

Financial ills plague New Jersey's hospitals

The Star-Ledger

November 26, 2008

... almost half of New Jersey's hospitals still lost money last year, according to a financial status report released Monday by the state hospital association. "This data underscores the long-standing challenges New Jersey hospitals face in remaining financially sound in the face of insufficient reimbursement from Medicare, Medicaid and the state charity care program," Betsy Ryan, the group's president and chief executive, said. "A serious situation is rapidly turning critical."

Financial outlook of N.J. hospitals is bleak

The Record

November 26, 2008

Nearly half the state's hospitals posted losses in 2007, three closed, and five filed for bankruptcy, according to a report released Tuesday.

And that's the good news. The data released by the New Jersey Hospital Association don't reflect the recent economic downturn, which is likely to cause even more turmoil in an industry on shaky financial ground, experts say.

Medical Care

The New York Times

February 10, 2008

Nonessential hospitals, the (Reinhardt) commission said, should "be subjected to market forces and to potentially close." Mr. Corzine has not set a timetable for acting on the recommendations.

At the same time, the report found a glut of hospital beds in the state, particularly in northern New Jersey, where occupancy rates average around 75 percent; roughly 85 percent occupancy rate is considered the benchmark for a hospital to be viable.

Without Funds, N.J. Hospitals Face Crisis

The Washington Post

July 7, 2008

PLAINFIELD, N.J. — If the country is facing a nationwide health-care crisis, then the condition in New Jersey can be described as gravely critical. Some state officials have said that New Jersey needs this period of consolidation — that there were too many hospitals, and that some needed to close to make the system more rational and efficient. "The hospitals that close are generally in urban areas with minority people living there, and they don't count politically," said the Rev. James Colvin, who has also been active in trying to save Muhlenberg or find a new buyer.

New Jersey hospitals were ailing in '07

The Philadelphia Inquirer

Wed., November 26, 2008

An analysis of New Jersey hospitals' financial health in 2007 showed they were hurting even before the economy went really sour, the New Jersey Hospital Association said yesterday. Average margins — the equivalent of profit — for 53 hospitals and health systems were slim. About half of them posted losses for the year, according to the organization's annual report on the financial condition of the state's hospitals. Three New Jersey hospitals closed in 2007, and five filed for bankruptcy, Ryan said. Another five closed in 2008.

A look at hospital troubles across the country

INTERNATIONAL
Herald Tribune
THE GLOBAL EDITION OF THE NEW YORK TIMES

December 27, 2008

Hospitals around the country are struggling to stay afloat amid the recession . . . In New Jersey, five of the 79 acute care hospitals in business at the start of 2008 have closed, most recently Muhlenberg Regional Medical Center, and a sixth may close soon. In early December, the state health department said it would dole out \$44 million to six others to keep them from closing or slashing services.

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