



## QUARTERLY DISCLOSURE STATEMENT (UNAUDITED)

For the Period Ended December 31, 2022

This quarterly statement is being filed in accordance with the disclosure and compliance obligation related to the issuance of the series listed below.

Issuer	Bonds	Series
North Carolina Medical Care Commission	Health Care Facilities Revenue Bonds (Fixed)	2012A
	Health Care Facilities Revenue Refunding Bonds (Fixed)	2012B
	Health Care Facilities Revenue Bonds (DP)	2012D
	Health Care Facilities Revenue Bonds (Fixed)	2019A
	Health Care Facilities Revenue Bonds (DP)	2019B
	Health Care Facilities Revenue Bonds (Put)	2019C
Wake Forest University Baptist Medical Center	Taxable Bonds (Fixed)	2016
Public Finance Authority	Revenue Refunding Bonds (DP)	2020

**QUARTERLY DISCLOSURE**  
**December 31, 2022**

The following statistics reflect activity for the twelve months ended December 31, 2022, for the **Combined Group** of Wake Forest Baptist (i.e., Obligated Group Members and Designated Members) and do not include the activity of non-designated members such as Atrium Health Wake Forest Baptist Wilkes Medical Center, and Wake Forest Health Network, LLC (the entity formerly known as Cornerstone Healthcare, LLC). A breakout of the Combined Group balance sheet and income statement can be found on pages FS-4 and FS-5 of the attached financial statements.

**UTILIZATION STATISTICS – COMBINED GROUP**

	<u>Twelve Months Ended</u>		% Chg from Prior Year
	<u>12/31/2022</u>	<u>12/31/2021</u>	
Case Mix Adjusted Equivalent Discharges	287,563	288,324	-0.3%
Patient Days	333,525	328,294	1.6%
Inpatient Admissions	59,493	60,133	-1.1%
Average Length of Stay	5.61	5.46	2.7%
Average Length of Stay (Case Mix Adjusted)	2.86	2.74	4.4%
Inpatient Operating Room Cases	17,798	18,728	-5.0%
Outpatient Operating Room Cases	42,934	41,301	4.0%
Total Operating Room Cases	60,732	60,029	1.2%
Emergency Department Visits	208,892	197,101	6.0%
Case Mix Index (all payors using Medicare weights)	1.9593	1.9925	-1.7%
RVUs	8,698,321	7,963,976	9.2%
Outpatient Visits	1,921,118	1,885,132	1.9%

***The Charlotte-Mecklenburg Hospital Authority (doing business as Atrium Health) is not a Member of the Obligated Group under the Wake Forest Baptist Obligated Group's Master Indenture and does not have any liability or obligation for the payment of debt service on the outstanding bonds.***



# ATRIUM HEALTH WAKE FOREST BAPTIST

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**Combined Financial Statements for  
North Carolina Baptist Hospital and Affiliates,  
Wake Forest University Health Sciences and Affiliates, and  
Wake Forest Baptist Medical Center and Affiliates**

**For the Year Ended December 31, 2022  
(Unaudited)**

# ATRIUM HEALTH WAKE FOREST BAPTIST

## Combined Financial Statements

Year Ended December 31, 2022

(Unaudited)

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# ATRIUM HEALTH WAKE FOREST BAPTIST

## Combined Balance Sheets

*Dollars in thousands.*

	<b>(Unaudited) December 31, 2022</b>	<b>(Audited) December 31, 2021</b>
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 320,705	\$ 332,481
Patient receivables, net	393,740	357,037
Accounts, grants, and notes receivable, net	166,860	148,390
Other current assets	106,701	111,089
Total current assets	988,006	948,997
Property and equipment, net	1,260,602	1,284,201
Investments and assets whose use is limited	2,098,334	2,448,262
Operating lease right-of-use assets, net	157,902	196,476
Other assets	174,550	185,931
Total assets	<u>\$ 4,679,394</u>	<u>\$ 5,063,867</u>
<b>Liabilities</b>		
Current liabilities:		
Accounts payable	\$ 189,755	\$ 184,895
Salaries and benefits payable	385,169	365,586
Other liabilities and accruals	190,905	219,185
Estimated third party payer settlements	40,725	75,810
Current portion of operating lease liabilities	36,335	40,833
Current portion of long-term debt	54,468	158,130
Total current liabilities	897,357	1,044,439
Notes payable, finance leases, and line of credit, net of current portion	79,350	88,557
Bonds payable, net of current portion	806,950	727,959
Operating lease liabilities, net of current portion	128,896	162,934
Interest rate swap liability	1,181	3,525
Retirement benefits	90,646	96,260
Other long-term liabilities	100,620	123,256
Total liabilities	2,105,000	2,246,930
<b>Net assets</b>		
Without donor restrictions	2,182,915	2,402,597
With donor restrictions	391,479	414,340
Total net assets	2,574,394	2,816,937
Total liabilities and net assets	<u>\$ 4,679,394</u>	<u>\$ 5,063,867</u>

See accompanying notes to combined financial statements.

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# ATRIUM HEALTH WAKE FOREST BAPTIST

## Combined Statements of Operations and Changes in Net Assets

*Dollars in thousands.*

	<b>(Unaudited) Year Ended December 31, 2022</b>	<b>(Audited) Year Ended December 31, 2021</b>
<b>Operating revenues and support</b>		
Patient service revenue	\$ 3,380,768	\$ 3,228,061
Gifts, grants, and contracts	257,104	244,329
Student tuition and fees, net	42,927	43,618
Investment return designated for current operations	36,064	32,523
Net assets released from restrictions	56,144	37,672
Other sources	541,180	492,502
<b>Total operating revenues and support</b>	<b>4,314,187</b>	<b>4,078,705</b>
<b>Operating expenses</b>		
Personnel costs	2,593,984	2,417,071
Supplies	1,033,336	977,563
Purchased services	137,433	149,472
Other operating expenses	397,615	349,536
Depreciation and amortization	144,747	143,903
Financing costs	31,062	30,023
<b>Total operating expenses</b>	<b>4,338,177</b>	<b>4,067,568</b>
<b>Operating (deficiency) excess of revenues and support over expenses and losses</b>	<b>(23,990)</b>	<b>11,137</b>
<b>Nonoperating (losses) gains</b>		
Net investment (losses) gains	(198,902)	169,655
Unrealized gains on interest rate swap valuation	2,344	1,208
Net assets released from restrictions	-	150,000
Pension and postretirement costs	439	(4,945)
(Losses) gains from equity-method affiliates	(4,377)	14,025
Contributions from business combination, net	-	10,709
Other, net	1,533	12,657
<b>Total nonoperating (losses) gains</b>	<b>(198,963)</b>	<b>353,309</b>
<b>(Deficiency) excess of revenues and support over expenses and losses</b>	<b>(222,953)</b>	<b>364,446</b>
<b>Change in net assets without donor restrictions:</b>		
Equity transfer to affiliate	(2,000)	(2,000)
Pension and postretirement net adjustments	5,271	40,775
<b>Change in net assets without donor restrictions</b>	<b>(219,682)</b>	<b>403,221</b>
<b>Change in net assets with donor restrictions:</b>		
Contributions	52,290	38,933
Investment return in excess of amounts designated for current operations	8,924	8,532
Net assets released from restrictions	(56,144)	(187,672)
Net investment (losses) gains	(28,011)	32,109
Other	80	(2,955)
<b>Change in net assets with donor restrictions</b>	<b>(22,861)</b>	<b>(111,053)</b>
<b>Change in total net assets</b>	<b>(242,543)</b>	<b>292,168</b>
Net assets, beginning of year	2,816,937	2,524,769
Net assets, end of year	<b>\$ 2,574,394</b>	<b>\$ 2,816,937</b>

# ATRIUM HEALTH WAKE FOREST BAPTIST

## Combined Statements of Cash Flows

*Dollars in thousands.*

	<b>(Unaudited) Year Ended December 31, 2022</b>	<b>(Audited) Year Ended December 31, 2021</b>
<b>Cash flows from operating activities:</b>		
Receipts from third-party payers and patients	\$ 3,308,980	\$ 3,215,423
Payments to suppliers	(1,587,662)	(1,405,478)
Payments to employees	(2,574,305)	(2,324,340)
Other receipts, net	802,176	685,144
Net cash (used in) provided by operating activities	<u>(50,811)</u>	<u>170,749</u>
<b>Cash flows from financing activities:</b>		
Principal payments, refunding and retirements on short and long-term debt	(139,779)	(47,421)
Proceeds from issuance of long-term debt	105,905	-
Other contributions	30,000	160,000
Net cash (used in) provided by financing activities	<u>(3,874)</u>	<u>112,579</u>
<b>Cash flows from investing activities:</b>		
Net purchases and sales of investments and assets whose use is limited	160,387	(367,593)
Purchases of property and equipment	(120,717)	(127,650)
Proceeds from the sale of property and equipment	-	14,450
Acquisition of health-related businesses, net of cash acquired	-	(19,925)
Net cash provided by (used in) investing activities	<u>39,670</u>	<u>(500,718)</u>
Net decrease in cash, cash equivalents and restricted cash	(15,015)	(217,390)
Cash, cash equivalents and restricted cash		
Beginning of year	338,517	555,907
End of year	<u>\$ 323,502</u>	<u>\$ 338,517</u>
<b>Reconciliation of cash, cash equivalents, and restricted cash to the balance sheet:</b>		
Cash and cash equivalents	\$ 320,705	332,481
Restricted cash in investments and assets whose use is limited	2,797	6,036
Total cash, cash equivalents and restricted cash	<u>\$ 323,502</u>	<u>\$ 338,517</u>

See accompanying notes to combined financial statements.

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**ATRIUM HEALTH WAKE FOREST BAPTIST**  
Combining Balance Sheet Information (Unaudited)

December 31, 2022

Dollars in thousands.

	NCBH	WFUHS	WFUBMC	Other Subs and Affiliates	Eliminations	Total AHWFB	Non- Designated Entities	Eliminations	Total Combined Group <sup>(1)</sup>
<b>Assets</b>									
Current assets:									
Cash and cash equivalents	\$ 44,257	\$ 23,285	\$ 244,426	\$ 8,737	\$ -	\$ 320,705	\$ (47,655)	\$ -	\$ 273,050
Patient receivables, net	218,169	84,549	87,618	3,404	-	393,740	(22,924)	-	370,816
Accounts, grants, and notes receivable, net	103,236	260,516	293,103	10,543	(500,538)	166,860	(38,368)	-	128,492
Other current assets	78,415	11,060	16,989	237	-	106,701	(5,130)	-	101,571
Total current assets	444,077	379,410	642,136	22,921	(500,538)	988,006	(114,077)	-	873,929
Property and equipment, net	543,476	385,377	323,210	8,539	-	1,260,602	(79,019)	-	1,181,583
Investments and assets whose use is limited	1,196,038	1,182,903	227,144	144	(507,895)	2,098,334	(85,586)	6,054	2,018,802
Operating lease right-of-use assets, net	16,758	119,003	105,666	-	(83,525)	157,902	(29,878)	-	128,024
Other assets	44,176	33,230	97,144	-	-	174,550	(92,483)	-	82,067
Total assets	<u>\$ 2,244,525</u>	<u>\$ 2,099,923</u>	<u>\$ 1,395,300</u>	<u>\$ 31,604</u>	<u>\$ (1,091,958)</u>	<u>\$ 4,679,394</u>	<u>\$ (401,043)</u>	<u>\$ 6,054</u>	<u>\$ 4,284,405</u>
<b>Liabilities and Net Assets</b>									
Current liabilities:									
Accounts payable	\$ 65,257	\$ 222,317	\$ 391,316	\$ 9,541	\$ (498,676)	\$ 189,755	\$ (163,326)	\$ -	\$ 26,429
Salaries and benefits payable	53,497	231,379	99,940	353	-	385,169	(12,292)	-	372,877
Other liabilities and accruals	52,941	142,128	8,385	126	(12,675)	190,905	(8,328)	-	182,577
Estimated third-party payers settlements	39,484	437	804	-	-	40,725	1,301	-	42,026
Current portion of operating lease liabilities	3,630	23,956	13,323	-	(4,574)	36,335	(8,188)	-	28,147
Current portion of long-term debt	20,259	12,474	20,492	1,243	-	54,468	(1,477)	-	52,991
Total current liabilities	235,068	632,691	534,260	11,263	(515,925)	897,357	(192,310)	-	705,047
Notes payable, finance leases, and line of credit, net of current portion	12,979	39,251	24,633	2,487	-	79,350	(23,458)	-	55,892
Bonds payable, net of current portion	455,745	110,186	241,019	-	-	806,950	-	-	806,950
Operating lease liabilities, net of current portion	12,581	99,827	82,265	-	(65,777)	128,896	(22,816)	-	106,080
Interest rate swap liability	-	1,181	-	-	-	1,181	-	-	1,181
Retirement benefits	71,316	17,926	1,404	-	-	90,646	(1,404)	-	89,242
Other liabilities	37,020	57,210	8,702	49	(2,361)	100,620	(3,844)	-	96,776
Total liabilities	824,709	958,272	892,283	13,799	(584,063)	2,105,000	(243,832)	-	1,861,168
<b>Net assets</b>									
Without donor restrictions	1,409,559	844,643	418,803	17,805	(507,895)	2,182,915	(157,217)	6,054	2,031,752
With donor restrictions	10,257	297,008	84,214	-	-	391,479	6.00	-	391,485
Total net assets	1,419,816	1,141,651	503,017	17,805	(507,895)	2,574,394	(157,211)	6,054	2,423,237
Total liabilities and net assets	<u>\$ 2,244,525</u>	<u>\$ 2,099,923</u>	<u>\$ 1,395,300</u>	<u>\$ 31,604</u>	<u>\$ (1,091,958)</u>	<u>\$ 4,679,394</u>	<u>\$ (401,043)</u>	<u>\$ 6,054</u>	<u>\$ 4,284,405</u>

<sup>(1)</sup> Represents only those WFB entities that are Obligated Group members or Designated Members under the MTI.



# ATRIUM HEALTH WAKE FOREST BAPTIST

## Combined Statements of Operations and Changes in Net Assets (Unaudited)

Year Ended December 31, 2022

Dollars in thousands.

	NCBH	WFUHS	WFUBMC	Other Subs and Affiliates	Eliminations	Total AHWFB	Non- Designated Entities	Eliminations	Total Combined Group <sup>(1)</sup>
<b>Operating revenues and support</b>									
Patient service revenue	\$ 1,783,614	\$ 745,036	\$ 829,746	\$ 22,372	\$ -	\$ 3,380,768	\$ (245,237)	\$ -	\$ 3,135,531
Gifts, grants, and contracts	14,066	218,046	25,450	-	(458)	257,104	(3,265)	-	253,839
Student tuition and fees, net	2,240	40,687	-	-	-	42,927	-	-	42,927
Investment return designated for current operations	1,480	32,831	1,429	324	-	36,064	(1,782)	-	34,282
Net assets released from restrictions	438	53,314	2,392	-	-	56,144	(6)	-	56,138
Other sources	483,053	303,989	36,599	148	(282,609)	541,180	(77,241)	-	463,939
<b>Total operating revenues and support</b>	<b>2,284,891</b>	<b>1,393,903</b>	<b>895,616</b>	<b>22,844</b>	<b>(283,067)</b>	<b>4,314,187</b>	<b>(327,531)</b>	<b>-</b>	<b>3,986,656</b>
<b>Operating expenses</b>									
Personnel costs	1,043,840	1,064,442	473,741	6,395	5,566	2,593,984	(185,150)	-	2,408,834
Supplies	724,613	123,592	183,589	1,542	-	1,033,336	(45,879)	-	987,457
Purchased services	308,769	63,177	26,036	4,607	(265,156)	137,433	(9,338)	-	128,095
Other operating expenses	160,312	144,732	112,297	3,751	(23,477)	397,615	(89,709)	-	307,906
Depreciation and amortization	77,940	35,520	29,740	1,547	-	144,747	(6,925)	-	137,822
Financing costs	14,162	7,185	9,592	123	-	31,062	(992)	-	30,070
<b>Total operating expenses</b>	<b>2,329,636</b>	<b>1,438,648</b>	<b>834,995</b>	<b>17,965</b>	<b>(283,067)</b>	<b>4,338,177</b>	<b>(337,993)</b>	<b>-</b>	<b>4,000,184</b>
Operating (deficiency) excess of revenues and support over expenses and losses	(44,745)	(44,745)	60,621	4,879	-	(23,990)	10,462	-	(13,528)
<b>Nonoperating (losses) gains</b>									
Net investment (losses) gains	(126,089)	(61,708)	(10,410)	(695)	-	(198,902)	14,393	-	(184,509)
Net gains on interest rate swap valuation	-	2,344	-	-	-	2,344	-	-	2,344
Pension and postretirement costs, net	(161)	26	574	-	-	439	(574)	-	(135)
Gains (losses) from equity-method affiliates	21,390	18,491	(2,111)	-	(42,147)	(4,377)	(450)	(16,854)	(21,681)
Other, net	503	1,873	(132)	(2,838)	2,127	1,533	2,844	(2,127)	2,250
<b>Total nonoperating (losses) gains</b>	<b>(104,357)</b>	<b>(38,974)</b>	<b>(12,079)</b>	<b>(3,533)</b>	<b>(40,020)</b>	<b>(198,963)</b>	<b>16,213</b>	<b>(18,981)</b>	<b>(201,731)</b>
(Deficiency) excess of revenues and support over expenses and losses	(149,102)	(83,719)	48,542	1,346	(40,020)	(222,953)	26,675	(18,981)	(215,259)
<b>Change in net assets without donor restrictions:</b>									
Equity transfer to a affiliate	-	(2,000)	-	-	-	(2,000)	-	-	(2,000)
Pension and postretirement-related gain other than net periodic cost	1,125	5,411	(1,265)	-	-	5,271	1,265	-	6,536
Change in net assets without donor restrictions	(147,977)	(80,308)	47,277	1,346	(40,020)	(219,682)	27,940	(18,981)	(210,723)
<b>Change in net assets with donor restrictions:</b>									
Contributions	618	48,238	3,434	-	-	52,290	1,103	-	53,393
Investment return designated for restricted purpose:	178	8,746	-	-	-	8,924	-	-	8,924
Net assets released from restrictions	(438)	(53,314)	(2,392)	-	-	(56,144)	6	-	(56,138)
Net investment (losses) gains	(732)	(27,279)	-	-	-	(28,011)	-	-	(28,011)
Other	(11)	9,977	(9,886)	-	-	80	(13)	-	67
Change in net assets with donor restrictions	(385)	(13,632)	(8,844)	-	-	(22,861)	1,096	-	(21,765)
<b>Change in total net assets</b>									
Net assets, beginning of year	1,568,178	1,235,591	464,584	16,459	(467,875)	2,816,937	(186,247)	25,035	2,655,725
Net assets, end of year	\$ 1,419,816	\$ 1,141,651	\$ 503,017	\$ 17,805	\$ (507,895)	\$ 2,574,394	\$ (157,211)	\$ 6,054	\$ 2,423,237

<sup>(1)</sup> Represents only those WFB entities that are Obligated Group members or Designated Members under the MTI.