



## Certificate of Need Application Hospital Projects

Exclude hospital projects for sale, purchase, or lease of a hospital, or skilled nursing beds. Use service-specific addendum, if applicable.

Certificate of Need applications must be submitted with a fee in accordance with Washington Administrative Code [\(WAC\) 246-310-990](#).

Application is made for a Certificate of Need in accordance with provisions in Revised Code of Washington ([RCW 70.38](#) and [WAC 246-310](#), rules and regulations adopted by the Washington State Department of Health. I attest that the statements made in this application are correct to the best of my knowledge and belief.

Signature and Title of Responsible Officer  Charles Prosper, MSPT, MBA Northwest Chief Executive Email Address CProsper@peacehealth.org	Date: December 20, 2022  Telephone Number: 360-788-6313										
Legal Name of Applicant  PeaceHealth St. Joseph Medical Center  Address of Applicant  2901 Squalicum Parkway Bellingham, WA 98225	<input type="checkbox"/> New hospital <input checked="" type="checkbox"/> Expansion of existing hospital (identify facility name and license number) PeaceHealth St. Joseph Medical Center (HAC #00000145)  Provide a brief project description, including the number of beds and the location. PeaceHealth St. Joseph Medical Center proposes to add 80 medical/surgical beds.  Estimated capital expenditure: <u>\$336,323,637</u>										
Identify the Hospital Planning Area <u>Whatcom County Hospital Planning Area</u>											
Identify if this project proposes the addition or expansion of one of the following services: <table style="width: 100%; margin-top: 5px;"> <tr> <td><input type="checkbox"/> NICU Level II</td> <td><input type="checkbox"/> NICU Level III</td> <td><input type="checkbox"/> NICU Level IV</td> <td><input type="checkbox"/> Specialized Pediatric (PICU)</td> <td><input type="checkbox"/> Psychiatric (within acute care hospital)</td> </tr> <tr> <td><input type="checkbox"/> Organ Transplant (identify)</td> <td><input type="checkbox"/> Open Heart Surgery</td> <td><input type="checkbox"/> Elective PCI</td> <td><input type="checkbox"/> PPS-Exempt Rehab (indicate level)</td> <td><input type="checkbox"/> Specialty Burn Services</td> </tr> </table>		<input type="checkbox"/> NICU Level II	<input type="checkbox"/> NICU Level III	<input type="checkbox"/> NICU Level IV	<input type="checkbox"/> Specialized Pediatric (PICU)	<input type="checkbox"/> Psychiatric (within acute care hospital)	<input type="checkbox"/> Organ Transplant (identify)	<input type="checkbox"/> Open Heart Surgery	<input type="checkbox"/> Elective PCI	<input type="checkbox"/> PPS-Exempt Rehab (indicate level)	<input type="checkbox"/> Specialty Burn Services
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**ST. JOSEPH MEDICAL CENTER  
CERTIFICATE OF NEED APPLICATION  
TO  
ADD 80 ACUTE CARE BEDS**

**January 2023**

## **SECTION 1**

### **Applicant Description**

- 1. Provide the legal name and address of the applicant(s) as defined in WAC 246-310-010(6).**

The legal name of the applicant is PeaceHealth, DBA St. Joseph Medical Center (SJMC).  
The address of SJMC is:

2901 Squalicum Parkway  
Bellingham, WA 98225-1898

- 2. Identify the legal structure of the applicant (LLC, PLLC, etc.) and provide the unified business identifier (UBI).**

PeaceHealth is not-for-profit Catholic health system offering care to communities in Washington, Oregon, and Alaska. PeaceHealth operates hospitals, clinics, home health, and hospice agencies. SJMC's UBI number is: 600-521-489.

- 3. Provide the name, title, address, telephone number, and email address of the contact person for this application.**

Questions regarding this application should be sent to:

Charles Prosper, MSPT, MBA  
Northwest Chief Executive  
PeaceHealth St. Joseph Medical Center  
2901 Squalicum Parkway  
Bellingham, WA 98225

- 4. Provide the name, title, address, telephone number, and email address of the consultant authorized to speak on your behalf related to the screening of this application (if any).**

The consultant authorized to speak on behalf of this application is:

Jody Carona  
Health Facilities Planning & Development  
120 1<sup>st</sup> Avenue West, Suite 100  
Seattle, WA 98119  
(206) 441-0971  
(206) 441-4823 (fax)  
Email: [healthfac@healthfacilitiesplanning.com](mailto:healthfac@healthfacilitiesplanning.com)

- 5. Provide an organizational chart that clearly identifies the business structure of the applicant(s).**

The organizational chart is included in Exhibit 1.



## **SECTION 2**

### **Facility Description**

**1. Provide the name and address of the existing facility.**

The name and address of SJMC, the existing applicant facility is:

St. Joseph Medical Center  
2901 Squalicum Parkway  
Bellingham, WA 98225-1898

**2. Provide the name and address of the proposed facility. If an address is not yet assigned, provide the county parcel number and the approximate timeline for assignment of the address.**

No new facility is proposed. This question is not applicable.

**3. Confirm that the facility will be licensed and certified by Medicare and Medicaid. If this application proposes the expansion of an existing facility, provide the existing identification numbers.**

SJMC's existing identification numbers are as follows:

**HAC.FS:** 00000145

**Medicare #:** 500030 (acute care)

**Medicaid #:** 2023356

**4. Identify the accreditation status of the facility before and after the project.**

SJMC is currently accredited by DNV GL. SJMC's current accreditation expires on December 11, 2025.

**5. Is the facility operated under a management agreement?**

Yes \_\_\_\_\_ No   X  

**If yes, provide a copy of the management agreement.**

This question is not applicable.

**6. Provide the following scope of service information:**

SJMC's scope of services is detailed in Table 1.

**Table 1**  
**PeaceHealth St. Joseph Medical Center's Scope of Services**

Service	Currently Offered?	Offered Following Project Completion?
Alcohol and Chemical Dependency	<input type="checkbox"/>	<input type="checkbox"/>
Anesthesia and Recovery	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Cardiac Care	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Cardiac Care – Adult Open-Heart Surgery	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Cardiac Care – Pediatric Open-Heart Surgery	<input type="checkbox"/>	<input type="checkbox"/>
Cardiac Care – Adult Elective PCI	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Cardiac Care – Pediatric Elective PCI	<input type="checkbox"/>	<input type="checkbox"/>
Diagnostic Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Dialysis – Inpatient	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Emergency Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Food and Nutrition	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Imaging/Radiology	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Infant Care/Nursery	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Intensive/Critical Care	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Laboratory	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Medical Unit(s)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Neonatal – Level II	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Neonatal – Level III	<input type="checkbox"/>	<input type="checkbox"/>
Neonatal – Level IV	<input type="checkbox"/>	<input type="checkbox"/>
Obstetrics	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Oncology	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Organ Transplant - Adult (list types)	<input type="checkbox"/>	<input type="checkbox"/>
Organ Transplant - Pediatric (list types)	<input type="checkbox"/>	<input type="checkbox"/>
Outpatient Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Pediatrics	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Pharmaceutical	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Psychiatric	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Skilled Nursing/Long-Term Care (swing beds)	<input type="checkbox"/>	<input type="checkbox"/>
Rehabilitation (indicate level, if applicable)	<input type="checkbox"/>	<input type="checkbox"/>
Respiratory Care	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Social Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Surgical Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Source: Applicant.

## SECTION 3

### Project Description

- 1. Provide a detailed description of the proposed project. If it is a phased project, describe each phase separately. For existing facilities, this should include a discussion of existing services and how these would or would not change as a result of the project.**

To assure Whatcom County residents have both equitable and timely access to inpatient acute care services, this certificate of need (CN) application requests approval for 80 new acute care beds at SJMC. Today, SJMC operates 207 acute (medical/surgical) beds and 255 total licensed beds. Upon project completion, SJMC will have a total of 287 acute care beds and 321 total licensed beds.

SJMC is the sole acute care hospital serving Whatcom County's nearly 230,000 residents. Per the State's CHARS inpatient dataset, SJMC also serves as the primary hospital location for residents of San Juan County needing hospitalization. About 13% of Skagit County residents, including 27% located in Northern Skagit County, also rely on SJMC for acute care hospitalization.

SJMC is both a Level II trauma provider and a Level II neonatal provider. SJMC also provides elective PCI and open-heart surgery. Of our current 255 licensed beds, 20 are dedicated to inpatient psychiatric and 14 are for Level II neonatal care, leaving 207 beds for acute care.<sup>1</sup> The hospital has operated 207 acute care beds for more than two decades, despite a more than 35% increase in Whatcom County's population during the same time frame. The adjusted target midnight occupancy set forth in the *State Health Plan* for a hospital with 207 acute care beds is 70%. As shown in Table 2, SJMC has operated 10-18 percentage points above this level at midnight; and even higher during mid-day since at least 2017-2018.

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<sup>1</sup>SJMC also has 14 acute rehabilitation beds on its license that are currently not in use. In 2018, SJMC closed its acute rehabilitation program to dedicate the space for medical/surgical use. SJMC understands that these 14 beds can only be used for acute rehabilitation service and continues to maintain these beds on its license. There are no acute rehabilitation beds proposed within this project.

**Table 2**  
**St. Joseph Medical Center**  
**Inpatient Discharges, Days, and Average Midnight Occupancy, 2016-2022 (10 months only)**

Year	Acute Discharges	Acute Days	ADC	Average Midnight Occupancy Acute Beds	Psych Days	Level II Neonatal Days	Total Days	ADC	Average Midnight Occupancy Total Beds <sup>2</sup>
2016	13,926	57,022	156.2	75.5%	5,752	2,280	65,054	178.2	74.0%
2017	14,963	59,024	161.7	78.1%	5,327	2,604	66,955	183.4	76.1%
2018	14,999	60,712	166.3	80.4%	6,480	2,512	69,704	191.0	79.2%
2019	14,622	60,522	165.8	80.1%	5,364	2,476	68,362	187.3	77.7%
2020	13,226	58,613	160.6	77.6%	4,967	2,687	66,267	181.6	75.3%
2021	13,413	64,539	176.8	85.4%	4,682	2,431	71,652	196.3	81.5%
2022	14,009	66,983	183.51	88.7%	5,144	1,480	73,607	201.7	83.7%

*Source: WA State CHARS Database, 2016-2021. Acute care census is acute care unit, psych is psych unit only. Normal newborns and rehab are excluded. Rehab service at SJMC ended in 2018. Also excludes MDC 19 days that occur in the acute care unit.*

Using licensed acute care beds and midnight inpatient occupancy, SJMC's occupancy has consistently been among the highest of all of Washington State's acute care hospitals. This data is included in Table 3.

**Table 3**  
**Hospitals with Highest Occupancy on Acute Care Licensed Beds, 2016-2021**

Hospital Name	2016	2017	2018	2019	2020	2021
Harborview Medical Center	82.7%	86.5%	87.8%	87.9%	85.2%	103.0%
MultiCare Good Samaritan Hospital	59.8%	67.1%	69.3%	77.6%	72.7%	88.4%
<b><i>St. Joseph Medical Center</i></b>	75.5%	78.1%	80.4%	80.1%	77.6%	85.4%
Providence Saint Peter Hospital	67.9%	72.3%	77.0%	82.3%	76.6%	84.2%
Providence Regional MC Everett	67.5%	67.6%	71.1%	70.8%	70.9%	76.2%
St. Clare Hospital	76.6%	72.2%	74.8%	72.2%	65.9%	72.6%
St. Joseph Medical Center (FHS)	71.6%	74.0%	73.5%	77.0%	72.7%	75.2%
St. Francis Hospital	77.0%	76.6%	72.5%	68.9%	67.2%	72.4%
St. Anthony Hospital	77.9%	61.0%	62.1%	61.8%	63.7%	73.0%
Central Washington Hospital	67.7%	69.0%	68.7%	68.0%	64.5%	70.7%

*Source: WA State CHARS Database, 2015-2021. Only includes acute care discharges (Hospital Unit, Acute Care), excludes all newborns, MDC 19, and Acute Rehabilitation. Acute care bed capacity from annual bed surveys or Department of Health Year End reports.*

<sup>2</sup> Excludes rehab days and beds.

When SJMC is at or above capacity, the next closest higher level hospital is located in Everett, a distance of 64 miles and 71 minutes, under normal travel times, from hospital to hospital. That hospital, Providence Everett, also operates at very high levels and likewise has been experiencing occupancy issues. According to various news articles, Providence Everett is experiencing longer wait times and increased ED boarding than in past years. For Whatcom County residents and the EMS system, this means transports increasingly divert to Seattle or even further south.

This CN proposes to construct a tower that will house 73 new acute care beds (Phase 1). A net addition of 7 more beds will be added in this project once the tower is completed and renovation of existing units can be undertaken (Phase 2). The new beds will improve access to care and reduce the overall occupancy rates at SJMC.

As stated above, the beds will be made operational in two phases. Table 4 details the current and proposed beds by type and unit/location.

**Table 4**  
**Current and Proposed Licensed Bed Configuration by Type and Location**

Department/Unit/Location	Current Setup Beds	Phase 1	Phase 2	Number of Beds Following Project Completion
<b>Current</b>				
Intensive Care	24	0	0	24
4 North Intermediate Care Unit (IMCU)	28	0	-28	0
4 South IMCU	27	0	0	27
2 <sup>nd</sup> Surgical	18	0	0	18
3 <sup>rd</sup> Surgical	29	0	0	29
2 <sup>nd</sup> Medical/Surgical Peds	29	0	0	29
Medical Care Unit	39	0	0	39
Mother/Baby	13	0	0	13
<b>Sub-Total Current Acute</b>	<b>207</b>	<b>0</b>	<b>-28</b>	<b>179</b>
Psych	20	0	0	20
Level II Neonatal	14	0	0	14
Acute Rehab	0	0	0	0
<b>Sub-Total Current</b>	<b>241</b>	<b>0</b>	<b>-28</b>	<b>213</b>
<b>New Tower (West Pavilion)</b>				
Medical/Surgical Floor 2	0	22	0	22
Cardiac Care Unit Floor 3	0	22	0	22
Pediatrics Floor 4	0	6	0	6
Postpartum Floor 4	0	13	0	13
OB Floor 5	0	10	0	10
<b>Sub-Total New Tower</b>	<b>0</b>	<b>73</b>	<b>0</b>	<b>73</b>
<b>North Tower (Remodel of Existing Spaces)</b>				
PCU Floor 1	0	0	20	20
Mother Baby Couplet Care Floor 4	0	0	5	5
Medical/Surgical	0	0	10	10
Sub-Total Remodel of Existing	0	0	35	35
<b>Sub-Total Bed Additions</b>	<b>0</b>	<b>73</b>	<b>35</b>	<b>80 net new beds</b>
<b>Total Acute Care Beds after Project Completion</b>	<b>179</b>	<b>73</b>	<b>35</b>	<b>287</b>
<b>Total Beds</b>	<b>213</b>	<b>73</b>	<b>35</b>	<b>321</b>

Source: Applicant. \*Does not include the 14 rehab beds also on the hospital's license

2. **If your project involves the addition or expansion of a tertiary service, confirm you included the applicable addendum for that service. Tertiary services are outlined under WAC 246-310-020(1)(d)(i).**

This project does not propose the expansion of a tertiary service. This question is not applicable.

3. **Provide a breakdown of the beds, by type, before and after the project. If the project will be phased, include columns detailing each phase.**

Table 4 provides SJMC's current and proposed bed configuration. SJMC has no Level III, Level IV, specialized pediatric, SNF, or swing beds.

4. **Indicate if any of the beds listed above are not currently set-up, as well as the reason the beds are not set up.**

All of the 241 licensed beds listed in Table 4 are currently set up. Due to patient care needs (unable to cohort because of isolation requirements, behavior, hospice, privacy, or family issues), the number of available beds can and does vary slightly.

5. **With the understanding that the review of a Certificate of Need application typically takes six to nine months, provide an estimated timeline for project implementation, below. For phased projects, adjust the table to include each phase.**

Table 5 provides the anticipated timeline for this project.

**Table 5  
PeaceHealth St. Joseph Medical Center  
Proposed Timeline for Bed Addition**

	<b>Phase 1</b>	<b>Phase 2</b>
<b>Event</b>	<b>Anticipated Month/Year</b>	<b>Anticipated Month/Year</b>
Anticipated CN Approval	September 30, 2023	September 30, 2023
Design Complete	January 16, 2023	January 16, 2023
Construction Commenced	March 28, 2023	July 23, 2026
Construction Completed	April 30, 2026	March 22, 2029
Facility Prepared for Survey	May 30, 2027	April 22, 2029
Facility Licensed – Project Complete WAC 246-310-010(47)	June 30, 2027	May 31, 2029

*Source: Applicant*

**6. Provide a general description of the types of patients to be served as a result of this project.**

The new beds will be used for acute care, specifically intensive care, medical/surgical, and OB/couplet care. They will primarily provide care to adults. The most common conditions treated at SJMC include general medical, pulmonary conditions, septicemia, OB, orthopedics, medical and interventional cardiology (including open heart surgery and emergency and elective PCI), general surgery, neurology, gastroenterology, and oncology.

**7. Provide a copy of the letter of intent that was already submitted according to WAC 246-310-080.**

A copy of the letter of intent is included in Exhibit 2.

**8. Provide single-line drawings (approximately to scale) of the facility, both before and after project completion. For additions or changes to existing hospitals, only provide drawings of those floor(s) affected by this project.**

The requested drawings for both phases of the project are included in Exhibit 3.

**9. Provide the gross square footage of the hospital, with and without the project.**

The existing gross square footage of SJMC is 510,780. The proposed expansion adds an additional 115,000 sq.ft. At project completion, SJMC will have approximately 625,780 square feet.

**10. If this project involves construction of 12,000 square feet or more, or construction associated with parking for 40 or more vehicles, submit a copy of either an Environmental Impact Statement or a Declaration of Non-Significance from the appropriate governmental authority. [WAC 246-03-030(4)]**

This project will require a SEPA Mitigated Determination of Non-Significance (MDNS). The application is anticipated to be submitted by January 2023 and we anticipate that the MDNS will be issued by the City of Bellingham in the Spring 2023.

**11. If your project includes construction, indicate if you've consulted with Construction Review Services (CRS) and provide your CRS project number.**

SJMC's design team has been in conversation with CRS staff for a number of months. The actual application is in process of being finalized. There is no CRS project number at this time.



## **SECTION 4**

### **Need (WAC 246-310-210)**

- 1. List all other acute care hospitals currently licensed under RCW 70.41 and operating in the hospital planning area affected by this project. If a new hospital is approved, but is not yet licensed, identify the facility.**

SJMC is located in the Whatcom Hospital Planning Area (Whatcom). There are no other hospitals located in this planning area.

- 2. For projects proposing to add acute care beds, provide a numeric need methodology that demonstrates need in this planning area. The numeric need methodology steps can be found in the Washington State Health Plan (sunset in 1989).**

The requested methodology is included in Exhibit 4. Using ten years of historical data (2012-2021), the acute care bed need projection methodology estimates a need for 76 beds in 2025, increasing to 111 beds in 2030. The need was projected through 2031, as it represents the project's second full year of operation following completion of Phase 2.

The planning area patient days, contained in the Whatcom County bed need methodology, are projected to grow at 2.8% annually until 2025. From 2025-2030, patient day growth will be about 2.22-2.5% annually. Beginning in 2030, annual growth is projected to be about 1.5%.

Once the tower is in place, SJMC's projections of its internal patient days parallels the County methodology. SJMC is the only hospital in the planning area and, as such, the methodology is projecting need for SJMC only. In the interim period, we have assumed an increase in out-migration and diversions to reflect that SJMC will not have the capacity to meet all demand.

**3. For existing facilities proposing to expand, identify the type of beds that will expand with this project.**

As noted in response to earlier questions, SJMC is proposing to add 80 acute care beds in two phases. Acute care beds are defined as medical/surgical, OB, and ICU beds. Phase 1 is limited to medical/surgical beds only.

In Phase 1, the OB services will relocate to the new tower (West Pavilion) and will have 13 postpartum beds and 10 LDRPs. In Phase 2, the existing OB space will be remodeled for medical/surgical use, and an additional 10 medical/surgical beds will be added in this vacated space.

Phase 2 also includes the remodeling of existing space (1 North, where 20 beds will become IMCU). It also includes the addition of five (5) acute care beds that will be used as OB postpartum for couplet care. This is an evidence-based care model in which one nurse cares for both the postpartum mother and her special care nursery newborn as a couplet. Benefits of this model include continuity of care, better communication, improved patient education, and decreased duplication of work by nursing staff. These beds are proposed to be located adjacent to the Special Care Nursery, but are in addition to the existing licensed 14 Level II basinetts.

**4. For existing facilities, provide the facility's historical utilization for the last three full calendar years. The first table should only include the type(s) of beds that will increase with the project, the second table should include the entire hospital.**

Table 6 details patient days for the past three full calendar years for the acute care beds that will increase with the project. Table 7 details the same information for the entire hospital (psych and Level II nursery added). In the FY2020 and 2022 timeframe, COVID, various state and federal mandates, and the increase in difficult-to-discharge patients reduced discharges, but increased ALOS.

**Table 6**  
**SJMC Acute Care Patient Days and Discharges, FY2019-FY2022**  
**(Excludes all Newborns)**

<b>Project-Specific Only- Acute Care Only</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>
Licensed beds	207	207	207	207
Available beds	207	207	207	207
Discharges	14,793	13,844	13,624	13,579
Patient days	61,174	58,569	59,815	66,627
ALOS	4.14	4.23	4.39	4.91

*Source: Applicant; excludes newborns.*

**Table 7**  
**SJMC Total Patient Days and Discharges, FY2019-FY2022**

<b>Entire Hospital</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>
Licensed beds*	241	241	241	241
Available beds	241	241	241	241
Discharges	15,355	14,318	14,058	14,095
Patient days	68,092	64,068	65,479	72,602
ALOS	4.43	4.47	4.66	5.15

*Source: Applicant; \*excludes 14 rehab beds.*

- 5. Provide projected utilization of the proposed facility for the first seven full years of operation if this project proposes an expansion to an existing hospital. Provide projected utilization for the first ten full years if this project proposes new facility. For existing facilities, also provide the information for intervening years between historical and projected. The first table should only include the type(s) of beds that will increase with the project, the second table should include the entire hospital. Include all assumptions used to make these projections.**

Table 8 includes the requested projected utilization of acute care patient (medical/surgical, OB, and ICU) days for Phases 1 and 2.

**Table 8**  
**Projected SJMC Acute Care Patient Days and Discharges, FY2023-FY2032**  
**(Excludes all Newborns)**

	<b>Intervening Years</b>				<b>Phase 1</b>			<b>Phase 2</b>		
<b>Project-Specific Only</b>	<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>	<b>FY2026</b>	<b>FY2027</b>	<b>FY2028</b>	<b>FY2029</b>	<b>FY2030</b>	<b>FY2031</b>	<b>FY2032</b>
Licensed Acute Care Beds	207	207	207	207	207	280	280	287	287	287
Available Acute Care Beds	207	207	207	207	207	280	280	287	287	287
Acute Care Discharges	15,389	15,609	15,765	15,924	16,084	17,341	18,221	18,663	19,118	19,583
Acute Care Patient Days	67,558	68,523	69,209	69,905	70,608	76,126	79,990	81,931	83,930	85,974

*Source: Applicant; SJMC's fiscal year is 7/1-6/30.*

The assumptions used to project discharges and patient days include:

- Phase 1 bed addition opens on July 1, 2027, and Phase 2 opens on July 1, 2029.
- Acute care days include Med/Surg, ICU, and Obstetrics. ALOS for acute care days held constant at FY2021, has been assumed to decrease back to FY2021 levels (4.39) to estimate discharges.
- In the intervening years (FY2023-FY2024), and due to high occupancy constraints, acute care patient days were assumed to grow at approximately 50% of the Whatcom Planning Area days growth, or 1.4% annually.
- For the period of FY2025 until Phase 1 is complete, growth is assumed to be only 1.0% annually; again, due to high occupancy capacity constraints at SJMC.
- In FY2028, patient days are assumed to increase about 8% over FY2027 due to reduction in transfers/referrals of patients out of county with the opening of the Phase 1 beds. In FY2029, patient days are assumed to increase by about 5.0% over FY2028.
- From FY2029-FY2032, annual growth is assumed to be about 2.4%, which is the patient day growth estimated by the *State Health Plan's* acute care bed need projection methodology through CY2030.

The total patient days are summarized in Table 9. These are the patient day estimates used in the pro forma.

**Table 9**  
**SJMC Total Patient Days and Discharges, FY2023-FY2032**  
**(Excludes Normal Newborns)**

Entire Hospital	Current					Phase 1		Phase 2		
	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032
Licensed Beds	255	255	255	255	255	328	328	335	335	335
Available Beds	241	241	241	241	241	314	314	321	321	321
Acute Care Discharges	15,389	15,609	15,765	15,924	16,084	17,341	18,221	18,663	19,118	19,583
Acute Care Days	67,558	68,523	69,209	69,905	70,608	76,126	79,990	81,931	83,927	85,971
SCN Discharges	118	119	120	121	122	123	124	125	125	125
SCN Days	1,297	1,308	1,320	1,329	1,339	1,350	1,360	1,371	1,375	1,378
Psych Discharges	401	403	405	407	409	411	413	415	417	419
Psych Days	4,712	4,736	4,760	4,783	4,807	4,831	4,856	4,880	4,904	4,929
Discharges	15,908	16,131	16,290	16,452	16,615	17,875	18,758	19,203	19,660	20,127
Patient Days	73,567	74,567	75,289	76,017	76,754	82,307	86,206	88,182	90,206	92,278

*Source: Applicant; the difference between licensed and available beds are the 14 acute rehab beds that are on the hospital license, but not in use.*

The sole difference between Tables 8 and 9 is that Table 9 includes inpatient psych and Special Care Nursery data. The assumptions for these two service lines are included below:

- Psychiatric patient days are conservatively expected to grow by about 0.5% per year.
- SCN patient days are projected to grow at the same rate as the females age 15-44, using OFM data. Psych and SCN ALOS was held at FY2022, actual.

**6. For existing facilities, provide patient origin zip code data for the most recent full calendar year of operation.**

The requested information for 2021 is included in Exhibit 5. The data shows that 84% of patient days are generated by residents of Whatcom County.

**7. Identify any factors in the planning area that currently restrict patient access to the proposed services.**

SJMC is the only hospital located within Whatcom County. In at least the recent past, SJMC has operated at one of the highest occupancy levels, based on licensed acute care beds, of any hospital in the State. This high occupancy rate can, and does, impact access. As Table 10 demonstrates, SJMC has consistently operated well above its targeted occupancy since 2018, and increasingly operates above 80% occupancy at midnight. Through September 2022, SJMC has operated above the targeted occupancy almost 100% of the days and above 80% occupancy on more than 75% of all days at midnight. While not shown in Table 10, occupancy regularly exceeds 100% during various times of the day.

**Table 10  
Midnight ADC and Occupancy**

	2018	2019	2020	2021	2022 (9 months)
Current Licensed Acute Care Beds	207	207	207	207	207
State Health Plan Target Avg. Occupancy	70%	70%	70%	70%	70%
<b>Occupancy</b>					
100%	0	0	0	0	0
95% - 99%	0	0	0	0	0
90% - 94%	0	8	4	11	10
85% - 89%	18	76	43	83	76
80% - 84%	106	84	84	150	123
75% - 79%	157	100	108	79	52
70% - 74%	69	72	54	35	8
<b>Target Occupancy per SHP: 70%</b>	350	340	293	358	269
65% - 69%	12	23	26	7	4
60% - 64%	1	2	21	0	0
Less than 60%	2	0	25	0	0

*Source: Applicant; based on inpatients who were in a bed at midnight.*

**8. Identify how this project will be available and accessible to underserved groups.**

Admission to each of PeaceHealth's facilities and programs is based on clinical need. Services are made available to all persons, regardless of race, color, creed, sex, national origin, or disability. A copy of PeaceHealth's admission and non-discrimination policies are included in Exhibit 6.

For hospital charity care reporting purposes, the Department divides Washington State into five regions. SJMC is located in the Puget Sound Region. According to 2018-2020 charity care data produced by the Department (the latest data available), the three-year charity care average for the Region, was 1.53% of gross revenue and 3.69% of adjusted revenue. During the same time frame, SJMC's charity care was 1.92% and 6.64%, respectively. The pro forma financials assume the regional average going forward, which is closer to actual FY2021 and higher than FY2022 experience.

**9. If this project proposes either a partial or full relocation of an existing facility, provide a detailed discussion of the limitations of the current location.**

No relocation is proposed. This question is not applicable.

**10. If this project proposes either a partial or full relocation of an existing facility, provide a detailed discussion of the benefits associated with relocation.**

No relocation is proposed. This question is not applicable.

**11. Provide a copy of the following policies:**

- Admissions policy
- Charity care or financial assistance policy
- Patient rights and responsibilities policy
- Non-discrimination policy
- End of life policy
- Reproductive health policy
- Any other policies directly associated with patient access

The requested policies are included in Exhibit 6.

## **Section 5**

### **Financial Feasibility (WAC 246-310-220)**

- 1. Provide documentation that demonstrates the immediate and long-range capital and operating costs of the project can be met. This should include but is not limited to:**
  - **Utilization projections. These should be consistent with the projections provided under the Need section. Include all assumptions.**
  - **A current balance sheet at the facility level.**
  - **Pro forma balance sheets at the facility level throughout the projection period.**
  - **Pro forma revenue and expense projections for at least the first three full calendar years following completion of the project. Include all assumptions.**
  - **For existing facilities, provide historical revenue and expense statements, including the current year. Ensure these are in the same format as the pro forma projections. For incomplete years, identify whether the data is annualized.**

Each requested item is included in Exhibit 7. Utilization assumptions were provided in response to Question 5 in Section 4.

- 2. Identify the hospital's fiscal year.**

SJMC's fiscal year is July 1 through June 30.

- 3. Provide the following agreements/contracts:**

- **Management agreement**
- **Operating agreement**
- **Development agreement**
- **Joint Venture agreement**

SJMC does not have any of the above agreements or contracts.

- 4. Provide documentation of site control. This could include either a deed to the site or a lease agreement for the site. If a lease agreement is provided, the terms must be for at least five years with options to renew for a total of 20 years.**

Exhibit 8 includes the documentation from the Whatcom County Assessor's Office demonstrating that PeaceHealth owns the site on which the hospital is located.

5. **Provide county assessor information and zoning information for the site. If zoning information for the site is unclear, provide documentation or letter from the municipal authorities showing the proposed project is allowable at the identified site. If the site must undergo rezoning or other review prior to being appropriate for the proposed project, identify the current status of the process.**

This information is included in Exhibit 8.

6. **Complete the table on the following page with the estimated capital expenditure associated with this project. If you include other line items not listed below, include the definition of the line item. Include all assumptions used to create the capital expenditure estimate.**

Table 11 includes the costs for each phase of the project. In addition to the CN reviewable portions of the project (Phase 1 and 2 inpatient beds), the project also includes a parking garage, central utility plant building expansion, and emergency department renovations. These are non-CN reviewable projects, but because they impact the pro forma, we have included them. The costs were developed by the contractor's professional estimating staff.



**Table 11**  
**Total Estimated Capital Expenditure by Phase**

Item	CN Reviewable Phase 1	CN Reviewable Phase 2	Total CN Project	Non CN Reviewable Project Costs	Total Project (CN +Other)
a. Land Purchase			0		0
b. Utilities to Lot Line	N/A	N/A	0	N/A	0
c. Land Improvements	\$4,848,468	\$	\$4,848,468	\$4,096,124	\$8,944,593
d. Building Purchase			0		0
e. Residual Value of Replaced Facility			0		0
f. Building Construction	\$143,841,891	\$72,091,471	\$215,933,362	\$38,360,770	\$254,294,132
g. Fixed Equipment (not already included in the construction contract)	\$22,113,371	\$9,157,143	\$31,270,514	\$4,757,476	\$36,027,990
h. Movable Equipment	\$3,470,808	\$2,755,624	\$6,226,431	\$317,328	\$6,543,759
i. Architect and Engineering Fees	\$19,407,275	\$9,034,898	\$28,442,173	\$5,686,115	\$34,128,288
j. Consulting Fees	\$10,627,719	\$5,609,166	16,236,885	\$3,502,855	\$19,739,740
k. Site Preparation	\$5,336,743	\$ -	\$5,336,743	\$2,895,962	\$8,232,705
l. Supervision and Inspection of Site	\$3,922,934	\$1,092,344	\$5,015,278	\$790,749	5,806,027
m. Any Costs Associated with Securing the Sources of Financing (include interim interest during construction)			0		0
n. Washington Sales Tax	\$15,724,051	\$7,289,731	\$23,013,782	\$4,382,125	\$27,395,908
Other: please list separately			0		0
<b>Total Estimated Capital Expenditure</b>	<b>\$229,293,261</b>	<b>\$107,030,377</b>	<b>\$336,323,637</b>	<b>\$64,789,504</b>	<b>\$401,113,142</b>
<b>Capitalized Interest</b>	<b>5,781,820</b>	<b>2,699,790</b>	<b>8,481,610</b>		<b>8,481,610</b>

*Source: Applicant.*

**7. Identify the entity responsible for the estimated capital costs. If more than one entity is responsible, provide breakdown of percentages and amounts for all.**

SJMC engaged a general contractor, Abbott Construction (Abbott), early in the process to participate in the design phase and to actively engage in estimating, constructability, and

efficiency to ensure that project costs are realistic and appropriate. Abbott also included specific sub-contractors to confirm cost and system assumptions in areas of specific concern. PeaceHealth's in-house estimating staff also actively participated in the process.

Equipment costs were prepared by PeaceHealth.

- 8. Identify the start-up costs for this project. Include the assumptions used to develop these costs. Start-up costs should include any non-capital expenditure expenses incurred prior to the facility opening or initiating the proposed service.**

SJMC is an existing operation. No start-up costs are anticipated.

- 9. Identify the entity responsible for the start-up costs. If more than one entity is responsible, provide a breakdown of percentages and amounts for all.**

There is no start up period or associated costs.

- 10. Provide a non-binding contractor's estimate for the construction costs for the project.**

The requested information is included in Exhibit 9.

- 11. Provide a detailed narrative supporting that the costs of the project, including any construction costs, will probably not result in an unreasonable impact on the costs and charges for health services in the planning area.**

The rates paid to SJMC by various payers are not adjusted for capital investments. As such, this project will not have a negative impact on the costs and charges for healthcare services.

The improvement in access and the increased ability to get patients to the right bed at the right time (not held or boarded in ED), will ultimately reduce total costs of care.

- 12. Provide the projected payer mix for the hospital by revenue and by patients using the example table below. Medicare and Medicaid managed care plans should be included within the Medicare and Medicaid lines, respectively. If "other" is a category, define what is included in "other."**

SJMC's payer mix is not proposed to change because of the bed addition. Table 12 details the current and proposed payer mix.

**Table 12**  
**St. Joseph Medical Center**  
**Current and Proposed Payer Mix**

<b>Payer Mix</b>	<b>Percentage by Revenue</b>	<b>Percentage by Patient</b>
Medicare and Medicare Managed Care	55.1%	44.0%
Medicaid and Medicaid Managed Care	17.2%	23.0%
Commercial	23.0%	26.9%
Other Government (L&I, VA, etc.)	2.4%	2.2%
Workers Comp.	0.5%	1.3%
Self-Pay	1.4%	2.1%
Other (auto insurance and travel insurance)	0.3%	0.5%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

*Source: Applicant; numbers may not add exactly due to rounding.*

- 13. If this project proposes the addition of beds to an existing facility, provide the historical payer mix by revenue and patients for the existing facility. The table format should be consistent with the table shown above.**

This information was provided in response to Question 12, above. Please see Table 12.

- 14. Provide a listing of all new equipment proposed for this project. The list should include estimated costs for the equipment. If no new equipment is required, explain.**

The requested equipment list is included in Exhibit 10.

- 15. Identify the source(s) of financing and start-up costs (loan, grant, gifts, etc.) and provide supporting documentation from the source. Examples of supporting documentation include: a letter from the applicant's CFO committing to pay for the project or draft terms from a financial institution.**

**If this project will be debt financed through a financial institution, provide a repayment schedule showing interest and principal amount for each year over which the debt will be amortized.**

Approximately \$74 million of the project is being funded by already-in-place philanthropic support, including a 2021 gift of \$50 million, the largest single gift that the PeaceHealth system has ever received.

A letter from PeaceHealth confirming its intent to use reserves to fund the remaining project costs is provided in Exhibit 11.

**16. Provide the most recent audited financial statements for:**

- **The applicant, and**
- **Any parent entity.**

The requested information is included in Appendix 1.

## **Section 6**

### **Structure and Process of Care (WAC 246-310-230)**

- 1. Identify all licensed healthcare facilities owned, operated, or managed by the applicant. This should include all facilities in Washington State as well as any out-of-state facilities. Include applicable license and certification numbers.**

The requested information on other facilities owned/operated by PeaceHealth is included in Exhibit 12.

- 2. Provide a table that shows full time equivalents (FTEs) by type (e.g. physicians, management, technicians, RNs, nursing assistants, etc.) for the facility. If the facility is currently in operation, include at least the most recent full year of operation, the current year, and projections through the first three full years of operation following project completion. There should be no gaps. All FTE types should be defined.**

The requested information is included in Exhibit 13.

- 3. Provide the basis for the assumptions used to project the number and types of FTEs identified for this project.**

FTEs increase in accordance with the increase in patient days (based on a FY2022 ratio of FTEs to patient days). Salary expenses correspond to the various FTE categories.

The projected FTEs are based on FY2022 actual salary costs and include salary increases to date, as well as known increases. To be consistent with CN guidelines, no additional compensation increases were assumed.

- 4. Identify key staff (e.g. chief of medicine, nurse manager, clinical director, etc.) by name and professional license number, if known.**

The key clinical staff are detailed in Table 13.

**Table 13**  
**PeaceHealth St. Joseph Medical Center**  
**Key Clinical Staff**

<b>Name</b>	<b>Title</b>	<b>Professional License Number</b>
Vacant	Executive Chief Medical Officer NW (CMO) Patient Safety Officer	
Roseanna Bell, RN	Executive Chief Nursing Officer NW (CNO)	RN00164408
Keila Torres	Director of Nursing, Childbirth Center, Magnet Program	RN60409180
Michelle Dear	Director of Nursing, MCU, 2 <sup>nd</sup> Med/Surg/Peds, 2 <sup>nd</sup> Surgical, 3 <sup>rd</sup> Surgical, Joint/Spine/Geriatrics, Wound Care RNs	RN00144820
Karla Ramusack	Director Nursing, Peri-op Services, SSU, Endo, and SPD	RN00171287

*Source: Applicant and the Department of Health Provider Credential Database.*

**5. Describe your methods for staff recruitment and retention. If any barriers to staff recruitment exist in the planning area, provide a detailed description of your plan to staff this project.**

As a System, PeaceHealth hires more than 2,500 caregivers (employees) a year. In support of this level of hiring, Talent Acquisition deploys over 55 professionals to support all recruitment needs. At the System level, PeaceHealth has teams dedicated to Physicians, RNs, Executives, and Operational Support Staff. These teams have consistent and constant outreach to universities, colleges, medical schools, and community colleges across the region and nation. They also have consistent and constant marketing on all major internet job aggregators such as, but not limited to, Indeed, LinkedIn, Handshake, and Glassdoor. PeaceHealth maintains its own corporate job board at [Careers.peacehealth.org](http://Careers.peacehealth.org).

The challenges PeaceHealth faces today are generally the same as those that all healthcare organizations face. The demand for nurses, physicians, and allied health workers currently exceeds supply, but with targeted marketing efforts, our contingent labor partnerships (travel nurses, etc.), consistent messaging of our employment brand, and resourceful and creative sourcing, PeaceHealth continues to succeed in keeping our facilities staffed appropriately and safely.

In addition, in direct response to recent staffing challenges, PeaceHealth has developed targeted internship/practicums designed to give nursing students hands-on experience and training. During training, students are paid a stipend in return for making a commitment to continue employment once their training/education is complete. PeaceHealth has also employed other recruitment strategies (hiring bonuses, referral bonuses, tuition

reimbursement, and relocation assistance), but has found the mentor/training program to be the most successful.

**6. For new facilities, provide a listing of ancillary and support services that will be established.**

SJMC is not a new facility. This question is not applicable.

**7. For existing facilities, provide a listing of ancillary and support services already in place.**

The existing ancillary and support services, and an indication as to whether they are provided in-house or under agreement, are provided in Table 14.

**Table 14**  
**Ancillary and Support Services**

<b>Services Provided</b>	<b>Vendor</b>	<b>Provided In-House or Under Agreement</b>
Linen Service	EcoTec	Agreement
Laboratory	Quest	Agreement
Pathology	Avero (formerly NW Pathology)	Agreement
Janitorial Service	Aramark Management Svc	Management – Agreement; Staff – In-House
Biomedical	Trimedx	Agreement
Biomedical Waste	Stericycle	Agreement
PT (PRN)		In-House
Dietary	Thomas Cuisine	Management – Agreement; Staff – In-House
Respiratory Therapy		In-House
Dialysis (Inpatient)	Total Renal Care	Agreement

*Source: Applicant.*

**8. Identify whether any of the existing ancillary or support agreements are expected to change as a result of this project.**

No existing ancillary or support agreements are expected to change as a result of this project.

**9. If the facility is currently operating, provide a listing of healthcare facilities with which the facility has working relationships.**

SJMC works closely with other healthcare providers in Whatcom County, as well as those in Skagit and San Juan Counties. This includes EMS, primary care and specialty clinics, other hospitals, nursing homes, assisted living communities, home health, and hospice.

**10. Identify whether any of the existing working relationships with healthcare facilities listed above would change as a result of this project.**

No existing working relationships are expected to change as a result of this project.

**11. For a new facility, provide a listing of healthcare facilities with which the facility would establish working relationships.**

No new working relationships are expected solely as a result of the project.

**12. Provide an explanation of how the proposed project will promote continuity in the provision of health care services in the planning area, and not result in an unwarranted fragmentation of services.**

The additional acute care beds will promote continuity of care, particularly considering the access issues outlined in the “Need” section (Section 4) of this CN. An adequate number of acute care beds provides the best opportunity to assure patients get timely care, and that continuity from the hospital to the other levels of care in their home communities is maintained.

SJMC is the only inpatient hospital in the Whatcom County Hospital Planning Area; therefore, with the expanded bed capacity, continuity of care will be enhanced. There will be no fragmentation of services.



**13. Provide an explanation of how the proposed project will have an appropriate relationship to the service area's existing health care system as required in WAC 246-310-230(4).**

As noted previously, SJMC is the only acute care hospital located in the Whatcom County Hospital Planning Area. SJMC has a long track record of working closely with EMS, other existing hospitals, and other healthcare systems throughout the region. SJMC collaborates with area nursing homes, assisted living, adult family homes, home health, and hospice agencies, as well as outpatient providers. SJMC also supports area primary care physicians and specialists, as well as insurers, to assure care coordination, smooth transitions of care, and reduced rehospitalization and ED visits.

**14. Identify whether any facility or practitioner associated with this application has a history of the actions listed below. If so, provide evidence that the proposed or existing facility can and will be operated in a manner that ensures safe and adequate care to the public and conforms to applicable federal and state requirements.**

- a. A criminal conviction which is reasonably related to the applicant's competency to exercise responsibility for the ownership or operation of a health care facility; or**
- b. A revocation of a license to operate a healthcare facility; or**
- c. A revocation of a license to practice as a health profession; or**
- d. Decertification as a provider of services in the Medicare or Medicaid program because of failure to comply with applicable federal conditions of participation.**

No facility or practitioner associated with the application has any history with respect to the above.

## Section 7 Cost Containment (WAC 246-310-240)

- 1. Identify all alternatives considered prior to submitting this project. At a minimum include a brief discussion of this project versus no project.**

The need for additional beds and increases in space in various ancillary departments, such as the ED, mandated a major construction project. PeaceHealth issued an RFP for architectural master planning services, selected a firm, and then spent several years evaluating options. The option selected provides the additional capacity needed into the future, while also preserving campus space for potential additional future expansion.

- 2. Provide a comparison of this project with alternatives rejected by the applicant. Include the rationale for considering this project to be superior to the rejected alternatives. Factors to consider can include, but are not limited to, patient access to healthcare services, capital cost, legal restrictions, staffing impacts, quality of care, and cost or operation efficiency.**

While PeaceHealth ruled out the status quo, we have outlined that option for the Program's consideration below (Table 15).

**Table 15  
Advantages and Disadvantages**

	<b>The Project</b>	<b>No Action</b>
<b>Patient Access to Healthcare Services</b>	Provides increased access to inpatient services with expanded capacity	Continue to face occupancy pressures and patient access is compromised
<b>Capital Costs</b>	Requires significant capital investment	Retention of capital at system level
<b>Staffing Impact</b>	Requires increased staffing, but design does include staffing efficiencies with reduced travel for staff within the units	Challenging to retain staff in such a high occupancy environment; higher turnover likely
<b>Quality of Care</b>	Reduces impact of patients delayed in admission; efficiencies and workflows in new spaces more easily support quality	Challenging to consistently provide high quality care in a high occupancy environment
<b>Cost or Operational Efficiency</b>	Increases operating costs (increase in depreciation expense), but newly-designed spaces improve operational efficiency	No opportunity to improve operational efficiency; space will continue to be used inefficiently
<b>Legal</b>	SJMC is the sole hospital in the County; no challenges to the CN or other regulatory reviews are expected	Not applicable

*Source: Applicant*

- 3. If the project involves construction, provide information that supports conformance with WAC 246-310-240(2):**
- **The costs, scope, and methods of construction and energy conservation are reasonable; and**
  - **The project will not have an unreasonable impact on the costs and charges to the public of providing health services by other persons.**

As noted above, SJMC undertook an extensive planning process to ensure that the proposed new bed tower meets or exceeds the requirements of the Washington State Building Code and Washington State Energy Code. The SJMC new tower plans include the following energy features:

- LED lighting
- Improved efficiency through building operating systems
- Triple-glazing curtain wall system
- Using Energy Design Assistance (EDA) software to increase energy efficiency
- Implementing heat recovery schemes and equipment in the HVAC systems serving the new West Pavilion. Specifically, heat recovery cooling coils in the exhaust airstream will allow for the excess heat from the chilled water system to be exhausted more efficiently.

As noted in response to Question 4 below, SJMC has undertaken a comprehensive planning process to contain the costs of this project and to ensure that the capital cost investment was evaluated against ongoing operating costs and expected life of the equipment.

- 4. Identify any aspects of the project that will involve appropriate improvements or innovations in the financing and delivery of health services which foster cost containment, and which promote quality assurance and cost effectiveness.**

PeaceHealth utilizes (and contractually requires) Lean Planning “Set-Based Design” that develops several options as opposed to selecting one option and working it further. This methodology reviews several potential solutions and includes cost and efficiency as part of decision making, before proceeding with the standard design process and technical solutions. The process includes:

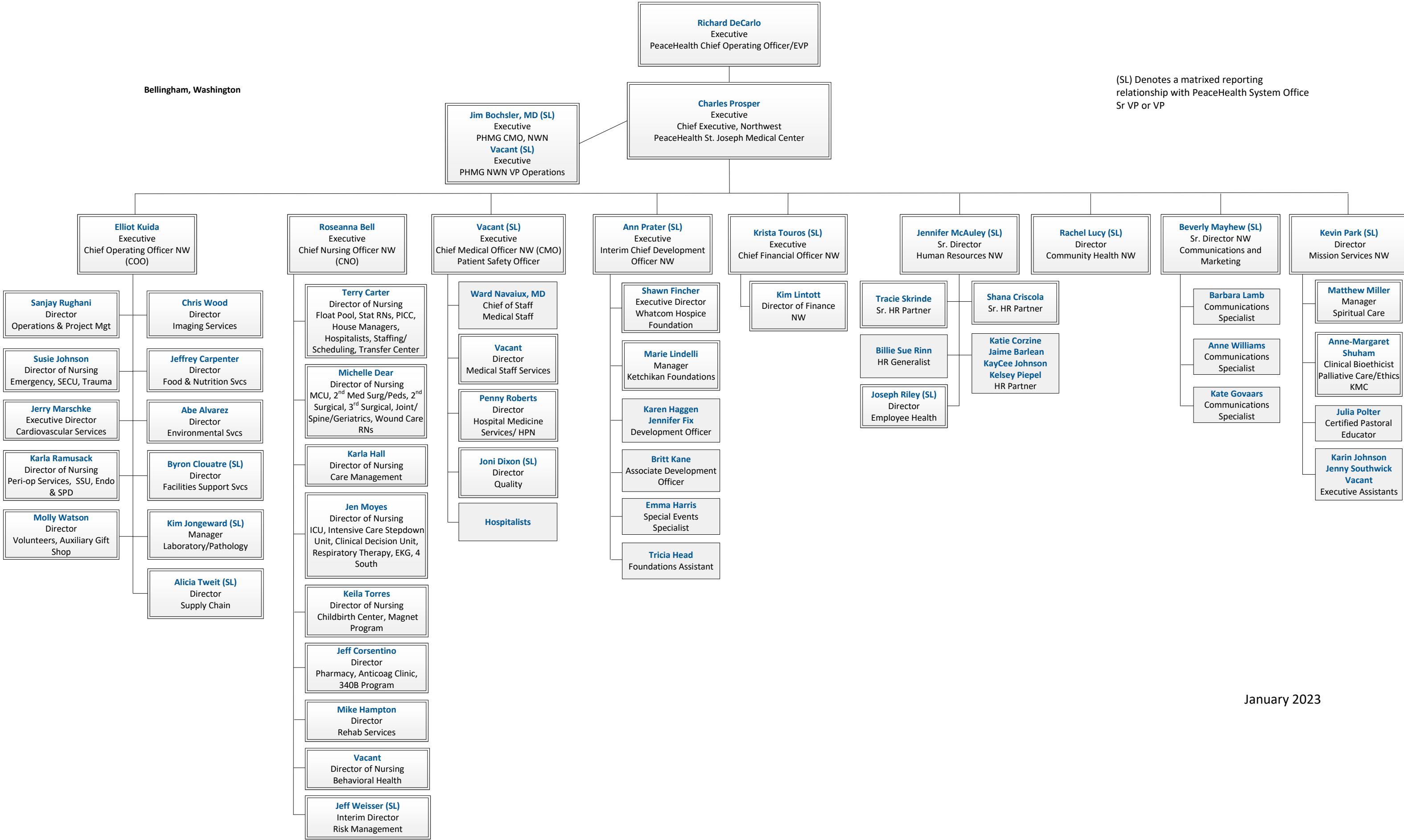
- Internal Lean Planning – PeaceHealth utilizes an internal Lean Planning team to review the design and provide appropriate feedback for continuous process improvement (CPI).
- User meetings and public engagement – the design team undertook user meetings that actively involved hospital leadership, the clinical team, facilities representatives, and support personnel to ensure that each decision point had an effective review with respect to efficiency and the most appropriate solution.

Specific design features in this project that will optimize operational efficiencies focused on support staff, and include the following features:

- providing nurse stations in different locations through the departments so that travel is more efficient
- centralizing support amenities in the central core (utility rooms, meds, staff rooms, etc.) so that they can be shared easily
- providing a central corridor between units for easier staff travel throughout the departments and
- providing Respite and Lactation Rooms in several areas for staff well-being.

**Exhibit 1**  
**Organizational Chart**

(SL) Denotes a matrixed reporting relationship with PeaceHealth System Office Sr VP or VP



**Exhibit 2**  
**Letter of Intent**



**PeaceHealth  
St. Joseph Medical Center**

July 14, 2022

Eric Hernandez, Program Manager  
Certificate of Need Program  
Department of Health  
via email: [eric.hernandez@doh.wa.gov](mailto:eric.hernandez@doh.wa.gov); [FSLCON@DOH.WA.GOV](mailto:FSLCON@DOH.WA.GOV)

Dear Mr. Hernandez:

In accordance with WAC 246-310-080, PeaceHealth St. Joseph Medical Center here within submits a letter of intent to increase the hospital's acute care licensed beds. In conformance with WAC, the following information is provided:

1. A Description of the Extent of Services Proposed:

PeaceHealth St. Joseph proposes to add 108 med/surg beds to its currently licensed bed count. Following project completion, PeaceHealth St. Joseph will have 315 acute care beds.

2. Estimated Cost of the Proposed Project:

The capital expenditure for the acute care bed expansion is estimated at \$336 million.

3. Description of the Service Area:

Consistent with the Department's acute care bed need projection methodology, the Service Area is the Whatcom County Hospital Planning Area.

Please contact me with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Charles Prosper".

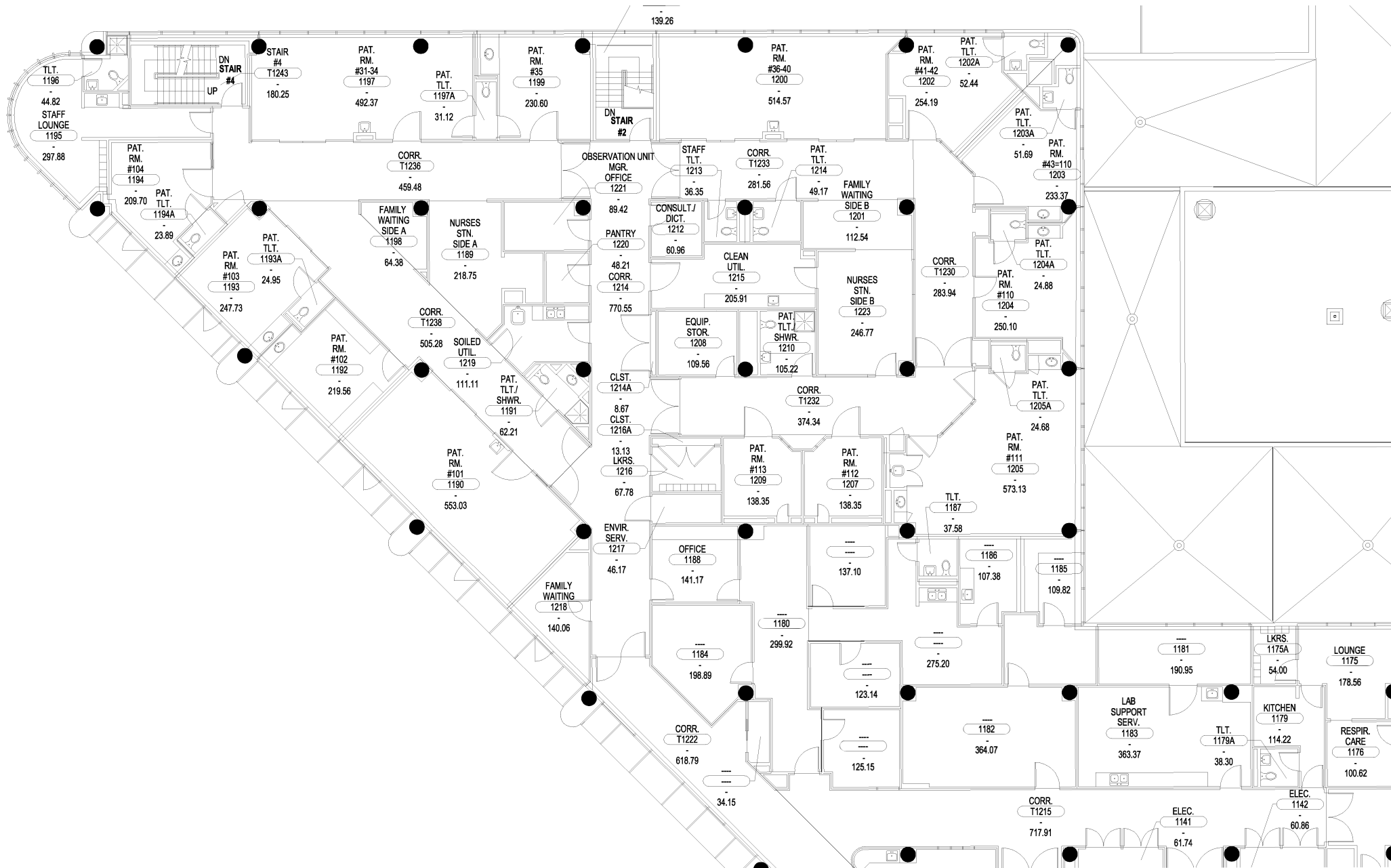
Charles Prosper, MSPT, MBA  
Chief Executive, Northwest



**Exhibit 3**  
**Single Line Drawings**

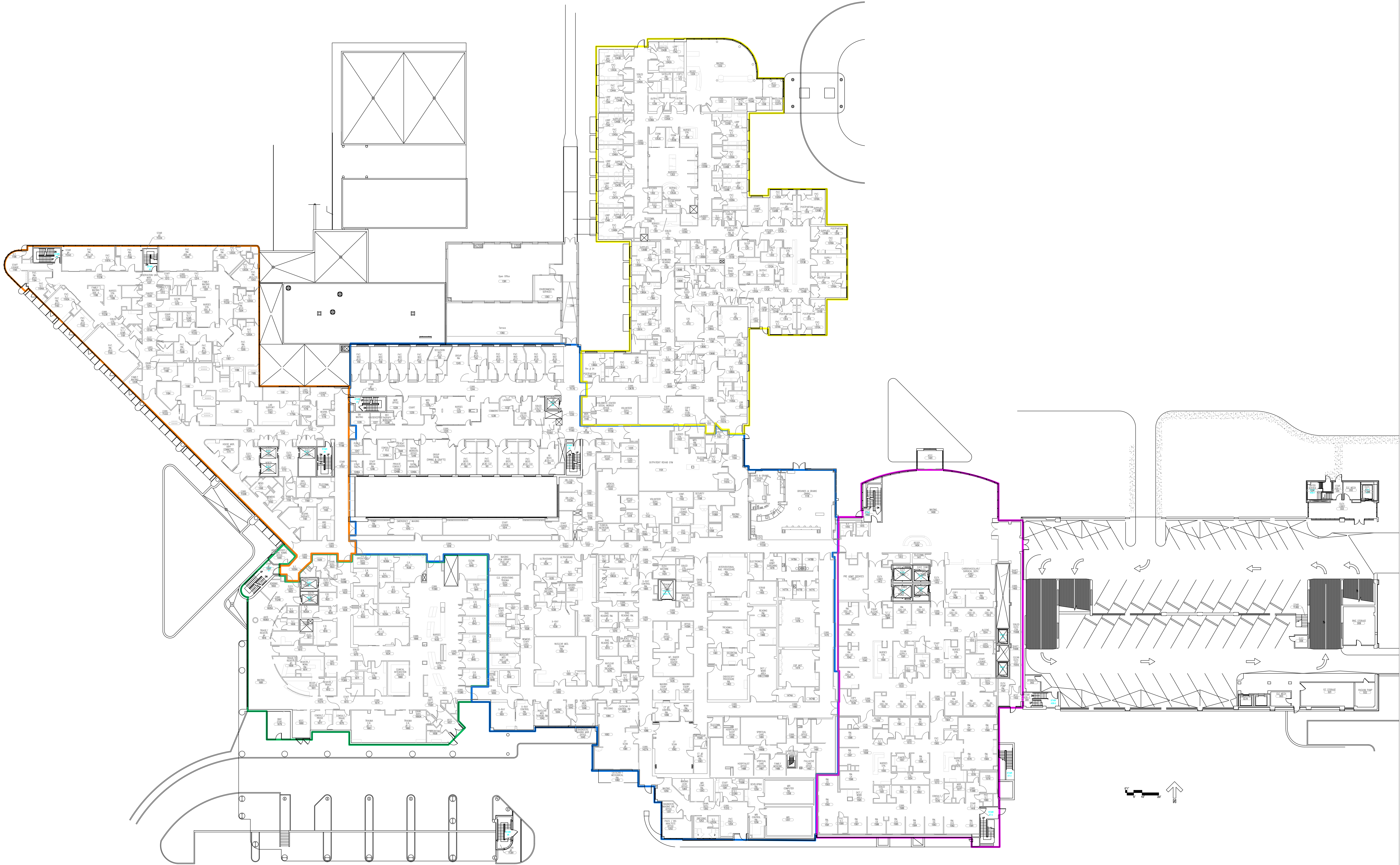
## **Current**

# I NORTH







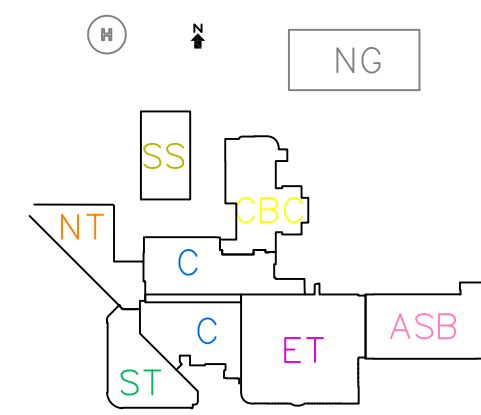


Scale: 1/2 inch = 10 feet

Updated: 2014-01-16

File: St Joseph FL-1  
Dir: ~\Records\Main Campus\Plans\Master

Saint Joseph Hospital  
2901 Squicum Parkway  
Bellingham, WA 98225



C Central  
NT North Tower  
ST South Tower  
ET East Tower  
CBC Childbirth Center  
SS Support Services  
ASB Ambulatory Services Building  
NG North Garage

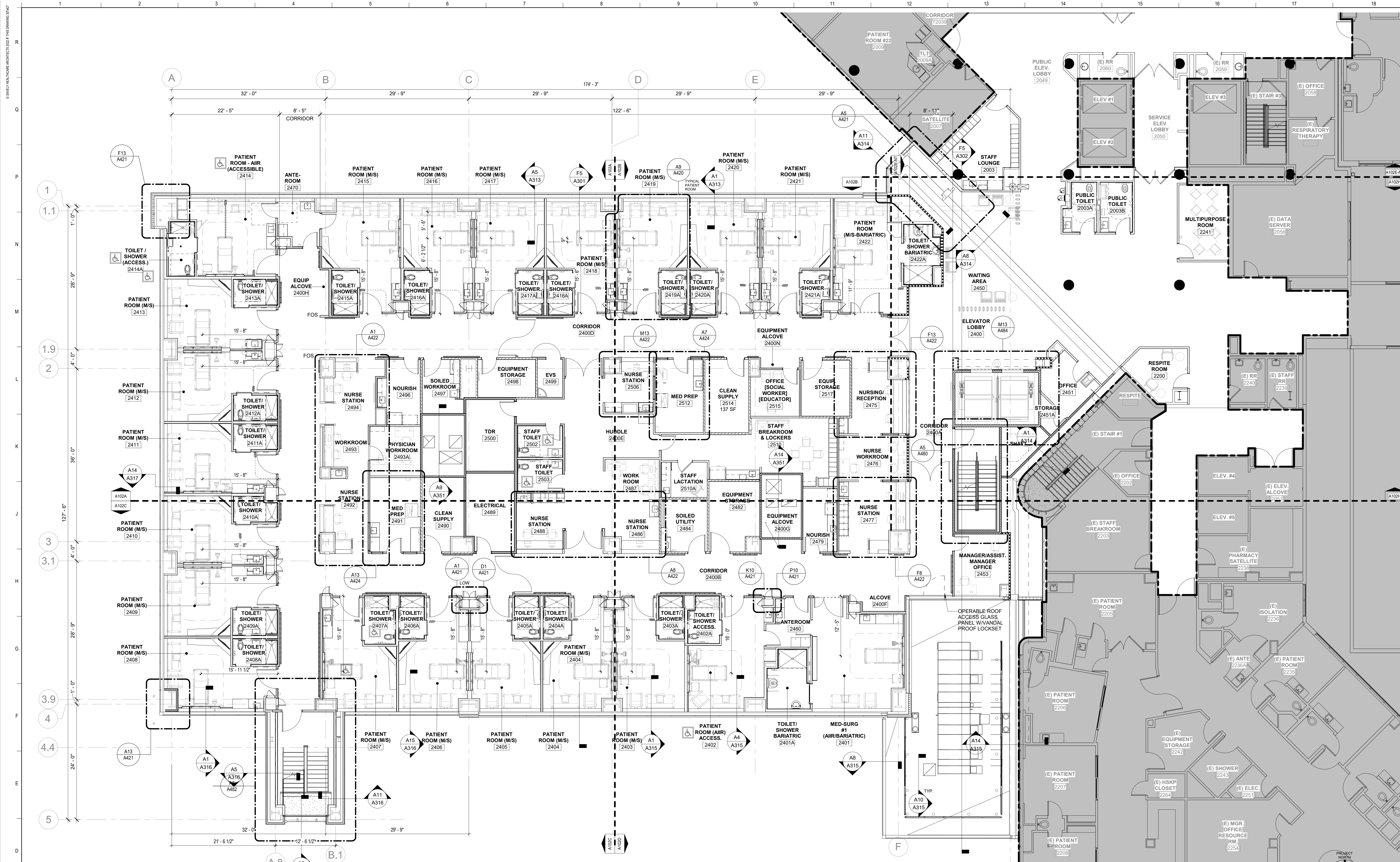
Floor Plan  
Floor-1

FL-1



## **Phase 1**





C1 WEST PAVILION - 2ND FLOOR PLAN-MEDICAL SURGICAL UNIT  
1/8" = 1'-0"

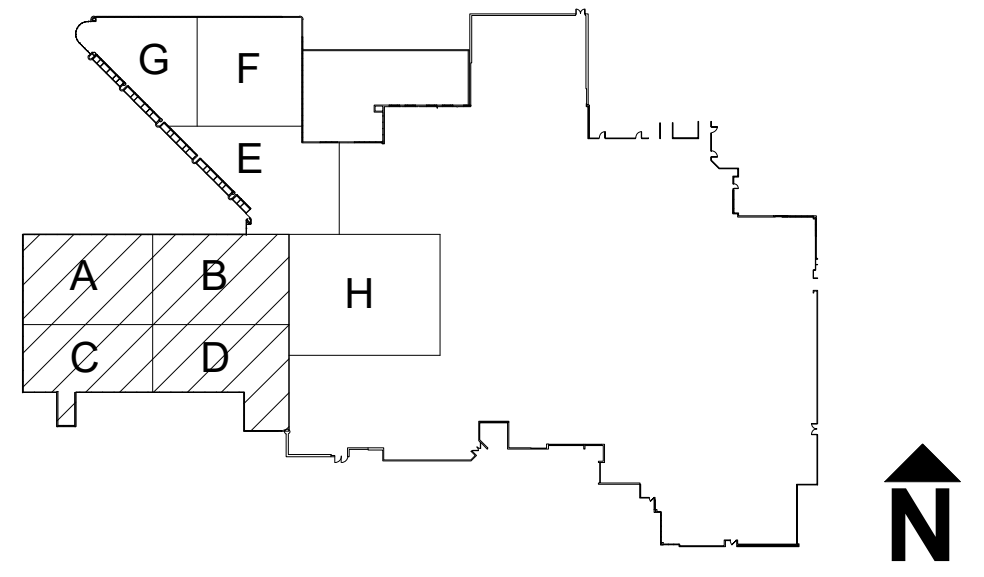
GENERAL NOTES

1. MINIMUM HEIGHT OF CEILINGS SHALL BE 8'-0" UNLESS NOTED OTHERWISE.
2. INTERIOR FINISHES SHALL BE SMOOTH & DURABLE.
3. WALL BASE MATERIAL INSTALLATION SHALL BE SUCH TO MINIMIZE DUST.
4. CATCHING SURFACES, MOISTURE INFILTRATION ROOMS SUBJECT TO WET CLEANING METHODS SHALL BE MADE INTEGRAL AND COVERED WITH THE FLOOR, AND CONSTRUCTED WITHOUT VOIDS.
5. DOOR OPENINGS SHALL BE 5" FROM ADJACENT WALL CORNER UNLESS DIMENSIONED.
6. ALL WALLS TO BE TYPE 'A' UNLESS NOTED OTHERWISE. REFER TO SHEET A101.
7. ALL AREAS WITH TOILET/SHOWER ROOMS, ROOMS WITH FLOOR DRAINS, AND AREAS WITH TILE FINISH SHALL HAVE 2" SLAB DEPRESSION. PROVIDE SPRAY-ON FIREPROOFING AT THE UNDERSIDE OF STEEL DECKING AT ALL DEPRESSION CONCRETE SLAB TO MEET 2-HR SEPARATION REQUIREMENTS BETWEEN FLOORS.
8. PROVIDE FIRESTOPPING AT CURTAIN WALL PERIMETER PER UL DESIGN CW-D-1041, OR EQUAL.
9. REFERENCE SHEET A400 SERIES FOR TYPICAL PATIENT ROOM DESIGN.
10. DIMENSIONS ARE TO FACE OF NORTH OR EAST FACE OF STUD, U.N.O.

FLOOR PLAN LEGEND

- SEE SHEET G200 FOR ALL GENERAL SYMBOLS
- AREA NOT IN SCOPE OF PROJECT
  - EXTENT OF WORK
  - WINDOW IDENTIFICATION
  - DOOR IDENTIFICATION
  - ACCESSIBLE SHOWER OR TOILET ROOM
  - SHOWER REFERENCE

KEY PLAN



ARCHITECT

Savely  
Healthcare Architects  
ARCHITECTURE + PLANNING + DESIGN

505 Technology Drive, Suite 175  
Irvine, CA 92618  
(949) 431-0071

PROJECT

PeaceHealth

2901 SQUALICUM PKWY, BELLINGHAM, WA, 98225

SJMC - WEST PAVILION

NO. DATE REVISIONS

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PROFESSIONAL SEALS

AGENCY APPROVAL

12-13-2022 WORK IN PROGRESS

DRAWN BY CHECKED BY DATE

SHA S6/TL 12/15/2022

PROJECT NUMBER

SHA # 21PH-03.000

AHJ # TBD

SCALE:

SHEET TITLE:

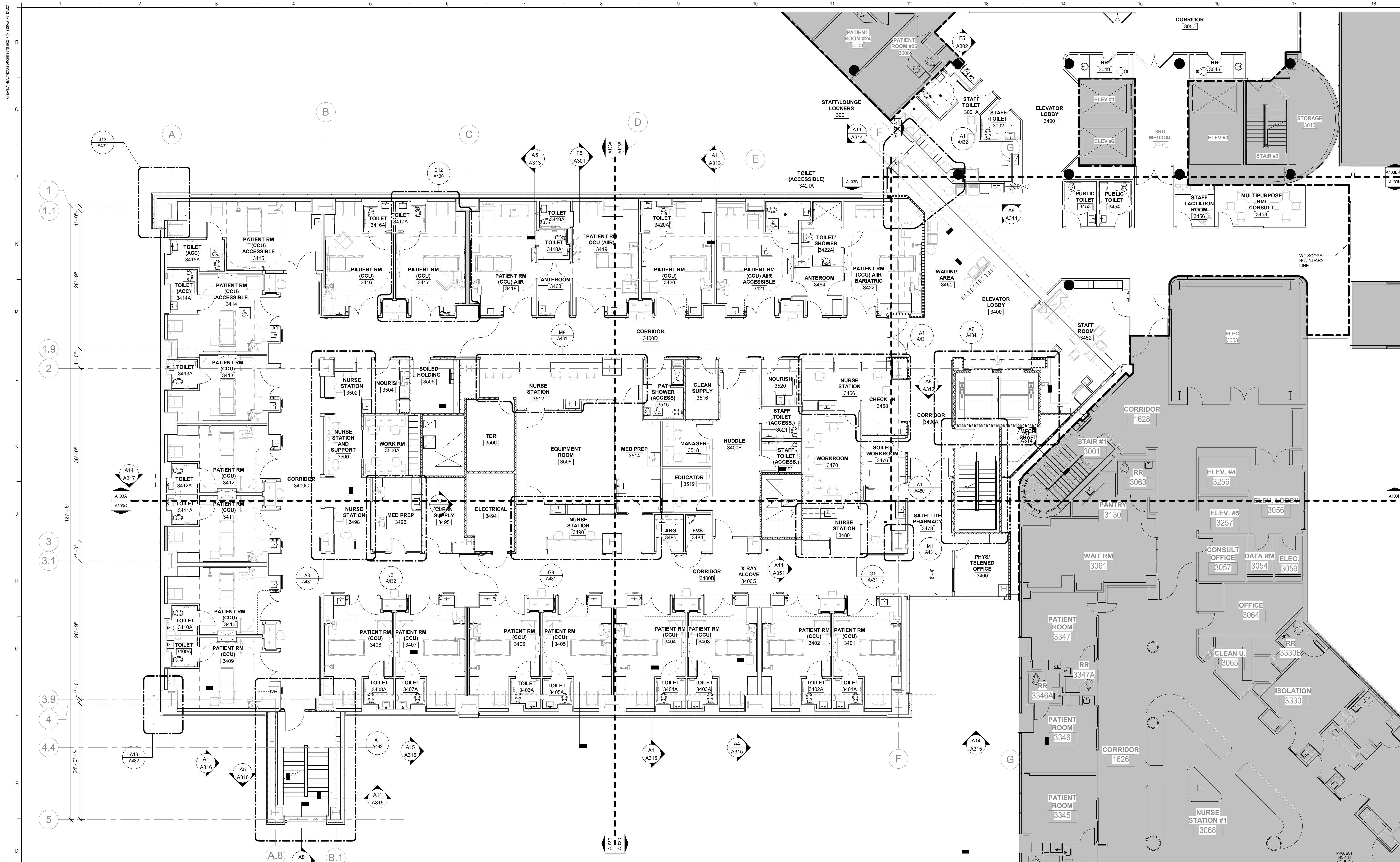
PLAN - LEVEL 2

SHEET NUMBER:

WP

A102





1 LEVEL 3 - THIRD FLOOR PLAN - CRITICAL CARE UNIT  
1/8" = 1'-0"

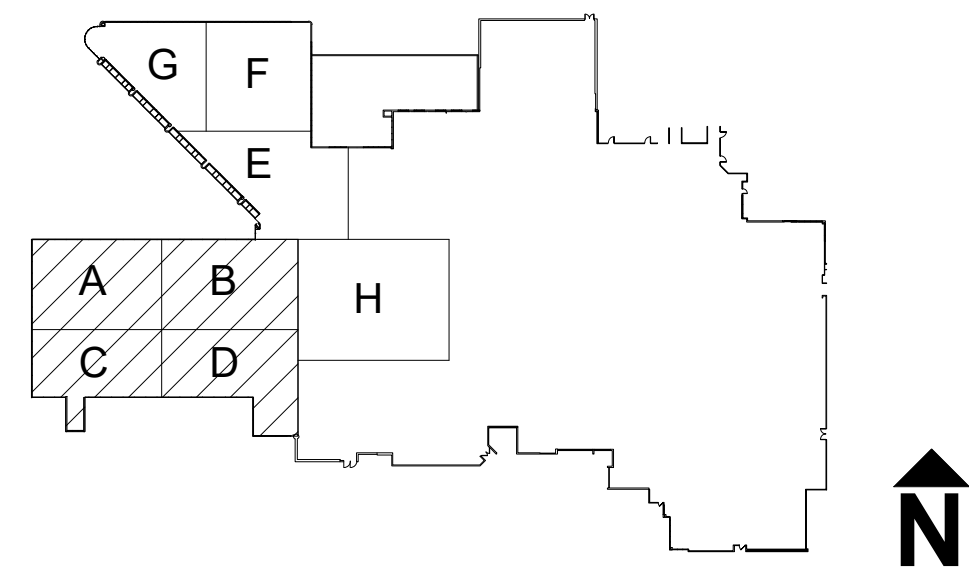
GENERAL NOTES

1. MINIMUM HEIGHT OF CEILINGS SHALL BE 8'-0" UNLESS NOTED OTHERWISE.
2. INTERIOR FINISHES SHALL BE SMOOTH & DURABLE.
3. WALL BASE MATERIAL INSTALLATION SHALL BE SUCH TO MINIMIZE DUST.
4. CATCHING SURFACES, MOISTURE INFILTRATION ROOMS SUBJECT TO WET CLEANING METHODS SHALL BE MADE INTEGRAL AND COVERED WITH THE FLOOR, AND CONSTRUCTED WITHOUT VOIDS.
5. DOOR OPENINGS SHALL BE 5" FROM ADJACENT WALL CORNER UNLESS DIMENSIONED.
6. ALL WALLS TO BE TYPE 'A' UNLESS NOTED OTHERWISE. REFER TO SHEET A101.
7. ALL AREAS WITH TOILET/SHOWER ROOMS, ROOMS WITH FLOOR DRAINS, AND AREAS WITH TILE FINISH SHALL HAVE 2" SLAB DEPRESSION. PROVIDE SPRAY-ON FIREPROOFING AT THE UNDERSIDE OF STEEL DECKING AT ALL DEPRESSION CONCRETE SLAB TO MEET 2-HR SEPARATION REQUIREMENTS BETWEEN FLOORS.
8. PROVIDE FIRESTOPPING AT CURTAIN WALL PERIMETER PER UL DESIGN CW-1041, OR EQUAL.
9. REFERENCE SHEET A400 SERIES FOR TYPICAL PATIENT ROOM DESIGN. DIMENSIONS ARE TO FACE OF NORTH OR EAST FACE OF STUD, U.N.O.
10. DIMENSIONS ARE TO FACE OF NORTH OR EAST FACE OF STUD, U.N.O.

FLOOR PLAN LEGEND

- AREA NOT IN SCOPE OF PROJECT
- EXTENT OF WORK
- WINDOW IDENTIFICATION
- DOOR IDENTIFICATION
- ACCESSIBLE SHOWER OR TOILET ROOM
- SHOWER REFERENCE

KEY PLAN



ARCHITECT

Savely  
Healthcare Architects  
ARCHITECTURE + PLANNING + DESIGN

505 Technology Drive, Suite 175  
Irvine, CA 92618  
(949) 431-0071

PROJECT

PeaceHealth

2901 SQUALICUM PKWY, BELLINGHAM, WA, 98225

SJMC - WEST PAVILION

NO. DATE REVISIONS

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PROFESSIONAL SEALS

AGENCY APPROVAL

12-13-2022 WORK IN PROGRESS

DRAWN BY CHECKED BY DATE

SHA	SG/TL	12/15/2022

PROJECT NUMBER

SHA # 21PH-03.000

AHJ # TBD

SCALE:

SHEET TITLE:

PLAN - LEVEL 3

SHEET NUMBER:

WP

A103









## **Phase 2**







**Exhibit 4**  
**Acute Care Bed Need Methodology**

**Step 1**  
**1. 2012-2021 Total Resident Days**  
*Excludes MDC 19 and MDC 15, Rehab*

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
HSA#1	1,278,353	1,298,961	1,339,977	1,406,661	1,432,607	1,475,138	1,508,181	1,517,593	1,466,045	1,574,682
Statewide Total	2,045,928	2,060,618	2,109,375	2,206,104	2,256,239	2,323,254	2,366,142	2,399,745	2,311,464	2,507,334

**STEP 2: Total Resident Days Adjusted to Exclude All Psychiatric Patient Days****2-A. 2012-2021 Total Resident Days (from Step 1)****From Step 1*****Excludes MDC 19, MDC 15, Rehab***

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>HSA# 1</b>	1,278,353	1,298,961	1,339,977	1,406,661	1,432,607	1,475,138	1,508,181	1,517,593	1,466,045	1,574,682
<b>Statewide Total</b>	2,045,928	2,060,618	2,109,375	2,206,104	2,256,239	2,323,254	2,366,142	2,399,745	2,311,464	2,507,334

**2-B. 2012-2021 Total Psychiatric Hospital Non-MDC 19 Patient Days*****Excludes MDC 19, MDC 15, Rehab***

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>HSA# 1</b>	2,911	3,104	9,823	16,266	15,482	16,250	16,698	17,757	10,319	7,239
<b>Statewide Total</b>	3,189	3,413	11,148	18,411	18,309	19,713	20,121	20,134	12,334	9,386

**NOTE:** Relevant to this Step, there are 4 psychiatric hospitals statewide:Fairfax Hospital, Kirkland: *Located in HSA 1 and East King Planning Area*Navos, Seattle: *Located in HSA 1 and Southwest King Planning Area*Lourdes Counseling Center, Richland: *Located in HSA 3 and Benton-Franklin Planning Area***2C. 2012-2021 Total Resident Days Adjusted to Exclude All Psychiatric Patient Days*****Excludes MDC 19, MDC 15, Rehab***

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>HSA# 1</b>	1,275,442	1,295,857	1,330,154	1,390,395	1,417,125	1,458,888	1,491,483	1,499,836	1,455,726	1,567,443
<b>Statewide Total</b>	2,042,739	2,057,205	2,098,227	2,187,693	2,237,930	2,303,541	2,346,021	2,379,611	2,299,130	2,497,948



**STEP 3: Historical Average Use Rates****3-A. 2012-2021 Total Resident Days Adjusted to Exclude All Psychiatric Patient Days (from Step 2-C.)***Excludes MDC 19, MDC 15, Rehab, Mary Bridge*

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>HSA# 1</b>	1,275,442	1,295,857	1,330,154	1,390,395	1,417,125	1,458,888	1,491,483	1,499,836	1,455,726	1,567,443
<b>Statewide Total</b>	2,042,739	2,057,205	2,098,227	2,187,693	2,237,930	2,303,541	2,346,021	2,379,611	2,299,130	2,497,948

**3-B. 2012-2021 Total Populations**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>HSA# 1</b>	4,261,500	4,303,625	4,361,850	4,429,440	4,523,580	4,612,100	4,688,920	4,767,780	4,865,520	4,902,850
<b>Statewide Total</b>	6,817,770	6,882,400	6,968,170	7,061,410	7,183,700	7,310,300	7,427,570	7,546,410	7,707,047	7,766,975

**3-C. 2012-2021 Total Use Rates Per 1,000**

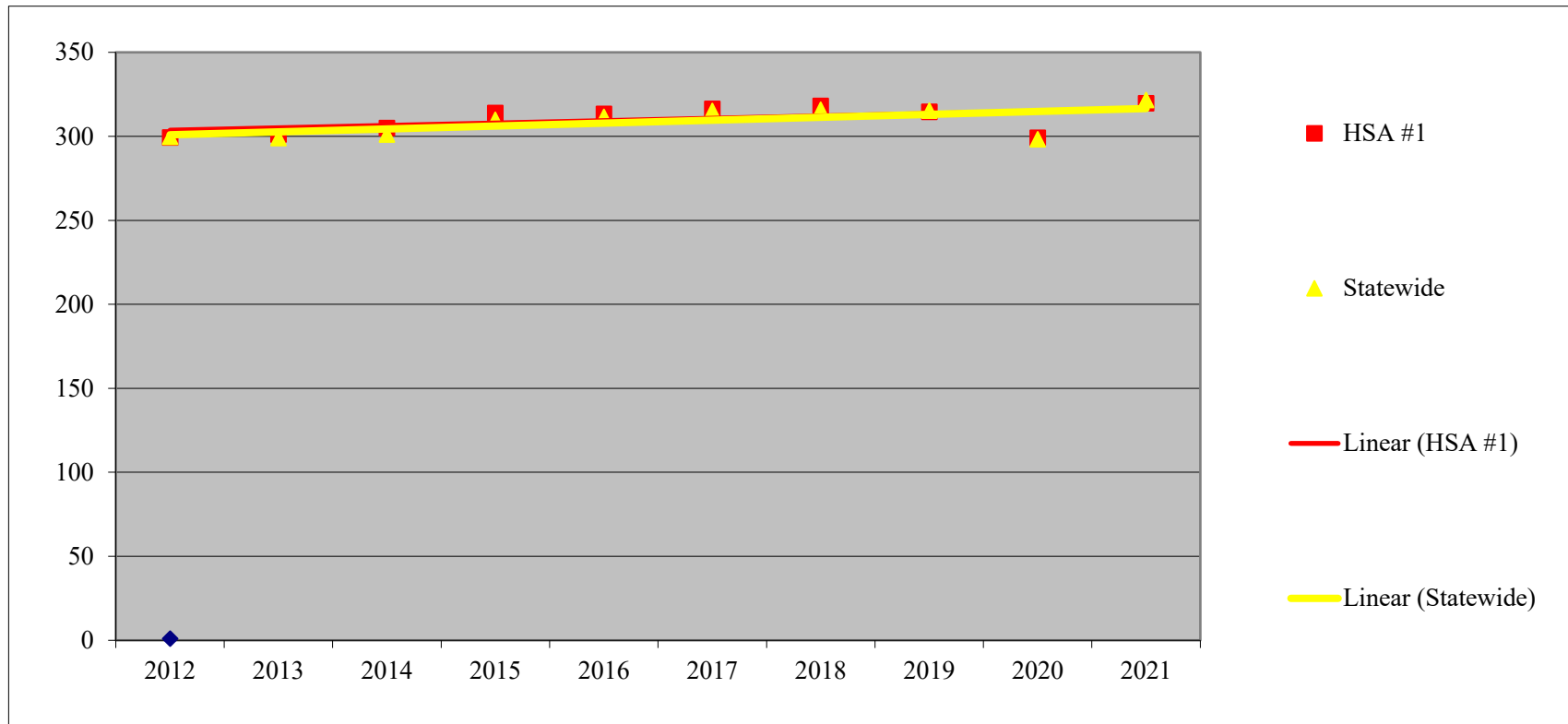
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>HSA# 1</b>	299.29	301.11	304.95	313.90	313.28	316.32	318.09	314.58	299.19	319.70
<b>Statewide Total</b>	299.62	298.91	301.12	309.81	311.53	315.11	315.85	315.33	298.32	321.61

#### **STEP 4: Historical Use Rate Trend Lines and Slopes**

##### **4-A. 2012-2021 Total Use Rates Per 1,000 (from Step 3-C.)**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>HSA# 1</b>	299.29	301.11	304.95	313.90	313.28	316.32	318.09	314.58	299.19	319.70
<b>Statewide Total</b>	299.62	298.91	301.12	309.81	311.53	315.11	315.85	315.33	298.32	321.61

##### **4-B. 2012-2021 Total Use Rate Trend Lines**



##### **4-C. 2012-2021 Total Use Rate Slopes**

<b>HSA#1</b>	1.418
<b>Statewide Total</b>	1.737

**STEP 5: Allocation of Patient (Provider) Days Back to Planning Areas Where the Patients Live****5-A. 2021 (Provider) Days by Age and Residence***Excludes MDC 19 ,MDC 15, Rehab*

	Total Patient Days	Out-of-State Days	Total Less Out-of-State	% Out-of-State
Age 0-64	26,981	594	26,387	2.20%
Age 65+	37,749	729	37,020	1.93%
<b>Total</b>	<b>64,730</b>	<b>1,323</b>	<b>63,407</b>	<b>2.04%</b>

**Other Washington (WA-WhatcomCounty)**

	Total Patient Days	Out-of-State Days	Total Less Out-of-State	% Out-of-State
Age 0-64	1,327,565	62,423	1,265,142	4.70%
Age 65+	1,222,396	43,611	1,178,785	3.57%
<b>Total</b>	<b>2,549,961</b>	<b>106,034</b>	<b>2,443,927</b>	<b>4.16%</b>

**5-B. 2021 Patient Days by Age and Residence, to Providers by Area***Excludes MDC 19 , MDC 15, Rehab***Residents of****0**

	To Planning Area Providers	To Other WA Providers	Total Resident Days (Excl. Out-of-State)
Age 0-64	22,589	9,715	32,304
Age 65+	31,120	4,880	36,000
<b>Total</b>	<b>53,709</b>	<b>14,595</b>	<b>68,304</b>

**2021**

Add (Patient) Days Provided in OR *	Total Resident Days
65	40,663
49	25,505
<b>114</b>	<b>68,418</b>

**Other WA**

Residents	To Planning Area Providers	To Other WA Providers	Total Resident Days (Excl. Out-of-State)
Age 0-64	3,798	1,255,427	1,259,225
Age 65+	5,900	1,173,905	1,179,805
<b>Total</b>	<b>9,698</b>	<b>2,429,332</b>	<b>2,439,030</b>

Add (Patient) Days Provided in OR *	Total Resident Days
37,476	1,296,701
24,971	1,204,776
<b>62,447</b>	<b>2,501,477</b>

**5-C. 2021 Market Shares - Percentage of Total Resident Patient Days**  
*Excludes MDC 19, MDC 15, Rehab*

Residents of	To Planning Area Providers	To Other WA Providers
Age 0-64	55.55%	23.89%
Age 65+	122.02%	19.13%
<b>Total</b>	<b>78.50%</b>	<b>21.33%</b>

To OR Providers	
0.16%	79.60%
0.19%	141.34%
<b>0.17%</b>	<b>100.00%</b>

Other WA Residents		
Age 0-64	0.29%	96.82%
Age 65+	0.49%	97.44%
<b>Total</b>	<b>0.39%</b>	<b>97.12%</b>

2.89%	100.00%
2.07%	100.00%
<b>2.50%</b>	<b>100.00%</b>

**STEP 6: Planning Area Use Rates by Age**  
*Excludes MDC 19, MDC 15, Rehab*

**6-A. 2021 Population\* by Age**

	Whatcom	Other WA
Age 0-64	189,188	6,206,778
Age 65+	44,037	1,281,652
<b>Total</b>	<b>233,225</b>	<b>7,488,430</b>

OFM 2017

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**6-B. 2021 Use Rates by Age**  
*Excludes MDC 19, MDC 15, Rehab*

	Whatcom	Other WA
Age 0-64	214.93	208.92
Age 65+	579.17	940.02
<b>Total</b>	<b>293.36</b>	<b>334.05</b>

**STEP 7A: Planning Area Use Rates by Age****7A-A. 2021 Use Rates by Age (from Step 6-B)***Excludes MDC 19, MDC 15, Rehab*

	2021
Age 0-64	214.93
Age 65+	579.17
<b>Total</b>	<b>293.36</b>

**7A-B. Projected Use Rates by Age for***Excludes MDC 19, MDC 15, Rehab*

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Age 0-64 using HSATrend	214.93	216.35	217.77	219.19	220.61	222.02	223.44	224.86	226.28	227.70	229.12
Age 0-64 using State Trend	214.93	216.67	218.41	220.14	221.88	223.62	225.35	227.09	228.83	230.57	232.30
Age 65+ using HSA Trend	579.17	580.58	582.00	583.42	584.84	586.26	587.68	589.09	590.51	591.93	593.35
Age 65+ using State Trend	579.17	580.90	582.64	584.38	586.11	587.85	589.59	591.32	593.06	594.80	596.53

**Trended Use Rates (from above) that are Closest to****Current Value - i.e., Requires the Smallest Adjustment**

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>
Age 0-64 using HSATrend	214.93	216.35	217.77	219.19	220.61	222.02	223.44	224.86	226.28	227.70	229.12
Age 65+ using HSA Trend	579.17	580.58	582.00	583.42	584.84	586.26	587.68	589.09	590.51	591.93	593.35

**THESE CALCULATIONS ENSURE THAT THE USE RATE CLOSEST TO THE CURRENT VALUE ALWAYS APPEARS IN ROWS 24 and 25 ABOVE***Calculate the Difference from current Use Rate*

Age 0-64 using HSATrend	0.00	1.42	2.84	4.25	5.67	7.09	8.51	9.93	11.34	12.76	14.18
Age 0-64 using State Trend	0.00	1.74	3.47	5.21	6.95	8.68	10.42	12.16	13.89	15.63	17.37

*Calculation to ensure the above values are positive.*

Age 0-64 using stateTrend	0.00	1.42	2.84	4.25	5.67	7.09	8.51	9.93	11.34	12.76	14.18
Age 0-64 using State Trend	0.00	1.74	3.47	5.21	6.95	8.68	10.42	12.16	13.89	15.63	17.37

*Calculate the Difference from current Use Rate*

Age 65+ using HSA Trend	0.00	1.42	2.84	4.25	5.67	7.09	8.51	9.93	11.34	12.76	14.18
Age 65+ using State Trend	0.00	1.74	3.47	5.21	6.95	8.68	10.42	12.16	13.89	15.63	17.37

Calc: Ensures above values are positive.

Age 65+ using HSA Trend	0.00	1.42	2.84	4.25	5.67	7.09	8.51	9.93	11.34	12.76	14.18
Age 65+ using State Trend	0.00	1.74	3.47	5.21	6.95	8.68	10.42	12.16	13.89	15.63	17.37

**7A-A. 2021 Use Rates by Age (from Step 6-B)**

*Excludes MDC 19, MDC 15, Rehab*

	Other WA
Age 0-64	208.92
Age 65+	940.02
<b>Total</b>	<b>334.05</b>

**7A-B. Projected Use Rates by Age for**

*Excludes MDC 19, MDC 15, Rehab*

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Age 0-64 using HSATrend	208.92	210.33	211.75	213.17	214.59	216.01	217.43	218.84	220.26	221.68	223.10
Age 0-64 using State Trend	208.92	210.65	212.39	214.13	215.86	217.60	219.34	221.07	222.81	224.55	226.28
Age 65+ using HSA Trend	940.02	941.44	942.85	944.27	945.69	947.11	948.53	949.94	951.36	952.78	954.20
Age 65+ using State Trend	940.02	941.76	943.49	945.23	946.97	948.70	950.44	952.18	953.91	955.65	957.39

**STEP 8: Forecast Patient Days Using Trended Use Rates****8A. Projected Use Rates by Age (from Step 7A-B.) for****2021**

	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>
Age 0-64 using HSATrend	214.93	216.35	217.77	219.19	220.61	222.02	223.44	224.86	226.28	227.70	229.12
Age 65+ using HSA Trend	579.17	580.58	582.00	583.42	584.84	586.26	587.68	589.09	590.51	591.93	593.35

**8B. Projected Population\* for****2021**

	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>
0-64	189,188	190,602	192,057	193,552	195,088	196,892	198,740	200,632	202,569	204,552	206,262
65+	44,037	45,519	47,090	48,757	50,526	51,760	53,063	54,442	55,900	57,443	58,221
<b>Total</b>	<b>233,225</b>	<b>236,121</b>	<b>239,147</b>	<b>242,308</b>	<b>245,614</b>	<b>248,652</b>	<b>251,803</b>	<b>255,073</b>	<b>258,469</b>	<b>261,995</b>	<b>264,483</b>

**8C. Projected Resident Patient Days\* for****2021**

	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>
0-64	40,663	41,237	41,824	42,424	43,038	43,715	44,407	45,114	45,837	46,576	47,258
65+	25,505	26,427	27,406	28,446	29,550	30,344	31,184	32,071	33,009	34,002	34,545
<b>Total</b>	<b>66,168</b>	<b>67,665</b>	<b>69,231</b>	<b>70,870</b>	<b>72,587</b>	<b>74,059</b>	<b>75,591</b>	<b>77,185</b>	<b>78,847</b>	<b>80,578</b>	<b>81,803</b>

*Excludes MDC 19, MDC 15, Rehab,*

**8A. Projected Use Rates by Age (from Step 7A-B.) for  
Other WA**

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Age 0-64 using HSATrend	208.92	210.33	211.75	213.17	214.59	216.01	217.43	218.84	220.26	221.68	223.10
Age 65+ using HSA Trend	940.02	941.44	942.85	944.27	945.69	947.11	948.53	949.94	951.36	952.78	954.20

**8B. Projected Population\* for  
Other WA**

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
0-64	6,206,778	6,242,820	6,279,550	6,316,979	6,355,115	6,392,230	6,430,021	6,669,127	6,710,232	6,752,086	6,799,832
65+	1,281,652	1,328,855	1,378,283	1,430,057	1,484,308	1,522,361	1,562,221	1,603,986	1,647,762	1,693,662	1,718,727
<b>Total</b>	<b>7,488,430</b>	<b>7,571,675</b>	<b>7,657,833</b>	<b>7,747,035</b>	<b>7,839,423</b>	<b>7,914,591</b>	<b>7,992,241</b>	<b>8,273,113</b>	<b>8,357,995</b>	<b>8,445,748</b>	<b>8,518,559</b>

**8c. Projected Resident Patient Days\* for  
Other Washington**

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
0-64	1,296,701	1,313,083	1,329,714	1,346,597	1,363,739	1,380,768	1,398,049	1,459,494	1,478,005	1,496,799	1,517,025
65+	1,204,776	1,251,033	1,299,520	1,350,363	1,403,696	1,441,842	1,481,808	1,523,698	1,567,620	1,613,689	1,640,008
<b>Total</b>	<b>2,501,477</b>	<b>2,564,116</b>	<b>2,629,234</b>	<b>2,696,960</b>	<b>2,767,435</b>	<b>2,822,609</b>	<b>2,879,857</b>	<b>2,983,192</b>	<b>3,045,625</b>	<b>3,110,487</b>	<b>3,157,033</b>



**STEP 9: Allocate Forecasted Patient Days to the Planning Areas Where Services are Expected to Be Provided**

**9A. (From Steps 8-C and D).**

**Projected Resident Patient Days\* for  
2021**

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
0-64	40,663	41,237	41,824	42,424	43,038	43,715	44,407	45,114	45,837	46,576	47,258
65+	25,505	26,427	27,406	28,446	29,550	30,344	31,184	32,071	33,009	34,002	34,545
<b>Total</b>	<b>66,168</b>	<b>67,665</b>	<b>69,231</b>	<b>70,870</b>	<b>72,587</b>	<b>74,059</b>	<b>75,591</b>	<b>77,185</b>	<b>78,847</b>	<b>80,578</b>	<b>81,803</b>

*Excludes MDC 19, MDC 15, Rehab*

**Projected Resident Patient Days\* for  
Other Washington**

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
0-64	1,296,701	1,313,083	1,329,714	1,346,597	1,363,739	1,380,768	1,398,049	1,459,494	1,478,005	1,496,799	1,517,025
65+	1,204,776	1,251,033	1,299,520	1,350,363	1,403,696	1,441,842	1,481,808	1,523,698	1,567,620	1,613,689	1,640,008
<b>Total</b>	<b>2,501,477</b>	<b>2,564,116</b>	<b>2,629,234</b>	<b>2,696,960</b>	<b>2,767,435</b>	<b>2,822,609</b>	<b>2,879,857</b>	<b>2,983,192</b>	<b>3,045,625</b>	<b>3,110,487</b>	<b>3,157,033</b>

*Excludes MDC 19, MDC 15, Rehab*

**9-B. 2021 Market Shares - Percentage of Total Resident Patient Days (From Step 5-C)**

*Excludes MDC 19, MDC 15, Rehab*

**Residents of**

2021	To Planning Area Providers	To Other WA Providers
Age 0-64	55.55%	23.89%
Age 65+	122.02%	19.13%
<b>Total</b>	<b>78.50%</b>	<b>21.33%</b>

To OR Providers
0.16%
0.19%
<b>0.17%</b>

**Other WA Residents**

Age 0-64	0.29%	96.82%	2.89%
Age 65+	0.49%	97.44%	2.07%
<b>Total</b>	<b>0.39%</b>	<b>97.12%</b>	<b>2.50%</b>

**9C.**

**2021  
Resident Patient  
Days\* to  
Providers**

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
0-64	22,589	22,908	23,234	23,567	23,908	24,284	24,669	25,062	25,463	25,874	26,252
65+	31,120	32,246	33,440	34,708	36,055	37,025	38,049	39,132	40,277	41,488	42,150
<b>Total</b>	<b>53,709</b>	<b>55,154</b>	<b>56,674</b>	<b>58,275</b>	<b>59,963</b>	<b>61,309</b>	<b>62,718</b>	<b>64,193</b>	<b>65,740</b>	<b>67,362</b>	<b>68,403</b>

**2021**

**Resident Patient Days to Other Washington  
Providers**

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
0-64	9,715	9,852	9,992	10,136	10,282	10,444	10,610	10,778	10,951	11,128	11,291
65+	4,880	5,057	5,244	5,443	5,654	5,806	5,967	6,136	6,316	6,506	6,610
<b>Total</b>	<b>14,595</b>	<b>14,909</b>	<b>15,236</b>	<b>15,578</b>	<b>15,936</b>	<b>16,250</b>	<b>16,576</b>	<b>16,915</b>	<b>17,267</b>	<b>17,633</b>	<b>17,900</b>

**2021**

**Resident Patient Days to Oregon  
Providers**

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
0-64	65	66	67	68	69	70	71	72	73	74	76
65+	49	51	53	55	57	58	60	62	63	65	66
<b>Total</b>	<b>114</b>	<b>117</b>	<b>120</b>	<b>122</b>	<b>126</b>	<b>128</b>	<b>131</b>	<b>134</b>	<b>137</b>	<b>140</b>	<b>142</b>

<b>STEP 10: Apply Weighted Occupancy Standard to Determine Bed Need</b>												
<b>2021 BASELINE</b>												
<b>Final Bed Need Calculations</b>												
<i>Excludes MDC 19, MDC 15, Rehab</i>												
<b>Whatcom County Bed Need</b>												
		<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>
	Population 0-64	189,188	190,602	192,057	193,552	195,088	196,892	198,740	200,632	202,569	204,552	206,262
	0-64 Use Rate	214.93	216.35	217.77	219.19	220.61	222.02	223.44	224.86	226.28	227.70	229.12
	Population 65+	44,037	45,519	47,090	48,757	50,526	51,760	53,063	54,442	55,900	57,443	58,221
	65+ Use Rate	579.17	580.58	582.00	583.42	584.84	586.26	587.68	589.09	590.51	591.93	593.35
	Total Population	233,225	236,121	239,147	242,308	245,614	248,652	251,803	255,073	258,469	261,995	264,483
	Total Area Resident Days	66,168	67,665	69,231	70,870	72,587	74,059	75,591	77,185	78,847	80,578	81,803
	Total Days in Area Hospitals	64,703	66,456	68,299	70,236	72,275	73,890	75,578	77,476	79,328	81,268	82,523
<b>Planning Area Available Beds</b>												
			2.7%	2.8%	2.8%	2.9%	2.2%	2.3%	2.5%	2.4%	2.4%	1.5%
	PeaceHealth St. Joseph	207	207	207	207	207	207	207	207	207	207	207
	TOTAL	207	207	207	207	207	207	207	207	207	207	207
	Weighted Occupancy Standard	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%
	Gross Bed Need	253	260	267	275	283	289	296	303	310	318	323
	Net Bed Need / Surplus	46	53	60	68	76	82	89	96	103	111	116

**Exhibit 5**  
**Patient Origin**

Patient Zipcode	Patient City	Patient County	PHSJ 2021 Discharges	% of Total
98226	Bellingham	WHATCOM	2,579	19.2%
98225	Bellingham	WHATCOM	2,078	15.5%
98248	Ferndale	WHATCOM	1,444	10.8%
98229	Bellingham	WHATCOM	1,319	9.8%
98264	Lynden	WHATCOM	1,246	9.3%
98230	Blaine	WHATCOM	951	7.1%
98284	Sedro Woolley	SKAGIT	512	3.8%
98247	Everson	WHATCOM	431	3.2%
98266	Maple Falls	WHATCOM	297	2.2%
98240	Custer	WHATCOM	221	1.6%
98233	Burlington	SKAGIT	173	1.3%
98250	Friday Harbor	SAN JUAN	171	1.3%
98295	Sumas	WHATCOM	162	1.2%
98244	Deming	WHATCOM	138	1.0%
98273	Mount Vernon	SKAGIT	107	0.8%
98237	Concrete	SKAGIT	106	0.8%
98245	Eastsound	SAN JUAN	100	0.7%
98277	Oak Harbor	ISLAND	99	0.7%
98228	Bellingham	WHATCOM	92	0.7%
98276	Nooksack	WHATCOM	84	0.6%
98221	Anacortes	SKAGIT	81	0.6%
98227	Bellingham	WHATCOM	68	0.5%
99901	Ketchikan	KETCHIKAN GATEWAY	63	0.5%
98261	Lopez Island	SAN JUAN	61	0.5%
98274	Mount Vernon	SKAGIT	56	0.4%
98232	Bow	SKAGIT	54	0.4%
98281	Point Roberts	WHATCOM	51	0.4%
98262	Lummi Island	WHATCOM	51	0.4%
98231	Blaine	WHATCOM	49	0.4%
98220	Acme	WHATCOM	36	0.3%
98257	La Conner	SKAGIT	22	0.2%
98223	Arlington	SNOHOMISH	22	0.2%
98255	Hamilton	SKAGIT	17	0.1%
98292	Stanwood	SNOHOMISH	16	0.1%
98239	Coupeville	ISLAND	16	0.1%
98263	Lyman	SKAGIT	11	0.1%
98282	Camano Island	ISLAND	10	0.1%
98280	Orcas	SAN JUAN	10	0.1%
98271	Marysville	SNOHOMISH	10	0.1%
98270	Marysville	SNOHOMISH	10	0.1%
98235	Clearlake	SKAGIT	10	0.1%
98283	Rockport	SKAGIT	9	0.1%
98243	Deer Harbor	SAN JUAN	9	0.1%
98258	Lake Stevens	SNOHOMISH	8	0.1%
98279	Olga	SAN JUAN	7	0.1%

98267	Marblemount	SKAGIT	7	0.1%
99921	Craig	PRINCE OF WALES HYDER	5	0.0%
98507	Olympia	THURSTON	5	0.0%
99925	Klawock	PRINCE OF WALES HYDER	4	0.0%
99919	Thorne Bay	PRINCE OF WALES HYDER	4	0.0%
98253	Greenbank	ISLAND	4	0.0%
98252	Granite Falls	SNOHOMISH	4	0.0%
98208	Everett	SNOHOMISH	4	0.0%
98203	Everett	SNOHOMISH	4	0.0%
99928	Ward Cove	KETCHIKAN GATEWAY	3	0.0%
98286	Shaw Island	SAN JUAN	3	0.0%
98260	Langley	ISLAND	3	0.0%
98249	Freeland	ISLAND	3	0.0%
98241	Darrington	SNOHOMISH	3	0.0%
98236	Clinton	ISLAND	3	0.0%
98155	Seattle	KING	3	0.0%
98072	Woodinville	KING	3	0.0%
98043	Mountlake Terrace	SNOHOMISH	3	0.0%
96094	Weed	SISKIYOU	3	0.0%
99926	Metlakatla	PRINCE OF WALES HYDER	2	0.0%
99923	Hyder	PRINCE OF WALES HYDER	2	0.0%
99801	Juneau	JUNEAU	2	0.0%
99114	Colville	STEVENS	2	0.0%
98862	Winthrop	OKANOGAN	2	0.0%
98857	Warden	GRANT	2	0.0%
98802	East Wenatchee	DOUGLAS	2	0.0%
98660	Vancouver	CLARK	2	0.0%
98640	Ocean Park	PACIFIC	2	0.0%
98632	Longview	COWLITZ	2	0.0%
98516	Olympia	THURSTON	2	0.0%
98502	Olympia	THURSTON	2	0.0%
98501	Olympia	THURSTON	2	0.0%
98465	Tacoma	PIERCE	2	0.0%
98383	Silverdale	KITSAP	2	0.0%
98363	Port Angeles	CLALLAM	2	0.0%
98338	Graham	PIERCE	2	0.0%
98332	Gig Harbor	PIERCE	2	0.0%
98311	Bremerton	KITSAP	2	0.0%
98290	Snohomish	SNOHOMISH	2	0.0%
98201	Everett	SNOHOMISH	2	0.0%
98166	Seattle	KING	2	0.0%
98125	Seattle	KING	2	0.0%
98103	Seattle	KING	2	0.0%
98040	Mercer Island	KING	2	0.0%
98036	Lynnwood	SNOHOMISH	2	0.0%
98031	Kent	KING	2	0.0%
98021	Bothell	SNOHOMISH	2	0.0%

98001	Auburn	KING	2	0.0%
97401	Eugene	LANE	2	0.0%
95655	Mather	SACRAMENTO	2	0.0%
89521	Reno	WASHOE	2	0.0%
85646	Tubac	SANTA CRUZ	2	0.0%
83864	Sandpoint	BONNER	2	0.0%
77399	Livingston	POLK	2	0.0%
44511	Youngstown	MAHONING	2	0.0%
	Other		203	1.5%
	Total		13,413	100.0%

**Exhibit 6**  
**Policies and Procedures**





PeaceHealth

Origination 4/3/2014  
Last Approved 10/29/2019  
Effective 10/29/2019

Owner Jeffrey Weisser  
Area Risk Management  
Applicability PeaceHealth Systemwide  
Tags Policy

## Non-Discrimination Policy

### SCOPE

This policy applies to all PeaceHealth settings and services:

✓	Ambulatory Surgery Center	✓	PeaceHealth Medical Group
✓	Cottage Grove Medical Center	✓	Sacred Heart RiverBend
✓	Ketchikan Medical Center	✓	Sacred Heart University District
✓	Ketchikan Long Term Care	✓	Southwest Medical Center
✓	Peace Harbor Medical Center	✓	St. John Medical Center
✓	Peace Island Medical Center	✓	St. Joseph Medical Center
✓	PeaceHealth Home & Community	✓	System Services Center
✓	PeaceHealth Laboratories	✓	United General Medical Center

### PURPOSE

The purpose of this policy is to ensure that all PeaceHealth Patients and visitors are treated in a welcoming, equitable and nondiscriminatory manner, consistent with applicable federal and state laws.

### POLICY

It is the policy of PeaceHealth, a recipient of federal financial assistance, that Patients are provided with equitable services in a manner that respects, protects, and promotes Patient rights. PeaceHealth does not exclude, deny benefits to, or otherwise discriminate against any person on the basis of age, color, creed, disability, ethnicity, gender, gender identity or expression, marital status, national origin, race, religion, sex, sexual orientation, veteran or military status or any other basis prohibited by federal or state

law. This applies in admission to, participation in, or receipt of the services and benefits under any of its programs and activities, whether carried out by PeaceHealth directly or through a contractor or any other entity with which PeaceHealth arranges to carry out its programs and activities.

This statement is in accordance with the provisions of Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, Section 1557 of the Patient Protection and Affordable Care Act of 2010, and Regulations of the U.S. Department of Health and Human Services issued pursuant to these statutes at Title 45 Code of Federal Regulations Parts 80, 84, 91, and 92.

- Any Patient or visitor who believes they have been subjected to unlawful discrimination may file a complaint using PeaceHealth's Patient Complaint and Grievance Procedure.
- PeaceHealth does not retaliate against any person who in good faith reports discrimination, files a complaint, or cooperates in an investigation of discrimination.
- PeaceHealth's System Director of Risk Management or their designee, in conjunction with Organizational Integrity, Mission Services, Learning & Development and/or other appropriate departments, is responsible for coordinating compliance with this Policy, including providing appropriate notice of and training to this Policy. The System Director of Risk Management serves as the Section 504 and Section 1557 Coordinator.
- PeaceHealth determines eligibility for and provides services, financial aid, and other benefits to all Patients in a similar manner, without subjecting any individual to Unlawful Discrimination.
- Patients are informed of their right to receive services and visitors whom the Patient designates free from Unlawful Discrimination.
  - PeaceHealth also notifies Patients of their right to withdraw or deny consent for visitors at any time.
  - PeaceHealth affords such visitors visitation privileges consistent with the Patient's preferences and according to PeaceHealth visitor policies and procedures.
- PeaceHealth Caregivers address Patient and/or visitor discrimination complaints by:
  - Advising the complainant that they may report the problem to the facility's System Director of Risk Management/Designee and do so without fear of reprisal.
  - Following PeaceHealth's Patient Complaint and Grievance Policy.
- PeaceHealth makes appropriate arrangements to ensure that persons with disabilities are provided reasonable accommodations if needed to participate in this complaint process.
  - The Section 504/1557 Coordinator is responsible for arranging necessary accommodations.
- The availability and use of PeaceHealth's complaint process does not prevent a person from filing a complaint of discrimination with the U.S. Department of Health and Human Services Office for Civil Rights.
- Any person filing a Section 1557 grievance may appeal the decision(s) of the Section 1557 Coordinator by writing to the Chief Executive (CE) of the facility within 15 days of receiving the Section 1557 Coordinator's decision. The CE issues a written decision in response to the appeal no later than 30 days after its filing.

- Contact Person/Section 504 Coordinator/Section 1557 Compliance Coordinator:
  - PeaceHealth System Director of Risk Management
  - Telephone number: 360-729-1000
  - TDD or State Relay number: 9-711 (TTY)

## DEFINITIONS

**Coordinator:** The PH Caregiver who serves as the Section 504 and Section 1557 point person.

**Equitable:** All individuals have access to high quality, culturally and linguistically appropriate care in a timely manner. Protected class is not a predictor for access and clinical outcomes.

**Patient:** For the purpose of this policy, patient means an individual receiving care at a PeaceHealth facility or their health care representative.

**Protected classes:** Age, color, creed, disability, ethnicity, gender, gender identity or expression, marital status, national origin, race, religion, sex, sexual orientation, veteran or military status or any other class prohibited by federal or state law.

## HELP

Further information may be obtained by contacting your Community Risk Manager.

## RELATED MATERIAL

- Patient Complaint and Grievance Policy
- Patient Complaint and Grievance Procedure

## Pre-PolicyStat APPROVALS

### Initial Approval:

President and CMO approved on April 3, 2014

### Subsequent Review/Revision(s):

System Director of Risk Management approved revision April 29, 2015

Legal reviewed July 14, 2016

System Policy Committee approved July 26, 2016

Risk and Legal revised October 24, 2019

System VP Risk Management approved October 29, 2019

*For a complete history of collaborations and approvals, please check Workflow History or contact your policy coordinator.*

Formerly known as document number 900.1.399

## All Revision Dates

10/29/2019, 7/26/2016, 2/29/2016, 1/26/2015, 4/3/2014, 9/21/2012

<i>Title</i>	Admission Policy	<i>Policy No.</i>	200.2.162
<i>Department</i>	Patient Care	<i>Page No.</i>	1 of 2
<i>Approved By</i>	Chief Nursing Officer	<i>Effective Date</i>	1/24/2020
<i>Last Review</i>	1/24/2020	<i>Next Review</i>	1/24/2023

## SCOPE

This policy applies to all PeaceHealth settings and services:

- |   |   |   |
|---|---|---|
| <input type="checkbox"/> Cottage Grove Medical Center | <input type="checkbox"/> Peace Island Medical Center      | <input type="checkbox"/> St. John Medical Center              |
| <input type="checkbox"/> Ketchikan Medical Center     | <input type="checkbox"/> Sacred Heart River Bend          | <input checked="" type="checkbox"/> St. Joseph Medical Center |
| <input type="checkbox"/> Peace Harbor Medical Center  | <input type="checkbox"/> Sacred Heart University District | <input type="checkbox"/> United General Medical Center        |
| <input type="checkbox"/> PeaceHealth Medical Group    | <input type="checkbox"/> Southwest Medical Center         | <input type="checkbox"/> System Services Center               |
| <input type="checkbox"/> PeaceHealth at Home          | <input type="checkbox"/> PeaceHealth Labs                 | <input type="checkbox"/> Ketchikan Long Term Care             |

## PURPOSE

The purpose of this policy is to establish policy for admitting or registering a patient for services, and to ensure that any individual seeking care, treatment or participation in programs, services and activities at PeaceHealth St. Joseph Hospital or Peace Island Medical Center, or other entities within the Northwest Network, is not discriminated against.

## POLICY

In accordance with PeaceHealth job descriptions, admissions shall be carried out in an approved, standardized sequence in order to accomplish safe, organized patient care.

### Requirements:

1. A patient may be admitted to the Hospital by order of a Medical Staff member who has specifically been granted admitting privileges or by an Allied Health Professional who has specifically been granted admitting privileges as per Medical Staff Bylaws.
2. Admitting will identify patient per Patient Identification Procedure 900.2.122 and place identification band on patient.
3. All patients will:
  - 3.1. Have an appropriate medical record initiated.
  - 3.2. Receive Conditions of Treatment Form.
  - 3.3. For every inpatient who has Medicare or Managed Medicare as an insurance, whether primary, secondary, or tertiary, and regardless of age, will receive "An Important Message from Medicare" form.

- 3.4. Be assessed to determine whether any type of interpreter services is requested or required.
- 3.5. Be asked if they have an Advance Directive and be offered information about formulating an Advance Directive if they do not have one (note: there is NO requirement for a patient to have an advance directive).
- 3.6. Receive notification of their patient rights.
- 3.7. Receive information about HIPAA upon initial visit to the facility.
- 3.8. Have an admission assessment per Nursing Documentation procedure 200.2.150.

## **HELP**

Further information may be obtained by contacting your Manager or the House Manager.

## **RELATED MATERIAL**

Mental Health Professional Suicide, Homicide and Grave Disability Assessment Policy 200.3.180  
Mental Health Professional Suicide, Homicide and Grave Disability Assessment Procedure 200.3.181

Admission to East Tower Pre-op Holding Area Job Aid 303.30.6

Admission: Hospice Patient WR.359.38

Abandoned Newborn: Infant Safe Haven 200.2.132

Admission of Patient from Pacific Rim Surgical Center to St. Joseph Hospital WR.387.191

Admission-Direct: Cardiac Monitored Patients from Other Facilities WR.387.51

Admission from Canadian Hospitals to St. Joseph Hospital WR.387.52

Nursing Documentation procedure 200.2.150

Observation Status Requirements-Government Payers CLS-0484

Patient Identification Procedure 900.2.122

## **APPROVALS**

### **Initial Approval:**

VP Patient Care Designee approved on May 01, 2006

### **Subsequent Review/Revision(s):**

Chief Nursing Officer approved revisions November 01, 2013

Chief Nursing Officer approved revisions September 25, 2017

Chief Nursing Officer approved revisions January 24, 2020

*For a complete history of collaborations and approvals, please check Workflow History or contact your policy coordinator.*



PeaceHealth

Origination 5/31/2007

Last 8/23/2022  
Approved

Effective 9/1/2022

Next Review 8/22/2025

Owner Jason Friend

Area Revenue Cycle

Applicability PeaceHealth  
Systemwide

Tags Policy

## Financial Assistance Policy

### SCOPE

This policy applies to all PeaceHealth settings and services in the location(s) checked below:

✓	Ambulatory Surgery Center	✓	PeaceHealth Medical Group
✓	Cottage Grove Medical Center	✓	Sacred Heart RiverBend
✓	Ketchikan Medical Center	✓	Sacred Heart University District
✓	Ketchikan Long Term Care	✓	Southwest Medical Center
✓	Peace Harbor Medical Center	✓	St. John Medical Center
✓	Peace Island Medical Center	✓	St. Joseph Medical Center
✓	PeaceHealth Home & Community	✓	System Services Center
✓	PeaceHealth Laboratories	✓	United General Medical Center

### PURPOSE

The purpose of this policy is to provide information about Financial Assistance programs offered by PeaceHealth that assist guarantors, provide patients with medical management, and support the financial stability of PeaceHealth

### POLICY

It is the Policy of PeaceHealth to ensure a socially just practice for providing emergency or other medically necessary care and comply with federal and state laws and regulations relating to emergency medical services and patient financial assistance, including but not limited to Section 1867 of the Social Security Act, Section 501(r) of the Internal Revenue Code, RCW 70.170.060, and WAC Ch. 246-453.

## 1. Financial Assistance Overview

- a. Signage and brochures informing patients and/or guarantors of PeaceHealth's financial counseling programs and financial assistance are available at appropriate access areas, including registration, and are also available in electronic format on [peacehealth.org](http://peacehealth.org).
- b. Financial assistance information is provided at least annually to community agencies such as local health departments, Medicaid offices, social service agencies, and physician practices.
- c. Guarantors may apply for financial assistance at any time. If applicable, extraordinary collection actions (ECAs) will be suspended while an application is being reviewed.
- d. In accordance with PeaceHealth policy, federal law, and RCW 70.170.060(2), emergent care (including care for people in active labor) is never delayed or denied due to an assistance determination or requests for financial information regarding ability to pay. (Emergency Medical Treatment and Labor Act [EMTALA] Compliance Policy #ADM-0733)
- e. Financial Assistance is secondary to all available sources of payment including, but not limited to:
  - i. Insurance
  - ii. Third party liability payers
  - iii. Government programs
  - iv. Outside agency programs
  - v. Health savings accounts
- f. Financial Assistance is granted to applicants receiving emergent or medically necessary care.
- g. For emergent or medically necessary care furnished in Oregon or Alaska, Financial Assistance is granted to all eligible patients that reside in the states of Washington, Oregon and Alaska.
- h. Information regarding PeaceHealth's billing and collections practices, including the description of actions PeaceHealth hospitals may take in the event of nonpayment, can be found in the separate Patient Billing and Collections Policy and Procedure which is available free of charge on [peacehealth.org](http://peacehealth.org) or a free mailed copy can be requested by calling Customer Service at 877-202-3597.

## 2. Limit on Charges for Guarantors Eligible for Financial Assistance

- a. Guarantors eligible for financial assistance under the Financial Assistance Policy will not be personally responsible for more than the amounts generally billed (AGB), as defined in Treasury Regulation Section 1.501(r)-1(b)(1), by the applicable PeaceHealth hospital for the emergency or medically necessary services received.
- b. PeaceHealth calculates each hospital facility's amounts generally billed (AGB) by using the "look-back" method which uses claims for emergency and other medically necessary care from Medicare and all commercial insurers over a 12-month period.



- c. A free copy of the AGB calculation description and percentages will be provided via mail upon request. Requests may be made in person at any Patient Registration department or by calling Customer Service at 877-202-3597.

### 3. Financial Assistance Application Process

- a. Financial Assistance applications are included with each patient statement, or can be obtained by request at all Registration areas, via MyPeaceHealth, by downloading an application from [peacehealth.org](http://peacehealth.org), or by contacting Customer Service at 877-202-3597.
- b. Consideration for financial assistance occurs once a complete application has been submitted to PeaceHealth.
- c. Information required for a complete application:
  - i. List of family members in household
  - ii. Household gross monthly income (income before taxes and deductions)
  - iii. Signature and date
  - iv. Acceptable documentation of income attached
- d. Acceptable documentation of income must include one of the following:
  - i. A "W-2" withholding statement
  - ii. Pay stubs
  - iii. An income tax return from the most recently filed calendar year
  - iv. Form approving or denying eligibility (non-covered charges) for Medicaid and/or state-funded medical assistance, or, in the alternative, from any payer, such as charges for days beyond a length of stay limit, the patient's benefits have been exhausted, balance from restricted coverage, Medicaid-pending accounts, and payer denials
  - v. Forms approving or denying unemployment compensation
  - vi. Written statements from employers or welfare agencies
  - vii. In the absence of the above forms of income documentation, a written and signed statement from the Guarantor will be accepted as proof of income
- e. Assets are not considered as part of the PeaceHealth process for approving or denying Financial Assistance
- f. Completed applications can be sent to PeaceHealth Patient Financial Services:
  - i. By Mail: P.O. Box 748632 Los Angeles, CA 90065
  - ii. By Fax: 360-729-3047
- g. If an incomplete application is received, a letter is sent explaining what is required to complete the application.
  - i. If requested information is not returned within 30 days, the application is denied.
  - ii. Additional time to secure required documentation may be granted upon

request.

- h. Financial Assistance is granted in accordance with the following table based on income and family size:

Federal Poverty Percentages		Financial Assistance Allowance
From	To	
0	300%	100%
301	350%	85%
351	400%	70%

- i. Complete applications are processed within 14 calendar days of receipt.
- j. If approved, a letter is sent including the amount of assistance applied to outstanding guarantor balances and the dates of service for which eligible services will be covered.
- k. If denied, a letter is sent including the reason for denial and instructions for appealing.
- l. The Vice President of Revenue Cycle or designee has the authority to make final determination and exceptions.

#### **4. Financial Assistance Appeals**

- a. Responsible parties may appeal the determination of eligibility for financial assistance by submitting additional written information, such as income verification or explanations of extenuating circumstances, to PeaceHealth Patient Financial Services within 30 days of the denial notification.
- b. Collection activities for accounts under appeal are pended until a determination is made.
- c. Appeal determination will be made, and notification sent, within 30 days.
- d. The Vice President of Revenue Cycle or designee has the authority to make the final determination for all appeals.
- e. For PeaceHealth facilities located in the state of Washington, when a financial assistance application is denied and the appeal upheld, a copy of the paperwork is provided to the Washington State Department of Health.

#### **5. Presumptive Financial Assistance Eligibility**

- a. Other sources of information, such as estimated income and family size provided by a predictive model, may be used to make an individual assessment of financial need.
- i. This information will enable PeaceHealth to proactively assist patients with financial obligations by utilizing the best estimates available in the absence of information provided directly by the patient.
- ii. Presumptive screening provides benefit to the community by enabling PeaceHealth to systematically identify financially needy patients who may not have been able to complete a traditional application or provide

appropriate documentation.

- b. For the purpose of helping financially needy patients, PeaceHealth may utilize a third-party to review the patient's information to assess financial need.
  - i. This review utilizes a healthcare industry-recognized, predictive model that is based on public record databases.
    - 1. The model incorporates public record data to calculate a socio-economic and financial capacity score that includes estimates for income, resources, and liquidity.
    - 2. The model's rule set is designed to assess each patient to the same standards and is calibrated against historical financial assistance approvals for PeaceHealth.
    - 3. The predictive model enables PeaceHealth to assess whether a patient is characteristic of other patients who have historically qualified for financial assistance under the traditional application process.
    - 4. Information from the predictive model may be used by PeaceHealth to grant presumptive eligibility in cases where there is an absence of information provided directly by the patient. Where efforts to confirm coverage availability have been unsuccessful, the predictive model provides a systematic method to grant presumptive eligibility to financially needy patients.
- c. In the event a patient does not qualify for the highest level of financial assistance under the presumptive rule set, the patient may still provide the requisite information and be considered under the traditional financial assistance application process.
- d. In addition to the use of the predictive model outlined above, presumptive financial assistance will also be provided at the 100% charity care level in the following situations:
  - i. Deceased patients where PeaceHealth has verified there is no estate and no surviving spouse.
  - ii. Patients who are eligible for Medicaid from another state in which PeaceHealth is not a participating provider and does not intend to become a participating provider.
  - iii. Patients who qualify for other government assistance programs, such as food stamps, subsidized housing, or Women Infants and Children Program (WIC).
  - iv. Patients who are confirmed to be homeless with no available source of payment.
- e. If a patient is deemed unable to pay through any of the above described means, PeaceHealth will cease and desist collection efforts that are underway and adjust the account balance to zero through either bad debt (Medicare) or presumptive charity (all other coverages or lack thereof).

## 6. Additional Assistance Provided

- a. Uninsured Discount
  - i. Patients without insurance, or insured patients receiving services not covered by insurance, are awarded an uninsured discount.
  - ii. In accordance with PeaceHealth Uninsured Discount Policy, uninsured discounts are granted only for emergent or medically necessary care.
- b. PeaceHealth will assist patients or their guarantors in identifying and applying for available assistance programs including Medicaid and coverage available on the Washington Health Benefit Exchange

## 7. Providers Subject to PeaceHealth's Financial Assistance Policy

- a. PeaceHealth's decision to provide financial assistance in no way affects the guarantor's financial obligations to physicians or other healthcare providers, unless such physicians or other healthcare providers are providing care to patients pursuant to a contract with PeaceHealth that requires accepting financial assistance decisions made by PeaceHealth.
- b. A list of non-PeaceHealth physicians or other healthcare providers who have agreed to comply with the Financial Assistance Policy and Procedure can be found by visiting [peacehealth.org](https://peacehealth.org) or by calling Customer Service at 877-202-3597 and requesting a copy.

# DEFINITIONS

**Extenuating Circumstances/Catastrophic:** Consideration of additional factors in determining the patient portion of an account qualifying for less than 100% coverage under the Financial Assistance Policy. Factors include: remaining balance after all reductions, household income, and medical status of patient/family.

**Extraordinary Collection Actions (ECA):** (i) actions requiring a legal or judicial process, including but not limited to placing a lien on property, attaching bank accounts, filing civil action under contract law, or garnishing wages; and (ii) reporting adverse information to a credit agency/bureau. PeaceHealth or its contracted collection agencies may take the listed actions for unpaid accounts subject to any court-required approvals.

**Financial Assistance:** A PeaceHealth program through which emergent, medically necessary, and some preventative services are provided by PeaceHealth at a reduced cost or without charge when it has been determined that payment for those services cannot be obtained through insurance, outside agencies, or private means.

**Financial Counseling:** A process of working with our patients in a compassionate and caring manner to identify options for resolving their PeaceHealth financial obligations.

**Guarantor:** A person age 18 or over, regardless of marital status, who has legal financial responsibility for services provided.

**Household:** Persons related by birth, marriage, or adoption residing in the home.

- A household does not include any of the following people:
- Roommates
- Guarantor's unmarried partner, unless they have a child together and the child is the patient

**Income:** Total cash receipts before taxes derived from wages and salaries, welfare payments, Social Security payments, strike benefits, unemployment or disability benefits, child support, alimony, and net earnings from business and investment activities paid to members of the household.

**Indigent Persons:** Patients or their guarantors who qualify for charity care pursuant to the PeaceHealth Financial Assistance policy, and who have exhausted any third-party coverage.

**Medically Necessary Care:** Care that, in accordance with clinically accepted parameters, is reasonably calculated to:

- Prevent the onset or worsening of an illness, condition, or disability;
- Establish a diagnosis;
- Provide palliative, curative, or restorative treatment for physical, behavioral, and/or mental health conditions; and/or
- Assist the individual to achieve or maintain functional capacity in performing daily activities, taking into account both the functional capacity of the individual and those functional capacities that are appropriate for individuals of the same age.

Each service is performed in accordance with national standards of medical practice generally accepted at the time the services are rendered, and must be sufficient in amount, duration, and scope to reasonably achieve its purpose. Course of treatment may include observation only, or when appropriate, no treatment at all.

**Patient:** An individual receiving care at PeaceHealth.

**Service Area:** The state in which the PeaceHealth entity/provider is located.

## HELP

Further information may be obtained by contacting Patient Financial Services.

## RELATED MATERIAL

- Patient Billing and Collections Policy
- Patient Billing and Collections Procedure
- Emergency Medical Treatment and Labor Act Compliance Policy
- Emergency Medical Treatment and Labor Act Compliance Procedure
- Forms:
  - Financial Assistance Application
  - Plain Language Summary

Formerly known as document number 900.1.262.

## All Revision Dates

8/23/2022, 7/1/2019, 7/1/2016, 10/17/2014, 6/18/2014, 2/1/2014, 11/13/2009

## Approval Signatures

Step Description	Approver	Date
PeaceHealth System Board of Directors	Shaina Hogan: Dir Policy Admin	9/1/2022
WA DOH	Jason Friend: Dir Revenue Cycle (Pat Access)	7/21/2022
NCPSC	Shaina Hogan: Dir Policy Admin	7/21/2022
Sys VP Revenue Cycle	Krista Touros: CFO Northwest	7/18/2022
	Jason Friend: Dir Revenue Cycle (Pat Access)	7/14/2022



Origination 10/14/2015

Last 8/7/2019

Approved

Effective 8/7/2019

Owner **John Holmes**

Area **Mission**

Applicability **PeaceHealth Systemwide**

Tags **Policy**

## Advance Directives Policy

### SCOPE

This policy applies to all PeaceHealth settings and services:

✓ Ambulatory Surgery Center	✓ PeaceHealth Medical Group
✓ Cottage Grove Medical Center	✓ Sacred Heart RiverBend
✓ Ketchikan Medical Center	✓ Sacred Heart University District
✓ Ketchikan Long Term Care	✓ Southwest Medical Center
✓ Peace Harbor Medical Center	✓ St. John Medical Center
✓ Peace Island Medical Center	✓ St. Joseph Medical Center
✓ PeaceHealth Home & Community	✓ System Services Center
✓ PeaceHealth Laboratories	✓ United General Medical Center

### PURPOSE

The purpose of this policy is to:

- Provide care consistent with the mission and values of PeaceHealth, in recognition of the intrinsic worth and inherent dignity of those for whom we provide care.
- Ensure our Patients are able to provide guidance to their loved ones, physicians, and Caregivers, regarding their wishes for healthcare treatments in the future, should they be unable to make these decisions for themselves.
- Ensure the implementation of the Federal Patient Self-Determination Act (PSDA) of 1991, affirming a competent Patient's right to make decisions about their healthcare, to accept or refuse medical treatment, and to complete an advance healthcare directive.
- Offer education and assistance to Patients and the public in the documentation of their

- preferences for medical treatment; including their right to accept or refuse treatment; and
- Ensure PeaceHealth is in compliance with state laws and regulatory body standards regarding formulation, documentation, and implementation of advance directives.

## POLICY

It is the policy of PeaceHealth, that in keeping with our mission and values, PeaceHealth supports Patients and their surrogates right to participate in healthcare decision making and advance care planning. PeaceHealth offers assistance in formulating and documenting advance directives per Patient's wishes and ensures those wishes and directives are followed in accordance with standard medical practice and state and federal law.

- In the event a Caregiver is unable to comply with a Patient's advance directives for legal, religious or cultural reasons, they must inform the Patient (or surrogate) and arrange for transfer of care as per federal and state law.
- Formulation of advance directives is entirely voluntary, and a Patient may change or revoke an advance directive at any time, verbally or in writing. All PeaceHealth medical centers and clinics have procedures for the implementation of this Policy within their facilities.
- Note: Washington state law requires Advanced Directives to be witnessed by two people, an acknowledgment by a notary public or another individual authorized by law to take acknowledgements.
- In the event a Patient has not completed advance directives naming a healthcare representative; state law designating the order of legal decision-makers will be followed.
- In the event the Patient has completed an Advanced Directive but does not have it with them, there is a process for follow up reflected in the Procedure.

## DEFINITIONS

**Advance Directives:** A voluntary formal document written in advance which provides direction to the health care team when an adult Patient loses decisional capacity. Living Wills, Directives to Physicians, Durable Power of Attorney for Healthcare, are all forms of advance directives.

**Caregiver:** An employee of PeaceHealth.

**Directive to Physicians:** A Living Will used in the State of Washington (and other states).

**Healthcare Representative:** A person appointed by the patient in a Durable Power of Attorney document to make decisions for the patient when they lose decisional capacity.

**Patient:** Both the Patient and/or the Patient's legal personal representative.

**Surrogate Decision-Maker:** A patient's legal decision-maker according to the laws of the State where the patient is receiving medical care. Generally, the order is as follows:

- Legal Guardian appointed by the Courts
- Durable Power of Attorney for Health Care
- Legal Spouse



- Adult children over the age of 18
- Parents
- Adult siblings over the age of 18
- Please see your state laws for specifics, i.e. majority vs. unanimous consent within groups where there is more than one member, etc.

## HELP

Further information may be obtained by contacting the local Mission, Ethics, or Spiritual Care Departments.

## RELATED MATERIAL

Advance Directives for Patient Access in CareConnect

### CLaws & Regulations:

- Patient Self-Determination Act of 1991
- RCW 70.122 Natural Death Act
- RCW 70.122.030 Directive to Withhold or Withdraw Life Sustaining Treatment
- RCW 11.94 Power of Attorney
- ORS 127
- Alaska:
  - AS 13.52.010 et seq.
  - AS 12.65.007
  - 7 ACC 16.010
- 42 U.S.C. §300a-7 (d)

## Pre-PolicyStat Approvals

### Initial Approval:

Rosanne Ponzetti; System VP Mission Services, October 7, 2015  
Beth O'Brien; Chief Operating Officer, October 14, 2015

### Subsequent Review/Revision(s):

System Policy Committee reviewed on October 25, 2016.  
Reviewed by PHMC CNO, Med Staff, and P&T October 15, 2018  
SVP Mission/Theology and Ethics approved revisions on August 7, 2019

*For a complete history of collaborations and approvals, please check Workflow History or contact your policy coordinator.*

Formerly known as document number 900.1.259

## All Revision Dates

8/7/2019, 10/15/2018, 10/25/2016



PeaceHealth

Origination 12/1/1992

Last 3/15/2019

Approved

Effective 3/15/2019

Owner **John Holmes**

Area **Mission**

Applicability **PeaceHealth  
Systemwide**

Tags **Policy**

## Physician Assisted Suicide Policy

### SCOPE

This policy applies to all PeaceHealth settings and services:

✓	Ambulatory Surgery Center	✓	PeaceHealth Medical Group
✓	Cottage Grove Medical Center	✓	Sacred Heart RiverBend
✓	Ketchikan Medical Center	✓	Sacred Heart University District
✓	Ketchikan Long Term Care	✓	Southwest Medical Center
✓	Peace Harbor Medical Center	✓	St. John Medical Center
✓	Peace Island Medical Center	✓	St. Joseph Medical Center
✓	PeaceHealth Home & Community	✓	System Services Center
✓	PeaceHealth Laboratories	✓	United General Medical Center

### PURPOSE

The purpose of this policy is to provide the requirements for appropriate support of dying persons and families while respecting PeaceHealth's position as set forth in its policy.

### POLICY

PeaceHealth does not participate in physician assisted suicide (aka Death with Dignity). Patients admitted to our facilities or enrolled in our hospice programs receive high quality, compassionate pain and symptom management which is intended to provide relief of disease/illness burden, but not intend death. PeaceHealth respects a patient's right to receive information about physician assisted suicide and directs patients to available state resources if a patient has questions about physician assisted suicide. If a patient desires to pursue physician assisted suicide, our caregivers, volunteers, providers, facilities

and hospice programs do not interfere with the patient's choice.

PeaceHealth does not discharge patients from its facilities or hospice programs when a patient chooses to pursue physician assisted suicide. Patients who choose to pursue physician assisted suicide while enrolled in a PeaceHealth hospice program are asked to make arrangements in a manner that does not involve our caregivers, volunteers or providers directly, but allows our caregivers, volunteers and providers to continue providing high quality, compassionate pain and symptom management without implicating them in the provision of physician assisted suicide in any way.

## DEFINITIONS

**Physician Assisted Suicide:** Defined under Oregon and Washington State laws, and adopted for all PeaceHealth regions, facilities and programs, as when a terminally ill, informed adult voluntarily chooses to obtain a physician prescription for drugs to end his or her life and **self-administers** the drugs, thereby hastening his or her death following confirmation of a prognosis of dying in less than six (6) months. Prior to receiving this prescription, a patient must have a second physician's opinion regarding their terminal diagnosis, make an oral and a written request, and reiterate the oral request to his or her attending physician no less than fifteen (15) days after making the initial oral request. The patient must also have counseling if either physician believes the patient has a mental disorder, or impaired judgment from depression, and be cleared of these by the person providing the counseling. Patients also have the choice whether to notify next of kin or not. Health care providers are immune from civil and criminal liability for good faith compliance.

## HELP

Further information may be obtained by contacting Mission Services.

## RELATED MATERIAL

### Reference Material:

- Oregon Health Authority, <https://www.oregon.gov/oha/Pages/index.aspx> Enter "Death with Dignity" into search field., 02-28-19.
- Washington State Department of Health, <https://www.doh.wa.gov/>, Enter "Death with Dignity" into search field. 02-28-19
- Ethical and Religious Directives for Catholic Health Care Services (ERDs), 6<sup>th</sup> Edition, United States Conference of Catholic Bishops.

## Pre-PolicyStat APPROVALS

### Initial Approval:

System Ethics Committee approved on December 1, 1992

## **Subsequent Review/Revision(s):**

System Mission and Culture Committee reviewed November 17, 2016

System Policy Committee reviewed January 24, 2017

SVP of Mission, Theology, Ethics approved January 24, 2018

System Ethics Committee review and revision, February 14, 2019

SVP of Mission, Theology, Ethics approved March 15, 2019

Formerly known as document number 900.1.245

## **All Revision Dates**

3/15/2019, 2/14/2019, 11/14/1997



Origination 6/8/2020  
Last 9/1/2020  
Approved  
Effective 9/1/2020

Owner **John Holmes**  
Area **Mission**  
Applicability **PeaceHealth Systemwide**  
Tags **Policy**

## Voluntarily Stopping Eating and Drinking Policy

### SCOPE

This policy applies to the PeaceHealth Divisions (PHDs), checked below:

✓	Ambulatory Surgery Center	✓	PeaceHealth Medical Group
✓	Cottage Grove Medical Center	✓	Sacred Heart RiverBend
✓	Ketchikan Medical Center	✓	Sacred Heart University District
✓	Ketchikan Long Term Care	✓	Southwest Medical Center
✓	Peace Harbor Medical Center	✓	St. John Medical Center
✓	Peace Island Medical Center	✓	St. Joseph Medical Center
✓	PeaceHealth Home & Community	✓	System Services Center
✓	PeaceHealth Laboratories	✓	United General Medical Center

### PURPOSE

The purpose of this policy is to clarify the PeaceHealth position on "voluntarily stopping eating and drinking" (aka VSED).

### POLICY

As a Catholic health system, PeaceHealth does not promote or condone voluntarily stopping eating and drinking (VSED) to hasten death. (See ERDs 58 and 60)

### OVERVIEW

VSED is a volitional choice to refuse oral food and fluids for the purpose of hastening death via the

process of terminal dehydration. VSED is distinct from the withdrawal of burdensome medical treatment (such as a feeding tube) or deciding to stop eating and drinking due to an inability to receive oral food and fluids because of burdens related to a medical condition. Individuals who successfully complete VSED die from dehydration brought on by the voluntary choice to refuse to take oral food and fluids. Individuals deciding to pursue VSED may or may not have a terminal medical condition. As a Catholic health system, PeaceHealth understands the intake of oral food and fluids under normal circumstances as ordinary or proportionate means of preserving human life. (See ERD 56). Exceptions to this may occur when in the judgment of the patient (or their health care representative) the intake of oral food and fluid themselves become excessively burdensome *due to an underlying medical condition*. (See ERDs 57 and 58)

## PROCEDURE

1. PeaceHealth caregivers or providers may not promote or suggest the use of VSED for any patients under their care.
2. Patients voicing an interest in pursuing VSED should be asked about the reasons for their interest in VSED to determine if modalities offered by PeaceHealth may help, and receive a palliative care consult, a spiritual care consult, or a hospice eligibility intake as needed.
3. Patients pursuing VSED independently who are hospice eligible due to a terminal condition may be admitted to a PeaceHealth hospice program with the intent of receiving appropriate pain and symptom relief at the end of life.
4. Patients pursuing VSED independently who are not hospice eligible may not be admitted to a PeaceHealth hospice program.
5. Patients voicing an interest in pursuing VSED in the hospital who are not hospice eligible should receive a palliative care consult, a referral for spiritual care, and be discharged once they no longer have a medical need requiring hospitalization.
6. PeaceHealth caregivers or providers with conscience objections should follow the process outlined in the Objections of Conscience Policy.

## DEFINITIONS

**PeaceHealth Division (PHD):** A medical center, clinic, operating unit, or operating division of PeaceHealth that maintains day-to-day management oversight of a designated portion of PeaceHealth System operations. PHDs may be based on a geographic market or dedication to a service line or business.

**Voluntarily Stopping Eating and Drinking:** a volitional choice to refuse oral food and fluids for the purpose of hastening death via the process of terminal dehydration.

## HELP

Further information may be obtained by contacting Mission Services by phone at (360) 729-1295, or the System Director of Hospice and Palliative Care at (360) 729-1681.

## RELATED MATERIAL

- United States Conference of Catholic Bishops, Ethical and Religious Directives for Catholic Health Care Services.
- Jansen, I.A., & Sulmasy, D.P. (2002). "Sedation, alimentation, hydration, and equivocation: Careful conversation about care at end of life." *Annals of Internal Medicine*, 136, 845-849.

## Pre-PolicyStat Approvals

### Initial Approval:

SVP Mission approved 06/08/2020

### Subsequent Review/Revision(s):

Formerly known as document number 900.1.485

### All Revision Dates

6/8/2020



<i>Title</i>	Abortion Policy	<i>Policy No.</i>	900.1.237
<i>Department</i>	Mission Services	<i>Page No.</i>	1 of 2
<i>Approved By</i>	SVP Mission, Theology & Ethics	<i>Effective Date</i>	01/24/2019
<i>Last Review</i>	01/24/2019	<i>Next Review</i>	01/24/2022

## SCOPE

This policy applies to all PeaceHealth settings and services:

- |  |  |   |
|--|--|---|
| <input checked="" type="checkbox"/> Cottage Grove Medical Center | <input checked="" type="checkbox"/> Peace Island Medical Center      | <input checked="" type="checkbox"/> St. John Medical Center       |
| <input checked="" type="checkbox"/> Ketchikan Medical Center     | <input checked="" type="checkbox"/> Sacred Heart River Bend          | <input checked="" type="checkbox"/> St. Joseph Medical Center     |
| <input checked="" type="checkbox"/> Peace Harbor Medical Center  | <input checked="" type="checkbox"/> Sacred Heart University District | <input checked="" type="checkbox"/> United General Medical Center |
| <input checked="" type="checkbox"/> PeaceHealth Medical Group    | <input checked="" type="checkbox"/> Southwest Medical Center         | <input checked="" type="checkbox"/> System Services Center        |
| <input checked="" type="checkbox"/> PeaceHealth at Home          | <input checked="" type="checkbox"/> PeaceHealth Labs                 | <input checked="" type="checkbox"/> Ketchikan Long Term Care      |

## PURPOSE

The purpose of this policy is to provide a point of contact for questions regarding PeaceHealth's position on abortion.

## POLICY

PeaceHealth does not participate in direct abortions. PeaceHealth allows the indirect termination of a pregnancy as a result of direct intervention against a maternal pathology to save the life of the mother. (See ERDs 45, 47, and 49)

## HELP

Further information may be obtained by contacting Mission Service by phone at (360) 729-1295.

## RELATED MATERIAL

Ethical and Religious Directives for Catholic Health Care Services, United State Conference of Catholic Bishops, Sixth Edition, issued Jun 2018. [\[Link\]](#)

## APPROVALS

### Initial Approval:

System Ethics Committee approved on December 1, 1992.

**Subsequent Review/Revision(s):**

System Mission and Culture Committee reviewed November 17, 2016.

System Policy Committee reviewed January 24, 2017.

SVP of Mission, Theology, Ethics approved January 24, 2018.

SVP of Mission, Theology, ethics approved January 24, 2019.

*For a complete history of collaborations and approvals, please check Workflow History or contact your policy coordinator.*

<i>Title</i>	Contraception Policy	<i>Policy No.</i>	900.1.238
<i>Department</i>	Mission Services	<i>Page No.</i>	1 of 2
<i>Approved By</i>	SVP Mission, Theology & Ethics	<i>Effective Date</i>	01/24/2019
<i>Last Review</i>	01/24/2019	<i>Next Review</i>	01/24/2022

## SCOPE

This policy applies to all PeaceHealth settings and services:

- |  |  |   |
|--|--|---|
| <input checked="" type="checkbox"/> Cottage Grove Medical Center | <input checked="" type="checkbox"/> Peace Island Medical Center      | <input checked="" type="checkbox"/> St. John Medical Center       |
| <input checked="" type="checkbox"/> Ketchikan Medical Center     | <input checked="" type="checkbox"/> Sacred Heart River Bend          | <input checked="" type="checkbox"/> St. Joseph Medical Center     |
| <input checked="" type="checkbox"/> Peace Harbor Medical Center  | <input checked="" type="checkbox"/> Sacred Heart University District | <input checked="" type="checkbox"/> United General Medical Center |
| <input checked="" type="checkbox"/> PeaceHealth Medical Group    | <input checked="" type="checkbox"/> Southwest Medical Center         | <input checked="" type="checkbox"/> System Services Center        |
| <input checked="" type="checkbox"/> PeaceHealth at Home          | <input checked="" type="checkbox"/> PeaceHealth Labs                 | <input checked="" type="checkbox"/> Ketchikan Long Term Care      |

## PURPOSE

The purpose of this policy is to provide PeaceHealth's position on contraception.

## POLICY

PeaceHealth does not promote contraception, permanent or temporary. Medically indicated exceptions may be necessary for the well-being of persons and to enable PeaceHealth to contribute to the health of the communities served.

PeaceHealth makes natural family planning information available to persons who inquire about contraceptive services. (See weblinks in Resources below) PeaceHealth values informed consent, freedom of conscience, and the privacy of the doctor-patient relationship. (See ERD 52)

## HELP

Further information may be obtained by contacting Mission Service by phone at (360) 729-1295.

## RELATED MATERIAL

### Resources:

Washington State:

- <http://www.seattlearchdiocese.org/CFF/FamilyLife/NFP.aspx>

Oregon:

- <https://pastoralministry.archdpdx.org/natural-family-planning>

Alaska:

- <https://www.archdioceseofanchorage.org/marriage-and-family-life/natural-family-planning/>

**Reference Material:**

Ethical and Religious Directives for Catholic Health Care Services, United State Conference of Catholic Bishops, Sixth Edition, issued Jun 2018. [\[Link\]](#)

**APPROVALS**

**Initial Approval:**

System Ethics Committee approved on May 13, 1994.

**Subsequent Review/Revision(s):**

System Ethics Committee approved revision October 28, 2011.  
System Director of Ethics reviewed November 8, 2013.  
System Ethics Committee reviewed December 14, 2015.  
System Ethics Committee reviewed November 11, 2016.  
System Mission and Culture Committee reviewed November 17, 2016.  
System Policy Committee reviewed January 24, 2017.  
SVP of Mission, Theology, Ethics approved January 24, 2018.  
SVP of Mission, Theology, Ethics approved January 24, 2019.

*For a complete history of collaborations and approvals, please check Workflow History or contact your policy coordinator.*

**Exhibit 7**  
**Pro Financials and Assumptions**

**Pro forma assumptions are as follows:**

**Patient Days:**

*With the Project:*

See Table 9 in narrative for patient day growth and assumptions (in accompanying narrative)

*Without the Project:*

No patient day growth was assumed beginning in FY2028.

**Revenue:**

Inpatient per patient day revenue held flat at FY2022.

Outpatient held flat at ratio of inpatient/outpatient revenue (at FY2022)

**Deductions from Revenue:**

Provision for bad debt: 0.7% of total patient services revenue

Contractual Adjustments: held to FY2022 for inpatient and outpatient

Charity care: held at FY2022, percentage varies slightly due to inpatient/outpatient ratio

Other Adjustments and allowances: held to FY2022 inpatient/outpatient ratio

**Expenses:**

All expenses except depreciation held to FY2022 per patient day actual except for known increases in staffing costs for FY2023 and FY2024.

Non operating Revenue, net of expenses:

Depreciation:

*With the Project:*

depreciation expense increased with the capital expenditure for the project

*Without the Project:*

Depreciation held flat with the addition of parking garage depreciation in FY2025

### **Hospital Financials With the Project**

HOSPITAL INFORMATION				COMPARISON STATEMENT OF REVENUE & EXPENSE-UNRESTRICTED FUNDS HOSPITAL					WITH PROJECT
		ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	PROJECTED	PROJECTED
		2017	2018	2019	2020 COVID	2021	2022	2023	2024
	OPERATING REVENUE:								
1	Inpatient Revenue	691,471,429	773,869,390	803,716,307	804,744,031	842,671,669	954,630,869	1,119,476,509	1,134,333,045
2	Outpatient Revenue	637,100,906	743,582,174	827,028,951	861,301,796	1,010,842,319	1,097,294,805	1,270,416,007	1,286,607,893
3	<b>TOTAL PATIENT SERVICES REVENUE</b>	<b>1,328,572,335</b>	<b>1,517,451,564</b>	<b>1,630,745,258</b>	<b>1,666,045,827</b>	<b>1,853,513,988</b>	<b>2,051,925,674</b>	<b>2,389,892,516</b>	<b>2,420,940,937</b>
4									
5	DEDUCTIONS FROM REVENUE:								
6	Provision for Bad Debt	13,291,952	15,706,891	6,791,461	6,963,367	10,193,030	14,231,493	16,667,082	16,883,613
7	Contractual Adjustments	763,043,040	880,205,806	982,581,718	1,016,904,073	1,157,107,579	1,310,373,368	1,606,976,750	1,627,853,878
8	Charity and Uncompensated Care	12,711,920	22,941,742	32,249,494	37,202,861	28,427,220	28,243,111	37,493,847	37,980,950
9	Other Adjustments and Allowances	10,468,817	11,272,297	5,204,839	4,384,549	(242,820)	676,352	1,207,591	1,223,279
10	<b>TOTAL DEDUCTIONS FROM REVENUE</b>	<b>799,515,728</b>	<b>930,126,736</b>	<b>1,026,827,512</b>	<b>1,065,454,850</b>	<b>1,195,485,009</b>	<b>1,353,524,325</b>	<b>1,662,345,270</b>	<b>1,683,941,721</b>
11	Deduction Rate							69.6%	69.6%
12	<b>NET PATIENT SERVICE REVENUE</b>	<b>529,056,606</b>	<b>587,324,828</b>	<b>603,917,746</b>	<b>600,590,977</b>	<b>658,028,979</b>	<b>698,401,350</b>	<b>727,547,246</b>	<b>736,999,216</b>
13									
14	OTHER OPERATING REVENUE								
15	Other Operating Revenue	6,977,009	4,998,047	7,112,014	34,268,241	7,512,462	7,298,496	8,721,295	8,721,295
16	Tax Revenues	-	-	-	-	-	-	-	-
17	<b>TOTAL OTHER OPERATING REVENUE</b>	<b>6,977,009</b>	<b>4,998,047</b>	<b>7,112,014</b>	<b>34,268,241</b>	<b>7,512,462</b>	<b>7,298,496</b>	<b>8,721,295</b>	<b>8,721,295</b>
18									
19	<b>TOTAL OPERATING REVENUE</b>	<b>536,033,616</b>	<b>592,322,876</b>	<b>611,029,760</b>	<b>634,859,218</b>	<b>665,541,442</b>	<b>705,699,846</b>	<b>736,268,541</b>	<b>745,720,511</b>
20									
21	OPERATING EXPENSES								
22	Salaries and Wages	201,561,725	219,702,637	230,627,138	240,212,509	256,052,426	305,737,401	312,649,496	320,893,818
23	Employee Benefits	52,899,429	56,642,557	57,614,749	60,879,203	65,307,450	68,312,416	73,111,747	75,039,646
24	Professional Fees	6,700,829	8,633,474	10,169,719	10,800,806	11,767,286	13,008,045	14,141,585	14,329,258
25	Supplies	81,889,414	90,158,321	92,719,247	87,681,742	100,983,455	115,384,642	119,438,518	121,023,583
26	Purchased Services - Utilities	3,283,553	3,343,909	3,502,134	3,245,638	3,524,158	4,099,392	4,332,190	4,389,682
27	Purchased Services - Other	31,164,247	21,894,395	28,755,829	30,478,036	34,684,502	38,751,818	43,176,707	43,749,704
28	Depreciation	28,872,044	31,507,351	32,655,612	35,615,169	38,540,564	38,402,382	39,473,594	39,473,594
29	Rentals and Leases	5,889,975	5,603,587	5,347,304	6,283,564	8,167,747	9,520,438	9,087,210	9,207,806
30	Insurance	3,584,406	4,542,051	4,686,166	4,819,020	4,701,611	4,920,018	6,459,462	6,545,185
31	License and Taxes	15,650,120	20,452,272	20,279,026	17,477,727	18,052,867	18,473,795	18,044,103	18,283,566
32	Interest	1,058,718	232,387	199,941	134,075	105,015	132,628	114,124	114,124
33	Other Direct Expenses	2,977,281	2,669,135	2,755,742	2,328,050	1,874,328	1,957,696	1,574,736	1,595,634
34	Allocated Expenses	69,122,881	69,599,810	76,944,883	82,037,349	83,367,996	83,333,329	80,771,016	81,842,925
35	<b>TOTAL OPERATING EXPENSES</b>	<b>504,654,624</b>	<b>534,981,886</b>	<b>566,257,489</b>	<b>581,992,889</b>	<b>627,129,406</b>	<b>702,034,001</b>	<b>722,374,488</b>	<b>736,488,525</b>



HOSPITAL INFORMATION				COMPARISON STATEMENT OF REVENUE & EXPENSE-UNRESTRICTED FUNDS HOSPIT/					WITH PROJECT
		ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	PROJECTED	PROJECTED
		2017	2018	2019	2020 COVID	2021	2022	2023	2024
36									
37	NET OPERATING REVENUE	31,378,992	57,340,990	44,772,271	52,866,329	38,412,035	3,665,845	13,894,053	9,231,987
38		5.85%	9.68%						
39	NON-OPERATING REVENUE-NET OF EXPENSES	15,114,659	72,739	72,739	(328,461)	(323,261)	(324,362)	(369,102)	(369,102)
40									
41	NET REVENUE BEFORE ITEMS LISTED BELOW	46,493,651	57,413,729	44,845,010	52,537,868	38,088,774	3,341,483	13,524,951	8,862,885
42									
43	EXTRAORDINARY ITEM	-	-	-	-	-	-	-	-
44	FEDERAL INCOME TAX	-	-	-	-	-	-	-	-
45									
46	NET REVENUE OR (EXPENSE)	46,493,651	57,413,729	44,845,010	52,537,868	38,088,774	3,341,483	13,524,951	8,862,885
47	EXPLANATION:								

HOSPITAL INFORMATION								
AL AGGREGATE								
	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
	2025	2026	2027	2028	2029	2030	2031	2032
OPERATING REVENUE:								
Inpatient Revenue	1,144,957,903	1,155,704,537	1,166,542,502	1,245,506,609	1,302,140,481	1,330,676,701	1,359,900,013	1,389,839,654
Outpatient Revenue	1,298,187,745	1,309,900,318	1,321,712,431	1,411,180,104	1,475,347,241	1,507,679,262	1,540,789,770	1,574,711,891
<b>TOTAL PATIENT SERVICES REVENUE</b>	<b>2,443,145,649</b>	<b>2,465,604,855</b>	<b>2,488,254,933</b>	<b>2,656,686,713</b>	<b>2,777,487,722</b>	<b>2,838,355,964</b>	<b>2,900,689,783</b>	<b>2,964,551,545</b>
DEDUCTIONS FROM REVENUE:								
Provision for Bad Debt	17,038,469	17,195,099	17,353,060	18,527,702	19,370,166	19,794,661	20,229,376	20,674,747
Contractual Adjustments	1,642,784,447	1,657,886,139	1,673,116,175	1,786,370,622	1,867,597,878	1,908,526,016	1,950,439,616	1,993,380,612
Charity and Uncompensated Care	38,329,309	38,681,661	39,037,007	41,679,450	43,574,637	44,529,569	45,507,494	46,509,390
Other Adjustments and Allowances	1,234,499	1,245,848	1,257,293	1,342,400	1,403,439	1,434,196	1,465,692	1,497,961
<b>TOTAL DEDUCTIONS FROM REVENUE</b>	<b>1,699,386,724</b>	<b>1,715,008,747</b>	<b>1,730,763,535</b>	<b>1,847,920,173</b>	<b>1,931,946,121</b>	<b>1,974,284,441</b>	<b>2,017,642,178</b>	<b>2,062,062,710</b>
Deduction Rat	69.6%	69.6%	69.6%	69.6%	69.6%	69.6%	69.6%	69.6%
<b>NET PATIENT SERVICE REVENUE</b>	<b>743,758,925</b>	<b>750,596,108</b>	<b>757,491,398</b>	<b>808,766,540</b>	<b>845,541,600</b>	<b>864,071,522</b>	<b>883,047,605</b>	<b>902,488,835</b>
OTHER OPERATING REVENUE								
Other Operating Revenue	8,721,295	8,721,295	8,721,295	9,911,809	9,911,809	9,911,809	9,911,809	9,911,809
Tax Revenues	-	-	-	-	-	-	-	-
<b>TOTAL OTHER OPERATING REVENUE</b>	<b>8,721,295</b>	<b>8,721,295</b>	<b>8,721,295</b>	<b>9,911,809</b>	<b>9,911,809</b>	<b>9,911,809</b>	<b>9,911,809</b>	<b>9,911,809</b>
<b>TOTAL OPERATING REVENUE</b>	<b>752,480,220</b>	<b>759,317,403</b>	<b>766,212,693</b>	<b>818,678,349</b>	<b>855,453,409</b>	<b>873,983,331</b>	<b>892,959,414</b>	<b>912,400,643</b>
OPERATING EXPENSES								
Salaries and Wages	324,102,756	327,343,783	330,617,221	336,123,571	351,971,471	359,956,783	368,134,365	376,512,398
Employee Benefits	75,790,043	76,547,943	77,313,423	78,601,059	82,307,023	84,174,354	86,086,646	88,045,813
Professional Fees	14,463,474	14,599,229	14,736,138	14,736,138	14,736,138	14,736,138	14,736,138	14,736,138
Supplies	122,157,164	123,303,737	124,460,055	133,439,381	139,730,918	142,901,047	146,147,507	149,473,544
Purchased Services - Utilities	4,430,799	4,472,387	4,514,328	4,345,356	4,978,762	4,978,762	4,978,762	4,978,762
Purchased Services - Other	44,159,490	44,573,973	44,991,979	46,509,431	48,702,306	49,807,234	50,938,766	52,098,035
Depreciation	39,473,594	42,063,174	42,063,174	52,629,740	52,629,740	57,511,479	57,511,479	57,511,479
Rentals and Leases	9,294,052	9,381,286	9,469,262	10,774,453	11,282,458	11,538,427	11,800,560	12,069,118
Insurance	6,606,492	6,668,500	6,731,036	6,459,462	7,499,252	7,569,495	7,640,542	7,640,542
License and Taxes	18,454,821	18,628,039	18,802,729	20,907,129	21,892,880	22,389,572	22,898,224	23,419,343
Interest	114,124	114,124	114,124	132,628	151,960	151,960	151,960	151,960
Other Direct Expenses	1,610,580	1,625,697	1,640,942	2,215,561	2,320,022	2,372,657	2,426,560	2,481,784
Allocated Expenses	82,609,517	83,384,894	84,166,860	83,333,329	95,480,513	95,480,513	95,480,513	95,480,513
<b>TOTAL OPERATING EXPENSES</b>	<b>743,266,904</b>	<b>752,706,767</b>	<b>759,621,271</b>	<b>790,207,237</b>	<b>833,683,443</b>	<b>853,568,422</b>	<b>868,932,023</b>	<b>884,599,431</b>

HOSPITAL INFORMATION								
AL AGGREGATE								
	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
	2025	2026	2027	2028	2029	2030	2031	2032
NET OPERATING REVENUE	9,213,316	6,610,637	6,591,422	28,471,112	21,769,966	20,414,909	24,027,391	27,801,213
NON-OPERATING REVENUE-NET OF EXPENSES	(369,102)	(369,102)	(369,102)	(367,086)	(384,394)	(393,114)	(402,045)	(411,195)
NET REVENUE BEFORE ITEMS LISTED BELOW	8,844,214	6,241,535	6,222,320	28,104,026	21,385,572	20,021,794	23,625,346	27,390,018
EXTRAORDINARY ITEM	-	-	-	-	-	-	-	-
FEDERAL INCOME TAX	-	-	-	-	-	-	-	-
NET REVENUE OR (EXPENSE)	8,844,214	6,241,535	6,222,320	28,104,026	21,385,572	20,021,794	23,625,346	27,390,018
EXPLANATION:								

HOSPITAL INFORMATION

DEDUCTIONS FROM REVENUE- HOSPITAL AGGREGATE - **WITH PROJECT**

	ACCT:	ITEM:	ACTUAL 2017	ACTUAL 2018	ACTUAL 2019	ACTUAL 2020 COVID	ACTUAL 2021	ACTUAL 2022	PROJECTED 2023	PROJECTED 2024
1	5800	PROVISION FOR BAD DEBTS	13,291,952	15,706,891	6,791,461	6,963,367	10,193,030	14,231,493	16,667,082	16,883,613
2										
3		CONTRACTUAL ADJUSTMENTS								
4	5810	Medicare	483,780,185	558,380,584	632,234,862	668,741,216	753,025,874	855,367,799	1,048,980,543	1,062,608,432
5	5820	Medicaid	198,545,407	218,941,402	233,293,767	221,749,544	254,865,437	283,709,035	347,926,655	352,446,764
6	5830	Workers Compensation	7,050,379	6,415,050	7,744,958	7,435,742	6,245,365	8,280,019	10,154,204	10,286,122
7	5840	Other Government Programs	16,659,342	20,796,942	22,425,683	27,357,189	30,811,107	35,217,348	43,188,805	43,749,895
8	5850	Negotiated Rates	57,007,727	75,671,828	85,899,881	90,562,799	108,976,039	122,574,919	150,319,787	152,272,675
9	5860	Other	-	-	982,567	1,057,583	3,183,758	5,224,247	6,406,757	6,489,990
10		Total Contractual Adjustments	763,043,040	880,205,806	982,581,718	1,016,904,073	1,157,107,579	1,310,373,368	1,606,976,750	1,627,853,878
11										
12		CHARITY CARE								
13	5900	Inpatient	5,714,871	11,677,000	11,388,114	15,010,572	10,339,048	12,107,448	16,073,115	16,281,930
14	5910	Outpatient	6,997,049	11,264,742	20,861,380	22,192,289	18,088,172	16,135,664	21,420,732	21,699,020
15										
16										
17		Total Charity Care	12,711,920	22,941,742	32,249,494	37,202,861	28,427,220	28,243,111	37,493,847	37,980,950
18										
19	5970	ADMINISTRATIVE ADJUSTMENTS	10,468,817	11,272,297	5,204,839	4,384,549	(242,820)	676,352	1,207,591	1,223,279
20										
21	5980	OTHER DEDUCTIONS (Specify)	-	-	-	-	-	-	-	-
22										
23		TOTAL DEDUCTIONS FROM REVENUE	799,515,729	930,126,736	1,026,827,512	1,065,454,850	1,195,485,009	1,353,524,325	1,662,345,270	1,683,941,721
24	EXPLANATIONS:									

		PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
ACCT:	ITEM:	2025	2026	2027	2028	2029	2030	2031	2032
5800	PROVISION FOR BAD DEBTS	17,038,469	17,195,099	17,353,060	18,527,702	19,370,166	19,794,661	20,229,376	20,674,747
CONTRACTUAL ADJUSTMENTS									
5810	Medicare	1,072,354,606	1,082,212,485	1,092,154,142	1,166,082,847	1,219,105,277	1,245,821,793	1,273,181,585	1,301,212,028
5820	Medicaid	355,679,382	358,949,051	362,246,507	386,767,236	404,353,755	413,215,109	422,289,826	431,586,984
5830	Workers Compensation	10,380,466	10,475,891	10,572,127	11,287,762	11,801,023	12,059,640	12,324,485	12,595,822
5840	Other Government Programs	44,151,166	44,557,036	44,966,356	48,010,161	50,193,210	51,293,186	52,419,649	53,573,723
5850	Negotiated Rates	153,669,310	155,081,952	156,506,600	167,100,645	174,698,803	178,527,302	182,447,983	186,464,769
5860	Other	6,549,516	6,609,724	6,670,444	7,121,971	7,445,811	7,608,985	7,776,088	7,947,286
Total Contractual Adjustments		1,642,784,447	1,657,886,139	1,673,116,175	1,786,370,622	1,867,597,878	1,908,526,016	1,950,439,616	1,993,380,612
CHARITY CARE									
5900	Inpatient	16,431,267	16,582,315	16,734,647	17,867,428	18,679,869	19,089,236	19,508,459	19,937,959
5910	Outpatient	21,898,042	22,099,345	22,302,359	23,812,022	24,894,768	25,440,333	25,999,034	26,571,431
Total Charity Care		38,329,309	38,681,661	39,037,007	41,679,450	43,574,637	44,529,569	45,507,494	46,509,390
5970	ADMINISTRATIVE ADJUSTMENTS	1,234,499	1,245,848	1,257,293	1,342,400	1,403,439	1,434,196	1,465,692	1,497,961
5980	OTHER DEDUCTIONS (Specify)	-	-	-	-	-	-	-	-
TOTAL DEDUCTIONS FROM REVENUE									2,062,062,710
EXPLANATIONS:									

HOSPITAL INFORMATION  
BALANCE SHEET - UNRESTRICTED FUND-HOSPITAL AGGREGATE - **WITH PROJECT**

		ACTUAL	ACTUAL	ACTUAL	ACTUAL	PROJECTED	PROJECTED	PROJECTED	PROJECTED
	ASSETS	2019	2020 COVID	2021	2022	2023	2024	2025	2026
1	CURRENT ASSETS:								
2	Cash	9,216,613	83,344,387	105,854,796	108,195,279	99,719,231	82,581,116	71,634,825	
3	Marketable Securities					-	-	-	-
4	Accounts Receivable	231,023,678	200,000,000	235,000,000	235,000,000	235,000,000	235,000,000	235,000,000	235,000,000
5	Less-Estimated Uncollectable & Allowances	(148,004,566)	(128,129,348)	(150,551,984)	(150,551,984)	(150,551,984)	(150,551,984)	(150,551,984)	(150,551,984)
6	Receivables From Third Party Payors					-	-	-	-
7	Pledges And Other Receivables								
8	Due From Restricted Funds					-	-	-	-
9	Inventory	259,992	300,000	300,000	300,000	300,000	300,000	300,000	300,000
10	Prepaid Expenses					-	-	-	-
11	Current Portion Of Funds Held In Trust		-	-		-	-	-	-
12	<b>TOTAL CURRENT ASSETS</b>	<b>92,495,717</b>	<b>155,515,039</b>	<b>190,602,812</b>	<b>192,943,295</b>	<b>184,467,247</b>	<b>167,329,132</b>	<b>156,382,841</b>	<b>84,748,016</b>
13									
14	BOARD DESIGNATED ASSETS:								
15	Cash					-	-	-	-
16	Marketable Securities					-	-	-	-
17	Other Assets		-	-		-	-	-	-
18	<b>TOTAL BOARD DESIGNATED ASSETS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
19									
20	PROPERTY, PLANT AND EQUIPMENT:								
21	Land	8,561,542	8,561,542	8,561,542	8,561,542	8,561,542	8,561,542	8,561,542	8,561,542
22	Land Improvements	9,805,704	9,805,704	9,805,704	9,805,704	9,805,704	9,805,704	13,901,828	18,750,297
23	Buildings	164,722,576	164,722,576	164,722,576	164,722,576	164,722,576	164,722,576	225,415,956	422,025,163
24	Fixed Equipment - Building Service	-				-	-	-	-
25	Fixed Equipment - Other	83,436,845	84,436,845	85,436,845	86,436,845	87,436,845	88,436,845	89,436,845	113,496,193
26	Equipment	106,885,961	127,501,130	166,041,694	204,444,076	243,917,670	283,391,264	322,864,858	368,704,271
27	Leasehold Improvements	20,405,031	20,405,031	20,405,031	20,405,031	20,405,031	20,405,031	20,405,031	20,405,031
28	Construction In Progress	4,097,924	4,000,000	4,000,000	4,000,000	25,000,000	50,000,000	4,000,000	20,000,000
29	<b>TOTAL</b>	<b>397,915,583</b>	<b>419,432,828</b>	<b>458,973,392</b>	<b>498,375,774</b>	<b>559,849,368</b>	<b>625,322,962</b>	<b>684,586,060</b>	<b>971,942,495</b>
30	Less Accumulated Depreciation	(251,932,539)	(285,547,708)	(322,088,272)	(360,490,654)	(399,964,248)	(439,437,842)	(478,911,436)	(520,974,610)
31	<b>NET PROPERTY, PLANT &amp; EQUIPMENT</b>	<b>145,983,044</b>	<b>133,885,120</b>	<b>136,885,120</b>	<b>137,885,120</b>	<b>159,885,120</b>	<b>185,885,120</b>	<b>205,674,624</b>	<b>450,967,886</b>

HOSPITAL INFORMATION

BALANCE SHEET - UNRESTRICTED FUND-HOSPITAL AGGREGATE - **WITH PROJECT**

		ACTUAL	ACTUAL	ACTUAL	ACTUAL	PROJECTED	PROJECTED	PROJECTED	PROJECTED
ASSETS		2019	2020 COVID	2021	2022	2023	2024	2025	2026
32									
33	INVESTMENTS AND OTHER ASSETS:								
34	Investments In Property, Plant & Equipment	-				-	-	-	-
35	Less - Accumulated Depreciation	-				-	-	-	-
36	Other Investments	-				-	-	-	-
37	Other Assets	7,070	7,000	7,000	7,000	7,000	7,000	7,000	7,000
38	TOTAL INVESTMENTS & OTHER ASSETS	7,070	7,000	7,000	7,000	7,000	7,000	7,000	7,000
39									
40	INTANGIBLES ASSETS:								
41	Goodwill					-	-	-	-
42	Unamortized Loan Costs					-	-	-	-
43	Preopening And Other Organization Costs					-	-	-	-
44	Other Intangible Assets					-	-	-	-
45	TOTAL INTANGIBLE ASSETS	-	-	-	-	-	-	-	-
46									
47	TOTAL ASSETS	238,485,831	289,407,159	327,494,932	330,835,415	344,359,367	353,221,252	362,064,465	535,722,902

		PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
<b>ASSETS</b>		<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>
1	CURRENT ASSETS:						
2	Cash						
3	Marketable Securities	-	-	-	-	-	-
4	Accounts Receivable	235,000,000	235,000,000	235,000,000	235,000,000	235,000,000	235,000,000
5	Less-Estimated Uncollectable & Allowances	(150,551,984)	(150,551,984)	(150,551,984)	(150,551,984)	(150,551,984)	(150,551,984)
6	Receivables From Third Party Payors	-	-	-	-	-	-
7	Pledges And Other Receivables	-	-	-	-	-	-
8	Due From Restricted Funds	-	-	-	-	-	-
9	Inventory	300,000	300,000	300,000	300,000	300,000	300,000
10	Prepaid Expenses	-	-	-	-	-	-
11	Current Portion Of Funds Held In Trust	-	-	-	-	-	-
12	<b>TOTAL CURRENT ASSETS</b>	<b>84,748,016</b>	<b>84,748,016</b>	<b>84,748,016</b>	<b>84,748,016</b>	<b>84,748,016</b>	<b>84,748,016</b>
13							
14	BOARD DESIGNATED ASSETS:						
15	Cash	-	-	-	-	-	-
16	Marketable Securities	-	-	-	-	-	-
17	Other Assets	-	-	-	-	-	-
18	<b>TOTAL BOARD DESIGNATED ASSETS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
19							
20	PROPERTY, PLANT AND EQUIPMENT:						
21	Land	8,561,542	8,561,542	8,561,542	8,561,542	8,561,542	8,561,542
22	Land Improvements	18,750,297	18,750,297	18,750,297	18,750,297	18,750,297	18,750,297
23	Buildings	422,025,163	422,025,163	516,094,449	516,094,449	516,094,449	516,094,449
24	Fixed Equipment - Building Service	-	-	-	-	-	-
25	Fixed Equipment - Other	113,496,193	113,496,193	123,459,164	123,459,164	123,459,164	123,459,164
26	Equipment	410,767,445	463,397,185	516,026,926	573,538,405	631,049,883	688,561,362
27	Leasehold Improvements	20,405,031	20,405,031	20,405,031	20,405,031	20,405,031	20,405,031
28	Construction In Progress	75,000,000	100,000,000	4,000,000	4,000,000	4,000,000	4,000,000
29	<b>TOTAL</b>	<b>1,069,005,670</b>	<b>1,146,635,410</b>	<b>1,207,297,409</b>	<b>1,264,808,888</b>	<b>1,322,320,367</b>	<b>1,379,831,846</b>
30	Less Accumulated Depreciation	(563,037,784)	(615,667,525)	(668,297,265)	(725,808,744)	(783,320,223)	(840,831,702)
31	<b>NET PROPERTY, PLANT &amp; EQUIPMENT</b>	<b>505,967,886</b>	<b>530,967,886</b>	<b>539,000,144</b>	<b>539,000,144</b>	<b>539,000,144</b>	<b>539,000,144</b>



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		PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
ASSETS		2027	2028	2029	2030	2031	2032
32							
33	INVESTMENTS AND OTHER ASSETS:						
34	Investments In Property, Plant & Equipment	-	-	-	-	-	-
35	Less - Accumulated Depreciation	-	-	-	-	-	-
36	Other Investments	-	-	-	-	-	-
37	Other Assets	7,000	7,000	7,000	7,000	7,000	7,000
38	TOTAL INVESTMENTS & OTHER ASSETS	7,000	7,000	7,000	7,000	7,000	7,000
39							
40	INTANGIBLES ASSETS:						
41	Goodwill	-	-	-	-	-	-
42	Unamortized Loan Costs	-	-	-	-	-	-
43	Preopening And Other Organization Costs	-	-	-	-	-	-
44	Other Intangible Assets	-	-	-	-	-	-
45	TOTAL INTANGIBLE ASSETS	-	-	-	-	-	-
46							
47	TOTAL ASSETS	590,722,902	615,722,902	623,755,160	623,755,160	623,755,160	623,755,160

HOSPITAL INFORMATION  
BALANCE SHEET - UNRESTRICTED FUND-HOSPITAL AGGREGATE - **WITH PROJECT**

	ACTUAL	ACTUAL	ACTUAL	ACTUAL	PROJECTED	PROJECTED	PROJECTED	PROJECTED
	2019	2020 COVID	2021	2022	2023	2024	2025	2026
<b>LIABILITIES AND FUND BALANCES-UNRESTRICTED</b>								
1 CURRENT LIABILITIES:								
2 Notes and Loans Payable	-	-	-	-	-	-	-	-
3 Accounts Payable	9,489,220	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000
4 Accrued Compensation and Related Liabilities					-	-	-	-
5 Other Accrued Expenses	6,583,765	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000
6 Advances from Third Party Payors					-	-	-	-
7 Payables to Third Party Payors	2,744,975	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000
8 Due to Restricted Funds					-	-	-	167,417,902
9 Income Taxes Payable					-	-	-	-
10 Other Current Liabilities	248,564	250,000	250,000	250,000	250,000	250,000	250,000	250,000
11 Current Maturities of Long Term Debt					-	-	-	-
12 <b>TOTAL CURRENT LIABILITIES</b>	<b>19,066,524</b>	<b>17,450,000</b>	<b>17,450,000</b>	<b>17,450,000</b>	<b>17,450,000</b>	<b>17,450,000</b>	<b>17,450,000</b>	<b>184,867,902</b>
13								
14 DEFERRED CREDITS:								
15 Deferred Income Taxes					-	-	-	-
16 Deferred Third Party Revenue					-	-	-	-
17 Other Deferred Credits					-	-	-	-
18 <b>TOTAL DEFERRED CREDITS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
19								
20 LONG TERM DEBT:								
21 Mortgage Payable					-	-	-	-
22 Construction Loans - Interim Financing					-	-	-	-
23 Notes Payable					-	-	-	-
24 Capitalized Lease Obligations	14,016	14,000	13,000	12,000	11,000	10,000	9,000	8,000
25 Bonds Payable					-	-	-	-
26 Notes and Loans Payable to Parent					-	-	-	-
27 Noncurrent Liabilities					-	-	-	-
28 <b>TOTAL</b>	<b>14,016</b>	<b>14,000</b>	<b>13,000</b>	<b>12,000</b>	<b>11,000</b>	<b>10,000</b>	<b>9,000</b>	<b>8,000</b>
29 Less Current Maturities of Long Term Debt	-	-	-					
30 <b>TOTAL LONG TERM DEBT</b>	<b>14,016</b>	<b>14,000</b>	<b>13,000</b>	<b>12,000</b>	<b>11,000</b>	<b>10,000</b>	<b>9,000</b>	<b>8,000</b>
31								

HOSPITAL INFORMATION  
BALANCE SHEET - UNRESTRICTED FUND-HOSPITAL AGGREGATE - WITH PROJECT

	ACTUAL	ACTUAL	ACTUAL	ACTUAL	PROJECTED	PROJECTED	PROJECTED	PROJECTED
LIABILITIES AND FUND BALANCES-UNRESTRICTED	2019	2020 COVID	2021	2022	2023	2024	2025	2026
32 UNRESTRICTED FUND BALANCE	19,080,540	17,464,000	17,463,000	17,462,000	17,461,000	17,460,000	17,459,000	184,875,902
33								
34 EQUITY (INVESTOR OWNED)								
35 Preferred Stock	-	-	-		-	-	-	-
36								
37 Common Stock	-	-	-		-	-	-	-
38								
39 Additional Paid In Capital	-	-	-		-	-	-	-
40								
41 Retained Earnings (Capital Account for Partnership	219,405,291	271,943,159	310,031,933	313,373,416	326,898,367	335,761,252	344,605,465	350,847,000
42 or Sole Proprietorship)								
43								
44 Less Treasury Stock	-	-	-		-	-	-	-
45 TOTAL EQUITY	219,405,291	271,943,159	310,031,933	313,373,416	326,898,367	335,761,252	344,605,465	350,847,000
46								
47 TOTAL LIABILITIES AND FUND BALANCE OR EQUITY	238,485,831	289,407,159	327,494,933	330,835,416	344,359,367	353,221,252	362,064,465	535,722,902

		PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
LIABILITIES AND FUND BALANCES-UNRESTRICTED		2027	2028	2029	2030	2031	2032
1	CURRENT LIABILITIES:						
2	Notes and Loans Payable	-	-	-	-	-	-
3	Accounts Payable	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000
4	Accrued Compensation and Related Liabilities	-	-	-	-	-	-
5	Other Accrued Expenses	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000
6	Advances from Third Party Payors	-	-	-	-	-	-
7	Payables to Third Party Payors	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000
8	Due to Restricted Funds	216,196,582	213,093,556	199,741,242	179,720,448	156,096,102	128,707,085
9	Income Taxes Payable	-	-	-	-	-	-
10	Other Current Liabilities	250,000	250,000	250,000	250,000	250,000	250,000
11	Current Maturities of Long Term Debt	-	-	-	-	-	-
12	TOTAL CURRENT LIABILITIES	233,646,582	230,543,556	217,191,242	197,170,448	173,546,102	146,157,085
13							
14	DEFERRED CREDITS:						
15	Deferred Income Taxes	-	-	-	-	-	-
16	Deferred Third Party Revenue	-	-	-	-	-	-
17	Other Deferred Credits	-	-	-	-	-	-
18	TOTAL DEFERRED CREDITS	-	-	-	-	-	-
19							
20	LONG TERM DEBT:						
21	Mortgage Payable	-	-	-	-	-	-
22	Construction Loans - Interim Financing	-	-	-	-	-	-
23	Notes Payable	-	-	-	-	-	-
24	Capitalized Lease Obligations	7,000	6,000	5,000	4,000	3,000	2,000
25	Bonds Payable	-	-	-	-	-	-
26	Notes and Loans Payable to Parent	-	-	-	-	-	-
27	Noncurrent Liabilities	-	-	-	-	-	-
28	TOTAL	7,000	6,000	5,000	4,000	3,000	2,000
29	Less Current Maturities of Long Term Debt						
30	TOTAL LONG TERM DEBT	7,000	6,000	5,000	4,000	3,000	2,000
31							

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		PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
LIABILITIES AND FUND BALANCES-UNRESTRICTED		2027	2028	2029	2030	2031	2032
32	UNRESTRICTED FUND BALANCE	233,653,582	230,549,556	217,196,242	197,174,448	173,549,102	146,159,085
33							
34	EQUITY (INVESTOR OWNED)						
35	Preferred Stock	-	-	-	-	-	-
36							
37	Common Stock	-	-	-	-	-	-
38							
39	Additional Paid In Capital	-	-	-	-	-	-
40							
41	Retained Earnings (Capital Account for Partnership	357,069,320	385,173,346	406,558,918	426,580,712	450,206,058	477,596,076
42	or Sole Proprietorship)						
43							
44	Less Treasury Stock	-	-	-	-	-	-
45	TOTAL EQUITY	357,069,320	385,173,346	406,558,918	426,580,712	450,206,058	477,596,076
46							
47	TOTAL LIABILITIES AND FUND BALANCE OR EQUITY	590,722,902	615,722,902	623,755,160	623,755,160	623,755,160	623,755,161

### **Hospital Financials Without the Project**

HOSPITAL INFORMATION

COMPARISON STATEMENT OF REVENUE & EXPENSE-UNRESTRICTED FUNDS HOSPITAL

		ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	FYTD Oct PROJECTED	PROJECTED
		2017	2018	2019	2020 COVID	2021	2022	2023	2024
	OPERATING REVENUE:								
1	Inpatient Revenue	691,471,429	773,869,390	803,716,307	804,744,031	842,671,669	954,630,869	1,119,476,509	1,134,333,045
2	Outpatient Revenue	637,100,906	743,582,174	827,028,951	861,301,796	1,010,842,319	1,097,294,805	1,270,416,007	1,286,607,893
3	<b>TOTAL PATIENT SERVICES REVENUE</b>	<b>1,328,572,335</b>	<b>1,517,451,564</b>	<b>1,630,745,258</b>	<b>1,666,045,827</b>	<b>1,853,513,988</b>	<b>2,051,925,674</b>	<b>2,389,892,516</b>	<b>2,420,940,937</b>
4									
5	DEDUCTIONS FROM REVENUE:								
6	Provision for Bad Debt	13,291,952	15,706,891	6,791,461	6,963,367	10,193,030	14,231,493	16,667,082	16,883,613
7	Contractual Adjustments	763,043,040	880,205,806	982,581,718	1,016,904,073	1,157,107,579	1,310,373,368	1,606,976,750	1,627,853,878
8	Charity and Uncompensated Care	12,711,920	22,941,742	32,249,494	37,202,861	28,427,220	28,243,111	37,493,847	37,980,950
9	Other Adjustments and Allowances	10,468,817	11,272,297	5,204,839	4,384,549	(242,820)	676,352	1,207,591	1,223,279
10	<b>TOTAL DEDUCTIONS FROM REVENUE</b>	<b>799,515,728</b>	<b>930,126,736</b>	<b>1,026,827,512</b>	<b>1,065,454,850</b>	<b>1,195,485,009</b>	<b>1,353,524,325</b>	<b>1,662,345,270</b>	<b>1,683,941,721</b>
11								69.6%	69.6%
12	<b>NET PATIENT SERVICE REVENUE</b>	<b>529,056,606</b>	<b>587,324,828</b>	<b>603,917,746</b>	<b>600,590,977</b>	<b>658,028,979</b>	<b>698,401,350</b>	<b>727,547,246</b>	<b>736,999,216</b>
13									
14	OTHER OPERATING REVENUE								
15	Other Operating Revenue	6,977,009	4,998,047	7,112,014	34,268,241	7,512,462	7,298,496	8,721,295	8,721,295
16	Tax Revenues	-	-	-	-	-	-	-	-
17	<b>TOTAL OTHER OPERATING REVENUE</b>	<b>6,977,009</b>	<b>4,998,047</b>	<b>7,112,014</b>	<b>34,268,241</b>	<b>7,512,462</b>	<b>7,298,496</b>	<b>8,721,295</b>	<b>8,721,295</b>
18									
19	<b>TOTAL OPERATING REVENUE</b>	<b>536,033,616</b>	<b>592,322,876</b>	<b>611,029,760</b>	<b>634,859,218</b>	<b>665,541,442</b>	<b>705,699,846</b>	<b>736,268,541</b>	<b>745,720,511</b>
20									
21	OPERATING EXPENSES								
22	Salaries and Wages	201,561,725	219,702,637	230,627,138	240,212,509	256,052,426	305,737,401	312,649,496	320,893,818
23	Employee Benefits	52,899,429	56,642,557	57,614,749	60,879,203	65,307,450	68,312,416	73,111,747	75,039,646
24	Professional Fees	6,700,829	8,633,474	10,169,719	10,800,806	11,767,286	13,008,045	14,141,585	14,329,258
25	Supplies	81,889,414	90,158,321	92,719,247	87,681,742	100,983,455	115,384,642	119,438,518	121,023,583
26	Purchased Services - Utilities	3,283,553	3,343,909	3,502,134	3,245,638	3,524,158	4,099,392	4,332,190	4,389,682
27	Purchased Services - Other	31,164,247	21,894,395	28,755,829	30,478,036	34,684,502	38,751,818	43,176,707	43,749,704
28	Depreciation	28,872,044	31,507,351	32,655,612	35,615,169	38,540,564	38,402,382	39,473,594	39,473,594
29	Rentals and Leases	5,889,975	5,603,587	5,347,304	6,283,564	8,167,747	9,520,438	9,087,210	9,207,806
30	Insurance	3,584,406	4,542,051	4,686,166	4,819,020	4,701,611	4,920,018	6,459,462	6,545,185
31	License and Taxes	15,650,120	20,452,272	20,279,026	17,477,727	18,052,867	18,473,795	18,044,103	18,283,566
32	Interest	1,058,718	232,387	199,941	134,075	105,015	132,628	114,124	114,124
33	Other Direct Expenses	2,977,281	2,669,135	2,755,742	2,328,050	1,874,328	1,957,696	1,574,736	1,595,634

HOSPITAL INFORMATION								
COMPARISON STATEMENT OF REVENUE & EXPENSE-UNRESTRICTED FUNDS HOSPITAL								
		ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	FYTD Oct PROJECTED
		2017	2018	2019	2020 COVID	2021	2022	2023
								2024
34	Allocated Expenses	69,122,881	69,599,810	76,944,883	82,037,349	83,367,996	83,333,329	80,771,016
35	TOTAL OPERATING EXPENSES	504,654,624	534,981,886	566,257,489	581,992,889	627,129,406	702,034,001	722,374,488
36								
37	NET OPERATING REVENUE	31,378,992	57,340,990	44,772,271	52,866,329	38,412,035	3,665,845	13,894,053
38								
39	NON-OPERATING REVENUE-NET OF EXPENSES	15,114,659	72,739	72,739	(328,461)	(323,261)	(324,362)	(369,102)
40								
41	NET REVENUE BEFORE ITEMS LISTED BELOW	46,493,651	57,413,729	44,845,010	52,537,868	38,088,774	3,341,483	13,524,951
42								
43	EXTRAORDINARY ITEM	-	-	-	-	-	-	-
44	FEDERAL INCOME TAX	-	-	-	-	-	-	-
45								
46	NET REVENUE OR (EXPENSE)	46,493,651	57,413,729	44,845,010	52,537,868	38,088,774	3,341,483	13,524,951
47	EXPLANATION:							



AGGREGATE - WITHOUT PROJECT

	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
	2025	2026	2027	2028	2029	2030	2031	2032
OPERATING REVENUE:								
1 Inpatient Revenue	1,144,957,903	1,155,704,537	1,166,542,502	1,166,542,502	1,166,542,502	1,166,542,502	1,166,542,502	1,166,542,502
2 Outpatient Revenue	1,298,187,745	1,309,900,318	1,321,712,431	1,321,712,431	1,321,712,431	1,321,712,431	1,321,712,431	1,321,712,431
3 TOTAL PATIENT SERVICES REVENUE	2,443,145,649	2,465,604,855	2,488,254,933	2,488,254,933	2,488,254,933	2,488,254,933	2,488,254,933	2,488,254,933
4								
5 DEDUCTIONS FROM REVENUE:								
6 Provision for Bad Debt	17,038,469	17,195,099	17,353,060	17,353,060	17,353,060	17,353,060	17,353,060	17,353,060
7 Contractual Adjustments	1,642,784,447	1,657,886,139	1,673,116,175	1,673,116,175	1,673,116,175	1,673,116,175	1,673,116,175	1,673,116,175
8 Charity and Uncompensated Care	38,329,309	38,681,661	39,037,007	39,037,007	39,037,007	39,037,007	39,037,007	39,037,007
9 Other Adjustments and Allowances	1,234,499	1,245,848	1,257,293	1,257,293	1,257,293	1,257,293	1,257,293	1,257,293
10 TOTAL DEDUCTIONS FROM REVENUE	1,699,386,724	1,715,008,747	1,730,763,535	1,730,763,535	1,730,763,535	1,730,763,535	1,730,763,535	1,730,763,535
11	69.6%	69.6%	69.6%	69.6%	69.6%	69.6%	69.6%	69.6%
12 NET PATIENT SERVICE REVENUE	743,758,925	750,596,108	757,491,398	757,491,398	757,491,398	757,491,398	757,491,398	757,491,398
13								
14 OTHER OPERATING REVENUE								
15 Other Operating Revenue	8,721,295	8,721,295	8,721,295	8,721,295	8,721,295	8,721,295	8,721,295	8,721,295
16 Tax Revenues	-	-	-	-	-	-	-	-
17 TOTAL OTHER OPERATING REVENUE	8,721,295	8,721,295	8,721,295	8,721,295	8,721,295	8,721,295	8,721,295	8,721,295
18								
19 TOTAL OPERATING REVENUE	752,480,220	759,317,403	766,212,693	766,212,693	766,212,693	766,212,693	766,212,693	766,212,693
20								
21 OPERATING EXPENSES								
22 Salaries and Wages	324,102,756	327,343,783	330,617,221	330,617,221	330,617,221	330,617,221	330,617,221	330,617,221
23 Employee Benefits	75,790,043	76,547,943	77,313,423	77,313,423	77,313,423	77,313,423	77,313,423	77,313,423
24 Professional Fees	14,463,474	14,599,229	14,736,138	14,736,138	14,736,138	14,736,138	14,736,138	14,736,138
25 Supplies	122,157,164	123,303,737	124,460,055	124,460,055	124,460,055	124,460,055	124,460,055	124,460,055
26 Purchased Services - Utilities	4,430,799	4,472,387	4,514,328	4,840,019	5,068,222	5,183,206	5,300,960	5,421,599
27 Purchased Services - Other	44,159,490	44,573,973	44,991,979	44,991,979	44,991,979	44,991,979	44,991,979	44,991,979
28 Depreciation	39,473,594	42,063,174	42,063,174	42,063,174	42,063,174	42,063,174	42,063,174	42,063,174
29 Rentals and Leases	9,294,052	9,381,286	9,469,262	9,469,262	9,469,262	9,469,262	9,469,262	9,469,262
30 Insurance	6,606,492	6,668,500	6,731,036	6,731,036	6,731,036	6,731,036	6,731,036	6,731,036
31 License and Taxes	18,454,821	18,628,039	18,802,729	18,802,729	18,802,729	18,802,729	18,802,729	18,802,729
32 Interest	114,124	114,124	114,124	114,124	114,124	114,124	114,124	114,124
33 Other Direct Expenses	1,610,580	1,625,697	1,640,942	1,640,942	1,640,942	1,640,942	1,640,942	1,640,942

AGGREGATE - WITHOUT PROJECT

		PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
		2025	2026	2027	2028	2029	2030	2031	2032
34	Allocated Expenses	82,609,517	83,384,894	84,166,860	84,166,860	84,166,860	84,166,860	84,166,860	84,166,860
35	TOTAL OPERATING EXPENSES	743,266,904	752,706,767	759,621,271	759,946,963	760,175,165	760,290,150	760,407,903	760,528,543
36									
37	NET OPERATING REVENUE	9,213,316	6,610,637	6,591,422	6,265,730	6,037,528	5,922,544	5,804,790	5,684,151
38									
39	NON-OPERATING REVENUE-NET OF EXPENSES	(369,102)	(369,102)	(369,102)	(369,102)	(369,102)	(369,102)	(369,102)	(369,102)
40									
41	NET REVENUE BEFORE ITEMS LISTED BELOW	8,844,214	6,241,535	6,222,320	5,896,628	5,668,426	5,553,442	5,435,688	5,315,049
42									
43	EXTRAORDINARY ITEM	-	-	-	-	-	-	-	-
44	FEDERAL INCOME TAX	-	-	-	-	-	-	-	-
45									
46	NET REVENUE OR (EXPENSE)	8,844,214	6,241,535	6,222,320	5,896,628	5,668,426	5,553,442	5,435,688	5,315,049
47	EXPLANATION:								

HOSPITAL INFORMATION  
DEDUCTIONS FROM REVENUE- HOSPITAL AGGREGATE - **WITHOUT PROJECT**

			ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	PROJECTED	PROJECTED
	ACCT:	ITEM:	2017	2018	2019	2020 COVID	2021	2022	2023	2024
1	5800	PROVISION FOR BAD DEBTS	13,291,952	15,706,891	6,791,461	6,963,367	10,193,030	14,231,493	16,667,082	16,883,613
2										
3		CONTRACTUAL ADJUSTMENTS								
4	5810	Medicare	483,780,185	558,380,584	632,234,862	668,741,216	753,025,874	855,367,799	1,048,980,543	1,062,608,432
5	5820	Medicaid	198,545,407	218,941,402	233,293,767	221,749,544	254,865,437	283,709,035	347,926,655	352,446,764
6	5830	Workers Compensation	7,050,379	6,415,050	7,744,958	7,435,742	6,245,365	8,280,019	10,154,204	10,286,122
7	5840	Other Government Programs	16,659,342	20,796,942	22,425,683	27,357,189	30,811,107	35,217,348	43,188,805	43,749,895
8	5850	Negotiated Rates	57,007,727	75,671,828	85,899,881	90,562,799	108,976,039	122,574,919	150,319,787	152,272,675
9	5860	Other	-	-	982,567	1,057,583	3,183,758	5,224,247	6,406,757	6,489,990
10		Total Contractual Adjustments	763,043,040	880,205,806	982,581,718	1,016,904,073	1,157,107,579	1,310,373,368	1,606,976,750	1,627,853,878
11										
12		CHARITY CARE								
13	5900	Inpatient	5,714,871	11,677,000	11,388,114	15,010,572	10,339,048	12,107,448	16,073,115	16,281,930
14	5910	Outpatient	6,997,049	11,264,742	20,861,380	22,192,289	18,088,172	16,135,664	21,420,732	21,699,020
15										
16										
17		Total Charity Care	12,711,920	22,941,742	32,249,494	37,202,861	28,427,220	28,243,111	37,493,847	37,980,950
18										
19	5970	ADMINISTRATIVE ADJUSTMENTS	10,468,817	11,272,297	5,204,839	4,384,549	(242,820)	676,352	1,207,591	1,223,279
20										
21	5980	OTHER DEDUCTIONS (Specify)	-	-	-	-	-	-	-	-
22										
23		TOTAL DEDUCTIONS FROM REVENUE	799,515,729	930,126,736	1,026,827,512	1,065,454,850	1,195,485,009	1,353,524,325	1,662,345,270	1,683,941,721
24		EXPLANATIONS:								

			PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
	ACCT:	ITEM:	2025	2026	2027	2028	2029	2030	2031	2032
1	5800	PROVISION FOR BAD DEBTS	17,038,469	17,195,099	17,353,060	17,353,060	17,353,060	17,353,060	17,353,060	17,353,060
2	CONTRACTUAL ADJUSTMENTS									
3										
4	5810	Medicare	1,072,354,606	1,082,212,485	1,092,154,142	1,092,154,142	1,092,154,142	1,092,154,142	1,092,154,142	1,092,154,142
5	5820	Medicaid	355,679,382	358,949,051	362,246,507	362,246,507	362,246,507	362,246,507	362,246,507	362,246,507
6	5830	Workers Compensation	10,380,466	10,475,891	10,572,127	10,572,127	10,572,127	10,572,127	10,572,127	10,572,127
7	5840	Other Government Programs	44,151,166	44,557,036	44,966,356	44,966,356	44,966,356	44,966,356	44,966,356	44,966,356
8	5850	Negotiated Rates	153,669,310	155,081,952	156,506,600	156,506,600	156,506,600	156,506,600	156,506,600	156,506,600
9	5860	Other	6,549,516	6,609,724	6,670,444	6,670,444	6,670,444	6,670,444	6,670,444	6,670,444
10	Total Contractual Adjustments		1,642,784,447	1,657,886,139	1,673,116,175	1,673,116,175	1,673,116,175	1,673,116,175	1,673,116,175	1,673,116,175
11	CHARITY CARE									
12										
13	5900	Inpatient	16,431,267	16,582,315	16,734,647	16,734,647	16,734,647	16,734,647	16,734,647	16,734,647
14	5910	Outpatient	21,898,042	22,099,345	22,302,359	22,302,359	22,302,359	22,302,359	22,302,359	22,302,359
15										
16										
17	Total Charity Care		38,329,309	38,681,661	39,037,007	39,037,007	39,037,007	39,037,007	39,037,007	39,037,007
18										
19	5970	ADMINISTRATIVE ADJUSTMENTS	1,234,499	1,245,848	1,257,293	1,257,293	1,257,293	1,257,293	1,257,293	1,257,293
20										
21	5980	OTHER DEDUCTIONS (Specify)	-	-	-	-	-	-	-	-
22										
23	TOTAL DEDUCTIONS FROM REVENUE		1,699,386,724	1,715,008,747	1,730,763,535	1,730,763,535	1,730,763,535	1,730,763,535	1,730,763,535	1,730,763,535
24	EXPLANATIONS:									

HOSPITAL INFORMATION  
BALANCE SHEET - UNRESTRICTED FUND-HOSPITAL AGGREGATE - **WITHOUT PROJECT**

		est							
		ACTUAL	ACTUAL	ACTUAL	ACTUAL	PROJECTED	PROJECTED	PROJECTED	PROJECTED
<b>ASSETS</b>		<b>2019</b>	<b>2020 COVID</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
1	CURRENT ASSETS:								
2	Cash	9,216,613	83,344,387	105,854,796	108,195,279	99,719,230	82,581,115	71,634,824	76,875,359
3	Marketable Securities					-	-	-	-
4	Accounts Receivable	231,023,678	200,000,000	235,000,001	235,000,002	235,000,002	235,000,002	235,000,002	235,000,002
5	Less-Estimated Uncollectable & Allowances	(148,004,566)	(128,129,348)	(150,551,984)	(150,551,985)	(150,551,985)	(150,551,985)	(150,551,985)	(150,551,985)
6	Receivables From Third Party Payors					-	-	-	-
7	Pledges And Other Receivables					-	-	-	-
8	Due From Restricted Funds					-	-	-	-
9	Inventory	259,992	300,000	300,000	300,000	300,000	300,000	300,000	300,000
10	Prepaid Expenses					-	-	-	-
11	Current Portion Of Funds Held In Trust		-	-		-	-	-	-
12	<b>TOTAL CURRENT ASSETS</b>	<b>92,495,717</b>	<b>155,515,039</b>	<b>190,602,813</b>	<b>192,943,296</b>	<b>184,467,247</b>	<b>167,329,132</b>	<b>156,382,841</b>	<b>161,623,376</b>
13									
14	BOARD DESIGNATED ASSETS:								
15	Cash					-	-	-	-
16	Marketable Securities					-	-	-	-
17	Other Assets		-	-		-	-	-	-
18	<b>TOTAL BOARD DESIGNATED ASSETS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
19									
20	PROPERTY, PLANT AND EQUIPMENT:								
21	Land	8,561,542	8,561,542	8,561,542	8,561,542	8,561,542	8,561,542	8,561,542	8,561,542
22	Land Improvements	9,805,704	9,805,704	9,805,704	9,805,704	9,805,704	9,805,704	13,901,828	13,901,828
23	Buildings	164,722,576	164,722,576	164,722,576	164,722,576	164,722,576	164,722,576	225,415,956	225,415,956
24	Fixed Equipment - Building Service	-				-	-	-	-
25	Fixed Equipment - Other	83,436,845	84,436,845	85,436,845	86,436,845	87,436,845	88,436,845	89,436,845	90,436,845
26	Equipment	106,885,961	127,501,130	166,041,694	204,444,076	243,917,670	283,391,264	322,864,858	364,928,032
27	Leasehold Improvements	20,405,031	20,405,031	20,405,031	20,405,031	20,405,031	20,405,031	20,405,031	20,405,031
28	Construction In Progress	4,097,924	4,000,000	4,000,000	4,000,000	25,000,000	50,000,000	4,000,000	4,000,000
29	<b>TOTAL</b>	<b>397,915,583</b>	<b>419,432,828</b>	<b>458,973,392</b>	<b>498,375,774</b>	<b>559,849,368</b>	<b>625,322,962</b>	<b>684,586,060</b>	<b>727,649,234</b>
30	Less Accumulated Depreciation	(251,932,539)	(285,547,708)	(322,088,272)	(360,490,654)	(399,964,248)	(439,437,842)	(478,911,436)	(520,974,610)
31	<b>NET PROPERTY, PLANT &amp; EQUIPMENT</b>	<b>145,983,044</b>	<b>133,885,120</b>	<b>136,885,120</b>	<b>137,885,120</b>	<b>159,885,120</b>	<b>185,885,120</b>	<b>205,674,624</b>	<b>206,674,624</b>

HOSPITAL INFORMATION									
BALANCE SHEET - UNRESTRICTED FUND-HOSPITAL AGGREGATE - <u>WITHOUT PROJECT</u>									
		est							
		ACTUAL	ACTUAL	ACTUAL	ACTUAL	PROJECTED	PROJECTED	PROJECTED	PROJECTED
ASSETS		2019	2020 COVID	2021	2022	2023	2024	2025	2026
32									
33	INVESTMENTS AND OTHER ASSETS:								
34	Investments In Property, Plant & Equipment	-				-	-	-	-
35	Less - Accumulated Depreciation	-				-	-	-	-
36	Other Investments	-				-	-	-	-
37	Other Assets	7,070	7,000	7,000	7,000	7,000	7,000	7,000	7,000
38	TOTAL INVESTMENTS & OTHER ASSETS	7,070	7,000	7,000	7,000	7,000	7,000	7,000	7,000
39									
40	INTANGIBLES ASSETS:								
41	Goodwill					-	-	-	-
42	Unamortized Loan Costs					-	-	-	-
43	Preopening And Other Organization Costs					-	-	-	-
44	Other Intangible Assets					-	-	-	-
45	TOTAL INTANGIBLE ASSETS	-	-	-	-	-	-	-	-
46									
47	TOTAL ASSETS	238,485,831	289,407,159	327,494,933	330,835,416	344,359,367	353,221,252	362,064,465	368,305,000

		PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
ASSETS		2027	2028	2029	2030	2031	2032
1	CURRENT ASSETS:						
2	Cash	82,096,679	86,992,308	91,659,734	96,212,175	100,646,864	104,960,911
3	Marketable Securities	-	-	-	-	-	-
4	Accounts Receivable	235,000,002	235,000,002	235,000,002	235,000,002	235,000,002	235,000,002
5	Less-Estimated Uncollectable & Allowances	(150,551,985)	(150,551,985)	(150,551,985)	(150,551,985)	(150,551,985)	(150,551,985)
6	Receivables From Third Party Payors	-	-	-	-	-	-
7	Pledges And Other Receivables	-	-	-	-	-	-
8	Due From Restricted Funds	-	-	-	-	-	-
9	Inventory	300,000	300,000	300,000	300,000	300,000	300,000
10	Prepaid Expenses	-	-	-	-	-	-
11	Current Portion Of Funds Held In Trust	-	-	-	-	-	-
12	<b>TOTAL CURRENT ASSETS</b>	<b>166,844,696</b>	<b>171,740,325</b>	<b>176,407,751</b>	<b>180,960,192</b>	<b>185,394,881</b>	<b>189,708,928</b>
13							
14	BOARD DESIGNATED ASSETS:						
15	Cash	-	-	-	-	-	-
16	Marketable Securities	-	-	-	-	-	-
17	Other Assets	-	-	-	-	-	-
18	<b>TOTAL BOARD DESIGNATED ASSETS</b>	<b>-</b>	<b>-</b>				
19							
20	PROPERTY, PLANT AND EQUIPMENT:						
21	Land	8,561,542	8,561,542	8,561,542	8,561,542	8,561,542	8,561,542
22	Land Improvements	13,901,828	13,901,828	13,901,828	13,901,828	13,901,828	13,901,828
23	Buildings	225,415,956	225,415,956	225,415,956	225,415,956	225,415,956	225,415,956
24	Fixed Equipment - Building Service	-	-	-	-	-	-
25	Fixed Equipment - Other	91,436,845	92,436,845	93,436,845	94,436,845	95,436,845	96,436,845
26	Equipment	406,991,206	449,054,380	491,117,554	533,180,729	575,243,903	617,307,077
27	Leasehold Improvements	20,405,031	20,405,031	20,405,031	20,405,031	20,405,031	20,405,031
28	Construction In Progress	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,001
29	<b>TOTAL</b>	<b>770,712,408</b>	<b>813,775,582</b>	<b>856,838,757</b>	<b>899,901,931</b>	<b>942,965,105</b>	<b>986,028,280</b>
30	Less Accumulated Depreciation	(563,037,784)	(605,100,958)	(647,164,132)	(689,227,307)	(731,290,481)	(773,353,655)
31	<b>NET PROPERTY, PLANT &amp; EQUIPMENT</b>	<b>207,674,624</b>	<b>208,674,624</b>	<b>209,674,624</b>	<b>210,674,624</b>	<b>211,674,624</b>	<b>212,674,625</b>

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		PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
ASSETS		2027	2028	2029	2030	2031	2032
32							
33	INVESTMENTS AND OTHER ASSETS:						
34	Investments In Property, Plant & Equipment	-	-	-	-	-	-
35	Less - Accumulated Depreciation	-	-	-	-	-	-
36	Other Investments	-	-	-	-	-	-
37	Other Assets	7,000	7,000	7,000	7,000	7,000	7,000
38	TOTAL INVESTMENTS & OTHER ASSETS	7,000	7,000	7,000	7,000	7,000	7,000
39							
40	INTANGIBLES ASSETS:						
41	Goodwill	-	-	-	-	-	-
42	Unamortized Loan Costs	-	-	-	-	-	-
43	Preopening And Other Organization Costs	-	-	-	-	-	-
44	Other Intangible Assets	-	-	-	-	-	-
45	TOTAL INTANGIBLE ASSETS	-	-	-	-	-	-
46							
47	TOTAL ASSETS	374,526,320	380,421,949	386,089,375	391,641,816	397,076,505	402,390,553



HOSPITAL INFORMATION  
BALANCE SHEET - UNRESTRICTED FUND-HOSPITAL AGGREGATE - **WITHOUT PROJECT**

		ACTUAL	ACTUAL	ACTUAL	ACTUAL	PROJECTED	PROJECTED	PROJECTED	PROJECTED
LIABILITIES AND FUND BALANCES-UNRESTRICTED		2019	2020 COVID	2021	2022	2023	2024	2025	2026
1	CURRENT LIABILITIES:								
2	Notes and Loans Payable	-	-	-	-	-	-	-	-
3	Accounts Payable	9,489,220	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000
4	Accrued Compensation and Related Liabilities					-	-	-	-
5	Other Accrued Expenses	6,583,765	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000
6	Advances from Third Party Payors					-	-	-	-
7	Payables to Third Party Payors	2,744,975	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000
8	Due to Restricted Funds					-	-	-	-
9	Income Taxes Payable					-	-	-	-
10	Other Current Liabilities	248,564	250,000	250,000	250,000	250,000	250,000	250,000	250,000
11	Current Maturities of Long Term Debt					-	-	-	-
12	<b>TOTAL CURRENT LIABILITIES</b>	<b>19,066,524</b>	<b>17,450,000</b>	<b>17,450,000</b>	<b>17,450,000</b>	<b>17,450,000</b>	<b>17,450,000</b>	<b>17,450,000</b>	<b>17,450,000</b>
13									
14	DEFERRED CREDITS:								
15	Deferred Income Taxes					-	-	-	-
16	Deferred Third Party Revenue					-	-	-	-
17	Other Deferred Credits					-	-	-	-
18	<b>TOTAL DEFERRED CREDITS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
19									
20	LONG TERM DEBT:								
21	Mortgage Payable					-	-	-	-
22	Construction Loans - Interim Financing					-	-	-	-
23	Notes Payable					-	-	-	-
24	Capitalized Lease Obligations	14,016	14,000	13,000	12,000	11,000	10,000	9,000	8,000
25	Bonds Payable					-	-	-	-
26	Notes and Loans Payable to Parent					-	-	-	-
27	Noncurrent Liabilities					-	-	-	-
28	<b>TOTAL</b>	<b>14,016</b>	<b>14,000</b>	<b>13,000</b>	<b>12,000</b>	<b>11,000</b>	<b>10,000</b>	<b>9,000</b>	<b>8,000</b>
29	Less Current Maturities of Long Term Debt	-	-	-		-	-	-	-
30	<b>TOTAL LONG TERM DEBT</b>	<b>14,016</b>	<b>14,000</b>	<b>13,000</b>	<b>12,000</b>	<b>11,000</b>	<b>10,000</b>	<b>9,000</b>	<b>8,000</b>
31									

HOSPITAL INFORMATION

BALANCE SHEET - UNRESTRICTED FUND-HOSPITAL AGGREGATE - WITHOUT PROJECT

		ACTUAL	ACTUAL	ACTUAL	ACTUAL	PROJECTED	PROJECTED	PROJECTED	PROJECTED
LIABILITIES AND FUND BALANCES-UNRESTRICTED		2019	2020 COVID	2021	2022	2023	2024	2025	2026
32	UNRESTRICTED FUND BALANCE	19,080,540	17,464,000	17,463,000	17,462,000	17,461,000	17,460,000	17,459,000	17,458,000
33									
34	EQUITY (INVESTOR OWNED)								
35	Preferred Stock	-	-	-		-	-	-	-
36									
37	Common Stock	-	-	-		-	-	-	-
38									
39	Additional Paid In Capital	-	-	-		-	-	-	-
40									
41	Retained Earnings (Capital Account for Partnership	219,405,291	271,943,159	310,031,933	313,373,416	326,898,367	335,761,252	344,605,465	350,847,000
42	or Sole Proprietorship)								
43									
44	Less Treasury Stock	-	-	-		-	-	-	-
45	TOTAL EQUITY	219,405,291	271,943,159	310,031,933	313,373,416	326,898,367	335,761,252	344,605,465	350,847,000
46									
47	TOTAL LIABILITIES AND FUND BALANCE OR EQUITY	238,485,831	289,407,159	327,494,933	330,835,416	344,359,367	353,221,252	362,064,465	368,305,000

		PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
LIABILITIES AND FUND BALANCES-UNRESTRICTED		2027	2028	2029	2030	2031	2032
1	CURRENT LIABILITIES:						
2	Notes and Loans Payable	-	-	-	-	-	-
3	Accounts Payable	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000
4	Accrued Compensation and Related Liabilities	-	-	-	-	-	-
5	Other Accrued Expenses	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000
6	Advances from Third Party Payors	-	-	-	-	-	-
7	Payables to Third Party Payors	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000
8	Due to Restricted Funds	-	-	-	-	-	-
9	Income Taxes Payable	-	-	-	-	-	-
10	Other Current Liabilities	250,000	250,000	250,000	250,000	250,000	250,000
11	Current Maturities of Long Term Debt	-	-	-	-	-	-
12	<b>TOTAL CURRENT LIABILITIES</b>	<b>17,450,000</b>	<b>17,450,000</b>	<b>17,450,000</b>	<b>17,450,000</b>	<b>17,450,000</b>	<b>17,450,000</b>
13							
14	DEFERRED CREDITS:						
15	Deferred Income Taxes	-	-	-	-	-	-
16	Deferred Third Party Revenue	-	-	-	-	-	-
17	Other Deferred Credits	-	-	-	-	-	-
18	<b>TOTAL DEFERRED CREDITS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
19							
20	LONG TERM DEBT:						
21	Mortgage Payable	-	-	-	-	-	-
22	Construction Loans - Interim Financing	-	-	-	-	-	-
23	Notes Payable	-	-	-	-	-	-
24	Capitalized Lease Obligations	7,000	6,000	5,000	4,000	3,000	2,000
25	Bonds Payable	-	-	-	-	-	-
26	Notes and Loans Payable to Parent	-	-	-	-	-	-
27	Noncurrent Liabilities	-	-	-	-	-	-
28	<b>TOTAL</b>	<b>7,000</b>	<b>6,000</b>	<b>5,000</b>	<b>4,000</b>	<b>3,000</b>	<b>2,000</b>
29	Less Current Maturities of Long Term Debt	-	-	-	-	-	-
30	<b>TOTAL LONG TERM DEBT</b>	<b>7,000</b>	<b>6,000</b>	<b>5,000</b>	<b>4,000</b>	<b>3,000</b>	<b>2,000</b>
31							

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		PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
LIABILITIES AND FUND BALANCES-UNRESTRICTED		2027	2028	2029	2030	2031	2032
32	UNRESTRICTED FUND BALANCE	17,457,000	17,456,000	17,455,000	17,454,000	17,453,000	17,452,000
33							
34	EQUITY (INVESTOR OWNED)						
35	Preferred Stock	-	-	-	-	-	-
36							
37	Common Stock	-	-	-	-	-	-
38							
39	Additional Paid In Capital	-	-	-	-	-	-
40							
41	Retained Earnings (Capital Account for Partnership	357,069,320	362,965,949	368,634,375	374,187,817	379,623,505	384,938,553
42	or Sole Proprietorship)						
43							
44	Less Treasury Stock	-	-	-	-	-	-
45	TOTAL EQUITY	357,069,320	362,965,949	368,634,375	374,187,817	379,623,505	384,938,553
46							
47	TOTAL LIABILITIES AND FUND BALANCE OR EQUITY	374,526,320	380,421,949	386,089,375	391,641,817	397,076,505	402,390,553

**Exhibit 8**  
**Whatcom County Assessor Information**

# Whatcom County Assessor & Treasurer

## Property Search Results > 63731 PEACEHEALTH-ST JOSEPH HOSPITAL for Year 2022 - 2023

### Property

#### Account

Property ID:	63731	Abbreviated Legal Description:	LOT A ELK'S SHORT PLAT AS REC BOOK 3 SHORT PLATS PG 131- EXC N 1/2 SQUALICUM PKWY DESC AF 1125667-SUBJ TO COVENANT TO BIND PROPERTIES WI LOT B AF 950907154-2120200259-SUBJ TO COVENANT TO BIND PROPERTIES WI LOT B EAST CAMPUS SHORT PLAT AS REC BOOK 10 SHORT
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Parcel # / Geo ID:	3803194824680000	Agent Code:	
Type:	Real		
Tax Area:	0100 - BELLINGHAM 501 AH	Land Use Code	65
Open Space:	N	DFL	N
Historic Property:	N	Remodel Property:	N
Multi-Family Redevelopment:	N		
Township:	T38N	Section:	19
Range:	R03E	Legal Acres:	0.7300

#### Location

Address:	3217 SQUALICUM PKWY BELLINGHAM, WA	Map ID:	5RG_ST-JOE
Neighborhood:	5410057200		
Neighborhood CD:	5410057200		

#### Owner


Name:	PEACEHEALTH-ST JOSEPH HOSPITAL	Owner ID:	86723
Mailing Address:	2901 SQUALICUM PKWY BELLINGHAM, WA 98225-1851	% Ownership:	100.000000000000%
		Exemptions:	EX

### Pay Tax Due

There is currently No Amount Due on this property.

### Taxes and Assessment Details

Property Tax Information as of 12/20/2022

Amount Due if Paid on:  **NOTE:** If you plan to submit payment on a future date, make sure you enter the date and click RECALCULATE to obtain the correct total amount due.

Click on "Statement Details" to expand or collapse a tax statement.

Year	Statement ID	First Half Base Amt.	Second Half Base Amt.	Penalty	Interest	Base Paid	Amount Due
▶ Statement Details							
2022	38819	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
▶ Statement Details							
2021	38995	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
▶ Statement Details							
2020	39146	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
▶ Statement Details							

**Exhibit 9**  
**Cost Estimator Letter**

November 1, 2022

Eric Hernandez, Program Manager  
Certificate of Need Program  
Department of Health  
P.O. Box 47852  
Olympia, WA 98504-7852  
Sent via [fslcon@doh.wa.gov](mailto:fslcon@doh.wa.gov)

Dear Mr. Hernandez:

On behalf of PeaceHealth St. Joseph Medical Center, I am writing regarding the certificate of need application to add additional acute care beds. Based on our experience with similar construction projects, we have developed the following capital cost estimate:

Item	CN Reviewable Phase 1	CN Reviewable Phase 2	Total CN Project	Non CN Reviewable Project Costs	Total Project (CN +Other)
Building Construction	\$143,841,891	\$72,091,471	\$215,933,362	\$38,360,770	\$254,294,132
Sales Tax at XX% (Building Construction only)	8.8% \$12,658,086	8.8% \$6,344,049	8.8% \$19,002,136	8.8% \$3,375,748	8.8% \$22,377,883
Total	\$156,499,977	\$78,435,520	\$234,935,498	\$41,736,518	\$276,672,015

Based on our experience, we believe the costs are reasonable estimate of the expected cost for construction. Please contact us if you have any questions or require any additional information.

Sincerely,

Joshua Sykes

Digitally signed by Joshua Sykes  
DN:  
E=Joshua.Sykes@abbottconstruction.com,  
CN=Joshua Sykes, OU=Users, OU=Seattle,  
OU=Abbott Construction, OU=Layton, DC=sto,  
DC=com  
Date: 2022.11.29 07:26:00-08'00'

Joshua Sykes  
Project Executive  
Abbott Construction LLC



**Exhibit 10**  
**Equipment List**

Master Facility Plan Restart

8/16/2022

List of all medical equipment and furniture planned for the project

Description	Atta3 ID	CAD ID	Manufacturer	Model	Status	Install Resp	Item Architectural Code
Analyzer, Lab: Blood Gas, Point-of-Care	ANA-3D658	ANA0820	Siemens Healthcare Diagnostics	RAPIDPoint 500e System	Existing	Owner	02-Movable Electrical
Analyzer, Lab: Blood Gas, Point-of-Care	ANA-3D658	ANA0820	Siemens Healthcare Diagnostics	RAPIDPoint 500e System	New	Owner	02-Movable Electrical
Analyzer, Lab: Blood Gas, Point-of-Care	ANA-84CA9	ANA0649	Abbott Point of Care Inc	I-STAT 1 Wireless	Existing	Owner	02-Movable Electrical
Analyzer, Lab: Blood Gas, Point-of-Care	ANA-84CA9	ANA0649	Abbott Point of Care Inc	I-STAT 1 Wireless	New	Owner	02-Movable Electrical
Analyzer, Lab: Glucose, Point-of-Care	ANA-9026F	ANA0700	Nova Biomedical	Nova StatStrip Glucose Hospital Meter w/2D Barcode	Existing	Owner	02-Movable Electrical
Analyzer, Lab: Glucose, Point-of-Care	ANA-9026F	ANA0700	Nova Biomedical	Nova StatStrip Glucose Hospital Meter w/2D Barcode	New	Owner	02-Movable Electrical
Anesthesia Machine: General	ANE-A549A	ANE0093	GE Healthcare - Anesthesia Delivery	Aisys CS2	New	Vendor	02-Movable Electrical
Apron: Lead	APR-FAD71	APR0196	Wolf X-Ray Corporation	Mens Two Piece Lead Apron (L)	New	Owner	03-Movable Non-Electrical
Bassinet: LDRP	BAS-2A29E	BAS0087	Atom Medical	NeoCot with High/Low Stand 26408	New	Owner	03-Movable Non-Electrical
Bassinet: LDRP	BAS-65221	BAS0082	Stryker Medical	Nara Bassinet	Existing	Owner	03-Movable Non-Electrical
Bed: Electric	BED-84697	BED0309	Hillrom - Bed & Stretcher Group	VersaCare [VC955] w/P500 Surface, Scale & PPM	Existing	Owner	02-Movable Electrical
Bed: Electric	BED-84697	BED0309	Hillrom - Bed & Stretcher Group	VersaCare [VC955] w/P500 Surface, Scale & PPM	New	Owner	02-Movable Electrical
Bed: Electric, Bariatric	BED-6351D	BED0402	Hillrom - Bed & Stretcher Group	Compella	New	Owner	02-Movable Electrical
Bed: Electric, Birthing	BED-33541	BED0275	Hillrom - Bed & Stretcher Group	Affinity 4 [AF550]	New	Owner	02-Movable Electrical
Bed: Electric, Critical Care	BED-19B73	BED0081	Stryker Medical	InTouch FL27 w/Zoom Drive	New	Owner	02-Movable Electrical
Bed: Psychiatric/ Security	BED-3B7A7	BED0451	Nemschoff, Inc.	Behavioral Health Platform Bed (40 inch Wide)	New	Owner	03-Movable Non-Electrical
Bin: Shredding, Secure	BIN-5E9A0	BIN0019	Shred-it, Inc.	Standard Front Load	New	Vendor	03-Movable Non-Electrical
Board: Patient Information	BRD-72FF0	BRD0349	GMI Company - Vividboard	Classic VividBoard 24" x 36"	New	Contractor	01-Fixed Equipment
Board: Patient Information	BRD-90E5A	BRD0000			New	Contractor	01-Fixed Equipment
Board: Patient Transfer Device	BRD-22C8E	BRD0006	AliMed, Inc.	9-719 Standard Antistat White	New	Owner	03-Movable Non-Electrical
Board: White, Dry Erase	BRD-349B5	BRD0034	Peter Pepper Products, Inc.	Tactics Communication Board 48X36	New	Contractor	01-Fixed Equipment
Board: White, Dry Erase, Magnetic	BRD-5BFC5	BRD0469	Quartet GBC / ACCO Brands	DuraMax Porcelain Whiteboard (3' x 2')	New	Contractor	01-Fixed Equipment
Boom: Equipment, Tandem Arm	BOM-33B89	BOM-33B89	Stryker Communications	S-Series; Std Fixed, 2 Row/2 Arm + Std Pwrd, 2 Row/2 Arm	New	Vendor	01-Fixed Equipment
Box: Medication, Refrigerator	BXX-827DB	CST0887	MarketLab, Inc	ML8754 Compact/Clear Acrylic	New	Owner	03-Movable Non-Electrical
Bracket: Monitor, Wall	BRK-85D6A	BRK1048	GCX Corporation	19" Sei w/SureSigns VHM-25 VM4/6/8 VS3/SA/SV	New	Contractor	01-Fixed Equipment
Bracket: Monitor, Wall	BRK-BC03F	BRK0066	GCX Corporation	VHM for Philips MP60/70/MX600/700/800	New	Contractor	01-Fixed Equipment
Bracket: Patient Transfer Device, Wall Mount	BRK-632FB	BRK0875	Mid Central Medical	MCM 120 SS Slider Board Hanger	New	Contractor	01-Fixed Equipment
Cabinet, Patient Room: Bedside	CBP-9F41E	CBP-9F41E	Stance Healthcare	Kindred	Existing	Vendor	05-Furniture
Cabinet, Patient Room: Bedside	CBP-9F41E	CBP-9F41E	Stance Healthcare	Kindred	New	Vendor	05-Furniture
Cabinet, Warming: Dual, Freestanding	CWA-8D7C1	CWA0014	MAC Medical, Inc.	DWC24 (Glass Door)	New	Contractor	02-Movable Electrical
Cabinet, Warming: Dual, Freestanding	CWA-CA0D3	CWA0319	Pedigo Products, Inc	P-2148 Deluxe Combination Warmer	Existing	Contractor	02-Movable Electrical
Cabinet, Warming: Dual, Freestanding	CWA-CA0D3	CWA0319	Pedigo Products, Inc	P-2148 Deluxe Combination Warmer	New	Contractor	02-Movable Electrical
Cart / Truck: Linen, Bulk	CTK-AFC42	CTK0707	Meese, Inc.	72P Bulk-Trux (48 cu.ft.)	New	Owner	03-Movable Non-Electrical
Cart / Truck: Linen, Convertible	CTK-9F6FA	SPC0670	InterMetro Industries Corp	CLT Std Duty Stainless 60x24x70	New	Owner	03-Movable Non-Electrical
Cart / Truck: Soiled Utility	CTK-1A11B	CTK0066	Toter, Inc.	ACC60 (60 gal)	New	Owner	03-Movable Non-Electrical
Cart / Truck: Soiled Utility	CTK-20D70	CTK0076	Rubbermaid Commercial Products	HD Cube Truck w/Lid (8 cu. ft./700 lbs.)	New	Owner	03-Movable Non-Electrical
Cart, Anesthesia: 6-drawer	ANC-A562C	ANC1073	Harloff Company, Inc	7456E (Deluxe Package)	New	Owner	03-Movable Non-Electrical

Description	Atta3 ID	CAD ID	Manufacturer	Model	Status	Install Resp	Item Architectural Code
Cart, Anesthesia: Controlled Access	ANC-A6A5A	ANC0807	BD - Becton, Dickinson and Company	Anesthesia ES System	New	Owner	02-Movable Electrical
Cart, Case: LDRP	CSC-EA6A0	CSC0051	Stryker Medical	Modern Delivery Cart - 1 Dwr/ 2 Dr	New	Owner	03-Movable Non-Electrical
Cart, Case: Medium (40-49in wide)	CSC-9B083	CSC0019	Pedigo Products, Inc	CDS-242 (2 door)	New	Owner	03-Movable Non-Electrical
Cart, Cylinder: D&E, Single	CYL-618A3	CYC0027	Anthony Welded Products, Inc.	6105 Chrome	New	Owner	03-Movable Non-Electrical
Cart, Equipment: Fetal Monitor	EQC-70AAE	EQC0150	Amico Corporation	Jared Thermofoil (2-Drawer/1-Pullout/1-Pulldown)	New	Owner	03-Movable Non-Electrical
Cart, Equipment: Infant Scale	EQC-FBBAA	EQC0176	Hillrom - Scale-Tronix	Pediatric Scale Cart	Existing	Owner	03-Movable Non-Electrical
Cart, Equipment: Infant Scale	EQC-FBBAA	EQC0176	Hillrom - Scale-Tronix	Pediatric Scale Cart	New	Owner	03-Movable Non-Electrical
Cart, Housekeeping: Polymer	HSK-076D8	HSK0001	Rubbermaid Commercial Products	Executive Full Size Cart	New	Owner	03-Movable Non-Electrical
Cart, Procedure, PPE	PRC-D778F	PRC0672	InterMetro Industries Corp	Basix Plus Compact MBPC3110TL (Yellow)	New	Owner	03-Movable Non-Electrical
Cart, Procedure: Difficult Airway	PRC-1B87A	PRC0393	InterMetro Industries Corp	Starsys Difficult Airway SXRSDIFAIR	New	Owner	02-Movable Electrical
Cart, Procedure: General	PRC-D7636	PRC1285	LogiQuip, LLC	Quiet Treatment 44QT Series (Standard)	New	Owner	03-Movable Non-Electrical
Cart, Procedure: General	PRC-EBA3A	PRC0901	Armstrong Medical Industries	PEL-CB-30 Aluminum 6-Drwr Auto-Locking Taupe	Existing	Owner	03-Movable Non-Electrical
Cart, Procedure: General	PRC-EBA3A	PRC0901	Armstrong Medical Industries	PEL-CB-30 Aluminum 6-Drwr Auto-Locking Taupe	New	Owner	03-Movable Non-Electrical
Cart, Procedure: Isolation	PRC-435EE	PRC0625	InterMetro Industries Corp	Flexline Isolation FLISO1	New	Owner	03-Movable Non-Electrical
Cart, Procedure: Isolation	PRC-D778F	PRC0672	InterMetro Industries Corp	Basix Plus Compact MBPC3110TL (Yellow)	New	Owner	03-Movable Non-Electrical
Cart, Procedure: Phlebotomy	PRC-8A750	PRC1018	MarketLab, Inc	ML21491 Insight Phlebotomy Cart (5 in. Casters)	New	Owner	03-Movable Non-Electrical
Cart, Procedure: Resuscitation	PRC-EA1A4	PRC0127	Armstrong Medical Industries	PBL-AR-30 Premier Aluminum Breakaway 6-Dwr (Red)	Existing	Owner	03-Movable Non-Electrical
Cart, Procedure: Resuscitation	PRC-EA1A4	PRC0127	Armstrong Medical Industries	PBL-AR-30 Premier Aluminum Breakaway 6-Dwr (Red)	New	Owner	03-Movable Non-Electrical
Cart, Procedure: Resuscitation, Pediatric	PRC-5B95E	PRC1352	Armstrong Medical Industries	AMC-3B-E Aluminum 6-Dwr. Narrow Cart (Beige)	New	Owner	03-Movable Non-Electrical
Cart, Supply: Bin/ Basket	SPC-4E9C2	SHL0580	Pegasus Medical Concepts, Inc.	U-Style Single Rack Unit (SG-8-U)	New	Owner	03-Movable Non-Electrical
Cart, Supply: Chrome, 24 inch	SPC-32350	SPC0310	IRSG - Pipp Mobile Storage Systems	M-SS-2124-74CF	New	Owner	03-Movable Non-Electrical
Cart, Supply: Chrome, 48 inch	SPC-AF107	SPC0354	InterMetro Industries Corp	Super Adjustable Super Erecta A556EC (48x24x68)	New	Owner	03-Movable Non-Electrical
Cart, Supply: Enclosed	SPC-5C8D4	SPC1362	Innerspace - Solaire	Roam 2 Ortho/Cast Cart w/Glass Doors	New	Owner	03-Movable Non-Electrical
Cart, Supply: Pillow	SPC-AE3D0	SPC0706	CentiCare Corporation	Pillow / Isolation Gown Cart	New	Owner	03-Movable Non-Electrical
Cart, Supply: Polymer, 48 inch	SPC-B3712	SPC0549	InterMetro Industries Corp	MetroMax Q - Stem Caster 48x18x69	New	Owner	03-Movable Non-Electrical
Cart, Utility: Stainless	UTC-BFC59	UTC0001	Lakeside Manufacturing, Inc.	311 (3 Shelf, Standard Duty)	New	Owner	03-Movable Non-Electrical
Chair, Clinical: Blood Draw, Reclining	CHA-918EC	CHA0817	MarketLab, Inc	ML15935 Extra-Wide Reclining Blood Draw Chair	New	Owner	03-Movable Non-Electrical
Chair, Clinical: Commode, Bariatric	CHA-82F5A	CHA0638	Performance Health	Drive Bariatric Drop-Arm Commode [081134949]	New	Owner	03-Movable Non-Electrical
Chair, Clinical: Commode, Floor	CHA-704F2	CHA0760	Drive DeVilbiss Healthcare	Deluxe Steel Drop-Arm 11125KD-1	New	Owner	03-Movable Non-Electrical
Chair, Clinical: Recliner, Bariatric	CHA-947B3	CHA0538	Knu Contract / La-Z-Boy Contract Furniture	Harmony Recliner - HA1037	New	Vendor	05-Furniture
Chair, Clinical: Shower, Floor	CHA-4FC2B	CHA0679	GF Health Products Inc.	Lumex Bariatric Bath Seat w/ Backrest 7939A (2/cs)	New	Owner	03-Movable Non-Electrical
Chair, Clinical: Shower, Floor	CHA-76643	CHA0724	Drive DeVilbiss Healthcare	Deluxe Aluminum Gray RTL12202KDR	Existing	Owner	03-Movable Non-Electrical
Chair, Clinical: Shower, Floor	CHA-76643	CHA0724	Drive DeVilbiss Healthcare	Deluxe Aluminum Gray RTL12202KDR	New	Owner	03-Movable Non-Electrical
Chair, Interiors: Dining, Outdoor	CHR-D60C8	CHR0074	Coalesse	Emu Pattern Armless Chair	New	Vendor	05-Furniture
Chair, Interiors: Folding, Wall Mount	CHR-E72B8	CHR-E72B8	Wieland Healthcare	Perk Folding Chair w/Smartrail	New	Vendor	05-Furniture
Chair, Interiors: Glider/Rocker	CHR-933E4	CHR1325	Carolina - OFS Brands	Saven Rocker Stationary Arms (Quickship)	New	Vendor	05-Furniture
Chair, Interiors: Guest, w/Arms	CHR-DCA29	CHR0703	Nemschoff, Inc.	Whisk	New	Vendor	05-Furniture
Chair, Interiors: Lounge	CHR-1AA11	CHR1328	Global Furniture Group	Sirena Lounge Chair	New	Vendor	05-Furniture
Chair, Interiors: Lounge	CHR-20D27	CHR1180	Carolina - OFS Brands	Rein+ Lounge Chair	New	Vendor	05-Furniture
Chair, Interiors: Lounge	CHR-618A1	CHR1141	Knu Contract / La-Z-Boy Contract Furniture	KONCERT Upholstered Lounge (Ureth. Caps) KOU10U	New	Vendor	05-Furniture
Chair, Interiors: Lounge	CHR-DBF9A	CHR-DBF9A		Calm	New		05-Furniture

Description	Atta3 ID	CAD ID	Manufacturer	Model	Status	Install Resp	Item Architectural Code
Chair, Interiors: Recliner	CHR-4D38B	CHR-4D38B	Knu Contract / La-Z-Boy Contract Furniture	Kadia Mod, Mobile Chaise 24" seat	Existing	Vendor	05-Furniture
Chair, Interiors: Recliner	CHR-4D38B	CHR-4D38B	Knu Contract / La-Z-Boy Contract Furniture	Kadia Mod, Mobile Chaise 24" seat	New	Vendor	05-Furniture
Chair, Interiors: Stacking w/Arms	CHR-A2C7B	CHR1208	Carolina - OFS Brands	Carolina Yaz Side Chair	New	Owner	05-Furniture
Chair, Interiors: Stacking w/Arms	CHR-A2C7B	CHR1208	Carolina - OFS Brands	Carolina Yaz Side Chair	New	Vendor	05-Furniture
Chair, Interiors: Stacking w/o Arms	CHR-800CA	CHR0238	Herman Miller, Inc.	Limerick Stacking Side Chair	New	Vendor	05-Furniture
Chair, Interiors: Stacking w/o Arms	CHR-8341D	CHR0239	Herman Miller, Inc.	Caper WC410N	New	Vendor	05-Furniture
Chair, Office: High Back	CHO-6A8FD	CHO-6A8FD	Carolina - OFS Brands	Genus	New	Vendor	05-Furniture
Charger: Oto/Ophthalmoscope, Desk	CHG-C5DA4	CHG0048	Hillrom - Welch Allyn, Inc.	71-PM3LDE-US	New	Owner	02-Movable Electrical
Coffee Maker: Automatic, 1-2 Warmer	COF-98310	COF0104	Bunn-O-Matic Corporation	CWTF15-1	New	Vendor	01-Fixed Equipment
Coffee Maker: Single Cup, Pour Over	COF-8E6AB	COF0132	Keurig Green Mountain	K150 Commercial Brewing System	New	Owner	02-Movable Electrical
Communication Device: Video Interpreter	CMM-2170E	CMM0017	LanguageLine Solutions	Interpreter on Wheels Rolling Cart	New	Owner	02-Movable Electrical
Compression Unit: Extremity Pump, Intermittent	CMU-71295	CMU0041	Cardinal Health - Patient Care	Kendall SCD 700 Series Controller	Existing	Owner	02-Movable Electrical
Compression Unit: Extremity Pump, Intermittent	CMU-71295	CMU0041	Cardinal Health - Patient Care	Kendall SCD 700 Series Controller	Lease	Owner	02-Movable Electrical
Compression Unit: Extremity Pump, Intermittent	CMU-ADFA8	CMU0047	Zimmer Biomet	VasoPress Pump Mini	Lease	Owner	02-Movable Electrical
Controller: Lighting, Surgical	CNT-44317	CNT0046	Stryker Communications	SLX Recessed-Mounted Light Controllers	New	Contractor	01-Fixed Equipment
Defibrillator: Monitor, Automatic	DFB-2C402	DFB0154	Zoll Medical Corporation	R Series Plus	Existing	Owner	02-Movable Electrical
Defibrillator: Monitor, Automatic	DFB-2C402	DFB0154	Zoll Medical Corporation	R Series Plus	New	Owner	02-Movable Electrical
Desk: Office, Adjustable Height	DSK-B833E	DSK0335	Workrite Ergonomics	Sierra HX Electric Base Sit-Stand Desk (72" Wide)	New	Vendor	01-Fixed Equipment
Desk: Office, Adjustable Height	DSK-B833E	DSK0335	Workrite Ergonomics	Sierra HX Electric Base Sit-Stand Desk (72" Wide)	New	Vendor	05-Furniture
Desk: Office, Adjustable Height	DSK-BFC86	DSK0000			New	Owner	02-Movable Electrical
Desk: Office, Executive	DSK-1E1E1	DSK0000			New	Vendor	05-Furniture
Desk: Office, Executive	DSK-D93B3	DSK-D93B3	Carolina - OFS Brands	Slate	New		05-Furniture
Diagnostic System: Integrated	IDS-100B3	IDS0001	Hillrom - Welch Allyn, Inc.	Green Series 777 [77792-M]	New	Contractor	01-Fixed Equipment
Dispenser, Glove: Quadruple Box	GLV-00F57	GLV0103	MarketLab, Inc	ML7039 Acrylic Side-Loading	Existing	Contractor	01-Fixed Equipment
Dispenser, Glove: Quadruple Box	GLV-00F57	GLV0103	MarketLab, Inc	ML7039 Acrylic Side-Loading	New	Contractor	01-Fixed Equipment
Dispenser, Medication: Auxiliary	MED-63163	MED0250	BD - Becton, Dickinson and Company	Pyxis MedStation ES Single Column	New	Vendor	03-Movable Non-Electrical
Dispenser, Medication: Auxiliary	MED-731D0	MED0249	BD - Becton, Dickinson and Company	Pyxis MedStation ES (7-Drwr)	New	Vendor	03-Movable Non-Electrical
Dispenser, Medication: Auxiliary	MED-DBD0C	MED0199	BD - Becton, Dickinson and Company	MedStation 3500 (7 drwr, 2 Cubie)	New	Vendor	03-Movable Non-Electrical
Dispenser, Medication: Host (Main)	MED-86BBB	MED0264	BD - Becton, Dickinson and Company	Pyxis MedStation ES (6-Drwr, 5 Cubie)	New	Vendor	02-Movable Electrical
Dispenser, Medication: Lock Module	MED-98A41	MED0110	BD - Becton, Dickinson and Company	SMART Remote Manager	New	Owner	02-Movable Electrical
Dispenser: Cleaning Solution	DSP-4C65E	DSP0704	Ecolab Healthcare North America	QC Central Supply AG	New	Vendor	01-Fixed Equipment
Dispenser: Emesis Bag, Wall Mount	DSP-A26A8	DSP0935	Medegen Medical Products	3933D (Blue/Clear)	New	Contractor	01-Fixed Equipment
Dispenser: Hand Sanitizer, Wall Mount	DSP-08692	DSP1290	GOJO Industries	Purell ES6 Hand Sanitizer	New	Contractor	01-Fixed Equipment
Dispenser: Mask	DSP-B26B2	DSP0947	Bowman Dispensers	FM200-0212	New	Owner	03-Movable Non-Electrical
Dispenser: Paper Towel, Surface Mount	DSP-211D9	DSP1080	Georgia Pacific	enMotion 10" Automated Touchless (Black)	New	Contractor	01-Fixed Equipment
Dispenser: Paper Towel, Surface Mount, Ligature Resistant	DSP-DF096	DSP1149	Kingsway Group USA	KG02 Anti Ligature Paper Towel Dispenser	New	Contractor	01-Fixed Equipment
Dispenser: Soap, Ligature Resistant	DSP-28B80	DSP1040	GOJO Industries	PROVON LTX Behavioral Health	New	Contractor	01-Fixed Equipment
Dispenser: Soap, Wall Mount	DSP-C1F73	BRK1249	STERIS Corporation - Healthcare	SDS Dispenser with Standard Wall Plate	New	Contractor	01-Fixed Equipment
Disposal, Sharps: Floor Bin	DIS-77623	DIS0368	Medline Industries Inc.	Large PG-II Container (Red, 18 gal.)	New	Owner	03-Movable Non-Electrical
Disposal, Sharps: Wall Mount	DIS-44FB9	DIS0021	Daniels Sharpsmart	S14 Regular (14.8 qt.) w/Locking Wall Bracket (RH)	New	Contractor	01-Fixed Equipment
Disposal, Sharps: Wall Mount, Pharmacy	DIS-BC9F8	DIS0108	Medtronic - Covidien Kendall Products	8602U w/8963 Bracket (2 gal UPW)	New	Contractor	01-Fixed Equipment
Docking Station: Analyzer, Blood Gas, POC	DCK-56295	DCK0105	Abbott Point of Care Inc	i-STAT 1 Downloader Recharger Kit (DRC-300)	Existing	Owner	02-Movable Electrical

Description	Atta3 ID	CAD ID	Manufacturer	Model	Status	Install Resp	Item Architectural Code
Docking Station: Analyzer, Blood Gas, POC	DCK-56295	DCK0105	Abbott Point of Care Inc	i-STAT 1 Downloader Recharger Kit (DRC-300)	New	Owner	02-Movable Electrical
Doppler: Vascular	DOP-87B02	DOP0029	Cooper Surgical, Inc.	Summit Doppler LifeDrop 250 Series	New	Owner	02-Movable Electrical
Electrocardiograph (ECG): Interpretive	ECG-00984	ECG0662	GE Healthcare - Cardiology	MAC VU360 Resting ECG Workstation w/ Basic Trolley	New	Owner	02-Movable Electrical
Electrosurgical Unit: Bipolar/Monopolar	ESU-5345E	ESU0131	Medtronic - Covidien Advanced Energy	Valleylab FT10 Energy Platform w/Cart & Ftswitches	New	Owner	02-Movable Electrical
Evacuation Device: Adult	EVD-A5564	EVD0008	Evacusled, Inc.	Evacusled Plus	New	Owner	03-Movable Non-Electrical
Flowmeter: Air	FLW-1FB5E	FLW0188	Ohio Medical Corp	7701-1264-921	New	Owner	03-Movable Non-Electrical
Flowmeter: Oxygen	FLW-F5EF3	FLW0031	Ohio Medical Corp	6707-1260-921	New	Owner	03-Movable Non-Electrical
Furniture: Allowance	FUR-362D9	FUR-362D9	Carolina - OFS Brands		New	Vendor	05-Furniture
Hamper: Linen	HAM-CFB06	HAM0011	Pedigo Products, Inc	P-1120-L-SS	Existing	Owner	03-Movable Non-Electrical
Hamper: Linen	HAM-CFB06	HAM0011	Pedigo Products, Inc	P-1120-L-SS	New	Owner	03-Movable Non-Electrical
Headwall: Allowance, Accessories	HDW-051F7	HDW-051F7		Various / TBD for LDR Mom room	New	Owner	03-Movable Non-Electrical
Headwall: Allowance, Accessories	HDW-0A72C	HDW-0A72C	Amico Corporation	Various / TBD for Peds	New	Owner	03-Movable Non-Electrical
Headwall: Allowance, Accessories	HDW-14A16	HDW-14A16	Amico Corporation	Various / TBD for ED Treat Rm	New	Owner	03-Movable Non-Electrical
Headwall: Allowance, Accessories	HDW-23BC8	HDW-23BC8		Various /TBD for Postpartum Baby room	New	Owner	03-Movable Non-Electrical
Headwall: Allowance, Accessories	HDW-436EE	HDW-436EE	Amico Corporation	Various / TBD for LDR Baby Room	New	Owner	03-Movable Non-Electrical
Headwall: Allowance, Accessories	HDW-518D8	HDW-518D8	Amico Corporation	Various /TBD for OR C-Section room	New	Owner	03-Movable Non-Electrical
Headwall: Allowance, Accessories	HDW-5ED98	HDW-5ED98	Amico Corporation	Various, TBD; Med/Surg Pt Rm	New	Owner	03-Movable Non-Electrical
Headwall: Allowance, Accessories	HDW-8A71C	HDW-8A71C	Amico Corporation	Various / TBD for CCU Pt Rm	New	Owner	03-Movable Non-Electrical
Headwall: Allowance, Accessories	HDW-AF45B	HDW-AF45B	Amico Corporation	Various/ TBD for Postpartum Room - Mom	New	Owner	03-Movable Non-Electrical
Headwall: Allowance, Accessories	HDW-C97BA	HDW-C97BA	Amico Corporation	Various / TBD for Peds Exam room	New	Owner	03-Movable Non-Electrical
Headwall: Allowance, Accessories	HDW-C9EA8	HDW-C9EA8	Amico Corporation	Various/ TBD for Prep/Recovery Room	New	Owner	03-Movable Non-Electrical
Headwall: Modular Panel System	HDW-0D958	HDW-0D958	Amico Corporation	Serenity Series Panel Wall, LDRP Mom	New	Contractor	01-Fixed Equipment
Headwall: Modular Panel System	HDW-2975C	HDW-2975C	Amico Corporation	Serenity Series Panel Wall, OR / C-section	New	Contractor	01-Fixed Equipment
Headwall: Modular Panel System	HDW-7939E	HDW-7939E	Amico Corporation	Serenity Series Panel Wall, LDRP Baby	New	Contractor	01-Fixed Equipment
Headwall: Modular Panel System	HDW-8F6DC	HDW-8F6DC	Amico Corporation	Serenity Series Panel Wall, Exam Room	New	Contractor	01-Fixed Equipment
Headwall: Modular Panel System	HDW-B0C7D	HDW-B0C7D	Amico Corporation	Serenity Series Panel Wall, Peds	New	Contractor	01-Fixed Equipment
Headwall: Modular Panel System	HDW-FDF68	HDW-FDF68	Amico Corporation	Regal Series Surface Mounted Flat Wall, Postpartum Baby	New	Contractor	01-Fixed Equipment
Headwall: Modular, Adult	HDW-457A7	HDW-457A7	Amico Corporation	Serenity Series Panel Wall, Critical Care	New	Contractor	01-Fixed Equipment
Headwall: Modular, Adult	HDW-66EBC	HDW-66EBC	Amico Corporation	Serenity Series Panel Wall, Postpartum East	New	Contractor	01-Fixed Equipment
Headwall: Modular, Adult	HDW-E39F7	HDW-E39F7	Amico Corporation	Serenity Series Med/Surg Configuration	New	Contractor	01-Fixed Equipment
Headwall: Rail System, 1 Patient	HDW-41F56	HDW-41F56	Amico Corporation	Majestic Series Double Tier Recessed - Mom / Baby	New	Contractor	01-Fixed Equipment
Headwall: Rail System, 1 Patient	HDW-F077E	HDW-F077E	Amico Corporation	Majestic Series Horizontal Headwall System, ED Treatment Configuration	New	Contractor	01-Fixed Equipment
Headwall: Rail System, Full Wall	HDW-98521	HDW-98521	Amico Corporation		New	Contractor	01-Fixed Equipment
Headwall: Rail System, Full Wall	HDW-B49D8	HDW-B49D8			New	Contractor	01-Fixed Equipment
Humidifier: High Flow	HUM-8FE12	HUM0010	Vapotherm	Precision Flow	New	Owner	02-Movable Electrical
Ice Machine: Dispenser, Nugget, Countertop	ICE-BBF08	ICE0261	Follett LLC	Symphony Plus 25CI425A-S	New	Contractor	01-Fixed Equipment
Incubator, Infant: Low Acuity	INC-AF1A0	INC0044	GE Healthcare - Maternal/Infant Care	Giraffe Incubator Carestation	New	Owner	02-Movable Electrical
Laryngoscope Set: Video	LAR-B5F86	LAR0056	Verathon	GlideScope Core Single-Use Premium WS + BFlex	New	Owner	02-Movable Electrical
Lift, Patient: Battery Powered	LFT-4B53E	LFT0025	Arjo Inc	Maxi Move (w/Scale, Power DPS)	New	Owner	02-Movable Electrical
Lift, Patient: Battery Powered	LFT-F4437	LFT0039	Arjo Inc	Maxi Move (Power DPS)	New	Owner	02-Movable Electrical
Lift, Patient: Ceiling, 1-Bed	LFT-82E7E	LFT-82E7E	Guldmann, Inc.	GH3+	Future	Vendor	01-Fixed Equipment
Lift, Patient: Ceiling, 1-Bed	LFT-82E7E	LFT-82E7E	Guldmann, Inc.	GH3+	New	Vendor	01-Fixed Equipment

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Lift, Patient: Ceiling, 1-Bed, Bariatric	LFT-3CC93	LFT0351	Guldmann, Inc.	GH3 Twin	New	Vendor	01-Fixed Equipment
Light, Exam/Procedure: Dual, Ceiling, Recessed	LIG-FEC06	LIG0285	Skytron	Lucina 4 LED (w/Wall Control & Wand)	New	Contractor	01-Fixed Equipment
Light, Exam/Procedure: Single, Ceiling	LIG-OE3C4	LIG0433	Stryker Communications	Berchtold Chromophare F300 (Single)	New	Vendor	01-Fixed Equipment
Light, Exam/Procedure: Single, Mobile, Gooseneck Arm	LIG-C669F	LIG0270	Hillrom - Welch Allyn, Inc.	Green Series 300 (GS 300) w/ Standard Stand	Existing	Owner	02-Movable Electrical
Light, Exam/Procedure: Single, Mobile, Gooseneck Arm	LIG-C669F	LIG0270	Hillrom - Welch Allyn, Inc.	Green Series 300 (GS 300) w/ Standard Stand	New	Owner	02-Movable Electrical
Light, Surgical: Dual, Ceiling, w/Monitor Arm	LTS-704C0	LTS-704C0	Stryker - Berchtold Corporation	Chromophare SLX F628 (1100)/SLX F628 (1000)/UDM (900)	New	Vendor	01-Fixed Equipment
Locator: Vein	LCR-3DD12	LCR0039	AccuVein	AV500 Vein Viewing System w/ HF550 Mobile Stand	New	Owner	02-Movable Electrical
Locator: Vein	LCR-C90F4	LCR0019	AccuVein	AV400 Vein Viewing System w/ Mobile Stand	Existing	Owner	02-Movable Electrical
Locator: Vein	LCR-C90F4	LCR0019	AccuVein	AV400 Vein Viewing System w/ Mobile Stand	New	Owner	02-Movable Electrical
Loveseat: Lounge	LVS-A7AB1	LVS0492	Cabot Wrenn	Transition 4752-2	New	Vendor	05-Furniture
Loveseat: Lounge	LVS-D41CD	LVS0732	National Business Furniture (NBF)	NBF Signature Leather 75136	New	Vendor	05-Furniture
Loveseat: Lounge	LVS-F5BA0	LVS-F5BA0	Carolina - OFS Brands	Serony	New		05-Furniture
Mattress: Air Transfer, Patient	MTS-5118D	MTS0028	Joerns Healthcare	RC Care Glyde (50" Wide)	New	Owner	03-Movable Non-Electrical
Mattress: Air Transfer, Patient	MTS-73D71	MTS0017	HoverTech International	HoverMatt Double Coated 28in.	New	Owner	03-Movable Non-Electrical
Monitor, Central Station: 1 - 8 Patient	CSM-CC027	CSM0057	Philips Healthcare - Monitoring Systems	IntelliVue M3155A-A08	Existing	Vendor	02-Movable Electrical
Monitor, Central Station: 1 - 8 Patient	CSM-CC027	CSM0057	Philips Healthcare - Monitoring Systems	IntelliVue M3155A-A08	New	Vendor	02-Movable Electrical
Monitor, Central Station: 9 - 15 Patient	CSM-EEC1C	CSM0046	Philips Healthcare - Monitoring Systems	IntelliVue	Existing	Vendor	02-Movable Electrical
Monitor, Central Station: 9 - 15 Patient	CSM-EEC1C	CSM0046	Philips Healthcare - Monitoring Systems	IntelliVue	New	Vendor	02-Movable Electrical
Monitor, Central Station: Fetal	CSM-54ABD	CSM0000			New	Vendor	02-Movable Electrical
Monitor, Central Station: Remote Display, Patient	CSM-C8A4E	CSM-C8A4E	Philips Healthcare - Monitoring Systems	TBD	New	Vendor	01-Fixed Equipment
Monitor, O.B.: Antepartum, Maternal/Fetal	MOB-C899D	MOB0033	GE Healthcare - Monitoring Systems	Corometrics 256cx	New	Owner	02-Movable Electrical
Monitor, Physiologic: Bedside	MON-1A200	MON0725	Philips Healthcare - Monitoring Systems	IntelliVue MX450 (4-Wave)	New	Owner	02-Movable Electrical
Monitor, Physiologic: Bedside	MON-A306D	MON0644	Philips Healthcare - Monitoring Systems	IntelliVue MX700 w/FMS-4 Module Rack	New	Owner	02-Movable Electrical
Monitor, Physiologic: Bedside	MON-A84E3	MON0169	Philips Healthcare - Monitoring Systems	Intellivue MP5 (4 wave)	Existing	Owner	02-Movable Electrical
Monitor, Physiologic: Bedside	MON-A84E3	MON0169	Philips Healthcare - Monitoring Systems	Intellivue MP5 (4 wave)	New	Owner	02-Movable Electrical
Monitor, Physiologic: Bedside	MON-A84E3	MON0169	Philips Healthcare - Monitoring Systems	Intellivue MP5 (4 wave)	Existing	Vendor	02-Movable Electrical
Monitor, Physiologic: Vital Signs, w/Stand	MON-FE9CF	MON0740	Hillrom - Welch Allyn, Inc.	Connex 6400 (NIBP, Masimo SpO2 & SureTemp) w/Stand	Existing	Owner	02-Movable Electrical
Monitor, Physiologic: Vital Signs, w/Stand	MON-FE9CF	MON0740	Hillrom - Welch Allyn, Inc.	Connex 6400 (NIBP, Masimo SpO2 & SureTemp) w/Stand	New	Owner	02-Movable Electrical
Monitor, Video: 52 - 58 inch, Display	MTR-C88C5	MTR0484	Stryker Communications	55" LCD Flat Screen Display w/Cable Kit	New	Owner	02-Movable Electrical
Oto/Ophthalmoscope Set: Desktop	OPH-7B88F	OPH0016	Hillrom - Welch Allyn, Inc.	71641-MS Universal Desk Charger Set	New	Owner	02-Movable Electrical
Oven: Domestic, Microwave, Countertop	OVN-46880	OVN0268	Sears - Kenmore	Kenmore Elite 2.2 cu.ft. Stainless [20-74223]	New	Owner	02-Movable Electrical
Oven: Domestic, Microwave, Drawer	OVN-E5138	OVN0111	Sharp Electronics Corporation	Microwave Drawer Oven, 24 in. 1.2 cu. ft	New	Owner	02-Movable Electrical
Oximeter: Pulse, Hand Held	OXM-A8201	OXM0035	Covidien - Nellcor Division	NPB-40	New	Owner	02-Movable Electrical
Pump, Breast: General	BRP-D1F36	BRP0028	Medela Inc. - Breastfeeding	Symphony Plus w/ Trolley	New	Owner	02-Movable Electrical
Pump, Infusion: PCA	INF-AA293	INF0065	Smiths Medical	CADD Legacy 6300	New	Owner	02-Movable Electrical
Pump, Infusion: Single	INF-A7FBE	INF0099	Baxter Healthcare	SIGMA Spectrum (w/Wireless Battery Module)	Existing	Owner	02-Movable Electrical
Pump, Infusion: Single	INF-A7FBE	INF0099	Baxter Healthcare	SIGMA Spectrum (w/Wireless Battery Module)	New	Owner	02-Movable Electrical
Pump, Suction/Aspirator: General, Portable	ASP-A39FF	ASP0008	Drive DeVilbiss Healthcare	7305P-D Vacu-Aide Suction Unit	Existing	Owner	02-Movable Electrical
Pump, Suction/Aspirator: General, Portable	ASP-A39FF	ASP0008	Drive DeVilbiss Healthcare	7305P-D Vacu-Aide Suction Unit	New	Owner	02-Movable Electrical
Rack: Apron, Wall Mount	RCK-159C0	RCK0481	Wolf X-Ray Corporation	Peg Rack (4-Apron) 16424	New	Contractor	01-Fixed Equipment
Rack: Cylinder, Floor	RCK-7B0A5	CYL0313	Safe-T-Rack Systems, Inc.	DE-12RC (12 D/E)	New	Owner	03-Movable Non-Electrical
Rack: Mops / Brooms	RCK-C9307	RCK0936	ULINE	Mop/Broom Holder Standard (Stainless Steel)	New	Contractor	01-Fixed Equipment
Refrigerator: Commercial, w/ Freezer	REF-CD30F	REF2038	Summit Appliance	BKRF21SS	New	Contractor	02-Movable Electrical
Refrigerator: Domestic with Freezer, Side-by-Side,	REF-87989	REF2641	Whirlpool Corporation	Side-by-Side Refrigerator (25 cu.ft.)	New	Contractor	02-Movable Electrical



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Refrigerator: Medical Grade, Undercounter	REF-5C9D3	REF1382	Follett LLC	REF4P ADA-Compatible Performance Plus	New	Contractor	02-Movable Electrical
Refrigerator: Undercounter	REF-A3A31	REF2591	Summit Appliance	FF6BK7CSSADA (ADA Compliant)	New	Contractor	02-Movable Electrical
Regulator: Suction, Intermittent/Continuous	REG-E68F8	REG0376	Ohio Medical Corp	8705-1351-907 Push-To-Set Digital	New	Owner	03-Movable Non-Electrical
Scale, Autopsy: Countertop	SCA-03632	SCA0027	Hillrom - Scale-Tronix	4302 Organ/Diaper Scale (5,000g)	New	Owner	03-Movable Non-Electrical
Scale, Clinical: Adult, Digital, Floor	SCL-5FD40	SCL0022	Detecto Scale- Div.Cardinal Scale Mfg	6855 Bariatric	Existing	Owner	02-Movable Electrical
Scale, Clinical: Adult, Digital, Floor	SCL-5FD40	SCL0022	Detecto Scale- Div.Cardinal Scale Mfg	6855 Bariatric	New	Owner	02-Movable Electrical
Seating, Lounge: 1-Seat	STG-94730	STG-94730	Carolina - OFS Brands	Skara	New		05-Furniture
Seating, Lounge: 3-Seat	STG-D7B8E	STG1027	Knu Contract / La-Z-Boy Contract Furniture	KONCERT Visitor (Ureth Caps) KOT30U	New	Vendor	05-Furniture
Shelving: Wire, Chrome, 48 inch	SHL-2BADA	SHL0735	InterMetro Industries Corp	Super Erecta 48x18x74 (4-Tier)	New	Owner	03-Movable Non-Electrical
Shelving: Wire, Chrome, 60 inch	SHL-6892E	SHL0101	InterMetro Industries Corp	Super Erecta 60x24x86 (5-Tier)	New	Owner	03-Movable Non-Electrical
Sofa: Lounge	SOF-2592E	SOF-2592E	Steelcase Inc	West Elm, Conover	New		05-Furniture
Sofa: Lounge	SOF-37306	SOF-37306	Herman Miller, Inc.	Mags	New		05-Furniture
Sofa: Lounge	SOF-44E73	SOF-44E73	Gunlocke Company	Calm	New		05-Furniture
Sofa: Lounge	SOF-990E2	SOF1189	Steelcase Inc	Mitra Sofa	New	Vendor	05-Furniture
Sofa: Lounge	SOF-9C3CC	SOF-9C3CC	Herman Miller, Inc.	Geiger U chair	New		05-Furniture
Sofa: Sleeper/Convertible	SOF-8B599	SOF0525	Wieland Furniture	62175T sleepToo Classic (75"L w/Table)	New	Vendor	05-Furniture
Sofa: Sleeper/Convertible	SOF-90FBE	SOF0522	Wieland Furniture	62166T sleepToo Classic (66"L w/Table)	New	Vendor	05-Furniture
Sofa: Sleeper/Convertible	SOF-D1552	SOF0526	Wieland Furniture	62178T sleepToo Classic (78"L w/Table)	New	Vendor	05-Furniture
Stadiometer: Wall Mount	SDM-A3246	SDM0016	Seca Corporation	seca 240 Mechanical High Precision	New	Contractor	01-Fixed Equipment
Stand, Basin: Double	SBS-CA989	SBS0014	Blickman Industries	7808SS Snyder	New	Owner	03-Movable Non-Electrical
Stand, IV: Chrome	IVS-2031F	IVS-2031F	To Be Determined	Various Existing IV Poles	Existing	Owner	02-Movable Electrical
Stand, IV: Chrome	IVS-2031F	IVS-2031F	To Be Determined	Various Existing IV Poles	Existing	Owner	03-Movable Non-Electrical
Stand, IV: Multi-Pump	IVS-547A2	IVS0131	Pedigo Products, Inc	iSTAND P-1080-6 (w/Handle & Foley Hook)	Existing	Owner	02-Movable Electrical
Stand, IV: Multi-Pump	IVS-547A2	IVS0131	Pedigo Products, Inc	iSTAND P-1080-6 (w/Handle & Foley Hook)	New	Owner	02-Movable Electrical
Stand, Mayo: Foot-Operated	MAY-FCBEB	MAY0080	Skytron	MYO-2001	New	Owner	03-Movable Non-Electrical
Stool: Anesthetist	STL-FFA90	STL0475	Armstrong Medical Industries	AC-984A (Forest, w/Arms)	New	Owner	03-Movable Non-Electrical
Stool: Exam, Cushion-Seat	STL-12416	STL0604	AliMed, Inc.	AliMed Foot-Operated Adjustable w/Safe Brake	New	Owner	03-Movable Non-Electrical
Stool: Exam, Cushion-Seat	STL-7D175	STL0045	Intensa, Inc.	951 Physician Stool With Single Lever Release	New	Owner	03-Movable Non-Electrical
Stool: Step, w/Handrail	STL-6AD3B	STL0120	Brewer Company	11220	New	Owner	03-Movable Non-Electrical
Stretcher: Crib, Pediatric	STR-EAEB2	STR0069	Stryker Medical	Cub Pediatric Crib 190 Hydraulic	Existing	Owner	03-Movable Non-Electrical
Stretcher: Procedure, OB/GYN	STR-AD0F5	STR0073	Stryker Medical	Gynnie	New	Owner	03-Movable Non-Electrical
Stretcher: Trauma / Surgery	STR-8F85F	STR0492	Stryker Medical	Prime X with Big Wheel 1115X (30" Litter)	Existing	Owner	03-Movable Non-Electrical
Stretcher: Trauma / Surgery	STR-8F85F	STR0492	Stryker Medical	Prime X with Big Wheel 1115X (30" Litter)	New	Owner	03-Movable Non-Electrical
Table, Exam/Treatment: Manual Adjust, Electric	TBL-1D348	TBL0028	Hausmann Industries	Series 4423 Exam Table	New	Owner	02-Movable Electrical
Table, Instrument: 55-60 inch	TIN-476F9	TIN0069	Blickman Industries	7836SS	New	Owner	03-Movable Non-Electrical
Table, Interiors: Accent	TBI-8F778	TBI-8F778	Herman Miller, Inc.	Nelson round	New		05-Furniture
Table, Interiors: Coffee	TBI-91690	TBI0511	David Edward	Gotham 02T13 Round	New	Vendor	05-Furniture
Table, Interiors: Coffee	TBI-A9758	TBI0666	Carolina - OFS Brands	Cascade Round 24x17H	New	Vendor	05-Furniture
Table, Interiors: Coffee	TBI-FDF46	TBI-FDF46	Gunlocke Company	cube table	New		05-Furniture
Table, Interiors: Conference	TBI-CCE68	TBI0518	Herman Miller, Inc.	Eames Round 48", Segmented Base, Veneer Top	New	Vendor	05-Furniture
Table, Interiors: Dining	TBI-7E754	TBI0853	Herman Miller, Inc.	Everywhere Square 30", Eased-Edge, Painted Top	New	Vendor	05-Furniture
Table, Interiors: Dining	TBI-BBB5F	TBI0862	Herman Miller, Inc.	Everywhere Square 36", Single-Column, Laminate	New	Vendor	05-Furniture
Table, Interiors: Dining, Outdoor	TBI-A9487	TBI0021	Coalesse	Emu Pattern Large Round Table	New	Vendor	05-Furniture

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Table, Interiors: End	SOF-3DCE5	SOF-3DCE5	Kwalu, LLC	Brianza Drum Table	New		05-Furniture
Table, Interiors: End	TBI-49EED	TBI0494	Wieland Furniture	20C-2018 Surface Cylinder (18"Dia x 20"H)	New	Vendor	05-Furniture
Table, Interiors: End	TBI-7F387	TBI0690	Carolina - OFS Brands	Modern Amenity 22" Round End Table	New	Vendor	05-Furniture
Table, Interiors: Ganging	TBI-416F0	TBI0638	Knu Contract / La-Z-Boy Contract Furniture	KONCERT Left End KTE03L	New	Vendor	05-Furniture
Table, Interiors: Ganging	TBI-9181A	TBI0639	Knu Contract / La-Z-Boy Contract Furniture	KONCERT Right End KTE03R	New	Vendor	05-Furniture
Table, Overbed: General	TOB-6553C	TOB-6553C	Carolina - OFS Brands	Reservoir	Existing	Owner	03-Movable Non-Electrical
Table, Overbed: General	TOB-6553C	TOB-6553C	Carolina - OFS Brands	Reservoir	New	Owner	03-Movable Non-Electrical
Table, Surgical: Major	TBS-8F73B	TBS0006	STERIS Corporation - Healthcare	Amsco 3085 SP Battery	Existing	Owner	02-Movable Electrical
Telemetry: Transmitter, General	TTY-9CA10	TTY0017	Philips Healthcare - Monitoring Systems	Telemetry Transmitter M2601A	New	Vendor	03-Movable Non-Electrical
Thermometer: Digital	THM-A4505	THM0012	Hillrom - Welch Allyn, Inc.	SureTemp Plus 690 (Oral)	New	Owner	03-Movable Non-Electrical
Thermometer: Temporal Artery	THM-E1206	THM0043	Exergen Corp	TAT 5000	New	Owner	01-Fixed Equipment
Thermometer: Temporal Artery	THM-E1206	THM0043	Exergen Corp	TAT 5000	New	Owner	03-Movable Non-Electrical
Thermometer: Temporal Artery, Wall Mount	THM-D88F6	THM0056	Exergen Corp	TAT 5000 w/Wall Mount 134305	New	Contractor	01-Fixed Equipment
Thermometer: Temporal Artery, Wall Mount	THM-D88F6	THM0056	Exergen Corp	TAT 5000 w/Wall Mount 134305	New	Owner	01-Fixed Equipment
Twin mattress & frame	MTS-DF0E6	MTS0155	TBD	TBD	New	Vendor	05-Furniture
Ultrasound, Imaging: Multipurpose	ULT-60240	ULT0264	GE Healthcare - Imaging Systems	LOGIQ E9 BT11	Existing	Owner	02-Movable Electrical
Ultrasound, Imaging: Urology	ULT-1D61B	ULT0282	Laborie Medical Technologies	Portascan 3D	Existing	Owner	02-Movable Electrical
Ultrasound, Imaging: Urology	ULT-1D61B	ULT0282	Laborie Medical Technologies	Portascan 3D	New	Owner	02-Movable Electrical
Vacuum: Upright	VAC-297B0	VAC0191	Windsor Kärcher Group	Axcess 15 Performance Floor Kit	New	Owner	02-Movable Electrical
Ventilator: Adult / Pediatric	VNT-DE936	VNT0125	Draeger, Inc.	Evita Infinity V500 w/C500 Medical Cockpit	Existing	Owner	02-Movable Electrical
Ventilator: Adult / Pediatric / Neonatal	VNT-A93B6	VNT0137	eVent Medical, Inc.	Inspiration LS w/Cart	Existing	Owner	02-Movable Electrical
Ventilator: Adult / Pediatric / Neonatal	VNT-A93B6	VNT0137	eVent Medical, Inc.	Inspiration LS w/Cart	New	Owner	02-Movable Electrical
Walker: Adult, Folding	WLK-8F3AF	WLK0097	Medline Industries Inc.	Standard Two-Button MDS864104	New	Owner	03-Movable Non-Electrical
Walker: Adult, Rolling	WLK-7E159	WLK0119	Kinsman Enterprises Inc.	EVA Pneumatic Adult w/Directional Casters-HOSPITAL	New	Owner	03-Movable Non-Electrical
Walker: Bariatric	WLK-3DB60	WLK0076	Medline Industries Inc.	Bariatric Folding Walker [MDS86410XW]	New	Owner	03-Movable Non-Electrical
Warmer, Infant: Care System	WRM-54948	WRM0027	GE Healthcare - Maternal/Infant Care	Giraffe Warmer (Elevating Base)	Existing	Owner	02-Movable Electrical
Warmer, Infant: Care System	WRM-81CCF	WRM-81CCF	GE Healthcare - Maternal/Infant Care	Panda iRes (Elevating Base/Procedure Light)	New	Owner	02-Movable Electrical
Warmer, Infant: Freestanding	WRM-EEBA3	WRM0055	GE Healthcare - Maternal/Infant Care	Panda Freestanding Warmer	New	Owner	02-Movable Electrical
Warmer: Cleansing Bath	WMR-1A86B	WMR0155	Medline Industries Inc.	ReadyBath Warmer (24-Slots)	Existing	Owner	02-Movable Electrical
Warmer: Cleansing Bath	WMR-1A86B	WMR0155	Medline Industries Inc.	ReadyBath Warmer (24-Slots)	New	Owner	02-Movable Electrical
Warmer: Cleansing Bath	WMR-7482D	WMR0128	Sage Products - Part of Stryker	Comfort 28-Count 7939	Existing	Owner	02-Movable Electrical
Warmer: Cleansing Bath	WMR-7482D	WMR0128	Sage Products - Part of Stryker	Comfort 28-Count 7939	New	Owner	02-Movable Electrical
Warmer: Cleansing Bath	WMR-D9D55	WMR0195	Medline Industries Inc.	ReadyBath Intelligent Warmer (28 Slots)	New	Owner	02-Movable Electrical
Warmer: Fluid/ Blood, Portable	WMR-63ABA	WMR0021	3M Health Care	Ranger Blood/Fluid Warming System Model 245	Existing	Owner	02-Movable Electrical
Warmer: Fluid/ Blood, Portable	WMR-63ABA	WMR0021	3M Health Care	Ranger Blood/Fluid Warming System Model 245	New	Owner	02-Movable Electrical
Warmer: Patient, Hypothermia	WMR-D7E60	WMR0107	3M Health Care	Bair Hugger 775	New	Owner	02-Movable Electrical
Waste Can: Bio-Hazardous	WST-F4C1F	WST0460	Rubbermaid Commercial Products	1883564 Slim Jim Front Step 8 Gal Red	New	Owner	03-Movable Non-Electrical
Waste Can: Bio-Hazardous, 32-55 Gallon	WST-854DE	WST0162	Rubbermaid Commercial Products	BRUTE Vented 32 Gal/Red w/Lid and Dolly	New	Owner	03-Movable Non-Electrical
Waste Can: Bio-Hazardous, Roll-Out	WST-5848F	WST0142	Rubbermaid Commercial Products	9W20 BRUTE Medical Waste (95 gal, Red)	New	Owner	03-Movable Non-Electrical



Description	Atta3 ID	CAD ID	Manufacturer	Model	Status	Install Resp	Item Architectural Code
Waste Can: Open Top	WST-20B64	WST0035	Rubbermaid Commercial Products	2543 Fire Resistant Beige 28 qt	Existing	Owner	03-Movable Non-Electrical
Waste Can: Open Top	WST-20B64	WST0035	Rubbermaid Commercial Products	2543 Fire Resistant Beige 28 qt	New	Owner	03-Movable Non-Electrical
Waste Can: Open Top	WST-4E00D	WST0045	Rubbermaid Commercial Products	3540 (23 gal. Slim Jim)	New	Owner	03-Movable Non-Electrical
Waste Can: Open Top	WST-56746	WST0047	Rubbermaid Commercial Products	WB96R Tall Rectangular, Steel 24 gal. (Almond)	New	Owner	03-Movable Non-Electrical
Waste Can: Step-On	WST-9AF34	WST0083	Rubbermaid Commercial Products	6144 Beige 12 Gallon	New	Owner	03-Movable Non-Electrical
Waste Disposal: Pharmaceutical, Secure, Wall	WDS-B9607	WDS0075	Stericycle	CsRx w/ Locking Bracket (1 gal.)	New	Contractor	01-Fixed Equipment
Waste Disposal: Surgical Fluid Collection	WDS-94D17	WDS0066	Stryker Instruments	Neptune 3 Rover	Existing	Owner	02-Movable Electrical
Waste Disposal: Surgical Fluid Disposal	WDS-2FC2F	DCK0003	Stryker Instruments	Neptune Docking Station	New	Contractor	02-Movable Electrical
Wheelchair: Adult, Bariatric	WCR-899F5	WCR0198	Sunrise Medical	Breezy EC 2000HD (22in. seat, Elevating)	Existing	Owner	03-Movable Non-Electrical
Wheelchair: Adult, Bariatric	WCR-899F5	WCR0198	Sunrise Medical	Breezy EC 2000HD (22in. seat, Elevating)	New	Owner	03-Movable Non-Electrical
Wheelchair: Adult, Large	WCR-5ACC6	WCR0262	Cardinal Health Durable Medical Equipment	CW0006CS (22Wx18D Desk/Swing Ft)	New	Owner	03-Movable Non-Electrical
Workstation: Office, Modular	WKN-6005B	WKN0108	Herman Miller, Inc.	Canvas L-Shape	New	Vendor	05-Furniture
X-Ray Unit: General Radiography, Digital	XRY-54B6F	XRY0319	Siemens Medical Imaging	Multix Fusion Max	New	Vendor	01-Fixed Equipment
X-Ray Unit: Mobile, Digital	XRY-2E1B7	XRY0340	Siemens Medical Imaging	Mobilett Elara MAX	Existing	Vendor	02-Movable Electrical
X-Ray Unit: Mobile, Digital	XRY-2E1B7	XRY0340	Siemens Medical Imaging	Mobilett Elara MAX	New	Vendor	02-Movable Electrical

**Exhibit 11**  
**Financing Letter**



PeaceHealth  
St. Joseph Medical Center

January 3, 2023

Eric Hernandez, Program Manager  
Certificate of Need Program  
Department of Health

Dear Mr. Hernandez:

This letter confirms that PeaceHealth is proposing to use a combination of existing reserves and philanthropy to fund the bed expansion project at St. Joseph Medical Center (SJMC). The project, as proposed, will add 108 beds; and is a high priority project for PeaceHealth.

As delineated in the CN application, SJMC has already received \$74million in philanthropic support including a single commitment of \$50 million. The audited financial statements for 2021, included as Appendix 1 to the application demonstrates that PeaceHealth has more than sufficient reserves to fund the remaining capital costs for this project.

Please do not hesitate to contact me if you have any questions or require additional information.

Sincerely,

Darrin Montalvo  
EVP Chief Financial-Growth Officer

**Exhibit 12**  
**PeaceHealth Facility Listing**

**PeaceHealth Hospital Facility  
Information**

<b>Name</b>	<b>Address</b>	<b>Medicare Provider Number</b>	<b>Medicaid Provider Number</b>	<b>Owned or Managed</b>
<b>PeaceHealth Ketchikan Medical Center</b>	3100 Tongass Avenue Ketchikan, AK 99901	021311	HS041IP HS04OP	Lease Agreement
<b>PeaceHealth St. John Medical Center</b>	1615 Delaware Street Longview, WA 98632	50-0041	3304508	Owned
<b>PeaceHealth St. Joseph Medical Center</b>	2901 Squalicum Parkway Bellingham, WA 98225-1898	50-0030	3308905	Owned
<b>PeaceHealth Peace Island Medical Center</b>	1049 San Juan Valley Road Friday Harbor, WA 98250	NA	NA	Owned
<b>PeaceHealth Southwest Medical Center</b>	400 N.E. Mother Joseph Place Vancouver, WA 98664	50-0050	3200292	Owned
<b>PeaceHealth Cottage Grove Community Hospital</b>	1515 Village Drive Cottage Grove, OR 97424	38-1301	237519	Owned
<b>PeaceHealth Peace Harbor Hospital</b>	400 Ninth Street Florence, OR 97439	38-1316	000195	Owned
<b>PeaceHealth Sacred Heart Medical Center at Riverbend</b>	3333 Riverbend Drive Springfield, OR 97477	38-0033	276221	Owned
<b>PeaceHealth Sacred Heart Medical Center University District</b>	1255 Hilyard Street Eugene, OR 97401	38-0033	192500	Owned
<b>PeaceHealth United Medical Center</b>	2000 Hospital Drive Sedro-Woolley, WA 98284	50-1329 Swing Bed 50- Z329	501329	Lease Agreement

**Exhibit 13**  
**Staffing Table**

	ACTUAL	ACTUAL	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
FTEs *	CURRENT	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Management	69.8	93.4	93	93	93	93	93	95	100	100	100	100
Technicians	469.2	454.5	455	460	464	469	473	502	512	522	533	543
Registered Nurses	644.9	655.2	700	707	714	721	728	772	788	803	819	836
Nursing Assistants	117.9	178.4	180	182	184	185	187	202	206	210	215	219
Other Staff	318.4	357.9	360	360	360	360	360	366	371	373	375	375
Contract Labor	82.7	138.7	60	50	40	40	40	40	40	40	40	40
Physicians/APC	14.6	321.3	320	320	320	320	320	320	320	320	320	320
Total	<b>1,717.5</b>	<b>2,199.4</b>	<b>2,168</b>	<b>2,171</b>	<b>2,175</b>	<b>2,188</b>	<b>2,202</b>	<b>2,298</b>	<b>2,337</b>	<b>2,369</b>	<b>2,402</b>	<b>2,433</b>
Total Salaries and Wages	172,882,155	305,737,401	312,649,496	320,893,818	324,102,756	327,343,783	330,617,221	336,123,571	351,971,471	359,956,783	368,134,365	376,512,398
Total Benefits	46,062,770	68,312,416	73,111,747	75,039,646	75,039,646	75,039,646	75,039,646	76,289,413	79,886,385	81,698,798	83,554,851	85,456,399
Total Salaries, Benefits and Wages	<b>218,944,925</b>	<b>374,049,817</b>	<b>385,761,243</b>	<b>395,933,464</b>	<b>399,142,402</b>	<b>402,383,430</b>	<b>405,656,867</b>	<b>412,412,984</b>	<b>431,857,856</b>	<b>441,655,582</b>	<b>451,689,216</b>	<b>461,968,797</b>

\* Current = FY21 YTD May; Dollars Annualized

**Appendix 1**  
**Audited Financials**





# **PEACEHEALTH NETWORKS**

## **Consolidated Financial Statements**

**June 30, 2022 and 2021**

**(With Independent Auditors' Report Thereon)**

## PEACEHEALTH NETWORKS

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KPMG LLP  
Suite 3800  
1300 South West Fifth Avenue  
Portland, OR 97201

## **Independent Auditors' Report**

The Board of Directors  
PeaceHealth Networks:

### *Opinion*

We have audited the consolidated financial statements of PeaceHealth Networks (the Corporation), which comprise the consolidated balance sheets as of June 30, 2022 and 2021, and the related consolidated statements of operations and changes in net assets without donor restrictions, changes in net assets, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Corporation as of June 30, 2022 and 2021, and the results of its operations and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

### *Basis for Opinion*

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Corporation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Responsibilities of Management for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern for one year after the date that the consolidated financial statements are issued.

### *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements*

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.



In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

#### *Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating balance sheets, the consolidating statement of operations and changes in net assets without donor restrictions, and the consolidating statement of changes in net assets as of and for the years ended June 31, 2022 and 2021 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

*KPMG LLP*

Portland, Oregon  
September 29, 2022

# PEACEHEALTH NETWORKS

## Consolidated Balance Sheets

June 30, 2022 and 2021

(In thousands)

<b>Assets</b>	<b>2022</b>	<b>2021</b>
Current assets:		
Cash and cash equivalents	\$ 43,699	181,586
Short-term investments	701,862	1,350,263
Accounts receivable	380,665	333,958
Other receivables	66,777	40,251
Pending trades receivable	98,927	—
Inventory of supplies	112,012	97,580
Prepaid expenses and other	38,828	45,185
Assets whose use is limited that are required for current liabilities	14,096	8,907
Total current assets	1,456,866	2,057,730
Assets whose use is limited:		
Cash equivalents and investments	1,619,835	1,800,111
Investments in joint ventures and other	81,453	36,726
Total assets whose use is limited	1,701,288	1,836,837
Less current portion	(14,096)	(8,907)
Net assets whose use is limited	1,687,192	1,827,930
Property, plant, and equipment:		
Land and improvements	150,928	150,632
Buildings, fixed equipment, and other	1,949,274	1,900,101
Moveable equipment	1,123,522	1,075,745
Construction in progress	118,253	60,224
Total property, plant, and equipment	3,341,977	3,186,702
Less accumulated depreciation	(2,121,432)	(1,981,736)
Net property, plant, and equipment	1,220,545	1,204,966
Interest in net assets of related foundations	131,994	79,172
Operating lease right-of-use assets	88,918	77,740
Other assets	105,548	110,657
Total assets	\$ 4,691,063	5,358,195

See accompanying notes to consolidated financial statements.

**PEACEHEALTH NETWORKS**

## Consolidated Balance Sheets

June 30, 2022 and 2021

(In thousands)

<b>Liabilities and Net Assets</b>	<b>2022</b>	<b>2021</b>
Current liabilities:		
Accounts payable	\$ 179,027	147,042
Accrued payroll, payroll taxes, and employee benefits	222,689	218,485
Accrued interest payable	5,594	5,732
Medicare advanced funding	89,419	153,234
Current portion of operating lease liabilities	10,425	11,884
Other current liabilities	58,513	65,154
Pending trades payable	25,621	15,114
Current portion of long-term debt	14,409	15,829
Total current liabilities	605,697	632,474
Other long-term liabilities	249,180	462,537
Long-term operating lease liabilities, net of current portion	82,817	69,940
Long-term debt, net of current portion	1,449,334	1,431,504
Net assets:		
Without donor restrictions, controlling interest	2,126,685	2,651,418
Without donor restrictions, noncontrolling interest	2,397	6,990
With donor restrictions	174,953	103,332
Total net assets	2,304,035	2,761,740
Total liabilities and net assets	\$ 4,691,063	5,358,195

See accompanying notes to consolidated financial statements.

# PEACEHEALTH NETWORKS

## Consolidated Statements of Operations and Changes in Net Assets Without Donor Restrictions

Years ended June 30, 2022 and 2021

(In thousands)

	<u>2022</u>	<u>2021</u>
Revenues:		
Patient service revenue	\$ 3,103,344	2,896,963
Other operating revenue	<u>187,273</u>	<u>115,685</u>
Total revenues	<u>3,290,617</u>	<u>3,012,648</u>
Expenses:		
Salaries and wages	1,876,501	1,550,112
Payroll taxes and benefits	308,098	300,823
Supplies	521,794	464,734
Purchased services	453,460	420,520
Other	217,259	196,441
Depreciation and amortization	148,969	150,668
Interest and amortization of deferred financing costs	<u>42,146</u>	<u>38,913</u>
Total expenses	<u>3,568,227</u>	<u>3,122,211</u>
Loss from recurring operations	(277,610)	(109,563)
Nonrecurring operating loss	<u>(16,494)</u>	<u>—</u>
Loss from operations	<u>(294,104)</u>	<u>(109,563)</u>
Other income (expense):		
Investment return, net	(260,119)	465,165
Net change in interest rate swaps	49,901	16,280
Loss on bond refinancing	—	(9,414)
Other	<u>(96,969)</u>	<u>(55,307)</u>
Total other (expense) income	<u>(307,187)</u>	<u>416,724</u>
(Deficit) excess of revenues over expenses	(601,291)	307,161
Net assets released from restrictions for property, plant, and equipment	4,254	4,237
Change in pension liability	69,522	24,831
Other	<u>(1,811)</u>	<u>(2,706)</u>
(Decrease) increase in net assets without donor restrictions	<u>\$ (529,326)</u>	<u>333,523</u>

See accompanying notes to consolidated financial statements.

**PEACEHEALTH NETWORKS**

Consolidated Statements of Changes in Net Assets

Years ended June 30, 2022 and 2021

(In thousands)

	<u>Without donor restrictions</u>		<u>With donor restrictions</u>	<u>Total</u>
	<u>Controlling interest</u>	<u>Noncontrolling interest</u>		
Net assets at June 30, 2020	\$ 2,319,025	5,860	83,446	2,408,331
Excess of revenues over expenses	306,031	1,130	—	307,161
Restricted contributions	—	—	4,237	4,237
Net assets released from restrictions	4,237	—	(5,120)	(883)
Change in interest in net assets of related foundations	—	—	17,055	17,055
Change in pension liability	24,831	—	—	24,831
Other	<u>(2,706)</u>	<u>—</u>	<u>3,714</u>	<u>1,008</u>
Change in net assets	<u>332,393</u>	<u>1,130</u>	<u>19,886</u>	<u>353,409</u>
Net assets at June 30, 2021	2,651,418	6,990	103,332	2,761,740
(Deficit) excess of revenues over expenses	(601,929)	638	—	(601,291)
Restricted contributions	—	—	4,254	4,254
Net assets released from restrictions	4,254	—	(5,095)	(841)
Change in interest in net assets of related foundations	—	—	52,777	52,777
Change in pension liability	69,522	—	—	69,522
Other	<u>3,420</u>	<u>(5,231)</u>	<u>19,685</u>	<u>17,874</u>
Change in net assets	<u>(524,733)</u>	<u>(4,593)</u>	<u>71,621</u>	<u>(457,705)</u>
Net assets at June 30, 2022	\$ <u>2,126,685</u>	<u>2,397</u>	<u>174,953</u>	<u>2,304,035</u>

See accompanying notes to consolidated financial statements.



**PEACEHEALTH NETWORKS**

Consolidated Statements of Cash Flows

Years ended June 30, 2022 and 2021

(In thousands)

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities:		
Change in net assets	\$ (457,705)	353,409
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation and amortization	148,969	150,668
(Gain) loss on sale of property, plant, and equipment	(303)	2,187
Change in pension liability	(69,522)	(24,831)
Restricted contributions	(4,254)	(4,237)
Net change in realized and unrealized gains on investments	302,498	(422,212)
Valuation adjustments on swap arrangements	(62,678)	(29,292)
Change in interest in net assets of related foundations	(52,777)	(17,055)
Equity earnings on investments, net of distributions	862	3,781
Loss on refinancing	—	9,414
Changes in operating assets and liabilities:		
Increase in:		
Accounts receivable	(46,707)	(59,460)
Other assets	(129,323)	(24,824)
Increase (decrease) in:		
Accounts payable	31,985	6,373
Medicare advanced funding	(63,815)	(26,472)
Accrued payroll, payroll taxes, and employee benefits	4,204	30,064
Other liabilities	(77,233)	1,240
Net cash used in operating activities	<u>(475,799)</u>	<u>(51,247)</u>
Cash flows from investing activities:		
Purchase of property, plant, and equipment	(167,341)	(115,108)
Proceeds from sale of land held for sale and property, plant, and equipment	3,999	1,131
Purchase of alternative investments	(215,045)	(60,056)
Sales of alternative investments	130,641	29,979
Sales (purchases) of investments, net	<u>564,994</u>	<u>(517,015)</u>
Net cash provided by (used in) investing activities	<u>317,248</u>	<u>(661,069)</u>
Cash flows from financing activities:		
Principal payments on long-term debt	(11,040)	(268,354)
Proceeds from new financing	27,450	741,305
Payment of deferred financing costs	—	(4,194)
Proceeds from restricted contributions	<u>4,254</u>	<u>4,237</u>
Net cash provided by financing activities	<u>20,664</u>	<u>472,994</u>
Net decrease in cash and cash equivalents	<u>(137,887)</u>	<u>(239,322)</u>
Cash and cash equivalents at beginning of year	<u>181,586</u>	<u>420,908</u>
Cash and cash equivalents at end of year	\$ <u><u>43,699</u></u>	\$ <u><u>181,586</u></u>
Supplemental disclosure of cash flow information:		
Capital expenditures included in accounts payable	\$ 9,218	9,775

See accompanying notes to consolidated financial statements.

## PEACEHEALTH NETWORKS

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

(In thousands)

### (1) Organization

#### (a) Corporate Structure

PeaceHealth Networks is a Washington not-for-profit corporation, recognized as tax exempt pursuant to Section 501(c)(3) of the Internal Revenue Code, which is the sole corporate member of PeaceHealth, which is also a Washington not-for-profit corporation, recognized as tax exempt pursuant to Section 501(c)(3) of the Internal Revenue Code, with its corporate office located in Vancouver, Washington. PeaceHealth Networks is not affiliated with the Roman Catholic Church, currently has no operations, and currently holds no financial assets in its own name; however, it is the member corporation of PeaceHealth, which is a Private Pontifical Juridic Person according to the canon law of the Roman Catholic Church, does have extensive healthcare operations and holds substantial financial assets. PeaceHealth Networks and its associated entities are collectively referred to herein as "the Corporation." PeaceHealth Networks and PeaceHealth are the only members of the Corporation's obligated group. At June 30, 2022, the following regional healthcare delivery systems and operating divisions are components of PeaceHealth:

#### Northwest Network:

- PeaceHealth Ketchikan Medical Center
- PeaceHealth St. Joseph Medical Center
- Peace Island Medical Center
- PeaceHealth United General Medical Center

#### Columbia Network:

- PeaceHealth St. John Medical Center
- PeaceHealth Southwest Medical Center

#### Oregon West Network:

- PeaceHealth Sacred Heart Medical Center at University District
- PeaceHealth Sacred Heart Medical Center at RiverBend
- PeaceHealth Cottage Grove Community Medical Center
- PeaceHealth Peace Harbor Medical Center

#### Systemwide Organizations:

- PeaceHealth Medical Group

These regional healthcare delivery systems and operating divisions provide inpatient, outpatient, primary, and specialty care and home care services in Alaska, Washington, and Oregon. These divisions primarily operate in Ketchikan, Alaska; Bellingham, Friday Harbor, Sedro Woolley, Longview, and Vancouver, Washington; and Springfield, Eugene, Florence, and Cottage Grove, Oregon.

## PEACEHEALTH NETWORKS

### Notes to Consolidated Financial Statements

June 30, 2022 and 2021

(In thousands)

PeaceHealth Networks included the following controlled affiliates at June 30, 2022:

- PeaceHealth
- Health Ventures
- Pooled Income Funds (including Charitable Life Income Funds)
- PeaceHealth Southwest Medical Center Foundation
- PeaceHealth Networks On Demand
- PeaceHealth Ambulatory LLC
  - PeaceHealth Clinically Integrated Network, LLC
  - PeaceHealth Direct Contracting, LLC
- Clare Reassurance, Ltd.
- ClareSource, LLC (also known as Zoom Manufacturing LLC)

The consolidated financial statements include the accounts of the Corporation. All significant intercompany transactions and balances have been eliminated.

## **(2) Summary of Significant Accounting Policies**

### **(a) Estimates**

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

### **(b) Cash and Cash Equivalents**

Cash and cash equivalents consist of petty cash, cash in demand bank accounts, and all highly liquid debt instruments purchased with an original maturity of three months or less other than those amounts included in assets whose use is limited.

The Corporation maintains cash and cash equivalents on deposit at various institutions, which, at times, exceed the insured limits of the Federal Deposit Insurance Corporation. This exposes the Corporation to potential risk of loss in the event the institution becomes insolvent. Changes in cash equivalents held by investment managers are presented as investing activity on the consolidated statements of cash flows.

### **(c) Short-Term Investments**

Short-term investments consist primarily of certificates of deposit, U.S. government, and other investment-grade securities. The maturities of these related securities can exceed one year. Management anticipates the securities will be liquidated within one year. Investment income or loss (including realized and unrealized gains and losses and interest and dividends) is included in the (deficit) excess of revenues over expenses.

### **(d) Inventory of Supplies**

Inventory is valued on weighted average cost.

## PEACEHEALTH NETWORKS

### Notes to Consolidated Financial Statements

June 30, 2022 and 2021

(In thousands)

#### **(e) Other Receivables**

Other receivables primarily consist of amounts receivable from the Oregon Hospital Assessment Program and the Washington State Safety Net Assessment Program, amounts receivable from excess insurance carriers, and other miscellaneous amounts due.

#### **(f) Assets Whose Use is Limited**

Certain assets have been set aside by management of the Corporation for future capital improvements, self-insured liabilities, and other purposes, over which management retains control and may, at its discretion, subsequently use for other purposes. Amounts required to meet current liabilities of the Corporation have been reclassified as current in the consolidated balance sheets at June 30, 2022 and 2021. These items consist primarily of investments in marketable equity and fixed-income securities. Investment income or loss (including realized and unrealized gains and losses and interest and dividends) is included in the (deficit) excess of revenues over expenses.

The Corporation accounts for its investments on a trade-date basis. Investment sales and purchases initiated prior to the consolidated balance sheet date and settled subsequent to the consolidated balance sheet date result in amounts due from and to brokers. Changes in these assets and liabilities represent noncash investing activities excluded from the consolidated statements of cash flows. As of June 30, 2022, the Corporation recorded receivables of \$98,927 for investments sold but not settled as pending trades receivable in the accompanying consolidated balance sheets. As of June 30, 2022 and 2021, the Corporation recorded payables of \$25,621 and \$15,114, respectively, for investments purchased but not settled as pending trades payable in the accompanying consolidated balance sheets.

#### **(g) Liquidity**

Cash and cash equivalents, accounts receivable, and short-term investments are the primary liquid resources used by the Corporation to meet expected expenditure needs within the next year. The Corporation has credit facility programs, as described in note 8, available to meet unanticipated liquidity needs. Although intended to satisfy long-term obligations, management estimates that approximately 73% and 80% of assets whose use is limited, as stated at June 30, 2022 and 2021, respectively, could be liquidated and be made available for general operating purposes within the next year if needed.

#### **(h) Property, Plant, and Equipment**

Property, plant, and equipment are stated at cost at the date of acquisition or fair value at the date of donation. Improvements and replacements of plant and equipment are capitalized. Maintenance and repairs are expensed as they are incurred. When property, plant, and equipment are sold or retired, the cost and the related accumulated depreciation are removed from the accounts, and the resulting gain or loss is recorded.

## PEACEHEALTH NETWORKS

### Notes to Consolidated Financial Statements

June 30, 2022 and 2021

(In thousands)

The Corporation assesses potential impairment of its long-lived assets when there is evidence that events or changes in circumstances have made recovery of the asset's carrying value unlikely. An impairment loss is indicated when the sum of expected undiscounted future net cash flows is less than the carrying amount. The loss recognized is the difference between the fair value and the carrying amount. No impairment losses related to property, plant, and equipment were recognized during the years ended June 30, 2022 or 2021.

#### **(i) Depreciation and Amortization**

Depreciation and amortization on property, plant, and equipment are computed using the straight-line method over the following estimated useful lives:

Land improvements	5–25 Years
Buildings and improvements	5–80 Years
Fixed equipment	10–75 Years
Leasehold improvements	Shorter of remaining length of the lease or useful life
Moveable equipment	3–30 Years

#### **(j) Other Assets**

Other assets include intangible assets, primarily trade names, and goodwill. Intangible assets with indefinite lives are evaluated annually for impairment. Impairment reviews are performed of the purchased intangible assets whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. There were no impairment losses recognized during the years ended June 30, 2022 or 2021.

#### **(k) Other Long-Term Liabilities**

Other long-term liabilities consist primarily of the estimated fair value associated with the Corporation's interest rate swaps of \$73,074 and \$135,752 at June 30, 2022 and 2021, respectively; the liability for the PeaceHealth SWHS Frozen DB Pension Plan of \$0 and \$3,470 at June 30, 2022 and 2021, respectively; the liability for the PeaceHealth's 457(b) and 457(f) postretirement savings plans of \$76,594 and \$84,764 at June 30, 2022 and 2021, respectively; and the long-term portion of the liability for the self-insurance programs of \$51,256 and \$58,380 at June 30, 2022 and 2021, respectively. The remaining balance of other long-term liabilities includes environmental liabilities, gift annuities, and deferred compensation plan liability.

Accounting for asset retirement and environmental obligations requires legal obligations associated with the retirement of long-lived assets to be recognized at fair value when incurred and capitalized as part of the related long-lived asset. In the absence of quoted market prices, the Corporation estimates the fair value of its asset retirement obligations using present value techniques, in which estimates of future cash flows associated with retirement activities are discounted using a credit-adjusted risk-free rate.

## PEACEHEALTH NETWORKS

### Notes to Consolidated Financial Statements

June 30, 2022 and 2021

(In thousands)

The Corporation has created several pooled income funds. Donors make a contribution and receive annuity payments based on the associated rental income. Upon the annuity termination, the remaining interest is transferred to the Corporation. At June 30, 2022 and 2021, the Corporation has recorded the present value of the annuity payments of \$10,934 and \$9,718, respectively, as part of other long-term liabilities. The discount rate ranged from 6.5% to 7.3% at June 30, 2022 and 6.4% to 7.2% at June 30, 2021.

#### **(l) Net Assets**

Net assets without donor restrictions are those that are not subject to donor-imposed stipulations. Net assets with donor restrictions are those whose use by the Corporation have been limited by donor-imposed restrictions to a specific time period, in perpetuity, and/or purpose.

Net assets with donor restrictions represent resources subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that are restricted by the donor for a particular purpose and that will be met by the passage of time or other events specified by the donor. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. When specific donor restrictions are satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of operations and the consolidated statements of changes in net assets as net assets released from restrictions.

#### **(m) Contributions and Grants**

Contributions and grants are recognized as revenue upon receipt of the donor's pledge to contribute. Contributions and grants are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts pledged that are restricted by the donor for specific purposes are reported as net assets with donor restrictions. Unconditional promises to give that are silent as to the due date are presumed to be time restricted by the donor until received and are reported as net assets with donor restrictions.

A donor restriction expires when an unconditional promise with an implied time restriction is collected or when the purpose for the restriction is accomplished. Upon expiration, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the consolidated statements of operations as net assets released from restrictions. Restricted contributions received in the same year in which the restrictions are met are recorded as an increase in restricted support at the time of receipt and as net assets released from restrictions at the time restrictions are met.

#### **(n) Interest in Net Assets of Related Foundations**

The Corporation recognizes its interest in its unconsolidated related foundations representing certain net assets that will ultimately benefit the Corporation. The Corporation records an asset on the consolidated balance sheets for its beneficial interest in net assets of related foundations. The Corporation recognizes changes in this beneficial interest in the consolidated statements of changes in net assets.

## PEACEHEALTH NETWORKS

### Notes to Consolidated Financial Statements

June 30, 2022 and 2021

(In thousands)

**(o) Other Operating Revenue**

Other operating revenue includes revenue from nonpatient care services, clinical space rental revenue, and other miscellaneous revenue. Such revenue is generally recognized at point of service for these transactions in accordance with Accounting Standards Codification Topic 606, *Revenue from Contracts with Customers*. Other operating revenue also includes contributions both unrestricted in nature and those released from restriction to support operating activities and COVID-19-related grant income.

**(p) Nonrecurring Operating Loss**

The Corporation recorded a nonrecurring operating loss in the amount of \$16,494 in the year ended June 30, 2022. This settlement has been presented as nonrecurring in the operating section of the statement.

**(q) Loss from Operations**

Loss from operations excludes certain items that the Corporation deems outside the scope of its primary business, such as investment return, change in valuation of interest rate swaps, and other items.

**(r) (Deficit) Excess of Revenues over Expenses**

(Deficit) excess of revenues over expenses includes results from the Corporation's operating and nonoperating investing activities. Investment return includes interest income, dividends, and realized and unrealized investment gains and losses. Changes in net assets without donor restrictions not included in (deficit) excess of revenues over expenses include net assets released from restriction for the purchase of property, changes in the Corporation's interest in the net assets of noncontrolled foundations, and certain changes in funded status of the pension plan.

**(s) Federal and State Income Taxes**

PeaceHealth and PeaceHealth Networks have received determination letters from the Internal Revenue Service stating that they are exempt from federal and state income tax under Section 501(c)(3) of the Internal Revenue Code except for tax on unrelated business income. It is management's belief that none of its activities have produced material unrelated business income. The Corporation recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Recognized income tax positions are measured at the largest amount that exceeds a 50% probability of being realized. Changes in recognition or measurement are reflected in the period in which the change in estimate occurs.

Certain affiliated entities included in the consolidated financial statements may be subject to taxation. The tax expense and related provision for these entities are not material to the consolidated financial statements.

## PEACEHEALTH NETWORKS

### Notes to Consolidated Financial Statements

June 30, 2022 and 2021

(In thousands)

### **(3) Revenue Recognition**

#### ***(a) Patient Service Revenue***

Patient service revenue relates to contracts with patients involving third-party payors where the Corporation has an obligation to perform healthcare services. This revenue is recorded at the amount due from patients, third-party payors, and others when the performance obligations are satisfied. The Corporation bases the implicit price concessions on historical collectibility data by payor using a portfolio approach to recognize the deductions netted against revenue when it is recognized.

The Corporation has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to the Corporation under these agreements includes prospectively determined rates per unit of service and discounts from established charges, as well as risk-sharing arrangements. Most arrangements provide for payment or reimbursement to the Corporation at amounts different than established rates. Contractual discounts represent the difference between established rates for services and amounts paid or reimbursed by these third-party payors. Risk-sharing arrangements include incentive payments for specific quality outcomes, effective management of costs, and other measures, and in some cases may result in a penalty.

The Corporation provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Because the Corporation does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue.

The Corporation maintains records to identify and monitor the level of charity care it provides. These records include the amount of charges forgone for services and supplies under its charity care policy. Estimated costs (based on the proportion of overall costs to charges foregone for charity care) for services and supplies furnished under the charity care policy for the years ended June 30, 2022 and 2021 were approximately \$48,201 and \$48,094, respectively.

#### ***(b) Disaggregation of Revenue***

The Corporation earns the majority of its revenues from contracts with customers. Revenues and adjustments not related to contracts with customers are included in other revenue.



# PEACEHEALTH NETWORKS

## Notes to Consolidated Financial Statements

June 30, 2022 and 2021

(In thousands)

Total revenues from contracts with customers by payor are as follows for the years ended June 30:

		<b>2022</b>	<b>2021</b>
Medicare	\$	1,299,990	1,183,168
Medicaid		384,013	355,896
Commercial and other		1,403,333	1,312,955
Private pay		16,008	44,944
Patient service revenue		3,103,344	2,896,963
Other revenue		187,273	115,685
Total revenue	\$	3,290,617	3,012,648

Note 4 includes discussion of the federal stimulus payments received for COVID-19 included in other revenue.

### (c) *Variable Consideration*

Reimbursement for inpatient and outpatient services rendered to Medicare recipients has been made principally under a prospective pricing system. Services to Medicaid patients are also reimbursed based on a combination of prospectively determined rates and cost reimbursement methodology. Continuation of these reimbursement programs at the present level, and on the present basis, is dependent upon future policies of federal and state governmental agencies. The Corporation operates five critical access hospitals that are reimbursed based on costs for inpatient and outpatient services rendered to Medicare and Medicaid program beneficiaries. Interim reimbursement to critical access hospitals is based upon tentative rates and retroactive adjustment is made to actual cost during final settlement by either the Medicare fiscal intermediary or the applicable state's Medicaid agency.

Patient service revenue is recognized at the time services are provided to patients. Revenue is recorded in the amount which the Corporation expects to collect, which may include variable components. Variable consideration is included in the transaction price to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with variable consideration is subsequently resolved. The Corporation has estimated payments for services rendered to Medicare and Medicaid patients during the year by applying the payment principles of the applicable governmental agencies and believes that an adequate provision has been made in the accompanying consolidated financial statements for final settlement. Estimates of final settlements due to and due from Medicare, Medicaid, and other third-party payors have been reflected net as reimbursement settlement payable in the accompanying consolidated balance sheets. Differences between the net amounts accrued and subsequent settlements are recorded in operations at the time of settlement. The net amount of adjustments from finalization and adjustment of prior years' cost reports and other third-party settlements resulted in a decrease in patient service revenue of approximately \$2,335 and \$4,454 in 2022 and 2021, respectively.

## PEACEHEALTH NETWORKS

### Notes to Consolidated Financial Statements

June 30, 2022 and 2021

(In thousands)

Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretations. As a result, there is at least a reasonable possibility that recorded estimates associated with these programs will change by a material amount in the near term.

#### **(d) Concentration of Credit Risk**

There is a corresponding significant concentration of credit risk in net accounts receivable balances at June 30:

	2022	2021
Medicare	36 %	34 %
Medicaid	8	10
Commercial and other	48	48
Private pay	8	8
	100 %	100 %

#### **(4) COVID-19**

During the COVID-19 pandemic, federal, state, and local authorities undertook several actions designed to assist healthcare providers in providing care to COVID-19 and other patients and to mitigate the adverse economic impact of the COVID-19 pandemic. Legislative actions taken by the federal government included the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), the Paycheck Protection Program and Health Care Enhancement Act, the Continuing Appropriations Act, 2021 and Other Extensions Act, and the Consolidated Appropriations Act, 2021 (collectively, the COVID Acts).

With the COVID Acts, the federal government authorized funding to be distributed through the Public Health and Social Services Emergency Fund (Provider Relief Fund or PRF). On June 2021, the U.S. Department of Health and Human Services (HHS) established new deadlines for when recipients of PRF grants must use the funding received, generally 12 to 18 months after receipt of the grant funds. HHS will recoup PRF grant funds not utilized by the established deadlines. The Corporation received approximately \$212,370 in payments from the PRF of which \$78,451 and \$25,668 were recognized as other operating revenue for the years ended June 30, 2022 and 2021, respectively.

The Coronavirus Aid, Relief and Economic Security Act (the CARES Act) expanded the Medicare Accelerated and Advance Payment Program to increase cash flow to providers impacted by the COVID-19 pandemic. The Medicare Accelerated and Advanced Payment Program payments are advances that providers must repay. Providers are required to repay accelerated payments beginning one year after the payment was issued. After such one-year period, Medicare payments owed to providers will be recouped according to the repayment terms. The accelerated payments as of June 30, 2022 and 2021, respectively, were \$89,419 and \$271,389, which have been accrued on the consolidated balance sheets as a contract liability in the Medicare advance funding current liability and in other long-term liabilities.

## PEACEHEALTH NETWORKS

### Notes to Consolidated Financial Statements

June 30, 2022 and 2021

(In thousands)

The COVID Acts also permitted employers to defer payment of the 6.2% employer Social Security tax beginning March 27, 2020 through December 31, 2020, with 50% of the deferred amount due December 31, 2021 and the remaining 50% due December 31, 2022. The Corporation began deferring the employer portion of social security taxes in mid-April 2020. As of June 30, 2022 and 2021, respectively, the Corporation deferred \$26,088 and \$49,341 in social security taxes, which are included in accrued payroll, payroll taxes and employee benefits and other long-term liabilities in the accompanying consolidated balance sheets.

COVID volumes resulted in high levels of contract labor resulting in a negative impact on operations. The Corporation incurred temporary labor costs for the year ended June 30, 2022, and 2021 respectively of \$305,957 and \$81,425 which were reported in salaries and wages in the accompanying consolidated statements of operations.

#### (5) Fair Value of Financial Instruments

Accounting Standards Codification (ASC) Topic 820, *Fair Value Measurement*, requires a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Corporation has the ability to access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest-level input that is significant to the fair value measurement in its entirety. Investments valued utilizing net asset value (NAV) as a practical expedient are excluded from the hierarchy.

The fair value of cash equivalents and investments, other than those measured using NAV as a practical expedient for fair value, is estimated using quoted market prices multiplied by shares held or other observable inputs when quoted market prices are unavailable.

Registered mutual funds and money market funds are classified in Level 1 of the fair value hierarchy as defined above because their fair values are based on quoted prices for identical securities.

The common/collective trusts have been determined to trade daily at NAV as the trading price and are classified in Level 2 of the fair value hierarchy, as defined above.

## PEACEHEALTH NETWORKS

### Notes to Consolidated Financial Statements

June 30, 2022 and 2021

(In thousands)

The Corporation uses a practical expedient for the estimation of the fair value of investments in funds for which the investment does not have a readily determinable fair value. The practical expedient used by the Corporation is the NAV per share or its equivalent. In some instances, the NAV may not equal the fair value that would be calculated under fair value accounting standards. Investments in hedge funds, real estate funds, and private equity investments are carried at estimated fair value using NAV as a practical expedient as determined by the external investment manager. Valuations provided by fund administrators consider variables, such as the financial performance of underlying investments, recent sales prices of underlying investments, and other pertinent information. In addition, actual market exchanges at year-end provide additional observable market inputs of the exit price. Management reviews the valuations and assumptions provided by fund administrators for reasonableness and believes that the carrying amounts of these financial instruments are reasonable estimates of fair value. The initial valuation is adjusted when changes to inputs and assumptions are corroborated by evidence, such as transactions of similar securities; completed or pending third-party transactions in the underlying security or comparable entities; offerings in the capital markets; and changes in financial results, data, or cash flows. For positions that are not traded in active markets or are subject to notice provisions, valuations are adjusted to reflect such provisions, and such adjustments are generally based on available market evidence.

Other financial instruments of the Corporation include cash and cash equivalents and other receivables. The carrying amount of these instruments approximates fair value because these items mature in less than one year. The carrying amount of other long-term investments approximates fair value, excluding joint ventures, which are accounted for under the equity method of accounting.

#### (6) Investments

The composition of short-term investments and assets whose use is limited carried at fair value on a recurring basis at June 30, 2022 is set forth in the following table:

	June 30, 2022	Fair value measurements at reporting date using		
		Level 1	Level 2	Level 3
Assets:				
Short-term investments:				
Cash equivalents	\$ 83,964	83,964	—	—
Fixed income:				
Government, municipal, foreign, and other	124,201	63,697	60,504	—
Mortgage and asset-backed securities	63,664	—	63,664	—
Corporate obligations	218,725	—	218,725	—
Other short-term investments	7,136	77	7,059	—
Common/collective trusts	9,994	—	9,994	—
Total	507,684	147,738	359,946	—

# PEACEHEALTH NETWORKS

## Notes to Consolidated Financial Statements

June 30, 2022 and 2021

(In thousands)

	June 30, 2022	Fair value measurements at reporting date using		
		Level 1	Level 2	Level 3
Designated for capital acquisition:				
Cash equivalents	\$ 41,068	41,068	—	—
Fixed income:				
Government, municipal, foreign, and other	5,175	1,595	3,580	—
Mutual funds:				
Fixed income	71,314	71,314	—	—
Domestic equities	584,600	584,600	—	—
International equities	337,953	337,953	—	—
Other	3,612	3,612	—	—
Other long-term equity investments	27,706	27,706	—	—
Common/collective trusts	5,356	—	5,356	—
Hedge funds and other	28,819	—	28,819	—
Total	1,105,603	1,067,848	37,755	—
Funds designated for 457 plans:				
Mutual funds	76,594	76,594	—	—
Total	76,594	76,594	—	—
Total assets at fair value	1,689,881	\$ 1,292,180	397,701	—
Investments measured at NAV:				
Hedge funds	248,351			
Private equity	279,165			
Real estate limited partnerships	104,300			
Total assets	\$ 2,321,697			
Liabilities:				
Interest rate swaps	\$ 73,074	—	73,074	—
Total liabilities	\$ 73,074	—	73,074	—

# PEACEHEALTH NETWORKS

## Notes to Consolidated Financial Statements

June 30, 2022 and 2021

(In thousands)

The composition of short-term investments and assets whose use is limited carried at fair value on a recurring basis at June 30, 2021 is set forth in the following table:

	<u>June 30, 2021</u>	<u>Fair value measurements at reporting date using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Assets:				
Short-term investments:				
Cash equivalents	\$ 66,375	66,375	—	—
Fixed income:				
Government, municipal, foreign, and other	310,478	209,964	100,514	—
Mortgage and asset-backed securities	113,243	—	113,243	—
Corporate obligations	334,616	—	334,616	—
Other short-term investments	18,506	17,627	879	—
Common/collective trusts	16,934	—	16,934	—
Total	860,152	293,966	566,186	—
Designated for capital acquisition:				
Cash equivalents	109,030	109,030	—	—
Fixed income:				
Government, municipal, foreign, and other	90,577	—	90,577	—
Mutual funds:				
Fixed income	133,867	133,867	—	—
Domestic equities	776,589	776,589	—	—
International equities	502,119	502,119	—	—
Other	32,163	32,163	—	—
Other long-term equity investments	28,755	28,755	—	—
Common/collective trusts	8,751	—	8,751	—
Hedge funds and other	39,515	—	39,515	—
Total	1,721,366	1,582,523	138,843	—
Funds designated for 457 plans:				
Mutual funds	84,764	84,764	—	—
Total	84,764	84,764	—	—
Total assets at fair value	2,666,282	\$ 1,961,253	705,029	—

# PEACEHEALTH NETWORKS

## Notes to Consolidated Financial Statements

June 30, 2022 and 2021

(In thousands)

	June 30, 2021	Fair value measurements at reporting date using		
		Level 1	Level 2	Level 3
Investments measured at NAV:				
Hedge funds	\$ 227,386			
Private equity	185,742			
Real estate limited partnerships	70,964			
Total assets	\$ 3,150,374			
Liabilities:				
Interest rate swaps	\$ 135,752	—	135,752	—
Total liabilities	\$ 135,752	—	135,752	—

The Corporation holds investments in private equity and distressed debt limited partnerships where NAV is used as a practical expedient to measure fair value at June 30, 2022 and 2021. These partnerships do not allow for periodic redemptions but rather liquidate upon the termination date as stated in the partnership agreement. Therefore, the private equity investments are considered illiquid investments. At June 30, 2022 and 2021, the Corporation held \$279,165 and \$185,742, respectively, of private equity and distressed debt limited partnerships that had termination dates that ranged from 2023 to 2033. As of June 30, 2022, the Corporation had a capital commitment of \$1,899 to distressed debt and \$128,645 to private equity.

	2022	2021	Unfunded commitments
Distressed debt	\$ 232	535	1,899
Private equity	278,933	185,207	128,645
Total	\$ 279,165	185,742	130,544

# PEACEHEALTH NETWORKS

## Notes to Consolidated Financial Statements

June 30, 2022 and 2021

(In thousands)

The following table summarizes investments measured at fair value based on NAV per share as of June 30, 2022 and 2021 and their redemption restrictions:

	Fair value at June 30, 2022	Fair value at June 30, 2021	Lockup terms or redemption restrictions	Redemption frequency	Redemption frequency
Hedge funds	\$ 38,126	42,806	None	Monthly	10 Days
Hedge funds	10,000	—	None	Monthly	15 Days
Hedge funds	22,241	20,543	None	Monthly	30 Days
Hedge funds	17,831	—	None	Monthly	60 Days
Hedge funds	13,961	17,212	Gate at 20% of total fundnet assets	Monthly	60 Days
Hedge funds	—	4,962	None	Monthly	90 Days
Hedge funds	20,414	52,134	None	Semimonthly	30 Days
Hedge funds	26,298	16,002	Gate at 50% of total fundnet assets	Quarterly	60 Days
Hedge funds	30,638	16,747	None	Quarterly	60 Days
Hedge funds	19,755	11,859	Gate at 10%	Quarterly	65 Days
			Withdrawal limits across four successive withdrawal dates	Quarterly	90 Days
Hedge funds	20,952	14,444	None	Quarterly	90 Days
Hedge funds	20,696	22,677	None	Quarterly	30 Days
Hedge funds	7,439	8,000	None	Quarterly	30 Days
			First business day of the calendar quarter with 45 days notice	Quarterly	45 Days
Real estate	72,188	47,970	Two-year lockup period	N/A	N/A
Real estate	29,980	22,327	None	N/A	N/A
Real estate	2,132	667			
	<u>\$ 352,651</u>	<u>298,350</u>			

### Other Investments

Health Ventures is a not-for-profit corporation that has entered into joint ventures to provide radiology, oncology, dialysis, and surgery services. PeaceHealth is the sole member of Health Ventures. Health Ventures is included in the consolidated financial statements but is not part of the obligated group. The majority of these joint ventures are accounted for under the equity method. Health Venture's ownership interest in the joint ventures ranged from approximately 25.2% to 50% at June 30, 2022 and 25.1% to 50% at June 30, 2021.

During the fiscal year ended June 30, 2022, PeaceHealth invested in Ardon Health, a pharmacy company, and Emerging Health, an infusion services company. PeaceHealth purchased 35% ownership interest in Ardon Health Holdings, which owns 100% of Ardon Health and Emerging Health. Ardon Health is held directly by PeaceHealth and is not part of Health Ventures.

As of June 30, 2022 and 2021, the carrying value of the joint ventures was approximately \$58,658 and \$27,998, respectively, and is recorded in investments in joint ventures and other on the consolidated balance sheets. Equity earnings from the joint ventures of \$13,022 and \$12,949 for the years ended June 30, 2022 and 2021, respectively, are included in other operating revenue. The unaudited assets, liabilities, and equity of these joint ventures accounted for under the equity method were \$182,064,



## PEACEHEALTH NETWORKS

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\$45,239, and \$136,825, respectively, at June 30, 2022 and \$76,936, \$13,902, and \$63,034, respectively, at June 30, 2021.

At June 30, 2022, Health Ventures had a controlling ownership of 51.02% in Riverbend Ambulatory Surgery Center, which is consolidated within Health Ventures.

#### (7) Leases

The Corporation leases office space and clinic facilities under various noncancelable operating leases. The Corporation determines if an arrangement is a lease at inception of the contract. For leases with terms greater than 12 months, the Corporation records the related ROU asset and lease liability at the present value of the lease payments over the contract term using the Corporation's incremental borrowing rate. Right-of-use assets represent the Corporation's right to use the leased assets over the life of the lease and are derived from the lease liability, adjusted by any lease payments made prior to lease commencement, initial direct costs, and/or lease incentives. Building lease agreements generally require the Corporation to pay maintenance, repairs, and property taxes, which are variable based on actual costs incurred during each applicable period. Such costs are not included in the determination of the ROU asset or lease liability. Variable lease costs also include escalating rent payments that are not fixed at lease commencement but are based on an index that is determined in future periods over the lease term based on changes in the Consumer Price Index or other measures of cost inflation. Most leases include one or more options to renew the lease at the initial term, with renewal terms that generally extend the lease at the then market rate of rental payment. The exercise of lease renewal options is at the Corporation's sole discretion.

Rent expense for the leases was \$43,668 and \$41,089 for the fiscal years ended June 30, 2022 and 2021, respectively and is included in purchased services on the consolidated statements of operations and changes in net assets without restrictions.

The following table presents the components of the lease assets and lease liabilities related to their classification in the accompanying consolidated balance sheets as of June 30, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Operating leases:		
Operating lease right-of-use assets	\$ 88,918	77,740
Short-term lease liabilities	\$ 10,425	11,884
Long-term lease liabilities	<u>82,817</u>	<u>69,940</u>
	<u>\$ 93,242</u>	<u>81,824</u>
Weighted average lease term – operating leases	9.3 years	8.3 years
Weighted average discount rate – operating leases	3.79 %	3.91 %

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Supplemental cash flow and other information related to leases as of and for the year ended June 30 are as follows:

	<u>2022</u>	<u>2021</u>
Operating cash flows (fixed payments)	\$ 14,768	14,350
Operating cash flows (liability reduction)	<u>12,100</u>	<u>11,693</u>
Operating cash flows from operating leases	<u>\$ 26,868</u>	<u>26,043</u>
Right-of-use assets obtained in exchange for operating lease obligations	\$ 28,096	70,296

The future minimum lease payments that are required under the above operating leases as of June 30, 2022 were as follows:

2023	\$ 17,740
2024	15,953
2025	14,533
2026	12,869
2027	11,367
Thereafter	<u>38,851</u>
	111,313
Less: amount of lease payments representing interest	<u>(18,071)</u>
Present value of minimum future lease payments	93,242
Less: current lease obligation	<u>(10,425)</u>
Long-term lease obligation	<u>\$ 82,817</u>

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**(8) Long-Term Debt**

Long-term debt at June 30 consisted of the following:

	Maturing through	Coupon rates		2022	2021
		2022	2021	2022	2021
<b>Master trust debt:</b>					
Fixed rate:					
2012 Direct Note Obligation to Bank of America	2022	2.32%	2.32%	\$ 3,367	9,464
2013 Direct Note Obligation to Bank of America	2023	3.23%	3.23%	7,642	13,164
Series 2014 Oregon Bonds, Series A	2032	4.125%–5.00%	4.125%–5.00%	54,750	57,470
Series 2018 Taxable Bonds	2048	4.79%	4.79%	355,144	355,144
Series 2020 Taxable Bonds	2050	1.375%–3.218%	1.375%–3.218%	741,305	741,305
Total fixed rate				<u>\$ 1,162,208</u>	<u>1,176,547</u>
Variable:					
Series 2013 Washington Bonds, Series A, variable interest rate (68%*1ml+ 70 bps)	2034	1.42%	0.80%	\$ 41,965	43,465
Series 2018 Oregon Bonds, Series A variable interest rate (prevailing market rates)	2034	0.58%	0.05%	45,975	45,975
Series 2018 Oregon Bonds, Series B variable interest rate (prevailing market rates)	2034	0.52%	0.05%	100,000	100,000
Series 2018 Oregon Bonds, Series C variable interest rate (80%1ml+ 62 bps)	2047	1.47%	0.74%	75,000	75,000
Total variable rate				<u>\$ 262,940</u>	<u>264,440</u>
Unpaid principal, master trust debt				\$ 1,425,148	1,440,987
Premium and other on long-term debt				(3,625)	(3,884)
Master trust debt, including premiums and discounts, net				1,421,523	1,437,103
Other long-term debt				<u>42,220</u>	<u>10,230</u>
Total long-term debt				1,463,743	1,447,333
Less amounts due within one year				<u>(14,409)</u>	<u>(15,829)</u>
Total long-term debt due after one year				<u>\$ 1,449,334</u>	<u>1,431,504</u>

\* ML as used in the table above is defined as monthly LIBOR

PeaceHealth Networks and PeaceHealth are the sole members of the PeaceHealth Obligated Group. The assets of the obligated group are available for the satisfaction of debts of PeaceHealth and PeaceHealth Networks under the terms of its master trust indenture.

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PeaceHealth issued debt in fiscal year 2021 to diversify its debt profile and raise funds for future capital needs. Series 2020 taxable fixed rate bonds with a par amount of \$741,305 were issued for general corporate purposes and to refinance the Series 2011 Oregon Series B Direct Placement Bonds, Series 2014 Washington Series A Bonds and the 2013 Direct Note Obligation to Bank of America.

The Washington 2013(A) Direct Placement Bonds, 2018 Oregon Series A B Variable Rate Demand Bonds and the 2018 Oregon Series C Direct Placement Bonds have variable interest rates that may bear interest at a daily, weekly, 28 day, monthly, semiannual, or annual rates. The rate determination mode may be changed upon request of PeaceHealth and PeaceHealth Networks. The bonds are subject to optional redemption by PeaceHealth and PeaceHealth Networks, in whole or in part, at 100% of the principal amount plus accrued interest. The Washington 2013(A) bonds can be converted to publicly held variable rate demand bonds if PeaceHealth and PeaceHealth Networks chooses. The continuing covenant agreement for the Washington 2013(A) bonds requires a minimum two-year notice period prior to any anniversary of the date of issue occurring on or after February 27, 2016 to be given from the bank to PeaceHealth if the bank chooses to no longer hold the debt, provided that PeaceHealth is in compliance with financial covenants. Letters of credit supporting the 2018 Oregon Series A-B Bonds expire October 31, 2023 and 2024 and are extendable by the banks upon request from PeaceHealth and PeaceHealth Networks. The Washington 2013 A Direct Placement Bonds, the 2018 Oregon Series A-B Variable Rate Demand Bonds and the 2018 Oregon Series C Direct Placement Bonds are matched to fixed payor swaps ranging between 3.50% and 4.15% for approximately their par value, the notional amounts of swaps amortizing proportionately to the bonds.

Scheduled principal payments of long-term debt, excluding the premium on bonds, as due according to their original long-term amortization schedule and other debt according to its original maturity schedule for the next five years and thereafter are as follows:

	Long-term debt	Finance leases, line of credit, and other	Total
Year ending June 30:			
2023	\$ 13,313	1,661	14,974
2024	6,895	1,711	8,606
2025	4,880	1,714	6,594
2026	343,369	1,714	345,083
2027	5,560	1,542	7,102
Thereafter	1,051,131	45,412	1,096,543
Total	\$ 1,425,148	53,754	1,478,902
Less amounts representing interest		(11,534)	(11,534)
Less amounts representing line of credit		(27,450)	
Present value of net minimum capital lease payments		\$ 14,770	
Total long-term debt			\$ 1,467,368

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The PeaceHealth Master Trust Indenture, the loan agreements, and other contractual documents under which bonds were issued include covenants, which, among others, obligate PeaceHealth and PeaceHealth Networks to maintain patient service revenue at levels sufficient to achieve specified debt service coverage ratios, meet certain financial tests before additional debt can be incurred, and meet certain financial tests before there can be any significant disposition of property.

During the year ended June 30, 2021, the Corporation increased the revolving line of credit with Bank of America to \$125 million. The line of credit bears interest at BSBY Daily Floating Rate expiring in December 2025. At June 30, 2022, no amounts were drawn on the line of credit.

During the year ended June 30, 2021, the Corporation increased the revolving line of credit with U.S. Bank to \$175 million. The line of credit bears interest at LIBOR expiring in December 2025. At June 30, 2022, \$27,450 was drawn on the line of credit.

Cash paid for interest totaled approximately \$41,603 and \$36,846 for the years ended June 30, 2022 and 2021, respectively.

Deferred financing costs are amortized over the lives of the related debt issuances using the effective-interest method.

#### **(9) Accounting for Derivative Instruments and Hedging Activities**

In accordance with the policy adopted by the board of directors, the Corporation may use interest rate swap contracts to manage its net exposure to interest rate changes in attempting to reduce its overall cost of borrowing over time. Interest rate swap contracts generally involve the exchange of fixed and floating interest rate payments without the exchange of underlying principal (the swap of fixed or floating rates are on a notional amount). The Corporation accounts for its interest rate hedging transactions in accordance with Financial Accounting Standards Board (FASB) ASC Topic 815, *Derivatives and Hedging*. That standard requires that every derivative instrument be recorded on the balance sheet as either an asset or a liability measured at its estimated fair value. The interest rate swaps do not meet the criteria for hedge accounting and all changes in the valuation of the interest rate swaps are recognized in the consolidated statements of operations and changes in net assets without donor restrictions.

The Corporation has interest rate swap contracts outstanding as of June 30, 2022 and 2021, respectively, with a total current notional amount of approximately \$335,650 and \$337,175. The Corporation uses the fixed payor swaps to convert a portion of the outstanding variable rate bonds to fixed rates ranging from 3.50% to 4.15%. The fixed payor interest rate swaps are associated with the variable rate bonds but have not been integrated to any of the underlying debt for the purpose of hedge accounting.

Change in valuation of interest rate swaps consists of the noncash change in the liability primarily due to changes in market bond yields, as well as the cash payments and receipts associated with the swaps, and the amortization of the accumulated hedge effectiveness included in net assets. The noncash change in the fair value of the interest rate swaps was a decrease of \$62,678 and \$29,292 in the liability for the years ended June 30, 2022 and 2021, respectively. Net cash settlement cost for the interest rate swaps was \$12,778 and \$13,012, for the years ended June 30, 2022 and 2021, respectively. The amortization of the

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accumulated hedge effectiveness included in net assets was \$79 for both years ended June 30, 2022 and 2021.

Derivative instruments are recorded at fair value taking into consideration the Corporation's nonperformance risk and the respective counterparty's nonperformance risk in the fair value measurements. The impact of taking into account the nonperformance risk on the estimated fair value of the interest rate swaps was a benefit of approximately \$5,941 and \$3,836, as of June 30, 2022 and 2021, respectively. Recording the interest rate swaps at fair value results in a total liability of \$73,074 and \$135,752 as of June 30, 2022 and 2021, respectively, in other long-term liabilities in the accompanying consolidated balance sheets rather than the \$79,015 and \$139,588 that would be paid if all of the swaps were terminated as of June 30, 2022 and 2021, respectively. The inputs used to determine the impact of the counterparty nonperformance risk are Level 2 inputs; as such, derivative liabilities have been recorded as Level 2 in the Corporation's disclosure of fair value instruments (note 6).

The Corporation currently has five swap counterparties, which minimize counterparty risk and collateral posting requirements. These swap agreements contain various credit thresholds that, if breached by the Corporation, would constitute an additional termination event whereby the swap counterparties could terminate the swap by either making a payment to, or receiving a payment from the Corporation, depending upon the termination value of the swaps as of the date of termination. The Corporation retains the right to terminate the swaps at any point, which would also require either making or receiving a payment depending on the termination value of the swap as of the termination date.

The following is a summary of the derivative instruments in place as of June 30, 2022 and 2021:

Maturity date	Current notional amounts at June 30, 2022	Current notional amounts at June 30, 2021	Counterparty	Credit value adjustment at June 30, 2022	Liability fair value at June 30, 2022	Credit value adjustment at June 30, 2021	Liability fair value at June 30, 2021
August 31, 2034	\$ 45,000	45,000	Union Bank, N.A.	\$ 255	(7,450)	208	(13,995)
May 24, 2047	75,000	75,000	Barclay Bank PLC	2,483	(21,929)	1,516	(40,247)
May 22, 2047	75,000	75,000	Mizuho Capital Markets LLC	2,483	(21,929)	1,516	(40,248)
August 01, 2034	50,000	50,000	U.S. Bank N.A.	300	(8,759)	242	(16,135)
August 01, 2034	50,000	50,000	U.S. Bank N.A.	300	(8,750)	242	(16,125)
September 01, 2034	40,650	42,175	Morgan Stanley Capital Services LLC	120	(4,257)	112	(9,002)
	<u>\$ 335,650</u>	<u>337,175</u>		<u>\$ 5,941</u>	<u>(73,074)</u>	<u>3,836</u>	<u>(135,752)</u>

**(10) Benefit Plans**

**(a) Defined-Benefit Pension Plan**

The Corporation sponsored a noncontributory, defined-benefit pension plan, the Southwest Washington Health System Retirement Plan, now known as PeaceHealth SWHS Frozen DB Pension Plan (the Plan) effective January 30, 2015, covering all employees at PeaceHealth Southwest Medical Center who meet requirements as specified in the Plan. The assets of the Plan were available to pay the benefits of all eligible employees of the Plan. The Plan had two benefit structures that include a

## PEACEHEALTH NETWORKS

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cash balance and a final average pay structure. Effective December 31, 2010, the Plan was frozen. No new participants were admitted to the Plan after this date. This event did not terminate the Plan. Benefits earned before the plan was frozen continued to be paid prior to transferring the funds into annuities to prepare for termination.

A plan amendment was made effective December 31, 2016 to spin off a group of participants into PeaceHealth SWHS Frozen DB Pension (Plan II). As of that date, the Plan was renamed PeaceHealth SWHS Frozen DB Pension (Plan I). The PeaceHealth SWHS Plan I and Plan II were collectively referred as "the Plans." Plan provisions were identical between the Plans. The plan split was effective January 1, 2017.

A plan amendment was adopted effective December 31, 2018 to terminate the PeaceHealth SWHS Frozen DB Pension Plan II subject to approval by the Internal Revenue Service and the Pension Benefit Guaranty Corporation (PBGC). A favorable determination letter from the IRS was received for the plan termination. During the year ended June 30, 2021, the Plan purchased annuities and paid benefits to satisfy the benefit obligation. The termination resulted in the realization of \$25,792 in losses for the year ended June 30, 2021, which are recognized in other income (expense) on the consolidated statements of operations and changes in net assets without donor restrictions. The final settlement of remaining assets and expenses occurred during fiscal year 2022.

A plan amendment was adopted effective December 31, 2020 to terminate the PeaceHealth SWHS Frozen DB Pension Plan I subject to approval by the Internal Revenue Service and the Pension Benefit Guaranty Corporation (PBGC). A favorable determination letter from the IRS was received for the plan termination. During the year ended June 30, 2022, the Plan purchased annuities and paid benefits to satisfy the benefit obligation. The termination resulted in the realization of \$78,958 in losses, which are recognized in other income (expense) on the consolidated statements of operations and changes in net assets without donor restrictions. The final settlement of remaining assets and expenses will occur during fiscal year 2023.

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The following table sets forth disclosures related to the Plans in accordance with FASB ASC Paragraph 715-20-65, *Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans*, as of June 30, 2022 and 2021, measured as of January 1, 2022 and 2021, respectively:

	Year ended June 30	
	2022	2021
Change in project benefit obligation:		
Project benefit obligation (PBO) at beginning of period	\$ 192,701	276,859
Service cost	263	1,250
Interest cost	1,113	3,390
Settlement loss	11,069	—
Actuarial loss on PBO	(355)	8,335
Benefits and administrative expenses paid	(204,791)	(97,133)
Projected benefit obligation at June 30	\$ —	192,701
Change in fair value of plan assets:		
Fair value of assets at beginning of period	\$ 189,231	212,027
Actual return on plan assets	2,626	10,781
Employer contribution	13,361	63,556
Benefits paid	(203,988)	(95,597)
Administrative expenses	(803)	(1,536)
Fair value of assets at June 30	\$ 427	189,231
Reconciliation of funded status:		
Funded status	\$ 427	(3,470)
Net amount recognized	\$ 427	(3,470)
Amounts recognized in the consolidated balance sheets consist of:		
Accrued pension liability	\$ —	3,470
Accumulated change in net assets	26,659	23,190



# PEACEHEALTH NETWORKS

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Net periodic benefit cost for the years ended June 30, 2022 and 2021 included the following components and is included in changes in net assets without donor restrictions:

	<u>2022</u>	<u>2021</u>
Service cost	\$ 263	1,250
Interest cost	1,113	3,390
Expected return on plan assets	(1,502)	(8,692)
Amortization of loss	<u>79,112</u>	<u>7,870</u>
Net periodic pension cost	<u>\$ 78,986</u>	<u>3,818</u>

### (b) Assumptions

The Corporation used the following actuarial assumptions to determine its benefit obligations at June 30, 2021 with measurement date of June 30, 2021:

	<u>2021</u>
Discount rate	Plan I 2.06%

The Corporation used the following actuarial assumptions to determine its net periodic benefit cost for the years ended June 30, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Discount rate	Plan I 2.06%	Plan I 2.38%
Expected long-term rate of return on plan assets	—	Plan I 6.8%

This discount rate is based on a proprietary yield curve tool used by the Plans' actuary, which uses a composite of high-yield, investment-grade corporate bonds, and the projected payouts from the Plans to develop an equivalent yield rate to use in determining plan liabilities. For Plan I, the discount rate determined for the valuation at June 30, 2022, was reduced by 50 basis points as an approximation of the rates underlying the annuities to be purchased to settle the benefits for the Plan termination. For Plan II, the discount rate determined for the valuation at June 30, 2021, was reduced by 50 basis points as an approximation of the rates underlying the annuities to be purchased to settle the benefits for the Plan termination.

The expected long-term rate of return on plan assets was based on the asset allocation mix and the long-term historical return for each asset class, taking into account current and expected market conditions. The actual return on pension plan assets was a gain of approximately 1.1% and 6.1% for Plan I during the year ended June 30, 2022 and 2021, respectively.

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In the calculation of pension plan expense, the expected long-term rate of return on plan assets is applied to a calculated value of plan assets that recognizes changes in fair value over a four-year period. This practice is intended to reduce year-to-year volatility in pension expense, but it can have the effect of delaying the recognition of differences between actual returns and expected returns based on the long-term rate of return assumptions.

**(c) Pension Plan Assets**

The asset allocation of the Corporation's pension plan at June 30, 2022 and 2021 is as follows:

	<u>2022</u>	<u>2021</u>
Cash equivalents	\$ 154	734
Debt securities	—	188,061
Others	<u>273</u>	<u>436</u>
Total	<u>\$ 427</u>	<u>189,231</u>

Pension plan assets are managed according to an investment policy adopted by the Plans' trustees. Professional investment managers are retained to manage specific asset classes and professional consulting is utilized for investment performance reporting. The primary objective of the Plans' trustees is to achieve the highest possible total return commensurate with safety and preservation of capital in real, inflation-adjusted terms. The objective includes having funds invested in the long term, which protect the principal and produce returns sufficient to meet future benefit obligations. The investment policy includes an asset allocation that includes equity securities, debt securities, and cash/other investments. In preparation for the termination of the Plan, management has updated the target allocation of investments to invest 100% of assets in debt securities and cash and cash equivalents.

In accordance with FASB ASC Topic 820, financial assets and financial liabilities measured at fair value are grouped in three levels based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to estimate fair value. These levels and the adoption of FASB ASC Topic 820 are further discussed in note 5.

The following is a description of the valuation methodologies used for plan assets measured at fair value:

- The fair value of equity and debt securities (mutual funds) are estimated using quoted market prices or other observable inputs when quoted market prices are unavailable.
- Private equity fund: Valued at the NAV as a practical expedient as supported by audited financial statements.

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The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plans' assets at fair value as of June 30, 2022:

<b>Assets</b>	<b>Total fair value</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Cash equivalents	\$ 154	154	—	—
Total plan assets at fair value	154	154	—	—
Investments at NAV	273			
Total plan assets	\$ 427			

The following table sets forth by level, within the fair value hierarchy, the Plans' assets at fair value as of June 30, 2021:

<b>Assets</b>	<b>Total fair value</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Cash equivalents	\$ 734	734	—	—
Debt securities	188,061	—	188,061	—
Total plan assets at fair value	188,795	734	188,061	—
Investments at NAV	436			
Total plan assets	\$ 189,231			

At June 30, 2022 and 2021, the Plans held \$273 and \$436, respectively, in a private equity investment that is not actively marketed on an open exchange. This investment consists of shares or units in an investment fund as opposed to direct interests in the fund's underlying holdings, which may be marketable. Due to the nature of this fund, the NAV is used as a practical expedient to measure fair value at June 30, 2022 and 2021. This private equity partnership does not allow for periodic redemptions but rather liquidates upon the termination date as stated in the partnership agreement. Therefore, the private equity investment is considered an illiquid investment. At June 30, 2022, the Corporation held \$273 of a private equity limited partnership that had a termination date of June 2023.

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#### (11) Defined-Contribution Retirement Plans

PeaceHealth sponsors two defined-contribution retirement plans, the Southwest Washington Health System Retirement Plan and the PeaceHealth Plan. These plans cover substantially all employees of PeaceHealth meeting certain age and length of service requirements. Total defined-contribution retirement plan costs charged to operations were approximately \$91,196 and \$86,353 for the years ended June 30, 2022 and 2021, respectively, which are included in payroll taxes and benefits in the accompanying consolidated statements of operations and changes in net assets without donor restrictions.

##### *PeaceHealth Deferred Compensation Plans*

The estimated fair value associated with the plan assets of PeaceHealth's 457(b) and 457(f) postretirement savings plans, in the amount of approximately \$76,594 and \$84,764 at June 30, 2022 and 2021, respectively, is included in assets whose use is limited, cash equivalents and investments, with a corresponding amount included in other long-term liabilities. Contributions associated with these funds in 2022 and 2021 were \$11,060 and \$10,600, respectively, and are included in payroll taxes and benefits in the accompanying consolidated statements of operations and changes in net assets without donor restrictions.

#### (12) Net Assets with Donor Restrictions

Net assets with donor restrictions are available for the following purposes at June 30:

	<u>2022</u>	<u>2021</u>
Purchase of property, plant, and equipment	\$ 72,938	3,079
Hospice and indigent care	18,445	15,398
Patient care	12,676	25,827
Children's Services	10,918	4,555
Training and education	2,341	2,688
Other	57,635	51,785
	<u>\$ 174,953</u>	<u>103,332</u>

Approximately \$4,254 and \$4,237 was released from restriction for capital expenditures made during 2022 and 2021, respectively.

##### *Charitable Gift Annuities*

PeaceHealth has been granted a license by the state of Washington, Office of Insurance Commissioner, to issue Charitable Gift Annuities in support of its charitable activities. The Corporation has delegated all its charitable fundraising activities to several fundraising foundations whose net assets held for the beneficial interest of PeaceHealth are shown on the consolidated balance sheets of the Corporation. The liability for annuity contracts issued under the PeaceHealth license and the separately maintained reserve accounts

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are recorded on the books of PeaceHealth. As of June 30, 2022 and 2021, the following liabilities for annuity contracts issued under the PeaceHealth license and reserve account investments were recorded:

	<u>2022</u>	<u>2021</u>
State of Washington gift annuity liabilities (other long-term liabilities)	\$ 1,538	443
Gift annuity reserve accounts (other assets whose use is limited, cash, and investments)	2,142	538

### (13) Commitments and Contingent Liabilities

#### (a) Litigation

Various laws and regulations of federal, state, and local governments govern the healthcare industry. These laws and regulations are subject to ongoing government review and interpretation, as well as regulatory actions unknown or unasserted at this time. The Corporation is also involved in litigation and regulatory investigations arising in the normal course of business. After consultation with legal counsel, management estimates that these matters will be resolved without material adverse effect on the Corporation's future financial position or results of operations.

#### (b) Collective Bargaining Agreements

Approximately 54% and 55% of the Corporation's employees are covered under collective bargaining agreements, including nurses, professional employees, and service employees as of June 30, 2022 and 2021, respectively. The Corporation is currently negotiating certain expired and expiring collective bargaining agreements. The Corporation's various collective bargaining agreements expire between August 2022 and June 2025.

### (14) Insurance Coverages

In connection with the self-insurance program, the Corporation has accrued estimates for asserted and incurred but not reported claims, including both the expected liability under each claim and the cost to administer the claim. Self-insured professional and general liability retention was \$7,000 and \$5,000 per occurrence and \$40,000 and \$25,000 in aggregate in 2022 and 2021, respectively. Individual general and professional liability claims in excess of the above self-insured retention levels are insured through claims-made excess insurance policy.

The Corporation also self-insures all or a portion of liabilities for medical and dental benefit plans, unemployment, and workers' compensation claims. Funding levels and liabilities are determined based on actuarial studies.

## PEACEHEALTH NETWORKS

### Notes to Consolidated Financial Statements

June 30, 2022 and 2021

(In thousands)

Based on actuarial studies, the Corporation has recorded an undiscounted liability for all of the self-insurance programs of approximately \$77,174 and \$90,043 at June 30, 2022 and 2021, respectively. The liabilities are classified within other current liabilities and other long-term liabilities based on the historical amounts paid within one year. Total current amounts included in other current liabilities were approximately \$25,303 and \$31,663 at June 30, 2022 and 2021, respectively. Management has recorded amounts receivable from excess insurance carriers totaling approximately \$2,624 and \$4,349 as of June 30, 2022 and 2021, respectively, which is included in other receivables in the accompanying consolidated balance sheets.

The Corporation is a minority investor in American Excess Insurance Exchange (AEIX). AEIX is a risk retention group owned by a group of healthcare providers and provides them with excess professional liability insurance coverage. The Corporation accounts for its interest in AEIX on the equity method of accounting less mandatory withdrawal penalties and an estimated discount to present value. As of June 30, 2022 and 2021, the carrying value of AEIX was approximately \$2,746 and \$2,479, respectively, and is recorded in investments in joint ventures and other on the consolidated balance sheets. Investment income from AEIX is recorded as an adjustment to supplies and other operating expenses in the accompanying consolidated statements of operations and change in net assets without donor restrictions.

#### (15) Functional Expenses

The Corporation provides general healthcare services to residents within its geographic location. Operating expenses related to providing these services classified by their natural classification on the consolidated statements of operations and changes in unrestricted net assets are presented by their functional classifications as follows for the year ended June 30:

	<b>2022</b>		
	<b>Patient care</b>	<b>General and administrative</b>	<b>Total expenses</b>
Salaries and wages	\$ 1,769,529	106,972	1,876,501
Payroll taxes and benefits	164,277	143,821	308,098
Supplies	515,324	6,470	521,794
Purchased services	377,179	76,281	453,460
Other	211,211	6,048	217,259
Depreciation and amortization	114,089	34,880	148,969
Interest and amortization of deferred financing costs	694	41,452	42,146
<b>Total</b>	<b>\$ 3,152,303</b>	<b>415,924</b>	<b>3,568,227</b>

# PEACEHEALTH NETWORKS

## Notes to Consolidated Financial Statements

June 30, 2022 and 2021

(In thousands)

	2021		
	Patient care	General and administrative	Total expenses
Salaries and wages	\$ 1,457,731	92,381	1,550,112
Payroll taxes and benefits	159,260	141,563	300,823
Supplies	463,846	888	464,734
Purchased services	342,236	78,284	420,520
Other	186,256	10,185	196,441
Depreciation and amortization	112,493	38,175	150,668
Interest and amortization of deferred financing costs	830	38,083	38,913
Total	\$ 2,722,652	399,559	3,122,211

### (16) Subsequent Events

In connection with the preparation of the consolidated financial statements in accordance with FASB ASC Topic 855, *Subsequent Events*, the Corporation has evaluated subsequent events through September 29, 2022 which is the date the consolidated financial statements were issued.

**PEACEHEALTH NETWORKS**

Consolidating Balance Sheet

Year ended June 30, 2022

(In thousands)

<b>Assets</b>	<b>PeaceHealth</b>	<b>PeaceHealth Networks</b>	<b>Total obligated group</b>	<b>PeaceHealth Southwest Foundation</b>	<b>Other nonobligated group</b>	<b>Eliminating or consolidating adjustments</b>	<b>PeaceHealth 2022 consolidated</b>
Current assets:							
Cash and cash equivalents	\$ 10,437	—	10,437	3,483	29,779	—	43,699
Short-term investments	642,135	—	642,135	—	59,727	—	701,862
Accounts receivable	371,217	—	371,217	—	9,448	—	380,665
Other receivables	102,979	(12,365)	90,614	—	(11,404)	(12,433)	66,777
Pending trades receivable	98,927	—	98,927	—	—	—	98,927
Inventory of supplies	101,522	—	101,522	—	10,490	—	112,012
Prepaid expenses and other	36,796	—	36,796	—	2,032	—	38,828
Assets whose use is limited that are required for current liabilities	77	—	77	14,019	—	—	14,096
<b>Total current assets</b>	<b>1,364,090</b>	<b>(12,365)</b>	<b>1,351,725</b>	<b>17,502</b>	<b>100,072</b>	<b>(12,433)</b>	<b>1,456,866</b>
Assets whose use is limited:							
Cash equivalents and investments	1,587,571	—	1,587,571	29,310	2,954	—	1,619,835
Investments in joint ventures and other	171,360	(27,272)	144,088	18,411	30,027	(111,073)	81,453
<b>Total assets whose use is limited</b>	<b>1,758,931</b>	<b>(27,272)</b>	<b>1,731,659</b>	<b>47,721</b>	<b>32,981</b>	<b>(111,073)</b>	<b>1,701,288</b>
Less current portion	(77)	—	(77)	(14,019)	—	—	(14,096)
<b>Net assets whose use is limited</b>	<b>1,758,854</b>	<b>(27,272)</b>	<b>1,731,582</b>	<b>33,702</b>	<b>32,981</b>	<b>(111,073)</b>	<b>1,687,192</b>
Property, plant, and equipment:							
Land and improvements	150,928	—	150,928	—	—	—	150,928
Buildings, fixed equipment, and other	1,941,654	—	1,941,654	—	29,967	(22,347)	1,949,274
Moveable equipment	1,085,084	—	1,085,084	—	38,438	—	1,123,522
Construction in progress	118,253	—	118,253	—	—	—	118,253
<b>Total property, plant, and equipment</b>	<b>3,295,919</b>	<b>—</b>	<b>3,295,919</b>	<b>—</b>	<b>68,405</b>	<b>(22,347)</b>	<b>3,341,977</b>
Less accumulated depreciation	(2,101,587)	—	(2,101,587)	—	(28,756)	8,911	(2,121,432)
<b>Net property, plant, and equipment</b>	<b>1,194,332</b>	<b>—</b>	<b>1,194,332</b>	<b>—</b>	<b>39,649</b>	<b>(13,436)</b>	<b>1,220,545</b>
Interest in net assets of related foundations	183,196	—	183,196	118	—	(51,320)	131,994
Operating lease right-of-use assets	75,770	—	75,770	—	13,148	—	88,918
Other assets	44,678	—	44,678	—	60,870	—	105,548
<b>Total assets</b>	<b>\$ 4,620,920</b>	<b>(39,637)</b>	<b>4,581,283</b>	<b>51,322</b>	<b>246,720</b>	<b>(188,262)</b>	<b>4,691,063</b>



**PEACEHEALTH NETWORKS**

Consolidating Balance Sheet

Year ended June 30, 2022

(In thousands)

<b>Liabilities and Net Assets</b>	<b>PeaceHealth</b>	<b>PeaceHealth Networks</b>	<b>Total obligated group</b>	<b>PeaceHealth Southwest Foundation</b>	<b>Other nonobligated group</b>	<b>Eliminating or consolidating adjustments</b>	<b>PeaceHealth 2022 consolidated</b>
Current liabilities:							
Accounts payable	\$ 173,582	—	173,582	(3)	7,512	(2,064)	179,027
Accrued payroll, payroll taxes, and employee benefits	214,458	—	214,458	—	8,231	—	222,689
Accrued interest payable	5,594	—	5,594	—	—	—	5,594
Medicare advanced funding	89,419	—	89,419	—	—	—	89,419
Current portion of operating lease liabilities	10,425	—	10,425	—	—	—	10,425
Other current liabilities	54,565	—	54,565	—	4,567	(619)	58,513
Pending trades payable	25,621	—	25,621	—	—	—	25,621
Current portion of long-term debt	15,411	—	15,411	—	9,750	(10,752)	14,409
Total current liabilities	589,075	—	589,075	(3)	30,060	(13,435)	605,697
Other long-term liabilities	202,281	—	202,281	—	46,899	—	249,180
Long-term operating lease liabilities, net of current portion	66,943	—	66,943	—	15,874	—	82,817
Long-term debt, net of current portion	1,454,169	—	1,454,169	—	139,247	(144,082)	1,449,334
Net assets:							
Without donor restrictions, controlling interest	2,131,183	(39,637)	2,091,546	9,105	12,243	13,791	2,126,685
Without donor restrictions, noncontrolling interest	—	—	—	—	2,397	—	2,397
With donor restrictions	177,269	—	177,269	42,220	—	(44,536)	174,953
Total net assets	2,308,452	(39,637)	2,268,815	51,325	14,640	(30,745)	2,304,035
Total liabilities and net assets	\$ 4,620,920	(39,637)	4,581,283	51,322	246,720	(188,262)	4,691,063

See accompanying independent auditors' report.

**PEACEHEALTH NETWORKS**

Consolidating Statement of Operations and Changes in Net Assets Without Donor Restrictions

Year ended June 30, 2022

(In thousands)

	PeaceHealth	PeaceHealth Networks	Total obligated group	PeaceHealth Southwest Foundation	Other nonobligated group	Eliminating or consolidating adjustments	PeaceHealth 2022 consolidated
<b>Revenues:</b>							
Patient service revenue	\$ 3,025,788	—	3,025,788	—	77,556	—	3,103,344
Other operating revenue	176,465	—	176,465	2,350	34,309	(25,851)	187,273
Total revenues	3,202,253	—	3,202,253	2,350	111,865	(25,851)	3,290,617
<b>Expenses:</b>							
Salaries and wages	1,805,296	—	1,805,296	—	71,205	—	1,876,501
Payroll taxes and benefits	291,264	—	291,264	—	16,834	—	308,098
Supplies	512,734	—	512,734	—	9,362	(302)	521,794
Purchased services	437,911	—	437,911	—	17,430	(1,881)	453,460
Other	205,798	—	205,798	2,168	29,402	(20,109)	217,259
Depreciation and amortization	142,089	—	142,089	—	7,614	(734)	148,969
Interest and amortization of deferred financing costs	42,639	—	42,639	—	2,683	(3,176)	42,146
Total expenses	3,437,731	—	3,437,731	2,168	154,530	(26,202)	3,568,227
(Loss) income from recurring operations	(235,478)	—	(235,478)	182	(42,665)	351	(277,610)
Nonrecurring operating loss	(16,494)	—	(16,494)	—	—	—	(16,494)
(Loss) income from operations	(251,972)	—	(251,972)	182	(42,665)	351	(294,104)
<b>Other income (expense):</b>							
Investment return, net	(257,701)	—	(257,701)	(191)	(1,489)	(738)	(260,119)
Net change in interest rate swaps	49,901	—	49,901	—	—	—	49,901
Loss on bond refinancing	—	—	—	—	—	—	—
Other	(94,659)	—	(94,659)	—	(2,310)	—	(96,969)
Total other income (expense)	(302,459)	—	(302,459)	(191)	(3,799)	(738)	(307,187)
(Deficit) excess of revenues over expenses	(554,431)	—	(554,431)	(9)	(46,464)	(387)	(601,291)
Net assets released from restrictions for property, plant, and equipment	4,254	—	4,254	—	—	—	4,254
Change in interest in net assets of related foundation	(10)	—	(10)	—	—	10	—
Change in pension liability	69,522	—	69,522	—	—	—	69,522
Other	1,739	(57,975)	(56,236)	—	3,331	51,094	(1,811)
(Decrease) increase in net assets without donor restrictions	\$ (478,926)	(57,975)	(536,901)	(9)	(43,133)	50,717	(529,326)

See accompanying independent auditors' report.

**PEACEHEALTH NETWORKS**  
Consolidating Statement of Changes in Net Assets  
Year ended June 30, 2022  
(In thousands)

	<u>PeaceHealth</u>	<u>PeaceHealth Networks</u>	<u>Total obligated group</u>	<u>PeaceHealth Southwest Foundation</u>	<u>Other nonobligated group</u>	<u>Eliminating or consolidating adjustments</u>	<u>PeaceHealth 2022 consolidated</u>
Net assets at June 30, 2021	\$ 2,715,756	18,338	2,734,094	32,206	57,773	(62,333)	2,761,740
Changes in net assets without donor restrictions:							
Excess (deficit) of revenues over expenses	(554,431)	—	(554,431)	(9)	(46,464)	(387)	(601,291)
Net assets released from restrictions	4,254	—	4,254	—	—	—	4,254
Change in interest in net assets of related foundations	(10)	—	(10)	—	—	10	—
Change in pension liability	69,522	—	69,522	—	—	—	69,522
Other	1,739	(57,975)	(56,236)	—	3,331	51,094	(1,811)
Change in net assets without donor restrictions	(478,926)	(57,975)	(536,901)	(9)	(43,133)	50,717	(529,326)
Changes in net assets with donor restrictions:							
Restricted contributions	4,254	—	4,254	—	—	—	4,254
Net assets released from restrictions	(4,254)	—	(4,254)	(841)	—	—	(5,095)
Change in interest in net assets of related foundations	71,906	—	71,906	—	—	(19,129)	52,777
Other	(284)	—	(284)	19,969	—	—	19,685
Change in net assets with donor restrictions	71,622	—	71,622	19,128	—	(19,129)	71,621
Total change in net assets	(407,304)	(57,975)	(465,279)	19,119	(43,133)	31,588	(457,705)
Net assets at June 30, 2022	\$ 2,308,452	(39,637)	2,268,815	51,325	14,640	(30,745)	2,304,035

See accompanying independent auditors' report.