These are the Minutes of the New Jersey Health Care Facilities Financing Authority's regular meeting held on June 25, 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); Greg Lovell, Designee for the Commissioner of the Department of Human Services; Michael Fahncke, Designee for the Commissioner of the Department of Banking and Insurance; Public Members Bridget Devane, Sam Maddali and Arthur Kapoor.

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

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

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

> ***Via Microsoft Teams:*** Stephanie Gibson and Bernard Davis, Attorney General's Office; Sam Kovach-Orr, Governor's Authority Unit; John Kelly, Wilentz, Goldman and Spitzer, P.A; Emily Appledorf and Carrie Camp, New Jersey Department of Health; Robin Ford, New Jersey Hospital Association; Thomas Cooper, Vice President of Corporate Finance and Christopher Niwinski, Associate Vice President of Corporate Finance, Penn Medicine and Michael Murray.

CALL TO ORDER

In compliance with the Open Public Meetings Act (OPMA) and the Authority's by-laws, Noah Glyn, Designee of the Commissioner of Health, called the June 25, 2026, Authority's regular meeting to order at 10:00 a.m.

The Authority's Communications Specialist, Jeff Solimando, called the roll and established a quorum.

1. APPROVAL OF MINUTES

- *May 28, 2026*

The Authority's May 28, 2026, meeting Minutes were distributed to Members for their review and approval prior to today's meeting. Mr. Glyn asked for a motion to approve the Minutes of the Authority's May 28, 2026, meeting. Mr. Kapoor made the motion, and Mr. Lovell seconded.

After confirming who made the motion and who seconded, Mr. Glyn asked whether there were any questions or comments. There were none. Mr. Glyn called for a vote. All Members voted in the affirmative, except Mr. Fahncke who abstained, and the motion was approved.

2. NEGOTIATED SALE AND INFORMATIONAL PRESENTATION

- University of Pennsylvania Health System (Princeton Healthcare System).

Mr. Glyn called on Edwin Fuentes to present a request for a negotiated sale in the form of a public offering on behalf of the University of Pennsylvania Health System ("Penn Medicine.")

Mr. Fuentes began by introducing Mr. Thomas Cooper, vice president of corporate finance for Penn Medicine who was attending virtually.

Mr. Fuentes advised Members that Penn Medicine is a tax-exempt health care organization based in Philadelphia, Pennsylvania, which operates an integrated network of hospitals, physician practices, and academic medical programs through its affiliated and subsidiary entities. Penn Medicine consists of certain operating divisions of the Trustees of the University of Pennsylvania, and controlled entities including, but not limited to: Princeton Healthcare System ("Princeton).

Mr. Fuentes stated that as of June 1, 2026, the Borrower has three series of bonds outstanding with this Authority: the Princeton Healthcare System Issue, Series 2016A Revenue Bonds; the Series 2016B Revenue Bonds; and the Series 2016C Revenue Bonds. Total Authority debt outstanding on behalf of Princeton is approximately $222.8 million.

Mr. Fuentes went on to say that for the University of Pennsylvania Health System, the audited combined financial statements provided in the meeting materials for the ending fiscal year June 30, 2025, the Borrower generated approximately $11.9 billion in total revenues, an increase of about $1.09 billion from the previous year. Excess of revenues over expenses for 2025 was approximately $923 million.

Mr. Fuentes said that unaudited interim financial information for the nine-month period ending March 31, 2026, shows Penn Medicine had income from operations of $10.1 billion, an increase of 15.2% compared to the same period in 2025. Excess revenues over expenses were $748.2 million. Debt Service Coverage was calculated at 6.4 times.

Mr. Fuentes stated that Penn Medicine is currently rated Aa3 ("double A three") by Moody's and AA ("double A") by S&P Global Ratings, and will be seeking credit ratings in connection with the proposed issuance.

Mr. Fuentes advised Members that Princeton Healthcare System has signed a Memorandum of Understanding with the Authority and requests its consideration to issue tax-exempt bonds on its behalf, the University of Pennsylvania Health System (Princeton Healthcare System) Refunding Revenue Bonds, Series 2026C. The bonds will be issued in an aggregate principal amount not to exceed $150 million.

Mr. Fuentes stated that the proceeds of the Series 2026C bonds will be used for refunding all or a portion of Princeton's Series 2016A Revenue Bonds and paying the related costs of issuance.

Mr. Fuentes concluded by stating that Princeton has asked that the Authority permit a negotiated sale under a complex financing structure, including multiple series, complex credit, a large issue size, and volatile market conditions. These reasons are considered under the Authority's policy regarding Executive Order #26 (Whitman 1994) as a justification for the use of a negotiated sale. Therefore, the staff recommends the consideration of the resolution, included in your meeting materials, approving the use of a negotiated sale.

Mr. Fuentes then introduced Ms. Taryn Rommell, Director of Research, Investor Relations and Compliance, who will provide Members with a review of the Borrower's managerial financial projections. Mr. Fuentes then said that, following her presentation, should the members have any questions or concerns, he Mr. Cooper or Ms. Rommell would address them.

Ms. Rommell began by advising Members that Authority staff reviewed the financial projections and related assumptions prepared in connection with the proposed transaction. Staff found the projections very comprehensive and management's underlying assumptions to be reasonable.

Ms. Rommell stated that Penn Medicine's operating margin, as calculated by staff, averaged 2.73% during the forecast period, which compares favorably to the preliminary 2025 S&P National Median for Systems ("S&P National Median") of 1.5%. Penn Medicine's current Number of Days Cash on Hand of 188 is below the S&P National Median of 207.6 days. Penn Medicine's current Earnings Before Interest, Depreciation, and Amortization ("EBIDA") is 6.31%, just above the S&P National Median of 6.0%

Ms. Rommell concluded with a summary that indicates staff's analysis suggests Penn Medicine would have adequate profitability to generate sufficient funds to meet its debt service requirements during the forecast period.

Mr. Glyn asked if there were any questions or comments on the material presented. Mr. Glyn then asked for a motion to approve a negotiated sale in the form of a public offering on behalf of University of Pennsylvania Health System (Princeton Healthcare System). Mr. Lovell offered the motion and Mr. Kapoor seconded.

After confirming who made the motion and who seconded, Mr. Glyn asked whether there were any questions or comments on the motion. There were none. Mr. Glyn called for a vote. All Members voted in the affirmative, and the motion was approved.

AB RESOLUTION NO. 2026-6-A

NOW, THEREFORE, BE IT RESOLVED, that the Authority hereby adopts the resolution entitled **"A RESOLUTION OF INTENT TO ISSUE REVENUE BONDS BY NEGOTIATED TRANSACTION PURSUANT TO EXECUTIVE ORDER NO. 26 (WHITMAN).**

(Attached)

3. CONTINGENT SALE REQUEST

- *University of Pennsylvania Health System (Princeton Healthcare System).*

Mr. Glyn called upon Edwin Fuentes to present Members with the contingent bond sale details on behalf of the University of Pennsylvania Health System (Princeton Healthcare System).

Mr. Fuentes began by advising Members that the New Jersey Attorney General's Office has assigned Wilentz, Goldman & Spitzer, P.A., to serve as Bond Counsel on this transaction. Further, the University of Pennsylvania Health System ("Penn Medicine") and Princeton Healthcare System ("Princeton", and, collectively with Penn Medicine, the "Borrower") has selected BofA Securities as the senior underwriter for the financing.

Mr. Fuentes then made a request for approval of a Bond Resolution, authorizing the contingent sale of a series of tax-exempt bonds on behalf of Penn Medicine and Princeton Healthcare System.

Mr. Fuentes concluded by stating that John Kelly of Wilentz, Goldman & Spitzer, P.A., Bond Counsel for the proposed transaction, will present the Bond Resolution and that following his presentation, Mr. Cooper, Mr. Kelly, or he will address questions.

Mr. Kelly presented the Bond Resolution.

Mr. Glyn asked Members if there were any questions or comments on the information presented, to which there were none.

Mr. Glyn then asked for a motion to adopt the resolution approving a contingent bond sale on behalf of the University of Pennsylvania Health System (Princeton Healthcare System). Mr. Kapoor made the motion. Mr. Maddali seconded.

After confirming who made the motion and who seconded, Mr. Glyn asked whether there were any questions or comments on the motion. There were none. Mr. Glyn called for a vote. All Members voted in the affirmative, and the motion was approved.

Mr. Glyn congratulated the representatives of the University of Pennsylvania Health System (Princeton Healthcare System) and asked if there was anything they would like to add.

Mr. Cooper thanked Authority staff for its assistance.

AB RESOLUTION NO. 2026-6-B

NOW, THEREFORE, BE IT RESOLVED, that the Authority hereby adopts the resolution entitled **"A RESOLUTION AUTHORIZING THE ISSUANCE OF NEW JERSEY HEALTH CARE FACILITIES FINANCING AUTHORITY UNIVERSITY OF PENNSYLVANIA HEALTH SYSTEM (PRINCETON HEALTHCARE SYSTEM REFUNDING REVENUE BONDS, SERIES 2026C".**

(Attached)

4. BOND SALE REPORT

- *RWJBarnabas Health Series 2026.*

Mr. Glyn asked Edwin Fuentes to give his report on the sale of the refunding bonds for RWJBarnabas Health Series 2026.

Mr. Fuentes began by stating that on April 21, 2026, Authority staff, along with Jefferies LLC, as the senior managing underwriter, priced the $1,122,395,000 publicly issued, fixed-rate tax-exempt Series 2026A bond financing on behalf of RWJ Barnabas Health, Inc. (the "Borrower"). The bonds were rated AA- by S&P Global Ratings and Al by Moody's.

Mr. Fuentes advised Members that the proceeds were used to reimburse the Borrower for the costs of the planning, designing, developing, acquiring, constructing, equipping, expanding, furnishing and renovating of a portion of various capital projects of the Borrower, acquiring and installing various items of capital equipment at one or more of the Borrower's locations, refunding all of the Borrower's Series 2016A bonds, Series 2019B-2 bonds, and Series 2019B-3 bonds; and paying a portion of the costs incurred in connection with the issuance and sale of the Series 2026 Bonds.

Mr. Fuentes stated that the structure of the Series 2026A bonds consists of fixed-rate serial bonds maturing from 2027 to 2043, with bifurcated serial bonds maturing in 2037 and in 2038.

Mr. Fuentes said the order period began around 10:00 a.m., with the following priority of orders: New Jersey Individual Retail; New Jersey Professional Retail; Net Designated; and Member. At the conclusion of the order period, the underwriting team had received orders totaling over $2.6 billion from over 70 unique investors. The oversubscription led to the underwriting team adjusting the yields throughout the structure, lowering the all-in total interest cost by approximately two basis points down to 3.38%.

Mr. Fuentes added that Jefferies LLC made an offer to underwrite the bonds at the new levels and NJHCFFA staff gave the verbal award. Yields on the 5% coupon serial bonds range from 2.48% in 2027 to 3.21% in 2036. Yields on the 5.5% coupon serial bonds range from 3.23% in 2037 and 3.63 in 2043. Yields on the 5.25% coupon non-callable serial bonds in 2037 and 2038 are 3.27% and 3.36%, respectively.

Mr. Fuentes also said that on May 6, 2026, the four tranches of the $400 million RWJ Barnabas Health Series 2026B variable rate bonds were priced by their respective underwriters: Jefferies LLC, as underwriter for the Series 2026B-1 and Series 2026B-2 tranches, J.P. Morgan LLC, as underwriter for the Series 2026B-3 tranche, and BofA Securities, as underwriter for the Series 2026B-4.

Mr. Fuentes concluded by stating that each of the four tranches were issued in a daily interest rate mode, and received strong participation from large institutional investors. The initial rates for each tranche were set as follows: 1.9% for Series 2026B-1 and Series 2026B-2, 1.9% for Series 2026B-3, and 0.9% for Series 2026B-4. Both transactions closed on May 7, 2026.

Mr. Glyn reminded Members that this was an informational presentation and no action was needed.

5. UPDATED POLICY REGARDING FINANCIAL FEASIBILITY STUDIES

Mr. Glyn called on Executive Director Frank Troy to explain the policy revision to the Members.

Mr. Troy began by reminding Members that during the September 27, 2018, meeting, Authority Members approved a policy requiring non-hospital, start-up single-purpose entities ("SPEs") seeking financing through the Authority to obtain an examination of management's forecast, also known as a feasibility study. The examination must be conducted by an independent certified public accountant, and the accountant must provide a related privity letter in a format acceptable to the Authority.

Mr. Troy stated that since the adoption of this policy, the Authority has issued bonds on behalf of an existing, non-hospital SPE, whose financial projections underwent multiple iterations due to staff's professional skepticism. The entity has been in technical default due to various covenant violations since shortly after the financing. An examination of management's forecast may have identified the risk of this non-compliance.

Mr. Troy concluded his presentation by requesting approval of a revision to the policy that would allow an authorized officer of the Authority, upon the recommendation of senior staff, to require an examination of management's forecast and a related privity letter for existing, non-hospital SPEs. He also informed Members that he would answer any questions.

Mr. Glyn asked if there were any questions or comments on the information presented. There were none.

Mr. Glyn then asked for a motion to adopt the resolution updating the policy regarding financial feasibility studies. Mr. Kapoor offered the motion. Mr. Lovell seconded the motion.

After confirming who made the motion and who seconded, Mr. Glyn asked whether there were any questions or comments on the motion. There were none. Mr. Glyn called for a vote. All Members voted in the affirmative, and the motion was approved.

AB RESOLUTION NO. 2026-6-C

NOW, THEREFORE, BE IT RESOLVED, that the Authority hereby adopts the resolution to revise its feasibility study policy that allows an authorized officer of the Authority, upon the recommendation of senior staff, to require an examination of management's forecast and a related privity letter for existing, non-hospital, single purpose entities.

6. 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. Maddali made the motion to approve the expenses, and Mr. Kapoor seconded.

After confirming who made the motion and who seconded, Mr. Glyn 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. 2026-6-D

WHEREAS, the Members of the Authority have reviewed the memoranda dated June 17, 2026, summarizing expenses incurred by the Authority in connection with Trustee/Escrow Agent/Paying Agent fees and the memorandum dated June 17, 2026, summarizing general operating expenses, in the amounts of $51,900.00 and $8,555.00, 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.

7. STAFF REPORTS

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

Mr. Troy reported the following:

1. The 2026/2027 slate of officers, committee members, and meeting schedule approved last month are now official after the Governor's veto period expired at the close of business on June 11th.

2. New Jersey Hospital News

   a) Hunterdon Health ("Hunterdon") has announced that Kristy Alfano will succeed Patrick Gavin as President and CEO upon Mr. Gavin's retirement, effective June 30th. Ms. Alfano began her career as a nurse at Hunterdon Medical Center and has been Hunterdon's COO since 2023.

   b) Hunterdon and Hackensack Meridian Health ("Hackensack") announced the signing of a letter of intent to form a partnership between the health systems. The two will now work towards a definitive agreement. Hunterdon Medical Center has a 178-bed teaching hospital and a network of more than 30 primary and specialty practices across Hunterdon, Somerset, Mercer, Warren and Morris counties. Hackensack has 18 hospitals, more than 500 care locations and over 40,000 team members. The affiliation would be subject to federal and State review.

   c) Penn Medicine, parent of Princeton Medical Center, has extended the appointment of CEO Kevin Mahoney through June, 2031.

   d) Nurses at Virtua Memorial Hospital in Mt. Holly, represented by HPAE, reached an agreement with Virtua Health on a new contract that includes enforceable staffing levels. The contract was ratified by the membership on June 19th.

   e) Interns and residents at Jersey City Medical Center recently held a rally demanding higher pay and better working conditions. Participants also noted an increased workload since the closure of Heights University Hospital.

   f) RWJBarnabas Health affiliate, Trinitas Regional Medical Center, was recognized by the American Hospital Association for its efforts to reduce the negative effects of homelessness.

   g) Cooper University Health Care announced plans to build a $300 million multispecialty outpatient campus in Gloucester Township. The new campus will be located on a 39-acre site and will create more than 400 additional health care jobs. A spring 2029 opening is planned.

h) Holy Name Medical Center was recognized for a century of membership in the American Hospital Association.

i) A Hudson County Superior Court judge vacated the temporary restraining order granted to Hudson Regional Health's ("Hudson") Heights University Hospital ("Heights") against the New Jersey Department of Health on June 18th. The ruling allows the State Health Planning Board to move forward and consider the certificate-of-need application for closure filed by Hudson, barring an appeal.

3. Ratings Agency Actions and Publications

a) Moody's Ratings affirmed St. Luke's University Health Network's A3 rating which is considered upper-medium investment grade and equivalent to A-. The outlook is Stable.

b) Fitch Ratings affirmed Thomas Jefferson University's ("Jefferson") A rating and maintained its Negative outlook. Jefferson is the parent of the former Kennedy Health System.

4. New Jersey Health Care News

a) An Assembly panel voted in favor of bill 5185 that would allow the Commissioner of Health to block operations at a health care facility facing bankruptcy or major regulatory violations. The bill would also allow the State to appoint a receiver to run the facility if the owners do not take prompt corrective action and it increases monetary penalties substantially. A Senate version of the bill has not yet had a hearing. Both bills were inspired by the recent Heights closure.

b) Senate and Assembly panels voted in favor of bills that would ensure doctors are paid the same amount for telehealth and in-person visits. Payment parity is currently required under a temporary rule. Twenty-five states have already adopted similar legislation.

5. National Health Care News

a) According to a study released by the Commonwealth Fund, 1 in 5 adults with private insurance reported that they or a family member were denied care recommended by a doctor. Denials before care often resulted in delayed treatments and worsening health problems. Denials after care frequently left patients in long-term debt.

b) CMS proposed a rule that would expand the cap limiting state-directed payments for Medicaid services based on Medicare rates to virtually all services in 2029. Currently the cap applies to hospital inpatient and outpatient units, skilled nursing facilities and practitioners in academic medical centers. New state-directed payment programs are capped at 100% of Medicare for Medicaid expansion states and 110% in non-expansion states. CMS estimated that state-directed payments accounted for over 25% of Medicaid spending in fiscal 2025.

c) The American Hospital Association released its blueprint for making health care more affordable listing five broad strategies, each with a number of action steps. They include: improve the health of individuals and communities, transform care delivery, reduce administrative waste, lower drug and device costs and innovate to improve care.

d) Health industry leaders also agree that affordability is a problem as seen in a survey by *Vitalic Health*. 100% of respondents believe their organization must share responsibility for making care more affordable. 53% believe the U.S. health care system is not structurally capable of giving savings back to patients.

e) The Federal Reserve Bank of Philadelphia published a research brief on the employment impact of universities and hospitals, or "Eds and Meds," on regional economies. The brief notes that health care has become the nation's largest industry by employment and also the largest contributor to job growth in recent years.

f) CMS released Medicaid work requirement guidelines to the states which must be in place by January 1, 2027. As of that date, beneficiaries must work, volunteer or attend school for 80 hours a month to remain enrolled. CMS also defined which individuals are not subject to the requirement because of health-related needs and other qualifying circumstances. These exemptions include, but are not limited to, individuals who are pregnant, postpartum, disabled, medically frail, American Indian or Alaska Native, parents or caregivers of young children and people with disabilities, and those who are already complying with similar requirements through the Supplemental Nutrition Assistance Program (SNAP) or the Temporary Assistance for Needy Families (TANF) program. The guidelines were met with pushback from the states.

6. Bond and Tax Legislation and Regulatory News

   None

7. Other News

   a) The Social Security Administration's 2026 Trustees Report says the fund will be depleted in the fourth quarter of 2032. Once that happens, payroll tax revenues will cover only 78% of scheduled retirement benefits. By law, only payroll tax receipts and the trust fund balance can be used to make payments, meaning beneficiaries would see cuts without Congressional action.

   b) Consumer prices increased 4.2% in May, the largest increase in three years, with energy prices being a major contributor. The number raised the concern that an interest rate hike could be possible this year.

8. Authority News

   The next Authority meeting will be on Thursday, July 23, 2026, at 10:00 AM.

8. 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. Kapoor seconded the motion.

After confirming who made the motion and who seconded, Mr. Glyn asked if there were any questions or comments on the motion. There were none. Mr. Glyn then called for a vote. All Members voted in the affirmative, and the meeting was adjourned at 10:36 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 JUNE 25, 2026.

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Cindy Kline, Assistant Secretary