

February 8, 2021

The Honorable John Pulomena
County Administrator of Middlesex County
75 Bayard Street
New Brunswick, NJ 08901

Dear Mr. Pulomena,

Thank you for submitting your proposed Fee and Expenditure Report for the New Jersey County Option Hospital Fee Pilot Program on December 10, 2020. This report has been under public review from December 24, 2020 through January 15, 2021. Please refer to the correspondence dated December 23, 2020 for those details.

The 21-day public review period concluded on January 15, 2021. Below are the comments that were received for Middlesex County's Program:

1. Requests for F&E Reports were received from the following stakeholders; F&E Reports have been disseminated to all who requested them:
 - Tim Hanlon, Shore Medical Center
 - Patricia Quinn, O'Conco Healthcare Consultants
 - Margaret King, Myers and Stauffer
 - Scott B. Stolbach, Ocean Healthcare Management
 - Michael Keevey, RWJ Barnabas
2. Several stakeholders from Middlesex expressed support for the December 10 Middlesex County F&E Report. All comments were acknowledged, and no change will be made upon the adoption in response to the comments. The comments are attached. The stakeholders who submitted comments were:
 - Garrick Stoldt, CFO, St. Peter's University Hospital
 - Kathryn Gibbons, Vice President, Finance, Reimbursement, Budgeting, & Revenue Analytics, Hackensack Meridian Health
3. Middlesex and Mercer Counties submitted a joint letter requesting the state reconsider its position on using the funds generated by Mercer County's assessment on Princeton House's services for payments through the Middlesex County program. The counties reiterate how critical this payment mechanism is to ensuring the successful implementation of the County Option program in Middlesex and Mercer Counties.
 - The Department has reviewed the additional information provided and agrees with the counties' request. Penn Medicine, which is in Middlesex County, and Princeton House, which is in Mercer County, operate under the same provider number. Consequently, Medicaid payments for services rendered at Princeton House must be made to Penn Medicine. The shifting of resources generated by Princeton House's assessment to the Middlesex County pool is necessary to ensure that Princeton House benefits from the fee proceeds. Without this shift in resources, Princeton House would be assessed but

receive none of the fee proceeds, a result which would contravene the intent of the enabling statute. Subject to federal approval, the fees Princeton House will pay to Mercer County will be used to increase the pool of funds for Middlesex County payments as outlined in the plans submitted by the two counties.

At this time, the Department has approved your local hospital assessment program and it will be submitted to CMS for federal review and approval. Middlesex County's program continues to be considered for a potentially effective date of July 1, 2021, pending CMS approval.

Next steps for implementation of the program include:

1. State drafts IGT agreement between Middlesex County and State to outline provisions for the non-federal share of Medicaid payments to Middlesex County.
2. County must pass ordinance in compliance with N.J.A.C. 10:52B-2.2.
3. State submits preprint, quality parameters to CMS for approval for an effective date of July 1, 2021. Please see the [Revised Preprint](#) form released by CMS on January 8, 2021 for more information.
4. State and Middlesex County finalize IGT agreement.

Please direct all questions to Dmahs.hospcountyfee@dhs.nj.gov. The Department will notify you upon CMS approval of the Program.

Sincerely,



Brian Francz
Chief Financial Officer, Department of Human Services

Date: 12 / 10 / 20

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

County: Middlesex 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 pilot program?

July 1, 2021

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 Middlesex 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:

Please note that Rutgers Health-University Behavioral Health Care, a public psychiatric hospital, is not being included in the fee. However, 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"

Notwithstanding the exclusion of Rutgers Health, the county's proposed fee will be imposed on all non-Federal, non-public providers of inpatient hospital services, and therefore no waiver is necessary and the statistical test is not required.

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 Pilot 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.

The County, through its contracted legal counsel, Eyman Associates, implemented a comprehensive process of consulting and gathering feedback from all hospitals within the jurisdiction. The County began with a hospital kick-off call to educate every affected hospital on the intent and goals of the pilot program, the relevant state and federal requirements, and the information required to inform the County's Fee and Expenditure report. The County's contractor, including its technical subcontractor, supported affected hospitals in completing the state's data, DSH template, and attestation forms. Once all data was collected, hospitals were again invited to participate in a discussion of available options for both the fee and payment components of the program. Discussions are ongoing between the contractor and affected hospitals to finalize required data and obtain written feedback to inform the County's decision.

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 uniform dollar amount per non-Medicare 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. Penn Medicine Princeton Medical Center's main campus is located in Middlesex County and has a provider-based facility, Princeton House, located in Mercer County. We request that the state use the proceeds of the fees paid to Mercer County by Princeton House to help fund the non-federal share of County Option payments to the hospitals in Middlesex County. This transfer of funds will promote the program's purpose of supporting local hospitals as the payments to Penn Medicine Princeton Medical Center in Middlesex County will include services provided by Princeton House.

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

Yes. The discharges assessed will exclude Medicare discharges.

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 assessment rate will be \$1,156.36 per non-Medicare 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 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. The County will specify in its ordinance a process for an appeal of interest charges on late payments and/or the amount of the interest assessed in the event a hospital fails to remit payment by the due date.

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

This Fee & Expenditure report was prepared by the County's contracted attorneys 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 contracted attorneys.

Please note that Care One opened a new facility in Middlesex County this month. The facility is provider-based to Care One's main campus in Union County. Data for the new facility has not yet been reported on Care One's cost report. The Care One data used in our model and included on its data form are the hospital's projections of revenues and discharges in Middlesex County for the year (based on a now closed similar facility).

PROPOSED PAYMENT PROGRAM

As part of the pilot program, counties may submit a proposed payment methodology detailing how pilot 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 that the state implement a managed care directed payment in the form of a uniform rate increase to Medicaid managed care payments. The increase would be implemented as a dollar add-on per Medicaid managed care discharge projected to be \$9,846.34 per discharge. The proposed eligible class is all hospitals whose main campus is located within Middlesex County. While the imposition of the fee is limited to services furnished within the County, the directed payment would include all services provided by the hospital, regardless of the location of the services. The payment methodology would be the same for all hospitals, thereby directing the expenditures equally, using the same terms of performance, as required by 42 CFR 438.6(c)(2)(i)(B). Details of the calculation of this payment methodology are contained in the attached model, prepared by our contractors, and we will make our contractors available to the state to answer any questions about it or 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 (apart from monthly capitation payments to the plans). 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 CY2019 encounter data forwarded to us by DMAHS on 8/27/20). A final reconciliation adjustment would be determined after the end of the year, based on actual services provided, and the first quarterly payment of the subsequent year would be adjusted (upwards or downwards) by the reconciliation amount. In this way, the payments would meet the federal requirement at 42 CFR 438.6(c)(2)(i)(A) that directed payments be "based on the utilization and delivery of services."

Throughout the County's consultation process, affected hospitals consistently raised concerns regarding potential constraints on cash flow upon payment of the fee. Many of these hospitals are already facing precarious financial conditions, which have been exacerbated as a result of the COVID-19 pandemic. It is precisely these resource constraints that have galvanized support throughout the state for this critical pilot program. To curb the fee's potential to trigger liquidity problems and financial instability, the County stresses the imperative of minimizing the time between the hospitals' payment of the fee and the distribution of the managed care directed payment to the hospitals. It is our hope that the state will establish a timeline that will ensure payments are distributed in the most timely manner possible. Towards that end, based on hospital feedback, the County requests that the managed care organizations be directed to make the requisite payments to the hospitals within 10 calendar days of receipt of the payments from the state.

Moreover, because our proposed model would impose very little, if any, administrative burden on the managed care organizations, requiring them simply to make the directed payments in the amounts provided by the state, it is our understanding that they will be permitted to retain no more of the directed payment amounts provided to them than the amount necessary to cover their incremental HMO premium fee costs (currently 5%). The contract language with the managed care organizations should reflect this requirement in order to ensure that the program complies with the intended purpose of supporting local hospitals.

The County anticipates that the state would work with the participating hospitals in developing an evaluation plan for the program and any associated quality reporting requirements.

2. The purpose of the County Option Hospital Fee Pilot 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?

Middlesex County hospitals collectively provide nearly \$215 million in unreimbursed health care services to uninsured and low-income patients throughout the County. Moreover, all of the hospitals have been significantly impacted by the COVID-19 pandemic. The new resources generated from the County Option Hospital Fee Pilot Program will help to stabilize the hospitals' financial position and strengthen their capacity to continue providing access to comprehensive and essential health care services to low income Middlesex County residents.

Please note that the County reserves the right to use its 9% share of the fee proceeds for any purpose it deems appropriate.

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% 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 Hospital Fee Program

Preliminary DSH Calculation Template

Attestation

Signed by each hospital located in the county.

ATTESTATION

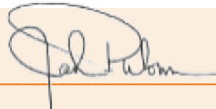
NEW JERSEY COUNTY OPTION HOSPITAL FEE PILOT PROGRAM

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: _____

Full Name (Printed)

Title: _____

Date: / /

Email Address: _____

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

JFK Medical Center

65 JAMES STREET
EDISON, NJ 08818

- General Acute Care
- Non-profit

JFK Johnson Rehabilitation Institute

65 JAMES STREET
EDISON, NJ 08818

- Rehabilitation Hospital
- Non-profit

Robert Wood Johnson University Hospital

ONE ROBERT WOOD JOHNSON PLACE
NEW BRUNSWICK, NJ 08901

- General Acute Care
- Non-profit

Saint Peter's University Hospital

254 EASTON AVE
NEW BRUNSWICK, NJ 08901

- General Acute Care
- Non-profit

Children's Specialized Hospital

200 SOMERSET STREET
NEW BRUNSWICK, NJ 08901

- Rehabilitation Hospital
- Non-profit

Raritan Bay Medical Center-Old Bridge Division

ONE HOSPITAL PLAZA
OLD BRIDGE, NJ 08857

- General Acute Care
- Non-profit

Raritan Bay Medical Center Perth Amboy Division

530 NEW BRUNSWICK AVE
PERTH AMBOY, NJ 08861

- General Acute Care
- Non-profit

LTACH CareOne At Saint Peter's University Hospital

254 EASTON AVE

NEW BRUNSWICK, NJ 08901

- Specialty
- For profit

Rutgers Health - University Behavioral Health Care

671 HOES LANE WEST

PISCATAWAY, NJ 08854

- Psychiatric Hospital
- Public

Penn Medicine Princeton Medical Center

ONE-FIVE PLAINSBORO ROAD

PLAINSBORO, NJ 08536

- General Acute Care
- Non-profit

New Jersey County Option Hospital Fee Pilot Program: Middlesex County, NJ
 Model for Assessment and Distribution (Rev. 12.10.2020)

1	2	3	4	5 = 3 * 4	6	7 = 5 + 6	8	9	10 = 8 * 9	11	12 = 7 * 11	13	14 = 12 + 13	15 = 10 + 14	16	17
CCN	Provider	Fee Assessment					Medicaid Directed Payment Distribution			Impact on DSH Limit, DSH Payments						
		Discharges exc. Medicare	Assessment per Discharge (a)	Hospital Assessment	Funds Assessed in Mercer County	Hospital Assessment Total	Medicaid MCO Discharges (2019 per DMAHS, 12/4/20)	Payment Add-on per Medicaid MCO Discharge (b)	Medicaid Directed Payment Amount	(Medicaid + Uninsured) to Total Cost (SFY 2016) Exhibit E	Assessment Fee Related to DSH = Add'l. DSH Room	Projected Over (Under) DSH Limit (SFY 2022) (Table 3)	Projected Over (Under) DSH Limit inc. % of Assessment (SFY 2022)	Remaining Room Over/(Under) DSH Limit After Payment Distribution	DSH Payback?	DSH Payback Amount (Limited to DSH Payments)
310010	Penn - Princeton	7,911	\$ 1,156.36	\$ 9,147,938	\$ 1,242,397	\$ 10,390,335	1,594	\$ 9,846.34	\$ 15,695,073	16.8%	(1,748,379)	(15,713,304)	(17,461,683)	(1,766,610)	No	\$ -
310038	RWJ - Univ Hosp	18,277	\$ 1,156.36	\$ 21,134,731	\$ -	\$ 21,134,731	4,543	\$ 9,846.34	\$ 44,731,942	29.3%	(6,182,757)	(102,574,804)	(108,757,561)	(64,025,619)	No	\$ -
310039	HMH - Raritan Bay	6,908	\$ 1,156.36	\$ 7,988,112	\$ -	\$ 7,988,112	2,663	\$ 9,846.34	\$ 26,220,815	43.8%	(3,497,084)	(21,467,495)	(24,964,579)	1,256,236	Yes	\$ 839,351
310070	Saint Peter's University	13,327	\$ 1,156.36	\$ 15,410,765	\$ -	\$ 15,410,765	4,259	\$ 9,846.34	\$ 41,935,580	30.0%	(4,627,249)	(42,020,117)	(46,647,366)	(4,711,785)	No	\$ -
310108	HMH - JFK Health	12,063	\$ 1,156.36	\$ 13,949,131	\$ -	\$ 13,949,131	2,620	\$ 9,846.34	\$ 25,797,422	23.5%	(3,275,130)	(40,069,268)	(43,344,398)	(17,546,976)	No	\$ -
312018	CareOne	6	\$ 1,156.36	\$ 6,938	\$ -	\$ 6,938		\$ -	\$ -						--	\$ -
313300	RWJ - Children's Spec. (NB)	572	\$ 1,156.36	\$ 661,436	\$ -	\$ 661,436	212	\$ 9,846.34	\$ 2,087,425	43.3%	(286,241)	7,786,466	7,500,225	9,587,650	No	\$ -
999	Total	59,064	\$ 1,156.36	\$ 68,299,051	\$ 1,242,397	\$ 69,541,448	15,891	\$ 9,846.34	\$ 156,468,258	(x)	(19,616,839)	(214,058,522)	(233,675,361)	(77,207,104)	(x)	\$ 839,351

(a) Assessment

County Maximum Aggregate Assessment (Table 1)	\$ 68,299,051
Discharges exc. Medicare	<u>59,064</u>
Assessment per Non-Medicare Discharge	\$ 1,156.36

(b) Payment Distribution

Net Funds Available for Distribution (Table 2)	\$ 156,468,258
Medicaid MCO Discharges	<u>15,891</u>
Distribution Amount per Mkd MCO Discharge	\$ 9,846.34

Exhibit A



**County Option Hospital Fee Pilot Program: Middlesex County, NJ
Assumptions**

Table 1. Maximum Aggregate Assessment (N.J.A.C. 10:52B-2.1 Limit)		Net Patient Service Revenue - Net of COHP Exclusions (Exhibit B)
Penn - Princeton		\$ 370,801,894
RWJ - Univ Hosp		\$ 1,121,321,561
HMH - Raritan Bay		\$ 222,151,698
Saint Peter's University		\$ 424,933,842
HMH - JFK Health		\$ 529,797,338
Care One		\$ 1,618,898
Children's Specialized Hospital		\$ 61,336,805
Total		\$ 2,731,962,036
Limit Requirement: N.J.A.C. 10:52B-2.1 (2.5%)	2.5%	\$ 68,299,051
Limit Requirement: Federal (6%)	6.0%	\$ 163,917,722
Maximum Aggregate Assessment - Middlesex Co.		\$ 68,299,051

Table 2. Maximum Net Funds for Distribution	Factors	Middlesex County Fee Proceeds	Funds Reallocated from Mercer County	Maximum Net Funds for Distribution
Total Hospital NPSR Assessment, 2.5%		\$ 68,299,051		
DOH Administration Fee	-1.00%	\$ (682,991)		
County Administrative Fee	-9.00%	\$ (6,146,915)		
Net Fees Eligible for Federal Match		\$ 61,469,146	\$ 1,118,157	\$ 62,587,303
Federal Match Percentage SFY 2022 - esti.	62.00%			\$ 102,116,126
Subtotal				\$ 164,703,429
MCO Administration Fee - esti.	-5.00%			\$ (8,235,171)
Net Funds Available to Hospitals				\$ 156,468,258

Table 3. Preliminary DSH SFY 2022	'DSH Room prior to Assessment (DSH Limit Form)
Penn - Princeton	\$15,713,304
RWJ - Univ Hosp	\$102,574,804
HMH - Raritan Bay	\$21,467,495
Saint Peter's University	\$42,020,117
HMH - JFK Health	\$40,069,268
CareOne	\$0
Children's Specialized Hospital	(\$7,786,466)

Exhibit B

County Option Hospital Fee Pilot Program: Middlesex County, NJ
Development & Reconciliation - Net Patient Service Revenue for Assessment

Provider	Hospital Data Form						Cost Report 2019							
	Inpatient NPSR Net of Bad Debt (Form)	Outpatient NPSR Net of Bad Debt (Form)	Total NPSR Net of Bad Debt* (Form)	Less: Inpatient Non-Hosp. Revenue (Form)	Less: Outpatient Non-Hosp. Revenue (Form)	Inpatient NPSR (Adjusted)	Outpatient NPSR (Adjusted)	Total NPSR Net of Bad Debt (Form)	NPSR (Cost Report)	Adjustments To Cost Report per Hospital	NPSR Adjusted	COHP Required Exclusions (Data Form)	NPSR Net of Exclusions (Cost Report)	Var.
Penn - Princeton	\$ 185,102,237	\$ 185,699,657	\$ 370,801,894	\$ -	\$ -	\$ 185,102,237	\$ 185,699,657	\$ 370,801,894	\$ 460,539,359	\$ (69,848,671)	\$ 390,690,688	\$ (19,888,794)	\$ 370,801,894	\$ -
RWJ - Univ Hosp	\$ 730,443,905	\$ 390,877,656	\$ 1,121,321,561	\$ -	\$ -	\$ 730,443,905	\$ 390,877,656	\$ 1,121,321,561	\$ 1,121,321,561	\$ -	\$ 1,121,321,561	\$ -	\$ 1,121,321,561	\$ -
HMH - Raritan Bay	\$ 137,952,620	\$ 84,432,986	\$ 222,385,606	\$ -	\$ (233,908)	\$ 137,952,620	\$ 84,199,078	\$ 222,151,698	\$ 222,385,612	\$ -	\$ 222,385,612	\$ (233,908)	\$ 222,151,704	\$ (6)
Saint Peter's University	\$ 279,795,029	\$ 177,302,567	\$ 457,097,596	\$ (12,224)	\$ (32,151,530)	\$ 279,782,805	\$ 145,151,037	\$ 424,933,842	\$ 457,097,596	\$ -	\$ 457,097,596	\$ (32,163,754)	\$ 424,933,842	\$ -
HMH - JFK Health	\$ 328,238,191	\$ 273,387,539	\$ 601,625,730	\$ -	\$ (71,828,392)	\$ 328,238,191	\$ 201,559,147	\$ 529,797,338	\$ 601,625,730	\$ -	\$ 601,625,730	\$ (71,828,392)	\$ 529,797,338	\$ -
CareOne at St. Peter's	\$ 1,618,898	\$ -	\$ 1,618,898	\$ -	\$ -	\$ 1,618,898	\$ -	\$ 1,618,898	\$ 22,411,958	\$ -	\$ 22,411,958	\$ (20,793,060)	\$ 1,618,898	\$ -
Children's Specialized	\$ 57,471,313	\$ 3,865,492	\$ 61,336,805	\$ -	\$ -	\$ 57,471,313	\$ 3,865,492	\$ 61,336,805	\$ 138,047,409	\$ -	\$ 138,047,409	\$ (76,710,604)	\$ 61,336,805	\$ -
Total	\$ 1,720,622,193	\$ 1,115,565,897	\$ 2,836,188,090	\$ (12,224)	\$ (104,213,830)	\$ 1,720,609,969	\$ 1,011,352,067	\$ 2,731,962,036	\$ 3,023,429,225	\$ (69,848,671)	\$ 2,953,580,554	\$ (221,618,512)	\$ 2,731,962,042	\$ (6)

* All hospitals reported NPSR Net of Bad Debt. If a hospital reported Bad Debt on the Data Form, Line 8, that amount does not have been deducted from NPSR.

Exhibit C

**County Option Hospital Fee Pilot Program: Middlesex County, NJ
Development & Reconciliation - Utilization Statistics for Assessment**

Provider	Hospital Data Form: Discharges exc. SNF, Out-of-County (Lines 11, 12)								Cost Report 2019				Var.
	Medicare FFS Discharges	Medicare MCO Discharges	Total Medicare Discharges	Medicaid FFS Discharges	Medicaid MCO Discharges	Total Medicaid Discharges	All Other Discharges	Total Discharges (Data Form)	Total Discharges	Less: COHP Exclusions	Less: Adjustment to Other Source Materials	Total Discharges Less Exclusions (Cost Report)	
Penn - Princeton (exc. Princeton House)	4,992	1,173	6,165	272	660	932	6,979	14,076	18,061	(3,985)	-	14,076	-
RWJ - Univ Hosp	8,525	3,387	11,912	2,074	4,345	6,419	11,858	30,189	30,189	-	-	30,189	-
HMH - Raritan Bay	3,765	1,762	5,527	941	2,764	3,705	3,203	12,435	11,457	-	978	12,435	-
Saint Peter's University	3,710	1,780	5,490	1,444	4,302	5,746	7,581	18,817	18,817	-	-	18,817	-
HMH - JFK Health	6,846	2,692	9,538	1,303	2,542	3,845	8,218	21,601	22,419	-	(818)	21,601	-
CareOne at St. Peter's	24	-	24	-	-	-	6	30	352	(322)	-	30	-
Children's Specialized Hospital	1	-	1	68	226	294	278	573	573	-	-	573	-
Total	27,863	10,794	38,657	6,102	14,839	20,941	38,123	97,721	101,868	(4,307)	160	97,721	-

Exhibit E

**County Option Hospital Fee Pilot Program: Middlesex County, NJ
Estimated Percentage of DSH Cost (Medicaid + Uninsured) to Hospital Total Cost**

Medicaid DSH Audit, 2016				
No.	Hospital	Medicaid + Uninsured Cost (2016)	Hospital Total Cost (2016)	Estimated DSH Cost % (2016)
310010	Penn - Princeton	59,880,685	355,861,325	16.8%
310038	RWJ - Univ Hosp	262,928,452	898,777,358	29.3%
310039	HMH - Raritan Bay	88,813,120	202,868,777	43.8%
310070	Saint Peter's Univ Hosp	103,970,848	346,268,485	30.0%
310108	HMH - JFK Health	96,534,147	411,149,363	23.5%
312018	CareOne	-	-	0.0%
313300	Children's Specialized Hosp	42,939,547	99,223,209	43.3%