

\$40 Million Awarded to Stabilize Access to Critical Health Care Services

Health and Senior Services Commissioner Heather Howard announced today that the New Jersey Department of Health and Senior Services awarded \$40 million in Health Care Stabilization Fund grants to nine financially distressed hospitals in order to maintain health care access in communities where services are threatened.

Grants were awarded to:

St. Mary's Hospital in Passaic, \$9.5 million; Jersey City Medical Center, \$7 million; Christ Hospital in Jersey City, \$7 million; Hoboken University Medical Center, \$7 million; Newark Beth Israel Medical Center, \$4 million; East Orange General Hospital, \$2.5 million; and Raritan Bay Medical Center in Perth Amboy, Saint Clare's Health System in Boonton, and Trinitas Regional Medical Center were awarded \$1 million each.

Applications were evaluated based on the following criteria:

- Hospital faced closure or significant reduction of services
- Extraordinary circumstances threatened access to essential health care services for residents in a community
- The hospital serves a significant number of uninsured, underinsured and/or Medicaid patients
- The hospital has demonstrated efforts to make efficiencies and improve facility management and governance
- There is a reasonable likelihood that the health care services funded through the grant will be sustained after the grant funding ends
- Impact of updating Medicaid inpatient rates

Facilities will be required to document progress on operational performance and quality measures; enroll and participate in the Universal Coverage for Infants pilot program; and include a state representative on the hospital board for the duration of the grant. In addition, each grantee is required to meet hospital specific quality and efficiency conditions in order to receive funds for the duration of the program.

Hospitals will begin receiving payments after they agree with the conditions of the grant. Grant applications were reviewed by a team from the DHSS in consultation with the Health Care Facilities Financing Authority and the state Department of Treasury as required under the legislation Governor Corzine signed into law in June 2008.

In addition to the quality and efficiency conditions attached to the grant, the DHSS, in consultation with the Comptroller, will require each facility to complete an audit to evaluate whether a grantee's use of the funds was consistent with the provisions of statute, regulations, and any conditions imposed upon the award of the grant. DHSS will also report to the Legislature annually to identify the facilities that received grants and the purpose for which the grant was allocated to the facility.