



Quarterly Disclosure Statements
(Unaudited)
For the Six Months Ended June 30, 2024
For



Advocate Aurora Health, Inc.



The Charlotte-Mecklenburg Hospital Authority
Combined Group



Wake Forest Baptist Combined Group

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Introduction

Purpose of this Report

The purpose of this report is to provide information necessary to comply with continuing disclosure undertakings for the Advocate Aurora Health Credit Group, The Charlotte-Mecklenburg Hospital Authority d/b/a Atrium Health Combined Group and the Atrium Health Wake Forest Baptist Combined Group, as described below, all of which are now part of an integrated health care delivery and academic system known as Advocate Health.

Advocate Health

Advocate Aurora Health, Inc., a Delaware nonprofit nonstock corporation (“AAH”) and Atrium Health, Inc., a North Carolina nonprofit corporation (“AHI”), entered into a Joint Operating Agreement pursuant to which they created Advocate Health, Inc., a Delaware nonprofit nonstock corporation (the “Advocate Health JOC”), to manage and oversee Advocate Health, which focuses on meeting patients’ needs by redefining how, when and where care is delivered. AAH and AHI are the two corporate members of the Advocate Health JOC. AAH and the entities comprising the “AAH System” described below (the “AAH System Entities”) and AHI and the other participants in the “AHI Enterprise” described below (the “AHI Enterprise Entities”) have maintained their separate legal existence and no sale, transfer, or other conveyance of their assets occurred in connection with the formation of Advocate Health. No assumption or guaranty of debt or other liabilities of the AAH System Entities or AHI Enterprise Entities, or changes to their respective credit groups described below, occurred in connection with the formation of Advocate Health. Advocate Health has a combined footprint across Illinois, Wisconsin, North Carolina, South Carolina, Georgia and Alabama.

Advocate Aurora Health, Inc.

AAH is the sole corporate member of Advocate Health Care Network, an Illinois not for profit corporation, (“Advocate”) and Aurora Health Care, Inc., a Wisconsin nonstock not-for-profit corporation (“Aurora”). AAH, Advocate, Aurora and their controlled subsidiaries are collectively referred to herein as the “AAH System.” The AAH System serves patients across northern and central Illinois and eastern Wisconsin. The participants in the AAH System do business as Advocate in Illinois and as Aurora in Wisconsin.

Atrium Health, Inc.

The Charlotte-Mecklenburg Hospital Authority (“CMHA” or “Atrium Health CMHA”), which directly and through its affiliates does business as Atrium Health, and the Wake Forest Baptist Health system (“Wake Forest Baptist” or “Atrium Health Wake Forest Baptist), including Wake Forest School of Medicine, are part of a single enterprise (the “AHI Enterprise”), governed and managed by AHI pursuant to a health system integration agreement and related agreements. The AHI Enterprise serves patients across North Carolina, South Carolina, Georgia and Alabama. The participants in the AHI Enterprise do business as Atrium Health and Atrium Health Wake Forest Baptist (in North Carolina and South Carolina) and as Atrium Health Navicent and Atrium Health Floyd (in Georgia and Alabama).



Advocate Health
Introduction

The financial position and results of operation of Advocate Health are presented by combining the financial statements of AAH, Atrium Health CMHA and Atrium Health Wake Forest Baptist, which are under the common management of the Advocate Health JOC. Advocate Health, which includes Atrium Health CMHA, has prepared its financial statements in accordance with accounting principles as promulgated by the Financial Accounting Standards Board ("FASB"). Atrium Health CMHA is a governmental entity as defined by the Governmental Accounting Standards Board ("GASB"); accordingly, accounting principles as promulgated by GASB are the appropriate accounting principles for Atrium Health CMHA to follow. Preparation of the Advocate Health combined financial statements requires the financial statements of Atrium Health CMHA to be converted from presentation in accordance with GASB accounting principles to presentation in accordance with FASB accounting principles prior to combination.

The Advocate Health combined financial statements are not required to be delivered pursuant to any continuing disclosure undertaking and are being provided on a voluntary basis.

ADVOCATE HEALTH
COMBINED BALANCE SHEETS - FASB
(in thousands)

	<u>June 30, 2024</u>	<u>December 31, 2023</u>
Assets		
Current assets		
Cash and cash equivalents	\$ 1,465,126	\$ 2,260,650
Short term investments	45,805	38,960
Assets limited as to use	189,862	232,844
Patient accounts receivable	4,051,658	3,770,804
Other current assets	2,342,987	1,986,633
Total current assets	<u>8,095,438</u>	<u>8,289,891</u>
Other assets		
Assets limited as to use	22,468,665	21,255,434
Property and equipment, net	12,853,745	12,605,078
Operating lease right-of-use assets	1,037,257	997,099
Other noncurrent assets	1,381,120	1,470,383
Total other assets	<u>37,740,787</u>	<u>36,327,994</u>
Total assets	<u>\$ 45,836,225</u>	<u>\$ 44,617,885</u>
Liabilities		
Current liabilities		
Long-term debt, current portion	\$ 1,091,877	\$ 1,247,479
Operating lease liabilities, current portion	193,641	185,955
Accrued salaries and employee benefits	2,245,057	2,366,585
Accounts payable and other accrued liabilities	2,688,168	2,691,445
Third-party payors payables	806,463	805,721
Total current liabilities	<u>7,025,206</u>	<u>7,297,185</u>
Noncurrent liabilities		
Long-term debt, less current portion	6,573,531	6,514,016
Operating lease liabilities, less current portion	925,276	888,095
Obligations under swap agreements	82,485	122,271
Other noncurrent liabilities	3,319,634	3,303,141
Total noncurrent liabilities	<u>10,900,926</u>	<u>10,827,523</u>
Total liabilities	<u>17,926,132</u>	<u>18,124,708</u>
Net assets		
Without donor restrictions		
Controlling interest	26,404,160	25,052,618
Noncontrolling interests in subsidiaries	201,874	202,324
Total net assets without donor restrictions	<u>26,606,034</u>	<u>25,254,942</u>
With donor restrictions	1,304,059	1,238,235
Total net assets	<u>27,910,093</u>	<u>26,493,177</u>
Total liabilities and net assets	<u>\$ 45,836,225</u>	<u>\$ 44,617,885</u>

ADVOCATE HEALTH
COMBINED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS - FASB
(in thousands)

	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Revenue		
Patient service revenue	\$ 13,894,095	\$ 12,825,024
Capitation revenue	597,109	612,783
Other revenue	2,196,417	1,754,047
Total revenue	<u>16,687,621</u>	<u>15,191,854</u>
Expenses		
Salaries, wages and benefits	9,403,189	8,806,575
Supplies and drugs	3,561,041	3,106,480
Purchased services and other expenses	2,533,726	2,442,183
Depreciation and amortization	605,897	603,997
Interest	133,949	146,924
Total expenses	<u>16,237,802</u>	<u>15,106,159</u>
Operating income	449,819	85,695
Nonoperating income		
Investment income, net	948,996	938,414
Other nonoperating (loss) income, net	(20,634)	2,891
Total nonoperating income, net	<u>928,362</u>	<u>941,305</u>
Revenue in excess of expenses	1,378,181	1,027,000
Less income attributable to noncontrolling interests	<u>(34,559)</u>	<u>(29,095)</u>
Revenue in excess of expenses - attributable to controlling interest	\$ 1,343,622	\$ 997,905

ADVOCATE HEALTH
COMBINED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS - FASB
(in thousands)

	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Net assets without donor restrictions, controlling interest		
Revenue in excess of expenses - attributable to controlling interest	\$ 1,343,622	\$ 997,905
Pension-related changes other than net periodic pension costs	3,906	19,633
Other, net	4,014	10,258
Increase in net assets without donor restrictions, controlling interest	<u>1,351,542</u>	<u>1,027,796</u>
Net assets without donor restrictions, noncontrolling interests		
Revenues in excess of expenses	34,559	29,095
Distributions to noncontrolling interests	(35,009)	(21,252)
(Decrease) increase in net assets without donor restrictions, noncontrolling interests	<u>(450)</u>	<u>7,843</u>
Net assets with donor restrictions		
Contributions	84,892	86,356
Investment income, net	40,622	43,647
Net assets released from restrictions	(65,108)	(75,779)
Other, net	5,418	(549)
Increase in net assets with donor restrictions	<u>65,824</u>	<u>53,675</u>
Increase in net assets	1,416,916	1,089,314
Net assets at beginning of period	26,493,177	24,295,691
Net assets at end of period	<u>\$ 27,910,093</u>	<u>\$ 25,385,005</u>

ADVOCATE HEALTH
COMBINED STATEMENTS OF CASH FLOWS - FASB
(in thousands)

	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Cash flows from operating activities		
Increase in net assets	\$ 1,416,916	\$ 1,089,314
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation, amortization and accretion	596,346	598,811
Amortization of operating lease right-of-use assets	103,152	102,916
Gain on sale of disposal group	(84,511)	—
Pension-related changes other than net periodic pension cost	(3,906)	(19,633)
Distribution to noncontrolling interests	42,333	27,388
Other	(93,715)	(63,148)
Changes in operating assets and liabilities		
Trading securities, net	(1,201,581)	(674,041)
Patient accounts receivable	(263,204)	(77,930)
Third-party payors receivable and payable, net	81,003	94,569
Other assets and liabilities, net	(553,166)	(729,141)
Net cash (used in) provided by operating activities	<u>39,667</u>	<u>349,105</u>
Cash flows from investing activities		
Capital expenditures	(843,834)	(627,467)
Cash received from sale of disposal group	177,995	—
Acquisition of business, net of cash acquired	(117,036)	—
Investments in unconsolidated entities, net	(7,569)	(37,178)
Other	(484)	422,075
Net cash used in investing activities	<u>(790,928)</u>	<u>(242,570)</u>
Cash flows from financing activities		
Repayments of long-term debt, net	(86,476)	(134,278)
Proceeds from issuance of long-term debt	—	50,000
Distribution to noncontrolling interests	(42,333)	(27,388)
Proceeds from restricted contributions and income on investments	67,217	66,732
Net cash used in financing activities	<u>(61,592)</u>	<u>(44,934)</u>
Net (decrease) increase in cash and cash equivalents	(812,853)	61,601
Cash and cash equivalents at beginning of period	2,318,787	1,441,867
Cash and cash equivalents at end of period	<u>\$ 1,505,934</u>	<u>\$ 1,503,468</u>
Reconciliation of cash and cash equivalents to the balance sheet		
Cash and cash equivalents	1,465,126	1,410,916
Restricted cash in investments and assets whose use is limited	40,808	92,552
	<u>\$ 1,505,934</u>	<u>\$ 1,503,468</u>

ADVOCATE HEALTH
UTILIZATION STATISTICS AND KEY FINANCIAL RATIOS

	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	Change	% Change
Census				
Discharges	272,943	252,374	20,569	8.2 %
Observation Cases	83,018	91,274	(8,256)	(9.0)%
Total Bedded Patients	355,961	343,648	12,313	3.6 %
Inpatient Length of Stay ⁽¹⁾	5.43	5.54	(0.11)	(2.0)%
Case Mix index	1.80	1.82	(0.02)	(1.1)%
Other Volume Stats				
Inpatient Surgeries	62,708	61,552	1,156	1.9 %
Outpatient Surgeries	160,003	157,720	2,283	1.4 %
Total Surgeries	222,711	219,272	3,439	1.6 %
ED Visits	1,133,212	1,069,126	64,086	6.0 %
wRVUs ⁽¹⁾	28,863,809	26,445,044	2,418,765	9.1 %

⁽¹⁾Prior year was updated to reflect the current year measurement methodology

	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Operating Performance		
Operating margin ⁽¹⁾	2.7%	0.6%
Operating cash flow margin ⁽²⁾	7.1%	5.5%
Excess margin ⁽³⁾	7.8%	6.4%
	As of June 30, 2024	As of December 31, 2023
Leverage and Liquidity		
Debt to capitalization ⁽⁴⁾	22.4%	23.5%
Cash to debt ⁽⁵⁾	295%	283%
Days cash on hand ⁽⁶⁾	266	268

⁽¹⁾ Operating income/Total revenue

⁽²⁾ (Operating income + Interest + Depreciation and amortization)/Total revenue

⁽³⁾ Revenue in excess of expenses/(Total revenue + Total nonoperating income, net)

⁽⁴⁾ (Long-term debt, current portion + Long-term debt, less current portion)/(Long-term debt, current portion + Long-term debt, less current portion + Total net assets without donor restrictions)

⁽⁵⁾ Unrestricted cash and investments/(Long-term debt, current portion + Long-term debt, less current portion)

⁽⁶⁾ Unrestricted cash and investments/((Total expenses - Depreciation and amortization)/days in period). The days cash on hand ratio is calculated from expenses on a trailing 12 month basis.

ADVOCATE HEALTH
OTHER FINANCIAL INFORMATION

Sources of Patient Service Revenue

In the six months ended June 30, 2024 and 2023, the composition of Advocate Health's patient service revenue by payor was as follows:

Payor Mix	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Managed care	50 %	50 %
Medicare	32 %	32 %
Medicaid	14 %	14 %
Self-pay and other	4 %	4 %
	<u>100 %</u>	<u>100 %</u>

Unrestricted cash and investments

As of June 30, 2024 and December 31, 2023, the composition of Advocate Health's unrestricted cash and investments was as follows:

	As of June 30, 2024	As of December 31, 2023
Cash and cash equivalents	\$ 1,465,126	\$ 2,260,650
Short term investments	45,805	38,960
Long-term investments, excluding restricted assets limited as to use	21,111,705	19,660,513
Total unrestricted cash and investments	<u>\$ 22,622,636</u>	<u>\$ 21,960,123</u>

Long-Term Debt

As of June 30, 2024 and December 31, 2023, the composition of Advocate Health's debt was as follows:

	June 30, 2024		December 31, 2023	
Taxable fixed bonds	\$ 2,392,690	32%	\$ 2,392,690	32%
Tax-exempt fixed rate bonds	1,325,245	18%	1,381,345	18%
Tax-exempt variable rate bonds	1,763,335	24%	1,824,945	24%
Put bonds	955,975	12%	914,645	12%
Commercial paper	350,000	5%	350,000	5%
Finance leases / other banks debt	653,437	9%	710,179	9%
Total Long-term debt , excluding unamortized bond premiums and bond issuance costs and commercial paper original issue discount	<u>\$ 7,440,682</u>	<u>100%</u>	<u>\$ 7,573,804</u>	<u>100%</u>



ADVOCATE AURORA HEALTH, INC.

Introduction

Advocate Aurora Health Credit Group

AAH and certain other AAH System Entities are members of the “Obligated Group” (the “AAH Obligated Group”) created under a Second Amended and Restated Trust Indenture dated as of August 1, 2018 (the “AAH Master Indenture”) among the Obligated Group Members identified therein and U.S. Bank Trust Company, National Association, Master Trustee. The members of the AAH Obligated Group are jointly and severally liable on any “Obligations” issued under the AAH Master Indenture. Certain of the AAH Obligated Group’s affiliates are designated as “Restricted Affiliates” under the AAH Master Indenture.

Neither the Advocate JOA nor any of the AHI Enterprise Entities is a member of AAH Obligated Group or a Restricted Affiliate as of the date of this report and, therefore, none of them have any obligation to provide for the payment of any Obligation issued under the AAH Master Indenture.

Basis of Presentation

The accompanying consolidated financial statements for AAH as of and for the three and six months ended June 30, 2024 and 2023, have been prepared in accordance with U.S. generally accepted accounting principles, as promulgated by FASB.

ADVOCATE AURORA HEALTH, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands)

	<u>Unaudited</u>	<u>Audited</u>
	<u>June 30, 2024</u>	<u>December 31, 2023</u>
Assets		
Current assets		
Cash and cash equivalents	\$ 682,250	\$ 857,599
Assets limited as to use	177,157	179,288
Patient accounts receivable	2,061,882	1,906,747
Other current assets	1,315,889	1,093,683
Total current assets	<u>4,237,178</u>	<u>4,037,317</u>
Assets limited as to use	20,007,001	11,863,519
Property and equipment, net	5,942,402	5,919,233
Other assets		
Goodwill and intangible assets, net	53,005	56,938
Operating lease right-of-use assets	291,662	305,114
Other noncurrent assets	629,454	815,699
Total other assets	<u>974,121</u>	<u>1,177,751</u>
Total assets	<u><u>\$ 31,160,702</u></u>	<u><u>\$ 22,997,820</u></u>

ADVOCATE AURORA HEALTH, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands)

	Unaudited	Audited
	June 30, 2024	December 31, 2023
Liabilities		
Current liabilities		
Long-term debt and commercial paper, current portion	\$ 165,726	\$ 172,759
Long-term debt subject to short-term financing arrangements	305,230	354,720
Operating lease liabilities, current portion	68,161	69,062
Accrued salaries and employee benefits	1,164,201	1,245,445
Accounts payable and other accrued liabilities	1,239,326	1,164,041
Third-party payors payables	414,778	404,496
Accrued insurance and claims costs, current portion	255,920	237,771
Total current liabilities	3,613,342	3,648,294
Noncurrent liabilities		
Long-term debt, less current portion	2,971,611	2,939,221
Operating lease liabilities, less current portion	261,470	273,134
Accrued insurance and claims cost, less current portion	696,440	686,643
Obligations under swap agreements	21,597	31,681
Due to related party	7,490,418	—
Other noncurrent liabilities	1,191,030	1,159,793
Total noncurrent liabilities	12,632,566	5,090,472
Total liabilities	16,245,908	8,738,766
Net assets		
Without donor restrictions		
Controlling interest	14,477,648	13,823,021
Noncontrolling interests in subsidiaries	190,928	191,582
Total net assets without donor restrictions	14,668,576	14,014,603
With donor restrictions	246,218	244,451
Total net assets	14,914,794	14,259,054
Total liabilities and net assets	\$ 31,160,702	\$ 22,997,820

ADVOCATE AURORA HEALTH, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS
(in thousands)

	Unaudited		Unaudited	
	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Revenue				
Patient service revenue	\$ 3,477,343	\$ 3,186,715	\$ 6,872,719	\$ 6,388,130
Capitation revenue	299,963	311,604	597,109	612,783
Other revenue	390,809	382,530	780,408	783,762
Total revenue	4,168,115	3,880,849	8,250,236	7,784,675
Expenses				
Salaries, wages and benefits	2,338,332	2,228,328	4,698,720	4,457,733
Supplies and drugs	852,771	755,655	1,644,397	1,495,311
Purchased services and other	581,824	531,972	1,075,472	1,051,671
Contracted medical services	108,854	140,348	241,048	275,488
Depreciation and amortization	139,444	154,796	279,916	307,164
Interest	30,634	31,924	61,143	63,175
Total expenses	4,051,859	3,843,023	8,000,696	7,650,542
Operating income	116,256	37,826	249,540	134,133
Nonoperating income				
Investment income, net	313,767	119,416	563,034	400,673
Other nonoperating loss, net	(125,276)	(199)	(130,107)	(21,586)
Total nonoperating income, net	188,491	119,217	432,927	379,087
Revenue in excess of expenses	304,747	157,043	682,467	513,220
Less income attributable to noncontrolling interests	(16,410)	(13,236)	(34,355)	(29,095)
Revenue in excess of expenses - attributable to controlling interest	\$ 288,337	\$ 143,807	\$ 648,112	\$ 484,125

(Continued)

ADVOCATE AURORA HEALTH, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS
(in thousands)

	Unaudited		Unaudited	
	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Net assets without donor restrictions, controlling interest				
Revenue in excess of expenses - attributable to controlling interest	\$ 288,337	\$ 143,807	\$ 648,112	\$ 484,125
Pension-related changes other than net periodic pension costs	2,178	702	4,322	1,401
Net assets released from restrictions for purchase of property and equipment	2,400	1,070	3,372	4,635
Other, net	(648)	(844)	(1,179)	(2,015)
Increase in net assets without donor restrictions, controlling interest	292,267	144,735	654,627	488,146
Net assets without donor restrictions, noncontrolling interests				
Revenues in excess of expenses	16,410	13,236	34,355	29,095
Distributions to noncontrolling interests	(8,730)	(7,809)	(35,009)	(21,252)
Increase (decrease) in net assets without donor restrictions, noncontrolling interests	7,680	5,427	(654)	7,843
Net assets with donor restrictions				
Contributions	3,689	3,802	5,788	5,918
Investment income, net	2,126	1,305	4,740	4,386
Net assets released from restrictions for operations	(3,065)	(2,981)	(5,515)	(5,344)
Net assets released from restrictions for purchase of property and equipment	(2,400)	(1,070)	(3,372)	(4,635)
Other, net	50	47	126	65
Increase in net assets with donor restrictions	400	1,103	1,767	390
Increase in net assets	300,347	151,265	655,740	496,379
Net assets at beginning of period	14,614,447	13,792,661	14,259,054	13,447,547
Net assets at end of period	\$ 14,914,794	\$ 13,943,926	\$ 14,914,794	\$ 13,943,926

(Concluded)

ADVOCATE AURORA HEALTH, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Unaudited		Unaudited	
	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Cash flows from operating activities				
Increase in net assets	\$ 300,347	\$ 151,265	\$ 655,740	\$ 496,379
Adjustments to reconcile change in net assets to net cash provided by operating activities:				
Depreciation, amortization and accretion	136,655	152,138	274,368	301,978
Amortization of operating lease right-of-use assets	16,663	18,408	34,302	35,790
Gain on sale of disposal group	—	—	(84,511)	—
Change in fair value of swap agreements	(2,830)	(7,382)	(10,084)	(291)
Pension-related changes other than net periodic pension cost	(2,178)	(702)	(4,322)	(1,401)
Net assets released from restrictions for operations	(3,065)	(2,981)	(5,515)	(5,344)
Distribution to noncontrolling interests	32,957	19,405	42,333	27,388
Distributions from unconsolidated entities	1,829	986	6,117	8,056
Changes in operating assets and liabilities				
Trading securities, net	(7,784,491)	(153,653)	(8,148,509)	(82,450)
Related party investment in the pooled investment fund	7,333,877	—	7,333,877	—
Patient accounts receivable	(48,482)	76,933	(155,136)	9,172
Third-party payors receivable and payable, net	(8,022)	12,966	90,543	47,072
Other assets and liabilities, net	515,920	70,091	(5,439)	(298,140)
Net cash provided by operating activities	<u>489,180</u>	<u>337,474</u>	<u>23,764</u>	<u>538,209</u>
Cash flows from investing activities				
Capital expenditures	(178,970)	(118,204)	(322,789)	(244,276)
Cash received from sale of disposal group	—	—	177,995	—
Investments in unconsolidated entities, net	(360)	(16,938)	(3,394)	(17,721)
Other	171	218	(484)	46
Net cash used in investing activities	<u>(179,159)</u>	<u>(134,924)</u>	<u>(148,672)</u>	<u>(261,951)</u>
Cash flows from financing activities				
Repayments of long-term debt, net	(12,915)	(11,744)	(18,636)	(16,982)
Distribution to noncontrolling interests	(32,957)	(19,405)	(42,333)	(27,388)
Proceeds from restricted contributions and income on investments	5,815	5,107	10,528	10,304
Net cash used in financing activities	<u>(40,057)</u>	<u>(26,042)</u>	<u>(50,441)</u>	<u>(34,066)</u>
Net increase (decrease) in cash and cash equivalents	269,964	176,508	(175,349)	242,192
Cash and cash equivalents at beginning of period	412,286	438,582	857,599	372,898
Cash and cash equivalents at end of period	<u>\$ 682,250</u>	<u>\$ 615,090</u>	<u>\$ 682,250</u>	<u>\$ 615,090</u>
Supplemental disclosures of noncash information				
Operating lease right-of-use assets in exchange for new operating lease liabilities	\$ 13,611	\$ 17,143	\$ 20,851	\$ 21,870

ADVOCATE AURORA HEALTH, INC.
UTILIZATION STATISTICS AND SOURCES OF REVENUE

Utilization Statistics

A summary of certain combined utilization statistics for the AAH System for the three and six months ended June 30, 2024 and 2023 are set forth in the table below.

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Change	% Change
Historical Utilization Statistics				
Discharges	66,540	60,342	6,198	10.3 %
Observation Cases	20,875	26,964	(6,089)	(22.6)%
Patient Days	333,098	308,532	24,566	8.0 %
Hospital Outpatient Visits	1,206,824	1,152,991	53,833	4.7 %
Physician Visits	2,781,555	2,631,630	149,925	5.7 %
Home Care Visits	223,433	213,918	9,515	4.4 %
Capitated Member Lives ⁽¹⁾	215,781	220,572	(4,791)	(2.2)%

	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	Change	% Change
Historical Utilization Statistics				
Discharges	132,003	119,442	12,561	10.5 %
Observation Cases	42,306	53,157	(10,851)	(20.4)%
Patient Days	674,847	628,561	46,286	7.4 %
Hospital Outpatient Visits	2,372,061	2,272,610	99,451	4.4 %
Physician Visits	5,555,178	5,233,283	321,895	6.2 %
Home Care Visits	432,918	432,890	28	— %

⁽¹⁾ As of the date set forth in the column header

Sources of Patient Service Revenue

In the three and six months ended June 30, 2024 and 2023, the composition of the AAH System's patient service revenue by payor was as follows:

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Payor Mix				
Managed Care	54 %	53 %	53 %	53 %
Medicare	32 %	31 %	32 %	32 %
Medicaid	12 %	14 %	13 %	13 %
Self-pay and Other	2 %	2 %	2 %	2 %
	<u>100 %</u>	<u>100 %</u>	<u>100 %</u>	<u>100 %</u>



THE CHARLOTTE-MECKLENBURG HOSPITAL AUTHORITY COMBINED GROUP Introduction

Atrium Health CMHA Combined Group

CMHA issues revenue bonds (“CMHA Bonds”) under a Second Amended and Restated Bond Order adopted in 1997 (as amended, the “CMHA Bond Order”). CMHA and certain of its affiliates have formed an “Obligated Group” (the “CMHA Obligated Group”) under the CMHA Bond Order. Members of the CMHA Obligated Group are jointly and severally liable for payment of CMHA Bonds and other obligations secured by the CMHA Bond Order (“Parity Obligations”). The CMHA Bond Order also authorizes the creation of a “Combined Group” (the “CMHA Combined Group”), which consists of the members of the CMHA Obligated Group and any affiliates designated by CMHA (“Designated Affiliates”).

None of the Advocate Health JOA, the AAH System Entities, or any entities that are part of Wake Forest Baptist, Atrium Health Navicent or Atrium Health Floyd are members of the CMHA Combined Group as of the date of this report and, therefore, none of them have any obligation to provide for the payment of the CMHA Bonds or Parity Obligations.

Basis of Presentation

The accompanying consolidated financial statements and highlights reflect the financial position and results of operations of the CMHA Combined Group as of and for the six months ended June 30, 2024 and 2023. These financial statements have been prepared in accordance with U.S. generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (“GASB”).

THE CHARLOTTE-MECKLENBURG HOSPITAL AUTHORITY COMBINED GROUP

Financial Highlights

(in thousands)

Six Months Ended June 30, 2024 Compared with Six Months Ended June 30, 2023:

For the six months ended June 30, 2024, net income was \$565,667, a \$171,958 increase from 2023, driven by income from operations, favorable investment performance, and \$193,000 of FEMA funds included in other non-operating income net. Operating income was \$72,224 for the six months ended June 30, 2024, which was \$14,192 above the prior year.

Total operating revenue increased 12.3% to \$4,734,562 largely due to greater hospital and medical group patient volumes and growth in retail pharmacy sales. Total operating expenses increased 12.1% to \$4,662,338, primarily due to personnel, supplies and drugs costs related to higher patient and pharmacy volumes along with other expense inflation.

As of June 30, 2024, days cash on hand was 287 days. Debt-to-capitalization ratio decreased from 27.0% at March 31, 2024, to 26.5% at June 30, 2024, primarily driven by net income during the current year.

THE CMHA COMBINED GROUP
COMBINED BALANCE SHEETS
(in thousands)

	<u>Unaudited</u>	<u>Audited</u>
	<u>June 30, 2024</u>	<u>December 31, 2023</u>
Assets		
Current assets		
Cash and cash equivalents	\$ 228,353	\$ 661,959
Short term investments	33,772	27,233
Assets limited as to use	9,416	50,267
Patient accounts receivable	1,149,084	1,118,037
Other current assets	667,327	502,285
Total current assets	<u>2,087,952</u>	<u>2,359,781</u>
Other assets		
Assets limited as to use	6,641,033	6,258,033
Property and equipment, net	4,589,505	4,482,299
Operating lease right-of-use assets, net	488,686	496,898
Other noncurrent assets	580,515	445,622
Total other assets	<u>12,299,739</u>	<u>11,682,852</u>
Total assets	<u>14,387,691</u>	<u>14,042,633</u>
Deferred outflows of resources	203,837	208,945
Total assets and deferred outflows of resources	<u>\$ 14,591,528</u>	<u>\$ 14,251,578</u>
Liabilities		
Current liabilities		
Long-term debt, current portion	\$ 550,352	\$ 649,786
Operating lease liabilities, current portion	72,902	73,395
Accrued salaries and employee benefits	541,514	594,294
Accounts payable and other accrued liabilities	714,125	822,889
Estimated third party payer settlements	276,721	288,663
Total current liabilities	<u>2,155,614</u>	<u>2,429,027</u>
Noncurrent liabilities		
Long-term debt, less current portion	2,332,560	2,279,905
Operating lease liabilities, less current portion	464,057	467,135
Obligations under swap agreements	60,185	87,373
Other noncurrent liabilities	887,770	893,551
Total noncurrent liabilities	<u>3,744,572</u>	<u>3,727,964</u>
Total liabilities	<u>5,900,186</u>	<u>6,156,991</u>
Deferred inflows of resources	178,455	159,498
Net position		
Net investment in capital assets	1,588,912	1,539,926
Restricted, by donor	518,036	485,495
Unrestricted	6,405,939	5,909,668
Total net position	<u>8,512,887</u>	<u>7,935,089</u>
Total liabilities and deferred inflows and net position	<u>\$ 14,591,528</u>	<u>\$ 14,251,578</u>

THE CMHA COMBINED GROUP
COMBINED STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
(in thousands)

	Unaudited	
	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Revenue		
Patient service revenue	\$ 4,137,962	\$ 3,792,392
Other revenue	596,600	424,359
Total revenue	<u>4,734,562</u>	<u>4,216,751</u>
Expenses		
Salaries, wages, and benefits	2,628,766	2,425,421
Supplies and drugs	1,098,776	891,159
Purchased services and other expenses	675,288	621,523
Depreciation and amortization	259,508	220,616
Total operating expenses	<u>4,662,338</u>	<u>4,158,719</u>
Operating income	72,224	58,032
Nonoperating income		
Interest expense	(64,011)	(64,508)
Investment income, net	367,286	447,611
Other nonoperating income (loss), net	190,168	(47,426)
Total nonoperating income, net	<u>493,443</u>	<u>335,677</u>
Excess of revenues and support over expenses and losses before contributions	\$ 565,667	\$ 393,709
Changes in net position		
Capital and other contributions	12,131	15,861
Changes in net position	577,798	409,570
Net position, beginning of year	7,935,089	6,907,673
Net position, end of year	<u>\$ 8,512,887</u>	<u>\$ 7,317,243</u>

THE CMHA COMBINED GROUP
COMBINED STATEMENTS OF CASH FLOWS

(in thousands)

	Unaudited	
	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Cash flows from operating activities		
Receipts from third-party payers and patients	\$ 4,094,973	\$ 3,724,247
Payments to suppliers	(1,936,050)	(1,566,379)
Payments to employees	(2,674,957)	(2,534,996)
Other receipts, net	460,149	365,558
Net cash used in operating activities	<u>(55,885)</u>	<u>(11,570)</u>
Cash flows from financing activities		
Cash flows from noncapital financing activities		
Proceeds from the issuance of commercial paper	250,000	—
Retirements of commercial paper	(250,000)	—
Commitment to academic endowment fund	—	(47,000)
Other activities	183,059	(13,420)
Net cash provided by (used in) noncapital financing activities	<u>183,059</u>	<u>(60,420)</u>
Cash flows from capital and related financing activities		
Capital expenditures	(369,205)	(290,004)
Interest payments on short- and long-term debt	(64,045)	(61,047)
Repayments of long-term debt, net	(43,133)	(86,549)
Proceeds from issuance of long-term debt	—	50,000
Contributions restricted for building and equipment purchases	13,569	13,574
Other contributions	1,454	3,287
Net cash used in capital and related financing activities	<u>(461,360)</u>	<u>(370,739)</u>
Cash flows from investing activities		
Investment earnings	5,230	6,771
Withdrawals from assets limited as to use	6,519,653	(67,992)
Contributions to assets limited as to use	(6,528,691)	438,011
Acquisition of business	(121,902)	—
Purchase of equity method investments	(4,175)	(19,457)
Net cash (used in) provided by investing activities	<u>(129,885)</u>	<u>357,333</u>
Net decrease in cash, cash equivalents and restricted cash	(464,071)	(85,396)
Cash and cash equivalents		
Beginning of year	693,166	486,680
End of period	\$ 229,095	\$ 401,284
Reconciliation of cash and cash equivalents to the balance sheet		
Cash and cash equivalents	228,353	329,566
Restricted cash in investments and assets whose use is limited	742	71,718
Total cash, cash equivalents and restricted cash	\$ 229,095	\$ 401,284
Reconciliation of operating income to net cash used in operating activities		
Operating income	\$ 72,224	\$ 58,032
Adjustments to reconcile operating income to net cash used in operating activities		
Depreciation and amortization	259,508	220,616
Increase in patient accounts receivable, net	(31,047)	(77,115)
Increase in other current assets	(125,894)	(45,934)
Increase in other noncurrent assets	(16,912)	(75,881)
Decrease in accounts payable and other accrued liabilities	(147,063)	(103,697)
(Decrease) increase in other noncurrent liabilities	(54,759)	3,440
(Decrease) increase in estimated third party payer settlements	(11,942)	8,969
Net cash used in operating activities	<u>\$ (55,885)</u>	<u>\$ (11,570)</u>

**THE CMHA COMBINED GROUP
UTILIZATION STATISTICS**

	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	Change	% Change
Medical Group				
Practice locations	556	546	10	1.8 %
Total Physicians	1,927	1,865	62	3.3 %
Patient visits (including faculty) ⁽¹⁾	3,370,289	3,176,643	193,646	6.1 %
Total Acute Care Facilities				
Adjusted patient days (excluding newborn)	1,048,596	964,757	83,839	8.7 %
Adjusted discharges (excluding newborn)	181,408	168,066	13,342	7.9 %
Surgical Procedures	53,277	51,293	1,984	3.9 %

⁽¹⁾ Prior year visits updated to reflect the current year measurement methodology.



ATRIUM HEALTH WAKE FOREST BAPTIST

Introduction

Atrium Health Wake Forest Baptist Combined Group

Atrium Health Wake Forest Baptist is an integrated clinical, research, and academic enterprise operated by Wake Forest University Baptist Medical Center, a North Carolina nonprofit corporation (“WFUBMC”), which is a joint operating company that was established by Wake Forest University, a North Carolina nonprofit corporation (“WFU”), and North Carolina Baptist Hospital, a North Carolina nonprofit corporation (“NCBH”). Wake Forest University Health Sciences (“WFUHS”) is a wholly-owned affiliate of WFU that owns all of the assets of and operates Wake Forest University School of Medicine and is part of Atrium Health Wake Forest Baptist.

WFUBMC, NCBH, and WFUHS are the members of the “Obligated Group” (the “WFB Obligated Group”) created under a Master Trust Indenture, dated as of March 1, 2010 (as supplemented and amended, the “WFB Master Indenture”), between NCBH and The Bank of New York Mellon Trust Company, N.A., as master trustee. The members of the WFB Obligated Group are jointly and severally liable on any “Obligations” issued under the WFB Master Indenture. The WFB Master Indenture authorizes the creation of a “Combined Group” (the “WFB Combined Group”), which consists of the members of the WFB Obligated Group and all “Designated Members.” Wake Forest University is not a member of the WFB Obligated Group or a part of Wake Forest Baptist and is not directly or indirectly obligated to pay amounts due with respect to Obligations issued under the WFB Master Indenture.

None of the Advocate Health JOA, the AAH System Entities, or CMHA or any of its affiliates are members of the WFB Combined Group as of the date of this report and, therefore, none of them have any obligation to provide for the payment of any Obligation issued under the WFB Master Indenture.

Basis of Presentation

The accompanying combined financial statements reflect the financial position and results of operations of Atrium Health Wake Forest Baptist as of and for the six months ended June 30, 2024 and 2023. These financial statements have been prepared in accordance with U.S. generally accepted accounting principles, as promulgated by FASB.

ATRIUM HEALTH WAKE FOREST BAPTIST
COMBINED BALANCE SHEETS
(in thousands)

	<u>Unaudited</u>	<u>Audited</u>
	<u>June 30, 2024</u>	<u>December 31, 2023</u>
Assets		
Current assets		
Cash and cash equivalents	\$ 206,362	\$ 443,244
Patient accounts receivable	566,001	480,560
Other current assets	313,525	314,603
Total current assets	<u>1,085,888</u>	<u>1,238,407</u>
Other assets		
Assets limited as to use	2,239,238	2,112,309
Property and equipment, net	1,414,334	1,318,795
Operating lease right-of-use assets	161,121	171,857
Other noncurrent assets	211,309	206,757
Total other assets	<u>4,026,002</u>	<u>3,809,718</u>
Total assets	<u>\$ 5,111,890</u>	<u>\$ 5,048,125</u>
Liabilities		
Current liabilities		
Long-term debt, current portion	\$ 53,519	\$ 53,201
Operating lease liabilities, current portion	42,034	41,506
Accrued salaries and employee benefits	437,364	444,133
Accounts payable and other accrued liabilities	354,652	337,554
Third-party payors payables	101,755	105,590
Total current liabilities	<u>989,324</u>	<u>981,984</u>
Noncurrent liabilities		
Long-term debt, less current portion	794,086	815,626
Operating lease liabilities, less current portion	126,090	137,401
Obligations under swap agreements	702	1,058
Other noncurrent liabilities	227,552	231,575
Total noncurrent liabilities	<u>1,148,430</u>	<u>1,185,660</u>
Total liabilities	<u>2,137,754</u>	<u>2,167,644</u>
Net assets		
Without donor restrictions		
Controlling interest	2,465,567	2,403,236
Noncontrolling interests in subsidiaries	10,946	10,742
Total net assets without donor restrictions	<u>2,476,513</u>	<u>2,413,978</u>
With donor restrictions	497,623	466,503
Total net assets	<u>2,974,136</u>	<u>2,880,481</u>
Total liabilities and net assets	<u>\$ 5,111,890</u>	<u>\$ 5,048,125</u>

ATRIUM HEALTH WAKE FOREST BAPTIST
COMBINED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS
(in thousands)

	Unaudited	
	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Revenue		
Patient service revenue	\$ 1,940,343	\$ 1,848,710
Other revenue	569,676	494,879
Total revenue	<u>2,510,019</u>	<u>2,343,589</u>
Expenses		
Salaries, wages and benefits	1,436,407	1,404,604
Supplies and drugs	635,946	577,994
Purchased services and other	361,896	280,947
Depreciation and amortization	78,367	77,601
Interest	15,636	16,867
Total expenses	<u>2,528,252</u>	<u>2,358,013</u>
Operating loss	(18,233)	(14,424)
Nonoperating income		
Investment income, net	84,408	63,597
Other nonoperating loss, net	(3,224)	(1,853)
Total nonoperating income, net	<u>81,184</u>	<u>61,744</u>
Revenue in excess of expenses	62,951	47,320
Less income attributable to noncontrolling interests	(204)	(143)
Revenue in excess of expenses - attributable to controlling interest	\$ 62,747	\$ 47,177

ATRIUM HEALTH WAKE FOREST BAPTIST
COMBINED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS
(in thousands)

	Unaudited	
	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Net assets without donor restrictions, controlling interest		
Revenue in excess of expenses - attributable to controlling interest	\$ 62,747	\$ 47,177
Pension-related changes other than net periodic pension costs	(416)	(568)
Increase in net assets without donor restrictions, controlling interest	62,331	46,609
Net assets without donor restrictions, noncontrolling interests		
Revenues in excess of expenses - attributable to noncontrolling interests	204	143
Increase in net assets without donor restrictions, noncontrolling interests	204	143
Net assets with donor restrictions		
Contributions	54,003	43,201
Investment income, net	10,999	5,086
Net assets released from restrictions	(38,834)	(29,613)
Other, net	4,952	3,802
Increase in net assets with donor restrictions	31,120	22,476
Increase in net assets	93,655	69,228
Net assets at beginning of period	2,880,481	2,574,394
Net assets at end of period	\$ 2,974,136	\$ 2,643,622

ATRIUM HEALTH WAKE FOREST BAPTIST
COMBINED STATEMENTS OF CASH FLOWS
(in thousands)

	Unaudited	
	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Cash flows from operating activities		
Increase in net assets	\$ 93,655	\$ 69,228
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	77,811	77,049
Amortization of operating lease right-of-use assets	21,101	20,312
Change in fair value of swap agreements	(356)	(185)
Pension-related changes other than net periodic pension cost	416	568
Proceeds from restricted contributions	(6,705)	(2,460)
Changes in operating assets and liabilities		
Trading securities, net	(113,793)	40,912
Patient accounts receivable	(85,441)	(30,813)
Third-party payors payables	(3,835)	(5,865)
Other assets and liabilities, net	(23,345)	(107,122)
Net cash (used in) provided by operating activities	<u>(40,492)</u>	<u>61,624</u>
Cash flows from investing activities		
Purchases of property and equipment	(169,293)	(93,405)
Net cash used in investing activities	<u>(169,293)</u>	<u>(93,405)</u>
Cash flows from financing activities		
Repayments of long-term debt, net	(20,666)	(21,649)
Contributions restricted for long-term investment	6,705	2,460
Net cash used in financing activities	<u>(13,961)</u>	<u>(19,189)</u>
Net decrease in cash, cash equivalents and restricted cash	(223,746)	(50,970)
Cash, cash equivalents and restricted cash at beginning of period	470,174	323,502
Cash, cash equivalents and restricted cash at end of period	<u>\$ 246,428</u>	<u>\$ 272,532</u>
Reconciliation of cash, cash equivalents and restricted cash to the balance sheet		
Cash and cash equivalents	206,362	251,698
Restricted cash in assets limited as to use	40,066	20,834
Total cash, cash equivalents and restricted cash	<u>\$ 246,428</u>	<u>\$ 272,532</u>

ATRIUM HEALTH WAKE FOREST BAPTIST
COMBINING BALANCE SHEET INFORMATION
(in thousands)

	June 30, 2024			
	Atrium Health Wake Forest Baptist	Non-Designated Entities	Eliminations	Atrium Health Wake Forest Baptist Combined Group
Assets				
Current assets				
Cash and cash equivalents	\$ 206,362	\$ (41,325)	\$ —	\$ 165,037
Patient accounts receivable	566,001	(30,679)	—	535,322
Other current assets	313,525	174,672	(229,966)	258,231
Total current assets	1,085,888	102,668	(229,966)	958,590
Other assets				
Assets limited as to use	2,239,238	(122,532)	—	2,116,706
Property and equipment, net	1,414,334	(98,652)	—	1,315,682
Operating lease right-of-use assets	161,121	(46,159)	—	114,962
Other noncurrent assets	211,309	(90,987)	(39,851)	80,471
Total other assets	4,026,002	(358,330)	(39,851)	3,627,821
Total assets	\$ 5,111,890	\$ (255,662)	\$ (269,817)	\$ 4,586,411
Liabilities				
Current liabilities				
Long-term debt, current portion	\$ 53,519	\$ (993)	\$ —	\$ 52,526
Operating lease liabilities, current portion	42,034	(11,044)	—	30,990
Accrued salaries and employee benefits	437,364	(10,661)	—	426,703
Accounts payable and other accrued liabilities	354,652	(15,406)	(229,985)	109,261
Third-party payors payables	101,755	(29,339)	—	72,416
Total current liabilities	989,324	(67,443)	(229,985)	691,896
Noncurrent liabilities				
Long-term debt, less current portion	794,086	(21,838)	—	772,248
Operating lease liabilities, less current portion	126,090	(37,192)	—	88,898
Obligations under swap agreements	702	—	—	702
Other noncurrent liabilities	227,552	(1,859)	—	225,693
Total noncurrent liabilities	1,148,430	(60,889)	—	1,087,541
Total liabilities	2,137,754	(128,332)	(229,985)	1,779,437
Net assets				
Without donor restrictions				
Controlling interest	2,465,567	(126,470)	(29,771)	2,309,326
Noncontrolling interests in subsidiaries	10,946	—	(10,061)	885
Total net assets without donor restrictions	2,476,513	(126,470)	(39,832)	2,310,211
With donor restrictions	497,623	(860)	—	496,763
Total net assets	2,974,136	(127,330)	(39,832)	2,806,974
Total liabilities and net assets	\$ 5,111,890	\$ (255,662)	\$ (269,817)	\$ 4,586,411

ATRIUM HEALTH WAKE FOREST BAPTIST
COMBINING STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS
(in thousands)

	Six Months Ended June 30, 2024			
	Atrium Health Wake Forest Baptist	Non-Designated Entities	Eliminations	Atrium Health Wake Forest Baptist Combined Group
Revenue				
Patient service revenue	\$ 1,940,343	\$ (137,583)	\$ —	\$ 1,802,760
Other revenue	569,676	(31,576)	—	538,100
Total revenue	2,510,019	(169,159)	—	2,340,860
Expenses				
Salaries, wages and benefits	1,436,407	(106,764)	—	1,329,643
Supplies and drugs	635,946	(29,088)	—	606,858
Purchased services and other	361,896	(44,628)	—	317,268
Depreciation and amortization	78,367	(8,747)	—	69,620
Interest	15,636	(462)	—	15,174
Total expenses	2,528,252	(189,689)	—	2,338,563
Operating (loss) income	(18,233)	20,530	—	2,297
Nonoperating income (loss)				
Investment income (loss), net	84,408	(9,584)	19	74,843
Other nonoperating (loss) income, net	(3,224)	536	(24,547)	(27,235)
Total nonoperating income (loss), net	81,184	(9,048)	(24,528)	47,608
Revenue in excess of (less than) expenses	62,951	11,482	(24,528)	49,905
Less income attributable to noncontrolling interests	(204)	—	184	(20)
Revenue in excess of (less than) expenses - attributable to controlling interest	\$ 62,747	\$ 11,482	\$ (24,344)	\$ 49,885

(Continued)

ATRIUM HEALTH WAKE FOREST BAPTIST
COMBINING STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS
(in thousands)

	Six Months Ended June 30, 2024			
	Atrium Health Wake Forest Baptist	Non-Designated Entities	Eliminations	Atrium Health Wake Forest Baptist Combined Group
Net assets without donor restrictions, controlling interest				
Revenue in excess of (less than) expenses - attributable to controlling interest	\$ 62,747	\$ 11,482	\$ (24,344)	\$ 49,885
Pension-related changes other than net periodic pension costs	(416)	—	—	(416)
Increase (decrease) in net assets without donor restrictions, controlling interest	62,331	11,482	(24,344)	49,469
Net assets without donor restrictions, noncontrolling interests				
Revenues in excess of (less than) expenses - attributable to noncontrolling interests	204	—	(184)	20
Increase (decrease) in net assets without donor restrictions, noncontrolling interests	204	—	(184)	20
Net assets with donor restrictions				
Contributions	54,003	(848)	—	53,155
Investment income, net	10,999	—	—	10,999
Net assets released from restrictions	(38,834)	—	—	(38,834)
Other, net	4,952	—	—	4,952
Increase (decrease) in net assets with donor restrictions	31,120	(848)	—	30,272
Increase (decrease) in net assets	93,655	10,634	(24,528)	79,761
Net assets at beginning of period	2,880,481	(137,964)	(15,304)	2,727,213
Net assets at end of period	\$ 2,974,136	\$ (127,330)	\$ (39,832)	\$ 2,806,974

**ATRIUM HEALTH WAKE FOREST BAPTIST COMBINED GROUP
UTILIZATION STATISTICS**

	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	Change	% Change
Case Mix Adjusted Equivalent Discharges	157,151	154,237	2,914	1.9 %
Patient Days	175,128	172,418	2,710	1.6 %
Inpatient Admissions	33,297	31,678	1,619	5.1 %
Average Length of Stay	5.26	5.44	0.18	3.3 %
Average Length of Stay (Case Mix Adjusted)	2.82	2.80	(0.02)	(0.7)%
Inpatient Operating Room Cases	9,496	9,572	(76)	(0.8)%
Outpatient Operating Room Cases	21,940	22,449	(509)	(2.3)%
Total Operating Room Cases	31,436	32,021	(585)	(1.8)%
Emergency Department Visits	107,657	107,305	352	0.3 %
Case Mix Index (all payors using Medicare weights)	1.8662	1.9437	(0.0775)	(4.0)%
RVUs	5,229,983	4,998,036	231,947	4.6 %
Outpatient Visit	1,035,481	1,033,921	1,560	0.2 %