

These are the Minutes of the New Jersey Health Care Facilities Financing Authority's regular meeting held on March 26, 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 and Sam Maddali.

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

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

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

On-site: Sam Kovach-Orr, Governor's Authority Unit. ***Via Microsoft Teams:*** Bernard Davis and Brian McGarry, Attorney General's Office; John Kelly, Wilentz, Goldman and Spitzer, P.A.; Catherine Dowdy, Jasmine Castelli, Andrea Piscopo, Frank Pipas, Scott Elston, and Piper Eccles, RWJBarnabas Health; Oliver Asaker, Grant Malloy, Katherine Myers, and Daniel Chazen, Jefferies; Christopher McCann and David Gettemy, JPMorgan Chase & Co.; Niles Murphy and David Handler, Hawkins; Nathaniel Singer, PFM; Charlie Bankard, D.A. Davidson & Co.; Michael Diep, Bank of New York Mellon; Emily Appledorf and Carrie Camp, Department of Health; and Kaitlyn Wojtowicz, Planned Parenthood Action Fund of New Jersey.

CALL TO ORDER

Noah Glyn, Designee of the Commissioner of Health, called the March 26, 2026, Authority meeting to order at 10:06 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 (OPMA) 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

- *February 26, 2026*

The Minutes of the Authority's last regular meeting, held on February 26, 2026, 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 moved to approve the Minutes of the Authority's February 26, 2026, meeting. Ms. Devane made the motion, and Mr. Lovell 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 none. Mr. Glyn then called for a vote. All Members voted in the affirmative, and the motion was approved.

2. CONTINGENT BOND SALE REQUEST, INFORMATIONAL PRESENTATION, AND TEFRA HEARING

- *RWJBarnabas Health*

Mr. Glyn announced that the following portion of today's meeting would entail a public hearing, also known as a TEFRA hearing, in connection with the proposed issuance of bonds on behalf of RWJBarnabas Health.

Mr. Glyn stated that the hearing is taking place in accordance with the public notice and approval requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder, as modified by the Internal Revenue Service Revenue Procedure 2022-20.

Mr. Glyn encouraged all present to participate in any discussion(s) and then asked Edwin Fuentes to begin his presentation regarding the details of the transaction.

Mr. Fuentes began by introducing the representatives of RWJBarnabas Health (the "Borrower"), Frank Pipas, Executive Vice President and Chief Financial Officer, and Cathy Dowdy, Senior Vice President of Finance and Corporate Controller; both of whom were attending virtually.

Mr. Fuentes advised Members that RWJBarnabas Health has signed a Memorandum of Understanding with the Authority. It requests that consideration be given to issuing two separate series of bonds on its behalf, with a total aggregate principal amount not to exceed \$1.75 billion. As of December 31, 2025, RWJBarnabas Health has approximately \$2.063 billion of bonds outstanding with this Authority.

Mr. Fuentes further explained that the Borrower will be seeking credit ratings in connection with the proposed issuances, and is currently rated double A minus (AA-) by Standard & Poor's and A one (A1) by Moody's Ratings.

Mr. Fuentes then stated that per the Authority's APOLLO System's financial information for RWJBarnabas Health in 2024, provided in the meeting materials, the Borrower had an excess of revenues over expenses of \$755.7 million, a roughly 30% increase from the previous year. During the same period, net patient revenues increased from \$7.94 billion in 2023 to \$8.86 billion in 2024, representing an approximate 11.57% percent increase. Cash remained strong, with a Days Cash on Hand of 181.28 days, compared to the statewide median of 144.6 days. Days in Accounts Receivable were 39.69 days. The Debt Service Coverage Ratio was 8.03 times, almost double the statewide median of 4.3 for the same time period.

Mr. Fuentes said that unaudited Apollo System interim financial information for the nine-month period ending September 30, 2025, shows RWJBarnabas Health had approximate excess revenues over expenses of \$859.9 million, representing a 25.67% increase compared to the same period in 2024.

Mr. Fuentes explained that RWJBarnabas Health's annual inpatient utilization in 2024 indicates increases in inpatient days of 4.67%, inpatient admissions of 5.78%, and an average occupancy rate of 4.67%, along with a slight decrease in average length of stay of 1.07% from the previous year.

Mr. Fuentes went on to state that the proceeds of the Series 2026A Bonds will be used to finance and/or reimburse the Borrower for the costs of planning, designing, developing, acquiring, constructing, equipping, expanding, furnishing, and renovating all or a portion of various capital projects, including, but not limited to, the following:

- A. Renovation and expansion to create new medical office space for urology services at Barnabas Health Medical Group, P.C.;
- B. Enhancement of Behavioral Health services through relocation of certain departments, and installation of fire suppression systems at Clara Maass Medical Center;
- C. Installation of fire suppression equipment, expansion of Residency Academic Program facilities, renovations of hospital support offices, demolition and construction projects including a six-level visitor parking garage at Community Medical Center;
- D. Conversion of space at the Melchiorre Cancer Center for gynecologic surgery and accommodating the adult outpatient oncology services into a standalone facility and parking garage, installation of a new x-ray system, and relocation of physical therapy and lab services at Cooperman Barnabas Medical Center;
- E. Expansion of medical and surgical units, new operating rooms, renovations of the Emergency Department's prenatal and pediatric services, and construction of a new surface parking lot at Jersey City Medical Center;
- F. Fire suppression upgrades, emergency power system improvements, and building facade repairs at Monmouth Medical Center;

- G. Construction of a five-floor Cancer Center and Ambulatory Care Pavilion for adult and pediatric outpatient services at Monmouth Medical Center – Fort Monmouth Campus;
- H. Fire suppression system upgrades at Monmouth Medical Center – Southern Campus;
- I. Emergency power upgrades, fire suppression installation, expanded Emergency Department, kitchen and dining area upgrades, expanded imaging and surgical services, and renovations to private inpatient rooms at Newark Beth Israel Medical Center;
- J. Parking garage renovations, electrical upgrades, radiology replacement, and major expansion of Rutgers Cancer Institute through construction of a 512,000 sq. ft. care center, a central utility plant, and a 15-story medical office building for outpatient services at Robert Wood Johnson University Hospital – New Brunswick;
- K. Construction of two cardiac catheterization labs at Robert Wood Johnson University Hospital – Hamilton;
- L. Cardiac catheterization lab renovation and fire suppression installation at Robert Wood Johnson University Hospital – Rahway;
- M. Two-story expansion of inpatient building and two-level garage addition at Robert Wood Johnson University Hospital – Somerset;
- N. HVAC system restoration and fireproofing upgrades at Trinitas Regional Medical Center; and
- O. Acquisition of the Medical Office Building at 1 Clara Maass Drive, Belleville, NJ, by Saint Barnabas Realty Development Corporation.

Mr. Fuentes stated that more details on the projects to be financed and/or reimbursed can be found in Exhibit A of the Bond Resolution presented today. Proceeds of the Series 2026A Bonds will also be used for the purposes of refunding all or a portion of the following Authority Bonds: the RWJ Barnabas Health Series 2016A Bonds; the RWJ Barnabas Health Series 2019B-2 Bonds; and the RWJ Barnabas Health Series 2019B-3 Bonds, totaling approximately \$803.4 million. Proceeds may also be used to pay capitalized interest on the Series 2026A bonds, if the Borrower decides it is advantageous to do so, and to fund a debt service reserve fund, if required. Proceeds will also be used to pay the issuance-related costs for the Series 2026A Bonds.

Mr. Fuentes went on to say that the proceeds of the Series 2026B Bonds will be used to finance and/or reimburse the Borrower for a portion of the costs of the Project as described earlier, including potentially paying capitalized interest, funding a debt service reserve, and paying the related costs of issuance for the Series 2026B Bonds.

Mr. Fuentes reminded Members that at last month's meeting, they approved the use of a negotiated sale in the form of a public offering for the proposed issuance of the RWJBarnabas

Health Series 2026A and Series 2026B Bonds. We are now requesting approval of a Bond Resolution authorizing the contingent sale of both series of bonds on behalf of the Borrower.

Mr. Fuentes also reminded Members that the Office of the Attorney General has assigned Wilentz, Goldman and Spitzer, P.A., to serve as Bond Counsel for this transaction. RWJBarnabas Health has selected Jefferies, LLC, as the senior managing underwriter for this transaction.

Mr. Fuentes concluded his presentation by stating that, as part of the public hearing required by the Tax Equity and Fiscal Responsibility Act (TEFRA), members of the public could submit comments to the Authority via e-mail. As of yesterday's 9 a.m. deadline for written comments, the Authority had not received any written comments via letter or e-mail.

Mr. Fuentes then introduced Taryn Rommell, the Authority's Director of Research, Investor Relations, and Compliance, who would provide a review of the Borrower's financial projections prepared by management. Following her presentation, John Kelly (*appearing virtually*) of Wilentz, Goldman and Spitzer, Bond Counsel for the proposed transaction, will present the Bond Resolution authorizing the contingent sale. Mr. Fuentes advised Members that following their presentations, Mr. Pipas, Ms. Dowdy, Ms. Rommell, Mr. Kelly, or he would address any issues or questions they may have.

Ms. Rommell began her review by informing Members that Authority staff reviewed the financial projections and related assumptions prepared in connection with RWJBarnabas' proposed bond issue. These projections are consistent with RWJBarnabas' 2023 and 2024 Audits, and management's assumptions were found to be reasonable.

Ms. Rommell said that RWJBarnabas' operating margin, as calculated by staff, averaged 4.96% during the forecast period, well above the Q3 2025 Apollo system median of 3.45%. RWJBarnabas' current Number of Days Cash on Hand of 195 is well above the Q3 2025 Apollo system median of 120.

Ms. Rommell summarized her review by stating the staff's analysis suggests RWJBarnabas would have adequate profitability to generate sufficient funds to meet its debt service requirements during the forecast period.

Ms. Rommell then concluded by saying she or any members of RWJBarnabas' management present at the meeting would answer any questions.

John Kelly of Wilentz, Goldman and Spitzer, Bond Counsel for the proposed transaction, then presented the Bond Resolution authorizing the contingent sale.

Mr. Kelly began by stating that the Bond Resolution authorizes the issuance of the tax-exempt Series 2026A Bonds in an aggregate principal amount which, when added to the principal amount of the Series 2026B Bonds, shall not exceed \$1.75 billion, as set forth in the Trust Agreement pursuant to which the Series 2026A Bonds will be issued. The Series 2026A Bonds will be issued for the purposes of: financing and/or reimbursing the Borrower for all or a portion of the costs of the Project, as defined in Exhibit A of the Bond Resolution, effectuating the refunding, redemption, retirement and/or legal defeasance of all or a portion of the Authority's outstanding RWJ Barnabas

Health Series 2016A, 2019B-2 and 2019B-3 Bonds, paying capitalized interest, if determined to be advantageous, funding a debt service reserve fund, if necessary, and paying certain costs incurred in connection with the issuance and sale of the Series 2026A Bonds.

Mr. Kelly said that the Series 2026A Bonds will be issued as traditional fixed interest rate bonds to maturity and will bear interest at the rates set forth in the Series 2026A Trust Agreement. The true interest cost shall not exceed 6.00%, the redemption price shall not exceed 105% of the principal amount, and the final maturity date shall not be later than July 1, 2066.

Mr. Kelly explained that the Bond Resolution also authorizes the issuance of the tax-exempt Series 2026B Bonds in an aggregate principal amount which, when added to the principal amount of the Series 2026A Bonds, shall not exceed \$1.75 billion. The Series 2026B Bonds will be issued for the purposes of financing and/or reimbursing the Borrower for a portion of the Project costs, paying capitalized interest, if advantageous, funding a debt service reserve fund, if necessary, and paying costs of issuance.

Mr. Kelly advised that the Series 2026B Bonds may be issued as fixed rate or variable rate multi-modal bonds, in one or more sub-series, and will bear interest as set forth in the Series 2026B Trust Agreement. The true interest cost of the Series 2026B Bonds shall not exceed 6.00% for both fixed rate periods and initial variable rate periods, with the variable interest rate thereafter being determined in accordance with the Trust Agreement (subject to a maximum rate). The redemption price of the Series 2026B Bonds shall not exceed 105%, and the final maturity date shall not be later than July 1, 2066.

Mr. Kelly then said that to the extent that any Series 2026B Bonds are issued as variable interest rate bonds which are subject to optional or mandatory tender for purchase by the beneficial owners thereof, the Bond Resolution provides that any Authorized Officer of the Authority is authorized to appoint one or more remarketing agents for such Series 2026B Bonds.

Mr. Kelly stated that both the Series 2026A and Series 2026B Bonds will be issued by the Authority pursuant to two separate Trust Agreements with U.S. Bank Trust Company, National Association, as Bond Trustee. The proceeds of the bonds will be loaned to RWJ Barnabas Health pursuant to two separate Loan Agreements, and such obligations will be evidenced by two promissory notes issued by the Borrower under its existing Master Trust Indenture with The Bank of New York Mellon, as Master Trustee. The promissory notes will be secured by a gross revenue pledge of the Obligated Group.

Mr. Kelly then said that the Bond Resolution approves the forms of and authorizes execution of the Series 2026A and Series 2026B Bonds, the related Loan Agreements, Trust Agreements, Remarketing Agreements (with respect to any Series 2026B Bonds issued as variable interest rate bonds), and Preliminary and final Official Statements.

Mr. Kelly stated that the Bond Resolution appoints U.S. Bank Trust Company, National Association as Bond Trustee, Bond Registrar, and Paying Agent. The Resolution also authorizes execution of Bond Purchase Contracts with Jefferies LLC and/or one or more of the other underwriters of the Series 2026B Bonds, with an underwriting discount not to exceed \$6.00 per

\$1,000 principal amount, and requires execution of such Bond Purchase Contracts by no later than June 24, 2026.

Mr. Kelly then concluded by stating that the Bond Resolution authorizes the Authorized Officers of the Authority to execute and deliver all necessary documents and take all necessary actions to effectuate the financing of the Project, the completion of the refundings, and the issuance and sale of the Series 2026A and Series 2026B Bonds.

Mr. Glyn asked both Members and the public 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 RWJBarnabas Health. Mr. Lovell offered the motion. Mr. Maddali seconded.

After confirming who made the motion and who seconded, Mr. Glyn then called for a vote. All Members voted in the affirmative, and the motion was approved. Mr. Glyn congratulated the RWJBarnabas representatives and asked if there was anything they would like to add. Mr. Frank Pipas, Chief Financial Officer, RWJBarnabas Health, thanked the Authority for its assistance, and the Authority's Executive Director, Frank Troy, thanked Mr. Pipas for allowing the Authority to assist with the capital needs of RWJBarnabas Health. After the exchange, Mr. Glyn closed the public hearing in accordance with Section 147(f) of the Internal Revenue Code of 1986, as amended and the regulations promulgated thereunder, as modified by the Internal Revenue Service Revenue Procedure 2022-20.

AB RESOLUTION NO. 2026-3-A

NOW, THEREFORE, BE IT RESOLVED, that the Authority hereby approves the Resolution entitled, "**A RESOLUTION AUTHORIZING THE ISSUANCE OF NEW JERSEY HEALTH CARE FACILITIES FINANCING AUTHORITY REVENUE AND REFUNDING BONDS, RWJBARNABAS HEALTH OBLIGATED GROUP ISSUE, SERIES 2026.**"

(Attached)

3. ADDITION TO QUALIFIED BANKERS LIST

- D.A. Davidson & Co.

Mr. Glyn called upon Edwin Fuentes to present D.A. Davidson & Co.'s request to be added to the Authority's list of approved bankers.

Mr. Fuentes began by introducing Charlie Bankard of D.A. Davidson & Co., and then advised Members that Authority staff received a Statement of Qualifications from D.A. Davidson & Co. ("D.A. Davidson") requesting that the firm be added to the Authority's list of approved bankers to

allow the firm to serve as a senior managing underwriter, a co-managing underwriter, a placement agent, and a remarketing agent for Authority transactions.

Mr. Fuentes advised that D.A. Davidson has completed the Authority's Request for Qualifications and is qualified to serve in the requested capacities. The firm has reported net excess capitalization of over \$177 million, which qualifies it to serve in the requested roles. Staff's primary contact and lead banker will be Craig Hrinkevich, Managing Director, who works out of the firm's New York, New York office.

Mr. Fuentes then stated that the firm's business comprises investment banking (both corporate and municipal), fixed income trading and sales, municipal bond trading and sales, U.S. Treasury trading and sales, agency trading and sales, and corporate taxable securities trading and sales.

Mr. Fuentes concluded by stating that, based on the information provided, D.A. Davidson has demonstrated that it is qualified under the Authority's standards to serve in each requested role. Staff will seek approval to modify the Approved Bankers List to add D.A. Davidson in the requested roles.

Mr. Glyn thanked Mr. Fuentes and then asked Members for a motion to approve a resolution adding D.A. Davidson & Co. to the Authority's approved bankers list to serve as a senior managing underwriter, a co-managing underwriter, a placement agent, and a remarketing agent for Authority transactions. Mr. Lovell made the motion, and Ms. Devane 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 none. Mr. Glyn then called for a vote. All Members voted in the affirmative, and the motion was approved.

AB RESOLUTION NO. 2026-3-B

NOW, THEREFORE, BE IT RESOLVED, that the Authority hereby approves D.A. Davidson & Co. to be added to the Authority's Qualified Bankers List as senior managing underwriter, co-managing underwriter, placement agent, and remarketing agent.

4. CORPORATE BANKING RESOLUTION AND SIGNATURE CARDS

Mr. Glyn called on Authority Controller Alpa Patel to present a request for approval to submit a new corporate banking resolution and updated signature cards to the Authority's bank.

[Before presenting, Ms. Patel informed Members that the Board materials were distributed prior to the New Jersey State Senate's confirmation of Dr. Raynard E. Washington as the Commissioner of the Department of Health, and that Dr. Washington's confirmation is not reflected in the materials.]

Ms. Patel began her presentation by advising Members that the Authority By-Laws require that any checks of the Authority shall be signed by any two members of the Authority who are also

officers of the Authority. Officers of the Authority authorized to sign checks include the Chairperson, Vice Chairperson, Secretary, Treasurer, and any Assistant Secretary or Assistant Treasurer (provided they are not an employee of the Authority). The checks are signed by either using the actual signatures of the Authorized Officers or the facsimile signatures, depending on the dollar amount and/or type of account.

Ms. Patel reminded Members that once the New Jersey Senate confirmed Dr. Raynard E. Washington as the Commissioner of Health, he automatically became the Chairperson of the Authority. Therefore, it is necessary for the Members of the Authority to adopt a “Governmental Entity Certificate of Resolution” for its two (2) accounts at TD Bank. In addition, a new “Business Account Maintenance Form” must be signed.

Ms. Patel concluded by stating she would answer any questions. There were no questions.

Mr. Glyn asked for a motion to approve the submission of new corporate banking resolutions and signature cards. Mr. Maddali offered the motion. Ms. Devane 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 motion was approved.

AB RESOLUTION NO. 2026-3-C

NOW, THEREFORE, BE IT RESOLVED, that the Authority hereby adopts corporate banking resolutions as a result of the appointment of a new Chair and authorizes the submission of new signature cards.

5. 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. Lovell made the motion to approve the expenses, and Mr. Maddali 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. 2026-3-D

WHEREAS, the Members of the Authority have reviewed the memoranda dated March 18, 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 \$17,229.00 and \$1,932.27, 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.

6. STAFF REPORTS

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

Mr. Troy reported the following:

1. Authority Members who have not completed their Annual Outside Employment Questionnaire for Special State Officers and the Annual Personal & Business Relationship Disclosure Form are reminded to do so. If you have any questions about the forms or any ethics-related matters, please contact Robin Piotrowski, the Authority's Ethics Liaison Officer, or me.
2. New Jersey Hospital News
 - a) The State's hospitals continue to rank among the nation's best. Nine recently made *Newsweek's* "best" list: Morristown Medical Center, Hackensack University Medical Center, The Valley Hospital, Overlook Medical Center, Englewood Hospital and Medical Center, Robert Wood Johnson University Hospital, Newark Beth Israel Medical Center, Penn Medicine Princeton Medical Center, and Monmouth Medical Center.
 - b) Hudson Regional Health ("Hudson") closed the emergency department at Heights University Hospital ("Heights") on March 14th due to continued financial losses. All other services were suspended there in November 2025. Hudson said continued losses at Heights threatened the broader network. The closure, carried out without regulatory approval, has drawn criticism from elected officials, unions, and the Department of Health.

- c) Aaron Chang has been promoted to executive vice president and region president of East New Jersey, which includes the three former Kennedy Health hospitals and 32 medical group clinics.
- d) Virtua Health and Rowan University announced the opening of the Virtua Health College Research Center located on Rowan's West Campus in Glassboro. The facility will house institutes focused on orthopedics, neuromuscular medicine, transplantation, and regenerative medicine.

3. Ratings Agency Actions and Publications

S&P Global Ratings ("S&P") affirmed Valley Health System's ("Valley") A rating, which is upper medium investment grade, and revised the outlook to Positive from Stable. S&P cited Valley's payor mix, which has a high proportion of commercially insured patients at 63%.

4. New Jersey Health Care News

- a) About 160 workers at Samaritan Healthcare & Hospice ("Samaritan") recently voted to unionize, according to the Health Professionals and Allied Employees (or HPAE). The Authority issued approximately \$8 million of bonds on behalf of Samaritan in 2015.
- b) According to a new *WalletHub* report, New Jersey ranks second-worst for doctors in 2026, largely due to the cost of living. Montana was the best, New York was the worst.
- c) Governor Sherrill's State fiscal year 2027 budget plan includes a fee of up to \$725 annually for large companies with workers and their dependents covered by the Medicaid program. Amazon and Walmart are among the companies that could be impacted.
- d) A recent *NJBIZ* article included the potential effect of H.R. 1 on insurance coverage in New Jersey. Per the article, about 350,000 could lose coverage due to cost or eligibility, and 466,000 could see significant premium increases.

5. National Health Care News

- a) Professional services firm Plante Moran highlighted three critical areas of focus for hospitals in 2026. Medicaid changes could result in significant decreases in revenue. Hospitals should model the potential impact on high-Medicaid-utilization departments, such as the emergency room and behavioral health. The site of care continues to shift from inpatient to ambulatory. This will accelerate as the Inpatient Only List is phased out. Finally, tax-exempt hospitals are facing greater scrutiny over how much community benefit they actually provide to warrant their exempt status.

- b) The latest Kaufman Hall “National Hospital Flash Report” noted that bad debt and charity care continue to rise. Drug and supply costs continue to rise as well.
- c) In a series of recent medical episode experiments, artificial intelligence (“AI”) was pitted against medical students. AI consistently stabilized patients and completed cases at rates comparable to those of the students. It was found that AI prioritized the most informative actions first, such as ordering tests early in the case. AI tended to order more tests, suggesting that expert judgement remains superior for cost-aware diagnostic decision-making.
- d) According to a Healthcare Financial Management Association article, construction spending on hospitals and other health care facilities is moving at a record pace. It is expected to reach \$30.7 billion in 2026, an 11.6% increase over 2025. As you would expect, a significant number of projects are in the high-growth states of North Carolina, Florida, and Texas.
- e) The number of Hospital at Home programs may increase significantly now that the Medicare waiver for such programs has been extended into 2030. Both patients and staff consistently report high satisfaction with Hospital at Home programs.
- f) According to the latest American Hospital Association “Cost of Caring” report, hospital expenses grew 7.5% in 2025, twice that of price growth. Drugs and supplies had the highest rate of increase year over year, at 13.6% and 9.9%, respectively.
- g) The Congressional Budget Office has updated its Medicare Trust Fund estimates and now expects the fund to run out of cash in 2040, twelve years sooner than previous projections. The fund is expected to grow each year through 2031, but spending will exceed revenue beginning in 2032.

6. Bond and Tax Legislation and Regulatory News

The Federal Trade Commission (the “FTC”) is forming a health care task force in response to perceived anticompetitive behavior in the sector. Consolidation is frequently cited as a major driver of the current affordability crisis. The FTC hopes to bring in staff from other agencies, such as the Department of Health and Human Services and the Department of Justice, to the task force.

7. Other News

The Federal Reserve once again held the main interest rate steady on March 18th, at a range of 3.50% to 3.75%. The uncertain economic impact of the Iran war was a factor, as the related jump in energy costs could increase inflation.

8. Authority News

Congratulations to the Commissioner of Health, Dr. Raynard E. Washington, on his confirmation by the Senate this past March 23rd. Dr. Washington's testimony before the Senate Judiciary Committee was included with the articles distributed to the Members.

Mr. Troy wished everyone a Happy Passover and a Happy Easter and reminded those in attendance that the next regular Authority meeting will be held on Thursday, April 23, 2026, at 10:00 AM.

7. ADJOURN

As there was no further business, questions, or comments, Mr. Glyn asked for a motion to adjourn. Ms. Devane made the motion, and Mr. Lovell 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 10:40 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 MARCH 26, 2026.

Cindy Kline, Assistant Secretary