

UNAUDITED CONSOLIDATING FINANCIAL STATEMENTS
DRAFT – PENDING COMPLETION OF ANNUAL AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2019

The Cleveland Clinic Foundation d.b.a. Cleveland Clinic Health System

CLEVELAND CLINIC HEALTH SYSTEM
UNAUDITED CONSOLIDATING FINANCIAL STATEMENTS
December 31, 2019

TABLE OF CONTENTS

Consolidating Balance Sheets As of December 31, 2019 and 2018.....	1
Consolidating Statements of Operations and Changes in Net Assets Three Months Ended December 31, 2019 and 2018	5
Consolidating Statements of Operations and Changes in Net Assets Years Ended December 31, 2019 and 2018	9
Consolidating Statements of Cash Flows Years Ended December 31, 2019 and 2018	13

Cleveland Clinic Health System

Consolidating Balance Sheet

UNAUDITED

(In Thousands)

	December 31, 2019			
	Obligated	Non-Obligated	Consolidating	
	Group	Group	Adjustments	Consolidated
			and Eliminations	
Assets				
Current assets:				
Cash and cash equivalents	\$ 302,455	\$ 203,274	\$ –	\$ 505,729
Patient receivables, net	1,139,314	195,186	(35,244)	1,299,256
Due from affiliates	44,160	10	(44,170)	–
Investments for current use	119,445	59,355	–	178,800
Other current assets	438,946	78,142	(28,420)	488,668
Total current assets	<u>2,044,320</u>	<u>535,967</u>	<u>(107,834)</u>	<u>2,472,453</u>
Investments:				
Long-term investments	8,155,876	1,116,411	–	9,272,287
Funds held by trustees	225,097	110	–	225,207
Assets held for self-insurance	–	157,972	–	157,972
Donor-restricted assets	796,476	63,644	–	860,120
	<u>9,177,449</u>	<u>1,338,137</u>	<u>–</u>	<u>10,515,586</u>
Property, plant, and equipment, net	4,680,991	1,206,421	–	5,887,412
Other assets:				
Pledges receivable, net	143,352	11,566	–	154,918
Trusts and interests in foundations	67,570	45,867	–	113,437
Other noncurrent assets	765,367	316,250	(229,217)	852,400
	<u>976,289</u>	<u>373,683</u>	<u>(229,217)</u>	<u>1,120,755</u>
Total assets	<u><u>\$ 16,879,049</u></u>	<u><u>\$ 3,454,208</u></u>	<u><u>\$ (337,051)</u></u>	<u><u>\$ 19,996,206</u></u>

	December 31, 2019			
	Obligated	Non-Obligated	Consolidating	
	Group	Group	Adjustments	Consolidated
			and Eliminations	
Liabilities and net assets				
Current liabilities:				
Accounts payable	\$ 431,124	\$ 105,616	\$ (60)	\$ 536,680
Compensation and amounts withheld from payroll	386,325	44,596	-	430,921
Current portion of long-term debt	88,803	6,674	(72)	95,405
Variable rate debt classified as current	475,297	54,544	-	529,841
Due to affiliates	10	44,160	(44,170)	-
Other current liabilities	477,697	162,589	(66,363)	573,923
Total current liabilities	<u>1,859,256</u>	<u>418,179</u>	<u>(110,665)</u>	<u>2,166,770</u>
Long-term debt	3,807,383	1,115,456	(224,191)	4,698,648
Other liabilities:				
Professional and general liability insurance reserves	65,677	98,331	-	164,008
Accrued retirement benefits	329,599	17,465	-	347,064
Other noncurrent liabilities	583,804	255,030	(75)	838,759
	<u>979,080</u>	<u>370,826</u>	<u>(75)</u>	<u>1,349,831</u>
Total liabilities	<u>6,645,719</u>	<u>1,904,461</u>	<u>(334,931)</u>	<u>8,215,249</u>
Net assets:				
Without donor restrictions	9,137,027	1,427,771	(2,120)	10,562,678
With donor restrictions	1,096,303	121,976	-	1,218,279
Total net assets	<u>10,233,330</u>	<u>1,549,747</u>	<u>(2,120)</u>	<u>11,780,957</u>
Total liabilities and net assets	<u>\$ 16,879,049</u>	<u>\$ 3,454,208</u>	<u>\$ (337,051)</u>	<u>\$ 19,996,206</u>

Cleveland Clinic Health System

Consolidating Balance Sheet

UNAUDITED

(In Thousands)

	December 31, 2018			
	Obligated	Non-Obligated	Consolidating	
	Group	Group	Adjustments	Consolidated
			and Eliminations	
Assets				
Current assets:				
Cash and cash equivalents	\$ 279,847	\$ 164,916	\$ –	\$ 444,763
Patient receivables, net	1,008,777	150,582	(36,441)	1,122,918
Due from affiliates	5,053	20	(5,073)	–
Investments for current use	–	53,841	–	53,841
Other current assets	359,623	67,392	(550)	426,465
Total current assets	1,653,300	436,751	(42,064)	2,047,987
Investments:				
Long-term investments	6,959,237	574,431	–	7,533,668
Funds held by trustees	49,353	24	–	49,377
Assets held for self-insurance	–	106,966	–	106,966
Donor-restricted assets	715,268	29,583	–	744,851
	7,723,858	711,004	–	8,434,862
Property, plant, and equipment, net	4,144,790	927,674	–	5,072,464
Other assets:				
Pledges receivable, net	150,876	1,572	–	152,448
Trusts and interests in foundations	67,279	20,327	–	87,606
Other noncurrent assets	546,032	63,367	(197,637)	411,762
	764,187	85,266	(197,637)	651,816
Total assets	\$ 14,286,135	\$ 2,160,695	\$ (239,701)	\$ 16,207,129

	December 31, 2018			
	Obligated	Non-Obligated	Consolidating	
	Group	Group	Adjustments	Consolidated
			and Eliminations	
Liabilities and net assets				
Current liabilities:				
Accounts payable	\$ 448,095	\$ 79,693	\$ (116)	\$ 527,672
Compensation and amounts withheld from payroll	329,434	29,908	–	359,342
Current portion of long-term debt	185,676	5,746	(72)	191,350
Variable rate debt classified as current	351,024	56,752	–	407,776
Due to affiliates	20	5,053	(5,073)	–
Other current liabilities	411,584	121,009	(39,140)	493,453
Total current liabilities	1,725,833	298,161	(44,401)	1,979,593
 Long-term debt	 3,028,825	 723,115	 (193,029)	 3,558,911
Other liabilities:				
Professional and general liability insurance reserves	55,556	85,626	–	141,182
Accrued retirement benefits	420,436	45,091	–	465,527
Other noncurrent liabilities	505,891	36,289	(151)	542,029
	981,883	167,006	(151)	1,148,738
Total liabilities	5,736,541	1,188,282	(237,581)	6,687,242
Net assets:				
Without donor restrictions	7,547,813	919,775	(2,120)	8,465,468
With donor restrictions	1,001,781	52,638	–	1,054,419
Total net assets	8,549,594	972,413	(2,120)	9,519,887
Total liabilities and net assets	\$ 14,286,135	\$ 2,160,695	\$ (239,701)	\$ 16,207,129

Cleveland Clinic Health System

Consolidating Statements of Operations and Changes in Net Assets

UNAUDITED
(In Thousands)

Operations

	Three Months Ended December 31, 2019			
	Obligated Group	Non-Obligated Group	Consolidating Adjustments and Eliminations	Consolidated
Unrestricted revenues				
Net patient service revenue	\$ 2,151,504	\$ 362,792	\$ (69,538)	\$ 2,444,758
Other	238,608	102,956	(48,338)	293,226
Total unrestricted revenues	<u>2,390,112</u>	<u>465,748</u>	<u>(117,876)</u>	<u>2,737,984</u>
Expenses				
Salaries, wages, and benefits	1,258,633	264,555	(81,851)	1,441,337
Supplies	233,295	48,947	(400)	281,842
Pharmaceuticals	313,521	31,218	-	344,739
Purchased services and other fees	156,789	39,268	(8,052)	188,005
Administrative services	35,589	33,879	(8,239)	61,229
Facilities	72,878	21,873	(687)	94,064
Insurance	17,868	18,298	(18,622)	17,544
	<u>2,088,573</u>	<u>458,038</u>	<u>(117,851)</u>	<u>2,428,760</u>
Operating income before interest, depreciation, amortization, and special charges	<u>301,539</u>	<u>7,710</u>	<u>(25)</u>	<u>309,224</u>
Interest	32,963	8,354	-	41,317
Depreciation and amortization	126,490	18,814	(25)	145,279
Operating income (loss)	<u>142,086</u>	<u>(19,458)</u>	<u>-</u>	<u>122,628</u>
Nonoperating gains and losses				
Investment income	306,682	289,731	-	596,413
Derivative gains (losses)	36,751	(479)	-	36,272
Other, net	(6,215)	(2,474)	-	(8,689)
Net nonoperating gains	<u>337,218</u>	<u>286,778</u>	<u>-</u>	<u>623,996</u>
Excess of revenues over expenses	<u>479,304</u>	<u>267,320</u>	<u>-</u>	<u>746,624</u>

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Changes in Net Assets

Three Months Ended December 31, 2019				
	Obligated Group	Non-Obligated Group	Consolidating Adjustments and Eliminations	Consolidated
Changes in net assets without donor restrictions:				
Excess of revenues over expenses	\$ 479,304	\$ 267,320	\$ –	\$ 746,624
Donated capital	38	–	–	38
Net assets released from restriction for capital purposes	12,830	4,193	–	17,023
Retirement benefits adjustment	(8,768)	4,368	–	(4,400)
Foreign currency translation	–	(2,747)	–	(2,747)
Transfers from (to) affiliates	17,870	(17,870)	–	–
Other	(3,816)	3,873	–	57
Increase in net assets without donor restrictions	497,458	259,137	–	756,595
Changes in net assets with donor restrictions:				
Gifts and bequests	42,851	3,260	–	46,111
Net investment income	22,326	2,798	–	25,124
Net assets released from restrictions used for operations included in other unrestricted revenues	(16,131)	(2,347)	–	(18,478)
Net assets released from restriction for capital purposes	(12,831)	(4,192)	–	(17,023)
Change in interests in foundations	523	–	–	523
Change in value of perpetual trusts	259	471	–	730
Other	(781)	793	–	12
Increase in net assets with donor restrictions	36,216	783	–	36,999
Increase in net assets	533,674	259,920	–	793,594
Net assets at beginning of period	9,699,656	1,289,827	(2,120)	10,987,363
Net assets at end of period	\$ 10,233,330	\$ 1,549,747	\$ (2,120)	\$ 11,780,957

Cleveland Clinic Health System

Consolidating Statements of Operations and Changes in Net Assets

UNAUDITED
(In Thousands)

Operations

	Three Months Ended December 31, 2018			
	Obligated Group	Non-Obligated Group	Consolidating Adjustments and Eliminations	Consolidated
Unrestricted revenues				
Net patient service revenue	\$ 1,915,598	\$ 256,267	\$ (62,365)	\$ 2,109,500
Other	207,741	85,005	(42,636)	250,110
Total unrestricted revenues	2,123,339	341,272	(105,001)	2,359,610
Expenses				
Salaries, wages, and benefits	1,115,295	184,392	(72,864)	1,226,823
Supplies	204,983	29,418	(316)	234,085
Pharmaceuticals	274,696	18,427	–	293,123
Purchased services and other fees	141,910	25,091	(7,639)	159,362
Administrative services	45,196	26,532	(7,518)	64,210
Facilities	70,457	19,266	(845)	88,878
Insurance	16,061	13,007	(15,794)	13,274
	1,868,598	316,133	(104,976)	2,079,755
Operating income before interest, depreciation, amortization, and special charges	254,741	25,139	(25)	279,855
Interest	30,638	5,884	–	36,522
Depreciation and amortization	104,292	14,875	(25)	119,142
Operating income before special charges	119,811	4,380	–	124,191
Special charges	–	241	–	241
Operating income	119,811	4,139	–	123,950
Nonoperating gains and losses				
Investment loss	(286,355)	(25,040)	–	(311,395)
Derivative losses	(27,538)	(437)	–	(27,975)
Other, net	(14,505)	(14,122)	–	(28,627)
Net nonoperating losses	(328,398)	(39,599)	–	(367,997)
Deficiency of revenues over expenses	(208,587)	(35,460)	–	(244,047)

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Changes in Net Assets

Three Months Ended December 31, 2018				
	Obligated Group	Non-Obligated Group	Consolidating Adjustments and Eliminations	Consolidated
Changes in net assets without donor restrictions:				
Deficiency of revenues over expenses	\$ (208,587)	\$ (35,460)	\$ –	\$ (244,047)
Donated capital	78	-	–	78
Net assets released from restriction				
for capital purposes	5,189	290	–	5,479
Retirement benefits adjustment	30,373	(3,637)	–	26,736
Foreign currency translation	–	(824)	–	(824)
Transfers from (to) affiliates	16,026	(16,026)	–	–
Other	267	56	–	323
Decrease in net assets without donor restrictions	(156,654)	(55,601)	–	(212,255)
Changes in net assets with donor restrictions:				
Gifts and bequests	50,966	2,499	–	53,465
Net investment loss	(17,150)	(766)	–	(17,916)
Net assets released from restrictions used				
for operations included in other unrestricted revenues	(13,416)	(3,064)	–	(16,480)
Net assets released from restriction for capital purposes	(5,189)	(290)	–	(5,479)
Change in interests in foundations	(3,338)	–	–	(3,338)
Change in value of perpetual trusts	(511)	(1,590)	–	(2,101)
Other	(264)	-	–	(264)
Increase (decrease) in net assets with donor restrictions	11,098	(3,211)	–	7,887
Decrease in net assets	(145,556)	(58,812)	–	(204,368)
Net assets at beginning of period	8,695,150	1,031,225	(2,120)	9,724,255
Net assets at end of period	<u>\$ 8,549,594</u>	<u>\$ 972,413</u>	<u>\$ (2,120)</u>	<u>\$ 9,519,887</u>

Cleveland Clinic Health System

Consolidating Statements of Operations and Changes in Net Assets

UNAUDITED
(In Thousands)

Operations

	Year Ended December 31, 2019			
	Obligated Group	Non-Obligated Group	Consolidating Adjustments and Eliminations	Consolidated
Unrestricted revenues				
Net patient service revenue	\$ 8,389,714	\$ 1,423,627	\$ (297,058)	\$ 9,516,283
Other	864,219	385,065	(206,046)	1,043,238
Total unrestricted revenues	<u>9,253,933</u>	<u>1,808,692</u>	<u>(503,104)</u>	<u>10,559,521</u>
Expenses				
Salaries, wages, and benefits	5,013,136	1,027,930	(343,151)	5,697,915
Supplies	881,337	168,882	(963)	1,049,256
Pharmaceuticals	1,191,156	116,363	-	1,307,519
Purchased services and other fees	565,536	138,291	(28,994)	674,833
Administrative services	122,203	121,549	(24,791)	218,961
Facilities	294,027	87,123	(2,661)	378,489
Insurance	75,787	106,909	(102,444)	80,252
	<u>8,143,182</u>	<u>1,767,047</u>	<u>(503,004)</u>	<u>9,407,225</u>
Operating income before interest, depreciation, amortization, and special charges	1,110,751	41,645	(100)	1,152,296
Interest	132,230	29,042	-	161,272
Depreciation and amortization	522,825	78,094	(100)	600,819
Operating income (loss)	<u>455,696</u>	<u>(65,491)</u>	<u>-</u>	<u>390,205</u>
Nonoperating gains and losses				
Investment income	904,375	345,006	-	1,249,381
Derivative losses	(34,148)	(2,046)	-	(36,194)
Other, net	250,673	192,979	-	443,652
Net nonoperating gains	<u>1,120,900</u>	<u>535,939</u>	<u>-</u>	<u>1,656,839</u>
Excess of revenues over expenses	<u>1,576,596</u>	<u>470,448</u>	<u>-</u>	<u>2,047,044</u>

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Changes in Net Assets

Year Ended December 31, 2019				
	Obligated Group	Non-Obligated Group	Consolidating Adjustments and Eliminations	Consolidated
Changes in net assets without donor restrictions:				
Excess of revenues over expenses	\$ 1,576,596	\$ 470,448	\$ –	\$ 2,047,044
Donated capital	38	–	–	38
Net assets released from restriction for capital purposes	55,341	2,502	–	57,843
Retirement benefits adjustment	(10,456)	4,196	–	(6,260)
Foreign currency translation	–	(1,395)	–	(1,395)
Transfers (to) from affiliates	(28,483)	28,483	–	–
Other	(3,822)	3,762	–	(60)
Increase in net assets without donor restrictions	1,589,214	507,996	–	2,097,210
Changes in net assets with donor restrictions:				
Gifts and bequests	100,434	28,066	–	128,500
Net investment income	65,932	6,142	–	72,074
Net assets released from restrictions used for operations included in other unrestricted revenues	(47,917)	(4,936)	–	(52,853)
Net assets released from restriction for capital purposes	(55,341)	(2,502)	–	(57,843)
Change in interests in foundations	1,521	–	–	1,521
Change in value of perpetual trusts	(602)	1,213	–	611
Member substitution contribution	31,488	40,260	–	71,748
Other	(993)	1,095	–	102
Increase in net assets with donor restrictions	94,522	69,338	–	163,860
Increase in net assets	1,683,736	577,334	–	2,261,070
Net assets at beginning of year	8,549,594	972,413	(2,120)	9,519,887
Net assets at end of year	\$ 10,233,330	\$ 1,549,747	\$ (2,120)	\$ 11,780,957

Cleveland Clinic Health System

Consolidating Statements of Operations and Changes in Net Assets

UNAUDITED
(In Thousands)

Operations

	Year Ended December 31, 2018			
	Obligated Group	Non-Obligated Group	Consolidating Adjustments and Eliminations	Consolidated
Unrestricted revenues				
Net patient service revenue	\$ 7,334,426	\$ 966,755	\$ (269,382)	\$ 8,031,799
Other	753,137	301,295	(158,674)	895,758
Total unrestricted revenues	8,087,563	1,268,050	(428,056)	8,927,557
Expenses				
Salaries, wages, and benefits	4,486,481	682,986	(312,041)	4,857,426
Supplies	758,369	107,452	(951)	864,870
Pharmaceuticals	1,012,348	78,633	–	1,090,981
Purchased services and other fees	490,408	98,784	(25,422)	563,770
Administrative services	160,416	85,015	(23,315)	222,116
Facilities	281,921	74,809	(3,252)	353,478
Insurance	69,121	65,438	(62,975)	71,584
	7,259,064	1,193,117	(427,956)	8,024,225
Operating income before interest, depreciation, amortization, and special charges	828,499	74,933	(100)	903,332
Interest	119,904	18,940	–	138,844
Depreciation and amortization	432,794	62,942	(100)	495,636
Operating income (loss) before special charges	275,801	(6,949)	–	268,852
Special charges	–	2,419	–	2,419
Operating income (loss)	275,801	(9,368)	–	266,433
Nonoperating gains and losses				
Investment loss	(173,401)	(17,789)	–	(191,190)
Derivative gains (losses)	1,458	(1,644)	–	(186)
Other, net	(9,459)	38,321	–	28,862
Net nonoperating (losses) gains	(181,402)	18,888	–	(162,514)
Excess of revenues over expenses	94,399	9,520	–	103,919

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Changes in Net Assets

Year Ended December 31, 2018				
	Obligated Group	Non-Obligated Group	Consolidating Adjustments and Eliminations	Consolidated
Changes in net assets without donor restrictions:				
Excess of revenues over expenses	\$ 94,399	\$ 9,520	\$ –	\$ 103,919
Donated capital	592	11	–	603
Net assets released from restriction for capital purposes	11,378	781	–	12,159
Retirement benefits adjustment	28,398	(3,809)	–	24,589
Foreign currency translation	–	(23,332)	–	(23,332)
Transfers from (to) affiliates	15,793	(15,793)	–	–
Other	(545)	1,426	–	881
Increase (decrease) in net assets without donor restrictions	150,015	(31,196)	–	118,819
Changes in net assets with donor restrictions:				
Gifts and bequests	117,396	4,418	–	121,814
Net investment (loss) income	(9,159)	154	–	(9,005)
Net assets released from restrictions used for operations included in other unrestricted revenues	(46,459)	(5,427)	–	(51,886)
Net assets released from restriction for capital purposes	(11,378)	(781)	–	(12,159)
Change in interests in foundations	(3,300)	–	–	(3,300)
Change in value of perpetual trusts	355	(1,339)	–	(984)
Member substitution contribution	–	13,180	–	13,180
Other	(218)	173	–	(45)
Increase in net assets with donor restrictions	47,237	10,378	–	57,615
Increase (decrease) in net assets	197,252	(20,818)	–	176,434
Net assets at beginning of year	8,352,342	993,231	(2,120)	9,343,453
Net assets at end of year	<u>\$ 8,549,594</u>	<u>\$ 972,413</u>	<u>\$ (2,120)</u>	<u>\$ 9,519,887</u>

Cleveland Clinic Health System

Consolidating Statement of Cash Flows

UNAUDITED

(In Thousands)

	Year Ended December 31, 2019			
	Obligated Group	Non-Obligated Group	Consolidating Adjustments and Eliminations	Consolidated
Operating activities and net nonoperating gains and losses				
Increase in total net assets	\$ 1,683,736	\$ 577,334	\$ -	\$ 2,261,070
Adjustments to reconcile increase in total net assets to net cash provided by operating activities and net nonoperating gains and losses:				
Loss on extinguishment of debt	6,340	-	-	6,340
Retirement benefits adjustment	10,456	(4,196)	-	6,260
Net realized and unrealized gains on investments	(910,851)	(345,612)	-	(1,256,463)
Depreciation and amortization	522,825	78,074	(100)	600,799
Foreign currency translation loss	-	1,395	-	1,395
Donated capital	(38)	-	-	(38)
Restricted gifts, bequests, investment income, and other	(167,285)	(35,421)	-	(202,706)
Transfers to (from) affiliates	28,483	(28,483)	-	-
Amortization of bond premiums and debt issuance costs	(6,455)	188	-	(6,267)
Net loss (gain) in value of derivatives	21,073	(5)	-	21,068
Member substitution contribution	(288,211)	(233,766)	-	(521,977)
Pension funding	(145,438)	(37,655)	-	(183,093)
Changes in operating assets and liabilities:				
Patient receivables	(71,218)	217	(1,197)	(72,198)
Other current assets	(79,811)	10,727	66,967	(2,117)
Other noncurrent assets	(145,393)	(220,986)	31,680	(334,699)
Accounts payable and other current liabilities	74,200	74,874	(66,264)	82,810
Other liabilities	11,986	188,505	76	200,567
Net cash provided by operating activities and net nonoperating gains and losses	544,399	25,190	31,162	600,751
Financing activities				
Proceeds from long-term borrowings	1,253,000	352,503	(31,162)	1,574,341
Payments for advance refunding and redemption of long-term debt	(511,218)	-	-	(511,218)
Principal payments on long-term debt	(264,007)	(40,154)	-	(304,161)
Debt issuance costs	(8,889)	(42)	-	(8,931)
Change in pledges receivables, trusts and interests in foundations	10,330	(8,193)	-	2,137
Restricted gifts, bequests, investment income, and other	167,285	35,421	-	202,706
Net cash provided by financing activities	646,501	339,535	(31,162)	954,874
Investing activities				
Expenditures for property, plant, and equipment	(741,647)	(180,595)	-	(922,242)
Proceeds from sale of property, plant, and equipment	85,348	-	-	85,348
Cash acquired through member substitution	18	16,384	-	16,402
Net change in cash equivalents reported in long-term investments	(58,431)	(422,775)	-	(481,206)
Purchases of investments	(4,740,908)	(542,299)	-	(5,283,207)
Sales of investments	4,435,621	759,903	-	5,195,524
Transfers (to) from affiliates	(28,483)	28,483	-	-
Net cash used in investing activities	(1,048,482)	(340,899)	-	(1,389,381)
Effect of exchange rate changes on cash	-	25,921	-	25,921
Increase in cash, cash equivalents and restricted cash	142,418	49,747	-	192,165
Cash, cash equivalents and restricted cash at beginning of year	280,180	164,941	-	445,121
Cash, cash equivalents and restricted cash at end of year	\$ 422,598	\$ 214,688	\$ -	\$ 637,286

Cleveland Clinic Health System

Consolidating Statement of Cash Flows

UNAUDITED

(In Thousands)

	Year Ended December 31, 2018			
	Obligated	Non-Obligated	Consolidating	
	Group	Group	Adjustments	Consolidated
			and Eliminations	
Operating activities and net nonoperating gains and losses				
Increase (decrease) in total net assets	\$ 197,252	\$ (20,818)	\$ –	\$ 176,434
Adjustments to reconcile increase (decrease) in total net assets to net cash provided by (used in) operating activities and net nonoperating gains and losses:				
Retirement benefits adjustment	(28,398)	3,809	–	(24,589)
Net realized and unrealized losses on investments	227,207	22,152	–	249,359
Depreciation and amortization	432,794	64,663	(100)	497,357
Foreign currency translation loss	–	23,332	–	23,332
Donated capital	(592)	(11)	–	(603)
Restricted gifts, bequests, investment income, and other	(105,292)	(3,233)	–	(108,525)
Transfers (from) to affiliates	(15,793)	15,793	–	–
Amortization of bond premiums and debt issuance costs	(6,109)	63	–	(6,046)
Net gain in value of derivatives	(13,126)	(2,575)	–	(15,701)
Member substitution contribution	–	(64,876)	–	(64,876)
Pension funding	(12,699)	(172)	–	(12,871)
Changes in operating assets and liabilities:				
Patient receivables	(104,672)	12,775	2,789	(89,108)
Other current assets	22,876	467	(50,737)	(27,394)
Other noncurrent assets	19,890	283	45,811	65,984
Accounts payable and other current liabilities	86,971	(54,916)	48,020	80,075
Other liabilities	11,570	(8,761)	(151)	2,658
Net cash provided by (used in) operating activities and net nonoperating gains and losses	711,879	(12,025)	45,632	745,486
Financing activities				
Proceeds from long-term borrowings	45,000	557,496	(45,632)	556,864
Payments for advance refunding and redemption of long-term debt	–	(420,030)	–	(420,030)
Principal payments on long-term debt	(82,613)	(5,824)	–	(88,437)
Debt issuance costs	–	(6,417)	–	(6,417)
Change in pledges receivables, trusts and interests in foundations	(16,249)	(51)	–	(16,300)
Restricted gifts, bequests, investment income, and other	105,292	3,233	–	108,525
Net cash provided by financing activities	51,430	128,407	(45,632)	134,205
Investing activities				
Expenditures for property, plant, and equipment	(723,445)	(81,070)	–	(804,515)
Proceeds from sale of property, plant, and equipment	165	–	–	165
Cash acquired through member substitution	–	1,515	–	1,515
Net change in cash equivalents reported in long-term investments	67,879	(103,277)	–	(35,398)
Purchases of investments	(3,401,430)	(282,340)	–	(3,683,770)
Sales of investments	3,426,273	320,828	–	3,747,101
Transfers from (to) affiliates	15,793	(15,793)	–	–
Net cash used in investing activities	(614,765)	(160,137)	–	(774,902)
Effect of exchange rate changes on cash	–	(4,916)	–	(4,916)
Increase (decrease) in cash, cash equivalents and restricted cash	148,544	(48,671)	–	99,873
Cash, cash equivalents and restricted cash at beginning of year	131,636	213,612	–	345,248
Cash, cash equivalents and restricted cash at end of year	<u>\$ 280,180</u>	<u>\$ 164,941</u>	<u>\$ –</u>	<u>\$ 445,121</u>