

These are the Minutes of the New Jersey Health Care Facilities Financing Authority's regular meeting held on September 24, 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; and Public Members Arthur Kapoor and Bridget Devane.

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

On-Site: Frank Troy, Cindy Kline, Jeff Solimando, Taryn Rommell, Ron Marmelstein, Jose Lora, 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:

Via Microsoft Teams: Sam Kovach-Orr, Governor's Authority Unit; Stephanie Gibson, Attorney General's Office; 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, Noah Glyn, Designee of the Commissioner of Health, called the September 24, 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

- *August 27, 2026*

The Authority's August 27, 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 August 27, 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 for Ms. Devane who abstained

2. AUTHORITY EXPENDITURES

Mr. Glyn 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. Glyn requested a motion to approve the bills and authorize payment. Mr. Kapoor made the motion to approve the expenses, 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 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. 2026-9-A

WHEREAS, the Members of the Authority have reviewed the memoranda dated September 16, 2026, summarizing expenses incurred by the Authority in connection with Trustee/Escrow Agent/Paying Agent fees and the memorandum dated September 26, 2026, summarizing general operating expenses, in the amounts of \$8,500.00 and \$6,783.75, 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.

3. STAFF REPORTS

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

Mr. Troy reported the following:

1. New Jersey Hospital News

- a) The New Jersey Education Association (the "Association") recently published an op-ed citing hospitals, and large hospital systems in particular, as the "most significant factor contributing to the growth in health care spending." The Association suggested legislative oversight as a necessary step to reduce health care costs.
- b) Hackensack Meridian Health ("Hackensack" or the network), Valley Hospital and the University of Pennsylvania Health System were among a number of health

systems having strong finances per *Becker's Hospital Review* article. The list is not exhaustive and is based on recent credit agency reports.

- c) Hackensack received what is believed to be the largest single donation ever made to a New Jersey hospital. An anonymous donor made a \$125 million donation with one request: that the gift honor the legacy of John Lloyd, former co-CEO of the network who died in February 2024. Hackensack will be naming a pavilion at Jersey Shore University Medical Center after John, where he was named president in 1982.
- d) Three New Jersey facilities made the *U.S. News & World Report* "2026-2027 Best Children's Hospitals" list. They are the Hackensack Meridian Health Joseph M. Sanzari & K. Hovnanian Children's Hospital, The Bristol-Myers Squibb Children's Hospital at Robert Wood Johnson University Hospital and the Goryeb Children's Hospital of the Atlantic Health System.
- e) The August 27th public hearing on the closure of Heights University Hospital was held as scheduled in Jersey City after a Hudson County Superior Court judge denied Hudson Regional Health's appeal to prevent it. Several local citizens, elected officials and labor leaders spoke against the closure.
- f) Hackensack announced the retirement of CEO Robert Garrett effective June 30, 2027. Mr. Garrett is known for his innovative leadership and received numerous awards and honors during his career. A nation-wide search is underway for his replacement.

2. Ratings Agency Actions and Publications

- a) Fitch Ratings ("Fitch") affirmed Valley Hospital's ("Valley") AA- rating and maintained a Stable outlook. Fitch cited Valley's strong balance sheet and steady operating performance.
- b) Fitch also affirmed AtlantiCare Health System's ("AtlantiCare") AA- rating and maintained a Stable outlook. Fitch noted AtlantiCare's strong balance sheet, low debt burden and leading market share.
- c) S&P Global ("S&P") affirmed Atlantic Health System's ("AHS") AA- rating and maintained a Stable outlook. S&P noted AHS is a key provider in its market service areas.
- d) KBRA upgraded New Jersey's general obligation bond rating one notch from A+ to AA-. Appropriation bonds such as the Authority's Hospital Asset Transformation Program issues are rated one notch lower at A+. The outlooks are Stable for both. For your information, Moody's Ratings has New Jersey general obligation bonds at the equivalent Aa3. The State is rated one notch lower at A+ by Fitch and S&P Global. The median U.S. state rating is AA.

3. New Jersey Health Care News

The final round of medical debt relief from the State of New Jersey will benefit nearly 20,000 state residents, and eliminate \$90 million in bills. Since its inception in 2023, the medical debt relief plan has retired more than \$1.6 billion for almost 900,000 residents. The State collaborates with national nonprofit Undue Medical Debt to purchase the unpaid medical bills from healthcare providers at a deep discount.

4. National Health Care News

- a) The number and value of private equity health care deals have declined according to data research firm *PitchBook*. One reason cited is the number of new state laws increasing oversight over health care transactions. Twenty-five states have proposed or passed laws restricting and/or regulating how private equity can operate. New Jersey does not have a ban but has passed laws that impose significant oversight and employment protections on healthcare “change-in-control” transactions.
- b) While “Medicare for All” would certainly increase access to care, paying for all hospital and other health care services at Medicare rates would result in a \$300 billion reduction in provider revenue. A FTI Consulting analysis projected 90% of hospitals would run consistent deficits increasing the risk of service cuts and closures nationwide.
- c) According to a recent *Commonwealth Fund* survey, one-third of adults with private insurance are contending with medical debt, showing how healthcare coverage is not a guarantee of protection from financial problems.
- d) Once again, hospitals and policy makers disagree, this time over how to evaluate mergers. While the Department of Justice and legislators tend to focus on competition and prices, a report commissioned by the American Hospital Association suggests financial stability, care access and payer mix should be criteria.
- e) Forty states and Puerto Rico joined CMS’ Generous Model which would make covered drugs available at most-favored-nation prices. Paying what other developed countries pay would save taxpayers \$5.2 billion a year according to CMS.

5. Bond and Tax Legislation and Regulatory News

According to a *Bond Buyer* article, municipal bond tax exemption could be under scrutiny after the mid-term elections. With the federal deficit growing, eliminating the exemption could be back on the table. The Tax Foundation estimates taxing interest on municipal bonds could increase federal revenue by \$155.2 billion from 2027 through 2036. I fully expect the Authority’s trade association, NAEFFA, to continue education and advocacy efforts.

6. Other News

The core consumer price index rose in August and is forecast to end the year at 2.6%, above the Federal Reserve's (the "Fed") 2.0% target. As many "Fed-watchers" predicted, the Federal Open Market Committee voted unanimously to raise the federal funds rate 25 basis points to a range of 3.75% to 4%.

7. Authority News

- a) Two former Authority employees recently passed away. Priscilla Copper died on August 31st. She worked at the Authority for 24 years, retiring in 2011. Judith Dill passed away on September 2nd and worked at the Authority from June 1975 until June 2001.
- b) The State Health Benefits Commission voted to approve a 17.3% increase in health insurance rates for employees in the State and Local Government Plan which includes the Authority. We will be looking at ways to minimize the impact on the staff as part of the 2027 budget process.
- c) The next Authority meeting will be on Thursday, October 22, 2026, at 10:00 AM. Thank you.

4. 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. 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 10:12 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 SEPTEMBER 24, 2026.

Cindy Kline, Assistant Secretary