



Hackensack Meridian Health, Inc.

Financial Statements

March 31, 2023
(UNAUDITED)

Hackensack Meridian Health, Inc.

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March 31, 2023
(Unaudited)

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**Hackensack Meridian Health Network
Consolidated Balance Sheets
March 31, 2023 and December 31, 2022
(Unaudited)**

(in thousands)

	<u>March 31, 2023</u>	<u>December 31, 2022</u>
Assets		
Current assets		
Cash and cash equivalents	\$ 256,514	\$ 221,188
Patient accounts receivable, net	765,600	756,331
Pledges receivable, net	80,468	79,881
Other current assets	622,355	602,931
Assets limited as to use and short-term investments, current portion	<u>1,147,254</u>	<u>1,309,005</u>
Total current assets	2,872,191	2,969,336
Assets limited as to use and investments, non-current portion	3,173,056	2,813,343
Investments in joint ventures	187,837	185,815
Property and equipment, net	3,439,004	3,408,721
Operating lease right-of-use assets, net	269,039	266,545
Other assets	<u>196,716</u>	<u>310,235</u>
Total assets	<u>\$ 10,137,843</u>	<u>\$ 9,953,995</u>
Liabilities and Net Assets		
Current liabilities		
Current maturities of long-term debt and capital lease obligations	\$ 59,344	\$ 159,849
Current portion of operating lease obligations	38,952	37,890
Accounts payable and accrued expenses	1,109,108	1,135,423
Other current liabilities	<u>196,361</u>	<u>197,030</u>
Total current liabilities	1,403,765	1,530,192
Long-term debt and capital lease obligation, less current maturities	2,992,058	2,997,127
Long-term operating lease obligations	240,813	237,633
Accrued pension benefits	34,774	57,339
Other liabilities	<u>480,984</u>	<u>475,371</u>
Total liabilities	5,152,394	5,297,662
Net assets		
Without donor restrictions controlled by the Network	4,589,033	4,272,064
Without donor restrictions attributable to noncontrolling interests	<u>44,096</u>	<u>55,376</u>
Net assets without donor restrictions	4,633,129	4,327,440
Net assets with donor restrictions	<u>352,320</u>	<u>328,893</u>
Total net assets	4,985,449	4,656,333
Total liabilities and net assets	<u>\$ 10,137,843</u>	<u>\$ 9,953,995</u>

**Hackensack Meridian Health Network
Consolidated Statements of Operations
For the Three Months Ended March 31, 2023 and 2022
(Unaudited)**

(in thousands)

	March 31, 2023	March 31, 2022
Unrestricted revenue and other support		
Net patient service revenue	\$ 1,700,377	\$ 1,497,451
Other revenue	173,071	167,896
Net gain on equity investments	(651)	1,289
Net assets released from restriction used for operating activities	5,199	4,349
Total unrestricted revenues and other support	1,877,996	1,670,985
Expenses		
Salaries and contracted labor	704,009	662,612
Physician salaries and fees	145,071	125,079
Employee benefits	167,250	142,279
Supplies and other expenses	693,429	636,859
Depreciation and amortization	70,446	65,431
Interest	25,862	20,973
Total expenses	1,806,067	1,653,233
Excess of revenues over expenses before other operating adjustments	71,929	17,752
Other operating adjustments		
Investment income	156,113	(175,475)
Unrealized gain on derivative investments	-	(507)
Other gains, net	(1,615)	13,098
Excess of revenues over expenses	226,427	(145,132)
Other adjustments in net assets without donor restrictions		
Net assets released from restriction for capital acquisition	8,787	14,210
Pension-related adjustments	24,749	43,010
Other changes	(7,788)	397
Change in discontinued operations - Long Term Care	59,108	(12,438)
Distributions to noncontrolling interests	(5,594)	(3,850)
Distributions to noncontrolling interests	\$ 305,689	\$ (103,803)

Hackensack Meridian Health Network
Detail by Hospital Campus - Consolidating Statement of Operations
For the Three Months Ended March 31, 2023
(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 LongTerm 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	\$ 562,861	\$ 52,983	\$ 186,968	\$ 47,635	\$ 297,955	\$ 124,085	\$ 35,096	\$ 35,528	\$ 108	\$ 93,880	\$ 59,577	\$ 21,427	\$ -	\$ 1,518,103	\$ 187,511	\$ 1,705,614	\$ (5,237)	\$ 1,700,377
Other revenue	56,895	5,524	16,407	4,465	18,384	9,154	911	3,100	-	5,074	3,630	1,227	-	124,771	55,606	180,377	(7,306)	173,071
Net gain on equity investments	6,176	-	471	-	-	-	-	-	-	-	-	-	217	6,864	(7,515)	(651)	-	(651)
Net assets released from restriction used for operating activities	2,208	7	636	59	931	231	5	81	-	373	36	110	-	4,677	522	5,199	-	5,199
Total unrestricted revenues and other support	628,140	58,514	204,482	52,159	317,270	133,470	36,012	38,709	108	99,327	63,243	22,764	217	1,654,415	236,124	1,890,539	(12,543)	1,877,996
Expenses																		
Salaries and contracted labor	201,025	22,685	88,137	20,464	118,771	52,160	13,411	18,826	1,063	37,014	20,895	15,446	-	609,897	94,759	704,656	(647)	704,009
Physician salaries and fees	9,755	2,591	1,960	896	8,551	5,614	875	1,577	16	1,869	1,913	1,375	-	36,992	108,079	145,071	-	145,071
Employee Benefits	39,954	5,870	22,649	5,581	26,307	12,259	3,744	5,348	265	8,864	5,422	1,293	-	137,556	34,538	172,094	(4,844)	167,250
Supplies and other	262,844	16,078	72,725	15,155	117,520	46,427	11,531	13,072	475	34,042	23,157	3,333	-	616,359	84,122	700,481	(7,052)	693,429
Depreciation and amortization	23,081	1,596	8,647	2,263	13,093	4,868	1,160	1,339	105	3,915	2,054	866	-	62,987	7,459	70,446	-	70,446
Interest	11,508	595	1,829	889	5,327	1,742	593	608	-	1,171	703	-	-	24,965	897	25,862	-	25,862
Total expenses	548,167	49,415	195,947	45,248	289,569	123,070	31,314	40,770	1,924	86,875	54,144	22,313	-	1,488,756	329,854	1,818,610	(12,543)	1,806,067
Excess of revenues over expenses before other operating adjustments	\$ 79,973	\$ 9,099	\$ 8,535	\$ 6,911	\$ 27,701	\$ 10,400	\$ 4,698	\$ (2,061)	\$ (1,816)	\$ 12,452	\$ 9,099	\$ 451	\$ 217	\$ 165,659	\$ (93,730)	\$ 71,929	\$ -	\$ 71,929