ Westchester Supreme Court/ 50365/2026/ SP-CPLR Article 78 (Body or Officer)*
- *Stephen, Daryl vs. NYC HRA (Erin Dalton)/ Kings Supreme Court/ 508868/2026/SP-CPLR Article 78 (Body or Officer)*
- *Van Stuyvesant, Curtis vs. Hochul, Kathleen et al (Erin Dalton)/ Queens Supreme Court/ 710104/2026/ SP-CPLR Article 78 (Body or Officer)*

JORGE PETIT, MD - Director, , Community Mental Health Services, Executive Deputy Commissioner, Division of Mental Hygiene - NYC Department of Health and Mental Hygiene, as an ex-officio, since 04/13/26.

Dr. Petit graduated from Faculty of Medicine, University of Buenos Aires with a Doctor of Medicine in 1991, completing a Psychiatry Internship and Residency at the Department of Psychiatry at Mount Sinai Hospital, Mount Sinai School of Medicine in 1995 and a Public Psychiatry Fellowship at Columbia Presbyterian/NYS Psychiatric Institute in 1996.

Dr. Petit has been the Executive Deputy Commissioner of the Division of Mental Hygiene for the NYC Department of Health and Mental Hygiene since April 2026 and is also an Adjunct Lecturer for the Department of MSW at Silver School of Social Work at New York University since January of 2026. Previously Dr. Petit was the Founder/Chief Executive Officer of Quality Healthcare Solutions, LLC from 2023 to 2026; the Chief Executive Officer & President of Services for the Underserved from 2022 to 2023; the Chief Executive Officer & President of Coordinated Behavioral Care from 2017 to 2022; and the New York State Regional Senior Vice President of Beacon Health Options from 2015 to 2017.

Dr. Petit was named as a defendant in an employment discrimination lawsuit along with NYC Health + Hospitals and its president. At the time, Dr. Petit was serving as a consultant for NYC H+H. Certain claims in the case were dismissed, and others were settled in 2023.

When Dr. Petit served as the CEO and President of Services for the Underserved and Coordinated Behavioral Care, these entities were also the subject of civil litigation (including employment actions and disability discrimination actions) and administrative proceedings, including matters before the EEOC and state equivalent agencies. Dr. Petit may have been named as a defendant in the capacity as CEO for Services for the Underserved, but no cases involved personal conduct.

In addition, Dr. Petit served on the board of the Primary Care Development Corps., Mental Health News Education, and the Empire State Pride Agenda; and currently serves on the board of Cantata Health Solutions and MMM Holdings, LLC. These entities may also have been the subject of civil litigation and administrative proceedings during Dr. Petit's time as a board member; however, none was related to personal conduct.

HELEN ARTEAGA LANDAVERDE – Deputy Mayor for Health and Human Services, as an ex-officio, since 01/09/26.

Helen Arteaga Landaverde graduated from Columbia University with a Master of Public Health in 2001 and from the City University of New York with a PhD in 2024.

Helen Arteaga Landaverde has been the Deputy Mayor of Health and Human Services for the Office of The Mayor since January 2026. Prior to this, Helen was the Chief Executive Officer of New York City Health + Hospitals, Elmhurst, from 2021 to 2025, and the Assistant Vice President of the Queens Network at Urban Health Plan from 2006 to 2021.

Helen Arteaga Landaverde has been named in two employment civil lawsuits in an individual capacity relating to previous employment as CEO of Elmhurst. She has also been individually named in two pending administrative complaints, one to the NYC Commission on Human Rights, which was brought by an Elmhurst physician, and another to the NYS Division of Human Rights, which was brought by a former Elmhurst employee.

As a Board Member of Primary Care Development Corporation, Helen Landaverde is aware that this entity has been involved in litigation and/or administrative proceedings in the normal course of business, however**,** to the best of her knowledge no such proceedings are related to personal conduct.

MITCHELL KATZ, MD - President of the Board since 01/05/18**.**

Dr. Katz graduated from Harvard Medical School with a Doctor of Medicine in 1986 and completed a Residency in Primary Care Internal Medicine at the University of California in 1989.

Mitchell Katz, MD has been the President and Chief Executive Officer of New York City Health and Hospitals Corporation since 2018 and has also served as Regent on the advisory body to the Secretary of the Department of Health and Human Services since 2022. Dr. Katz has also been the Deputy Editor of JAMA Internal Medicine since 2009. Prior to this, Dr. Katz was the Director of the Los Angeles County Health Agency from 2015 to 2018 and the Director of the Department of Health Services, Los Angeles County from 2011 to 2018.

The following active court cases were disclosed:

- *Sandra Garcia, Individually and as Proposed Estate Administrator for Decedent, Erick Tavira vs. The City of New York et al (Mitchell Katz)/ Bronx Supreme Court/ 801261/2024E/ Tort-Other Negligence*
- *MENDEZ, VENUS INDIVIDUALLY AND AS ESTATE ADMINISTRATOR FOR GILBERTO GARCIA, DECEDENT et al vs. THE CITY OF NEW YORK et al (Mitchell Katz)/ Bronx Supreme Court/ 801678/2024E/ Tort-Other Negligence*

Recently, Dr. Katz was named in a case brought by a former H+H executive. Nothing has yet been filed in that case other than the complaint.

Dr. Katz was the Director of both the Los Angeles County Health Agency and the Department of Health Services, and prior to that, was the Health Officer of the Department of Public Health for the City and County of San Francisco. In those roles, Dr. Katz was often named in civil and administrative actions in the normal course of business. To the best of Dr. Katz's knowledge, none of the actions filed against those entities related to personal conduct.

Dr. Katz serves on several Boards, including the New York City Board of Health; the Greater New York Hospital Association, and Public Health Solutions. Dr. Katz understands that from time to time, these entities have been involved in litigation and/or administrative proceedings in the normal course of business; however, to the best of his knowledge no such proceedings have related to personal conduct.

JOSE PAGAN, PhD - Chair of the Board of NYC Health + Hospitals ("NYC H+H") and has been since 2019.

Jose Pagan graduated from Ohio State University with a Master's degree in 1992 and from the University of New Mexico with a PhD in 1995.

Jose A. Pagan, PhD is the current Professor and Chair of the Department of Public Health Policy and Management, School of Global Public Health, New York University since 2017; and currently serves as a Hagler Fellow at the Hagler Institute for Advanced Study, Texas A&M University since 2025. Prior to this, Jose worked as a Consultant for Ibility LLC from 2022 to 2023, and was the Director, Center for Health Innovation for the New York Academy of Medicine from 2013 to 2017.

The following active court case names Jose Pagan:

- *Fuentes, Jose vs. The City of New York, Pagan, Jose/ Kings Supreme Court/528237/2024/ Tort-Other Negligence*
- *Dr. Pagan also previously served on the Board of the Museum of the City of New York. It is his understanding that, from time to time, that entity may have been involved in litigation and/or administrative proceedings in the normal course of business; however, to the best of Dr. Pagan's knowledge no such proceedings are related to personal conduct.*

JOEL EISDORFER – Member of the Board of Directors of New York City Health and Hospitals Corporation from 12/31/25.

Joel Eisdorfer is the Founder/Principal of Handshake LLC, a government relations strategist and consultant helping private companies navigate city and state government through tailored research, policy tracking, and advocacy since 2024. Prior to this, Joel worked as a Senior Advisor for the Office of the Mayor of New York City from 2022-2024; was a Principal Strategist & Consultant for New York Capital Group; and worked as a Special Assistant to the Office of Brooklyn Borough President from 2014 to 2016.

The following active court case name Joel Eisdorfer and is explained below in the applicant's disclosure:

- *ODATO, DANNY et al vs. EISDORFER, JOEL/ Kings Supreme Court/ 514630/2023/Comm-Contract*

Joel Eisdorfer currently serves on the board of American Friends of Unit 669 and previously served on the boards of Borough Park Jewish Community Council and the Museum of Jewish Heritage. It is possible that these entities have been named in civil and administrative actions in various forums in the normal course of business, e.g. employment and tort matters, however, to the best of Joel's knowledge, none of these matters has related to personal conduct.

PATRICIA MARTHONE - Member of the Board of Directors of New York City Health and Hospitals Corporation from 04/05/25.

Patricia graduated with a Doctor of Medicine from Charles University in Prague in 2006.

Patricia Marthone currently works as an Outreach & Program Specialist at 1199SEIU National Benefit Fund since 2025, previously working at 1199SEIU UHWE as the Executive Vice President and Divisional Director of Community Based Organizations and Pharmacies, Vice President Area Director Registered Nurse Division, Registered Nurse Project Coordinator and a Registered Nurse Administrative Organizer since 2012.

The Board NYC H+H settled the following two cases that were brought under the false claims act:

- *In June 2020, NYC H+H settled a matter involving Medicaid and Medicare billing for podiatry services provided at Coney Island Hospital (now called South Brooklyn Health) during the period 2010 through 2014. The government declined to intervene in this qui tam action and NYC H+H and its co-defendant settled with a private plaintiff.*

- *In January 2025, NYC H+H resolved a case involving Medicaid billing during the period 2006 through 2009 at Coler-Goldwater Specialty Hospital and Nursing Facility (where NYC H+H's long-term acute care hospital was previously licensed).*

Enforcements

Maimonides Medical Center

- *The Department issued a Stipulation and Order (S&O) on 2/5/26 and fined the facility $14000 based on deficiencies found during a complaint survey completed on 12/11/24. Deficient practices were found for Governing Body, Surgical Services, Discharge Planning, Nursing Services and Quality Assurance and Performance Improvement (QAPI).*

Elmhurst Hospital

- *The Department issued a Stipulation and Order (S&O) on 7/26/18 and fined the facility $2000 based on failure to monitor patients who had altered mental status with known elopement risk and self-injurious behavior.*

Jacobi Medical Center

- *The Department issued a Stipulation and Order (S&O) on 8/7/17 and fined the facility $2,000 based on Patient Rights and Restraints allegations. Allegations founded on 9/10/2016 for use of restraint of a patient being transported from the Comprehensive Psychiatric Emergency Program unit to the Medical Emergency Department.*

Kings County Hospital

- *The Department issued a Stipulation and Order (S&O) on 4/17/17 and fined the facility $2000 based on Patient's Rights - Sexual Assault/Abuse allegations. Survey staff identified an Immediate Jeopardy at Kings County Hospital on 8/26/2016 for the facility's failure to develop and implement an adequate plan that would protect patients from sexual abuse.*

Lincoln Medical and Mental Health Center

- *The Department issued a Stipulation and Order (S&O) on 1/28/2020 and fined the facility $10,000 based on Patient Rights allegations. The facility's nursing staff failed to ensure that patients identified as a high risk for elopement, were adequately monitored.*

- *The Department issued a Stipulation and Order (S&O) and fined the facility $10,000 based on Patient Rights complaints. The facility failed to screen, identify and provide appropriate monitoring of a patient with a known history of physical abuse and assault to ensure the safety of patient and others.*

Bellevue Hospital Center

- *The Department issued a Stipulation and Order (S&O) on 4/6/2021 and fined the facility $10,000 based on a Patient Death allegation; for noncompliance with Patient Rights and Hospital Responsibilities which resulted in a patient death.*

- *The Department issued a Stipulation and Order (S&O) dated 08/19/2026 and fined Bellevue Hospital Center $2,000.00 based on deficiencies found during a complaint survey completed on 05/15/2026. Deficiencies found in the area of EMTALA: The facility failed to ensure a psychiatric patient with complex needs received an appropriate medical screening examination.*

Woodhull Medical and Mental Health Center

- *The Department issued a Stipulation and Order (S&O) on 6/17/21 and fined the facility $20,000 based on a Patient Death allegation. The facility failed to ensure that adverse events regarding anesthesia administration to OB/GYN (Obstetrics and Gynecology) patients were reported, investigated and analyzed and that corrective actions implemented by the facility's QAPI (Quality Assessment Performance Improvement) program, which resulted in patient harm and death.*

- *The Department issued a Stipulation and Order (S&O) on 6/17/21 and fined the facility $2,000 for a Patient Elopement allegation. The facility was found to be in noncompliance with Patient Rights and Hospital Responsibilities which resulted in three patient elopements.*

- *The Department issued a Stipulation and Order (S&O) on 1/10/2025 and the facility was fined $10,000 based on a Surgical Services complaint. The facility failed to recognize a patient with maternal and fetal distress and did not implement timely actions to manage post-operative complications.*

- *The Department issued a Stipulation and Order (S&O) on 10/23/2025 and the facility was fined $14,000 based on Surgical Services, Nursing Services, QAPI and Medical Staff complaints. The facility failed to a) develop and implement policies to ensure appropriate treatment of high-risk maternal patients, b) respond timely to a patient's emergent obstetric condition, and c) ensure all nurses providing obstetrical (OB) care were trained to activate an "OB STAT" emergency alert.*

Staff from the Division of Certification & Surveillance reviewed the disclosure information submitted regarding licenses held, formal education, training in pertinent health and/or related areas, employment history, a record of legal actions, and a disclosure of the applicant's ownership interest in other health care facilities. Licensed individuals were checked against the Office of Medicaid Management, the Office of Professional Medical Conduct, and the Education Department databases, as well as the US Department of Health and Human Services Office of the Inspector General Medicare exclusion database.

Prevention Agenda

New York City Health + Hospitals (H+H) is seeking approval to become the active parent and co-operator of Maimonides Health (MH), including Maimonides Medical Center and Maimonides Midwood Hospital.

H+H and Maimonides Health have determined that undertaking an affiliation will serve the purpose of developing an integrated healthcare delivery system to further the parties' mission of advancing the quality of care and provision of culturally appropriate services within their communities. This partnership will further enhance and support the charitable missions and commitments to serving all patients shared by H+H and Maimonides Health.

H+H is committed to advancing the local public health priorities identified by their local health department and other community partners. H+H's Community Health Needs Assessment for 2025 identified two major categories of identified needs:

- Advancing inclusive care, with a focus on hypertension and diabetes; maternal health care; respiratory care; mental health and substance use care; and cancer prevention
- Bridging care gaps, including access to nutritious food and violence prevention, among others.

To address these needs, H+H has implemented a range of interventions including promotion of plant-based diets and nutritional resources, innovations in their comprehensive behavioral health care services (which make up 60% of the behavioral health care provided in NYC), increased cancer screenings at facilities around the system, and community-based violence interruption programs, among others. In May 2026 alone, H+H has announced successful interventions including a community partnership on food for nursing home residents that focuses on their culture and dignity; the dedication of the system's infectious disease center; a $2M program to strengthen behavioral health workforce; a record boost in a facility's child immunization rates; and a Mothers' Day mammography event to promote these essential screenings.

Conclusion

Based on the information reviewed, staff found nothing that would reflect adversely upon the applicants' character and competence or standing in the community.

Financial Analysis

Operating Budget

The following represents the consolidated budget for H+H (including MetroPlusHealth, a health maintenance organization subsidiary) and H+H Maimonides Hospitals post affiliation:

	Current Year (in 000's)	Year One (in 000's)	Year Three (in 000's)
Total Revenues	$18,162,696	$17,740,189	$18,219,562
Total Expenses	$18,085,824	$17,645,481	$18,413,239
(Loss) Income Before Other Changes in Net Position	$76,872	$94,708	($193,678)
Interest Expense, Depreciation and Amortization	$838,977	$832,453	$902,864
EBIDA[1]	$915,849	$927,161	$858,670
Total IP Discharges	39,684	29,056	38,636
Total OP Visits	1,197,070	939,448	1,306,585

[1] EBIDA represents earnings before interest expense, depreciation, and amortization, and is calculated by adding back interest, depreciation, and amortization to net income.

The following is noted with respect to the submitted budget:

- Current Year revenues and expenses are based on H+H's 2025 experience, MetroPlusHealth's Certified Financial Statements, and Maimonides Medical Center 2025 Certified Financial Statements.
- Current Year EBIDA is comprised of the following for NYC H+H: (Loss) income before other changes in net position $45,048, depreciation $611,352 and interest expense $154,997.
- Projected EBIDA for Year One and Three is driven by the Safety Net Transformation Program initiatives and synergies related to Maimonides joining the H+H network. Operating synergies include:
  - Improved revenue through increased collections.
  - Charge capture associated with the Epic implementation and increased specialty referral volume.

The following represents the budget for Maimonides:

Inpatient Revenues:	Current Year	Year One	Year Three
Commercial	$296,350	$199,918	$269,703
Medicare	418,978	282,643	381,305
Medicaid	296,350	199,918	269,703
Private Pay	10,219	6,894	9,300
Total Inpatient Revenue	$1,021,897	$689,373	$930,011
Outpatient Revenues:			
Commercial	$218,321	$147,279	$211,247
Medicare	308,660	208,223	298,659
Medicaid	218,321	147,279	211,247
Private Pay	7,528	5,079	7,284
Total Outpatient Revenue	$752,830	$507,860	$728,437
Net Patient Service Revenue	$1,774,727	$1,197,233	$1,658,448
Other Operating Revenue	496,882	651,869	670,027
Total Operating Revenue	$2,271,609	$1,849,102	$2,328,475
Inpatient Expenses:			
Operating	$1,247,861	$998,066	$1,363,061
Capital	41,819	38,063	76,554
Total Inpatient Expenses	$1,289,680	$1,036,129	$1,439,615
Outpatient Expenses:			
Operating	$919,296	$735,273	$1,067,625
Capital	30,809	28,041	59,961
Total Outpatient Expenses	$950,105	$763,314	$1,127,586
Income/(Loss) Before Other Changes in Net Position	31,824	49,659	(238,726)
Interest Expense, Depreciation. and Amortization	72,628	66,104	136,515
EBIDA[1]	$104,452	$115,763	($102,211)
Utilization:			
Inpatient Discharges	39,684	29,056	38,636
Outpatient Visits	1,197,070	939,448	1,306,585

[1] EBIDA represents earnings before interest expense, depreciation, and amortization, and is calculated by adding back interest, depreciation, and amortization to net income.

The following is noted with respect to the budget:

- Current Year revenues and expenses are based on Maimonides' 2025 Certified Financial Statements and include Direct Payment Template (DPT) revenue and M2PC (M2 Medical Community Practice, P.C.).
- The Current Year does not include Maimonides Medical Center Pharmacy, but it is expected to be added to H+H Maimonides and is included in Year One and Year Three projections.
- Year One and Year Three projections were developed utilizing Maimonides Medical Center's internal 2026 budget. The budget includes the costs of NYC Physician PC and Maimonides Medical Center Affiliates Services (MMCAS), and excludes revenues, expenses, and utilization attributable to M2 Medical Community Practice P.C..
- Year One and Year Three revenues represent Net Patient Service Revenue (NPSR) only. Supplemental funding is not included.

- Inpatient (IP) and Outpatient (OP) expense details were calculated by multiplying total expenses/category by the ratio of Inpatient and Outpatient Net Patient Service Revenue, which is approximately 58% Inpatient and 42% Outpatient.
- Other Operating Revenue for Year One and Year Three includes funds associated with the operating support provided through the Safety Net Transformation Program Grant, contracted 340B revenue, and supplemental revenue from Average Commercial Rate (ACR) and Upper Payment Limit (UPL), which Maimonides will be eligible for under NYC H+H.
- Year Three revenue includes $89,531,000 in cumulative carry fundings and $59,953,000 in projected revenue synergy opportunities, resulting in a positive Year Three EBIDA of $47,273,000. Cumulative carry assumes that NYC H+H is able to apply unused supplemental funding to future year deficits.
- EBIDA for Year Three includes revenues synergy opportunity, which assumes 5% growth in volume from increased referrals from NYC H+H, and a 9% increase in average daily revenue from Epic implementation.
- The financial projections were developed using an aggregate financial modeling approach based on historical financial performance and projected operating results under NYC H+H, rather than a bottom-up model by payor type.
- Maimonides serves predominantly Medicaid and Medicare populations, reflecting a patient payor mix similar to NYC H+H. Payor mix is assumed to remain consistent post-close.

Utilization by payor for Maimonides is as follows:

	Current Year		Year One		Year Three	
Inpatient	Discharges	%	Discharges	%	Discharges	%
Commercial	11,508	29.00%	8,426	29.00%	11,204	29.00%
Medicare	16,271	41.00%	11,913	41.00%	15,841	41.00%
Medicaid	11,508	29.00%	8,426	29.00%	11,204	29.00%
Private Pay	397	1.00%	291	1.00%	387	1.00%
Total	39,684	100.00%	29,056	100.00%	38,636	100.00%

	Current Year		Year One		Year Three	
Outpatient	Visits	%	Visits	%	Visits	%
Commercial	347,150	29.00%	272,440	29.00%	378,910	29.00%
Medicare	490,799	41.00%	385,174	41.00%	535,700	41.00%
Medicaid	347,150	29.00%	272,440	29.00%	378,910	29.00%
Private Pay	11,971	1.00%	9,394	1.00%	13,066	1.00%
Total	1,197,070	100.00%	939,448	100.00%	1,306,585	100.00%

The following represents the budget for NY Health +Hospitals:

	Current Year ($ in 000's)	Year One ($ in 000's)	Year Three ($ in 000's)
Total Revenues	$15,891,087	$15,891,087	$15,891,087
Total Expenses	15,846,039	15,846,039	15,846,039
(Loss) Income Before Other Changes in Net Position	$45,048	$45,048	$45,048
Interest Expense, Depreciation and Amortization	766,349	766,349	766,349
EBIDA[1]	$811,397	$811,397	$811,397

[1] EBIDA represents earnings before interest expense, depreciation, and amortization, and is calculated by adding back interest, depreciation, and amortization to net income

Affiliation and Asset Transfer Agreement

The applicant has submitted an executed Affiliation and Asset Transfer Agreement, the terms of which are summarized below:

Execution Date:	December 18, 2025
H+H Party:	New York City Health and Hospitals Corporation
Maimonides Health Party:	Maimonides Health Resources, Inc. together with its Subsidiaries and Affiliates including: Maimonides Medical Center and The New York Community Hospital of Brooklyn, Inc. d/b/a Maimonides Midwood Community Hospital, Community Care of Brooklyn, IPA, Inc., Maimonides Medical Center Community Horizons, Inc., Brooklyn Communities Collaborative, Inc., Care of Brooklyn, LLC, Maimonides Medical Center Holding of Brooklyn, Inc., and Maimonides Medical Center Pharmacy, Inc.
Transaction:	Transfer of the assets and liabilities of Maimonides Medical Center and Maimonides Midwood Community Hospital (inclusive of all licensed locations, the "Facilities," the physician offices of Maimonides Health Physicians (the "FPP Locations"), and all other locations at which health care and non-health care related services are delivered by Maimonides Health Physicians, Advanced Practice Providers, administrative personnel, or other employees of Maimonides Medical Center, Maimonides Midwood Community Hospital, or any other Maimonides Health Entity, as applicable, (the "Non-Licensed Locations," together, the Facilities, FPP Locations, the Non-Licensed Locations, Maimonides Medical Center and Maimonides Midwood Community Hospital, the "Hospitals") and, including the assets and liabilities of other Maimonides Health Entities, which support and enhance the services delivered by the Hospitals, in each case pursuant to the terms set forth herein, to (a) H+H, directly, or to an H+H Entity, as determined by H+H, for the operation of the Hospitals (collectively, "H+H Maimonides"), including the operation of the Facilities as hospitals licensed under Article 28 of the New York Public Health Law ("PHL") or (b) H+H Maimonides P.C. for the operation of a physician practice enterprise to continue to provide physician services to H+H
Transfer of Assets:	Effective as of the Closing, Maimonides Health is hereby transferring, conveying, and assigning to H+H through the H+H Entities or to H+H Maimonides P.C., as applicable, and H+H through the H+H Entities, or H+H Maimonides P.C., as applicable, are hereby accepting from Maimonides Health, subject to and upon the terms and conditions contained herein, all of the assets of Maimonides Health as expressly set forth below (collectively, the "Acquired Assets")

Administrative Services Agreement

H+H entered into an Administrative Services Agreement with Maimonides Medical Center. The applicant has submitted a draft administrative services agreement, which is summarized below:

Date:	TBD
MMC Party:	Maimonides Medical Center (MMC)
Established Operator Party:	New York City Health and Hospitals Corporation (H+H)
Term:	10 years following the Closing Date, H+H shall have the unilateral right to extend the initial term for a six-month period, if parties continue to operate under the terms of this Agreement, it will continue by its terms on a month-to-month basis.
Obligations of Maimonides Medical Center:	Maimonides Medical Center shall be the sole employer for the Covered Employees and shall provide the following services with respect to the Covered Employees in compliance with all applicable Laws: Compensation & Benefits, Business-Related Expense Reimbursement, Withholding; Deductions, Workplace Safety, Workers' Compensation, Unemployment Insurance, Other Insurance, Payroll Administration, Hiring of Covered Employees, Removals of Covered Employees from Service, Termination of Covered Employees' Employment, Collective Bargaining Negotiations, Union-Related Grievances, Arbitrations and Litigations, Human Resources Administrative Services, Background Checks, Reasonable Accommodation, Equal Employment Opportunity Investigations, Office Space, Supplies, etc.
Other Maimonides Medical Center Responsibilities:	Maimonides Medical Center shall require that Covered Employees comply with H+H's conflict of interest policies, code of ethics and Principles Of Professional Conduct (POPC) as in effect from time to time and shall oversee such compliance. For Covered Employees covered by a Collective Bargaining Agreement, Maimonides Medical Center shall take all steps necessary to require compliance with such policies. Maimonides Medical Center shall be responsible for maintaining accurate and complete records of the working hours of Covered Employees classified as non-exempt from the requirements of applicable state and federal wage and hour Laws, and Maimonides Medical Center's compliance with the foregoing shall be subject to the terms of this Agreement
Billing and Collection:	All Professional Services rendered by the Covered Professional Employees will be billed through the Covered Facilities and neither Maimonides Medical Center nor any Covered Professional Employee shall render any bill whatsoever for such Professional Services except to the extent expressly agreed by H+H. Maimonides Medical Center and H+H agree that all collections shall be the property of H+H.
Cost of Services:	Prior to the Closing Date, the Parties shall work together in good faith to develop the initial budget for Maimonides Medical Centers's provision of the Services for the first two hundred fifty days.
Rights and Obligations of H+H	H+H shall have the following rights and responsibilities with regard to Covered Employees: Business Operations, Staffing Changes, Work Site Safety and Access and Use.

The applicant has submitted an executed attestation stating that the applicant understands and acknowledges that there are powers that must not be delegated, the applicant will not willfully engage in any illegal delegation and understands that the Department will hold the applicant accountable.

Capability and Feasibility

There are no project costs associated with this application. The working capital requirement will be funded from the ongoing operations of H+H. Key drivers of the financial projections include an increase in State support through the Safety Net Transformation Program, access to supplemental funding (Average Commercial Rate), and operating synergies expected to be realized within the first three years post-closure of the transaction. Synergies include improved revenue through increased collections, charge capture associated with the Epic implementation, and increased specialty referral volume.

New York City H+H is a public benefit corporation, whose funding is included in the New York City annual budget. As such, it receives substantial operating assistance from New York City, New York State and the Federal Government. This support helps offset systemic annual operational losses.

Bureau of Financial Analysis Attachment C, 2024-2025 New York City Health and Hospitals Corporation Certified Financial Statements, shows the entity maintained a positive working capital position, a positive net asset position, and a Total (Loss) Income Before Other Changes in Net Position of $610,104,000 and $45,048,000 in 2024 and 2025, respectively.

Bureau of Financial Analysis Attachment D, New York City Health Hospitals Corporation March 31, 2026, Internal Financial Statements, shows the facility maintained a positive working capital position, a positive net asset position, and a Total (Loss) Income Before Other Changes in Net Position of $104,312,000.

Bureau of Financial Analysis Attachment E, 2024-2025 Maimonides Medical Center Certified Financial Statements, shows an average negative working capital position, an average positive net asset position, and an Excess (deficiency) of Revenue Over Expenses of ($93,433,000) and $35,750,000 in 2024 and 2025, respectively.

Bureau of Financial Analysis Attachment F, Maimonides Health and Affiliates March 31, 2026, Internal Financial Statements, shows the facility had a negative working capital position, positive net asset position and had an Excess (deficiency) of Revenue Over Expenses of ($64,926,000).

Maimonides Medical Center, as a financially distressed hospital, is dependent on supplemental financial assistance for sustainability. Despite showing an increase in net assets in 2025, continued negative trends over the past few years have contributed to Maimonides' decreased financial viability. Expenses continue to grow due to inflation, the loss of Federal COVID funding, and a high public payor patient mix. Recent results from operations, financial conditions and Maimonides Medical Center's conditional and unconditional obligations due on or before May 1, 2027, raise substantial doubt as to Maimonides Medical Center's ability to continue as a going concern within one year after the date the consolidated financial statements were issued.

Maimonides' affiliation strategy with H+H is expected to reduce operating losses at Maimonides. H+H will provide Maimonides with access to corporate shared services and resources, allowing Maimonides to continue to provide essential clinical services in the communities it serves.

Conclusion

The applicant has demonstrated the capability to proceed in a financially feasible manner.

Health Equity Impact Assessment

The Applicant, NYC Health + Hospitals, seeks to become the operator of Maimonides Health, a Brooklyn-based health system that includes Maimonides Medical Center, Maimonides Midwood Community Hospital, and their ambulatory clinics and offices. The project is expected to sustain current services, preserve commitment to community cultural needs, and enhance care for the medically underserved groups identified in the project's service area. The Applicant recently received a grant through the New York State Department of Health's Safety Net Transformation Program to support efforts to strengthen and maintain Maimonides Health's services in Brooklyn. Without this grant and change in operator, Maimonides Health would have experienced issues related to future sustainability and service delivery.

The Applicant is expected to enhance access to care by expanding financial assistance programs, improving primary and specialty care delivery, and implementing the Epic electronic health record system to coordinate patient care.

The Independent Entity did not identify any unintended positive or negative impacts with the project. However, they noted that members of the Jewish community may experience challenges identified through the meaningful engagement process. The service area currently experiences very high levels of stress and there are medium to high rates of potentially preventable hospitalizations in Kings County. By coming under operation of the Applicant, Maimonides Health would transition to the Applicant's model of care which provides a wide range of strategies that are designed to reduce health disparities and promote better health outcomes.

Attachments

Bureau of Financial Analysis Attachment A	New York City Health and Hospitals Corporation – Current Organizational Chart
Bureau of Financial Analysis Attachment B	New York City Health and Hospitals Corporation – Post Closing Organizational Chart
Bureau of Financial Analysis Attachment C	2024-2025 New York City Health and Hospitals Corporation Certified Financial Statements
Bureau of Financial Analysis Attachment D	New York City Health and Hospitals Corporation – March 31, 2026, Internal Financial Statements
Bureau of Financial Analysis Attachment E	2024 -2025 Maimonides Medical Center Certified Financial Statements
Bureau of Financial Analysis Attachment F	Maimonides Health and Affiliates – March 31, 2026, Internal Financial Statements
Office of Health Equity and Human Rights Attachment	Health Equity Impact Assessment

NEW YORK STATE | Department of Health

MEMORANDUM

TO: Michael Stelluti
Division of Health Facility Planning and Development

Colleen Leonard, Executive Secretary
Public Health and Health Planning Council

FROM: Kayleigh Gekakis
Associate Attorney, Bureau of Program Counsel
Division of Legal Affairs

SUBJECT: Certificate of Amendment of Certificate of Incorporation of Long Island Select Healthcare, Inc.

DATE: August 20, 2026

Please include the above matter on the agendas for the next Establishment and Project Review Committee and Public Health and Health Planning Council meetings.

The attachments relating to this matter include the following:

1. Memorandum to the Public Health and Health Planning Council from Darren Cohen, Deputy Commissioner & General Counsel;
2. Photocopy of proposed Certificate of Amendment of Certificate of Incorporation of Long Island Select Healthcare, Inc. executed by John Lessard, and officer of the applicant;
3. Request letter from Harold N. Iselin, counsel to the applicant, dated June 29, 2026;
4. Photocopy of Certificate of Incorporation of LISH, Inc., filed May 12, 2014;
5. Photocopy of Certificate of Amendment of the Certificate of Incorporation of LISH, Inc., dated February 25, 2014;
6. Photocopy of Certificate of Restated of Certificate of Incorporation of LISH, Inc. dated December 11, 2015, with PHHPC approval dated August 15, 2016;
7. Resolution Board of Directors or Long Island Select Healthcare, Inc. dated August 12, 2026

Attachments

cc: Jason Corvino

NEW YORK STATE | Department of Health

MEMORANDUM

To: Public Health and Health Planning Council

From: Darren Cohen DC
Deputy Commissioner & General Counsel
Division of Legal Affairs

Date: August 20, 2026

Subject: Certificate of Amendment of Certificate of Incorporation of Long Island Select Healthcare, Inc.

Long Island Select Healthcare, Inc. requests Public Health and Health Planning Council ("PHHPC") approval of its Certificate of Amendment of Certificate of Incorporation which changes its name from "Long Island Select Healthcare, Inc." to "Motto Health, Inc.."

Long Island Select Healthcare, Inc., is a not-for-profit corporation formed in 2014 under the name LISH, Inc which operates a diagnostic and treatment center in Central Islip and five extension clinics throughout Long Island. In 2015, PHHPC approved the name change from LISH, Inc. to Long Island Select Healthcare, Inc. The applicant now seeks to change its name to Motto Health Inc. as part of a re-branding. The new name is shorter, is not geographically limiting, and reflects the guiding principles that shape the organization's work every day.

The proposed Certificate of Amendment of Certificate of Incorporation of Long Island Select Healthcare, Inc. was authorized by the Board of Directors by resolution dated August 12, 2026.

Pursuant to Not-for-Profit Corporation Law § 804, 10 NYCRR 600.11 and 10 NYCRR 610.1, PHHPC must consent to the requested name change prior to the filing of the Certificate of Amendment of Certificate of Incorporation of Long Island Select Healthcare, Inc. with the Secretary of State.

There is no legal objection to the proposed Certificate of Amendment of Certificate of Incorporation of Long Island Select Healthcare, Inc. and it is in legally acceptable form.

Attachments.

NEW YORK STATE OF OPPORTUNITY.
Division of Corporations, State Records and Uniform Commercial Code

New York State
Department of State
DIVISION OF CORPORATIONS, STATE RECORDS AND UNIFORM COMMERCIAL CODE
One Commerce Plaza
99 Washington Ave.
Albany, NY 12231-0001
https://dos.ny.gov

CERTIFICATE OF AMENDMENT OF THE CERTIFICATE OF INCORPORATION OF LONG ISLAND SELECT HEALTHCARE, INC.

(*Name change only*)

Under Section 803 of the Not-for-Profit Corporation Law

FIRST: The name of the corporation is: Long Island Select Healthcare, Inc. (the "corporation").

SECOND: The name under which the corporation was formed is: LISH, INC.

THIRD: The certificate of incorporation was filed by the Department of State on May 12, 2014.

FOURTH: The corporation was formed under the following law: Not-for-Profit Corporation Law.

FIFTH: The corporation is a corporation as defined in subparagraph (5) of paragraph (a) of Section 102 of the Not-for-Profit Corporation Law.

SIXTH: The certificate of incorporation is amended as follows:

Paragraph FIRST of the Certificate of Incorporation relating to the name of the corporation is hereby amended to read in its entirety as follows:

FIRST: The name of the corporation is: Motto Health, Inc.

SEVENTH: The Secretary of State is designated as agent of the corporation upon whom process against the corporation may be served.

The post office address to which the Secretary of State shall mail a copy of any process against the corporation served upon the Secretary of State by personal delivery is:

159 Carleton Avenue
Central Islip, New York 11722

The email address to which the Secretary of State shall email a notice of the fact that process against the corporation has been served electronically upon the Secretary of State is:

Aaron.clark@lishcare.org

EIGHTH: The certificate of amendment was authorized by a [unanimous] vote [of a majority] of the entire board of directors. The corporation has no members.

Signed by:
X john lessard
77B5F1C08ED4E0...
(*Signature*)

John Lessard
(*Print or Type Signer's Name*)

Capacity of Signer *(Check appropriate box)*:

- [x] Officer
- [ ] Director
- [ ] Authorized Person

CERTIFICATE OF AMENDMENT
OF THE
CERTIFICATE OF INCORPORATION
OF
LONG ISLAND SELECT HEALTHCARE, INC.

Under Section 803 of the Not-for-Profit Corporation Law

Filed By:
Greenberg Traurig, LLP
54 State Street, 6th Floor
Albany, New York 12207

GT GreenbergTraurig

Harold N. Iselin
518-689-1400
iselinh@gtlaw.com

June 29, 2026

VIA EMAIL & OVERNIGHT MAIL

Colleen Leonard
Executive Secretary
New York State Public Health and Health Planning Council
New York State Department of Health
Corning Tower
Empire State Plaza
Albany, NY 12237

Re: Request for PHHPC Approval of Name Change for Long Island Select Healthcare, Inc. (Back of the Book Request)

Dear Ms. Leonard:

We represent Long Island Select Healthcare, Inc. ("LISH") in connection with its request for Public Health and Health Planning Council ("PHHPC") approval to change the corporate name of its Article 28 health care facility to "Motto Health, Inc." pursuant to 10 NYCRR Sections 401.3 and 600.11. We respectfully ask that the PHHPC consider this request at its next scheduled meeting.

Reason for the Name Change

Following a comprehensive strategic planning process, LISH determined that its existing name, Long Island Select Healthcare, no longer fully reflects the scope, mission, and future direction of the organization. To ensure that this decision was informed and data-driven, LISH engaged a professional branding firm and conducted extensive research, gathering feedback from employees, patients, community partners, and other stakeholders.

That process reinforced the view that the current name is overly long, geographically limiting, and fails to clearly communicate the organization's identity and the value it provides to the communities it serves. Through this work, LISH determined that it should adopt a more distinctive and meaningful brand that better represents its role in community-based healthcare.

LISH selected the name Motto Health, Inc. because it reflects the guiding principles that shape the organization's work every day, as well as its commitment to serving as a trusted guide for patients, providers, and communities.

Attachments

In support of this request, we have enclosed the following documents:

- A photocopy of the proposed Certificate of Amendment of the Certificate of Incorporation of LISH, Inc. to change the name to Motto Health, Inc.
- A photocopy of the executed Restated Certificate of Amendment of the Certificate of Incorporation of LISH, Inc.
- A photocopy of the Certificate of Amendment of the Certificate of Incorporation of LISH, Inc.
- A photocopy of the Revised and Restated Bylaws of LISH, Inc.
- A June 16, 2026 Board of Trustee meeting minutes of LISH Inc. approving the name change. (*See*, page 4)

We thank the PHHPC for its consideration of this request. Please do not hesitate to contact us should you require any additional information, and we will respond promptly.

Very truly yours,

GREENBERG TRAURIG, LLP

Harold N. Iselin

HNI/jns
Attachments

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CERTIFICATE OF INCORPORATION
OF
LISH, INC.

Under Section 402
of the
New York Not-For-Profit Corporation Law

The undersigned, a natural person at least 18 years of age, desiring to form a corporation under and by virtue of the provisions of the Not-For-Profit Corporation Law of the State of New York does hereby make, subscribe and acknowledge this certificate as follows:

1. The name of the corporation is LISH, Inc. (the "Corporation").

2. The Corporation is a corporation as defined in subparagraph (a)(5) of Section 102 of the New York Not-for-Profit Corporation Law in that it is not formed for pecuniary profit or financial gain, and no part of the assets, income or profit of the Corporation is distributable to or inures to the benefit of its directors or officers or any private person.

3. The purposes for which the Corporation is formed shall be charitable within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code") (or any corresponding provision of any future United States internal revenue law), without regard to race, color or creed as follows:

a. To render voluntary support and assistance by means of contributions and grants to tax exempt organizations established to benefit the aged, sick, infirm, indigent, and destitute; to render support by means of contributions and grants to established charitable endeavors; and generally to support activities of a charitable nature;

b. To solicit and receive money and property for the foregoing purposes and to receive and accept for charitable purposes gifts, donations, bequests and devises of money and property;

c. The Corporation shall have all of the powers enumerated in Section 202 of the Not-for-Profit Corporation Law, subject to any limitations provided in the Not-for-Profit Corporation Law or any other statute of the State of New York or Section 501(c)(3) of the Code;

d. Nothing herein shall authorize the Corporation, directly or indirectly, to engage in or include among its purposes any of the activities mentioned in the New York Not-for-Profit Corporation Law, Section 404(a) - (w);

e. Nothing herein shall authorize the Corporation to carry on any activities not permitted to be carried on by a corporation exempt from federal

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income tax under Section 501(c) (3) of the Code or by a corporation contributions to which are deductible under Section 170(c)(2) of the Code;

f. Nothing herein shall authorize the Corporation to operate or maintain a college or university or to grant degrees or credit leading to a degree;

g. Nothing herein shall authorize the corporation to engage in the practice of the profession of medicine or any other profession required to be licensed by Title VIII of the Education Law; and

h. Nothing herein shall authorize the corporation to provide professional training in the profession of medicine or any other profession required to be licensed by Title VIII of the Education Law.

4. No part of the net earnings of this Corporation shall inure to the benefit of any member, director, officer or employee of the Corporation or any private individual. No director, officer or employee of the Corporation or any private individual shall receive or be lawfully entitled to receive any pecuniary benefit of any kind, except reasonable compensation for service in effecting one or more purposes of the Corporation. No director, officer or employee of the Corporation or any private individual shall be entitled to share in the distribution of any of the corporate assets on dissolution of the Corporation. No substantial part of the activities of this Corporation shall consist of carrying on propaganda or otherwise attempting to influence legislation. This Corporation shall not participate or intervene (including the publication or distribution of statements) in any political campaign on behalf of any candidate for public office.

5. Upon the dissolution of the Corporation, assets shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code (or corresponding section of any future Federal tax code), or shall be distributed to the Federal government, or a state or local government for a public purpose, subject to an order of a Justice of the Supreme Court of the State of New York. Any such assets not so disposed of shall be disposed of by a Justice of the Supreme Court of the State of New York in the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations as said Court shall determine, which are organized and operated exclusively for such purposes.

6. The Corporation is a Type B corporation under Section 201 of the New York Not-for-Profit Corporation Law.

7. The office of the Corporation is to be located in the County of Nassau, State of New York.

8. The Corporation shall be operated by a board of directors, the number of which is to be no less than three (3).

9. The names and addresses of the initial directors of the Corporation, each of whom is at least eighteen (18) years of age, who will serve until the Bylaws are adopted and their successors are appointed are:

NAME	ADDRESS
1. John Lessard	c/o LISH, Inc. 111 Great Neck Road, Suite 600 Great Neck, New York 11021
2. Robert Budd	c/o LISH, Inc. 111 Great Neck Road, Suite 600 Great Neck, New York 11021
3. Robert McGuire	c/o LISH, Inc. 111 Great Neck Road, Suite 600 Great Neck, New York 11021
4. Stephen Friedman	c/o LISH, Inc. 111 Great Neck Road, Suite 600 Great Neck, New York 11021
5. Aaron Liebowitz	c/o LISH, Inc. 111 Great Neck Road, Suite 600 Great Neck, New York 11021

10. The Secretary of State is hereby designated as agent of the Corporation upon whom process against it may be served. The address to which the Secretary of State shall mail a copy of a process against the Corporation served upon him is:

LISH, Inc.
c/o Garfunkel Wild, P.C.
111 Great Neck Road, Suite 600
Great Neck, New York 11021
Attn: Andrew E. Blustein, Esq.

11. During any year in which the Corporation shall be a "private foundation" as that term is defined in Section 509(a) of the Internal Revenue Code of 1986, as amended (or corresponding provision of any future United States Internal Revenue law),

a. The Corporation shall distribute its income for each taxable year at such time and in such manner as not to subject it to tax under Section 4942 of said Code, and

b. The Corporation shall not:

(i) engage in any act of self-dealing as defined in Section 4941(d) of said Code;

(ii) retain any excess business holdings as defined in Section 4943(c) of said Code;

(iii) make any investments in such manner as to subject the Corporation to tax under Section 4944 of said Code; or

(iv) make any taxable expenditures as defined in Section 4945(d) of said Code.

12. Prior to delivery of this Certificate to the Secretary of State for filing, all approvals or consents to the filing of this Certificate that are required by the Not-For-Profit Corporation Law or any other statute of the State of New York will be endorsed hereon or annexed hereto.

IN WITNESS WHEREOF, I have made, signed, and subscribed this Certificate of Incorporation this 9th day of May, 2014, and affirm that the statements contained herein are true under penalties of perjury.

Name: John Lessard
Address: 222, 89 Hollywood Drive
Smithtown NY 11787

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CERTIFICATE OF INCORPORATION
OF
LISH, INC.

Under Section 402
of the
New York Not-For-Profit Corporation Law

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STATE OF NEW YORK
DEPARTMENT OF STATE
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BY:

FILED BY:

GARFUNKEL WILD, P.C.
ATTORNEYS AT LAW
111 GREAT NECK ROAD
GREAT NECK, NY 11021

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DRAWDOWN

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CERTIFICATE OF AMENDMENT
OF THE
CERTIFICATE OF INCORPORATION
OF
LISH, INC.

Under Section 803 of the
Not-for-Profit Corporation Law

The undersigned, a natural person at least 18 years of age, by virtue of the provisions of the Not-For-Profit Corporation Law of the State of New York does hereby makes, subscribes and acknowledges this certificate as follows:

1. The name of the corporation is LISH, Inc. (the "Corporation").

2. The date of filing of the Corporation's Certificate of Incorporation is May 12, 2014. The Corporation was formed under the Not-For-Profit Corporation Law of the State of New York.

3. The Corporation's Certificate of Incorporation shall be amended to effect changes authorized by the Not-For-Profit Corporation Law of the State of New York as follows:

Article "9", which states the names and addresses of the initial directors of the Corporation is hereby amended such that Aaron Liebowitz and Robert McGuire are no longer directors of the Corporation and that the address of all of the directors shall be changed to c/o LISH, Inc., 159 Carleton Avenue, Central Islip, New York 11722, such that Article 9 shall read as follows:

"9. The names and addresses of the initial directors of the Corporation, each of whom is at least eighteen (18) years of age, who will serve until the Bylaws are adopted and their successors are appointed are:

NAME	ADDRESS
1. John Lessard	c/o LISH, Inc. 159 Carleton Avenue Central Islip, New York 11722
2. Robert Budd	c/o LISH, Inc. 159 Carleton Avenue Central Islip, New York 11722
3. Stephen Friedman	c/o LISH, Inc. 159 Carleton Avenue Central Islip, New York 11722"

IN WITNESS WHEREOF, the undersigned has subscribed and affirmed this Certificate as true under the penalties of perjury this 25th day of February, 2015.

Name: John Lessard
Title: President, Lisbon, Inc

RESTATED

CERTIFICATE OF INCORPORATION

OF

LISH, INC.

Under Section 402
of the
New York Not-For-Profit Corporation Law

The undersigned, a natural person at least 18 years of age, desiring to form a corporation under and by virtue of the provisions of the Not-For-Profit Corporation Law of the State of New York does hereby make, subscribe and acknowledge this certificate as follows:

FIRST: The name of the corporation is Long Island Select Healthcare, Inc. (the "Corporation").

SECOND: The date of filing of the Corporation's Certificate of Incorporation is May 12, 2014.

THIRD: The Corporation's Certificate of Incorporation shall be amended to effect changes authorized by the Not-For-Profit Corporation Law of the State of New York, as follows:

Article "1", which states the name of the Corporation, is hereby amended and restated to read in full as follows:

> "1. The name of the corporation is Long Island Select Healthcare, Inc. (the "Corporation")."

Article "3", which states the purposes for which the Corporation is formed, is hereby amended and restated to read in full as follows:

> "3. The purposes for which the Corporation is formed shall be charitable within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code") (or any corresponding provision of any future United States internal revenue law), without regard to race, color or creed as follows:
>
> a. To render voluntary support and assistance by means of contributions and grants to tax exempt organizations established to benefit the aged, sick, infirm, indigent, and destitute; to render support by means of contributions and grants to established charitable endeavors; and generally to support activities of a charitable nature;

b. To solicit and receive money and property for the foregoing purposes and to receive and accept for charitable purposes gifts, donations, bequests and devises of money and property;

c. The Corporation shall have all of the powers enumerated in Section 202 of the Not-for-Profit Corporation Law, subject to any limitations provided in the Not-for-Profit Corporation Law or any other statute of the State of New York or Section 501(c)(3) of the Code;

d. Nothing herein shall authorize the Corporation, directly or indirectly, to engage in or include among its purposes any of the activities mentioned in the New York Not-for-Profit Corporation Law, Section 404 (a)-(n), (p)-(s) and (u)-(w);

e. Nothing herein shall authorize the Corporation to carry on any activities not permitted to be carried on by a corporation exempt from federal income tax under Section 501(c) (3) of the Code or by a corporation contributions to which are deductible under Section 170(c)(2) of the Code;

f. Nothing herein shall authorize the Corporation to operate or maintain a college or university or to grant degrees or credit leading to a degree;

g. To operate a diagnostic and treatment center, a hospital as defined pursuant to the Public Health Law of the State of New York, Section 2801-a, known as Long Island Select Healthcare, Inc. and located at 159 Carleton Avenue, Central Islip, New York 11722, County of Suffolk.

h. To operate a distinct part of Long Island Select Healthcare, Inc. for the primary purpose of providing non-residential services for persons with developmental disabilities pursuant to Article 16 of the Mental Hygiene Law of the State of New York."

Article "9", which states the names and addresses of the initial directors of the Corporation is hereby amended such that the address of all of the directors reads as follows:

"c/o Long Island Select Healthcare, Inc.
159 Carleton Avenue
Central Islip, New York 11722"

Article "10", which states the address to which the Secretary of State shall mail a copy of a process against the Corporation is hereby amended and restated to read in full as follows:

"Long Island Select Healthcare, Inc.
159 Carleton Avenue
Central Islip, New York 11722"

FOURTH: The following articles, relating to the requirements of the Article 28 and the purposes and management of the Corporation, are hereby added to the Corporation's Certificate of Incorporation, to read in full as follows:

> "8. Management of the Corporation is to be vested in the Board of Directors of the Corporation, and neither the management structure nor the provisions in these Certificate of Incorporation or the Corporation's Bylaws setting forth such structure may be deleted, modified, or amended without the prior approval of the New York State Department of Health.
>
> 9. Notwithstanding anything in these Certificate of Incorporation or the Corporation's Bylaws to the contrary, transfers, assignments, or other dispositions of ownership interests or voting rights must be effectuated in accordance with Section 2801-a(4)(b) of the New York Public Health Law."

FIFTH: The text of the Certificate of Incorporation of the Corporation as heretofore amended and as hereby amended, is restated to read in its entirety as follows:

CERTIFICATE OF INCORPORATION

OF

LONG ISLAND SELECT HEALTHCARE, INC.

Under Section 402
of the
New York Not-For-Profit Corporation Law

1. The name of the corporation is Long Island Select Healthcare, Inc. (the "Corporation").

2. The Corporation is a corporation as defined in subparagraph (a)(5) of Section 102 of the New York Not-for-Profit Corporation Law in that it is not formed for pecuniary profit or financial gain, and no part of the assets, income or profit of the Corporation is distributable to or inures to the benefit of its directors or officers or any private person.

3. The purposes for which the Corporation is formed shall be charitable within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code") (or any corresponding provision of any future United States internal revenue law), without regard to race, color or creed as follows:

a. To render voluntary support and assistance by means of contributions and grants to tax exempt organizations established to benefit the aged, sick, infirm, indigent, and destitute; to render support by means of contributions and grants to established charitable endeavors; and generally to support activities of a charitable nature;

b. To solicit and receive money and property for the foregoing purposes and to receive and accept for charitable purposes gifts, donations, bequests and devises of money and property;

c. The Corporation shall have all of the powers enumerated in Section 202 of the Not-for-Profit Corporation Law, subject to any limitations provided in the Not-for-Profit Corporation Law or any other statute of the State of New York or Section 501(c)(3) of the Code;

d. Nothing herein shall authorize the Corporation, directly or indirectly, to engage in or include among its purposes any of the activities mentioned in the New York Not-for-Profit Corporation Law, Section 404 (a)-(n), (p)-(s) and (u)-(w);

e. Nothing herein shall authorize the Corporation to carry on any activities not permitted to be carried on by a corporation exempt from federal income tax under Section 501(c) (3) of the Code or by a corporation contributions to which are deductible under Section 170(c)(2) of the Code;

f. Nothing herein shall authorize the Corporation to operate or maintain a college or university or to grant degrees or credit leading to a degree.

g. To operate a diagnostic and treatment center, a hospital as defined pursuant to the Public Health Law of the State of New York, Section 2801-a, known as Long Island Select Healthcare, Inc. and located at 159 Carleton Avenue, Central Islip, New York 11722, County of Suffolk.

h. To operate a distinct part of Long Island Select Healthcare, Inc. for the primary purpose of providing non-residential services for persons with developmental disabilities pursuant to Article 16 of the Mental Hygiene Law of the State of New York.

4. No part of the net earnings of this Corporation shall inure to the benefit of any member, director, officer or employee of the Corporation or any private individual. No director, officer or employee of the Corporation or any private individual shall receive or be lawfully entitled to receive any pecuniary benefit of any kind, except reasonable compensation for service in effecting one or more purposes of the Corporation. No director, officer or employee of the Corporation or any private individual shall be entitled to share in the distribution of any of the corporate assets on dissolution of the Corporation. No substantial part of the activities of this Corporation shall consist of carrying on propaganda or otherwise attempting to influence legislation. This Corporation shall not participate or intervene (including the publication or distribution of statements) in any political campaign on behalf of any candidate for public office.

5. Upon the dissolution of the Corporation, assets shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code (or corresponding section of any future Federal tax code), or shall be distributed to the Federal government, or a state or local government for a public purpose, subject to an order of a Justice of the Supreme Court of the State of New York. Any such assets not so disposed of shall be

disposed of by a Justice of the Supreme Court of the State of New York in the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations as said Court shall determine, which are organized and operated exclusively for such purposes.

6. The Corporation is a Type B corporation under Section 201 of the New York Not-for-Profit Corporation Law.

7. The office of the Corporation is to be located in the County of Suffolk, State of New York.

8. Management of the Corporation is to be vested in the Board of Directors of the Corporation, and neither the management structure nor the provisions in these Certificate of Incorporation or the Corporation's Bylaws setting forth such structure may be deleted, modified, or amended without the prior approval of the New York State Department of Health.

9. Notwithstanding anything in these Certificate of Incorporation or the Corporation's Bylaws to the contrary, transfers, assignments, or other dispositions of ownership interests or voting rights must be effectuated in accordance with Section 2801-a(4)(b) of the New York Public Health Law.

10. The Corporation shall be operated by a board of directors, the number of which is to be no less than three (3).

11. The names and addresses of the initial directors of the Corporation, each of whom is at least eighteen (18) years of age, who will serve until the Bylaws are adopted and their successors are appointed are:

NAME	ADDRESS
1. John Lessard	c/o Long Island Select Healthcare, Inc. 159 Carleton Avenue Central Islip, New York 11722
2. Robert Budd	c/o Long Island Select Healthcare, Inc. 159 Carleton Avenue Central Islip, New York 11722
3. Stephen Friedman	c/o Long Island Select Healthcare, Inc. 159 Carleton Avenue Central Islip, New York 11722

12. The Secretary of State is hereby designated as agent of the Corporation upon whom process against it may be served. The address to which the Secretary of State shall mail a copy of a process against the Corporation served upon him is:

Long Island Select Healthcare, Inc.
159 Carleton Avenue
Central Islip, New York 11722

13. During any year in which the Corporation shall be a "private foundation" as that term is defined in Section 509(a) of the Internal Revenue Code of 1986, as amended (or corresponding provision of any future United States Internal Revenue law),

a. The Corporation shall distribute its income for each taxable year at such time and in such manner as not to subject it to tax under Section 4942 of said Code, and

b. The Corporation shall not:

(i) engage in any act of self-dealing as defined in Section 4941(d) of said Code:

(ii) retain any excess business holdings as defined in Section 4943(c) of said Code;

(iii) make any investments in such manner as to subject the Corporation to tax under Section 4944 of said Code; or

(iv) make any taxable expenditures as defined in Section 4945(d) of said Code.

14. Prior to delivery of this Certificate to the Secretary of State for filing, all approvals or consents to the filing of this Certificate that are required by the Not-For-Profit Corporation Law or any other statute of the State of New York will be endorsed hereon or annexed hereto.

IN WITNESS WHEREOF, I have made, signed, and subscribed this Certificate of Incorporation this 11th day of December, 2015, and affirm that the statements contained herein are true under penalties of perjury.

Name: John Lessard President
Address: Long Island Select Healthcare
159 Carleton Avenue
Central Islip, NY 11722

PHHPC

PUBLIC HEALTH AND HEALTH PLANNING COUNCIL

Empire State Plaza, Corning Tower, Room 1805
Albany, New York 12237

(518) 402-0964
PHHPC@health.ny.gov

August 15, 2016

Patricia Smyth
Cicero Consulting Associates VCC, Inc.
701 Westchester Avenue
White Plains, New York 10604

Re: Restated Certificate of Incorporation of LISH, Inc.

Dear Ms. Smyth:

AFTER INQUIRY and INVESTIGATION and in accordance with action taken at a meeting of the Public Health Council and Health Planning Council held on the 8th day of October, 2015, I hereby certify that the Public Health and Health Planning Council consents to the filing of the Restated Certificate of Incorporation of LISH, Inc., dated December 11, 2015.

Sincerely,

Colleen M. Leonard

Colleen M. Leonard
Executive Secretary

/cl

Long Island
Select Healthcare, Inc.

LONG ISLAND SELECT HEALTHCARE, INC.

CERTIFIED COPY OF RESOLUTIONS OF THE BOARD OF DIRECTORS

Authorizing Amendment of the Certificate of Incorporation to Change the Corporate Name

The undersigned, being the duly elected and acting Secretary of **Long Island Select Healthcare, Inc.**, a not-for-profit corporation organized and existing under the New York Not-for-Profit Corporation Law (the "Corporation"), hereby certifies that the following is a true, correct, and complete copy of resolutions duly adopted by the Board of Directors of the Corporation at a meeting duly called and held on **June 16, 2026**, at which a quorum was present and acting throughout, and that such resolutions have not been amended, modified, or rescinded and remain in full force and effect as of the date hereof:

WHEREAS, the Corporation is a not-for-profit corporation formed under the New York Not-for-Profit Corporation Law, having filed its Certificate of Incorporation with the New York Department of State on May 12, 2014, and presently operating under the name "Long Island Select Healthcare, Inc.";

WHEREAS, the Corporation is the operator of a facility established and licensed under Article 28 of the New York Public Health Law and is subject to the jurisdiction of the New York State Public Health and Health Planning Council and the New York State Department of Health;

WHEREAS, following a strategic planning and branding review, the Board of Directors has determined that it is in the best interests of the Corporation to change its corporate name from "Long Island Select Healthcare, Inc." to "Motto Health, Inc." (the "Name Change");

WHEREAS, the Name Change requires (i) the adoption and filing of a Certificate of Amendment of the Certificate of Incorporation with the New York Department of State pursuant to Section 803 of the Not-for-Profit Corporation Law, and (ii) the approval of the applicable regulatory authorities, including such approval or consent as may be required from the New York State Public Health and Health Planning Council and the New York State Department of Health; and

WHEREAS, in connection with obtaining such regulatory approval, the Corporation is required under 10 NYCRR § 610.1(d) to file a certified copy of the resolution of the Board of Directors authorizing the undertaking that is the subject of the application and the subscribing and submission thereof by an appropriate designated individual;

NOW, THEREFORE, BE IT:

RESOLVED, that the change of the name of the Corporation from "Long Island Select Healthcare, Inc." to "Motto Health, Inc." be, and it hereby is, authorized and approved in all respects; and be it further

RESOLVED, that the amendment of Paragraph FIRST of the Corporation's Certificate of Incorporation to reflect the new corporate name "Motto Health, Inc." be, and it hereby

Long Island
Select Healthcare, Inc.

is, authorized and approved, and that the officers of the Corporation be, and each of them hereby is, authorized and directed to prepare, execute, and file a Certificate of Amendment of the Certificate of Incorporation with the New York Department of State pursuant to Section 803 of the Not-for-Profit Corporation Law; and be it further

RESOLVED, that, in satisfaction of 10 NYCRR § 610.1(d), **Robert Budd, Secretary of the Corporation**, be, and hereby is, designated and authorized as the appropriate individual to subscribe, submit, and prosecute the application for approval of the Name Change on behalf of the Corporation, and to appear before and respond to inquiries from the New York State Public Health and Health Planning Council and the New York State Department of Health in connection therewith; and be it further

RESOLVED, that the officers of the Corporation be, and each of them hereby is, authorized and directed, in the name and on behalf of the Corporation, to take all such further actions, to execute and deliver all such further instruments and documents, and to pay all such fees and expenses as any such officer may deem necessary or advisable to carry out the intent and purposes of the foregoing resolutions, and that all actions previously taken by any officer of the Corporation in furtherance of the Name Change be, and hereby are, ratified, confirmed, and approved in all respects.

CERTIFICATION

I, the undersigned, hereby certify that I am the duly elected, qualified, and acting Secretary of Long Island Select Healthcare, Inc.; that the foregoing resolutions were duly adopted by the Board of Directors of the Corporation in the manner and on the date stated above; that the Corporation has no members and that no shareholder or member approval is required; and that said resolutions have not been amended, modified, or rescinded and remain in full force and effect.

IN WITNESS WHEREOF, I have executed this Certificate and, where applicable, affixed the seal of the Corporation this **12th** day of **August**, 20**26**.

Signed by:
Robert Budd
94FD9218E8244DA...

Robert Budd, Secretary Long Island Select Healthcare, Inc.

NEW YORK STATE | Department of Health

MEMORANDUM

TO: Michael Stelluti
Division of Health Facility Planning and Development

Colleen Leonard, Executive Secretary
Public Health and Health Planning Council

FROM: Kayleigh Gekakis
Associate Attorney, Bureau of Program Counsel
Division of Legal Affairs

SUBJECT: Certificate of Amendment of Certificate of Incorporation of RiverSpring DTC Corp.

DATE: August 20, 2026

Please include the above matter on the agendas for the next Establishment and Project Review Committee and Public Health and Health Planning Council meetings.

The attachments relating to this matter include the following:

1. Memorandum to the Public Health and Health Planning Council from Darren Cohen, Deputy Commissioner & General Counsel;
2. Photocopy of proposed Certificate of Amendment of Certificate of Incorporation of RiverSpring DTC Corp. executed by Susan Aldrich, Trustee, dated November 13, 2025;
3. Request letter from Frank M. Cicero dated December 18, 2025;
4. Certified copy of Certificate of Incorporation of Riverspring Project Corp. filed June 23, 2021, with approvals;
5. Certified copy of Certificate of Amendment of Certificate of Incorporation of Riverspring Project Corp. filed May 3, 2023, with approvals;
6. Resolution of Riverspring DTC Corp. executed by Erhardt H. Preitauer, Chair, dated November 13, 2025;
7. Consent of parent ElderServe Health, Inc. as described in meeting minutes dated November 13, 2025 (marked confidential; available for inspection upon request);
8. Attorney General Approval for Transfer of Assets of ElderServe Health, Inc. to CareSource dated August 28, 2025;
9. Letter from the Office of Health Insurance Programs approving the Member Substitution Agreement between ElderServe Health, Inc., and CareSource.

Attachments

cc: Jason Corvino

NEW YORK STATE | Department of Health

MEMORANDUM

TO: Public Health and Health Planning Council

FROM: Darren Cohen DC
Deputy Commissioner & General Counsel
Division of Legal Affairs

SUBJECT: Certificate of Amendment of Certificate of Incorporation of RiverSpring DTC Corp.

DATE: August 20, 2026

RiverSpring DTC Corp. requests Public Health and Health Planning Council ("PHHPC") approval of its Certificate of Amendment of Certificate of Incorporation which changes its name from "RiverSpring DTC Corp." to "ElderServe DTC Corp."

RiverSpring DTC Corp. is a not-for-profit corporation formed in 2021 under the name RiverSpring Project Corp. In 2023, it received PHHPC approval to operate a diagnostic and treatment center in connection with a proposed Program of All-Inclusive Care for the Elderly ("PACE") and for use of its current name. The Public Health Law Article 44 (managed care organization) application component for the PACE remains under review by the Department's Office of Health Insurance Programs and the diagnostic and treatment center has yet to become operational. The applicant now seeks to change its name to ElderServe DTC Corp. following its separation from RiverSpring Health Holding Corp. and the acquisition of its parent company, ElderServe Health, Inc., by CareSource, an Ohio corporation. The Department's Office of Health Insurance Programs and the Attorney General of the State of New York have approved the acquisition of ElderServe Health, Inc. by CareSource.

The proposed Certificate of Amendment of Certificate of Incorporation of RiverSpring DTC Corp. was authorized by the RiverSpring DTC Corp. Board of Directors by resolution dated November 13, 2025 and by parent ElderServe Health, Inc., at a meeting on November 13, 2025.

Pursuant to Not-for-Profit Corporation Law § 804, 10 NYCRR 600.11 and 10 NYCRR 610.1, PHHPC must consent to the requested name change prior to the filing of the Certificate of Amendment of Certificate of Incorporation of RiverSpring DTC Corp with the Secretary of State.

There is no legal objection to the proposed Certificate of Amendment of Certificate of Incorporation of RiverSpring DTC Corp. and it is in legally acceptable form.

Attachments.

CERTIFICATE OF AMENDMENT

OF THE

CERTIFICATE OF INCORPORATION

OF

RIVERSPRING DTC CORP.

Under Section 803 of the Not-for-Profit Corporation Law

The undersigned, being an authorized person of RiverSpring DTC Corp. (hereinafter referred to as the "Corporation") does hereby certify:

FIRST: The name of the Corporation is "RiverSpring DTC Corp."

SECOND: The original certificate of incorporation of the Corporation ("Certificate of Incorporation") was filed by the Department of State of the State of New York on June 23, 2021.

THIRD: The corporation was formed under Section 402 of the Not-for-Profit Corporation Law of the State of New York (the "NPCL").

FOURTH: The Corporation is a corporation as defined in subparagraph (5) of paragraph (a) of Section 102 of the NPCL and is and shall continue to be a charitable corporation under Section 201 of the NPCL.

FIFTH: To change the name of the Corporation pursuant to Section 801(b) of the NPCL, Section 1 of the Certificate of Incorporation of the Corporation is hereby amended to delete Section 1 in its entirety and replace it with the following:

1. The name of the corporation is ElderServe DTC Corp. (hereinafter referred to as the "Corporation").

SIXTH: The Secretary of State is designated as the agent of the Corporation upon whom process against the Corporation may be served. The address to which the Secretary of State shall mail a copy of any process accepted on behalf of the Corporation is: ElderServe DTC Corp., 80 West 225th Street Bronx, NY 10463.

SEVENTH: The foregoing amendment was authorized by the written consent of the Member of the Corporation in accordance with paragraph (a) of Section 802 of the NPCL.

[*Remainder of page intentionally left blank*]

IN WITNESS THEREOF, the undersigned has executed and signed this Certificate of Amendment on the date indicated below, and does hereby affirm, under the penalties of perjury, that the statements contained herein have been examined by the undersigned and are true and correct.

_____

Name: Susan Aldrich
Title: Trustee
Date: November 13, 2025

White Plains Unit
Frank M. Cicero
Charles F. Murphy, Jr.
James Psarianos
Michael D. Ungerer
Noelia Chung
Brian Baldwin
Michael F. Cicero
Karen Dietz
Evelyn Branford
Michael C. Maiale
Patrick Clemente
Reed Cicero
Jacob Ramsey
Danielle Madera

Cicero Consulting Associates
VCC, Inc.

925 Westchester Ave. • Suite 201 • White Plains, NY 10604
Tel: (914) 682-8657 • Fax: (914) 682-8895
cicero@ciceroassociates.com

Albany Unit
William B. Carmello
Joseph F. Pofit
Rosemarie Porco
Daniel Rinaldi, Jr.
Mary Ann Anglin
Mark Van Guysling

Emeritus Consultants
Martha H. Pofit
Frank T. Cicero, M.D.
Rose Murphy
Albert L. D'Amato

Michael P. Parker, Sr. (1941-2011)
Anthony J. Maddaloni (1952-2014)
Joan Greenberg (1934-2022)
Nicholas J. Mongiardo (1940-2024)

December 18, 2025

Ms. Colleen Leonard, Executive Secretary
Public Health and Health Planning Council
NEW YORK STATE DEPARTMENT OF HEALTH
Corning Tower, Room 1805, Empire State Plaza
Albany, New York 12237

RE: RiverSpring DTC Corp. (Operating Certificate #7001004R)

Dear Ms. Leonard:

On behalf of our client, RiverSpring DTC Corp., an existing, Article 28 diagnostic and treatment center that has been approved to serve the Programs of All-Inclusive Care for the Elderly (PACE) Program of ElderServe Health, Inc., and in compliance with Section 600.11 of 10 New York Codes, Rules and Regulations, we are writing to seek approval from the Public Health and Health Planning Council for an Amendment to the Certificate of Incorporation of RiverSpring DTC Corp. Through the proposed Amendment, RiverSpring DTC Corp. will change its legal name to ElderServe DTC Corp.

As brief background, ElderServe Health, Inc. was recently acquired by CareSource, a nationally recognized, not-for-profit, managed care organization. As a result of that transaction, RiverSpring DTC Corp. has been informed that it can no longer use the "RiverSpring" name, so it is changing its legal name to ElderServe DTC Corp. In furtherance of this request, please find attached the following:

- Attachment No. 1 – Pre-Transaction and Post-Transaction Analysis of Legal Structure;
- Attachment No. 2 – Certificate of Incorporation (with Filing Receipt) – RiverSpring Project Corp.;
- Attachment No. 3 – Certificate of Amendment of the Certificate of Incorporation (with Filing Receipt) – RiverSpring Project Corp.;
- Attachment No. 4 – Proposed, Executed Certificate of Amendment of the Certificate of Incorporation – RiverSpring DTC Corp.;
- Attachment No. 5 – Amended and Restated Bylaws of ElderServe DTC Corp. f/k/a RiverSpring DTC Corp.; and
- Attachment No. 6 – Board Resolution authorizing the name change.

Please feel free to call me if you require other information. Thank you for your consideration.

Sincerely,

Frank M. Cicero

Frank M. Cicero

cc: Ms. Susan Aldrich, Administrator, RiverSpring DTC Corp.

STATE OF NEW YORK
DEPARTMENT OF STATE

I hereby certify that the annexed copy for RIVERSPRING PROJECT CORP., File Number 210623001312 has been compared with the original document in the custody of the Secretary of State and that the same is true copy of said original.

WITNESS my hand and official seal of the Department of State, at the City of Albany, on June 23, 2021.

Brendan C. Hughes
Executive Deputy Secretary of State

Authentication Number: 100000021408 To Verify the authenticity of this document you may access the Division of Corporation's Document Authentication Website at http://ecorp.dos.ny.gov

UNI-37

CERTIFICATE OF INCORPORATION

OF

RIVERSPRING PROJECT CORP.

(Under Section 402 of the Not-for-Profit Corporation Law)

The undersigned, being a natural person over the age of 18 years, desiring to form a corporation pursuant to the provisions of the Not-for-Profit Corporation Law of the State of New York ("NPCL"), does hereby certify:

1. The name of the corporation is RiverSpring Project Corp. (hereinafter referred to as the "Corporation").

2. The Corporation is a corporation as defined in subparagraph (5) of paragraph (a) of Section 102 of the NPCL.

3. The purpose for which the Corporation is formed is any purpose for which corporations may be organized under the NPCL as a charitable corporation.

4. The Corporation is a charitable corporation under Section 201 of the NPCL.

5. The office of the Corporation is to be located in the County of Bronx, State of New York.

6. The names and addresses of the initial trustees of the Corporation, each of whom is at least 18 years of age and will serve until their successors are appointed, are as follows:

Name	Address
Michael Greenberg	c/o 5901 Palisade Ave, Riverdale, NY 10457
David Sable	c/o 5901 Palisade Ave, Riverdale, NY 10457
James A. Shifren	c/o 5901 Palisade Ave, Riverdale, NY 10457

7. The Secretary of State is designated as the agent of the Corporation upon whom process against the Corporation may be served. The address to which the Secretary of State shall mail a copy of any process accepted on behalf of the Corporation: RiverSpring Project Corp., c/o 5901 Palisade Ave, Riverdale, NY 10457, Attn: President & CEO.

8. The following language relates to the Corporation's tax-exempt status and is not a statement of purposes and powers. Consequently, this language does not expand or alter the Corporation's purposes or powers set forth in paragraph 3 above.

   (a) Notwithstanding any other provision of this Certificate of Incorporation, the Corporation is organized exclusively for one or more of the purposes specified in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or

Filed with the NYS Department of State on 06/23/2021
Filing Number: 210623001312 DOS ID: 6205143

corresponding provisions of any subsequent federal tax laws (the "Code") and shall not carry on any activities not permitted to be carried on by (a) a corporation exempt from Federal income taxation under Section 501(c)(3) of the Code, or (b) a corporation, contributions to which are deductible under Section 170(c)(2) of the Code.

(b) No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, any member, trustee, director or officer of the Corporation or any other private person or entity, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered to or for the Corporation and to make payments and distributions in furtherance of one or more of its purposes set forth in Section 3 hereof.

(c) No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation (except as otherwise provided by Code Section 501(h)), and the Corporation shall not participate or intervene in (including the publication or distributions of statements) any political campaign on behalf of or in opposition to any candidate for public office.

(d) In the event of dissolution, the assets and property of the Corporation remaining after payment of expenses and the satisfaction of all liabilities shall be distributed to ElderServe Health, Inc. ("ESH"), provided that no such distribution shall be made to ESH unless ESH shall at that time qualify as an organization described in Section 501(c)(3) of the Code, in which case any of such assets not so distributed shall be distributed to such other charitable and educational organizations as shall qualify under Section 501(c)(3) of the Code and are selected in the discretion of the Board of Trustees of the Corporation, subject to the approval of the Attorney General of the State of New York and/or a Justice of the Supreme Court of the State of New York (or such other court having jurisdiction over the Corporation), as required by law.

9. In furtherance of the Corporation's purposes described in paragraph 3 above, the Corporation shall have all of the general powers enumerated in Section 202 of the NPCL together with the power to maintain a fund or funds of real or personal property for any corporate purposes. The powers of the Corporation shall include, without limitation:

a. the power to borrow money, contract, debts, issue notes and secure payment of the performances of its obligations and to do all other acts necessary or expedient for the administration of the affairs and attainment of the purposes of the Corporation;

b. the power to make and accept subventions and issue certificates therefore in accordance with Section 504 and 505 of the NPCL;

c. the power to solicit, accept, receive and acquire by way of gift, devise, bequest, lease, purchase or otherwise, and to hold, invest and reinvest all property, including money, shares of stock, bonds and securities of other corporations and to dispose

Filed with the NYS Department of State on 06/23/2021
Filing Number: 210623001312 DOS ID: 6205143

of such property by gift, lease, sale or otherwise, all as may be necessary or desirable for the attainment of the purposes of the Corporation;

d. the power to conduct such activities as shall be necessary or convenient to effect, or which are conducive to the attainment of, any or all of the purposes set forth in Section 3 above and are lawful for a not-for-profit corporation under the NPCL;

e. the power to exercise such other powers as now are, or hereafter may be, conferred by law upon a corporation organized for the purposes herein above set forth or necessary or incidental to the powers so conferred, or conducive to the furtherance thereof.

10. The Corporation may provide indemnification and advancement of expenses to any trustee, officer or employee made a party or threatened to be made a party to any threatened, pending or completed action, suit or proceeding subject to the limitations set forth in the NPCL. Such indemnification and advancement of expenses may be set forth in the bylaws, a resolution of the Board of Trustees or an agreement providing for such indemnification and advancement of expenses.

IN WITNESS WHEREOF, this Certificate has been signed and the statements made herein are affirmed as true under the penalties of perjury as of the 22nd day of June, 2021.

Richard A. Dennett, Incorporator
8 Bond Street, Suite 300
Great Neck, New York 11021

CERTIFICATE OF INCORPORATION

OF

RIVERSPRING PROJECT CORP.

(Under Section 402 of the Not-for-Profit Corporation Law of the State of New York)

UNI-37

DRAWDOWN

DENNETT LAW OFFICES, P.C.
8 Bond Street, Suite 300
Great Neck, New York 11021
(516) 504-1400

Filed with the NYS Department of State on 06/23/2021
Filing Number: 210623001312 DOS ID: 6205143

STATE OF NEW YORK
DEPARTMENT OF STATE
ONE COMMERCE PLAZA
99 WASHINGTON AVENUE
ALBANY, NY 12231-0001
WWW.DOS.NY.GOV

ANDREW M. CUOMO
GOVERNOR

ROSSANA ROSADO
SECRETARY OF STATE

Filer: DENNETT LAW OFFICES, P.C.
8 BOND STREET, SUITE 300,
GREAT NECK, NY, 11021, USA

Your document has been filed by the Department of State.

We have attached the official filing receipt and related document(s) for the following entity:

DOS ID:	6205143
Entity Name:	RIVERSPRING PROJECT CORP.

- Retain this letter and attachment(s) for your records. The Department of State does not mail additional copies of the filing receipt or related attachment(s).
- You may obtain a Federal Employer Identification Number(EIN) from the Internal Revenue Service(IRS).You must obtain an EIN to identify your business to the IRS and the New York State Department of Taxation and Finance. Visit https://www.irs.gov, for more information.
- Report your EIN by phone to the Department of Taxation and Finance at 518-485-6027, Monday through Friday between 8:30 a.m. and 4:30 p.m.

Contact Information

- Department of State: Email the Division of Corporations at corporations@dos.ny.gov.
- Department of Taxation and Finance: Visit https://www.tax.ny.gov/help/contact for self-help options and telephone numbers.

NEW YORK STATE OF OPPORTUNITY. | Department of State

NEW YORK STATE DEPARTMENT OF STATE
DIVISION OF CORPORATIONS, STATE RECORDS AND UNIFORM COMMERCIAL CODE

FILING RECEIPT

ENTITY NAME :	RIVERSPRING PROJECT CORP.
DOCUMENT TYPE :	CERTIFICATE OF INCORPORATION
ENTITY TYPE :	DOMESTIC NOT-FOR-PROFIT CORPORATION
DOS ID :	6205143
FILE DATE :	06/23/2021
FILE NUMBER :	210623001312
TRANSACTION NUMBER :	202106230001641-5113
EXISTENCE DATE :	06/23/2021
DURATION/DISSOLUTION :	PERPETUAL
COUNTY :	BRONX
SERVICE OF PROCESS ADDRESS :	THE CORPORATION ATTN: PRESIDENT & CEO, C/O PALISADE AVE BRONX, NY, 10457, USA
FILER :	DENNETT LAW OFFICES, P.C. 8 BOND STREET, SUITE 300, GREAT NECK, NY, 11021, USA
SERVICE COMPANY :	UNITED CORPORATE SERVICES, INC.
SERVICE COMPANY ACCOUNT :	37

You may verfiy this document online at : *http://ecorp.dos.ny.gov*
AUTHENTICATION NUMBER : 100000021407

TOTAL FEES:	$85.00	TOTAL PAYMENTS RECEIVED:	$85.00
FILING FEE:	$75.00	CASH:	$0.00
CERTIFICATE OF STATUS:	$0.00	CHECK/MONEY ORDER:	$0.00
CERTIFIED COPY:	$10.00	CREDIT CARD:	$0.00
COPY REQUEST:	$0.00	DRAWDOWN ACCOUNT:	$85.00
EXPEDITED HANDLING:	$0.00	REFUND DUE:	$0.00

STATE OF NEW YORK
DEPARTMENT OF STATE

I hereby certify that the annexed copy for RIVERSPRING DTC CORP., File Number 230504000767 has been compared with the original document in the custody of the Secretary of State and that the same is true copy of said original.

WITNESS my hand and official seal of the Department of State, at the City of Albany, on May 04, 2023.

Brendan C. Hughes
Executive Deputy Secretary of State

Authentication Number: 100003433462 To Verify the authenticity of this document you may access the Division of Corporation's Document Authentication Website at http://ecorp.dos.ny.gov

CERTIFICATE OF AMENDMENT

OF

THE CERTIFICATE OF INCORPORATION

OF

RIVERSPRING PROJECT CORP.

Under Section 803 of the Not-for-Profit Corporation Law

The undersigned, being a trustee of RiverSpring Project Corp. (hereinafter referred to as the "Corporation") does hereby certify:

1. The name of the Corporation is "RiverSpring Project Corp."

2. The original certificate of incorporation of the Corporation ("Certificate of Incorporation") was filed by the Department of State of the State of New York on June 23, 2021.

3. The Corporation was formed under Section 402 of the Not-for-Profit Corporation Law of the State of New York (the "NPCL").

4. The Corporation is a corporation as defined in subparagraph (5) of paragraph (a) of Section 102 of the NPCL and is and shall continue to be a charitable corporation under Section 201 of the NPCL.

5. To change the name of the Corporation pursuant to Section 801(b) of the NPCL, Section 1 of the Certificate of Incorporation of the Corporation is hereby amended to delete Section 1 in its entirety and replace it with the following:

    1. The name of the corporation is RiverSpring DTC Corp. (hereinafter referred to as the "Corporation").

6. To change the corporate purposes of the Corporation pursuant to Section 801(b) of the NPCL, Section 3 of the Certificate of Incorporation of the Corporation is hereby amended to delete Section 3 in its entirety and replace it with the following:

    3. The nature of the business and the purposes to be conducted and promoted by the Corporation is: (i) to establish, operate and maintain one or more diagnostic and treatment centers at locations approved by the New York State Department of Health ("DOH") pursuant to Article 28 of the Public Health Law of the State of New York ("PHL") to provide health care services to the community; and (ii) to engage in (A) any other lawful thing

Filed with the NYS Department of State on 05/03/2023
Filing Number: 230504000767 DOS ID: 6205143

incidental to, connected with or useful, suitable or proper for the furtherance of accomplishment of the foregoing purpose, and (B) any purpose for which any corporation may be organized under the NPCL as a charitable corporation that is not inconsistent with applicable provisions of the PHL.

The objects and purposes provided for herein shall be subject to the approvals or consents of such regulatory authority as may be required by law. The Corporation is not being formed to engage in any act or activity requiring the consent or approval of any state official, department, board, agency or other body without such consent or approval first being obtained.

The powers and purposes of the Corporation are specifically limited to the ownership and operation of one or more diagnostic and treatment centers at locations approved by DOH and nothing contained herein shall authorize the Corporation to own or operate any other hospital facility, hospital service, a drug maintenance program, a certified home health agency, a hospice, a health maintenance organization or a comprehensive health services plan, as provided by Articles 28, 33, 36, 40, and 44, respectively, of the Public Health Law or to solicit, collect or otherwise raise or obtain any funds, contributions or grants from any source for the establishment or operation of any hospital, except to the extent the Corporation has already received requisite approval to do the same.

7. To change the address to which the Secretary of State shall mail a copy of any process accepted on behalf of the Corporation pursuant to Section 801(b) of the NPCL, Section 7 of the Certificate of Incorporation of the Corporation is hereby amended to delete Section 7 in its entirety and replace it with the following:

    7. The Secretary of State is designated as the agent of the Corporation upon whom process against the Corporation may be served. The address to which the Secretary of State shall mail a copy of any process accepted on behalf of the Corporation is: RiverSpring DTC Corp., 80 West 225th Street Bronx, NY 10463, Attn: President & CEO.

8. To change the corporate powers of the Corporation pursuant to Section 801(b) of the NPCL, Section 9 of the Certificate of Incorporation of the Corporation is hereby amended to delete Section 9 in its entirety and replace it with the following:

    9. In furtherance of the Corporation's purposes described in Section 3 above, the Corporation shall have all of the general powers enumerated in Section 202 of the NPCL together with the power to maintain a fund or funds of real or personal property for any corporate purposes. The powers of the Corporation shall include, without limitation:

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a. the power to borrow money, contract, incur debts, issue notes, and secure payment for the performance of its obligations, and to do all other acts necessary or expedient for the administration of the affairs and attainment of the purposes of the Corporation;

b. the power to make and accept subventions and issue certificates therefore in accordance with Section 504 and Section 505 of the NPCL;

c. the power to solicit, accept, receive, and acquire by way of gift, devise, bequest, lease, purchase, or otherwise, and to hold, invest, and reinvest all property, including money, shares of stock, bonds, and securities of other corporations, and to dispose of such property by gift, lease, sale, or otherwise, all as may be necessary or desirable for the attainment of the purposes of the Corporation;

d. the power to exercise all of the powers necessary or convenient to carry out, or which are conducive to the attainment of, any or all of the purposes set forth in Section 3 above and which are lawful for a not-for-profit corporation under the NPCL, including, but not limited to, entering into contracts in furtherance of such purposes, and all powers granted under the PHL, and to do every other act or thing not inconsistent with applicable law that may be appropriate to promote and attain the purposes set forth in Section 3 above; and

e. the power to exercise such other powers as now are, or hereafter may be, conferred by law upon a corporation organized for the purposes herein above set forth or necessary or incidental to the powers so conferred, or conducive to the furtherance thereof.

9. The Secretary of State is designated as the agent of the Corporation upon whom process against the Corporation may be served. The address to which the Secretary of State shall mail a copy of any process accepted on behalf of the Corporation: RiverSpring DTC Corp., 80 West 225th Street Bronx, NY 10463, Attn: President & CEO.

10. The foregoing amendment was authorized by the written consent of the Member of the Corporation in accordance with paragraph (a) of Section 802 of the NPCL.

[*Remainder of page intentionally left blank.*]

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IN WITNESS WHEREOF, the undersigned has executed and signed this Certificate of Amendment on the date indicated next to his name, and does hereby affirm, under the penalties of perjury, that the statements contained herein have been examined by him and are true and correct.

David Sable, Trustee
Date: February 24, 2022

Filed with the NYS Department of State on 05/03/2023
Filing Number: 230504000767 DOS ID: 6205143

PHHPC

PUBLIC HEALTH AND HEALTH PLANNING COUNCIL

Empire State Plaza, Corning Tower, Room 1805
Albany, New York 12237

(518) 402-0964
PHHPC@health.ny.gov

REVISED*

January 31, 2023

Patricia Smyth
Cicero Consulting Associates
925 Westchester Avenue, Suite 201
White Plains, New York 10523

Re: Certificate of Amendment of the Certificate of Incorporation of *Riverspring Project Corp.

Dear Ms. Smyth:

AFTER INQUIRY and INVESTIGATION and in accordance with action taken at a meeting of the Public Health and Health Planning Council held on the 9th day of December 2021, I hereby certify that the Public Health and Health Planning Council consents to the filing of the Certificate of Amendment of the Certificate of Incorporation of *Riverspring Project Corp., dated February 24, 2022.

Please email a copy of the Notice of Filing to the Operating Certificate Unit, at HFISmb@health.ny.gov

Sincerely,

Colleen M. Leonard

Colleen M. Leonard
Executive Secretary

/ms

Filed with the NYS Department of State on 05/03/2023
Filing Number: 230504000767 DOS ID: 6205143

STATE OF NEW YORK
OFFICE OF THE ATTORNEY GENERAL

LETITIA JAMES
ATTORNEY GENERAL

DIVISION OF SOCIAL JUSTICE
CHARITIES BUREAU

TO: Richard A. Dennett, Esq.
8 Bond Street, Suite 300
Great Neck, NY 11021

RE: Riverspring Project Corp.

The Attorney General hereby approves pursuant to N-PCL § 804(a)(ii)(A) the proposed Certificate of Amendment of Riverspring Project Corp. Said approval is conditioned on submission to the Department of State for filing within 60 days hereafter. A copy of the filed certificate shall be provided to the Attorney General.

April 27, 2023

Donna Cole Paul
Assistant Attorney General

THE CAPITOL, ALBANY, NY 12224 -0341 • PHONE (518) 776-2160 • FAX (518) 650-9361 (NOT FOR SERVICE OF PAPERS)
www.ag.ny.gov

Filed with the NYS Department of State on 05/03/2023
Filing Number: 230504000767 DOS ID: 6205143

CERTIFICATE OF AMENDMENT

OF

THE CERTIFICATE OF INCORPORATION

OF

RIVERSPRING PROJECT CORP.

Under Section 803 of the Not-for-Profit Corporation Law

FILED BY

DENNETT LAW OFFICES, P.C.
8 BOND STREET, SUITE 300
GREAT NECK, NEW YORK 11021
(516) 504-1400

UNI-37

DRAWDOWN

Filed with the NYS Department of State on 05/03/2023
Filing Number: 230504000767 DOS ID: 6205143

NEW YORK STATE DEPARTMENT OF STATE
DIVISION OF CORPORATIONS, STATE RECORDS AND UNIFORM COMMERCIAL CODE

FILING RECEIPT

ENTITY NAME :	RIVERSPRING DTC CORP.
DOCUMENT TYPE :	CERTIFICATE OF AMENDMENT
ENTITY TYPE :	DOMESTIC NOT-FOR-PROFIT CORPORATION
DOS ID :	6205143
FILE DATE :	05/03/2023
FILE NUMBER :	230504000767
TRANSACTION NUMBER :	202305030002019-1947672
EXISTENCE DATE :	
DURATION/DISSOLUTION :	PERPETUAL
COUNTY :	BRONX
SERVICE OF PROCESS ADDRESS :	THE CORPORATION ATTN: PRESIDENT & CEO, 80 WEST 225TH STREET BRONX, NY, 10463, USA
ELECTRONIC SERVICE OF PROCESS EMAIL ADDRESS :	N/A
FILER :	DENNETT LAW OFFICES, P.C. 8 BOND STREET, SUITE 300, GREAT NECK, NY, 11021, USA
SERVICE COMPANY :	UNITED CORPORATE SERVICES, INC.
SERVICE COMPANY ACCOUNT :	37

You may verify this document online at : *http://ecorp.dos.ny.gov*
AUTHENTICATION NUMBER : 100003433460

TOTAL FEES:	$65.00	TOTAL PAYMENTS RECEIVED:	$65.00
FILING FEE:	$30.00	CASH:	$0.00
CERTIFICATE OF STATUS:	$0.00	CHECK/MONEY ORDER:	$0.00
CERTIFIED COPY:	$10.00	CREDIT CARD:	$0.00
COPY REQUEST:	$0.00	DRAWDOWN ACCOUNT:	$65.00
EXPEDITED HANDLING:	$25.00	REFUND DUE:	$0.00

RIVERSPRING DTC CORP.

ACTION WITHOUT A MEETING

Pursuant to Article III, Section 3 of the Amended and Restated Bylaws of RiverSpring DTC Corp., the Board of Directors (the "Board") hereby approves the following Resolution:

WHEREAS, on November 13, 2025, the Board authorized management to amend the Articles of Incorporation to change the name of the entity from RiverSpring DTC Corp. to ElderServe DTC Corp. and to take any action needed to accomplish the change in the name;

RESOLVED, that Susan Aldrich, President of RiverSpring DTC Corp., an existing Article 28 diagnostic and treatment center, is authorized to submit requisite documentation to the New York State Department of Health ("NYSDOH") and the Public Health and Health Planning Council ("PHHPC"), for the purpose of changing its name to ElderServe DTC Corp., under Article 28 of the New York Public Health Law. Susan Aldrich, or her designees, is authorized to take any and all actions deemed appropriate in order to submit the documentation to the NYSDOH and PHHPC.

IN WITNESS HEREOF, the effective date of this Resolution is November 13, 2025.

RIVERSPRING DTC CORP.

DocuSigned by:
Erhardt H. Preitauer
60647EB3E265422...

Erhardt H. Preitauer, Chair

DocuSigned by:

EB02CE57C22B43B...

Lawrence R. Smart

DocuSigned by:
Susan Aldrich
159ABFB947A54C4...

Susan Aldrich

ATTORNEY GENERAL OF THE STATE OF NEW YORK

COUNTY OF BRONX

In the Matter of the Application of RIVERSPRING LIVING HOLDING CORP. For Approval of a Transfer of Assets of ElderServe Health, Inc. Pursuant to Sections 510 and 511-a of the Not-for-Profit Corporation Law of the State of New York	ATTORNEY GENERAL APPROVAL OAG No.: OAG-NYC-2025-109

1. By its Petition verified on August 27, 2025, RIVERSPRING LIVING HOLDING CORP. ("Petitioner") applied to the Attorney General pursuant to Sections 510 and 511-a of the Not-for-Profit Corporation Law ("NPCL") for approval of an application to transfer all of the assets of ElderServe Health, Inc. ("ElderServe") (the "Petition").
2. Specifically, the Petition seeks Attorney General approval for (i) a transfer of the assets of ElderServe, to be achieved by substitution of Petitioner with CARESOURCE, an Ohio nonprofit corporation ("CareSource"), as the sole corporate member of ElderServe; and (ii) payment by CareSource of $250 million in cash, subject to standard closing adjustments for working capital and indebtedness, to designees of Petitioner described herein (collectively, the "Transaction").
3. As set forth in the Petition and the Member Substitution Agreement between Petitioner and CareSource, dated February 11, 2025 and as amended on August 7, 2025 (the "Member Substitution Agreement"), upon closing of the Transaction, CareSource will become the sole corporate member of ElderServe, assuming the right to appoint the Board of Trustees of ElderServe (the "ElderServe Board") and exercise member powers under the NPCL. In

accordance with 10 N.Y.C.R.R. § 98-1.11, at least one-third of the ElderServe Board will include residents of New York State, and the ElderServe Board will continue to have adequate enrollee representation—either through enrollee representatives or an enrollee advisory council. Upon closing of the Transaction, ElderServe will continue operating in accordance with its charitable purposes as a managed care organization certified under Article 44 of the New York Public Health Law.

4. As set forth in the Petition, the Member Substitution Agreement provides that, subject to regulatory approvals, CareSource will pay $250 million upon closing, subject to standard adjustments upon closing for working capital and indebtedness (the "Purchase Price Proceeds"). Of the Purchase Price Proceeds: (i) $32.5 million will be held in an escrow account managed by Citibank, N.A. until May 15, 2027 to cover any potential indemnity claims, to be released thereafter to the Hebrew Home Foundation (the "Escrowed Funds")[1]; and (ii) $10.25 million will be utilized to pay anticipated transaction expenses as of closing, including investment banker fees (approximately $2.6 million), staff retention and change-of-control payments (approximately $7.4 million), and any outstanding attorneys' fees (not anticipated to exceed $250,000) (the "Transaction Costs"). The Purchase Price Proceeds, including the Escrowed Funds, net of Transaction Costs (collectively, "Net Proceeds"), totaling approximately $239.75 million, will be distributed in accordance with paragraphs 5 through 7, *infra*.

[1] As amended on August 7, 2025, the Member Substitution Agreement provides that, after May 15, 2027, the amount of Escrowed Funds released to Petitioner designees shall be ElderServe's EBITDA in calendar year 2026, subject to adjustment for any indemnity claims.

5. Transfer to the Hebrew Home to Fund its Sustainability Plan ($127 million). Approximately $127 million of the Net Proceeds will be transferred to the Hebrew Home to promote its long-term sustainability and fulfillment of its charitable purposes.

6. Transfer to the Hebrew Home Foundation to Support the Housing Organizations and to Provide Ongoing Support for the Hebrew Home ($100.75 million). Approximately $100.75 million of the Net Proceeds (which sum includes the Escrowed Funds released after May 15, 2027) will be transferred to the Hebrew Home Foundation, to be deployed consistent with the Hebrew Home Foundation's charitable purposes in support of the Hebrew Home and certain of the Hebrew Home's affiliates, including Hebrew Home Housing Development Fund Company, Inc. ("Hebrew Home HDFC") (137-unit independent living facility for seniors); Hudson House Housing Development Fund Company, Inc. ("Hudson HDFC") (59-unit housing for low-income seniors); 1880 Boston Road Housing Development Fund Corporation ("BR HDFC") (subsidized housing, including housing for recently homeless elderly individuals); and Arthur Avenue Housing Development Fund Corporation ("AA HDFC") subsidized housing, including housing for recently homeless elderly individuals) (collectively, the "Housing Organizations").

7. Repayment of NYPHSI Subvention ($12 million). On May 12, 2010, the Hebrew Home Foundation loaned $6.1 million to ElderServe as startup capital for its MLTCP, in the form of a subvention, accruing simple interest at 6% annually (the "Subvention"). On June 21, 2024, the Hebrew Home Foundation assigned the right to repayment under the Subvention to NYPHSI. As described in Section 2.3(a)(ii) of the Member Substitution Agreement, the principal and accrued interest, totaling approximately $12 million, will be transferred directly to NYPHSI in full satisfaction of the repayment obligation under the terms of the Subvention.

8. Based on a review of the Petition and the exhibits thereto (and the additional documents and information requested by the Attorney General), the approval of the Transaction by the New York State Department of Health, and the verification of David Pomeranz that Petitioner has complied with the provisions of the NPCL applicable to the sale of all or substantially all of the assets of ElderServe; and it appearing to the satisfaction of the Attorney General that the consideration and terms of the Transaction are fair and reasonable to Petitioner and that the purposes of Petitioner and the interests of the class of charitable beneficiaries will be promoted by the Transaction, and neither Petitioner nor any third party having raised with the Attorney General any objections to the proposed Transaction, the Transaction and distribution of Net Proceeds are hereby approved.

9. Petitioner shall provide written notice to the Attorney General that (i) the Transaction and distribution of the Net Proceeds, excluding all Escrowed Funds, has been completed and, after May 15, 2027, that the Escrowed Funds have been distributed; (ii) the Transaction has been abandoned; or (iii) the Transaction and distribution of Net Proceeds is pending 90 days after approval.

10. Petitioner shall provide the Attorney General with a copy of the final closing statement for the Transaction within 30 days after closing.

11. None of the terms or parties referenced in this Attorney General Approval may be changed without further approval of the Attorney General.

Letitia James
Attorney General of the State of New York

By: _____ Date: August 28, 2025
Michele L. Abeles
Assistant Attorney General

NEW YORK STATE | Department of Health

KATHY HOCHUL
Governor

JAMES V. McDONALD, MD, MPH
Commissioner

JOHANNE E. MORNE, MS
Executive Deputy Commissioner

August 26, 2025

Erhardt Preitauer
Chief Executive Officer
CareSource
230 North Main Street
Dayton, Ohio 45402

RE: Membership Substitution Agreement between ElderServe Health, Inc. (ElderServe) and CareSource

Dear Erhardt Preitauer,

The Department of Health (Department) has completed its review of the Membership Substitution Agreement between ElderServe and CareSource for approval pursuant to 10 NYCRR § 98 submitted to the Department on March 28, 2025. ElderServe is a Managed Care Organization (MCO), which operates a long term care services plan certified under Article 4403-f of the Public Health Law (PHL), which entered into a Membership Substitution Agreement with CareSource, a nonprofit Corporation, whereby CareSource will become the new parent entity of ElderServe Health, Inc. that currently operates MLTCP, MAP and Medicare Advantage lines of business.

We are pleased to inform you that the Department has conditionally approved the Membership Substitution Agreement, based on the Statement of Agreement (SOA) executed on August 19, 2025, which contains a list of conditions.

If you have any questions, please contact the Department plan manager Janice Juliano by e-mail at Janice.Juliano@health.ny.gov.

Sincerely,

Susan U. Montgomery
Director
Division of Health Plan Contracting and Oversight
Office of Health Insurance Programs

Cc: Janice Juliano
Heather Grimmer
Anesa Brkanovic
Whitney Reed
Eric Linendoll
Dajana Trapanese