

Date: 1 / 30 / 2026

Subject: New Jersey County Option Hospital Fee Program Fee and Expenditure Report

County: Camden County

GENERAL

Describe the proposed hospital fee program the county intends to enact by providing details on all of the elements listed below.

FEE PROGRAM

1. What is the county's proposed effective date of the fee program?

July 1, 2026

2. List of all licensed hospitals located in your county:

Please Include: Name, address, facility ownership (for profit, NFP or government owned) **and** type of facility (acute care, psychiatric, rehabilitation, children's, LTACH, Specialty)

Please see "Attachment A" for full list of hospitals located in Camden County.

3. Federal law and regulations require all hospitals in a jurisdiction to be taxed, unless a specific process is followed to exempt particular hospitals – a process that includes meeting a statistical test.

Does the county plan on excluding any hospitals from the fee program? No Yes

If so, please list name(s) and type of facility:

Ancora Psychiatric Hospital, a state-owned psychiatric hospital, is not included in the fee. Pursuant to 42 CFR 433.68(c)(1), a provider assessment is considered to be broad based if it is imposed on all providers of the applicable services "furnished by all non-Federal, non-public providers."

4. If the county plan **proposes to exempt** particular hospitals/classes of hospitals, please provide a policy justification for excluding those specific hospitals/classes of hospitals from the fee program. (If not, please leave blank)

5. The law creating the County Option Hospital Fee Program requires that counties consult with affected hospitals within their jurisdiction prior to submitting the Fee and Expenditure Report to the Commissioner of Human Services. Please detail when and how county officials consulted with affected hospitals.

Beginning with the first program year, the County, through its contractor, Eyman Partners, implemented a comprehensive process of educating, consulting with, and gathering feedback from all hospitals within the jurisdiction, and developing criteria to evaluate potential models. Those criteria continue to inform the model development process for the current year. For SFY27, the County has collected updated data from the hospitals to reevaluate the model (both assessment and payment bases) and has involved the hospitals throughout this process. Informed by insights from the original modeling process, we reviewed the impact of updated data on the current model, identified any deviations from the guidelines/priorities we set out in creating the initial model, and then reviewed targeted additional options to address those deviations. We shared this information with the hospitals by email and gathered their feedback to inform design of the program for SFY27. We also provided support to the hospitals to complete the required forms.

6. Please describe the basis of the proposed fee – e.g. net patient revenue, days of care, discharges? (N.J.A.C. 10:52B)

The County proposes to assess a fee on inpatient hospital services, structured as a fee per discharge for services furnished within the County's jurisdiction. Those hospitals that have provider-based facilities located outside the county, have segregated their in-county from out-of-county services and only the services provided within the County will be assessed. The County has used calendar year 2024 data, inflated through 2027, as the source for calculating the fees.

7. Will the basis for the proposed fee exclude Medicare and /or Medicaid data?

No.

8. What is the proposed fee rate or fee amount?

Please specify if different fee rates or amounts will be applied to inpatient versus outpatient services and identify respective notes/ amounts.

The proposed fee is \$2,093.92 per discharge.

9. Will the same fee rate or fee amount apply to all hospitals included in the fee program? No Yes

If not, please describe which fee rate or amount is proposed to be applied to each hospital and the policy rationale.

10. If the fee program is not uniform or broad based, one or more statistical tests must be passed for the fee to comply with federal regulations. If the proposed fee program is **not broad-based** or **not uniform**, please provide a copy of the federally compliant statistical test(s) in an excel document. N/A Attached

Information on federally compliant statistical test (s) can be accessed at 42 CFR § 433.68

- Permissible health care-related taxes.

<https://www.govinfo.gov/content/pkg/CFR-2018-title42-vol4/xml/CFR-2018-title42-vol4-sec433-68.xml>

11. While the transfers to the state from the county must occur quarterly, what is the planned timing for collecting the fee – quarterly, monthly, biannually?

Quarterly Monthly Biannually Other _____

12. What interest and/or penalties will be imposed for failure to pay the fee?

In the event a hospital fails to remit the fee by the due date, the County will add interest to the amount due, not to exceed 1.5% of the outstanding payment amount per month, reflected on to the following quarter's invoice

13. What appeal process will be established to resolve any disputes related to the fee program?

Upon federal approval of the program, the County will officially notify hospitals that the fee program will take effect, and of the amount of the quarterly fee they will be required to pay throughout the program. The hospitals will have 15 days from receipt of that notice to contest the fee amount, by submitting a letter, including any supporting documents, to the County specifying the basis for the appeal.

14. How will hospitals be notified of their fee obligation and any other related operational requirements under the fee program?

In addition to the annual notice notifying the hospitals that the fee program will take effect, and of the annual quarterly fee amounts they will be required to pay under the program, the County will send each hospital quarterly invoices notifying them of their fee obligation and the payment deadline at least 20 days in advance of each quarterly due date.

15. Please provide any additional pertinent information that you believe would be helpful in describing the program.

The County proposes that the amount of the assessment collected from Jefferson Washington Township Hospital, a Gloucester County location of Jefferson Health based in Camden County (less applicable fee withholdings) be utilized for County Option payments made to Camden County hospitals, as the services provided at Jefferson Washington Township Hospital will be paid through the Camden County program.

This Fee & Expenditure report was prepared by the County's contractors who have nationwide experience working with these types of programs. The County has relied extensively on their expertise in developing the model, responding to these questions and assuring compliance with state and federal rules. The signed certification below relies in large part on the work and advice of the contractors.

PROPOSED PAYMENT PROGRAM

As part of the program, counties may submit a proposed payment methodology detailing how program funds will be distributed to hospitals and the basis of the distribution. However, as the single State agency for the Medicaid Program, the Department's role is to review the proposed programs to assure that the assessment design and proposed expenditure methodology, if provided, comply with federal regulations governing such programs. A county's proposed payment method must include details on elements listed below.

1. What is the proposed basis for determining the hospital payment amounts?

The County proposes a state directed payment, to be implemented as a uniform increase to Medicaid Managed Care inpatient payments across two classes of hospitals: acute general and non-general acute hospitals to account for differences in acuity across the classes, as well as an outpatient payment for the general acute class of hospitals. The increase in inpatient payments would be implemented as a \$4,146.40 per diem add-on for the general acute care hospitals and \$14,549.11 per discharge add-on for the non-general acute care hospital (Northbrook Behavioral Health Hospital). The increase in outpatient payments for the general acute class would be implemented as a per visit add-on of \$789.39.

The inpatient payments have been calculated using a Federal Medical Assistance Percentage (FMAP) of 68.72% for the general acute class and 71.34% for the non-general acute class. The outpatient payment for the general acute class of hospitals has been calculated using an estimated FMAP of 69.26%. In each case, we began by calculating the FMAP based on the mix of Medicaid, expansion and CHIP patients in the state's CY2024 data.

The payment methodology would be the same for all hospitals in a class, thereby directing the expenditures equally, using the same terms of performance, as required by 42 CFR 438.6(c)(2)(ii)(B). Details of the calculation of this payment methodology are contained in the attached model, prepared by the County's contractors, who can provide additional information as needed.

The directed payments would be provided on a quarterly basis, paid to the managed care organizations as a separate payment term. The four quarterly payments would each be equal to 25% of the projected annual rate increase amount (which is estimated in the attached model, based on the state's CY2024 encounter data forwarded to the County by DMAHS in September 2025 and updated in December 2025). A final reconciliation adjustment would be determined after the end of the year, based on actual services provided, keeping the relative distribution of payments across the general acute and specialty hospital classes as modeled. In this way, the payments would meet the federal requirement at 42 CFR 438.6(c)(2)(ii)(A) that directed payments "be based on the utilization and delivery of services."

2. The purpose of the County Option Hospital Fee Program is to increase financial resources through the Medicaid/NJ FamilyCare program to support local hospitals and to ensure that they continue to provide necessary services to low-income residents. How will the payments be utilized to effectuate this purpose?

The resources generated from the County Option Hospital Fee Program will help to stabilize the hospitals' financial positions, particularly in view of the low base Medicaid rates in the state compared to the average commercial rate, and, consequently, will strengthen their capacity to provide access to quality comprehensive and essential healthcare services to low income County residents as well as encourage the hospitals to expand their provision of Medicaid services.

OTHER COUNTY REQUIREMENTS

CHECK BOX TO CONFIRM COMPLETION AND/OR AGREEMENT

- The county has provided the state with all calculations for the fee, the proposed payments, and the statistical test.
- The county understands that the funds created from this program are to increase financial resources through the Medicaid/NJ FamilyCare program to support local hospitals in providing necessary services to low-income residents.
- The county understands that at least 90% of the fee amounts collected will be transferred to the state to be used as the non-federal share for federally matched hospital payments.
- The county understands that at least 1% of the fee amounts collected will be transferred to the state for the state's administrative costs.
- The county understands that fees to be collected may not exceed ~~2.5%~~ ^{5%} of the net patient revenue of hospitals included in the fee program.
- The following FORMS and ATTESTATION must be submitted with the Fee and Expenditure Report for each hospital located in the county (Include all source documents)
- Data Form for County Option Template Hospital Fee Program** **Preliminary DSH Calculation**
- Attestation**
Signed by each hospital located in the county.

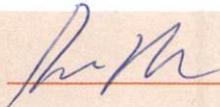
ATTESTATION

NEW JERSEY COUNTY OPTION HOSPITAL FEE PROGRAM FEE AND EXPENDITURE ATTESTATION

CERTIFICATION BY COUNTY OFFICER OR ADMINISTRATOR

I hereby certify that I have examined the Fee & Expenditure Report for the reporting periods specified and that to the best of my knowledge and belief it is true, correct and complete statement prepared from the county option hospital fee state data set created from reports submitted by the hospitals within the county's jurisdiction in accordance with applicable instructions, except as noted. I understand that misrepresentation or falsification of any information contained in this report may be punishable by criminal, civil and administrative action, fine and/or imprisonment under state or federal law.

Signed



County Officer or Administrator

Name: Ross G. Angilella

Full Name (Printed)

Title: County Administrator

Date: 02/02/26

Email Address: _____

Attachment A
New Jersey County Option Hospital Fee Program
List of hospitals located in Camden County

Cooper Hospital University Medical Center

1 Cooper Plaza
Camden, NJ 08103
General Acute Care
Non-profit

Virtua - West Jersey Hospital Voorhees

100 Bowman Dr.
Voorhees, NJ 08043
General Acute Care
Non-profit

Virtua Our Lady of Lourdes Hospital

1600 Haddon Ave.
Camden, NJ 08103
General Acute Care
Non-profit

Jefferson Cherry Hill Hospital

2201 Chapel Ave. West
Cherry Hill, NJ 08002
General Acute Care
Non-profit

Jefferson Stratford Hospital

18 East Laurel Rd.
Stratford, NJ 08084
General Acute Care
Non-profit

Northbrook Behavioral Health Hospital

425 Woodbury Turnersville Rd.
Blackwood, NJ 08012
Psychiatric hospital
For profit

Ancora Psychiatric Hospital* (Excluded from program)

301 Spring Garden Rd.
Hammonton, NJ 08037
Psychiatric hospital
State-owned hospital

CAMDEN COUNTY HOSPITAL FEE

1/28/2026

Fee Basis: \$2,093.92 per Discharge

State-Directed Medicaid Managed Care Payment (Acute): \$4,146.40 per diem and \$789.39 per visit

State-Directed Medicaid Managed Care Payment (Non General Acute): \$14,549.12 per discharge

Total Fee Receipts	\$179,084,281
County's Resource	\$16,117,585
State's Resource	\$1,790,843
<i>Non-federal Share of Medicaid Payments</i>	<i>\$177,249,154</i>

HOSPITAL	Fees Paid	Increased Medicaid Payments
Cooper University	\$67,411,540	\$259,040,948
Virtua West Jersey - Voorhees	\$53,231,539	\$96,582,835
Virtua OLOL	\$26,839,818	\$67,143,470
Jefferson UMC *	\$25,993,876	\$106,067,876
Northbrook Hospital	\$5,607,508	\$18,186,394
	\$179,084,281	\$547,021,523

* Excludes est. \$17.9M in fees paid to Gloucester County

CAMDEN COUNTY HOSPITAL FEE

Fee Basis: \$2,093.92 per Discharge

State-Directed Medicaid Managed Care Payment (Acute): \$4,146.40 per diem and \$789.39 per visit

State-Directed Medicaid Managed Care Payment (Non General Acute): \$14,549.12 per discharge

\$2,093.92	Inpatient Unit Fee
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HOSPITAL	All Payer Discharges	Fee Receipts	
			<i>b = a * fee rate</i>
Cooper University	32,194	\$67,411,540	
Virtua West Jersey - Voorhees	25,422	\$53,231,539	
Virtua OLOL	12,818	\$26,839,818	
Jefferson UMC	12,414	\$25,993,876	
Northbrook	2,678	\$5,607,508	
Total IP	85,526	179,084,281	c

Total Fee Receipts	\$179,084,281	c
County Resource	\$16,117,585	d = c * 9%
State Resource	\$1,790,843	e = c * 1%

Transfer from Gloucester Co.	\$16,073,301	f
State Share Medicaid Payments	\$177,249,154	g = c - d - e + f

State Share Medicaid IPH General acute Payments	\$123,000,000	h
Est Effective FMAP	68.72%	i
State + Federal Share of Medicaid General acute IPH Payments	\$393,245,856	j = h / (1 - i)
6% HMO Admin Fee	\$23,987,997	k = j * 6.1%
Total Medicaid Payments Going to IPH General acute Hospitals	\$369,257,859	l = j - k
State Share Medicaid IPH Non-General Acute Psych Payments	\$5,550,046	m = g * 3.13%
Est Effective FMAP	71.34%	n
State + Federal Share of Medicaid Non-General Acute IPH Payments	\$19,367,832	o = m / (1 - n)
6% HMO Admin Fee	\$1,181,438	p = o * 6.1%
Total Medicaid Payments Going to IPH Non-General Acute Hospitals	\$18,186,394	q = o - p
State Share Medicaid OPH General acute Payments	\$48,699,108	r = g - h - m
Est Effective FMAP	69.26%	s
State + Federal Share of Medicaid General acute OPH Payments	\$169,943,844	t = r / (1 - s)
6% HMO Admin Fee	\$10,366,574	u = t * 6.1%
Total Medicaid Payments Going to OPH General Acute Hospitals	\$159,577,270	v = t - u

CAMDEN COUNTY HOSPITAL FEE

1/28/2026

Fee Basis: \$2,093.92 per Discharge

State-Directed Medicaid Managed Care Payment (Acute): \$4,146.40 per diem and \$789.39 per visit

State-Directed Medicaid Managed Care Payment (Non General Acute): \$14,549.12 per discharge

Total Inpatient Hospital Enhanced Payments - General acute	\$369,257,859	a
<i>Inpatient Hospital Add-On Payment (General acute)</i>	\$4,146.40	$b = a / e$ sum
Total Inpatient Hospital Enhanced Payments - Non General Acute	\$18,186,394	c
<i>Inpatient Hospital Add-On Payment (Per Discharge) Non-General Acute</i>	\$14,549.12	$d = c / g$ sum
Total Outpatient Hospital Enhanced Payments - General acute	\$159,577,270	e
<i>Outpatient Hospital Add-On Payment (General acute)</i>	\$789.39	f

GENERAL ACUTE - INPATIENT

g h = g * b

Medicaid Managed Care Directed Payment

HOSPITAL	Patient Days	PAYMENTS
Cooper University	46,714	193,695,038
Virtua West Jersey - Voorhees	13,243	54,910,806
Virtua OLOL	10,715	44,428,701
Jefferson UMC	18,383	76,223,314
	89,055	\$369,257,859

GENERAL ACUTE - OUTPATIENT

i j = i * f

Medicaid Managed Care Directed Payment

HOSPITAL	Visits	PAYMENTS
Cooper University	82,780	65,345,910
Virtua West Jersey - Voorhees	52,790	41,672,029
Virtua OLOL	28,775	22,714,769
Jefferson UMC	37,807	29,844,562
	202,152	\$159,577,270

GENERAL ACUTE - INPATIENT

k l = k * d

Medicaid Managed Care Directed Payment

HOSPITAL	Discharges	PAYMENTS
Northbrook BH	1,250	\$18,186,394

Maximum Revenue Analysis

Revenue Submission

	INPATIENT	OUTPATIENT	INPAT + OUTPAT
Cooper University	\$1,274,538,000	\$790,858,000	\$2,065,396,000
Virtua West Jersey - Voorhees	\$444,160,847	\$434,049,016	\$878,209,863
Virtua OLOL	\$329,441,101	\$201,030,490	\$530,471,591
Jefferson UMC	\$216,539,875	\$133,721,122	\$350,260,997
Northbrook Behavioral Health	\$52,898,424	\$0	\$52,898,424
	2,317,578,247	1,559,658,628	3,877,236,875

1.0861	<i>Inflation Factor</i>
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INFLATED FEE BASIS

	INPATIENT	OUTPATIENT	INPAT + OUTPAT
Cooper University	\$1,384,266,437	\$858,945,113	\$2,243,211,550
Virtua West Jersey - Voorhees	\$482,399,860	\$471,417,474	\$953,817,335
Virtua OLOL	\$357,803,580	\$218,337,751	\$576,141,331
Jefferson UMC	\$235,182,381	\$145,233,536	\$380,415,917
Northbrook Behavioral Health	\$57,452,593	\$0	\$57,452,593
	\$2,517,104,851	\$1,693,933,874	\$4,211,038,725

\$4,211,038,725 Total Inflated Revenue

\$210,551,936	5% NPSR Rev Cap	
\$179,084,281	4.253% NPSR Rev	Maximum Revenue

ACR Equivalent and Total SDP Amount Analyses

Inpatient Hospital (General Acute)

Per Diem ACR Threshold		\$9,073.54	a
Aggregate CY24 Patient Days	89,055		
Medicaid HMO Payments	\$242,827,609.59	\$2,726.72	b
QIP-NJ	\$21,597,640.00	\$242.52	c
		\$2,969.24	d = b + c
<i>Remaining Room Under ACR Threshold (Pre County Option)</i>		<i>\$6,104.30</i>	<i>e = a - d</i>
County Option SDPs	\$369,257,858.53	\$4,146.40	f
Post County Option Remaining ACR Room		\$1,957.90	g = e - f

Percentage of ACR Equivalent	78.42%	h = (d + f) / a
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Outpatient Hospital (General Acute)

Per Diem ACR Threshold		\$3,714.92	j
Aggregate CY24 Visits	202,152		
Medicaid HMO Payments	\$169,861,356	\$840.27	k
Interim State Directed Payments	\$46,477,853	\$229.92	l
		\$1,070.18	m = k + l
<i>Remaining Room Under ACR Threshold (Pre County Option)</i>		<i>\$2,644.74</i>	<i>n = j - m</i>
County Option SDPs	\$159,577,270	\$789.39	o
Post County Option Remaining ACR Room		\$1,855.35	p = n - o

Percentage of ACR Equivalent	50.06%	q = (m + o) / j
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Inpatient Hospital (Non-General Acute)

Per Diem ACR Threshold		\$9,073.54	r
Aggregate CY24 Patient Days	24,357		
Medicaid HMO Payments	\$23,897,968.12	\$981.15	s
QIP-NJ		\$0.00	t
		\$981.15	u = s + t
<i>Remaining Room Under ACR Threshold (Pre County Option)</i>		<i>\$8,092.39</i>	<i>v = r - u</i>
County Option SDPs	\$18,186,394.46	\$746.66	w
Post County Option Remaining ACR Room		\$7,345.73	x = v - w

Percentage of ACR Equivalent	19.04%	y = (u + w) / r
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SFY26 Total SDP Amount	\$547,021,525	z
Under / (Over)	\$2	aa = z - f - o - w

CY24 Encounter Data and FMAPs and Estimated Output Hosp SDP

	PATIENT DAYS				DISCHARGES				Medicaid HMO Payments			
	CHIP	Expansion	Medicaid	TOTAL	CHIP	Expansion	Medicaid	TOTAL	CHIP	Expansion	Medicaid	TOTAL
Virtua West Jersey - Voorhees	154	4,714	8,375	13,243	79	1,066	1,974	3,119	\$446,274.67	\$11,170,146.33	\$17,648,832.77	\$29,265,253.77
Virtua OLOL	60	5,546	5,109	10,715	14	870	979	1,863	\$105,841.20	\$15,665,195.37	\$14,782,542.42	\$30,553,578.99
Cooper	1,043	22,703	22,968	46,714	350	3,117	3,817	7,284	\$4,844,389.51	\$70,545,792.48	\$68,369,323.94	\$143,759,505.93
Jefferson UMC Hospitals	780	7,955	9,648	18,383	148	1,597	1,662	3,407	\$789,140.09	\$13,441,649.72	\$15,119,034.18	\$29,349,823.99
Northbrook BH	128	11,686	12,543	24,357	8	664	578	1,250	\$121,870.00	\$11,011,496.00	\$11,790,344.43	\$22,923,710.43
	2,165	52,604	58,643	113,412	599	7,314	9,010	16,923	\$6,307,515.47	\$121,834,279.90	\$127,710,077.74	\$255,851,873.11

	General Hospital - Days				Non-General Hospital - Discharges			
	CHIP	Expansion	Medicaid	TOTAL	CHIP	Expansion	Medicaid	TOTAL
Patient Days or Discharges	2,037	40,918	46,100	89,055	8	664	578	1,250
Population Proportion	2.3%	45.9%	51.8%		0.6%	53.1%	46.2%	
Population FMAP	65.00%	90.00%	50.00%		65.00%	90.00%	50.00%	
Aggregate FMAP	1.49%	41.35%	25.88%	68.72%	0.42%	47.81%	23.12%	71.34%

Total BASE Payments	
General Acute	\$232,928,163
Non-General Acute	\$22,923,710

	VISITS			
	CHIP	Expansion	Medicaid	TOTAL
Virtua West Jersey - Voorhees	6,049	20,102	26,639	52,790
Virtua OLOL	2,431	13,377	12,967	28,775
Cooper	6,054	38,697	38,029	82,780
Jefferson UMC Hospitals	3,230	18,517	16,060	37,807

	Medicaid HMO Payments			
	CHIP	Expansion	Medicaid	TOTAL
	\$3,224,489.59	\$13,708,222.76	\$15,778,952.77	\$32,711,665.12
	\$1,074,423.44	\$8,625,074.04	\$7,841,252.35	\$17,540,749.83
	\$4,623,513.88	\$41,550,563.22	\$35,036,682.41	\$81,210,759.51
	\$1,969,163.98	\$16,762,670.40	\$13,479,452.09	\$32,211,286.47
	\$10,891,590.89	\$80,646,530.42	\$72,136,339.62	\$163,674,460.93

	General Hospital Outpatient Visits			
	CHIP	Expansion	Medicaid	TOTAL
Patient Days or Discharges	17,764	90,693	93,695	202,152
Population Proportion	8.8%	44.9%	46.3%	
Population FMAP	65.00%	90.00%	50.00%	
Aggregate FMAP	5.71%	40.38%	23.17%	69.26%

	a	b	c = a * b
	Visits	OPH Add-ON	OPH SDP
Virtua WJ	52,790	\$105.00	\$5,542,950.00
Virtua OLOL	28,775	\$180.00	\$5,179,500.00
Cooper Univ	82,780	\$360.00	\$29,800,800.00
Jefferson UMC	37,807	\$157.50	\$5,954,602.50
			\$46,477,852.50

CAMDEN COUNTY HOSPITAL FEE

1/28/2026

INFLATORS FOR TAX BASIS AND BASE PAYMENTS

Quarterly Index Levels *
Inpatient Hospital Input Price Index using IHS Global Inc.
Forecast
Assumptions by Expense Category

Draft CY24 to SFY27 Trend Factors from Mercer Consulting	
Inpatient Hospital	Outpatient Facility
4.25%	3.78%

<i>Expense Category</i>	<i>Price/Wage Variable</i>	Base Year Weights 2023	2024 Q4	Forecast 2025 Q4	Forecast 2026 Q4	Forecast 2027 Q2
Total - PPS23		100.0	1.057	1.094	1.129	1.148

3.500% 3.199% 1.683%

* Quarterly index levels and four-quarter moving average percent changes are reported on a calendar year (CY) basis. For example, the Q4 index level corresponds with October 1 through December 31 and the Q4 four-quarter moving average percent change reflects the CY growth rate.

** Percent change moving averages are calculated using more than ten decimal places.

Source: IHS Global Inc. 2025Q3 Forecast

Historical Data through 2025Q2

Released by CMS, OACT, National Health Statistics Group, dnhs@cms.hhs.gov

12/15/2025