



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 Three-Month Periods Ended December 31, 2022, and 2021

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

Consolidated Balance Sheets
(In Thousands)

	(Unaudited) December 31, 2022	(Audited) September 30, 2022
Assets		
Current assets:		
Cash and cash equivalents	\$ 216,020	\$ 223,232
Short-term investments	3,132,828	3,262,571
Net patient receivables	783,833	733,071
Professional liabilities insurance recoveries receivable	85,542	85,542
Other assets	320,927	308,875
Assets limited as to use-debt service fund	22,460	6,749
Total current assets	4,561,610	4,620,040
Assets limited as to use	179,947	174,612
Long-term investments	433,581	351,747
Interest in the net assets of Greenwich Hospital Endowment Fund, Inc.	113,448	110,932
Professional liabilities insurance recoveries receivable	176,764	176,764
Other assets	142,736	135,740
Right of use assets	317,999	324,277
Property, plant, and equipment, net	2,072,340	2,078,678
Goodwill	184,995	184,995
Total assets	<u>\$ 8,183,420</u>	<u>\$ 8,157,785</u>

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) December 31, 2022	(Audited) September 30, 2022
Liabilities and net assets		
Current liabilities:		
Accounts payable and accrued expenses	\$ 1,037,864	\$ 1,071,291
Current portion of long-term debt	20,440	20,440
Current portion of finance lease obligation	6,154	5,935
Current portion of professional liabilities	85,542	85,542
Variable rate debt classified as current	186,288	186,276
Operating lease liability - short term	49,547	49,786
Other liabilities	140,085	146,990
Total current liabilities	1,525,920	1,566,260
Long-term debt, net of current portion and deferred financing costs	1,408,799	1,409,154
Long-term finance lease obligation net of current portion	110,659	112,362
Accrued pension and postretirement benefit obligations	153,905	148,210
Professional liabilities, net of current portion	277,778	275,936
Operating lease liability - long term	276,091	281,352
Other liabilities	348,372	349,031
Total liabilities	4,101,524	4,142,305
Net assets:		
Net assets without donor restrictions	3,627,987	3,579,778
Net assets with donor restrictions	453,909	435,702
Total net assets	4,081,896	4,015,480
Total liabilities and net assets	\$ 8,183,420	\$ 8,157,785

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)

	Three Months Ended December 31,	
	2022	2021
Net assets without donor restrictions:		
Net patient service revenue	\$ 1,438,593	\$ 1,407,521
Other revenue	168,719	159,061
Total operating revenue	<u>1,607,312</u>	<u>1,566,582</u>
Operating expenses:		
Salaries and benefits	857,656	811,401
Supplies and other	726,807	691,963
Depreciation and amortization	53,643	53,464
Insurance	22,408	20,756
Interest	8,391	7,177
Total operating expenses	<u>1,668,905</u>	<u>1,584,761</u>
(Loss) income from operations	(61,593)	(18,179)
Non-operating gains (losses), net		
Income from investments, donations, and other, net	118,076	57,476
Pension cost other than service cost, net	(1,217)	144
Change in fair value of swap, including counterparty payments	2,787	(15,632)
Total non-operating gains, net	<u>119,646</u>	<u>41,988</u>
Excess of revenue over expenses	<u>\$ 58,053</u>	<u>\$ 23,809</u>

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)

	Three Months Ended December 31,	
	2022	2021
Net assets without donor restrictions:		
Excess of revenue over expenses	\$ 58,053	\$ 23,809
Other changes in net assets	(12,589)	496
Net assets released from restrictions for purchases of fixed assets	2,745	463
Increase in net assets without donor restrictions	48,209	24,768
Net assets with donor restrictions:		
Income from investments	1,367	1,202
Net realized and unrealized gains on investments	11,372	7,761
Bequests and contributions	9,371	8,131
Net assets released from restrictions for purchases of fixed assets	(2,732)	(427)
Net assets released from restrictions for operations	(3,328)	(3,929)
Net assets released from restrictions for clinical programs	(811)	(915)
Change in beneficial interest in perpetual trusts	1,515	729
Other changes in net assets	1,453	1,018
Increase in net assets with donor restrictions	18,207	13,570
Increase in net assets	66,416	38,338
Net assets at beginning of period	4,015,480	3,607,039
Net assets at the end of period	\$ 4,081,896	\$ 3,645,377

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)

	Three Months Ended December 31,	
	2022	2021
Operating activities		
Increase in net assets	\$ 66,416	\$ 38,338
Adjustments to reconcile increase (decrease) in net assets to net cash used in operating activities:		
Depreciation and amortization	53,643	53,464
Net realized and change in net unrealized (gains) losses on investments	(122,925)	(26,670)
Change in fair value of interest rate swap agreements	(2,789)	13,451
Amortization of long-term debt premium and deferred financing costs	(343)	(825)
Change in beneficial interest in perpetual trusts	(5,846)	(1,623)
Bequests and contributions	(9,371)	(8,131)
CARES Act Medicare cash recoupments	(54,953)	(79,033)
Changes in operating assets and liabilities:		
Accounts receivable	(50,762)	(80,087)
Other assets	(19,049)	2,064
Accounts payable and accrued expenses	(33,431)	21,288
Professional insurance recoveries and liabilities	1,843	1,049
Reduction in carrying amount of right of use assets	15,060	15,155
Other liabilities, accrued pension and postretirement benefit obligations and deferred revenue	54,097	(39,065)
Net cash used in operating activities	<u>(108,410)</u>	<u>(90,625)</u>
Investing activities		
Net acquisitions of property, plant and equipment	(59,808)	(24,964)
Purchase of investments, net	168,828	(82,574)
Amounts deposited with trustee in debt service fund	(15,711)	(17,292)
Net cash provided by (used in) investing activities	<u>93,309</u>	<u>(124,830)</u>
Financing activities		
Payments on capital lease obligations	(1,482)	(1,346)
Bequests and contributions	9,371	8,131
Net cash provided by financing activities	<u>7,889</u>	<u>6,785</u>
Net decrease in cash and cash equivalents	(7,212)	(208,670)
Cash and cash equivalents at beginning of period	223,232	439,777
Cash and cash equivalents at end of period	<u>\$ 216,020</u>	<u>\$ 231,107</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. HCP is the sole member of Lifetime Care at Home, LLC which was acquired on May 22, 2022. Lifetime Care at Home, LLC provides 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 sole owners of Shoreline Endoscopy Center, LLC and 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., L+M Healthcare, Visiting Nurse Association 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, YNH, 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 September 30, 2022 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, 2022, and 2021 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 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.

Patient volumes and net operating revenue and results are subject to seasonal variations caused by several 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 three-months ended December 31, 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>December 31, 2022</u>	<u>September 30, 2022</u>
Money market funds	\$ 143,607	\$ 59,773
U.S. equity securities	407,085	381,499
International equity funds ^(a)	509,567	443,828
Fixed income:		
U.S. government	983,161	1,229,343
Corporate bonds	1,448	1,314
Commodities ^(b)	4,301	4,155
Hedge funds:		
Absolute return ^(c)	210,757	206,053
Long/short equity ^(d)	115,790	113,484
Long/-only equity ^(d)	128,254	115,505
Private equity	45,988	41,326
Real estate ^(e)	59,840	54,661
Interest in Yale University endowment pool ^(f)	1,018,838	1,008,195
Interest in MCIC ^(g)	92,460	92,012
Perpetual trusts ^(h)	47,720	44,531
Total investments	<u>\$ 3,768,816</u>	<u>\$ 3,795,679</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, using 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 December 31, 2022 are classified in the following table by level within the fair value hierarchy as described above (in thousands):

	December 31, 2022			
	Investments measured at NAV*	Investments classified in the fair value hierarchy		Total
		Level 1	Level 2	
Cash and cash equivalents	\$ -	\$ 216,020	\$ -	\$ 216,020
Money market funds	-	143,607	-	143,607
U.S. equity securities	-	407,085	-	407,085
International equity funds	448,481	61,086	-	509,567
Fixed income funds:				
U.S. government	-	983,161	-	983,161
Corporate bonds	-	1,448	-	1,448
Commodities	4,301	-	-	4,301
Hedge Funds:				
Absolute return	210,757	-	-	210,757
Long/short equity	115,790	-	-	115,790
Long only equity		128,254		128,254
Private Equity	45,988	-	-	45,988
Real estate	59,090	-	-	59,090
Interest in Yale University endowment pool	1,018,838	-	-	1,018,838
Perpetual trusts	47,720	-	-	47,720
Beneficial interest in remainder trust	2,004	-	-	2,004
Total investments	<u>\$ 1,952,969</u>	<u>\$ 1,940,661</u>	<u>\$ -</u>	<u>\$ 3,893,630</u>
Interest rate swaps	\$ -	\$ -	\$ 16,087	\$ 16,087

*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, 2022 are classified in the following table by level within the fair value hierarchy as described above (in thousands):

	September 30, 2022			
	Investments measured at NAV*	Investments classified in the fair value hierarchy		Total
		Level 1	Level 2	
Cash and cash equivalents	\$ -	\$ 223,232	\$ -	\$ 223,232
Money market funds	-	59,773	-	59,773
U.S. equity securities	131,265	250,234	-	381,499
International equity funds	369,016	74,812	-	443,828
Fixed income funds:				
U.S. government	-	1,229,343	-	1,229,343
Corporate bonds	-	1,314	-	1,314
Commodities	4,155	-	-	4,155
Hedge Funds:				
Absolute return	206,053	-	-	206,053
Long/short equity	113,484	-	-	113,484
Long-only equity	115,505	-	-	115,505
Private Equity	41,326	-	-	41,326
Real estate	53,911	-	-	53,911
Interest in Yale University endowment pool	1,008,195	-	-	1,008,195
Perpetual trusts	44,531	-	-	44,531
Beneficial interest in remainder trust	2,004	-	-	2,004
Total investments	<u>\$ 2,089,445</u>	<u>\$ 1,838,708</u>	<u>\$ -</u>	<u>\$ 3,928,153</u>
Interest rate swaps	\$ -	\$ -	\$ 14,869	\$ 14,869

*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 December 31, 2022 or September 30, 2022.

The interest rate swaps listed above are classified in the accompanying balance sheets as other long-term liabilities at December 31, 2022 and September 30, 2022.

4. Long-term Debt

Long-term debt consists of the following:

		<u>December 31, 2022</u>	<u>September 30, 2022</u>
Revenue bonds financed with the State of Connecticut Health and Educational Facilities Authority (CHEFA):			
Tax-exempt	\$	568,680	568,680
Taxable		21,660	21,660
Loans payable		<u>1,021,505</u>	<u>1,021,505</u>
		1,611,845	1,611,845
 Add premium		 14,149	 14,620
Less:			
Current portion		(206,728)	(206,716)
Deferred costs of issuance, net		<u>(10,467)</u>	<u>(10,594)</u>
Long-term portion	\$	<u><u>1,408,799</u></u>	<u><u>1,409,154</u></u>

5. Subsequent Events

Management has evaluated subsequent events through February 20, 2023 for potential recognition or disclosure in the accompanying consolidated financial statements for the three-months ended December 31, 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

December 31, 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
Assets											
Current assets:											
Cash and cash equivalents	\$ 134,240	\$ -	\$ 20,418	\$ 17,785	\$ 13,434	\$ 30,143	\$ -	\$ 216,020	\$ 3,739	\$ (3,739)	\$ 216,020
Short-term investments	674,188	-	2,063,265	86,229	234,318	74,828	-	3,132,828	8,106	(8,106)	3,132,828
Net patient receivables	-	28,962	463,007	109,151	81,905	100,808	-	783,833	2,536	(2,536)	783,833
Professional liabilities insurance recoveries receivables	-	-	48,690	16,578	13,550	6,724	-	85,542	-	-	85,542
Other assets	221,408	21,491	302,359	14,760	23,750	41,501	(306,947)	318,322	67,158	(64,553)	320,927
Assets limited as to use-debt service fund	4,992	-	16,107	1,361	-	-	-	22,460	-	-	22,460
Total current assets	1,034,828	50,453	2,913,846	245,864	366,957	254,004	(306,947)	4,559,005	81,539	(78,934)	4,561,610
Assets limited as to use	-	-	132,686	678	16,317	30,266	-	179,947	16,776	(16,776)	179,947
Long-term investments	101,708	-	196,165	65,713	41,924	28,071	-	433,581	-	-	433,581
Interest in the net assets of Greenwich Hospital Endowment Fund, Inc.	-	-	-	-	113,448	-	-	113,448	-	-	113,448
Investment in LMC	277,307	-	-	-	-	-	(277,307)	-	-	-	-
Professional liabilities insurance recoveries receivables	-	-	111,563	31,502	19,923	13,776	-	176,764	-	-	176,764
Other assets	775,133	-	156,206	4,408	10,617	8,516	(812,144)	142,736	13,601	(13,601)	142,736
Right of use assets	30,532	44,058	153,343	23,405	59,794	6,867	-	317,999	840	(840)	317,999
Property, plant, and equipment, net	189,991	18,542	1,104,811	294,308	222,645	242,043	-	2,072,340	7,400	(7,400)	2,072,340
Goodwill	52,050	-	45,040	75,743	-	12,162	-	184,995	-	-	184,995
Total assets	\$ 2,461,549	\$ 113,053	\$ 4,813,660	\$ 741,621	\$ 851,625	\$ 595,705	\$ (1,396,398)	\$ 8,180,815	\$ 120,156	\$ (117,551)	\$ 8,183,420

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

Unaudited Consolidating Balance Sheet

December 31, 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
Liabilities											
Current liabilities:											
Accounts payable and accrued expenses	\$ 320,433	\$ 54,298	\$ 629,792	\$ 109,399	\$ 54,447	\$ 70,425	\$ (205,093)	\$ 1,033,701	\$ 53,636	\$ (49,473)	\$ 1,037,864
Current portion of long-term debt	20,440	-	11,537	1,458	3,415	4,030	(20,440)	20,440	-	-	20,440
Current portion of finance lease obligation	-	-	3,417	2,737	-	-	-	6,154	-	-	6,154
Current portion of professional liabilities	-	-	48,690	16,578	13,550	6,724	-	85,542	-	-	85,542
Variable rate debt classified as current	186,287	-	175,430	-	10,858	-	(186,287)	186,288	-	-	186,288
Line of credit	-	-	-	-	-	-	-	-	-	-	-
Operating lease liability - short term	5,930	6,087	22,187	6,047	7,626	1,670	-	49,547	232	(232)	49,547
Other liabilities	97	-	102,315	17,792	10,633	9,248	-	140,085	(43)	43	140,085
Total current liabilities	533,187	60,385	993,368	154,011	100,529	92,097	(411,820)	1,521,757	53,825	(49,662)	1,525,920
Long-term debt, net of current portion and deferred financing costs	1,408,799	-	528,152	26,632	-	68,132	(622,916)	1,408,799	-	-	1,408,799
Long-term finance lease liabilities, net of current portion	-	-	27,021	83,638	-	-	-	110,659	-	-	110,659
Accrued pension and postretirement benefit obligation	12,551	-	138,350	5,498	-	3,920	(6,414)	153,905	-	-	153,905
Professional liabilities, net of current portion	-	-	176,666	50,903	32,441	17,768	-	277,778	-	-	277,778
Operating lease liability, net of current portion	24,602	38,438	131,419	17,358	58,907	5,367	-	276,091	608	(608)	276,091
Other liabilities	49,140	75	313,126	28,773	16,005	19,194	(77,941)	348,372	9,261	(9,261)	348,372
Total liabilities	2,028,279	98,898	2,308,102	366,813	207,882	206,478	(1,119,091)	4,097,361	63,694	(59,531)	4,101,524
Net assets											
Net assets without donor restrictions	397,069	14,155	2,356,068	301,775	457,905	343,679	(241,106)	3,629,545	68,546	(70,104)	3,627,987
Net assets with donor restrictions	36,201	-	149,490	73,033	185,838	45,548	(36,201)	453,909	111	(111)	453,909
Total net assets	433,270	14,155	2,505,558	374,808	643,743	389,227	(277,307)	4,083,454	68,657	(70,215)	4,081,896
Total liabilities and net assets	<u>\$ 2,461,549</u>	<u>\$ 113,053</u>	<u>\$ 4,813,660</u>	<u>\$ 741,621</u>	<u>\$ 851,625</u>	<u>\$ 595,705</u>	<u>\$ (1,396,398)</u>	<u>\$ 8,180,815</u>	<u>\$ 132,351</u>	<u>\$ (129,746)</u>	<u>\$ 8,183,420</u>

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

Unaudited Consolidating Statement of Operations

Three-months ended December 31, 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	\$ -	\$ 79,092	\$ 901,493	\$ 196,234	\$ 131,116	\$ 148,271	\$ (17,613)	\$ 1,438,593	\$ 6,007	\$ (6,007)	\$ 1,438,593
Other revenue	247,622	80,652	148,873	17,216	4,090	5,840	(338,174)	166,119	80,285	(77,685)	168,719
Total operating revenue	<u>247,622</u>	<u>159,744</u>	<u>1,050,366</u>	<u>213,450</u>	<u>135,206</u>	<u>154,111</u>	<u>(355,787)</u>	<u>1,604,712</u>	<u>86,292</u>	<u>(83,692)</u>	<u>1,607,312</u>
Operating expenses:											
Salaries and benefits	128,675	101,658	415,613	88,944	52,509	73,754	(5,793)	855,360	13,377	(11,081)	857,656
Supplies and other	77,430	52,862	642,943	127,942	75,398	78,732	(328,804)	726,503	71,331	(71,027)	726,807
Depreciation and amortization	10,173	527	26,153	7,722	4,764	4,304	-	53,643	204	(204)	53,643
Insurance	20,620	3,251	11,288	3,921	2,442	2,076	(21,190)	22,408	81	(81)	22,408
Interest	30	-	6,039	1,618	93	611	-	8,391	159	(159)	8,391
Total operating expenses	<u>236,928</u>	<u>158,298</u>	<u>1,102,036</u>	<u>230,147</u>	<u>135,206</u>	<u>159,477</u>	<u>(355,787)</u>	<u>1,666,305</u>	<u>85,152</u>	<u>(82,552)</u>	<u>1,668,905</u>
Income (loss) from operations	<u>10,694</u>	<u>1,446</u>	<u>(51,670)</u>	<u>(16,697)</u>	<u>-</u>	<u>(5,366)</u>	<u>-</u>	<u>(61,593)</u>	<u>1,140</u>	<u>(1,140)</u>	<u>(61,593)</u>
Non-operating gains (losses), net:											
Income from investments, donations, and other, net	5,405	69	96,271	2,068	11,046	3,217	-	118,076	183	(183)	118,076
Pension cost other than service cost, net	(40)	-	(1,879)	646	-	56	-	(1,217)	-	-	(1,217)
Change in fair value of swap, including counterparty payments	2,581	-	185	-	21	-	-	2,787	10	(10)	2,787
Total non-operating gains (losses), net	<u>7,946</u>	<u>69</u>	<u>94,577</u>	<u>2,714</u>	<u>11,067</u>	<u>3,273</u>	<u>-</u>	<u>119,646</u>	<u>193</u>	<u>(193)</u>	<u>119,646</u>
(Deficiency) excess of revenue over expenses	<u>\$ 18,640</u>	<u>\$ 1,515</u>	<u>\$ 42,907</u>	<u>\$ (13,983)</u>	<u>\$ 11,067</u>	<u>\$ (2,093)</u>	<u>\$ -</u>	<u>\$ 58,053</u>	<u>\$ 1,333</u>	<u>\$ (1,333)</u>	<u>\$ 58,053</u>

Yale New Haven Health Obligated Group
Operating Data
Three Months Ended December 31, 2022 and 2021

Current Reporting Period	
Three Months Ended	Three Months Ended
12/31/2022	12/31/2021

1) Operating Data

# of Licensed Beds	2,681	2,681
# of Beds in Service	2,518	2,569
Admissions	31,399	30,783
Inpatient Days	205,515	203,873
Average Length of Stay	6.55	6.62
Occupancy Rate ⁽¹⁾	89%	86%
Outpatient Encounters	677,443	904,774
Emergency Encounters	93,264	89,873
Inpatient Surgeries	7,053	7,601
Ambulatory Surgeries	14,463	13,972
Medicare Case Mix Index	1.92	1.95
Hospital Wide Case Mix Index	1.69	1.72
FTEs per Adjusted Occupied	6.5	6.6

⁽¹⁾ Based on acute beds in service.

2) Payor Mix

Medicare (includes Medicare Managed Care)	31.2%	31.9%
Medicaid	14.7%	14.3%
Blue Cross	25.5%	24.2%
Commercial	3.8%	2.6%
Self Pay and Other	1.5%	1.6%
Managed Care	23.3%	25.4%
Total	100.0%	100.0%

3) Occupancy % By Payor Type

Medicare (includes Medicare Managed Care)	49.5%	48.5%
Medicaid	24.7%	25.2%
Blue Cross	10.0%	11.1%
Commercial	2.1%	1.8%
Self Pay and Other	4.3%	3.5%
Managed Care	9.4%	9.9%
Total	100.0%	100.0%