

N.J. Senate panel approves bill requiring for-profit hospitals to post financial information

TRENTON — As another bidding war over a struggling nonprofit hospital heats up in North Jersey, a Senate panel today took aim at the spread of for-profit hospitals by approving a bill that would require they disclose financial information to the public.

Any hospital that wants a share of the state "charity care" fund for treating uninsured patients would have to supply information detailing their operating budget, such as sources of income, its business holdings and salaries, and other information nonprofit entities are required to file with the IRS, according to bill sponsored by Senate Majority Leader Loretta Weinberg (D-Bergen).

The state Department of Health and Senior Services would collect and post the information on its website, according to the bill, (S782).

"We have seen a tremendous proliferation of for-profit hospitals in the state of New Jersey over the last two years," Weinberg testified in Trenton. "This is a small step forward so that the state of New Jersey, advocates and the general public know a little bit about the for-profit operations coming in."

The bill passed 9 to 0 with 1 abstention this afternoon — hours before aspiring bidders were expected to gather at a community meeting to informally present their proposals to buy the bankrupt Christ Hospital in Jersey City, according to Jeanne Otersen, spokeswoman for the Health Professionals and Allied Employees, a union group.

Otersen told the committee public disclosure should be important to state and local lawmakers who are asked to make decisions on whether hospitals should be awarded tax abatements or a share of the charity care fund. "If you can't see the whole financial position, how can you as an elected official make that decision?"

Three parties have expressed interest in Christ Hospital: Meadowlands Hospital Medical Center, a for-profit in Secaucus; a partnership between the nonprofit Jersey City Medical Center and Community Healthcare Associates, a property management firm; and Hudson Hospital Holdco, a for-profit that recently acquired Hoboken University Medical Center and Bayonne Medical Center.

The suitors must file their bids next Thursday with the bankruptcy judge, who will then select the best offer March 20, Christ Hospital spokesman Paul Hebert said.

Lynn McVey, acting president for Meadowlands Hospital, said in a statement the "Board of Directors is currently evaluating possible expansion opportunities, including Christ Hospital.

Meadowlands Hospital management team has in a short amount of time proven an ability to turn around a failing hospital at no significant cost to the taxpayer."

Jeff Moll, managing partner for Community Healthcare Associates, said he thought his company's pitch with Jersey City Medical Center would be the strongest offer.

"As the dominant health care provider in Hudson County, Jersey City Medical Center is a nonprofit that will give the public a level of comfort," Moll said. "Its mission is long-standing and won't be a flash in the pan."

Moll also said his company has successfully leased what used to be Barnert Hospital in Paterson, creating a medical community that created about 800 jobs.

A representative from Hudson Holdco could not immediately be reached for comment.

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