

These are the Minutes of the New Jersey Health Care Facilities Financing Authority's regular meeting held on January 22, 2026, 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); Public Members Tom Sullivan, Bridget Devane, Arthur Kapoor and Sam Maddali (arriving @ 10:06 a.m.).

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

On-Site: Frank Troy, Ron Marmelstein, Cindy Kline, Jeff Solimando, Edwin Fuentes, Alpa Patel, and Taryn Rommell.

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

On-site: Stephanie Gibson, Attorney General's Office. ***Via Microsoft Teams:*** Aaron Creuz, Governor's Authority Unit; Carrie Camp, Department of Health; Tamara Cunningham, RWJBH and Sarah Best, Planned Parenthood Action Fund of New Jersey.

CALL TO ORDER

Noah Glyn, Designee of the Commissioner of Health, called the January 22, 2026, 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

- *December 18, 2025*

The Minutes of the Authority's last regular meeting, held on December 18, 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. Kapoor made the motion, and Mr. Sullivan 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.

2. 2026 DEBT MANAGEMENT PLAN

Mr. Glyn called on Edwin Fuentes to present the Authority's 2026 Debt Management Plan.

Mr. Fuentes began his presentation by reminding Members that under Executive Order No. 26 (Gov. *Whitman*), the Authority is required to prepare an annual Debt Management Plan and submit it to the Treasurer of the State of New Jersey. The Debt Management Plan for 2026, which has been distributed to the Members, reflects financings that were completed during 2025, and identifies three bond financings and one Capital Asset Loan that are anticipated for 2026, along with a description of each project, the anticipated issue size, security, expected ratings and a proposed method of sale.

Mr. Fuentes advised Members there is no anticipated activity for either the Master Lease Program, Composite Program, or the Equipment Revenue Note Program. He stated that the proposed plan's estimated issuance amounts exclude Capital Asset Program (CAP) loans since these transactions do not involve the issuance of new debt.

Mr. Fuentes concluded by stating that, as in prior years, the total volume for 2026 is subject to change, depending upon market conditions and borrowers' preferences. He then asked Members for approval of the proposed plan and the authorization to submit it to the Treasurer.

Mr. Glyn asked for a motion to approve the Authority's 2026 Debt Management Plan and submit it to the Treasurer under the requirements of Executive Order No. 26 (Gov. *Whitman*). Mr. Kapoor made the motion. Mr. Sullivan 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 called for a vote. All Members voted in the affirmative and the motion passed.

AB RESOLUTION NO. 2026-01-A

WHEREAS, the Members of the Authority have reviewed the memorandum dated January 13, 2026 regarding the 2026 Debt Management Plan.

NOW, THEREFORE, BE IT RESOLVED, that the Authority hereby approves a motion to adopt the proposed 2026 Debt Management Plan and submit it to the State Treasurer in accordance with the requirements of Executive Order No. 26 (Gov. *Whitman*).

3. RESOLUTION OF APPRECIATION

- *William W. McLaughlin, Jr.*

Mr. Glyn asked Jeff Solimando to read the Resolution of Appreciation for William McLaughlin to the Members.

Mr. Solimando asked Members for approval to express the Authority's appreciation for Mr. McLaughlin's dedicated service by having Members approve the following resolution, which he read aloud:

WHEREAS, the New Jersey Health Care Facilities Financing Authority ("Authority") was created through the enactment of Chapter 29, Laws of New Jersey 1972, which was amended in 2000 to ensure that all health care organizations have access to financial resources to improve the health and welfare of the citizens of the State; and

WHEREAS, William W. McLaughlin, Jr., joined the New Jersey Health Care Facilities Financing Authority on November 13, 2000; entered into his most recent position of Director of Project Management on May 2, 2016, and was appointed the Authority's Chief Diversity Officer on May 1, 2023, and,

WHEREAS, throughout his tenure, he demonstrated initiative in carrying out the mission of the Authority, that of ensuring "all health care organizations have access to financial resources to improve the health and welfare of the citizens of the State"; and,

WHEREAS, during his service, **William W. McLaughlin, Jr.**, assisted with implementing and upholding new policy initiatives to maintain the Authority's competitive advantage by streamlining the municipal bond process and reducing borrower fees; and,

WHEREAS, William W. McLaughlin, Jr., participated in projects at the Authority that required working with industry and government experts, and with Authority Members through open communication, undertook initiatives to create solid best practices for the Authority, its borrowers, and its bondholders; and,

WHEREAS, after twenty-five years of dedicated service with the Authority, **William W. McLaughlin, Jr.**, retired from his positions on January 1, 2026, and,

WHEREAS, the Authority wishes to acknowledge **William W. McLaughlin, Jr.**, for his dedicated service to the Authority and the New Jersey health care organizations which it supports; and,

WHEREAS, the Authority wishes to acknowledge **William W. McLaughlin, Jr.**'s commitment to the Authority and to applaud the integrity with which he carried out the Authority's mission and goals;

NOW, THEREFORE, BE IT RESOLVED, that the New Jersey Health Care Facilities Financing Authority hereby expresses its enormous gratitude and sincere appreciation to **William W. McLaughlin, Jr.**, and

BE IT FURTHER RESOLVED that a copy of this *Resolution of Appreciation* be given to **William W. McLaughlin, Jr.**, as a tribute from the New Jersey Health Care Facilities Financing Authority for his many years of service and valued accomplishments.

Mr. Glyn thanked Mr. Solimando, then asked for a motion to approve the *Resolution of Appreciation* for William McLaughlin. Mr. Kapoor 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 called for a vote. All Members voted in the affirmative and the motion passed.

AB RESOLUTION NO. 2026-01-B

NOW, THEREFORE, BE IT RESOLVED, that the Authority hereby adopts the resolution entitled “**RESOLUTION OF APPRECIATION FOR WILLIAM W. MCLAUGHLIN, JR.** for twenty-five years of dedicated service to the New Jersey Health Care Facilities Financing Authority.”

(Attached)

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. Kapoor made the motion to approve the expenses and 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, and the motion to accept all submitted expenses and authorize payment was approved.

AB RESOLUTION NO. 2026-1-C

WHEREAS, the Members of the Authority have reviewed the memoranda dated January 14, 2026, summarizing expenses incurred by the Authority in connection with Trustee/Escrow Agent/Paying Agent fees and the memorandum dated January 14, 2026, summarizing general operating expenses, in the amounts of \$60,626.00 and \$82,876.57, 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 December Executive Director's report.

Mr. Troy reported the following:

1. Congratulations to Governor Sherrill and Lt. Governor Caldwell who were inaugurated on Tuesday. We look forward to working with the new administration.
2. New Jersey Hospital News
 - a) RWJBarnabas Health ("Barnabas") and Englewood Health ("Englewood") reached a definitive agreement that would see Englewood join Barnabas. If approved by federal and State regulators, Englewood Hospital would become the 15th hospital in the Barnabas system.
 - b) In other merger news, Virtua Health and Delaware-based ChristianaCare announced they mutually agreed to terminate the letter of intent to affiliate which was entered into in July 2025.
 - c) Hudson Regional Health has appointed Doug Zehner as Executive Vice President and system CFO. Mr. Zehner was recently the CFO at Holy Name Medical Center after holding various positions at Barnabas.
 - d) The State Health Planning Board held a special meeting on December 18, 2025, and voted to recommend approval of the certificate of need application for the replacement and relocation of RWJBarnabas Health's ("Barnabas") Monmouth Medical Center. Deputy Commissioner of Health Sahu approved the plan on January 8, 2026, with conditions. You may recall that the matter was the subject of a six-hour public hearing and an initial State Health Planning Board meeting lasting eight hours. Barnabas will

now move into the design phase with the replacement hospital scheduled to open in 2032. A number of services will remain at the current site including inpatient beds, operating rooms and a full-service emergency department. The New Jersey Legislature approved a bill (A6313/S5034) establishing a pilot program to preserve critical hospital services in Long Branch.

- e) In other Barnabas news, President and CEO Mark Manigan was honored by *Becker's Hospital Review* as a CEO Influencer.
- f) Horizon Blue Cross-Blue Shield of New Jersey announced that it and St. Joseph's Health System have been unable to reach a new agreement and that the system would leave the network effective March 1, 2026.
- g) Jefferson Health, parent of the former Kennedy Health System, is among the plaintiffs suing drug manufacturers and pharmacy benefit managers over the cost of insulin which has increased by more than 1,000% since the 1990's.
- h) Inspira Health announced Warren Moore has been appointed president and chief operating officer of the health system. Moore will oversee operations across Inspira's hospitals, health centers, and outpatient locations. Amy Mansue will continue as chief executive officer.

3. Ratings Agency Actions and Publications

- a) Fitch Ratings ("Fitch") recently held a U.S. cross-sector 2026 Outlook web event that included not-for-profit health care, corporate health care and health insurance, all of which are interrelated. Insurers' EBITDA (earnings before interest, taxes, depreciation and amortization) margins have dropped each year since 2018, and medical loss ratios (the percentage of health insurance premiums spent on actual medical care) have deteriorated as well. Not-for-profit hospitals will face margin pressure from H.R.1 but have time to prepare. On the corporate health care side, near-term revenue growth is expected to be flat for medical devices and pharma.
- b) S&P Global ("S&P") held a similar event and made the results of some viewers' polling questions available. 49.6% saw changes in Medicaid and ACA exchange enrollment as the biggest threat to hospitals in 2026.

4. New Jersey Health Care News

- a) Governor Sherrill has nominated Dr. Raynard Washington as Commissioner of Health. Dr. Washington has served as the Director of the Public Health Department of Mecklenburg County, North Carolina, since 2021. He earned a Ph.D. in epidemiology from the University of Pittsburgh. As you know the Commissioner of Health serves as the Authority's Chair.
- b) According to a report issued under the State's Health Care Affordability, Responsibility and Transparency (HART) Program, per-person total health care expenditures increased 6.1% from 2022 to 2023, rising to \$11,319. The State's target was 3.5%. Prices, not just usage, drove the increase.

- c) With a severe nursing shortage looming, the State’s educational institutions are working to increase enrollment. According to a *New Jersey Business Magazine* article, the number of applicants to nursing programs is not the issue, but the number of seats is. In 2023, 13,334 prospective students applied for 7,780 available spots.

5. National Health Care News

- a) Due to increased antitrust scrutiny, cross-market, or regional, mergers are becoming more frequent as opposed to same-market affiliations. Health systems can achieve the benefits of scale, such as strengthened payor negotiation positions, without direct patient overlap. Incidentally, in 2025 there were 46 announced hospital mergers or acquisitions, according to an analysis by Kaufman Hall, the lowest number of deals in 15 years.
- b) According to the Wall Street Journal, hospitals are rapidly becoming a proving ground for the use of artificial intelligence or AI, paying for more AI licenses than other sectors of the economy. Imaging results and payor denials are the most common uses.
- c) Hospitals are expecting increased emergency room visits as ACA marketplace enrollment is expected to drop due to the expiration of premium tax credits. The Urban Institute estimated 4.8 million people could lose coverage. More uncompensated care and gaps in access are also anticipated.
- d) Waivers that allow hospital at home programs are set to expire January 30th without Congressional action. A bill passed in the House in early December would preserve the waivers for five years, through September 30, 2030. A number of New Jersey hospitals have such programs.
- e) The November 2025, *Kaufman Hall National Hospital Flash Report* noted margins declined compared to October. Volume adjusted expenses rose while revenue did not.

6. Bond and Tax Legislation and Regulatory News

The Authority’s trade association, NAHEFFA, signed on to a letter to congressional leaders outlining policy priorities for the 119th Congress. Maintaining municipal bond tax exemption is first and foremost, followed by restoration of advance refunding.

7. Other News

The Bureau of Labor Statistics said the consumer price index (CPI) for all goods rose 2.7% in 2025, suggesting inflation is holding steady.

8. Authority News

- a) In June of 2016, the Authority adopted Resolution No. HH-28 which lowered certain Authority fees but created an automatic annual adjustment to the amount of bonds that would be subject to the Authority’s initial fees and annual fees (the “fee cap”). The resolution called for the adjustment of the fee cap based on the change in the average of the Consumer Price Index for all Urban Consumers (“CPI-U”) in the New York City and Philadelphia regions. For the twelve-month period ending December 31, 2025, the

CPI-U in the New York City region increased 3.40% and the Philadelphia region prices increased 3.90%, for an average increase of 3.65%. Therefore, with rounding to the nearest \$100,000, the initial fee of 2.5 basis points will now be collected on the first \$130,600,000 in bonds issued by the Authority or a maximum of \$32,650, an increase of \$1,150. Per series fees shall continue to be \$10,000 for each series.

b) The next regular Authority meeting will be Thursday, February 26, 2026, at 10:00 AM.

Thank you.

7. ADJOURN

As there was no further business, questions, or comments, Mr. Glyn asked for a motion to adjourn. Mr. Kapoor made the motion, and Mr. Maddali 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 10:22 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 JANUARY 22, 2026.

Cindy Kline, Assistant Secretary