

Baptist Health Care Corporation and Subsidiaries

Consolidated Balance Sheets (In Thousands)

	September 30	
	2021	2020
Assets		
Current assets:		
Cash and cash equivalents	\$ 112,828	\$ 164,627
Short-term investments	360,464	196,075
Accounts receivable, net	100,949	73,831
Current portion of investments limited as to use	1,796	1,567
Inventories	17,373	17,011
Prepaid expenses and other current assets	21,297	15,836
Assets held for sale	9,185	110,995
Total current assets	<u>623,892</u>	<u>579,942</u>
Investments limited as to use, less current portion	432,376	592,858
Net property, plant, and equipment	365,482	264,429
Operating lease right-of-use assets	11,215	12,980
Investments	15,000	—
Other assets	19,400	15,592
Total assets	<u>\$ 1,467,365</u>	<u>\$ 1,465,801</u>
Liabilities and net assets		
Current liabilities:		
Accounts payable	\$ 66,187	\$ 40,008
Accrued compensation and benefits	35,959	24,084
Accrued interest	4,013	4,033
Estimated third-party settlements	11,346	8,139
Current portion of long-term debt	4,367	1,379
Current portion of operating lease obligations	2,377	3,336
Contract liability	46,378	64,180
Other current liabilities	8,303	8,238
Liabilities held for sale	1,583	67,372
Total current liabilities	<u>180,513</u>	<u>220,769</u>
Long-term debt, less current portion	785,413	791,851
Operating lease obligations, less current portion	8,964	9,725
Asset retirement obligations	2,442	2,436
Other long-term liabilities	63,698	86,299
Total liabilities	<u>1,041,030</u>	<u>1,111,080</u>
Net assets:		
Without donor restrictions:		
Controlling interest	401,613	339,802
Noncontrolling interests in subsidiaries	10,904	8,252
	<u>412,517</u>	<u>348,054</u>
With donor restrictions – controlling interest	13,818	6,667
Total net assets	<u>426,335</u>	<u>354,721</u>
Total liabilities and net assets	<u>\$ 1,467,365</u>	<u>\$ 1,465,801</u>

See accompanying notes.

Baptist Health Care Corporation and Subsidiaries

Consolidated Statements of Operations and Changes in Net Assets (In Thousands)

	Year Ended September 30	
	2021	2020
Revenues and other support without donor restrictions:		
Patient service revenue	\$ 650,347	\$ 564,075
Other	91,030	68,034
Net assets released from restrictions used for operations	1,434	1,704
Total revenues and other support without donor restrictions	742,811	633,813
Expenses:		
Salaries and benefits	353,619	321,268
Supplies	186,580	158,076
General, administrative, and other	77,352	72,370
Professional fees and purchased services	70,393	52,891
Depreciation and amortization	32,847	31,104
Interest	6,142	11,593
Total expenses	726,933	647,302
Income (loss) from operations before income (loss)		
from weather related events	15,878	(13,489)
Income (loss) from weather related events	713	(2,250)
Income (loss) from operations	16,591	(15,739)
Nonoperating gains (losses):		
Change in fair value of interest rate swap agreements	243	163
Net unrealized gains on trading securities	7,507	625
Investment income	5,064	2,261
Loss on extinguishment of debt	-	(1,303)
Other, net	(4,139)	(6,881)
	8,675	(5,135)
Excess (deficiency) of revenues, other support, and gains over expenses and losses	25,266	(20,874)
Less excess of revenues, other support, and gains over expenses and losses attributable to noncontrolling interests	5,542	3,784
Excess (deficiency) of revenues, other support, and gains over expenses and losses attributable to controlling interest	19,724	(24,658)

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Baptist Health Care Corporation and Subsidiaries

Consolidated Statements of Operations and Changes in Net Assets (continued)

(In Thousands)

	Year Ended September 30	
	2021	2020
Net assets without donor restrictions:		
Excess (deficiency) of revenues, other support, and gains over expenses and losses attributable to controlling interest	\$ 19,724	\$ (24,658)
Excess of revenues, other support, and gains over expenses and losses attributable to noncontrolling interests	5,542	3,784
Net unrealized gains on other-than-trading securities	815	113
Pension adjustment	15,016	(5,114)
Other	(1,913)	(736)
Increase (decrease) in net assets without donor restrictions before discontinued operations	39,184	(26,611)
Income from discontinued operations	25,279	12,677
Increase (decrease) in net assets without donor restrictions	64,463	(13,934)
Net assets with donor restrictions:		
Contributions	8,840	1,711
Net unrealized gains on other-than-trading securities	418	130
Net assets released from restrictions	(1,434)	(1,704)
Other	(673)	130
Increase in net assets with donor restrictions	7,151	267
Increase (decrease) in net assets	71,614	(13,667)
Net assets at beginning of year	354,721	368,388
Net assets at end of year	\$ 426,335	\$ 354,721

See accompanying notes.

Baptist Health Care Corporation and Subsidiaries

Consolidated Statements of Cash Flows (In Thousands)

	Year Ended September 30	
	2021	2020
Operating activities		
Increase (decrease) in net assets	\$ 71,614	\$ (13,667)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Restricted contributions received	(8,840)	(1,711)
Gain from disposal of subsidiaries	(396)	-
Depreciation and amortization	32,847	31,104
Change in fair value of interest rate swap agreements	(243)	(163)
Loss on extinguishment of debt	-	1,303
Net unrealized gains on other-than-trading securities	(1,233)	(243)
Net unrealized gains on trading securities	(7,507)	(625)
Pension adjustment	(15,016)	5,114
Distributions to noncontrolling interests	2,890	2,930
(Decrease) increase in other long-term liabilities	(7,342)	4,897
(Decrease) increase in contract liability	(17,802)	64,180
Net increase in components of working capital	2,279	18,402
Net cash provided by operating activities	51,251	111,521
Investing activities		
Purchase of investments	(952,988)	(1,238,337)
Proceeds from sale of investments	961,363	732,733
Increase in other assets	(1,615)	(1,959)
Proceeds from disposal of subsidiaries	36,843	-
Capital expenditures	(118,863)	(46,374)
Net cash used in investing activities	(75,260)	(553,937)
Financing activities		
Payments on lines of credit	-	(47,500)
Repayments of long-term debt	(5,616)	(93,015)
Issuance of long-term debt	-	682,046
Distributions to noncontrolling interests	(2,890)	(2,930)
Restricted contributions received	8,840	1,711
Net cash (used in) provided by financing activities	334	540,312
(Decrease) increase in cash, cash equivalents, restricted cash, and restricted cash equivalents	(23,675)	97,896
Cash, cash equivalents, restricted cash, and restricted cash equivalents, beginning of period	172,059	74,163
Cash, cash equivalents, restricted cash, and restricted cash equivalents, end of period	\$ 148,384	\$ 172,059

See accompanying notes.