

QUARTERLY REPORT

ORLANDO HEALTH, INC.

Quarter Ended March 31, 2023

(Unaudited)

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Contents

	Page
Interim Condensed Consolidated Financial Statements	2
Consolidated Balance Sheets	2
Consolidated Statements of Operations and Changes in Net Assets	3
Consolidated Statements of Cash Flows	5
Notes to Interim Condensed Quarterly Consolidated Financial Statements	6
Other Financial Information – Interim Consolidating Financial Statements	8
Consolidating Balance Sheets as of March 31, 2023	8
Consolidating Balance Sheets as of September 30, 2022	9
Consolidating Statements of Operations for the Quarter Ended March 31, 2023	10
Consolidating Statements of Operations for the Quarter Ended March 31, 2022	11
Operating and Statistical Information	12
Sources of Patient Revenues and Utilization of Patient Services	12
Management’s Discussion and Analysis	13

Orlando Health, Inc.
March 31, 2023

Interim Condensed Consolidated Financial Statements

Consolidated Balance Sheets (in 000's)

	March 31 2023	September 30 2022
Assets		
Current assets:		
Cash and cash equivalents	\$ 886,359	\$ 818,980
Assets limited as to use	58,399	71,053
Accounts receivable	648,749	551,970
Other receivables	208,446	218,956
Inventory	111,155	114,857
Other current assets	91,313	170,968
Total current assets	2,004,421	1,946,784
Assets limited as to use:		
Debt service and reserve funds held by bond trustee	39,981	56,850
Construction and equipment funds held by bond trustee	509,386	297,840
Designated by board for malpractice self-insurance	18,417	16,916
	567,784	371,606
Less amount required to meet current obligations	(58,399)	(71,053)
	509,385	300,553
Long-term investments - without donor restrictions	2,368,418	2,106,916
Long-term investments - with donor restrictions	154,140	136,288
Investments in related parties	174,977	145,420
Other assets	472,194	410,304
Operating lease assets	132,327	136,742
Property and equipment, net	3,121,613	2,867,147
Total assets	\$ 8,937,475	\$ 8,050,154
Liabilities and net assets		
Current liabilities:		
Accounts payable and accrued expenses	\$ 629,204	\$ 611,128
Other current liabilities	259,657	264,249
Current portion of long-term debt and lease obligations	39,404	37,786
Total current liabilities	928,265	913,163
Long-term debt, less current portion	2,580,486	2,271,673
Operating lease obligations, less current portion	116,049	120,779
Accrued malpractice claims	143,789	148,160
Other noncurrent liabilities	185,962	132,897
Total liabilities	3,954,551	3,586,672
Net assets:		
Net assets without donor restrictions:		
Orlando Health, Inc. and Subsidiaries	4,755,721	4,230,573
Noncontrolling interest in Subsidiaries	10,797	6,356
Total net assets without donor restrictions	4,766,518	4,236,929
Net assets with donor restrictions	216,406	226,553
Total net assets	4,982,924	4,463,482
Total liabilities and net assets	\$ 8,937,475	\$ 8,050,154

The accompanying notes are an integral part of these consolidated financial statements.

Orlando Health, Inc.
March 31, 2023

Consolidated Statements of Operations and Changes in Net Assets (in 000's)

	Quarter ended March 31		Year-to date March 31	
	2023	2022	2023	2022
Revenues and other support without donor restrictions				
Net patient service revenue	\$ 1,328,729	\$ 1,160,131	\$ 2,605,314	\$ 2,330,317
Other revenue	189,408	71,556	278,416	144,460
Net assets released from donor restrictions	4,045	2,312	6,592	3,856
Total revenues and other support without donor restrictions	<u>1,522,182</u>	<u>1,233,999</u>	<u>2,890,322</u>	<u>2,478,633</u>
Expenses				
Salaries and benefits	714,588	631,796	1,411,918	1,278,994
Supplies	302,384	263,170	595,708	522,290
Other expenses	258,163	184,311	469,941	349,521
Depreciation and amortization	96,090	69,801	167,219	137,645
Interest	16,297	16,384	32,243	32,807
Total expenses	<u>1,387,522</u>	<u>1,165,462</u>	<u>2,677,029</u>	<u>2,321,257</u>
Income from operations	134,660	68,537	213,293	157,376
Nonoperating gains (losses)				
Investment income (loss)	101,029	(119,762)	286,159	(17,524)
Change in value of interest rate swap agreements	(2,044)	9,434	(1,006)	10,123
Nonoperating gains (losses), net	<u>98,985</u>	<u>(110,328)</u>	<u>285,153</u>	<u>(7,401)</u>
Excess (deficit) of revenues, other support, and gains over expenses and losses	233,645	(41,791)	498,446	149,975
(Excess) deficit of revenues, other support, and gains over expenses and losses attributed to noncontrolling interests in Subsidiaries	<u>(323)</u>	<u>123</u>	<u>(460)</u>	<u>(175)</u>
Excess (deficit) of revenues, other support, and gains over expenses and losses attributed to Orlando Health, Inc. and Subsidiaries	<u>233,322</u>	<u>(41,668)</u>	<u>497,986</u>	<u>149,800</u>

The accompanying notes are an integral part of these consolidated financial statements.

Orlando Health, Inc.
March 31, 2023

Consolidated Statements of Operations and Changes in Net Assets (in 000's) (continued)

	Quarter ended		Year-to date	
	March 31		March 31	
	2023	2022	2023	2022
Net assets without donor restrictions				
Excess (deficit) of revenues, other support and gains over expenses and losses	\$ 233,645	\$ (41,791)	\$ 498,446	\$ 149,975
Other changes in unrestricted net assets:				
Net assets released from restriction for property and equipment	15,307	147	24,899	147
Other	5,738	(311)	6,244	(792)
Increase (decrease) in net assets without donor restrictions	<u>254,690</u>	<u>(41,955)</u>	<u>529,589</u>	<u>149,330</u>
Net assets with donor restrictions				
Contributions	5,701	5,212	23,738	14,530
Net assets released from restrictions	(19,352)	(2,459)	(31,491)	(4,003)
Net realized and unrealized gains (losses) on investments	115	(107)	(2,127)	875
Other changes	(238)	(72)	(267)	(261)
(Decrease) increase in net assets with donor restrictions	<u>(13,774)</u>	<u>2,574</u>	<u>(10,147)</u>	<u>11,141</u>
Increase (decrease) in net assets	240,916	(39,381)	519,442	160,471
Net assets, beginning of period	4,742,008	4,586,766	4,463,482	4,386,914
Net assets, end of period	<u>\$ 4,982,924</u>	<u>\$ 4,547,385</u>	<u>\$ 4,982,924</u>	<u>\$ 4,547,385</u>

The accompanying notes are an integral part of these consolidated financial statements.

Orlando Health, Inc.
March 31, 2023

Consolidated Statements of Cash Flows (in 000's)

	Year-to-date	
	March 31	
	2023	2022
Operating activities		
Increase in net assets	\$ 519,442	\$ 160,471
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	167,219	137,645
Change in fair value of interest rate swap agreements	1,006	(10,123)
Net realized, unrealized, and investment (gains) losses	(286,159)	17,524
Restricted contributions and investment income	(21,611)	(15,405)
Changes in operating assets and liabilities:		
Accounts receivable, net	(96,779)	(64,843)
Other operating assets	79,912	126,067
Accounts payable and accrued expenses	17,361	1,062
Other operating liabilities	28,376	(37,625)
Net cash provided by operating activities	<u>408,767</u>	<u>314,773</u>
Investing activities		
Purchases of property, equipment, and other assets	(309,760)	(211,597)
Net cash paid for business combinations	(122,500)	-
Increase in assets limited as to use	(195,008)	(280,129)
Purchases of trading securities, net of sales	5,421	244
Other investing activities	(52,585)	(78,035)
Net cash used in investing activities	<u>(674,432)</u>	<u>(569,517)</u>
Financing activities		
Proceeds from issuance of debt	333,743	351,412
Repayments of debt, including financing lease obligations	(43,732)	(26,233)
Bond proceeds used for loan costs	(1,323)	(1,409)
Grant proceeds received for long-term purposes	22,745	-
Restricted contributions and investment income	21,611	15,405
Net cash provided by financing activities	<u>333,044</u>	<u>339,175</u>
Increase in cash and cash equivalents	67,379	84,431
Cash, cash equivalents, and restricted cash at beginning of period	818,980	657,353
Cash, cash equivalents, and restricted cash at end of period	<u>\$ 886,359</u>	<u>\$ 741,784</u>

The accompanying notes are an integral part of these consolidated financial statements.

Orlando Health, Inc.
March 31, 2023

Notes to Interim Condensed Consolidated Financial Statements

1. Basis of Presentation

The accompanying unaudited interim consolidated financial statements include the accounts and activity of the Corporation and its Subsidiaries. All significant intercompany transactions have been eliminated in consolidation for all periods presented. The accompanying unaudited consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (GAAP) for interim financial information. However, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all adjustments considered necessary for a fair presentation have been included and are of a normal and recurring nature. These unaudited interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto for the years ended September 30, 2022 and 2021.

2. Organization

Orlando Health, Inc. (Orlando Health) is a tax-exempt organization pursuant to Section 501(c)(3) of the Internal Revenue Code, which controls a diversified healthcare delivery system headquartered in Orlando, Florida. Orlando Health includes the following hospitals: Orlando Health Orlando Regional Medical Center, Orlando Health Dr. P. Phillips Hospital, Orlando Health Arnold Palmer Hospital for Children, Orlando Health Winnie Palmer Hospital for Women and Babies, Orlando Health South Seminole Hospital, Orlando Health South Lake Hospital, Orlando Health St. Cloud Hospital, Orlando Health - Health Central Hospital, Orlando Health Horizon West Hospital, Bayfront Health St. Petersburg, and Doctors' Center Hospital Orlando Health - Dorado. Orlando Health - Health Central includes a hospital and Health Central Park, a skilled nursing facility.

Orlando Health, Inc., Orlando Health Central, Inc., Orlando Health South Lake Hospital, Inc., OsceolaSC, LLC (dba Orlando Health St. Cloud Hospital) and OHI West, Inc. (dba Bayfront Health St. Petersburg) comprise the Obligated Group.

Subsidiaries are those entities Orlando Health controls as the sole or majority member, sole shareholder, or through board appointment and approval of all major transactions. Subsidiaries operate a variety of healthcare-related services, including, physician practice groups (Orlando Health Medical Group, Inc. and Orlando Physicians Network, Inc. (dba Orlando Health Physician Associates)), OHRI, LLC (dba Orlando Health Imaging Centers), which operates nine imaging centers, a fund-raising organization (Orlando Health Foundation, Inc.), Doctors' Center Hospital Orlando Health – Dorado, and other healthcare-related services. Healthnet Services, Inc. and its subsidiaries are taxable corporations and are a part of the Subsidiaries. The Obligated Group, together with its Subsidiaries, is collectively referred to herein as the "System." These consolidated financial statements include the consolidated accounts of Orlando Health, Health Central, South Lake, OsceolaSC, LLC, OHI West, and their Subsidiaries. Significant transactions between entities have been eliminated.

Effective October 1, 2022, Orlando Health, Inc. completed a transaction to purchase the 105-bed acute-care hospital, Sabanera Health-Dorado (Dorado) and its associated healthcare operations in Dorado, Puerto Rico. The determination of the fair value of the underlying assets acquired and liabilities assumed is subject to a formal valuation process, which has been completed and is included in the System's operating results. Prior to October 1, 2022, the accounts of Dorado are excluded from these consolidated financial statements.

3. Mission

As a not-for-profit healthcare system our mission is to improve the health and quality of life for the individuals and communities we serve.

Through our community outreach efforts, we are able to meet identified health needs - particularly in the vulnerable uninsured and underserved communities - in the following ways:

- Offering discounted or free service to our uninsured and underinsured patients who are unable to pay.
- Supplementing the unreimbursed costs of the governmental Medicaid assistance program.
- Subsidizing costs not reimbursed by governmental Medicare funding for care provided to senior patients.
- Benefiting our community's overall health by providing clinics and primary care services, health fairs and screenings, support groups and medical research.
- Investing in capital improvements to our facilities and technology in order to provide the best possible care for our patients.

Orlando Health, Inc.
March 31, 2023

Consolidating Balance Sheets as of March 31, 2023 (in 000's)

	Consolidated	Eliminations	Combined Obligated Group	Subsidiaries
Assets				
Current Assets:				
Cash and cash equivalents	\$ 886,359	\$ -	\$ 848,824	\$ 37,535
Assets limited as to use	58,399	-	58,399	-
Accounts receivable	648,749	-	567,791	80,958
Other receivables	208,446	(64,877)	254,368	18,955
Inventory	111,155	-	110,441	714
Other current assets	91,313	-	90,087	1,226
Total current assets	2,004,421	(64,877)	1,929,910	139,388
Assets limited as to use:				
Debt service and reserve funds held by bond trustee	39,981	-	39,981	-
Construction and equipment funds held by bond trustee	509,386	-	509,386	-
Malpractice self-insurance	18,417	-	18,417	-
	567,784	-	567,784	-
Less amount required to meet current obligations	(58,399)	-	(58,399)	-
	509,385	-	509,385	-
Long-term investments - without donor restrictions	2,368,418	-	2,368,418	-
Long-term investments - with donor restrictions	154,140	-	-	154,140
Investments in related parties	174,977	(25,859)	20,273	180,563
Other assets	472,194	(380,886)	600,316	252,764
Operating lease assets	132,327	-	126,254	6,073
Property and equipment, net	3,121,613	-	2,898,737	222,876
Total assets	\$ 8,937,475	\$ (471,622)	\$ 8,453,293	\$ 955,804
Liabilities and net assets				
Current Liabilities:				
Accounts Payable and accrued expenses	\$ 629,204	\$ -	\$ 566,740	\$ 62,464
Other current liabilities	259,657	(64,877)	259,643	64,891
Current portion of long-term debt and lease obligations	39,404	-	38,148	1,256
Total current liabilities	928,265	(64,877)	864,531	128,611
Long-term debt less current portion	2,580,486	-	2,573,769	6,717
Operating lease obligations, less current portion	116,049	-	110,802	5,247
Accrued malpractice claims	143,789	-	143,789	-
Other noncurrent liabilities	185,962	(210,639)	159,974	236,627
Total liabilities	3,954,551	(275,516)	3,852,865	377,202
Net assets:				
Net assets without donor restrictions:				
Orlando Health, Inc. and Subsidiaries	4,755,721	(25,859)	4,405,029	376,551
Noncontrolling interest in Subsidiaries	10,797	-	-	10,797
Total net assets without donor restrictions	4,766,518	(25,859)	4,405,029	387,348
Net assets with donor restrictions	216,406	(170,247)	195,399	191,254
Total net assets	4,982,924	(196,106)	4,600,428	578,602
Total liabilities and net assets	\$ 8,937,475	\$ (471,622)	\$ 8,453,293	\$ 955,804

The accompanying notes are an integral part of these consolidated financial statements.

Orlando Health, Inc.
March 31, 2023

Consolidating Balance Sheets as of September 30, 2022 (in 000's)

	Consolidated	Eliminations	Orlando Health Obligated Group	Subsidiaries
Assets				
Current Assets:				
Cash and cash equivalents	\$ 818,980	\$ -	\$ 809,950	\$ 9,030
Assets limited as to use	71,053	-	71,053	-
Accounts receivable	551,970	-	499,204	52,766
Other receivables	218,956	(49,466)	250,045	18,377
Inventory	114,857	-	114,196	661
Other current assets	170,968	-	170,590	378
Total current assets	1,946,784	(49,466)	1,915,038	81,212
Assets limited as to use:				
Debt service and reserve funds held by bond trustee	56,850	-	56,850	-
Construction and equipment funds held by bond trustee	297,840	-	297,840	-
Interest rate swap collateral	-	-	-	-
Malpractice self-insurance	16,916	-	16,916	-
	371,606	-	371,606	-
Less amount required to meet current obligations	(71,053)	-	(71,053)	-
	300,553	-	300,553	-
Long-term investments - without donor restrictions	2,106,916	-	2,106,916	-
Long-term investments - with donor restrictions	136,288	-	-	136,288
Investments in related parties	145,420	(11,248)	273	156,395
Other assets	410,304	(266,528)	529,153	147,679
Operating lease assets	136,742	-	129,692	7,050
Property and equipment, net	2,867,147	-	2,751,204	115,943
Total assets	\$ 8,050,154	\$ (327,242)	\$ 7,732,829	\$ 644,567
Liabilities and net assets				
Current Liabilities:				
Accounts Payable and accrued expenses	\$ 611,128	\$ -	\$ 558,190	\$ 52,938
Other current liabilities	264,249	(49,466)	264,301	49,414
Current portion of long-term debt and lease obligations	37,786	-	36,578	1,208
Total current liabilities	913,163	(49,466)	859,069	103,560
Long-term debt less current portion	2,271,673	-	2,264,288	7,385
Operating lease obligations, less current portion	120,779	-	114,356	6,423
Accrued malpractice claims	148,160	-	148,160	-
Other noncurrent liabilities	132,897	(105,548)	138,241	100,204
Total liabilities	3,586,672	(155,014)	3,524,114	217,572
Net assets:				
Net assets without donor restrictions:				
Orlando Health, Inc. and Subsidiaries	4,230,573	(11,248)	3,998,611	243,210
Noncontrolling interest in Subsidiaries	6,356	-	-	6,356
Total net assets without donor restrictions	4,236,929	(11,248)	3,998,611	249,566
Net assets with donor restrictions	226,553	(160,980)	210,104	177,429
Total net assets	4,463,482	(172,228)	4,208,715	426,995
Total liabilities and net assets	\$ 8,050,154	\$ (327,242)	\$ 7,732,829	\$ 644,567

The accompanying notes are an integral part of these consolidated financial statements.

Orlando Health, Inc.
March 31, 2023

Consolidating Statements of Operations for the Quarter Ended March 31, 2023 (in 000's)

	Consolidated	Eliminations	Orlando Health Obligated Group	Subsidiaries
Revenues and other support without donor restrictions				
Net patient service revenue	\$ 1,328,729	\$ -	\$ 1,137,229	\$ 191,500
Other revenue	189,408	(49,328)	192,424	46,312
Net assets released from donor restrictions	4,045	(3,604)	3,175	4,474
Total revenues and other support without donor restrictions	1,522,182	(52,932)	1,332,828	242,286
Expenses				
Salaries and benefits	714,588	-	453,094	261,494
Supplies	302,384	-	286,670	15,714
Other expenses	258,163	(50,093)	250,996	57,260
Depreciation and amortization	96,090	-	80,194	15,896
Interest	16,297	(234)	14,027	2,504
Total expenses	1,387,522	(50,327)	1,084,981	352,868
Income (loss) from operations	134,660	(2,605)	247,847	(110,582)
Nonoperating gains				
Investment income	101,029	(234)	96,111	5,152
Change in fair value of interest rate swap agreements	(2,044)	-	(2,044)	-
Nonoperating gains, net	98,985	(234)	94,067	5,152
Excess (deficit) of revenues, other support and gains over expenses and losses	233,645	(2,839)	341,914	(105,430)
Excess of revenues, other support and gains over expenses and losses attributed to noncontrolling interests in Subsidiaries	(323)	-	-	(323)
Excess (deficit) of revenues, other support and gains over expenses and losses attributed to Orlando Health, Inc. and Subsidiaries	233,322	(2,839)	341,914	(105,753)

The accompanying notes are an integral part of these consolidated financial statements.

Orlando Health, Inc.
March 31, 2023

Consolidating Statements of Operations for the Quarter Ended March 31, 2022 (in 000's)

	Consolidated	Eliminations	Orlando Health Obligated Group	Subsidiaries
Revenues and other support without donor restrictions				
Net patient service revenue	\$ 1,160,131	\$ -	\$ 1,011,236	\$ 148,895
Other revenue	71,556	(39,655)	80,685	30,526
Net assets released from donor restrictions	2,312	(1,411)	2,310	1,413
Total revenues and other support without donor restrictions	<u>1,233,999</u>	<u>(41,066)</u>	<u>1,094,231</u>	<u>180,834</u>
Expenses				
Salaries and benefits	631,796	-	425,820	205,976
Supplies	263,170	-	247,873	15,297
Other expenses	184,311	(41,301)	184,849	40,763
Depreciation and amortization	69,801	-	60,241	9,560
Interest	16,384	-	14,306	2,078
Total expenses	<u>1,165,462</u>	<u>(41,301)</u>	<u>933,089</u>	<u>273,674</u>
Income (loss) from operations	68,537	235	161,142	(92,840)
Nonoperating (losses) and gains				
Investment loss	(119,762)	-	(115,622)	(4,140)
Change in fair value of interest rate swap agreements	9,434	-	9,434	-
Nonoperating losses, net	<u>(110,328)</u>	<u>-</u>	<u>(106,188)</u>	<u>(4,140)</u>
(Deficit) excess of revenues, other support and gains over expenses and losses	(41,791)	235	54,954	(96,980)
Deficit of revenues, other support and gains over expenses and losses attributed to noncontrolling interests in Subsidiaries	123	-	-	123
(Deficit) excess of revenues, other support and gains over expenses and losses attributed to Orlando Health, Inc. and Subsidiaries	<u>(41,668)</u>	<u>235</u>	<u>54,954</u>	<u>(96,857)</u>

The accompanying notes are an integral part of these consolidated financial statements.

Orlando Health, Inc.
March 31, 2023

Operating and Statistical Information

Sources of Patient Revenues and Utilization of Patient Services

The table below lists the approximate percentage of gross patient charges for hospital services by payor category and patient services utilization statistics.

	Quarter ended March 31		Year-to-date March 31	
	2023	2022	2023	2022
Payor Mix				
Medicare (includes HMO's)	40.6%	38.4%	40.0%	40.2%
Medicaid (includes HMO's)	15.8%	18.1%	16.6%	17.6%
Managed Care	33.4%	32.1%	33.4%	31.8%
Commercial	3.9%	4.0%	3.8%	3.6%
Self Pay	3.9%	5.2%	3.8%	4.6%
Other	2.4%	2.2%	2.4%	2.2%
	100.0%	100.0%	100.0%	100.0%
Average Licensed Beds				
	2,912	2,905	2,912	2,905
Average Beds in Service				
	2,774	2,747	2,765	2,761
Average Daily Census				
Adult	1,807	1,779	1,767	1,742
Newborn and neonatal	208	219	220	217
	2,015	1,998	1,987	1,959
Admissions				
Adult	36,253	34,549	73,341	69,987
Newborn and neonatal	4,544	4,494	9,524	9,211
	40,797	39,043	82,865	79,198
Observation Cases				
Adult and neonatal	7,548	7,089	14,833	14,969
Patient Days				
Adult	162,597	160,088	321,673	317,047
Newborn and neonatal	18,737	19,745	40,033	39,445
	181,334	179,833	361,706	356,492
Average Length of Stay (days)				
Adult	4.5	4.7	4.4	4.5
Newborn and neonatal	4.1	4.4	4.2	4.3
Percent Occupancy (beds in service)				
Adult	74.3	72.5	72.9	70.6
Newborn and neonatal	61.1	75.1	64.5	74.2
Outpatient Visits				
Outpatient Visits	165,684	152,194	302,400	297,050
Outpatient Surgery Cases	9,695	8,681	19,672	17,850
Total Outpatient Visits*	175,379	160,875	322,072	314,900
Emergency Dept. Patients Treated				
	139,167	116,292	277,455	242,833
Case Mix Index				
Medicare only	1.83	1.88	1.86	1.88
All payors	1.79	1.77	1.79	1.76

Source: Records of the Corporation

Orlando Health, Inc.
March 31, 2023

Management's Discussion and Analysis

The following discussion and analysis is on a consolidated basis which includes the consolidated operations and financial position of Orlando Health, Inc. and its Subsidiaries.

Quarter ended March 31, 2023 Compared to the Same Period of the Prior Year

Income from operations was \$134.7 million for the quarter ended March 31, 2023, a \$66.1 million increase from the prior year period. Excess of revenues, other support and gains over expenses and losses was \$233.6 million for the quarter, a \$275.4 million increase from the prior year period. The System recognized \$101.0 million of investment income during the quarter ended March 31, 2023.

Revenue and Utilization

Net patient service revenue for the quarter ended March 31, 2023 increased \$168.6 million or 14.5% compared to the prior year period due to increases in both adult and newborn/NICU admissions and patient days.

Outpatient surgery cases increased 11.7% and emergency room visits increased 19.7% compared to the prior year period.

Other revenue includes revenue recognized by the System through the state supplemental Low-Income Pool (LIP) payment program. The federal government distributes federal LIP funds to the State of Florida based on a statutory formula. The System recorded approximately \$96.4 million and \$0 in LIP revenue during the quarters ended March 31, 2023 and 2022, respectively.

Expenses

Total expenses for the quarter ended March 31, 2023 increased \$222.1 million or 19.1% compared to the prior year period. The System recorded \$51.7 million and \$0 of assessments used by the City of Orlando to fund intergovernmental transfers to the State of Florida under the LIP program for the quarters ended March 31, 2023 and 2022, respectively. The remaining increase in expense correlates to the increased volume noted above.

Changes in Cash, Investments, Accounts Receivable, and Accounts Payable and Accrued Expenses during the Quarter ended March 31, 2023

Unrestricted cash and investments increased \$346.9 million or 11.9% during the current quarter and accounts receivable increased \$55.7 million or 9.4% during the current quarter. The days of revenue in accounts receivable, based on one year of net patient service revenue, were 47.8 days at March 31, 2023, compared with 45.2 days at December 31, 2022.

Capital Expenditures

Construction-in-progress represents numerous construction and renovation projects. Estimated costs to complete these projects as of March 31, 2023, are approximately \$1.5 billion, which primarily includes \$60.2 million for freestanding emergency departments, \$692.4 million for new bed towers, \$403.3 million for medical pavilions and institutes, and \$376.4 million in all other projects. Projects will be funded through operating cash flows, bond proceeds and pledges received and are expected to be completed within five years.