

IJKG Opco, LLC

IJKG Opco, LLC (dba Bayonne Medical Center)

IJKG Propco, LLC

Bayonne Radonc Associates LLC

CONSOLIDATED

FINANCIAL STATEMENTS

December 31, 2023

DRAFT

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

	<u>31-Dec</u> <u>2023</u>	<u>31-Dec</u> <u>2022</u>
<u>Assets</u>		
Current Assets:		
Cash and cash equivalents	\$ 850	\$ 536
Cash and cash equivalents - Restricted	7,704	7,752
Net patient accounts receivable, current portion	24,141	16,741
Investments	1,074	1,074
Due from related party	2,651	14,327
Inventory & Other assets	3,540	3,384
Prepaid expenses	466	305
Total Current Assets	<u>40,426</u>	<u>44,119</u>
Non-Current Assets:		
Net patient accounts receivable, long term portion	17,949	17,949
	<u>17,949</u>	<u>17,949</u>
Intangible assets		
Right of use assets	14,024	21,233
Property and equipment, net	3,562	2,378
Net Assets, Deferred Cost & Equipment	<u>17,586</u>	<u>23,611</u>
Total Assets	<u>\$ 75,961</u>	<u>\$ 85,679</u>
<u>Liabilities and Member's Equity</u>		
Current Liabilities:		
Lease Liability, current portion	\$ 6,740	\$ 7,372
Accounts payable and accrued expenses	41,037	20,878
Accrued Compensation	4,342	4,041
Loan payable - Capitala	6,120	3,002
Loan payable - Maple	10,068	10,068
Deferred revenue	84	299
Accrued interest payable	694	160
Due to third party, current portion	618	618
Total Current Liabilities	<u>69,703</u>	<u>46,438</u>
Long Term Liabilities:		
Lease liability less current portion	7,499	14,076
Due to Third Party, less current portion	6,181	4,934
Total Liabilities	<u>83,383</u>	<u>65,448</u>
Member's Equity:		
Member's Equity (Net)	<u>(7,422)</u>	<u>20,231</u>
Total Member's Equity	<u>(7,422)</u>	<u>20,231</u>
Total Liabilities and Member's Equity	<u>\$ 75,961</u>	<u>\$ 85,679</u>

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

<u>Month ended December 31, 2023</u>						
<u>Actual</u>	<u>%</u>	<u>Budget</u>	<u>%</u>	<u>Variance</u>	<u>PY-2022</u>	<u>%</u>
21,717	89.37%	13,871	99.37%	7,846	11,619	91.40%
2,573	10.59%	21	0.15%	2,552	1,048	8.24%
11	0.05%	67	0.48%	(56)	45	0.35%
<u>24,301</u>	<u>100.00%</u>	<u>13,959</u>	<u>100.00%</u>	<u>10,343</u>	<u>12,712</u>	<u>100.00%</u>
5,194	21.38%	4,611	33.03%	584	5,588	43.96%
5,416	22.29%	7,114	50.97%	(1,698)	8,024	63.12%
246	1.01%	824	5.90%	(578)	823	6.48%
				-		
<u>10,857</u>	<u>44.68%</u>	<u>12,549</u>	<u>89.90%</u>	<u>(1,692)</u>	<u>14,436</u>	<u>113.56%</u>
<u>13,444</u>	<u>55.32%</u>	<u>1,409</u>	<u>10.10%</u>	<u>12,035</u>	<u>(1,724)</u>	<u>-13.56%</u>
-	0.00%	-	0.00%	-	-	0.00%
463	1.91%	368	2.64%	95	413	3.25%
718	2.95%	507	3.63%	211	749	5.89%
<u>1,181</u>	<u>4.86%</u>	<u>875</u>	<u>6.27%</u>	<u>306</u>	<u>1,163</u>	<u>9.15%</u>
<u>12,264</u>	<u>50.47%</u>	<u>534</u>	<u>3.83%</u>	<u>11,729</u>	<u>(2,886)</u>	<u>-22.71%</u>
650	2.67%	-	0.00%	650	-	0.00%
<u>12,914</u>	<u>53.14%</u>	<u>534</u>	<u>3.83%</u>	<u>12,379</u>	<u>(2,886)</u>	<u>-22.71%</u>

<u>YTD Ended December 31, 2023</u>							
<u>Actual</u>	<u>%</u>	<u>Budget</u>	<u>%</u>	<u>Variance</u>	<u>PY-2022</u>	<u>%</u>	
Operating Revenues							
Net patient service revenue	125,493	94.84%	164,709	97.95%	(39,216)	140,462	86.78%
Other operating revenue	6,325	4.78%	2,650	1.58%	3,675	20,901	12.91%
Charity care	499	0.38%	800	0.48%	(301)	489	0.30%
Total Revenues	132,317	100.00%	168,159	100.00%	(35,842)	161,852	100.00%
Operating Expenses							
Salaries and wages	64,839	49.00%	54,171	40.94%	10,668	66,467	50.23%
Supplies/Other expenses	77,447	58.53%	82,446	49.03%	(4,999)	89,124	55.07%
Employee benefits	7,706	5.82%	9,702	5.77%	(1,997)	10,221	6.32%
Provision for doubtful accounts					-		
Total Operating Expenses before Int, Depr	149,991	113.36%	146,319	87.01%	3,672	165,812	102.45%
Operating Income / (Loss) before Int, Depr	(17,674)	-13.36%	21,840	12.99%	(39,514)	(3,960)	-2.45%
Affiliated Interest (Income) Expense		0.00%	-	0.00%		(208)	-0.13%
Interest Expense	5,675	4.29%	4,419	2.63%	1,256	4,803	2.97%
Depreciation and Amortization	7,319	5.53%	6,081	3.62%	1,238	7,494	4.63%
Total Int, Depr	12,994	9.82%	10,500	6.24%	2,494	12,089	7.47%
Total Operating Income / (Loss)	(30,668)	-23.18%	11,340	6.74%	(42,009)	(16,049)	-9.92%
Income (Loss) of Non-Recurring Reserve	3,034	2.29%	-	0.00%	3,034	-	0.00%
Net Income (Loss)	(27,634)	-20.88%	11,340	6.74%	(38,975)	(16,049)	-9.92%

IJKG Opco, LLC (Consolidated)
d/b/a Bayonne Medical Center
STATEMENT OF CASH FLOWS (unaudited)
DRAFT
(in thousands)

	MTD December-23 <u>IJKG Opco LLC</u>	YTD December-23 <u>IJKG Opco LLC</u>
Cash Flows From Operating Activities:		
Income/(loss) from operations	\$ 12,914	\$ (27,634)
Adjustments to reconcile increase in net assets to cash provided by operating activities:		
Depreciation & Amortization	718	7,319
Change in operating assets and liabilities:		
(Increase)/decrease in patient accounts receivable	(13,444)	(7,400)
(Increase)/decrease in prepaid expenses and deposits	(86)	(161)
(Increase)/decrease in Due From Related Party	(167)	11,675
(Increase)/decrease in inventory and other assets	(266)	(156)
Increase/(decrease) in accounts payable, and other accrued expenses	1,853	20,159
Increase/(decrease) in Deferred Revenue	(11)	(215)
Increase/(decrease) in accrued compensation	318	303
Increase/(decrease) in accrued interest payable	130	534
Increase/(decrease) in estimated third-party payer settlements	(1,561)	1,247
<i>Net cash provided by/(used in) operating activities</i>	<u>398</u>	<u>5,671</u>
Cash Flows From Investing Activities:		
Acquisitions of property, plant, and equipment	(74)	(1,293)
<i>Net cash provided by/(used in) investing activities</i>	<u>(74)</u>	<u>(1,293)</u>
Cash Flows From Financing Activities:		
Proceeds from Financing, net of payments (Capitala)	-	3,118
Payment of Dividends	-	(20)
Repayment of capital lease obligation	(618)	(7,210)
<i>Net cash provided by/(used in) financing activities</i>	<u>(618)</u>	<u>(4,112)</u>
Net increase/(decrease) in cash and cash equivalents	(294)	267
Cash and cash equivalents at beginning of period	8,848	8,288
Cash and cash equivalents at end of period	<u>\$ 8,554</u>	<u>\$ 8,554</u>

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

December 2023 vs. December 2023 Budget

	<u>Dec-23 ACTUAL</u>	<u>Dec-23 BUDGET</u>	<u>Dec-23 VARIANCE</u>	<u>Dec-23 YTD ACTUAL</u>	<u>Dec-23 YTD BUDGET</u>	<u>Dec-23 YTD VARIANCE</u>
Salaries and Wages	5,102,428	4,204,463	(897,965)	57,558,548	49,504,157	8,054,391
Contract Labor	91,988	406,372	314,384	7,280,102	4,666,723	2,613,379
Salaries, Wages and Contract Labor	5,194,416	4,610,835	(583,581)	64,838,650	54,170,880	10,667,770
Policy Fringe Benefits	(81,266)	421,586	502,852	3,079,869	4,963,840	(1,883,971)
Taxes	327,427	402,424	74,997	4,625,637	4,738,216	(112,579)
Total Fringe Benefits	246,161	824,010	577,849	7,705,506	9,702,056	1,996,550
Consulting Fees/Purch Services	863,800	1,021,932	158,132	10,009,084	12,263,180	2,254,096
Billing Fees-Ensemble	56,748	255,956	199,208	2,439,005	2,784,775	345,770
Physician Related	233,937	306,604	72,667	3,595,793	3,679,242	83,449
Physician Related-Quality	936,720	1,269,859	333,139	14,239,319	13,475,627	(763,692)
Property Taxes	65,972	88,439	22,467	997,701	1,061,266	63,565
Medical Surgical Supplies	1,163,791	1,709,448	545,657	20,170,738	20,513,375	342,637
Liability and W/C Insurance	531,424	255,418	(276,006)	3,783,584	2,344,737	(1,438,847)
Rent, Maintenance, Repairs	108,865	392,378	283,513	2,289,695	4,708,535	2,418,840
Utilities	273,887	269,727	(4,160)	3,277,517	3,175,824	(101,693)
Pharmaceuticals	269,929	416,404	146,475	3,878,072	4,902,812	1,024,740
Management Fee	630,269	723,349	93,080	9,825,083	8,680,189	(1,144,894)
All Other Supply	280,668	404,708	124,040	2,941,695	4,856,499	1,914,804
Total Supplies and Other	5,416,010	7,114,221	1,698,211	77,447,286	82,446,060	4,998,774
Interest	463,015	368,241	(94,774)	5,675,133	4,418,890	(1,256,243)
Depreciation	717,817	506,739	(211,078)	7,318,690	6,080,872	(1,237,818)
Lease, Interest, Depreciation	1,180,832	874,980	(305,852)	12,993,823	10,499,762	(2,494,061)
Grand Total	12,037,419	13,424,046	1,386,627	162,985,265	156,818,758	(6,166,507)

December 2023 Actual vs. December 2022 Actual

	<u>Dec-23 ACTUAL</u>	<u>Dec-22 ACTUAL</u>	<u>2023 vs 2022 VARIANCE</u>	<u>Dec-23 YTD ACTUAL</u>	<u>Dec-22 YTD ACTUAL</u>	<u>2023 vs 2022 Variance</u>
Salaries and Wages	5,102,428	4,357,588	744,840	57,558,548	52,331,410	5,227,138
Contract Labor	91,988	1,230,881	(1,138,893)	7,280,102	14,135,264	(6,855,162)
Salaries, Wages and Contract Labor	5,194,416	5,588,469	(394,053)	64,838,650	66,466,674	(1,628,024)
Policy Fringe Benefits	(81,266)	388,740	(470,006)	3,079,869	5,435,551	(2,355,682)
Taxes	327,427	434,548	(107,121)	4,625,637	4,785,477	(159,840)
Total Fringe Benefits	246,161	823,287	(577,126)	7,705,506	10,221,028	(2,515,522)
Consulting Fees/Purch Services	863,800	893,779	(29,979)	10,009,084	10,419,054	(409,970)
Billing Fees	56,748	377,756	(321,008)	2,439,005	4,109,945	(1,670,940)
Physician Related	233,937	378,600	(144,663)	3,595,793	4,028,839	(433,046)
Physician Related-Quality	936,720	1,358,066	(421,346)	14,239,319	14,444,959	(205,640)
Property Taxes	65,972	94,885	(28,913)	997,701	1,141,030	(143,329)
Medical Surgical Supplies	1,163,791	2,575,130	(1,411,339)	20,170,738	29,817,583	(9,646,845)
Liability and W/C Insurance	531,424	337,651	193,773	3,783,584	3,099,632	683,952
Rent, Maintenance, Repairs	108,865	185,052	(76,187)	2,289,695	3,301,789	(1,012,094)
Utilities	273,887	224,615	49,272	3,277,517	2,855,306	422,211
Pharmaceuticals	269,929	457,217	(187,288)	3,878,072	2,782,594	1,095,478
Management Fee	630,269	740,678	(110,409)	9,825,083	10,406,168	(581,085)
All Other Supply	280,668	400,599	(119,931)	2,941,695	2,716,954	224,741
Total Supplies and Other	5,416,010	8,024,029	(2,608,019)	77,447,286	89,123,853	(11,676,567)
Affiliated Interest (Income) Expense	-	-	-	-	(207,654)	207,654
Interest	463,015	413,436	49,579	5,675,133	4,802,680	872,453
Depreciation	717,817	749,137	(31,320)	7,318,690	7,494,053	(175,363)
Lease, Interest, Depreciation	1,180,832	1,162,573	18,259	12,993,823	12,089,079	904,744
Grand Total	12,037,419	15,598,358	(3,560,939)	162,985,265	177,900,634	(14,915,369)

IJKG Opco, LLC (Consolidated)
dba Bayonne Medical Center
Statistics by Service and Payor
12/31/2023

December MTD 2023 Actual	December MTD 2023 Budget	December MTD 2023 Variance	December MTD 2022 Actual	December MTD 2022 Variance
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325	381	(56)	357	(32)
325	381	(56)	357	(32)
325	381	(56)	357	(32)
28	32	(4)	32	(4)
-	-	-	-	-
353	413	(60)	389	(36)

2,192	2,094	98	2,482	(290)
2,192	2,094	98	2,482	(290)
2,192	2,094	98	2,482	(290)
293	232	61	292	1
-	-	-	-	-
2,485	2,326	159	2,774	(289)

6.74	5.50	1.25	6.95	(0.21)
-	-	-	-	-
6.74	5.50	1.25	6.95	(0.21)
10.46	7.25	3.21	9.13	1.34
7.04	5.63	1.41	7.13	(0.09)

128	150	(22)	143	(15)
93	100	(7)	89	4
24	37	(13)	36	(12)
4	13	(9)	9	(5)
3	7	(4)	9	(6)
4	4	-	4	-
21	19	2	16	5
16	6	10	13	3
49	63	(14)	58	(9)
11	14	(3)	12	(1)
353	413	(60)	389	(36)
97%	97%		97%	
63%	61%		60%	
16%	19%		13%	
18%	17%		18%	
3%	3%		3%	

921	873	48	914	7
786	615	171	783	3
112	171	(59)	266	(154)
7	63	(56)	39	(32)
15	43	(28)	52	(37)
5	10	(5)	10	(5)
148	75	73	63	85
147	42	105	134	13
280	360	(80)	467	(187)
64	74	(10)	46	18
2,485	2,326	159	2,774	(289)
97%	97%		98%	
69%	64%		61%	
12%	16%		12%	
17%	17%		22%	
3%	3%		2%	

1,801	1,376	425	1,816	(15)
372	372	-	301	71
95	119	(24)	121	(26)
694	-	694	685	9

December YTD 2023 Actual	December YTD 2023 Budget	December YTD 2023 Variance	December YTD 2022 Actual	December YTD 2022 Variance
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Discharges by Service

Medical-Surgical	4,197	4,074	123	3,773	424
Med/Surg Sub Total	4,197	4,074	123	3,773	424
Acute Subtotal	4,197	4,074	123	3,773	424
Behavioral	353	397	(44)	365	(12)
TCU	3	-	3	-	3
Total Inpatient	4,553	4,471	82	4,138	415

Patient Days by Service

Medical-Surgical	24,275	22,319	1,956	21,364	2,911
Med/Surg Sub Total	24,275	22,319	1,956	21,364	2,911
Acute Subtotal	24,275	22,319	1,956	21,364	2,911
Behavioral	3,338	2,973	365	2,802	536
TCU	44	-	-	-	44
Total Inpatient	27,657	25,292	2,321	24,166	3,491

ALOS by Service

Medical-Surgical	5.78	5.48	0.31	5.66	0.12
ICU	-	-	-	-	-
Pediatrics	-	-	-	-	-
Acute Subtotal	5.78	5.48	0.31	5.66	0.12
Behavioral	9.46	7.49	1.97	7.68	1.78
Total Inpatient	6.07	5.66	0.42	5.84	0.23

Discharges by Payor

Medicare	1,411	1,565	(154)	1,516	(105)
Medicare HMO	1,232	1,093	139	927	305
Horizon/Blue Cross	406	407	(1)	368	38
United Healthcare	70	91	(21)	55	15
Aetna	87	63	24	60	27
Cigna	46	65	(19)	41	5
Commercial/Managed Care	217	267	(50)	229	(12)
Medicaid	120	46	74	76	44
Medicaid HMO	804	665	139	689	115
Self-Pay/Charity *	160	209	(49)	177	(17)
Total Inpatient Discharges	4,553	4,471	82	4,138	415
% of Discharges (Excl.Sp/Charity)	96%	95%		96%	
% of Discharges (Medicare/Medicare HMO)	58%	59%		59%	
% of Discharges (Horizon/Comm/Man Care)	18%	20%		14%	
% of Discharges (Medicaid/Medicaid HMO)	20%	16%		18%	
% of Discharges (SP/Charity)	4%	5%		4%	

Patient Days by Payor

Medicare	8,963	9,239	(276)	8,950	13
Medicare Managed Care	8,214	6,736	1,478	6,100	2,114
Horizon/Blue Cross	1,983	1,919	64	1,845	138
United Healthcare	345	483	(138)	336	9
Aetna	482	397	85	345	137
Cigna	195	299	(104)	168	27
Commercial/Managed Care	903	1,049	(146)	843	60
Medicaid	992	332	660	723	269
Medicaid Managed Care	4,719	3,833	886	3,984	735
Self-Pay/Charity	861	1,005	(144)	872	(11)
Total Inpatient Days	27,657	25,292	2,365	24,166	3,491
% of Days (Excl.Sp/Charity)	97%	96%		96%	
% of Days (Medicare/Medicare HMO)	62%	63%		62%	
% of Days (Horizon/Comm/Man Care)	14%	16%		11%	
% of Discharges (Medicaid/Medicaid HMO)	21%	16%		19%	
% of Days (SP/Charity)	3%	4%		4%	

ER Visits	20,682	15,772	4,910	21,769	(1,087)
ER Admits	4,561	3,954	607	4,092	469
Observation	1,118	1,673	(555)	1,750	(632)
FTE	665	-	665	671	(6)