
CONTINUING DISCLOSURE QUARTERLY REPORT

Information Concerning
PROVIDENCE ST. JOSEPH HEALTH
AND THE OBLIGATED GROUP

The Continuing Disclosure Quarterly Report (“the Quarterly Report”) is intended solely to provide certain limited financial and operating data in accordance with undertakings of Providence and the Members of the Obligated Group under Rule 15c2-12 (“the Undertaking”) and does not constitute a reissuance of any Official Statement relating to the bonds referenced above or a supplement or amendment to such Official Statement.

The Quarterly Report contains certain financial and operating data for the three months ended March 31, 2022. Providence has undertaken no responsibility to update such data since March 31, 2022, except as set forth herein. This Quarterly Report may be affected by actions taken or omitted or events occurring after the date hereof. Providence has not undertaken to determine, or to inform any person, whether any such actions are taken or omitted, or events do occur. Providence disclaims any obligation to update this Quarterly Report, or to file any reports or other information with repositories, or any other person except as specifically required by the Undertaking.

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About Providence

Our Organization

Providence St. Joseph Health (“Providence”) is a national, not-for-profit Catholic health system comprising a diverse family of organizations driven by a belief that health is a human right. With 51 hospitals, over 900 clinics, and many other health and educational services, our health system employs more than 121,000 caregivers serving patients in communities across seven Western states - Alaska, California, Montana, New Mexico, Oregon, Texas, and Washington. Our caregivers provide quality, compassionate care to all those we serve, regardless of coverage or ability to pay.



Continuing an enduring commitment to world-class care and serving all, especially those who are poor and vulnerable, Providence uses scale to create Health for a Better World, one community at a time. We have been pioneering health care for more than 160 years and have a history of responding with compassion and innovation during challenging health care environments, including the current pandemic. We are reimagining the future of health care delivery in our communities for all ages and populations. Our strategies to diversify and modernize are enabling high-quality care at affordable prices, including through networks of same-day clinics and online care and services.

We are privileged to serve in dynamic markets with growing populations, which has led to consistent increases in service utilization. We offer a comprehensive range of industry-leading services, including an integrated delivery system of acute and ambulatory care for inpatient and outpatient services, 29 long-term care facilities, 17 supportive housing facilities, over 8,000 directly employed providers, a health plan, senior care, financial assistance programs, community health investments, and educational ministries that include a high school and university.

Providence maintains headquarters in Renton, Washington, and Irvine, California, and is governed by a sponsorship council comprised of members of its two sponsoring ministries, Providence Ministries and St. Joseph Health Ministry. We are dedicated to ensuring the continued vibrancy of not-for-profit, Catholic health care in the United States. As one of the largest health systems in the United States, our Mission and values call us to serve each person with love, dignity, and compassion, reflecting the legacy of the Sisters of Providence and the Sisters of St. Joseph.

The Mission

As expressions of God’s healing love, witnessed through the ministry of Jesus, we are steadfast in serving all, especially those who are poor and vulnerable @

Our Values

Compassion | Dignity | Justice | Excellence | Integrity

Our Vision

Health for a Better World

Our Promise

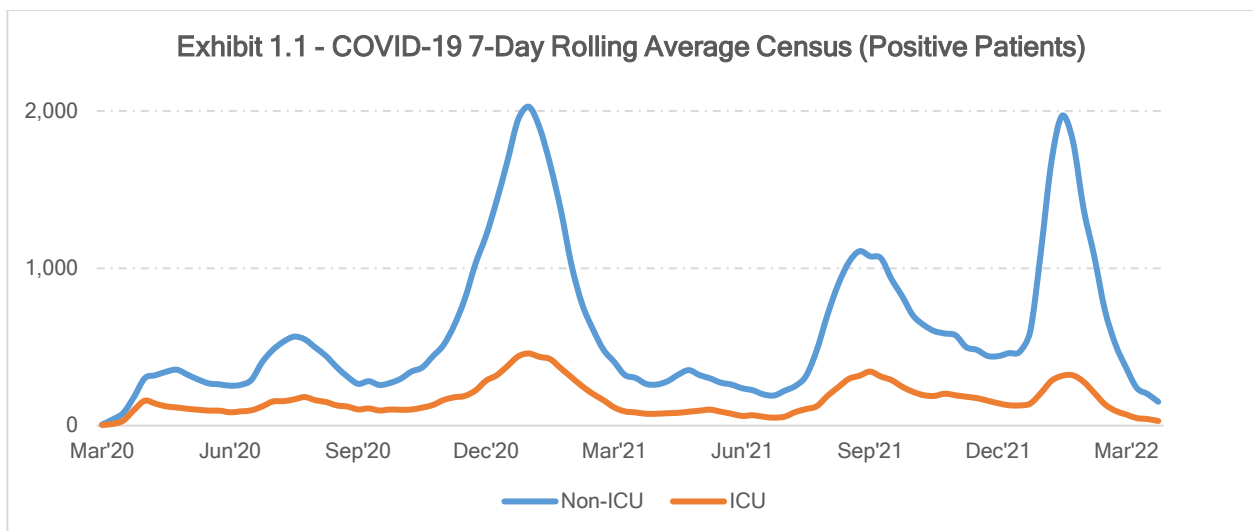
“Know me, care for me, ease my way.”

COVID-19: Providence Continues to Respond to Meet Community Needs

Providence continued to meet the health care needs of its communities in the first quarter of 2022, which included a third major surge in COVID-19 admissions at the start of the year and ongoing labor shortages. Since Providence admitted the first known U.S. patient with COVID-19 in January 2020, the System has taken a number of key steps in response to COVID-19, which include:

- Continuing to increase community benefit despite the challenges of the pandemic. In 2021, Providence invested \$1.9 billion in community benefit, which is nearly \$366 million more than pre-pandemic levels.
- Prioritizing caregiver mental health and well-being. In 2021, Providence launched new programs and resources to check in with caregivers, quickly and confidentially, to identify those in crisis and connect them to appropriate resources.
- Investing \$220 million into the workforce over several months to reward, retain and recruit top talent. Key components include recognition bonuses for caregivers; sign-on and referral bonuses to accelerate hiring; and increases in base pay for lower-paid positions.
- Advancing medical research into COVID-19. Researchers across the family of organizations deepened understanding of the virus through several studies, including investigating risk factors for long-haul COVID-19, natural immunity from previous infection, vaccine effectiveness, and the risk of premature birth from COVID-19 in pregnant women.
- Ensuring compliance with vaccination mandates to keep caregivers and patients safe. In its five states with COVID-19 vaccine mandates, Providence reported a compliance rate of 99 percent.
- Promoting health equity in the prevention, testing, and treatment of COVID-19 by proactively partnering with underserved communities. Results include 795 community-based or mobile testing and vaccine events.
- From April 2020 to March 2022, Providence provided 3.6 million telehealth visits. Accelerating telehealth services, which increased from an average of 50 visits a day to a peak of more than 12,000 per day.
- Expanding Providence's electronic intensive care unit capabilities to remotely monitor patients on home quarantine.
- Leveraging technology to deliver a COVID-19 consumer awareness hub, a triage chatbot, urgent virtual visit platform, live testing locations, and remote patient monitoring for COVID-19 patients.

We continue to manage ongoing trends in COVID-19 cases while providing access to other comprehensive care in a safe manner for both caregivers and patients. The chart below shows Providence's 7-day rolling average census for COVID-19 positive patients through March 2022.



Providence has received relief in the form of grants and advance payments from the Coronavirus Aid Relief and Economic Security ("CARES") Act. We have received \$1.3 billion in total grants from the CARES Act, including \$31 million received during the three months ended March 31, 2022, of which \$63 million remains in deferred revenue. In 2020, the Centers for Medicare & Medicaid Services ("CMS") distributed \$1.6 billion of COVID-19 Accelerated and Advance Payments ("CAAPs") to Providence in response to the COVID-19 Public Health Emergency which would be repaid to CMS through the offsetting of future payments. A total of \$859

million in CAAPs payments has been repaid as of March 31, 2022. The advance payments from CMS will continue to be offset from claim payments in future quarters. As specified in the repayment terms in the Continuing Appropriations Act, 2021 and Other Extensions Act, the recoupment rate increases in April 2022 from 25 percent to 50 percent for six months.

The CARES Act delayed the timing of required federal employment tax deposits for certain employer social security taxes incurred from March 27, 2020, through December 31, 2020. Providence deferred \$365 million in social security taxes incurred during the pandemic and \$183 million of the balance was paid in December 2021. The remaining balance will be paid by December 2022.

We continue to take steps to preserve our operating performance and liquidity, including reassessing current and new capital projects outside of those focused on patient and caregiver safety and COVID-19. We have also reduced discretionary spending including travel, use of third-party contractors, purchased services, and professional services. As demand returns, we are flexing our labor and supply resources to allow us to efficiently and safely provide the services required by our patients.

Our Integrated Strategic & Financial Plan

Guided by our Mission, values, vision, and promise, Providence has developed and adopted an Integrated Strategic & Financial Plan called Destination Health 2025 that serves as our roadmap for accelerating progress toward our vision of Health for a Better World. Supported by three areas of strategic focus, our plan ensures integration between our strategic aspirations and financial capacity.

Strengthen the core. Providence will focus on delivering a compassionate and simplified experience for patients and consumers by:

- Cultivating an inspiring caregiver experience of inclusion and growth
- Providing safe, effective, person-centered care
- Delivering a simplified consumer and patient journey

Be our communities' health partner. Providence will focus on improving health outcomes in the communities we serve by:

- Advancing health equity, reducing disparities, and exceling in value-based care via payor and provider partnerships
- Partnering with physicians and providers to broaden access to integrated networks of care
- Strengthening our voice and community investment to activate stakeholders in advocacy, health, and social justice

Transform our future. Through research, data, and technology, decreasing variability, and modern support services, Providence will transform care delivery by:

- Growing our innovative health organization, extending the Mission through investments in core, diversified and adjacent businesses
- Optimizing care delivery to ensure a full continuum of affordable, digitally enabled, and innovative models and places of care
- Transforming our workforce to support new models of care

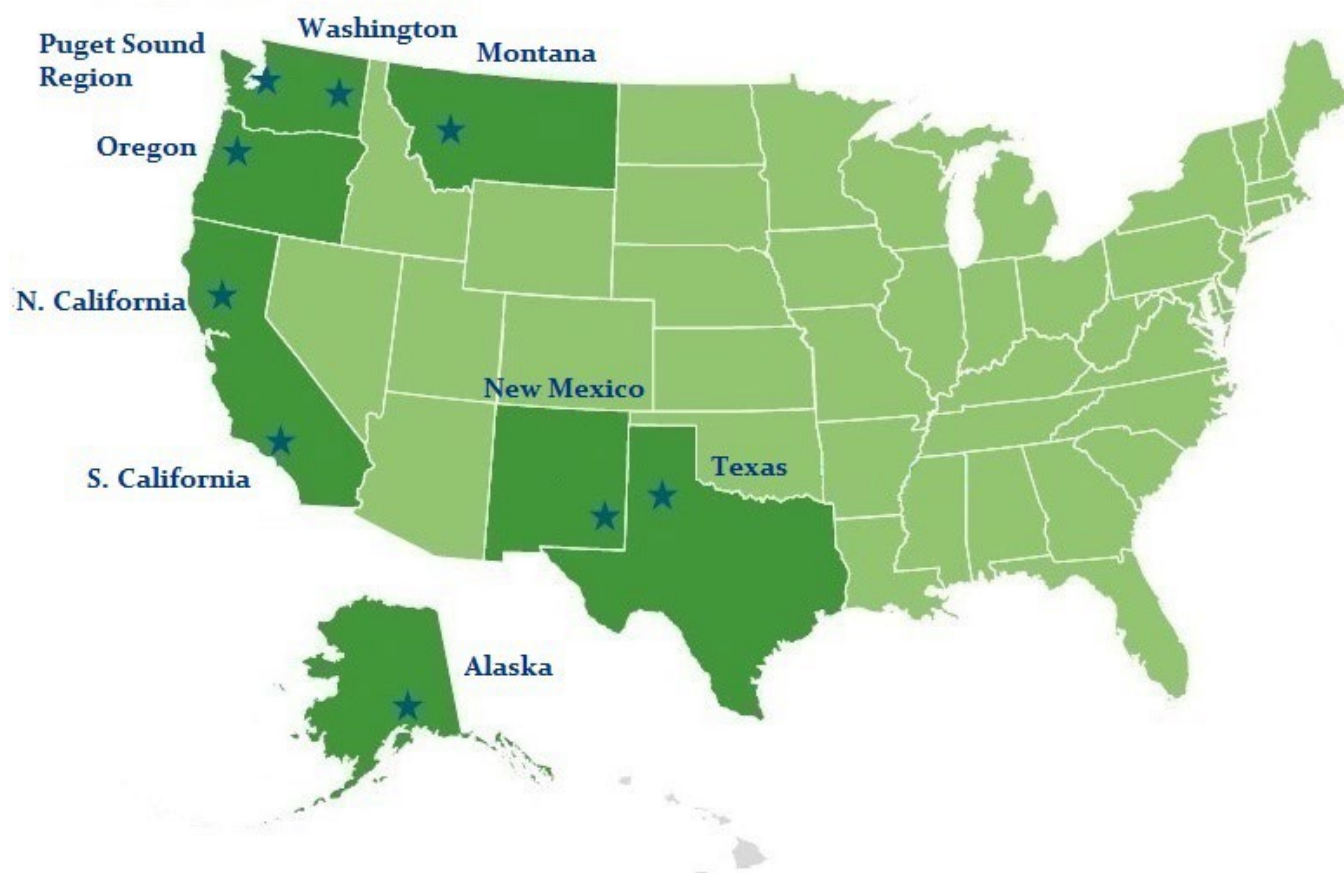
Strategic affiliations. As part of our overall strategic planning and development process, Providence regularly evaluates and, if deemed beneficial, selectively pursues opportunities to affiliate with other service providers and invest in new facilities, programs, or other health care related entities. Providence also routinely assesses existing partnerships and arrangements with third parties and adjusts as appropriate to best meet community needs. Likewise, we are frequently presented with opportunities from, and conduct discussions with, third parties regarding potential affiliations, partnerships, mergers, acquisitions, joint operating arrangements, or other forms of collaboration, including some that could affect the Obligated Group Members. It is common for several such discussions to be in process concurrently. Providence's management pursues arrangements when there is a perceived strategic or operational benefit that is expected to enhance our ability to achieve the Mission and/or deliver on our strategic objectives. As a result, it is possible that the current organization and assets of the Obligated Group may change.

Providence will continue to evaluate opportunities for strategic growth. Providence does not typically disclose such discussions unless and until it appears likely that an agreement will be reached, and any required regulatory approvals will be forthcoming.

Region Information

Providence is organized into the geographic regions spanning seven states across the western United States shown in the graphic below.

Exhibit 1.2 - Areas We Serve



Providence's operating revenue share by geographic region is presented for the periods indicated:

| EXHIBIT 1.3 - REGIONAL OPERATING REVENUE SHARE | Three Months Ended | |
|--|--------------------|-----------|
| | 3-31-2021 | 3-31-2022 |
| Alaska | 3.6% | 3.9% |
| Puget Sound Region ⁽¹⁾ | 16.6% | 17.7% |
| Washington and Montana ⁽¹⁾ | 12.8% | 13.3% |
| Oregon | 18.2% | 19.8% |
| Northern California | 5.9% | 7.0% |
| Southern California ⁽²⁾ | 31.4% | 28.2% |
| West Texas and Eastern New Mexico | 4.7% | 4.8% |
| Other (including Home & Community Care) ⁽¹⁾ | 6.8% | 5.3% |

⁽¹⁾ Includes 2021 restatement to align the new Puget Sound Region created in the fourth quarter of 2021.

⁽²⁾ On a pro forma basis (excluding Hoag), the revenue share was 26.2 percent in the first quarter of 2021, reflecting the effect of the Hoag disaffiliation in January 2022.

Alaska

The Alaska region includes 5 hospitals and 21 clinics with a 30 percent inpatient market share statewide in 2020, as reported by the Alaska Health Facilities Data Reporting Program. The Alaska facilities are located in the greater Anchorage area, with 50 percent inpatient market share, as reported by the Alaska Health Facilities Data Reporting Program. The Alaska region also has facilities located in the remote communities of Kodiak, Seward, and Valdez. Providence Alaska Medical Center is an acute care facility located in Anchorage

and the only comprehensive tertiary referral center in the state. St. Elias Specialty Hospital, a long-term acute care hospital (the only one in the state), is also located in the Anchorage area. Three critical access hospitals are in Kodiak, Seward, and Valdez, all co-located with skilled nursing facilities.

Puget Sound Region

The Puget Sound region includes three service areas: North Puget Sound, Central Puget Sound, and South Puget Sound, with a total inpatient market share of 28 percent in their service areas in 2020, as reported by the Comprehensive Hospital Abstract Reporting System. In the greater Puget Sound area of Washington, Providence Swedish operates eight hospitals in King, Snohomish, Lewis and Thurston Counties, and a network of over 200 primary care and specialty clinics throughout the Seattle area.

Washington and Montana

The Washington-Montana region includes 9 hospitals, with a 42 percent inpatient market share in their service areas in 2020, as reported by the Comprehensive Hospital Abstract Reporting System. The region is composed of two geographic markets: Eastern Washington and Western Montana. The region provides a variety of services, including home health and hospice care, primary and immediate care services, inpatient rehabilitation, skilled nursing and transitional care, and general acute care services.

Oregon

The Oregon region includes 8 hospitals in Portland, Hood River, Medford, Milwaukie, Newberg, Seaside and Oregon City, with a total inpatient market share of 29 percent in their service areas in 2020, as reported by Apprise Health Insights. Providence St. Vincent Medical Center and Providence Portland Medical Center provide tertiary care to the Portland metropolitan market. The region also provides nearly 200 primary care, specialty and immediate care clinics, home health care, and housing. The Health Plans are based in Oregon, and the majority of its more than 670,000 members live in the region.

Northern California

The Northern California region includes 6 hospitals in the North Coast, Humboldt, Napa, and Sonoma communities with a total inpatient market share of 38 percent in their service areas in 2020, as reported by the Office of Statewide Health Planning and Development. The acute care hospitals in Northern California include Queen of the Valley Medical Center in Napa, Santa Rosa Memorial Hospital, Petaluma Valley Hospital, Providence St. Joseph Hospital in Eureka, Providence Redwood Memorial Hospital in Fortuna, and Healdsburg Hospital. Providence Medical Foundation operates clinics in the region with its contracted physician partners. In January 2021, Providence acquired Healdsburg District Hospital, an acute care facility serving Healdsburg and surrounding areas in Sonoma County.

Southern California

The Southern California region includes 11 acute care hospitals in Los Angeles, Orange, and San Bernardino counties, with a total inpatient market share of 19 percent in their service areas in 2020, as reported by the Office of Statewide Health Planning and Development. In Los Angeles County, Providence includes six acute care facilities. Our largest hospital, Providence St. Joseph Medical Center, is in Burbank, with additional hospitals in Mission Hills, San Pedro, Torrance, and Santa Monica. Providence Medical Foundation operates over 50 practice locations in the market, including the Facey, PMI, and Providence St. John's medical foundations. In addition, Providence has 5 acute care facilities within Orange and San Bernardino counties: Apple Valley, Fullerton, Mission Viejo, Laguna Beach, and Orange. Mission Hospital is located on two campuses in Mission Viejo and Laguna Beach, and maintains the region's level II trauma center, as well as a women's center.

In June 2021, Providence announced that Providence St. Mary Medical Center and Kaiser Permanente plan to open a new hospital facility with 260 beds in Victorville to replace the existing Providence St. Mary Medical Center facility, with an anticipated opening date of 2027 for the new facility. Providence St. Mary Medical Center and Kaiser Permanente will enter into a joint venture for the ownership and operation of the new hospital facility once opened. The existing Providence St. Mary Medical Center facility will permanently close once the new facility is operational. This project is currently pending regulatory approvals in the state of California.

In January 2022, officials from Providence and Hoag announced an agreement to end the affiliation established in 2012 by January 31, 2022. The two organizations have agreed to disaffiliate, with Hoag becoming independent from Providence and Covenant Health Network, the structure that governs the affiliation.

West Texas and Eastern New Mexico

The West Texas-Eastern New Mexico region includes Covenant Health System and Covenant Medical Group. Covenant Health System and its related Texas affiliates are the market's largest health system, with seven licensed hospitals. The inpatient market share was 40 percent in their service areas in 2020, as reported by Texas Health Care Information Collection. Covenant Health System operates Covenant Medical Center, Covenant Children's Hospital, Covenant Health Plainview, and Covenant Health Levelland, and Covenant Specialty Hospital, a long-term acute care facility, in addition to Grace Health System, which includes Grace Clinic and Grace Surgical Hospital. CHS also operates Covenant Medical Group, a medical foundation physician network of employed and aligned physicians, a joint venture acute rehabilitation facility, and Hospice of Lubbock. In January 2021, Covenant Health System acquired Lea Regional Medical Center, an acute care facility located in eastern New Mexico serving Hobbs and the surrounding area. Subsequent to the acquisition, the hospital was renamed Hobbs Hospital.

Financial Information

The summary unaudited, as reported and pro forma combined financial information as of and for the three months ended March 31, 2022, and 2021, presented below has been derived by the management of Providence from the internal unaudited financial information of the System. The unaudited, as reported columns for the three months ended March 31, 2021, represent the previously reported periods, and include the results of the Hoag entities. The unaudited, pro forma financial information below removes the operations of Hoag from Providence's consolidated results for the three months ended March 31, 2021. The unaudited, pro forma columns for the three months ended March 31, 2022, remain unchanged compared with unaudited as reported results. The summary audited, as reported combined financial information as of and for the fiscal year ended December 31, 2021, presented below, has been derived by the management of Providence from audited combined financial information of the System. The financial information should be read in conjunction with the audited combined financial statements of the System, including the notes thereto, and the report of KPMG LLP, independent auditors.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make assumptions, estimates, and judgments that affect the amounts reported in the combined financial statements, including the notes thereto, and related disclosures of commitments and contingencies, if any. System management considers critical accounting policies to be those that require the more significant judgments and estimates in the preparation of its combined financial statements, including the following: recognition of net patient service revenues, which includes contractual allowances; impairment of long-lived assets; valuation of investments; and reserves for losses and expenses related to health care professional and general liability risks. Management relies on historical experience and on other assumptions believed to be reasonable under the circumstances in making its judgments and estimates. Actual results could differ materially from those estimates.

Summary Unaudited, As Reported and Pro Forma Combined Statements of Operations

Three Months Ended

| EXHIBIT 2.1 - AS REPORTED AND PRO FORMA COMBINED STATEMENTS OF OPERATIONS \$ PRESENTED IN MILLIONS | AS REPORTED | | PRO FORMA ⁽¹⁾ | |
|--|--------------|------------------|--------------------------|------------------|
| | 3-31-2021 | 3-31-2022 | 3-31-2021 | 3-31-2022 |
| Net Patient Service Revenues | \$4,934 | \$4,771 | \$4,582 | \$4,771 |
| Premium Revenues | 567 | 617 | 567 | 617 |
| Capitation Revenues | 454 | 458 | 414 | 458 |
| Other Revenues | 488 | 440 | 429 | 440 |
| Total Operating Revenues | 6,443 | 6,286 | 5,992 | 6,286 |
| Salaries and Benefits | 3,357 | 3,579 | 3,173 | 3,579 |
| Supplies | 970 | 962 | 904 | 962 |
| Purchased Healthcare Services | 507 | 567 | 483 | 567 |
| Interest, Depreciation, and Amortization | 340 | 305 | 309 | 305 |
| Purchased Services, Professional Fees, and Other | 1,491 | 1,383 | 1,375 | 1,383 |
| Total Operating Expenses | 6,665 | 6,796 | 6,244 | 6,796 |
| Deficit of Revenues Over Expenses from Operations | (222) | (510) | (252) | (510) |
| Non-Operating Gains (Losses) | 307 | (330) | 237 | (330) |
| Excess (Deficit) of Revenues Over Expenses Before Disaffiliation | 85 | (840) | (15) | (840) |
| Disaffiliation ⁽²⁾ | - | (3,408) | - | (3,408) |
| Excess (Deficit) of Revenues Over Expenses | \$85 | \$(4,248) | \$(15) | \$(4,248) |
| Operating EBIDA ⁽³⁾ | \$150 | \$(161) | \$90 | \$(161) |

⁽¹⁾ As noted above, unaudited pro forma results exclude the operations of Hoag for the three months ended March 31, 2021. Unaudited pro forma results for the three months ended March 31, 2022, remain unchanged compared with unaudited as reported results for the same period.

⁽²⁾ Represents the impact of the removal of Hoag's net assets from the System's combined balance sheet as a result of the disaffiliation.

⁽³⁾ Excludes \$44 million in 2022 and \$32 million in 2021 in amortization of software as a service asset.

Summary Audited and Unaudited, As Reported and Pro Forma Combined Balance Sheets

As of

| EXHIBIT 2.2 - AS REPORTED AND PRO FORMA COMBINED BALANCE SHEET \$ PRESENTED IN MILLIONS | AS REPORTED | | PRO FORMA ⁽¹⁾ | |
|---|-----------------|-----------------|--------------------------|-----------------|
| | 12-31-2021 | 3-31-2022 | 12-31-2021 | 3-31-2022 |
| Current Assets: | | | | |
| Cash and Cash Equivalents ⁽²⁾ | \$1,143 | \$1,006 | \$836 | \$1,006 |
| Short-Term Investments ^{(2), (3)} | 1,322 | 614 | 598 | 614 |
| Accounts Receivable, Net | 3,158 | 2,882 | 2,915 | 2,882 |
| Supplies Inventory | 402 | 389 | 382 | 389 |
| Other Current Assets | 1,649 | 1,479 | 1,531 | 1,479 |
| Current Portion of Assets Whose Use is Limited | 169 | 221 | 169 | 221 |
| Total Current Assets | 7,843 | 6,591 | 6,431 | 6,591 |
| Management Designated Cash and Investments ^{(2), (3)} | 11,629 | 9,257 | 9,728 | 9,257 |
| Assets Whose Use is Limited | 661 | 659 | 638 | 659 |
| Property, Plant & Equipment, Net | 11,329 | 10,021 | 10,167 | 10,021 |
| Other Assets | 3,413 | 3,165 | 3,083 | 3,165 |
| Total Assets | \$34,875 | \$29,693 | \$30,047 | \$29,693 |
| Current Liabilities: | | | | |
| Current Portion of Long-Term Debt | 81 | 48 | 79 | 48 |
| Master Trust Debt Classified as Short-Term | 189 | 187 | 187 | 187 |
| Accounts Payable | 1,432 | 1,412 | 1,349 | 1,412 |
| Accrued Compensation | 1,627 | 1,666 | 1,514 | 1,666 |
| Other Current Liabilities ⁽³⁾ | 3,253 | 3,061 | 3,124 | 3,061 |
| Total Current Liabilities | 6,582 | 6,374 | 6,253 | 6,374 |
| Long-Term Debt, Net of Current Portion | 6,834 | 6,776 | 6,289 | 6,776 |
| Pension Benefit Obligation | 977 | 956 | 977 | 956 |
| Other Liabilities ⁽³⁾ | 2,810 | 2,590 | 2,677 | 2,590 |
| Total Liabilities | \$17,203 | \$16,696 | \$16,196 | \$16,696 |
| Net Assets: | | | | |
| Controlling Interests | 15,507 | 11,322 | 12,202 | 11,322 |
| Noncontrolling Interests | 404 | 333 | 310 | 333 |
| Net Assets without Donor Restrictions | 15,911 | 11,655 | 12,512 | 11,655 |
| Net Assets with Donor Restrictions | 1,761 | 1,342 | 1,339 | 1,342 |
| Total Net Assets | 17,672 | 12,997 | 13,851 | 12,997 |
| Total Liabilities and Net Assets | \$34,875 | \$29,693 | \$30,047 | \$29,693 |

⁽¹⁾ As noted above, as reported results were audited as of December 31, 2021. Unaudited pro forma results exclude the balances attributable to Hoag as of December 31, 2021. Unaudited pro forma results as of March 31, 2022, remain unchanged compared with unaudited as reported results for the same period.

⁽²⁾ Unrestricted Cash and Investments were \$10.9 billion in 2022 and \$14.1 billion in 2021. The decrease was driven primarily by the disaffiliation of Hoag in January 2022.

⁽³⁾ As of March 31, 2022, CMS advanced payments of \$773 million remain outstanding, compared with \$1.0 billion as of December 31, 2021.

Management's Discussion and Analysis: Three Months Ended March 31, 2022

Management's discussion and analysis provides additional narrative explanation of Providence's financial condition, operational results, and cash flow to assist in increasing understanding of the combined financial statements. The summary unaudited, as reported and pro forma combined financial information as of and for the three months ended March 31, 2022, and 2021, respectively, are presented below.

Results of Operations

As noted above, Providence and Hoag agreed to disaffiliate in January 2022, with Hoag becoming independent from Providence and Covenant Health Network, the structure that governs the affiliation. The pro forma financial information below excludes the impact of the disaffiliation of Hoag in Providence's consolidated results. The as reported columns for the three months ended March 31, 2021, represent the previously reported periods, and include the results of the Hoag entities. The pro forma columns below remove the operations of Hoag from Providence's consolidated results for the three months ended March 31, 2021. The pro forma columns for the three months ended March 31, 2022, remain unchanged compared with as reported results for the same period. Management believes this pro forma presentation is most useful for evaluating operations.

Operations Summary

The System experienced COVID-19 surges of the Omicron variant in the first quarter of 2022 with the 7-day rolling average census (ICU and non-ICU) peaking at 2,286, as shown above in Exhibit 1.1. While this peak surge level was similar to the Alpha variant in the first quarter of 2021, the financial impacts experienced were significantly greater in the first quarter of 2022 due to increased labor costs. Following the peak in January 2022, COVID-19 caseloads continued to recede, and cases of influenza remained at historically depressed levels. As a result, non-COVID-19 volumes increased month over month through the remainder of the quarter. Normalized for the disaffiliation of Hoag, pro forma net patient service revenues increased 4 percent in the three months ended March 31, 2022, compared with the same period in 2021, as admissions and outpatient volumes improved through the first quarter of 2022. Pro forma case mix adjusted admissions ("CMAA") also increased by 4 percent due to an increase in patient acuity compared with the prior year. Despite improving volumes, higher patient acuity, and favorable commercial payor mix during the first quarter of 2022, the System's overall operating results continued to be impacted by system-wide labor shortages, resulting in increased usage of agency staffing and overtime, compared with the prior year.

Providence's key financial indicators are presented on an as reported and pro forma basis for the periods indicated, excluding the impact of Hoag, reflecting the disaffiliation:

| EXHIBIT 3.1 - AS REPORTED AND PRO FORMA OPERATIONS SUMMARY \$ PRESENTED IN MILLIONS UNLESS NOTED | Three Months Ended | | | |
|--|--------------------|-----------|-----------|-----------|
| | AS REPORTED | | PRO FORMA | |
| | 3-31-2021 | 3-31-2022 | 3-31-2021 | 3-31-2022 |
| Operating Revenues | \$6,443 | \$6,286 | \$5,992 | \$6,286 |
| Operating Expenses | 6,665 | 6,796 | 6,244 | 6,796 |
| Deficit of Revenues Over Expenses from Operations | (222) | (510) | (252) | (510) |
| Operating Margin % | (3.4) | (8.1) | (4.2) | (8.1) |
| Non-Operating Gains (Losses) | 307 | (3,738) | 237 | (330) |
| Operating EBIDA | 150 | (161) | 90 | (161) |
| Operating EBIDA Margin % | 2.3 | (2.6) | 1.5 | (2.6) |
| Premium and Capitation Revenues | 1,021 | 1,075 | 981 | 1,075 |
| Net Service Revenue/Case Mix Adjusted Admits | 13,147 | 13,292 | 13,267 | 13,292 |
| Net Expense/Case Mix Adjusted Admits | 13,681 | 14,577 | 13,923 | 14,577 |
| Total Community Benefit | \$400 | \$412 | \$383 | \$412 |
| Full-Time Equivalent ("FTEs") (thousands) | 104 | 103 | 99 | 103 |

As reported, operating earnings before interest, depreciation, and amortization ("EBIDA") resulted in losses of \$161 million for the three months ended March 31, 2022. The deficit of revenues over expenses from operations was \$510 million for the three months ended March 31, 2022. On a pro forma basis, operating EBIDA and deficit of revenues over expenses from operations were \$90 million and \$252 million, respectively, for the three months ended March 31, 2021.

The results include the net recognition of reimbursements from state provider fee programs of \$20 million (revenue of \$83 million and expense of \$63 million) for the three months ended March 31, 2022, compared with \$66 million (revenue of \$217 million and expense of \$151 million) in comparable period of the prior year. The decrease was primarily due to timing of the California provider fee program.

Volumes

The System experienced an increase in both volumes and the acuity of the patients served, which yielded a 4 percent increase in CMAA on a pro forma basis (excluding Hoag) for the three months ended March 31, 2022, compared with the same period in 2021. Volume increases were driven by higher volumes in the outpatient setting compared with the prior year.

Providence's key volume indicators are presented on an as reported and pro forma basis for the periods indicated:

| EXHIBIT 3.2 - AS REPORTED AND PRO FORMA SYSTEM UTILIZATION DATA PRESENTED IN THOUSANDS UNLESS NOTED | Three Months Ended | | | |
|--|--------------------|-----------|-----------|-----------|
| | AS REPORTED | | PRO FORMA | |
| | 3-31-2021 | 3-31-2022 | 3-31-2021 | 3-31-2022 |
| Inpatient Admissions | 110 | 103 | 102 | 103 |
| Acute Adjusted Admissions | 222 | 215 | 205 | 215 |
| Case Mix Adjusted Admissions | 414 | 397 | 383 | 397 |
| Acute Patient Days | 626 | 612 | 590 | 612 |
| Long-Term Care Patient Days | 78 | 72 | 78 | 72 |
| Outpatient Visits (incl. Physicians) | 6,119 | 6,392 | 5,980 | 6,392 |
| Virtual Visits (incl. Telehealth) | 531 | 408 | 528 | 408 |
| Emergency Room Visits | 414 | 445 | 381 | 445 |
| Surgeries and Procedures | 149 | 145 | 137 | 145 |
| Acute Average Daily Census (Actual) | 6,960 | 6,801 | 6,560 | 6,801 |
| Providence Health Plan Members | 752 | 673 | 752 | 673 |

Operating Revenues

Operating revenues (as reported) decreased 2 percent to \$6.3 billion, for the three months ended March 31, 2022, compared with \$6.4 billion in the prior year. On a pro forma basis, operating revenues increased 5 percent, compared to the same period in 2021. Net patient service revenues (pro forma) were \$4.8 billion for the three months ended March 31, 2022, compared to \$4.6 billion in 2021, driven by higher patient acuity and rates, and higher patient volumes in the outpatient setting. Our diversified revenues grew 22 percent compared to the prior year.

Providence's operating revenues by state are presented on an as reported and pro forma basis for the periods indicated:

| EXHIBIT 3.3 - AS REPORTED AND PRO FORMA OPERATING REVENUES BY STATE \$ PRESENTED IN MILLIONS | Three Months Ended | | | |
|---|--------------------|-----------|-----------|-----------|
| | AS REPORTED | | PRO FORMA | |
| | 3-31-2021 | 3-31-2022 | 3-31-2021 | 3-31-2022 |
| Alaska | \$211 | \$229 | \$211 | \$229 |
| Washington | 1,740 | 1,678 | 1,740 | 1,678 |
| Montana | 111 | 115 | 111 | 115 |
| Oregon | 1,270 | 1,376 | 1,270 | 1,376 |
| California | 2,345 | 2,173 | 1,953 | 2,173 |
| Texas | 278 | 275 | 278 | 275 |
| Total Revenues from Contracts with Customers | 5,955 | 5,846 | 5,563 | 5,846 |
| Other Revenues | 488 | 440 | 429 | 440 |
| Total Operating Revenues | \$6,443 | \$6,286 | \$5,992 | \$6,286 |

Providence's operating revenues by line of business are presented on an as reported and pro forma basis for the periods indicated:

| EXHIBIT 3.4 - AS REPORTED AND PRO FORMA OPERATING REVENUES BY LINE OF BUSINESS \$ PRESENTED IN MILLIONS | Three Months Ended | | | |
|---|--------------------|-----------|-----------|-----------|
| | AS REPORTED | | PRO FORMA | |
| | 3-31-2021 | 3-31-2022 | 3-31-2021 | 3-31-2022 |
| Hospitals | \$4,175 | \$3,954 | \$3,851 | \$3,954 |
| Health Plans and Accountable Care | 627 | 697 | 627 | 697 |
| Physician and Outpatient Activities | 764 | 761 | 703 | 761 |
| Long-term Care, Home Care, and Hospice | 318 | 323 | 318 | 323 |
| Other Services | 71 | 111 | 64 | 111 |
| Total Revenues from Contracts with Customers | 5,955 | 5,846 | 5,563 | 5,846 |
| Other Revenues | 488 | 440 | 429 | 440 |
| Total Operating Revenues | \$6,443 | \$6,286 | \$5,992 | \$6,286 |

Providence's operating revenues by payor are presented on an as reported and pro forma basis for the periods indicated:

| EXHIBIT 3.5 - AS REPORTED AND PRO FORMA OPERATING REVENUES BY PAYOR ⁽¹⁾ \$ PRESENTED IN MILLIONS | Three Months Ended | | | |
|---|--------------------|-----------|-----------|-----------|
| | AS REPORTED | | PRO FORMA | |
| | 3-31-2021 | 3-31-2022 | 3-31-2021 | 3-31-2022 |
| Commercial | \$2,868 | \$2,774 | \$2,492 | \$2,774 |
| Medicare | 2,197 | 2,097 | 2,118 | 2,097 |
| Medicaid | 865 | 717 | 845 | 717 |
| Self-pay and Other | 25 | 258 | 108 | 258 |
| Total Revenues from Contracts with Customers | 5,955 | 5,846 | 5,563 | 5,846 |
| Other Revenues | 488 | 440 | 429 | 440 |
| Total Operating Revenues | \$6,443 | \$6,286 | \$5,992 | \$6,286 |

⁽¹⁾ Refer to Exhibit 7.3 for supplementary information on net patient service revenue payor mix driven by patient utilization.

Operating Expenses

Operating expenses (as reported) were \$6.8 billion, an increase of 2 percent for the three months ended March 31, 2022, compared with the same period in 2021. On a pro forma basis, the increase was 9 percent, compared with the same period in 2021, driven by higher labor costs and pharmaceutical spend. Overall, salaries and benefits expenses (pro forma) increased 13 percent for the three months ended March 31, 2022, compared with the same period in 2021, due to increased agency spend, overtime, and wages, including actions taken by the System to improve retention. Despite these increases, labor productivity (pro forma) increased by 4 percent on an adjusted occupied bed volumes basis compared to the same period in 2021. Medical supply costs per CMAA (pro forma) remained flat, compared with the prior year. Supplies expense (pro forma) increased by 6 percent compared to the prior year, driven by a 13 percent increase in pharmaceutical spend.

Non-Operating Activity

Non-operating losses (as reported) totaled \$3.7 billion for the three months ended March 31, 2022, compared with non-operating gains of \$307 million for the same period in 2021. This includes a \$3.4 billion non-operating loss reflecting the impact of the removal of Hoag's net assets from the System's combined balance sheet. The decrease was also impacted by investment losses of \$359 million for the three months ended March 31, 2022, compared with investment gains (pro forma) of \$137 million in the prior year.

Liquidity and Capital Resources; Outstanding Indebtedness

Unrestricted Cash and Investments

Unrestricted cash and investments (as reported) totaled approximately \$10.9 billion as of March 31, 2022, compared to \$14.1 billion as of December 31, 2021, driven by the impact of the disaffiliation of Hoag in January 2022, including the removal of Hoag's net assets from the System's combined balance sheet. On a pro forma basis, unrestricted cash and investments decreased \$285 million compared to the prior year-end due to operating and investment losses. Accounts receivable remains elevated compared to historic trends due primarily to protracted payment cycles from payers, in addition to delayed claims billing from electronic health record implementations in our California markets. Further impacting cash was \$238 million of prepayments that were recouped by CMS, through lower payments on current services being provided in the first quarter of 2022. The above were partially offset by \$31 million in grants received from the CARES Act during the three months ended March 31, 2022.

In July 2021, Providence placed a \$1.25 billion syndicated revolving credit facility (eight participating banks) with a 2026 maturity, replacing the \$550 million credit facility that was scheduled to mature September 2021. The System drew from its syndicated revolver in the amount of \$500 million in January 2022 in order to address liquidity concerns during the Omicron surge. At March 31, 2022, \$613 million was drawn on the new facility.

Providence's liquidity is presented on an as reported and pro forma basis for periods indicated:

| EXHIBIT 4.1 - AS REPORTED AND PRO FORMA INVESTMENT BY DURATION \$ PRESENTED IN MILLIONS | As of | | | |
|--|-----------------|-----------------|-----------------|-----------------|
| | AS REPORTED | | PRO FORMA | |
| | 12-31-2021 | 3-31-2022 | 12-31-2021 | 3-31-2022 |
| Cash and Cash Equivalents ⁽¹⁾ | \$1,143 | \$1,006 | \$836 | \$1,006 |
| Short-Term Investments | 1,322 | 614 | 598 | 614 |
| Long-Term Investment | 11,629 | 9,257 | 9,728 | 9,257 |
| Total Unrestricted Cash and Investments | \$14,094 | \$10,877 | \$11,162 | \$10,877 |

⁽¹⁾ As of March 31, 2022, CMS advanced payments of \$773 million remain outstanding, compared with \$1.0 billion as of December 31, 2021.

Providence maintains a long-term investment portfolio comprised of operating and foundation investment assets. Providence's target asset allocation for the long-term portfolio, by general asset class, is presented for the periods indicated:

| EXHIBIT 4.2 - INVESTMENTS BY TYPE | As of | |
|-------------------------------------|------------|-----------|
| | 12-31-2021 | 3-31-2022 |
| Cash and Cash Equivalents | 0% | 0% |
| Domestic and International Equities | 45% | 42% |
| Debt Securities | 40% | 38% |
| Other Securities | 15% | 20% |

Financial Ratios

Providence's financial ratios presented on an as reported and pro forma basis for the periods indicated:

| EXHIBIT 4.3 - AS REPORTED AND PRO FORMA SUMMARY KEY RATIOS | As of | | | |
|--|-------------|-----------|------------|-----------|
| | AS REPORTED | | PRO FORMA | |
| | 12-31-2021 | 3-31-2022 | 12-31-2021 | 3-31-2022 |
| Total Debt to Capitalization % | 30.6 | 37.4 | 34.1 | 37.4 |
| Cash to Debt Ratio % | 200.7 | 156.2 | 172.4 | 156.2 |
| Days Cash on Hand ⁽¹⁾ | 191 | 154 | 161 | 154 |
| Maximum Annual Debt Service | 414 | 389 | 386 | 389 |
| Cash to Net Assets Ratio | 0.89 | 0.93 | 0.89 | 0.93 |

⁽¹⁾ Days Cash on Hand, a measure of cash in relation to monthly operating expenses, is calculated as follows: (unrestricted cash & investments) / (total operating expenses - depreciation and amortization expenses)/days outstanding during the periods).

System Capitalization

Providence's capitalization is presented on an as reported and pro forma basis for the periods indicated:

| EXHIBIT 4.4 - AS REPORTED AND PRO FORMA SYSTEM CAPITALIZATION \$ PRESENTED IN MILLIONS UNLESS NOTED | As of | | | |
|--|-------------|-----------|------------|-----------|
| | AS REPORTED | | PRO FORMA | |
| | 12-31-2021 | 3-31-2022 | 12-31-2021 | 3-31-2022 |
| Long-Term Indebtedness | \$6,915 | \$6,824 | \$6,368 | \$6,824 |
| Less: Current Portion of Long-Term Debt | 81 | 48 | 79 | 48 |
| Net Long-Term Debt | 6,834 | 6,776 | 6,289 | 6,776 |
| Net Assets - Without Donor Restrictions | 15,911 | 11,655 | 12,512 | 11,655 |
| Total Capitalization | \$22,745 | \$18,431 | \$18,801 | \$18,431 |
| Long-Term Debt to Capitalization % | 30.0 | 36.8 | 33.5 | 36.8 |

System Debt Service Coverage

Providence's coverage of Maximum Annual Debt Service ("MADS") on indebtedness is presented on an as reported and pro forma basis for the periods indicated:

| EXHIBIT 4.5 - AS REPORTED AND PRO FORMA SYSTEM DEBT SERVICE COVERAGE \$ PRESENTED IN MILLIONS UNLESS NOTED | As of | | | |
|---|-------------|--|------------|--|
| | AS REPORTED | | PRO FORMA | |
| | 12-31-2021 | Rolling 12-Months 3-31-2022 ⁽¹⁾ | 12-31-2021 | Rolling 12-Months 3-31-2022 ⁽¹⁾ |
| Income Available for Debt Service: | | | | |
| Excess (Deficit) of Revenues Over Expenses | \$518 | \$(3,814) | \$53 | \$(3,814) |
| Less: Unrealized (Gains) on Trading Securities | (601) | (13) | (315) | (13) |
| Plus: Loss (Gain) on Extinguishment of Debt | 3 | (17) | 3 | (17) |
| Plus: Loss on Pension Settlement Costs and Other | 19 | 4 | 19 | 4 |
| Plus: Loss on Disaffiliation | - | 3,408 | - | 3,408 |
| Plus: Depreciation | 1,094 | 1,064 | 987 | 1,064 |
| Plus: Interest and Amortization | 312 | 308 | 285 | 308 |
| Total | \$1,345 | \$940 | \$1,032 | \$940 |
| Debt Service Requirements: ⁽²⁾ | | | | |
| MADS | \$414 | \$389 | \$386 | \$389 |
| Coverage of Debt Service Requirements ⁽²⁾ | 3.2x | 2.4x | 2.7x | 2.4x |

⁽¹⁾ Represents 12 consecutive months of financial results for an annualized disclosure for interim periods.

⁽²⁾ Debt Service Requirements has the meaning assigned to such term in the Master Indenture.

System Governance and Management

Corporate Governance

Providence serves as the parent and corporate member of PH&S and SJHS. Providence was created in connection with the combination of the multi-state health care systems of PH&S and the SJHS, which was effective on July 1, 2016 (the “Combination”). Providence has been determined to be an organization that is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code. Prior to the Combination, the sole corporate member of PH&S was Providence Ministries, which acted through its sponsors, who are five individuals appointed by the Provincial Superior of the Sisters of Providence, Mother Joseph Province. Similarly, the sole corporate member of SJHS was St. Joseph Health Ministry, a California non-profit public benefit corporation. Providence Ministries and St. Joseph Health Ministry are each a public juridic person under Canon law, responsible for assuring the Catholic identity and fidelity to the Mission of their respective systems. Pursuant to the Combination, Providence Ministries and St. Joseph Health Ministry have entered into an agreement that establishes a sponsorship model through contractual obligations exercised by the parties’ sponsors collectively (the “Sponsors Council”). The Sponsors Council retains certain reserved rights with respect to Providence. Among the powers reserved to the Sponsors Council are the following powers over the affairs of Providence (excluding certain affiliates, such as: Providence - Western Washington, Western HealthConnect, Swedish, Swedish Edmonds, PacMed, and Kadlec): to amend or repeal the articles of incorporation or bylaws of Providence; the appointment and removal, with or without cause, of the directors of Providence; the appointment and removal, with or without cause, of the President and Chief Executive Officer of Providence; the approval of the acquisition of assets, incurrence of debt, encumbering of assets and sale of certain property; the approval of operating and capital budgets, upon recommendation of the Providence Board of Directors; and the approval of dissolution, consolidation or merger. Providence has reserved rights over PH&S and SJHS, which powers may be exercised by the Board of Providence. Given the complexity of Providence’s governance structure, Providence routinely evaluates and considers alternative governance models to best meet Providence’s governance needs.

The following table lists the current members of the Board of Directors of Providence and the Sponsors Council.

| <u>Board of Directors</u> | <u>Term Expires (December 31)</u> | <u>Sponsors Council</u> | <u>Term Expires (December 31)</u> |
|------------------------------------|--|--------------------------------|--|
| Mary Lyons, PhD., Chair † | 2022 | Ned Dolejsi | 2022 |
| Richard Blair † | 2022 | Jeff Flocken | 2025 |
| Isiaah Crawford, PhD. † | 2022 | Barbara Savage | 2022 |
| Sr. Diane Hejna, CSJ, RN. † | 2022 | Bill Cox | 2022 |
| Sr. Phyllis Hughes, RSM, PhD. † | 2022 | Russell Danielson | 2027 |
| Charles W. Sorenson, M.D. † | 2024 | Sr. Sharon Becker, CSJ | 2027 |
| Michael Murphy ^Δ | 2022 | Mark Koenig | 2027 |
| Sr. Carol Pacini, LCM ^Δ | 2023 | Sr. Margaret Pastro, SP | 2028 |
| Christina Fisher ^Δ | 2024 | Sr. Mary Therese Sweeney, CSJ | 2028 |
| Eric Sprunk ^Δ | 2024 | Sr. Cecilia Magladry, CSJ | 2025 |
| Rod Hochman, M.D. | Ex-officio | | |

† Not eligible for an additional term.

‡ Eligible for one additional three-year term.

^Δ Eligible for up to two additional terms.

Executive Leadership Team

The following are key members of Providence’s executive leadership team.

| <u>Name</u> | <u>Title</u> |
|--------------------|--|
| Rod Hochman, M.D. | President and CEO |
| Greg Hoffman | Executive Vice President and CFO |
| Anna Newsom | Executive Vice President and Chief Legal Officer |

In March 2022, Providence named Anna Newsom as its new Executive Vice President and Chief Legal Officer. Newsom will report to Providence’s Chief Executive Officer and service on the organization’s executive council. Newsom joins Providence from The Travelers Companies, where she has worked since 2013. Most

recently, she served as Group General Counsel for the company's Staff Counsel operations. She previously was Vice President with the Strategic Resolution Group and Second Vice President with Enterprise Major Case and International Claim. Newson began her role in April 2022 and will be based in Renton, Washington.

Environmental, Social, and Governance Standards

Providence continues to advance a social responsibility framework that includes a stronger commitment to diversity, equity, inclusion, and environmental stewardship. We updated our Integrated Strategic & Financial Plan to more clearly express our commitment and acceleration of this important work to address social, racial, and economic disparities in the communities we serve. Providence's social responsibility framework aims to deploy the assets of our system to support community health improvement, strengthen local economies and reduce our carbon footprint. We have implemented an environmental stewardship system strategy that encourages waste reductions, efficient energy and water use, local agriculture partnerships, less toxic and fewer chemical use, and a reduction in carbon from travel. We have also held environmental stewardship as one of the top priorities for our leadership incentive program to ensure alignment and momentum continues.

Support Services

The leadership structure operates under six councils that work collaboratively to achieve a streamlined set of strategic priorities across Providence and its family of organizations. Chartered by the Executive Leadership Committee, the councils are inclusive of the regions, lines of business, and other key functional areas. Corporate officers and supporting staff oversee the management activities performed on a day-to-day basis by the management staff of each region. The Chief Financial Officer of Providence and Finance staff oversee the annual budget and multi-year planning activities of the organization, including capital allocation. Other areas in which the corporate staff provides centralized services or coordinates the activities of the service areas include legal affairs, insurance and risk management, treasury services, real estate strategy and operations, marketing, supplies management, technical support, fund-raising, quality of care, medical ethics, pastoral services, mission effectiveness, human resources, planning and policy development, and public affairs.

Obligated Group

Providence and the other entities so designated in the Glossary are currently Obligated Group Members under the Master Indenture.

For the three months ended March 31, 2022, the unaudited combined operating revenues, and total assets attributable to the Obligated Group Members were approximately 80 percent and 82 percent, respectively, of Providence's totals. For the fiscal year ended December 31, 2021, the audited combined operating revenues, and total assets attributable to the Obligated Group Members were approximately 81 percent and 82 percent, respectively, of Providence's totals. Refer to Exhibit 7 for supplementary information on the Obligated Group Members.

Providence is the Obligated Group Agent under the Master Indenture. Under the Master Indenture, debt incurred or secured through the issuance of Obligations under the Master Indenture are the responsibility, jointly and severally, of the Obligated Group Members. Pursuant to the Master Indenture, Obligated Group Members may be added to and withdrawn from the Obligated Group under certain conditions described in the Master Indenture. Indebtedness evidenced or secured by obligations issued under the Master Indenture is solely the obligation of the Obligated Group, and such obligations are not guaranteed by, or are the liabilities of, Sisters of Providence, Mother Joseph Province, any other Province of the Sisters of Providence, Sisters of St. Joseph of Orange, the Roman Catholic Church, or any affiliate of Providence that is not an Obligated Group Member.

Obligated Group Utilization

The Obligated Group's key volume indicators are presented on an as reported and pro forma basis for the periods indicated:

| EXHIBIT 5.1 - AS REPORTED AND PRO FORMA OBLIGATED GROUP UTILIZATION DATA PRESENTED IN THOUSANDS UNLESS NOTED | Three Months Ended | | | |
|--|--------------------|-----------|-----------|-----------|
| | AS REPORTED | | PRO FORMA | |
| | 3-31-2021 | 3-31-2022 | 3-31-2021 | 3-31-2022 |
| <u>Obligated Group</u> | | | | |
| Inpatient Admissions | 105 | 99 | 98 | 99 |
| Acute Adjusted Admissions | 204 | 198 | 190 | 198 |
| Acute Patient Days | 601 | 588 | 566 | 588 |
| Long-Term Care Patient Days | 74 | 69 | 74 | 69 |
| Outpatient Visits (incl. Physicians) | 5,150 | 5,316 | 5,022 | 5,316 |
| Emergency Room Visits | 398 | 423 | 364 | 423 |
| Surgeries and Procedures | 120 | 116 | 115 | 116 |
| Acute Average Daily Census (Actual) | 6,677 | 6,537 | 6,291 | 6,537 |

Obligated Group Capitalization

The Obligated Group's capitalization is presented on an as reported and pro forma basis for the periods indicated:

| EXHIBIT 5.2 - AS REPORTED AND PRO FORMA OBLIGATED GROUP CAPITALIZATION \$ PRESENTED IN MILLIONS UNLESS NOTED | As of | | | |
|--|-------------|-----------|------------|-----------|
| | AS REPORTED | | PRO FORMA | |
| | 12-31-2021 | 3-31-2022 | 12-31-2021 | 3-31-2022 |
| <u>Obligated Group</u> | | | | |
| Long-Term Indebtedness | \$6,603 | \$6,517 | \$6,094 | \$6,517 |
| Less: Current Portion of Long-Term Debt | 70 | 37 | 68 | 37 |
| Net Long-Term Debt | 6,533 | 6,480 | 6,026 | 6,480 |
| Net Assets - Without Donor Restrictions | 13,133 | 9,237 | 10,137 | 9,237 |
| Total Capitalization | \$19,666 | \$15,717 | \$16,163 | \$15,717 |
| Long-Term Debt to Capitalization % | 33.2 | 41.2 | 37.3 | 41.2 |

Obligated Group Debt Service Coverage

The Obligated Group's coverage of MADS on indebtedness is presented on an as reported and pro forma basis for the periods indicated:

| EXHIBIT 5.3 - AS REPORTED AND PRO FORMA OBLIGATED GROUP DEBT SERVICE COVERAGE \$ PRESENTED IN MILLIONS UNLESS NOTED | As of | | | |
|---|----------------|--|----------------|--|
| | AS REPORTED | | PRO FORMA | |
| | 12-31-2021 | Rolling 12-Months 3-31-2022 ⁽¹⁾ | 12-31-2021 | Rolling 12-Months 3-31-2022 ⁽¹⁾ |
| <u>Obligated Group</u> | | | | |
| Income Available for Debt Service: | | | | |
| Excess (Deficit) of Revenues Over Expenses | \$995 | \$(3,133) | \$595 | \$(3,133) |
| Less: Unrealized (Gains) on Trading Securities | (542) | (92) | (254) | (92) |
| Plus: Loss (Gain) on Extinguishment of Debt | 3 | (17) | 3 | (17) |
| Plus: Loss on Pension Settlement Costs and Other | 19 | 4 | 19 | 4 |
| Plus: Loss on Disaffiliation | - | 3,408 | - | 3,408 |
| Plus: Depreciation | 984 | 956 | 888 | 956 |
| Plus: Interest and Amortization | 259 | 254 | 241 | 254 |
| Total | \$1,718 | \$1,380 | \$1,492 | \$1,380 |
| Debt Service Requirements: ⁽²⁾ | | | | |
| MADS | \$414 | \$389 | \$386 | \$389 |
| Coverage of Debt Service Requirements ⁽²⁾ | 4.1x | 3.5x | 3.9x | 3.5x |

⁽¹⁾ Represents 12 consecutive months of financial results for an annualized disclosure for interim periods.

⁽²⁾ Debt Service Requirements has the meaning assigned to such term in the Master Indenture.

Outstanding Master Trust Indenture Obligations

As of March 31, 2022, Providence had Obligations outstanding under the Master Indenture totaling \$6 billion. This excludes Obligations that secure interest rate or other swap transactions, or credit facilities. The Obligations outstanding under the Master Indenture relating to tax-exempt and taxable bond/note indebtedness are described further in the Note 8 to the Combined Audited Financial Statements for the fiscal year ended December 31, 2021.

Certain of the outstanding Obligations secure tax-exempt bonds previously issued for the benefit of one or more Obligated Group Members (collectively, the "Direct Placement Bonds") that were purchased directly by commercial banks. Certain other of the outstanding Obligations secure taxable loans and lines of credit previously incurred on behalf of the Obligated Group (the "Taxable Loans") from one or more commercial banks or a syndicate of banks. Certain other of the outstanding Obligations secure payment obligations relating to a letter of credit facility (the "Credit Facility") issued by a credit bank for the benefit of, or by, certain Obligated Group Members. The financial covenants relating to the Direct Placement Bonds, the Taxable Loans, and the Credit Facility are substantially consistent with the covenants in the Master Indenture. In addition to financial covenants, the Direct Placement Bonds, the Taxable Loans, and the Credit Facility include events of default that may cause an acceleration of the Obligations secured thereby, and, in turn, all Obligations secured by the Master Indenture. Certain documents relating to the Direct Placement Bonds, the Taxable Loans, and the Credit Facility containing these financial covenants and events of default are available for review on EMMA (<http://emma.msrb.org>).

Control of Certain Obligated Group Members

General

Providence is the sole corporate member of PH&S and SJHS. PH&S is the sole corporate member of Providence - Washington, Providence - Southern California, LCMASC, Providence - St. John's, Providence - SJMC Montana, Providence - Montana, and Providence - Oregon. Providence Ministries is the co-corporate member, alongside Western Health Connect of Providence - Western Washington. Western HealthConnect is the sole corporate member of Swedish, Swedish Edmonds, Pac Med, and Kadlec.

SJHS is the sole corporate member of SJHNC and, as more fully described hereinafter, a corporate member of St. Joseph Orange, St. Jude, Mission Hospital, St. Mary and CHS.

Northern California Region

SJHS is the sole member of St. Joseph Health Northern California, LLC, which operates the hospital facilities known as Providence Santa Rosa Memorial Hospital, Providence Queen of the Valley Medical Center, Providence St. Joseph Hospital, and Providence Redwood Memorial Hospital. The corporate entities of Providence Santa Rosa Memorial Hospital, Providence Queen of the Valley Medical Center, Providence St. Joseph Hospital, and Providence Redwood Memorial Hospital, each a California nonprofit public benefit corporation (collectively, the “Hospitals”) transferred their assets to SJHNC effective as of April 1, 2018. Effective December 31, 2019, those four remaining corporate entities in connection with this reorganization were dissolved.

Southern California Region

Effective January 19, 2022, Hoag Hospital withdrew as an Obligated Group Member under the Master Trust Indenture dated as of May 1, 2003. Providence’s disaffiliation of Hoag also includes the dissolution of CHN, a third-party member. Refer to the Litigation section below for additional details.

West Texas/Eastern New Mexico Region

SJHS and Lubbock Methodist Hospital System (“LMHS”) are the corporate members of CHS. CHS is the sole corporate member of CMC, Covenant Levelland and Covenant Plainview. LMHS is not an Obligated Group Member and is not obligated for payment with respect to the Bonds.

CHS was formed in 1998 pursuant to an affiliation between SJHS and LMHS and its affiliates, pursuant to which CHS became the sole corporate member of certain entities previously affiliated with LMHS and, together with certain of such entities, joined the obligated group to which SJHS and its affiliates were party.

CHS is governed by a 19-member board of directors. LMHS and SJHS each appoint eight directors. SJHS also appoints the Chief Executive Officer of CHS, who is an ex-officio voting director. The CMC Chief of Staff and Covenant Children’s Hospital Chief of Staff also serve as ex-officio voting directors. SJHS has extensive authority with respect to the financial affairs of CHS and its subsidiaries, including, but not limited to, the approval of budgets of CHS and its subsidiaries and selection and retention of auditors.

As part of the affiliation, SJHS, CHS and LMHS entered into an agreement that significantly restricts the ability of SJHS to sever its relationship with CHS and the entities formerly affiliated with LMHS. Under certain circumstances, it also restricts CHS and SJHS from a wide variety of transactions (the “Covered Transactions”), including: (i) certain management agreements, leases, joint ventures and other transactions that might have the effect of transferring control of Covenant Medical Center or all assets of CHS and its subsidiaries to an unrelated third party, or in a manner that voids or reduces LMHS’s right, as a member, to appoint directors; (ii) a sale, transfer or conveyance of all or substantially all of CHS’ assets (including all of CHS’ affiliates, taken in the aggregate); (iii) an affiliation, management agreement, lease or joint venture under which a third party acquires the right to control CHS, as a whole; or (iv) any other transaction in which the ability to appoint and remove more than 50 percent of the directors of CHS is transferred to a third party.

In the event SJHS or CHS undertakes a Covered Transaction, they are obligated to provide notice and information to LMHS and to make a “reciprocal offer” to LMHS, including an offer to purchase LMHS’s membership rights in CHS and a simultaneous obligation to offer CHS’ membership rights to LMHS at the same purchase price, adjusted upward by a formula that reflects the dissolution percentages Pursuant to the terms of the affiliation, the dissolution percentages are SJHS - 57 percent; LMHS - 43 percent.

Other Information

Non-Obligated Group System Affiliates

In addition to the Obligated Group Members, Providence includes: health plans; a provider network; numerous fundraising foundations; Providence Ventures, Inc., a Washington corporation that invests in health

care activities; Tegria, a company that provides technologies and services to the health care sector; various not-for-profit corporations that own and operate assisted living facilities and low-income housing projects, including housing facilities for the elderly; and the University of Providence formerly known as University of Great Falls, located in Great Falls, Montana. Providence also includes multiple operations involving or supporting home health, outpatient surgery, imaging services and other professional services provided through for-profit and non-profit entities that are not part of the Obligated Group. These entities are organized as subsidiaries of Providence, partnerships, or joint ventures with other entities. Obligated Group Members also may engage in informal alliances and/or contract-based physician relationships. Affiliates that are not Obligated Group Members are referred to in this Quarterly Report as the Non-Obligated Group System Affiliates. Certain Non-Obligated Group System Affiliates that are of significant operational or strategic importance and other Non-Obligated Group System Affiliates are discussed elsewhere in this Quarterly Report only to the extent they are viewed by management to be of operational or strategic importance.

Ambulatory Care Network

The Providence Ambulatory Care Network (“ACN”) partners in the well-being of all people by creating personalized, convenient, affordable health solutions. Currently, the ACN provides over 3.1 million visits annually in 383 access points across seven states. The ACN consists of ambulatory surgery centers, imaging centers, urgent care centers, retail clinics and active wellness sites. By expanding our ambulatory care network through strategic partnerships and multiple growth projects at scale, the ACN improves patient access and reduces costs for consumers and employers. The ACN offers advantages to consumers and physicians, including greater affordability, predictability, flexibility, and convenience, while offering a seamless connection to Providence full continuum of care.

Population Health Management

Population Health models and initiatives form a vital pillar in achieving our strategic plan of transforming care, delivering value-based care, and creating healthier communities together. Our goal is to maximize the health outcomes of the people in our defined populations and communities through the design, delivery, and coordination of affordable quality health care and services. We integrate solutions to improve social determinants of health, identify health disparities, and provide care management for complex patients. We are building community partnerships to increase access to health services, transportation, housing, education, food banks, mental health services, and support needed by vulnerable communities to achieve health equity.

Our Population Health Management division is composed of a family of services, including Population Health Informatics, Value-Based Care, Payer Contracting, Risk Sharing & Payments Models, Care Management, Mental Health Improvement, and Health Equity that support our Providence regional care delivery systems; and three businesses: Providence Health Plans, Ayin Health Solutions, and Home & Community Care.

Providence Health Plan (“PHP”), a 501(c)(4) Oregon non-profit health care service contractor, and Providence Health Assurance (“PHA”), a wholly owned subsidiary of PHP, are collectively referred to as the Health Plans. Providence Plan Partners (“PPP”) is a 501(c)(4) Washington non-profit corporation.

The Health Plans provide services to a wide range of clients, including self-funded employers, and insurance coverage for large group employers, small group employers, individual and family coverage under the Affordable Care Act, Medicare Commercial, Medicare Advantage, Managed Medicaid risk administration, pharmacy benefits management, workers compensation services, and network access services under preferred plans. Providence Health Plan members reside in 49 states nationwide.

Ayin Health Solutions is our population health management company that provides a comprehensive suite of services to employer, payer, provider, and government clients. Ayin is a for-profit, non-risk bearing entity providing administrative and clinical services in multiple states and incorporated in Delaware.

Home & Community Care is a trusted partner for individuals and families. Our community-based care and services are geared to help in times of need, aging and illness, and at the end of life. We provide a full range of post-acute services, including assisted living, skilled nursing and rehabilitation, home health, home infusion and pharmacy services, home medical equipment, hospice and palliative care, Program of All-Inclusive Care for the Elderly locations, supportive housing, and personal home care services. As our Mission calls us to serve the most vulnerable and poor members of our community, we provide a full range of services and support to

more than 30,000 patients, participants, and residents each day. The demand for these services continues to increase in the markets we serve, creating opportunities for continued growth, innovation, and investment.

Physician Enterprise

Providence’s Physician Enterprise creates health for a better world by serving patients across the Western United States with quality, compassionate, coordinated care. Collectively, our medical groups and affiliate practices are the third largest group in the country with over 11,000 providers. This includes: Providence Medical Group, serving Alaska, Washington, Montana, and Oregon; Swedish Medical Group, with staffed clinics throughout Washington’s greater Puget Sound area; Pacific Medical Centers in western Washington; Kadlec, serving southeast Washington; Providence St. John’s Medical Foundation in Southern California; Providence Medical Institute (“PMI”) in Southern California; Providence Facey Medical Foundation (“Facey”) in Southern California; Providence Medical Foundation in Northern and Southern California; and Covenant Medical Group, and Covenant Health Partners in west Texas and eastern New Mexico.

Tegria

Tegria is a Providence-owned technology and solutions company that combines select Providence investments and acquisitions into a comprehensive portfolio of solutions to accelerate technological, clinical, and operational advances in health care. Tegria focuses on three key initiatives: healthcare consulting and technology services, revenue cycle management solutions, and software technology and platforms. Tegria is comprised of more than 3,500 strategists, technologists, service providers and scientists who currently serve more than 500 organizations across North America.

Interest Rate Swap Arrangements

Providence and/or certain of its affiliates may enter into interest rate swap contracts from time to time to increase or decrease variable rate debt exposure, to achieve a targeted mix of fixed and floating rate indebtedness, and for other purposes.

At March 31, 2022, SJHS was party to five interest rate swap agreements with a current notional amount totaling approximately \$401 million and with varying expiration dates. The swap agreements require SJHS to make fixed rate payments in exchange for variable rate payments made by the counterparties. SJHS’s payment obligations under such swap agreements are secured by Obligations issued under the Master Indenture.

Below is a summary of those swap agreements, including the fair value of the swaps as of March 31, 2022. Fair values are based on independent valuations obtained and are determined by calculating the value of the discounted cash flows of the differences between the fixed interest rate of the interest rate swaps and the counterparty’s forward London Interbank Offered Rate curve, which is the input used in the valuation, also taking into account any nonperformance risk. Changes in the fair value of the interest rate swaps are included within non-operating gains and losses. See also the discussion under “Other Information - Interest Rate Swap Arrangements” and Note 8 to the Combined Audited Financial Statements for the fiscal year ended December 31, 2021.

| INTEREST RATE SWAPS \$ PRESENTED IN MILLIONS | NOTIONAL | TERM | COUNTERPARTY | RECEIVE | PAY | FAIR VALUE |
|---|----------|--------|--------------|------------------------------------|--------|------------|
| Fixed Payor | 167.9 | Jul-47 | MUFG Union | 68% of 3 Month LIBOR | 3.529% | (43.5) |
| Fixed Payor | 44.6 | Jul-47 | Wells Fargo | 68% of 3 Month LIBOR | 3.520% | (11.5) |
| Fixed Payor | 60.8 | Dec-40 | Wells Fargo | 55.70% of 1 Month LIBOR + 0.23% | 3.229% | (9.5) |
| Fixed Payor | 60.8 | Dec-40 | Wells Fargo | 55.70% of 1 Month LIBOR + 0.23% | 3.229% | (9.5) |
| Fixed Payor | 67.2 | Dec-40 | Wells Fargo | 55.70% of 1 Month LIBOR + 0.23% | 3.229% | (10.5) |

Entering into derivative agreements, including those described above, creates a variety of risks to Providence. Pursuant to certain of these agreements, both SJHS and the counterparty are required to deliver collateral in certain circumstances in order to secure their respective obligations under the agreements. As of March 31, 2022, SJHS posted no collateral. The amount of collateral delivered by SJHS over the term of the agreements could increase or decrease based upon SJHS’ credit ratings and movements of United States dollar

swap rates and could be substantial. Under certain circumstances, the derivative agreements are subject to termination prior to their scheduled termination date and prior to the maturity of the related revenue bonds. Payments due upon early termination may be substantial. In the event of an early termination of an agreement, there can be no assurance that (i) SJHS or any other Obligated Group Member will receive any termination payment payable to it by the provider, (ii) SJHS or any other Obligated Group Member will have sufficient amounts to pay a termination payment payable by it to the provider, or (iii) SJHS or the other Obligated Group Members will be able to obtain a replacement agreement with comparable terms. For financial reporting purposes, Providence has generally not treated its swap agreements as effective hedges against the interest cost of underlying debt. To the extent that swaps are not treated as effective hedges, Providence must recognize any changes in the fair market value of the swap agreements and the related debt as non-operating gains or losses. See Note 8 to the Combined Audited Financial Statements for the fiscal year ended December 31, 2021.

Litigation

Certain material litigation may result in adverse outcomes to the Obligated Group. Obligated Group Members are involved in litigation and regulatory investigations arising in the course of doing business. After consultation with legal counsel, except as described below, management estimates that these matters will be resolved without material adverse effect on the Obligated Group's future consolidated financial position or results of operations.

In 2019, the U.S. Department of Justice served Swedish Health Services with a Civil Investigative Demand requesting documents pertaining to certain arrangements and joint ventures and physician organizations. Swedish is cooperating with the Department and compiling the responsive documents.

On February 3, 2022, the Washington State Attorney General's Office filed a complaint against Providence Health & Services - Washington, Swedish Health Services, Swedish Edmonds, and Kadlec Regional Medical Center, seeking injunctive relief and civil penalties for alleged violations of the Washington State Consumer Protection Act. The litigation is in the early stages. At this time, no determination can be made as to whether such litigation will have a material adverse effect on Providence, financial or otherwise.

On April 11, 2022, the U.S. Department of Justice, the Washington Office of the Attorney General and Providence Health & Services - Washington entered into a Settlement Agreement and Corporate Integrity Agreement to resolve allegations raised by a relator regarding the False Claims Act arising out of the actions of two physicians at one Providence hospital in the southeast region of Washington State. These physicians are no longer practicing at any Providence hospital. Providence agreed to settle the litigation, without admitting fault, to resolve these matters expeditiously, which Providence believes is in the best interest of our caregivers and patients. Providence cooperated fully with the government throughout the investigation.

Several civil actions are pending or threatened against certain affiliates, including Obligated Group Members, alleging medical malpractice. In the opinion of management of Providence, based upon the advice of legal counsel and risk management personnel, the currently estimated costs and related expenses of defense will be within applicable insurance limits or will not materially adversely affect the financial condition or operations of Providence.

In early May 2020, Hoag Family Foundation and APM, two of the three corporate members of Hoag Hospital, filed a complaint under a California Corporations Code statute seeking to involuntarily dissolve CHN, the third corporate member. The complaint sought to remove Hoag Hospital as an Obligated Group Member through this involuntary dissolution claim. A trial date was set for April 2022. In January 2022, Hoag and Providence reached agreement to amicably end the affiliation, and Hoag exited from the Obligated Group on January 19, 2022. In accordance with this agreement, the complaint was dismissed with prejudice as to all claims, and the dismissal was entered by the Court on January 10, 2022.

Employees

As of March 31, 2022, Providence employed approximately 121,000 caregivers, representing 102,713 FTEs. Of Providence's total employees, approximately 31 percent are represented by 19 different labor unions.

Providence management strives to provide market-competitive salaries and benefits to all employees. Management of Providence believes the salary levels and benefits packages for its employees are competitive in all the respective markets. At the same time, management understands that the health care industry is rapidly

evolving. Leadership of each of the separate employers within Providence is working to ensure the compensation and benefits are modern and reflect competitive market practices. This will require continued negotiations throughout 2022. In the past two years, Providence has experienced strikes at different facilities as a result of contract negotiations. In each situation, the facility operated with qualified replacement employees and experienced limited disruption to hospital operations or patient service. Management is also aware of ongoing organizing efforts by labor unions within the health care industry, including in markets where the separate employers within Providence operate.

The separate employers across the System are committed to ensuring they have enough employees to continue providing high-quality services throughout the pandemic. Leadership at the different facilities have implemented vaccination policies consistent with local, state, and federal mandates to protect employees and patients. To retain existing employees and ease workload pressures, the different facilities contract with staffing agencies for supplemental staffing, offer incentives to work extra shifts, and provide paid leave for those who experience adverse vaccine side effects or require isolation for a work related COVID-19 exposure.

Community Benefit

Our community benefit program is a vital part of our vision. It includes free or low-cost care (charity care) and the costs of uncompensated care for Medicaid and other government-funded programs, along with proactive investments such as subsidized health services, education, and community health improvement. Each year, we take a holistic approach to community building by identifying unmet needs and responding with tailored community benefit investments designed to improve health and well-being.

Building on our commitment to care for those who are poor and vulnerable, we invested \$412 million in community benefit in the three months ended March 31, 2022, compared with \$400 million in the same period in 2021. Our unpaid costs of Medicaid totaled \$251 million for the three months ended March 31, 2022, compared with \$270 million for the same period in 2021.

Providence Information Security Program

Providence's information security program consists of over 200 full-time employees. The information security team's global reach enables 24/7 coverage of information technology ("IT") risks and real-time defense of Providence's information ecosystem. Providence's cybersecurity program has adopted the National Institute of Standards and Technology ("NIST") Cyber Security Framework ("CSF") as the foundational model for organizing the team's strategy, with policies and standards aligned to a controls-based framework based on NIST 800-53. Standardizing the program on this framework and rooting the program in controls-based policies allows the system to measure cybersecurity maturity and update controls as the IT risk landscape evolves. IT risk is quantified and tracked in the Cyber Balance Sheet ("CBS") operational tool, which combines real-time telemetry from enterprise IT and cybersecurity tools with risk-weighted measurements. This approach allows for risk-informed decision-making within the IT organization and the Providence Board of Directors.

Insurance

Providence has developed insurance programs that provide coverage for various insurable risks utilizing commercial products and self-insurance using two captive insurance companies domiciled in Arizona and Bermuda with reinsurance. The program uses benchmarking and insurance, actuarial and finance analytics to guide decisions regarding the types of coverage purchased, the limits or amounts of insurance, and quality of coverage terms. The quality of insurance products is maintained in part by requiring commercial insurers to have an A rating or better from A.M. Best to be on Providence's program. Management reviews strategy at least annually with input from brokers, actuaries, and consultants. Funding of captive insurers conforms to regulatory requirements of the domicile. The major lines of insurance maintained include property, professional and general liability, directors and officers liability, employment practices liability, auto liability, fiduciary liability, cyber liability, technology errors and omissions, workers' compensation and employers' liability, and crime.

Accreditation and Memberships

Providence's acute care hospital facilities are appropriately licensed by applicable state licensing agencies, certified for Medicare and Medicaid/Medi-Cal reimbursement, and (except Covenant Levelland, Providence Seward Medical Center, and Providence Valdez Medical Center) accredited by The Joint

Commission. Providence's five hospitals operated by Swedish Health Services are accredited by DNV. Each long-term care facility or unit is licensed by applicable state licensing agencies and is appropriately certified for Medicare and Medicaid/Medi-Cal reimbursement.

Glossary of Certain Terms

Credit Group: Obligated Group Members, Designated Affiliates, Limited Credit Group Participants, and Unlimited Credit Group Participants, collectively.

Obligated Group or Obligated Group Members: Obligated Group Members under the Master Indenture and currently:

| | |
|----------------------------------|-----------------------|
| Providence | Western HealthConnect |
| PH&S | Kadlec |
| Providence - Washington | SJHS |
| Providence - Southern California | St. Joseph Orange |
| LCMASC | St. Jude |
| Providence - Saint John's | Mission Hospital |
| Providence - SJMC Montana | St. Mary |
| Providence - Montana | SJHNC |
| Providence - Oregon | CHS |
| Providence - Western Washington | CMC |
| Swedish | Covenant Children's |
| Swedish Edmonds | Covenant Levelland |
| PacMed | Covenant Plainview |

Designated Affiliates: Designated Affiliates under the Master Indenture. There are currently no Designated Affiliates.

Limited Credit Group Participants: Limited Credit Group Participants under the Master Indenture. There are currently no Limited Credit Group Participants.

Unlimited Credit Group Participants: Unlimited Credit Group Participants under the Master Indenture. There are currently no Unlimited Credit Group Participants.

CHS: Covenant Health System, a Texas nonprofit corporation and currently an Obligated Group Member.

CMC: Covenant Medical Center, a Texas nonprofit corporation and currently an Obligated Group Member.

Covenant Children's: Methodist Children's Hospital, a Texas nonprofit corporation and currently an Obligated Group Member, doing business as Covenant Children's Hospital.

Covenant Levelland: Methodist Hospital Levelland, a Texas nonprofit corporation and currently an Obligated Group Member, doing business as Covenant Levelland Hospital.

Covenant Plainview: Methodist Hospital Plainview, a Texas nonprofit corporation and currently an Obligated Group Member, doing business as Covenant Plainview Hospital.

Kadlec: Kadlec Regional Medical Center, a Washington nonprofit corporation and currently an Obligated Group Member.

LCMASC: Little Company of Mary Ancillary Services Corporation, a California nonprofit public benefit corporation and currently an Obligated Group Member.

Mission Hospital: Mission Hospital Regional Medical Center, a California nonprofit public benefit corporation and currently an Obligated Group Member.

PacMed: PacMed Clinics, a Washington nonprofit corporation and currently an Obligated Group Member.

PH&S: Providence Health & Services, a Washington nonprofit corporation and currently an Obligated Group Member.

Providence - Montana: Providence Health & Services - Montana, a Montana nonprofit corporation and currently an Obligated Group Member.

Providence - Oregon: Providence Health & Services - Oregon, an Oregon nonprofit corporation and currently an Obligated Group Member.

Providence - Saint John's: Providence Saint John's Health Center, a California nonprofit religious corporation and currently an Obligated Group Member.

| | |
|---|--|
| Providence - SJMC Montana: | Providence St. Joseph Medical Center, a Montana nonprofit corporation and currently an Obligated Group Member. |
| Providence - Southern California: | Providence Health System - Southern California, a California nonprofit religious corporation and currently an Obligated Group Member. |
| Providence - Washington: | Providence Health & Services - Washington, a Washington nonprofit corporation and currently an Obligated Group Member. |
| Providence - Western Washington: | Providence Health & Services - Western Washington, a Washington nonprofit corporation and currently an Obligated Group Member. |
| Providence St. Joseph Health, Providence, we, us, our: | Providence St. Joseph Health, a Washington nonprofit corporation and currently an Obligated Group Member and the Obligated Group Agent. |
| SJHNC: | St. Joseph Health Northern California, LLC, a California limited liability company and currently an Obligated Group Member. |
| SJHS: | St. Joseph Health System, a California nonprofit public benefit corporation and currently an Obligated Group Member. |
| St. Joseph Orange: | St. Joseph Hospital of Orange, a California nonprofit public benefit corporation and currently an Obligated Group Member. |
| St. Jude: | St. Jude Hospital, a California nonprofit public benefit corporation and currently an Obligated Group Member, doing business as St. Jude Medical Center. |
| St. Mary: | St. Mary Medical Center, a California nonprofit public benefit corporation and currently an Obligated Group Member. |
| Swedish: | Swedish Health Services, a Washington nonprofit corporation and currently an Obligated Group Member. |
| Swedish Edmonds: | Swedish Edmonds, a Washington nonprofit corporation and currently an Obligated Group Member. |
| System: | Providence and all entities that are included within the combined financial statements of Providence. |
| Western HealthConnect: | Western HealthConnect, a Washington nonprofit corporation and currently an Obligated Group Member. |

Exhibit 6 - Obligated Group Facilities

Exhibit 6.1 Acute Care Facilities by Region

A list of Providence's acute care facilities in each region as of March 31, 2022, each of which is owned, operated, or managed by an Obligated Group Member:

| Region | Obligated Group Member | Facility | Location(s) | Licensed Acute Care Beds* | |
|-------------------------------|---|--|--------------------------------------|---------------------------|-----|
| Alaska | Providence Health & Services-Washington | Providence Alaska Medical Center | Anchorage | 401 | |
| | | Providence Kodiak Island Medical Center ⁽¹⁾ | Kodiak | 25 | |
| | | Providence Seward Medical and Care Center ⁽²⁾ | Seward | 6 | |
| | | Providence Valdez Medical Center ⁽²⁾ | Valdez | 11 | |
| Puget Sound Region | Swedish Edmonds | Swedish Edmonds ⁽¹⁾ | Edmonds | 217 | |
| | | Swedish Medical Center Campuses ⁽³⁾ : | | | |
| | Swedish Health Services | Swedish Ballard | Ballard | 133 | |
| | | Swedish Issaquah | Issaquah | 175 | |
| | | Swedish Cherry Hill | Seattle | 349 | |
| | Providence Health & Services-Washington | Swedish First Hill | Seattle | 697 | |
| | | Providence Centralia Hospital | Centralia | 128 | |
| | | Providence Regional Medical Center Everett | Everett | 595 | |
| | | Providence St. Peter Hospital ⁽⁴⁾ | Olympia | 372 | |
| | | | | | |
| Washington and Montana | Providence Health & Services-Washington | Providence St. Joseph's Hospital | Chewelah | 25 | |
| | | Providence Mount Carmel Hospital | Colville | 55 | |
| | | Providence Sacred Heart Medical Center and Children's Hospital | Spokane | 691 | |
| | | Providence Holy Family Hospital | Spokane | 197 | |
| | Kadlec Regional Medical Center | Providence Health & Services-Montana | Providence St. Mary Medical Center | Walla Walla | 142 |
| | | | Kadlec Regional Medical Center | Richland | 337 |
| | | | St. Patrick Hospital | Missoula (MT) | 253 |
| | | | Providence St. Joseph Medical Center | Polson (MT) | 22 |
| Oregon | Providence Health & Services-Oregon | Providence Hood River Memorial Hospital | Hood River | 25 | |
| | | Providence Medford Medical Center | Medford | 120 | |
| | | Providence Milwaukie Hospital | Milwaukie | 77 | |
| | | Providence Newberg Medical Center | Newberg | 40 | |
| | | Providence Willamette Falls Medical Center | Oregon City | 143 | |
| | | Providence St. Vincent Medical Center | Portland | 539 | |
| | | Providence Portland Medical Center | Portland | 483 | |
| | | Providence Seaside Hospital ⁽¹⁾ | Seaside | 25 | |

| Region | Obligated Group Member | Facility | Location(s) | Licensed Acute Care Beds* | |
|--|---|--|--|---------------------------|-----|
| Northern California | | | | | |
| | St. Joseph Health Northern California, LLC. | Providence St. Joseph Hospital | Eureka | 153 | |
| | | Providence Redwood Memorial Hospital | Fortuna | 35 | |
| | | Providence Queen of the Valley Medical Center | Napa | 200 | |
| | | Providence Santa Rosa Memorial Hospital | Santa Rosa | 298 | |
| Southern California | | | | | |
| | Providence Health System-Southern California | Providence St. Joseph Medical Center | Burbank | 392 | |
| | | Providence Holy Cross Medical Center | Mission Hills | 329 | |
| | | Providence Little Company of Mary Medical Center San Pedro | San Pedro | 183 | |
| | | Providence Tarzana Medical Center ⁽²⁾ | Tarzana | 249 | |
| | | Providence Little Company of Mary Medical Center Torrance | Torrance | 327 | |
| | | Providence Saint John's Health Center | Santa Monica | 266 | |
| | | St. Mary Medical Center | Apple Valley | 213 | |
| | | St. Jude Medical Hospital | Fullerton | 320 | |
| | | Mission Hospital Regional Medical Center | Mission Hospital Regional Medical Center Campuses ⁽⁵⁾ : Mission Hospital Regional Medical Center | Mission Viejo | 504 |
| | | St. Joseph Hospital of Orange | Mission Hospital Laguna Beach St. Joseph Hospital of Orange ⁽⁶⁾ | Laguna Beach Orange | 463 |
| West Texas and Eastern New Mexico | | | | | |
| | Methodist Hospital Levelland | Covenant Hospital Levelland ⁽⁷⁾ | Levelland | 48 | |
| | Covenant Health System | CHS Campuses: | | 381 | |
| | | Covenant Medical Center | Lubbock | | |
| | Methodist Children's Hospital Methodist Hospital Plainview | Covenant Medical Center - Lakeside | Lubbock | | |
| | | Covenant Children's Hospital | Lubbock | 227 | |
| | | Covenant Hospital Plainview ⁽⁷⁾ | Plainview | 68 | |
| TOTAL | | | | 10,939 | |

* Includes all acute care licensure categories except for normal newborn bassinets and partial hospitalization psychiatric beds

⁽¹⁾ Leased by an Obligated Group Member

⁽²⁾ Managed by an Obligated Group Member, but not a member of the Obligated Group

⁽³⁾ Four campuses with three licenses

⁽⁴⁾ Includes a 50-bed chemical dependency center

⁽⁵⁾ Two campuses on one license, including 36 acute care psychiatric beds in Laguna Beach

⁽⁶⁾ Includes 37 acute care psychiatric beds

⁽⁷⁾ Leased facility and Obligated Group Member

Exhibit 6.2
Long-Term Care Facilities by Region

Providence's principal owned or leased long-term care facilities as of March 31, 2022, each of which is owned, operated, or managed by an Obligated Group Member:

| Region | Obligated Group Member | Facility | Location(s) | Licensed Long-Term Care Beds |
|--|--|--|--|-------------------------------------|
| Alaska | Providence Health & Services-Washington | Providence Kodiak Island Medical Center ⁽¹⁾ | Kodiak | 22 |
| | | Providence Seward Medical and Care Center ⁽¹⁾ | Seward | 40 |
| | | Providence Valdez Medical Center ⁽²⁾ | Valdez | 10 |
| | | Providence Extended Care | Anchorage | 96 |
| | | Providence Transitional Care Center | Anchorage | 50 |
| Puget Sound Region | Providence Health & Services-Washington | Providence Marionwood | Issaquah | 117 |
| | | Providence Mother Joseph Care Center | Olympia | 152 |
| | | Providence Mount St. Vincent | Seattle | 215 |
| Washington and Montana | Providence Health & Services-Washington | Providence St. Joseph Care Center | Spokane | 113 |
| Oregon | Providence Health & Services-Oregon | Providence Benedictine Nursing Center | Mt. Angel | 98 |
| | | Providence Child Center | Portland | 58 |
| Northern California | St. Joseph Health Northern California, LLC. | Providence Santa Rosa Memorial Hospital | Santa Rosa | 31 |
| Southern California | Providence Health System-Southern California | Providence Holy Cross Medical Center | Mission Hills | 48 |
| | | Providence Little Company of Mary Subacute Care Center San Pedro | San Pedro | 125 |
| | | Providence Little Company of Mary Transitional Care Center | Torrance North | 115 |
| | | Providence St. Elizabeth Care Center | Hollywood | 52 |
| West Texas and Eastern New Mexico | | Covenant Health System | Covenant Long-term Acute Care ⁽²⁾ | Lubbock |
| TOTAL | | | | 1,398 |

⁽¹⁾ Leased by an Obligated Group Member

⁽²⁾ Managed or owned by an Obligated Group Member, but not a member of the Obligated Group

Exhibit 7 - Supplementary Information

[ATTACHED]



EXHIBIT 7.1 - SUMMARY UNAUDITED COMBINED STATEMENTS OF OPERATIONS

| | Ended March 31, 2022 | | Ended March 31, 2021 | |
|--|-----------------------|-------------|-----------------------|-----------|
| | (in 000's of dollars) | | (in 000's of dollars) | |
| | Consolidated | Obligated | Consolidated | Obligated |
| Operating Revenues: | | | | |
| Net Patient Service Revenues | \$ 4,770,538 | 4,488,611 | 4,933,559 | 4,582,149 |
| Premium Revenues | 616,641 | 77,492 | 567,037 | 74,925 |
| Capitation Revenues | 457,972 | 182,514 | 454,358 | 206,713 |
| Other Revenues | 440,726 | 276,017 | 488,222 | 317,222 |
| Total Operating Revenues | 6,285,877 | 5,024,634 | 6,443,176 | 5,181,009 |
| Operating Expenses: | | | | |
| Salaries and Benefits | 3,579,206 | 3,065,768 | 3,356,949 | 2,897,393 |
| Supplies | 961,851 | 891,974 | 970,329 | 887,616 |
| Purchased Healthcare Services | 567,173 | 110,186 | 506,658 | 116,686 |
| Interest, Depreciation, and Amortization | 305,071 | 272,837 | 339,700 | 305,596 |
| Purchased Services, Professional Fees, and Other | 1,382,735 | 1,004,936 | 1,491,458 | 1,067,753 |
| Total Operating Expenses | 6,796,036 | 5,345,701 | 6,665,094 | 5,275,044 |
| Deficit of Revenues Over Expenses From Operations | (510,159) | (321,067) | (221,918) | (94,035) |
| Non-Operating Gains (Losses) | (329,575) | (209,154) | 306,543 | 284,491 |
| Excess (Deficit) of Revenues Over Expenses Before Disaffiliation | (839,734) | (530,221) | 84,625 | 190,456 |
| Disaffiliation | (3,407,917) | (3,407,917) | - | - |
| Excess (Deficit) of Revenues Over Expenses | \$ (4,247,651) | (3,938,138) | 84,625 | 190,456 |

EXHIBIT 7.2 - SUMMARY UNAUDITED AND AUDITED COMBINED STATEMENTS OF CASH FLOWS

| | Ended March 31, 2022 | | Ended December 31, 2021 | |
|---|-----------------------|-----------|-------------------------|-------------|
| | (in 000's of dollars) | | (in 000's of dollars) | |
| | Consolidated | Obligated | Consolidated | Obligated |
| Net Cash Provided by (Used in) Operating Activities | \$ (249,636) | (276,823) | (940,586) | (578,177) |
| Net Cash Provided (Used in) Investing Activities | (69,901) | (77,632) | (1,513,393) | (757,713) |
| Net Cash Provided by (Used in) Financing Activities | 182,230 | 280,990 | 366,984 | (701,151) |
| Increase (Decrease) in Cash and Cash Equivalents | (137,307) | (73,465) | (2,086,995) | (2,037,041) |
| Cash and Cash Equivalents, Beginning of Period | 1,143,209 | 243,706 | 3,230,204 | 2,280,747 |
| Cash and Cash Equivalents, End of Period | \$ 1,005,902 | 170,241 | 1,143,209 | 243,706 |

EXHIBIT 7.3 - SUMMARY UNAUDITED NET PATIENT SERVICE REVENUE PAYOR MIX

| | Ended March 31, 2022 | | Ended March 31, 2021 | |
|--------------------|----------------------|-----------|----------------------|-----------|
| | Consolidated | Obligated | Consolidated | Obligated |
| Commercial | 50% | 51% | 48% | 47% |
| Medicare | 34% | 34% | 33% | 34% |
| Medicaid | 13% | 13% | 15% | 16% |
| Self-pay and Other | 3% | 2% | 4% | 3% |



EXHIBIT 7.4 - SUMMARY UNAUDITED AND AUDITED COMBINED BALANCE SHEETS

| | As of March 31, 2022 | | As of December 31, 2021 | |
|--|-----------------------|-------------------|-------------------------|-------------------|
| | (in 000's of dollars) | | (in 000's of dollars) | |
| | Consolidated | Obligated | Consolidated | Obligated |
| Current Assets: | | | | |
| Cash and Cash Equivalents | \$ 1,005,902 | 170,241 | 1,143,209 | 243,706 |
| Short-Term Investments | 614,203 | 446,858 | 1,322,076 | 1,154,049 |
| Accounts Receivable, Net | 2,881,904 | 2,641,035 | 3,157,401 | 2,823,304 |
| Supplies Inventory | 389,095 | 367,931 | 402,474 | 379,191 |
| Other Current Assets | 1,479,057 | 1,237,633 | 1,648,443 | 1,560,936 |
| Current Portion of Assets Whose Use is Limited | 221,316 | 82,077 | 169,368 | 30,092 |
| Total Current Assets | 6,591,477 | 4,945,775 | 7,842,971 | 6,191,278 |
| Management Designated Cash and Investments | 9,257,385 | 6,613,335 | 11,629,401 | 8,509,298 |
| Assets Whose Use is Limited | 659,002 | 334,872 | 660,204 | 295,207 |
| Property, Plant, and Equipment, Net | 10,020,720 | 8,760,171 | 11,329,182 | 10,020,003 |
| Other Assets | 3,164,702 | 3,595,454 | 3,413,203 | 3,669,521 |
| Total Assets | \$ 29,693,286 | 24,249,607 | 34,874,961 | 28,685,307 |
| Current Liabilities: | | | | |
| Current Portion of Long-Term Debt | 47,655 | 36,941 | 81,163 | 70,238 |
| Master Trust Debt Classified as Short-Term | 187,180 | 187,180 | 188,715 | 188,715 |
| Accounts Payable | 1,411,575 | 1,230,979 | 1,431,703 | 1,222,449 |
| Accrued Compensation | 1,666,216 | 1,484,626 | 1,627,464 | 1,468,365 |
| Other Current Liabilities | 3,060,917 | 2,182,769 | 3,252,489 | 2,440,493 |
| Total Current Liabilities | 6,373,543 | 5,122,495 | 6,581,534 | 5,390,260 |
| Long-Term Debt, Net of Current Portion | 6,776,352 | 6,479,972 | 6,833,712 | 6,532,720 |
| Pension Benefit Obligation | 955,741 | 955,741 | 976,899 | 976,899 |
| Other Liabilities | 2,590,438 | 1,346,166 | 2,810,500 | 1,554,958 |
| Total Liabilities | \$ 16,696,074 | 13,904,374 | 17,202,645 | 14,454,837 |
| Net Assets: | | | | |
| Controlling Interests | 11,321,348 | 9,237,895 | 15,506,686 | 13,133,773 |
| Noncontrolling Interests | 333,166 | (533) | 405,073 | (533) |
| Net Assets Without Donor Restrictions | 11,654,514 | 9,237,362 | 15,911,759 | 13,133,240 |
| Net Assets With Donor Restrictions | 1,342,698 | 1,107,871 | 1,760,557 | 1,097,230 |
| Total Net Assets | 12,997,212 | 10,345,233 | 17,672,316 | 14,230,470 |
| Total Liabilities and Net Assets | \$ 29,693,286 | 24,249,607 | 34,874,961 | 28,685,307 |



EXHIBIT 7.5 - KEY PERFORMANCE METRICS

| | Ended March 31, 2022 | | Ended March 31, 2021 | |
|-------------------------------------|----------------------|-----------|----------------------|-----------|
| | Consolidated | Obligated | Consolidated | Obligated |
| Inpatient Admissions | 103,337 | 98,811 | 110,113 | 105,267 |
| Acute Patient Days | 612,120 | 588,322 | 626,356 | 600,972 |
| Acute Outpatient Visits | 3,127,531 | 2,963,773 | 3,123,836 | 2,914,743 |
| Primary Care Visits | 3,413,610 | 2,167,830 | 3,234,826 | 2,044,277 |
| Inpatient Surgeries and Procedures | 43,164 | 41,803 | 45,707 | 43,867 |
| Outpatient Surgeries and Procedures | 102,311 | 73,870 | 103,316 | 75,704 |
| Long-Term Care Admissions | 922 | 868 | 1,142 | 1,047 |
| Long-Term Care Patient Days | 71,643 | 68,930 | 77,998 | 74,097 |
| Long-Term Care Average Daily Census | 152 | 122 | 235 | 191 |
| Home Health Visits | 259,115 | 184,766 | 290,841 | 191,193 |
| Hospice Days | 266,260 | 155,944 | 277,969 | 165,168 |
| Housing and Assisted Living Days | 113,042 | 49,349 | 106,960 | 46,917 |
| Health Plan Members | 673,266 | n/a | 751,958 | n/a |
| Acute Average Daily Census | 6,801 | 6,537 | 6,960 | 6,677 |
| Acute Licensed Beds | 11,353 | 10,673 | 11,963 | 11,315 |
| FTEs | 102,713 | 88,231 | 104,061 | 90,406 |



EXHIBIT 7.6 - SUMMARY UNAUDITED COMBINING STATEMENTS OF OPERATIONS BY REGION

| | Ended March 31, 2022 | | | | | | | | |
|--|-----------------------|-----------------------|------------------------|-----------|------------------------|------------------------|-----------------------------------|------------------------|--------------|
| | (in 000's of dollars) | | | | | | | | |
| | Alaska | Puget Sound Region | Washington/ Montana | Oregon | Northern California | Southern California | West Texas/ Eastern New Mexico | Other/ Eliminations | Consolidated |
| Operating Revenues: | | | | | | | | | |
| Net Patient Service Revenues | \$ 228,168 | 1,062,222 | 740,908 | 603,052 | 406,216 | 1,310,006 | 278,745 | 141,221 | 4,770,538 |
| Premium Revenues | - | - | - | 541,698 | - | - | - | 74,943 | 616,641 |
| Capitation Revenues | - | - | 44,493 | 10,792 | 19,740 | 382,629 | - | 318 | 457,972 |
| Other Revenues | 14,516 | 52,052 | 53,459 | 87,397 | 12,084 | 76,892 | 23,130 | 121,196 | 440,726 |
| Total Operating Revenues | 242,684 | 1,114,274 | 838,860 | 1,242,939 | 438,040 | 1,769,527 | 301,875 | 337,678 | 6,285,877 |
| Operating Expenses: | | | | | | | | | |
| Salaries and Benefits | 108,502 | 617,129 | 403,060 | 460,737 | 177,371 | 658,832 | 131,567 | 1,022,008 | 3,579,206 |
| Supplies | 33,970 | 172,405 | 142,781 | 118,841 | 55,175 | 230,565 | 54,579 | 153,535 | 961,851 |
| Purchased Healthcare Services | - | 494 | 26,880 | 316,961 | 11,120 | 173,438 | - | 38,280 | 567,173 |
| Interest, Depreciation, and Amortization | 12,826 | 49,915 | 26,728 | 28,373 | 14,049 | 62,360 | 18,661 | 92,159 | 305,071 |
| Purchased Services, Professional Fees, and Other | 88,172 | 409,369 | 298,596 | 358,881 | 171,632 | 736,404 | 105,838 | (786,157) | 1,382,735 |
| Total Operating Expenses | 243,470 | 1,249,312 | 898,045 | 1,283,793 | 429,347 | 1,861,599 | 310,645 | 519,825 | 6,796,036 |
| Excess (Deficit) of Revenues Over Expenses From Operations | (786) | (135,038) | (59,185) | (40,854) | 8,693 | (92,072) | (8,770) | (182,147) | (510,159) |
| Non-Operating Losses | (40,544) | (29,166) | (34,879) | (96,690) | (18,522) | (48,761) | (11,308) | (49,705) | (329,575) |
| Deficit of Revenues Over Expenses Before Disaffiliation | (41,330) | (164,204) | (94,064) | (137,544) | (9,829) | (140,833) | (20,078) | (231,852) | (839,734) |
| Disaffiliation | - | - | - | - | - | - | - | (3,407,917) | (3,407,917) |
| Deficit of Revenues Over Expenses | \$ (41,330) | (164,204) | (94,064) | (137,544) | (9,829) | (140,833) | (20,078) | (3,639,769) | (4,247,651) |



EXHIBIT 7.7 - SUMMARY UNAUDITED COMBINING BALANCE SHEETS BY REGION

As of March 31, 2022

(in 000's of dollars)

| | Alaska | Puget Sound Region | Washington/ Montana | Oregon | Northern California | Southern California | West Texas/ Eastern New Mexico | Other/ Eliminations | Consolidated |
|--|--------------|-----------------------|------------------------|-----------|------------------------|------------------------|-----------------------------------|------------------------|--------------|
| Current Assets: | | | | | | | | | |
| Cash and Cash Equivalents | \$ 726,070 | (222,916) | 268,627 | 1,647,928 | (32,691) | (1,387,765) | 210,043 | (203,394) | 1,005,902 |
| Short-Term Investments | - | - | - | - | 144 | 18,968 | 28,404 | 566,687 | 614,203 |
| Accounts Receivable, Net | 146,549 | 633,222 | 356,629 | 269,169 | 279,074 | 798,117 | 200,485 | 198,659 | 2,881,904 |
| Supplies Inventory | 13,590 | 64,838 | 39,741 | 50,538 | 23,583 | 82,088 | 19,222 | 95,495 | 389,095 |
| Other Current Assets | 31,054 | 154,537 | 137,240 | 249,014 | 192,266 | 735,890 | (43,619) | 22,675 | 1,479,057 |
| Current Portion of Assets Whose Use is Limited | - | - | - | - | - | - | - | 221,316 | 221,316 |
| Total Current Assets | 917,263 | 629,681 | 802,237 | 2,216,649 | 462,376 | 247,298 | 414,535 | 901,438 | 6,591,477 |
| Management Designated Cash and Investments | 1,156,446 | 828,828 | 970,186 | 2,472,597 | 510,147 | 1,431,605 | 296,126 | 1,591,450 | 9,257,385 |
| Assets Whose Use is Limited | (344,143) | 19,989 | 4,095 | 50,051 | 9,213 | 22,979 | 4,597 | 892,221 | 659,002 |
| Property, Plant, and Equipment, Net | 417,973 | 1,773,660 | 962,989 | 981,433 | 732,930 | 3,075,076 | 779,744 | 1,296,915 | 10,020,720 |
| Other Assets | 406,298 | 445,504 | 268,681 | 160,857 | 25,341 | 924,156 | 131,812 | 802,053 | 3,164,702 |
| Total Assets | \$ 2,553,837 | 3,697,662 | 3,008,188 | 5,881,587 | 1,740,007 | 5,701,114 | 1,626,814 | 5,484,077 | 29,693,286 |
| Current Liabilities: | | | | | | | | | |
| Current Portion of Long-Term Debt | 2,032 | 17,582 | (382) | 1,990 | 74,614 | 146,442 | 8,858 | (203,481) | 47,655 |
| Master Trust Debt Classified as Short-Term | - | - | - | - | - | - | - | 187,180 | 187,180 |
| Accounts Payable | 34,295 | 171,516 | 83,361 | 96,083 | 54,562 | 377,093 | 42,056 | 552,609 | 1,411,575 |
| Accrued Compensation | 44,990 | 224,220 | 170,641 | 195,634 | 68,317 | 292,986 | 70,737 | 598,691 | 1,666,216 |
| Other Current Liabilities | 70,314 | 449,860 | 272,587 | 728,714 | 206,617 | 845,726 | 129,048 | 358,051 | 3,060,917 |
| Total Current Liabilities | 151,631 | 863,178 | 526,207 | 1,022,421 | 404,110 | 1,662,247 | 250,699 | 1,493,050 | 6,373,543 |
| Long-Term Debt, Net of Current Portion | 257,357 | 1,300,057 | 635,321 | 128,222 | 272,451 | 1,383,016 | 464,396 | 2,335,532 | 6,776,352 |
| Pension Benefit Obligation | - | 277,097 | - | 2,634 | - | - | - | 676,010 | 955,741 |
| Other Liabilities | 42,969 | 311,046 | 87,824 | 110,870 | 22,008 | 439,197 | 93,531 | 1,482,993 | 2,590,438 |
| Total Liabilities | \$ 451,957 | 2,751,378 | 1,249,352 | 1,264,147 | 698,569 | 3,484,460 | 808,626 | 5,987,585 | 16,696,074 |
| Net Assets: | | | | | | | | | |
| Controlling Interests | 2,053,261 | 783,623 | 1,714,519 | 4,325,014 | 953,898 | 1,359,144 | 763,641 | (631,752) | 11,321,348 |
| Noncontrolling Interests | 18,718 | 8,065 | - | 2,457 | - | 258,866 | 16,849 | 28,211 | 333,166 |
| Net Assets Without Donor Restrictions | 2,071,979 | 791,688 | 1,714,519 | 4,327,471 | 953,898 | 1,618,010 | 780,490 | (603,541) | 11,654,514 |
| Net Assets With Donor Restrictions | 29,901 | 154,596 | 44,317 | 289,969 | 87,540 | 598,644 | 37,698 | 100,033 | 1,342,698 |
| Total Net Assets | 2,101,880 | 946,284 | 1,758,836 | 4,617,440 | 1,041,438 | 2,216,654 | 818,188 | (503,508) | 12,997,212 |
| Total Liabilities and Net Assets | \$ 2,553,837 | 3,697,662 | 3,008,188 | 5,881,587 | 1,740,007 | 5,701,114 | 1,626,814 | 5,484,077 | 29,693,286 |



EXHIBIT 7.8 - KEY PERFORMANCE METRICS BY REGION

| | Ended March 31, 2022 | | | | | | | |
|-------------------------------------|----------------------|--------------------|------------------------|---------|---------------------|---------------------|-----------------------------------|--------------|
| | Alaska | Puget Sound Region | Washington/ Montana | Oregon | Northern California | Southern California | West Texas/ Eastern New Mexico | Consolidated |
| Inpatient Admissions | 3,766 | 23,589 | 15,536 | 13,435 | 6,741 | 35,750 | 4,520 | 103,337 |
| Acute Patient Days | 31,267 | 154,352 | 99,327 | 86,702 | 37,316 | 176,120 | 27,036 | 612,120 |
| Acute Outpatient Visits | 118,412 | 536,950 | 495,306 | 919,770 | 160,220 | 696,713 | 196,987 | 3,127,531 |
| Primary Care Visits | 31,265 | 688,530 | 684,264 | 563,096 | 181,957 | 875,106 | 155,914 | 3,413,610 |
| Inpatient Surgeries and Procedures | 2,066 | 10,091 | 7,912 | 5,759 | 2,097 | 13,802 | 1,437 | 43,164 |
| Outpatient Surgeries and Procedures | 2,700 | 19,559 | 16,137 | 32,739 | 4,327 | 18,971 | 4,705 | 102,311 |
| Long-Term Care Admissions | 52 | n/a | n/a | 20 | 6 | 395 | 48 | 922 |
| Long-Term Care Patient Days | 12,421 | n/a | n/a | 2,094 | 1,262 | 15,473 | 1,451 | 71,643 |
| Long-Term Care Average Daily Census | 99 | n/a | n/a | 23 | 14 | n/a | 16 | 152 |
| Home Health Visits | 3,799 | n/a | 1,132 | n/a | n/a | n/a | n/a | 259,115 |
| Hospice Days | 5,858 | n/a | n/a | n/a | n/a | n/a | 17,724 | 266,260 |
| Housing and Assisted Living Days | 7,261 | n/a | 1,053 | 10,635 | n/a | n/a | n/a | 113,042 |
| Health Plan Members | n/a | n/a | n/a | 673,266 | n/a | n/a | n/a | 673,266 |
| Average Daily Census | 347 | 1,715 | 1,104 | 963 | 415 | 1,957 | 300 | 6,801 |
| Acute Licensed Beds | 482 | 2,666 | 1,824 | 1,452 | 809 | 3,246 | 874 | 11,353 |
| FTEs | 3,778 | 18,069 | 13,761 | 15,352 | 4,869 | 21,958 | 5,392 | 102,713 |