Trinitas Regional Medical Center Obligated Group
Consolidated Balance Sheet
At September 30, 2017 and December 31, 2016
(Unaudited)

	September 2017	December 2016
Assets		
Current Assets:		
Cash and cash equivalents (includes certificates of deposit)	$ 119,560,635	$ 130,023,301
Assets whose use is limited	2,704,838	8,436,557
Patient accounts receivable (less allowance for doubtful collections of $30,382,000 in 2017 and $32,631,000 in 2016)	21,451,721	26,770,713
Other receivables	13,043,923	3,384,131
Other current assets	6,787,608	5,641,062
Total current assets	163,548,725	174,255,764
Assets Whose Use is Limited and Investments		
Assets whose use is limited:		
Internally designated	100,012,904	95,474,057
Other internally designated	7,879,367	6,711,884
Held by trustee under bond indentures	-	13,068,545
Donor restricted	2,968,121	3,084,982
Investments	29,527,088	28,597,341
Total assets whose use is limited and investments	140,387,480	146,936,809
Beneficial Interest in Net Assets of Trinitas Health Foundation	9,831,581	7,062,702
Property and Equipment (net of accumulated depreciation of $251,185,000 in 2017 and $242,451,000 in 2016)	85,486,842	87,230,946
Other Assets	5,466,567	5,484,628
Total	$ 404,721,195	$ 420,970,849
Liabilities and Net Assets		
Current Liabilities:		
Current portion of long-term debt	$ 5,065,000	$ 6,055,000
Accounts payable, construction payable and accrued expenses	23,077,906	26,308,168
Deferred revenue	11,496,861	5,542,064
Accrued bond interest payable	977,446	3,026,454
Accrued salaries and wages	4,281,474	5,992,441
Estimated settlements with third-party payors	12,057,436	16,501,567
Total current liabilities	56,956,123	63,425,694
Estimated Settlements with Third-party Payors	43,968,633	46,892,222
Long-Term Debt	95,630,457	118,532,642
Other Long-Term Liabilities	17,423,406	16,223,842
Total liabilities	213,978,619	245,074,400
Net Assets		
Unrestricted	177,942,869	165,748,761
Temporarily restricted	9,578,127	7,006,894
Permanently restricted	3,221,580	3,140,794
Total net assets	190,742,576	175,896,449
Total	$ 404,721,195	$ 420,970,849

Trinitas Regional Medical Center Obligated Group

Consolidated Statement of Operations

For the Nine Months Ended September 30, 2017 and 2016

(Unaudited)

	September 2017	September 2016
Revenues		
Net patient service revenue (net of contractual allowances, charity care and discounts)	$ 182,802,643	$ 181,659,969
Provision for bad debts	(11,999,712)	(11,944,573)
Net patient service revenue less provision for bad debts	170,802,931	169,715,396
Other revenue	49,754,261	51,358,861
Net assets released from restrictions used for operations	592,720	756,384
Total revenues	221,149,912	221,830,641
Expenses		
Salaries and wages	103,043,382	101,442,199
Employee benefits	20,575,674	20,614,386
Supplies and other	83,000,422	83,269,111
Depreciation	8,733,650	8,882,721
Interest and amortization	3,635,583	4,931,440
Total expenses	218,988,711	219,139,857
Operating Income	2,161,201	2,690,784
Nonoperating Gains and Losses		
Interest, dividends and other	2,566,314	2,825,890
Net realized gains and losses on investments	1,700,561	698,733
Loss on bond refinancing	(1,238,343)	-
Change in fair value of interest rate swaps	-	(533,073)
Total nonoperating gains and losses	3,028,532	2,991,550
Medicare / Medicaid meaningful use funds	-	645,094
Revenues in Excess of Expenses	5,189,733	6,327,428
Change in Net Unrealized Gains and (Losses) on Investments Other Than Trading Securities	1,729,858	4,038,386
Net Assets Released From Restrictions Used for Purchase of Property and Equipment	5,274,517	3,109,774
Increase in Unrestricted Net Assets	$ 12,194,108	$ 13,475,588

Trinitas Regional Medical Center Obligated Group

Consolidated Statement of Changes in Net Assets

For the Nine Months Ended September 30, 2017 and 2016

(Unaudited)

	September 2017	September 2016
Unrestricted Net Assets		
Revenues in excess of expenses	$ 5,189,733	$ 6,327,428
Change in net unrealized gains and losses on investments other than trading securities	1,729,858	4,038,386
Net assets released from restrictions used for purchase of property and equipment	5,274,517	3,109,774
Increase (decrease) in unrestricted net assets	12,194,108	13,475,588
Temporarily Restricted Net Assets		
Contributions	5,720,587	3,642,518
Interest and dividends	5,981	11,949
Net assets released from restrictions	(5,867,235)	(3,866,159)
Change in beneficial interest in net assets of Trinitas Health Foundation	2,711,900	(411,075)
Increase (decrease) in temporarily restricted net assets	2,571,233	(622,767)
Permanently Restricted Net Assets		
Change in beneficial interest in net assets of Trinitas Health Foundation	56,979	37,632
Change in net unrealized gains and losses on investments other than trading securities	23,807	61,680
Increase (decrease) in permanently restricted net assets	80,786	99,312
Increase (Decrease) in Net Assets	14,846,127	12,952,133
Net Assets		
Beginning of year	175,896,449	159,209,083
End of year	$ 190,742,576	$ 172,161,216

Trinitas Regional Medical Center Obligated Group
Consolidated Statement of Cash Flows
For the Nine Months Ended September 30, 2017 and 2016
(Unaudited)

	September 2017	September 2016
Cash Flows from Operating Activities		
Increase in net assets	$ 14,846,127	$ 12,952,133
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Provision for bad debts	11,999,712	11,944,573
Depreciation	8,733,650	8,882,721
Loss from bond refinancing	1,238,343	-
Amortization of deferred financing costs	107,510	125,955
Amortization of deferred bond premium	(706,180)	(50,490)
Restricted contributions for capital additions	(5,274,517)	(3,109,774)
Change in beneficial interest in unrestricted net assets of		
Change in fair value of interest rate swaps	-	533,073
Change in net unrealized gains and losses on other than trading securities	(1,729,858)	(4,038,386)
Net realized gains and losses on investments	(1,700,561)	(698,733)
Change in beneficial interest in net assets of Trinitas Health Foundation	(2,768,879)	373,443
Change in assets and liabilities:		
Patient accounts receivable	(6,680,720)	(13,575,158)
Other receivables	(9,659,792)	(3,195,410)
Other current assets and other assets	(1,476,091)	(1,387,373)
Accounts payable, construction payable and accrued expenses	(2,882,655)	(1,191,197)
Deferred revenue	5,954,797	3,147,794
Accrued bond interest payable	(3,001,566)	(1,598,438)
Accrued salaries and wages	(1,710,967)	(2,153,646)
Estimated settlements with third-party payors	(7,367,720)	2,566,669
Other long-term liabilities	1,199,564	(2,752,408)
Net cash provided by (used in) operating activities	(879,803)	6,775,348
Cash Flows from Investing Activities		
Acquisition of property and equipment and construction	(6,989,546)	(7,641,258)
Purchases of investments and assets whose use is limited, net	15,711,467	(302,716)
Net cash provided by (used in) investing activities	8,721,921	(7,943,974)
Cash Flows from Financing Activities		
Restricted contributions for capital additions	5,274,517	3,109,774
Repayment of long-term debt	(7,140,000)	(6,948,132)
Payment of debt issuance costs	(182,529)	-
Proceeds from refunding and revenue bonds	93,418,228	-
Repayment of Series 2007 bonds	(109,675,000)	-
Net cash Provided by (used in) financing activities	(18,304,784)	(3,838,358)
Net Increase (Decrease) in Cash and Cash Equivalents	(10,462,666)	(5,006,984)
Cash and Cash Equivalents, Beginning	130,023,301	125,157,730
Cash and Cash Equivalents, Ending	$ 119,560,635	$ 120,150,746
Supplemental Disclosure of Cash Flow Information, Interest paid	$ 4,378,113	$ 6,439,740

1. **Reporting Organizations**

The consolidated financial statements include the accounts of Trinitas Regional Medical Center (the "Medical Center"), Marillac Corporation ("Marillac"), a wholly owned subsidiary of the Medical Center and Trinitas Physicians Practice, LLC. In 2000, Elizabeth General Medical Center and St. Elizabeth Hospital merged to form Trinitas Hospital, a not-for-profit, tax-exempt, voluntary, acute health care provider located in Elizabeth, New Jersey. Trinitas Hospital officially changed its name to Trinitas Regional Medical Center as of October 2008. The Medical Center provides inpatient, outpatient, and emergency care services for local residents. Admitting physicians are primarily practitioners from the local area.

Marillac, a not-for-profit, tax-exempt corporation pursuant to Section 501(c)(3) of the Internal Revenue Code, owns and operates a medical office building in Elizabeth, New Jersey.

Trinitas Physicians Practice, LLC, (TPP, LLC) a New Jersey professional limited liability company (LLC), a for-profit taxable entity.

The sole member of the Medical Center is Trinitas Health (the "Parent"), a tax-exempt holding company. Both the Parent and the Medical Center are tax-exempt organizations, pursuant to Section 501(c)(3) of the Internal Revenue Code.

The Medical Center is an affiliated member of the Parent, the controlling entity. Other affiliates of Trinitas Health include: Trinitas Healthcare Corporation and subsidiary, Trinitas Health Services Corporation, and Trinitas Health Foundation and Affiliate (the "Foundation"). Only the Medical Center's financial statements and its subsidiaries and TPP, LLC are presented herein. The Parent's affiliates, with the exception of Trinitas Health Services Corporation, are not-for-profit, tax-exempt organizations. Trinitas Health Services Corporation is a for-profit, taxable entity.

2. **Presentation**

The consolidated financial statements are unaudited and include all adjustments which are, in the opinion of Management, necessary for a fair presentation of the Obligated Group's financial position as of September 30, 2017 and December 31, 2016, its result of operations and its changes in net assets and cash flows for the nine months ended September 30, 2017 and 2016 in conformity with accounting principles generally accepted in the United States of America. Certain information and footnote disclosures normally included in financial statements prepared in accordance with such accounting principles have been omitted.

These consolidated financial statements should be read in conjunction with Trinitas Regional Medical Center's audited consolidated financial statements and notes thereto for the years ended December 31, 2016.

3. **Patient Accounts Receivable**

Patient accounts receivable are reported at net realizable value. Accounts are written off when they are determined to be uncollectible based upon management's assessment of individual accounts. In evaluating the collectability of patient accounts receivable, the Medical Center analyzes its past history and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for doubtful collections and provision for doubtful collections. For receivables associated with services provided to patients with third party insurance coverage (partial or complete) and patients with no coverage (partial or none), the Medical Center analyzes contractually due amounts and provides an allowance for doubtful collections and a provision for doubtful collections, if necessary. For receivables associated with patients with no insurance (partial or complete) (which includes both patients without insurance and patients with deductible and copayment balances due), the Medical Center records a significant provision for doubtful collections in the period of service on the basis of its past experience, which indicates that many patients are unable to pay the portion of their bill for which they are financially responsible. The difference between billed rates and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for doubtful collections.

The Medical Center's allowance for doubtful collections for self-pay patients increased to 96.7% of self-pay accounts receivable at September 30, 2017 from 92.5% of self-pay accounts receivable at December 31, 2016. The Medical Center had not changed its financial assistance policy in 2017.

4. Net Patient Service Revenue

The Medical Center reports net patient service revenue at the estimated net realizable amounts from patients, third party payors, and others for services rendered, including an estimate for retroactive adjustments that may occur as a result of future audits, reviews and investigations. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered, and such amounts are adjusted in future periods as adjustments become known or as years are no longer subject to such audits, review and investigations. Net patient service revenue as reported in the consolidated statements of operations is reduced both by (1) estimated allowances for the excess of charges over anticipated patient or third party payor payments and (2) a provision for doubtful collections. Certain of the health care services provided by the Medical Center are reimbursed by third party payors on the basis of the lower of cost or charges, with costs subject to certain imposed limitations.

Patient accounts receivable are reported at net realizable value and include charges for accounts due from Medicare, Medicaid, other commercial and managed care insurers, and self-paying patients (Note 3). Patient accounts receivable also includes management's estimate of the impact of certain undercharges to be recouped or overcharges to be paid back for inpatient and outpatient services in subsequent years rates as discussed above. Deducted from patient accounts receivable are estimates of doubtful collections related to patients and allowances for the excess of charges over the payments to be received from third party payors.

The Medical Center has agreements with third-party payors that provide for payments to the Medical Center at amounts different from its established rates. The Medical Center recognizes patient service revenue associated with services provided to patients who have third-party payor coverage on the basis of these established rates for the services rendered. For uninsured patients that do not qualify for charity care, the Medical Center recognizes revenues on the basis of its standard rates, discounted in accordance with the Medical Center's policy. On the basis of historical experience, a significant portion of the Medical Center's uninsured patients will be unable to pay for the services provided. Thus, the Medical Center records a significant provision for doubtful collections related to uninsured patients in the period the services are provided. Patient service revenues, net of contractual allowances and discounts (but before the provision for doubtful collections), recognized in September 30, 2017 and 2016 from these major payor sources, are as follows:

	Patient Service Revenues (Net of Contractual Allowances and Discounts)				
	Medicare	Medicaid	Other Third Party Payors	Self Pay and Other	Total
September 30, 2017	$ 54,859,232	$ 64,288,420	$ 50,149,121	$ 13,505,870	$ 182,802,643
September 30, 2016	$ 54,066,400	$ 64,965,339	$ 49,165,972	$ 13,462,258	$ 181,659,969

5. Healthcare Payment Proposals

The healthcare industry is subject to numerous laws and regulations of federal, state and local governments. Compliance with these laws and regulations is subject to future government review and interpretation as well as regulatory actions unknown or unasserted at this time. In 2017, the President of the United States signed an executive order stating the administration's intention to repeal the Affordable Care Act. The executive order also gives federal and state agencies the authority to grant waivers, exemptions and delays of provisions in the Affordable Care Act. The significance of the impact of the executive order and any potential future changes to the Affordable Care Act on the Medical Center's operations, specifically revenue for Medicaid and Charity Care patients, if any, is not presently determinable.

Government activity continues to increase with respect to investigations and allegations concerning possible violations by healthcare providers of fraud and abuse statues and regulations, which could result in the imposition of significant fines and penalties as well as significant repayments for patient services previously billed. Management is not aware of any material incidents of noncompliance that have not been provided for in the accompanying financial statements; however, the possible future financial effects of this matter on the Medical Center, if any, are not presently determinable.

6. Subsequent Events

The Medical Center evaluated subsequent events for recognition or disclosure through November 7, 2017, the date the financial statements were available to be issued.

7. New Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*. ASU No. 2014-09 supersedes the revenue recognition requirements in Topic 605, Revenue Recognition, and most industry-specific guidance. Under the requirements of ASU No. 2014-09, the core principle is that entities should recognize revenue to depict the transfer of promised goods or services to customers (residents) in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The Medical Center will be required to retrospectively adopt the guidance in ASU No. 2014-09 for the years beginning after December 15, 2017. The Medical Center has not yet determined the impact of adoption of ASU No. 2014-09 on its financial statements.

In February 2016, the FASB issued Accounting Standards Update ASU No. 2016-02, *Leases* (Topic 842). ASU No. 2016-02 was issued to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. Under the provisions of ASU No. 2016-02, a lessee is required to recognize a right-to-use asset and lease liability, initially measured at the present value of the lease payments, in the balance sheet. In addition, lessees are required to provide qualitative and quantitative disclosures that enable users to understand more about the nature of the Medical Center's leasing activities. The Medical Center will be required to retrospectively adopt the guidance in ASU No. 2016-02 for years beginning after December 15, 2018. The Medical Center has not yet determined the impact of adoption of ASU No. 2016-02 on its financial statements.

In August 2016, the FASB issued ASU No. 2016-14, Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities. The new guidance is intended to improve and simplify the current net asset classification requirements and information presented in financial statements and notes that is useful in assessing a not-for-profit's liquidity, financial performance and cash flows. ASU 2016-14 is effective for the fiscal year beginning July 1, 2018, with early adoption permitted. ASU 2016-14 is to be applied retroactively with transition provisions. The Medical Center has not yet determined the impact of adoption of ASU No. 2016-14 on its financial statements.

8. Net Patient Service Revenues

The Medical Center has agreements with third-party payors that provide for payments to the Medical Center at amounts different from its established rates. A significant portion of the Medical Center's net patient service revenue is derived from these third-party payor programs. A summary of the principal payment arrangements with major third-party payors follows:

- Medicare: Inpatient acute care and outpatient services rendered to Medicare program beneficiaries are paid at prospectively determined rates. These rates vary according to patient classification systems that are based on clinical, diagnostic, and other factors. Certain items, such as Medicare bad debts, are paid based on a cost reimbursement methodology. Reimbursements for cost reimbursable items are received at tentative interim rates, with final settlement determined after submission of annual cost reports by the Medical Center and audits thereof by the Medicare fiscal intermediary. The Medical Center's Medicare cost reports have been settled by the Medicare fiscal intermediary through December 31, 2009.

- Medicaid: Inpatient acute care services rendered to Medicaid program beneficiaries are paid at prospectively determined rates per discharge. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. Outpatient services are paid based on a cost reimbursement methodology. The Hospital's Medicaid cost reports have been settled by the Medicaid fiscal intermediary through December 31, 2014.

Revenue received under third-party arrangements is subject to audit and retroactive adjustments. Net patient service revenues include no adjustments for the nine months ended September 30, 2017 and 2016, respectively, related to tentative and final settlements of prior year cost reports and other settlements.

The Medical Center also has entered into payment agreements with certain managed care organizations, commercial insurance carriers, and preferred provider organizations. The basis for payment to the Medical Center under these agreements includes daily rates, rates per discharge, and discounts from established charges.

9. Charity Care and Subsidy Payments

The Medical Center receives subsidy payments from the State of New Jersey to partially fund charity care and certain other program costs. Subsidy payments included in other revenue for the nine months ended September 30, 2017 and 2016 are as follows:

	2017	2016
Charity care	$ 23,458,614	$ 24,838,953
Delivery System Reform Incentive Payment	4,392,254	4,119,904
Mental health	1,358,633	1,328,712
Total	$ 29,209,501	$ 30,287,569

In October 2017, the Medical Center received $7,789,257 as the bonus incentive for Year 5 and an appeal for Year 4 for the Delivery System Reform Incentive Payment, whereby, fifty percent of the payment will be recognized in 2017 and fifty percent will be amortized in 2018. For the nine months ended September 30, 2017, a portion of the payment in the amount of $1,947,314 was recognized as healthcare subsidy funds in the consolidated statement of operations and the remainder in the amount of $5,841,943 was recorded as deferred revenue in balance sheet.

In August 2017, the Medical Center was notified that the Delivery System Reform Incentive Payment and bonus incentive program which had expired June 30, 2017 was granted a renewal by the State and Centers for Medicare and Medicaid Services through June 30, 2020; however, the details of the new program were not available.

In July 2016, the Medical Center received $2,602,760 as the bonus incentive for the Delivery System Reform Incentive Payment for Year 4. Management has reviewed the data used in the calculation and has filed an appeal in March 2017.

The Medical Center, as part of its mission, provides medical care without charge or at reduced charges to residents of its community through the provision of charity care. The Medical Center's definition of charity care is in accordance with state regulations and includes services provided at no charge to the uninsured or underinsured.

10. Long-term Debt

On April 3, 2017, the Authority issued, on behalf of the Medical Center, Series 2017A Bonds in the amount of $82,970,000. The 2017A Bonds refinanced and extinguished the 2007 Bonds resulting in a loss on bond refinancing in the amount of $1,238,343 reflected in the consolidated statement of operations.

In October 2016, the Medical Center entered into a Forward Delivery Agreement. In the agreement, the Authority issued, on behalf of the Medical Center, $82,970,000 in Refunding Bonds, Series 2017A (the "Series 2017A Bonds"), on April 3, 2017, at an interest rate of 5% percent. The proceeds from the sale of the Series 2017A Bonds combined with the debt service reserve funds were released by the trustee relating to the Series 2007A Bonds and Series 2007B Bonds, and used to refund Series 2007A Bonds and Series 2007B Bonds and pay debt issuance costs. The Medical Center will be required to fund the principal and interest payments on the bonds. The principal amounts are payable annually on July 1, and interest is payable semiannually on January 1 and July 1 through 2030. The Series 2017A Bonds are collateralized by substantially all of the Obligated Group's property and equipment and gross receipts.

In October 2016, the Authority issued, on behalf of the Medical Center, $13,810,000 of tax-exempt Refunding and Revenue Bonds, Series 2016A (the "Series 2016A Bonds"), bearing interest rates between 4% (for July 2017 only) and 5% (for all other maturities) . The proceeds from the sale of the Series 2017A Bonds were used to refund the Series 2006 Bonds and pay for debt issuance costs. The Medical Center will be required to fund the principal and interest payments on the bonds. The principal amounts are payable annually on July 1, and interest is payable semiannually on January 1 and July 1 through 2030. The Series 2016A Bonds are collateralized by substantially all of the Obligated Group's property and equipment and gross receipts.

11. Meaningful Use

Under certain provisions of the American Recovery and Reinvestment Act of 2009, federal incentive payments are available to hospitals, physicians and certain other professionals ("providers") when they adopt certified electronic health record ("EHR") technology or become "meaningful users" of EHRs in ways that demonstrate improved quality, safety and effectiveness of care. Medicare and Medicaid providers can receive their initial incentive payment by adopting implementing or upgrading certified EHR technology, but must demonstrate meaningful use of EHRs in subsequent years in order to qualify for additional payments. Hospitals may be eligible for both Medicare and Medicaid EHR incentive payments. The Medical Center accounts for EHR payments using the contingency method, whereby, revenue is recognized when all contingencies are satisfied. At September 30, 2017 and 2016, the EHR incentive payments received from the Medicare and Medicaid programs is reflected in estimated settlements with third party payors on the balance sheet in the amount of $3.4 million and $3.3 million, respectively, which will be recognized as non-operating revenue when the Medical Center has satisfied the statutory and regulatory requirements. For the nine months ended September 30, 2017 and 2016, $0 and $645,094 were recognized as non-operating revenue, respectively, in the consolidated statement of operations.

12. Emergency Room Department

In 2014 the Medical Center's Board approved the updating and renovating of the Medical Center's emergency room department and adding additional intensive care unit beds. The project involved architectural, engineering, mechanical studies, relocation of various departments, demolition, purchasing a new computerized tomography scan, renovation and new construction. Estimated costs for the project are approximately $18 million. For the nine months ended September 30, 2017 and 2016, the Medical Center incurred costs for the project in the amount of $4,406,038 and $4,994,447, respectively. The Emergency Room department construction began in the summer of 2015 and completed, other than for the elevators, on August 31, 2017.

13. Real Estate Taxes

As a not-for-profit corporation in New Jersey, the Medical Center is an organization which has historically qualified for an exemption from real property taxes; however, a number of cities and municipalities in New Jersey have challenged and continue to challenge such exemption. The City of Elizabeth has advised the Medical Center of its intentions to remove all of the Medical Center's properties from the current tax exempt status and will place the properties on the real estate property tax rolls. The Medical Center signed an agreement with the City of Elizabeth, whereby, the Medical Center will pay a community service contribution in the amount of $250,000 per year for each of the next four years, effective January 2016. However, if applicable State legislation is approved, the Medical Center will be required to pay the higher amount of the legislation or agreement.

14. Cogeneration Energy Project

The Medical Center has submitted an application and has received preliminary approval from the Energy Resilience Bank ("ERB"), for a plant electrical and steam generation project. The project would provide additional energy production which will be powered by natural gas during prolonged electrical outages. The project has an estimated cost of $10.1 million. The financing of the project would consist of a combination of grants for $6.6 million and a loan from the Department of Housing and Urban Development ("HUD") for approximately $3.5 million. A portion of the grants, approximately $520,000, will have to be repaid over ten years, interest free. Final construction and engineering costs have not yet been obtained as well as final approval, from ERB and HUD, which is expected in 2018.

TRINITAS REGIONAL MEDICAL CENTER
2017 BUDGET COMPARATIVE
INPATIENT STATISTICS

	2017 ACTUAL TOTAL	2016 ACTUAL TOTAL
ADMISSIONS		
MEDICAL	5,315	5,916
SURGICAL	1,180	1,410
OBSTETRICS	1,278	1,644
NEWBORN	1,236	1,588
ADULT & ED PSYCH	1,273	1,238
ADOLESCENT PSYCH	381	357
DEVELOP DISABLED	224	228
	10,887	12,381
SAME DAY SURGERY	3,747	4,129
	14,634	16,510
INTERMEDIATE PSYCH	143	144
RESIDENTIAL UNIT	8	4
LONG TERM CARE	236	291
	387	439
PATIENT DAYS		
MEDICAL	26,353	27,512
SURGICAL	8,550	9,528
OBSTETRICS	3,495	4,567
NEWBORN	3,911	4,579
ADULT & ED PSYCH	12,382	11,860
ADOLESCENT PSYCH	3,557	3,045
DEVELOP DISABLED	2,356	2,350
	60,604	63,441
SAME DAY SURGERY	3,747	4,129
	64,351	67,570
INTERMEDIATE PSYCH	5,645	5,266
RESIDENTIAL UNIT	4,038	3,923
LONG TERM CARE	31,515	32,693
	41,198	41,882
ALOS		
MEDICAL	5.0	4.7
SURGICAL	7.2	6.8
OBSTETRICS	2.7	2.8
NEWBORN	3.2	2.9
ADULT & ED PSYCH	9.7	9.6
ADOLESCENT PSYCH	9.3	8.5
DEVELOP DISABLED	10.5	10.3
TOTAL W/O SDS	5.6	5.1
INTERMEDIATE PSYCH	39.5	36.6
RESIDENTIAL UNIT	504.8	980.8
LONG TERM CARE	133.5	112.3
	106.5	95.4
CARDIAC CATH LAB I/P		
CARDIAC CATHS	268	
EMERGENCY ANGIO	36	
ELECTIVE ANGIO	91	
VASCULAR	43	
TOTAL	438	

TRINITAS REGIONAL MEDICAL CENTER
2017 BUDGET COMPARATIVE
OUTPATIENT STATISTICS

	2017 ACTUAL YTD	2016 ACTUAL YTD
EMERGENCY ROOM		
NEWPOINT-PSYCH O/P VISITS	1,305	1,277
WILLIAMSON O/P VISITS	40,632	44,772
TOTAL O/P	41,937	46,049
NEWPOINT ADMISSIONS	1,313	1,348
WILLIAMSON ADMISSIONS	5,619	6,098
TOTAL ADMISSIONS	6,932	7,446
% Total ADMISSIONS FROM ER	63.67%	60.14%
TOTAL EMERGENCY ROOM VISITS	48,869	53,495
OBSERVATION		
WSC OBSERVATON CASES	1,220	1,172
NPC OBSERVATON CASES	191	240
TOTAL OBSERVATION	1,411	1,412
CLINICS		
ADULT OP SERVICES	57,506	61,991
PC (PARTIAL HOSP) SERVICES	6,046	5,063
CHILD/ADOL OP SERVICES	25,089	22,448
YIP (AFTER SCHOOL)	4,823	3,630
CO-OCCURRING SVCS	1,942	2,601
IOP SERVICES	1,650	2,425
OTHER SVCS. (NON ANNEX B)	52,789	55,266
TOTAL PSYCH CLINICS (1)	149,845	153,424
D.B.HERSH CLINIC	6,531	6,688
PEDIATRIC HEALTH CENTER	4,896	6,026
WOMENS HEALTH CENTER	15,741	16,481
WOUND HEALING CENTER	3,535	3,304
MEDICAL CLINIC (EID)	1,169	1,140
TOTAL MEDICAL CLINICS	31,872	33,639
TOTAL CLINICS	181,717	187,063
CANCER CENTER		
OFFICE VISITS	5,336	5,686
INFUSION TREATMENTS	6,088	6,523
RADIATION TREATMENTS	4,109	3,594
CANCER CENTER TOTAL	15,533	15,803
PRIVATE AMBULATORY		
SLEEP CENTER	968	972
OTHER PRIVATE REFFERRED (2)	43,411	45,036
TOTAL PRIVATE AMBULATORY	44,379	46,008
O/P RENAL TREATMENTS		
O/P HEMODIALYSIS	15,738	15,381
HOME DIALYSIS	1,145	185
LINDEN SATELLITE	9,378	9,727
TOTAL RENAL TREATMENTS	26,261	25,293
AMBULANCE RUNS	4,632	4,628
SCTU RUNS	174	0
MICU RUNS	2,746	2,759
SDS (FROM IP SCHEDULE)	3,747	4,129
TOTAL O/P VISITS (INCLUDING SDS)	322,537	333,144
CARDIAC CATH LAB O/P		
CARDIAC CATHS	328	
ELECTIVE ANGIOPLASTY	82	
VASCULAR CASES	12	
TOTAL	422	

Trinitas Regional Medical Center Obligated Group

Debt Service Calculation Certificate

(Twelve Month Rolling Average)

(Unaudited)

		September 2017
Funds Available for Debt Service		
Net increase in unrestricted net assets	$	16,181,165
Reconciling items:		
Depreciation		10,681,216
Interest and amortization		5,244,713
Net assets released from restrictions used for purchase of property and equipment		(8,436,347)
Loss on bond refinancing		1,893,496
Change in fair value of interest rate swaps		(533,073)
Change in net unrealized gains and losses on investments other than trading securities		(256,026)
Total	$	24,775,144
Maximum annual debt service	$	9,549,000
Actual ratio		2.59
Required ratio		1.25

Trinitas Regional Medical Center Obligated Group

Cushion Ratio Calculation Certificate

(Twelve Month Rolling Average)

(Unaudited)

		September 2017
Cushion Ratio		
Cash and investments	$	150,591,541
Internally designated funds		97,744,394
Total	$	248,335,934
Maximum annual debt service		
Series 2016A and 2017A bonds payable	$	9,549,000
Total maximum annual debt service	$	9,549,000
Cushion ratio		26.01
Required ratio		1.25