



Unaudited Quarterly Report
As of and for the Three Months Ended
March 31, 2023



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PART I - SSM HEALTH CARE OVERVIEW

A. Introduction

This quarterly filing contains information concerning SSM Health Care Corporation (SSMHCC), doing business as SSM Health (SSMH), and the SSM Health Care Credit Group (Credit Group), as defined in Part III. SSMHCC is the principal, not-for-profit corporation, which holds membership or stock ownership in other affiliated corporations. SSMHCC and its affiliates comprise a centrally managed, fully integrated health care delivery system with its headquarters based in St. Louis, Missouri. Through its affiliated corporations, SSMHCC owns and operates hospitals, long-term care facilities, an extensive network of physician practice operations, and other health care businesses, located primarily in four states. SSMHCC also is the majority owner of and operates a pharmacy benefit management organization (PBM) serving members in all 50 states and holds a significant noncontrolling interest in a health plan that serves members in Wisconsin, Oklahoma, Missouri, and Illinois.

SSMHCC is sponsored by SSM Health Ministries, which is currently comprised of two Franciscan Sisters of Mary (FSM), one Sister of St. Agnes, one Jesuit priest, and five lay persons who collectively hold certain reserved powers over SSMH. The health care ministry of the FSMs dates back to 1872 when its foundress and four other sisters arrived in St. Louis from Germany, committed to serving the sick and the poor in their community.

B. Mission, Vision, and Values


“Through our exceptional health care services, we reveal the healing presence of God.”

This thirteen-word statement was developed in 1999 with involvement and input from over 3,000 employees. The mission statement serves as a guide for SSMH’s decisions and actions, and the achievement of “exceptional health care services” is measured by the top decile results in the areas of quality, safety, patient satisfaction, and employee and physician commitment. For financial goals, “exceptional” is set based on goals established through the strategic and financial planning process. SSMH’s mission statement is supported by the vision and values of the organization.

Vision: *Peace, hope and health for every person, family and community, especially those most in need.*

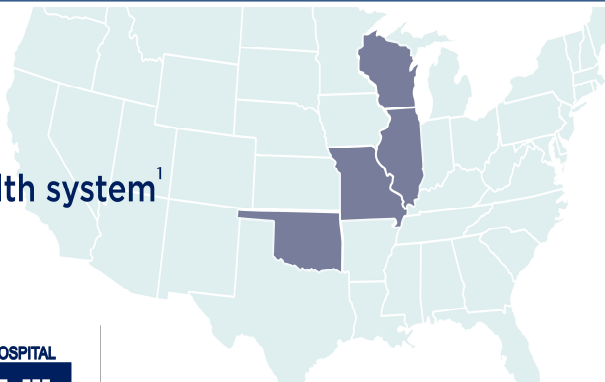
Values: *Compassion – Respect – Excellence – Stewardship – Community*

c. Organization




SSMHealth. | System Overview

A **\$9.3B** not-for-profit Catholic health system¹




\$464M in community benefit²

40,000 team members 

12,800+ physicians/providers

300+ physician office/outpatient sites


23 hospitals 

13 post-acute facilities

58 counties served by SSM Health at Home

9M+ members across 50 states - Navitus PBM

33 managed hospitals/affiliate relationships

Nearly **23,000** monthly virtual visits 

¹2022 Revenue ²2022 Total

PART II - FINANCIAL INFORMATION

A. Financial Statement Presentation

The following consolidated financial information for SSMH includes the financial position, operating results, and cash flows.

B. Overview

SSMH is contractually obligated to make payments with respect to notes and other obligations issued under a master trust indenture. The entities that comprise the Credit Group include certain designated affiliates, as well as SSMH as the obligated group member. Certain controlled affiliates, required to be consolidated with SSMH in accordance with accounting principles generally accepted in the United States (GAAP), have been excluded from the Credit Group. In addition, charitable foundations, certain physician group practices, the interest of SSMH in various other for-profit subsidiaries, and ancillary joint ventures are excluded from the Credit Group.

This quarterly report is provided to give management's view of key factors underlying SSMH's consolidated financial performance and position as of and for the three months ended March 31, 2023. The report also includes an update on capital and debt as of March 31, 2023. Unless otherwise stated, financial results relate to the three months ended March 31, 2023 and 2022. The accounting and reporting policies of SSMH conform to GAAP for interim financial statements. Accordingly, certain data and information reflected in this report may not comply with GAAP requirements for a complete set of financial statements and footnotes.

On July 1, 2022 SSMH assumed ownership of the SLUCare Physician Group (SLUCare) from Saint Louis University through a cash purchase of substantially all of the operating assets and certain liabilities of SLUCare, along with the redemption of Saint Louis University's 15% membership interest in SSM Health St. Louis. The agreement formally brought together the academic medical expertise of SLUCare with SSMH's high-quality, community-based care model to create a comprehensive fully integrated academic and community-based physician group, with more than 1,200 providers in the St. Louis region.

C. CONSOLIDATED BALANCE SHEETS (In thousands)	(unaudited) March 31, <u>2023</u>	(audited) December 31, <u>2022</u>
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 466,797	\$ 574,339
Investments	111,390	112,203
Current portion of assets limited as to use or restricted	483,110	454,838
Patient accounts receivable	996,031	976,730
Pharmacy claims and rebates receivable	913,227	900,547
Other receivables	171,699	151,393
Inventories, prepaid expenses, and other	273,498	274,458
Estimated third-party payor settlements	3,633	7,812
Total current assets	<u>3,419,385</u>	<u>3,452,320</u>
ASSETS LIMITED AS TO USE OR RESTRICTED — Excluding current portion	<u>3,364,312</u>	<u>3,232,722</u>
PROPERTY AND EQUIPMENT — Net	<u>2,852,761</u>	<u>2,860,691</u>
OPERATING RIGHT-OF-USE ASSETS	<u>190,586</u>	<u>194,735</u>
OTHER ASSETS:		
Goodwill	289,661	289,661
Intangible assets — net	177,288	179,751
Investments in unconsolidated entities	387,205	383,567
Other	35,748	35,557
Total other assets	<u>889,902</u>	<u>888,536</u>
TOTAL ASSETS	<u>\$ 10,716,946</u>	<u>\$ 10,629,004</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Current portion of long-term debt and finance lease obligations	\$ 602,135	\$ 602,034
Accounts payable and accrued expenses	2,496,998	2,529,080
Short-term borrowings	443,580	443,580
Deferred revenue	21,956	19,961
Estimated third-party payor settlements	135,023	126,390
Other current liabilities	283,508	255,404
Total current liabilities	<u>3,983,200</u>	<u>3,976,449</u>
LONG-TERM DEBT — Excluding current portion	1,353,184	1,354,142
ESTIMATED SELF-INSURANCE OBLIGATIONS	122,250	117,239
OPERATING LEASE OBLIGATIONS — Excluding current portion	160,187	164,641
FINANCE LEASE OBLIGATIONS — Excluding current portion	14,003	14,640
PENSION LIABILITY	160,190	173,266
OTHER LIABILITIES	336,870	324,640
Total liabilities	<u>6,129,884</u>	<u>6,125,017</u>
NET ASSETS:		
Without donor restrictions:		
SSM Health net assets without donor restrictions	4,357,156	4,286,657
Noncontrolling interest in subsidiaries	76,094	74,297
Total net assets without donor restrictions	<u>4,433,250</u>	<u>4,360,954</u>
With donor restrictions	153,812	143,033
Total net assets	<u>4,587,062</u>	<u>4,503,987</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 10,716,946</u>	<u>\$ 10,629,004</u>

D. UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS		
(In thousands)		
	Three Months Ended March 31,	
	<u>2023</u>	<u>2022</u>
OPERATING REVENUES AND OTHER SUPPORT:		
Net patient service revenues	\$ 1,554,640	\$ 1,426,868
Capitation revenues	321,454	295,917
Pharmacy benefit management revenues	405,864	330,107
Investment income (loss)	15,790	(28,966)
Other revenues	205,491	187,577
Net assets released from restrictions	4,931	1,262
Total operating revenues and other support	<u>2,508,170</u>	<u>2,212,765</u>
OPERATING EXPENSES:		
Salaries and benefits	1,082,736	978,532
Medical claims	128,886	119,639
Supplies	399,185	352,210
Pharmacy benefit management supplies	341,608	277,164
Professional fees and other	474,952	447,300
Interest	20,206	19,616
Depreciation and amortization	77,089	75,687
Total operating expenses	<u>2,524,662</u>	<u>2,270,148</u>
OPERATING LOSS	<u>(16,492)</u>	<u>(57,383)</u>
NONOPERATING GAINS AND (LOSSES):		
Investment income (loss)	98,778	(146,735)
Net periodic pension cost	6,936	(678)
Change in fair value of interest rate swaps	(11,352)	57,964
Other — net	(3,869)	(476)
Total nonoperating gains (losses)— net	<u>90,493</u>	<u>(89,925)</u>
EXCESS (DEFICIT) OF REVENUES OVER EXPENSES	<u>\$ 74,001</u>	<u>\$ (147,308)</u>
EXCESS (DEFICIT) OF REVENUES OVER EXPENSES ATTRIBUTABLE TO NONCONTROLLING INTEREST	2,830	(3,281)
EXCESS (DEFICIT) OF REVENUES OVER EXPENSES - net of noncontrolling interest	<u>\$ 71,171</u>	<u>\$ (144,027)</u>

E. UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)

	Three Months Ended March 31,	
	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 83,075	\$ (154,960)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation and amortization	77,090	75,687
Amortization of debt premium and finance costs	(677)	-
Contributions for long-term investment	(83)	(3,211)
Distributions to noncontrolling owners — net	1,032	1,336
(Gains) losses on investments — net	(114,567)	203,784
Equity in loss (gain) of unconsolidated entities	(5,854)	1,512
Change in market value of interest rate swaps	11,352	(57,964)
Losses (gains) on disposal of assets	647	(691)
Medicare advanced payments under CARES Act	-	(68,500)
Changes in assets and liabilities:		
Investments	663	5,058
Patient accounts receivable	(19,301)	(32,068)
Pharmacy claims and rebates receivable	(12,680)	(70,949)
Other receivables, inventories, prepaid expenses, and other	(12,029)	(40,344)
Operating right-of-use assets	7,591	(34,417)
Accounts payable, accrued expenses, deferred revenue, and other liabilities	(22,905)	7,462
Other changes to pension liability	(13,076)	(12,635)
Operating lease obligations	(6,122)	-
Estimated self-insurance obligations	5,305	(1,798)
Net cash used in operating activities	<u>(20,539)</u>	<u>(182,698)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	(61,921)	(41,673)
Proceeds from disposal of property and equipment and sales of other assets	12	2,602
Net change in assets limited as to use or restricted	(16,779)	(19,635)
Purchases of other assets	(5,435)	(1,265)
Net cash used in investing activities	<u>(84,123)</u>	<u>(59,971)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from short-term borrowings	-	167,598
Payments on long-term debt	(818)	(862)
Contributions for long-term investment	83	3,211
Distributions to noncontrolling owners—net	(1,032)	(1,336)
Proceeds from patient loans	1,358	18,129
Payments on patient loans	(2,471)	(17,328)
Net cash (used in) provided by financing activities	<u>(2,880)</u>	<u>169,412</u>
NET DECREASES IN CASH AND CASH EQUIVALENTS	<u>(107,542)</u>	<u>(73,257)</u>
CASH AND CASH EQUIVALENTS — Beginning of Period	<u>574,339</u>	<u>764,672</u>
CASH AND CASH EQUIVALENTS — End of Period	<u>\$ 466,797</u>	<u>\$ 691,415</u>

F. UNAUDITED ASSETS LIMITED AS TO USE OR RESTRICTED
(In thousands)

	March 31, <u>2023</u>	December 31, <u>2022</u>
Board designated:		
Unrestricted board designated assets	\$ 3,093,995	\$ 2,998,636
Other restricted board designated assets	258,259	258,651
Held by trustees:		
Project and bond funds	3,983	2,988
Self-insurance	207,750	200,085
Collateral held under securities lending agreements	<u>109,983</u>	<u>81,617</u>
Total assets limited as to use	<u>3,673,970</u>	<u>3,541,977</u>
Assets restricted by donor as to use	<u>173,452</u>	<u>145,583</u>
Total assets limited as to use or restricted	<u>3,847,422</u>	<u>3,687,560</u>
Less: current portion	<u>(483,110)</u>	<u>(454,838)</u>
Noncurrent portion	<u>\$ 3,364,312</u>	<u>\$ 3,232,722</u>

G. Unaudited Utilization Statistics and Payor Mix

A summary of SSMH's overall system utilization statistics as well as net revenues by payor mix is as follows:

OPERATING STATISTICS INFORMATION		
	Three Months Ended March 31,	
	<u>2023</u>	<u>2022</u>
ACUTE BEDS		
LICENSED BEDS - TOTAL	5,232	5,469
STAFFED BEDS - TOTAL	4,323	4,452
ACUTE PATIENT SERVICES		
ADMISSIONS*	40,661	38,898
PATIENT DAYS*	220,089	229,945
AVERAGE LENGTH OF STAY	5.4	5.9
OUTPATIENT SURGERIES	23,496	21,012
OUTPATIENT VISITS	511,019	479,360
EMERGENCY ROOM VISITS	191,710	173,990
PERCENTAGE ACUTE OCCUPANCY**	56.6%	57.4%
PERCENTAGE OF NET REVENUES BY PAYOR MIX		
Medicare	20%	21%
Medicare Managed Care	16%	15%
Medicaid	7%	11%
Medicaid Managed Care	10%	5%
Managed Care	41%	38%
Commercial and other	6%	10%
Total	<u>100%</u>	<u>100%</u>

* Excludes newborns

** Of beds in service

H. Management's Discussion and Analysis of Financial Performance

The following is an overview of the current financial performance metrics:

Table 1 – Overview of Current Financial Performance Metrics (\$ in millions)

For the three months ended March 31,	2023	2022
Total operating revenues	\$ 2,508.2	\$ 2,212.8
Operating EBIDA	80.8	37.9
Operating loss	(16.5)	(57.4)
Operating loss, excluding investments	(32.3)	(28.4)
Non-operating gains and (losses) - net	90.5	(89.9)
Total EBIDA	171.3	(52.0)
Total EBIDA, excluding change in fair value of interest rate swaps	182.7	(110.0)

Financial performance improved for the three months ended March 31, 2023 compared to 2022 largely due to improved volumes and favorable investment returns. While volumes improved significantly during the current period, the impact on operating income was offset by higher operating expenses due to increased labor expense and inflationary costs of supplies. When compared to the fourth quarter of 2022, operating expenses remained flat, while operating revenues saw improvement. Investment returns have been positive year-to-date in 2023 while the first quarter of 2022 saw market uncertainty, resulting in unfavorable investment returns.

Operating Revenues

The following is a summary of operating revenues:

Table 2 – Operating Revenues (in millions)

For the three months ended March 31,	2023	2022
Net patient service revenues	\$ 1,554.6	\$ 1,426.9
Capitation revenues	321.5	295.9
Pharmacy benefit management revenues	405.9	330.1
Investment income (loss)	15.8	(29.0)
Other revenues	210.4	188.9
Total Operating Revenues	\$ 2,508.2	\$ 2,212.8

Net Patient Service Revenues. Net patient service revenues (NPSR) increased year over year by \$127.7 million, or 8.9%. The increase was attributable to improved volumes and the addition of SLUCare which was acquired in July 2022 (refer to page 5), and revenue optimization initiatives.

The following table is an overview of NPSR key statistics:

Table 3 – NPSR Statistics

For the three months ended March 31,	2023	2022
Acute Care Case Mix Index (CMI)	1.78	1.81
Adjusted Admissions (AA)	114,634	101,031
Acute Admissions	40,661	38,898
Adjusted Patient Days (APD)	622,768	597,245
Outpatient Visits	511,019	479,360
Total Surgeries	32,116	29,107
Emergency Visits	191,710	173,990

The composition of net patient service revenues by inpatient and outpatient is as follows:

Table 4 – NPSR Mix (\$ in millions)

For the three months ended March 31,	2023		2022	
	2023	% of Total NPSR	2022	% of Total NPSR
Inpatient	\$ 581.4	37.4%	\$ 582.2	40.8%
Outpatient	973.2	62.6%	844.7	59.2%
Total NPSR	\$ 1,554.6	100.0%	\$ 1,426.9	100.0%

Capitation Revenues. Capitation revenues increased year over year by \$25.6 million, or 8.7%, for the three months ended March 31, 2023 as compared to the same period in the prior year. This increase was the result of greater covered lives in 2023 within the at-risk claims pools.

Pharmacy Benefit Management (PBM) Revenues. PBM revenues increased year over year by \$75.8 million, or 23.0%. These revenues are comprised of revenues recognized by Navitus, SSMH's fully transparent, pass-through model PBM company, as well as those generated by Lumicera, Navitus' specialty pharmacy business. The increase in PBM revenue was driven by greater dispensing volumes at both Lumicera and Navitus and higher pricing of specialty pharmaceuticals, driven by increased drug costs.

Operating Expenses

The following table is a summary of operating expenses:

Table 5 – Operating Expenses (in millions)

For the three months ended March 31,	2023	2022
Salaries and benefits	\$ 1,082.7	\$ 978.5
Medical claims	128.9	119.6
Supplies	399.2	352.2
PBM supplies	341.6	277.2
Professional fees and other	475.0	447.3
Interest	20.2	19.6
Depreciation and amortization	77.1	75.7
Total Operating Expenses	\$ 2,524.7	\$ 2,270.1

Salaries and benefits. Salaries and benefits increased by \$104.2 million or 10.6% during the three months ended March 31, 2023, compared to 2022. The increase is primarily due to the staffing impact associated with the acquisition of SLUCare on July 1, 2022 and the result of increased overtime and premium pay for employees, partially offset by a decline in the use of agency staffing.

Supplies. Supplies expense increased by \$47.0 million or 13.3% due primarily to increased volumes and inflationary cost pressures.

PBM Supplies. PBM supplies expense increased by \$64.4 million or 23.2%, driven by increased specialty pharmaceuticals drug costs and the growth at Navitus and Lumicera.

Professional fees and other. Professional fees and other expenses increased \$27.7 million, or 6.2%, in 2023. The increase over prior year is primarily related to a strategic long-term collaboration that SSMH entered into in February 2022 with a third party for certain services. Prior to February 2022, a significant portion of these expenses were previously included in salaries and benefits.

Nonoperating Gains (Losses)

The following table is a summary of non-operating gains and (losses):

Table 6 – Nonoperating Gains (Losses) (in millions)

For the three months ended March 31,	2023	2022
Investment income (loss)	\$ 98.8	\$ (146.7)
Net periodic pension cost	6.9	(0.7)
Change in fair value of interest rate swaps	(11.3)	58.0
Other - net	(3.9)	(0.5)
Total Nonoperating Gains (Losses) - net	\$ 90.5	\$ (89.9)

See section I. Cash and Investments Management section below.

I. Cash and Investment Management

Key Balance Sheet Ratios. The following table is a summary of key balance sheet ratios:

Table 7 – Summary of Key Liquidity and Capital Structure Ratios (\$ in millions)

	March 31, 2023	December 31, 2022
Cash & Investments ^[1]	\$ 3,672.2	\$ 3,685.2
Net Patient AR	\$ 996.0	\$ 976.7
Net Assets		
Without Donor Restrictions	\$ 4,357.2	\$ 4,286.7
Days Cash on Hand ^[2]	141.0	145.4
Accounts Receivable (days)	56.5	55.6
MADS Coverage ^[2]	1.8	1.9
Debt to Capitalization	37.3%	37.7%
Cushion Ratio ^[3]	31.9	32.1
Current Ratio	0.9	0.9
Cash to Debt	141.9%	142.3%

[1] Cash & Investments only include consolidated, unrestricted cash and investments, which are available to cover annual debt service.

[2] Maximum Annual Debt Service (MADS) coverage and Days Cash on Hand based on rolling 12-month period ending on the specified date.

[3] The cushion ratio represents unrestricted cash and investments that are available to cover annual debt service.

SSMH holds the majority of its investments in a Centralized Investment Program (CIP), which also includes the investments in SSMH's defined benefit plans. The asset allocation for the total centralized investment program (CIP) is as follows:

Table 8 – CIP Asset Allocation

	March 31, 2023	December 31, 2022
Enhanced Cash ^[1]	4.4%	4.3%
Public Equities	31.5%	31.9%
Fixed Income	21.4%	21.1%
Hedge Funds	4.9%	4.4%
Real Assets	9.2%	9.6%
Private Equity	12.6%	12.1%
Volatility Risk Premium	6.6%	7.6%
Private Credit	6.5%	6.2%
Strategic Private Investments	2.9%	2.8%
Total	100.0%	100.0%

[1] Enhanced cash consists of investments considered to be cash and cash equivalents, as well as short duration fixed income securities.

The composite value of CIP is summarized below:

Table 9 – CIP Composite Value (\$ in millions)

	March 31, 2023	December 31, 2022
Total CIP portfolios ^[1]	\$ 5,089.9	\$ 5,058.0
Pension plan assets ^[2]	\$ 1,531.5	\$ 1,503.6

[1] CIP Portfolios include unrestricted balance sheet assets, captive insurance trust assets, and certain consolidated SSMH foundation and endowment assets.

[2] Pension plan assets are netted against pension liabilities on SSMH's condensed consolidated balance sheet.

The CIP (excluding pension related investments) gained 3.6% during the three months ended March 31, 2023, which is reflected within investment income (operating and non-operating) on the consolidated statement of operations. Assets for certain foundations and other SSMH subsidiaries are not included within the CIP but are reflected in the consolidated financial statements of SSMH.

A comparison of the investment income (loss) results is listed in the following table:

Table 10 – Summary of Investment Income (Loss)(\$ in millions)

a. For the three months ended March 31,	2023	2022
Interest, dividends, and realized gains, net	\$ 21.5	\$ 9.7
Change in unrealized gains (losses)	93.1	(185.3)
Total	\$ 114.6	\$ (175.6)

b. 2023 Sources				
Investment Income Classification	Interest & Dividends	Realized Gains	Unrealized Gains	Total
Operating	\$ 2.0	\$ -	\$ 13.8	\$ 15.8
Non-operating	13.4	6.1	79.3	98.8
Total	\$ 15.4	\$ 6.1	\$ 93.1	\$ 114.6

c. 2022 Sources				
Investment Income (Loss) Classification	Interest & Dividends	Realized Losses	Unrealized Losses	Total
Operating	\$ 3.5	\$ (1.0)	\$ (31.4)	\$ (28.9)
Non-operating	24.6	(17.4)	(153.9)	(146.7)
Total	\$ 28.1	\$ (18.4)	\$ (185.3)	\$ (175.6)

The following table describes the liquidation period of the unrestricted cash and investments of SSMH as of March 31, 2023:

Table 11 – Liquidation Period of Cash & Investments (\$ in millions)

Classification	Liquidation Period (in days)	Amount
Trade date+0	1	\$ 736.4
Trade date+3	2 to 4	1,434.9
Monthly or Less	5 to 30	211.5
Quarterly or Less	31 to 90	183.4
Illiquid	Over 90	1,106.0
Total		\$ 3,672.2

J. Debt Management

The following table describes the self-liquidity indebtedness of SSMH as of March 31, 2023. For purposes of this table, "self-liquidity indebtedness" means indebtedness that is subject to mandatory tender or maturity within one year or less, excluding the current portion of long-term indebtedness and lines of credit:

Table 12 –Self Liquidity Indebtedness (\$ in millions)

As of March 31, 2023	Principal Amount
Commercial Paper Mode Variable Rate Demand Bonds	\$ 200.0
Daily/Weekly Variable Rate Demand Bonds	243.6
Taxable Commercial Paper	175.0
Total Self-Liquidity Debt	\$ 618.6

(remainder of page left blank intentionally)

The following table summarizes SSMH's debt product mix:

Table 13 – Summary of Total Debt (\$ in millions)

	March 31, 2023	December 31, 2022
<u>Under the Master Indenture:</u>		
Taxable fixed rate bonds	1,024.4	1,024.4
Tax-exempt fixed rate debt	\$ 698.9	\$ 700.1
Variable rate demand bonds	443.6	443.6
Variable rate direct loans	25.5	25.5
Tax-exempt put bonds	90.2	90.6
Total under Master Indenture	2,282.6	2,284.2
<u>Not Under Trust Indenture:</u>		
Various NP and other debt	121.3	121.4
Finance lease obligations	16.2	16.7
Deferred financing costs	(7.2)	(7.9)
Commercial paper	175.0	175.0
Not under Master Indenture	305.3	305.2
Total Debt*	\$ 2,587.9	\$ 2,589.4
<u>Balance Sheet Classification</u>		
Long-term debt - excluding current portion	\$ 1,353.2	\$ 1,354.1
Finance lease obligations - excluding current portion	14.0	14.7
Current portion of long-term debt and finance lease obligations	602.1	602.0
Other current liabilities	175.0	175.0
Short-term borrowings	443.6	443.6
Total Debt*	\$ 2,587.9	\$ 2,589.4

*Figures in the table above include unamortized premiums/discounts, but exclude Operating Lease Obligation; differences in graphs below due to rounding

Revolving Line of Credit. SSMH utilizes lines of credit for general corporate purposes. On June 23, 2022, SSMH amended and restated its revolving line of credit agreement with existing bank counterparties for \$500.0 million, which is secured under SSMH's existing Master Indenture, for an additional 364-day term ending June 22, 2023. The agreement was amended and restated to change the variable interest rate index from London Inter-bank Offered Rate (LIBOR) to Secured Overnight Financing Rate (SOFR). The revolver is

secured under SSMH's existing master trust indenture. At March 31, 2023, SSMH had no balance outstanding on the line.

Commercial Paper. At March 31, 2023, SSMH maintains a taxable Commercial Paper program totaling \$400.0 million, of which \$175.0 million was issued and outstanding. SSMH's commercial paper has historically traded at LIBOR or better and has broadened the investor base for SSMH beyond traditional tax-exempt investors.

The charts below show the composition of SSMH's debt products at March 31, 2023:

Effective Fixed / Variable Mix



Product Mix



CP – Commercial Paper

DP – Direct Placement

VRDB – Variable Rate Demand Bonds

*Chart does not include Various NP and other debt, Finance lease obligations, or Deferred financing costs from table 13

Derivative Instruments. Derivative instruments as of March 31, 2023, included six floating-to-fixed interest rate swaps, four fixed spread basis swaps, two total return swaps, and two fixed-to-floating interest rate swaps. SSMH generally uses its derivatives portfolio to manage SSMH's interest cost and debt duration.

On December 27, 2022 SSMH novated an existing floating-to-fixed interest rate swap from MUFG Union Bank to Bank of New York Mellon. Also, on December 27, 2022 SSMH amended its swap confirmation with Bank of New York Mellon by changing the variable rate receiving leg to a Secured Overnight Financing Rate (SOFR) based interest rate calculation.

Under all the outstanding floating-to-fixed swaps with exception of the recently novated Bank of New York Mellon swap, SSMH receives LIBOR or a percentage of LIBOR plus a spread of 0.12% and pays a fixed rate. For the Bank of New York Mellon swap, SSMH receives a portion of SOFR and pays a fixed rate.

Under the fixed spread basis swaps, SSMH pays a rate based on the Securities Industry and Financial Markets Association Municipal Swap Index (SIFMA) and receives a percentage of LIBOR plus a spread ranging from 0.40% and 0.62%.

Under the total return swaps, SSMH pays both a fixed rate equal to the coupon interest rate on the underlying bond or direct placement loan, as well as a variable rate based on SIFMA plus a spread, then receives the same fixed rate equal to the coupon interest rate on the underlying bond or direct placement loan.

Under the fixed-to-floating interest rate swaps, SSMH receives a fixed rate and pays three-month LIBOR or SIFMA. Counterparties to SSMH's swaps are diversified and include Goldman Sachs, JP Morgan, Citibank, Wells Fargo, BNY Mellon, Barclays, PNC Bank, and RBC.

Below is a summary of SSMH's fair value of derivatives as of March 31, 2023:

Table 14 – Summary of Fair Value of Derivatives (\$ in millions)

Derivatives not designated as hedges	Maturity Date of Derivatives	Fixed Rate	Notional Amount Outstanding	Fair Value
Interest rate swaps	2023 - 2050	2.17% - 3.00%	\$ 1,349.6	\$ (20.2)

The total notional value of the swap portfolio was \$1,349.6 million and the total mark-to-market value was \$(20.2) million, which was a decrease of \$11.4 million compared to the mark-to-market value as of December 31, 2022. As of March 31, 2023, SSMH did not have posted collateral.

The estimated fair values of the interest rate and basis swap instruments have been determined using available market information and valuation methodologies, primarily discounted cash flows.

K. Capital Planning

SSMH's capital plan reflects the strategic initiatives and operational needs of SSMH. As part of the ongoing strategic and community needs assessment and planning process, management regularly assesses near-term and long-term capital requirements for each of its markets including both growth opportunities and replacement needs. Management also assesses strategic opportunities beyond the existing facilities and services for growth and to improve access to care in the communities SSMH serves.

The capital expenditure investment for SSMH, including physician alignment, outpatient expansion, routine equipment replacement, significant infrastructure replacement, and adoption of new technologies, is currently approved at approximately \$350.0 million for 2023 and is expected to total approximately \$450.0 million annually for 2024 and 2025.

Management expects that the sources of funding for capital projects for fiscal years 2023 through 2025 will be cash from operations, investment earnings, and donor contributions. Management reviews proposed capital expenditures from time to time, and evaluates capital expenditures based on a variety of factors, including results from operations, debt capacity, status of the financial markets, strategic importance of an individual project, and community needs.

L. Subsequent Events

In April 2023, SSMH issued \$606.6 million in principal of new debt through the Series 2023 bonds. The 2023 bonds consist of \$300.0 million of fixed rate taxable bonds, \$82.0 million of tax-exempt fixed rate put bonds, and \$224.6 million of taxable variable rate debt. The proceeds were used to refinance the \$524.6 million outstanding debt related to the Series 2018 taxable fixed rate bonds and the \$89.8 million of Series 2018B and 2018C tax-exempt fixed rate put bonds.

In addition, on April 26, 2023, SSMH entered into one new floating-to-fixed interest rate swap with a notional amount of \$225.0 million, and two new fixed-to-floating interest rate swaps with a notional amount of \$100.0 million each. Under the new floating-to-fixed interest rate swap, SSMH receives daily SOFR and pays a fixed rate. Under the fixed-to-floating interest rate swaps, SSMH receives a fixed rate and pays SIFMA. The term date for the floating-to-fixed swap is 2053, and the term dates for the fixed-to-floating swaps are 2028 and 2030. The counterparty has a one-time option to cancel the 2030 swap in 2025.

Part III – Credit Group

A. CREDIT GROUP		
CONSOLIDATED BALANCE SHEETS		
(In thousands)		
	March 31,	December 31,
	<u>2023</u>	<u>2022</u>
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 443,006	\$ 542,631
Investments	90,372	92,242
Current portion of assets limited as to use or restricted	295,192	267,411
Patient accounts receivable	956,847	937,293
Pharmacy claims and rebates receivable	913,227	900,547
Other receivables	156,746	133,935
Inventories, prepaid expenses, and other	266,706	266,934
Estimated third-party payor settlements	3,645	7,827
Total current assets	<u>3,125,741</u>	<u>3,148,820</u>
ASSETS LIMITED AS TO USE OR RESTRICTED — Excluding current portion	<u>3,206,589</u>	<u>3,101,731</u>
PROPERTY AND EQUIPMENT — Net	<u>2,814,666</u>	<u>2,821,436</u>
OPERATING RIGHT-OF-USE ASSETS	<u>175,216</u>	<u>177,695</u>
OTHER ASSETS:		
Goodwill	144,329	144,329
Intangible assets — net	167,696	169,998
Investments in unconsolidated entities	503,568	485,029
Other	34,978	34,798
Total other assets	<u>850,571</u>	<u>834,154</u>
TOTAL ASSETS	<u>\$ 10,172,783</u>	<u>\$ 10,083,836</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Current portion of long-term debt and finance lease obligations	600,256	600,156
Accounts payable and accrued expenses	2,269,422	2,370,799
Short-term borrowings	443,580	443,580
Deferred revenue	15,861	16,201
Estimated third-party payor settlements	135,023	126,390
Other current liabilities	281,965	254,351
Total current liabilities	<u>3,746,107</u>	<u>3,811,477</u>
LONG-TERM DEBT — Excluding current portion	1,333,484	1,334,458
ESTIMATED SELF-INSURANCE OBLIGATIONS	101,445	96,966
OPERATING LEASE OBLIGATIONS - Excluding current portion	149,938	139,143
FINANCE LEASE OBLIGATIONS — Excluding current portion	9,458	10,015
PENSION LIABILITY	160,190	169,205
OTHER LIABILITIES	312,113	314,009
Total liabilities	<u>5,812,735</u>	<u>5,875,273</u>
NET ASSETS:		
Without donor restrictions:		
SSM Health net assets without donor restrictions	4,146,094	4,005,188
Noncontrolling interest in subsidiaries	72,258	70,062
Total net assets without donor restrictions	<u>4,218,352</u>	<u>4,075,250</u>
With donor restrictions	141,696	133,313
Total net assets	<u>4,360,048</u>	<u>4,208,563</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 10,172,783</u>	<u>\$ 10,083,836</u>

B. CREDIT GROUP		
STATEMENTS OF OPERATIONS		
(In thousands)		
	Three Months Ended March 31,	
	<u>2023</u>	<u>2022</u>
OPERATING REVENUES AND OTHER SUPPORT:		
Net patient service revenues	\$ 1,439,004	\$ 1,367,094
Capitation revenues	319,926	295,219
Pharmacy benefit management revenue	405,864	330,108
Investment income (loss)	7,175	(13,103)
Other revenue	248,791	174,810
Net assets released from restrictions	10	2
Total operating revenues and other support	<u>2,420,770</u>	<u>2,154,130</u>
OPERATING EXPENSES:		
Compensation	936,393	919,102
Medical claims	128,622	120,127
Supplies	387,099	344,652
Pharmacy benefit management supplies	341,608	277,164
Professional fees and other	492,254	433,871
Interest	19,818	19,635
Depreciation and amortization	75,596	75,328
Total operating expenses	<u>2,381,390</u>	<u>2,189,879</u>
OPERATING INCOME (LOSS)	<u>39,380</u>	<u>(35,749)</u>
NONOPERATING (LOSSES) GAINS:		
Investment income (loss)	98,638	(146,735)
Net periodic pension cost, less service cost	6,936	(601)
Change in fair value of interest rate swaps	(11,352)	57,964
Other — net	(3,814)	(469)
Total nonoperating gains (losses) — net	<u>90,408</u>	<u>(89,841)</u>
EXCESS (DEFICIT) OF REVENUES OVER EXPENSES	<u>\$ 129,788</u>	<u>\$ (125,590)</u>
EXCESS (DEFICIT) OF REVENUES OVER EXPENSES ATTRIBUTABLE TO NONCONTROLLING INTEREST	<u>2,772</u>	<u>(2,469)</u>
EXCESS (DEFICIT) OF REVENUES OVER EXPENSES - net of noncontrolling interest	<u>\$ 127,016</u>	<u>\$ (123,121)</u>

C. CREDIT GROUP			
STATEMENTS OF CASH FLOWS			
(In thousands)			
	Three Months Ended March 31,		
	2023	2022	
CASH FLOWS FROM OPERATING ACTIVITIES:			
Change in net assets	\$ 151,485	\$ (161,218)	
Adjustments to reconcile change in net assets to net cash used in operating activities:			
Depreciation and amortization	75,596	75,328	
Amortization of debt premium	(677)	-	
Contributions for long-term investment	-	(2,524)	
Distributions to noncontrolling owners — net	575	1,050	
(Gains) Losses on investments — net	(105,813)	198,308	
Equity in (income) loss of unconsolidated entities	(7,719)	4,096	
Change in market value of interest rate swaps	11,352	(57,964)	
Losses (Gains) on disposal of assets	652	(109)	
Medicare advanced payments under CARES Act	-	(68,500)	
Changes in assets and liabilities:			
Investments	1,708	3,081	
Patient accounts receivable	(19,554)	(29,530)	
Pharmacy claims and rebates receivable	(12,680)	(70,949)	
Other receivables, inventories, prepaid expenses, and other	71,265	(33,779)	
Operating right-of-use assets	5,921	(36,732)	
Accounts payable, accrued expenses, deferred revenue, and other liabilities	(202,458)	20,467	
Operating lease obligations	(5,771)	-	
Estimated self-insurance obligations	4,773	(3,238)	
Net cash used in operating activities	(31,345)	(162,213)	
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property and equipment	(61,755)	(41,474)	
Proceeds from disposal of property and equipment and sales of other assets	7	2,587	
Net change in assets limited as to use or restricted	1,212	(32,241)	
Purchases of other assets	(5,428)	(1,134)	
Net cash used in investing activities	(65,964)	(72,262)	
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from short-term debt	-	166,590	
Payments on long-term debt	(754)	(862)	
Contributions for long-term investment	-	2,524	
Distributions to noncontrolling owners—net	(575)	(1,050)	
Proceeds from patient loans	1,193	15,019	
Payments on patient loans	(2,180)	(15,926)	
Net cash (used in) provided by financing activities	(2,316)	166,295	
NET DECREASES IN CASH AND CASH EQUIVALENTS	(99,625)	(68,180)	
CASH AND CASH EQUIVALENTS — Beginning of Period	542,631	737,763	
CASH AND CASH EQUIVALENTS — End of Period	\$ 443,006	\$ 669,583	

D. CREDIT GROUP		
ASSETS LIMITED AS TO USE OR RESTRICTED		
(In thousands)		
	March 31,	December 31,
	<u>2023</u>	<u>2022</u>
Board designated:		
Unrestricted board designated assets	\$ 2,962,700	\$ 2,864,005
Other restricted board designated assets	258,271	258,662
Held by trustees:		
Self-insurance	161,175	155,179
Collateral held under securities lending agreements	<u>108,440</u>	<u>80,564</u>
Total assets limited as to use	<u>3,490,586</u>	<u>3,358,410</u>
Assets restricted by donor as to use	<u>11,195</u>	<u>10,732</u>
Total assets limited as to use or restricted	<u>3,501,781</u>	<u>3,369,142</u>
Less: current portion	<u>(295,192)</u>	<u>(267,411)</u>
Noncurrent portion	<u>\$ 3,206,589</u>	<u>\$ 3,101,731</u>

E. CREDIT GROUP		
UTILIZATION STATISTICS AND PAYOR MIX		
	Three Months Ended March 31,	
	<u>2023</u>	<u>2022</u>
ACUTE BEDS		
LICENSED BEDS - TOTAL	5,232	5,469
STAFFED BEDS - TOTAL	4,323	4,452
ACUTE PATIENT SERVICES		
ADMISSIONS*	40,661	38,898
PATIENT DAYS*	220,289	229,945
AVERAGE LENGTH OF STAY	5.4	5.9
SKILLED PATIENT SERVICES		
ADMISSIONS	23	134
PATIENT DAYS	4,631	48,041
OUTPATIENT SURGERIES	23,496	21,012
OUTPATIENT VISITS	511,019	479,360
EMERGENCY ROOM VISITS	191,710	173,990
PERCENTAGE OCCUPANCY**	57.8%	69.4%
PERCENTAGE OF NET REVENUES BY PAYOR MIX		
Medicare	22%	21%
Medicare Managed Care	15%	14%
Medicaid	10%	12%
Medicaid Managed Care	7%	5%
Managed Care	40%	38%
Commercial and other	6%	10%
Total	<u>100%</u>	<u>100%</u>

* Excludes newborns

** Of beds in service

F. Credit Group Member Listing

Obligated Group Members

SSM Health Care Corporation

Designated Affiliates

Good Samaritan Regional Health Center
SSM Cardinal Glennon Children's Hospital
SSM Health Businesses
SSM Health Care of Oklahoma, Inc.
SSM Health Care of Wisconsin, Inc.
SSM Health Care St. Louis
SSM Regional Health Services
SSM-SLUH, Inc.
St. Anthony Shawnee Hospital, Inc.
St. Mary's Hospital, Centralia, Illinois
Dean Health Systems, Inc.
Dean Retail Services, Inc.
SMDV Office Building, LLC
Navitus Holdings, LLC
Wingra Building Group
Janesville Riverview Clinic Building Partnership
Agnesian HealthCare, Inc.
The Monroe Clinic, Inc.
St. Francis Home of Fond du Lac, Wisconsin, Inc.
The Christian Home and Rehabilitation Center Incorporated
Sister Servants of Christ the King, Inc., d/b/a Villa Loretto
Villa Rosa, Inc.
Consultants Laboratory of Wisconsin, LLC
Waupun Memorial Hospital, Inc.
Ripon Medical Center, Inc.
Agnesian Healthcare Enterprises, LLC

Unlimited Credit Group Participants

None

Limited Credit Group Participants

None

Part IV – Other Information

A. Environmental, Social & Governance (ESG)

SSMH's commitment to patients and the broader needs of the communities it serves has never been more important. In the face of concurrent health, economic, and cultural challenges over the past several years, SSMH continues to support the needs of its communities – beyond the traditional provision of care. Guided by its Vision – *Peace, hope and health for every person, family and community, especially those most in need* – SSMH has applied its values and capabilities to deliver solutions in the face of such challenges.

Since 1982, SSMH's healing ministry has been focused on enhancing health and well-being in the communities it serves, as well as changing the way health care is delivered more broadly. This tradition continues to this day, with a strong and even greater commitment to this important work, as highlighted by SSMH's ESG Standards.

Environmental Initiatives

SSMH shows respect for the environment every day through its longstanding commitment to preserving the Earth and its resources – and SSMH believes that directing its actions to preserve the Earth goes beyond *Reduce, Reuse and Recycle*. SSMH is nurturing healthy communities by advocating for clean air and water and neighborhoods that are safe for work, play and exercise – while limiting SSMH's negative environmental impact. A few examples include the following:

- Reducing energy consumption and medical waste, including development of a three-year Key Performance Indicator measure to improve Energy Star ratings at SSM hospitals.
- Engaging in volunteer efforts related to local roadside clean-up events, recycling drives and tree planting.
- Incorporating green building practices and introducing eco-friendly hybrid vehicles into SSMH's security fleet.
- Pursuing Earth-friendly investments in SSMH's investment portfolio through the Impact Investment Program.

SSMH was recognized by the U.S. Department of Health and Human Services (HHS) at the 2022 United Nations Climate Change Conference (COP27) for pledging to pursue the Biden administration's climate goal of **reducing greenhouse gas emissions by 50% by 2030 and achieving net zero emissions by 2050**. This effort is intended to help decarbonize the health care sector and make health care facilities more resilient to the effects of climate change.

Specifically, pledge signers committed to:

- At minimum, reduce organizational emissions by 50% by 2030 (from a baseline no earlier than 2008) and achieve net-zero by 2050, publicly accounting for progress on this goal every year.
- Designate an executive-level lead for their work on reducing emissions by 2023 and conduct an inventory of Scope 3 (supply chain) emissions by the end of 2024.
- Develop and release a climate resilience plan for continuous operations by the end of 2023, anticipating the needs of groups in their community that experience disproportionate risk of climate-related harm.

Social Initiatives

SSMH is working to address the complex issues faced in the communities it serves, as well as in the broader U.S.-based health care system. Through programs and partnerships, SSMH seeks to expand access to affordable care, enhance social-based programs, and provide communities with the tools needed to live a healthier life. While these programs serve a broad variety of communities, SSMH focuses a significant amount of its social work on the underserved. A few examples include the following:

- Partnering to house the homeless.
- Partnering to create a pathway out of incarceration and into a healthier life.
- Partnering for good nutrition.
- Founding membership in the St. Louis Anchor Network, which focuses on increasing local employment and spending with the goal of increasing the share of racially/ethnically diverse team members in their workforces and to expand spending with businesses owned by people of color from the footprint.

SSMH has a Community Health Improvement Strategy which consists of two system-level leadership groups established during 2022:

- SSMH's Community Health Improvement Steering Committee which is in place to provide governance and executive oversight, thought leadership and investment decision guidance to SSMH's community health improvement activities; and
- SSMH's Community Health Improvement Working Group which is in place to identify, review and evaluate specific community health improvement opportunities and make recommendations to the Steering Committee.

During 2022, these leadership groups worked closely together with community leaders within their ministries to enhance and optimize the impact that SSMH has on the members of its communities. The activities to enhance and optimize SSMH's impact

include the continued evolution of the roles and structures that are in place to support Community Health Improvement activities, the implementation of a Social Determinants of Health (SDOH) screening and referral process for all of SSMH's hospital inpatients, and participation in activities that are intended to hire from, procure from and invest in communities that have been historically marginalized. Additionally, in each region and on an annual basis, community health improvement plans based on Community Health Needs Assessments (CHNA) and Community Benefit Inventory for Social Accountability (CBISA) frameworks that are used to assess, identify and implement community health improvement interventions are developed and reported to the Board of Directors.

Governance

As the organization works to meet the needs of its communities, SSMH is committed to acting ethically and responsibly. SSMH prioritizes quality, safety, and the patient experience in all that it does.

A critical component of SSMH's governance is the Board of Directors. The Board is comprised of a majority of independent directors, reflecting diversity with respect to gender, age, race, background, professional experience, and perspectives. The current Board is comprised 39% of women and 22% of persons of color. The Board is committed to excellence and employs best practices and strong leadership, acting as ambassadors for and being representative of the communities served.

Of all U.S. health systems with five or more affiliated hospitals, only 15.3% of those organizations have female CEOs – of which SSM Health is one. SSMH's management team has further diversified since Laura Kaiser was named CEO in 2017. SSMH has developed a three-year KPI measure associated with leadership diversity. Currently over 35% of the SSMH management team is a woman and/or a person of color.

Newsweek named SSM Health as one of "America's Greatest Workplaces for Diversity 2023", following a large-scale independent survey conducted by Plant-A Insight Group. The survey assessed the culture and working environment of companies with at least 1,000 employees and recognized those that employees say really respect and value different kinds of people.

B.**APPENDIX B**
Forward Looking Statements

Certain of the discussions included in this Analysis may include forward-looking statements, which involve known and unknown risks and uncertainties inherent in the operation of an integrated health care delivery system. In particular, statements preceded by, followed by, or that include the words "*anticipates,*" "*believes,*" "*budgets,*" "*estimates,*" "*expects,*" "*forecasts,*" "*intends,*" "*plans,*" "*possible,*" "*potential,*" "*predicts,*" "*projects,*" "*guiding,*" and similar expressions constitute forward-looking statements. These forward-looking statements are based on current plans and expectations that are subject to known and unknown uncertainties and risks, many of which are beyond the control of management of SSM Health, which could significantly affect current plans and expectations and the future financial position and results of operations for the organization. Specific factors that might cause such differences include, but are not limited to:

- The impact of any pandemic, epidemic, outbreak of an infectious disease, or other public health crises in SSMH's market service area
- Increases in wages and the ability to attract and retain qualified management and personnel, including affiliated physicians, nurses and medical and technical support personnel
- The impact of federal budget cuts on reimbursement for services provided by SSMH
- The possible enactment of additional federal or state health care or tax reforms and possible changes to other federal, state or local laws or regulations affecting the health care industry
- Adjustments resulting from reimbursement audits, including audits by the Medicare Recovery Audit Contractor program
- Increases in the frequency or severity of uncollectible amounts associated with uninsured accounts or for deductibles and copayment amounts for insured accounts
- The ability to execute strategic initiatives and achieve operating and financial goals, including the ability to generate expected levels of patient volumes and control the costs of providing services
- Increases in the amount and type of competition, both from market incumbents and new entrants, in SSMH's market service areas
- The impact from the actions of health insurers, health care providers, large employer groups and others to contain health care costs
- The availability and terms of capital to fund the expansion of business and improvements to existing facilities

- Changes in accounting practices
- Changes in general economic conditions nationally and regionally in SSM Health's market service areas
- The increasing number and severity of cyber threats and the costs of preventing them and protecting patient and other data
- The impact of natural disasters, such as hurricanes and floods, or similar events beyond our control
- Other various risk factors.

SSMH undertakes no obligation to update or publicly revise these forward-looking statements to reflect events or circumstances that arise after the date of this report.

EXHIBIT E TO AMENDED AND RESTATED REVOLVING CREDIT AGREEMENT

EXHIBIT E

COMPLIANCE CERTIFICATE

To: U.S. Bank National Association, as Administrative Agent

This Compliance Certificate is furnished pursuant to that certain Amended and Restated Revolving Credit Agreement dated as of June 23, 2022 (as amended, modified, renewed or extended from time to time, the "Agreement") by and among SSM Health Care Corporation, a Missouri nonprofit corporation (the "Corporation"), as Obligated Group Agent on behalf of itself and each Member of the Obligated Group, the several financial institutions from time to time party to this Agreement, and U.S. Bank National Association, as Administrative Agent. Unless otherwise defined herein, capitalized terms used in this Compliance Certificate have the meanings ascribed thereto in the Agreement.

THE UNDERSIGNED HEREBY CERTIFIES THAT:

1. I am the Treasurer of the Corporation.
2. This Compliance Certificate is provided with respect to the fiscal quarter ending on March 31, 2023 (the "Relevant Period").
3. The unaudited financial statements referred to in Section 6.1(i)(1) of the Agreement for the most recent fiscal quarter have been prepared on substantially the same basis as the most recent annual financial statements delivered to the Administrative Agent and the quarterly financial statements previously furnished to the Administrative Agent pursuant to Section 6.1(i)(1) of the Agreement; and (except as set forth in paragraph 4 below), no Event of Default or Default has occurred.
4. I have no knowledge of the existence of any condition or event which constitutes an Event of Default or Default during or at the end of the Relevant Period or as of the date of this Compliance Certificate, except as set forth below:

The following Events of Default or Defaults exist, and with respect to each such Event of Default or Defaults I have described in detail the nature of such Event of Default or Defaults, the period of its existence, the nature and status thereof and the remedial steps which the Corporation has taken, is taking, or proposes to take to correct or remedy such Default:

None

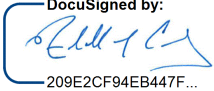
5. In accordance with Section 6.1 of the Agreement, I certify on behalf of the Corporation that the Corporation is in compliance with the financial covenants in Section 6.19 of the Agreement required to be satisfied as of the end of the Relevant Period, and specifically that as of the Relevant Period:

(a) Pursuant to Section 6.19(a), the Historical Debt Service Coverage Ratio as of December 31, 2021 is 5.0, for the 12-month period then ended.

(b) Annex I attached hereto sets forth financial data and computations evidencing the Corporation's compliance with the above covenants of the Agreement, all of which data and computations are true, complete and correct.

The foregoing certifications, together with any financial data and computations provided herewith, are made and delivered this 24th day of May, 2023.

SSM HEALTH CARE CORPORATION

By  _____
Name Randall J. Combs
Title Treasurer

**ANNEX I
TO COMPLIANCE CERTIFICATE**

SSM HEALTH CARE CORPORATION

**COMPLIANCE CALCULATIONS
FOR AMENDED AND RESTATED REVOLVING CREDIT AGREEMENT
DATED JUNE 23, 2022**

CALCULATIONS AS OF December 31, 2022

A.	<u>Historical Debt Service Coverage Ratio of the Credit Group</u> <u>(Section 6.19(a))</u>	
1.	Income Available for Debt Service (as defined in the Master Indenture) for the Credit Group	\$400,924
2.	Debt Service Requirements on Funded Indebtedness (as defined in the Master Indenture) for the Credit Group	\$103,493
3.	Ratio of Line A1 to Line A2	3.9:1.0
4.	Line A3 must be greater than or equal to	1.1:1.0
5.	The Credit Group is in compliance (circle yes or no)	<input checked="" type="checkbox"/> yes, no

EXHIBIT A

FORM OF COMPLIANCE CERTIFICATE

To: PNC Bank, National Association (the “*Purchaser*”)

This Compliance Certificate is furnished pursuant to the Continuing Covenant Agreement dated as of July 1, 2019, (as amended, modified, renewed or extended from time to time, the “*Agreement*”) between PNC Bank, National Association (the “*Purchaser*”) and SSM HEALTH CARE CORPORATION, a Missouri nonprofit corporation (the “*Corporation*”) for itself as Corporation and as Obligated Group Agent on behalf of the Obligated Group. Unless otherwise defined herein, capitalized terms used in this Compliance Certificate have the meanings ascribed thereto in the Agreement.

THE UNDERSIGNED HEREBY CERTIFIES THAT:

1. I am the Treasurer of the Corporation.
2. This Compliance Certificate is provided with respect to the fiscal quarter ending on March 31, 2023 (the “*Relevant Period*”).
3. The unaudited financial statements referred to in Section 6.01(a)(i) of the Agreement for the most recent fiscal quarter have been prepared on substantially the same basis as the most recent annual financial statements delivered to the Purchaser and the quarterly financial statements previously furnished to the Purchaser pursuant to Section 6.01(a)(i) of the Agreement; and (except as set forth in paragraph 4 below), no Event of Default or Default has occurred.
4. I have no knowledge of the existence of any condition or event which constitutes an Event of Default or Default during or at the end of the Relevant Period or as of the date of this Compliance Certificate, except as set forth below:

None

The following Defaults exist, and with respect to each such Default I have described in detail the nature of such Default, the period of its existence, the status thereof and the action which the Corporation has taken, is taking, or proposes to take to correct or remedy such Default:

None

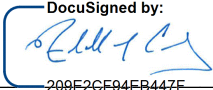
5. In accordance with Section 6.01(ii)(2)(iv) of the Agreement, I certify on behalf of the Corporation that the Credit Group is in compliance with the financial covenant in Section 6.20 of the Agreement required to be satisfied as of the end of the Relevant Period, and specifically that as of the Relevant Period:

(a) Pursuant to Section 6.20, the Historical Debt Service Coverage Ratio as of December 31, 2022 is 3.9, for the 12-month period then ended.

(b) Annex I attached hereto sets forth financial data and computations evidencing the Credit Group's compliance with the above covenants of the Agreement, all of which data and computations are true, complete and correct.

The foregoing certifications, together with any financial data and computations provided herewith, are made and delivered this 24th day of May, 2023.

SSM HEALTH CARE CORPORATION

By: 
209E2CF94EB447F...
Name: Randall J. Combs
Its: Treasurer

**ANNEX I
TO COMPLIANCE CERTIFICATE**

SSM HEALTH CARE CORPORATION

**COMPLIANCE CALCULATIONS
FOR CONTINUING COVENANT AGREEMENT
DATED AS OF JULY 1, 2019**

CALCULATIONS AS OF December 31, 2022

Historical Debt Service Coverage Ratio of the Credit Group
(Section 6.20)

1.	Income Available for Debt Service (as defined in the Master Indenture) for the Credit Group	\$400,924
2.	Debt Service Requirements on Funded Indebtedness (as defined in the Master Indenture) for the Credit Group	\$103,493
3.	Ratio of Line A1 to Line A2	3.9:1.0
4.	Line A3 must be greater than or equal to	1.1:1.0
5.	The Credit Group is in compliance (circle yes or no)	<input checked="" type="checkbox"/> yes/no