

Governor

JAMES V. McDONALD, MD, MPH
Commissioner

JOHANNE E. MORNE, MS Executive Deputy Commissioner

September 18, 2025

DAL: NH 25-18

Subject: Aging Adults with Medical Fragility Unit Demonstration Program

Dear CEO/CFO/Administrator:

New York State Public Health Law (PHL) was recently amended to add a new section 2808-f, authorizing the Commissioner to approve a residential health care unit for aging adults with medical fragility with a demonstration program for eligible adult residential health care facilities to construct a new facility or repurpose part of an existing facility to operate as an adult residential health care facility for the purpose of improving the quality of care for aging adults with medical fragility. This act took effect on December 21, 2024, and allows the Department to seek applications effective July 1, 2025 through December 20, 2026.

This letter explains the purpose of the demonstration program, the application process, and what will be required of providers selected to operate an Aging Adults with Medical Fragility Unit under this demonstration program. **Proposals are due to the Department by close of business on November 3, 2025 (45 days)** from the date of this letter.

#### **Aging Adults with Medical Fragility Unit Purpose:**

Aging adults with medical fragility require acute services that aren't always readily available. When these adults who are cared for by adolescent facilities age out, they are often placed in nursing homes that may lack the resources necessary to manage their complex conditions. New York State Public Health Law, Section 2808-f establishes residential health care units for these adults with medical fragility, providing a long-term person-centered alternative for meeting the needs of this vulnerable population.

Section 2808-f of the PHL defines "aging adults with medical fragility" as adults from age thirty-five to end of life who have a chronic debilitating condition or conditions, are at risk of hospitalization, are technology-dependent for life or health-sustaining functions, require complex medication regimens or medical interventions to maintain or to improve their health status, and/or are in need of ongoing assessment or intervention to prevent serious deterioration of their health status or medical complications that place their life, health or development at risk.

The Department may periodically request information concerning the implementation of PHL § 2808-f and the operation of the Aging Adults with Medical Fragility Units participating in the demonstration; as such, eligible adult residential health care applicants selected for this demonstration program must agree to submit such periodic reports to the Department. Applicants must also demonstrate the need for any services proposed within the unit and

emphasize how this program will benefit the population.

# **Eligible Applicant Criteria:**

Applicants interested in participating in the Aging Adults with Medical Fragility Unit demonstration program must meet specific eligibility criteria. Applicants must be an adult residential health care facility or discrete unit of a residential health care facility providing services to adults over the age of thirty-five, in good standing, that meets the following additional criteria, as set forth in PHL § 2808-f(2)(c):

- Is a nonprofit corporation that operates one hundred ten adult beds licensed under Article sixteen of Mental Hygiene Law: or
- Is licensed to provide diagnostic and treatment services pursuant to this article.

Additionally, applicants interested in participating in this demonstration program must meet all applicable Medicare Conditions of Participation, as set forth in Title XVIII of the federal Social Security Act (Medicare) and 42 CFR Part 483 and must be in full compliance with State regulations at 10 NYCRR Part 415.

### Lastly, applicants must:

- Agree to have a pre-opening survey, if determined necessary by the Department;
- Have beds licensed under Article sixteen of Mental Hygiene Law or licensed to provide diagnostic and treatment services under Article 28 of Public Health Law;
- Have the qualified staff in number and discipline as determined by the Department;
- Have a separate dedicated space for the Aging Adults with Medical Fragility Unit, which
  can be freestanding or a separate and distinct unit or wing of an existing adult
  residential health care facility; and
- Collect information and submit reports to the Department as requested, but no less than quarterly, to quantify the benefits of the program for residents.

## **Aging Adults with Medical Fragility Unit Proposal Requirements:**

Proposals submitted to the Department must address the configuration of the dedicated space or Unit. The Department will consider a range of bed sizes based on the aging adults with medical fragility population; however, per PHL § 2808-f (3), the applicant must propose and agree to one of the following plans:

- The applicant proposes to construct a new adult residential health care facility, to be
  constructed and operated on a parcel of land within the same county as that of the
  eligible applicant, and the applicant will have site control over such newly constructed
  adult residential health care facility; or
- The applicant proposes to repurpose part of an existing facility to operate as an adult residential health care facility for the purposes of improving the quality of care for aging adults with medical fragility.

### Aging Adults with Medical Fragility Unit Proposal Process:

As provided for under PHL Section 2808-f, the Department is hereby soliciting proposals from eligible adult residential health care applicants to participate in the Aging Adults with Medical Fragility Demonstration Program. Proposals shall include relevant schedules of the Certificate of Need (CON) application, as indicated below. Schedules can be found at: <a href="https://www.health.ny.gov/facilities/cons/">www.health.ny.gov/facilities/cons/</a>

- Click on Forms and Schedules
- Under the heading Schedules, Forms, and Guidance Documents, select the List of CON Schedules link.

Schedules 2, 6, 8, and 18 of the CON application must be completed and submitted with the proposal. Additional Schedules will be required for full CON submission should the proposal be selected for the Aging Adults with Medical Fragility Demonstration Program.

Please note that all proposals should emphasize the benefits of an Aging Adults with Medical Fragility demonstration, including, but not limited to:

- The absence of sufficient services for this population in nursing homes and in home and community-based care;
- A detailed strategy for treating residents in the Aging Adults with Medical Fragility demonstration program and for achieving measurable outcomes;
- Staffing patterns for the proposed Aging Adults with Medical Fragility demonstration program or detailed plans for recruitment of qualified staff (in sufficient numbers and discipline) upon approval of this project; and
- The intake and discharge policies and procedures for residents covered under the demonstration program.

Please submit proposals, including the CON schedules noted above, as directed below. Proposals received will be reviewed to ensure they meet all requirements and the goals of the demonstration. Selection of proposals **does not** indicate approval to operate an Aging Adults with Medical Fragility demonstration program, as applicants selected must undergo the CON process.

Proposals received by the Department will be reviewed and evaluated in accordance with the criteria provided within this letter. The Department will issue notifications regarding whether or not proposals have been selected to move forward for the Aging Adults with Medical Fragility Demonstration program. Successful applicants will receive a notice of award and will be advised to submit a full CON application through New York State Electronic Certificate of Need (NYSE-CON), associated fees, and must receive written approval of the Public Health and Health Planning Council. Such application must be filed with the Department within 6 months from the date of the award letter.

#### All proposals must be sent by November 3, 2025, either:

Electronically: <a href="mailto:ccrc@health.ny.gov">CCRC@health.ny.gov</a> or by mail to:

Center for Long-Term Care Licensure, Planning, and Finance ATTN: Nancy Angelo New York State Department of Health 875 Central Avenue, Albany, NY 12206 Thank you for your attention to this matter, and we look forward to a successful demonstration program to serve our aging adults with medical fragility. **Questions regarding this correspondence should be directed to CCRC@health.ny.gov**.

Sincerely,

Andrew Lebwohl, Director

Center for Long-Term Care Licensure,

Planning and Finance

Cc: D. Fish

V. Deetz

C. Rodat

M. Heeran

L. Baniak

N. Angelo