

Hospital Markets in New Jersey *at a glance*

A snapshot of hospital market structure, concentration, and ownership across the state — and how they've changed since 2000. This analysis reflects data available through May 2026.

Since 2000, hospital market concentration has increased by 62% in New Jersey, driven by 12 “Red Zone” mergers and a net loss of 19 hospitals.

WHAT THIS ANALYSIS COVERS

This analysis focuses on the state's 69 general short-term acute care (GSAC) hospitals — the facilities where most privately insured, Medicare, and Medicaid patients receive inpatient care, and where market concentration most directly affects the prices employers and workers pay. Each hospital's market is defined via a 30-minute travel radius around that facility. Within it, we measure concentration using the Herfindahl-Hirschman Index (HHI) — a standard antitrust metric calculated as the sum of the squared market shares of the owners in a market. HHI ranges from 0 (many small hospitals, low concentration) to 10,000 (a monopoly market, which has a single owner). Our hospital-centric HHI is a consistent analytical proxy for market concentration, not a legally defined antitrust market.

● GSAC Hospitals (69)

● VA / Military

● Psychiatric / Behavioral

● Rehabilitation

● Children's Specialty

Market Concentration

In 2000, roughly one-third of New Jersey's hospitals were in markets with an HHI above 1,800, the threshold the Federal Trade Commission (FTC) and Department of Justice (DOJ) consider “highly concentrated.” By 2026, more than two-thirds were in highly concentrated markets, and the average hospital market HHI had increased sharply by 62% to 3,197. Over the same period, the state recorded a net loss of 19 hospitals and 12 “Red Zone” mergers. A Red Zone merger raises at least one merging hospital's market HHI by over 100 points to above 1,800, which DOJ and FTC guidelines presume is likely to raise prices.

2000 | 88 hospitals overall

2026 | 69 hospitals overall



CONCENTRATION SCALE (IN HHI)

● **Low** (<1,000 HHI) ● **Moderate** (1,000 to <1,800) ● **High** (1,800 to <5,000) ● **Higher** (5,000 to <10,000) ● **Monopoly** (10,000 HHI)

Explore the data yourself

Our tool has three components. **The Market Explorer** tracks how hospital market concentration has evolved from 2000 to May 2026, drawing on ownership data from the AHA's Annual Survey, validated against state health department filings, SEC disclosures, and public reporting. **The Closures Explorer** tracks hospital closures and openings nationwide, each year since 2000. **The Forecast Lab** uses that same data to model how a proposed merger, closure, or opening would reshape a hospital market as it stood in 2026 — it models the scenarios you specify and does not identify potential mergers.

Note on the data: The tool uses a first-of-its-kind database that we built from scratch. We have done our best to gather and validate the data; however, if you notice an error (e.g., a hospital's name, a merger year) or if you have questions about our methodology, please notify us at HealthCareAffordabilityLab@yale.edu.

Health Care
Affordability Lab
at Yale

Explore Market Concentration at
Markets.HealthCareAffordabilityLab.org



QR code to NJ Hospitals

Hospital Markets in New Jersey

October 2026

Key Stats

2 LARGEST SYSTEMS

23 of **69**

33% · RWJBarnabas + Hackensack Meridian

HOSPITALS CLOSED

20

Net loss of 19 (1 opened)

RED ZONE TRANSACTIONS

12 of **38**

32% in Red Zone

AVG HHI INCREASE

+1,227

1,970 → 3,197

Two Systems Control One-Third of Hospitals in New Jersey

RWJBarnabas Health, formed in 2016 from the merger of Robert Wood Johnson Health System and Barnabas Health, now operates 14 hospitals, nearly 1 in 5 hospitals in the state. Hackensack Meridian Health controls nine hospitals. Together, they own 23 of 69 hospitals. Four additional systems have a regional presence: Prime Healthcare Services (5), Atlantic Health System (5), Virtua Health (5), and Inspira Health Network (4). In total, 84% of hospitals in New Jersey are system-owned.

2000 | 88 hospitals overall

56 in 19 systems 32 independents

64%

36%

2026 | 69 hospitals overall

58 in 15 systems 11 independents

84%

16%

New Jersey's Largest Systems

Together, these two systems control 23 of 69 hospitals, up from 7 in 2000.

SYSTEM	HOSPITALS IN STATE	AVERAGE MARKET HHI	HOSPITALS WITH CONCENTRATION ABOVE 1,800 HHI
RWJBarnabas Health	14	2,868	11 of 14
Hackensack Meridian Health	9	3,972	7 of 9

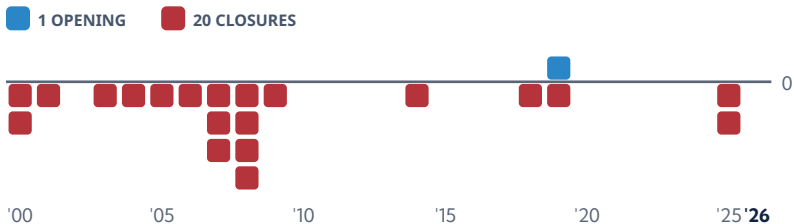
Average market HHI reflects the mean HHI across each system's hospitals within the state. HHI is calculated within a 30-minute travel radius of each facility. National hospital data typically lags by one to two years for new openings and recent ownership changes, so figures for 2024–2026 are preliminary and may not yet reflect all recent activity.

Closures and Mergers Since 2000

Twenty hospitals have closed since 2000, most in urban and suburban northern New Jersey, while one new hospital opened, leading to a net loss of 19 hospitals.

Additionally, out of 38 transactions, 12 qualified as "Red Zone" mergers. As a result, the share of hospitals in highly concentrated markets doubled in the past 26 years, from roughly one-third in 2000 (31 of 88) to more than two-thirds in 2026 (48 of 69).

Hospitals opened & closed by year



Transactions by year

