

# Hackensack Meridian Health, Inc.

## Financial Statements

June 30, 2022  
(UNAUDITED)

# Hackensack Meridian Health, Inc.

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**June 30, 2022  
(Unaudited)**

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**HACKENSACK MERIDIAN HEALTH, INC**  
**Consolidated Balance Sheets**  
**June 30, 2022 and December 31, 2021**  
**(Unaudited)**

( in thousands)

	<u>June 30, 2022</u>	<u>December 31, 2021</u>
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 271,186	\$ 388,485
Patient accounts receivable, net	732,832	720,439
Pledges receivable, net	80,424	72,857
Other current assets	492,262	522,584
Assets limited as to use and short-term investments, current portion	1,284,946	1,369,088
Total current assets	2,861,650	3,073,453
Assets limited as to use and investments, non-current portion		
Investments in joint ventures	2,938,850	3,770,141
Property and equipment, net	168,251	170,507
Operating lease right-of-use assets, net	3,288,909	3,174,923
Other assets	225,168	218,322
	354,074	326,502
Total assets	<u>\$ 9,836,902</u>	<u>\$ 10,733,848</u>
<b>Liabilities and Net Assets</b>		
Current liabilities		
Current maturities of long-term debt and capital lease obligations	\$ 89,008	\$ 80,507
Current portion of operating lease obligations	35,983	35,531
Accounts payable and accrued expenses	1,126,040	1,116,072
Other current liabilities	296,409	525,464
Total current liabilities	1,547,440	1,757,574
Long-term debt and capital lease obligation, less current maturities		
Long-term operating lease obligations	3,024,517	3,068,243
Accrued pension benefits	197,174	190,688
Other liabilities	108,100	110,470
	482,640	495,830
Total liabilities	5,359,871	5,622,805
Net assets		
Without donor restrictions controlled by the Network	4,102,714	4,731,238
Without donor restrictions attributable to noncontrolling interests	74,861	79,916
Net assets without donor restrictions	4,177,575	4,811,154
Net assets with donor restrictions	299,456	299,889
Total net assets	4,477,031	5,111,043
Total liabilities and net assets	<u>\$ 9,836,902</u>	<u>\$ 10,733,848</u>

**HACKENSACK MERIDIAN HEALTH, INC**  
**Consolidated Statements of Operations**  
**For the Six Months Ended June 30, 2022 and 2021**  
**(Unaudited)**

( in thousands)

	June 30, 2022	June 30, 2021
<b>Unrestricted revenue and other support</b>		
Net patient service revenue	\$ 3,079,619	\$ 2,906,131
Other revenue	146,000	136,843
Net gain on equity investments	(289)	13,644
Net assets released from restriction used for operating activities	8,035	7,079
Total unrestricted revenues and other support	3,233,365	3,063,697
<b>Expenses</b>		
Salaries and contracted labor	1,338,779	1,201,682
Physician salaries and fees	253,334	236,507
Employee benefits	271,350	294,883
Supplies and other expenses	1,277,955	1,196,262
Depreciation and amortization	132,903	130,871
Interest	42,773	47,328
Total expenses	3,317,094	3,107,533
Income from operations before other operating adjustments	(83,729)	(43,836)
Federal legislative relief-CARES Act and other	44,871	1,083
Federal legislative relief- FEMA	41,789	136,374
Income from operations after other operating adjustments	2,931	93,621
<b>Other operating adjustments</b>		
Investment income	(636,219)	265,552
Unrealized gain on derivative investments	(507)	71,590
Loss on termination of debt/swaps	-	(62,568)
Other gains, net	26,109	25,611
Excess of revenues over expenses	(607,686)	393,806
<b>Other adjustments in net assets without donor restrictions</b>		
Net assets released from restriction for capital acquisition	23,802	5,750
Pension-related adjustments	(15,812)	154,339
Other changes	758	(937)
Change in discontinued operations - Long Term Care	(28,109)	(14,468)
Distributions to noncontrolling interests	(6,531)	(4,102)
Increase in net assets without donor restrictions	\$ (633,578)	\$ 534,388

**Hackensack Meridian Health, Inc**  
**Detail by Hospital Campus - Consolidating Statement of Operations**  
**For the Six Months Ended June 30, 2022**  
**(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	\$ 976,326	\$ 94,305	\$ 327,098	\$ 88,980	\$ 577,443	\$ 226,825	\$ 67,033	\$ 70,268	\$ -	\$ 173,685	\$ 112,702	\$ 38,952	\$ -	\$ 2,753,617	\$ 336,863	\$ 3,090,480	\$ (10,861)	\$ 3,079,619
Other revenue	52,934	2,263	13,001	752	13,802	4,087	675	2,097	-	2,610	1,856	334	-	94,411	68,427	162,838	(16,838)	146,000
Net gain on equity investments	8,896	-	1,069	-	-	-	-	-	-	-	-	-	-	9,965	(10,254)	(289)	-	(289)
Net assets released from restriction used for operating activities	3,462	14	235	99	1,639	286	7	190	-	791	38	637	-	7,398	637	8,035	-	8,035
Total unrestricted revenues and other support	1,041,618	96,582	341,403	89,831	592,884	231,198	67,715	72,555	-	177,086	114,596	39,923	-	2,865,391	395,673	3,261,064	(27,699)	3,233,365
<b>Expenses</b>																		
Salaries and contracted labor	383,249	46,144	165,371	43,461	221,383	107,767	24,695	35,996	969	75,049	41,455	25,742	-	1,171,281	168,688	1,339,969	(1,190)	1,338,779
Physician salaries and fees	21,533	4,178	3,745	1,747	13,730	9,085	1,079	3,140	-	4,152	1,805	2,960	-	67,154	186,180	253,334	-	253,334
Employee Benefits	75,177	10,614	37,858	10,093	47,167	21,480	6,345	9,701	19	16,181	9,649	5,518	-	249,802	31,430	281,232	(9,882)	271,350
Supplies and other	472,962	32,056	140,054	32,686	215,003	89,605	21,766	26,778	56	67,183	45,612	7,685	-	1,151,466	143,114	1,294,580	(16,625)	1,277,955
Depreciation and amortization	40,696	3,378	16,615	4,307	24,614	9,156	2,224	2,532	-	8,058	4,059	1,725	-	117,354	15,549	132,903	-	132,903
Interest	17,718	1,042	3,165	1,499	9,110	2,853	993	892	-	2,047	1,208	-	-	40,527	2,246	42,773	-	42,773
Total expenses	1,011,345	97,412	366,808	93,793	531,007	239,946	57,102	79,039	1,044	172,670	103,788	43,630	-	2,797,584	547,207	3,344,791	(27,697)	3,317,094
Income from operations before other operating adjustments	30,273	(830)	(25,405)	(3,962)	61,877	(8,748)	10,613	(6,484)	(1,044)	4,416	10,808	(3,707)	-	67,807	(151,534)	(83,727)	(2)	(83,729)
Federal legislative relief-CARES Act and other	479	-	51	-	-	-	-	-	-	-	-	22	-	552	44,319	44,871	-	44,871
Federal legislative relief- FEMA	16,181	983	5,136	1,000	8,149	3,234	692	825	-	2,569	1,210	527	-	40,506	1,283	41,789	-	41,789
Income from operations after other operating adjustments	\$ 46,933	\$ 153	\$ (20,218)	\$ (2,962)	\$ 70,026	\$ (5,514)	\$ 11,305	\$ (5,659)	\$ (1,044)	\$ 6,985	\$ 12,018	\$ (3,158)	\$ -	\$ 108,865	\$ (105,932)	\$ 2,933	\$ (2)	\$ 2,931