

# Hackensack Meridian Health, Inc.

## Financial Statements

December 31, 2022  
(UNAUDITED)

# Hackensack Meridian Health, Inc.

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(Unaudited)

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**Hackensack Meridian Health Network**  
**Consolidated Balance Sheets**  
**December 31, 2022 and December 31, 2021**  
**(Unaudited)**

( in thousands)

	<u>December 31,</u> <u>2022</u>	<u>December 31,</u> <u>2021</u>
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 221,189	\$ 388,485
Patient accounts receivable, net	756,330	720,439
Pledges receivable, net	79,881	72,857
Other current assets	605,899	531,901
Assets limited as to use and short-term investments, current portion	<u>1,309,005</u>	<u>1,369,088</u>
Total current assets	2,972,304	3,082,770
Assets limited as to use and investments, non-current portion	2,813,344	3,770,141
Investments in joint ventures	185,814	170,507
Property and equipment, net	3,408,719	3,174,923
Operating lease right-of-use assets, net	266,545	218,322
Other assets	<u>317,374</u>	<u>326,502</u>
Total assets	<u>\$ 9,964,100</u>	<u>\$ 10,743,165</u>
<b>Liabilities and Net Assets</b>		
Current liabilities		
Current maturities of long-term debt and capital lease obligations	\$ 159,594	\$ 80,507
Current portion of operating lease obligations	37,889	35,531
Accounts payable and accrued expenses	1,135,423	1,125,389
Other current liabilities	<u>197,286</u>	<u>525,464</u>
Total current liabilities	1,530,192	1,766,891
Long-term debt and capital lease obligation, less current maturities	2,987,696	3,068,243
Long-term operating lease obligations	237,632	190,688
Accrued pension benefits	8,477	110,470
Other liabilities	<u>487,770</u>	<u>495,830</u>
Total liabilities	5,251,767	5,632,122
Net assets		
Without donor restrictions controlled by the Network	4,328,065	4,731,238
Without donor restrictions attributable to noncontrolling interests	<u>55,375</u>	<u>79,916</u>
Net assets without donor restrictions	4,383,440	4,811,154
Net assets with donor restrictions	<u>328,893</u>	<u>299,889</u>
Total net assets	4,712,333	5,111,043
Total liabilities and net assets	<u>\$ 9,964,100</u>	<u>\$ 10,743,165</u>

**Hackensack Meridian Health Network**  
**Consolidated Statements of Operations**  
**For the Twelve Months Ended December 31, 2022 and 2021**  
**(Unaudited)**

( in thousands)

	<b>December 31, 2022</b>	<b>December 31, 2021</b>
<b>Unrestricted revenue and other support</b>		
Net patient service revenue	\$ 6,319,095	\$ 6,072,281
Other revenue	505,795	478,130
Net gain on equity investments	900	40,396
Net assets released from restriction used for operating activities	21,989	16,051
Total unrestricted revenues and other support	6,847,779	6,606,858
<b>Expenses</b>		
Salaries and contracted labor	2,746,695	2,495,105
Physician salaries and fees	531,840	495,216
Employee benefits	566,047	591,601
Supplies and other expenses	2,551,932	2,484,920
Depreciation and amortization	269,234	266,780
Interest	84,541	90,393
Total expenses	6,750,289	6,424,015
Excess of revenues over expenses before other operating adjustments	97,490	182,843
<b>Other operating adjustments</b>		
Investment income	(603,355)	326,076
Unrealized gain on derivative investments	-	71,821
Loss on termination of debt/swaps	-	(62,568)
Other gains, net	45,033	49,762
Excess of revenues over expenses	(460,832)	567,934
<b>Other adjustments in net assets without donor restrictions</b>		
Net assets released from restriction for capital acquisition	49,835	21,318
Pension-related adjustments	62,887	161,524
Other changes	(29,446)	2,811
Change in discontinued operations - Long Term Care	(39,465)	(52,513)
Distributions to noncontrolling interests	(10,691)	5,405
Distributions to noncontrolling interests	\$ (427,712)	\$ 706,479

**Hackensack Meridian Health Network**  
**Detail by Hospital Campus - Consolidating Statement of Operations**  
**For the Twelve Months Ended December 31, 2022**  
**(Unaudited)**  
*( in thousands )*

	Hackensack University Medical Center	Palisades Medical Center	JFK University Medical Center	Bayshore Medical Center	Jersey Shore University Medical Center	Ocean University Medical Center	Old Bridge Medical Center	Raritan Bay Medical Center	Raritan Bay Long Term Acute Hos	Riverview Medical Center	Southern Ocean Medical Center	Carrier Clinic	Hospital Elimination	Total Hospital Campuses	Other Affiliates	Total Before Elimination	Elimination	Total
Net patient service revenue	\$ 2,035,282	\$ 190,589	\$ 688,721	\$ 186,699	\$ 1,168,420	\$ 466,230	\$ 134,498	\$ 145,261	\$ -	\$ 365,444	\$ 233,036	\$ 78,342	\$ -	\$ 5,692,522	\$ 648,619	\$ 6,341,141	\$ (22,046)	\$ 6,319,095
Other revenue	141,258	10,013	42,167	6,843	57,435	22,571	4,182	9,739	42	15,216	9,833	2,848	-	322,147	214,549	536,696	(30,901)	505,795
Net gain on equity investments	18,268	-	1,984	-	-	-	-	-	-	-	-	-	511	20,763	(19,863)	900	-	900
Net assets released from restriction used for operating activities	10,565	40	1,169	148	4,151	834	25	216	-	1,782	143	1,290	-	20,363	1,626	21,989	-	21,989
Total unrestricted revenues and other support	2,205,373	200,642	734,041	193,690	1,230,006	489,635	138,705	155,216	42	382,442	243,012	82,480	511	6,055,795	844,931	6,900,726	(52,947)	6,847,779
<b>Expenses</b>																		
Salaries and contracted labor	781,133	92,912	339,512	85,093	457,051	215,933	51,159	75,201	2,713	152,320	83,340	55,314	-	2,391,681	357,540	2,749,221	(2,526)	2,746,695
Physician salaries and fees	42,111	8,808	6,157	3,390	30,512	21,359	2,166	6,683	36	8,102	3,734	5,719	-	138,777	393,063	531,840	-	531,840
Employee Benefits	152,363	21,721	77,576	20,673	96,245	43,796	13,040	19,465	514	32,971	19,699	10,010	-	508,073	78,276	586,349	(20,302)	566,047
Supplies and other	954,160	63,366	273,353	61,749	418,241	178,604	42,592	51,428	603	131,652	90,998	14,587	-	2,281,333	300,716	2,582,049	(30,117)	2,551,932
Depreciation and amortization	82,144	6,863	32,864	8,839	50,103	18,876	4,506	5,231	193	16,065	8,312	3,455	-	237,451	31,783	269,234	-	269,234
Interest	35,320	2,058	6,255	2,963	18,003	5,638	1,962	1,762	-	4,044	2,387	-	-	80,392	4,149	84,541	-	84,541
Total expenses	2,047,231	195,728	735,717	182,707	1,070,155	484,206	115,425	159,770	4,059	345,154	208,470	89,085	-	5,637,707	1,165,527	6,803,234	(52,945)	6,750,289
Excess of revenues over expenses before other operating adjustments	\$ 158,142	\$ 4,914	\$ (1,676)	\$ 10,983	\$ 159,851	\$ 5,429	\$ 23,280	\$ (4,554)	\$ (4,017)	\$ 37,288	\$ 34,542	\$ (6,605)	\$ 511	\$ 418,088	\$ (320,596)	\$ 97,492	\$ (2)	\$ 97,490