
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 quarter ended June 30, 2021. Providence has undertaken no responsibility to update such data since June 30, 2021, 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 52 hospitals, over 900 clinics, and many other health and educational services, our health system employs nearly 121,000 caregivers serving patients in communities across seven Western states - Alaska, California, Montana, New Mexico, Oregon, Texas, and Washington. Our caregivers provide quality, compassionate care to all those we serve, regardless of coverage or ability to pay.



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

We are privileged to serve in dynamic, contiguous markets with growing populations, which has led to consistent increases in service utilization. We offer a comprehensive range of industry-leading services, including an integrated delivery system of acute and ambulatory care for inpatient and outpatient services, 29 long-term care facilities, 16 supportive housing facilities, over 8,000 directly employed providers and more than 25,000 affiliated providers, a health plan, senior care, financial assistance programs, community health investments, and educational ministries that include a high school and university.

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

The Mission

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

Our Values

Compassion | Dignity | Justice | Excellence | Integrity

Our Vision

Health for a Better World

Our Promise

"Know me, care for me, ease my way."

COVID-19: From Response to Vaccinations and Beyond

In early 2020, Providence admitted the first known patient with COVID-19 in the United States. We implemented a three-part plan for navigating the pandemic. The plan consisted of three key pillars: respond, recover, and renew.

Respond. The health and safety of patients and caregivers has been a priority throughout the pandemic. Providence has focused on ensuring sufficient staffing, supplies, tests, and treatments were available to respond to the virus safely and effectively. Providence has also advanced promising clinical research and best practices in the treatment of COVID-19. The FDA's emergency use approval of multiple COVID-19 vaccines helped mitigate the impact of the pandemic. In 2021, Providence supported mass vaccination efforts to keep patients and caregivers safe.

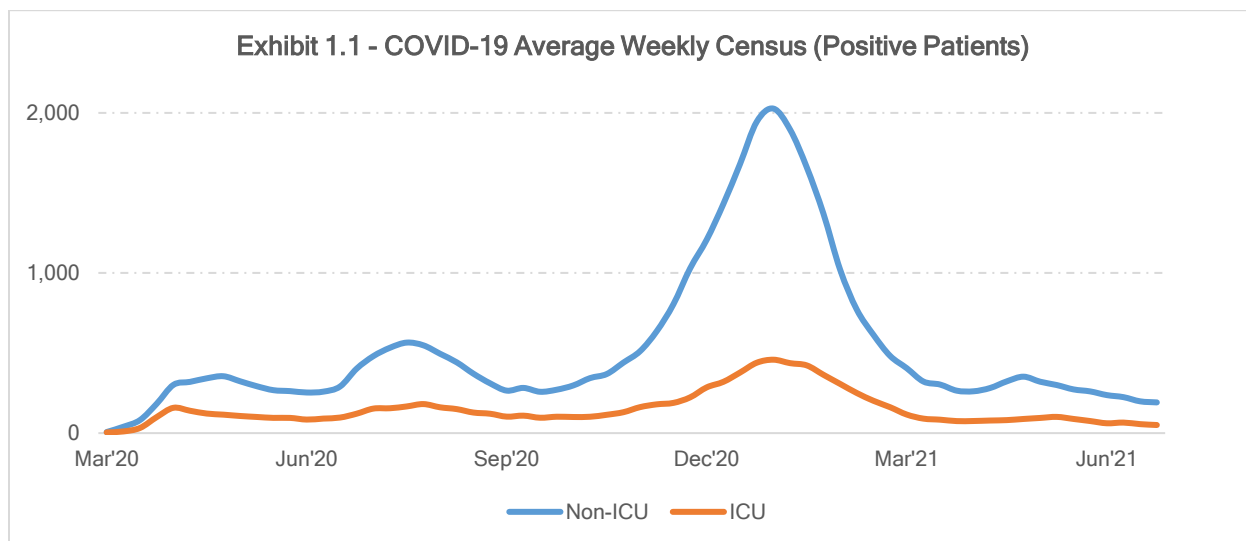
Recover. The ability to continue meeting the comprehensive health needs of patients has been critical during the pandemic. Following the government shutdown of non-emergent procedures in March 2020, Providence worked to restore volumes while implementing new protocols to ensure the safety of our patients.

Renew. Providence was on a journey to transform health care before COVID-19 arrived. Our vision - Health for a Better World - is a roadmap for health care transformation. This groundwork made it possible to rapidly innovate and respond to the crisis, including developing an artificial intelligence chat bot to triage patients virtually, ramping up telehealth visits and implementing home monitoring through existing teleICU services.

Some of the highlights of Providence's response to COVID-19 include:

- Supporting mass vaccination efforts in communities across the Western United States. To date, Providence has administered over 900,000 doses of the vaccine to caregivers, patients, and those in our communities.
- Promoting health equity in the prevention, testing and treatment of COVID-19 by proactively partnering with underserved communities.
- Dramatically accelerating our telehealth services, increasing from an average of 50 visits a day to a peak of more than 12,000 per day, totaling more than 1.7 million virtual visits in 2020. In the first six months of 2021, our telehealth visits totaled 901,000.
- Expanding our electronic intensive care unit capabilities to remotely monitor patients on home quarantine.
- Operating some of the largest clinical trials in the country for drug therapies, including Remdesivir, and antibody testing. Providence is also conducting genomics research to understand why the virus affects some people more than others.
- Developing the Testing our Heroes immunity testing program to study the prevalence of COVID-19 antibodies among front-line health care workers.
- Leveraging technology to deliver a coronavirus consumer awareness hub, assessment, and triage chatbot, urgent virtual visit platform, live testing locations, and remote patient monitoring for COVID-19 patients.
- Building the COVID-19 Detection Map, using artificial intelligence and natural language processing, to visually display the current state of the pandemic by community.
- Investing thousands of volunteer hours from both our clinical and administrative caregivers to support hospitals and vaccination sites in our communities.

The surge of COVID-19 cases experienced in the fourth quarter of 2020 continued through the first quarter of 2021 before finally returning to pre-surge levels by mid-March 2021. Recovery was variable across regions during the second quarter of 2021 as volumes continued to stabilize and improve through the end of June 2021. We continue to manage ongoing trends in COVID-19 cases while maintaining access to other comprehensive care in a safe manner for both caregivers and patients. Providence's average weekly COVID-19 positive patients are presented through the first half of 2021:



Providence has received relief in the form of grants and advance payments from the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act. We received \$1.1 billion in total grants from the federal CARES Act, including \$60 million received during the six months ended June 30, 2021. We have recognized a total of \$1.1 billion as revenue, of which \$170 million was recorded during the first six months of 2021. In the second quarter of 2020, the Centers for Medicare & Medicaid Services (CMS) distributed \$1.6 billion of COVID-19 Accelerated and Advance Payments (CAAPs) to Providence in response to the COVID-19 Public Health Emergency which would be repaid to CMS through the offsetting of future payments. A total of \$156 million in CAAPs payments has been recouped in the first half of 2021. The advance payments from CMS will continue to be offset from claim payments in future quarters.

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

Our Integrated Strategic & Financial Plan

Guided by our Mission and values, Providence has developed and adopted an Integrated Strategic & Financial Plan 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. We are focused on delivering outstanding, affordable health care, housing, education and other essential services to our patients and communities by:

- Creating a diverse workforce reflecting the communities we serve and a caregiver experience where all caregivers are included, developed, and inspired to carry on the Mission
- Delivering safe, compassionate, high-value quality health care
- Making Providence the provider partner of choice in all our communities
- Stewarding our resources to improve operational earnings
- Fostering community commitment to our Mission via philanthropy

Be our communities' health partner. We are focused on being our communities' health partner, aiming for physical, spiritual, and emotional well-being of all. We seek to ease the way of our communities by:

- Transforming care, improving population health outcomes, and reducing health disparities, especially for poor and vulnerable populations
- Leading the way in improving our nation's mental and emotional well-being
- Extending our commitment to whole person care for people at every age and stage of life
- Engaging with partners in ensuring health equity for all by addressing systemic racism and the social determinants of health, with a focus on education, housing, and the environment
- Being the preferred health partner for those we serve

Transform our future. We are focused on responding to the signs of the times, pursuing new opportunities that transform our services. We seek to expand and sustain our Mission by:

- Diversifying sources of earnings to ensure sustainability of the ministry
- Digitally enabling, simplifying, and personalizing the health experience
- Creating an integrated scientific wellness, clinical research and genomics program that is nationally recognized for breakthrough advances
- Utilizing insights and value from data to drive strategic transformation
- Activating the voice and presence of Providence locally and nationally to improve health for all

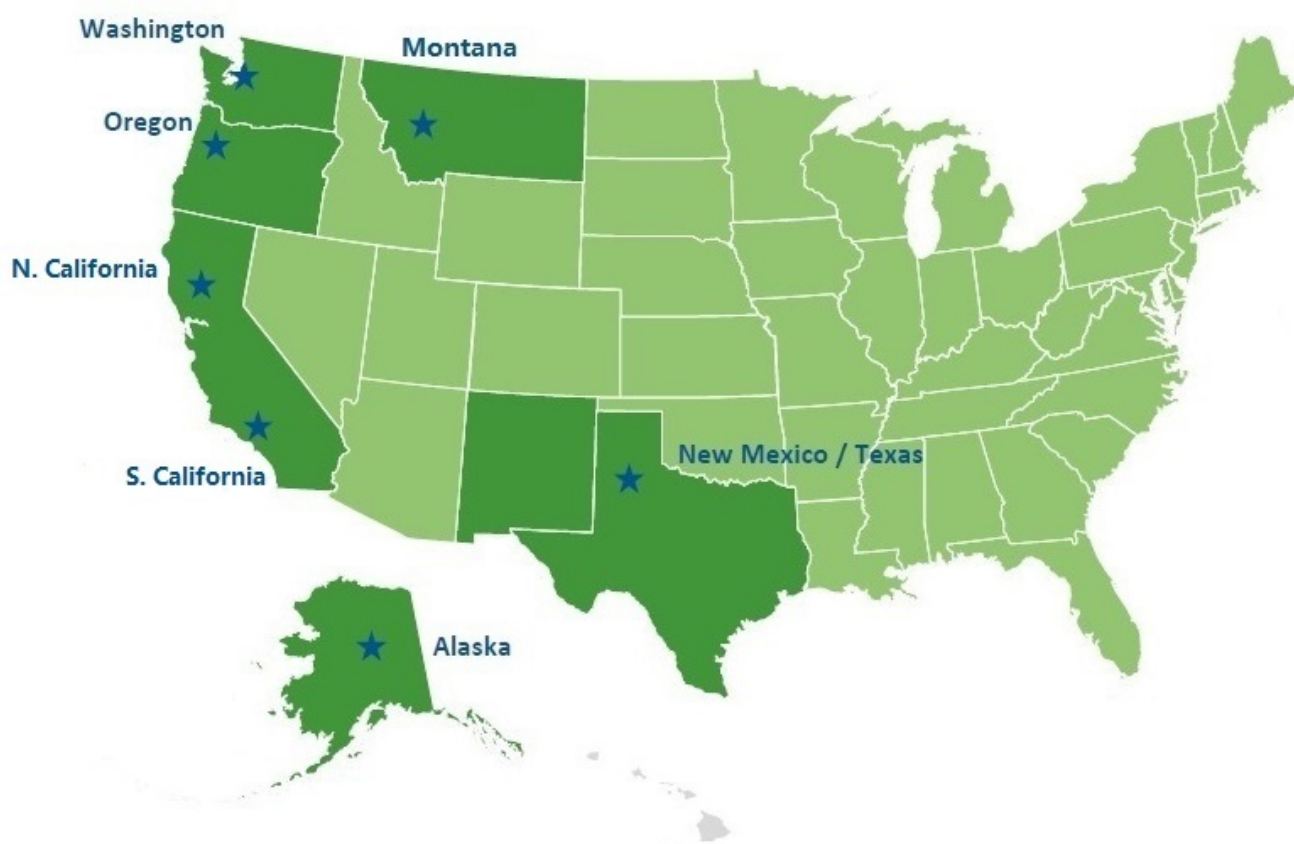
Strategic affiliations. As part of our overall strategic planning and development process, Providence regularly evaluates and, if deemed beneficial, selectively pursues opportunities to affiliate with other service providers and invest in new facilities, programs, or other health care related entities.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

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

Region Information

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

Exhibit 1.2 - Areas We Serve



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

EXHIBIT 1.3 - REGIONAL OPERATING REVENUE SHARE	Six Months Ended	
	6-30-2020	6-30-2021
Alaska	4%	4%
Swedish	10%	10%
Washington and Montana	20%	20%
Oregon	19%	18%
Northern California ⁽¹⁾	6%	6%
Southern California ⁽¹⁾	30%	30%
West Texas and Eastern New Mexico	4%	4%
Other (including Home & Community Care) ^{(1), (2)}	7%	8%

⁽¹⁾ Includes recognition of revenue from California provider fee program of \$257 million in 2021. In 2020, \$495 million was recognized as revenue and \$248 million related to prior periods previously reported in Other Services was reclassified to the California region hospitals.

⁽²⁾ Includes Home & Community Care entities in 2021 that previously were reported under the Northern California region and Tegria, our technology services and solutions company launched in 2020.

Alaska

The Alaska region includes five hospitals and 24 clinics with a 31 percent inpatient market share statewide in 2019, as reported by the Alaska Health Facilities Data Reporting Program. The Alaska facilities are located in the greater Anchorage area, with 53 percent inpatient market share, and in the remote

communities of Kodiak, Seward, and Valdez, as reported by the Alaska Health Facilities Data Reporting Program. 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.

Swedish

In the greater Puget Sound area of Washington, Swedish Health Services operates five hospital campuses: First Hill, Cherry Hill, Ballard, Edmonds, and Issaquah which are in King and Snohomish counties. The inpatient market share for Swedish was 25 percent in 2019, as reported by the Comprehensive Hospital Abstract Reporting System. Swedish also has ambulatory care centers in Redmond and Mill Creek, and a network of more than 100 primary care and specialty clinics throughout the Seattle area.

Washington and Montana

The Washington-Montana region includes 12 hospitals, with a 45 percent inpatient market share in their service areas in 2019, as reported by the Comprehensive Hospital Abstract Reporting System. The region is composed of five geographic markets: Northwest Washington, Southwest Washington, Eastern Washington, Southeast Washington, and Western Montana, with medical groups in the region employing more than 2,500 providers. 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 eight hospitals in Portland, Hood River, Medford, Milwaukie, Newberg, Seaside and Oregon City, with a total inpatient market share of 29 percent in their service areas in 2019, as reported by Apprise Health Insights. Providence St. Vincent Medical Center and Providence Portland Medical Center provide tertiary care to the Portland metropolitan market. The region also provides nearly 200 primary care, specialty and immediate care clinics, home health care, and housing. The Health Plans are based in Oregon, and the majority of its nearly 670,000 members live in the region.

Northern California

The Northern California region serves the North Coast, Humboldt, Napa, and Sonoma communities with six hospitals, ambulatory surgery centers, urgent care centers, wellness centers, physician offices, home health, hospice, and rehabilitation sites. The acute care hospitals in Northern California had 37 percent inpatient market share in their service areas in 2019, as reported by the Office of Statewide Health Planning and Development. Providence Medical Foundation, a medical foundation, operates clinics in the region with its contracted physician partners. In January 2021, Providence acquired Healdsburg District Hospital, an acute care facility serving Healdsburg and surrounding areas in Sonoma County.

Southern California

The Southern California region includes 13 acute care hospitals in Los Angeles, Orange and San Bernardino counties, and the High Desert, with a total inpatient market share of 24 percent in their service areas in 2019, 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. Providence also includes hospitals in Mission Hills, San Pedro, Torrance, and Santa Monica. Providence Medical Foundation operates over 50 practice locations in the market, including the Facey, PMI, and Providence St. John's medical foundations. In addition, Providence includes seven acute care facilities within Orange and San Bernardino counties: Apple Valley, Fullerton, Mission Viejo, Laguna Beach, Newport Beach, Irvine, 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. Hoag Hospital, which also is composed of two campuses, in Newport Beach and Irvine, also includes Hoag Orthopedic Institute. Providence Medical Foundation, a medical foundation, operates clinics in the region with its contracted physician partners.

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 is the market's largest health system with seven licensed hospitals; the inpatient market share was 33 percent in their service areas in 2019, as reported by Texas Health Care Information Collection. Covenant Health System operates Covenant Medical Center, Covenant Children's Hospital, Covenant Health Plainview, and Covenant Health Levelland, and Covenant Specialty Hospital, a long-term acute care facility, in addition to Grace Health System, which includes Grace Clinic and Grace Surgical Hospital. CHS also operates Covenant Medical Group, a medical foundation physician network of employed and aligned physicians, a joint venture acute rehabilitation facility, and Hospice of Lubbock. In January 2021, Covenant Health System acquired Lea Regional Medical Center an acute care facility located in eastern New Mexico serving Hobbs and the surrounding area. Subsequent to the acquisition, the hospital was renamed Hobbs Hospital.

Financial Information

The summary unaudited combined financial information as of and for the six-month periods ended June 30, 2021, and 2020, presented below has been derived by management of Providence from the internal unaudited financial information of the System. The summary audited combined financial information as of and for the fiscal year ended December 31, 2020, presented below, has been derived by management of Providence from audited 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; accounting for expenses in connection with restructuring activities; and reserves for losses and expenses related to health care professional and general liability risks. Management relies on historical experience and on other assumptions believed to be reasonable under the circumstances in making its judgments and estimates. Actual results could differ materially from those estimates.

Summary Unaudited Combined Statements of Operations

Six Months Ended

EXHIBIT 2.1 - COMBINED STATEMENTS OF OPERATIONS \$ PRESENTED IN MILLIONS	6-30-2020	6-30-2021
Net Patient Service Revenues	\$9,054	\$10,149
Premium Revenues	1,167	1,150
Capitation Revenues	860	919
Other Revenues	1,384	1,172
Total Operating Revenues	12,465	13,390
Salaries and Benefits	6,263	6,747
Supplies	1,781	1,990
Purchased Healthcare Services	1,022	1,029
Interest, Depreciation, and Amortization	669	678
Purchased Services, Professional Fees, and Other	2,951	3,040
Total Operating Expenses	12,686	13,484
Deficit of Revenues Over Expenses from Operations	(221)	(94)
Total Net Non-Operating (Losses) Gains	(317)	815
(Deficit) Excess of Revenues Over Expenses	\$(538)	\$721
Operating EBIDA ⁽¹⁾	\$448	\$648

⁽¹⁾ Excludes \$64 million in amortization of software as a service asset included on the balance sheet beginning in the third quarter of 2020.

Summary Audited and Unaudited Combined Balance Sheets

As of

EXHIBIT 2.2 - COMBINED BALANCE SHEET \$ PRESENTED IN MILLIONS	12-31-2020	6-30-2021
<u>Current Assets:</u>		
Cash and Cash Equivalents	\$3,230	\$1,176
Accounts Receivable, Net	2,365	2,922
Supplies Inventory	361	387
Other Current Assets	1,480	1,624
Current Portion of Assets Whose Use is Limited ⁽¹⁾	1,228	1,376
Total Current Assets	8,664	7,485
Assets Whose Use is Limited ⁽¹⁾	11,506	12,510
Property, Plant & Equipment	11,033	11,268
Other Assets	3,451	3,485
Total Assets	\$34,654	\$34,748
<u>Current Liabilities:</u>		
Current Portion of Long-Term Debt	\$127	\$128
Master Trust Debt Classified as Short-Term	934	684
Accounts Payable	1,155	1,294
Accrued Compensation	1,453	1,438
Other Current Liabilities ⁽¹⁾	3,020	2,735
Total Current Liabilities	6,689	6,279
Long-Term Debt, Net of Current Portion	6,061	6,029
Pension Benefit Obligation	1,203	1,170
Other Liabilities ⁽¹⁾	3,985	3,687
Total Liabilities	\$17,938	\$17,165
<u>Net Assets:</u>		
Controlling Interests	14,857	15,616
Noncontrolling Interest	309	318
Net Assets without Donor Restrictions	15,166	15,934
Net Assets with Donor Restrictions	1,550	1,649
Total Net Assets	16,716	17,583
Total Liabilities and Net Assets	\$34,654	\$34,748

⁽¹⁾ Includes \$1.6 billion from the CMS Advanced Payment Program in 2020.

Management's Discussion and Analysis: Six Months Ended June 30, 2021

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 six-month periods ended June 30, 2021, and 2020, respectively, are presented below.

Results of Operations

Operations Summary

Operating earnings before interest, depreciation, and amortization ("EBIDA") were \$648 million for the six-month period ended June 30, 2021, or 4.8 percent of operating revenues, compared with \$448 million and 3.6 percent in the same period in 2020. As noted above, we recognized \$170 million in grants from the federal CARES Act as other revenue for the six months ended June 30, 2021, compared with \$651 million for the same period in 2020. Deficit of revenues over expenses from operations was \$94 million for the six months ended June 30, 2021, compared with deficit of revenues over expenses from operations of \$221 million in the same period in 2020.

Operating results continued to recover as COVID-19 cases gradually declined in the first half of 2021. The decline in COVID-19 cases allowed for increased volumes for non-emergent procedures, many of which were related to patients with higher average acuity. Net patient service revenues were 12 percent higher for the six months ended June 30, 2021, compared with the same period in 2020 due to prior year shutdowns. In addition, Providence experienced higher labor costs due to greater usage of agency staffing and increased overtime to offset labor shortages. Admissions and outpatient volumes improved through the end of the first half of 2021, including higher labor productivity and favorable commercial payor mix compared with the prior year.

The results include the net recognition of reimbursements from provider fee programs of \$139 million (revenue of \$440 million and expense of \$301 million) for the six months ended June 30, 2021, compared with \$228 million (revenue of \$669 million and expense of \$441 million) in comparable period of the prior year. The current year amount is based on ratable recognition of the provider fee programs versus the prior year amount which included \$93 million in prior period adjustments.

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

EXHIBIT 3.1 - OPERATIONS SUMMARY \$ PRESENTED IN MILLIONS	Six Months Ended	
	6-30-2020	6-30-2021
Operating Revenues	\$12,465	\$13,390
Operating Expenses	12,686	13,484
Excess (Deficit) of Revenues Over Expenses from Operations	(221)	(94)
Operating Margin %	(1.8)	(0.7)
Operating EBIDA	448	648
Operating EBIDA Margin %	3.6	4.8
Premium and Capitation Revenues	2,027	2,069
Net Service Revenue/Case Mix Adjusted Admits	12,862	12,792
Net Expense/Case Mix Adjusted Admits	13,144	12,900
Total Community Benefit	\$749	\$847
Full-Time Equivalents (thousands)	103	104

Volumes

Case mix adjusted admissions (CMAA) increased 12 percent for the six months ended June 30, 2021, compared with the same period in 2020. Volumes continued to increase as COVID-19 census declined, resulting in higher outpatient and admission volumes, and increases in emergency room visits compared with the prior year. Providence's key volume indicators are presented for the periods indicated:

Six Months Ended		
EXHIBIT 3.2 - SYSTEM UTILIZATION DATA PRESENTED IN THOUSANDS UNLESS NOTED	6-30-2020	6-30-2021
Inpatient Admissions	220	226
Acute Adjusted Admissions	442	473
Acute Patient Days	1,131	1,234
Long-Term Patient Days	180	159
Outpatient Visits (incl. Physicians)	11,118	12,743
Virtual Visits (incl. Telehealth)	533	901
Emergency Room Visits	864	879
Surgeries and Procedures	267	334
Acute Average Daily Census (Actual)	6,212	6,819
Providence Health Plan Members	700	667

Operating Revenues

Operating revenues were \$13.4 billion, an increase of 7 percent for the six months ended June 30, 2021, compared with the same period in 2020, driven by net patient service revenues growth of 12 percent and diversified revenues growth of 51 percent, offset by the impact of cares funding as noted above. Net patient service revenues were \$10.1 billion for the six months ended June 30, 2021, compared to \$9.1 billion in 2020.

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

Six Months Ended		
EXHIBIT 3.3 - OPERATING REVENUES BY STATE \$ PRESENTED IN MILLIONS	6-30-2020	6-30-2021
Alaska	\$397	\$445
Washington	3,131	3,642
Montana	205	235
Oregon	2,442	2,617
California	4,426	4,725
Texas	480	554
Total Revenues from Contracts with Customers	11,081	12,218
Other Revenues	1,384	1,172
Total Operating Revenues	\$12,465	\$13,390

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

Six Months Ended

EXHIBIT 3.4 - OPERATING REVENUES BY LINE OF BUSINESS \$ PRESENTED IN MILLIONS	6-30-2020	6-30-2021
Hospitals ⁽¹⁾	\$7,768	\$8,574
Health Plans and Accountable Care	1,331	1,274
Physician and Outpatient Activities	1,227	1,564
Long-term Care, Home Care, and Hospice	624	649
Other Services ⁽¹⁾	131	157
Total Revenues from Contracts with Customers	11,081	12,218
Other Revenues	1,384	1,172
Total Operating Revenues	\$12,465	\$13,390

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

Six Months Ended

EXHIBIT 3.5 - OPERATING REVENUES BY PAYOR ⁽²⁾ \$ PRESENTED IN MILLIONS	6-30-2020	6-30-2021
Commercial	\$5,354	\$5,887
Medicare	3,775	4,370
Medicaid	1,821	1,785
Self-pay and Other	131	176
Total Revenues from Contracts with Customers	11,081	12,218
Other Revenues	1,384	1,172
Total Operating Revenues	\$12,465	\$13,390

⁽¹⁾ Includes recognition of revenue from California provider fee program of \$257 million in 2021. In 2020, \$495 million was recognized as revenue and \$248 million related to prior period tax adjustments previously reported in Other Services were reclassified to California region hospitals in Exhibit 3.4.

⁽²⁾ Represents total payor net patient service revenues received, including premium and capitation revenues in accordance with ASC 606, Revenue from Contracts with Customers. Refer to Exhibit 7.3 within Exhibit 7 attached hereto for supplementary information on net patient service revenue payor mix driven by patient utilization.

Operating Expenses

Operating expenses were \$13.5 billion, an increase of 6 percent for the six months ended June 30, 2021, compared with the same period in 2020, driven by costs to serve increased volumes of patients, including labor costs and increased PPE and pharmaceutical spend. Overall, salaries and benefits expenses increased 8 percent for the six months ended June 30, 2021, compared with the same period in 2020, however, labor productivity improved 11 percent on an adjusted occupied bed volumes basis. Agency contract labor costs increased by 20 percent compared with the prior year, driven by increased staffing needs to address labor shortages as noted above. Medical supply costs per CMAA were higher by 4 percent, compared with the prior year. Supplies expense increased by 12 percent compared to the prior year, driven by a 10 percent increase in pharmaceutical spend and 16 percent increase in medical supply expense, partially offset by a 6 percent decrease in non-medical supply costs.

Non-Operating Activity

Non-operating gains totaled \$815 million for the six months ended June 30, 2021, compared with losses that totaled \$317 million for the same period in 2020, offsetting the deficit of revenues over expenses from operations. The increase was driven by investment gains of \$787 million for the six months ended June 30, 2021, compared with investment losses of \$212 million in 2020.

Liquidity and Capital Resources; Outstanding Indebtedness

Unrestricted Cash and Investments

Unrestricted cash and investments totaled approximately \$14.3 billion as of June 30, 2021, compared to \$15.3 billion as of December 31, 2020. The decrease was primarily driven by an increase in accounts receivable of \$556 million, \$250 million repaid on a one-year bridge loan that matured in March 2021, and \$156 million recouped by CMS in CAAPs in the second quarter of 2021. As noted above, Providence received \$60 million in grants from the federal CARES Act during the six months ended June 30, 2021. The advance payments from CMS will continue to be offset from claims payments in future quarters. Providence's liquidity is presented for the periods indicated:

As of		
EXHIBIT 4.1 - INVESTMENTS BY DURATION \$ PRESENTED IN MILLIONS	12-31-2020	6-30-2021
Cash and Cash Equivalents ⁽¹⁾	\$3,230	\$1,176
Short-Term Investments	1,082	1,230
Long-Term Investments	10,950	11,894
Total Unrestricted Cash and Investments	\$15,262	\$14,300

⁽¹⁾ Includes \$1.6 billion from the CMS Advanced Payment Program in 2020.

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:

As of		
EXHIBIT 4.2 - INVESTMENTS BY TYPE	12-31-2020	6-30-2021
Cash and Cash Equivalents	2%	0%
Domestic and International Equities	45%	45%
Debt Securities	38%	40%
Other Securities	15%	15%

Financial Ratios

Providence's financial ratios presented for the periods indicated:

As of		
EXHIBIT 4.3 - SUMMARY OF KEY RATIOS	12-31-2020	6-30-2021
Total Debt to Capitalization %	31.6	29.6
Cash to Debt Ratio %	218.2	213.0
Days Cash on Hand ⁽¹⁾	226	203
Maximum Annual Debt Service	395	395
Cash to Net Assets Ratio	1.01	0.90

⁽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	
	12-31-2020	6-30-2021
Long-Term Indebtedness	\$6,188	\$6,157
Less: Current Portion of Long-Term Debt	127	128
Net Long-Term Debt	6,061	6,029
Net Assets - Unrestricted	15,166	15,934
Total Capitalization	\$21,227	\$21,963
Long-term Debt to Capitalization %	28.6	27.5

System Debt Service Coverage

Providence's coverage of Maximum Annual Debt Service ("MADS") on indebtedness is presented for the periods indicated:

EXHIBIT 4.5 - SYSTEM DEBT SERVICE COVERAGE \$ PRESENTED IN MILLIONS UNLESS NOTED	As of	
	12-31-2020	Rolling 12-Months Ended 6-30-2021 ⁽¹⁾
Income Available for Debt Service:		
Excess of Revenues Over Expenses	\$740	\$1,999
Less: Unrealized (Gains) on Trading Securities	(692)	(1,496)
Plus: Loss on Extinguishment of Debt	-	-
Plus: Loss on Pension Settlement Costs and Other	19	10
Plus: Depreciation	1,097	1,104
Plus: Interest and Amortization	278	280
Total	\$1,442	\$1,897
Debt Service Requirements: ⁽²⁾		
MADS	\$395	\$395
Coverage of Debt Service Requirements ⁽²⁾	3.7x	4.8x

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

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

System Governance and Management

Corporate Governance

Providence serves as the parent and corporate member of PH&S and SJHS. Providence was created in connection with the combination of the multi-state health care systems of PH&S and the SJHS, which was effective on July 1, 2016 (the "Combination"). Providence has been determined to be an organization that is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code. Prior to the Combination, the sole corporate member of PH&S was Providence Ministries, which acted through its sponsors, who are five individuals appointed by the Provincial Superior of the Sisters of Providence, Mother Joseph Province. Similarly, the sole corporate member of SJHS was St. Joseph Health Ministry, a California non-profit public benefit corporation. Providence Ministries and St. Joseph Health Ministry are each a public juridic person under Canon law, responsible for assuring the Catholic identity and fidelity to the Mission of their respective systems. Pursuant to the Combination, Providence Ministries and St. Joseph Health Ministry have entered into an agreement that establishes a sponsorship model through contractual obligations exercised by the parties' sponsors collectively (the "Sponsors Council"). The Sponsors Council retains certain reserved rights with respect to Providence. Among the powers reserved to the Sponsors Council are the following powers over the affairs of Providence (excluding certain affiliates, such as: Providence - Western Washington, Western HealthConnect, Swedish, Swedish Edmonds, PacMed, Kadlec, and Hoag Hospital): 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>
David Olsen †	2021	Ned Dolejsi	2021
Richard Blair †	2022	Jeff Flocken	2025
Isiaah Crawford, PhD. ‡	2022	Barbara Savage	2021
Sr. Lucille Dean, SP †	2021	Bill Cox	2022
Sr. Diane Hejna, CSJ, RN. ‡	2022	Russell Danielson	2027
Sr. Phyllis Hughes, RSM, PhD. ‡	2022	Sr. Sharon Becker, CSJ	2027
Mary Lyons, PhD., Chair ‡	2022	Mark Koenig	2027
Charles W. Sorenson, M.D. Δ	2021	Sr. Margaret Pastro, SP	2028
Michael Murphy Δ	2022	Sr. Mary Therese Sweeney, CSJ	2028
Katharin S. Dyer Δ	2022		
Sr. Carol Pacini, LCM Δ	2023		
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.

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
John Whipple	Interim Executive Vice President and Chief Legal Officer
Greg Hoffman	Executive Vice President and CFO

In February 2021, Verona Dorch, Executive Vice President and Chief Legal Officer, passed away in Seattle. Verona joined Providence in June 2020 and onboarded in the midst of the COVID-19 pandemic. For the immediate future, Verona's responsibilities will be assumed by other leadership team members as we determine next steps. John Whipple will lead the department of legal affairs as the interim Chief Legal Officer and Deb Canales will temporarily assume responsibilities for governance.

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. Each regional Chief Executive oversees their management with emphasis on the service area's achievements in responding to unmet health care needs in the community, especially the unmet needs of the poor and vulnerable, productivity, developing integrated delivery systems, meeting financial guidelines, and maintaining or increasing market share. The Chief Financial Officer of Providence and Finance staff coordinate the annual budget and multi-year forecasts of the service areas and manage the capital acquisition and management activities of the Obligated Group. Other areas in which the corporate staff provides centralized services or coordinates the activities of the service areas include legal affairs, insurance and risk management, treasury services, real estate strategy and operations, marketing, supplies management, technical support, fund-raising, quality of care, medical ethics, pastoral services, mission effectiveness, human resources, planning and policy development, and public affairs.

Obligated Group

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

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 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:

Six Months Ended		
EXHIBIT 5.1 - OBLIGATED GROUP UTILIZATION DATA PRESENTED IN THOUSANDS UNLESS NOTED	6-30-2020	6-30-2021
<u>Obligated Group</u>		
Inpatient Admissions	217	216
Acute Adjusted Admissions	418	434
Acute Patient Days	1,107	1,185
Long-Term Patient Days	175	152
Outpatient Visits (incl. Physicians)	9,105	10,673
Emergency Room Visits	854	843
Surgeries and Procedures	219	256
Acute Average Daily Census (Actual)	6,085	6,549

Obligated Group Capitalization

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

As of		
EXHIBIT 5.2 - OBLIGATED GROUP CAPITALIZATION \$ PRESENTED IN MILLIONS UNLESS NOTED	12-31-2020	6-30-2021
<u>Obligated Group</u>		
Long-Term Indebtedness	\$5,809	\$5,837
Less: Current Portion of Long-Term Debt	110	112
Net Long-Term Debt	5,699	5,725
Net Assets - Unrestricted	12,741	13,061
Total Capitalization	\$18,440	\$18,786
Long-Term Debt to Capitalization %	30.9	30.5

Obligated Group Debt Service Coverage

The Obligated Group's coverage of MADS on indebtedness is presented for the periods indicated:

As of		
EXHIBIT 5.3 - OBLIGATED GROUP DEBT SERVICE COVERAGE \$ PRESENTED IN MILLIONS UNLESS NOTED	12-31-2020	Rolling 12-Months Ended 6-30-2021 ⁽¹⁾
Obligated Group		
Income Available for Debt Service:		
Excess of Revenues Over Expenses	\$1,140	\$2,279
Less: Unrealized (Gains) on Trading Securities	(561)	(1,294)
Plus: Loss on Extinguishment of Debt	-	-
Plus: Loss on Pension Settlement Costs and Other	19	10
Plus: Depreciation	1,001	999
Plus: Interest and Amortization	257	247
Total	\$1,856	\$2,241
Debt Service Requirements: ⁽²⁾		
MADS	\$395	\$395
Coverage of Debt Service Requirements ⁽²⁾	4.7x	5.7x

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

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

For the six months ended June 30, 2021, the unaudited combined operating revenues, and total assets attributable to the Obligated Group Members were approximately 81 percent and 82 percent, respectively, of Providence's totals. For the fiscal year ended December 31, 2020, the audited combined operating revenues, and total assets attributable to the Obligated Group Members were approximately 81 percent and 83 percent, respectively, of Providence's totals. Refer to Exhibit 7 for supplementary information on the Obligated Group Members.

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, directly or indirectly, of each of Providence - Washington, Providence - Southern California, LCMASC, Providence - St. John's, Providence - SJMC Montana, Providence - Montana, Providence - Oregon, Swedish, Swedish Edmonds, Pac Med, Western Health Connect and Kadlec, and co-corporate member of Providence - Western Washington.

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 Santa Rosa Memorial Hospital, Queen of the Valley Medical Center, St. Joseph Hospital of Eureka, and Redwood Memorial Hospital. The corporate entities of Santa Rosa Memorial Hospital, Queen of the Valley Medical Center, St. Joseph Hospital of Eureka, and 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, the remaining corporate entities in connection with this reorganization were dissolved.

Southern California Region

In connection with the March 2013 affiliation of SJHS and Hoag Hospital, a new entity known as Covenant Health Network, Inc. ("CHN"), a California nonprofit public benefit corporation, was created. CHN is a corporate member of Hoag Hospital and St. Joseph Orange, St. Jude, Mission Hospital and St. Mary

(the “SJHS Southern California Hospitals”). CHN, The George Hoag Family Foundation (Hoag Family Foundation) and the constituent churches of the Los Ranchos Presbytery of the Presbyterian Church (USA), as represented by the Association of Presbyterian Ministers (APM), are the corporate members of Hoag Hospital. None of CHN, Hoag Family Foundation or APM is an Obligated Group Member or is obligated for payment with respect to the Bonds.

SJHS, CHN, Hoag Hospital, and the SJHS Southern California Hospitals entered into an affiliation pursuant to the terms of an Affiliation Agreement dated as of October 15, 2012 (the “CHN Affiliation Agreement”). The CHN Affiliation Agreement, which became effective as of March 1, 2013, is designed to allow SJHS and each of the SJHS Southern California Hospitals on the one hand, and Hoag Hospital on the other hand, to preserve their respective Catholic and Presbyterian heritages and identities while creating an integrated community health care delivery system. The Affiliation Agreement was amended as of June 1, 2017 and Providence became a party to the arrangement. In addition, a Supplemental Agreement and two amendments were also entered into between the parties in 2017.

CHN does not have any corporate members, and neither Providence, SJHS, its affiliates, nor Hoag Hospital have any ownership interest in CHN. CHN’s governing board consists of seven members, four of whom are designated by Providence in its sole discretion from persons who are members of the governing boards of SJHS, SJHS Southern California Hospitals, St. Joseph Health Ministry and/or Sisters of St Joseph of Orange, and/or members of Providence or SJHS management. The remaining three members are designated by Hoag Family Foundation and APM, acting jointly, in their sole discretion from members of the governing board of Hoag Hospital. The CHN board provides strategic planning leadership and oversight for the Southern California region.

CHN and SJHS have certain reserved powers with respect to the governance, management, and operation of each of the SJHS Southern California Hospitals and Hoag Hospital. Some of these powers may be exercised only by a supermajority vote of the CHN Board of Directors, meaning the affirmative vote of at least three of the four members designated by Providence, and of at least two of the three members designated by Hoag Family Foundation and APM. Such reserved powers and powers that require a supermajority vote may be reviewed and revised from time to time. These reserved powers include, among others, certain actions relating to: (i) changes in articles and bylaws, (ii) certain board member and management appointments and removals; and (iii) certain hospital mergers, acquisitions, joint ventures, asset sales, cash transfers and financings. Hoag Family Foundation and APM also have reserved powers with respect to certain management and operating matters and transactions involving Hoag Hospital.

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

Ambulatory Care Network

The Ambulatory Care Network (ACN) partners in the well-being of all people by creating personalized, convenient, affordable health solutions. Currently, ACN provides over 2.5 million visits annually in 351 access points across seven states, and consists of ambulatory surgery centers, imaging centers, urgent care centers, retail clinics and active wellness sites. The ACN has 22 funded growth projects underway year-to-date that will support Providence at scale. We believe ambulatory care networks offer advantages to patients and physicians, including greater affordability, predictability, flexibility, and convenience, while offering a seamless connection to our full continuum of care. We are expanding our ambulatory care network through strategic partnerships that improve patient access and reduce costs for consumers and employers, including increased same-day access through our retail and urgent care clinics.

Population Health Management

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

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

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

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

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

Home & Community Care is a trusted partner for individuals and families. Our community-based care and services are geared to help in times of need, aging and illness, and at the end of life. We provide a full range of post-acute services, including assisted living, skilled nursing and rehabilitation, home health,

home infusion and pharmacy services, home medical equipment, hospice and palliative care, Program of All-Inclusive Care for the Elderly locations, supportive housing, and personal home care services. As our Mission calls us to serve the most vulnerable and poor members of our community, we provide a full range of services and support more to than 30,000 patients, participants, and residents each day. The demand for these services continues to increase in the markets we serve, creating opportunities for continued growth, innovation, and investment.

Physician Enterprise

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

Tegria

Tegria is a Providence-owned technology and solutions company that combines select Providence investments and acquisitions into a comprehensive portfolio of solutions to accelerate technological, clinical, and operational advances in health care. Tegria focuses on three key initiatives: healthcare consulting and technology services, revenue cycle management solutions, and software technology and platforms. Tegria is comprised of more than 3,000 strategists, technologists, service providers and scientists who currently serve more than 500 organizations across North America.

Non-Obligated Group System Affiliates

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

Outstanding Master Trust Indenture Obligations

As of June 30, 2021, Providence had Obligations outstanding under the Master Indenture totaling \$6,034 million. This excludes Obligations that secure interest rate or other swap transactions, bank liquidity 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, 2020.

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 bank liquidity or letter of credit facilities (the “Credit Facilities”) issued by credit banks to secure the payment of principal of, interest on and purchase price for certain tax-exempt and taxable bonds issued 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 Facilities 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 Facilities 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 Facilities containing these financial covenants and events of default are available for review on EMMA (<http://emma.msrb.org>).

Interest Rate Swap Arrangements

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

At June 30, 2021, SJHS was party to seven interest rate swap agreements with a current notional amount totaling approximately \$418 million and with varying expiration dates. The swap agreements require SJHS to make fixed rate payments in exchange for variable rate payments made by the counterparties. SJHS’s payment obligations under such swap agreements are secured by Obligations issued under the Master Indenture.

Below is a summary of those swap agreements, including the fair value of the swaps as of June 30, 2021. Fair values are based on independent valuations obtained and are determined by calculating the value of the discounted cash flows of the differences between the fixed interest rate of the interest rate swaps and the counterparty’s forward London Interbank Offered Rate curve, which is the input used in the valuation, also taking into account any nonperformance risk. Changes in the fair value of the interest rate swaps are included within non-operating gains and losses. See also the discussion under “Other Information - Interest Rate Swap Agreements” and Note 8 to the Combined Audited Financial Statements for the fiscal year ended December 31, 2020.

INTEREST RATE SWAPS \$ PRESENTED IN MILLIONS	NOTIONAL	TERM	COUNTERPARTY	RECEIVE	PAY	FAIR VALUE
Fixed Payor	\$6.9	Jul-21	Morgan Stanley	68% of 3 Month LIBOR	3.305%	\$(0.0)
Fixed Payor	170.6	Jul-47	MUFG Union	68% of 3 Month LIBOR	3.529%	(61.7)
Fixed Payor	45.3	Jul-47	Wells Fargo	68% of 3 Month LIBOR	3.520%	(16.0)
Fixed Payor	62.8	Dec-40	Wells Fargo	55.70% of 1 Month LIBOR + 0.23%	3.229%	(13.8)
Fixed Payor	62.9	Dec-40	Wells Fargo	55.70% of 1 Month LIBOR + 0.23%	3.229%	(13.8)
Fixed Payor	69.4	Dec-40	Wells Fargo	55.70% of 1 Month LIBOR + 0.23%	3.229%	(15.3)

Entering into derivative agreements including those described above creates a variety of risks to Providence. Pursuant to certain of these agreements, both SJHS and the counterparty are required to deliver collateral in certain circumstances in order to secure their respective obligations under the agreements. As of June 30, 2021, SJHS posted collateral in the amount of \$18 million. The amount of collateral delivered by SJHS over the term of the agreements could increase or decrease based upon SJHS’ credit ratings and movements of United States dollar swap rates and could be substantial. Under certain circumstances, the derivative agreements are subject to termination prior to their scheduled termination date and prior to the maturity of the related revenue bonds. Payments due upon early termination may be substantial. In the event of an early termination of an agreement, there can be no assurance that (i) SJHS or any other Obligated Group Member will receive any termination payment payable to it by the provider, (ii) SJHS or any other Obligated Group Member will have sufficient amounts to pay a termination payment payable by it to the provider, or (iii) SJHS or the other Obligated Group Members will be able to obtain a replacement agreement with comparable terms. For financial reporting purposes, Providence has generally not treated its swap agreements as effective hedges against the interest cost of underlying debt. To the extent that swaps are

not treated as effective hedges, Providence must recognize any changes in the fair market value of the swap agreements and the related debt as non-operating gains or losses. See Note 8 to the Combined Audited Financial Statements for the fiscal year ended December 31, 2020.

Litigation

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

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

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

In early May 2020, Hoag Family Foundation and APM, two of the three corporate members of Hoag Hospital, filed a complaint under a California Corporations Code statute seeking to involuntarily dissolve CHN, the third corporate member. The complaint seeks to remove Hoag Hospital as an Obligated Group Member through this involuntary dissolution claim. There has been no allegation that the Affiliation Agreement creating CHN has been breached, and there is no provision in the agreement for its termination or dissolution. Providence believes that the complaint is without merit and believes the legal process will vindicate this position. Hoag accounts for 6 percent of the Obligated Group's unaudited total operating revenues for the six months ended June 30, 2021, and 6 percent of Providence's unaudited total operating revenues for the six months ended June 30, 2021. Hoag accounts for 15 percent of Providence's unrestricted cash and investments, net of debt financing relating to Hoag assets.

Employees

As of June 30, 2021, Providence included approximately 121,000 employed caregivers (excluding Hoag), representing 104,450 FTEs. Of Providence's total employees, approximately 31 percent are represented by 18 different labor unions.

Providence management strives to provide market-competitive salaries and benefits to all employees in all markets. Management of Providence believes the salary levels and benefits packages for its employees are competitive in all the respective markets. At the same time, management understands that the health care industry is rapidly evolving. The 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 at the various employers within Providence throughout 2021. In the past two years, Providence has experienced strikes at different facilities, as a result of contract negotiations. In each situation, the facility operated with qualified replacement employees and experienced limited disruption to hospital operations or patient service. Management is also aware of ongoing organizing efforts by labor unions within the health care industry, including in markets where the separate employers within Providence operate.

In 2020, Providence management established a social responsibility platform that includes a stronger commitment to diversity, equity, and inclusion, and has begun accelerating this important work. We updated our Integrated Strategic & Financial Plan to more clearly express our commitment to address racial disparities in health care and the social determinants of health.

Community Benefit

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

Building on our commitment to care for those who are poor and vulnerable, we have invested \$847 million in community benefit in the six months ended June 30, 2021, compared with \$749 million in the same period in 2020. Because more of our patients covered by Medicaid needed higher acuity and more complex care in the first quarter of 2021, our unpaid costs of Medicaid totaled \$551 million for the six months ended June 30, 2021, compared with \$469 million for the same period in 2020.

Insurance

Providence has developed insurance programs that provide coverage for various insurable risks. The program uses benchmarking and insurance analytics to guide decisions regarding both the type of coverage purchased and the limits of that insurance. The analytics use claims and historical data to estimate the cost and likelihood of certain events occurring such as an earthquake. The premium for an additional limit can then be compared to the probability of the event to pinpoint when the purchase of an additional insurance limit no longer provides a value to Providence. The insurance team and brokers negotiate all types of insurance to obtain the most favorable terms of coverage possible. Insurers must have an A rating or better from A.M. Best to be on Providence's program. Management meets with its key underwriters at least once a year to obtain updates on any changes in business strategy or capacity. Providence currently self-insures a portion of its professional and general liability. Such claims are paid either through a trust arrangement or captive insurance company funded to a 75 percent confidence level based on projections from outside independent actuaries. The major lines of insurance that are renewed yearly include property, directors and officers, employment practices, auto, fiduciary, cyber liability/information security, workers' compensation, crime, and reinsurance for professional and general liability.

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 Terms

Credit Group: Obligated Group Members, Designated Affiliates, and 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	St. Joseph Orange
PH&S	St. Jude
Providence - Washington	Mission Hospital
Providence - Southern California	St. Mary
LCMASC	Hoag Hospital
Providence - Saint John's	SJHNC
Providence - SJMC Montana	Queen of the Valley
Providence - Montana	Santa Rosa Memorial
Providence - Oregon	St. Joseph Eureka
Providence - Western Washington	Redwood Memorial
Swedish	CHS
Swedish Edmonds	CMC
PacMed	Covenant Children's
Western HealthConnect	Covenant Levelland
Kadlec	Covenant Plainview
SJHS	

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 Lovelland Hospital.

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

Hoag Hospital: Hoag Memorial Hospital Presbyterian, a California nonprofit public benefit corporation and currently an Obligated Group Member.

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.

<i>Providence - Montana:</i>	Providence Health & Services - Montana, a Montana nonprofit corporation and currently an Obligated Group Member.
<i>Providence - Oregon:</i>	Providence Health & Services - Oregon, an Oregon nonprofit corporation and currently an Obligated Group Member.
<i>Providence - Saint John's:</i>	Providence Saint John's Health Center, a California nonprofit religious corporation and currently an Obligated Group Member.
<i>Providence - SJMC Montana:</i>	Providence St. Joseph Medical Center, a Montana nonprofit corporation and currently an Obligated Group Member.
<i>Providence - Southern California:</i>	Providence Health System - Southern California, a California nonprofit religious corporation and currently an Obligated Group Member.
<i>Providence - Washington:</i>	Providence Health & Services - Washington, a Washington nonprofit corporation and currently an Obligated Group Member.
<i>Providence - Western Washington:</i>	Providence Health & Services - Western Washington, a Washington nonprofit corporation and currently an Obligated Group Member.
<i>Providence St. Joseph Health, Providence, we, us, our:</i>	Providence St. Joseph Health, a Washington nonprofit corporation and currently an Obligated Group Member and the Obligated Group Agent.
<i>Queen of the Valley:</i>	Queen of the Valley Medical Center, a California nonprofit public benefit corporation and currently an Obligated Group Member.
<i>Redwood Memorial:</i>	Redwood Memorial Hospital of Fortuna, a California nonprofit public benefit corporation and currently an Obligated Group Member.
<i>Santa Rosa Memorial:</i>	Santa Rosa Memorial Hospital, a California nonprofit public benefit corporation and currently an Obligated Group Member.
<i>SJHNC:</i>	St. Joseph Health Northern California, LLC, a California limited liability company and currently an Obligated Group Member.
<i>SJHS:</i>	St. Joseph Health System, a California nonprofit public benefit corporation and currently an Obligated Group Member.
<i>St. Joseph Eureka:</i>	St. Joseph Hospital of Eureka, a California nonprofit public benefit corporation and currently an Obligated Group Member.
<i>St. Joseph Orange:</i>	St. Joseph Hospital of Orange, a California nonprofit public benefit corporation and currently an Obligated Group Member.
<i>St. Jude:</i>	St. Jude Hospital, Inc., a California nonprofit public benefit corporation and currently an Obligated Group Member, doing business as St. Jude Medical Center.
<i>St. Mary:</i>	St. Mary Medical Center, a California nonprofit public benefit corporation and currently an Obligated Group Member.
<i>Swedish:</i>	Swedish Health Services, a Washington nonprofit corporation and currently an Obligated Group Member.
<i>Swedish Edmonds:</i>	Swedish Edmonds, a Washington nonprofit corporation and currently an Obligated Group Member.
<i>System:</i>	Providence and all entities that are included within the combined financial statements of Providence.
<i>Western HealthConnect:</i>	Western HealthConnect, a Washington nonprofit corporation and currently an Obligated Group Member.

Exhibit 6 - Obligated Group Facilities

Exhibit 6.1 Acute Care Facilities by Region

A list of Providence's acute care facilities in each region as of June 30, 2021, 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
		St. Elias Specialty Hospital ⁽⁹⁾	Anchorage	56
Swedish	Swedish Edmonds	Swedish Edmonds ⁽¹⁾ Swedish Medical Center Campuses ⁽³⁾ :	Edmonds	217
	Swedish Health Services	Swedish Ballard	Ballard	133
		Swedish Issaquah	Issaquah	175
		Swedish Cherry Hill	Seattle	349
		Swedish First Hill	Seattle	697
Washington and Montana	Providence Health & Services-Washington	Providence Centralia Hospital	Centralia	128
		Providence Regional Medical Center Everett	Everett	571
		Providence St. Peter Hospital ⁽⁴⁾	Olympia	372
	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 Providence St. Joseph Medical Center	St. Patrick Hospital	Missoula (MT)	253
		Providence St. Joseph Medical Center	Polson (MT)	22
Oregon	Providence Health & Services-Oregon	Providence Hood River Memorial Hospital	Hood River	25
		Providence Medford Medical Center	Medford	168
		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.	St. Joseph Hospital	Eureka	153
		Redwood Memorial Hospital	Fortuna	35
		Queen of the Valley Medical Center	Napa	200
		Santa Rosa Memorial Hospital	Santa Rosa	298
		Petaluma Valley Hospital ⁽²⁾	Petaluma	80
		Healdsburg District Hospital ⁽⁹⁾	Healdsburg	43
Southern California				
	Providence Health System-Southern California	Providence St. Joseph Medical Center	Burbank	392
		Providence Holy Cross Medical Center	Mission Hills	329
		Providence Little Company of Mary Medical Center San Pedro	San Pedro	183
		Providence Tarzana Medical Center ⁽²⁾	Tarzana	249
		Providence Little Company of Mary Medical Center Torrance	Torrance	327
		Providence Saint John's Health Center	Santa Monica	266
	St. Mary Medical Center	St. Mary Medical Center	Apple Valley	213
		St. Jude Medical Hospital, Inc.	Fullerton	320
		Mission Hospital Regional Medical Center	Mission Viejo	504
	Mission Hospital Regional Medical Center	Mission Hospital Regional Medical Center	Mission Viejo	
		Mission Hospital Laguna Beach	Laguna Beach	
		Hoag Memorial Hospital Presbyterian Campuses ⁽⁶⁾ :		530
	Hoag Memorial Hospital Presbyterian	Hoag Memorial Hospital Presbyterian	Newport Beach	
		Hoag Hospital Irvine	Irvine	
	St. Joseph Hospital of Orange	St. Joseph Hospital of Orange ⁽⁷⁾	Orange	463
West Texas and Eastern New Mexico				
	Methodist Hospital Levelland	Covenant Hospital Levelland ⁽⁸⁾	Levelland	48
		CHS Campuses:		381
	Covenant Health System	Covenant Medical Center	Lubbock	
		Covenant Medical Center - Lakeside	Lubbock	
		Grace Surgical Hospital ⁽⁹⁾	Lubbock	32
		Hobbs Hospital ⁽⁹⁾	Hobbs (NM)	118
	Methodist Children's Hospital	Covenant Children's Hospital	Lubbock	275
	Methodist Hospital Plainview	Covenant Hospital Plainview ⁽⁸⁾	Plainview	68
TOTAL				11,870

* 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, however not a member of the obligated group

⁽³⁾ Four campuses with three licenses

⁽⁴⁾ Includes a 50-bed chemical dependency center

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

⁽⁶⁾ Two campuses on one license

⁽⁷⁾ Includes 37 acute care psychiatric beds

⁽⁸⁾ Leased facility and obligated group member

⁽⁹⁾ Consolidated and not an obligated group member

Exhibit 6.2
Long-Term Care Facilities by Region

Providence's principal owned or leased long-term care facilities as of June 30, 2021, 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
Washington and Montana				
	Providence Health & Services-Washington	Providence Marionwood	Issaquah	117
		Providence Mother Joseph Care Center	Olympia	152
		Providence Mount St. Vincent	Seattle	215
	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.	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	115
		Providence St. Elizabeth Care Center	North Hollywood	52
West Texas and Eastern New Mexico				
	Covenant Health System	Covenant Long-term Acute Care ⁽²⁾	Lubbock	56
TOTAL				1,398

⁽¹⁾ Lease by an obligated group member

⁽²⁾ Managed or owned by an obligated group member, however not a member of the obligated group

Exhibit 7 - Supplementary Information

[ATTACHED]



EXHIBIT 7.1 - SUMMARY UNAUDITED COMBINED STATEMENTS OF OPERATIONS

	Ended June 30, 2021 (in 000's of dollars)		Ended June 30, 2020 (in 000's of dollars)	
	Consolidated	Obligated	Consolidated	Obligated
Operating Revenues:				
Net Patient Service Revenues	\$ 10,148,555	9,450,453	9,053,578	8,658,211
Premium Revenues	1,150,432	151,419	1,167,124	129,110
Capitation Revenues	918,732	409,465	859,609	380,268
Other Revenues	1,172,496	836,774	1,384,747	1,167,329
Total Operating Revenues	13,390,215	10,848,111	12,465,058	10,334,918
Operating Expenses:				
Salaries and Benefits	6,747,184	5,789,627	6,263,002	5,532,092
Supplies	1,989,829	1,825,873	1,781,290	1,667,206
Purchased Healthcare Services	1,028,585	232,282	1,022,449	198,832
Interest, Depreciation, and Amortization	678,203	609,002	669,205	621,338
Purchased Services, Professional Fees, and Other	3,040,682	2,225,298	2,949,873	2,213,359
Total Operating Expenses	13,484,483	10,682,082	12,685,819	10,232,827
Excess (Deficit) of Revenues Over Expenses From Operations	(94,268)	166,030	(220,761)	102,091
Total Net Non-Operating (Losses) Gains	815,649	700,199	(316,968)	(374,995)
Excess (Deficit) of Revenues Over Expenses	\$ 721,381	866,228	(537,729)	(272,904)

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

	Ended June 30, 2021 (in 000's of dollars)		Ended December 31, 2020 (in 000's of dollars)	
	Consolidated	Obligated	Consolidated	Obligated
Net Cash Provided by Operating Activities	\$ (804,860)	(432,023)	3,148,727	3,525,593
Net Cash Used in Investing Activities	(1,059,540)	(895,522)	(1,741,794)	(1,129,877)
Net Cash Provided by (Used in) Financing Activities	(189,322)	(799,361)	507,062	(748,447)
Increase (Decrease) in Cash and Cash Equivalents	(2,053,722)	(2,126,906)	1,913,995	1,647,269
Cash and Cash Equivalents, Beginning of Period	3,230,204	2,280,747	1,316,209	633,478
Cash and Cash Equivalents, End of Period	\$ 1,176,482	153,841	3,230,204	2,280,747

EXHIBIT 7.3 - SUMMARY UNAUDITED NET PATIENT SERVICE REVENUE PAYOR MIX

	Ended June 30, 2021 (in 000's of dollars)		Ended June 30, 2020 (in 000's of dollars)	
	Consolidated	Obligated	Consolidated	Obligated
Commercial	49%	48%	48%	47%
Medicare	34%	34%	31%	31%
Medicaid	15%	16%	18%	18%
Self-pay and Other	2%	2%	3%	4%



EXHIBIT 7.4 - SUMMARY UNAUDITED AND AUDITED COMBINED BALANCE SHEETS

	As of June 30, 2021		As of December 31, 2020	
	(in 000's of dollars)		(in 000's of dollars)	
	Consolidated	Obligated	Consolidated	Obligated
Current Assets:				
Cash and Cash Equivalents	\$ 1,176,482	153,841	3,230,204	2,280,747
Accounts Receivable, Net	2,921,801	2,654,307	2,365,360	2,183,641
Supplies Inventory	387,127	368,711	361,272	343,909
Other Current Assets	1,623,579	1,515,325	1,479,535	1,283,925
Current Portion of Assets Whose Use is Limited	1,375,830	1,038,005	1,227,531	885,284
Total Current Assets	7,484,819	5,730,189	8,663,902	6,977,506
Assets Whose Use is Limited	12,510,139	9,183,834	11,505,848	8,308,067
Property, Plant, and Equipment, Net	11,268,142	10,016,484	11,033,440	9,866,197
Other Assets	3,485,076	3,678,459	3,451,231	3,687,795
Total Assets	\$ 34,748,176	28,608,966	34,654,421	28,839,565
Current Liabilities:				
Current Portion of Long-Term Debt	\$ 127,955	112,459	127,107	110,353
Master Trust Debt Classified as Short-Term	683,860	683,860	933,860	933,860
Accounts Payable	1,293,660	1,122,229	1,155,330	978,443
Accrued Compensation	1,438,481	1,293,018	1,452,606	1,321,568
Other Current Liabilities	2,735,208	1,891,554	3,020,050	2,106,505
Total Current Liabilities	6,279,164	5,103,120	6,688,953	5,450,729
Long-Term Debt, Net of Current Portion	6,029,123	5,724,383	6,061,327	5,698,916
Pension Benefit Obligation	1,169,707	1,170,257	1,202,762	1,202,862
Other Liabilities	3,686,542	2,484,756	3,985,353	2,739,486
Total Liabilities	17,164,536	14,482,516	17,938,395	15,091,993
Net Assets:				
Controlling Interests	15,616,257	13,061,119	14,857,133	12,741,287
Noncontrolling Interests	317,812	(533)	308,509	(533)
Net Assets Without Donor Restrictions	15,934,069	13,060,586	15,165,642	12,740,754
Net Assets With Donor Restrictions	1,649,571	1,065,864	1,550,384	1,006,818
Total Net Assets	17,583,640	14,126,450	16,716,026	13,747,572
Total Liabilities and Net Assets	\$ 34,748,176	28,608,966	34,654,421	28,839,565



EXHIBIT 7.5 - KEY PERFORMANCE METRICS

	Ended June 30, 2021		Ended June 30, 2020	
	Consolidated	Obligated	Consolidated	Obligated
Inpatient Admissions	226,217	216,386	220,290	216,658
Acute Patient Days	1,234,219	1,185,376	1,130,635	1,107,486
Acute Outpatient Visits	6,483,337	6,045,704	5,464,986	5,198,063
Primary Care Visits	6,580,074	4,235,471	5,616,731	3,542,687
Inpatient Surgeries and Procedures	95,076	91,289	91,863	89,976
Outpatient Surgeries and Procedures	239,219	164,269	175,324	129,394
Long-Term Care Admissions	2,402	2,238	3,012	2,813
Long-Term Care Patient Days	159,365	151,995	180,147	175,143
Long-Term Care Average Daily Census	230	190	229	202
Home Health Visits	580,191	391,388	569,305	363,869
Hospice Days	558,177	330,783	531,274	307,255
Housing and Assisted Living Days	220,618	98,512	303,927	114,839
Health Plan Members	667,489	n/a	699,886	n/a
Acute Average Daily Census	6,819	6,549	6,212	6,085
Acute Licensed Beds	12,025	11,275	12,017	11,688
FTEs	104,450	90,706	102,525	90,645



EXHIBIT 7.6 - SUMMARY UNAUDITED COMBINING STATEMENTS OF OPERATIONS BY REGION

	Ended June 30, 2021								
	(in 000's of dollars)								
	Alaska	Swedish	Washington/ Montana	Oregon	Northern California	Southern California	West Texas/ Eastern New Mexico	Other/ Eliminations	Consolidated
Operating Revenues:									
Net Patient Service Revenues	\$ 444,070	1,285,257	2,390,495	1,210,337	695,524	3,095,587	562,670	464,615	10,148,555
Premium Revenues	-	-	-	1,013,465	-	-	-	136,967	1,150,432
Capitation Revenues	-	-	87,237	17,530	44,681	766,598	-	2,686	918,732
Other Revenues	31,531	80,535	141,094	178,122	25,525	189,015	37,422	489,252	1,172,496
Total Operating Revenues	475,601	1,365,792	2,618,826	2,419,454	765,730	4,051,200	600,092	1,093,520	13,390,215
Operating Expenses:									
Salaries and Benefits	187,996	675,501	1,161,899	840,578	304,037	1,521,872	251,574	1,803,727	6,747,184
Supplies	62,702	222,192	421,965	233,600	111,695	577,413	112,550	247,712	1,989,829
Purchased Healthcare Services	-	590	48,675	563,430	24,584	325,955	-	65,351	1,028,585
Interest, Depreciation, and Amortization	27,817	65,957	83,439	56,948	34,293	183,277	38,891	187,581	678,203
Purchased Services, Professional Fees, and Other	157,194	458,819	859,454	646,936	293,468	1,626,402	205,040	(1,206,631)	3,040,682
Total Operating Expenses	435,709	1,423,059	2,575,432	2,341,492	768,077	4,234,919	608,055	1,097,740	13,484,483
Excess (Deficit) of Revenues Over Expenses From Operations	39,892	(57,267)	43,394	77,962	(2,347)	(183,719)	(7,963)	(4,220)	(94,268)
Total Net Non-Operating Gains	71,212	47,372	71,292	113,054	60,640	277,205	41,063	133,811	815,649
Excess (Deficit) of Revenues Over Expenses	\$ 111,104	(9,895)	114,686	191,016	58,293	93,486	33,100	129,591	721,381



EXHIBIT 7.7 - SUMMARY UNAUDITED COMBINING BALANCE SHEETS BY REGION

	As of June 30, 2021 (in 000's of dollars)								
	Alaska	Swedish	Washington/ Montana	Oregon	Northern California	Southern California	West Texas/ Eastern New Mexico	Other/ Eliminations	Consolidated
Current Assets:									
Cash and Cash Equivalents	\$ 540,711	(59,625)	298,061	1,282,239	83,139	(849,070)	248,789	(367,762)	1,176,482
Accounts Receivable, Net	159,369	376,517	606,486	269,275	162,437	1,028,525	184,227	134,965	2,921,801
Supplies Inventory	15,589	41,473	61,968	48,241	23,534	91,530	21,097	83,695	387,127
Other Current Assets	190,886	144,955	110,668	242,265	155,673	701,746	(5,387)	82,773	1,623,579
Current Portion of Assets Whose Use is Limited	70,092	80,105	40,052	100,131	90,448	681,104	-	313,898	1,375,830
Total Current Assets	976,647	583,425	1,117,235	1,942,151	515,231	1,653,835	448,726	247,569	7,484,819
Assets Whose Use is Limited	1,159,547	717,733	1,118,319	2,559,424	506,545	3,367,196	307,380	2,773,995	12,510,139
Property, Plant, and Equipment, Net	427,127	1,230,371	1,542,189	998,309	752,710	4,174,475	735,866	1,407,095	11,268,142
Other Assets	61,755	392,952	318,700	141,507	25,974	1,210,048	103,725	1,230,415	3,485,076
Total Assets	\$ 2,625,076	2,924,481	4,096,443	5,641,391	1,800,460	10,405,554	1,595,697	5,659,074	34,748,176
Current Liabilities:									
Current Portion of Long-Term Debt	1,515	16,908	759	(1,410)	42,791	55,918	9,188	2,286	127,955
Master Trust Debt Classified as Short-Term	-	-	-	-	-	85,397	-	598,463	683,860
Accounts Payable	29,612	108,427	130,783	71,434	44,772	370,922	34,690	503,020	1,293,660
Accrued Compensation	39,916	115,635	210,441	169,863	57,986	364,890	59,184	420,566	1,438,481
Other Current Liabilities	146,407	261,214	486,234	608,455	158,127	1,026,806	121,444	(73,479)	2,735,208
Total Current Liabilities	217,450	502,184	828,217	848,342	303,676	1,903,933	224,506	1,450,856	6,279,164
Long-Term Debt, Net of Current Portion	266,758	989,267	1,104,227	132,317	306,975	1,968,076	473,870	787,633	6,029,123
Pension Benefit Obligation	-	399,471	-	8,759	-	-	-	761,477	1,169,707
Other Liabilities	84,956	406,824	330,154	229,462	118,641	801,210	120,943	1,594,352	3,686,542
Total Liabilities	\$ 569,164	2,297,746	2,262,598	1,218,880	729,292	4,673,219	819,319	4,594,318	17,164,536
Net Assets:									
Controlling Interests	2,019,403	502,111	1,750,293	4,152,884	991,752	4,536,255	711,406	952,153	15,616,257
Noncontrolling Interests	7,567	4,779	-	1,719	-	258,738	19,342	25,667	317,812
Net Assets Without Donor Restrictions	2,026,970	506,890	1,750,293	4,154,603	991,752	4,794,993	730,748	977,820	15,934,069
Net Assets With Donor Restrictions	28,942	119,845	83,552	267,908	79,416	937,342	45,630	86,936	1,649,571
Total Net Assets	2,055,912	626,735	1,833,845	4,422,511	1,071,168	5,732,335	776,378	1,064,756	17,583,640
Total Liabilities and Net Assets	\$ 2,625,076	2,924,481	4,096,443	5,641,391	1,800,460	10,405,554	1,595,697	5,659,074	34,748,176



EXHIBIT 7.8 - KEY PERFORMANCE METRICS BY REGION

	Ended June 30, 2021							
	Alaska	Swedish	Washington/ Montana	Oregon	Northern California	Southern California	West Texas/ Eastern New Mexico	Consolidated
Inpatient Admissions	7,952	24,347	59,140	28,160	13,125	82,021	11,472	226,217
Acute Patient Days	61,549	138,807	340,324	161,114	72,857	394,743	64,825	1,234,219
Acute Outpatient Visits	239,108	477,155	1,621,644	1,780,700	386,450	1,604,134	368,114	6,483,337
Primary Care Visits	60,605	847,781	1,856,690	1,124,565	378,931	1,675,085	282,416	6,580,074
Inpatient Surgeries and Procedures	4,407	12,309	26,890	12,907	3,599	31,681	3,283	95,076
Outpatient Surgeries and Procedures	6,010	29,296	53,894	63,693	8,740	61,721	9,833	239,219
Long-Term Care Admissions	107	n/a	n/a	35	2	856	162	2,402
Long-Term Care Patient Days	25,319	n/a	n/a	4,945	2,854	35,446	4,516	159,365
Long-Term Care Average Daily Census	112	n/a	n/a	27	16	n/a	25	230
Home Health Visits	7,378	n/a	2,516	n/a	n/a	n/a	n/a	580,191
Hospice Days	12,345	n/a	n/a	n/a	n/a	349	32,926	558,177
Housing and Assisted Living Days	13,745	n/a	4,999	19,056	n/a	n/a	n/a	220,618
Health Plan Members	n/a	n/a	n/a	667,489	n/a	n/a	n/a	667,489
Average Daily Census	340	767	1,880	890	403	2,181	358	6,819
Acute Licensed Beds	482	1,571	2,895	1,500	809	3,846	922	12,025
FTEs	3,677	10,360	20,998	15,151	4,646	25,982	5,530	104,450