

**INSPIRA HEALTH OBLIGATED GROUP  
MONTHLY STATISTICAL SUMMARY  
FOR PERIOD ENDED JUNE 30, 2017**

	<u>Prior YTD</u>	<u>YEAR - TO - DATE</u>		
<b><u>OUTPATIENT SERVICES</u></b>	<b><u>Actual</u></b>	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>Variance</u></b>
Outpatient Surgeries	8,035	8,326	7,815	511
Laboratory Tests	438,079	450,189	434,294	15,895
Physical Therapy	70,890	78,122	68,822	9,300
Dialysis Treatments	7,186	0	0	0
Diagnostic Radiology	128,444	127,414	130,002	(2,588)
MRI Procedures	6,330	6,813	7,151	(338)
MICU	7,309	6,320	6,958	(638)
Cardiac Cath Lab	354	347	349	(2)
Cardiac Cath Lab PCI	0	0	0	0
Therapeutic Radiology - HDR	62	86	70	16
Therapeutic Radiology - IMRT/Megavolt	3,677	4,373	3,469	904
Therapeutic Radiology - General	3,965	4,370	3,469	901
Emergency Room	72,192	70,615	74,293	(3,678)
<b>TOTAL OUTPATIENT SERVICES</b>	<b>746,523</b>	<b>756,975</b>	<b>736,692</b>	<b>20,283</b>
<b>OBSERVATIONS</b>	4,031	3,476	3,530	(54)
<b>NEW INPATIENT CASES</b>				
Admissions - Adult & Pediatric	13,916	14,072	13,805	267
Special Care Nursery & NICU	135	143	112	31
Transitional Care Unit	0	0	0	0
Subtotal	14,051	14,215	13,917	298
Mental Health	1,345	1,263	1,318	(55)
<b>TOTAL NEW INPATIENT CASES</b>	15,396	15,478	15,235	243
<b>BIRTHS</b>	1,473	1,413	1,426	(13)
<b>PATIENT DAYS</b>				
Adults & Pediatrics	57,841	61,064	57,591	3,473
Special Care Nursery & NICU	2,130	2,287	2,048	239
Transitional Care Unit	0	0	0	0
Subtotal	59,971	63,351	59,639	3,712
Mental Health	9,555	9,617	9,356	261
<b>TOTAL PATIENT DAYS</b>	69,526	72,968	68,995	3,973

**INSPIRA HEALTH OBLIGATED GROUP  
MONTHLY STATISTICAL SUMMARY  
FOR PERIOD ENDED JUNE 30, 2017**

	<u>Prior YTD</u>	<u>YEAR - TO - DATE</u>		
AVERAGE DAILY CENSUS				
Adults & Pediatrics	318	337	318	19.19
Special Care Nursery & NICU	12	13	11	1.33
Transitional Care Unit	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00</u>
Subtotal	329.51	350.01	329.49	20.52
Mental Health	53	53	52	1.44
TOTAL AVERAGE DAILY CENSUS	382.01	403.14	381.18	21.96
AVERAGE LENGTH OF STAY				
Adults & Pediatrics	4.2	4.3	4.2	(0.1)
Special Care Nursery & NICU	15.8	16.0	18.3	2.3
Transitional Care Unit	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Subtotal	4.3	4.5	4.3	(0.2)
Mental Health	7.1	7.6	7.1	(0.5)
TOTAL AVERAGE LENGTH OF STAY	4.5	4.7	4.5	(0.2)
TOTAL OCCUPANCY	59.7%	63.0%	59.6%	3.4%

**INSPIRA HEALTH OBLIGATED GROUP**  
**BALANCE SHEET**  
**FOR PERIOD ENDED JUNE 30, 2017**

<b><u>ASSETS</u></b>				<b><u>LIABILITIES &amp; NET ASSETS</u></b>			
	<b><u>2017 May</u></b>	<b><u>2017 June</u></b>	<b><u>2016 December</u></b>		<b><u>2017 May</u></b>	<b><u>2017 June</u></b>	<b><u>2016 December</u></b>
CURRENT ASSETS:				CURRENT LIABILITIES:			
Cash & Cash Equivalents	\$93,499,934	\$107,294,283	\$166,652,347	Current Portion of Debt	\$6,832,211	\$6,833,015	\$6,828,311
Assets Limited as to Use	9,387,782	10,610,553	7,436,125	Accounts Payable	15,800,812	15,847,323	9,320,150
Patient Service Receivables, Net	76,752,515	70,141,862	67,867,338	Accrued Expenses	60,989,676	62,073,426	61,746,521
				Accrued Payroll	10,612,882	12,183,028	12,811,503
Due from Affiliates, Net	46,100,535	44,285,507	43,757,924	Accrued Pension	42,026	42,026	183,299
Inventory	5,853,237	5,886,075	5,892,156	Deferred Support	5,981,003	6,592,287	5,810,603
Other Current Assets	16,333,975	15,603,441	16,740,973	Accrued Interest Payable	4,184,508	4,973,064	4,859,374
Other Current Assets - TKC Receivable	244,334	0	2,394,060	Estimated Third Party Payables	56,020,133	56,445,984	50,436,197
				Other Current Liability - Cooper Bone & Joint Receivables	0	0	0
Other Current Assets - Cooper Bone & Joint Receivables	553,662	(200)	552,542	Accrued Vacation/ PTO	21,580,939	21,631,767	17,800,101
TOTAL CURRENT ASSETS	248,725,974	253,821,521	311,293,465	TOTAL CURRENT LIABILITIES	182,044,190	186,621,920	169,796,059
LONG TERM ASSETS LIMITED AS TO USE:				ACCRUED RETIREMENT BENEFITS	6,921,795	6,342,658	6,866,176
By Board of Directors	511,730,597	513,701,531	400,644,208	INTEREST RATE SWAPS	9,239,010	8,577,841	9,149,781
Interest Rate Swaps	9,239,010	8,577,841	9,149,781	OTHER LIABILITIES	55,585,642	55,601,184	59,894,143
Debt Service Reserve	0	0	9,552,038	LONG-TERM DEBT	194,254,663	194,021,048	195,448,203
PROPERTY, PLANT, & EQUIPMENT, NET	354,818,369	359,836,449	345,174,787	TOTAL LIABILITIES	448,045,300	451,164,651	441,154,362
NET DEFERRED FINANCING COSTS & OTHER ASSETS	33,404,617	33,896,480	33,672,311				
BENEFICIAL INTEREST IN CAPITAL CAMPAIGN	2,468,207	2,535,801	1,194,909				
INVESTMENT IN SUBSIDIARY	0	0	135,306				
TRUSTEE HELD ASSETS	8,494,555	8,574,060	8,260,707	TOTAL NET ASSETS	720,836,029	729,779,032	668,371,112
TOTAL ASSETS	<u>\$1,168,881,329</u>	<u>\$1,180,943,683</u>	<u>\$1,119,077,512</u>	TOTAL LIABILITIES & NET ASSETS	<u>\$1,168,881,329</u>	<u>\$1,180,943,683</u>	<u>\$1,109,525,474</u>

**INSPIRA HEALTH OBLIGATED GROUP**  
**STATEMENT OF REVENUES AND EXPENSES**  
**FOR PERIOD ENDED JUNE 30, 2017**

	YEAR - TO - DATE			
	2016	2017		
	Actual	Actual	Budget	Variance from Budget
<b>Unrestricted net assets</b>				
Operating Revenue:				
Net Patient Revenue	\$310,652,107	\$326,065,628	\$323,042,498	\$3,023,130
Other Operating Revenue	10,318,602	10,701,035	10,059,817	641,218
Subsidy Revenue	4,726,022	2,843,573	2,828,574	14,999
Asset Released from Restriction	6,828	5,370	0	5,370
Total Operating Revenue:	325,703,559	339,615,606	335,930,889	3,684,717
Operating Expenses:				
Salaries & Wages	123,772,110	128,547,384	129,143,144	595,760
Physician Fees	14,093,719	14,851,285	14,968,318	117,033
Employee Health & Welfare	46,301,753	44,824,375	45,618,736	794,361
Agency Personnel	0	158,648	0	(158,648)
Supplies & Other Expenses	89,078,924	91,259,195	90,345,159	(914,036)
Depreciation & Amortization	22,257,762	21,884,154	21,885,222	1,068
Interest	4,773,359	3,732,224	3,915,353	183,129
Total Operating Expenses	300,277,627	305,257,265	305,875,932	618,667
Excess (Deficit) from Operations	25,425,932	34,358,341	30,054,957	4,303,384
Non Operating Income	444,114	20,311,440	4,669,320	15,642,120
Change in unrealized gains/(losses) on investments	6,068,137	3,803,321	0	3,803,321
Excess (deficiency) of revenue and gains over expenses	31,938,183	58,473,102	34,724,277	23,748,825

**INSPIRA HEALTH OBLIGATED GROUP**  
**STATEMENT OF REVENUES AND EXPENSES**  
**FOR PERIOD ENDED JUNE 30, 2017**

	<b>YEAR - TO - DATE</b>			
	<b>2016</b>	<b>2017</b>		
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance from Budget</b>
Excess (deficiency) of revenue and gains over expenses	31,938,183	58,473,102	34,724,277	23,748,825
Other changes in unrestricted net assets:				
Net transfers to/(from) affiliates	426,508	530,460	0	530,460
Assets released from restriction	(5,525)	(980)	0	(980)
Other Changes in Net Assets	1,124,502	640,632	0	640,632
Increase (decrease) in unrestricted net assets	33,483,668	59,643,214	34,724,277	24,918,937
<b>Temporarily restricted net assets:</b>				
Contributions	1,006	1,350	0	1,350
Other Transfers	0	0	0	0
Assets released from restriction	(88,191)	(4,390)	0	(4,390)
Increase (decrease) in beneficial interest in temporary trust	23,459	116,327	0	116,327
Increase (decrease) in beneficial interest in capital campaign	0	1,454,391	0	1,454,391
Increase (decrease) in temporarily restricted net assets	(63,726)	1,567,678	0	1,567,678
<b>Permanently restricted net assets:</b>				
Increase (decrease) in beneficial interest in perpetual trust	(266,447)	197,028	0	197,028
Increase (decrease) in permanently restricted net assets	(266,447)	197,028	0	197,028
Increase (decrease) in net assets	33,153,495	61,407,920	34,724,277	26,683,643
Net assets, beginning of year	581,089,011	668,371,112		
Net assets, end of year	614,242,506	729,779,032		

**INSPIRA HEALTH OBLIGATED GROUP**  
**STATEMENT OF CASH FLOWS**  
**FOR PERIOD ENDED JUNE 30, 2017**

	<b>YTD 2016</b>
Operating Activities:	
Excess/(deficit)	\$61,407,920
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Transfers from affiliates, net	0
Depreciation & amortization	21,884,154
Net realized and unrealized losses/(gains) on investments	(24,936,730)
Beneficial interest in perpetual and temporary trusts	(313,353)
Estimated other liability costs	(4,292,959)
Change in certain assets and liabilities:	0
Patient accounts receivable	(2,274,524)
Inventory	6,081
Prepaid expenses and other current assets	4,084,334
Due from affiliates	(527,583)
Due to Inspira Medical Centers	0
Accounts payable & accrued expenses	10,174,162
Accrued interest payable	113,690
Estimated settlements to third-party payers	<u>6,009,787</u>
Net cash provided by/(used in) operating activities	71,334,979
Investing Activities:	
Additions to property and equipment, net	(36,454,712)
(Increase) / Decrease in assets limited as to use	(90,723,081)
Increase in other assets	<u>(1,930,529)</u>
Net cash provided by/(used in) investing activities	(129,108,322)
Financing Activities:	
(Increase) / Decrease in deferred financing costs	409,670
Proceeds from additional borrowings	0
(Increase) / decrease in interest rate swap	(571,940)
Principal payments of long-term debt	<u>(1,422,451)</u>
Net cash provided by/(used in) financing activities	(1,584,721)
Increase/(decrease) in cash	(59,358,064)
Cash and equivalents, beginning of month/year	<u>166,652,347</u>
Cash and equivalents, end of month/year	<u><u>\$107,294,283</u></u>

**INSPIRA HEALTH OBLIGATED GROUP  
FINANCIAL RATIOS  
FOR PERIOD ENDED JUNE 30, 2017**

	<b>Preferred Movement</b>	<b>FAST 75th Percentile 3/31/2017</b>	<b>Moody's "A" Rated FY 2015</b>	<b>June 2017</b>
Total Occupancy (Maintained Beds)	Increase	71.23%	65.95%	63.00%
Total Occupancy (Licensed Beds)	Increase	60.00%	N/A	70.00%
Operating Margin (%)	Increase	7.39%	4.90%	10.10%
Operating Cash Flow Margin (%)	Increase	N/A	11.80%	17.66%
Total Margin (%)	Increase	10.68%	6.60%	16.08%
Current Ratio	Increase	2.99	2.20	1.36
Days Cash On Hand	Increase	124.00	255.00	396.65
Cash-to-debt (%)	Increase	N/A	1.81	3.11
Cash Flow to Total Debt (%)	Increase	9.00%	N/A	35.13%
LT Debt-to-equity (%)	Decrease	35.00%	N/A	26.59%
A/R Days Outstanding	Decrease	40.25	47.70	38.60
Charity Care As A Percentage Of Gross Charges	Decrease	1.45%	N/A	0.91%
Debt Service Coverage	Increase	N/A	6.00	7.72
Cushion Ratio	Increase	N/A	24.40	41.49

**INSPIRA HEALTH OBLIGATED GROUP  
DEBT SERVICE CALCULATION  
FOR PERIOD ENDED JUNE 30, 2017**

	<u>June</u>	<u>Actual Annualized</u>	<u>Actual Projected from Budget</u>	<u>Budgeted*</u>
Net Income, year to date	58,473,102	116,946,204	89,946,235	66,464,023
Interest Expense	3,732,224	3,732,224	3,732,224	7,789,503
Depreciation & Amortization	<u>21,884,154</u>	<u>43,768,308</u>	<u>21,884,154</u>	<u>43,770,440</u>
Funds Available for Debt Service	\$84,089,480	\$164,446,736	\$115,562,613	\$118,023,966
Maximum Annual Principle & Interest Payments		<u>14,968,982</u>	<u>14,968,982</u>	<u>14,968,982</u>
Debt Service Coverage Ratio		<u><u>10.99</u></u>	<u><u>7.72</u></u>	<u><u>7.88</u></u>