These are the Minutes of the New Jersey Health Care Facilities Financing Authority's regular meeting held on October 22, 2026, on the fourth floor of Building #4, Station Plaza, 22 South Clinton Avenue, Trenton, NJ.

The following ***Authority Members*** were in attendance:

> ***On-site:*** Randall Currier, Designee for the Commissioner of the Department of Banking and Insurance. ***Via Microsoft Teams:*** Neil Eicher, Designee for the Commissioner of the Department of Health (Chairing); and Public Members Tom Sullivan and Bridget Devane. ***Via Telephone:*** Greg Lovell, Designee for the Commissioner of the Department of Human Services.

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

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

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

> ***On-site:*** Stephanie Gibson, Attorney General's Office. ***Via Microsoft Teams:*** Blair Gerold, Governor's Authority Unit; Tassos Efstratiades, Obermayer Rebmann Maxwell & Hippel, LLP; Emily Appledorf and Carrie Camp, Department of Health.

## CALL TO ORDER

In compliance with the Open Public Meetings Act (OPMA) and the Authority's bylaws, Neil Eicher, Designee of the Commissioner of Health, called the October 22, 2026, Authority's regular meeting to order at 10:04 a.m.

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

## 1. APPROVAL OF MINUTES

- *September 24, 2026*

The Authority's September 24, 2026, meeting Minutes were distributed to Members for their review and approval prior to today's meeting. Mr. Eicher asked for a motion to approve the Minutes of the Authority's September 24, 2026, meeting. Mr. Sullivan made the motion, and Mr. Lovell seconded.

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

Before moving forward with the meeting, NJHCFFA's Executive Director Frank Troy announced that he received a statement from Public Member Bridget Devane regarding the proposed Samaritan Healthcare & Hospice, Inc., bond issue transaction, which he then read to those in attendance:

> "Because I may be seen to have a conflict of interest, I am recusing myself from the above-referenced matter and request that, to the extent feasible, meeting materials involving the matter not be distributed to me. I understand I can remain present, either in-person or virtually, during public discussion of the matter."

Mr. Troy noted that Ms. Devane's recusal will remain in effect until rescinded.

## 2. APPROVAL OF CONSENT AND WAIVER REGARDING NOTICE OF OPTIONAL REDEMPTION AND DEFERRED PAYMENT

- *Samaritan Healthcare & Hospice, Inc.*

Mr. Eicher called on Jessica Waite to present a request to approve a resolution that permits an Authorized Officer of the Authority to execute and deliver a "Consent and Waiver Regarding Notice of Optional Redemption and Deferred Payment" on behalf of the Authority for Samaritan Healthcare & Hospice, Inc., Series 2015 Bonds.

Ms. Waite began by reminding Members that on October 22, 2015, the Authority issued $7,864,000 of Series 2015 Bonds on behalf of Samaritan Healthcare & Hospice, Inc. The Bonds currently have $5,479,000 of principal outstanding, and Wells Fargo Bank, National Association, is the sole holder of the Bonds.

Ms. Waite stated that Samaritan has requested to prepay and redeem all of the outstanding Bonds on or about November 13, 2026. Wells Fargo has agreed to waive any contractual limitation on the optional redemption.

Ms. Waite then advised Members that the Indenture generally requires at least 45 days' prior notice of an optional redemption and that, given the Borrower's proposed redemption timeline, the Borrower, Wells Fargo, and the Trustee have agreed to waive that 45-day notice requirement.

Ms. Waite stated that the Borrower and Wells Fargo have also requested that the debt service payment due on November 1, 2026, be deferred and paid on the date of the redemption of the Bonds and requested to waive any Event of Default under the Indenture and the Loan Agreement solely with respect to the Deferred Payment.

Ms. Waite said the Consent and Waiver before the Board would document that agreement and would also constitute the Borrower's notice of redemption to the Authority, the Trustee, and Wells Fargo. The document directs the Trustee to provide the formal notice of redemption to Wells Fargo, as the sole Bondholder.

Ms. Waite then stated that the Borrower has also represented that all conditions precedent to the redemption, including those under the Continuing Covenant Agreement, have been satisfied.

Obermayer Rebmann Maxwell & Hippel LLP, Bond Counsel, prepared the Consent and Waiver and will provide an opinion that the consent will not adversely affect the Bonds and that the Attorney General's Office has reviewed the document and has no objection to the Authority providing its consent.

Ms. Waite then presented to Members a request that the Board authorize an Authorized Officer of the Authority to execute and deliver the Consent and Waiver Regarding Notice of Optional Redemption on behalf of the Authority.

Ms. Waite concluded her presentation by stating that Tassos Efstratiades from Obermayer Rebmann Maxwell & Hippel LLP and she would be available to answer any questions the Members had.

Mr. Eicher then requested a motion to approve a resolution that permits an Authorized Officer of the Authority to execute and deliver a "Consent and Waiver Regarding Notice of Optional Redemption and Deferred Payment" on behalf of the Authority for Samaritan Healthcare & Hospice, Inc., Series 2015 Bonds. Mr. Currier made the motion, and Mr. Lovell seconded.

After confirming who made the motion and who seconded, Mr. Eicher asked if there were any questions or comments on the motion. There were no questions or comments. Mr. Eicher then called for a vote. All Members voted in the affirmative except Ms. Devane who recused and Mr. Eicher who abstained, and the motion was approved.

**AB RESOLUTION NO. 2026-10-A**

***NOW THEREFORE, BE IT RESOLVED*** that the Members of the Authority hereby approve a Consent and Waiver of Notice and authorizes its execution with respect to the redemption of the New Jersey Health Care Facilities Financing Authority revenue bonds, Samaritan Healthcare & Hospice Issue, Series 2015 (the "Series 2015 Bonds").

## 3. DIRECTORS AND OFFICERS LIABILITY INSURANCE RENEWAL

Mr. Eicher called on the Authority's Controller Alpa Patel, to request renewal of the Directors and Officers Liability/Employment Practices Liability Coverage ("D&O/EPL") for the period 12/07/25 - 12/18/30.

Ms. Patel began her presentation by reminding Members that the D&O/EPL policy protects past, present, and future members of the Authority board, committee members, officers, and staff. It is a claims-made policy and provides coverage for a claim that is first made against the policy period and reported in writing to the insurer.

Ms. Patel then stated that Willis marketed to the following insurers on the Authority's behalf: AIG, Ironsure Indemnity Inc., RSUI, and AXA-XL. AIG and Ironshore were the only carriers willing to provide primary D&O coverage. RSUI and AXA-XL preferred to remain as the excess carrier. AIG will continue to provide $5M D&O and EPL coverage at premiums of $33,220 and $10,180, respectively, plus a New Jersey surcharge of $109. The Authority's deductible under these policies is $100,000. The Authority will also carry two excess D&O policies with $5M limits each. The excess policy with AXA-XL will have a premium of $14,570 and a New Jersey surcharge of $250. The second excess policy with RSUI will have a premium of $12,590 and a New Jersey surcharge of $200. Note that the premiums have decreased from the prior year's renewal.

Ms. Patel advised that the Authority Staff recommends continuing with the primary D&O and EPL coverage of $5 million from AIG. The Authority staff also recommends keeping two $5 million excess layers of D&O coverage from AXA-XL and RSUI. The total D&O and EPL coverage would total $15 million with the three policies.

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

Mr. Eicher asked for a motion to approve the Directors and Officers Liability Insurance Renewal. Mr. Sullivan offered the motion, and Mr. Lovell seconded. Mr. Eicher confirmed who made the motion and who seconded it, then asked if there were any questions or comments on the motion. There were no questions. All Members voted in the affirmative, except for Mr. Eicher who abstained, and the resolution was approve

### AB RESOLUTION NO. 2026-10-B

**NOW, THEREFORE, BE IT RESOLVED** that the Authority hereby approves the awarding of the Directors and Officers Liability Insurance policy and Employee Practices Liability Insurance policies to AIG and one excess layer of coverage to AXA-XL and one additional excess layer of coverage to RSUI.

## 4. AUTHORITY EXPENDITURES

Mr. Eicher referenced a summary of Authority expenses and invoices that had been provided to the Members and asked whether there were any questions or comments on the material distributed. There were none.

Mr. Eicher requested a motion to approve the bills and authorize payment. Mr. Currier made the motion to approve the expenses, and Ms. Devane seconded.

After confirming who made the motion and who seconded, Mr. Eicher asked if there were any questions or comments on the motion. There were no questions or comments. Mr. Eicher then called for a vote. All Members voted in the affirmative, except for Mr. Eicher who abstained, and the motion to accept all submitted expenses and authorize payment was approved.

**AB RESOLUTION NO. 2026-10-C**

***WHEREAS,*** the Members of the Authority have reviewed the memoranda dated October 14, 2026, summarizing expenses incurred by the Authority in connection with Trustee/Escrow Agent/Paying Agent fees and the memorandum dated October 14, 2026, summarizing general operating expenses, in the amounts of $8,500.00 and $15.598.89, respectively, and have found such expenses to be appropriate;

***NOW THEREFORE, BE IT RESOLVED*** that the Members of the Authority hereby approve all expenses as submitted, and authorize the execution of checks representing the payment thereof.

## 5. STAFF REPORTS

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

Mr. Troy reported the following:

1. Ex-Officio Members, their Designees and Public Members are reminded that Executive Order #41 (Codey 2005) requires annual ethics training. If you have not already done so, please provide me with a copy of your receipt from your State Ethics Commission training so that I may report it to the Governor's Authorities Unit by November 15, 2026. If you ever have any ethics-related questions, please reach out to the Authority's Ethics Liaison Officer, Robin Piotrowski, or me.

2. **New Jersey Hospital News**

a) Inspira Health ("Inspira") has named President and COO Warren Moore as the next President and CEO, replacing Amy Mansue who plans to retire at the end of the year. Mr. Moore joined Inspira in 2021 and has more than 35 years of industry experience.

b) Hackensack Meridian Health ("Hackensack") CEO, Robert Garrett was recently interviewed by *NJ Biz* reflecting on his career, his organization and the industry ahead of his retirement which he announced last month.

c) Hackensack and Hunterdon Health announced the signing of a definitive agreement to merge. The two signed a letter of intent in June and will now begin the regulatory approval process.

d) According to *Fair Health's Cost of Giving Birth Tracker*, New Jersey is the second most expensive state for childbirth. The median in-network cost of a normal delivery in New Jersey is $23,277, 50% above the national median of $15,728. Alaska is the highest at $30,585, Alabama is the most affordable at $10,275.

e) In response to the abrupt closure of Heights University Hospital, State Senator Raj Mukherji sponsored a bill (S4291) that would allow the State, the Attorney General or municipalities to appoint a receiver for hospitals that close or threaten to close without obtaining a certificate of need. The Senate's Health, Human Services and Senior Citizens Committee advanced the bill.

f) *Fortune* released its 2026 list of best large workplaces in healthcare on October 13th. Hackensack (# 3) and Atlantic Health System (#7) made the list.

g) Saint Peter's Healthcare System ("Saint Peter's") is suing a former board member and RWJBarnabas Health ("Barnabas") alleging that the board member, an OB-GYN physician, and Barnabas conspired to divert patients to a nearby Barnabas hospital. Saint Peter's is seeking compensatory and punitive damages and attorney fees. A Barnabas executive said the allegations are meritless.

h) Kristen Alfano was named President and CEO of Hunterdon Health. Ms. Alfano has served in an interim capacity since July.

i) Cooper University Health Care is now Cooper Norcross Health in recognition of Board Chairman George Norcross III's $100 million donation.

**3. Ratings Agency Actions and Publications**

None

**4. New Jersey Health Care News**

None.

## 5. National Health Care News

a) In a recent *Marsh* survey, the potential for a stock market correction is of more concern to hospitals and health systems than policy changes. Due to increased reliance on investment income to balance low or negative operating margins by many hospitals, 37% of 77 hospitals surveyed cited financial market dynamics as the leading concern. The next largest was government policy at 24%.

b) Artificial intelligence ("AI") in health care continues to generate controversy. Insurers have stated that AI-assisted coding will result in a greater number of diagnoses making patients look sicker which will require higher reimbursement and drive up health care costs by billions. Hospitals and billing companies disagree arguing that AI can correct years of under-documentation.

c) According to a recent *Covista* analysis, the nation's clinician shortage will nearly double by 2040. The *National Institute for Health Care Management* estimates the current shortage costs patients $430 per year in overtime pay, temporary staffing costs and higher emergency department volumes because patients cannot book timely primary care or specialty care appointments. Workforce investment and AI could help mitigate the shortage.

d) A University of Pennsylvania study linked for-profit hospitals to poorer patient outcomes and staffing shortfalls. Compared to not-for-profit hospitals, for-profits had 11 additional deaths per 1,000 admissions.

## 6. Bond and Tax Legislation and Regulatory News

State Senator John Burzichelli introduced a bill (S4820) that would permit licensed hospitals to establish micro-hospitals under certain conditions. "Micro-hospitals" would contain no more than 50 beds and would not be required to maintain operating rooms. They may provide emergency, laboratory, imaging and other services authorized by the Department of Health. A companion Assembly bill (A5670) was just introduced. Jefferson Health, parent of the former Kennedy Health System, operates two 10-bed micro-hospitals in Pennsylvania where they are known as "neighborhood hospitals."

## 7. Other News

The core Consumer Price Index ("CPI") rose again in September to 2.6%, above the August number of 2.4% and above the Federal Reserve's (the "Fed") 2.0% target. The Producer Price Index jumped 1.3% or 6.3% on an annual basis. Energy costs were the main driver. "Fed-watchers" raised the likelihood of another interest rate hike from 22% to 37%.

## 8. Authority News

a) Public Member Arthur Kapoor resigned as of October 6th. He was recently elected to Newark Beth Israel Medical Center's Board of Trustees. Per Section 2.1 (d) of the

Authority by-laws regarding public members: "…no trustee, director, officer, or employee of a health care organization may serve as a member of the Authority." We thank Mr. Kapoor for his support and wish him well in all of his future endeavors. The Governor's Office and our Chair are aware of his resignation and the opening on our board.

b) Finance Committee members are reminded a meeting is scheduled for 10:30 a.m., Thursday, October 29th. The Committee will consider the Authority's 2027 budget.

c) Senior Human Resources Manager and Ethics Liaison Officer Robin Piotrowski will be with the Authority 25 years on November 5th. Robin will be retiring at the end of the year. We are very pleased to welcome Maja Klysinski who will take over our HR function. Maja comes to us from the New Jersey Higher Education Student Assistance Authority.

d) The next Authority meeting will be on Thursday, November 19, 2026, at 10:00 AM. As that is the last day of the League of Municipalities Conference, please let Cindy or me know if you will be unable to participate. Thank you.

## 6. ADJOURN

As there was no further business, questions, or comments, Mr. Eicher asked for a motion to adjourn. Mr. Lovell made the motion, and Mr. Currier seconded the motion.

After confirming who made the motion and who seconded, Mr. Eicher asked if there were any questions or comments on the motion. There were none. Mr. Eicher then called for a vote. All Members voted in the affirmative, and the meeting was adjourned at 10:31 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 OCTOBER 22, 2026.

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Cindy Kline, Assistant Secretary