

IJKG Opco, LLC

IJKG Opco, LLC (dba Bayonne Medical Center)

IJKG Propco, LLC

Bayonne Radonc Associates LLC

CONSOLIDATED

FINANCIAL STATEMENTS

September 30, 2023

DRAFT

IJKG Opco, LLC (Consolidated)
d/b/a Bayonne Medical Center
Balance Sheets - Consolidated
(in thousands)

	<u>30-Sep</u> <u>2023</u>	<u>31-Dec</u> <u>2022</u>
<u>Assets</u>		
Current Assets:		
Cash and cash equivalents	\$ 3,078	\$ 536
Cash and cash equivalents - Restricted	7,991	7,752
Net patient accounts receivable, current portion	24,717	27,183
Investments	1,074	1,074
Due from related party	3,257	14,278
Inventory & Other assets	3,293	3,384
Prepaid expenses	342	305
Total Current Assets	<u>43,750</u>	<u>54,511</u>
Non-Current Assets:		
Net patient accounts receivable, long term portion	8,245	9,794
	<u>8,245</u>	<u>9,794</u>
Intangible assets		
Right of use assets	9,345	13,352
Property and equipment, net	10,615	11,232
Net Assets, Deferred Cost & Equipment	<u>19,960</u>	<u>24,584</u>
Total Assets	<u>\$ 71,955</u>	<u>\$ 88,889</u>
<u>Liabilities and Member's Equity</u>		
Current Liabilities:		
Lease Liability, current portion	\$ 7,367	\$ 6,215
Accounts payable and accrued expenses	38,415	21,038
Accrued Compensation	4,989	4,183
Loan payable - Capitala	6,120	3,002
Loan payable - Maple	10,068	10,068
Deferred revenue	153	299
Due to third party, current portion	618	618
Total Current Liabilities	<u>67,730</u>	<u>45,423</u>
Long Term Liabilities:		
Lease liability less current portion	9,444	16,206
Due to Third Party, less current portion	6,885	4,933
Total Liabilities	<u>84,060</u>	<u>66,562</u>
Member's Equity:		
Member's Equity (Net)	(12,104)	22,328
Total Member's Equity	<u>(12,104)</u>	<u>22,328</u>
Total Liabilities and Member's Equity	<u>\$ 71,955</u>	<u>\$ 88,889</u>

IJKG Opco, LLC (Consolidated)
d/b/a Bayonne Medical Center
Statement of Operations (unaudited)
(in thousands)

<u>Month ended September 30, 2023</u>						
<u>Actual</u>	<u>%</u>	<u>Budget</u>	<u>%</u>	<u>Variance</u>	<u>PY-2022</u>	<u>%</u>
8,826	97.77%	13,805	99.37%	(4,979)	11,290	98.65%
349	3.86%	21	0.15%	328	110	0.96%
(148)	-1.64%	67	0.48%	(214)	44	0.38%
<u>9,027</u>	<u>100.00%</u>	<u>13,892</u>	<u>100.00%</u>	<u>(4,865)</u>	<u>11,444</u>	<u>100.00%</u>
4,969	55.04%	4,550	32.75%	419	5,808	50.75%
5,625	62.31%	6,785	48.84%	(1,160)	7,854	70.18%
648	7.18%	797	5.74%	(150)	796	6.95%
-		-		-	-	
<u>11,241</u>	<u>124.53%</u>	<u>12,132</u>	<u>87.33%</u>	<u>(890)</u>	<u>14,458</u>	<u>127.89%</u>
(2,214)	-24.53%	1,761	12.67%	(3,975)	(3,014)	-27.89%
500	5.54%	368	2.65%	132	388	3.31%
691	7.65%	507	3.65%	184	747	5.05%
-		-		-	-	
<u>1,191</u>	<u>13.19%</u>	<u>875</u>	<u>6.30%</u>	<u>316</u>	<u>1,135</u>	<u>8.36%</u>
(3,405)	-37.72%	886	6.38%	(3,745)	(4,148)	-36.25%
896	9.93%	-	0.00%	896	-	0.00%
<u>(2,509)</u>	<u>-27.80%</u>	<u>886</u>	<u>6.38%</u>	<u>(2,849)</u>	<u>(4,148)</u>	<u>-36.25%</u>

<u>YTD Ended September 30, 2023</u>							
<u>Actual</u>	<u>%</u>	<u>Budget</u>	<u>%</u>	<u>Variance</u>	<u>PY-2022</u>	<u>%</u>	
<u>Operating Revenues</u>							
Net patient service revenue	86,871	96.12%	123,236	97.94%	(36,364)	107,057	84.91%
Other operating revenue	3,348	3.70%	1,988	1.58%	1,360	18,665	14.80%
Charity care	159	0.18%	600	0.48%	(441)	358	0.28%
Total Revenues	90,379	100.00%	125,823	100.00%	(35,445)	126,079	100.00%
<u>Operating Expenses</u>							
Salaries and wages	49,197	54.43%	40,360	32.08%	8,837	49,522	39.28%
Supplies/Other expenses	59,711	66.07%	61,406	48.80%	(1,695)	65,534	53.25%
Employee benefits	6,346	7.02%	7,257	5.77%	(911)	8,710	6.91%
Provision for doubtful accounts	-		-		-	-	
Total Operating Expenses before Int, Depr	115,254	127.52%	109,023	86.65%	6,231	123,767	99.44%
Operating Income / (Loss) before Int, Depr	(24,876)	-27.52%	16,800	13.35%	(41,676)	2,313	0.56%
Interest Expense	4,443	4.92%	3,314	2.63%	1,129	3,600	2.79%
Depreciation and Amortization	5,990	6.63%	4,561	3.62%	1,429	6,178	3.69%
-		-		-	-		
Total Int, Depr	10,433	11.54%	7,875	6.26%	2,559	9,778	6.48%
Total Operating Income / (Loss)	(35,309)	-37.62%	8,925	7.09%	(44,234)	(7,465)	-5.92%
Income (Loss) of Non-Recurring Reserve	896	0.99%	-	0.00%	896	-	0.00%
Net Income (Loss)	(34,413)	-36.63%	8,925	7.09%	(43,338)	(7,465)	-5.92%

IJKG Opco, LLC (Consolidated)
d/b/a Bayonne Medical Center
STATEMENT OF CASH FLOWS (unaudited)
As of September 30, 2023
(in thousands)

	MTD	YTD
	September-23	September-23
	<u>IJKG Opco LLC</u>	<u>IJKG Opco LLC</u>
Cash Flows From Operating Activities:		
Income/(loss) from operations	\$ (2,509)	\$ (34,413)
Adjustments to reconcile increase in net assets to cash provided by operating activities:		
Depreciation & Amortization	524	4,491
Change in operating assets and liabilities:		
(Increase)/decrease in patient accounts receivable	2,274	4,015
(Increase)/decrease in prepaid expenses and deposits	80	(37)
(Increase)/decrease in Due From Related Party	312	11,021
(Increase)/decrease in inventory and other assets	(78)	91
Increase/(decrease) in accounts payable, and other accrued expenses	2,233	17,059
Increase/(decrease) in Deferred Revenue	153	(146)
Increase/(decrease) in accrued compensation	111	807
Increase/(decrease) in accrued interest payable	318	318
Increase /(decrease) in estimated third-party payer settlements	38	1,953
<i>Net cash provided by/(used in) operating activities</i>	<u>3,457</u>	<u>5,159</u>
Cash Flows From Investing Activities:		
Acquisitions of property, plant, and equipment	(196)	(1,218)
<i>Net cash provided by/(used in) investing activities</i>	<u>(196)</u>	<u>(1,218)</u>
Cash Flows From Financing Activities:		
Proceeds from Financing, net of payments (Capitala)	-	3,118
Payment of Dividends	(20)	(20)
Repayment of capital lease obligation	(473)	(4,259)
<i>Net cash provided by/(used in) financing activities</i>	<u>(493)</u>	<u>(1,161)</u>
Net increase/(decrease) in cash and cash equivalents	2,768	2,781
Cash and cash equivalents at beginning of period	8,301	8,288
Cash and cash equivalents at end of period	<u>\$ 11,069</u>	<u>\$ 11,069</u>

IJKG Opco, LLC (Consolidated)
d/b/a Bayonne Medical Center
September 2023 Expense Comparison

September 2023 vs. September 2023 Budget

	<u>Sep-23 ACTUAL</u>	<u>Sep-23 BUDGET</u>	<u>Sep-23 VARIANCE</u>	<u>Sep-23 YTD ACTUAL</u>	<u>Sep-23 YTD BUDGET</u>	<u>Sep-23 YTD VARIANCE</u>
Salaries and Wages	4,707,077	4,068,835	(638,243)	42,406,430	37,026,397	5,380,034
Contract Labor	261,594	480,752	219,158	6,790,932	3,333,858	3,457,074
Salaries, Wages and Contract Labor	4,968,672	4,549,587	(419,085)	49,197,362	40,360,255	8,837,108
Policy Fringe Benefits	345,444	407,987	62,543	2,829,764	3,712,681	(882,917)
Taxes	302,340	389,442	87,102	3,516,309	3,543,926	(27,617)
Total Fringe Benefits	647,784	797,429	149,645	6,346,073	7,256,606	910,533
Consulting Fees/Purch Services	898,824	1,021,932	123,107	7,162,323	9,197,385	2,035,062
Billing Fees-Ensemble	209,891	182,784	(27,107)	1,916,000	2,105,501	189,502
Physician Related	247,410	306,604	59,194	2,699,249	2,759,432	60,183
Physician Related-Quality	742,243	1,121,096	378,853	11,263,835	10,002,023	(1,261,812)
Property Taxes	66,211	88,439	22,228	799,546	795,950	(3,597)
Medical Surgical Supplies	1,516,409	1,709,448	193,039	16,737,864	15,385,031	(1,352,832)
Liability and W/C Insurance	260,842	169,856	(90,986)	2,530,816	1,434,742	(1,096,073)
Rent, Maintenance, Repairs	71,541	392,378	320,837	1,246,221	3,531,401	2,285,180
Utilities	264,189	261,027	(3,163)	2,445,055	2,375,342	(69,713)
Pharmaceuticals	328,668	402,971	74,302	3,026,223	3,667,034	640,811
Management Fee	837,917	723,349	(114,568)	7,644,550	6,510,142	(1,134,408)
All Other Supply	180,728	404,708	223,980	2,239,198	3,642,374	1,403,176
Total Supplies and Other	5,624,874	6,784,590	1,159,716	59,710,879	61,406,357	1,695,478
Interest	500,489	368,241	(132,248)	4,443,338	3,314,168	(1,129,171)
Depreciation	690,562	506,739	(183,823)	5,990,028	4,560,654	(1,429,374)
Lease, Interest, Depreciation	1,191,051	874,980	(316,071)	10,433,366	7,874,821	(2,558,545)
Grand Total	12,432,381	13,006,586	574,205	125,687,680	116,898,039	(8,789,641)

September 2023 Actual vs. September 2022 Actual

	<u>Sep-23 ACTUAL</u>	<u>Sep-22 ACTUAL</u>	<u>2023 vs 2022 VARIANCE</u>	<u>Sep-23 YTD ACTUAL</u>	<u>Sep-22 YTD ACTUAL</u>	<u>2023 vs 2022 Variance</u>
Salaries and Wages	4,707,077	4,351,753	355,324	42,406,430	39,424,382	2,982,048
Contract Labor	261,594	1,456,173	(1,194,578)	6,790,932	10,098,085	(3,307,154)
Salaries, Wages and Contract Labor	4,968,672	5,807,926	(839,254)	49,197,362	49,522,467	(325,105)
Policy Fringe Benefits	345,444	421,009	(75,566)	2,829,764	4,993,387	(2,163,624)
Taxes	302,340	374,901	(72,560)	3,516,309	3,716,620	(200,311)
Total Fringe Benefits	647,784	795,910	(148,126)	6,346,073	8,710,008	(2,363,935)
Consulting Fees/Purch Services	898,824	828,635	70,190	7,162,323	7,189,225	(26,902)
Billing Fees	209,891	269,764	(59,873)	1,916,000	3,107,430	(1,191,431)
Physician Related	247,410	530,315	(282,905)	2,699,249	3,080,128	(380,879)
Physician Related-Quality	742,243	1,202,027	(459,784)	11,263,835	10,724,061	539,774
Property Taxes	66,211	96,544	(30,333)	799,546	855,317	(55,771)
Medical Surgical Supplies	1,516,409	2,868,796	(1,352,388)	16,737,864	22,967,975	(6,230,112)
Liability and W/C Insurance	260,842	224,541	36,301	2,530,816	1,896,662	634,154
Rent, Maintenance, Repairs	71,541	125,750	(54,209)	1,246,221	1,952,471	(706,250)
Utilities	264,189	254,672	9,517	2,445,055	2,240,212	204,843
Pharmaceuticals	328,668	416,003	(87,335)	3,026,223	1,833,794	1,192,430
Management Fee	837,917	797,716	40,201	7,644,550	6,981,241	663,309
All Other Supply	180,728	239,300	(58,572)	2,239,198	2,705,576	(466,379)
Total Supplies and Other	5,624,874	7,854,064	(2,229,189)	59,710,879	65,534,092	(5,823,214)
Interest	500,489	387,754	112,735	4,443,338	3,600,452	842,886
Depreciation	690,562	746,843	(56,281)	5,990,028	6,177,839	(187,811)
Lease, Interest, Depreciation	1,191,051	1,134,597	56,454	10,433,366	9,778,291	655,075
Grand Total	12,432,381	15,592,496	(3,160,115)	125,687,680	133,544,859	(7,857,179)

JKG Opco, LLC (Consolidated)
dba Bayonne Medical Center
Statistics by Service and Payor
9/30/2023

September MTD 2023 Actual	September MTD 2023 Budget	September MTD 2023 Variance	September MTD 2022 Actual	September MTD 2022 Variance
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337	323	14	318	19
337	323	14	318	19
337	323	14	318	19
30	27	3	33	(3)
1	1	-		1
368	351	17	351	17

1,815	1,774	41	1,766	49
1,815	1,774	41	1,766	49
1,815	1,774	41	1,766	49
386	209	177	238	148
9		9		9
2,210	1,983	227	2,004	206

5.39	5.49	(0.11)	5.55	(0.17)
-	-	-	-	-
-	-	-	-	-
5.39	5.49	(0.11)	5.55	(0.17)
12.87	7.74	5.13	7.21	5.65
6.01	5.65	0.36	5.71	0.30

120	121	(1)	122	(2)
104	79	25	74	30
29	37	(8)	40	(11)
5	8	(3)	5	
4	5	(1)	4	
2	1	1	3	(1)
14	19	(5)	18	(4)
12	8	4	9	3
63	57	6	61	2
15	16	(1)	15	-
368	351	17	351	17
96%	95%		96%	
61%	57%		56%	
15%	20%		17%	
20%	19%		20%	
4%	5%		4%	

694	708	(14)	708	(14)
713	484	229	505	208
122	176	(54)	154	(32)
29	44	(15)	33	(4)
19	32	(13)	14	5
7	2	5	19	(12)
84	76	8	54	30
70	58	12	120	(50)
329	328	1	319	10
143	75	68	78	65
2,210	1,983	227	2,004	206
94%	96%		96%	
64%	60%		61%	
12%	17%		10%	
18%	19%		22%	
6%	4%		4%	

1,706	1,337	369	1,837	(131)
353	353	-	333	20
92	141	(49)	161	(69)
650	-	650	675	(24)

Discharges by Service

Medical-Surgical	3,244	3,042	202	2,835	409
Med/Surg Sub Total	3,244	3,042	202	2,835	409
Acute Subtotal	3,244	3,042	202	2,835	409
Behavioral	262	307	(45)	277	(15)
TCU	1	1	-	-	1
Total Inpatient	3,507	3,350	157	3,112	395

Patient Days by Service

Medical-Surgical	17,987	16,687	1,300	15,677	2,310
Med/Surg Sub Total	17,987	16,687	1,300	15,677	2,310
Acute Subtotal	17,987	16,687	1,300	15,677	2,310
Behavioral	2,537	2,307	230	2,082	455
TCU	9		-	-	9
Total Inpatient	20,533	18,994	1,530	17,759	2,774

ALOS by Service

Medical-Surgical	5.54	5.49	0.06	5.53	0.01
ICU	-	-	-	-	-
Pediatrics	-	-	-	-	-
Acute Subtotal	5.54	5.49	0.06	5.53	0.01
Behavioral	9.68	7.51	2.17	7.52	2.17
Total Inpatient	5.85	5.67	0.19	5.71	0.15

Discharges by Payor

Medicare	1,058	1,176	(118)	1,149	(91)
Medicare HMO	939	814	125	687	252
Horizon/Blue Cross	333	304	29	281	52
United Healthcare	56	65	(9)	40	16
Aetna	75	47	28	44	31
Cigna	38	50	(12)	24	14
Commercial/Managed Care	172	208	(36)	177	(5)
Medicaid	68	37	31	53	15
Medicaid HMO	648	496	152	523	125
Self Pay/Charity *	120	153	(33)	134	(14)
Total Inpatient Discharges	3,507	3,350	157	3,112	395
% of Discharges (Excl.Sp/Charity)	97%	95%		96%	
% of Discharges (Medicare/Medicare HMO)	57%	59%		59%	
% of Discharges (Horizon/Comm/Man Care)	19%	20%		15%	
% of Discharges (Medicaid/Medicaid HMO)	20%	16%		19%	
% of Discharges (SP/Charity)	3%	5%		4%	

Patient Days by Payor

Medicare	6,432	6,953	(521)	6,714	(282)
Medicare Managed Care	5,925	5,013	912	4,359	1,566
Horizon/Blue Cross	1,634	1,430	204	1,318	316
United Healthcare	298	350	(52)	253	45
Aetna	437	297	140	259	178
Cigna	173	261	(88)	86	87
Commercial/Managed Care	674	811	(137)	651	23
Medicaid	687	269	418	483	204
Medicaid Managed Care	3,709	2,881	828	2,976	733
Self-Pay/Charity	564	729	(165)	660	(96)
Total Inpatient Days	20,533	18,994	1,539	17,759	2,774
% of Days (Excl.Sp/Charity)	97%	96%		96%	
% of Days (Medicare/Medicare HMO)	60%	63%		62%	
% of Days (Horizon/Comm/Man Care)	16%	17%		11%	
% of Discharges (Medicaid/Medicaid HMO)	21%	17%		19%	
% of Days (SP/Charity)	3%	4%		4%	

ER Visits	15,576	11,594	3,982	16,146	(570)
ER Admits	3,353	3,353	-	2,946	407
Observation	832	1,240	(408)	1,313	(481)
FTE	660	-	660	670	(10)