



Department of Health

KATHY HOCHUL
Governor

JAMES V. McDONALD, MD, MPH
Commissioner

JOHANNE E. MORNE, MS
Executive Deputy Commissioner

June 15, 2026

DAL: NH 26 -09

Subject: Equity Contribution Requirements for
Residential Health Care Facility and Adult
Day Health Care Program Capital Projects

Dear Administrator and Operators:

In an effort to promote the modernization of aging residential health care facilities (Facility) and thereby improve the quality of life of individuals residing in these facilities, the New York State Department of Health (Department) has reduced the minimum equity contribution requirement for Facility capital projects (including adult day care programs).

Effective June 22, 2026, the amended equity contribution requirement is a minimum of ten percent (10%) of the total project costs.

Certificate of Need materials and guidance documents will be updated to reflect this change. All Certificate of Need applications received on or after the effective date will be reviewed by the Department using the revised ten percent (10%) requirement. This change will not apply to applications received prior to the effective date.

Please note, the ten percent (10%) equity contribution amendment does not affect the Facility bed cap requirement. The Facility bed caps for nursing home construction set the maximum Total Project Cost per bed eligible for Medicaid capital reimbursement. Project costs exceeding the Facility bed cap must be fully funded with equity. Exceptions may be granted under limited circumstances, subject to Department review and approval.

If you have any questions related to this amended policy, please contact BNHLS@health.ny.gov. For questions related to Certificate of Need please email CONS@health.ny.gov.

Sincerely,

A handwritten signature in black ink that reads "Shelly Glock".

Shelly Glock, Director
Center for Health Care Facility Planning, Licensure &
Finance
Office of Primary Care and Health Systems Management

A handwritten signature in blue ink that reads "Andrew Lebwohl".

Andrew Lebwohl, Director
Center for LTC, Licensure, Planning
& Finance
Office of Aging and Long Term Care

cc: Dr. Fish
V. Deetz
A. Tinaphong

Empire State Plaza, Corning Tower, Albany, NY 12237 | health.ny.gov