

# Hackensack Meridian Health, Inc.

## Financial Statements

December 31, 2021  
(UNAUDITED)

# Hackensack Meridian Health, Inc.

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**December 31, 2021  
(Unaudited)**

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**HACKENSACK MERIDIAN HEALTH, INC**  
**Consolidated Balance Sheets**  
**December 31, 2021 and December 31, 2020**  
**(Unaudited)**

*( in thousands )*

	<b>December 31, 2021</b>	<b>December 31, 2020</b>
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 388,485	\$ 692,245
Patient accounts receivable, net	717,737	586,380
Pledges receivable, net	72,857	46,556
Other current assets	525,288	530,591
Assets limited as to use and short-term investments, current portion	1,361,586	743,696
Total current assets	3,065,953	2,599,468
Assets limited as to use and investments, non-current portion		
Investments in joint ventures	3,777,643	4,113,178
Property and equipment, net	170,506	145,487
Operating lease right-of-use assets, net	3,164,553	3,009,732
Other assets	218,315	237,313
Total assets	\$ 10,717,221	\$ 10,458,340
<b>Liabilities and Net Assets</b>		
Current liabilities		
Current maturities of long-term debt and capital lease obligations	\$ 80,507	\$ 62,067
Current portion of operating lease obligations	31,030	34,440
Accounts payable and accrued expenses	1,116,075	974,689
Other current liabilities	525,464	365,564
Total current liabilities	1,753,076	1,436,760
Long-term debt and capital lease obligation, less current maturities		
Long-term operating lease obligations	3,068,243	3,154,891
Accrued pension benefits	195,182	209,134
Other liabilities	110,470	317,354
Total liabilities	495,830	997,135
Total liabilities		
Total liabilities	5,622,801	6,115,274
Net assets		
Without donor restrictions controlled by the Network	4,697,994	4,021,365
Without donor restrictions attributable to noncontrolling interests	96,537	83,309
Net assets without donor restrictions	4,794,531	4,104,674
Net assets with donor restrictions	299,889	238,392
Total net assets	5,094,420	4,343,066
Total liabilities and net assets	\$ 10,717,221	\$ 10,458,340

**HACKENSACK MERIDIAN HEALTH, INC**  
**Consolidated Statements of Operations**  
**For the Twelve Months Ended December 31, 2021 and 2020**  
**(Unaudited)**

*( in thousands )*

	<b>December 31, 2021</b>	<b>December 31, 2020</b>
<b>Unrestricted revenue and other support</b>		
Net patient service revenue	\$ 6,072,280	\$ 5,138,142
Other revenue	321,168	290,463
Net gain on equity investments	40,396	19,502
Net assets released from restriction used for operating activities	16,051	22,291
Total unrestricted revenues and other support	6,449,895	5,470,398
<b>Expenses</b>		
Salaries and contracted labor	2,495,018	2,359,671
Physician salaries and fees	495,302	448,745
Employee benefits	591,601	555,712
Supplies and other expenses	2,484,919	2,193,286
Depreciation and amortization	266,780	259,256
Interest	90,394	82,134
Total expenses	6,424,014	5,898,804
Income from operations before other operating adjustments	25,881	(428,406)
Change in assets held for sale - Long Term Care	(52,513)	(44,549)
Federal legislative relief-CARES Act and other	5,465	517,557
Federal legislative relief- FEMA	151,497	-
Income from operations after other operating adjustments	130,330	44,602
<b>Other operating adjustments</b>		
Investment income	326,076	329,127
Unrealized gain on derivative investments	71,821	(11,656)
Loss on termination of debt/swaps	(62,568)	-
Other gains, net	49,762	55,799
Excess of revenues over expenses	515,421	417,872
<b>Other adjustments in net assets without donor restrictions</b>		
Net assets released from restriction for capital acquisition	21,318	6,515
Pension-related adjustments	161,524	(89,519)
Other changes in unrestricted net assets	2,811	54,682
Distributions to noncontrolling interests	(11,217)	1,526
Increase in net assets without donor restrictions	\$ 689,857	\$ 391,076



**Hackensack Meridian Health, Inc**  
**Detail by Hospital Campus - Consolidating Statement of Operations**  
**For the Twelve Months Ended December 31, 2021**  
**(Unaudited)**  
*( in thousands)*

	Hackensack University Medical Center	Palisades Medical Center	JFK Medical Center	Bayshore Medical Center	Jersey Shore University Medical Center	Ocean Medical Center	Raritan Bay Medical Center Old Bridge	Raritan Bay Medical Center Perth Amboy	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	\$ 1,998,057	\$ 184,519	\$ 651,194	\$ 186,585	\$ 1,096,326	\$ 449,201	\$ 126,764	\$ 131,402	\$ -	\$ 349,954	\$ 229,836	\$ 80,727	\$ -	\$ 5,484,565	\$ 608,792	\$ 6,093,357	\$ (21,077)	\$ 6,072,280
Other revenue	92,203	3,184	24,169	274	21,272	8,903	8,115	3,219	-	2,633	1,654	603	-	166,229	184,644	350,873	(29,705)	321,168
Net gain on equity investments	21,541	-	1,978	-	-	-	-	-	-	-	-	-	-	23,519	16,877	40,396	-	40,396
Net assets released from restriction used for operating activities	5,695	260	576	214	3,560	401	18	250	-	1,653	110	1,274	-	14,011	2,040	16,051	-	16,051
Total unrestricted revenues and other support	<u>2,117,496</u>	<u>187,963</u>	<u>677,917</u>	<u>187,073</u>	<u>1,121,158</u>	<u>458,505</u>	<u>134,897</u>	<u>134,871</u>	<u>-</u>	<u>354,240</u>	<u>231,600</u>	<u>82,604</u>	<u>-</u>	<u>5,688,324</u>	<u>612,353</u>	<u>6,500,677</u>	<u>(50,782)</u>	<u>6,449,895</u>
<b>Expenses</b>																		
Salaries and contracted labor	728,719	87,748	311,140	80,757	397,662	191,537	48,282	74,479	32	140,238	81,238	52,128	-	2,193,960	304,521	2,498,481	(3,463)	2,495,018
Physician salaries and fees	26,186	8,650	1,779	3,575	21,995	11,909	906	5,180	-	8,351	3,411	6,547	-	98,489	396,813	495,302	-	495,302
Employee Benefits	172,710	24,928	70,815	19,422	89,642	39,662	8,969	23,962	1	31,777	19,531	13,640	-	515,059	95,387	610,446	(18,845)	591,601
Supplies and other	1,045,411	69,271	318,314	62,191	486,491	181,361	47,406	55,781	-	139,147	95,200	17,257	-	2,517,830	(4,437)	2,513,393	(28,474)	2,484,919
Depreciation and amortization	82,624	6,513	32,140	11,400	47,788	18,440	4,132	4,396	-	15,956	8,217	3,864	-	236,070	30,710	266,780	-	266,780
Interest	29,033	2,648	7,660	2,612	23,057	6,963	1,392	2,041	-	5,680	3,245	322	-	84,653	5,741	90,394	-	90,394
Total expenses	<u>2,084,683</u>	<u>199,758</u>	<u>741,848</u>	<u>179,957</u>	<u>1,066,635</u>	<u>449,872</u>	<u>111,087</u>	<u>166,439</u>	<u>33</u>	<u>341,149</u>	<u>210,842</u>	<u>93,758</u>	<u>-</u>	<u>5,646,061</u>	<u>828,735</u>	<u>6,474,796</u>	<u>(50,782)</u>	<u>6,424,014</u>
Income from operations before other operating adjustments	32,813	(11,795)	(63,931)	7,116	54,523	8,633	23,810	(31,568)	(33)	13,091	20,758	(11,154)	-	42,263	(16,382)	25,881	-	25,881
Change in assets held for sale - Long Term Care	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(52,513)	(52,513)	-	(52,513)
Federal legislative relief-CARES Act and other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,465	5,465	-	5,465
Federal legislative relief- FEMA	55,019	6,384	18,021	4,190	28,029	13,356	4,024	6,706	-	6,607	3,719	1,093	-	147,148	4,349	151,497	-	151,497
Income from operations after other operating adjustments	<u>\$ 87,832</u>	<u>\$ (5,411)</u>	<u>\$ (45,910)</u>	<u>\$ 11,306</u>	<u>\$ 82,552</u>	<u>\$ 21,989</u>	<u>\$ 27,834</u>	<u>\$ (24,862)</u>	<u>\$ (33)</u>	<u>\$ 19,698</u>	<u>\$ 24,477</u>	<u>\$ (10,061)</u>	<u>\$ -</u>	<u>\$ 189,411</u>	<u>\$ (59,081)</u>	<u>\$ 130,330</u>	<u>\$ -</u>	<u>\$ 130,330</u>