

These are the Minutes of the New Jersey Health Care Facilities Financing Authority's regular meeting held on November 20, 2025, on the fourth floor of Building #4, Station Plaza, 22 South Clinton Avenue, Trenton, NJ.

The following ***Authority Members*** were in attendance:

Via Microsoft Teams: Noah Glyn, Designee for the Commissioner of the Department of Health (Chairing); Greg Lovell, Designee for the Commissioner of the Department of Human Services; Manny Paulino, Designee for the Commissioner of the Department of Banking and Insurance; and Public Members Bridget Devane, Tom Sullivan and Sam Maddali.

The following ***Authority staff members*** were in attendance:

On-Site: Frank Troy, Ron Marmelstein, Cindy Kline, Jeff Solimando, Taryn Rommell, Edwin Fuentes, Alpa Patel and Jose Lora. ***Via Telephone:*** Tracey Cameron.

The following ***representatives from the State and/or the public*** were in attendance:

On-site: Stephanie Gibson, Attorney General's Office; and Sam Kovach-Orr, Governor's Authority Unit. ***Via Microsoft Teams:*** Carrie Camp, Department of Health

CALL TO ORDER:

Noah Glyn, Designee of the Commissioner of Health, called the November 20, 2025, Authority meeting to order at 10:02 a.m. by announcing that this was a regular meeting of the Authority, held in accordance with the schedule adopted at the May 22, 2025, Authority meeting.

Mr. Glyn stated that in compliance with the Open Public Meetings Act and the Authority's by-laws, a notice of this meeting was mailed to *The Star-Ledger*, the *Courier Post*, and provided to numerous other newspapers and media outlets serving New Jersey, early enough to publish an announcement at least 48 hours in advance of this meeting.

Mr. Glyn called on the Authority's Communications Specialist, Jeff Solimando, to call the roll and establish attendance.

Quorum was established after the roll was called.

1. APPROVAL OF MINUTES

- *October 23, 2025*

The Minutes of the Authority's last regular meeting, held on October 23, 2025, were distributed to Members' for review and approval before today's meeting. Mr. Glyn reminded Members that only those in attendance or who have familiarized themselves with the Minutes should vote.

Mr. Glyn then requested a motion to approve the October 23, 2025, Minutes. Mr. Lovell made the motion, and Ms. Devane seconded the motion.

Mr. Glyn confirmed who made the motion and who seconded it, and then asked if there were any questions or comments on the motion. There were no questions or comments. Mr. Glyn then called for a vote. All Members voted in the affirmative.

2. SIXTH AMENDMENT TO MEMORANDUM OF AGREEMENT BETWEEN THE AUTHORITY AND DEPARTMENT OF HUMAN SERVICES, DIVISION OF AGING

Mr. Glyn called on Taryn Rommell to explain the details of the Sixth Amendment to the Memorandum of Agreement with the Department of Human Services, Division of Aging, for financial database management and analysis.

Ms. Rommell began by informing Members that since 2014, the Division of Research, Investor Relations & Compliance has been assisting the Department of Human Services, Division of Aging Services ("Human Services" or "Aging Services") with a financial early warning system (or "EWS") for long-term care facilities under a Memorandum of Agreement (the "Agreement") which expired September 30, 2025. This early warning system is similar to the ones created for acute care hospitals and federally qualified health centers.

Ms. Rommell stated that under the Agreement, staff reviews and analyzes data from skilled nursing facilities quarterly. Staff calculate statewide medians for 13 financial and operational metrics and prepare a list of facilities that may be experiencing financial distress based on screens developed in collaboration with Aging Services. Staff also respond to ad hoc requests as needed and provide Aging Services with national benchmarks. The Authority currently receives \$8,186.44 per quarter for these services. Aging Services has requested an extension of the Agreement, and the Authority would be pleased to continue working with the Department of Human Services, Division of Aging. The Authority is pleased to support this extension of services through a sixth amendment with an expiry date of December 31, 2025.

Ms. Rommell advised Members that the proposed amendment in their packets has been reviewed by Authority staff and our Deputy Attorney General, and we are now requesting approval.

Ms. Rommell concluded by stating that Mr. Troy or she would be pleased to answer questions.

Mr. Glyn asked if there were any additional questions, to which there were none.

Mr. Glyn then requested a motion to approve the sixth amendment to the Memorandum of Agreement with the Department of Human Services, Division of Aging, to provide quarterly financial database maintenance and data analysis. Mr. Sullivan offered the motion. Mr. Maddali seconded.

Mr. Glyn confirmed who made the motion and who seconded it, and then asked if there were any questions or comments on the motion. There were no questions or comments. Mr. Glyn then called for a vote. All Members voted in the affirmative.

AB RESOLUTION NO. 2025-11-A

NOW, THEREFORE, BE IT RESOLVED, that the Authority hereby adopts the resolution entitled, “**A RESOLUTION AUTHORIZING THE SIXTH AMENDMENT TO THE MEMORANDUM OF AGREEMENT WITH THE DEPARTMENT OF HUMAN SERVICES, DIVISION OF AGING SERVICES, AND THE NEW JERSEY HEALTH CARE FACILITIES FINANCING AUTHORITY FOR QUARTERLY FINANCIAL DATABASE MAINTENANCE AND DATA ANALYSIS.**”

(Attached)

3. FINANCE COMMITTEE REPORT

- Proposed 2026 Authority Budget

Mr. Glyn called on Mr. Maddali to present the Finance Committee’s recommendation on the proposed 2026 Authority budget. Mr. Maddali reported that the Committee met on November 10, 2025, to consider the budget.

Mr. Maddali stated that the proposed 2026 cash budget includes total revenues of \$4,801,316, which is 4.5% higher than the 2025 budget. Total expenses are budgeted at \$4,761,862, an increase of 5.6% over the 2025 budget. Net income is expected to be \$39,454.

Ms. Maddali then made the motion to approve the proposed 2026 Authority budget based on the Finance Committee’s November 10, 2025, unanimous vote to recommend approval.

Mr. Maddali then turned the presentation over to Mr. Troy, who presented a detailed budget summary.

Mr. Troy reminded Members that they have the memo and detailed budget information from Alpa Patel as well as a PowerPoint presentation, which he would like to go through for the Members’ benefit.

Mr. Troy reviewed the information in detail, walked the Members through all critical points noted in his presentation, and asked if they had any questions.

**(Attached)*

Mr. Maddali and the other Members thanked everyone for their hard work on the proposed 2026 budget and asked if there were any other questions from the Members. There were none.

Mr. Glyn stated that Mr. Maddali had made the motion to adopt the resolution approving the Authority's 2026 Budget and asked for a second. Mr. Sullivan seconded the motion.

Mr. Glyn confirmed who seconded, and then asked whether there were any questions or comments on the motion. There were no questions. All Members voted in the affirmative, and the resolution was approved.

AB RESOLUTION NO. 2025-11-B

NOW, THEREFORE, BE IT RESOLVED that the Authority hereby adopts the resolution approving the Authority's 2026 budget.

4. AUTHORITY EXPENDITURES

Mr. Glyn referenced a summary of Authority expenses and invoices provided to the Members and asked if there were any questions or comments on the material distributed. There were none.

Mr. Glyn requested a motion to approve the bills and authorize payment. Mr. Paulino made the motion to approve the expenses. Mr. Lovell seconded the motion.

Mr. Glyn confirmed who made the motion and who seconded it, and then asked if there were any questions or comments on the motion. There were no questions or comments. Mr. Glyn then called for a vote. All Members voted in the affirmative, and the motion to accept all submitted expenses and authorize payment was approved.

AB RESOLUTION NO. 2025-11-C

WHEREAS, the Members of the Authority have reviewed the memoranda dated November 12, 2025, summarizing expenses incurred by the Authority in connection with Trustee/Escrow Agent/Paying Agent fees and the memorandum dated November 12, 2025, summarizing general operating expenses, in the amounts of

\$27,925.00 and \$124,554,66, respectively, and have found such expenses to be appropriate;

NOW THEREFORE, BE IT RESOLVED that the Members of the Authority hereby approve all expenses as submitted, and authorize the execution of checks representing the payment thereof.

5. STAFF REPORTS

Mr. Glyn asked Executive Director Frank Troy to present his November's Executive Director's report.

Mr. Troy reported the following:

1. Congratulations to Governor-Elect Mikie Sherrill, who will be the State's 57th Governor. We look forward to working with Governor Sherrill and the new administration.
2. **New Jersey Hospital News**
 - a) Hudson Regional Health System ("Hudson") announced an interruption in payroll processing and the closure of Heights University Hospital ("Heights"), currently known as Christ Hospital, on November 14, 2025, blaming the State for "not providing the critical funding needed to sustain the operations." Hudson filed a certificate of need application with the Department of Health to close the facility. What happens next to the building has been the subject of much discussion, as luxury housing has been mentioned in the press, while some local politicians insist a hospital is needed.
 - b) The Leapfrog Group released the fall 2025 safety grades. Once again, New Jersey scored high among the states, ranking third behind Utah and Virginia. Thirty-five of the State's hospitals earned an A, only one received a D, and there were no F's.
 - c) New Jersey hospitals continue to be recognized for excellence by other organizations as well, with a number ranked highly by *Healthgrades* and *Newsweek*.
 - d) Authority staff have learned that Grant Byers is serving as interim CFO at the Hunterdon Health System.
 - e) *NJ BIZ* revealed its "2025 Business of the Year" Finalists. Amy Mansue, President and CEO of Inspira Health, is the "Nonprofit Executive of the Year" finalist. The Holy Name Hospital Foundation and RWJBarnabas Health ("Barnabas") are finalists for "Nonprofit Business of the Year" in their respective employment categories.
 - f) Barnabas recently provided \$1 million in support to 14 local feeding organizations during the recent disruption in Supplemental Nutrition Assistance Program (SNAP) benefits.

- g) Over 500 people attended a public hearing on Barnabas' plan to transfer the license of Monmouth Medical Center in Long Branch to a new facility in Tinton Falls. The meeting lasted nearly six hours, according to reports in the press.
- h) Virtua Health, as well as other health systems nationwide, reopened its Hospital at Home program following after the government shutdown ended. These programs were forced to shut down due to a lapse in funding authorization from the federal government.
- i) Hackensack Meridian Health and Atlantic Health System were among *Fortune Magazine's* "Best Workplaces for Women in 2025."
- j) Inspira Health COO, Warren Moore was recently quoted in a *Becker's Hospital Review* article on how much competition does health care need. The article's main point was that competition is good as long as it spurs innovation and provides the community with the services it needs, and is not solely focused on market share.
- k) University Hospital and Rutgers Health broke ground on the first phase of the planned multiyear redevelopment of the Newark campus. This phase includes a four-story administrative building with outpatient clinical space and an 875-space parking garage. Future phases will include a new patient tower and major updates to the existing hospital.

3. Ratings Agency Actions and Publications

- a) Moody's Ratings ("Moody's") released its 2026 U.S. not-for-profit health care outlook, maintaining its stable view on the sector. Moody's expects the gradual financial recovery to continue, but at a slower pace. According to Moody's, hospitals and health systems will continue to invest in outpatient strategies, to drive revenue growth and labor remains the primary operating expense challenge.
- b) According to Moody's, the expiration of Affordable Care Act ("ACA") subsidies would be a credit negative for hospitals. With ACA enrollment at an all-time high, significantly higher premiums could result in dropped coverage and a rise in uncompensated care.
- c) In her recent blog, Lisa Goldstein of Kaufman Hall, and formerly of Moody's, and a friend of the Authority, looks at the question "Why weren't we downgraded?" She notes that it's not only operational metrics that determine a downgrade, affirmation, or upgrade, but also management's clear articulation of a hospital's strengths and challenges.

4. New Jersey Health Care News

- a) Horizon Blue Cross and Blue Shield of New Jersey ("Horizon") agreed to pay \$100 million to settle a qui tam or "whistleblower" suit alleging Horizon intentionally caused State benefit plans to pay health care providers more than they billed for the care rendered. Most of the money will go to the State, with the five qui tam relators (whistleblowers) receiving \$12 million each.

- b) Governor Murphy announced another round of medical debt relief, eliminating \$59 million owed by over 48,000 New Jersey residents. This is the fifth round in the program with over \$1.3 billion in debt erased.
- c) Two former Commissioners of Health, Heather Howard and Mary O’Dowd, penned an article with advice for New Jersey’s next health commissioner.
- d) Optum, a subsidiary of UnitedHealthcare and one of the nation’s largest health care providers, will close 90 offices in New Jersey by the end of November. The closures will affect various services, including primary care, pediatrics, and specialties like cardiology and podiatry.

5. National Health Care News

- a) Kaufman Hall’s September 2025 National Hospital Flash Report noted that hospital operating margins remain stable, but there is a wide spread in hospital performance. Drug costs continue to rise, driven by price escalation and increased use of more advanced pharmaceuticals.
- b) A Kaufman Hall article suggests that hospitals and health systems must look at the margin provided by existing and contemplated service lines, not just the volume, in response to cost pressures and lower reimbursement.
- c) A recent *Wall Street Journal* article examines the difficulty Medicaid recipients have in getting a doctor’s appointment.
- d) CMS announced the monthly Medicare Part B premium will increase 10% or \$17.90 in 2026, going from \$185 to \$202.90. The increase will bring in approximately \$14 billion to the program and could drive more beneficiaries into Medicare Advantage plans which typically have no monthly premium.

6. Bond and Tax Legislation and Regulatory News

None

7. Other News

The Federal Reserve (the “Fed”) reduced the main interest rate by a quarter point to a range between 3.75% and 4.00% in late October, the second cut this year. The Fed will meet again in December.

8. Authority News

- a) Thank you to the Members and Designees for completing their 2025 ethics training. If you ever have any ethics-related questions, please reach out to the Authority’s Ethics Liaison Officer, Robin Piotrowski, or me.
- b) The next regular Authority meeting will be Thursday, December 18, 2025, at 10:00 AM. Please expect an executive session to discuss personnel matters.

Have a very Happy Thanksgiving! Thank you.

6. ADJOURN

As there was no further business, questions, or comments, Mr. Glyn asked for a motion to adjourn. Mr. Lovell made the motion, and Mr. Sullivan seconded the motion. Mr. Glyn confirmed who made the motion and who seconded it, and then asked if there were any questions or comments on the motion.

Mr. Glyn then called for a vote to adjourn. All members voted in the affirmative, and the meeting was adjourned at 10:33 a.m.

I HEREBY CERTIFY THAT THE FOREGOING IS A TRUE COPY OF THE MINUTES OF THE NEW JERSEY HEALTH CARE FACILITIES FINANCING AUTHORITY REGULAR MEETING HELD ON NOVEMBER 20, 2025.

Cindy Kline, Assistant Secretary