

CHAPTER 219

A SUPPLEMENT to the annual appropriations act for the fiscal year ending June 30, 2026, P.L.2025, c.74.

BE IT ENACTED *by the Senate and the General Assembly of the State of New Jersey:*

1. The following items in section 1 of P.L.2025, c.74, the annual appropriations act for the fiscal year ending June 30, 2026, are amended as follows:

46 DEPARTMENT OF HEALTH	
20 Physical and Mental Health	
22 Health Planning and Evaluation	
GRANTS-IN-AID	
07-4270 Health Care Systems Analysis	<u>\$627,615,000</u>
Total Grants-in-Aid appropriation,	
Health Planning and Evaluation.....	<u>\$627,615,000</u>
Grants-in-Aid:	
07 Graduate Medical Education.....	(\$336,996,000)

Notwithstanding the provisions of any law or regulation to the contrary, and except as otherwise provided and subject to such modifications as may be required by the Centers for Medicare and Medicaid Services in order to achieve any required federal approval and full Federal Financial Participation, \$34,496,000 from the amounts hereinabove appropriated from Graduate Medical Education (GME) shall be designated as Supplemental Graduate Medical Education Subsidy (GME-S), and shall be available to hospitals that meet the following eligibility criteria: (a) an eligible hospital has a Relative Medicaid Percentage (RMP) that is among the top fifteen acute care hospitals with a residency program; (b) the RMP is a ratio calculated using the 2023 Audited Acute Care Hospital (ACH) Cost Reports; (c) the RMP numerator equals a hospital’s gross revenue from patient care for Medicaid and Medicaid HMO payers as reported on Forms E5 and E6, Line 1, Column D & Column H; (d) the RMP denominator equals a hospital’s gross revenue from patient care as reported on Form E4, Line 1, Column E; (e) for instances where hospitals that have a single Medicaid identification number submit a separate ACH Cost Report for each individually licensed hospital, the ACH Cost Report data for those hospitals shall be consolidated to the single Medicaid identification number; (f) the GME-S Subsidy shall be calculated using the same methodology as the GME Subsidy is calculated in this act, except the total amount of the GME-S Subsidy payments shall not exceed \$34,000,000 for the first fourteen ranking hospitals under this paragraph, in order of highest to lowest RMP, and the GME-S Subsidy payment shall be \$496,000 for the fifteenth ranking hospital under this paragraph, in order of highest to lowest RMP.

2. This act shall take effect immediately.

Approved January 12, 2026.