

UNAUDITED INTERIM CONSOLIDATED FINANCIAL  
STATEMENTS AND SUPPLEMENTARY INFORMATION

Yale New Haven Health Services Corporation  
d/b/a Yale New Haven Health System and Subsidiaries  
For the Nine-Month Periods Ended June 30, 2022 and 2021

Yale New Haven Health Services Corporation  
d/b/a Yale New Haven Health System and Subsidiaries

Consolidated Balance Sheets  
(In Thousands)

	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>June 30,</b>	<b>September 30,</b>
	<b>2022</b>	<b>2021</b>
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 157,554	\$ 439,777
Short-term investments	3,562,236	3,940,899
Net patient receivables	798,463	671,681
Professional liabilities insurance recoveries receivable	79,616	79,615
Other assets	277,002	286,478
Assets limited as to use-debt service fund	31,621	6,398
Total current assets	4,906,492	5,424,848
Assets limited as to use	191,448	205,916
Long-term investments	363,397	376,465
Interest in the net assets of Greenwich Hospital Endowment Fund, Inc.	116,857	138,729
Professional liabilities insurance recoveries receivable	185,584	185,584
Other assets	158,438	164,526
Right of use assets	301,931	321,244
Property, plant, and equipment, net	2,025,513	2,051,711
Goodwill	185,262	185,262
Total assets	\$ 8,434,922	\$ 9,054,285

*See accompanying notes to consolidated financial statements.*

Yale New Haven Health Services Corporation  
d/b/a Yale New Haven Health System and Subsidiaries

Consolidated Balance Sheets  
(In Thousands)

	(Unaudited) June 30, 2022	(Audited) September 30, 2021
<b>Liabilities and net assets</b>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 1,074,267	\$ 959,026
Current portion of long-term debt	23,665	23,665
Current portion of finance lease obligation	5,903	5,755
Current portion of professional liabilities	79,616	79,615
Variable rate debt classified as current	198,040	198,005
Operating lease liability - short term	56,128	49,258
Other liabilities	209,233	454,122
Total current liabilities	1,646,852	1,769,446
Long-term debt, net of current portion and deferred financing costs	1,418,272	1,429,953
Long-term finance lease obligation net of current portion	113,860	118,418
Accrued pension and postretirement benefit obligations	263,056	237,296
Professional liabilities, net of current portion	285,403	281,702
Operating lease liability - long term	252,513	278,275
Other liabilities	375,984	457,090
Total liabilities	4,355,940	4,572,180
Net assets:		
Net assets without donor restrictions	3,621,176	3,981,298
Net assets with donor restrictions	457,806	500,807
Total net assets	4,078,982	4,482,105
 Total liabilities and net assets	 \$ 8,434,922	 \$ 9,054,285

See accompanying notes to consolidated financial statements.

Yale New Haven Health Services Corporation  
d/b/a Yale New Haven Health System and Subsidiaries

Consolidated Statements of Operations and Changes in Net Assets (Unaudited)  
(In Thousands)

	Nine Months Ended June 30,	
	2022	2021
Net assets without donor restrictions:		
Net patient service revenue	\$ 4,142,575	\$ 3,839,445
Other revenue	503,193	540,694
Total operating revenue	4,645,768	4,380,139
Operating expenses:		
Salaries and benefits	2,460,994	2,187,387
Supplies and other	2,125,447	1,923,284
Depreciation and amortization	156,838	162,407
Insurance	51,942	59,294
Interest	21,794	22,274
Total operating expenses	4,817,015	4,354,646
(Loss) income from operations	(171,247)	25,493
Non-operating gains (losses), net		
Income from investments, donations, and other, net	(233,480)	486,185
Pension cost other than service cost, net	(433)	9,260
Change in fair value of swap, including counterparty payments	40,661	29,667
Total non-operating gains, net	(193,252)	525,112
Excess of revenue over expenses	\$ (364,499)	\$ 550,605

See accompanying notes to consolidated financial statements.

Yale New Haven Health Services Corporation  
d/b/a Yale New Haven Health System and Subsidiaries

Consolidated Statements of Operations and Changes in Net Assets (Unaudited)  
(continued)  
(In Thousands)

	Nine Months Ended June 30,	
	2022	2021
Net assets without donor restrictions:		
Excess of revenue over expenses	\$ (364,499)	\$ 550,605
Other changes in net assets	599	242
Net assets released from restrictions for purchases of fixed assets	3,778	1,782
Increase in net assets without donor restrictions	(360,122)	552,629
Net assets with donor restrictions:		
Income from investments	3,247	2,949
Net realized and unrealized gains on investments	(34,388)	57,977
Bequests and contributions	18,680	35,006
Net assets released from restrictions for purchases of fixed assets	(3,742)	(1,540)
Net assets released from restrictions for operations	(16,402)	(10,429)
Net assets released from restrictions for clinical programs	(2,533)	(4,521)
Change in beneficial interest in perpetual trusts	(4,278)	4,036
Other changes in net assets	(3,585)	13,996
Increase in net assets with donor restrictions	(43,001)	97,474
Increase in net assets	(403,123)	650,103
Net assets at beginning of period	4,482,105	3,607,039
Net assets at the end of period	\$ 4,078,982	\$ 4,257,142

See accompanying notes to consolidated financial statements.

Yale New Haven Health Services Corporation  
d/b/a Yale New Haven Health System and Subsidiaries  
Consolidated Statements of Cash Flows (Unaudited)  
(In Thousands)

	Nine Months Ended	
	June 30,	
	2022	2021
<b>Operating activities</b>		
Increase in net assets	\$ (403,123)	\$ 650,103
Adjustments to reconcile increase (decrease) in net assets to net cash used in operating activities:		
Depreciation and amortization	156,838	162,407
Net realized and change in net unrealized (gains) losses on investments	229,988	517,016
Change in fair value of interest rate swap agreements	(46,915)	(36,325)
Amortization of long-term debt premium and deferred financing costs	(1,181)	(2,121)
Change in beneficial interest in perpetual trusts	25,467	(30,077)
Bequests and contributions	(18,680)	(35,006)
CARES Act Medicare cash recoupments	(249,463)	(55,674)
Changes in operating assets and liabilities:		
Accounts receivable	(126,782)	(121,980)
Other assets	15,562	(9,539)
Accounts payable and accrued expenses	115,240	(40,156)
Professional insurance recoveries and liabilities	3,701	9,326
Reduction in carrying amount of right of use assets	19,313	5,106
Other liabilities, accrued pension and postretirement benefit obligations and deferred revenue	(22,749)	27,585
Net cash (used in) provided by operating activities	<u>(302,784)</u>	<u>1,040,665</u>
<b>Investing activities</b>		
Net acquisitions of property, plant and equipment	(130,638)	(85,458)
Sale (purchase) of investments, net	172,617	(1,397,268)
Amounts deposited with trustee in debt service fund	(25,223)	(24,679)
Net cash used in investing activities	<u>16,756</u>	<u>(1,507,405)</u>
<b>Financing activities</b>		
Proceeds from issuance of debt	-	225,000
Payments on notes payable	-	(127)
Payments on line of credit	-	(225,000)
Payments of long-term debt	(10,465)	
Payments on capital lease obligations	(4,410)	(3,290)
Bequests and contributions	18,680	35,006
Net cash provided by financing activities	<u>3,805</u>	<u>31,589</u>
Net decrease in cash and cash equivalents	<u>(282,223)</u>	<u>(435,151)</u>
Cash and cash equivalents at beginning of period	439,777	841,696
Cash and cash equivalents at end of period	<u>\$ 157,554</u>	<u>\$ 406,545</u>

See accompanying notes to consolidated financial statements.

## 1. Organization and Significant Accounting Policies

### Organization

Yale New Haven Health Services Corporation (YNHHSC), formed in 1983, was incorporated under the Not-for-Profit Corporation Law to coordinate the activities of the members of the Yale New Haven Health Services Corporation, d/b/a Yale New Haven Health System and Subsidiaries (collectively, the System), and is an integrated regional healthcare delivery system.

The System currently includes the following entities:

YNHHSC is the parent company of Yale New Haven Hospital, Inc. (YNHH), Corporate Professional Business Services, Inc. (CPBS), Bridgeport Hospital and subsidiaries (BH), Greenwich Hospital and subsidiaries (GH), Lawrence + Memorial Corporation and subsidiaries (LMC), and Northeast Medical Group, Inc. (NEMG).

YNHH is a voluntary association incorporated under the General Statutes of the State of Connecticut. The Board of Trustees of YNHH, appointed by YNHHSC, controls the operations of YNHH. YNHH is the parent of the following entities:

Yale New Haven Care Continuum Corporation (YNHCCC), a Connecticut nonstock corporation, is a wholly owned subsidiary of YNHH. YNHCCC provides long-term care for those unable to live independently and short-term rehabilitation for patients who have experienced elective surgery, an injury, or a traumatic major illness. Its services include respite care for family members and caregivers, stroke recovery for victims of strokes, orthopedic recovery services, medications, and diagnostic services (such as radiological services). YNHCCC is the sole member of Home Care Plus, Inc. (HCP). HCP provides home healthcare services to local residents.

Yale New Haven Ambulatory Services Corporation and subsidiaries (YNHASC), a Connecticut nonstock, taxable corporation, is a wholly owned subsidiary of YNHH, and is 51% owner of Shoreline Surgery Center, LLC (SSC), and 100% owner of SSC II, LLC.

Medical Center Pharmacy and Home Care, Inc. (MCP) is a Connecticut stock, for-profit company, and is a wholly owned subsidiary of YNHH.

BH is a voluntary association incorporated under the General Statutes of the State of Connecticut. The Board of Trustees of BH, appointed by YNHHSC, controls the operations of BH. BH is the parent of the following entities:

Bridgeport Hospital Foundation (Foundation) solicits contributions for the benefit of BH and all other tax-exempt healthcare organizations associated with BH.

Southern Connecticut Health System Properties, Inc. is a real estate holding company, which sold primarily all of its assets to Bridgeport Hospital during 1998.

NEMG is a tax-exempt medical organization that provides physician-related services to BH, GH, YNHH, and LMC and their surrounding communities. NEMG operates autonomously with a separate board, management, and medical staff. YNHHSC must approve the strategic plans, operating budgets, capital budgets, and board appointments of NEMG.

GH is a voluntary association incorporated under the General Statutes of the State of Connecticut. The Board of Trustees of GH, appointed by YNHHSC, controls the operations of GH.

GH is the parent corporation of a group of wholly owned subsidiaries, including The Perryridge Corporation and Greenwich Ambulatory Surgery Center, LLC. YNHHSC is the sole member of GH. GH and its subsidiaries are Section 501(c)(3) not-for-profit organizations, and are exempt from federal income taxes under Section 501(a) of the Code.

The Greenwich Hospital Endowment Fund, Inc., is a Section 501(c)(3) not-for-profit organization that has a charitable purpose to solicit, receive, maintain, hold, manage, and administer funds, including, without

limitations, endowment funds, for the benefit of GH. The board of GHEF is not required to comprise of all members of GH's investment oversight committee and due to this governance structure, the financial statements of GHEF are not consolidated into the financial statements of GH.

Greenwich Hospital, a nonstock Connecticut corporation, provides healthcare services to the lower Fairfield County and Westchester County, New York communities.

CPBS, a for-profit stock corporation, manages physician practices and provides third-party administration services on certain managed care contracts. The capital stock of CPBS consists of 20,000 shares of common stock, par value of one one-hundredth of a dollar per share. The Board of Directors of CPBS is appointed by YNHHS, the sole shareholder, who controls CPBS's operations.

YNHHS is the sole corporate member of LMC, a system of healthcare that provides a wide array of services throughout the region including Lawrence + Memorial Hospital (L+M), L+M Systems, Inc., VNA of Southeastern Connecticut, L+M Healthcare, VNA of Southeastern Connecticut Inc. (VNA), and LMW Healthcare Inc. (Westerly Hospital). LMC is the parent of the following entities:

L+M is a nonprofit organization incorporated under the General Statutes of the State of Connecticut.

Westerly Hospital is a nonprofit organization incorporated under the General Statutes of the State of Rhode Island.

VNA is a not-for-profit organization under the general statutes of the State of Connecticut that provides home healthcare services.

Concurrent with the issuance of the Connecticut Health and Educational Facilities Authority (CHEFA) Revenue Bonds, Yale New Haven Health Obligated Group, Series A, B, C, D, and E dated May 20, 2014, six members of the System were combined to form an Obligated Group. The Obligated Group comprises YNHHS, YNHH, YNHCC, BH, the Foundation, and NEMG. On September 18, 2018, GH joined the Obligated Group. Concurrent with Yale New Haven Health Obligated Group entering into a term loan agreement with Bank of America, N.A., dated June 28, 2018, LMC, L+M, and Westerly Hospital joined the obligated group. The members of the Obligated Group have adopted certain governance provisions in their certificates of incorporation and bylaws pursuant to which YNHHS retains the authority to directly take certain actions on behalf of each Obligated Group member without the approval of the board of trustees of the applicable Obligated Group member, including the incurrence of indebtedness on behalf of each Obligated Group member, the management and control of the liquid assets of each, and the appointment of the president and chief executive officer of each Obligated Group member.

## **Basis of Presentation**

The accompanying unaudited consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles applied on a basis consistent with that of the 2020 audited consolidated financial statements for the System. The System presumes that the users of this interim financial information have read or have access to the System's audited consolidated financial statements and that the adequacy of additional disclosures needed for a fair presentation may be determined in that context. Information contained in the System's audited consolidated financial statements for the years ended September 30, 2021 and 2020 is incorporated herein. Footnotes and other disclosures that would substantially duplicate the disclosures contained in the System's most recent audited consolidated financial statements have been omitted. Accordingly, these financial statements do not include all of the information and footnotes required by U.S. generally accepted accounting principles for complete financial statements. In the opinion of management, all transactions considered necessary for a fair presentation have been included.

Certain reclassifications were made to the amounts previously reported in the unaudited consolidated financial statements and operating statistics for March 31, 2021, in order to conform to the March 31, 2022 presentation.

Patient volumes and net operating revenue and results are subject to seasonal variations caused by a number of factors. Monthly and periodic operating results are not necessarily representative of operations for a full year for



various reasons, including levels of occupancy and other patient volumes, interest rates, unusual or infrequent items and other seasonal fluctuations. These same considerations apply to year-to-year comparisons.

### **Principles of Consolidation**

The accompanying consolidated financial statements present the accounts and transactions of the System and its subsidiaries. All significant intercompany revenue and expenses and intercompany balance sheet accounts have been eliminated in consolidation.

### **Use of Estimates**

The preparation of consolidated financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, including estimated uncollectible accounts receivable for services to patients, and liabilities, including estimated net settlements with third-party payors and professional liabilities, and disclosure of contingent assets and liabilities at the date of the consolidated financial statements. Estimates also affect the amounts of revenue and expenses reported during the reporting period. Actual results could differ from those estimates.

For the nine months ended June 30, 2022 and 2021 the System recorded changes in estimate including amounts related to third-party payor settlements.

### **Interest Rate Swap Agreements**

The System utilizes interest rate swap agreements to reduce risks associated with changes in interest rates. Interest rate swap agreements are reported at fair value with changes in fair value during the year recorded as nonoperating gains (losses), net. The System is exposed to credit risk in the event of nonperformance by the counterparties to its interest rate swap agreements. The System is also exposed to the risk that the swap receipts may not offset its variable rate debt service. To the extent these variable rate receipts do not equal variable interest payments on the bonds, there will be a net loss or net benefit to the System.

## 2. Investments and Assets Limited as to Use

The composition of investments, including investments held by the Trust, amounts on deposit with trustee in debt service fund, and assets limited as to use is set forth in the following table (in thousands):

	<u>June 30, 2022</u>	<u>September 30, 2021</u>
Money market funds	\$ 197,445	\$ 101,425
U.S. equity securities	379,328	410,086
International equity funds <sup>(a)</sup>	433,850	545,935
Fixed income:		
U.S. government	1,400,440	1,624,361
Corporate bonds	1,288	1,534
Commodities <sup>(b)</sup>	3,808	2,755
Hedge funds:		
Absolute return <sup>(c)</sup>	160,059	161,525
Long/short equity <sup>(d)</sup>	97,323	118,352
Long/-only equity <sup>(d)</sup>	202,783	222,213
Private equity	38,651	24,386
Real estate <sup>(e)</sup>	50,648	24,334
Interest in Yale University endowment pool <sup>(f)</sup>	1,041,810	1,154,118
Interest in MCIC <sup>(g)</sup>	91,565	80,059
Perpetual trusts <sup>(h)</sup>	49,704	58,595
Total investments	<u>\$ 4,148,702</u>	<u>\$ 4,529,678</u>

(a) Investments with external international equity and bond managers that are domiciled in the United States. Investment managers may invest in American or Global Depository Receipts (ADR, GDR) or in direct foreign securities.

(b) Investments with external commodities futures manager.

(c) Investment with external multi-strategy fund of funds manager investing in publicly traded equity and credit holdings, which may be long or short positions.

(d) Investment with an external long-short equity fund of funds manager with underlying portfolio investments consisting of publicly traded equity positions.

(e) Investments with external direct real estate managers and fund of funds managers. Investment vehicles include both closed end Real Estate Investment Trusts (REITs) and limited partnerships.

(f) Yale University Endowment Pool maintains a diversified investment portfolio, through the use of external investment managers operating in a variety of investment vehicles, including separate accounts, limited partnerships, and commingled funds. The pool combines an orientation to equity investments with an allocation to nontraditional asset classes such as an absolute return, private equity, and real assets.

(g) YNHH controls less than 20% of the Class A stock of MCIC (as described in note 11 of the audited financial statements); however, for accounting purposes, the investment in the insurance companies is recorded on the equity method because of contractual agreements.

(h) Investments consist of several domestic and international equity and fixed-income mutual funds, REITs, commodities, and money market funds. There is also an investment in a hedge fund of funds.

### 3. Fair Value Measurements

In determining fair value, the System utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. The System also considers nonperformance risk in the overall assessment of fair value.

ASC 820-10, *Fair Value Measurements and Disclosures*, establishes a valuation hierarchy for fair value disclosure purposes. This hierarchy is based on the transparency of the inputs utilized for the valuation. The levels are defined as follows:

- Level 1: Quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities. This established hierarchy assigns the highest priority to Level 1 assets.
- Level 2: Observable inputs that are based on data not quoted in active markets, but corroborated by market data.
- Level 3: Unobservable inputs that are used when little or no market data is available. The Level 3 inputs are assigned the lowest priority.

Financial assets carried at fair value as of June 30, 2022 are classified in the following table by level within the fair value hierarchy as described above (in thousands):

	<b>June 30, 2022</b>			
	<b>Investments measured at NAV*</b>	<b>Investments classified in the fair value hierarchy</b>		<b>Total</b>
		<b>Level 1</b>	<b>Level 2</b>	
Cash and cash equivalents	\$ -	\$ 157,554	\$ -	\$ 157,554
Money market funds	12,672	184,773	-	197,445
U.S. equity securities	-	379,328	-	379,328
International equity funds	393,230	40,620	-	433,850
Fixed income funds:				
U.S. government	-	1,400,440	-	1,400,440
Corporate bonds	-	1,288	-	1,288
Commodities	3,808	-	-	3,808
Hedge Funds:				
Absolute return	160,059	-	-	160,059
Long/short equity	97,323	-	-	97,323
Long only equity	-	202,783	-	202,783
Private Equity	38,651	-	-	38,651
Real estate	49,898	-	-	49,898
Interest in Yale University				
endowment pool	1,041,810	-	-	1,041,810
Perpetual trusts	49,704	-	-	49,704
Beneficial interest in remainder trust	2,100	-	-	2,100
Total investments	<u>\$ 1,849,255</u>	<u>\$ 2,366,786</u>	<u>\$ -</u>	<u>\$ 4,216,041</u>
Liabilities:				
Interest rate swaps	\$ -	\$ -	\$ (5,394)	\$ (5,394)

\*Certain investments that are measured at fair value using NAV per share (or its equivalent practical expedient) have not been classified in the fair value hierarchy.

Financial assets carried at fair value as of September 30, 2021 are classified in the following table by level within the fair value hierarchy as described above (in thousands):

	<b>September 30, 2021</b>			
	<b>Investments measured at NAV*</b>	<b>Investments classified in the fair value hierarchy</b>		<b>Total</b>
		<b>Level 1</b>	<b>Level 2</b>	
Cash and cash equivalents	\$ -	\$ 439,777	\$ -	\$ 439,777
Money market funds	-	101,425	-	101,425
U.S. equity securities	-	410,086	-	410,086
International equity funds	524,951	20,984	-	545,935
Fixed income funds:				
U.S. government	-	1,624,361	-	1,624,361
International government	-	1,534	-	1,534
Commodities	2,755	-	-	2,755
Hedge Funds:				
Absolute return	161,525	-	-	161,525
Long/short equity	118,352	-	-	118,352
Long-only equity		222,213		222,213
Private Equity	24,386	-	-	24,386
Real estate	23,584	-	-	23,584
Interest in Yale University				
endowment pool	1,154,118	-	-	1,154,118
Perpetual trusts	58,595	-	-	58,595
Beneficial interest in remainder trust	2,100	-	-	2,100
Total investments	<u>\$ 2,070,366</u>	<u>\$ 2,820,380</u>	<u>\$ -</u>	<u>\$ 4,890,746</u>
Liabilities:				
Interest rate swaps	\$ -	\$ -	\$ (40,905)	\$ (40,905)

\*Certain investments that are measured at fair value using NAV per share (or its equivalent practical expedient) have not been classified in the fair value hierarchy.

The amounts reported in the tables as detailed above do not include assets invested in the System's defined benefit pension plans.

There are no assets or liabilities that are measured at fair value based on Level 3 inputs at June 30, 2022 or September 30, 2021.

The interest rate swaps listed above are classified in the accompanying balance sheets as other long-term liabilities at June 30, 2022 and September 30, 2021.

#### 4. Long-term Debt

Long-term debt consists of the following:

	<u>June 30, 2022</u>	<u>September 30, 2021</u>
Revenue bonds financed with the State of Connecticut Health and Educational Facilities Authority (CHEFA):		
Tax-exempt	\$ 587,650	\$ 598,115
Taxable	22,735	22,735
Loans payable	<u>1,025,125</u>	<u>1,025,124</u>
	1,635,510	1,645,974
Add premium	15,405	17,025
Less:		
Current portion	(221,705)	(221,670)
Deferred costs of issuance, net	<u>(10,937)</u>	<u>(11,376)</u>
Long-term portion	<u>\$ 1,418,272</u>	<u>\$ 1,429,953</u>

#### 5. Subsequent Events

Management has evaluated subsequent events through August 15, 2022 for potential recognition or disclosure in the accompanying consolidated financial statements for the nine months ended June 30, 2022. No events occurred in this period that require disclosure or adjustment to the consolidated financial statements.

Supplementary Information (Unaudited)

Yale New Haven Health Services Corporation  
d/b/a Yale New Haven Health System and Subsidiaries

Unaudited Consolidating Balance Sheet

June 30, 2022

	Yale New Haven Health Services Corporation	NEMG	Yale New Haven Hospital and Subsidiaries	Bridgeport Hospital and Subsidiaries	Greenwich Hospital and Subsidiaries	Lawrence Memorial Corp and Subsidiaries	Eliminations	Obligated Group	Other Non-Obligated Entities	Eliminations	System
<b>Assets</b>											
Current assets:											
Cash and cash equivalents	\$ 49,891	\$ -	\$ 35,924	\$ 13,142	\$ 13,059	\$ 45,243	\$ -	\$ 157,259	\$ 3,311	\$ (3,016)	\$ 157,554
Short-term investments	776,704	-	2,352,109	95,319	237,013	101,091	-	3,562,236	11,136	(11,136)	3,562,236
Net patient receivables	-	29,270	473,712	122,844	83,049	89,588	-	798,463	3,550	(3,550)	798,463
Professional liabilities insurance recoveries receivables	-	-	41,081	17,114	13,557	7,864	-	79,616	-	-	79,616
Other assets	202,282	27,278	174,394	15,859	16,490	32,958	(194,717)	274,544	56,829	(54,371)	277,002
Assets limited as to use-debt service fund	4,992	-	21,087	5,542	-	-	-	31,621	-	-	31,621
Total current assets	<u>1,033,869</u>	<u>56,548</u>	<u>3,098,307</u>	<u>269,820</u>	<u>363,168</u>	<u>276,744</u>	<u>(194,717)</u>	<u>4,903,739</u>	<u>74,826</u>	<u>(72,073)</u>	<u>4,906,492</u>
Assets limited as to use	-	-	139,634	1,497	19,451	30,866	-	191,448	17,080	(17,080)	191,448
Long-term investments	100,996	-	128,186	66,855	41,857	25,503	-	363,397	1	(1)	363,397
Interest in the net assets of Greenwich Hospital Endowment Fund, Inc.	-	-	-	-	116,857	-	-	116,857	-	-	116,857
Investment in LMC	277,307	-	-	-	-	-	(277,307)	-	-	-	-
Professional liabilities insurance recoveries receivables	-	-	100,199	33,821	31,038	20,526	-	185,584	-	-	185,584
Other assets	819,365	64	236,334	20,928	23,776	23,003	(965,032)	158,438	19,755	(19,755)	158,438
Right of use assets	31,608	16,807	154,726	25,303	63,682	9,805	-	301,931	951	(951)	301,931
Property, plant, and equipment, net	174,394	17,996	1,067,747	292,887	233,415	239,074	-	2,025,513	7,812	(7,812)	2,025,513
Goodwill	52,050	267	45,040	75,743	-	12,162	-	185,262	-	-	185,262
Total assets	<u>\$ 2,489,589</u>	<u>\$ 91,682</u>	<u>\$ 4,970,173</u>	<u>\$ 786,854</u>	<u>\$ 893,244</u>	<u>\$ 637,683</u>	<u>\$ (1,437,056)</u>	<u>\$ 8,432,169</u>	<u>\$ 120,425</u>	<u>\$ (117,672)</u>	<u>\$ 8,434,922</u>

Yale New Haven Health Services Corporation  
d/b/a Yale New Haven Health System and Subsidiaries

Unaudited Consolidating Balance Sheet

June 30, 2022

	Yale New Haven Health Services Corporation	NEMG	Yale New Haven Hospital and Subsidiaries	Bridgeport Hospital and Subsidiaries	Greenwich Hospital and Subsidiaries	Lawrence Memorial Corp and Subsidiaries	Eliminations	Obligated Group	Other Non-Obligated Entities	Eliminations	System
<b>Liabilities</b>											
Current liabilities:											
Accounts payable and accrued expenses	\$ 192,700	\$ 61,990	\$ 662,931	\$ 110,869	\$ 62,763	\$ 71,979	\$ (93,276)	\$ 1,069,956	\$ 48,446	\$ (44,135)	\$ 1,074,267
Current portion of long-term debt	23,665	-	11,123	4,562	3,285	4,695	(23,665)	23,665	-	-	23,665
Current portion of finance lease obligation	-	-	3,321	2,582	-	-	-	5,903	-	-	5,903
Current portion of professional liabilities	-	-	41,081	17,114	13,557	7,864	-	79,616	-	-	79,616
Variable rate debt classified as current	198,040	-	183,770	-	14,270	-	(198,040)	198,040	-	-	198,040
Right of use liability - short term	8,227	6,107	20,727	5,946	7,854	7,267	-	56,128	225	(225)	56,128
Other liabilities	140	-	138,008	29,291	13,088	28,706	-	209,233	766	(766)	209,233
Total current liabilities	<u>422,772</u>	<u>68,097</u>	<u>1,060,961</u>	<u>170,364</u>	<u>114,817</u>	<u>120,511</u>	<u>(314,981)</u>	<u>1,642,541</u>	<u>49,437</u>	<u>(45,126)</u>	<u>1,646,852</u>
Long-term debt, net of current portion and deferred financing costs	1,418,272	-	531,947	28,289	-	72,212	(632,448)	1,418,272	-	-	1,418,272
Long-term finance lease liabilities, net of current portion	-	-	28,742	85,118	-	-	-	113,860	-	-	113,860
Accrued pension and postretirement benefit obligation	6,841	-	228,812	15,517	11,301	7,426	(6,841)	263,056	-	-	263,056
Professional liabilities, net of current portion	-	-	164,620	52,984	43,407	24,392	-	285,403	-	-	285,403
Operating lease liability, net of current portion	23,380	10,986	134,342	19,357	61,805	2,643	-	252,513	726	(726)	252,513
Other liabilities	170,095	75	340,719	29,570	16,293	24,711	(205,479)	375,984	517	(517)	375,984
Total liabilities	<u>2,041,360</u>	<u>79,158</u>	<u>2,490,143</u>	<u>401,199</u>	<u>247,623</u>	<u>251,895</u>	<u>(1,159,749)</u>	<u>4,351,629</u>	<u>50,680</u>	<u>(46,369)</u>	<u>4,355,940</u>
<b>Net assets</b>											
Net assets without donor restrictions	412,028	12,524	2,330,973	311,425	453,974	342,916	(241,106)	3,622,734	69,628	(71,186)	3,621,176
Net assets with donor restrictions	36,201	-	149,057	74,230	191,647	42,872	(36,201)	457,806	117	(117)	457,806
Total net assets	<u>448,229</u>	<u>12,524</u>	<u>2,480,030</u>	<u>385,655</u>	<u>645,621</u>	<u>385,788</u>	<u>(277,307)</u>	<u>4,080,540</u>	<u>69,745</u>	<u>(71,303)</u>	<u>4,078,982</u>
Total liabilities and net assets	<u>\$ 2,489,589</u>	<u>\$ 91,682</u>	<u>\$ 4,970,173</u>	<u>\$ 786,854</u>	<u>\$ 893,244</u>	<u>\$ 637,683</u>	<u>\$ (1,437,056)</u>	<u>\$ 8,432,169</u>	<u>\$ 120,425</u>	<u>\$ (117,672)</u>	<u>\$ 8,434,922</u>



Yale New Haven Health Services Corporation  
d/b/a Yale New Haven Health System and Subsidiaries

Unaudited Consolidating Statement of Operations

Nine months ended June 30, 2022

	Yale New Haven Health Services Corporation	NEMG	Yale New Haven Hospital and Subsidiaries	Bridgeport Hospital and Subsidiaries	Greenwich Hospital and Subsidiaries	Lawrence Memorial Corp and Subsidiaries	Eliminations	Obligated Group	Other Non-Obligated Entities	Eliminations	System
Net assets without donor restrictions:											
Net patient service revenue	\$ -	\$ 214,235	\$ 2,605,180	\$ 564,954	\$ 390,441	\$ 409,933	\$ (42,168)	\$ 4,142,575	\$ 21,199	\$ (21,199)	\$ 4,142,575
Other revenue	668,146	209,844	408,768	64,282	17,655	32,507	(905,943)	495,259	220,021	(212,087)	503,193
Total operating revenue	<u>668,146</u>	<u>424,079</u>	<u>3,013,948</u>	<u>629,236</u>	<u>408,096</u>	<u>442,440</u>	<u>(948,111)</u>	<u>4,637,834</u>	<u>241,220</u>	<u>(233,286)</u>	<u>4,645,768</u>
Operating expenses:											
Salaries and benefits	356,321	270,043	1,228,336	251,526	149,750	210,084	(12,418)	2,453,642	35,710	(28,358)	2,460,994
Supplies and other	221,092	144,228	1,829,815	352,182	218,309	208,512	(849,278)	2,124,860	197,527	(196,940)	2,125,447
Depreciation and amortization	25,720	1,450	89,576	25,351	18,356	18,524	(22,139)	156,838	631	(631)	156,838
Insurance	59,633	9,621	26,804	9,395	5,820	4,945	(64,276)	51,942	200	(200)	51,942
Interest	89	-	14,320	5,400	44	1,941	-	21,794	454	(454)	21,794
Total operating expenses	<u>662,855</u>	<u>425,342</u>	<u>3,188,851</u>	<u>643,854</u>	<u>392,279</u>	<u>444,006</u>	<u>(948,111)</u>	<u>4,809,076</u>	<u>234,522</u>	<u>(226,583)</u>	<u>4,817,015</u>
Income (loss) from operations	<u>5,291</u>	<u>(1,263)</u>	<u>(174,903)</u>	<u>(14,618)</u>	<u>15,817</u>	<u>(1,566)</u>	<u>-</u>	<u>(171,242)</u>	<u>6,698</u>	<u>(6,703)</u>	<u>(171,247)</u>
Non-operating gains (losses), net:											
Income from investments, donations, and other, net	(28,111)	362	(173,024)	(11,456)	(16,530)	(4,724)	-	(233,483)	(4,447)	4,450	(233,480)
Pension cost other than service cost, net	-	-	(2,526)	1,673	99	321	-	(433)	-	-	(433)
Change in fair value of swap, including counterparty payment	7,854	-	32,248	-	559	-	-	40,661	-	-	40,661
Total non-operating gains (losses), net	<u>(20,257)</u>	<u>362</u>	<u>(143,302)</u>	<u>(9,783)</u>	<u>(15,872)</u>	<u>(4,403)</u>	<u>-</u>	<u>(193,255)</u>	<u>(4,447)</u>	<u>4,450</u>	<u>(193,252)</u>
(Deficiency) excess of revenue over expenses	<u>\$ (14,966)</u>	<u>\$ (901)</u>	<u>\$ (318,205)</u>	<u>\$ (24,401)</u>	<u>\$ (55)</u>	<u>\$ (5,969)</u>	<u>\$ -</u>	<u>\$ (364,497)</u>	<u>\$ 2,251</u>	<u>\$ (2,253)</u>	<u>\$ (364,499)</u>

**Yale New Haven Health Obligated Group  
Operating Data  
Nine Months Ended June 30, 2022 and 2021**

Current Reporting Period	
Nine Months Ended 6/30/2022	Nine Months Ended 6/30/2021

**1) Operating Data**

# of Licensed Beds	2,681	2,681
# of Beds in Service	2,584	2,495
Admissions	88,172	92,582
Inpatient Days	590,858	590,727
Average Length of Stay	6.70	6.38
Occupancy Rate <sup>(1)</sup>	84%	87%
Outpatient Encounters	2,422,240	2,508,017
Emergency Encounters	257,498	217,942
Inpatient Surgeries	21,574	23,513
Ambulatory Surgeries	42,565	45,630
Medicare Case Mix Index	1.98	1.93
Hospital Wide Case Mix Index	1.75	1.71
FTEs per Adjusted Occupied	6.5	6.6

<sup>(1)</sup> Based on acute beds in service.

**2) Payor Mix**

Medicare (includes Medicare Managed Care)	32.6%	32.6%
Medicaid	14.3%	14.3%
Blue Cross	24.5%	23.4%
Commercial	3.2%	3.3%
Self Pay and Other	1.1%	1.0%
Managed Care	24.3%	25.4%
Total	100.0%	100.0%

**3) Occupancy % By Payor Type**

Medicare (includes Medicare Managed Care)	49.7%	48.0%
Medicaid	25.9%	26.3%
Blue Cross	10.6%	10.5%
Commercial	1.9%	2.0%
Self Pay and Other	1.8%	2.3%
Managed Care	10.1%	10.9%
Total	100.0%	100.0%