



UNIVERSITY *of* MARYLAND MEDICAL SYSTEM

FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MARCH 31, 2023

**(For Quarterly Mailing)
UNAUDITED**

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UNIVERSITY OF MARYLAND MEDICAL SYSTEM
Discussion and Analysis of Operating Results and Financial Position
Nine months ended March 31, 2023

University of Maryland Medical System (“UMMS” or the “Medical System”) is a private, nonprofit corporation founded in 1984 to provide health services to the citizens of Maryland. UMMS owns and operates the following hospitals:

	Location	Licensed Acute Care Beds	Licensed Non-Acute Care Beds	Total Licensed Beds
University of Maryland Medical Center ("Medical Center")	Baltimore City, Md.	739	76	815
Univ. of Md. Rehabilitation & Orthopaedics Institute ("ROI")	Baltimore City, Md.	4	134	138
Univ. of Md. Medical Center Midtown Campus ("UMMC-Midtown")	Baltimore City, Md.	121	80	201
Baltimore Washington Medical Center ("Baltimore Washington")	Glen Burnie, Md.	314	18	332
Memorial Hospital at Easton ("Memorial Hospital")	Easton, Md.	126	38	164
Chester River Hospital Center ("Chester River")	Chestertown, Md.	12	0	12
Charles Regional Medical Center ("CRMC")	La Plata, Md.	104	15	119
Univ. of Md. St. Joseph Medical Center ("SJMC")	Towson, Md.	207	38	245
Upper Chesapeake Medical Center ("UCMC")	Bel Air, Md.	202	25	227
Harford Memorial Hospital ("HMH")	Havre de Grace, Md.	88	0	88
Univ. of Md. Capital Region Medical Center ("UMCAP")	Largo, Md.	205	42	247
		2,122	466	2,588

In addition to the above hospitals, UMMS operates several subsidiaries providing primary care and other outpatient medical services, emergency physician management services, physician billing services, and property management and leasing services. UMMS is comprised of University of Maryland Medical Center (“UMMC,” comprised of “UMMC-DTC” Medical Center and its direct member organizations and “UMMC-MTC,” which operates UMMC-Midtown and its direct member organizations), University of Maryland Rehabilitation & Orthopaedic Institute (“Rehab. & Ortho.,” which operates ROI and outpatient rehabilitation clinics), BWMS (which includes Baltimore Washington and its direct member organizations), Shore Regional Health System (“Shore Regional,” which includes Memorial Hospital, Chester River, and other direct member organizations), Charles Regional Health System (“Charles Regional,” which includes CRMC and its direct member organizations), University of Maryland St. Joseph Health System (“St. Joseph,” which includes SJMC and its direct member organizations), Upper Chesapeake Health System (“Upper Chesapeake” or “UCHS,” which includes UCMC, HMH and its direct member organizations), and University of Maryland Capital Region Health (“Capital Region,” which includes UMCAP and its direct member organizations. Other member organizations referred to separately University of Maryland Ambulatory Care, LLC (“UM Ambulatory Care”), a network of nine ChoiceOne care sites; eCare LLC, a patient care technology venture; UMMS Foundation; UMMS’ Shared Services operations; a joint venture ownership interest in Mt. Washington Pediatric Hospital (MWPH).

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Collateral Posting Requirement

UMMS has several interest rate swap agreements that require the posting of collateral when their fair value falls below a certain threshold. The fair value of cash and investments posted for collateral requirements was approximately \$6.1 million at March 31, 2023 and \$6.8 million at June 30, 2022, and such assets are included as assets limited as to use.

Home Health Services Sale and Investment in Joint Venture

As a part of the Medical System's strategy for post-acute care, UMMS developed a new subsidiary, UM Post-Acute Care, LLC, to act as a parent company for all post-acute ventures and companies. On November 1, 2022, UMMS sold two of its home health services subsidiaries as part of a joint venture investment related to this post-acute care strategy. The sale transaction resulted in a gain of \$3.5 million and is reflected in the consolidated financial statements as other operating revenue. The investment in the new joint venture of \$6.6 million is reflected on the consolidated balance sheet in other assets.

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Year-To-Date Operating Results

For the nine months ended March 31, 2023, the Medical System's net operating loss of \$8.9 million was unfavorable to budget by \$25.8 million and unfavorable to the results of the prior fiscal year by \$44.4 million. This variance is explained in further detail on the following pages of this document. Net operating income (loss) by division was as follows:

Nine Months Ended March 31, 2023							
Operating Income (Loss) by Division <i>(dollars in millions)</i>			Fav./(Unfav.)				
	Mar 2023	Mar 2023	Variance		Mar 2022	FY23 vs. FY22	
	Actual	Budget			Actual	Fav./(Unfav.)	Var.
	\$		\$	%	\$	\$	%
UMMC	\$ 39.7	\$ 19.1	\$ 20.6	107.9%	\$ 25.7	\$ 14.0	54.5%
REHAB. & ORTHO.	1.3	1.0	0.3	30.0%	2.1	(0.8)	(38.1%)
BWMS	(16.7)	0.7	(17.4)	(2,485.7%)	8.2	(24.9)	(303.7%)
SHORE REGIONAL	1.7	3.8	(2.1)	(55.3%)	27.2	(25.5)	(93.8%)
CHARLES REGIONAL	3.3	0.5	2.8	560.0%	2.0	1.3	65.0%
ST. JOSEPH	(8.2)	9.9	(18.1)	(182.8%)	5.0	(13.2)	(264.0%)
UPPER CHESAPEAKE	6.9	3.6	3.3	91.7%	12.6	(5.7)	(45.2%)
CAPITAL REGION	(31.8)	(16.8)	(15.0)	(89.3%)	(38.1)	6.3	16.5%
UM AMBULATORY CARE	(0.8)	0.2	(1.0)	(500.0%)	(1.1)	0.3	27.3%
UM QUALITY CARE NETWORK	(4.4)	(5.8)	1.4	24.1%	(0.5)	(3.9)	(780.0%)
Other Member Organizations	0.1	0.7	(0.6)	100.0%	(7.6)	7.7	101.3%
Total UMMS	<u>\$ (8.9)</u>	<u>\$ 17.0</u>	<u>\$ (25.8)</u>	(151.8%)	<u>\$ 35.5</u>	<u>\$ (44.4)</u>	(125.1%)

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Nine months ended March 31, 2023

Operating Revenues

Operating revenues by division for the nine months ended March 31, 2023 were as follows:

Nine Months Ended March 31, 2023									
Revenue from Operations <i>(dollars in millions)</i>	Mar 2023	Mar 2023	Fav./(Unfav.)		Mar 2022	FY23 vs. FY22			
			Variance			Fav./(Unfav.)	Var.		
	Actual	Budget	\$	%	Actual			\$	%
	UMMC	\$ 1,769.0	\$ 1,736.7	\$	32.3	1.9%	\$ 1,689.6	\$	79.4
REHAB. & ORTHO.	94.7	94.6		0.1	0.1%	90.0		4.7	5.2%
BWMS	399.3	398.7		0.6	0.2%	397.3		2.0	0.5%
SHORE REGIONAL	300.7	287.7		13.0	4.5%	296.6		4.1	1.4%
CHARLES REGIONAL	128.8	129.0		(0.2)	(0.2%)	125.0		3.8	3.0%
ST. JOSEPH	371.7	378.3		(6.6)	(1.7%)	346.6		25.1	7.2%
UPPER CHESAPEAKE	380.9	377.6		3.3	0.9%	369.0		11.9	3.2%
CAPITAL REGION	308.6	303.7		4.9	1.6%	289.9		18.7	6.5%
UM AMBULATORY CARE	11.0	11.3		(0.3)	(2.7%)	10.4		0.6	5.8%
UM QUALITY CARE NETWORK	4.3	3.6		0.7	19.4%	5.5		(1.2)	(21.8%)
Other Member Organizations & Elims.	24.6	5.7		18.9	331.6%	20.5		4.1	20.0%
Total UMMS	\$ 3,793.6	\$ 3,726.9	\$	66.7	1.8%	\$ 3,640.4	\$	153.2	4.2%

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UMMS has an annual fixed revenue agreement with the Maryland Health Services Cost Review Commission for nearly all regulated patient care services, in accordance with a payment structure called Global Budget Revenue ("GBR"). Under GBR, UMMS is provided with fixed revenue regardless of the number of patients treated or services delivered in a given fiscal year. The agreement is designed as a financial incentive to focus hospitals on improving the quality and efficiency of patient care, rather than on attracting volume. GBR revenue is renegotiated annually, taking into consideration prior period volume changes resulting from improvements in the quality of care offset by market shifts. GBR and other fixed revenue arrangements are in place at all UMMS hospitals. Each year, the HSCRC adjusts approved rates by an Update Factor representing inflation coverage; that Update Factor for Fiscal 2023 represents the majority of the increase in hospital net patient service revenue over the prior year.

Operating revenues were favorable to budget by \$66.7 million for the nine months ended March 31, 2023. The favorable budget variance is due to favorable retail pharmacy revenue, a one-time \$10.0 million payment for a business interruption claim associated with the pandemic, \$12.4 million of additional ARPA funding and the recovery of expenses related to UMMS' operated COVID-19 alternative care sites.

Operating revenues were favorable by \$153.2 million or 4.2% to the same period of the prior year.

Utilization

Year-to-date admissions for the System were 6.9% unfavorable as compared to budget, but 3.9% favorable to the prior year. Year-to-date outpatient visits were 3.5% unfavorable to budget and 1.4% favorable to the prior year. In addition, average length of stay is higher than budget expectations and slightly lower than prior year. The Medical System continually evaluates changes in volume at its hospitals, the reasons for which could include the successful reduction of avoidable admissions/visits or a shift in market share, and considers any potential impact on current year GBR revenue. See "**Consolidated Summary of Key Patient Service Volumes and FTEs**" on page 10 for additional information.

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Operating Expenses

Nine Months Ended March 31, 2023							
Operating Expenses <i>(dollars in millions)</i>			Fav./(Unfav.)				
	Mar 2023	Mar 2023	Variance		Mar 2022	FY23 vs. FY22	
	Actual	Budget	\$	%	Actual	Fav./(Unfav.)	Var.
						\$	%
UMMC	\$ 1,729.3	\$ 1,717.6	\$ (11.7)	(0.7%)	\$ 1,663.9	\$ (65.4)	(3.9%)
REHAB. & ORTHO.	93.4	93.6	0.2	0.2%	87.9	(5.5)	(6.3%)
BWMS	416.0	398.0	(18.0)	(4.5%)	389.1	(26.9)	(6.9%)
SHORE REGIONAL	299.0	283.9	(15.1)	(5.3%)	269.4	(29.6)	(11.0%)
CHARLES REGIONAL	125.5	128.5	3.0	2.3%	123.0	(2.5)	(2.0%)
ST. JOSEPH	379.9	368.4	(11.5)	(3.1%)	341.6	(38.3)	(11.2%)
UPPER CHESAPEAKE	374.0	374.0	-	0.0%	356.3	(17.7)	(5.0%)
CAPITAL REGION	340.4	320.5	(19.9)	(6.2%)	328.0	(12.4)	(3.8%)
UM AMBULATORY CARE	11.8	11.1	(0.7)	(6.3%)	11.5	(0.3)	(2.6%)
UM QUALITY CARE NETWORK	8.7	9.4	0.7	7.4%	6.0	(2.7)	(45.0%)
Other Member Organizations	24.5	5.0	(19.5)	(390.0%)	28.2	3.7	13.1%
Total UMMS	<u>\$ 3,802.5</u>	<u>\$ 3,710.0</u>	<u>\$ (92.5)</u>	<u>(2.5%)</u>	<u>\$ 3,604.9</u>	<u>\$ (197.6)</u>	<u>(5.5%)</u>

Operating expenses were unfavorable to budget by \$92.5 million or 2.5% for the nine months ended March 31, 2023 as described below:

Salaries and Fringe Benefits

Total salary costs were unfavorable to budget by \$41.5 million due to premium labor and agency costs in excess of budget.

Supplies Expense

Supplies costs were unfavorable to budget by \$31.0 million driven by favorable retail pharmacy volume (offset by favorable revenue as noted above) and due to higher than budgeted cardiac and orthopedic cases which have a differential impact on variable supply costs.

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Purchased services

Purchased services were unfavorable to budget by \$36.1 million due to the timing of certain IT, clinical engineering, facility repairs and other service costs including a strategic investment in recruitment to help reduce premium labor costs. In addition, lab services and energy costs were in excess of budget.

Interest Expense

Interest expense was \$9.5 million favorable to budget primarily due to the reclassification of settlement payments on undesignated interest rate swaps.

See “Consolidated Summary of Key Patient Service Volumes and FTEs” on page 10 for additional information.

Non-Operating Gains and Losses

Nine Months Ended March 31, 2023							
UMMS Non-Operating Gains/(Losses) <i>(dollars in millions)</i>			Fav./(Unfav.)		FY23 vs. FY22		
	Mar 2023	Mar 2023	Variance		Mar 2022	Fav./(Unfav.) Var.	
	Actual	Budget	\$	%	Actual	\$	%
Unrestricted contributions	\$ 0.8	\$ 3.7	\$ (2.9)	(78.4%)	\$ 2.5	\$ (1.7)	(68.0%)
Gain (loss) on investments in joint ventures	3.4	3.8	(0.4)	(10.5%)	1.2	2.2	183.3%
Total return on investments	75.7	34.8	40.9	117.5%	(14.8)	90.5	(611.5%)
Change in fair value of undesignated interest rate swaps	21.6	-	21.6	0.0%	52.7	(31.1)	(59.0%)
Other income and expenses, net	(17.8)	(6.6)	(11.2)	(169.7%)	(23.7)	5.9	24.9%
Total non-operating loss, net	<u>\$ 83.7</u>	<u>\$ 35.7</u>	<u>\$ 48.0</u>	134.5%	<u>\$ 17.9</u>	<u>\$ 65.8</u>	367.6%

For the nine months ended March 31, 2023, UMMS’ net non-operating gain was \$83.7 million which was \$48.0 million favorable to budget and favorable \$65.8 million to prior year, driven primarily by higher investment returns and change in fair value of undesignated interest rate swaps as detailed in the above table.

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Financial Position

Total Assets: UMMS' total assets at March 31, 2023 were \$6,788.2 million, a decrease of \$311.3 million from total asset balances at June 30, 2022 of \$7,099.5 million.

Cash, Investments, and Board-Designated Funds: Total cash, investments, and board-designated funds at March 31, 2023 decreased by \$136.1 million as compared to June 30, 2022 due to the final return of funds advanced by CMS under the CARES Act during the pandemic. For more information on cash flows, see the Consolidated Statement of Cash Flows on page 5.

Fixed Assets: Net property, plant and equipment increased \$54.1 million, which is comprised of net fixed asset purchases of \$256.7 million, offset by \$202.6 million of depreciation expense.

Other Liabilities & Long-Term Debt: Other liabilities (current and non-current portion) decreased \$121.3 million, which is comprised of changes in the fair value of interest rate swap liabilities and a decrease in line of credit borrowings. UMMS' long-term debt (current and non-current) decreased by \$40.5 million, due to scheduled bond principal payments during the year.

Net Assets: Between March 31, 2023 and June 30, 2022, UMMS' total net assets increased by \$105.8 million, primarily due to the excess of revenues over expenses of \$74.8 million, restricted contributions of \$15.4 million and state support for capital of \$17.1 million. For further detail, see the Consolidated Statement of Changes in Net Assets on page 4.

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CONSOLIDATED STATEMENT OF REVENUES AND EXPENSES
for the period ended March 31, 2023
(Amounts in thousands)

FY 2023 Budget	FY 2022 QTD Actual	Quarter Ended					Nine Months Ended				FY 2022 YTD Actual
		Actual	Budget	Favorable (Unfav.) Variance	% of Variance		Actual	Budget	Favorable (Unfav.) Variance	% of Variance	
\$ 4,663,014	\$ 1,139,416	\$ 1,156,617	\$ 1,153,905	\$2,712	0.2%	Net patient service revenue	\$ 3,508,448	\$ 3,497,811	\$10,637	0.3%	\$ 3,367,499
13,600	3,350	3,450	3,400	50	1.5%	Other operating revenue:					
1,100	10,268	248	0	248	0.0%	State/County operating support	10,275	10,200	75	0.7%	10,050
300,657	83,795	84,538	73,286	11,252	15.4%	HHS revenue	978	0	978	0.0%	21,212
315,357	97,413	88,236	76,686	11,550	15.1%	Other revenue	273,902	218,913	54,989	25.1%	241,607
4,978,371	1,236,829	1,244,853	1,230,591	14,262	1.2%	Total other revenue and support	285,155	229,113	56,042	24.5%	272,869
2,632,015	667,495	671,702	647,611	(24,091)	(3.7%)	Total operating revenue, gains, and other support	3,793,603	3,726,924	66,679	1.8%	3,640,368
880,916	209,895	235,785	217,830	(17,955)	(8.2%)	Operating expenses:					
633,911	157,072	167,465	157,672	(9,793)	(6.2%)	Salaries, wages and fringe benefits	2,026,680	1,985,208	(41,472)	(2.1%)	1,930,381
103,943	23,678	26,940	25,986	(954)	(3.7%)	Supplies expense	691,239	660,192	(31,047)	(4.7%)	649,598
329,522	82,411	83,590	82,627	(963)	(1.2%)	Purchased services	512,776	476,722	(36,054)	(7.6%)	473,640
280,470	66,779	63,224	69,160	5,936	8.6%	Insurance expense	77,088	77,957	869	1.1%	71,808
69,418	10,171	15,124	17,218	2,094	12.2%	Physician and UMAB services	249,525	247,235	(2,290)	(0.9%)	246,138
4,930,195	1,217,501	1,263,830	1,218,104	(45,726)	(3.8%)	Depreciation and amortization	202,608	210,544	7,936	3.8%	203,223
48,176	19,328	(18,977)	12,487	(31,464)	(252.0%)	Interest, net	42,571	52,092	9,521	18.3%	30,087
5,428	610	(1,442)	1,225	(2,667)	(217.7%)	Total Operating expenses	3,802,487	3,709,950	(92,537)	(2.5%)	3,604,875
17,430	(787)	1,784	1,272	512	40.3%	Operating Income (Loss)	(8,884)	16,974	(25,858)	(152.3%)	35,493
46,346	(54,263)	62,492	11,587	50,905	439.3%	Non-operating revenue and expenses:					
0	37,731	(9,613)	0	(9,613)	0.0%	Contributions	840	3,678	(2,838)	(77.2%)	2,534
(3,249)	(7,456)	(5,176)	(2,259)	(2,917)	(129.1%)	Gain (loss) on investments in joint ventures	3,433	3,804	(371)	(9.8%)	1,195
65,955	(24,165)	48,045	11,825	36,220	306.3%	Total return on investments	75,692	34,760	40,932	117.8%	(14,819)
\$114,131	(\$4,837)	\$29,068	\$24,312	\$4,756	19.6%	Change in fair value of undesignated interest rate swaps	21,644	0	21,644	0.0%	52,696
						Other income and expenses, net	(17,929)	(6,578)	(11,351)	(172.6%)	(23,710)
						Total non-operating revenue, net of expenses	83,680	35,664	48,016	134.6%	17,896
						Excess (deficit) of Revenues over Expenses	\$74,796	\$52,638	\$22,158	42.1%	\$53,389

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Summary Statement of Revenues and Expenses by Division
for the period ended March 31, 2023
(Amounts in thousands)

FY2022	Quarter Ended					Nine Months Ended				FY2022
	Actual	Budget	Fav (Unfav.) Variance	% of Variance		Actual	Budget	Fav (Unfav.) Variance	% of Variance	
QTD Actual										YTD Actual
Total operating revenue, gains & other support										
\$568,882	\$579,184	\$569,600	\$9,584	1.7%	UMMC	\$1,769,021	\$1,736,736	\$32,285	1.9%	\$1,689,588
30,316	31,934	31,200	734	2.4%	UM Rehab	94,680	94,613	67	0.1%	89,972
134,011	130,740	132,431	(1,691)	(1.3%)	Baltimore Washington	399,299	398,732	567	0.1%	397,347
105,857	98,819	94,317	4,502	4.8%	Shore Regional	300,715	287,745	12,970	4.5%	296,608
42,095	42,325	42,461	(136)	(0.3%)	Charles Regional	128,772	128,958	(186)	(0.1%)	125,026
115,466	124,289	126,444	(2,155)	(1.7%)	St. Joseph	371,714	378,292	(6,578)	(1.7%)	346,614
126,370	126,917	125,010	1,907	1.5%	Upper Chesapeake	380,881	377,606	3,275	0.9%	368,957
103,341	101,840	100,111	1,729	1.7%	Capital Region	308,636	303,689	4,947	1.6%	289,860
1,175	903	-	903	0.0%	Community Medical Group	2,727	-	2,727	0.0%	3,229
1,142	901	1,211	(310)	0.0%	UM Quality Care Network	4,339	3,634	705	19.4%	5,486
2,552	3,654	4,102	(448)	0.0%	UMMS Ambulatory Care	10,998	11,299	(301)	0.0%	10,414
5,622	3,347	3,704	(357)	(9.6%)	Other Member Organizations & Intercompany Eliminations	21,821	5,620	16,201	288.3%	17,267
1,236,829	1,244,853	1,230,591	14,262	1.2%	Total	3,793,603	3,726,924	66,679	1.8%	3,640,368
Total operating expenses										
559,546	578,070	562,007	(16,063)	(2.9%)	UMMC	1,729,325	1,717,628	(11,697)	(0.7%)	1,663,915
29,630	31,482	31,007	(475)	(1.5%)	UM Rehab	93,425	93,609	184	0.2%	87,868
130,892	136,761	131,841	(4,920)	(3.7%)	Baltimore Washington	415,982	398,035	(17,947)	(4.5%)	389,127
93,509	101,386	91,872	(9,514)	(10.4%)	Shore Regional	298,978	283,897	(15,081)	(5.3%)	269,386
41,425	40,840	41,896	1,056	2.5%	Charles Regional	125,518	128,507	(2,989)	(2.3%)	123,044
116,039	125,361	120,870	(4,491)	(3.7%)	St. Joseph	379,886	368,350	(11,536)	(3.1%)	341,601
124,024	122,559	123,961	1,402	1.1%	Upper Chesapeake	374,010	374,032	22	0.0%	356,325
107,195	110,747	104,413	(6,334)	(6.1%)	Capital Region	340,427	320,484	(19,943)	(6.2%)	328,009
1,071	891	-	(891)	0.0%	Community Medical Group	2,730	-	(2,730)	0.0%	3,124
2,310	3,144	3,162	18	0.6%	UM Quality Care Network	8,715	9,408	693	7.4%	6,026
3,545	3,699	3,695	(4)	0.0%	UMMS Ambulatory Care	11,809	11,074	(735)	0.0%	11,481
8,315	8,890	3,380	(5,510)	(163.0%)	Other Member Organizations & Intercompany Eliminations	21,682	4,926	(16,756)	(340.2%)	24,969
1,217,501	1,263,830	1,218,104	(45,726)	(3.8%)	Total	3,802,487	3,709,950	(92,537)	(2.5%)	3,604,875
Operating income (loss)										
9,336	1,114	7,593	(6,479)	(85.3%)	UMMC	39,696	19,108	20,588	107.7%	25,673
686	452	193	259	134.2%	UM Rehab	1,255	1,004	251	25.0%	2,104
3,119	(6,021)	590	(6,611)	(1,120.5%)	Baltimore Washington	(16,683)	697	(17,380)	(2,493.5%)	8,220
12,348	(2,567)	2,445	(5,012)	(205.0%)	Shore Regional	1,737	3,848	(2,111)	(54.9%)	27,222
670	1,485	565	920	162.8%	Charles Regional	3,254	451	2,803	621.5%	1,982
(573)	(1,072)	5,574	(6,646)	(119.2%)	St. Joseph	(8,172)	9,942	(18,114)	(182.2%)	5,013
2,346	4,358	1,049	3,309	315.4%	Upper Chesapeake	6,871	3,574	3,297	92.2%	12,632
(3,854)	(8,907)	(4,302)	(4,605)	(107.0%)	Capital Region	(31,791)	(16,795)	(14,996)	(89.3%)	(38,149)
104	12	-	12	0.0%	Community Medical Group	(3)	-	(3)	0.0%	105
(1,168)	(2,243)	(1,951)	(292)	(15.0%)	UM Quality Care Network	(4,376)	(5,774)	1,398	24.2%	(540)
(993)	(45)	407	(452)	0.0%	UMMS Ambulatory Care	(811)	225	(1,036)	(460.4%)	(1,067)
(2,693)	(5,543)	324	(5,867)	100.0%	Other Member Organizations & Intercompany Eliminations	139	694	(555)	(80.0%)	(7,702)
19,328	(18,977)	12,487	(31,464)	(252.0%)	Total	(8,884)	16,974	(25,858)	(152.3%)	35,493
Excess (deficit) of revenues over expenses										
(12,167)	10,718	7,939	2,779	35.0%	UMMC	51,839	20,144	31,695	157.3%	10,160
(1,305)	1,704	626	1,078	172.2%	UM Rehab	3,455	2,302	1,153	50.1%	1,488
(5,338)	(1,574)	2,139	(3,713)	(173.6%)	Baltimore Washington	(10,816)	5,347	(16,163)	(302.3%)	4,057
3,002	8,721	1,574	1,574	22.0%	Shore Regional	14,464	17,952	(3,488)	(19.4%)	24,177
(803)	2,382	1,285	1,097	85.4%	Charles Regional	5,276	2,603	2,673	102.7%	1,307
(1,645)	(243)	6,421	(6,664)	(103.8%)	St. Joseph	(6,822)	12,385	(19,207)	(155.1%)	4,481
(12,828)	10,589	3,903	6,686	171.3%	Upper Chesapeake	15,658	12,130	3,528	29.1%	5,139
(3,646)	(8,954)	(3,792)	(5,162)	(136.1%)	Capital Region	(32,395)	(15,264)	(17,131)	(112.2%)	(37,532)
104	12	-	12	(100.0%)	Community Medical Group	(3)	-	(3)	(100.0%)	105
(1,168)	(2,243)	(1,951)	(292)	(15.0%)	UM Quality Care Network	(4,376)	(5,774)	1,398	24.2%	(540)
(993)	(45)	407	(452)	0.0%	UMMS Ambulatory Care	(811)	225	(1,036)	0.0%	(1,067)
31,950	8,001	188	7,813	4,155.9%	Other Member Organizations & Intercompany Eliminations	39,327	588	38,739	6,588.3%	41,614
(\$4,837)	\$29,068	\$24,312	\$4,756	19.6%	Total	\$74,796	\$52,638	\$22,158	42.1%	\$53,389

**UNIVERSITY OF MARYLAND MEDICAL SYSTEM
CONSOLIDATED BALANCE SHEET**

March 31, 2023

(Amounts in thousands)

<u>ASSETS</u>	<u>03/31/2023</u>	<u>06/30/2022</u>	<u>LIABILITIES AND NET ASSETS</u>	<u>03/31/2023</u>	<u>06/30/2022</u>
Current assets:			Current liabilities:		
Cash and cash equivalents	\$173,801	\$244,529	Trade accounts payable	\$347,210	\$412,458
Limited use funds, current portion	13,051	68,258	Accrued payroll and benefits	264,488	341,609
Accounts receivable:			Advances from third-party payors	149,927	266,121
Patient accounts receivable, net	627,203	571,609	Other current liabilities	134,822	216,616
Other	178,315	292,147	Current portion of long-term debt	32,301	38,399
Inventories of drugs, food and supplies	101,375	97,453	Total current liabilities	928,748	1,275,203
Prepayments and other current assets	37,976	38,709			
Total current assets	1,131,721	1,312,705			
Investments	1,426,141	1,431,494	Long-term debt, net of current portion		
Limited use funds:			and unamortized net premiums/discounts	1,865,812	1,900,234
Cash & investments held for swap collateral	6,094	6,840	Other long term liabilities	611,792	647,990
Debt service and Construction funds	298,166	433,259	Total liabilities	3,406,352	3,823,427
Board-designated funds	30,000	90,000			
Self-insurance trust funds	216,958	227,796	Net assets:		
Funds restricted by donor	129,641	117,870	Without donor restrictions	3,120,274	3,041,971
Economic interests in the net assets of			With donor restrictions	261,591	234,092
related organizations	59,802	59,493	Total net assets	3,381,865	3,276,063
Total limited use funds	740,661	935,258			
Property and equipment, net of					
accumulated depreciation	2,882,196	2,828,105			
Other assets	607,498	591,928			
Total assets	\$6,788,217	\$7,099,490	Total liabilities and net assets	\$6,788,217	\$7,099,490

UNIVERSITY OF MARYLAND MEDICAL SYSTEM
CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS
March 31, 2023

(Amounts in thousands)

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total</u>
Balance at June 30, 2021	\$3,036,143	\$302,740	\$3,338,883
Excess of revenues over expenses	(81,992)	0	(81,992)
Investment income (loss), net	0	(9,443)	(9,443)
State support	500	910	1,410
Contributions, net	14,044	15,909	29,953
Net assets released from restrictions used for operations	0	(5,925)	(5,925)
Net assets released from restrictions used for purchases of property and equipment	66,729	(66,729)	0
Change in economic interests in the net assets of related organizations	1,244	(3,602)	(2,358)
Change in accrued minimum pension liability for plan settlement	2,180	0	2,180
Other	3,123	232	3,355
Increase (decrease) in net assets	<u>5,828</u>	<u>(68,648)</u>	<u>(62,820)</u>
Balance at June 30, 2022	<u>3,041,971</u>	<u>234,092</u>	<u>3,276,063</u>
Excess of revenues over expenses	74,796	0	74,796
Investment income (loss), net	0	8,215	8,215
State support	0	17,094	17,094
Contributions, net	0	15,366	15,366
Net assets released from restrictions used for operations	0	(7,171)	(7,171)
Net assets released from restrictions used for purchases of property and equipment	2,355	(2,355)	0
Change in economic interests in the net assets of related organizations	908	(1,857)	(949)
Change in ownership interest of nonconsolidated subsidiaries	0	(1,685)	(1,685)
Other	244	(108)	136
Increase (decrease) in net assets	<u>78,303</u>	<u>27,499</u>	<u>105,802</u>
Balance at March 31, 2023	<u><u>\$3,120,274</u></u>	<u><u>\$261,591</u></u>	<u><u>\$3,381,865</u></u>

UNIVERSITY OF MARYLAND MEDICAL SYSTEM
CONSOLIDATED STATEMENT OF CASH FLOWS
March 31, 2023

	Fiscal Year-to-Date 2023	Fiscal Year 2022
Cash flows from operating activities and gains and losses:		
Increase (decrease) in total net assets	\$105,802	(\$62,820)
Adjustments to reconcile net income to net cash provided by operating activities and gains and losses:		
Depreciation and amortization	\$202,608	267,187
Amortization of net bond premium and deferred financing costs	(\$1,774)	(2,456)
Net unrealized and realized (gains) losses on investments	(\$75,692)	148,447
(Gain) loss on investment in joint ventures	(\$3,433)	904
Change in economic interests of related organizations	(\$309)	3,602
Change in fair value of designated and undesignated interest rate swaps	(\$21,644)	(96,888)
Change in accrued minimum pension liability	0	(2,180)
Gain on sale of home health agencies	(3,500)	0
Restricted contributions, investment income and state support	(\$40,675)	(7,376)
Subtotal	161,383	248,420
Changes in operating assets and liabilities:		
Patient accounts receivable	(55,594)	(41,784)
Inventories, prepayments, other receivables, and other current and long-term assets	102,943	(71,371)
Advances from third-party payors	(116,194)	(447,812)
Accounts payable, accrued payroll & benefits, and other current and long-term liabilities	(157,717)	(59,775)
Net cash provided by (used for) operating activities	(65,179)	(372,322)
Cash flows from investing activities:		
Sale of home health agencies, net cash proceeds	4,753	0
Sale of UM Health Plan, LLC, net cash proceeds	0	4,587
Decrease (increase) in limited use funds	189,367	385,379
Decrease (increase) in long-term investments, net	141,045	(335,195)
Purchases of property and equipment, net	(256,699)	(363,384)
Refund (posting) of collateral under interest rate swap agreements	746	110,633
Distributions from joint ventures	(6,629)	2,951
Net cash provided by (used for) investing activities	72,583	(195,029)
Cash flows from financing and other activities:		
Proceeds from issuance of long-term debt	0	268,355
Repayment of long-term debt	(38,746)	(297,561)
Line of credit and term loan draws (repayments)	(81,000)	(32,000)
Payment of debt issuance costs	0	(1,333)
Restricted contributions, investment income and state support	40,675	7,376
UM Health Plan, LLC earnout proceeds	939	8,500
Net cash provided by (used for) financing and other activities	(78,132)	(46,663)
Net change in cash and cash equivalents	(70,728)	(614,014)
Cash and cash equivalents, beginning of period	244,529	858,543
Cash and cash equivalents, end of period	\$173,801	\$244,529

UNIVERSITY OF MARYLAND MEDICAL SYSTEM
Financial Ratios and Other Key Indicators
March 31, 2023

						CURRENT YEAR	
		6/30/2019	6/30/2020	6/30/2021*	6/30/2022	Actual 3/31/2023	Budget 3/31/2023
Profitability:							
Excess margin	(Note A)	0.7%	1.6%	8.1%	(0.8%)	1.9%	1.4%
Operating margin	(Note B)	0.5%	2.4%	2.5%	0.7%	(0.2%)	0.5%
<u>EBIDA</u>	(Note C)						
(\$'s in thousands)		\$345,864	\$362,883	\$691,971	\$288,362	\$319,975	\$315,274
Margin %		7.5%	8.4%	13.9%	6.0%	8.3%	8.4%
<u>Operating EBIDA</u>	(Note D)						
(\$'s in thousands)		\$336,161	\$397,614	\$409,270	\$363,680	\$236,295	\$279,610
Margin %		7.3%	9.1%	8.7%	6.0%	6.2%	7.5%
Liquidity:							
Net accounts receivable days	(Note E)	41.7	43.1	45.1	46.0	49.0	
Days of cash	(Note F)	121.7	182.5	193.8	140.9	123.3	
Current ratio	(Note G)	0.95	1.00	1.01	1.02	1.22	
Capital:							
Debt service coverage ratio	(Note H)	3.21	4.66	5.20	3.33	3.33	
Debt to capitalization	(Note I)	43.6%	44.7%	39.7%	38.7%	37.8%	
Other:							
Working capital	(\$'s in thousands) (Note J)	\$839,921	\$919,434	\$1,359,152	\$1,421,517	\$1,629,114	

Notes:

- A. Excess of revenue over expenses (before loss on early extinguishment of debt), divided by total operating revenue plus nonoperating revenue.
 - B. Operating income (loss) divided by total operating revenue, gains and other support.
 - C. Excess of revenue over expenses (before loss on early extinguishment of debt), plus interest, depreciation & amortization. EBIDA Margin is EBIDA divided by total operating revenue plus nonoperating revenue.
 - D. Operating income, plus interest, depreciation & amortization. Operating EBIDA Margin is Operating EBIDA divided by operating revenue.
 - E. Net patient accounts receivable divided by (year-to-date net patient revenue less year-to-date bad debt expense) divided by number of days in the period.
 - F. Unrestricted cash, investments, and Board-Designated funds divided by operating expense per day (12 month rolling average total operating expenses less depreciation & amortization expense less bad debt expense, divided by the number of days in the period).
 - G. Current assets divided by current liabilities.
 - H. Excess of revenue over expenses (before loss on early extinguishment of debt, change in fair value of investments, and change in fair value of interest rate swaps, and other one time items) plus depreciation & amortization expense plus interest expense, divided by total principal and interest payments made over the fiscal year.
 - I. Current and long-term debt divided by (unrestricted net assets plus current and long-term debt).
 - J. Current assets plus unrestricted investments less current liabilities.
- * FY21 Excludes \$100 million FEMA and HHS Revenue from Covid related cost reimbursement from denominator of the Excess, Operating and EBIDA margin calculations.

UNIVERSITY OF MARYLAND MEDICAL SYSTEM
Consolidating Statement of Revenues and Expenses
for the nine months ended March 31, 2023
(Amounts in thousands)

	UMMC			UM REHAB			BALTIMORE WASHINGTON		
	Actual	Budget	Fav/(Unfav) Variance	Actual	Budget	Fav/(Unfav) Variance	Actual	Budget	Fav/(Unfav) Variance
Gross patient service revenue:	\$1,820,520	\$1,820,268	\$252	\$108,080	\$109,806	(\$1,726)	\$621,962	\$619,579	\$2,383
Deduction from patient service revenue:	264,060	267,956	3,896	15,894	16,841	947	227,595	224,814	(2,781)
Net patient services revenue	\$1,556,460	\$1,552,312	\$4,148	\$92,186	\$92,965	(\$779)	\$394,367	\$394,765	(\$398)
Other operating revenue:									
State/County operating support	2,775	2,700	75	0	0	0	0	0	0
Premium Revenue	0	0	0	0	0	0	0	0	0
HHS revenue	0	0	0	0	0	0	0	0	0
Other revenue	209,786	181,724	28,062	2,494	1,648	846	4,932	3,967	965
Total other revenue and support	212,561	184,424	28,137	2,494	1,648	846	4,932	3,967	965
Total operating revenue, gains, and other support	1,769,021	1,736,736	32,285	94,680	94,613	67	399,299	398,732	567
Operating expenses:									
Salaries, wages and fringe benefits	687,672	692,577	4,905	50,680	49,581	(1,099)	229,431	215,661	(13,770)
Supplies expense	414,959	402,145	(12,814)	9,992	10,986	994	62,037	55,085	(6,952)
Purchased services	344,262	334,187	(10,075)	15,957	16,225	268	70,552	68,702	(1,850)
Insurance expense	29,175	30,043	868	1,674	1,709	35	10,989	11,287	298
Physician and UMAB services	155,528	155,270	(258)	8,342	8,139	(203)	13,977	15,587	1,610
Depreciation and amortization	83,730	85,418	1,688	6,521	6,640	119	23,430	25,303	1,873
Interest, net	13,999	17,988	3,989	259	329	70	5,566	6,410	844
Total Operating expenses	1,729,325	1,717,628	(11,697)	93,425	93,609	184	415,982	398,035	(17,947)
Operating Income (Loss)	39,696	19,108	20,588	1,255	1,004	251	(16,683)	697	(17,380)
Non-operating revenue and expenses:									
Contributions	86	45	41	0	0	0	0	0	0
Gain (loss) on investments in joint ventures	(28)	398	(426)	0	0	0	0	0	0
Total return on investments	18,066	1,721	16,345	2,268	1,298	970	8,515	4,875	3,640
Change in fair value of undesignated interest rate	0	0	0	0	0	0	0	0	0
Other income and expenses, net	(5,981)	(1,128)	(4,853)	(68)	0	(68)	(2,648)	(225)	(2,423)
Total non-operating revenue, net of expenses	12,143	1,036	11,107	2,200	1,298	902	5,867	4,650	1,217
Excess (deficit) of Revenues over Expenses	\$51,839	\$20,144	\$31,695	\$3,455	\$2,302	\$1,153	(\$10,816)	\$5,347	(\$16,163)

(continued)

UNIVERSITY OF MARYLAND MEDICAL SYSTEM
Consolidating Statement of Revenues and Expenses
for the nine months ended March 31, 2023
(Amounts in thousands)

	SHORE REGIONAL			CHARLES REGIONAL			ST. JOSEPH			UPPER CHESAPEAKE			CAPITAL REGION		
	Actual	Budget	Fav/(Unfav) Variance	Actual	Budget	Fav/(Unfav) Variance	Actual	Budget	Fav/(Unfav) Variance	Actual	Budget	Fav/(Unfav) Variance	Actual	Budget	Fav/(Unfav) Variance
Net patient service revenue	\$295,217	\$284,406	\$10,811	\$126,804	\$127,368	(\$564)	\$364,951	\$371,826	(\$6,875)	\$371,174	\$370,594	\$580	\$293,954	\$290,526	\$3,428
Other operating revenue:															
State/County operating support	0	0	0	0	0	0	0	0	0	0	0	0	7,500	7,500	0
Premium Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
HHS revenue	0	0	0	248	0	248	0	0	0	0	0	0	730	0	730
Other revenue	5,498	3,339	2,159	1,720	1,590	130	6,763	6,466	297	9,707	7,012	2,695	6,452	5,663	789
Total other revenue and support	5,498	3,339	2,159	1,968	1,590	378	6,763	6,466	297	9,707	7,012	2,695	14,682	13,163	1,519
Total operating revenue, gains, and other support	300,715	287,745	12,970	128,772	128,958	(186)	371,714	378,292	(6,578)	380,881	377,606	3,275	308,636	303,689	4,947
Operating expenses:															
Salaries, wages and fringe benefits	154,786	145,023	(9,763)	60,691	61,174	483	207,676	202,428	(5,248)	218,372	219,047	675	167,226	156,724	(10,502)
Supplies expense	35,179	33,357	(1,822)	16,367	18,350	1,983	58,760	52,119	(6,641)	55,509	54,253	(1,256)	31,742	28,530	(3,212)
Purchased services	65,698	62,792	(2,906)	29,747	28,432	(1,315)	71,488	70,838	(650)	58,331	57,378	(953)	68,469	64,398	(4,071)
Insurance expense	5,238	5,533	295	3,316	3,284	(32)	10,144	10,369	225	7,542	7,806	264	8,774	7,710	(1,064)
Physician and UMAB services	17,548	15,653	(1,895)	8,736	8,057	(679)	4,486	4,410	(76)	11,224	9,265	(1,959)	32,385	30,854	(1,531)
Depreciation and amortization	17,125	17,794	669	5,460	7,787	2,327	20,811	20,893	82	17,619	19,270	1,651	26,317	25,922	(395)
Interest, net	3,404	3,745	341	1,201	1,423	222	6,521	7,293	772	5,413	7,013	1,600	5,514	6,346	832
Total Operating expenses	298,978	283,897	(15,081)	125,518	128,507	2,989	379,886	368,350	(11,536)	374,010	374,032	22	340,427	320,484	(19,943)
Operating Income (Loss)	1,737	3,848	(2,111)	3,254	451	2,803	(8,172)	9,942	(18,114)	6,871	3,574	3,297	(31,791)	(16,795)	(14,996)
Non-operating revenue and expenses:															
Contributions	563	781	(218)	339	205	134	221	1,348	(1,127)	(745)	78	(823)	0	0	0
Gain (loss) on investments in joint ventures	494	176	318	496	630	(134)	1,436	1,815	(379)	390	470	(80)	299	315	(16)
Total return on investments	12,520	13,588	(1,068)	1,823	1,242	581	1,442	655	787	11,781	9,758	2,023	246	115	131
Change in fair value of undesignated interest rate swaps	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other income and expenses, net	(850)	(441)	(409)	(636)	75	(711)	(1,749)	(1,375)	(374)	(2,639)	(1,750)	(889)	(1,149)	1,101	(2,250)
Total non-operating revenue, net of expenses	12,727	14,104	(1,377)	2,022	2,152	(130)	1,350	2,443	(1,093)	8,787	8,556	231	(604)	1,531	(2,135)
Excess (deficit) of Revenues over Expenses	\$14,464	\$17,952	(\$3,488)	\$5,276	\$2,603	\$2,673	(\$6,822)	\$12,385	(\$19,207)	\$15,658	\$12,130	\$3,528	(\$32,395)	(\$15,264)	(\$17,131)

(continued)

UNIVERSITY OF MARYLAND MEDICAL SYSTEM
Consolidating Statement of Revenues and Expenses
for the nine months ended March 31, 2023
(Amounts in thousands)

	SUBTOTAL - Health Systems (from page 7)			Community Medical Group			Quality Care Network			UMMS Foundation			UMMS Ambulatory Care			Shared Services and Joint Ventures*			Eliminations			TOTAL CONSOLIDATED		
	Actual	Budget	Fav/(Unfav) Variance	Actual	Budget	Fav/(Unfav) Variance	Actual	Budget	Fav/(Unfav) Variance	Actual	Budget	Fav/(Unfav) Variance	Actual	Budget	Fav/(Unfav) Variance	Actual	Budget	Fav/(Unfav) Variance	Actual	Budget	Fav/(Unfav) Variance	Actual	Budget	Fav/(Unfav) Variance
Gross patient service revenue:	\$4,558,772	\$4,554,558	\$4,214	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$22,353	\$22,929	(\$576)	\$20,047	\$26,450	(\$6,403)	(\$2,833)	(\$5,356)	\$2,523	\$4,598,339	\$4,598,581	(\$242)
Deduction from patient service revenue:	\$1,063,659	\$1,069,796	6,137	0	0	0	0	0	0	0	0	0	11,388	11,681	293	14,710	19,293	4,583	134	0	(134)	1,089,891	1,100,770	10,879
Net patient service revenue	3,495,113	3,484,762	10,351	0	0	0	0	0	0	0	0	0	10,965	11,248	(283)	5,337	7,157	(1,820)	(2,967)	(5,356)	2,389	3,508,448	3,497,811	10,637
Other operating revenue:																								
State/County operating support	10,275	10,200	75	0	0	0	0	0	0	0	0	0	0	0	0	5,000	0	5,000	(5,000)	0	(5,000)	10,275	10,200	75
Premium Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	172,597	185,166	(12,569)	(172,597)	(185,166)	12,569	0	0	0
HHS revenue	978	0	978	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	978	0	978
Other revenue	247,352	211,409	35,943	2,727	0	2,727	4,339	3,634	705	0	0	0	33	51	(18)	478,383	460,663	17,720	(458,932)	(456,844)	(2,088)	273,902	218,913	54,989
Total other revenue and support	258,605	221,609	36,996	2,727	0	2,727	4,339	3,634	705	0	0	0	33	51	(18)	655,980	645,829	10,151	(636,529)	(642,010)	5,481	285,155	229,113	56,042
Total operating revenue, gains, and other support	3,753,718	3,706,371	47,347	2,727	0	2,727	4,339	3,634	705	0	0	0	10,998	11,299	(301)	661,317	652,986	8,331	(639,496)	(647,366)	7,870	3,793,603	3,726,924	66,679
Operating expenses:																								
Salaries, wages and fringe benefits	1,776,534	1,742,215	(34,319)	2,705	0	(2,705)	4,381	4,927	546	0	0	0	6,928	6,051	(877)	404,754	417,185	12,431	(168,622)	(185,170)	(16,548)	2,026,680	1,985,208	(41,472)
Supplies expense	684,545	654,825	(29,720)	0	0	0	3	19	16	0	0	0	514	659	145	8,007	6,034	(1,973)	(1,830)	(1,345)	485	691,239	660,192	(31,047)
Purchased services	724,504	702,952	(21,552)	25	0	(25)	4,318	4,454	136	0	0	0	3,471	3,442	(29)	181,593	161,517	(20,076)	(401,135)	(395,643)	5,492	512,776	476,722	(36,054)
Insurance expense	76,852	77,741	889	0	0	0	13	8	(5)	0	0	0	223	208	(15)	65,208	65,208	0	(65,208)	(65,208)	0	77,088	77,957	869
Physician and UMAB services	252,226	247,235	(4,991)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(2,701)	0	2,701	249,525	247,235	(2,290)
Depreciation and amortization	201,013	209,027	8,014	0	0	0	0	0	0	0	0	0	673	677	4	922	840	(82)	0	0	0	202,608	210,544	7,936
Interest, net	41,877	50,547	8,670	0	0	0	0	0	0	0	0	0	0	37	37	694	1,508	814	0	0	0	42,571	52,092	9,521
Total Operating expenses	3,757,551	3,684,542	(73,009)	2,730	0	(2,730)	8,715	9,408	693	0	0	0	11,809	11,074	(735)	661,178	652,292	(8,886)	(639,496)	(647,366)	(7,870)	3,802,487	3,709,950	(92,537)
Operating Income (Loss)	(3,833)	21,829	(25,662)	(3)	0	(3)	(4,376)	(5,774)	1,398	0	0	0	(811)	225	(1,036)	139	694	(555)	0	0	0	(8,884)	16,974	(25,858)
Non-operating revenue and expenses:																								
Contributions	464	2,457	(1,993)	0	0	0	0	0	0	376	1,221	(845)	0	0	0	0	0	0	0	0	0	840	3,678	(2,838)
Gain (loss) on investments in joint ventures	3,087	3,804	(717)	0	0	0	0	0	0	0	0	0	0	0	0	346	0	346	0	0	0	3,433	3,804	(371)
Total return on investments	56,661	33,252	23,409	0	0	0	0	6,000	0	2,260	1,508	752	0	0	0	16,771	0	16,771	0	0	0	75,692	34,760	40,932
Change in fair value of undesignated interest rate s	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	21,644	0	21,644	0	0	0	21,644	0	21,644
Other income and expenses, net	(15,720)	(3,743)	(11,977)	0	0	0	0	0	0	(2,235)	(2,835)	600	0	0	0	26	0	26	0	0	0	(17,929)	(6,578)	(11,351)
Total non-operating revenue, net of expenses	44,492	35,770	8,722	0	0	0	0	0	0	401	(106)	507	0	0	0	38,787	0	38,787	0	0	0	83,680	35,664	48,016
Excess (deficit) of Revenues over Expenses	\$40,659	\$57,599	(\$16,940)	(\$3)	\$0	(\$3)	(\$4,376)	(\$5,774)	\$1,398	\$401	(\$106)	\$507	(\$811)	\$225	(\$1,036)	\$38,926	\$694	\$38,232	\$0	\$0	\$0	\$74,796	\$52,638	\$22,158

* Includes UMMS' joint venture interests in Mt. Washington Pediatric Hospital (MWPB)

UNIVERSITY OF MARYLAND MEDICAL SYSTEM
Consolidated Summary of Key Patient Service Volumes and FTE's
March 31, 2023

<i>Quarter Ended</i>				<i>Nine Months Ended</i>					
Actual	Budget	Favorable (Unfav.) Variance	% of Variance	Patient Services	Actual	Budget	Favorable (Unfav.) Variance	% of Variance	FY 2022 YTD Actual
				Total Admissions					
7,324	7,703	(379)	(4.9%)	UMMC	21,881	23,699	(1,818)	(7.7%)	21,691
433	461	(28)	(6.1%)	UM Rehab	1,274	1,397	(123)	(8.8%)	1,240
4,198	4,926	(728)	(14.8%)	Baltimore Washington	13,061	14,913	(1,852)	(12.4%)	12,644
1,383	1,780	(397)	(22.3%)	Shore Regional	4,989	5,418	(429)	(7.9%)	5,363
1,428	1,579	(151)	(9.6%)	Charles Regional	4,283	4,768	(485)	(10.2%)	4,556
3,864	4,470	(606)	(13.6%)	St. Joseph	11,299	13,175	(1,876)	(14.2%)	10,150
4,338	4,253	85	2.0%	Upper Chesapeake	12,850	12,847	3	0.0%	12,413
3,205	2,914	291	10.0%	Capital Region	9,510	8,790	720	8.2%	8,154
26,173	28,087	(1,914)	(6.8%)	Total Acute	79,147	85,007	(5,860)	(6.9%)	76,211
				Outpatient Visits					
80,184	84,062	(3,878)	(4.6%)	Emergency Services	250,563	257,077	(6,514)	(2.5%)	245,989
97,382	92,768	4,614	5.0%	Clinic Services	278,342	280,652	(2,310)	(0.8%)	275,197
18,984	17,584	1,400	8.0%	Same Day Surgery	54,715	53,303	1,412	2.6%	50,408
7,935	7,935	0	0.0%	Observation	23,713	23,883	(170)	(0.7%)	22,085
126,298	135,990	(9,692)	(7.1%)	Unregulated & Other	360,440	388,409	(27,969)	(7.2%)	359,818
330,783	338,339	(7,556)	(2.2%)	Total	967,773	1,003,324	(35,551)	(3.5%)	953,497
				Average Daily Census (ADC)					
738.2	766.3	(28.1)	(3.7%)	UMMC	729.7	778.1	(48.4)	(6.2%)	732.9
85.4	87.3	(1.9)	(2.2%)	UM Rehab	82.9	86.8	(3.9)	(4.4%)	80.0
219.6	242.2	(22.6)	(9.3%)	Baltimore Washington	221.7	240.2	(18.5)	(7.7%)	230.8
95.5	90.6	4.8	5.3%	Shore Regional	92.2	90.6	1.6	1.8%	86.0
77.4	73.5	3.9	5.3%	Charles Regional	71.6	72.9	(1.3)	(1.8%)	75.3
180.4	199.2	(18.8)	(9.4%)	St. Joseph	173.0	193.0	(20.0)	(10.4%)	164.0
225.6	210.4	15.2	7.2%	Upper Chesapeake	213.5	200.6	12.9	6.4%	187.1
187.1	170.5	16.6	9.7%	Capital Region	184.0	169.0	15.1	8.9%	167.4
1,809.2	1,840.0	(30.8)	(1.7%)	Total Acute	1,768.6	1,831.1	(62.5)	(3.4%)	1,723.4
				Average Length of Stay (ALOS)					
9.1	9.0	(0.1)	(1.3%)	UMMC	9.8	9.0	(0.8)	(9.1%)	9.8
17.7	17.0	(0.7)	(4.2%)	UM Rehab	18.0	17.0	(1.0)	(5.9%)	17.6
4.7	4.4	(0.3)	(6.4%)	Baltimore Washington	4.6	4.4	(0.2)	(5.0%)	5.0
5.2	4.6	(0.6)	(13.8%)	Shore Regional	5.0	4.6	(0.4)	(8.7%)	4.6
4.9	4.2	(0.7)	(16.4%)	Charles Regional	5.1	4.7	(0.4)	(8.8%)	5.0
4.2	4.0	(0.2)	(4.8%)	St. Joseph	4.2	4.5	0.3	6.9%	4.4
4.7	4.5	(0.2)	(5.1%)	Upper Chesapeake	4.9	4.7	(0.3)	(5.5%)	4.2
5.3	5.3	0.0	0.3%	Capital Region	5.3	5.3	(0.0)	(0.7%)	5.6
6.2	5.9	(0.3)	(4.9%)	Average	6.8	6.4	(0.4)	(6.2%)	6.8
				Labor - FTE's**					
8,008.5	8,701.8	693.2	8.0%	UMMC	8,007.7	8,702.7	695.0	8.0%	8,521.5
2,567.0	2,615.6	48.6	1.9%	Corporate Shared Services	2,467.1	2,617.0	149.9	5.7%	2,352.5
621.7	670.3	48.7	7.3%	UM Rehab	607.1	664.7	57.6	8.7%	589.3
2,609.9	2,742.8	132.9	4.8%	Baltimore Washington	2,598.8	2,716.7	117.9	4.3%	2,503.5
1,556.3	1,797.7	241.4	13.4%	Shore Regional	1,583.9	1,784.4	200.5	11.2%	1,614.8
707.8	746.4	38.6	5.2%	Charles Regional	709.9	740.1	30.2	4.1%	658.7
2,098.5	2,097.1	(1.4)	(0.1%)	St. Joseph	2,099.7	2,110.2	10.5	0.5%	1,864.7
2,369.6	2,543.1	173.5	6.8%	Upper Chesapeake	2,380.8	2,521.0	140.2	5.6%	2,526.2
26.7	0.0	(26.7)	0.0%	CMG	26.8	0.0	(26.8)	0.0%	27.9
1,829.9	1,960.5	130.6	6.7%	Capital Region	1,779.8	1,954.9	175.1	9.0%	1,759.5
22,395.9	23,875.4	1,479.5	6.2%	Total	22,261.7	23,811.8	1,550.1	6.5%	22,418.6

** FTE information includes agency and temporary labor.

**UNIVERSITY OF MARYLAND MEDICAL SYSTEM
UNIVERSITY OF MARYLAND MEDICAL CENTER
STATEMENT OF REVENUES AND EXPENSES**
for the period ended March 31, 2023
(Amounts in thousands)

<i>Quarter Ended</i>					
FY 2023 Budget	FY 2022 QTD Actual	Actual	Budget	Favorable (Unfav.) Variance	% of Variance
\$2,069,219	\$500,870	\$510,946	\$509,185	\$1,761	0.3%
3,600	850	950	900	50	5.6%
0	1,178	0	0	0	0.0%
241,754	65,984	67,288	59,515	7,773	13.1%
245,354	68,012	68,238	60,415	7,823	100.0%
2,314,573	568,882	579,184	569,600	9,584	100.0%
917,546	233,502	227,498	224,016	(3,482)	(1.6%)
536,497	127,343	144,414	131,883	(12,531)	(9.5%)
444,896	106,614	113,537	110,289	(3,248)	(2.9%)
40,058	9,379	9,730	10,014	284	2.8%
207,026	51,156	51,487	51,757	270	0.5%
113,787	28,086	26,369	28,057	1,688	6.0%
23,983	3,466	5,035	5,991	956	16.0%
2,283,793	559,546	578,070	562,007	(16,063)	(2.9%)
30,780	9,336	1,114	7,593	(6,479)	(100.0%)
60	0	3	15	(12)	(80.0%)
531	(96)	(111)	133	(244)	(183.5%)
2,295	(17,844)	11,880	574	11,306	1,969.7%
0	0	0	0	0	0.0%
(1,504)	(3,563)	(2,168)	(376)	(1,792)	(476.6%)
1,382	(21,503)	9,604	346	9,258	2,675.7%
\$32,162	(\$12,167)	\$10,718	\$7,939	\$2,779	35.0%

Net patient service revenue

Other operating revenue:

State/County operating support

HHS revenue

Other revenue

Total other revenue and support

Total operating revenue, gains, and other support

Operating expenses:

Salaries, wages and fringe benefits

Supplies expense

Purchased services

Insurance expense

Physician and UMAB services

Depreciation and amortization

Interest, net

Total Operating expenses

Operating Income (Loss)

Non-operating revenue and expenses:

Contributions

Gain (loss) on investments in joint ventures

Total return on investments

Change in fair value of undesignated interest rate swaps

Other income and expenses, net

Total non-operating revenue, net of expenses

Excess (deficit) of Revenues over Expenses

<i>Nine Months Ended</i>					FY 2022 YTD Actual
Actual	Budget	Favorable (Unfav.) Variance	% of Variance		
\$1,556,460	\$1,552,312	\$4,148	0.3%		\$1,496,761
2,775	2,700	75	2.8%		2,550
0	0	0	0.0%		2,390
209,786	181,724	28,062	15.4%		187,887
212,561	184,424	28,137	0.0%		192,827
1,769,021	1,736,736	32,285	0.0%		1,689,588
687,672	692,577	4,905	0.7%		676,198
414,959	402,145	(12,814)	(3.2%)		393,401
344,262	334,187	(10,075)	(3.0%)		317,072
29,175	30,043	868	2.9%		27,866
155,528	155,270	(258)	(0.2%)		153,587
83,730	85,418	1,688	2.0%		85,333
13,999	17,988	3,989	22.2%		10,458
1,729,325	1,717,628	(11,697)	(0.7%)		1,663,915
39,696	19,108	20,588	107.7%		25,673
86	45	41	91.1%		60
(28)	398	(426)	(107.0%)		(9)
18,066	1,721	16,345	949.7%		(6,124)
0	0	0	0.0%		0
(5,981)	(1,128)	(4,853)	(430.2%)		(9,440)
12,143	1,036	11,107	1,072.1%		(15,513)
\$51,839	\$20,144	\$31,695	157.3%		\$10,160

UNIVERSITY OF MARYLAND MEDICAL SYSTEM
UNIVERSITY OF MARYLAND REHABILITATION & ORTHOPAEDIC INSTITUTE
STATEMENT OF REVENUES AND EXPENSES
for the period ended March 31, 2023
(Amounts in thousands)

Quarter Ended						Nine Months Ended					
FY 2023 Budget	FY 2022 QTD Actual	Actual	Budget	Favorable (Unfav.) Variance	% of Variance		Actual	Budget	Favorable (Unfav.) Variance	% of Variance	FY 2022 YTD Actual
\$124,123	\$29,122	\$30,986	\$30,665	\$321	1.0%	Net patient service revenue	\$92,186	\$92,965	(\$779)	0.0%	\$87,400
0	0	0	0	0	0.0%	Other operating revenue:	0	0	0	0.0%	0
0	335	0	0	0	0.0%	State/County operating support	0	0	0	0.0%	669
2,169	859	948	535	413	77.2%	HHS revenue	2,494	1,648	846	51.3%	1,903
2,169	1,194	948	535	413	100.0%	Other revenue	2,494	1,648	846	0.0%	2,572
						Total other revenue and support					
126,292	30,316	31,934	31,200	734	100.0%	Total operating revenue, gains, and other support	94,680	94,613	67	0.0%	89,972
66,336	15,349	17,355	16,376	(979)	(6.0%)	Operating expenses:					
14,704	3,278	3,466	3,681	215	5.8%	Salaries, wages and fringe benefits	50,680	49,581	(1,099)	(2.2%)	45,234
21,615	5,577	5,052	5,378	326	6.1%	Supplies expense	9,992	10,986	994	9.0%	10,480
2,279	533	558	570	12	2.1%	Purchased services	15,957	16,225	268	1.7%	15,962
10,852	2,819	2,894	2,713	(181)	(6.7%)	Insurance expense	1,674	1,709	35	2.0%	1,593
8,845	1,995	2,062	2,181	119	5.5%	Physician and UMAB services	8,342	8,139	(203)	(2.5%)	8,374
438	79	95	108	13	12.0%	Depreciation and amortization	6,521	6,640	119	1.8%	6,073
125,069	29,630	31,482	31,007	(475)	(1.5%)	Interest, net	259	329	70	21.3%	152
1,223	686	452	193	259	(100.0%)	Total Operating expenses	93,425	93,609	184	0.2%	87,868
0	0	0	0	0	0.0%	Operating Income (Loss)	1,255	1,004	251	25.0%	2,104
0	0	0	0	0	0.0%	Non-operating revenue and expenses:					
1,730	(1,934)	1,265	433	832	192.1%	Contributions	0	0	0	0.0%	0
0	0	0	0	0	0.0%	Gain (loss) on investments in joint ventures	0	0	0	0.0%	0
0	0	0	0	0	0.0%	Total return on investments	2,268	1,298	970	74.7%	(441)
0	(57)	(13)	0	(13)	0.0%	Change in fair value of undesignated interest rate swaps	0	0	0	0.0%	0
1,730	(1,991)	1,252	433	819	0.0%	Other income and expenses, net	(68)	0	(68)	0.0%	(175)
\$2,953	(\$1,305)	\$1,704	\$626	\$1,078	172.2%	Total non-operating revenue, net of expenses	2,200	1,298	902	0.0%	(616)
						Excess (deficit) of Revenues over Expenses	\$3,455	\$2,302	\$1,153	50.1%	\$1,488

**UNIVERSITY OF MARYLAND MEDICAL SYSTEM
SHORE REGIONAL HEALTH
STATEMENT OF REVENUES AND EXPENSES**
for the period ended March 31, 2023
(Amounts in thousands)

FY 2023 Budget	FY 2022 QTD Actual	Quarter Ended					Nine Months Ended				FY 2022 YTD Actual
		Actual	Budget	Favorable (Unfav.) Variance	% of Variance		Actual	Budget	Favorable (Unfav.) Variance	% of Variance	
\$378,600	\$102,672	\$96,449	\$93,204	\$3,245	3.5%	Net patient service revenue	\$295,217	\$284,406	\$10,811	3.8%	\$288,182
0	0	0	0	0	0.0%	Other operating revenue:	0	0	0	0.0%	0
1,100	2,980	0	0	0	0.0%	State/County operating support	0	0	0	0.0%	6,448
3,351	205	2,370	1,113	1,257	112.9%	HHS revenue	5,498	3,339	2,159	64.7%	1,978
4,451	3,185	2,370	1,113	1,257	100.0%	Other revenue	5,498	3,339	2,159	0.0%	8,426
383,051	105,857	98,819	94,317	4,502	100.0%	Total other revenue and support	300,715	287,745	12,970	0.0%	296,608
192,141	50,422	51,974	46,239	(5,735)	(12.4%)	Total operating revenue, gains, and other support	154,786	145,023	(9,763)	(6.7%)	142,760
44,592	11,703	12,294	10,929	(1,365)	(12.5%)	Operating expenses:	35,179	33,357	(1,822)	(5.5%)	33,592
83,282	19,369	22,430	20,552	(1,878)	(9.1%)	Salaries, wages and fringe benefits	65,698	62,792	(2,906)	(4.6%)	56,588
7,374	1,623	1,734	1,841	107	5.8%	Supplies expense	5,238	5,533	295	5.3%	5,097
20,871	4,465	6,398	5,218	(1,180)	(22.6%)	Purchased services	17,548	15,653	(1,895)	(12.1%)	13,297
23,704	5,148	5,390	5,844	454	7.8%	Insurance expense	17,125	17,794	669	3.8%	15,671
4,993	779	1,166	1,249	83	6.6%	Physician and UMAB services	3,404	3,745	341	9.1%	2,381
376,957	93,509	101,386	91,872	(9,514)	(10.4%)	Depreciation and amortization	298,978	283,897	(15,081)	(5.3%)	269,386
6,094	12,348	(2,567)	2,445	(5,012)	(100.0%)	Interest, net	1,737	3,848	(2,111)	(54.9%)	27,222
1,042	20	42	260	(218)	(83.8%)	Total Operating expenses	563	781	(218)	(27.9%)	182
235	15	462	59	403	683.1%	Operating Income (Loss)	494	176	318	180.7%	(199)
18,117	(8,671)	10,871	4,530	6,341	140.0%	Non-operating revenue and expenses:	12,520	13,588	(1,068)	(7.9%)	(990)
0	0	0	0	0	0.0%	Contributions	0	0	0	0.0%	0
(588)	(710)	(87)	(147)	60	40.8%	Gain (loss) on investments in joint ventures	(850)	(441)	(409)	(92.7%)	(2,038)
18,806	(9,346)	11,288	4,702	6,586	140.1%	Total return on investments	12,727	14,104	(1,377)	(9.8%)	(3,045)
\$24,900	\$3,002	\$8,721	\$7,147	\$1,574	22.0%	Change in fair value of undesignated interest rate swaps	\$14,464	\$17,952	(\$3,488)	(19.4%)	\$24,177
						Other income and expenses, net					
						Total non-operating revenue, net of expenses					
						Excess (deficit) of Revenues over Expenses					

**UNIVERSITY OF MARYLAND MEDICAL SYSTEM
BALTIMORE WASHINGTON MEDICAL SYSTEM
STATEMENT OF REVENUES AND EXPENSES**
for the period ended March 31, 2023
(Amounts in thousands)

Quarter Ended						Nine Months Ended					
FY 2023 Budget	FY 2022 QTD Actual	Actual	Budget	Favorable (Unfav.) Variance	% of Variance		Actual	Budget	Favorable (Unfav.) Variance	% of Variance	FY 2022 YTD Actual
\$525,559	\$131,082	\$129,325	\$131,138	(\$1,813)	(1.4%)	Net patient service revenue	\$394,367	\$394,765	(\$398)	(0.1%)	\$390,507
0	0	0	0	0	0.0%	Other operating revenue:	0	0	0	0.0%	0
0	1,532	0	0	0	0.0%	State/County operating support	0	0	0	0.0%	3,188
5,214	1,397	1,415	1,293	122	9.4%	HHS revenue	4,932	3,967	965	24.3%	3,652
5,214	2,929	1,415	1,293	122	100.0%	Other revenue	4,932	3,967	965	0.0%	6,840
530,773	134,011	130,740	132,431	(1,691)	100.0%	Total other revenue and support	399,299	398,732	567	0.0%	397,347
284,616	72,942	76,777	71,126	(5,651)	(7.9%)	Total operating revenue, gains, and other support	399,299	398,732	567	0.0%	397,347
73,426	18,661	19,901	18,277	(1,624)	(8.9%)	Operating expenses:	229,431	215,661	(13,770)	(6.4%)	212,448
91,604	21,912	23,083	22,910	(173)	(0.8%)	Salaries, wages and fringe benefits	62,037	55,085	(6,952)	(12.6%)	59,114
15,049	3,635	3,656	3,763	107	2.8%	Supplies expense	70,552	68,702	(1,850)	(2.7%)	65,103
20,627	4,346	4,971	5,349	378	7.1%	Purchased services	10,989	11,287	298	2.6%	10,853
33,707	8,132	6,438	8,311	1,873	22.5%	Insurance expense	13,977	15,587	1,610	10.3%	13,461
8,539	1,264	1,935	2,105	170	8.1%	Physician and UMAB services	23,430	25,303	1,873	7.4%	24,399
527,568	130,892	136,761	131,841	(4,920)	(3.7%)	Depreciation and amortization	5,566	6,410	844	13.2%	3,749
3,205	3,119	(6,021)	590	(6,611)	(100.0%)	Interest, net	415,982	398,035	(17,947)	(4.5%)	389,127
0	0	0	0	0	0.0%	Total Operating expenses	(16,683)	697	(17,380)	(2,493.5%)	8,220
0	23	0	0	0	0.0%	Operating Income (Loss)	0	0	0	0.0%	0
6,500	(7,781)	5,084	1,625	3,459	212.9%	Non-operating revenue and expenses:	0	0	0	0.0%	2
0	0	0	0	0	0.0%	Contributions	8,515	4,875	3,640	74.7%	(1,855)
(300)	(699)	(637)	(76)	(561)	(738.2%)	Gain (loss) on investments in joint ventures	0	0	0	0.0%	0
6,200	(8,457)	4,447	1,549	2,898	187.1%	Total return on investments	(2,648)	(225)	(2,423)	(1,076.9%)	(2,310)
\$9,405	(\$5,338)	(\$1,574)	\$2,139	(\$3,713)	(173.6%)	Change in fair value of undesignated interest rate swaps	5,867	4,650	1,217	26.2%	(4,163)
						Other income and expenses, net	(10,816)	\$5,347	(\$16,163)	(302.3%)	\$4,057
						Total non-operating revenue, net of expenses					
						Excess (deficit) of Revenues over Expenses					

**UNIVERSITY OF MARYLAND MEDICAL SYSTEM
CHARLES REGIONAL HEALTH
STATEMENT OF REVENUES AND EXPENSES**
for the period ended March 31, 2023
(Amounts in thousands)

Quarter Ended						Nine Months Ended					
FY 2023 Budget	FY 2022 QTD Actual	Actual	Budget	Favorable (Unfav.) Variance	% of Variance		Actual	Budget	Favorable (Unfav.) Variance	% of Variance	FY 2022 YTD Actual
\$169,557	\$41,335	\$41,597	\$41,967	(\$370)	(0.9%)	Net patient service revenue	\$126,804	\$127,368	(\$564)	(0.4%)	\$122,937
						Other operating revenue:					
0	0	0	0	0	0.0%	State/County operating support	0	0	0	0.0%	0
0	209	248	0	248	0.0%	HHS revenue	248	0	248	0.0%	418
2,052	551	480	494	(14)	(2.8%)	Other revenue	1,720	1,590	130	8.2%	1,671
2,052	760	728	494	234	100.0%	Total other revenue and support	1,968	1,590	378	0.0%	2,089
171,609	42,095	42,325	42,461	(136)	100.0%	Total operating revenue, gains, and other support	128,772	128,958	(186)	0.0%	125,026
						Operating expenses:					
80,177	22,282	19,682	19,567	(115)	(0.6%)	Salaries, wages and fringe benefits	60,691	61,174	483	0.8%	61,771
24,458	4,581	4,850	6,093	1,243	20.4%	Supplies expense	16,367	18,350	1,983	10.8%	16,738
37,867	8,444	9,762	9,428	(334)	(3.5%)	Purchased services	29,747	28,432	(1,315)	(4.6%)	25,786
4,379	860	1,104	1,095	(9)	(0.8%)	Insurance expense	3,316	3,284	(32)	(1.0%)	2,585
10,732	2,564	2,953	2,688	(265)	(9.9%)	Physician and UMAB services	8,736	8,057	(679)	(8.4%)	7,961
10,373	2,367	2,072	2,558	486	19.0%	Depreciation and amortization	5,460	7,787	2,327	29.9%	7,197
1,896	327	417	467	50	10.7%	Interest, net	1,201	1,423	222	15.6%	1,006
169,882	41,425	40,840	41,896	1,056	2.5%	Total Operating expenses	125,518	128,507	2,989	2.3%	123,044
1,727	670	1,485	565	920	(100.0%)	Operating Income (Loss)	3,254	451	2,803	621.5%	1,982
						Non-operating revenue and expenses:					
274	25	115	68	47	69.1%	Contributions	339	205	134	65.4%	98
813	(127)	(69)	213	(282)	(132.4%)	Gain (loss) on investments in joint ventures	496	630	(134)	(21.3%)	122
1,656	(1,182)	883	414	469	113.3%	Total return on investments	1,823	1,242	581	46.8%	(352)
0	0	0	0	0	0.0%	Change in fair value of undesignated interest rate swaps	0	0	0	0.0%	0
100	(189)	(32)	25	(57)	(228.0%)	Other income and expenses, net	(636)	75	(711)	(948.0%)	(543)
2,843	(1,473)	897	720	177	24.6%	Total non-operating revenue, net of expenses	2,022	2,152	(130)	(6.0%)	(675)
\$4,570	(\$803)	\$2,382	\$1,285	\$1,097	85.4%	Excess (deficit) of Revenues over Expenses	\$5,276	\$2,603	\$2,673	102.7%	\$1,307

UNIVERSITY OF MARYLAND MEDICAL SYSTEM
UNIVERSITY OF MARYLAND ST. JOSEPH HEALTH SYSTEM
STATEMENT OF REVENUES AND EXPENSES
for the period ended March 31, 2023
(Amounts in thousands)

FY 2023 Budget	FY 2022 QTD Actual	Quarter Ended					Nine Months Ended				FY 2022 YTD Actual
		Actual	Budget	Favorable (Unfav.) Variance	% of Variance		Actual	Budget	Favorable (Unfav.) Variance	% of Variance	
\$497,704	\$113,091	\$122,280	\$124,385	(\$2,105)	(1.7%)	Net patient service revenue	\$364,951	\$371,826	(\$6,875)	(1.8%)	\$340,249
0	0	0	0	0	0.0%	Other operating revenue:	0	0	0	0.0%	0
0	780	0	0	0	0.0%	State/County operating support	0	0	0	0.0%	1,559
8,502	1,595	2,009	2,059	(50)	(2.4%)	HHS revenue	6,763	6,466	297	4.6%	4,806
8,502	2,375	2,009	2,059	(50)	100.0%	Other revenue	6,763	6,466	297	0.0%	6,365
						Total other revenue and support					
506,206	115,466	124,289	126,444	(2,155)	100.0%	Total operating revenue, gains, and other support	371,714	378,292	(6,578)	0.0%	346,614
268,637	64,627	68,054	65,718	(2,336)	(3.6%)	Operating expenses:	207,676	202,428	(5,248)	(2.6%)	185,089
69,880	16,021	19,682	17,713	(1,969)	0.0%	Salaries, wages and fringe benefits	58,760	52,119	(6,641)	(12.7%)	49,951
93,613	21,496	23,661	23,251	(410)	(1.8%)	Supplies expense	71,488	70,838	(650)	(0.9%)	64,674
13,827	3,363	3,355	3,458	103	3.0%	Purchased services	10,144	10,369	225	2.2%	10,045
5,880	2,147	1,575	1,470	(105)	(7.1%)	Insurance expense	4,486	4,410	(76)	(1.7%)	6,330
27,831	6,449	6,781	6,863	82	1.2%	Physician and UMAB services	20,811	20,893	82	0.4%	19,630
9,715	1,936	2,253	2,397	144	6.0%	Depreciation and amortization	6,521	7,293	772	10.6%	5,882
489,383	116,039	125,361	120,870	(4,491)	(3.7%)	Interest, net	379,886	368,350	(11,536)	(3.1%)	341,601
16,823	(573)	(1,072)	5,574	(6,646)	(100.0%)	Total Operating expenses	(8,172)	9,942	(18,114)	(182.2%)	5,013
1,797	66	(33)	449	(482)	(107.3%)	Operating Income (Loss)					
2,420	477	441	605	(164)	(27.1%)	Non-operating revenue and expenses:	221	1,348	(1,127)	(83.6%)	792
873	(759)	908	218	690	316.5%	Contributions	1,436	1,815	(379)	(20.9%)	1,719
0	0	0	0	0	0.0%	Gain (loss) on investments in joint ventures	1,442	655	787	120.2%	(181)
(1,794)	(856)	(487)	(425)	(62)	(14.6%)	Total return on investments	0	0	0	0.0%	0
3,296	(1,072)	829	847	(18)	(2.1%)	Change in fair value of undesignated interest rate swaps	(1,749)	(1,375)	(374)	(27.2%)	(2,862)
\$20,119	(\$1,645)	(\$243)	\$6,421	(\$6,664)	(103.8%)	Other income and expenses, net	1,350	2,443	(1,093)	(44.7%)	(532)
						Total non-operating revenue, net of expenses	(\$6,822)	\$12,385	(\$19,207)	(155.1%)	\$4,481
						Excess (deficit) of Revenues over Expenses					

**UNIVERSITY OF MARYLAND MEDICAL SYSTEM
UPPER CHESAPEAKE HEALTH SYSTEM
STATEMENT OF REVENUES AND EXPENSES**
for the period ended March 31, 2023
(Amounts in thousands)

Quarter Ended						Nine Months Ended					
FY 2023 Budget	FY 2022 QTD Actual	Actual	Budget	Favorable (Unfav.) Variance	% of Variance		Actual	Budget	Favorable (Unfav.) Variance	% of Variance	FY 2022 YTD Actual
\$493,153	\$121,378	\$123,845	\$122,673	\$1,172	0.0%	Net patient service revenue	\$371,174	\$370,594	\$580	0.0%	\$357,205
0	0	0	0	0	0.0%	Other operating revenue:	0	0	0	0.0%	0
0	2,431	0	0	0	0.0%	State/County operating support	0	0	0	0.0%	4,894
9,799	2,561	3,072	2,337	735	31.5%	HHS revenue	9,707	7,012	2,695	38.4%	6,858
9,799	4,992	3,072	2,337	735	100.0%	Other revenue	9,707	7,012	2,695	0.0%	11,752
						Total other revenue and support					
502,952	126,370	126,917	125,010	1,907	100.0%	Total operating revenue, gains, and other support	380,881	377,606	3,275	0.0%	368,957
						Operating expenses:					
290,584	76,325	71,978	72,442	464	0.6%	Salaries, wages and fringe benefits	218,372	219,047	675	0.3%	210,818
71,854	16,318	18,182	17,861	(321)	0.0%	Supplies expense	55,509	54,253	(1,256)	(2.3%)	48,580
76,327	18,560	19,319	19,301	(18)	(0.1%)	Purchased services	58,331	57,378	(953)	(1.7%)	57,779
10,408	2,236	2,527	2,602	75	2.9%	Insurance expense	7,542	7,806	264	3.4%	6,654
12,370	3,382	3,864	3,122	(742)	(23.8%)	Physician and UMAB services	11,224	9,265	(1,959)	(21.1%)	10,928
25,670	6,202	4,679	6,330	1,651	26.1%	Depreciation and amortization	17,619	19,270	1,651	8.6%	18,797
9,342	1,001	2,010	2,303	293	0.0%	Interest, net	5,413	7,013	1,600	0.0%	2,769
496,555	124,024	122,559	123,961	1,402	1.1%	Total Operating expenses	374,010	374,032	22	0.0%	356,325
6,397	2,346	4,358	1,049	3,309	(100.0%)	Operating Income (Loss)	6,871	3,574	3,297	92.2%	12,632
						Non-operating revenue and expenses:					
627	(276)	(1,110)	26	(1,136)	(4,369.2%)	Contributions	(745)	78	(823)	(1,055.1%)	(724)
13,011	123	390	157	233	148.4%	Gain (loss) on investments in joint ventures	390	470	(80)	(17.0%)	362
13,011	(13,696)	7,554	3,252	4,302	132.3%	Total return on investments	11,781	9,758	2,023	20.7%	(3,051)
0	0	0	0	0	0.0%	Change in fair value of undesignated interest rate swaps	0	0	0	0.0%	0
104	(1,325)	(603)	(581)	(22)	(3.8%)	Other income and expenses, net	(2,639)	(1,750)	(889)	(50.8%)	(4,080)
26,753	(15,174)	6,231	2,854	3,377	118.3%	Total non-operating revenue, net of expenses	8,787	8,556	231	2.7%	(7,493)
\$33,150	(\$12,828)	\$10,589	\$3,903	\$6,686	171.3%	Excess (deficit) of Revenues over Expenses	\$15,658	\$12,130	\$3,528	29.1%	\$5,139

UNIVERSITY OF MARYLAND MEDICAL SYSTEM
UNIVERSITY OF MARYLAND CAPITAL REGION HEALTH
STATEMENT OF REVENUES AND EXPENSES
for the period ended March 31, 2023
(Amounts in thousands)

FY 2023 Budget	<i>FY 2022</i> <i>QTD</i> <i>Actual</i>	<i>Quarter Ended</i>					<i>Nine Months Ended</i>				<i>FY 2022</i> <i>YTD</i> <i>Actual</i>
		Actual	Budget	Favorable (Unfav.) Variance	% of Variance		Actual	Budget	Favorable (Unfav.) Variance	% of Variance	
\$387,413	\$97,595	\$96,893	\$95,723	\$1,170	1.2%	Net patient service revenue	\$293,954	\$290,526	\$3,428	1.2%	\$274,106
10,000	2,500	2,500	2,500	0	0.0%	Other operating revenue:	7,500	7,500	0	0.0%	7,500
0	823	0	0	0	0.0%	State/County operating support	730	0	730	0.0%	1,646
7,551	2,423	2,447	1,888	559	29.6%	HHS revenue	6,452	5,663	789	13.9%	6,608
17,551	5,746	4,947	4,388	559	100.0%	Other revenue	14,682	13,163	1,519	0.0%	15,754
404,964	103,341	101,840	100,111	1,729	100.0%	Total other revenue and support	308,636	303,689	4,947	0.0%	289,860
206,196	52,457	52,671	50,115	(2,556)	(5.1%)	Total operating revenue, gains, and other support	167,226	156,724	(10,502)	(6.7%)	162,915
38,127	9,174	11,391	9,457	(1,934)	(20.5%)	Operating expenses:	31,742	28,530	(3,212)	(11.3%)	30,329
85,715	21,998	21,290	21,362	72	0.3%	Salaries, wages and fringe benefits	68,469	64,398	(4,071)	(6.3%)	64,962
10,281	1,997	4,219	2,570	(1,649)	(64.2%)	Supplies expense	8,774	7,710	(1,064)	(13.8%)	6,937
41,164	12,706	10,332	10,310	(22)	(0.2%)	Purchased services	32,385	30,854	(1,531)	(5.0%)	35,432
34,531	7,904	8,909	8,514	(395)	(4.6%)	Insurance expense	26,317	25,922	(395)	(1.5%)	24,631
8,453	959	1,935	2,085	150	7.2%	Physician and UMAB services	5,514	6,346	832	13.1%	2,803
424,467	107,195	110,747	104,413	(6,334)	(6.1%)	Depreciation and amortization	340,427	320,484	(19,943)	(6.2%)	328,009
(19,503)	(3,854)	(8,907)	(4,302)	(4,605)	(100.0%)	Interest, net	(31,791)	(16,795)	(14,996)	(89.3%)	(38,149)
0	0	0	0	0	0.0%	Total Operating expenses	0	0	0	0.0%	0
420	66	421	105	316	301.0%	Operating Income (Loss)	299	315	(16)	(5.1%)	174
154	(134)	117	38	79	207.9%	Non-operating revenue and expenses:	246	115	131	113.9%	221
0	0	0	0	0	0.0%	Contributions	0	0	0	0.0%	0
1,468	276	(585)	367	(952)	(259.4%)	Gain (loss) on investments in joint ventures	(1,149)	1,101	(2,250)	(204.4%)	222
2,042	208	(47)	510	(557)	(109.2%)	Total return on investments	(604)	1,531	(2,135)	(139.5%)	617
(\$17,461)	(\$3,646)	(\$8,954)	(\$3,792)	(\$5,162)	(136.1%)	Change in fair value of undesignated interest rate swaps	(\$32,395)	(\$15,264)	(\$17,131)	(112.2%)	(\$37,532)
						Other income and expenses, net					
						Total non-operating revenue, net of expenses					
						Excess (deficit) of Revenues over Expenses					

UNIVERSITY OF MARYLAND MEDICAL SYSTEM
UNIVERSITY OF MARYLAND AMBULATORY CARE, LLC
STATEMENT OF REVENUES AND EXPENSES
for the period ended March 31, 2023
(Amounts in thousands)

Quarter Ended						Nine Months Ended					FY 2022 YTD Actual
FY 2023 Budget	FY 2022 QTD Actual	Actual	Budget	Favorable (Unfav.) Variance	% of Variance	Actual	Budget	Favorable (Unfav.) Variance	% of Variance		
\$14,808	\$2,535	\$3,654	\$4,085	(\$431)	(10.6%)	Net patient service revenue	\$10,965	\$11,248	(\$283)	(2.5%)	\$10,349
						Other operating revenue:					
0	0	0	0	0	0.0%	State/County operating support	0	0	0	0.0%	0
0	0	0	0	0	0.0%	HHS revenue	0	0	0	0.0%	0
68	17	0	17	(17)	(100.0%)	Other revenue	33	51	(18)	(35.3%)	65
68	17	0	17	(17)	100.0%	Total other revenue and support	33	51	(18)	0.0%	65
14,876	2,552	3,654	4,102	(448)	100.0%	Total operating revenue, gains, and other support	10,998	11,299	(301)	0.0%	10,414
						Operating expenses:					
8,077	2,063	2,261	2,010	(251)	(12.5%)	Salaries, wages and fringe benefits	6,928	6,051	(877)	(14.5%)	6,494
870	176	(65)	235	300	127.7%	Supplies expense	514	659	145	22.0%	781
4,588	1,040	1,232	1,146	(86)	(7.5%)	Purchased services	3,471	3,442	(29)	(0.8%)	3,383
277	49	53	70	17	24.3%	Insurance expense	223	208	(15)	(7.2%)	170
0	0	0	0	0	0.0%	Physician and UMAB services	0	0	0	0.0%	0
902	217	218	222	4	1.8%	Depreciation and amortization	673	677	4	0.6%	653
50	0	0	12	12	0.0%	Interest, net	0	37	37	100.0%	0
14,764	3,545	3,699	3,695	(4)	0.0%	Total Operating expenses	11,809	11,074	(735)	0.0%	11,481
112	(993)	(45)	407	(452)	0.0%	Operating Income (Loss)	(811)	225	(1,036)	0.0%	(1,067)
						Non-operating revenue and expenses:					
0	0	0	0	0	0.0%	Contributions	0	0	0	0.0%	0
0	0	0	0	0	0.0%	Gain (loss) on investments in joint ventures	0	0	0	0.0%	0
0	0	0	0	0	0.0%	Total return on investments	0	0	0	0.0%	0
0	0	0	0	0	0.0%	Change in fair value of undesignated interest rate swaps	0	0	0	0.0%	0
0	0	0	0	0	0.0%	Other income and expenses, net	0	0	0	0.0%	0
0	0	0	0	0	0.0%	Total non-operating revenue, net of expenses	0	0	0	0.0%	0
\$112	(\$993)	(\$45)	\$407	(\$452)	(111.1%)	Excess (deficit) of Revenues over Expenses	(\$811)	\$225	(\$1,036)	(460.4%)	(\$1,067)

**UNIVERSITY OF MARYLAND MEDICAL SYSTEM
UNIVERSITY OF MARYLAND QUALITY CARE NETWORK
STATEMENT OF REVENUES AND EXPENSES**
for the period ended March 31, 2023
(Amounts in thousands)

Quarter Ended						Nine Months Ended					
FY 2023 Budget	FY 2022 QTD Actual	Actual	Budget	Favorable (Unfav.) Variance	% of Variance		Actual	Budget	Favorable (Unfav.) Variance	% of Variance	FY 2022 YTD Actual
\$0	\$0	\$0	\$0	\$0	0.0%	Net patient service revenue	\$0	\$0	\$0	0.0%	\$0
0	0	0	0	0	0.0%	Other operating revenue:					
0	0	0	0	0	0.0%	State/County operating support	0	0	0	0.0%	0
13,831	1,142	901	1,211	(310)	(25.6%)	HHS revenue	0	0	0	0.0%	0
13,831	1,142	901	1,211	(310)	100.0%	Other revenue	4,339	3,634	705	19.4%	5,486
13,831	1,142	901	1,211	(310)	100.0%	Total other revenue and support	4,339	3,634	705	0.0%	5,486
						Total operating revenue, gains, and other support	4,339	3,634	705	0.0%	5,486
6,638	1,300	1,441	1,667	226	13.6%	Operating expenses:					
25	4	1	7	6	85.7%	Salaries, wages and fringe benefits	4,381	4,927	546	11.1%	3,531
7,156	1,003	1,698	1,485	(213)	(14.3%)	Supplies expense	3	19	16	84.2%	29
11	3	4	3	(1)	(33.3%)	Purchased services	4,318	4,454	136	3.1%	2,458
0	0	0	0	0	0.0%	Insurance expense	13	8	(5)	(62.5%)	8
0	0	0	0	0	0.0%	Physician and UMAB services	0	0	0	0.0%	0
0	0	0	0	0	0.0%	Depreciation and amortization	0	0	0	0.0%	0
0	0	0	0	0	0.0%	Interest, net	0	0	0	0.0%	0
13,830	2,310	3,144	3,162	18	0.6%	Total Operating expenses	8,715	9,408	693	7.4%	6,026
1	(1,168)	(2,243)	(1,951)	(292)	(100.0%)	Operating Income (Loss)	(4,376)	(5,774)	1,398	24.2%	(540)
0	0	0	0	0	0.0%	Non-operating revenue and expenses:					
0	0	0	0	0	0.0%	Contributions	0	0	0	0.0%	0
0	0	0	0	0	0.0%	Gain (loss) on investments in joint ventures	0	0	0	0.0%	0
0	0	0	0	0	0.0%	Total return on investments	0	0	0	0.0%	0
0	0	0	0	0	0.0%	Change in fair value of undesignated interest rate swaps	0	0	0	0.0%	0
0	0	0	0	0	0.0%	Other income and expenses, net	0	0	0	0.0%	0
0	0	0	0	0	0.0%	Total non-operating revenue, net of expenses	0	0	0	0.0%	0
\$1	(\$1,168)	(\$2,243)	(\$1,951)	(\$292)	(15.0%)	Excess (deficit) of Revenues over Expenses	(\$4,376)	(\$5,774)	\$1,398	24.2%	(\$540)