



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 nine months ended September 30, 2024. Providence has undertaken no responsibility to update such data since September 30, 2024, 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 1,000 clinics, and many other health and educational services, our health System employs more than 124,000 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 healthcare for more than 160 years and have a history of responding with compassion and innovation during challenging healthcare environments, including the recent pandemic. We are reimagining the future of healthcare delivery in our communities for all ages and populations. Our strategies to diversify and modernize are enabling high-quality, affordable care, including through networks of same-day clinics and online care and services.

We are privileged to serve in dynamic markets with growing populations. 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, 19 supportive housing facilities, over 8,000 directly employed providers, approximately 27,000 affiliated 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 healthcare 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 compassion, dignity, justice, excellence, and integrity 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.”

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 is focused on delivering a compassionate and simplified experience for patients and consumers by:

- Cultivating an inspiring caregiver experience where everyone feels included and can grow their career
- Providing safe, effective, person-centered care with world-class outcomes
- Delivering a simplified consumer and patient journey

Be our Communities' Health Partner. Providence is focused 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 is focused on transforming 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

Leadership in the Health Care Industry

In July 2024, the Providence Board of Directors named Chief Operating Officer Erik Wexler the next president and chief executive officer. Effective January 1, 2025, Wexler will succeed Rod Hochman, M.D., who announced his retirement in May 2024 after 45 years in healthcare, including 17 years with the Providence family of organizations.

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 healthcare 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.

On October 8, 2024, Providence announced the formation of Longitude Health in partnership with other health systems to provide sustainable solutions that lower costs and improve quality and access to patients and communities.

On October 22, 2024, Providence announced a new joint venture with Compassus for home health hospice, community-based palliative care and private duty caregiving services. The new entity will be called Providence at Home with Compassus. In Lubbock, Texas, the Covenant Health hospice program that is part of the Providence family of organizations will be rebranded as Covenant Health at Home with Compassus. Under the agreement, Compassus will manage operations for the joint venture, which will include 24 home health

locations in Alaska, California, Oregon and Washington, and 17 hospice and palliative care locations in Alaska, California, Oregon, Texas and Washington. The joint venture will also include private duty services in Southern California. Providence and Compassus will also work collaboratively to support the home health, hospice, palliative and private duty caregivers transferring employment to the joint venture. While the joint venture is subject to regulatory review, the agreement formalizes the intent of both parties to move forward with the transition and integration.

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.

Our Vision: Health for a Better World

Providence continues to invest in Destination Health 2025 to pave the way for our Vision of Health for a Better World through deconstruction, digitization, and diversification of our operating model. Providence launched a series of Recover and Renew initiatives to address those challenges en route to our strategic plan for Destination Health 2025.

Focusing on core operations. Management is deploying multiple recovery programs to address the current challenges:

- **Surgical volumes:** Efforts are underway to address pent-up demand for surgical and other chronic care in our communities. AI-powered tools are helping to more accurately predict and schedule operating usage, creating more access to needed surgical care. We continue to meet the need for higher acuity services through our clinical institutes.
- **Workforce:** With current labor shortages, the use of premium labor, including the number and wage rate of agency nurses, continues to be significantly higher than in previous years. Several initiatives are underway to reduce those expenses in combination with increasing core productivity.
- **Patient progression:** We continue to manage length of stay to ensure patients receive the care they need by addressing challenges to discharge patients due to staffing shortages in the post-acute care setting. We are making strides to address the issue through a variety of community partnerships, multidisciplinary discharge planning, patient progression, and capacity improvement programs.
- **Cash acceleration:** Accounts receivable have been negatively impacted by labor shortages, reimbursement delays from insurers, technology transitions, and other macroeconomic factors. Several initiatives are underway to reduce payment friction in payments with the broader payor community. In addition, with large portions of our support services moving to hybrid or virtual work environments, management is evaluating options for underutilized administrative real estate.
- **Discretionary spend management:** We continue to take steps to improve our operating performance and liquidity, including reassessing current and new capital projects outside of those focused on patient and caregiver safety. 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.

Portfolio and organizational restructuring. In parallel, management is actively deploying a restructuring and renewal plan to address structural issues medium-term while positioning Providence's core assets for performance across multiple industry scenarios in the years ahead. The System has launched a set of restructuring efforts to renew our operating model and ensure near-term sustainability while delivering on our longer-term Destination Health 2025 strategy. There are four focus areas as part of this effort:

- **Simplified operational and clinical structure:** Management consolidated administrative leadership from seven regions to three divisions, along with a consolidation of our clinical operations with the intent to steer resource to the bedside and direct patient care and simplify decision-making.
- **Streamlined support services:** Management is implementing plans to streamline support services by aligning to the new divisional model, evaluating, and optimizing service delivery levels, unlocking efficiencies from technology investment like the transition to a single Enterprise Resource Planning

solution and continuing to evolve care delivery and workforce models leveraging virtual capabilities and delivery.

- Program portfolio management: The impacts of the pandemic have influenced many economic factors in care delivery, from accelerating technical advancements (virtual and outpatient care) to significant macroeconomic pressures associated with workforce shortages and inflation. Management is reassessing the services we perform across our ministries over the coming quarters, within the context of the current and expected future economic factors, in order to serve our communities in the most effective and affordable way possible.
- Reimbursement: As inflationary factors impact our labor and supply expenses, Providence is working with the payor community to increase reimbursement across several payment models including value-based care.

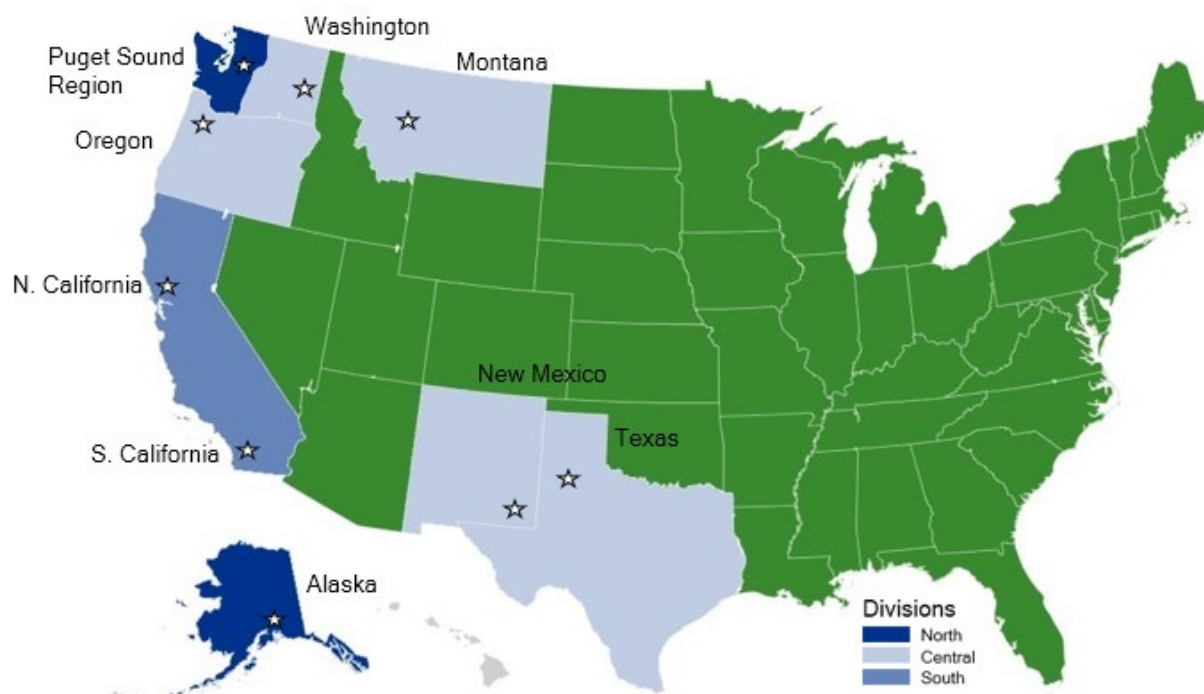
Deconstruct and diversify healthcare. Our Deconstruct and Diversify Healthcare initiatives continue to gain momentum as we look to unlock the value embedded within the Providence platform, including non-acute care, technology platforms, Information Technology (“IT”) services, and other investments. We are currently focused on growing our Value-Based care platforms including leveraging our capabilities in Medicare Advantage. In addition, efforts are under way to grow our value-based care initiatives with other payers, particularly in California. We are also working to increase capacity to meet growing needs across many of our non-acute service lines (Ambulatory, Home and Community Care) and are continuing to evaluate optimal growth and capitalization opportunities.

Our diversification efforts continue to deliver success from our early investments in Truveta, Civica Rx, and Providence Ventures. In addition, our Tegria Holdings LLC (“Tegria”) and Ayin Health Holdings, Inc. (“Ayin”) divisions continue to diversify our sources of revenue while creating scalable platforms across IT and population health services, and products for clients and future partnerships. This includes plans to scale our technology capabilities through Providence Global Center to offer advanced health care solutions to other health care providers. This potential new revenue stream will supplement our patient revenues, while advancing our vision by supporting other health systems and their communities. We continue to monetize investments to support the long-term growth and sustainability of the Providence Mission.

Geographic Information

Providence spans seven states across the Western United States shown in the graphic below and is managed through three divisional structures: North (Puget Sound, Alaska), Central (Eastern Washington/Western Montana, Oregon, and West Texas/Eastern New Mexico), and South (Southern California and Northern California).

Exhibit 1.1 - Areas We Serve



Providence's operating revenue share by geographic region, within each of the three divisions, is presented for the periods indicated:

		Nine Months Ended	
EXHIBIT 1.2 - REVENUE SHARE BY GEOGRAPHIC REGION		9-30-2023	9-30-2024
<u>North Division</u>			
Puget Sound Region		20%	20%
Alaska		4%	4%
<u>Central Division</u>			
Eastern Washington and Western Montana		12%	12%
Oregon ⁽¹⁾		21%	22%
West Texas and Eastern New Mexico		5%	5%
<u>South Division</u>			
Southern California ^{(2), (3)}		26%	25%
Northern California ⁽³⁾		6%	6%
Other ^{(3), (4)}		6%	6%

⁽¹⁾ Includes Providence Health Plan ("PHP") by geographic location based in the state of Oregon. PHP is classified as Other on a system consolidated basis.

⁽²⁾ Includes prior year revenue from Providence Tarzana Medical Center that became a joint venture owned and operated under Providence Cedars-Sinai Tarzana Medical Center and is no longer consolidated effective October 1, 2023.

⁽³⁾ Normalized for one-time net gains of \$371 million from Tegra's divested subsidiaries and \$55 million from the sale of laboratory services in Orange County and Northern California recognized in the nine months of 2024.

⁽⁴⁾ Includes Tegra Holdings LLC, Providence Assurance LLC, and support services. Tegra's Acclara and Advata subsidiaries were divested in the first quarter of 2024.

North Division

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 27 percent in their service areas in 2022, as reported by the Comprehensive Hospital Abstract Reporting System. In the greater Puget Sound area of Washington, Providence Swedish operates 8 hospitals in King, Snohomish, Lewis and Thurston Counties, and a network of over 200 primary care and specialty clinics throughout the Puget Sound area.

Alaska

The Alaska region includes 5 hospitals and 29 clinics with a 30 percent inpatient market share statewide in 2022, as reported by the Alaska Health Facilities Data Reporting Program. The Alaska facilities are primarily located in the greater Anchorage area, with 49 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.

Central Division

Eastern Washington and Western Montana

The Eastern Washington-Western Montana region includes 9 hospitals, with a 42 percent inpatient market share in their service areas in 2022, 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 30 percent in their service areas in 2022, 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 healthcare, and housing.

Providence Health Plan ("PHP") and Providence Health Assurance ("PHA"), collectively the Health Plans are geographically based in the state of Oregon, and the majority of their approximately 700,000 members live in the region.

In July 2023, the state of Oregon enacted House Bill 3320 into law requiring hospitals to prescreen patients who are uninsured, those with state-funded programs, and those with bills greater than \$500 for financial assistance eligibility. Providence has implemented a policy which prescreens all hospital patients in Oregon. The policy applies to billing for hospital services, including hospital outpatient departments. These new procedures align with Providence's Mission to ensure all patients have access to financial assistance. The law was effective in January 2024.

In August 2023, Providence Oregon closed an agreement for Labcorp to acquire Providence Oregon's outreach laboratory services and select assets. Providence Oregon will maintain operation and ownership of certain anatomic pathology and genomics outreach testing and its hospital laboratories in the region. The organizations have an implementation and transition plan that maintains continuity of services for patients, hospitals, clinicians, and clients.

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 7 licensed hospitals. The inpatient market share was 33 percent in their service areas in 2022, 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, which are Obligated Group Members. Covenant Health System also operates Covenant Specialty Hospital, a long-term acute care facility, in addition to Grace Health System, which includes Grace Clinic and Grace Surgical Hospital. Covenant Health System 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 New Mexico, Covenant Health System operates Hobbs Hospital, an acute care facility serving Hobbs and the surrounding area.

South Division

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 20 percent in their service areas in 2022, 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 more than 50 practice locations in the market, including Providence Facey Medical Foundation ("Facey"), Providence Medical Institute, 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 October 2023, Providence and Cedars-Sinai jointly opened a new patient-care tower, Providence Cedars-Sinai Tarzana Medical Center ("PCSTMC"), owned and operated by both organizations through joint venture. PCSTMC operates as a not-for-profit hospital and offers an array of services including heart, vascular, orthopedic, cancer, and women's services, and maintain the region's largest Level III Neonatal Intensive Care Unit.

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 31 percent in their service areas in 2022, as reported by the Office of Statewide Health Planning and Development. The acute care hospitals in Northern California include Providence Queen of the Valley Medical Center in Napa, Providence 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.

Other

Other includes support services and other entities. Support services is a support function that includes human resources, finance, information technology, and other services. Other entities include Tegria Holdings LLC and Providence Assurance LLC.

In December 2023, Tegria Holdings LLC entered into a definitive agreement to sell its Acclara and Advata subsidiaries to R1 RCM Inc. ("R1") for \$675 million. As a result of their ownership percentage, Providence received \$575 million in cash upon closing, net of fees and expenses and other customary closing conditions, and a warrant to purchase up to 12.2 million shares of R1 stock at an exercise price of \$10.52, subject to a three-year lock-up period. At the closing of the divestiture, Acclara and Providence entered into a

10-year agreement for comprehensive revenue cycle services, leveraging the integrated technology and services capabilities of R1 to serve Providence. The transaction was completed in January 2024.

Financial Information

The summary unaudited, combined financial information as of and for the nine months ended September 30, 2024, and 2023, are presented below. The summary audited, combined financial information as of and for the fiscal year ended December 31, 2023, 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 healthcare 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 Combined Statements of Operations

EXHIBIT 2.1 - COMBINED STATEMENTS OF OPERATIONS \$ PRESENTED IN MILLIONS	Nine Months Ended	
	9-30-2023	9-30-2024
Net Patient Service Revenues	\$16,131	\$17,487
Premium Revenues	2,035	2,235
Capitation Revenues	1,462	1,466
Other Revenues	1,570	1,846
Total Operating Revenues	21,198	23,034
Salaries and Benefits	11,323	11,768
Supplies	3,335	3,636
Purchased Healthcare Services	1,767	1,903
Interest, Depreciation, and Amortization	1,054	957
Purchased Services, Professional Fees, and Other	4,576	4,925
Total Operating Expenses	22,055	23,189
Deficit of Revenues Over Expenses from Operations	(857)	(155)
Non-Operating Gains	244	465
Excess (Deficit) of Revenues Over Expenses	\$(613)	\$310
Operating EBIDA ⁽¹⁾	\$338	\$973

⁽¹⁾ Excludes \$171 million for the nine months ended September 30, 2024 and \$141 million for the nine months ended September 30, 2023 in amortization of software as a service asset.

Summary Audited and Unaudited Combined Balance Sheets

		As of
EXHIBIT 2.2 - COMBINED BALANCE SHEETS \$ PRESENTED IN MILLIONS	12-31-2023	9-30-2024
<u>Current Assets:</u>		
Cash and Cash Equivalents ⁽¹⁾	\$1,468	\$1,442
Short-Term Investments ⁽¹⁾	597	174
Accounts Receivable, Net	3,045	3,560
Supplies Inventory	373	351
Other Current Assets	2,430	2,389
Current Portion of Assets Whose Use is Limited	104	104
Total Current Assets	8,017	8,020
Management Designated Cash and Investments ⁽¹⁾	6,351	6,231
Assets Whose Use is Limited	671	850
Property, Plant & Equipment, Net	9,187	9,145
Operating Lease Right-of-Use Assets	1,172	1,118
Other Assets	2,906	2,732
Total Assets	\$28,304	\$28,096
<u>Current Liabilities:</u>		
Current Portion of Long-Term Debt	160	96
Master Trust Debt Classified as Short-Term	138	-
Accounts Payable	1,438	1,454
Accrued Compensation	1,527	1,387
Current Portion of Operating Lease Right-of-Use	204	197
Other Current Liabilities	2,393	1,950
Total Current Liabilities	5,860	5,084
Long-Term Debt, Net of Current Portion	630	570
Master Trust Debt Classified as Long-Term	7,434	7,620
Pension Benefit Obligation	660	583
Long-Term Operating Lease Right-of-Use, net of Current Portion	1,107	1,034
Other Liabilities	1,624	1,851
Total Liabilities	\$17,315	\$16,742
<u>Net Assets:</u>		
Controlling Interests	9,340	9,702
Noncontrolling Interests	145	155
Net Assets without Donor Restrictions	9,485	9,857
Net Assets with Donor Restrictions	1,504	1,497
Total Net Assets	10,989	11,354
Total Liabilities and Net Assets	\$28,304	\$28,096

⁽¹⁾ Unrestricted Cash and Investments were \$7.8 billion as of September 30, 2024, and \$8.4 billion as of December 31, 2023.

Management's Discussion and Analysis

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, combined financial information as of and for the nine months ended September 30, 2024, and 2023, respectively, are presented below.

Results of Operations

Operations Summary

Nine months ended September 30, 2024 compared with nine months ended September 30, 2023

Operating results improved through the nine months of 2024 due to revenue growth driven by higher patient volumes, lower length of stay, and increased rates, which resulted in an 8 percent increase in net patient service revenues. The System's higher patient volumes drove related increases in operating expenses, as overall results continue to be challenged by higher costs to serve patients, primarily in higher labor and supply costs. These increases were offset by significant decreases in agency contract labor compared to prior year. The System experienced an overall increase in labor productivity due to continued focus on staffing.

Operating EBIDA was \$973 million and the deficit of revenues over expenses from operations was \$155 million, representing \$635 million and \$702 million improvements to prior year. These results include one-time net gains of \$371 million from Tegria's divested subsidiaries and \$55 million from the sale of laboratory services recognized in the first quarter of 2024.

Net recognition of reimbursements from provider fee programs were \$347 million (revenue of \$1,018 million and expense of \$671 million), compared with \$206 million (revenue of \$688 million and expense of \$482 million) for the prior year.

Providence received additional Medicaid funding for Washington hospitals from the Safety Net Assessment Program ("SNAP") which enhances reimbursement for hospitals that serve low-income and uninsured patients. The program was approved by the Centers for Medicare & Medicaid Services and updates the inpatient assessment and adds an outpatient assessment, generating additional Medicaid funding for calendar years 2024 and 2025.

Providence's key financial indicators are presented for the periods indicated:

EXHIBIT 3.1 - OPERATIONS SUMMARY \$ PRESENTED IN MILLIONS UNLESS NOTED	Nine Months Ended	
	9-30-2023	9-30-2024
Operating Revenues	\$21,198	\$23,034
Operating Expenses	22,055	23,189
Deficit of Revenues Over Expenses from Operations	(857)	(155)
Operating Margin %	(4.0)	(0.7)
Non-Operating Gains	244	465
Operating EBIDA	338	973
Operating EBIDA Margin %	1.6	4.2
Premium and Capitation Revenues	3,497	3,701
Net Service Revenue/Case Mix Adjusted Admits	12,337	12,798
Net Expense/Case Mix Adjusted Admits	14,316	14,228
Total Community Benefit	\$1,531	\$1,321
Full-Time Equivalents ("FTEs") (thousands)	107	107

Three months ended September 30, 2024 compared with three months ended September 30, 2023

Operating EBIDA was \$165 million and the deficit of revenues over expenses from operations was \$208 million, representing an improvement of \$61 million and \$102 million from prior year. Operating revenues increased 6 percent, driven by higher patient volumes and improving rates. The System's higher patient volumes drove a corresponding increase in operating expenses of 4 percent, primarily in higher labor and supply costs. Salaries and benefits increased 4 percent, while the System experienced an overall increase in labor productivity due to continued focus on staffing challenges. Supplies expense increased by 8 percent compared to the prior year, driven by a 12 percent increase in pharmaceutical expense.

Providence's key financial indicators are presented for the periods indicated:

Three Months Ended		
EXHIBIT 3.2 - OPERATIONS SUMMARY \$ PRESENTED IN MILLIONS UNLESS NOTED	9-30-2023	9-30-2024
Operating Revenues	\$7,177	\$7,583
Operating Expenses	7,487	7,791
Deficit of Revenues Over Expenses from Operations	(310)	(208)
Operating Margin %	(4.3)	(2.7)
Operating EBIDA	104	165
Operating EBIDA Margin %	1.4	2.2
Premium and Capitation Revenues	1,201	1,256

Volumes

Nine months ended September 30, 2024 compared with nine months ended September 30, 2023

Providence experienced improvement in patient volumes during the nine months of 2024. Inpatient admissions increased 4 percent, acute adjusted admissions increased 5 percent, and case mix adjusted admissions increased 4 percent. Length of stay decreased 3 percent due to improved access to post-acute care. In the non-acute setting, both home health visits and physician visits increased 3 percent. Total outpatient visits were lower overall by 2 percent. Normalized for outpatient volumes included in the prior year from Providence Oregon's outreach laboratory services that was sold in August 2023, total outpatient visits increased 1 percent.

Providence's key volume indicators are presented for the periods indicated:

Nine Months Ended		
EXHIBIT 3.3 - SYSTEM UTILIZATION DATA PRESENTED IN THOUSANDS UNLESS NOTED	9-30-2023	9-30-2024
Inpatient Admissions	320	333
Acute Adjusted Admissions	706	738
Case Mix Adjusted Admissions	1,308	1,366
Acute Patient Days	1,775	1,789
Long-Term Care Patient Days	247	270
Outpatient Visits (incl. Physicians and Telehealth) ⁽¹⁾	21,774	21,383
Emergency Room Visits	1,459	1,489
Surgeries and Procedures	520	524
Acute Average Daily Census (Actual)	6,501	6,528
Providence Health Plan Members	705	711

⁽¹⁾ Normalized for Providence Oregon's outreach laboratory services sold in August 2023, total outpatient visits were 21,095 for the nine months ended September 30, 2023.

Three months ended September 30, 2024 compared with three months ended September 30, 2023

Inpatient admissions increased 4 percent, acute adjusted admissions increased 5 percent and case mix adjusted admissions increased 4 percent. Physician visits increased 4 percent and home health visits increased 2 percent compared to the prior year.

Operating Revenues

Nine months ended September 30, 2024 compared with nine months ended September 30, 2023

Operating revenues of \$23 billion grew 9 percent compared to the prior year. Excluding one-time net gains of \$426 million recognized in other revenues in the first quarter of 2024, total operating revenues grew 7 percent. Net patient service revenues were \$17 billion, growing 8 percent, driven by higher volumes and improving rates. The System experienced growth in all areas as Hospital revenues grew 9 percent; Physician and Outpatient revenues grew 6 percent; and Health Plans and Accountable Care revenues grew 4 percent. In addition, capitation and premium revenues, representing 16 percent of total operating revenues, grew 6 percent.

Providence's operating revenues by state are presented for the periods indicated (footnotes appear beneath last table):

EXHIBIT 3.4 - OPERATING REVENUES BY STATE \$ PRESENTED IN MILLIONS	Nine Months Ended	
	9-30-2023	9-30-2024
Alaska	\$758	\$789
Washington	6,293	6,967
Montana	396	420
Oregon	4,360	5,003
California	6,854	6,953
Texas/New Mexico	967	1,056
Total Revenues from Contracts with Customers ⁽¹⁾	19,628	21,188
Other Revenues ^{(2), (3)}	1,570	1,846
Total Operating Revenues	\$21,198	\$23,034

Providence's operating revenues by line of business are presented for the periods indicated:

EXHIBIT 3.5 - OPERATING REVENUES BY LINE OF BUSINESS \$ PRESENTED IN MILLIONS	Nine Months Ended	
	9-30-2023	9-30-2024
Hospitals ⁽¹⁾	\$13,323	\$14,476
Health Plans and Accountable Care	2,267	2,362
Physician and Outpatient Activities	2,472	2,608
Long-Term Care, Home Care, and Hospice	1,134	1,209
Other Services	432	533
Total Revenues from Contracts with Customers	19,628	21,188
Other Revenues ^{(2), (3)}	1,570	1,846
Total Operating Revenues	\$21,198	\$23,034

Providence's operating revenues by payor are presented for the periods indicated:

EXHIBIT 3.6 - OPERATING REVENUES BY PAYOR ⁽⁴⁾ \$ PRESENTED IN MILLIONS	Nine Months Ended	
	9-30-2023	9-30-2024
Commercial	\$8,951	\$9,677
Medicare	6,946	7,246
Medicaid ⁽¹⁾	2,932	3,481
Self-pay and Other	799	784
Total Revenues from Contracts with Customers	19,628	21,188
Other Revenues ^{(2), (3)}	1,570	1,846
Total Operating Revenues	\$21,198	\$23,034

⁽¹⁾ Includes revenue recognition of reimbursements from state provider fee programs of \$1 billion for the nine months ended September 30, 2024, compared with \$688 million in the same period in 2023.

⁽²⁾ Includes one-time net gains of \$371 million from Tegria's divested subsidiaries and \$55 million from the sale of laboratory services recognized in the first quarter of 2024.

⁽³⁾ Excludes premium and capitation revenues as they are categorized among the line items that comprise Total Revenues from Contracts with Customers. Refer to Exhibit 2.1 for the components of Total Operating Revenues.

⁽⁴⁾ Refer to Exhibit 8.3 for supplementary information on net patient service revenue payor mix driven by patient utilization.

Three months ended September 30, 2024 compared with three months ended September 30, 2023

Operating revenues of \$8 billion grew 6 percent driven by higher patient volumes and increased rates. This contributed to growth in net patient service revenues of \$6 billion, an increase of 8 percent compared to the prior year.

Operating Expenses

Nine months ended September 30, 2024 compared with nine months ended September 30, 2023

Operating expenses increased 5 percent, driven by costs associated with serving higher patient volumes and inflationary pressures. Salaries and benefits expenses increased 4 percent, as wage increases were offset by lower premium labor expenses. Agency contract labor decreased 39 percent through a combination of reduced rates and lower utilization. The System experienced an overall increase in labor productivity due to continued focus on staffing challenges. Supplies expense increased by 9 percent, driven by a 15 percent increase in pharmaceutical expense, and benefitting from a 6 percent decrease in non-medical supply costs.

Three months ended September 30, 2024 compared with three months ended September 30, 2023

Operating expenses increased 4 percent, driven by costs to serve higher patient volumes and inflationary pressures. Salaries and benefits increased 4 percent due to wage increases, partially offset by lower agency contract labor. Supplies expense increased by 8 percent, driven by a 12 percent increase in pharmaceutical spend and a 6 percent increase in medical supply expense, partially offset by decrease in non-medical supplies.

Non-Operating Activity

Nine months ended September 30, 2024 compared with nine months ended September 30, 2023

Non-operating gains were \$465 million, compared with \$244 million in 2023. The increase was driven by investment gains of \$526 million, compared with \$298 million in the prior year.

Three months ended September 30, 2024 compared with three months ended September 30, 2023

Non-operating gains were \$228 million, compared with non-operating losses of \$71 million in 2023. The increase was driven by investment gains of \$248 million, compared with investment losses of \$64 million in the prior year.

Liquidity and Capital Resources; Outstanding Indebtedness

Unrestricted Cash and Investments

Unrestricted cash and investments totaled approximately \$7.8 billion as of September 30, 2024, compared with \$8.4 billion as of December 31, 2023. Net days in accounts receivable were 56.2 days at September 30, 2024, compared with 48.8 days at December 31, 2023. Accounts receivable remains elevated compared to historic trends primarily driven by increased denials, rising underpayments and delays in payor processing.

In 2023, Providence issued the Series 2023A, B & C private placement notes totaling \$383 million, the proceeds of which were used to reduce balances held on the revolver, pay financing costs, and add approximately \$30 million in net new debt. Additionally, Providence closed on its Series 2023 taxable fixed rate refunding bonds totaling \$585 million. The proceeds were used primarily to refund the taxable Series 2005 and 2013 bonds as well as refund an existing term loan and debt services due in 2023.

Providence's liquidity is presented for the periods indicated:

EXHIBIT 4.1 - INVESTMENTS BY DURATION \$ PRESENTED IN MILLIONS	As of	
	12-31-2023	9-30-2024
Cash and Cash Equivalents	\$1,468	\$1,442
Short-Term Investments	597	174
Long-Term Investments	6,351	6,231
Total Unrestricted Cash and Investments	\$8,416	\$7,847

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	
	12-31-2023	9-30-2024
Cash and Cash Equivalents	0%	0%
Domestic and International Equities	38%	38%
Debt Securities	33%	33%
Other Securities	29%	29%

Financial Ratios

Providence's financial ratios are presented for the periods indicated:

EXHIBIT 4.3 - SUMMARY OF KEY RATIOS	As of	
	12-31-2023	9-30-2024
Total Debt to Capitalization %	46.4	45.4
Cash to Debt Ratio %	102.6	95.8
Days Cash on Hand ⁽¹⁾	107	96
Maximum Annual Debt Service (Smoothed)	541	557
Cash to Net Assets Ratio	0.89	0.80

⁽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 for the periods indicated:

EXHIBIT 4.4 - SYSTEM CAPITALIZATION \$ PRESENTED IN MILLIONS UNLESS NOTED	As of	
	12-31-2023	9-30-2024
Long-Term Indebtedness	\$7,594	\$7,716
Plus: Leases	630	570
Less: Current Portion of Long-Term Debt	160	96
Net Long-Term Debt	8,064	8,190
Net Assets - Without Donor Restrictions	9,485	9,857
Total Capitalization	\$17,549	\$18,047
Long-Term Debt to Capitalization %	46.0	45.4

Providence's coverage of Maximum Annual Debt Service ("MADS") on indebtedness is not a defined concept under the Master Indenture, nor Providence's other credit documents. MADS coverage is presented for the periods indicated:

EXHIBIT 4.5 - SYSTEM MADS COVERAGE \$ PRESENTED IN MILLIONS UNLESS NOTED	As of	
	12-31-2023	Rolling 12-Months Ended 9-30-2024 ⁽¹⁾
Income Available for Debt Service:		
Excess (Deficit) of Revenues Over Expenses	\$(596)	\$327
Less: Unrealized Gain on Trading Securities	(327)	(274)
Plus: Loss on Extinguishment of Debt	2	-
Plus: Loss on Pension Settlement Costs and Other	22	5
Plus: Depreciation	1,053	989
Plus: Interest and Amortization	408	375
Total	\$562	\$1,422
MADS (Smoothed)	\$541	\$557
MADS Coverage	1.04x	2.55x

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

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 healthcare 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>
Michael Murphy, Chair ‡	2025	Sr. Sharon Becker, CSJ, Co-Chair	2027
Richard Blair †	2025	Bill Cox	2024
Isiaah Crawford, PhD. †	2025	Shannon Dwyer	2031
Sr. Diane Hejna, CSJ, RN. †	2025	Jeff Flocken	2025
Sr. Phyllis Hughes, RSM, PhD. †	2025	Mark Koenig	2027
Mary Beth Kingston, PhD., RN. Δ	2024	Sr. Cecilia Magladry, CSJ	2030
Mary Lyons, PhD. †	2025	Sr. Margaret Pastro, SP, Co-Chair	2028
Sr. Donna Markham, OP, PhD. Δ	2026	Barbara Savage	2024
Marvin O'Quinn Δ	2026	Mary Anne Sladich-Lantz	2032
Sr. Carol Pacini, LCM Δ	2023	Sr. Mary Therese Sweeney, CSJ	2028
Charles W. Sorenson, M.D. ‡	2024		
Eric Sprunk Δ	2024		
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
Erik Wexler	President and COO
Greg Hoffman	Executive Vice President and CFO
Anna Newsom	Executive Vice President and Chief Legal Officer

On July 17, 2024, the Providence Board of Directors announced that Providence Chief Operating Officer Erik Wexler has been named the next president and chief executive officer. Effective January 1, 2025, Wexler will succeed Rod Hochman, M.D., who announced his retirement in May 2024 after 45 years in healthcare, including 17 years with the Providence family of organizations. Providence maintains its commitment to continuous review and development of internal talent and succession planning, ensuring continuity and an orderly transition of leadership.

On November 19, 2024, Providence announced the appointment of Darryl A. Elmouchi, M.D., MBA, as chief operating officer, effective January 2, 2025. With Providence's current COO, Erik Wexler, stepping into the president and CEO role next year, Dr. Elmouchi will be responsible for overseeing operations, care delivery, and performance improvement initiatives across the health system.

Environmental, Social, and Governance Standards

Providence continues to execute on our integrated strategic and financial plan, which clearly expresses our commitment and acceleration of the important work to address social, racial, and economic disparities and reduce our carbon footprint in the communities we serve. Providence continues to work towards carbon negative

and in 2023 decreased emissions by over 12 percent compared to our 2019 baseline. In addition, our efforts led to the introduction of the Green Hospitals Act, legislation modeled after Providence that would provide critical federal funding to weatherize and modernize healthcare facilities. Providence completed a comprehensive climate resilience plan in alignment with our commitment to the US Department of Health and Human Services Climate pledge. We continue to reduce greenhouse gas emissions with a focus on LED lighting upgrades, water conservation, more efficient delivery of nitrous oxide gas during anesthesia, and advancing our waste optimization work across all hospitals and clinics.

Support Services

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, information services, 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, among others.

Obligated Group

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

For the nine months ended September 30, 2024, the unaudited combined operating revenues, and total assets attributable to the Obligated Group Members were approximately 84 percent and 87 percent, respectively, of Providence's totals. For the fiscal year ended December 31, 2023, the audited combined operating revenues, and total assets attributable to the Obligated Group Members were approximately 81 percent and 85 percent, respectively, of Providence's totals. Refer to Exhibit 8 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 for the periods indicated:

EXHIBIT 5.1 - OBLIGATED GROUP UTILIZATION DATA PRESENTED IN THOUSANDS UNLESS NOTED	Nine Months Ended	
	9-30-2023	9-30-2024
<u>Obligated Group</u>		
Inpatient Admissions	307	329
Acute Adjusted Admissions	650	690
Acute Patient Days	1,708	1,754
Long-Term Care Patient Days	243	263
Outpatient Visits (incl. Physicians and Telehealth) ⁽¹⁾	16,465	16,001
Emergency Room Visits	1,385	1,450
Surgeries and Procedures	408	415
Acute Average Daily Census (Actual)	6,255	6,401

⁽¹⁾ Normalized for Providence Oregon's outreach laboratory services sold in August 2023, total outpatient visits were 15,786 for the nine months ended September 30, 2023.

Obligated Group Capitalization

The Obligated Group's capitalization is presented for the periods indicated:

EXHIBIT 5.2 - OBLIGATED GROUP CAPITALIZATION \$ PRESENTED IN MILLIONS UNLESS NOTED	As of	
	12-31-2023	9-30-2024
<u>Obligated Group</u>		
Long-Term Indebtedness	\$7,579	\$7,698
Plus: Leases	381	374
Less: Current Portion of Long-Term Debt	145	78
Net Long-Term Debt	7,815	7,994
Net Assets - Without Donor Restrictions	7,808	8,610
Total Capitalization	\$15,623	\$16,604
Long-Term Debt to Capitalization %	50.0	48.1

Outstanding Master Trust Indenture Obligations

As of September 30, 2024, Providence had Obligations outstanding under the Master Indenture totaling \$7.5 billion. This excludes Obligations that secure interest rate 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, 2023.

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, Providence - Montana, and Providence - Oregon. Providence - Southern California, in turn, is the sole corporate member of LCMASC and Providence - Saint John's. Providence - Montana is the sole corporate member of Providence - SJMC Montana. Providence Ministries is the co-corporate member, alongside Western HealthConnect 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.

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; Tegria Holdings LLC, a for-profit entity that provides technologies and services to the healthcare 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.

Providence Clinical Network

The Providence Clinical Network ("PCN") is transforming clinical care across the continuum by creating a personalized and connected delivery system serving patients across the Western United States. PCN includes our medical groups, same-day care services including urgent care, ExpressCare, ambulatory surgery and imaging; and four system Clinical Institutes: Heart, Neuroscience, Women's and Children, Cancer and Digestive Health. Our medical groups include: Providence Medical Group, serving Alaska, Washington, Montana, and Oregon; Swedish Medical Group, and Pacific Medical Centers, each with staffed clinics throughout Washington's greater Puget Sound area; Kadlec, serving southeast Washington; Providence St. John's Medical Foundation, Providence Medical Institute, and Providence Facey Medical Foundation 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.

Population Health Management

Population Health Management forms 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 healthcare and services. We provide products, tools, and services to maximize value-based reimbursement and increase quality outcomes. We integrate solutions to address social determinants of health and eliminate health inequities. We build community partnerships to increase access to health services, and support needed by vulnerable communities.

Population Health Management focuses on a family of services, including Value-Based Care, Risk Sharing & Payments Models, Government programs (Medicaid and Medicare), and Population Health initiatives that support our Providence divisional care delivery systems.

Providence Health Plan

Providence Health Plan is a 501(c)(4) Oregon non-profit healthcare service contractor, and Providence Health Assurance is a wholly owned subsidiary of PHP. Providence Plan Partners 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

Ayin Health Holdings, Inc. 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

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.

Tegria

Tegria Holdings LLC is a Providence-owned global healthcare consulting and services company that partners with provider and payer organizations to transform healthcare. From strategic advisory and operations consulting to managed services, Tegria offers end-to-end solutions to drive transformation in the following areas: revenue cycle, access and experience, care operations, enterprise systems and services, infrastructure and cloud, and data and analytics. By helping its clients drive growth, enhance experiences, and foster collaboration, Tegria is supporting the creation of more accessible, efficient, and integrated healthcare system. Tegria's global team of approximately 1,400 healthcare-focused consultants help more than 500 provider and payer organizations drive transformation with market-leading solutions.

In January 2024, Tegria Holdings LLC completed the sale of its Acclara and Advata subsidiaries to R1 for \$675 million. Upon closing of the transaction, Providence entered into a 10-year agreement for comprehensive revenue cycle services from Acclara that remains in progress.

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.

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 related to the administration of the financial assistance program. After ongoing discovery and settlement negotiations, the parties reached a settlement agreement on February 1, 2024. The settlement includes the following actions to be taken by Providence: (1) payment plus interest to identified patients who may have qualified for financial assistance, but had not completed the financial assistance application process; (2) write off of any outstanding balances for these individuals; (3) payment to the Washington State Attorney General's office; and (4) implementation of a streamlined process to provide all patients with information about financial assistance and how to apply using simple language aligned to our organizational values.

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.

On March 13, 2024, the United States Department of Justice filed a complaint against six health plans participating in the Uniformed Services Family Health Plan ("USFHP") program, including PacMed Clinics ("PacMed"). The government alleges the health plans violated the False Claims Act by retaining overpayments paid by the government. This case is a government contracts dispute. PacMed negotiated and agreed on rates with the government every year. The government paid PacMed exactly the amount that the parties negotiated, and that the government agreed to pay. The quality of the patient care that PacMed provided, and patient billing, are not at issue in this case, it is purely a payment dispute. 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 8, 2024, Providence went to trial in the wage and hour class action matter of Bennett v. Providence Health & Services. The jury found against Providence and issued a verdict in favor of Plaintiffs. With the utmost respect to the trial court and jury, Providence believes the verdict resulted from erroneous rulings and misstatements of the applicable law; this result was not unexpected at the trial court level. The case involves a novel issue that has not been decided by the Washington Court of Appeals, and Providence, along with several other employers in the state of Washington, are appealing the verdict to the Washington Court of Appeals. 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 September 30, 2024, the Attorney General of California filed a complaint against St. Joseph Health Northern California, LCC, alleging violations of the California Emergency Services Law and the Unruh Civil Rights Act, related to services provided to a patient seen in the Providence St. Joseph Hospital ("Providence") emergency department. Providence is in the early stages of investigating the allegations of the complaint. At this time, no determination can be made as to whether such litigation will have a material adverse effect on Providence, financial or otherwise.

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.

Employees

As of September 30, 2024, Providence employed more than 124,000 caregivers. Of Providence's total employees, approximately 35 percent are represented by 20 different labor unions.

Providence provides employees market-competitive salaries and benefits. Management believes the salary levels and benefits packages for its employees are competitive in all the respective markets. 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 with unions representing employees in some markets throughout 2024. The current environment of increased work stoppages continues with a recent strike at an employer in Washington state. Management engaged qualified temporary replacement workers to effectively continue operations while limiting disruption to hospital operations and patient services. Management and others continue to bargain with the respective unions to reach agreements. Management is also aware of ongoing organizing efforts by labor unions within the healthcare industry, including in markets where the separate employers within Providence operate.

Community Benefit

Our community benefit program is a vital part of our vision. It includes proactive community health improvement programs such as subsidized health services and education, and research, as well as free or low-cost care (charity care) for the uninsured and underinsured and the costs of uncompensated care for Medicaid and other government-funded programs. Throughout the year, we collaborate with community partners to identify and respond to unmet needs with tailored community benefit investments designed to improve overall health and well-being.

Building on our commitment to care for those who are poor and vulnerable, we invested \$1.3 billion in community benefit programs in the nine months ended September 30, 2024, compared with \$1.5 billion in the same period in 2023. Our unpaid costs of Medicaid totaled \$819 million for the nine months ended September 30, 2024, a significant decrease from \$1.1 billion in the prior year with improved reimbursement through Washington State's SNAP program.

Providence's community benefit by category presented for the periods indicated:

EXHIBIT 6.1 - COMMUNITY BENEFIT BY CATEGORY \$ PRESENTED IN MILLIONS	Nine Months Ended	
	9-30-2023	9-30-2024
Charity Care Provided	\$178	\$225
Unpaid Costs of Medicaid	1,087	819
Education & Research Programs	113	126
Other Community Benefit	153	151
Total Community Benefit	\$1,531	\$1,321

Providence Information Security Program

Providence's information security program consists of over 250 full-time employees. The information security team's global reach enables 24/7 coverage of IT risks and real-time defense of Providence's information ecosystem. Providence's cybersecurity program has adopted the National Institute of Standards and Technology Cyber Security Framework 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 Providence Cyber Performance Goals 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 Providence Executive Team 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 a captive insurance company with reinsurance domiciled in Arizona. 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. Furthermore, the captive pays the required Washington State premium tax. 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, 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 7 - Obligated Group Facilities

Exhibit 7.1 Acute Care Facilities by Region

A list of Providence's acute care facilities in each region as of September 30, 2024, 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
		Swedish First Hill	Seattle	697
	Providence Health & Services-Washington	Providence Centralia Hospital	Centralia	128
		Providence Regional Medical Center Everett	Everett	595
		Providence St. Peter Hospital ⁽⁴⁾	Olympia	372
Eastern Washington and Western 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
		Providence St. Mary Medical Center	Walla Walla	142
	Kadlec Regional Medical Center	Kadlec Regional Medical Center	Richland	337
	Providence Health & Services-Montana	St. Patrick Hospital	Missoula (MT)	253
	Providence St. Joseph Medical Center	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	198	
		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 Cedars-Sinai Tarzana Medical Center ⁽²⁾	Tarzana	204	
		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 Campuses ⁽⁵⁾ :		504
		Mission Hospital Regional Medical Center	Mission Hospital Regional Medical Center	Mission Viejo	
		Mission Hospital Laguna Beach	Laguna Beach		
	St. Joseph Hospital of Orange	St. Joseph Hospital of Orange ⁽⁶⁾	Orange	463	
West Texas and Eastern New Mexico					
	Methodist Hospital Levelland	Covenant Hospital Levelland ⁽⁷⁾	Levelland	48	
		CHS Campuses:		381	
	Covenant Health System	Covenant Medical Center	Lubbock		
		Covenant Medical Center - Lakeside	Lubbock		
	Methodist Children's Hospital	Covenant Children’s Hospital	Lubbock	227	
	Methodist Hospital Plainview	Covenant Hospital Plainview ⁽⁷⁾	Plainview	68	
TOTAL				10,892	

* 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. Effective October 1, 2023, Providence Tarzana Medical Center became Providence Cedars-Sinai Tarzana Medical Center as part of a joint venture with Cedars-Sinai.

⁽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 7.2
Long-Term Care Facilities by Region

Providence's principal owned or leased long-term care facilities as of September 30, 2024, 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 Marianwood	Issaquah	117
		Providence Mother Joseph Care Center	Olympia	152
		Providence Mount St. Vincent	Seattle	215
Eastern Washington and Western 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	56
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 8 - Supplementary Information

[ATTACHED]



EXHIBIT 8.1 - SUMMARY UNAUDITED COMBINED STATEMENTS OF OPERATIONS

	Ended September 30, 2024		Ended September 30, 2023	
	(in 000's of dollars)		(in 000's of dollars)	
	Consolidated	Obligated	Consolidated	Obligated
Operating Revenues:				
Net Patient Service Revenues	\$ 17,487,396	16,892,394	16,131,290	15,248,871
Premium Revenues	2,235,396	342,875	2,035,371	282,450
Capitation Revenues	1,465,729	589,266	1,461,691	583,737
Other Revenues	1,845,510	1,459,646	1,570,071	1,009,294
Total Operating Revenues	23,034,031	19,284,181	21,198,423	17,124,352
Operating Expenses:				
Salaries and Benefits	11,767,913	10,258,522	11,322,808	9,778,314
Supplies	3,635,834	3,425,917	3,334,910	3,088,147
Purchased Healthcare Services	1,903,247	415,908	1,766,711	377,096
Interest, Depreciation, and Amortization	956,991	862,350	1,053,591	936,339
Purchased Services, Professional Fees, and Other	4,925,018	4,077,970	4,577,747	3,514,471
Total Operating Expenses	23,189,003	19,040,667	22,055,767	17,694,367
Excess (Deficit) of Revenues Over Expenses From Operations	(154,972)	243,514	(857,344)	(570,015)
Non-Operating Gains	464,537	319,944	244,353	173,879
Excess (Deficit) of Revenues Over Expenses	\$ 309,565	563,458	(612,991)	(396,136)

EXHIBIT 8.2 - SUMMARY UNAUDITED AND AUDITED COMBINED STATEMENTS OF CASH FLOWS

	Ended September 30, 2024		Ended December 31, 2023	
	(in 000's of dollars)		(in 000's of dollars)	
	Consolidated	Obligated	Consolidated	Obligated
Net Cash Used in Operating Activities	\$ (56,869)	(26,768)	(1,115,663)	(506,783)
Net Cash Provided by Investing Activities	(8,810)	335,587	1,347,957	1,358,749
Net Cash Provided by Financing Activities	39,565	14,600	172,650	64,686
Increase in Cash and Cash Equivalents	(26,114)	323,419	404,944	916,652
Cash and Cash Equivalents, Beginning of Period	1,467,968	1,374,806	1,063,024	458,154
Cash and Cash Equivalents, End of Period	\$ 1,441,854	1,698,225	1,467,968	1,374,806

EXHIBIT 8.3 - SUMMARY UNAUDITED NET PATIENT SERVICE REVENUE PAYOR MIX

	Ended September 30, 2024		Ended September 30, 2023	
	Consolidated	Obligated	Consolidated	Obligated
Commercial	47%	48%	47%	48%
Medicare	33%	33%	35%	35%
Medicaid	17%	18%	16%	16%
Self-pay and Other	3%	1%	2%	1%



EXHIBIT 8.4 - SUMMARY UNAUDITED AND AUDITED COMBINED BALANCE SHEETS

	As of September 30, 2024		As of December 31, 2023	
	(in 000's of dollars)		(in 000's of dollars)	
	Consolidated	Obligated	Consolidated	Obligated
Current Assets:				
Cash and Cash Equivalents	\$ 1,441,854	1,698,225	1,467,968	1,374,806
Short-Term Investments	174,485	56,391	597,096	483,365
Accounts Receivable, Net	3,560,170	3,329,178	3,044,719	2,827,074
Supplies Inventory	350,598	328,847	373,148	352,768
Other Current Assets	2,389,245	2,087,206	2,430,530	1,889,216
Current Portion of Assets Whose Use is Limited	103,588	103,588	103,588	103,588
Total Current Assets	8,019,940	7,603,435	8,017,049	7,030,817
Management Designated Cash and Investments	6,230,942	3,023,881	6,351,086	3,450,398
Assets Whose Use is Limited	850,191	757,541	670,853	573,592
Property, Plant, and Equipment, Net	9,144,520	8,419,431	9,186,673	8,472,402
Operating Lease Right-of-Use Assets	1,117,831	735,163	1,171,879	763,212
Other Assets	2,732,431	3,883,252	2,906,434	3,692,330
Total Assets	\$ 28,095,855	24,422,703	28,303,974	23,982,751
Current Liabilities:				
Current Portion of Long-Term Debt	95,644	77,637	160,316	144,664
Master Trust Debt Classified as Short-Term	-	-	137,705	137,705
Accounts Payable	1,453,860	1,310,436	1,438,152	1,281,641
Accrued Compensation	1,387,107	1,269,837	1,527,192	1,387,539
Current Portion of Operating Lease Right-of-Use	196,673	137,255	203,703	138,050
Other Current Liabilities	1,950,612	1,284,338	2,393,083	1,523,957
Total Current Liabilities	5,083,896	4,079,503	5,860,151	4,613,556
Long-Term Debt, Net of Current Portion	570,372	373,662	630,180	380,516
Master Trust Debt Classified as Long-Term	7,620,257	7,620,257	7,434,249	7,434,249
Pension Benefit Obligation	583,360	583,360	659,883	659,883
Long-Term Operating Lease Right-of-Use, net of Current Portion	1,034,074	682,444	1,107,017	731,288
Other Liabilities	1,850,059	1,213,305	1,623,512	1,116,029
Total Liabilities	\$ 16,742,018	14,552,531	17,314,992	14,935,521
Net Assets:				
Controlling Interests	9,701,983	8,609,969	9,339,785	7,808,096
Noncontrolling Interests	155,499	232	144,979	232
Net Assets Without Donor Restrictions	9,857,482	8,610,201	9,484,764	7,808,328
Net Assets With Donor Restrictions	1,496,355	1,259,971	1,504,218	1,238,902
Total Net Assets	11,353,837	9,870,172	10,988,982	9,047,230
Total Liabilities and Net Assets	\$ 28,095,855	24,422,703	28,303,974	23,982,751



EXHIBIT 8.5 - KEY PERFORMANCE METRICS

	Ended September 30, 2024		Ended September 30, 2023	
	Consolidated	Obligated	Consolidated	Obligated
Inpatient Admissions	333,121	328,843	320,451	307,245
Acute Patient Days	1,788,742	1,753,925	1,774,680	1,707,713
Acute Outpatient Visits	9,549,545	8,963,857	10,255,866	9,578,967
Primary Care Visits	10,965,821	6,442,819	10,672,984	6,294,012
Inpatient Surgeries and Procedures	144,539	143,853	141,310	137,117
Outpatient Surgeries and Procedures	379,538	271,241	378,468	270,958
Long-Term Care Admissions	3,528	3,416	2,792	2,623
Long-Term Care Patient Days	270,056	262,542	247,430	243,210
Home Health Visits	867,644	593,845	845,430	592,016
Hospice Days	747,771	402,703	801,256	464,207
Housing and Assisted Living Days	484,005	251,856	341,512	211,545
Acute Average Daily Census	6,528	6,401	6,501	6,255
Acute Licensed Beds	11,044	10,671	11,293	10,671
FTEs	107,307	94,891	106,540	91,263



EXHIBIT 8.6 - SUMMARY UNAUDITED COMBINING STATEMENTS OF OPERATIONS BY REGION

Ended September 30, 2024									
(in 000's of dollars)									
	Alaska	Puget Sound Region	Eastern Washington/ Western Montana	Oregon	Northern California	Southern California	West Texas/ Eastern New Mexico	Other/ Eliminations	Consolidated
<u>Operating Revenues:</u>									
Net Patient Service Revenues	\$ 788,760	4,435,541	2,817,504	3,548,527	1,290,494	4,329,838	1,055,554	(778,822)	17,487,396
Premium Revenues	-	130,134	-	207,761	3,876	27,845	-	1,865,780	2,235,396
Capitation Revenues	-	132,630	693	39,592	64,266	1,228,548	-	-	1,465,729
Other Revenues	66,706	232,739	166,983	365,045	29,886	280,863	62,625	640,663	1,845,510
Total Operating Revenues	855,466	4,931,044	2,985,180	4,160,925	1,388,522	5,867,094	1,118,179	1,727,621	23,034,031
<u>Operating Expenses:</u>									
Salaries and Benefits	412,239	2,691,370	1,630,626	2,107,065	682,898	2,461,596	522,455	1,259,664	11,767,913
Supplies	114,387	791,839	497,106	1,029,547	208,948	808,962	200,216	(15,171)	3,635,834
Purchased Healthcare Services	-	164,329	212	85,036	33,054	609,084	-	1,011,532	1,903,247
Interest, Depreciation, and Amortization	34,645	156,142	75,482	77,945	46,684	194,831	70,316	300,946	956,991
Purchased Services, Professional Fees, and Other	225,588	1,327,128	860,305	964,221	522,344	2,014,736	339,484	(1,328,788)	4,925,018
Total Operating Expenses	786,859	5,130,808	3,063,731	4,263,814	1,493,928	6,089,209	1,132,471	1,228,183	23,189,003
Excess (Deficit) of Revenues Over Expenses From Operations	68,607	(199,764)	(78,551)	(102,889)	(105,406)	(222,115)	(14,292)	499,438	(154,972)
Non-Operating Gains	81,408	24,195	36,363	79,850	11,913	61,993	21,455	147,360	464,537
Excess (Deficit) of Revenues Over Expenses	\$ 150,015	(175,569)	(42,188)	(23,039)	(93,493)	(160,122)	7,163	646,798	309,565



EXHIBIT 8.7 - SUMMARY UNAUDITED COMBINING BALANCE SHEETS BY REGION

As of September 30, 2024 (in 000's of dollars)									
	Alaska	Puget Sound Region	Eastern Washington/ Western Montana	Oregon	Northern California	Southern California	West Texas/ Eastern New Mexico	Other/ Eliminations	Consolidated
<u>Current Assets:</u>									
Cash and Cash Equivalents	\$ 722,801	(113,838)	1,259,447	1,514,857	(130,913)	(2,500,775)	82,211	608,064	1,441,854
Short-Term Investments	10,574	-	-	-	21,508	20,163	31,111	91,129	174,485
Accounts Receivable, Net	201,358	984,741	500,597	660,352	327,093	863,676	226,039	(203,686)	3,560,170
Supplies Inventory	14,155	68,531	38,386	72,590	22,888	85,206	27,773	21,069	350,598
Other Current Assets	27,826	165,364	114,895	140,135	259,762	806,748	47,846	826,669	2,389,245
Current Portion of Assets Whose Use is Limited	-	-	-	-	-	-	-	103,588	103,588
Total Current Assets	976,714	1,104,798	1,913,325	2,387,934	500,338	(724,982)	414,980	1,446,833	8,019,940
Management Designated Cash and Investments	1,241,688	418,342	401,760	1,052,819	129,431	762,647	311,596	1,912,659	6,230,942
Assets Whose Use is Limited	121	22,244	3,419	30,893	9,638	15,849	4,933	763,094	850,191
Property, Plant, and Equipment, Net	399,811	2,009,413	827,944	962,569	687,434	2,422,261	831,900	1,003,188	9,144,520
Operating Lease Right-of-Use Assets	21,370	330,990	87,387	120,340	24,191	448,330	61,479	23,744	1,117,831
Other Assets	38,925	244,421	242,899	68,135	13,833	1,081,199	73,229	969,790	2,732,431
Total Assets	\$ 2,678,629	4,130,208	3,476,734	4,622,690	1,364,865	4,005,304	1,698,117	6,119,308	28,095,855
<u>Current Liabilities:</u>									
Current Portion of Long-Term Debt	5,457	16,957	3,264	6,571	239	10,762	6,771	45,623	95,644
Master Trust Debt Classified as Short-Term	-	-	-	-	-	-	-	-	-
Accounts Payable	45,640	240,039	107,622	216,732	70,958	303,475	39,719	429,675	1,453,860
Accrued Compensation	21,729	150,857	101,310	105,873	50,672	155,053	29,391	772,222	1,387,107
Current Portion of Operating Lease Right-of-Use	4,393	53,823	22,475	16,689	11,209	67,783	7,680	12,621	196,673
Other Current Liabilities	4,851	72,739	897	96,671	92,597	513,531	414,474	754,852	1,950,612
Total Current Liabilities	82,070	534,415	235,568	442,536	225,675	1,050,604	498,035	2,014,993	5,083,896
Long-Term Debt, Net of Current Portion	39,420	195,019	42,942	9,113	4,863	79,382	221,985	(22,352)	570,372
Master Trust Debt Classified as Long-Term	161,650	1,276,298	550,830	86,150	312,697	1,308,732	200,134	3,723,766	7,620,257
Pension Benefit Obligation	-	125,482	-	(87)	-	-	-	457,965	583,360
Long-Term Operating Lease Right-of-Use, net of Current Portion	17,161	318,545	68,920	120,280	14,006	431,487	55,477	8,198	1,034,074
Other Liabilities	28,346	123,908	38,540	11,622	10,814	80,087	53,414	1,503,328	1,850,059
Total Liabilities	\$ 328,647	2,573,667	936,800	669,614	568,055	2,950,292	1,029,045	7,685,898	16,742,018
<u>Net Assets:</u>									
Controlling Interests	2,302,348	1,363,781	2,455,511	3,610,211	698,562	272,255	594,921	(1,595,606)	9,701,983
Noncontrolling Interests	14,318	3,719	9,295	452	-	69,750	34,302	23,663	155,499
Net Assets Without Donor Restrictions	2,316,666	1,367,500	2,464,806	3,610,663	698,562	342,005	629,223	(1,571,943)	9,857,482
Net Assets With Donor Restrictions	33,316	189,041	75,128	342,413	98,248	713,007	39,849	5,353	1,496,355
Total Net Assets	2,349,982	1,556,541	2,539,934	3,953,076	796,810	1,055,012	669,072	(1,566,590)	11,353,837
Total Liabilities and Net Assets	\$ 2,678,629	4,130,208	3,476,734	4,622,690	1,364,865	4,005,304	1,698,117	6,119,308	28,095,855



EXHIBIT 8.8 - KEY PERFORMANCE METRICS BY REGION

Ended September 30, 2024

	Alaska	Puget Sound Region	Eastern Washington/ Western Montana	Oregon	Northern California	Southern California	West Texas/ Eastern New Mexico	Consolidated
Inpatient Admissions	12,967	75,514	50,649	53,537	21,263	101,174	18,017	333,121
Acute Patient Days	95,058	451,911	288,502	281,290	99,090	476,084	96,807	1,788,742
Acute Outpatient Visits	336,004	1,973,617	1,435,113	1,708,547	726,201	2,602,852	767,211	9,549,545
Primary Care Visits	136,862	2,562,164	2,075,998	1,808,981	748,100	3,198,137	390,893	10,965,821
Inpatient Surgeries and Procedures	6,693	34,512	24,986	20,349	8,797	41,206	7,996	144,539
Outpatient Surgeries and Procedures	8,812	68,971	60,774	108,064	21,268	89,695	21,954	379,538
Long-Term Care Admissions	n/a	1,527	523	333	1	1,033	111	3,528
Long-Term Care Patient Days	38,956	106,827	25,458	27,037	4,440	64,264	3,074	270,056
Home Health Visits	20,682	251,508	2,448	236,254	47,953	308,799	n/a	867,644
Hospice Days	21,297	245,400	n/a	136,006	91,856	196,225	56,987	747,771
Housing and Assisted Living Days	26,542	261,101	36,885	124,726	19,344	15,407	n/a	484,005
Average Daily Census	347	1,649	1,053	1,027	362	1,738	353	6,528
Acute Licensed Beds	482	2,666	1,824	1,452	807	2,997	816	11,044
FTEs	3,976	22,857	14,533	18,921	5,305	23,008	5,804	107,307