

HUMC OPKO, LLC

FINANCIAL STATEMENTS

DRAFT

December 2022

HUMC OPCO, LLC

Balance Sheet

(in thousands)

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Assets

Current Assets:

	<u>31-Dec</u> <u>2022</u>	<u>31-Dec</u> <u>2021</u>
	(Unaudited)	(Unaudited)
Cash and cash equivalents	205	22,945
Cash and cash equivalents - Restricted	17,099	30,996
Net Patient Accounts Receivable	53,545	54,363
Investments	1,003	1,003
Due from Related Party	32,440	28,565
Other receivables	1,635	812
Prepaid expenses	1,187	1,227
Inventory	2,940	2,841
Total current assets	\$ 110,053	\$ 142,752
Intangible Assets	\$ 12,872	\$ 15,447
Property and equipment, net	30,681	35,051
Total Assets, Deferred Cost & Equipment	\$ 43,554	\$ 50,498
Total Assets	\$ 153,607	\$ 193,251

Liabilities and Member's Equity

Current Liabilities:

Current portion of Capitalized leases	\$5,079	\$4,713
Accounts payable and accrued expenses	17,444	11,658
Accrued Compensation	6,505	5,399
Deferred Revenue	17,222	26,370
Accrued interest payable	3,980	2,722
Capitala Loan	23,799	28,039
Sponsor Loan	8,707	8,707
Due to Third Party-Current Portion	800	820
Total current liabilities	\$ 83,536	\$ 88,428

Long Term Liabilities:

Capital Lease Payable, less current portion	16,647	21,672
Due to Third Party, less current portion	4,586	8,695
Benefits Payable	1,152	1,279
Total liabilities	\$ 105,922	\$ 120,074

Member's Equity:

Member's Equity (Net)	\$ 47,685	\$ 73,176
Total Member's Equity	\$ 47,685	\$ 73,176
Total Liabilities and Member's Equity	\$ 153,607	\$ 193,251

HUMC OPCO, LLC
Statement of Operations (unaudited)
Draft

Month Ended December 31, 2022						
Actual	%	Budget	%	Variance	PY-2021	%
10,739	64%	16,801	93%	(6,062)	12,922	90%
5,203	31%	326	2%	4,877	559	4%
915	5%	915	5%	0	915	6%
16,856	100%	18,042	100%	(1,185)	14,395	100%
6,469	38%	5,524	31%	(946)	4,838	34%
8,720	52%	7,481	41%	(1,239)	7,100	49%
1,435	9%	1,444	8%	9	1,320	9%
16,624	99%	14,449	80%	(2,175)	13,257	92%
232	1%	3,593	20%	(3,360)	1,137	8%
-	0%	(70)	0%	(70)	(1,623)	-11%
632	4%	578	3%	(54)	581	4%
583	3%	684	4%	101	621	4%
1,215	7%	1,191	7%	(24)	(421)	-3%
(983)	-6%	2,401	13%	(3,384)	1,559	11%
118	1%	-	0%	118	79	1%
118		-		118	79	
(865)	-5%	2,401	13%	(3,266)	1,638	11%

Year to date ending December 31, 2022							
Actual	%	Budget	%	Variance	PY-2021	%	
Operating Revenues							
Net patient service revenue	132,245	77%	165,687	87%	(33,442)	151,090	80%
Other operating revenue	28,997	17%	14,428	8%	14,569	27,128	14%
Charity Care Subsidy	10,976	6%	10,976	6%	(0)	11,088	6%
Total Revenues	172,218	100%	191,091	100%	(18,873)	189,306	100%
Operating Expenses							
Salaries and wages	68,682	40%	67,970	36%	(712)	65,008	34%
Supplies/Other Expenses	101,011	59%	91,748	48%	(9,263)	90,400	48%
Employee benefits	14,853	9%	17,006	9%	2,153	16,419	9%
Total Operating Expenses before Int, Depr, Amort	184,546	107%	176,724	92%	(7,822)	171,827	91%
Operating Income / (Loss) before Int, Depr, Amort	(12,328)	-7%	14,367	8%	(26,695)	17,479	9%
Affiliate Interest (Income) Expense	(363)	0%		0%	363	(2,924)	-2%
Interest Expense	7,149	4%	6,931	4%	(219)	6,931	4%
Depreciation and Amortization	7,663	4%	8,206	4%	542	8,066	4%
Total Int, Depr, Amort	14,450	8%	15,137	8%	687	12,072	6%
Total Operating Income / (Loss)	(26,778)	-16%	(769)	0%	(26,008)	5,407	3%
Income (Loss) of Non-Recurring Reserve	1,287	1%	-	0%	1,287	1,170	1%
	1,287		-		1,287	1,170	
Net Income (Loss)	(25,491)	-15%	(769)	0%	(24,722)	6,577	3%

HUMC OPCO, LLC
December 2022 Expense Variances
December 2022 Actual vs. December 2022 Budget

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Type	Dec-22 <u>ACTUAL</u>	Dec-22 <u>BUDGET</u>	Dec-22 <u>VARIANCE</u>	Dec-22 <u>YTD ACTUAL</u>	Dec-22 <u>YTD BUDGET</u>	Dec-22 <u>YTD VARIANCE</u>
Salaries and Wages	\$ 5,878,873	\$ 5,288,037	\$ (590,836)	\$ 61,592,826	\$62,262,372.77	\$ 669,547
Contract Labor	\$ 590,618	\$ 235,636	\$ (354,982)	\$ 7,088,965	\$5,707,706.25	\$ (1,381,259)
Salaries, Wages and Contract Labor	\$ 6,469,491	\$ 5,523,673	\$ (945,818)	\$ 68,681,791	\$ 67,970,079	\$ (711,712)
Policy Fringe Benefits	\$ 963,222	\$ 1,015,190	\$ 51,968	\$ 9,856,708	\$11,953,045.06	\$ 2,096,337
Taxes	\$ 471,868	\$ 429,145	\$ (42,723)	\$ 4,996,385	\$5,052,837.95	\$ 56,453
Total Fringe Benefits	\$ 1,435,090	\$ 1,444,335	\$ 9,245	\$ 14,853,093	\$ 17,005,883	\$ 2,152,790
Consulting Fees/Purch Services	\$ 880,473	\$ 928,871	\$ 48,398	\$ 14,218,405	\$12,255,757	\$ (1,962,648)
Collection Fees	\$ 398,340	\$ 431,702	\$ 33,362	\$ 5,029,217	\$5,193,340	\$ 164,123
Physician Fees -Quality	\$ 1,920,627	\$ 1,714,113	\$ (206,514)	\$ 24,068,181	\$22,940,013	\$ (1,128,168)
Physician Fees	\$ 282,718	\$ 76,568	\$ (206,150)	\$ 2,150,278	\$1,570,144	\$ (580,134)
Property Taxes	\$ 88,908	\$ 88,697	\$ (211)	\$ 1,053,947	\$1,064,359	\$ 10,412
Medical Surgical Supplies	\$ 1,413,266	\$ 1,532,135	\$ 118,869	\$ 16,057,949	\$15,232,648	\$ (825,301)
Liability Insurance	\$ 565,950	\$ 252,982	\$ (312,968)	\$ 4,054,925	\$3,091,745	\$ (963,180)
Rent, Maintenance, Repairs	\$ 795,960	\$ 703,534	\$ (92,426)	\$ 8,796,076	\$8,442,413	\$ (353,663)
Utilities	\$ 189,090	\$ 141,074	\$ (48,016)	\$ 1,970,439	\$1,661,038	\$ (309,401)
Pharmaceuticals	\$ 292,212	\$ 299,218	\$ 7,006	\$ 3,928,412	\$4,523,210	\$ 594,798
Management Fee	\$ 958,655	\$ 902,633	\$ (56,022)	\$ 11,912,546	\$10,831,593	\$ (1,080,953)
All Other Supply	\$ 933,627	\$ 409,614	\$ (524,013)	\$ 7,770,335	\$4,941,547	\$ (2,828,788)
Total Supplies and Other	\$ 8,719,826	\$ 7,481,141	\$ (1,238,685)	\$ 101,010,710	\$ 91,747,807	\$ (9,262,903)
Interest	\$ 632,018	\$ 577,572	\$ (54,446)	\$ 7,149,414	\$6,930,863	\$ (218,551)
Depreciation	\$ 582,983	\$ 683,810	\$ 100,827	\$ 7,663,227	\$8,205,716	\$ 542,489
Lease, Interest, Depreciation & Other	\$ 1,215,001	\$ 1,261,382	\$ 46,381	\$ 14,812,641	\$ 15,136,580	\$ 323,938
Grand Total	\$ 17,839,408	\$ 15,710,531	\$ (2,128,877)	\$ 199,358,236	\$ 191,860,349	\$ (7,497,887)

December 2022 Actual vs. December 2021 Actual

Variance-Type	Dec-22 <u>ACTUAL</u>	Dec-21 <u>ACTUAL</u>	2022 vs. 2021 <u>VARIANCE</u>	Dec-22 <u>YTD ACTUAL</u>	Dec-21 <u>YTD ACTUAL</u>	2022 vs. 2021 <u>YTD VARIANCE</u>
Salaries and Wages	\$ 5,878,873	\$ 4,515,204	\$ (1,363,669)	\$ 61,592,826	\$ 59,880,967	\$ (1,711,859)
Contract Labor	\$ 590,618	\$ 322,739	\$ (267,879)	\$ 7,088,965	\$ 5,126,672	\$ (1,962,293)
Salaries, Wages and Contract Labor	\$ 6,469,491	\$ 4,837,943	\$ (1,631,548)	\$ 68,681,791	\$ 65,007,639	\$ (3,674,152)
Policy Fringe Benefits	\$ 963,222	\$ 941,310	\$ (21,912)	\$ 9,856,708	\$ 11,595,941	\$ 1,739,233
Taxes	\$ 471,868	\$ 378,434	\$ (93,434)	\$ 4,996,385	\$ 4,822,838	\$ (173,547)
Total Fringe Benefits	\$ 1,435,090	\$ 1,319,744	\$ (115,346)	\$ 14,853,093	\$ 16,418,779	\$ 1,565,686
Consulting Fees/Purch Services	\$ 880,473	\$ 1,447,702	\$ 567,229	\$ 14,218,405	\$ 10,250,377	\$ (3,968,028)
Collection Fees	\$ 398,340	\$ 586,205	\$ 187,865	\$ 5,029,217	\$ 5,557,847	\$ 528,630
Physician Fees - Quality	\$ 1,920,627	\$ 574,486	\$ (1,346,141)	\$ 24,068,181	\$ 22,054,078	\$ (2,014,103)
Physician Fees	\$ 282,718	\$ 231,798	\$ (50,920)	\$ 2,150,278	\$ 1,700,506	\$ (449,772)
Property Taxes	\$ 88,908	\$ 80,982	\$ (7,926)	\$ 1,053,947	\$ 1,060,656	\$ 6,709
Medical Surgical Supplies	\$ 1,413,266	\$ 1,226,143	\$ (187,123)	\$ 16,057,949	\$ 14,989,057	\$ (1,068,892)
Liability Insurance	\$ 565,950	\$ 206,625	\$ (359,325)	\$ 4,054,925	\$ 3,385,793	\$ (669,132)
Rent, Maintenance, Repairs	\$ 795,960	\$ 314,587	\$ (481,373)	\$ 8,796,076	\$ 8,134,168	\$ (661,908)
Utilities	\$ 189,090	\$ 133,834	\$ (55,256)	\$ 1,970,439	\$ 1,715,033	\$ (255,406)
Pharmaceuticals	\$ 292,212	\$ 755,737	\$ 463,525	\$ 3,928,412	\$ 4,779,985	\$ 851,573
Management Fee	\$ 958,655	\$ 969,305	\$ 10,650	\$ 11,912,546	\$ 11,723,541	\$ (189,005)
All Other Supply	\$ 933,627	\$ 572,384	\$ (361,243)	\$ 7,770,335	\$ 5,049,362	\$ (2,720,973)
Total Supplies and Other	\$ 8,719,826	\$ 7,099,788	\$ (1,620,038)	\$ 101,010,710	\$ 90,400,403	\$ (10,610,307)
Interest	\$ 632,018	\$ 580,754	\$ (51,264)	\$ 7,149,414	\$ 6,931,004	\$ (218,410)
Depreciation	\$ 582,983	\$ 621,061	\$ 38,078	\$ 7,663,227	\$ 8,065,760	\$ 402,533
Lease, Interest, Depreciation & Other	\$ 1,215,001	\$ 1,201,815	\$ (13,186)	\$ 14,812,641	\$ 14,996,764	\$ 184,123
Grand Total	\$ 17,839,408	\$ 14,459,290	\$ (3,380,118)	\$ 199,358,236	\$ 186,823,585	\$ (12,534,651)

HUMC OPCO LLC
STATEMENT OF CASH FLOWS (unaudited)
DRAFT
(\$\$ thousands)

	MTD	YTD
	<u>December-22</u>	<u>December-22</u>
	<u>HUMC LLC</u>	<u>HUMC LLC</u>
Cash Flows From Operating Activities:		
Income/(loss) from operations	(865)	(25,491)
Adjustments to reconcile increase in net assets to cash provided by operating activities:		
Depreciation & Amortization	583	7,666
Change in operating assets and liabilities:		
(Increase)/decrease in patient accounts receivable	150	818
(Increase)/decrease in other receivables	(25)	(922)
(Increase)/decrease in loan receivables	-	(5,000)
(Increase)/decrease in prepaid expenses and deposits	357	39
(Increase)/decrease in due from related party	80	1,125
Increase/(decrease) in accounts payable, and other accrued expenses	1,263	5,787
Increase/(decrease) in deferred revenue	(5,563)	(9,149)
Increase/(decrease) in accrued compensation	1,250	1,107
Increase/(decrease) in benefit payable	3	(127)
Increase/(decrease) in accrued interest payable	172	1,258
Increase/(decrease) in estimated third-party payer settlements	97	(4,129)
Net cash provided by/(used in) operating activities	<u>(2,497)</u>	<u>(27,018)</u>
Cash Flows From Investing Activities:		
Acquisitions of property, plant, and equipment	2	(721)
Net cash provided by/(used in) investing activities	<u>2</u>	<u>(721)</u>
Cash Flows From Financing Activities:		
Proceeds from/(repayment of) short-term debt	(0)	(4,240)
Repayment of capital lease obligation	(381)	(4,659)
Net cash provided by/(used in) financing activities	<u>(381)</u>	<u>(8,899)</u>
Net increase/(decrease) in cash and cash equivalents	(2,876)	(36,637)
Cash and cash equivalents at beginning of period	20,180	53,941
Cash and cash equivalents at end of period	<u>17,304</u>	<u>17,304</u>

HOBOKEN UNIVERSITY MEDICAL CENTER
Statistics by Service and Payor
December-22

December Month 2022 Actual	December Month 2022 Budget	December Month 2022 Variance	December Month 2021 Actual	December Month 2021 Variance
192	356	(164)	260	(68)
192	356	(164)	260	(68)
13		13	-	13
82	104	(22)	72	10
80	97	(17)	69	11
367	557	(190)	401	(34)
111	135	(24)	101	10
-	-	-	-	-
33	29	4	22	11
511	721	(210)	524	(13)

1,020	2,076	(1,056)	1,400	(380)
1,020	2,076	(1,056)	1,400	(380)
20		20		
227	264	(37)	171	56
197	251	(54)	145	52
1,464	2,591	(1,127)	1,716	(252)
967	944	23	707	260
-	-	-	-	-
341	238	103	165	176
2,772	3,773	(1,001)	2,588	184

5.3	5.8	(0.5)	5.4	(0.1)
5.3	5.8	(0.5)	5.4	(0.1)
-	-	-	-	-
2.8	2.5	0.2	2.4	0.4
2.5	2.6	(0.1)	2.1	0.4
4.0	4.7	(0.7)	4.3	(0.3)
8.7	7.0	1.7	7.0	1.7
-	-	-	-	-
10.3	8.2	2.1	7.5	2.8
5.4	5.2	0.2	4.9	0.5

66	122	(56)	83	(17)
62	101	(39)	79	(17)
56	72	(16)	54	2
21	37	(16)	-	21
25	21	4	-	25
20	36	(16)	-	20
24	26	(2)	63	(39)
48	28	20	29	19
156	205	(49)	161	(5)
33	73	(40)	55	(22)
511	721	(210)	524	(13)
94%	90%		90%	
25%	31%		31%	
29%	27%		22%	
6%	10%		10%	
40%	32%		36%	

550	871	(321)	647	(97)
417	736	(319)	519	(102)
218	280	(62)	182	36
137	154	(17)	-	137
90	77	13	-	90
100	126	(26)	-	100
118	106	12	181	(63)
144	104	40	87	57
899	940	(41)	672	227
99	379	(280)	300	(201)
2,772	3,773	(1,001)	2,588	184
96%	90%		88%	
35%	43%		45%	
24%	20%		14%	
4%	10%		12%	
38%	28%		29%	

3,613	3,273	340	3,793	(180)
362	362	-	385	(23)
221	205	16	205	16
793	-		778	15

December YTD 2022 Actual	December YTD 2022 Budget	December YTD 2022 Variance	December YTD 2021 Actual	December YTD 2021 Variance
2,345	3,658	(1,313)	2,765	(420)
2,345	3,658	(1,313)	2,765	(420)
15	-	15	42	(27)
836	1,234	(398)	911	(75)
805	1,178	(373)	874	(69)
4,001	6,070	(2,069)	4,592	(591)
1,295	1,497	(202)	1,287	8
-	-	-	45	(45)
286	311	(25)	275	11
5,582	7,878	(2,296)	6,199	(617)

Discharges by Service

Medical-Surgical	2,345	3,658	(1,313)	2,765	(420)
Med/Surg Sub Total	2,345	3,658	(1,313)	2,765	(420)
Pediatrics	15	-	15	42	(27)
OB/GYN	836	1,234	(398)	911	(75)
Newborn	805	1,178	(373)	874	(69)
Acute Subtotal	4,001	6,070	(2,069)	4,592	(591)
Behavioral	1,295	1,497	(202)	1,287	8
Rehab	-	-	-	45	(45)
TCU	286	311	(25)	275	11
Total Inpatient	5,582	7,878	(2,296)	6,199	(617)

Patient Days by Service

Medical-Surgical	14,242	21,769	(7,527)	16,618	(2,376)
Med/Surg Sub Total	14,242	21,769	(7,527)	16,618	(2,376)
Pediatrics	32	-	32	136	(104)
OB/GYN	2,291	3,147	(856)	2,338	(47)
Newborn	2,006	2,975	(969)	2,150	(144)
Acute Subtotal	18,571	27,891	(9,320)	21,242	(2,671)
Behavioral	9,672	10,587	(915)	9,179	493
Rehab	-	-	-	782	(782)
TCU	2,718	2,567	151	2,297	421
Total Inpatient	30,961	41,045	(10,084)	33,500	(2,539)

ALOS by Service

Medical-Surgical	6.1	6.0	0.1	6.0	0.1
Med/Surg Sub Total	6.1	6.0	0.1	6.0	0.1
Pediatrics	-	-	-	3.2	(3.2)
OB/GYN	2.7	2.6	0.2	2.6	0.2
Newborn	2.5	2.5	(0.0)	2.5	0.0
Acute Subtotal	4.6	4.6	0.0	4.6	0.0
Behavioral	7.5	7.1	0.4	7.1	0.3
Rehab	-	-	-	17.4	(17.4)
TCU	9.5	8.3	1.2	8.4	1.2
Total Inpatient	5.5	5.2	0.3	5.4	0.1

Discharges by Payor Group

Medicare	825	1,220	(395)	970	(145)
Medicare HMO	670	961	(291)	758	(88)
Horizon/Blue Cross	623	931	(308)	720	(97)
Aetna	187	217	(30)	-	187
Cigna	153	150	3	-	153
United Healthcare	202	285	(83)	-	202
Commercial/Managed Care	254	604	(350)	873	(619)
Medicaid	506	272	234	495	11
Medicaid HMO	1,822	2,230	(408)	1,822	-
Self Pay/Charity *	340	1,008	(668)	561	(221)
Total Inpatient Discharges	5,582	7,878	(2,296)	6,199	(617)
% of Discharges (Excl.Sp/Charity)	94%	87%		91%	
% of Discharges (Medicare/Medicare HMO)	27%	28%		28%	
% of Discharges (Horizon/Comm/Man Care)	25%	28%		26%	
% of Discharges (SP/Charity)	6%	13%		9%	
% of Discharges (Medicaid/Medicaid HMO)	42%	32%		37%	

Patient Days by payor Group

Medicare	7,349	9,115	(1,766)	7,222	127
Medicare HMO	5,199	7,278	(2,079)	6,016	(817)
Horizon/Blue Cross	2,444	3,680	(1,236)	2,903	(459)
Aetna	952	883	69	-	952
Cigna	616	569	47	-	616
United Healthcare	666	1,004	(338)	-	666
Commercial/Managed Care	1,081	2,455	(1,374)	3,420	(2,339)
Medicaid	1,914	1,006	908	1,621	293
Medicaid HMO	9,046	10,039	(993)	8,772	274
Self Pay/Charity	1,694	5,016	(3,322)	3,546	(1,852)
Total Inpatient Days	30,961	41,045	(10,084)	33,500	(2,539)
% of Days (Excl.Sp/Charity)	95%	88%		89%	
% of Days (Medicare/Medicare HMO)	41%	40%		40%	
% of Days (Horizon/Comm/Man Care)	19%	21%		19%	
% of Days (SP/Charity)	5%	12%		11%	
% of Discharges (Medicaid/Medicaid HMO)	35%	27%		31%	

ER Visits	38,043	29,210	8,833	34,394	3,649
ER Admits	3,984	3,984	-	4,393	(409)
Obsevation	2,412	1,719	693	1,797	615
FTE's	783	-		819	(36)