

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

Form 990

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

2022

Department of the Treasury
Internal Revenue Service

Do not enter social security numbers on this form as it may be made public.

Go to www.irs.gov/Form990 for instructions and the latest information.

Open to Public Inspection

A For the 2022 calendar year, or tax year beginning **JUL 1, 2022** and ending **JUN 30, 2023**

| | | | |
|--|---|--|---|
| B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending | C Name of organization EXCELA HEALTH GROUP | | D Employer identification number 90-0759236 |
| | Doing business as | | E Telephone number 724-689-1646 |
| | Number and street (or P.O. box if mail is not delivered to street address) | Room/suite | |
| | 532 WEST PITTSBURGH STREET | | G Gross receipts \$ 561,238,389. |
| | City or town, state or province, country, and ZIP or foreign postal code GREENSBURG, PA 15601 | | H(a) Is this a group return STMT 1 for subordinates? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| F Name and address of principal officer: JOHN SPHON SAME AS C ABOVE | | H(b) Are all subordinates included? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | |
| I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527 | | | If "No," attach a list. See instructions |
| J Website: WWW.EXCELAHEALTH.ORG | | | H(c) Group exemption number 5547 |
| K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other | | L Year of formation: | M State of legal domicile: PA |

Part I Summary

| | | | |
|---|--|----------------------------------|---------------------|
| Activities & Governance | 1 Briefly describe the organization's mission or most significant activities: TO IMPROVE THE HEALTH AND WELL-BEING OF EVERY LIFE WE TOUCH, BY OFFERING QUALITY, STATE OF THE | | |
| | 2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets. | | |
| | 3 Number of voting members of the governing body (Part VI, line 1a) | 3 | 12 |
| | 4 Number of independent voting members of the governing body (Part VI, line 1b) | 4 | 8 |
| | 5 Total number of individuals employed in calendar year 2022 (Part V, line 2a) | 5 | 3668 |
| | 6 Total number of volunteers (estimate if necessary) | 6 | 165 |
| | 7 a Total unrelated business revenue from Part VIII, column (C), line 12 | 7a | 0. |
| b Net unrelated business taxable income from Form 990-T, Part I, line 11 | 7b | 0. | |
| Revenue | 8 Contributions and grants (Part VIII, line 1h) | Prior Year | Current Year |
| | 9 Program service revenue (Part VIII, line 2g) | 8,204,999. | 2,650,532. |
| | 10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) | 528,314,085. | 537,410,150. |
| | 11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) | 35,295,022. | -2,032,089. |
| | 12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) | 16,380,244. | 11,924,028. |
| Expenses | 13 Grants and similar amounts paid (Part IX, column (A), lines 1-3) | 588,194,350. | 549,952,621. |
| | 14 Benefits paid to or for members (Part IX, column (A), line 4) | 0. | 0. |
| | 15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) | 0. | 0. |
| | 16a Professional fundraising fees (Part IX, column (A), line 11e) | 217,284,783. | 217,991,893. |
| | b Total fundraising expenses (Part IX, column (D), line 25) | 0. | 0. |
| | 17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) | 278,040,342. | 294,763,674. |
| | 18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) | 495,325,125. | 512,755,567. |
| 19 Revenue less expenses. Subtract line 18 from line 12 | 92,869,225. | 37,197,054. | |
| Net Assets or Fund Balances | 20 Total assets (Part X, line 16) | Beginning of Current Year | End of Year |
| | 21 Total liabilities (Part X, line 26) | 728,748,728. | 780,191,872. |
| | 22 Net assets or fund balances. Subtract line 21 from line 20 | 335,744,895. | 384,079,879. |
| | | 393,003,833. | 396,111,993. |

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

| | | | | | |
|-------------------------------|---|---------------------------|-----------------|---|------------------|
| Sign Here | Signature of officer | | Date | | |
| | THOMAS S. ALBANESI, JR., CPA, FHFMA, CFO/ASSISTANT TREASURER | | | | |
| Paid Preparer Use Only | Print/Type preparer's name | Preparer's signature | Date | Check <input type="checkbox"/> if self-employed | PTIN |
| | JEFFREY J. PETRELL | JEFFREY J. PETRELL | 05/03/24 | | P00138808 |
| Preparer Use Only | Firm's name | Firm's EIN | | Phone no. | |
| | BAKER TILLY US, LLP | 39-0859910 | | 412.697.6400 | |
| Firm's address | | | | | |
| 20 STANWIX STREET | | | | | |
| PITTSBURGH, PA 15222 | | | | | |

May the IRS discuss this return with the preparer shown above? See instructions Yes No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III [X]

1 Briefly describe the organization's mission: TO IMPROVE THE HEALTH AND WELL BEING OF EVERY LIFE WE TOUCH.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? [] Yes [X] No

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? [] Yes [X] No

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses.

4a (Code:) (Expenses \$ 466,596,553. including grants of \$) (Revenue \$ 546,596,175.) ABOUT EXCELA HEALTH IMPROVING THE HEALTH AND WELL-BEING OF EVERY LIFE WE TOUCH

EXCELA HEALTH, THE LEADING HEALTH CARE PROVIDER AND THE LARGEST EMPLOYER IN WESTMORELAND COUNTY, BROUGHT TOGETHER THREE HOSPITALS IN 2004 WESTMORELAND HOSPITAL IN GREENSBURG, FRICK HOSPITAL IN MOUNT PLEASANT AND LATROBE HOSPITAL IN LATROBE WITH THE GOAL OF SERVING AS A REGIONAL HEALTH CARE SYSTEM THAT EMBODIES HIGH QUALITY, ACCESSIBILITY AND ADVANCED TECHNOLOGY LOCALLY. MORE TO THE POINT, EXCELA HEALTH SEEKS TO LIVE ITS MISSION OF "IMPROVING THE HEALTH AND WELL-BEING OF EVERY LIFE WE TOUCH" COUCHED IN VALUES KNOWN AS THE EXCELA WAY. EVIDENCE OF THOSE IDEALS CAN BE FOUND IN THE EVENTS OF FISCAL YEAR 2023, WITH THE

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe on Schedule O.) (Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses 466,596,553.

Part IV Checklist of Required Schedules

| | Yes | No |
|---|----------|----------|
| 1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i> | X | |
| 2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ? See instructions | X | |
| 3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i> | | X |
| 4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i> | X | |
| 5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Rev. Proc. 98-19? <i>If "Yes," complete Schedule C, Part III</i> | | X |
| 6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i> | | X |
| 7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i> | | X |
| 8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i> | | X |
| 9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i> | | X |
| 10 Did the organization, directly or through a related organization, hold assets in donor-restricted endowments or in quasi endowments? <i>If "Yes," complete Schedule D, Part V</i> | X | |
| 11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X, as applicable. | | |
| a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i> | X | |
| b Did the organization report an amount for investments - other securities in Part X, line 12, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i> | | X |
| c Did the organization report an amount for investments - program related in Part X, line 13, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i> | | X |
| d Did the organization report an amount for other assets in Part X, line 15, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i> | X | |
| e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i> | X | |
| f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i> | X | |
| 12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i> | | X |
| b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i> | X | |
| 13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i> | | X |
| 14a Did the organization maintain an office, employees, or agents outside of the United States? | | X |
| b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i> | | X |
| 15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i> | | X |
| 16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i> | | X |
| 17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I.</i> See instructions | | X |
| 18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i> | | X |
| 19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i> | | X |
| 20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i> | X | |
| b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return? | X | |
| 21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i> | | X |

Part IV Checklist of Required Schedules (continued)

| | Yes | No |
|---|-----|----|
| 22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i> | | X |
| 23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i> | X | |
| 24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i> | X | |
| b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? | | X |
| c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? | | X |
| d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? | | X |
| 25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i> | | X |
| b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i> | | X |
| 26 Did the organization report any amount on Part X, line 5 or 22, for receivables from or payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part II</i> | | X |
| 27 Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i> | | X |
| 28 Was the organization a party to a business transaction with one of the following parties (see the Schedule L, Part IV, instructions for applicable filing thresholds, conditions, and exceptions): | | |
| a A current or former officer, director, trustee, key employee, creator or founder, or substantial contributor? <i>If "Yes," complete Schedule L, Part IV</i> | | X |
| b A family member of any individual described in line 28a? <i>If "Yes," complete Schedule L, Part IV</i> | X | |
| c A 35% controlled entity of one or more individuals and/or organizations described in line 28a or 28b? <i>If "Yes," complete Schedule L, Part IV</i> | | X |
| 29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> | | X |
| 30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> | | X |
| 31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> | | X |
| 32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i> | | X |
| 33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> | | X |
| 34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i> | X | |
| 35a Did the organization have a controlled entity within the meaning of section 512(b)(13)? | X | |
| b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> | X | |
| 36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> | | X |
| 37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i> | | X |
| 38 Did the organization complete Schedule O and provide explanations on Schedule O for Part VI, lines 11b and 19? | X | |

Note: All Form 990 filers are required to complete Schedule O

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

| | Yes | No |
|---|-----|----|
| 1a Enter the number reported in box 3 of Form 1096. Enter -0- if not applicable | | |
| b Enter the number of Forms W-2G included on line 1a. Enter -0- if not applicable | | |
| c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? | | |

| | |
|-----------|-----|
| 1a | 293 |
| 1b | 0 |
| 1c | |

Part V Statements Regarding Other IRS Filings and Tax Compliance (continued)

Table with columns for question number, question text, and Yes/No columns. Includes questions 2a through 17 regarding employee counts, tax returns, unrelated business income, foreign accounts, prohibited transactions, and charitable contributions.

Part VI Governance, Management, and Disclosure. For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes on Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI

Section A. Governing Body and Management

| | | Yes | No |
|-----------|--|-----|----|
| 1a | Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain on Schedule O. | | |
| | 1a 12 | | |
| b | Enter the number of voting members included on line 1a, above, who are independent | | |
| | 1b 8 | | |
| 2 | Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? | | X |
| 3 | Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, trustees, or key employees to a management company or other person? | | X |
| 4 | Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? | | X |
| 5 | Did the organization become aware during the year of a significant diversion of the organization's assets? | | X |
| 6 | Did the organization have members or stockholders? | | X |
| 7a | Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? | | X |
| b | Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? | | X |
| 8 | Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: | | |
| a | The governing body? | X | |
| b | Each committee with authority to act on behalf of the governing body? | X | |
| 9 | Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses on Schedule O | | X |

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

| | | Yes | No |
|------------|--|-----|----|
| 10a | Did the organization have local chapters, branches, or affiliates? | | X |
| b | If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? | | |
| 10b | | | |
| 11a | Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? | X | |
| b | Describe on Schedule O the process, if any, used by the organization to review this Form 990. | | |
| 12a | Did the organization have a written conflict of interest policy? If "No," go to line 13 | X | |
| b | Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? | X | |
| c | Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe on Schedule O how this was done | X | |
| 12c | | | |
| 13 | Did the organization have a written whistleblower policy? | X | |
| 14 | Did the organization have a written document retention and destruction policy? | X | |
| 15 | Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision? | | |
| a | The organization's CEO, Executive Director, or top management official | X | |
| b | Other officers or key employees of the organization | X | |
| | If "Yes" to line 15a or 15b, describe the process on Schedule O. See instructions. | | |
| 16a | Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? | X | |
| b | If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? | X | |
| 16b | | | |

Section C. Disclosure

- 17** List the states with which a copy of this Form 990 is required to be filed PA
- 18** Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
 Own website Another's website Upon request Other (explain on Schedule O)
- 19** Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20** State the name, address, and telephone number of the person who possesses the organization's books and records
THOMAS S. ALBANESI, JR., CPA, FHFMA - 724-832-4040
532 WEST PITTSBURGH STREET, GREENSBURG, PA 15601

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
 - List all of the organization's **current** key employees, if any. See the instructions for definition of "key employee."
 - List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (box 5 of Form W-2, box 6 of Form 1099-MISC, and/or box 1 of Form 1099-NEC) of more than \$100,000 from the organization and any related organizations.
 - List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
 - List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.
- See the instructions for the order in which to list the persons above.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

| (A) Name and title | (B) Average hours per week (list any hours for related organizations below line) | (C) Position (do not check more than one box, unless person is both an officer and a director/trustee) | | | | | | (D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC) | (E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC) | (F) Estimated amount of other compensation from the organization and related organizations |
|--|---|---|-----------------------|---------|--------------|------------------------------|----------|---|--|---|
| | | Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | | | |
| (1) KEN DEFURIO PRESIDENT & CEO | 3.00 57.00 | X | | X | | | | 0. | 1,015,706. | 284,894. |
| (2) JAMES ADISEY, MD TRUSTEE | 3.00 50.00 | X | | | | | 724,390. | 0. | 28,925. | |
| (3) JOHN M. SPHON TRUSTEE & CEO | 52.00 8.00 | X | | X | | | 709,195. | 0. | 37,379. | |
| (4) JEFFREY TIESI CHIEF OPERATING OFFICER (UNTIL 1/23) | 40.00 10.00 | | | | X | | 544,253. | 0. | 50,948. | |
| (5) CAROL J. FOX, MD CHIEF MEDICAL OFFICER | 40.00 10.00 | | | | X | | 461,676. | 0. | 21,156. | |
| (6) RANDI TURKEWITZ, MD TRUSTEE (UNTIL 12/22) | 3.00 | X | | | | | 441,796. | 0. | 13,649. | |
| (7) THOMAS S. ALBANESI, JR., CPA CFO/ASSISTANT TREASURER | 52.00 8.00 | | | X | | | 398,089. | 0. | 31,250. | |
| (8) DANE FICCO SENIOR VP, EHMG (UNTIL 1/23) | 50.00 | | | | X | | 366,884. | 0. | 28,286. | |
| (9) LAURIE ENGLISH SENIOR VP HUMAN RESOURCES | 50.00 | | | | X | | 287,470. | 0. | 36,146. | |
| (10) HELEN BURNS, PHD., RN CHIEF NURSING OFFICER (UNTIL 1/23) | 49.00 1.00 | | | | X | | 292,793. | 0. | 28,088. | |
| (11) TOM CHAKURDA CHIEF MARKETING & COMMUNIC | 50.00 | | | | X | | 281,781. | 0. | 28,349. | |
| (12) VIRGINIA ISCRUPE NURSE | 50.00 | | | | X | | 222,472. | 0. | 18,938. | |
| (13) TRACI FICK VP PATIENT CARE SERVICES | 50.00 | | | | X | | 214,526. | 0. | 16,337. | |
| (14) JOHN REEFER TRUSTEE | 3.00 6.00 | X | | | | | 0. | 9,800. | 0. | |
| (15) PAUL BACHARACH CHAIR | 4.00 | X | | X | | | 0. | 0. | 0. | |
| (16) ALFRED R. REITANO VICE CHAIR (UNTIL 12/22) | 3.00 | X | | X | | | 0. | 0. | 0. | |
| (17) KELLEY SKOLODA SECRETARY (UNTIL 12/22) | 3.00 | X | | X | | | 0. | 0. | 0. | |

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

| (A) Name and title | (B) Average hours per week (list any hours for related organizations below line) | (C) Position (do not check more than one box, unless person is both an officer and a director/trustee) | | | | | | (D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC) | (E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC) | (F) Estimated amount of other compensation from the organization and related organizations |
|--|---|---|-----------------------|---------|--------------|------------------------------|--------|---|--|---|
| | | Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | | | |
| (18) JEFFREY CURRY TREASURER | 3.00 | X | | X | | | | 0. | 0. | 0. |
| (19) ERIK J. AGOSTONI, CPA TRUSTEE (UNTIL 12/22) | 3.00 | X | | | | | | 0. | 0. | 0. |
| (20) GEOFFREY BISIGNANI, MD TRUSTEE (UNTIL 12/22) | 3.00 | X | | | | | | 0. | 0. | 0. |
| (21) EDWARD DEPASQUALE, CPA TRUSTEE (UNTIL 12/22) | 3.00 | X | | | | | | 0. | 0. | 0. |
| (22) JACQUELINE HORRALL, PHD TRUSTEE (UNTIL 12/22) | 3.00 | X | | | | | | 0. | 0. | 0. |
| (23) WALID KASSIR, MD TRUSTEE (UNTIL 12/22) | 3.00 | X | | | | | | 0. | 0. | 0. |
| (24) MICHAEL L. KESLAR TRUSTEE (UNTIL 12/22) | 3.00 | X | | | | | | 0. | 0. | 0. |
| (25) MICHAEL T. LORDI, ESQ. TRUSTEE (UNTIL 12/22) | 3.00 | X | | | | | | 0. | 0. | 0. |
| (26) TERESA PETRICK TRUSTEE | 3.00 | X | | | | | | 0. | 0. | 0. |
| 1b Subtotal | | | | | | | | 4,945,325. | 1,025,506. | 624,345. |
| c Total from continuation sheets to Part VII, Section A | | | | | | | | 0. | 0. | 0. |
| d Total (add lines 1b and 1c) | | | | | | | | 4,945,325. | 1,025,506. | 624,345. |

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization 230

| | Yes | No |
|---|-----|----|
| 3 Did the organization list any former officer, director, trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i> | 3 | X |
| 4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i> | 4 | X |
| 5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i> | 5 | X |

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

| (A) Name and business address | (B) Description of services | (C) Compensation |
|--|--------------------------------|---------------------|
| OPTUM 360, 11000 OPTUM CIRCLE, MN101-W600, EDEN PRAIRIE, MN 55344 | REVENUE CYCLE | 37,602,412. |
| QUEST DIAGNOSTICS 3 GIRALDA FARMS, MADISON, NJ 07940 | LAB SERVICES | 3,124,203. |
| MCKAMISH INC. 50 55TH ST., PITTSBURGH, PA 15201 | CONSTRUCTION SERVICES | 2,511,835. |
| ROLTA ADVIZEX TECHNOLOGIES LLC, 6480 ROCKSIDE WOODS BLVD. SOUTH, SUITE 190, BUCHANAN INGERSOLL & ROONEY PC, 501 GRANT ST., SUITE 200, PITTSBURGH, PA 15219 | CONSTRUCTION SERVICES | 2,364,175. |
| | LEGAL SERVICES | 1,582,497. |

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization 39

SEE PART VII, SECTION A CONTINUATION SHEETS

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

| | | | (A) | (B) | (C) | (D) | |
|---|---|----------------------|----------------|------------------------------------|----------------------------|--|--|
| | | | Total revenue | Related or exempt function revenue | Unrelated business revenue | Revenue excluded from tax under sections 512 - 514 | |
| Contributions, Gifts, Grants and Other Similar Amounts | 1 a Federated campaigns | 1a | | | | | |
| | b Membership dues | 1b | | | | | |
| | c Fundraising events | 1c | | | | | |
| | d Related organizations | 1d | | | | | |
| | e Government grants (contributions) | 1e | | | | | |
| | f All other contributions, gifts, grants, and similar amounts not included above ... | 1f | 2,650,532. | | | | |
| | g Noncash contributions included in lines 1a-1f | 1g | \$ | | | | |
| | h Total. Add lines 1a-1f | | | 2,650,532. | | | |
| Program Service Revenue | 2 a NET PATIENT SERVICE REVENUE | Business Code | | | | | |
| | | 900099 | 511536673. | 511536673. | | | |
| | b HOME CARE & HOSPICE REVENUE | 900099 | 24,690,737. | 24690737. | | | |
| | c COUNTY PROGRAMS | 900099 | 1,182,740. | 1,182,740. | | | |
| | d _____ | | | | | | |
| | e _____ | | | | | | |
| | f All other program service revenue | | | | | | |
| | g Total. Add lines 2a-2f | | | 537410150. | | | |
| Other Revenue | 3 Investment income (including dividends, interest, and other similar amounts) | | 5,651,299. | | | 5651299. | |
| | 4 Income from investment of tax-exempt bond proceeds | | 70. | | | 70. | |
| | 5 Royalties | | | | | | |
| | 6 a Gross rents | 6a | (i) Real | | | | |
| | | | 6,340,313. | | | | |
| | | | (ii) Personal | | | | |
| | b Less: rental expenses ... | 6b | 2,850,024. | | | | |
| | c Rental income or (loss) | 6c | 3,490,289. | | | | |
| | d Net rental income or (loss) | | | 3,490,289. | | 3490289. | |
| | 7 a Gross amount from sales of assets other than inventory | 7a | (i) Securities | | | | |
| | | | 752,286. | | | | |
| | | | (ii) Other | | | | |
| | b Less: cost or other basis and sales expenses | 7b | 8,435,744. | | | | |
| | c Gain or (loss) | 7c | -7,683,458. | | | | |
| | d Net gain or (loss) | | | -7,683,458. | 752,286. | -8435744. | |
| 8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18 | 8a | | | | | | |
| b Less: direct expenses | 8b | | | | | | |
| c Net income or (loss) from fundraising events | | | | | | | |
| 9 a Gross income from gaming activities. See Part IV, line 19 | 9a | | | | | | |
| b Less: direct expenses | 9b | | | | | | |
| c Net income or (loss) from gaming activities | | | | | | | |
| 10 a Gross sales of inventory, less returns and allowances | 10a | | | | | | |
| b Less: cost of goods sold | 10b | | | | | | |
| c Net income or (loss) from sales of inventory | | | | | | | |
| Miscellaneous Revenue | 11 a OTHER OPERATING REVENUE | Business Code | | | | | |
| | | 900099 | 3,091,440. | 3,091,440. | | | |
| | b PHARMACY REVENUE | 900099 | 1,739,426. | 1,739,426. | | | |
| | c CAFETERIA INCOME | 900099 | 1,617,321. | 1,617,321. | | | |
| | d All other revenue | 900099 | 1,985,552. | 1,985,552. | | | |
| | e Total. Add lines 11a-11d | | | 8,433,739. | | | |
| 12 Total revenue. See instructions | | | 549952621. | 546596175. | 0. | 705,914. | |

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX X

| Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII. | (A) Total expenses | (B) Program service expenses | (C) Management and general expenses | (D) Fundraising expenses |
|---|-----------------------|---------------------------------|--|-----------------------------|
| 1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21 ... | | | | |
| 2 Grants and other assistance to domestic individuals. See Part IV, line 22 | | | | |
| 3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16 | | | | |
| 4 Benefits paid to or for members | | | | |
| 5 Compensation of current officers, directors, trustees, and key employees | 3,783,587. | | 3,783,587. | |
| 6 Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) | | | | |
| 7 Other salaries and wages | 176,298,090. | 158,688,221. | 17,609,869. | |
| 8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions) | 5,926,424. | 5,228,511. | 697,913. | |
| 9 Other employee benefits | 18,801,709. | 16,774,064. | 2,027,645. | |
| 10 Payroll taxes | 13,182,083. | 11,629,722. | 1,552,361. | |
| 11 Fees for services (nonemployees): | | | | |
| a Management | 225,000. | | 225,000. | |
| b Legal | 2,592,817. | 1,841,408. | 751,409. | |
| c Accounting | 220,936. | | 220,936. | |
| d Lobbying | | | | |
| e Professional fundraising services. See Part IV, line 17 | | | | |
| f Investment management fees | | | | |
| g Other. (If line 11g amount exceeds 10% of line 25, column (A), amount, list line 11g expenses on Sch O.) | 83,769,354. | 73,812,657. | 9,956,697. | |
| 12 Advertising and promotion | 1,007,013. | 1,006,539. | 474. | |
| 13 Office expenses | 6,083,529. | 3,830,116. | 2,253,413. | |
| 14 Information technology | | | | |
| 15 Royalties | | | | |
| 16 Occupancy | 6,400,323. | 5,987,707. | 412,616. | |
| 17 Travel | 859,767. | 792,599. | 67,168. | |
| 18 Payments of travel or entertainment expenses for any federal, state, or local public officials ... | | | | |
| 19 Conferences, conventions, and meetings | 116,740. | 92,445. | 24,295. | |
| 20 Interest | 2,757,174. | 2,757,174. | | |
| 21 Payments to affiliates | | | | |
| 22 Depreciation, depletion, and amortization | 27,690,555. | 27,690,555. | | |
| 23 Insurance | 5,229,396. | 5,229,396. | | |
| 24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A), amount, list line 24e expenses on Schedule O.) | | | | |
| a MEDICAL SUPPLIES | 101,651,914. | 101,651,914. | | |
| b EQUIPMENT RENTAL & MAIN | 25,383,436. | 22,272,032. | 3,111,404. | |
| c BAD DEBT | 13,882,337. | 13,882,337. | | |
| d SOFTWARE/MAINTENANCE | 9,972,858. | 9,972,858. | | |
| e All other expenses | 6,920,525. | 3,456,298. | 3,464,227. | |
| 25 Total functional expenses. Add lines 1 through 24e | 512,755,567. | 466,596,553. | 46,159,014. | 0. |
| 26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720) | | | | |

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X

| | | (A) Beginning of year | | (B) End of year |
|--|--|--------------------------|--------------|--------------------|
| Assets | 1 Cash - non-interest-bearing | -1,054,504. | 1 | -1,349,035. |
| | 2 Savings and temporary cash investments | | 2 | |
| | 3 Pledges and grants receivable, net | | 3 | |
| | 4 Accounts receivable, net | 68,701,470. | 4 | 64,170,315. |
| | 5 Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons | | 5 | |
| | 6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B) | | 6 | |
| | 7 Notes and loans receivable, net | | 7 | |
| | 8 Inventories for sale or use | 5,911,604. | 8 | 5,186,694. |
| | 9 Prepaid expenses and deferred charges | 8,371,260. | 9 | 11,008,986. |
| | 10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D | 10a 798,583,301. | | |
| | b Less: accumulated depreciation | 10b 606,434,604. | | |
| | 11 Investments - publicly traded securities | 187,750,881. | 10c | 192,148,697. |
| | 12 Investments - other securities. See Part IV, line 11 | 270,006,466. | 11 | 236,293,602. |
| | 13 Investments - program-related. See Part IV, line 11 | | 12 | |
| | 14 Intangible assets | 9,771,168. | 13 | 9,771,168. |
| | 15 Other assets. See Part IV, line 11 | 179,290,383. | 14 | 262,961,445. |
| 16 Total assets. Add lines 1 through 15 (must equal line 33) | 728,748,728. | 15 | 780,191,872. | |
| Liabilities | 17 Accounts payable and accrued expenses | 70,933,994. | 16 | 780,191,872. |
| | 18 Grants payable | | 17 | 71,011,393. |
| | 19 Deferred revenue | 925,736. | 18 | |
| | 20 Tax-exempt bond liabilities | 64,159,034. | 19 | 1,306,048. |
| | 21 Escrow or custodial account liability. Complete Part IV of Schedule D | | 20 | 63,142,185. |
| | 22 Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons | | 21 | |
| | 23 Secured mortgages and notes payable to unrelated third parties | | 22 | |
| | 24 Unsecured notes and loans payable to unrelated third parties | | 23 | |
| | 25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D | 199,726,131. | 24 | 248,620,253. |
| | 26 Total liabilities. Add lines 17 through 25 | 335,744,895. | 25 | 384,079,879. |
| Net Assets or Fund Balances | Organizations that follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 27, 28, 32, and 33. | | | |
| | 27 Net assets without donor restrictions | 377,839,087. | 26 | 383,900,616. |
| | 28 Net assets with donor restrictions | 15,164,746. | 27 | 12,211,377. |
| | Organizations that do not follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 29 through 33. | | | |
| | 29 Capital stock or trust principal, or current funds | | 28 | |
| | 30 Paid-in or capital surplus, or land, building, or equipment fund | | 29 | |
| | 31 Retained earnings, endowment, accumulated income, or other funds | | 30 | |
| | 32 Total net assets or fund balances | 393,003,833. | 31 | 396,111,993. |
| | 33 Total liabilities and net assets/fund balances | 728,748,728. | 32 | 780,191,872. |

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI

| | | | |
|----|--|----|--------------|
| 1 | Total revenue (must equal Part VIII, column (A), line 12) | 1 | 549,952,621. |
| 2 | Total expenses (must equal Part IX, column (A), line 25) | 2 | 512,755,567. |
| 3 | Revenue less expenses. Subtract line 2 from line 1 | 3 | 37,197,054. |
| 4 | Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A)) | 4 | 393,003,833. |
| 5 | Net unrealized gains (losses) on investments | 5 | 16,201,458. |
| 6 | Donated services and use of facilities | 6 | |
| 7 | Investment expenses | 7 | |
| 8 | Prior period adjustments | 8 | |
| 9 | Other changes in net assets or fund balances (explain on Schedule O) | 9 | -50,290,352. |
| 10 | Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B)) | 10 | 396,111,993. |

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII

| | | Yes | No |
|---|--|-----|----|
| 1 | Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other | | |
| If the organization changed its method of accounting from a prior year or checked "Other," explain on Schedule O. | | | |
| 2a | Were the organization's financial statements compiled or reviewed by an independent accountant? | | X |
| If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: | | | |
| <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis | | | |
| 2b | Were the organization's financial statements audited by an independent accountant? | X | |
| If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: | | | |
| <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis | | | |
| 2c | If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? | X | |
| If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O. | | | |
| 3a | As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Uniform Guidance, 2 C.F.R. Part 200, Subpart F? | | X |
| 3b | If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits | | |

Form 990 (2022)

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

| Calendar year (or fiscal year beginning in) | (a) 2018 | (b) 2019 | (c) 2020 | (d) 2021 | (e) 2022 | (f) Total |
|--|----------|----------|----------|----------|----------|-----------|
| 1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") | | | | | | |
| 2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf | | | | | | |
| 3 The value of services or facilities furnished by a governmental unit to the organization without charge | | | | | | |
| 4 Total. Add lines 1 through 3 | | | | | | |
| 5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f) | | | | | | |
| 6 Public support. Subtract line 5 from line 4. | | | | | | |

Section B. Total Support

| Calendar year (or fiscal year beginning in) | (a) 2018 | (b) 2019 | (c) 2020 | (d) 2021 | (e) 2022 | (f) Total |
|---|----------|----------|----------|----------|----------|--------------------------|
| 7 Amounts from line 4 | | | | | | |
| 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources | | | | | | |
| 9 Net income from unrelated business activities, whether or not the business is regularly carried on | | | | | | |
| 10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) | | | | | | |
| 11 Total support. Add lines 7 through 10 | | | | | | |
| 12 Gross receipts from related activities, etc. (see instructions) | | | | | 12 | |
| 13 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here | | | | | | <input type="checkbox"/> |

Section C. Computation of Public Support Percentage

| | | |
|---|----|--------------------------|
| 14 Public support percentage for 2022 (line 6, column (f), divided by line 11, column (f)) | 14 | % |
| 15 Public support percentage from 2021 Schedule A, Part II, line 14 | 15 | % |
| 16a 33 1/3% support test - 2022. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization | | <input type="checkbox"/> |
| b 33 1/3% support test - 2021. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization | | <input type="checkbox"/> |
| 17a 10% -facts-and-circumstances test - 2022. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and stop here. Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization | | <input type="checkbox"/> |
| b 10% -facts-and-circumstances test - 2021. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and stop here. Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization | | <input type="checkbox"/> |
| 18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions | | <input type="checkbox"/> |

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

| Calendar year (or fiscal year beginning in) | (a) 2018 | (b) 2019 | (c) 2020 | (d) 2021 | (e) 2022 | (f) Total |
|---|----------|----------|----------|----------|----------|-----------|
| 1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") | | | | | | |
| 2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose | | | | | | |
| 3 Gross receipts from activities that are not an unrelated trade or business under section 513 | | | | | | |
| 4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf | | | | | | |
| 5 The value of services or facilities furnished by a governmental unit to the organization without charge ... | | | | | | |
| 6 Total. Add lines 1 through 5 | | | | | | |
| 7a Amounts included on lines 1, 2, and 3 received from disqualified persons | | | | | | |
| b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year | | | | | | |
| c Add lines 7a and 7b | | | | | | |
| 8 Public support. (Subtract line 7c from line 6.) | | | | | | |

Section B. Total Support

| Calendar year (or fiscal year beginning in) | (a) 2018 | (b) 2019 | (c) 2020 | (d) 2021 | (e) 2022 | (f) Total |
|--|----------|----------|----------|----------|----------|-----------|
| 9 Amounts from line 6 | | | | | | |
| 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources ... | | | | | | |
| b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 | | | | | | |
| c Add lines 10a and 10b | | | | | | |
| 11 Net income from unrelated business activities not included on line 10b, whether or not the business is regularly carried on | | | | | | |
| 12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) | | | | | | |
| 13 Total support. (Add lines 9, 10c, 11, and 12.) | | | | | | |

14 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here**

Section C. Computation of Public Support Percentage

| | | |
|---|-----------|---|
| 15 Public support percentage for 2022 (line 8, column (f), divided by line 13, column (f)) | 15 | % |
| 16 Public support percentage from 2021 Schedule A, Part III, line 15 | 16 | % |

Section D. Computation of Investment Income Percentage

| | | |
|--|-----------|---|
| 17 Investment income percentage for 2022 (line 10c, column (f), divided by line 13, column (f)) | 17 | % |
| 18 Investment income percentage from 2021 Schedule A, Part III, line 17 | 18 | % |

19a 33 1/3% support tests - 2022. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

b 33 1/3% support tests - 2021. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

Part IV Supporting Organizations

(Complete only if you checked a box on line 12 of Part I. If you checked box 12a, Part I, complete Sections A and B. If you checked box 12b, Part I, complete Sections A and C. If you checked box 12c, Part I, complete Sections A, D, and E. If you checked box 12d, Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

| | Yes | No |
|--|-----|----|
| 1 Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i> | | |
| 2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i> | | |
| 3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer lines 3b and 3c below.</i> | | |
| b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i> | | |
| c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i> | | |
| 4a Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes," and if you checked box 12a or 12b in Part I, answer lines 4b and 4c below.</i> | | |
| b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i> | | |
| c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i> | | |
| 5a Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer lines 5b and 5c below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).</i> | | |
| b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document? | | |
| c Substitutions only. Was the substitution the result of an event beyond the organization's control? | | |
| 6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i> | | |
| 7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (as defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990).</i> | | |
| 8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described on line 7? <i>If "Yes," complete Part I of Schedule L (Form 990).</i> | | |
| 9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons, as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i> | | |
| b Did one or more disqualified persons (as defined on line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i> | | |
| c Did a disqualified person (as defined on line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i> | | |
| 10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer line 10b below.</i> | | |
| b Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i> | | |

Part IV Supporting Organizations (continued)

| | Yes | No |
|--|-----|----|
| 11 Has the organization accepted a gift or contribution from any of the following persons? | | |
| a A person who directly or indirectly controls, either alone or together with persons described on lines 11b and 11c below, the governing body of a supported organization? | | |
| b A family member of a person described on line 11a above? | | |
| c A 35% controlled entity of a person described on line 11a or 11b above? <i>If "Yes" to line 11a, 11b, or 11c, provide detail in Part VI.</i> | | |
| 11a | | |
| 11b | | |
| 11c | | |

Section B. Type I Supporting Organizations

| | Yes | No |
|---|-----|----|
| 1 Did the governing body, members of the governing body, officers acting in their official capacity, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's officers, directors, or trustees at all times during the tax year? <i>If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove officers, directors, or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.</i> | | |
| 2 Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? <i>If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.</i> | | |
| 1 | | |
| 2 | | |

Section C. Type II Supporting Organizations

| | Yes | No |
|--|-----|----|
| 1 Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? <i>If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).</i> | | |
| 1 | | |

Section D. All Type III Supporting Organizations

| | Yes | No |
|---|-----|----|
| 1 Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided? | | |
| 2 Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? <i>If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).</i> | | |
| 3 By reason of the relationship described on line 2, above, did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? <i>If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.</i> | | |
| 1 | | |
| 2 | | |
| 3 | | |

Section E. Type III Functionally Integrated Supporting Organizations

| | | |
|---|-----|----|
| 1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions). | | |
| a <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below. | | |
| b <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below. | | |
| c <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a governmental entity (see instructions). | | |
| 2 Activities Test. Answer lines 2a and 2b below. | | |
| a Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? <i>If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.</i> | Yes | No |
| b Did the activities described on line 2a, above, constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? <i>If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.</i> | | |
| 3 Parent of Supported Organizations. Answer lines 3a and 3b below. | | |
| a Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? <i>If "Yes" or "No" provide details in Part VI.</i> | | |
| b Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? <i>If "Yes," describe in Part VI the role played by the organization in this regard.</i> | | |
| 2a | | |
| 2b | | |
| 3a | | |
| 3b | | |

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

1 Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (*explain in Part VI*). See instructions.
 All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

| Section A - Adjusted Net Income | | (A) Prior Year | (B) Current Year (optional) |
|---------------------------------|--|----------------|-----------------------------|
| 1 | Net short-term capital gain | 1 | |
| 2 | Recoveries of prior-year distributions | 2 | |
| 3 | Other gross income (see instructions) | 3 | |
| 4 | Add lines 1 through 3. | 4 | |
| 5 | Depreciation and depletion | 5 | |
| 6 | Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions) | 6 | |
| 7 | Other expenses (see instructions) | 7 | |
| 8 | Adjusted Net Income (subtract lines 5, 6, and 7 from line 4) | 8 | |

| Section B - Minimum Asset Amount | | (A) Prior Year | (B) Current Year (optional) |
|----------------------------------|---|----------------|-----------------------------|
| 1 | Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year): | | |
| a | Average monthly value of securities | 1a | |
| b | Average monthly cash balances | 1b | |
| c | Fair market value of other non-exempt-use assets | 1c | |
| d | Total (add lines 1a, 1b, and 1c) | 1d | |
| e | Discount claimed for blockage or other factors (<i>explain in detail in Part VI</i>): | | |
| 2 | Acquisition indebtedness applicable to non-exempt-use assets | 2 | |
| 3 | Subtract line 2 from line 1d. | 3 | |
| 4 | Cash deemed held for exempt use. Enter 0.015 of line 3 (for greater amount, see instructions). | 4 | |
| 5 | Net value of non-exempt-use assets (subtract line 4 from line 3) | 5 | |
| 6 | Multiply line 5 by 0.035. | 6 | |
| 7 | Recoveries of prior-year distributions | 7 | |
| 8 | Minimum Asset Amount (add line 7 to line 6) | 8 | |

| Section C - Distributable Amount | | | Current Year |
|----------------------------------|---|---|--------------|
| 1 | Adjusted net income for prior year (from Section A, line 8, column A) | 1 | |
| 2 | Enter 0.85 of line 1. | 2 | |
| 3 | Minimum asset amount for prior year (from Section B, line 8, column A) | 3 | |
| 4 | Enter greater of line 2 or line 3. | 4 | |
| 5 | Income tax imposed in prior year | 5 | |
| 6 | Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions). | 6 | |
| 7 | <input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions). | | |

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

| Section D - Distributions | | Current Year |
|----------------------------------|---|---------------------|
| 1 | Amounts paid to supported organizations to accomplish exempt purposes | 1 |
| 2 | Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity | 2 |
| 3 | Administrative expenses paid to accomplish exempt purposes of supported organizations | 3 |
| 4 | Amounts paid to acquire exempt-use assets | 4 |
| 5 | Qualified set-aside amounts (prior IRS approval required - <i>provide details in Part VI</i>) | 5 |
| 6 | Other distributions (<i>describe in Part VI</i>). See instructions. | 6 |
| 7 | Total annual distributions. Add lines 1 through 6. | 7 |
| 8 | Distributions to attentive supported organizations to which the organization is responsive (<i>provide details in Part VI</i>). See instructions. | 8 |
| 9 | Distributable amount for 2022 from Section C, line 6 | 9 |
| 10 | Line 8 amount divided by line 9 amount | 10 |

| Section E - Distribution Allocations (see instructions) | (i) Excess Distributions | (ii) Underdistributions Pre-2022 | (iii) Distributable Amount for 2022 |
|--|-------------------------------------|---|--|
| 1 Distributable amount for 2022 from Section C, line 6 | | | |
| 2 Underdistributions, if any, for years prior to 2022 (reasonable cause required - <i>explain in Part VI</i>). See instructions. | | | |
| 3 Excess distributions carryover, if any, to 2022 | | | |
| a From 2017 | | | |
| b From 2018 | | | |
| c From 2019 | | | |
| d From 2020 | | | |
| e From 2021 | | | |
| f Total of lines 3a through 3e | | | |
| g Applied to underdistributions of prior years | | | |
| h Applied to 2022 distributable amount | | | |
| i Carryover from 2017 not applied (see instructions) | | | |
| j Remainder. Subtract lines 3g, 3h, and 3i from line 3f. | | | |
| 4 Distributions for 2022 from Section D, line 7: \$ | | | |
| a Applied to underdistributions of prior years | | | |
| b Applied to 2022 distributable amount | | | |
| c Remainder. Subtract lines 4a and 4b from line 4. | | | |
| 5 Remaining underdistributions for years prior to 2022, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, <i>explain in Part VI</i> . See instructions. | | | |
| 6 Remaining underdistributions for 2022. Subtract lines 3h and 4b from line 1. For result greater than zero, <i>explain in Part VI</i> . See instructions. | | | |
| 7 Excess distributions carryover to 2023. Add lines 3j and 4c. | | | |
| 8 Breakdown of line 7: | | | |
| a Excess from 2018 | | | |
| b Excess from 2019 | | | |
| c Excess from 2020 | | | |
| d Excess from 2021 | | | |
| e Excess from 2022 | | | |

Schedule A (Form 990) 2022

Part VI **Supplemental Information.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a, and 3b; Part V, line 1; Part V, Section B, line 1e; Part V, Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information. (See instructions.)

SCHEDULE A, PART I

MEMBER OF EXCELA HEALTH GROUP'S PUBLIC CHARITY STATUS:

WESTMORELAND REGIONAL HOSPITAL - BOX 3 - HOSPITAL

LATROBE AREA HOSPITAL, INC - BOX 3 - HOSPITAL

FRICK HOSPITAL AND COMMUNITY HEALTH CENTER - BOX 3 - HOSPITAL

CAREGIVERS OF SOUTHWESTERN PA- BOX 10 - PUBLICLY SUPPORTED

EXCELA HEALTH HOME CARE AND HOSPICE - BOX 10 - PUBLICLY SUPPORTED

Multiple horizontal lines for additional entries.

Schedule B
(Form 990)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

Attach to Form 990 or Form 990-PF.
Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2022

Name of the organization

EXCELA HEALTH GROUP

Employer identification number

90-0759236

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)(3) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of **(1)** \$5,000; or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h; or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I (entering "N/A" in column (b) instead of the contributor name and address), II, and III.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year \$ _____

Caution: An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990).

| | |
|--|---|
| Name of organization EXCELA HEALTH GROUP | Employer identification number 90-0759236 |
|--|---|

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

| (a) No. | (b) Name, address, and ZIP + 4 | (c) Total contributions | (d) Type of contribution |
|-------------------------|-----------------------------------|----------------------------|---|
| 1 | <hr/> <hr/> <hr/> | \$ 1,145,430. | Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.) |
| 2 | <hr/> <hr/> <hr/> | \$ 125,000. | Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.) |
| 3 | <hr/> <hr/> <hr/> | \$ 108,564. | Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.) |
| 4 | <hr/> <hr/> <hr/> | \$ 5,000. | Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.) |
| <hr/> <hr/> <hr/> | <hr/> <hr/> <hr/> | \$ _____ | Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.) |
| <hr/> <hr/> <hr/> | <hr/> <hr/> <hr/> | \$ _____ | Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.) |

| | |
|--|---|
| Name of organization EXCELA HEALTH GROUP | Employer identification number 90-0759236 |
|--|---|

Part II Noncash Property (see instructions). Use duplicate copies of Part II if additional space is needed.

| (a) No. from Part I | (b) Description of noncash property given | (c) FMV (or estimate) (See instructions.) | (d) Date received |
|------------------------------|--|---|----------------------|
| | | \$ _____ | _____ |
| | | \$ _____ | _____ |
| | | \$ _____ | _____ |
| | | \$ _____ | _____ |
| | | \$ _____ | _____ |
| | | \$ _____ | _____ |
| | | \$ _____ | _____ |

| | |
|--|---|
| Name of organization EXCELA HEALTH GROUP | Employer identification number 90-0759236 |
|--|---|

Part III Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this info. once.) \$ _____
Use duplicate copies of Part III if additional space is needed.

| (a) No. from Part I | (b) Purpose of gift | (c) Use of gift | (d) Description of how gift is held |
|---|---------------------|--|-------------------------------------|
| | | | |
| (e) Transfer of gift | | | |
| Transferee's name, address, and ZIP + 4 | | Relationship of transferor to transferee | |
| | | | |
| | | | |
| (e) Transfer of gift | | | |
| Transferee's name, address, and ZIP + 4 | | Relationship of transferor to transferee | |
| | | | |
| | | | |
| (e) Transfer of gift | | | |
| Transferee's name, address, and ZIP + 4 | | Relationship of transferor to transferee | |
| | | | |
| | | | |
| (e) Transfer of gift | | | |
| Transferee's name, address, and ZIP + 4 | | Relationship of transferor to transferee | |
| | | | |
| | | | |
| (e) Transfer of gift | | | |
| Transferee's name, address, and ZIP + 4 | | Relationship of transferor to transferee | |
| | | | |
| | | | |
| (e) Transfer of gift | | | |
| Transferee's name, address, and ZIP + 4 | | Relationship of transferor to transferee | |
| | | | |
| | | | |

FORM 990

LINE H(B) - LIST OF AFFILIATED
ORGANIZATIONS INCLUDED IN GROUP RETURN

STATEMENT 1

| <u>NAME OF ORGANIZATION</u> | <u>ORGANIZATION'S ADDRESS</u> | <u>EMPLOYER ID</u> |
|---|---|--------------------|
| CAREGIVERS OF SOUTHWESTERN PA | 532 WEST PITTSBURGH STREET - GREENSBURG, PA 15601 | 25-1570733 |
| EXCELA HEALTH HOME CARE AND HOSPICE | 532 WEST PITTSBURGH STREET - GREENSBURG, PA 15601 | 20-3474707 |
| WESTMORELAND REGIONAL HOSPITAL | 532 WEST PITTSBURGH STREET - GREENSBURG, PA 15601 | 25-0965612 |
| LATROBE AREA HOSPITAL, INC | 121 W. SECOND AVENUE - LATROBE, PA 15650 | 25-0965414 |
| FRICK HOSPITAL AND COMMUNITY HEALTH CENTER | 508 SOUTH CHURCH STREET - MOUNT PLEASANT, PA 15666 | 25-0965375 |

SCHEDULE C
(Form 990)

Political Campaign and Lobbying Activities

OMB No. 1545-0047

2022

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

For Organizations Exempt From Income Tax Under section 501(c) and section 527
Complete if the organization is described below. Attach to Form 990 or Form 990-EZ.
Go to www.irs.gov/Form990 for instructions and the latest information.

If the organization answered "Yes," on Form 990, Part IV, line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations: Complete Parts I-A and B. Do not complete Part I-C.
- Section 501(c) (other than section 501(c)(3)) organizations: Complete Parts I-A and C below. Do not complete Part I-B.
- Section 527 organizations: Complete Part I-A only.

If the organization answered "Yes," on Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)): Complete Part II-A. Do not complete Part II-B.
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)): Complete Part II-B. Do not complete Part II-A.

If the organization answered "Yes," on Form 990, Part IV, line 5 (Proxy Tax) (See separate instructions) or Form 990-EZ, Part V, line 35c (Proxy Tax) (See separate instructions), then

- Section 501(c)(4), (5), or (6) organizations: Complete Part III.

| | |
|--|---|
| Name of organization EXCELA HEALTH GROUP | Employer identification number 90-0759236 |
|--|---|

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

- 1 Provide a description of the organization's direct and indirect political campaign activities in Part IV.
- 2 Political campaign activity expenditures \$ _____
- 3 Volunteer hours for political campaign activities

Part I-B Complete if the organization is exempt under section 501(c)(3).

- 1 Enter the amount of any excise tax incurred by the organization under section 4955 \$ _____
- 2 Enter the amount of any excise tax incurred by organization managers under section 4955 \$ _____
- 3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? Yes No
- 4a Was a correction made? Yes No
- b If "Yes," describe in Part IV.

Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).

- 1 Enter the amount directly expended by the filing organization for section 527 exempt function activities \$ _____
- 2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities \$ _____
- 3 Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b \$ _____
- 4 Did the filing organization file Form 1120-POL for this year? Yes No
- 5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

| (a) Name | (b) Address | (c) EIN | (d) Amount paid from filing organization's funds. If none, enter -0-. | (e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-. |
|----------|-------------|---------|---|--|
| | | | | |
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For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. Schedule C (Form 990) 2022

Part II-A Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).

- A** Check if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).
- B** Check if the filing organization checked box A and "limited control" provisions apply.

| Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.) | | (a) Filing organization's totals | (b) Affiliated group totals | | | | | | | | | | | | |
|--|---|---|--|--------------------|-------------------------------|---|--|---|--|--|---|-------------------|--------------|--|--|
| 1a | Total lobbying expenditures to influence public opinion (grassroots lobbying) | | | | | | | | | | | | | | |
| b | Total lobbying expenditures to influence a legislative body (direct lobbying) | | | | | | | | | | | | | | |
| c | Total lobbying expenditures (add lines 1a and 1b) | | | | | | | | | | | | | | |
| d | Other exempt purpose expenditures | | | | | | | | | | | | | | |
| e | Total exempt purpose expenditures (add lines 1c and 1d) | | | | | | | | | | | | | | |
| f | Lobbying nontaxable amount. Enter the amount from the following table in both columns. | | | | | | | | | | | | | | |
| <table border="1" style="width: 100%;"> <thead> <tr> <th style="width: 50%;">If the amount on line 1e, column (a) or (b) is:</th> <th style="width: 50%;">The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e.</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000.</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000.</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000.</td> </tr> </tbody> </table> | | If the amount on line 1e, column (a) or (b) is: | The lobbying nontaxable amount is: | Not over \$500,000 | 20% of the amount on line 1e. | Over \$500,000 but not over \$1,000,000 | \$100,000 plus 15% of the excess over \$500,000. | Over \$1,000,000 but not over \$1,500,000 | \$175,000 plus 10% of the excess over \$1,000,000. | Over \$1,500,000 but not over \$17,000,000 | \$225,000 plus 5% of the excess over \$1,500,000. | Over \$17,000,000 | \$1,000,000. | | |
| If the amount on line 1e, column (a) or (b) is: | The lobbying nontaxable amount is: | | | | | | | | | | | | | | |
| Not over \$500,000 | 20% of the amount on line 1e. | | | | | | | | | | | | | | |
| Over \$500,000 but not over \$1,000,000 | \$100,000 plus 15% of the excess over \$500,000. | | | | | | | | | | | | | | |
| Over \$1,000,000 but not over \$1,500,000 | \$175,000 plus 10% of the excess over \$1,000,000. | | | | | | | | | | | | | | |
| Over \$1,500,000 but not over \$17,000,000 | \$225,000 plus 5% of the excess over \$1,500,000. | | | | | | | | | | | | | | |
| Over \$17,000,000 | \$1,000,000. | | | | | | | | | | | | | | |
| g | Grassroots nontaxable amount (enter 25% of line 1f) | | | | | | | | | | | | | | |
| h | Subtract line 1g from line 1a. If zero or less, enter -0- | | | | | | | | | | | | | | |
| i | Subtract line 1f from line 1c. If zero or less, enter -0- | | | | | | | | | | | | | | |
| j | If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? | | <input type="checkbox"/> Yes <input type="checkbox"/> No | | | | | | | | | | | | |

4-Year Averaging Period Under Section 501(h)
(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the separate instructions for lines 2a through 2f.)

| Lobbying Expenditures During 4-Year Averaging Period | | | | | |
|---|----------|----------|----------|----------|-----------|
| Calendar year (or fiscal year beginning in) | (a) 2019 | (b) 2020 | (c) 2021 | (d) 2022 | (e) Total |
| 2a Lobbying nontaxable amount | | | | | |
| b Lobbying ceiling amount (150% of line 2a, column(e)) | | | | | |
| c Total lobbying expenditures | | | | | |
| d Grassroots nontaxable amount | | | | | |
| e Grassroots ceiling amount (150% of line 2d, column (e)) | | | | | |
| f Grassroots lobbying expenditures | | | | | |

Part II-B Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

| For each "Yes" response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity. | (a) | | (b) |
|---|-----|----|---------|
| | Yes | No | Amount |
| 1 During the year, did the filing organization attempt to influence foreign, national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of: | | | |
| a Volunteers? | | X | |
| b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)? .. | | X | |
| c Media advertisements? | | X | |
| d Mailings to members, legislators, or the public? | | X | |
| e Publications, or published or broadcast statements? | | X | |
| f Grants to other organizations for lobbying purposes? | | X | |
| g Direct contact with legislators, their staffs, government officials, or a legislative body? | | X | |
| h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means? | | X | |
| i Other activities? | X | | 44,492. |
| j Total. Add lines 1c through 1i | | | 44,492. |
| 2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)? | | X | |
| b If "Yes," enter the amount of any tax incurred under section 4912 | | | |
| c If "Yes," enter the amount of any tax incurred by organization managers under section 4912 | | | |
| d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year? | | | |

Part III-A Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

| | Yes | No |
|--|-----|----|
| 1 Were substantially all (90% or more) dues received nondeductible by members? | 1 | |
| 2 Did the organization make only in-house lobbying expenditures of \$2,000 or less? | 2 | |
| 3 Did the organization agree to carry over lobbying and political campaign activity expenditures from the prior year? | 3 | |

Part III-B Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No" OR (b) Part III-A, line 3, is answered "Yes."

| | | |
|--|----|--|
| 1 Dues, assessments and similar amounts from members | 1 | |
| 2 Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid). | | |
| a Current year | 2a | |
| b Carryover from last year | 2b | |
| c Total | 2c | |
| 3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues | 3 | |
| 4 If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditures next year? | 4 | |
| 5 Taxable amount of lobbying and political expenditures. See instructions | 5 | |

Part IV Supplemental Information

Provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; Part II-A (affiliated group list); Part II-A, lines 1 and 2 (See instructions); and Part II-B, line 1. Also, complete this part for any additional information.

PART II-B, LINE 1, LOBBYING ACTIVITIES:

A PORTION OF THE EXCELA HEALTH GROUP'S DUES TO CENTER FOR HEALTHCARE SOLUTIONS AND THE HOSPITAL & HEALTHSYSTEM ASSOCIATION OF PENNSYLVANIA (HAP) ARE USED FOR LOBBYING.

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

Complete if the organization answered "Yes" on Form 990,
Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
Attach to Form 990.

Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2022

Open to Public
Inspection

Name of the organization **EXCELA HEALTH GROUP** Employer identification number **90-0759236**

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

| | (a) Donor advised funds | (b) Funds and other accounts |
|---|-------------------------|--|
| 1 Total number at end of year | | |
| 2 Aggregate value of contributions to (during year) | | |
| 3 Aggregate value of grants from (during year) | | |
| 4 Aggregate value at end of year | | |
| 5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? | | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? | | <input type="checkbox"/> Yes <input type="checkbox"/> No |

Part II Conservation Easements. Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).
 Preservation of land for public use (for example, recreation or education) Preservation of a historically important land area
 Protection of natural habitat Preservation of a certified historic structure
 Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

| | Held at the End of the Tax Year |
|--|---------------------------------|
| a Total number of conservation easements | 2a |
| b Total acreage restricted by conservation easements | 2b |
| c Number of conservation easements on a certified historic structure included in (a) | 2c |
| d Number of conservation easements included in (c) acquired after July 25, 2006, and not on a historic structure listed in the National Register | 2d |

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year _____

4 Number of states where property subject to conservation easement is located _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year _____

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under FASB ASC 958, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide in Part XIII the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under FASB ASC 958, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenue included on Form 990, Part VIII, line 1

(ii) Assets included in Form 990, Part X

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under FASB ASC 958 relating to these items:

a Revenue included on Form 990, Part VIII, line 1

b Assets included in Form 990, Part X

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule D (Form 990) 2022

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

- 3 Using the organization's acquisition, accession, and other records, check any of the following that make significant use of its collection items (check all that apply):
- a Public exhibition
 - b Scholarly research
 - c Preservation for future generations
 - d Loan or exchange program
 - e Other _____
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No
- b If "Yes," explain the arrangement in Part XIII and complete the following table:
- | | Amount |
|---------------------------------|--------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 1f |
- 2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? Yes No
- b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII

Part V Endowment Funds. Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

| | (a) Current year | (b) Prior year | (c) Two years back | (d) Three years back | (e) Four years back |
|--|------------------|----------------|--------------------|----------------------|---------------------|
| 1a Beginning of year balance | 5,664,446. | 6,347,111. | 4,929,086. | 4,780,281. | 4,573,628. |
| b Contributions | | | | | |
| c Net investment earnings, gains, and losses | 606,029. | -682,665. | 1,432,831. | 162,525. | 220,854. |
| d Grants or scholarships | | | | | |
| e Other expenditures for facilities and programs | | | | | |
| f Administrative expenses | | | 14,806. | 13,720. | 14,201. |
| g End of year balance | 6,270,475. | 5,664,446. | 6,347,111. | 4,929,086. | 4,780,281. |

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a Board designated or quasi-endowment _____%
 - b Permanent endowment 100 %
 - c Term endowment _____%
- The percentages on lines 2a, 2b, and 2c should equal 100%.
- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- | | Yes | No |
|---|-----|----|
| (i) Unrelated organizations | | X |
| (ii) Related organizations | | X |
| b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R? <input type="checkbox"/> | 3b | |
- 4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

| Description of property | (a) Cost or other basis (investment) | (b) Cost or other basis (other) | (c) Accumulated depreciation | (d) Book value |
|--|--------------------------------------|---------------------------------|------------------------------|----------------|
| 1a Land | | 15,392,855. | | 15,392,855. |
| b Buildings | | 280,186,842. | 186,380,786. | 93,806,056. |
| c Leasehold improvements | | 17,234,960. | 13,101,536. | 4,133,424. |
| d Equipment | | 433,217,275. | 380,265,044. | 52,952,231. |
| e Other | | 52,551,369. | 26,687,238. | 25,864,131. |
| Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.) | | | | 192,148,697. |

Part VII Investments - Other Securities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

| (a) Description of security or category (including name of security) | (b) Book value | (c) Method of valuation: Cost or end-of-year market value |
|---|----------------|---|
| (1) Financial derivatives | | |
| (2) Closely held equity interests | | |
| (3) Other | | |
| (A) | | |
| (B) | | |
| (C) | | |
| (D) | | |
| (E) | | |
| (F) | | |
| (G) | | |
| (H) | | |
| Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.) | | |

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

| (a) Description of investment | (b) Book value | (c) Method of valuation: Cost or end-of-year market value |
|---|----------------|---|
| (1) | | |
| (2) | | |
| (3) | | |
| (4) | | |
| (5) | | |
| (6) | | |
| (7) | | |
| (8) | | |
| (9) | | |
| Total. (Col. (b) must equal Form 990, Part X, col. (B) line 13.) | | |

Part IX Other Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

| (a) Description | (b) Book value |
|---|----------------|
| (1) RRG ASSETS | 17,831,349. |
| (2) DUE FROM AFFILIATES | 220,140,719. |
| (3) LONG TERM INVESTMENTS AT MARKET | 3,243,354. |
| (4) OP. LEASE RIGHT-OF-USE ASSET | 5,080,172. |
| (5) OTHER CURRENT ASSETS | 16,665,851. |
| (6) | |
| (7) | |
| (8) | |
| (9) | |
| Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) | 262,961,445. |

Part X Other Liabilities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

| 1. (a) Description of liability | (b) Book value |
|---|----------------|
| (1) Federal income taxes | |
| (2) LEASE PAYABLE | 5,420,341. |
| (3) ASBESTOS ABATEMENT | 3,093,417. |
| (4) RRG | 20,841,185. |
| (5) ACCRUED PENSION | 35,261,224. |
| (6) OTHER LIABILITIES | 156,152. |
| (7) DUE TO AFFILIATES | 179,345,855. |
| (8) DUE TO THIRD-PARTY PAYORS | 4,502,079. |
| (9) | |
| Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) | 248,620,253. |

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FASB ASC 740. Check here if the text of the footnote has been provided in Part XIII ...

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

| | | | |
|----------|--|-----------|-----------|
| 1 | Total revenue, gains, and other support per audited financial statements | | 1 |
| 2 | Amounts included on line 1 but not on Form 990, Part VIII, line 12: | | |
| a | Net unrealized gains (losses) on investments | 2a | |
| b | Donated services and use of facilities | 2b | |
| c | Recoveries of prior year grants | 2c | |
| d | Other (Describe in Part XIII.) | 2d | |
| e | Add lines 2a through 2d | | 2e |
| 3 | Subtract line 2e from line 1 | | 3 |
| 4 | Amounts included on Form 990, Part VIII, line 12, but not on line 1: | | |
| a | Investment expenses not included on Form 990, Part VIII, line 7b | 4a | |
| b | Other (Describe in Part XIII.) | 4b | |
| c | Add lines 4a and 4b | | 4c |
| 5 | Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.) | | 5 |

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

| | | | |
|----------|---|-----------|-----------|
| 1 | Total expenses and losses per audited financial statements | | 1 |
| 2 | Amounts included on line 1 but not on Form 990, Part IX, line 25: | | |
| a | Donated services and use of facilities | 2a | |
| b | Prior year adjustments | 2b | |
| c | Other losses | 2c | |
| d | Other (Describe in Part XIII.) | 2d | |
| e | Add lines 2a through 2d | | 2e |
| 3 | Subtract line 2e from line 1 | | 3 |
| 4 | Amounts included on Form 990, Part IX, line 25, but not on line 1: | | |
| a | Investment expenses not included on Form 990, Part VIII, line 7b | 4a | |
| b | Other (Describe in Part XIII.) | 4b | |
| c | Add lines 4a and 4b | | 4c |
| 5 | Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.) | | 5 |

Part XIII Supplemental Information.

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

PART V, LINE 4:

THE ENDOWMENT FUNDS ARE USED PRIMARILY FOR SPECIFIED HOSPITAL PROGRAMS, DEPARTMENTS, RENOVATIONS, AND FACILITY EQUIPMENT AS RESTRICTED BY DONOR.

PART X, LINE 2:

EXCELA HEALTH DOES NOT HAVE ANY MATERIAL UNCERTAIN TAX PROVISIONS AT JUNE 30, 2023.

**SCHEDULE H
(Form 990)**

Department of the Treasury
Internal Revenue Service

Hospitals

Complete if the organization answered "Yes" on Form 990, Part IV, question 20a.
Attach to Form 990.

Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2022

Open to Public
Inspection

| | |
|---|--|
| Name of the organization EXCELA HEALTH GROUP | Employer identification number 90-0759236 |
|---|--|

Part I Financial Assistance and Certain Other Community Benefits at Cost

| | Yes | No |
|--|-------------------------------------|-------------------------------------|
| 1a Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a | <input checked="" type="checkbox"/> | |
| b If "Yes," was it a written policy? | <input checked="" type="checkbox"/> | |
| 2 If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year: <input checked="" type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> Generally tailored to individual hospital facilities | | |
| 3 Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year. | | |
| a Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing <i>free</i> care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care: | <input checked="" type="checkbox"/> | |
| <input type="checkbox"/> 100% <input type="checkbox"/> 150% <input type="checkbox"/> 200% <input checked="" type="checkbox"/> Other <u>250</u> % | | |
| b Did the organization use FPG as a factor in determining eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care: | <input checked="" type="checkbox"/> | |
| <input type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input checked="" type="checkbox"/> 350% <input type="checkbox"/> 400% <input type="checkbox"/> Other _____ % | | |
| c If the organization used factors other than FPG in determining eligibility, describe in Part VI the criteria used for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care. | | |
| 4 Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"? | <input checked="" type="checkbox"/> | |
| 5a Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year? | | <input checked="" type="checkbox"/> |
| b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount? | | |
| c If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care? | | |
| 6a Did the organization prepare a community benefit report during the tax year? | <input checked="" type="checkbox"/> | |
| b If "Yes," did the organization make it available to the public? | <input checked="" type="checkbox"/> | |

Complete the following table using the worksheets provided in the Schedule H instructions. Do not submit these worksheets with the Schedule H.

7 Financial Assistance and Certain Other Community Benefits at Cost

| | (a) Number of activities or programs (optional) | (b) Persons served (optional) | (c) Total community benefit expense | (d) Direct offsetting revenue | (e) Net community benefit expense | (f) Percent of total expense |
|--|---|-------------------------------|-------------------------------------|-------------------------------|-----------------------------------|------------------------------|
| Financial Assistance and Means-Tested Government Programs | | | | | | |
| a Financial Assistance at cost (from Worksheet 1) | | | 2417090. | | 2417090. | .48% |
| b Medicaid (from Worksheet 3, column a) | | | 57156713. | 43008963. | 14147750. | 2.84% |
| c Costs of other means-tested government programs (from Worksheet 3, column b) | | | | | | |
| d Total. Financial Assistance and Means-Tested Government Programs | | | 59573803. | 43008963. | 16564840. | 3.32% |
| Other Benefits | | | | | | |
| e Community health improvement services and community benefit operations (from Worksheet 4) | | | 1153041. | | 1153041. | .23% |
| f Health professions education (from Worksheet 5) | | | 6788282. | 5088865. | 1699417. | .34% |
| g Subsidized health services (from Worksheet 6) | | | 25381301. | 14819920. | 10561381. | 2.12% |
| h Research (from Worksheet 7) | | | | | | |
| i Cash and in-kind contributions for community benefit (from Worksheet 8) | | | 101,878. | | 101,878. | .02% |
| j Total. Other Benefits | | | 33424502. | 19908785. | 13515717. | 2.71% |
| k Total. Add lines 7d and 7j | | | 92998305. | 62917748. | 30080557. | 6.03% |

Part V Facility Information (continued)

Section B. Facility Policies and Practices

(complete a separate Section B for each of the hospital facilities or facility reporting groups listed in Part V, Section A)

Name of hospital facility or letter of facility reporting group: FACILITY REPORTING GROUP - A

Line number of hospital facility, or line numbers of hospital facilities in a facility reporting group (from Part V, Section A): _____

| | Yes | No |
|--|-----|----|
| Community Health Needs Assessment | | |
| 1 Was the hospital facility first licensed, registered, or similarly recognized by a state as a hospital facility in the current tax year or the immediately preceding tax year? | | X |
| 2 Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C | | X |
| 3 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 12 | X | |
| If "Yes," indicate what the CHNA report describes (check all that apply): | | |
| a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility | | |
| b <input checked="" type="checkbox"/> Demographics of the community | | |
| c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community | | |
| d <input checked="" type="checkbox"/> How data was obtained | | |
| e <input checked="" type="checkbox"/> The significant health needs of the community | | |
| f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups | | |
| g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs | | |
| h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests | | |
| i <input checked="" type="checkbox"/> The impact of any actions taken to address the significant health needs identified in the hospital facility's prior CHNA(s) | | |
| j <input type="checkbox"/> Other (describe in Section C) | | |
| 4 Indicate the tax year the hospital facility last conducted a CHNA: 20 <u>21</u> | | |
| 5 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted | X | |
| 6a Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C | X | |
| b Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities? If "Yes," list the other organizations in Section C | X | |
| 7 Did the hospital facility make its CHNA report widely available to the public? | X | |
| If "Yes," indicate how the CHNA report was made widely available (check all that apply): | | |
| a <input checked="" type="checkbox"/> Hospital facility's website (list url): <u>HTTPS://WWW.EXCELAHEALTH.ORG/COMMUNITY-WE</u> | | |
| b <input type="checkbox"/> Other website (list url): _____ | | |
| c <input checked="" type="checkbox"/> Made a paper copy available for public inspection without charge at the hospital facility | | |
| d <input type="checkbox"/> Other (describe in Section C) | | |
| 8 Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11 | X | |
| 9 Indicate the tax year the hospital facility last adopted an implementation strategy: 20 <u>21</u> | | |
| 10 Is the hospital facility's most recently adopted implementation strategy posted on a website? | X | |
| a If "Yes," (list url): <u>HTTPS://WWW.EXCELAHEALTH.ORG/COMMUNITY-WELLNESS/COMM</u> | | |
| b If "No," is the hospital facility's most recently adopted implementation strategy attached to this return? | | |
| 11 Describe in Section C how the hospital facility is addressing the significant needs identified in its most recently conducted CHNA and any such needs that are not being addressed together with the reasons why such needs are not being addressed. | | |
| 12a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)? | | X |
| b If "Yes" to line 12a, did the organization file Form 4720 to report the section 4959 excise tax? | | |
| c If "Yes" to line 12b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$ | | |

Part V Facility Information (continued)

Financial Assistance Policy (FAP)

Name of hospital facility or letter of facility reporting group: FACILITY REPORTING GROUP - A

| | Yes | No |
|--|----------|----|
| Did the hospital facility have in place during the tax year a written financial assistance policy that: | | |
| 13 Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care? | X | |
| If "Yes," indicate the eligibility criteria explained in the FAP: | | |
| a <input checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of <u>250</u> % and FPG family income limit for eligibility for discounted care of <u>350</u> % | | |
| b <input type="checkbox"/> Income level other than FPG (describe in Section C) | | |
| c <input checked="" type="checkbox"/> Asset level | | |
| d <input checked="" type="checkbox"/> Medical indigency | | |
| e <input checked="" type="checkbox"/> Insurance status | | |
| f <input checked="" type="checkbox"/> Underinsurance status | | |
| g <input type="checkbox"/> Residency | | |
| h <input type="checkbox"/> Other (describe in Section C) | | |
| 14 Explained the basis for calculating amounts charged to patients? | X | |
| 15 Explained the method for applying for financial assistance? | X | |
| If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply): | | |
| a <input checked="" type="checkbox"/> Described the information the hospital facility may require an individual to provide as part of his or her application | | |
| b <input checked="" type="checkbox"/> Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application | | |
| c <input checked="" type="checkbox"/> Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process | | |
| d <input type="checkbox"/> Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications | | |
| e <input type="checkbox"/> Other (describe in Section C) | | |
| 16 Was widely publicized within the community served by the hospital facility? | X | |
| If "Yes," indicate how the hospital facility publicized the policy (check all that apply): | | |
| a <input checked="" type="checkbox"/> The FAP was widely available on a website (list url): <u>WWW.EXCELAHEALTH.ORG/FAQS</u> | | |
| b <input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url): <u>WWW.EXCELAHEALTH.ORG/FAQS</u> | | |
| c <input checked="" type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url): <u>WWW.EXCELAHEALTH.ORG/FAQS</u> | | |
| d <input checked="" type="checkbox"/> The FAP was available upon request and without charge (in public locations in the hospital facility and by mail) | | |
| e <input checked="" type="checkbox"/> The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail) | | |
| f <input checked="" type="checkbox"/> A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail) | | |
| g <input checked="" type="checkbox"/> Individuals were notified about the FAP by being offered a paper copy of the plain language summary of the FAP, by receiving a conspicuous written notice about the FAP on their billing statements, and via conspicuous public displays or other measures reasonably calculated to attract patients' attention | | |
| h <input checked="" type="checkbox"/> Notified members of the community who are most likely to require financial assistance about availability of the FAP | | |
| i <input type="checkbox"/> The FAP, FAP application form, and plain language summary of the FAP were translated into the primary language(s) spoken by Limited English Proficiency (LEP) populations | | |
| j <input checked="" type="checkbox"/> Other (describe in Section C) | | |

Schedule H (Form 990) 2022

Part V Facility Information (continued)

Billing and Collections

Name of hospital facility or letter of facility reporting group: FACILITY REPORTING GROUP - A

| | Yes | No |
|---|----------|----------|
| 17 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained all of the actions the hospital facility or other authorized party may take upon nonpayment? | X | |
| 18 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP: | | |
| a <input type="checkbox"/> Reporting to credit agency(ies) | | |
| b <input type="checkbox"/> Selling an individual's debt to another party | | |
| c <input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP | | |
| d <input type="checkbox"/> Actions that require a legal or judicial process | | |
| e <input type="checkbox"/> Other similar actions (describe in Section C) | | |
| f <input type="checkbox"/> None of these actions or other similar actions were permitted | | |
| 19 Did the hospital facility or other authorized party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP? | | X |
| If "Yes," check all actions in which the hospital facility or a third party engaged: | | |
| a <input type="checkbox"/> Reporting to credit agency(ies) | | |
| b <input type="checkbox"/> Selling an individual's debt to another party | | |
| c <input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP | | |
| d <input type="checkbox"/> Actions that require a legal or judicial process | | |
| e <input type="checkbox"/> Other similar actions (describe in Section C) | | |
| 20 Indicate which efforts the hospital facility or other authorized party made before initiating any of the actions listed (whether or not checked) in line 19 (check all that apply): | | |
| a <input type="checkbox"/> Provided a written notice about upcoming ECAs (Extraordinary Collection Action) and a plain language summary of the FAP at least 30 days before initiating those ECAs (if not, describe in Section C) | | |
| b <input type="checkbox"/> Made a reasonable effort to orally notify individuals about the FAP and FAP application process (if not, describe in Section C) | | |
| c <input type="checkbox"/> Processed incomplete and complete FAP applications (if not, describe in Section C) | | |
| d <input type="checkbox"/> Made presumptive eligibility determinations (if not, describe in Section C) | | |
| e <input type="checkbox"/> Other (describe in Section C) | | |
| f <input type="checkbox"/> None of these efforts were made | | |

Policy Relating to Emergency Medical Care

| | | |
|---|----------|--|
| 21 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that required the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy? | X | |
| If "No," indicate why: | | |
| a <input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions | | |
| b <input type="checkbox"/> The hospital facility's policy was not in writing | | |
| c <input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C) | | |
| d <input type="checkbox"/> Other (describe in Section C) | | |

Part V Facility Information *(continued)*

Charges to Individuals Eligible for Assistance Under the FAP (FAP-Eligible Individuals)

Name of hospital facility or letter of facility reporting group: FACILITY REPORTING GROUP - A

| | | Yes | No | | |
|--|--|-----------|----------|--|--|
| <p>22 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care:</p> <p>a <input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service during a prior 12-month period</p> <p>b <input checked="" type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period</p> <p>c <input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicaid, either alone or in combination with Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period</p> <p>d <input type="checkbox"/> The hospital facility used a prospective Medicare or Medicaid method</p> | | | | | |
| <p>23 During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care?</p> <p>If "Yes," explain in Section C.</p> | | 23 | X | | |
| <p>24 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual?</p> <p>If "Yes," explain in Section C.</p> | | 24 | X | | |

Schedule H (Form 990) 2022

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

SCHEDULE H, PART V, SECTION B. FACILITY REPORTING GROUP A

GROUP A-FACILITY 1 -- LATROBE AREA HOSPITAL, INC.

PART V, SECTION B, LINE 5: TO GUIDE THE COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA), EXCELA HEALTH FORMED A STEERING COMMITTEE THAT CONSISTED OF HOSPITAL AND COMMUNITY LEADERS WHO REPRESENTED THE BROAD INTERESTS OF THE COMMUNITY. THESE INCLUDED REPRESENTATIVES WHO UNDERSTOOD THE NEEDS AND ISSUES RELATED TO VARIOUS UNDERREPRESENTED GROUPS INCLUDING MEDICAL UNDERSERVED POPULATIONS, LOW-INCOME PERSONS, MINORITY GROUPS, AND THOSE WITH CHRONIC DISEASE NEEDS, INDIVIDUALS WITH EXPERTISE IN PUBLIC HEALTH, AND INTERNAL PROGRAM MANAGERS.

DURING THE CHNA PERIOD, DATA WAS COLLECTED THROUGH A SERIES OF KEY STAKEHOLDER INTERVIEWS, COMMUNITY FOCUS GROUPS, AND A COMMUNITY SURVEY. PRIMARY QUALITATIVE DATA COLLECTED FOR THE CHNA INCLUDES 8 FOCUS GROUPS AND 21 STAKEHOLDER INTERVIEWS. THESE INDIVIDUAL AND GROUP INTERVIEWS WERE HELD WITH RESPONDENTS TO INCLUDE A VARIETY OF WESTMORELAND COUNTY RESIDENT'S INTERESTS AND VIEWPOINTS BASED ON OPINIONS ON COMMUNITY HEALTH ISSUES. QUESTIONS POSED DURING THESE SESSIONS ALLOWED US TO GATHER DETAILED INFORMATION ON KNOWLEDGE AND PERCEPTIONS ON THE STRENGTHS AND WEAKNESSES OF COMMUNITY HEALTH AS WELL AS WAYS IN WHICH OPPORTUNITIES COULD BE UTILIZED, AND THREATS AVOIDED.

IN ADDITION TO FOCUS GROUPS AND INTERVIEWS, AN ONLINE COMMUNITY SURVEY WAS USED TO GATHER INFORMATION FROM RESIDENTS. QUESTIONS ASKED ON THE SURVEY WERE DESIGNED TO GATHER DETAILED INFORMATION ON KNOWLEDGE AND PERCEPTIONS OF COMMUNITY HEALTH IN A SIMILAR DESIGN TO THE FOCUS GROUPS AND

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

INTERVIEWS. ONCE THESE DATA WERE COLLECTED, DATA WERE SORTED BY THEME AND RESPONSES TO QUESTIONS WERE GROUPED INTO CATEGORIES. THIS ALLOWED FOR THE CONTENT ANALYSIS OF DATA, WHICH WAS THEN PRESENTED TO THE CHNA STEERING COMMITTEE FOR COMMENT AND FEEDBACK, AND THEN USED TO FURTHER ASSIST WITH THE DEVELOPMENT OF AN IMPLEMENTATION PLAN. DETAILS ON THE DATA COLLECTION TOOLS USED FOR INTERVIEW, FOCUS GROUP, OR SURVEY INSTRUMENTS ARE AVAILABLE UPON REQUEST.

GROUP A-FACILITY 1 -- LATROBE AREA HOSPITAL, INC.

PART V, SECTION B, LINE 6A: THE CHNA WAS CONDUCTED FOR ALL HOSPITALS WITHIN EXCELA HEALTH: LATROBE AREA HOSPITAL, INC., WESTMORELAND REGIONAL HOSPITAL, AND FRICK HOSPITAL.

GROUP A-FACILITY 1 -- LATROBE AREA HOSPITAL, INC.

PART V, SECTION B, LINE 6B: THE CHNA WAS CONDUCTED IN COLLABORATION WITH THE CENTER FOR APPLIED RESEARCH (CFAR) AT THE UNIVERSITY OF PITTSBURGH AT GREENSBURG.

GROUP A-FACILITY 1 -- LATROBE AREA HOSPITAL, INC.

PART V, SECTION B, LINE 11: AS WITH MOST HEALTH CARE FACILITIES, EXCELA HEALTH HAS LIMITED FINANCIAL RESOURCES TO ADDRESS ALL ISSUES. EXCELA HEALTH IS PARTNERING WITH OTHER COMMUNITY AGENCIES SUCH AS THE UNITED WAY WHOSE MISSION AND RESOURCES ARE FOCUSED ON ADDRESSING THESE ADDITIONAL COMMUNITY NEEDS.

GROUP A-FACILITY 1 -- LATROBE AREA HOSPITAL, INC.

PART V, SECTION B, LINE 16J: UPON DISCHARGE FROM ANY HOSPITAL, A PACKET IS

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

PROVIDED TO PATIENTS WITH NO INSURANCE. THESE PACKETS INCLUDE A PLAIN LANGUAGE SUMMARY AND FAP APPLICATION FORM. BILLING STATEMENTS INCLUDE A NOTICE ABOUT THE AVAILABILITY OF FINANCIAL ASSISTANCE AND HOW TO OBTAIN INFORMATION.

GROUP A-FACILITY 2 -- WESTMORELAND REGIONAL HOSPITAL

PART V, SECTION B, LINE 5: TO GUIDE THE COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA), EXCELA HEALTH FORMED A STEERING COMMITTEE THAT CONSISTED OF HOSPITAL AND COMMUNITY LEADERS WHO REPRESENTED THE BROAD INTERESTS OF THE COMMUNITY. THESE INCLUDED REPRESENTATIVES WHO UNDERSTOOD THE NEEDS AND ISSUES RELATED TO VARIOUS UNDERREPRESENTED GROUPS INCLUDING MEDICAL UNDERSERVED POPULATIONS, LOW-INCOME PERSONS, MINORITY GROUPS, AND THOSE WITH CHRONIC DISEASE NEEDS, INDIVIDUALS WITH EXPERTISE IN PUBLIC HEALTH, AND INTERNAL PROGRAM MANAGERS.

DURING THE CHNA PERIOD, DATA WAS COLLECTED THROUGH A SERIES OF KEY STAKEHOLDER INTERVIEWS, COMMUNITY FOCUS GROUPS, AND A COMMUNITY SURVEY. PRIMARY QUALITATIVE DATA COLLECTED FOR THE CHNA INCLUDES 8 FOCUS GROUPS AND 21 STAKEHOLDER INTERVIEWS. THESE INDIVIDUAL AND GROUP INTERVIEWS WERE HELD WITH RESPONDENTS TO INCLUDE A VARIETY OF WESTMORELAND COUNTY RESIDENT'S INTERESTS AND VIEWPOINTS BASED ON OPINIONS ON COMMUNITY HEALTH ISSUES. QUESTIONS POSED DURING THESE SESSIONS ALLOWED US TO GATHER DETAILED INFORMATION ON KNOWLEDGE AND PERCEPTIONS ON THE STRENGTHS AND WEAKNESSES OF COMMUNITY HEALTH AS WELL AS WAYS IN WHICH OPPORTUNITIES COULD BE UTILIZED, AND THREATS AVOIDED.

IN ADDITION TO FOCUS GROUPS AND INTERVIEWS, AN ONLINE COMMUNITY SURVEY WAS

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

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GROUP A-FACILITY 2 -- WESTMORELAND REGIONAL HOSPITAL

PART V, SECTION B, LINE 6A: THE CHNA WAS CONDUCTED FOR ALL HOSPITALS WITHIN EXCELA HEALTH: LATROBE AREA HOSPITAL, INC., WESTMORELAND REGIONAL HOSPITAL, AND FRICK HOSPITAL.

GROUP A-FACILITY 2 -- WESTMORELAND REGIONAL HOSPITAL

PART V, SECTION B, LINE 6B: THE CHNA WAS CONDUCTED IN COLLABORATION WITH THE CENTER FOR APPLIED RESEARCH (CFAR) AT THE UNIVERSITY OF PITTSBURGH AT GREENSBURG.

GROUP A-FACILITY 2 -- WESTMORELAND REGIONAL HOSPITAL

PART V, SECTION B, LINE 11: AS WITH MOST HEALTH CARE FACILITIES, EXCELA HEALTH HAS LIMITED FINANCIAL RESOURCES TO ADDRESS ALL ISSUES. EXCELA HEALTH IS PARTNERING WITH OTHER COMMUNITY AGENCIES SUCH AS THE UNITED WAY WHOSE MISSION AND RESOURCES ARE FOCUSED ON ADDRESSING THESE ADDITIONAL COMMUNITY NEEDS.

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

GROUP A-FACILITY 2 -- WESTMORELAND REGIONAL HOSPITAL

PART V, SECTION B, LINE 16J: UPON DISCHARGE FROM ANY HOSPITAL, A PACKET IS PROVIDED TO PATIENTS WITH NO INSURANCE. THESE PACKETS INCLUDE A PLAIN LANGUAGE SUMMARY AND FAP APPLICATION FORM. BILLING STATEMENTS INCLUDE A NOTICE ABOUT THE AVAILABILITY OF FINANCIAL ASSISTANCE AND HOW TO OBTAIN INFORMATION.

GROUP A-FACILITY 3 -- FRICK HOSPITAL

PART V, SECTION B, LINE 5: TO GUIDE THE COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA), EXCELA HEALTH FORMED A STEERING COMMITTEE THAT CONSISTED OF HOSPITAL AND COMMUNITY LEADERS WHO REPRESENTED THE BROAD INTERESTS OF THE COMMUNITY. THESE INCLUDED REPRESENTATIVES WHO UNDERSTOOD THE NEEDS AND ISSUES RELATED TO VARIOUS UNDERREPRESENTED GROUPS INCLUDING MEDICAL UNDERSERVED POPULATIONS, LOW-INCOME PERSONS, MINORITY GROUPS, AND THOSE WITH CHRONIC DISEASE NEEDS, INDIVIDUALS WITH EXPERTISE IN PUBLIC HEALTH, AND INTERNAL PROGRAM MANAGERS.

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Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

COULD BE UTILIZED, AND THREATS AVOIDED.

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GROUP A-FACILITY 3 -- FRICK HOSPITAL

PART V, SECTION B, LINE 6A: THE CHNA WAS CONDUCTED FOR ALL HOSPITALS WITHIN EXCELA HEALTH: LATROBE AREA HOSPITAL, INC., WESTMORELAND REGIONAL HOSPITAL, AND FRICK HOSPITAL.

GROUP A-FACILITY 3 -- FRICK HOSPITAL

PART V, SECTION B, LINE 6B: THE CHNA WAS CONDUCTED IN COLLABORATION WITH THE CENTER FOR APPLIED RESEARCH (CFAR) AT THE UNIVERSITY OF PITTSBURGH AT GREENSBURG.

GROUP A-FACILITY 3 -- FRICK HOSPITAL

PART V, SECTION B, LINE 11: AS WITH MOST HEATH CARE FACILITIES, EXCELA HEALTH HAS LIMITED FINANCIAL RESOURCES TO ADDRESS ALL ISSUES. EXCELA

Part V Facility Information *(continued)*

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

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WHOSE MISSION AND RESOURCES ARE FOCUSED ON ADDRESSING THESE ADDITIONAL
COMMUNITY NEEDS.

GROUP A-FACILITY 3 -- FRICK HOSPITAL

PART V, SECTION B, LINE 16J: UPON DISCHARGE FROM ANY HOSPITAL, A PACKET IS
PROVIDED TO PATIENTS WITH NO INSURANCE. THESE PACKETS INCLUDE A PLAIN
LANGUAGE SUMMARY AND FAP APPLICATION FORM. BILLING STATEMENTS INCLUDE A
NOTICE ABOUT THE AVAILABILITY OF FINANCIAL ASSISTANCE AND HOW TO OBTAIN
INFORMATION.

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8, and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (for example, open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

PART I, LINE 6A:

EXCELA HEALTH PROVIDES A REPORT TO THE COMMUNITY ANNUALLY. THE REPORT IS PUBLISHED ANNUALLY ON THE WEBSITE AS WELL AS PERIODICALLY PROVIDED THROUGH COMMUNITY MAILINGS AND LOCATED AT STRATEGIC POINTS OF SERVICE WITHIN OUR HOSPITALS SUCH AS THE EMERGENCY ROOM, ADMISSIONS, REGISTRATION, ETC.

PART I, LINE 7:

THE PERCENT OF CHARITY CARE AND OTHER COMMUNITY BENEFITS IS BASED ON RATIOS OF COST TO CHARGES FROM THE MEDICARE COST REPORT.

PART I, LINE 7G:

EXCELA HEALTH OFFERS A NUMBER OF CLINICS TO THE COMMUNITY SUCH AS DIABETIC, PAIN, WOUND, WELLNESS, ETC. IN ADDITION TO THESE CLINICS, EXCELA HEALTH OFFERS BOTH INPATIENT AND OUTPATIENT MENTAL HEALTH SERVICES.

PART I, LN 7 COL(F):

THE BAD DEBT EXPENSE INCLUDED ON FORM 990, PART IX, LINE 25, COLUMN (A), BUT SUBTRACTED FOR PURPOSES OF CALCULATING THE PERCENTAGE IN THIS COLUMN

Part VI Supplemental Information (Continuation)

IS 13,882,337.

PART I, LINE 7

THE PERCENTAGE OF TOTAL EXPENSES IS CALCULATED USING ONLY THE HOSPITALS' EXPENSES ON PART IX, LINE 25.

PART I, LINE 3B

THE ORGANIZATION USES A SLIDING SCALE TO DETERMINE ELIGIBILITY FOR DISCOUNTED CARE.

PART III, LINE 4:

THE PROVISION FOR BAD DEBTS IS BASED UPON MANAGEMENT'S ASSESSMENT OF HISTORICAL AND EXPECTED NET COLLECTIONS CONSIDERING BUSINESS AND ECONOMIC CONDITIONS, TRENDS IN HEALTH CARE COVERAGE, AND OTHER COLLECTION INDICATORS. PERIODICALLY THROUGHOUT THE YEAR, MANAGEMENT ASSESSES THE ADEQUACY OF THE ALLOWANCE FOR UNCOLLECTABLE ACCOUNTS BASED UPON HISTORICAL WRITE-OFF EXPERIENCE BY PAYOR. THE RESULTS OF THIS REVIEW ARE THEN USED TO MAKE MODIFICATIONS TO THE PROVISION FOR BAD DEBTS TO ESTABLISH AN APPROPRIATE ALLOWANCE FOR UNCOLLECTABLE ACCOUNTS.

PART III, LINE 8:

MEDICARE ALLOWABLE COSTS ARE CALCULATED USING A COST-TO-CHARGE RATIO. MEDICARE MANAGED CARE COSTS ARE CALCULATED USING THE COST ACCOUNTING SYSTEM.

EXCELA HEALTH PROVIDES SERVICES BELOW COST FOR PARTICIPANTS ENROLLED IN

Part VI Supplemental Information (Continuation)

MEDICARE MANAGED CARE AND TRADITIONAL MEDICARE PROGRAMS. THE MEDICARE SHORTFALL REPORTED ON LINE 7 IS DUE TO CONTINUED CUTS IN MEDICARE REIMBURSEMENT WHILE EXCELA HEALTH CONTINUES TO INVEST IN STATE OF THE ART EQUIPMENT AND FACILITIES TO MEET THE CONTINUALLY CHANGING HEALTHCARE NEEDS OF THE COMMUNITY.

PART III, LINE 9B:

UPON DISCHARGE FROM ANY HOSPITAL, A PACKET IS PROVIDED TO PATIENTS WITH NO INSURANCE. THESE PACKETS INCLUDE A MEDICAL ASSISTANCE APPLICATION, PLAIN LANGUAGE SUMMARY OF THE FAP, AND FAP APPLICATION FORM. EXCELA HEALTH HAS FAP COUNSELORS WHO HELP WITH THE FAP PROCESS. THE HOSPITALS DO NOT ENGAGE IN ANY EXTRAORDINARY COLLECTION ACTIONS.

PART V, SECTION B, LINE 2

THE CHNA WAS LAST CONDUCTED DURING THE ORGANIZATION'S 2021 TAX YEAR, WHICH IS EQUIVALENT TO ITS FISCAL YEAR ENDED JUNE 30, 2022. THE IMPLEMENTATION STRATEGY WAS ALSO ADOPTED DURING THAT SAME FISCAL YEAR.

PART VI, LINE 2:

DURING FISCAL YEAR 2022, EXCELA HEALTH CONDUCTED A COUNTY-WIDE CHNA. THE CHNA IDENTIFIED HEALTH ISSUES AND NEEDS AND PROVIDED CRITICAL INFORMATION TO EXCELA HEALTH AND OTHERS IN A POSITION TO MAKE A POSITIVE IMPACT ON THE HEALTH OF OUR REGION'S RESIDENTS. THE RESULTS ENABLE EXCELA HEALTH TO MORE STRATEGICALLY ESTABLISH PRIORITIES, DEVELOP INTERVENTIONS AND DIRECT RESOURCES TO IMPROVE THE HEALTH OF PEOPLE LIVING IN WESTMORELAND COUNTY.

IN ADDITION TO THE CHNA, EXCELA HEALTH USES INTERNAL AND EXTERNAL MARKET

Schedule H (Form 990)

Part VI Supplemental Information (Continuation)

STUDIES TO ESTABLISH PATTERNS OF UTILIZATION OF SERVICES AND AGE OF POPULATION. EXCELA HEALTH ALSO USE SURVEY REPORTS SUCH AS PRESS GANEY TO DETERMINE WHAT AREAS ITS DOING WELL IN AND WHAT AREAS IT CAN IMPROVE ON. EXCELA HEALTH'S COMBINED MEDICAL STAFF ALSO DOES STUDIES TO DETERMINE WHAT SPECIALTY SERVICES IT NEEDS TO RECRUIT PHYSICIANS FOR, SUCH AS CARDIAC, SURGICAL, UROLOGY, INTERNAL MEDICINE AND FAMILY PRACTICE.

PART VI, LINE 3:

THE FINANCIAL ASSISTANCE POLICY (FAP), PLAIN LANGUAGE SUMMARY OF THE FAP, AND FAP APPLICATION ARE AVAILABLE ON EXCELA HEALTH'S WEBSITE. PAPER COPIES OF THE FAP, PLAIN LANGUAGE SUMMARY OF THE FAP, AND FAP APPLICATION ARE AVAILABLE UPON REQUEST AND COPIES ARE IN THE EMERGENCY ROOM AND ADMISSIONS OF EACH HOSPITAL. THE HOSPITALS HAVE SIGNS THAT NOTIFY THE PATIENTS ABOUT THE AVAILABILITY OF FINANCIAL ASSISTANCE IN THE EMERGENCY ROOM AND ADMISSIONS AREA. UPON DISCHARGE FROM ANY HOSPITAL, A PACKET IS PROVIDED TO PATIENTS WITH NO INSURANCE. THESE PACKETS INCLUDE A PLAIN LANGUAGE SUMMARY AND FAP APPLICATION FORM. BILLING STATEMENTS INCLUDE A NOTICE ABOUT THE AVAILABILITY OF FINANCIAL ASSISTANCE AND HOW TO OBTAIN INFORMATION.

PART VI, LINE 4:

EXCELA HEALTH SERVES 97 ZIP CODES IN WESTMORELAND, FAYETTE, AND INDIANA COUNTIES. THE SERVICE AREA POPULATION IS APPROXIMATELY 355,458. THE COST OF LIVING IS BELOW THE NATIONAL AVERAGE AND THE ESTIMATED MEDIAN HOUSEHOLD INCOME IS \$46,700 WHICH IS ALSO BELOW THE PENNSYLVANIA AVERAGE. APPROXIMATELY 17% OF RESIDENTS IN THE SERVICE AREA LIVE IN POVERTY.

PART VI, LINE 5:

THE MISSION OF EXCELA HEALTH IS TO "IMPROVE THE HEALTH AND WELL-BEING OF

Part VI Supplemental Information (Continuation)

EVERY LIFE WE TOUCH". EVERY LIFE MEANS THAT EXCELA HEALTH DOES NOT DISCRIMINATE FOR RACE, RELIGION, GENDER, COLOR OR CREED AND ACCEPTS ALL PATIENTS FOR ANY SERVICES, REGARDLESS OF THE ABILITY TO PAY FOR THOSE SERVICES. EXCELA HEALTH STRIVES TO PROVIDE ITS COMMUNITIES WITH STATE OF THE ART EQUIPMENT AND FACILITIES. THIS CAN ONLY BE ACCOMPLISHED BY INVESTING ANY EXCESS IN REVENUES OVER EXPENSES EXCELA HEALTH MAY HAVE IN SECURE INVESTMENTS TO PROVIDE FOR FUTURE TECHNOLOGY, TREATMENTS OF CARE, AND MAINTAIN AGING FACILITIES. EXCELA HEALTH ENCOURAGES PATIENTS TO TELL IT WHAT IT IS DOING RIGHT AND WRONG THROUGH PATIENT SATISFACTION SURVEYS AND EXCELA HEALTH REACTS TO THOSE SURVEYS. EXCELA HEALTH STRIVES TO PROVIDE ITS PATIENTS WITH GREATER ACCESS TO CARE THROUGH OFF SITE CLINICS AND DIAGNOSTIC SERVICE CENTERS. EXCELA HEALTH ASSISTS ITS MEDICAL STAFF IN RECRUITING TOP OF THE CLASS DOCTORS TO PROVIDE SERVICES TO ITS COMMUNITY WHERE THERE IS A NEED AND A SHORTAGE OF PHYSICIANS. EXCELA HEALTH ALSO RECRUITS SPECIALTY PHYSICIANS THAT WOULD HELP TO OFFSET THE BURDEN OF CALL COVERAGE AND FOR SUCCESSION PLANNING WHICH IS ESSENTIAL FOR THE CONTINUUM OF CARE.

PART VI, LINE 6:

EXCELA HEALTH IS THE PARENT ORGANIZATION OF THREE HOSPITALS (LATROBE AREA HOSPITAL, INC., WESTMORELAND REGIONAL HOSPITAL, AND FRICK HOSPITAL), A HOME HEALTH AND HOSPICE AGENCY (EXCELA HEALTH HOME CARE AND HOSPICE), AN ORGANIZATION THAT PROVIDES COUNTY ASSISTANCE TO MENTALLY CHALLENGED PATIENTS (CAREGIVERS OF SOUTHWESTERN PA), A MULTI-SPECIALTY PHYSICIAN PRACTICE GROUP (EXCELA HEALTH MEDICAL GROUP), A HOME MEDICAL EQUIPMENT COMPANY (MEDCARE EQUIPMENT COMPANY) AND TWO FOUNDATIONS (WESTMORELAND/FRICK HOSPITAL FOUNDATION AND LATROBE AREA HOSPITAL CHARITABLE FOUNDATION). ALL OF OUR SUBSIDIARIES AT EXCELA HEALTH FLY

Part VI Supplemental Information (Continuation)

UNDER THE SAME BANNER AND SUBSCRIBE TO THE SAME MISSION STATED ABOVE. ALL OF OUR ORGANIZATIONS AT EXCELA HEALTH PROVIDE MEDICALLY NECESSARY SERVICES TO OUR COMMUNITY REGARDLESS OF THE PATIENT'S ABILITY TO PAY.

Multiple horizontal lines for supplemental information.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest
Compensated Employees
Complete if the organization answered "Yes" on Form 990, Part IV, line 23.
Attach to Form 990.
Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2022

Open to Public
Inspection

Name of the organization

EXCELA HEALTH GROUP

Employer identification number

90-0759236

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|--|--|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (such as maid, chauffeur, chef) |

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked on line 1a?

3 Indicate which, if any, of the following the organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

- | | |
|---|---|
| <input checked="" type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study |
| <input checked="" type="checkbox"/> Form 990 of other organizations | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment?
- b** Participate in or receive payment from a supplemental nonqualified retirement plan?
- c** Participate in or receive payment from an equity-based compensation arrangement?
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.

5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization?
- b** Any related organization?
- If "Yes" on line 5a or 5b, describe in Part III.

6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization?
- b** Any related organization?
- If "Yes" on line 6a or 6b, describe in Part III.

7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described on lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

| | Yes | No |
|-----------|-----|----|
| 1b | | |
| 2 | | |
| 4a | | X |
| 4b | X | |
| 4c | | X |
| 5a | | X |
| 5b | | X |
| 6a | | X |
| 6b | | X |
| 7 | X | |
| 8 | | X |
| 9 | | |

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2022

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that aren't listed on Form 990, Part VII.

Note: The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

| (A) Name and Title | | (B) Breakdown of W-2 and/or 1099-MISC and/or 1099-NEC compensation | | | (C) Retirement and other deferred compensation | (D) Nontaxable benefits | (E) Total of columns (B)(i)-(D) | (F) Compensation in column (B) reported as deferred on prior Form 990 |
|--|------|--|-------------------------------------|-------------------------------------|--|-------------------------|---------------------------------|---|
| | | (i) Base compensation | (ii) Bonus & incentive compensation | (iii) Other reportable compensation | | | | |
| (1) KEN DEFURIO PRESIDENT & CEO | (i) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| | (ii) | 693,580. | 280,001. | 42,125. | 263,951. | 20,943. | 1,300,600. | 0. |
| (2) JAMES ADISEY, MD TRUSTEE | (i) | 355,288. | 369,102. | 0. | 12,200. | 16,725. | 753,315. | 0. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (3) JOHN M. SPHON TRUSTEE & CEO | (i) | 700,000. | 9,195. | 0. | 22,696. | 14,683. | 746,574. | 0. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (4) JEFFREY TIESI CHIEF OPERATING OFFICER (UNTIL 1/23) | (i) | 451,923. | 92,330. | 0. | 36,265. | 14,683. | 595,201. | 0. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (5) CAROL J. FOX, MD CHIEF MEDICAL OFFICER | (i) | 402,942. | 58,734. | 0. | 20,174. | 982. | 482,832. | 0. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (6) RANDI TURKEWITZ, MD TRUSTEE (UNTIL 12/22) | (i) | 328,521. | 113,275. | 0. | 6,638. | 7,011. | 455,445. | 0. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (7) THOMAS S. ALBANESI, JR., CPA CFO/ASSISTANT TREASURER | (i) | 365,574. | 32,515. | 0. | 16,724. | 14,526. | 429,339. | 0. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (8) DANE FICCO SENIOR VP, EHM (UNTIL 1/23) | (i) | 305,748. | 61,136. | 0. | 15,934. | 12,352. | 395,170. | 0. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (9) LAURIE ENGLISH SENIOR VP HUMAN RESOURCES | (i) | 243,841. | 43,629. | 0. | 21,800. | 14,346. | 323,616. | 0. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (10) HELEN BURNS, PHD., RN CHIEF NURSING OFFICER (UNTIL 1/23) | (i) | 254,517. | 38,276. | 0. | 13,977. | 14,111. | 320,881. | 0. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (11) TOM CHAKURDA CHIEF MARKETING & COMMUNIC | (i) | 260,616. | 21,165. | 0. | 14,754. | 13,595. | 310,130. | 0. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (12) VIRGINIA ISCRUPE NURSE | (i) | 155,554. | 66,918. | 0. | 12,249. | 6,689. | 241,410. | 0. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (13) TRACI FICK VP PATIENT CARE SERVICES | (i) | 180,834. | 33,692. | 0. | 10,884. | 5,453. | 230,863. | 0. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| | (i) | | | | | | | |
| | (ii) | | | | | | | |
| | (i) | | | | | | | |
| | (ii) | | | | | | | |
| | (i) | | | | | | | |
| | (ii) | | | | | | | |

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

PART I, LINE 4B:

A CONTRIBUTION TO A SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN (SERP) WAS MADE

FOR THE FOLLOWING EMPLOYEES:

JEFFREY TIESI - \$19,500

KEN DEFURIO - \$242,201

PART I, LINE 7:

EXCELA HEALTH'S EMPLOYEES MAY RECEIVE A BONUS BASED ON INCREASED PATIENT

SATISFACTION AND OTHER PERFORMANCE INDICATORS.

Supplemental Information on Tax-Exempt Bonds
Complete if the organization answered "Yes" on Form 990, Part IV, line 24a. Provide descriptions,
explanations, and any additional information in Part VI.
Attach to Form 990. Go to www.irs.gov/Form990 for instructions and the latest information.

Name of the organization **EXCELA HEALTH GROUP** Employer identification number **90-0759236**

| Part I | Bond Issues | SEE PART VI FOR COLUMN (F) CONTINUATIONS | | | | | | | | | | | |
|--------|-------------|--|----------------|-------------|-----------------|-----------------|---------------------------------|--------------|----|-------------------------|----|----------------------|----|
| | | (a) Issuer name | (b) Issuer EIN | (c) CUSIP # | (d) Date issued | (e) Issue price | (f) Description of purpose | (g) Defeased | | (h) On behalf of issuer | | (i) Pooled financing | |
| | | | | | | | | Yes | No | Yes | No | Yes | No |
| | A | WESTMORELAND COUNTY INDUSTRIAL DEVELOPMENT | 25-1433993 | NONE | 06/24/15 | 70000000. | REFINANCE PNC LOAN, RENOVATIONS | | X | | X | | X |
| | B | WESTMORELAND COUNTY INDUSTRIAL DEVELOPMENT | 25-1433993 | NONE | 12/15/20 | 93324078. | REFUND PRIOR BONDS, NEW CONSTR | | X | | X | | X |
| | C | | | | | | | | | | | | |
| | D | | | | | | | | | | | | |

| Part II | | Proceeds | | | | | | | |
|---------|--|-------------|----|--------------|----|-----|----|-----|----|
| | | A | | B | | C | | D | |
| 1 | Amount of bonds retired | 6,760,000. | | 9,110,000. | | | | | |
| 2 | Amount of bonds legally defeased | | | | | | | | |
| 3 | Total proceeds of issue | 70,000,000. | | 100,482,643. | | | | | |
| 4 | Gross proceeds in reserve funds | | | | | | | | |
| 5 | Capitalized interest from proceeds | 1,598,582. | | | | | | | |
| 6 | Proceeds in refunding escrows | | | | | | | | |
| 7 | Issuance costs from proceeds | 247,559. | | 1,132,170. | | | | | |
| 8 | Credit enhancement from proceeds | | | | | | | | |
| 9 | Working capital expenditures from proceeds | | | | | | | | |
| 10 | Capital expenditures from proceeds | 18,865,902. | | 15,347,931. | | | | | |
| 11 | Other spent proceeds | | | 52,251,869. | | | | | |
| 12 | Other unspent proceeds | | | | | | | | |
| 13 | Year of substantial completion | | | | | | | | |
| | | Yes | No | Yes | No | Yes | No | Yes | No |
| 14 | Were the bonds issued as part of a refunding issue of tax-exempt bonds (or, if issued prior to 2018, a current refunding issue)? | | X | X | | | | | |
| 15 | Were the bonds issued as part of a refunding issue of taxable bonds (or, if issued prior to 2018, an advance refunding issue)? | | X | | X | | | | |
| 16 | Has the final allocation of proceeds been made? | | X | X | | | | | |
| 17 | Does the organization maintain adequate books and records to support the final allocation of proceeds? | X | | X | | | | | |

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule K (Form 990) 2022

| Part III Private Business Use | | | | | | | | |
|---|-----|----|-----|----|-----|----|-----|----|
| | A | | B | | C | | D | |
| | Yes | No | Yes | No | Yes | No | Yes | No |
| 1 Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds? | | X | | X | | | | |
| 2 Are there any lease arrangements that may result in private business use of bond-financed property? | | X | | X | | | | |
| 3a Are there any management or service contracts that may result in private business use of bond-financed property? | | X | | X | | | | |
| b If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property? | | | | | | | | |
| c Are there any research agreements that may result in private business use of bond-financed property? | | X | | X | | | | |
| d If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property? ... | | | | | | | | |
| 4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government | | % | | % | | % | | % |
| 5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government | | % | | % | | % | | % |
| 6 Total of lines 4 and 5 | | % | | % | | % | | % |
| 7 Does the bond issue meet the private security or payment test? | | X | | X | | | | |
| 8a Has there been a sale or disposition of any of the bond-financed property to a non-governmental person other than a 501(c)(3) organization since the bonds were issued? | | X | | X | | | | |
| b If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of | | % | | % | | % | | % |
| c If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2? | | | | | | | | |
| 9 Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2? | X | | X | | | | | |

| Part IV Arbitrage | | | | | | | | |
|---|-----|----|-----|----|-----|----|-----|----|
| | A | | B | | C | | D | |
| | Yes | No | Yes | No | Yes | No | Yes | No |
| 1 Has the issuer filed Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate? | | X | | X | | | | |
| 2 If "No" to line 1, did the following apply? | | | | | | | | |
| a Rebate not due yet? | | X | X | | | | | |
| b Exception to rebate? | | X | | X | | | | |
| c No rebate due? | X | | | X | | | | |
| If "Yes" to line 2c, provide in Part VI the date the rebate computation was performed | | | | | | | | |
| 3 Is the bond issue a variable rate issue? | X | | | X | | | | |

Part IV Arbitrage (continued)

| | A | | B | | C | | D | |
|--|-----|----|-----|----|-----|----|-----|----|
| | Yes | No | Yes | No | Yes | No | Yes | No |
| 4a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue? | | X | | X | | | | |
| b Name of provider | | | | | | | | |
| c Term of hedge | | | | | | | | |
| d Was the hedge superintegrated? | | | | | | | | |
| e Was the hedge terminated? | | | | | | | | |
| 5a Were gross proceeds invested in a guaranteed investment contract (GIC)? | | X | | X | | | | |
| b Name of provider | | | | | | | | |
| c Term of GIC | | | | | | | | |
| d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied? | | | | | | | | |
| 6 Were any gross proceeds invested beyond an available temporary period? | | X | | X | | | | |
| 7 Has the organization established written procedures to monitor the requirements of section 148? | X | | X | | | | | |

Part V Procedures To Undertake Corrective Action

| | A | | B | | C | | D | |
|---|-----|----|-----|----|-----|----|-----|----|
| | Yes | No | Yes | No | Yes | No | Yes | No |
| Has the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation isn't available under applicable regulations? | X | | X | | | | | |

Part VI Supplemental Information. Provide additional information for responses to questions on Schedule K. See instructions.

SCHEDULE K, PART I, BOND ISSUES:

(A) ISSUER NAME: WESTMORELAND COUNTY INDUSTRIAL DEVELOPMENT

(F) DESCRIPTION OF PURPOSE:

REFINANCE PNC LOAN, RENOVATIONS, FUNDING RESERVES, COSTS OF ISSUANCE

(A) ISSUER NAME: WESTMORELAND COUNTY INDUSTRIAL DEVELOPMENT

(F) DESCRIPTION OF PURPOSE:

REFUND PRIOR BONDS, NEW CONSTRUCTION, COSTS OF ISSUANCE

SCHEDULE K, PART IV, ARBITRAGE, LINE 2C:

(A) ISSUER NAME: WESTMORELAND COUNTY INDUSTRIAL DEVELOPMENT

DATE THE REBATE COMPUTATION WAS PERFORMED: 06/23/2020

SCHEDULE K, SUPPLEMENTAL INFORMATION: PART 1, B, F - SERIES 2005 C,
WESTMORELAND HOSPITAL CAPITAL PROJECTS BOND REFUNDING AND SERIES 2005 E,
WESTMORELAND HOSPITAL 1986 BOND REFUNDING

Part IV Business Transactions Involving Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

| (a) Name of interested person | (b) Relationship between interested person and the organization | (c) Amount of transaction | (d) Description of transaction | (e) Sharing of organization's revenues? | |
|-------------------------------|---|---------------------------|--------------------------------|---|----|
| | | | | Yes | No |
| ELIZABETH FOX | CAROL FOX, CHIEF ME | 103,239. | EMPLOYEE OF | | X |
| LUCAS SPHON | JOHN M. SPHON, CEO | 41,396. | EMPLOYEE OF | | X |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

Part V Supplemental Information.

Provide additional information for responses to questions on Schedule L (see instructions).

SCH L, PART IV, BUSINESS TRANSACTIONS INVOLVING INTERESTED PERSONS:

(A) NAME OF PERSON: ELIZABETH FOX

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

CAROL FOX, CHIEF MEDICAL OFFICER - FAMILY MEMBER

(D) DESCRIPTION OF TRANSACTION: EMPLOYEE OF EXCELA HEALTH HOME CARE AND HOSPICE

(A) NAME OF PERSON: LUCAS SPHON

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

JOHN M. SPHON, CEO - FAMILY MEMBER

(D) DESCRIPTION OF TRANSACTION: EMPLOYEE OF EXCELA HEALTH

**SCHEDULE O
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.
Attach to Form 990 or Form 990-EZ.
Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2022

Open to Public
Inspection

Name of the organization

EXCELA HEALTH GROUP

Employer identification number

90-0759236

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

ART HEALTH CARE SERVICES, REGARDLESS OF THE PATIENT'S ABILITY TO PAY
FOR THESE SERVICES.

FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS:

ADDITION OF NEW CONCEPTS, SERVICES AND TECHNOLOGIES WHILE, AT THE SAME
TIME, GARNERING RECOGNITION FOR ITS EFFORTS FROM NATIONAL, REGIONAL AND
LOCAL ORGANIZATIONS. IN ALL CASES, THE RESULTING PROGRAMS, SERVICES AND
AWARDS BENEFITTED THE AREA'S CITIZENRY AND DEMONSTRATED A FOCUS ON
QUALITY MEASURES, FURTHER ENHANCING THE WAY EXCELA HEALTH PROVIDES
CARE. PERHAPS MORE IMPORTANT IS THE CONTINUING ADDITION OF HIGHLY
TRAINED PHYSICIANS, NURSES AND HEALTH CARE PROFESSIONALS. TOGETHER,
MANAGEMENT, THE BOARD OF TRUSTEES AND MEDICAL STAFF COLLABORATE
DILIGENTLY, AND THOUGHTFULLY, TO PROVIDE OUTSTANDING CARE TO THIS
REGION.

AS A PENNSYLVANIA NONPROFIT CORPORATION DESCRIBED UNDER SECTION
501(C)(3) OF THE INTERNAL REVENUE CODE OF 1986, EXCELA HEALTH WAS
ORIGINALLY INCORPORATED AS SUCH EFFECTIVE JULY 1, 1984, PREVIOUSLY
KNOWN AS SOUTHWEST HEALTH SYSTEM, THEN WESTMORELAND HEALTH SYSTEM,
FOLLOWED BY WESTMORELAND LATROBE HEALTH PARTNERS AND, FINALLY, EXCELA
HEALTH. IN ADDITION TO ITS HOSPITALS, EXCELA HEALTH ENCOMPASSES OTHER
HEALTH-RELATED SUBSIDIARIES AND CONTINUES TO EXPAND AS THE NEEDS OF THE
COMMUNITY DEMAND. ON JANUARY 1, 2023, EXCELA HEALTH ENTERED INTO AN
AFFILIATION WITH BUTLER HEALTH SYSTEM, INC. (BHS) TO CREATE A NEW

PARENT CORPORATION NAMED INDEPENDENCE HEALTH SYSTEM (IHS), WHICH HAS

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule O (Form 990) 2022

232211 10-28-22

| | |
|---|--|
| Name of the organization EXCELA HEALTH GROUP | Employer identification number 90-0759236 |
|---|--|

GOVERNANCE AUTHORITY OVER BOTH ORGANIZATIONS.

FORM 990, PART VI, SECTION B, LINE 11B:

EXCELA HEALTH HAS A CPA FIRM PREPARE ITS FORM 990. THE RETURN IS COMPLETED IN DRAFT FORM AND REVIEWED BY MANAGEMENT OF THE ORGANIZATION. THE FORM 990 IS THEN PROVIDED TO THE BOARD OF DIRECTORS FOR REVIEW BEFORE IT IS FILED.

FORM 990, PART VI, SECTION B, LINE 12C:

A WEB-BASED SOFTWARE PROGRAM IS USED TO ADMINISTER A CONFLICT OF INTEREST DISCLOSURE FORM AND QUESTIONNAIRE ANNUALLY TO ALL BOARD TRUSTEES, KEY EMPLOYEES AND CERTAIN OTHER DIRECTORS, MANAGERS AND CONTRACTED PHYSICIANS. COMPLIANCE IN COMPLETING THE FORM IS REQUIRED AT 100% FOR OFFICERS, TRUSTEES AND KEY EMPLOYEES. THE DISCLOSURES ARE REVIEWED BY THE COMPLIANCE OFFICER, CHIEF LEGAL OFFICER AND CERTAIN BOARD COMMITTEES. ADDITIONALLY, THE ORGANIZATION HAS A CONFLICT OF INTEREST POLICY THAT IS SHARED WITH EMPLOYEES, MEDICAL STAFF AND BUSINESS PARTNERS THROUGH ONE OR MORE OF THE FOLLOWING METHODS: POSTING ON THE ORGANIZATION'S INTRANET WEBSITE, ON THE ORGANIZATION'S PUBLIC WORLD WIDE WEBSITE, IN ITS POLICY MANUAL AND IN ITS CORPORATE CODE. REPORTS AND SUBSEQUENT FINDINGS OF NON-COMPLIANCE RESULT IN DISCIPLINARY ACTION THROUGH HUMAN RESOURCES, THE OFFICE OF MEDICAL AFFAIRS, OR THROUGH COMPANY SANCTIONS TOWARDS BUSINESS PARTNERS.

FORM 990, PART VI, SECTION B, LINE 15:

AFTER THE CLOSE OF EACH FISCAL YEAR, AND SUBJECT TO APPLICABLE LAW, THE HUMAN RESOURCES COMMITTEE OF THE BOARD MAY COMMISSION AN EXECUTIVE COMPENSATION STUDY BE COMPLETED USING DATA OBTAINED FROM OUTSIDE PARTIES AND OTHER PUBLIC RECORDS TO DETERMINE THE MARKET COMPETITIVENESS, APPROPRIATENESS AND REASONABLENESS OF EACH PAY ELEMENT AND THE AGGREGATE

| | |
|---|--|
| Name of the organization EXCELA HEALTH GROUP | Employer identification number 90-0759236 |
|---|--|

TOTAL COMPENSATION PACKAGE. THE HUMAN RESOURCES COMMITTEE PRESENTS THE STUDY'S FINDINGS AND ANY RECOMMENDED CHANGES TO THE EXECUTIVE COMMITTEE FOR APPROVAL.

FORM 990, PART VI, SECTION C, LINE 18:

EXCELA HEALTH AND MEMBERS OF EXCELA HEALTH GROUP MAKES ITS FORM 990, FORM 990-T, AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST. THE FORM 990 IS ALSO AVAILABLE AT EXCELAHEALTH.ORG.

FORM 990, PART VI, SECTION C, LINE 19:

AT THIS TIME, EXCELA HEALTH AND MEMBERS OF EXCELA HEALTH GROUP DO NOT MAKE ITS GOVERNING DOCUMENTS AND CONFLICTS OF INTEREST POLICY AVAILABLE TO THE GENERAL PUBLIC.

FORM 990, PART IX, LINE 11G, OTHER FEES:

OTHER FEES:

| | |
|--|-------------|
| PROGRAM SERVICE EXPENSES | 73,812,657. |
| MANAGEMENT AND GENERAL EXPENSES | 9,956,697. |
| FUNDRAISING EXPENSES | 0. |
| TOTAL EXPENSES | 83,769,354. |
| TOTAL OTHER FEES ON FORM 990, PART IX, LINE 11G, COL A | 83,769,354. |

FORM 990, PART XI, LINE 9, CHANGES IN NET ASSETS:

| | |
|--|--------------|
| CHANGE IN ADDITIONAL MINIMUM PENSION LIABILITY | 12,812,632. |
| OTHER | 2,025,983. |
| TRANSFER TO AFFILIATES | -57,801,440. |
| PENSION SETTLEMENT CHARGES | -4,382,487. |
| NET ASSETS RELEASED FROM RESTRICTION | -2,945,040. |

| | |
|--|---|
| Name of the organization EXCELA HEALTH GROUP | Employer identification number 90-0759236 |
|--|---|

TOTAL TO FORM 990, PART XI, LINE 9 -50,290,352.

FORM 990, PART XII, LINE 2C:

EXCELA HEALTH HAS AN AUDIT COMMITTEE THAT IS RESPONSIBLE FOR THE
 OVERSIGHT OF THE AUDIT AND SELECTION OF THE INDEPENDENT AUDITORS. THE
 PROCESS HAS NOT CHANGED FROM PRIOR YEAR.

**SCHEDULE R
(Form 990)**

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships
Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
Attach to Form 990.

Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2022

Open to Public Inspection

Name of the organization **EXCELA HEALTH GROUP** Employer identification number **90-0759236**

Part I Identification of Disregarded Entities. Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

| (a) Name, address, and EIN (if applicable) of disregarded entity | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Total income | (e) End-of-year assets | (f) Direct controlling entity |
|--|-------------------------|---|---------------------|---------------------------|-------------------------------------|
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Part II Identification of Related Tax-Exempt Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related tax-exempt organizations during the tax year.

| (a) Name, address, and EIN of related organization | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Exempt Code section | (e) Public charity status (if section 501(c)(3)) | (f) Direct controlling entity | (g) Section 512(b)(13) controlled entity? | |
|---|-------------------------|---|-------------------------------|---|-------------------------------------|--|----|
| | | | | | | Yes | No |
| WESTMORELAND/FRICK HOSPITAL FOUNDATION - 25-1309084, 532 WEST PITTSBURGH STREET, GREENSBURG, PA 15601 | FUNDRAISING | PENNSYLVANIA | 501(C)(3) | LINE 12A, I | EXCELA HEALTH | | X |
| LATROBE AREA HOSPITAL CHARITABLE FOUNDATION - 25-1750654, ONE MELLON WAY, LATROBE, PA 15650 | FUNDRAISING | PENNSYLVANIA | 501(C)(3) | LINE 12A, I | LATROBE AREA HOSPITAL | X | |
| MOUNTAIN VIEW CANCER ASSOCIATES, INC. - 03-0480551, 200 VILLAGE DRIVE, GREENSBURG, PA 15601 | HEALTH CARE | PENNSYLVANIA | 501(C)(3) | LINE 3 | EXCELA HEALTH | | X |
| BUTLER HEALTH SYSTEM - 25-1441855 ONE HOSPITAL WAY BUTLER, PA 16001 | HC DELIV SYST | PENNSYLVANIA | 501(C)(3) | LINE 10 | INDEPENDENCE HEALTH SYSTEM | | X |

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule R (Form 990) 2022

Part II Continuation of Identification of Related Tax-Exempt Organizations

| (a) Name, address, and EIN of related organization | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Exempt Code section | (e) Public charity status (if section 501(c)(3)) | (f) Direct controlling entity | (g) Section 512(b)(13) controlled organization? | |
|--|-------------------------|---|-------------------------------|---|-------------------------------------|--|----|
| | | | | | | Yes | No |
| BUTLER HEALTHCARE PROVIDERS - 25-0965274 ONE HOSPITAL WAY BUTLER, PA 16001 | HOSPITAL | PENNSYLVANIA | 501(C)(3) | LINE 3 | BUTLER HEALTH SYSTEM | | X |
| BUTLER MEDICAL PROVIDERS - 25-1441961 ONE HOSPITAL WAY BUTLER, PA 16001 | PHYSICIAN PRACTICE | PENNSYLVANIA | 501(C)(3) | LINE 3 | BUTLER HEALTH SYSTEM | | X |
| NIKSAR CORPORATION - 25-1441960 ONE HOSPITAL WAY BUTLER, PA 16001 | REAL ESTATE | PENNSYLVANIA | 501(C)(3) | LINE 12B, II | BUTLER HEALTH SYSTEM | | X |
| BUTLER HEALTH SYSTEM FOUNDATION - 26-1543883 ONE HOSPITAL WAY BUTLER, PA 16001 | FUNDRAISING | PENNSYLVANIA | 501(C)(3) | LINE 12A, I | BUTLER HEALTH SYSTEM | | X |
| CLARION HOSPITAL - 25-1010039 ONE HOSPITAL WAY CLARION, PA 16214 | HOSPITAL | PENNSYLVANIA | 501(C)(3) | LINE 3 | CLARION HEALTHCARE SYSTEM | | X |
| HEALTH SERVICES OF CLARION - 75-3126134 ONE HOSPITAL WAY CLARION, PA 16215 | PHYS. GROUP | PENNSYLVANIA | 501(C)(3) | LINE 3 | CLARION HEALTHCARE SYSTEM | | X |
| CLARION HEALTHCARE SYSTEM - 25-1534023 ONE HOSPITAL WAY CLARION, PA 16216 | HOLDING COMP. | PENNSYLVANIA | 501(C)(3) | LINE 12A, I | BUTLER HEALTH SYSTEM | | X |
| CLARION HOSPITAL SELF INS TRUST FUND - 25-0766602, ONE HOSPITAL WAY, CLARION, PA 16217 | SELF INSURANCE | PENNSYLVANIA | 501(C)(3) | LINE 12A, I | CLARION HEALTHCARE SYSTEM | | X |
| BUTLER MEMORIAL HOSPITAL AUXILIARY - 25-1457575, ONE HOSPITAL WAY, BUTLER, PA 16001 | AUXILIARY | PENNSYLVANIA | 501(C)(3) | LINE 10 | BUTLER HEALTH SYSTEM | | X |
| INDEPENDENCE HEALTH SYSTEM - 92-1340805 ONE HOSPITAL WAY BUTLER, PA 16001 | HEALTH CARE | PENNSYLVANIA | 501(C)(3) | LINE 12B, II | N/A | | X |
| | | | | | | | |
| | | | | | | | |
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| | | | | | | | |

Part III Identification of Related Organizations Taxable as a Partnership. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related organizations treated as a partnership during the tax year.

| (a) Name, address, and EIN of related organization | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Direct controlling entity | (e) Predominant income (related, unrelated, excluded from tax under sections 512-514) | (f) Share of total income | (g) Share of end-of-year assets | (h) Disproportionate allocations? | | (i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065) | (j) General or managing partner? | | (k) Percentage ownership |
|--|-------------------------|---|-------------------------------------|---|---------------------------------|--|---|----|---|---|----|--------------------------------|
| | | | | | | | Yes | No | | Yes | No | |
| BUTLER AMBULATORY SURGERY CENTER LLC - 06-1728190, 102 TECHNOLOGY DRIVE, BUTLER, PA 16001 | AMBULATORY SURG. | PA | N/A | N/A | N/A | N/A | | X | N/A | | X | N/A |
| BHS FASTERCARE - 27-1961562 ONE HOSPITAL WAY BUTLER, PA 16001 | URGENT CARE | PA | N/A | N/A | N/A | N/A | | X | N/A | | X | N/A |
| BHS FASTER CARE LABORATORY - 80-0628384, ONE HOSPITAL WAY, BUTLER, PA 16001 | LAB. SERVICES | PA | N/A | N/A | N/A | N/A | | X | N/A | | X | N/A |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
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Part IV Identification of Related Organizations Taxable as a Corporation or Trust. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related organizations treated as a corporation or trust during the tax year.

| (a) Name, address, and EIN of related organization | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Direct controlling entity | (e) Type of entity (C corp, S corp, or trust) | (f) Share of total income | (g) Share of end-of-year assets | (h) Percentage ownership | (i) Section 512(b)(13) controlled entity? | |
|---|-------------------------|---|-------------------------------------|--|---------------------------------|--|--------------------------------|---|----|
| | | | | | | | | Yes | No |
| EXCELA HEALTH PHYSICIAN PRACTICES - 25-1744392, 532 WEST PITTSBURGH STREET, GREENSBURG, PA 15601 | HEALTH CARE | PA | N/A | C CORP | N/A | N/A | N/A | | X |
| EXCELA HEALTH HOLDING COMPANY - 25-1826537 532 WEST PITTSBURGH STREET GREENSBURG, PA 15601 | HEALTH CARE | PA | N/A | C CORP | N/A | N/A | N/A | | X |
| EXCELA HEALTH VENTURES, LLC - 46-1290845 532 WEST PITTSBURGH STREET GREENSBURG, PA 15601 | REAL ESTATE | PA | N/A | C CORP | N/A | N/A | N/A | | X |
| EXCELA RECIPROCAL RRG & SUBSIDIARY - 46-4602850, 100 BANK STREET, SUITE 610, BURLINGTON, VT 05401 | INSURANCE | VT | N/A | C CORP | N/A | N/A | N/A | | X |
| EXCELA PHYSICIAN HOSPITAL ORGANIZATION LLC - 82-0639487, 532 WEST PITTSBURGH STREET, GREENSBURG, PA 15601 | HEALTH CARE | PA | N/A | C CORP | N/A | N/A | N/A | | X |

Part V Transactions With Related Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

Note: Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

| | Yes | No |
|--|-----|----|
| a Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity | | X |
| b Gift, grant, or capital contribution to related organization(s) | | X |
| c Gift, grant, or capital contribution from related organization(s) | X | |
| d Loans or loan guarantees to or for related organization(s) | | X |
| e Loans or loan guarantees by related organization(s) | | X |
| f Dividends from related organization(s) | | X |
| g Sale of assets to related organization(s) | | X |
| h Purchase of assets from related organization(s) | | X |
| i Exchange of assets with related organization(s) | X | |
| j Lease of facilities, equipment, or other assets to related organization(s) | X | |
| k Lease of facilities, equipment, or other assets from related organization(s) | X | |
| l Performance of services or membership or fundraising solicitations for related organization(s) | | X |
| m Performance of services or membership or fundraising solicitations by related organization(s) | | X |
| n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s) | X | |
| o Sharing of paid employees with related organization(s) | X | |
| p Reimbursement paid to related organization(s) for expenses | X | |
| q Reimbursement paid by related organization(s) for expenses | X | |
| r Other transfer of cash or property to related organization(s) | X | |
| s Other transfer of cash or property from related organization(s) | X | |

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

| (a) Name of related organization | (b) Transaction type (a-s) | (c) Amount involved | (d) Method of determining amount involved |
|--|-------------------------------|------------------------|--|
| LATROBE AREA HOSPITAL CHARITABLE (1) FOUNDATION | C | 1,089,310. | |
| (2) | | | |
| (3) | | | |
| (4) | | | |
| (5) | | | |
| (6) | | | |

Part VII Supplemental Information

Provide additional information for responses to questions on Schedule R. See instructions.

PART IV, IDENTIFICATION OF RELATED ORGANIZATIONS TAXABLE AS CORP OR TRUST:

NAME OF RELATED ORGANIZATION:

EXCELA HEALTH VENTURES, LLC

DIRECT CONTROLLING ENTITY: EXCELA HEALTH PHYSICIAN PRACTICES, INC.

NAME OF RELATED ORGANIZATION:

EXCELA HEALTH DIVERSIFIED SERVICES LLC

DIRECT CONTROLLING ENTITY: EXCELA HEALTH PHYSICIAN PRACTICES, INC.

EXCELA HEALTH AND SUBSIDIARIES

(A SUBSIDIARY OF INDEPENDENCE HEALTH SYSTEM)

Consolidated Financial Statements as of and
for the Years Ended June 30, 2023 and 2022,
and Independent Auditors' Report

EXCELA HEALTH AND SUBSIDIARIES (A SUBSIDIARY OF INDEPENDENCE HEALTH SYSTEM)
TABLE OF CONTENTS

INDEPENDENT AUDITORS' REPORT 1

CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

 CONSOLIDATED BALANCE SHEETS 3

 CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS 4

 CONSOLIDATED STATEMENTS OF CASH FLOWS 5

 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 6

SUPPLEMENTAL SCHEDULES AS OF AND FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

 CONSOLIDATING BALANCE SHEETS 33

 CONSOLIDATING STATEMENTS OF OPERATIONS AND NET ASSETS 35

Independent Auditors' Report

To the Audit Committee of
Excela Health and Subsidiaries (a subsidiary of Independence Health System)

Opinion

We have audited the consolidated financial statements of Excela Health and subsidiaries (a subsidiary of Independence Health System) (the Organization), which comprise the consolidated balance sheets as of June 30, 2023 and 2022, and the related consolidated statements of operations and changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Organization as of June 30, 2023 and 2022, and the results of its operations, changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with GAAP, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information on pages 33 to 36 is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, changes in net assets and cash flows of the individual organizations, and it is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Baker Tilly US, LLP

Pittsburgh, Pennsylvania
October 26, 2023

EXCELA HEALTH AND SUBSIDIARIES (A SUBSIDIARY OF INDEPENDENCE HEALTH SYSTEM)**CONSOLIDATED BALANCE SHEETS****AS OF JUNE 30, 2023 AND 2022****(in thousands)**

| | <u>2023</u> | <u>2022</u> |
|--|-------------------|-------------------|
| ASSETS | | |
| <u>CURRENT ASSETS:</u> | | |
| Cash and cash equivalents | \$ 34,757 | \$ 42,013 |
| Receivables | 68,377 | 72,136 |
| Due from third-party payor | 1,643 | 3,237 |
| Inventories | 5,187 | 5,912 |
| Prepaid expenses and other current assets | 46,905 | 31,479 |
| Due from affiliates - Butler Health System | 688 | - |
| TOTAL CURRENT ASSETS | 157,557 | 154,777 |
| Board-designated, trustee, and other investments | 248,606 | 297,259 |
| Property, buildings, and equipment - net of accumulated depreciation | 224,211 | 221,382 |
| Operating lease right-of-use assets | 7,897 | 6,088 |
| Goodwill | 9,771 | 9,771 |
| Equity investments in joint ventures | 33,917 | 28,687 |
| Other long-term assets | 14,595 | 11,100 |
| TOTAL ASSETS | \$ 696,554 | \$ 729,064 |
| LIABILITIES AND NET ASSETS | | |
| <u>CURRENT LIABILITIES:</u> | | |
| Accounts payable and accrued liabilities | \$ 54,445 | \$ 43,326 |
| Payroll and related employee benefits | 38,231 | 48,224 |
| Current portion of contract liability - Medicare advances | - | 5,858 |
| Current portion of long-term obligations | 6,743 | 5,914 |
| Due to third-party payor | 4,501 | 4,977 |
| Accrued interest payable | 2,998 | 3,104 |
| Current portion of operating lease liability | 1,732 | 2,359 |
| Due to affiliates - Butler Health System | 673 | - |
| TOTAL CURRENT LIABILITIES | 109,323 | 113,762 |
| Long-term obligations - less current portion | 137,836 | 145,822 |
| Accrued pension and postretirement benefit costs | 35,259 | 44,590 |
| Professional and other long-term liabilities | 31,705 | 29,658 |
| Operating lease liability - less current portion | 6,659 | 4,265 |
| TOTAL LIABILITIES | 320,782 | 338,097 |
| <u>NET ASSETS:</u> | | |
| Without donor restrictions | 363,562 | 375,802 |
| With donor restrictions | 12,210 | 15,165 |
| TOTAL NET ASSETS | 375,772 | 390,967 |
| TOTAL LIABILITIES AND NET ASSETS | \$ 696,554 | \$ 729,064 |

See notes to consolidated financial statements.

EXCELA HEALTH AND SUBSIDIARIES (A SUBSIDIARY OF INDEPENDENCE HEALTH SYSTEM)
CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2023 AND 2022
(in thousands)

| | 2023 | 2022 |
|--|--------------------------|--------------------------|
| UNRESTRICTED REVENUES AND OTHER SUPPORT: | | |
| Net patient service revenues | \$ 635,913 | \$ 629,206 |
| Other operating revenues | 25,099 | 23,915 |
| COVID-19 grant income | - | 5,244 |
| Net assets released from restrictions for operations | 2,511 | 920 |
| Total unrestricted revenues and other support | <u>663,523</u> | <u>659,285</u> |
| EXPENSES: | | |
| Salaries and wages | 327,518 | 319,987 |
| Fringe benefits | 58,825 | 62,527 |
| Professional fees | 9,693 | 7,400 |
| Patient care and other supplies | 87,104 | 88,046 |
| Pharmaceuticals | 28,489 | 31,758 |
| Purchased services | 102,234 | 84,072 |
| Utilities | 8,003 | 8,667 |
| Insurance | 6,832 | 4,425 |
| Other expenses | 36,601 | 39,247 |
| Interest | 4,534 | 4,808 |
| Depreciation and amortization | 29,889 | 30,162 |
| Total expenses | <u>699,722</u> | <u>681,099</u> |
| LOSS FROM OPERATIONS | <u>(36,199)</u> | <u>(21,814)</u> |
| NONOPERATING ACTIVITY: | | |
| Investment income/(loss) | 15,797 | (32,780) |
| Pension and postretirement benefit/(cost) | (1,114) | 6,026 |
| Pension settlement charges | (4,382) | (5,251) |
| Other - net | (714) | (585) |
| Total nonoperating activity | <u>9,587</u> | <u>(32,590)</u> |
| DEFICIT OF REVENUES OVER EXPENSES | <u>(26,612)</u> | <u>(54,404)</u> |
| OTHER CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS: | | |
| Net assets released from restrictions used for capital | 1,759 | 1,373 |
| Pension obligation adjustments | 12,814 | 10,210 |
| Other | (201) | 1,451 |
| DECREASE IN NET ASSETS WITHOUT DONOR RESTRICTIONS | <u>(12,240)</u> | <u>(41,370)</u> |
| NET ASSETS WITH DONOR RESTRICTIONS: | | |
| Contributions and special event revenue | 188 | 5,049 |
| Investment income and unrealized gains/(losses) on investments - net | 1,127 | (1,327) |
| Net assets released from donor restrictions | (4,270) | (2,293) |
| INCREASE/(DECREASE) IN NET ASSETS WITH DONOR RESTRICTIONS | <u>(2,955)</u> | <u>1,429</u> |
| DECREASE IN NET ASSETS | <u>(15,195)</u> | <u>(39,941)</u> |
| NET ASSETS - Beginning of year | 390,967 | 430,908 |
| NET ASSETS - End of year | <u>\$ 375,772</u> | <u>\$ 390,967</u> |

See notes to consolidated financial statements.

EXCELA HEALTH AND SUBSIDIARIES (A SUBSIDIARY OF INDEPENDENCE HEALTH SYSTEM)
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023 AND 2022
(in thousands)

| | 2023 | 2022 |
|---|------------------|------------------|
| OPERATING ACTIVITIES: | | |
| Decrease in net assets | \$ (15,195) | \$ (39,941) |
| Adjustments to reconcile decrease in net assets to net cash used in operating activities: | | |
| Loss/(gain) on the sale of property, buildings, and equipment | (55) | 2,365 |
| Asset impairments | - | 124 |
| Net unrealized and realized losses/(gains) on investments | (9,978) | 42,190 |
| Depreciation and amortization | 29,889 | 30,162 |
| Amortization of bond premium | (1,336) | (1,425) |
| Non-cash lease expense | (44) | 320 |
| Pension obligations, including settlement charge | (8,432) | (4,959) |
| Restricted contributions and special event revenue | (188) | (5,049) |
| Net unrealized and realized losses/(gains) on restricted investments | (1,127) | 1,327 |
| Net earnings in equity investments in joint ventures | (6,905) | (6,676) |
| Distributions from equity investments in joint ventures | 1,676 | 4,857 |
| Changes in cash from operating assets and liabilities: | | |
| Other assets and deferred costs | (3,495) | (2,165) |
| Accrued pension and other postretirement benefits costs | (900) | (6,024) |
| Receivables | 3,760 | 645 |
| Inventories, prepaid expenses, and other current assets - net | (13,886) | (10,084) |
| Accounts payable and accrued expenses | 1,822 | 5,165 |
| Due to third party payors - net | (6,334) | (24,685) |
| Accrued interest payable | (105) | (258) |
| Professional liability and other liabilities | 1,785 | (4,372) |
| NET CASH USED IN OPERATING ACTIVITIES | (29,048) | (18,483) |
| INVESTING ACTIVITIES: | | |
| Purchases of property, buildings, and equipment | (32,330) | (31,018) |
| Purchases of investments | (447,757) | (113,959) |
| Proceeds from investments sold | 491,732 | 133,968 |
| Proceeds from sale of property, buildings, and equipment | 81 | 1,846 |
| NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES | 11,726 | (9,163) |
| FINANCING ACTIVITIES: | | |
| Repayments on long-term obligations | (5,705) | (5,440) |
| Payments on finance leases | (200) | (198) |
| Restricted contributions and special event revenue | 188 | 5,049 |
| Net unrealized and realized gains/(losses) on restricted investments | 1,127 | (1,327) |
| NET CASH USED IN FINANCING ACTIVITIES | (4,590) | (1,916) |
| DECREASE IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH AND CASH EQUIVALENTS | (21,912) | (29,562) |
| CASH, CASH EQUIVALENTS, AND RESTRICTED CASH AND CASH EQUIVALENTS - Beginning of year | 67,369 | 96,931 |
| CASH, CASH EQUIVALENTS, AND RESTRICTED CASH AND CASH EQUIVALENTS - End of year | \$ 45,457 | \$ 67,369 |
| SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION: | | |
| Cash paid for interest | \$ 6,133 | \$ 6,498 |
| Accruals for purchases of property, buildings, and equipment | \$ 196 | \$ 559 |

See notes to consolidated financial statements.

EXCELA HEALTH AND SUBSIDIARIES (A SUBSIDIARY OF INDEPENDENCE HEALTH SYSTEM)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023 AND 2022
(in thousands)

1. ORGANIZATION

Excelsa Health (the "Organization") is an integrated health system consisting of hospitals, physician practices, home care and hospice, and ambulatory centers providing health care services to residents of Westmoreland County, Pennsylvania and surrounding communities.

On January 1, 2023, the Organization entered into an affiliation with Butler Health System, Inc. ("BHS") to create a new Parent corporation named Independence Health System ("IHS"), which has governance authority over both organizations. The affiliation was initiated to help the combined organizations reach the requisite scale to accelerate and elevate its relevancy and essentiality in the region's highly competitive healthcare marketplace. The affiliation did not result in a change in reporting entity in the accompanying consolidated financial statements, and was accounted for as a merger.

The accompanying consolidated financial statements include the Organization and its following subsidiaries:

- Excelsa Health ("EH"), the parent corporation;
- Westmoreland Regional Hospital ("WH"), Latrobe Area Hospital, Inc. ("LH"), and Frick Hospital ("FH") (together, the "Hospital Division", and together with EH the "Obligated Group"), which provide inpatient and outpatient health care services to patients in Westmoreland and surrounding counties;
- Excelsa Health Physician Practices, Inc. ("EHPP") d/b/a Excelsa Health Medical Group, which provides primary care and specialty physician services;
- Excelsa Health Home Care & Hospice ("EHHCH"), which provides in-home healthcare services;
- Excelsa Health Ventures, LLC ("EHV") and Excelsa Health Diversified Services, Inc. ("EHDS"), which primarily operates real estate properties;
- Excelsa Reciprocal Risk Retention Group ("ERRRG") and its wholly owned subsidiary, Excelsa Attorney-in-Fact, Inc., which provides malpractice insurance coverage for the hospitals and physicians associated with the Organization, as described in the professional liability section of Note 3;
- CareGivers of Southwestern PA ("CG") which provides behavioral health services to the residents of Westmoreland County;
- Excelsa Physician Hospital Organization, LLC ("PHO"), which enables a network of providers to contract jointly with payors to improve quality and cost of care; and
- Westmoreland Hospital/Frick Hospital Foundation ("WFHF") and the Latrobe Area Hospital Charitable Foundation ("LAHCF") (together, the "Foundations"), which provide fundraising activities to primarily benefit the Organization.

The Organization is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code (the "Code") and has been recognized as tax exempt under Section 501(a) of the Code. Certain subsidiaries of the Organization are taxable for federal, state, and local purposes.

Principles of Consolidation - The consolidated financial statements include the accounts of majority-owned subsidiaries and subsidiaries where the Organization is the sole corporate member. Investments in affiliates owned less than 50%, or where control is shared equally, are accounted for using the equity method of accounting and are included in equity investments in affiliates in the accompanying consolidated balance sheets. The Organization discontinues the equity method of accounting when the related investment balance becomes negative, unless the Organization has guaranteed obligations of the investee or is otherwise committed to

provide future financial support. All significant intercompany transactions and accounts have been eliminated in consolidation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Measure of Operations and Performance Indicator - Operating revenues include those generated from direct patient care, related support services, gains or losses from disposition of operating properties, investment income on operating funds, real estate rentals, and sundry revenue related to the operations of the Organization. Nonoperating activity includes investment gains and losses on nonoperating funds, pension and postretirement benefit costs and settlement charges, changes in fair value of interest rate swaps, and other activity not directly related to the ongoing operations of the Organization.

The consolidated statements of operations and changes in net assets include deficit of revenues over expenses. Assets released from restrictions used for capital, adjustments to the liability for pension and other postretirement benefits, other intercompany transactions, and any cumulative effect of changes in accounting principles are reported as other changes in net assets without donor restrictions.

Net Patient Service Revenues, Receivables, and Due to Third-Party Payors - Patient service revenue is reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing patient care. These amounts are due from patients, third-party payors (including health insurers and government programs), and others and include variable consideration for retroactive revenue adjustments due to settlement of audits, reviews, and investigations. Generally, the Organization bills the patients and third-party payors several days or more after the services are performed or the patient is discharged from the facility. Revenue is recognized as performance obligations are satisfied.

The Organization assesses collectability on patient contracts prior to the recognition of net patient service revenues. Patient accounts receivable are recorded at net realizable value. Accounts are written off through implicit price concessions when the Organization has exhausted all collection efforts and determines accounts are impaired based on changes in patient credit worthiness.

Performance obligations are determined based on the nature of the services provided by the Organization. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected (or actual) charges. The Organization believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Generally, performance obligations satisfied over time relate to patients in the Hospital Division receiving inpatient acute care services or patients receiving services in Excelsa Health's outpatient centers or in their homes. The Organization measures the performance obligation from admission into the hospital, or the commencement of an outpatient service, to the point when it is no longer required to provide services to that patient, which is generally at the time of discharge or completion of the outpatient services. Revenue for performance obligations satisfied at a point in time is generally recognized when goods are provided to our patients and customers in a retail setting and the Organization does not believe it is required to provide additional goods or services related to that sale.

The Organization determines the transaction price based on standard charges for goods and services provided, reduced by explicit price concessions provided to third-party payors, discounts provided to uninsured patients in accordance with the Organization's policies, and implicit price concessions provided to uninsured patients. The Organization determines its estimates of explicit price concessions and discounts based on contractual agreements, its discount policies, and historical experience. The Organization determines its estimate of implicit price concessions based on its historical collection experience with this class of patients.

The Organization utilizes the portfolio approach practical expedient in ASC 606 for contracts related to net patient service revenue. The Organization accounts for the contracts within each portfolio as a collective group, rather than individual contracts, based on the payment pattern expected in each portfolio category and the

similar nature and characteristics of the patients within each portfolio. The portfolios consist of major payor classes for inpatient revenue and outpatient revenue. Based on historical collection trends and other analyses, the Organization has concluded that revenue for a given portfolio would not be materially different than if accounting for revenue on a contract-by-contract basis.

Agreements with third-party payors typically provide for payments at amounts less than established charges. A summary of the payment arrangements with major third-party payors follows:

Medicare - Certain inpatient acute care services are paid at prospectively determined rates per discharge based on clinical, diagnostic, and other factors. Physician services are paid based upon established fee schedules. Outpatient services are paid using prospectively determined rates.

Medicaid - Reimbursements for Medicaid services are generally paid at prospectively determined rates per discharge, per occasion of service, or per covered member.

Other - Payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations provide for payment using prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates.

Laws and regulations concerning government programs, including Medicare and Medicaid, are complex and subject to varying interpretation. As a result of investigations by governmental agencies, various health care organizations have received requests for information and notices regarding alleged noncompliance with those laws and regulations, which, in some instances, have resulted in organizations entering into significant settlement agreements. Compliance with such laws and regulations may also be subject to future government review and interpretation, as well as significant regulatory action, including fines, penalties, and potential exclusion from the related programs. There can be no assurance that regulatory authorities will not challenge the Organization's compliance with these laws and regulations, and it is not possible to determine the impact (if any) such claims or penalties would have upon the Organization. In addition, many of the contracts the Organization has with commercial payors also provide the ability to conduct retroactive audit and review of claims.

Settlements with third-party payors for retroactive adjustments due to audits, reviews, or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care. These settlements are estimated based on the terms of the payment agreement with the payor, correspondence from the payor, and the Organization's historical settlement activity, including an assessment to ensure that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements are adjusted in future periods as adjustments become known (that is, new information becomes available), or as years are settled or are no longer subject to such audits, reviews, and investigations. Adjustments arising from a change in the transaction price were not significant during the fiscal years ended June 30, 2023 and 2022.

Generally, patients who are covered by third-party payors are responsible for related deductibles and coinsurance, which vary in amount. The Organization also provides services to uninsured patients, and offers those uninsured patients a discount, either by policy or law, from standard charges. The Organization estimates the transaction price for patients with deductibles and coinsurance and from those who are uninsured based on historical experience and current market conditions. The initial estimate of the transaction price is determined by reducing the standard charge by any contractual adjustments, discounts, and implicit price concessions. Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to net patient service revenue in the period of the change. Subsequent changes that are determined to be the result of an adverse change in the patient's ability to pay are recorded as bad debt expense which is recorded as an

immaterial component of other expenses in the consolidated statements of operations and changes in net assets for the fiscal years ended June 30, 2023 and 2022.

Consistent with the Organization’s mission, care is provided to patients regardless of their ability to pay. Therefore, the Organization has determined it has provided implicit price concessions to uninsured patients and patients with other uninsured balances (for example, copays and deductibles). The implicit price concessions included in estimating the transaction price represent the difference between amounts billed to patients and the amounts the Organization expects to collect based on its collection history with those patients.

Patients who meet the Organization’s criteria for charity care are provided care without charge or at amounts less than established rates. Such amounts determined to qualify as charity care are not reported as revenue. The Organization calculates the cost of charity care using a cost-to-charge ratio methodology. The Organization maximizes patient qualification for financial assistance using both presumptive and traditional methods of establishing charity care. The cost of charity care forgone was approximately \$2,417 and \$2,177 for the years ended June 30, 2023 and 2022, respectively.

The Organization also provides free and below-cost service and programs for the community. The costs of these services and programs are included in salaries and wages and fringe benefits and various other expense line items of the Organization’s accompanying consolidated statements of operations and changes in net assets.

The Organization has determined that the nature, amount, timing, and uncertainty of revenue and cash flows are affected by the following factors: payors, service lines, and method of reimbursement. The following tables provide details of these factors.

The composition of net patient service revenues by primary payor for the years ended June 30, 2023 and 2022, is as follows:

| | 2023 | 2022 |
|-------------------------------------|-------------------|-------------------|
| Medicare | \$ 95,830 | \$ 92,062 |
| Medicare managed care | 224,368 | 218,206 |
| Medicaid | 2,596 | 2,631 |
| Medicaid managed care | 48,106 | 47,750 |
| Commercial | 219,639 | 228,236 |
| Other | 38,618 | 36,410 |
| Self-pay | 6,756 | 3,911 |
| Net patient service revenues | \$ 635,913 | \$ 629,206 |

Revenue from patient’s deductibles and coinsurance are included in the preceding categories based on the primary payor.

The composition of net patient service revenues based on its lines of business and method of reimbursement for the years ended June 30, 2023 and 2022, are as follows:

| | <u>2023</u> | <u>2022</u> |
|-------------------------------------|--------------------------|--------------------------|
| Service lines: | | |
| Hospital inpatient | \$ 229,822 | \$ 229,554 |
| Hospital outpatient | 251,853 | 240,012 |
| Physician services | 106,887 | 106,777 |
| Value-based and other | 23,070 | 26,887 |
| Home health and hospice | 24,281 | 25,976 |
| Net patient service revenues | <u>\$ 635,913</u> | <u>\$ 629,206</u> |
| Method of reimbursement: | | |
| Inpatient prospective payments | \$ 224,624 | \$ 224,087 |
| Fee schedule | 180,309 | 187,230 |
| Outpatient prospective payments | 185,494 | 169,897 |
| Value-based and other | 34,696 | 39,891 |
| Per diem | 10,790 | 8,101 |
| Net patient service revenues | <u>\$ 635,913</u> | <u>\$ 629,206</u> |

The Organization has elected the practical expedient allowed under FASB ASC 606, *Revenue from Contracts with Customers*, and does not adjust the promised amount of consideration from patients and third-party payors for the effects of a significant financing component due to the Organization's expectation that the period between the time the service is provided to a patient and the time that the patient or a third-party payor pays for that service will be one year or less. However, the Organization does, in certain instances, enter into payment agreements with patients that allow payments in excess of one year. For those cases, the financing component is not deemed to be significant to the contract.

COVID-19 Grant Income - COVID-19 grant income consists of amounts received from federal and state funding sources related to the COVID-19 pandemic. The Organization accounts for this funding in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 958-605 guidance for conditional contributions, and accordingly, revenues are recognized when barriers are substantially met, which occurs when the Organization complies with the terms and conditions related to the purpose of the grant rather than those that are administrative in nature.

In March 2020, the Coronavirus Aid, Relief, and Economic Security ("CARES") Act was signed into law to combat the financial effects of COVID-19. The CARES Act created a Provider Relief Fund ("PRF") to provide financial support for hospitals and other healthcare providers. In accordance with the original terms and conditions, the Organization can apply the funding against lost revenues and eligible expenses. Noncompliance with the terms and conditions could result in repayment of some or all of the support. The Department of Health and Human Services ("HHS") has indicated Relief Fund payments are subject to future reporting and audit requirements.

HHS released guidance that establishes guidelines to use the funds based on the period in which the funding was received. As of June 30, 2023, the deadline to use the funds received was as follows:

| Period Received | Date Range | Amount Received | Deadline to Use Funds |
|------------------------|-------------------------|------------------------|------------------------------|
| Period 1 | 04/10/2020 - 06/30/2020 | \$ 10,436 | June 30, 2021 |
| Period 2 | 07/01-2020 - 12/31/2020 | 1,302 | December 31, 2021 |
| Period 3 | 01/01/2021 - 06/30/2021 | 17,234 | June 30, 2022 |
| Period 4 | 07/01/2021 - 12/31/2021 | 5,244 | December 31, 2022 |

The PRF funds can be applied to expenses that are unreimbursed by other sources and that other sources are not obligated to reimburse. These expenses are broken out into two general categories – general and administrative expenses attributable to COVID-19 and healthcare related expenses attributable to COVID-19. Any PRF amounts can also be applied to patient care lost revenues.

As of June 30, 2022, the Organization has determined that it has incurred sufficient incremental expenses and lost revenues to satisfy the conditions set forth by HHS to recognize the PRF received as grant income of \$5,244. The Organization did not receive any additional HHS funding as of June 30, 2023.

Contract Assets - Included in prepaid expenses and other current assets in the accompanying consolidated balance sheets are contract assets related to services provided to patients for which the Organization has not billed and that do not meet the conditions of unconditional right to payment at the end of the reporting period. These contract assets consist of services that Excelsior Health has provided to patients who are still receiving inpatient care at the Hospital Division at the end of the reporting period. The opening and closing balances of contract assets are as follows:

| | 2023 | 2022 |
|----------------------------|---------------|-----------------|
| Opening balance - July 1 | \$ 2,121 | \$ 2,434 |
| Ending balance - June 30 | 2,499 | 2,121 |
| Increase/(Decrease) | \$ 378 | \$ (313) |

Contract Liability - Medicare Advances - The CARES Act included provisions to expand the Centers for Medicare and Medicaid Services (“CMS”) Accelerated and Advance Payment Program in order to improve cash flows for providers impacted by the COVID-19 pandemic. In April 2020, the Organization received \$35,279 in advance payments under this program. Repayment of the advances began during April 2021 and concluded in October 2022, at which time the advances were required to be repaid in full. The repayments occurred automatically through a partial reduction in Medicare payments due to the Organization for services rendered to Medicare program beneficiaries. The Organization was required to pay approximately \$261 in a lump sum at the end of the eighteen-month repayment period.

Other Operating Revenues - Other operating revenues are a combination of nonpatient revenue and nonclinical services, such as managed care incentive payments from payors, cafeteria sales, equity in the income (loss) of joint ventures, and rent collected from third parties. Revenue for performance obligations satisfied at a point in time is generally recognized when goods and services are provided to patients and customers and the Organization does not believe it is required to provide additional goods or services related to the other operating revenue.

Fair Value Measurements - Accounting guidance on fair value measurements of financial assets and liabilities defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and establishes a framework for measuring fair value. The guidance consists of a three-level hierarchy for fair value measurements based upon

the transparency of inputs to the valuation of an asset or liability as of the measurement date and expanded disclosures about instruments measured at fair value. The three levels are defined as follows:

Level 1 - Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 - inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets and inputs that are observable for the asset or liability, directly or indirectly, for substantially the full term of the financial instrument.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

Cash and Cash Equivalents, and Restricted Cash and Cash Equivalents - Cash and cash equivalents, at cost, which approximates fair value, consist of demand deposit accounts and highly liquid debt investments with an original maturity of three months or less when purchased.

For purposes of the statements of cash flows, cash, cash equivalents, and restricted cash and cash equivalents include investments purchased with an initial maturity of three months or less. The following table provides a reconciliation of cash, cash equivalents, and restricted cash and cash equivalents reported within the balance sheets that sum to the total of the same such amounts shown in the statements of cash flows:

| | 2023 | 2022 |
|--|------------------|------------------|
| Cash and cash equivalents | \$ 34,757 | \$ 42,013 |
| Restricted cash and cash equivalents included in board-designated, trustee, and other investments | 10,700 | 25,356 |
| Total cash, cash equivalents, and restricted cash and cash equivalents as reported in the statement of cash flows | \$ 45,457 | \$ 67,369 |

Board-designated, trustee, and other investments on the consolidated balance sheets include restricted cash received with a donor-imposed restriction that limits use of that cash to long-term purposes and amounts required to be set aside for the payment of workers' compensation.

Concentration of Credit Risk - Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of receivables. Concentration of credit risk for patient receivables is generally limited due to the dispersion of these balances over a wide creditor base.

Significant concentrations of net patient receivables as of June 30, 2023 and 2022, include the following:

| | 2023 | 2022 |
|----------|-------------|-------------|
| Highmark | 14% | 16% |
| UPMC | 13% | 11% |
| Aetna | 10% | 11% |
| Medicare | 9% | 11% |
| Medicaid | 2% | 2% |

Inventories - Inventories are stated at the lower of cost (based upon a first-in, first out method) or net realizable value.

Board-Designated, Trustee, and Other Investments - The Excelsior Health Board of Trustees (the "Board") has designated cash and investments for the renovation, replacement, or expansion of the Organization's facilities as needed.

The Organization's investments consist of commingled funds, which invest in equity and fixed-income securities with readily determinable fair values measured at fair value based on quoted market prices, if available, or are estimated using quoted market prices for similar securities. As of June 30, 2023 and 2022, the Organization's alternative investments are primarily limited to real estate funds. Investments within the alternative investments may individually expose the Organization to securities lending, short sales, and trading in futures and forward contract options and other derivative products. These investments are measured at fair value, which is determined based on net asset value ("NAV"), which is calculated using the most recent financial statements of the alternative investments.

Realized gains and losses from the sale of investments are measured using the specific identification method. Investment earnings (including equity earnings, realized and unrealized gains and losses on investments, interest and dividends) are included in deficit of revenue over expenses, unless the income or loss is restricted by donor or law.

Investment earnings on assets held by the Foundations and assets deposited in trust funds for self-insurance purposes are included in nonoperating activity in the accompanying consolidated statements of operations and changes in net assets. Investment earnings from all other investments without donor restrictions and board-designated funds are also included in nonoperating activity in the accompanying consolidated statements of operations and changes in net assets.

Summary of long-term investment activities is as follows for the year ended June 30, 2023:

| | Designated - Capital | Designated - Other | Residency | Malpractice | Employee Programs | Ambulance | Other | Total |
|---|-------------------------|-----------------------|-----------------|------------------|----------------------|-----------------|------------------|-------------------|
| Investments - beginning of year | \$ 238,772 | \$ 10,330 | \$ 4,711 | \$ 20,950 | \$ 1,163 | \$ 1,590 | \$ 19,743 | \$ 297,259 |
| Gifts/amounts available for investment: | | | | | | | | |
| Creating term endowment | - | - | - | - | - | - | 1,345 | 1,345 |
| Investment return - net | 10,067 | 1,149 | 513 | 2,566 | (15) | - | 1,019 | 15,299 |
| Transfers and other | (65,405) | 121 | (150) | 300 | 632 | - | 139 | (64,363) |
| Amounts appropriated for current operations | - | - | - | - | (325) | - | (609) | (934) |
| Investments - end of year | \$ 183,434 | \$ 11,600 | \$ 5,074 | \$ 23,816 | \$ 1,455 | \$ 1,590 | \$ 21,637 | \$ 248,606 |

Summary of long-term investment activities is as follows for the year ended June 30, 2022:

| | Designated - Capital | Designated - Other | Residency | Malpractice | Employee Programs | Ambulance | Other | Total |
|---|-------------------------|-----------------------|-----------------|------------------|----------------------|-----------------|------------------|-------------------|
| Investments - beginning of year | \$ 300,275 | \$ 11,922 | \$ 5,580 | \$ 22,017 | \$ 1,404 | \$ 1,590 | \$ 22,775 | \$ 365,563 |
| Gifts/amounts available for investment: | | | | | | | | |
| Creating term endowment | - | - | - | - | - | - | 1,377 | 1,377 |
| Investment return - net | (30,746) | (1,592) | (719) | (3,067) | (241) | - | (2,308) | (38,673) |
| Transfers and other | (30,757) | - | (150) | 2,000 | - | - | (552) | (29,459) |
| Amounts appropriated for current operations | - | - | - | - | - | - | (1,549) | (1,549) |
| Investments - end of year | \$ 238,772 | \$ 10,330 | \$ 4,711 | \$ 20,950 | \$ 1,163 | \$ 1,590 | \$ 19,743 | \$ 297,259 |

Investment Risks - Investments are exposed to various risks, such as interest rate, market, and credit risk. Due to level of risk associated with certain investments and the level of uncertainty related to changes in the value of the investments, changes in values in the near term could materially affect the amounts reported in the accompanying consolidated balance sheets and consolidated statements of operations and changes in net assets.

Property, Buildings, and Equipment - Property, buildings, and equipment, including software, are carried at depreciated cost. Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets. Capitalized interest of \$142 was recorded for the year ended June 30, 2023. No interest was capitalized for the years ended June 30, 2022.

Depreciation of buildings and equipment is calculated using the straight-line method at rates designed to amortize the cost over the estimated useful lives of the assets, generally ranging from 3 to 40 years. Amortization of assets recorded under finance leases is included in depreciation expense.

Asset Impairment - Certain long-lived assets are evaluated for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. If expected cash flows are less than the carrying value, and impairment loss is recognized equal to an amount by which the carrying value exceeds the fair value of assets. Asset impairments of \$0 and \$124 were recorded for the years ended June 30, 2023 and 2022, respectively, related to various property, buildings, and equipment assets, equity investments in affiliates, and lease abandonments.

Lease Obligations and Right-of-Use Assets - The Organization evaluates at contract inception whether a lease exists and recognizes a lease obligation and right-of-use ("ROU") asset for all leases with a term greater than 12 months. Leases are classified as either finance or operating. The Organization had \$227 and \$428 in finance leases at June 30, 2023 and 2022, respectively.

Lease liabilities represent the Organization's contractual obligation to make lease payments over the lease term. All lease liabilities are measured as the present value of the future lease payments using a discount rate. The future lease payments used to measure the lease liability include fixed payments, as well as the exercise price of any options to purchase the underlying asset that have been deemed reasonably certain of being exercised, if applicable. Future lease payments for optional renewal periods that are not reasonably certain of being exercised are excluded from the measurement of the lease liability. The ROU asset is initially derived from the measurement of the lease liability and adjusted for certain items, such as initial direct costs and lease incentives received. ROU assets are subject to long-lived impairment testing.

Operating lease expense is recognized on a straight-line basis over the lease term and is included within other expenses in the consolidated statements of operations and changes in net assets. The Organization has elected not to recognize as an operating ROU asset and obligation for leases with an initial term of twelve months or less. The expense associated with short-term leases is included in other expenses in the consolidated statements of operations and changes in net assets. Finance lease ROU assets are amortized on a straight-line basis over the lesser of the lease term and the estimated useful life. Interest expense associated with finance lease obligations is recorded as a component of interest expense.

Other Long-Term Assets - The composition of other long-term assets as of June 30, 2023 and 2022 is as follows:

| | <u>2023</u> | <u>2022</u> |
|---|-------------------------|-------------------------|
| <u>Recoverable amounts related to:</u> | | |
| Excela Capital Accumulation Plan ("ECAP") | \$ 8,473 | \$ 6,429 |
| Medical Care Availability and Reduction of Error ("MCARE") | 1,787 | 1,340 |
| Community Health Alliance ("CHA") Risk Retention Group/MedPro | 316 | 270 |
| Other long-term assets | 4,019 | 3,061 |
| Total | <u>\$ 14,595</u> | <u>\$ 11,100</u> |

Goodwill and Other Intangible Assets - Goodwill is generally recorded as of the date acquired and is tested for impairment on an annual basis or more frequently if an event occurs or circumstances arise that would more likely than not reduce the fair value of a reporting unit below its carrying amount.

Goodwill and other intangible assets separately identified in the consolidated balance sheets include goodwill subject to annual impairment testing of \$9,771 as of June 30, 2023 and 2022, recorded as a result of the Organization's previous acquisition of Laurel Surgical Center. There were no impairment indicators present for goodwill during either fiscal year.

Professional and Other Long-Term Liabilities - The composition of professional liability and other long-term liabilities as of June 30, 2023 and 2022, is as follows:

| | 2023 | 2022 |
|-----------------------------|------------------|------------------|
| Professional liability | \$ 27,505 | \$ 25,552 |
| Workers' compensation | 329 | 446 |
| Other long-term liabilities | 3,871 | 3,660 |
| Total | \$ 31,705 | \$ 29,658 |

Professional Liability - The provision for professional liability includes estimates of the ultimate costs for both reported claims and claims incurred but not reported, including costs associated with litigating or settling claims. Anticipated insurance recoveries associated with reported claims are reported separately in the Organization’s consolidated balance sheets at the net realizable value. The Organization maintains the following coverages and programs for the indicated time periods:

ERRRG - Effective January 1, 2014 - ERRRG is an unincorporated reciprocal insurance exchange formed under the laws of the State of Vermont. The Organization’s subsidiaries are subscribers within ERRRG. Cumulative subscriber contributions aggregate approximately \$6,800. No additional contributions were made in 2023 or 2022. The contributions are required by the State of Vermont, Department of Financial Regulation, to be held in a restricted investment account as of June 30, 2023 and 2022, and is classified as board-designated, trustee, and other investments in the accompanying consolidated balance sheets.

The Organization’s subscribers paid ERRRG approximately \$4,346 and \$4,399 in premiums and paid approximately \$1,079 and \$1,097 to MCARE in assessments for insurance coverage in fiscal years 2023 and 2022, respectively. Physician professional liability and MCARE-eligible professional liability account for \$500 per claim to \$1,500 aggregate per provider. The hospitals are covered at \$500 per claim and \$2,500 aggregate per hospital. Non-MCARE eligible professionals are covered at \$1,000 per occurrence and \$3,000 aggregate shared limit and general liability is covered at \$1,000 per occurrence and \$3,000 aggregate shared limit. In addition to self-retained insurance, the Organization purchases excess liability policies up to \$20,000 per incident/occurrence and \$20,000 professional liability aggregate and all other aggregate.

CHA/MedPro - Prior to January 1, 2014 - Prior to establishing ERRRG, the Organization procured professional insurance coverage from CHA. CHA’s subscribers included the Organization as well as other Western Pennsylvania health systems. All of the subscribers of CHA exercised their rights to withdraw subscription to CHA as of December 31, 2013. CHA was dissolved in December 2020 through a liability transfer transaction with MedPro.

MCARE - All Time Periods - The Organization obtains certain excess coverage from commercial insurance underwriters and MCARE. The MCARE Act was enacted by the Pennsylvania legislature in 2002. The act created the MCARE Fund, which replaced the Pennsylvania Medical Professional Liability Catastrophe Loss Fund as the state mandated funding mechanism for the payment of medical malpractice claims exceeding the primary layer of professional liability insurance carried by hospitals and other health care providers practicing in the state. The MCARE Fund is funded on a “pay-as-you-go basis.” The MCARE Fund levies health care provider surcharges, calculated as a percentage of the premiums established by the Joint Underwriting Association (also, a Commonwealth of Pennsylvania agency) for basic coverage, to pay claims and administrative expenses on behalf of MCARE Fund participants. The MCARE Act of 2002 provides for a reduction to the current MCARE coverage of \$500 per occurrence to \$250 per occurrence and the eventual phaseout of the MCARE Fund, subject to the approval of the Pennsylvania Insurance Commissioner. To date, the Pennsylvania Insurance Commissioner has deferred the change in coverage and eventual phaseout of the MCARE Fund to future years. No provision has been made for any future MCARE Fund assessments in the accompanying consolidated financial statements, as the Organization’s portion of the MCARE Fund’s unfunded liability cannot be reasonably estimated.

The components of the professional liability within professional liability and other long-term liabilities in the accompanying consolidated balance sheets under the forgoing programs as of June 30, 2023 and 2022, are as follows:

| | <u>2023</u> | <u>2022</u> |
|------------------------------|-------------------------|-------------------------|
| ERRRG Liability | \$ 16,784 | \$ 16,306 |
| Self-Insured Buffer Layer | 5,828 | 5,314 |
| CHA/MedPro IBNR | 2,789 | 2,321 |
| CHA/MedPro/MCARE Recoverable | 2,058 | 1,611 |
| CHA/MedPro Deductible Layer | 46 | - |
| Total | <u>\$ 27,505</u> | <u>\$ 25,552</u> |

Workers' Compensation - The Organization administers a self-insurance program that retains a portion of the liability for workers' compensation losses incurred by the Organization. The Organization has purchased excess insurance above \$750 per occurrence. The estimated self-insured workers' compensation liabilities, including IBNR claims, classified in professional liability and other long-term liabilities in the accompanying consolidated balance sheets amounted to approximately \$329 and \$446 as of June 30, 2023 and 2022, respectively.

Medical, Vision, and Prescription Self-Insurance - The Organization is self-insured for medical, vision, and prescription benefits for the employees of the Organization. The Organization administers these self-insurance programs and retains a portion of the liability for associated employee claims incurred by the Organization. The Organization has purchased excess insurance above \$450 per individual per year. The estimated self-insured benefit liabilities, including IBNR claims, classified in accounts payable and accrued expenses in the consolidated balance sheets amounted to approximately \$2,979 and \$6,507 as of June 30, 2023 and 2022, respectively. Recoverable amounts from stop-loss insurance were \$0 and \$2,400 recorded in prepaid expenses and other current assets as of June 30, 2023 and 2022, respectively.

Use of Estimates - The preparation of consolidated financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures included in the consolidated financial statements. Actual results could differ from those estimates.

Recent Accounting Pronouncements - In January 2017, the FASB issued ASU No. 2017-04 *Intangibles - Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment*. ASU No. 2017-04 effectively eliminates step two from the goodwill impairment test, which had required entities to determine the fair value of all assets and liabilities at the impairment testing date. ASU No. 2017-04 simplifies the goodwill impairment test by requiring entities to perform goodwill impairment testing by comparing the fair value of a reporting unit with its carrying value and recognizing an impairment charge for the amount by which the carrying amount exceeds the reporting unit's fair value. The standard was required to be adopted prospectively for the fiscal year ending June 30, 2023. The adoption of this guidance did not have a material impact on the consolidated financial statements.

In June 2016, the FASB issued ASU No. 2016-13, *Measurement of Credit Losses on Financial Instruments*. ASU No. 2016-13 requires financial assets measured at amortized cost to be presented at the net amount expected to be collected, through an allowance for credit losses that is deducted from the amortized cost basis. The measurement of expected credit losses is based on relevant information about past events, including historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amount. ASU 2016-13 was amended several times between November 2018 through March 2020 to clarify, correct errors in, and improve the guidance. ASU No. 2016-13 (as amended) is effective for the

Corporation's year ending June 30, 2024. The Organization is currently assessing the effect that ASU No. 2016-13 (as amended) will have on its results of operations, financial position, and cash flows.

3. INVESTMENTS JOINT VENTURES

A summary of the equity investments in joint ventures recorded in the accompanying consolidated balance sheets as of June 30, 2023 and 2022, is as follows:

| | <u>2023</u> | <u>2022</u> |
|--|-------------------------|-------------------------|
| Medcare Equipment Company, LLC ("MEC") | \$ 24,626 | \$ 19,142 |
| Mountain View Cancer Associates, LLC ("MVCA") | 8,017 | 8,659 |
| Bridges Health Partners Services, LLC ("PHSO") | 958 | 1,082 |
| Bridges Health Partners, LLC ("CIN") | 137 | 206 |
| Bridges Health Partners Accountable Care Organization, LLC ("ACO") | 179 | (402) |
| Total | <u>\$ 33,917</u> | <u>\$ 28,687</u> |

MEC - As of June 30, 2023 and 2022, EHPP had a partnership interest of approximately 35% in the MEC durable medical equipment company with the remainder owned by other Western Pennsylvania hospitals and health systems. The equity-based earnings in MEC were \$7,160 and \$7,742, for the years ended June 30, 2023 and 2022, respectively, and are included in other operating revenues in the accompanying consolidated statements of operations and changes in net assets. Distributions received were \$1,676 and \$6,292 for the years ended June 30, 2023 and 2022, respectively.

MVCA - EH, along with UPMC Cancer Centers, is a member in MVCA, which operates a medical and radiation oncology center in the Organization's service area. The members have equal voting rights and share in the results of operations based on their respective financial interest, 54% EH and 46% UPMC. The Organization accounts for its interest in the joint venture using the equity method of accounting since control is shared equally with UPMC Cancer Centers. The Organization's equity in the earnings/(loss) of the joint venture is \$(642) and \$412, for the years ended June 30, 2023 and 2022, respectively, and is included in other operating revenues in the accompanying consolidated statements of operations and changes in net assets.

CIN/ACO - The PHO previously entered into an agreement with certain other Western Pennsylvania hospitals and health systems ("Participating Providers") to create the CIN to serve as the contracting entity for all commercial and Medicare Advantage risk-sharing agreements and provide a physician-led governing body for all Participating Providers. Also, created as a wholly owned subsidiary of the CIN is the ACO that performs the same functions as the CIN, but for traditional Medicare shared savings agreements. The PHO has a 25% ownership interest in the CIN and the CIN has a 100% ownership interest in the ACO. However, the allocation of profit and losses of both the CIN and ACO to the Participating Providers is based on attribution percentages of the Participating Providers' respective physicians, as determined annually on a calendar year basis. For the calendar years 2022 and 2021 the PHO's attribution percentage for gains and losses of the CIN and ACO was 31.8% and 33.3%, respectively. The PHO's equity in the gains/(losses) of the CIN and ACO is \$(69) and \$580, and \$226 and \$(65), respectively, for the years ended June 30, 2023 and 2022, and is included in other operating revenues in the accompanying consolidated statements of operations and changes in net assets. For the years ended June 30, 2023 and 2022, no additional capitalization was provided by the Participating Providers to either the CIN or ACO.

PHSO - EH previously entered into an agreement with the Participating Providers to create an entity to provide population health and other management services to the CIN and ACO. EH has a 25% ownership interest in the PHSO and shares in the profit and losses of the PHSO based on the same attribution percentages as the CIN and ACO. EH's equity in the losses of the joint venture is \$124 and \$203 for the years ended June 30, 2023 and 2022, respectively, and is included in other operating revenues in the accompanying consolidated statements of

operations and changes in net assets. For the years ended June 30, 2023 and 2022, no additional capitalization was provided by the Participating Providers to the PHSO.

Clinical Connect Health Information Exchange (“HIE”) - WH entered into an agreement with other Western Pennsylvania hospitals and health systems to formulate the HIE. The purpose of this joint venture is to easily exchange clinical information on patients transferred in between or within the member organizations to improve the quality of care and avoid unnecessary duplication of tests and procedures. WH’s membership percentage as of June 30, 2023 and 2022, was approximately 10%.

Summary asset and liability information of the joint ventures as of June 30, 2023, and revenue of the equity method joint ventures for the year ended June 30, 2023, are as follows:

| | <u>Assets</u> | <u>Liabilities</u> | <u>Total Revenue</u> |
|--------------|-------------------|--------------------|----------------------|
| MEC | \$ 64,843 | \$ 12,398 | \$ 89,559 |
| MVCA | 19,316 | 11,814 | 72,653 |
| CIN | 15,316 | 9,561 | 10,336 |
| ACO | 938 | - | 14,456 |
| PHSO | 4,003 | 1,358 | 6,639 |
| HIE | 565 | 136 | 387 |
| Total | \$ 104,981 | \$ 35,267 | \$ 194,030 |

Summary asset and liability information of the joint ventures as of June 30, 2022, and revenue of the equity method joint ventures for the year ended June 30, 2022, are as follows:

| | <u>Assets</u> | <u>Liabilities</u> | <u>Total Revenue</u> |
|--------------|------------------|--------------------|----------------------|
| MEC | \$ 49,609 | \$ 12,707 | \$ 91,394 |
| MVCA | 20,498 | 4,006 | 67,250 |
| CIN | 10,769 | 4,808 | 13,442 |
| ACO | 773 | 1,571 | 5,209 |
| PHSO | 5,728 | 2,709 | 5,728 |
| HIE | (527) | 106 | 59 |
| Total | \$ 86,850 | \$ 25,907 | \$ 183,082 |

4. PROPERTY, BUILDINGS, AND EQUIPMENT

Major classes of assets of property, buildings, and equipment as of June 30, 2023 and 2022, consist of the following:

| | <u>2023</u> | <u>2022</u> |
|--|-------------------|-------------------|
| Land and land improvements | \$ 38,761 | \$ 36,969 |
| Buildings | 331,734 | 324,455 |
| Equipment | 391,552 | 383,292 |
| Software | 81,458 | 80,737 |
| Construction in progress | 23,829 | 13,999 |
| | 867,334 | 839,452 |
| Less accumulated depreciation | (643,123) | (618,070) |
| Property, buildings, and equipment, net | \$ 224,211 | \$ 221,382 |

Estimated useful lives range from 5 to 25 years on land improvements, 10 to 40 years on buildings, 3 to 20 years on fixed and major moveable equipment, and 3 to 5 years on software. Property, buildings, and equipment

assets include approximately \$7,913 and \$7,901 of finance lease assets as of June 30, 2023 and 2022, respectively, with remaining net book values of approximately \$328 and \$499 as of June 30, 2023 and 2022, respectively.

5. LONG-TERM OBLIGATIONS

Long-term obligations as of June 30, 2023 and 2022, consist of the following:

| | <u>2023</u> | <u>2022</u> |
|---|--------------------------|--------------------------|
| Series 2015A fixed-rate revenue bonds. Interest payable at 3.04%, payable in varying semi-annual installments through 2031. | \$ 13,590 | \$ 14,615 |
| Series 2015B fixed-rate revenue bonds. Interest payable at 4.72%, payable in varying semi-annual installments beginning 2032 through 2036. | 49,650 | 49,650 |
| Series 2020A fixed-rate revenue bonds. Interest payable at rates ranging from 4.00% - 5.00%, payable in varying semi-annual installments beginning 2021 through 2037. | 73,920 | 78,295 |
| Series 2020B fixed-rate revenue bonds. Interest payable at rates ranging from 1.75% - 2.27%, payable in varying semi-annual installments beginning 2021 through 2025. | 980 | 1,285 |
| Finance leases and other obligations | 227 | 428 |
| Unamortized bond premium | 7,308 | 8,643 |
| Less: unamortized bond issuance costs | (1,096) | (1,180) |
| | <u>144,579</u> | <u>151,736</u> |
| Less: current portion | 6,743 | 5,914 |
| Total long-term obligations | <u>\$ 137,836</u> | <u>\$ 145,822</u> |

Revenue bonds outstanding represent funds borrowed by the Organization pursuant to loan agreements and lease and sublease financing arrangements with governmental authorities. The bonds were used for the purchase, construction, and renovation of hospital facilities and equipment and the extinguishment of debt.

Under the Organization's master trust indenture, all of the Organization's revenues are pledged as collateral against the various indebtedness agreements.

The various indebtedness agreements contain restrictive covenants, the most significant of which are the maintenance of minimum debt service coverage, days cash on hand, cash to debt coverage, and restrictions as to the incurrence of additional indebtedness and transfers of assets. The Obligated Group is in compliance with the financial covenants of the agreements as of June 30, 2023.

Aggregate maturities of long-term obligations for the next five years, ending June 30, are as follows:

| Years ending June 30, | |
|------------------------------|--------------------------|
| 2024 | \$ 6,743 |
| 2025 | 6,985 |
| 2026 | 7,250 |
| 2027 | 7,530 |
| 2028 | 7,855 |
| 2029 and thereafter | 102,004 |
| Total | <u>\$ 138,367</u> |

Deferred bond issuance costs were \$1,380 as of June 30, 2023 and 2022, and are being amortized over the term of the bonds. Accumulated amortization related to deferred bond issuance costs totaled \$283 and \$200 as of June 30, 2023 and 2022, respectively.

The Organization maintains a working line of credit in the amount of \$15,000 ("2016A") with an expiration date of September 1, 2024 at an interest rate of SOFR plus 90 basis points on any outstanding balance and an unused commitment fee of 12.5 basis points on the remaining available balance. There were no outstanding balances on the 2016A letter of credit as of June 30, 2023 and 2022, respectively.

6. FAIR VALUE MEASUREMENTS

The Organization holds certain financial instruments that are required to be measured at fair value on a recurring basis. These include certain board designated, trustee, and other investments.

The following tables represent the Organization's fair value hierarchy for its financial instruments measured at fair value on a recurring basis as of June 30, 2023 and 2022.

| | 2023 | | | Total |
|--|-----------|------------|---------|-------------------|
| | Level 1 | Level 2 | Level 3 | |
| Investments at fair value: | | | | |
| Fixed-income funds: | | | | |
| Corporate debt securities | \$ - | \$ 10,719 | \$ - | \$ 10,719 |
| Municipal government securities | - | 78 | - | 78 |
| Federal government securities | - | 150,812 | - | 150,812 |
| Total fixed-income funds | - | 161,609 | - | 161,609 |
| Domestic equity funds | 24,997 | - | - | 24,997 |
| International equity fund | 15,335 | - | - | 15,335 |
| Total investments in the fair value hierarchy | \$ 40,332 | \$ 161,609 | \$ - | 201,941 |
| Alternative investments measured at NAV ⁽ⁱ⁾ | | | | 17,779 |
| Cash, cash equivalents, and short-term investments | | | | 28,886 |
| Total investments | | | | \$ 248,606 |

| | 2022 | | | Total |
|--|------------|-----------|---------|-------------------|
| | Level 1 | Level 2 | Level 3 | |
| Investments at fair value: | | | | |
| Fixed-income funds: | | | | |
| Corporate debt securities | \$ - | \$ 64,448 | \$ - | \$ 64,448 |
| Municipal government securities | - | 1,829 | - | 1,829 |
| Federal government securities | - | 25,428 | - | 25,428 |
| Total fixed-income funds | - | 91,705 | - | 91,705 |
| Domestic equity funds | 97,273 | - | - | 97,273 |
| International equity fund | 64,121 | - | - | 64,121 |
| Total investments in the fair value hierarchy | \$ 161,394 | \$ 91,705 | \$ - | 253,099 |
| Alternative investments measured at NAV ⁽ⁱ⁾ | | | | 16,704 |
| Cash, cash equivalents, and short-term investments | | | | 27,456 |
| Total investments | | | | \$ 297,259 |

The following is a description of the valuation methodologies the Organization used for instruments recorded at fair value:

Fixed-Income Funds - Fixed-income funds are valued using quoted market prices and/or other market data for the same or comparable instruments and transactions in establishing the prices, discounted cash flow models, and other pricing models. These models are primarily industry-standard models that consider various assumptions, including time value and yield curve as well as other relevant economic measures.

Domestic Equity Funds and International Equity Fund - The estimated fair value has been determined based on quoted (unadjusted) prices for identical assets in active markets.

Alternative Investments - The estimated fair value has been determined based on the NAV per share as a practical expedient method for determining fair value. The Organization's alternative investments are primarily composed of a private real estate fund and a private equity fund. The NAVs of the collective trust portfolios are estimated based on prices obtained for the underlying securities by the trust managers. The private real estate fund has no unfunded commitments as of June 30, 2023 and 2022. The private equity fund has an unfunded commitment of approximately \$4,700 as of June 30, 2023. The Organization had no investments in the private equity fund as of June 30, 2022.

A summary of the Organization's investments with respect to NAV for the alternative investments as June 30, 2023 and 2022, is as follows:

| Fair Value Estimated Using NAV per Share As of June 30, 2023 | Fair Value ⁽ⁱ⁾ | Redemption Frequency | Redemption Notice | Lockout |
|---|----------------------------------|---------------------------------|------------------------------|----------------|
| SEI Core Property Fund ⁽ⁱⁱ⁾ | \$ 16,719 | Quarterly | 95 days | None |
| SEI Private Equity Fund ⁽ⁱⁱⁱ⁾ | \$ 1,060 | N/A | N/A | N/A |
| Fair Value Estimated Using NAV per Share As of June 30, 2022 | Fair Value ⁽ⁱ⁾ | Redemption Frequency | Redemption Notice | Lockout |
| SEI Core Property Fund ⁽ⁱⁱ⁾ | \$ 16,704 | Quarterly | 95 days | None |

- (i) The fair values of the investments have been estimated using the NAV of the investment.
- (ii) The investment objective of the fund is to outperform the return of NCREIF Property Quarterly Index.
- (iii) The investment objective of the fund is to provide global exposure to the private assets sub-classes of venture capital, buyouts, debt, real estate, and real assets through a diversified fund of funds, The fund also offers diversification benefits through access to opportunities not available through public market investments.

7. LEASING ACTIVITY

EHDS and EHV, as the Organization's primary real estate entities, are the lessors of office buildings under operating lease agreements expiring at various dates through December 31, 2035, which are included in property, buildings, and equipment in the accompanying consolidated balance sheets.

Property under operating leases and held for lease by EHDS and EHV as of June 30, 2023 and 2022, consists of the following:

| | 2023 | 2022 |
|--------------------------------|-------------------------|-------------------------|
| Land & land improvements | \$ 3,230 | \$ 3,230 |
| Buildings | 30,576 | 30,576 |
| Fixed equipment | 1,764 | 1,764 |
| Movable equipment | 533 | 533 |
| | <u>36,103</u> | <u>36,103</u> |
| Less: accumulated depreciation | 15,889 | 14,930 |
| Total | <u>\$ 20,214</u> | <u>\$ 21,173</u> |

In addition to the leasing activities of EHDS and EHV, the Hospital Division also leases certain square footage of their respective buildings. Future minimum rentals to be received under the EHDS, EHV, and Hospital Division operating leases in effect as of June 30, 2023, are as follows:

| Years ending June 30, | |
|------------------------------|----------|
| 2024 | \$ 2,586 |
| 2025 | 1,870 |
| 2026 | 1,722 |
| 2027 | 1,243 |
| 2028 and thereafter | 4,476 |

8. LEASES

The Organization leases land, office space, and equipment used in operations. For many of these leases, the Organization is responsible for paying property taxes, insurance, as well as maintenance and repair costs. The Corporation's real estate leases generally have initial lease terms of three to five years or more and typically include one or more options to renew, with renewal terms that generally extend the lease term for an additional five to ten years or more. The Organization assesses renewal options using a "reasonably certain" threshold, which is understood to be a high threshold, and therefore the majority of its lease terms do not include renewal periods for accounting purposes. For leases where the Organization is reasonably certain to exercise its renewal option, the option periods are included within the lease term and, therefore, the measurement of the right-of-use asset and lease liability. The payment structure of the Organization's leases generally includes annual escalation clauses that are either fixed or variable in some nature, some of which are dependent upon published indices. Leases with an initial term of 12 months or less are not recorded on the balance sheet and expenses for these leases are recognized on a straight-line basis over the lease term as an operating expense.

Certain leases include an option to purchase the leased assets. The Organization assesses the likelihood of exercising the purchase option using a "reasonably certain" threshold, which is understood to be a high threshold and, therefore, purchased options are generally accounted for when a compelling economic reason to exercise the option exists. Certain leases include an option to terminate the leases, the terms and conditions of which vary by contract. These options allow the parties to the contract to terminate their obligations typically in return for an agreed upon financial consideration amount. The Organization's lease agreements do not contain material residual value guarantees.

The Organization makes certain assumptions and judgments in determining the discount rate, as most leases do not provide an implicit rate. The Organization uses their incremental borrowing rate, for collateralized borrowing, based on information available at the commencement date in determining the present value of lease payments. In order to apply the incremental borrowing rate, a portfolio approach was utilized to group assets based on similar lease terms in a manner whereby the Organization reasonably expects that the application does not differ materially from application to individual leases.

Subsequent to the lease commencement date, the Organization reassesses lease classification when there is a contract modification that is accounted for as a separate contract, a change in the lease term, or a change in the assessment of whether the lessee is reasonably certain to exercise an option to purchase the underlying asset or terminate the lease.

Future minimum payments under operating leases as of June 30, 2023 were as follows:

| Years ending June 30: | |
|--|------------------------|
| 2024 | \$ 2,082 |
| 2025 | 1,463 |
| 2026 | 1,235 |
| 2027 | 1,122 |
| 2028 | 1,017 |
| 2029 and thereafter | 3,707 |
| | <u>10,626</u> |
| Less: amount representing present value discount | 2,235 |
| Less: current portion | 1,732 |
| Long-term obligation | <u>\$ 6,659</u> |

Total lease costs as of June 30, 2023 and 2022, consists of the following:

| Lease cost: | <u>2023</u> | <u>2022</u> |
|-------------------------------------|------------------------|------------------------|
| Finance lease cost: | | |
| Amortization of right-of-use assets | \$ 180 | \$ 180 |
| Interest on lease liabilities | 15 | 24 |
| Operating lease cost | 2,688 | 2,162 |
| Total lease cost | <u>\$ 2,883</u> | <u>\$ 2,366</u> |

Other supplemental and cash flow lease information as of and for the years ended June 30, 2023 and 2022 is as follows:

| | 2023 | 2022 |
|---|-------------|-------------|
| Other information: | | |
| Cash paid for amounts included in the measurement of lease liabilities: | | |
| Operating cash flows from operating leases | \$ 4,890 | \$ 4,202 |
| Operating cash flows from finance leases | 200 | 198 |
| Financing cash flows from finance leases | 5 | 20 |
| Right-of-use assets obtained for new operating leases | 1,770 | 935 |
| Weighted-average remaining lease term: | | |
| Operating leases | 9.4 years | 5.5 years |
| Finance leases | 1.0 years | 2.0 years |
| Weighted-average discount rate: | | |
| Operating leases | 6% | 6% |
| Finance leases | 24% | 24% |

9. NET ASSETS

Net assets are classified into two categories, those with and without donor restrictions. Net assets with donor restrictions are those whose use has been restricted by donors to a specific purpose or time period.

Donor-restricted gifts in perpetuity have income appropriated, as defined by state law, as either without donor restriction or with donor restriction for a specific purpose as designated by the donor. The Organization has interpreted Pennsylvania Act 141 ("PA Act 141") as requiring the preservation of the fair value of the original restricted gift as specified in the individual trust instruments. Because of this interpretation, the Organization classifies as net assets with donor restrictions the original value of the gifts donated and the accumulations made in accordance with the direction of the applicable donor gift instrument until those amounts are appropriated for expenditure in a manner consistent with the standards of prudence prescribed by PA Act 141.

The Organization has elected to adopt a total return investment policy under PA Act 141 and, by doing so, redefined income on endowments to be a percentage of a rolling average market value as averaged over a period of at least three years; provided, however, that such election is not in contravention of the terms of the associated endowments and is consistent with the long-term preservation of the principal value of the endowments. The percentage of the market value of the endowments to be treated as income and the rolling time period upon which the percentage is based is determined annually by resolution of the Organization's board of trustees. The percentage that may be elected is limited to a range between 2% and 7%, of which 7% was elected for 2023 and 2022.

Unconditional promises to give cash and other assets to the Organization are reported at fair value at the date the promise is received. Conditional promises to give and indications of intention to give are reported at fair value at the date the condition is met. The gifts are reported as net assets with donor restrictions if they are received with donor stipulations that restrict the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, balances are reclassified as net assets without donor restrictions and reported in the accompanying consolidated statements of operations and changes in net assets as net assets released from restrictions.

Consolidated net assets with donor restrictions are restricted for the following purposes or periods as of June 30, 2023 and 2022:

| | 2023 | 2022 |
|---|------------------|------------------|
| <u>Subject to expenditure for a specified purpose:</u> | | |
| Education | \$ 732 | \$ 623 |
| Diabetes | 559 | 527 |
| Scholarships | 540 | 461 |
| Financial assistance | 301 | 1 |
| Cancer treatment | 256 | 256 |
| Ambulance services | 178 | 178 |
| Cardiac and vascular | 172 | 54 |
| Home care and hospice | 127 | 170 |
| Infant mortality | 96 | 294 |
| COVID-19 pandemic | 13 | 1,764 |
| Emergency department | 7 | 7 |
| Other programs | 1,647 | 3,599 |
| | <u>4,628</u> | <u>7,934</u> |
| Subject to the passage of time - for periods after June 30, 2038 (general use) | 1,952 | 1,952 |
| <u>Subject to spending policy and appropriation:</u> | | |
| Investment in perpetuity (including amounts above original gift amounts aggregating \$2,012), which once appropriated is expendable to support: | | |
| General use | 3,287 | 2,928 |
| Maternity services | 943 | 941 |
| Medical staff | 257 | 279 |
| Education | 292 | 272 |
| Other restricted purposes | 851 | 859 |
| | <u>\$ 12,210</u> | <u>\$ 15,165</u> |

Consolidated net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of the passage of time or other events specified by donors. A summary of consolidated net assets released from donor restrictions for the years ended June 30, 2023 and 2022, is as follows:

| | 2023 | 2022 |
|------------------------------------|--------------------------|--------------------------|
| Purpose restrictions accomplished: | | |
| COVID-19 pandemic | \$ (1,746) | \$ - |
| Capital equipment | (583) | (1,373) |
| Patient financial assistance | - | (299) |
| Home care and hospice | (59) | (29) |
| Other programs | (1,882) | (592) |
| Total restrictions released | <u>\$ (4,270)</u> | <u>\$ (2,293)</u> |

The Organization's governing board has designated, from consolidated net assets without donor restrictions, the following amounts and purposes as of June 30, 2023 and 2022:

| | 2023 | 2022 |
|------------------------------|-------------------|-------------------|
| Funded depreciation | \$ 174,155 | \$ 214,092 |
| Board-designated - general | 11,600 | 10,330 |
| Board-designated - residency | 5,074 | 4,710 |
| | \$ 190,829 | \$ 229,132 |

10. LIQUIDITY AND AVAILABILITY OF FUNDS

The following reflects the Organization's financial assets as of the consolidated balance sheets' date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the consolidated balance sheets' date. Amounts not available include amounts set aside for long-term investing in the quasi endowment that could be drawn upon if the governing board approves that action. However, amounts already appropriated from either the donor-restricted endowment or quasi endowment for general expenditure within one year of the consolidated balance sheets' date have not been subtracted as unavailable.

| | 2023 | 2022 |
|--|-------------------|-------------------|
| Cash and cash equivalents | \$ 34,757 | \$ 42,013 |
| Receivables | 68,377 | 72,136 |
| Due from third-party payor | 1,643 | 3,237 |
| Board-designated, trustee, and other investments | 248,606 | 297,259 |
| Financial assets, end of year | 353,383 | 414,645 |
| Less those unavailable for general expenditures within one year, due to: | | |
| Contractual or donor-imposed restrictions: | | |
| Restricted by donor with time or purpose restrictions | (6,580) | (9,886) |
| Subject to appropriation and satisfaction of donor restrictions | (5,630) | (5,279) |
| Board designations: | | |
| Funded depreciation | (174,155) | (214,092) |
| Residency | (5,074) | (4,710) |
| Other | (11,600) | (10,330) |
| | \$ 150,344 | \$ 170,348 |

The Organization receives support by restricted contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Organization invests cash in excess of daily requirements. In the event of an unanticipated liquidity need, the Organization could also draw upon its investments without donor restrictions or its \$15,000 available line of credit (as further discussed in Note 6).

11. PENSION PLANS

The Organization has a 403(b) retirement plan ("403(b) Plan") available to all employees of its not-for-profit subsidiaries. Under the 403(b) Plan, employees select a contribution percentage of their base pay, subject to Internal Revenue Service limits. The Organization matches 100% of the first 1% of the employees' contributions

and 30% of the remaining 5% of the employees' contributions from base pay for the first 19 years of service. After 19 years of service, the Organization matches 100% of the first 1% of contributions and 50% of the employees' contributions up to 5% of their base pay. Employee and employer contributions are fully vested and may be paid to the employee upon death, disability, separation of service, attainment of age 59-1/2, or financial hardship. For the years ended June 30, 2023 and 2022, the Organization's share of the 403(b) Plan costs was \$6,725 and \$6,812, respectively.

The Organization maintains the Excelsa Health Holding Companies 401(k) Plan ("401(k) plan") for all employees of taxable subsidiaries. The 401(k) plan is a Safe Harbor Employer Non-Elective Contribution Plan that matches 100% of the employees' deferrals up to 4% of the employees' annual salary. This match totaled \$4,131 and \$3,982 for the years ended June 30, 2023 and 2022, respectively.

The Organization has frozen its Defined Benefit Pension Plan for Employees of Excelsa Health ("Original DB Plan"). Previously, the Organization spun off certain Original DB Plan participants into a new plan, the Excelsa Health Pension Plan ("Spin-Off Plan", combined as the "DB Plans"), as both are included in the Excelsa Health Pension Master Trust ("Master Trust"). These noncontributory DB Plans covered substantially all employees when the Original DB Plan was frozen. Under the DB Plans, benefits are based on the employee's years of credited service and career average earnings limited to a computed maximum amount. Vested employees who separate employment are eligible for lump-sum distribution of accrued benefits under the DB Plans.

Settlement charges of \$4,382 and \$5,251 resulted from certain lump-sum payments made to terminated vested participants for the years ended June 30, 2023 and 2022, respectively. All of these settlement charges were recorded as nonoperating activity in the consolidated statement of operations and changes in net assets.

The Organization also offers a postretirement life insurance benefit which is available to employees who are participants in the DB Plans and were over the age of 50 at the time that the DB Plans were frozen.

The following table provides a reconciliation of the beginning and ending balances of the various plans' projected benefit obligations and the fair value of plan assets and funded status of the plans measured at June 30:

| | Pension Plans | | Postretirement Plan | |
|--|---------------------------|---------------------------|--------------------------|--------------------------|
| | 2023 | 2022 | 2023 | 2022 |
| Changes in projected benefit obligation: | | | | |
| Projected benefit obligation - beginning of year | \$ (199,565) | \$ (262,893) | \$ (1,827) | \$ (2,348) |
| Settlements | 10,934 | 12,353 | - | - |
| Service cost | - | - | (1) | (1) |
| Interest cost | (8,866) | (5,763) | (82) | (52) |
| Actuarial loss/(gain) | 5,523 | 43,498 | 35 | 453 |
| Benefits paid | 13,490 | 13,240 | 121 | 121 |
| Projected benefit obligation - end of year | <u>\$ (178,484)</u> | <u>\$ (199,565)</u> | <u>\$ (1,754)</u> | <u>\$ (1,827)</u> |
| Change in plan assets: | | | | |
| Fair value of plan assets - beginning of year | \$ 156,789 | \$ 209,655 | \$ - | \$ - |
| Settlements | (10,934) | (12,353) | - | - |
| Actual return on assets | 10,600 | (27,273) | - | - |
| Employer contributions | 2,014 | - | - | - |
| Benefits paid | (13,490) | (13,240) | - | - |
| Fair value of plan assets - end of year | <u>\$ 144,979</u> | <u>\$ 156,789</u> | <u>\$ -</u> | <u>\$ -</u> |
| Funded status at end of year | <u>\$ (33,505)</u> | <u>\$ (42,776)</u> | <u>\$ (1,754)</u> | <u>\$ (1,827)</u> |

The following table is a reconciliation of the funded status at the end of the year to the amounts recognized in the consolidated balance sheets at June 30:

| | 2023 | 2022 |
|---------------------|--------------------|--------------------|
| Pension Plans | \$ (33,505) | \$ (42,776) |
| Postretirement Plan | (1,754) | (1,827) |
| Total | \$ (35,259) | \$ (44,603) |

The accumulated benefit obligation of the DB Plans was \$178,484 and \$199,565 at June 30, 2023 and 2022, respectively.

The components of net periodic benefit (cost) associated with the DB Plans as of June 30, 2023 and 2022, consists of the following:

| | Pension Plans | | Postretirement Plan | |
|--|----------------------|---------------|----------------------------|-----------------|
| | 2023 | 2022 | 2023 | 2022 |
| Components of net periodic benefit/(cost): | | | | |
| Service cost | \$ - | \$ - | \$ (1) | \$ (1) |
| Interest cost | (8,866) | (5,763) | (82) | (52) |
| Expected return on plan assets | 10,814 | 14,965 | - | - |
| Recognized net actuarial loss/(gain) | (2,979) | (3,076) | - | (47) |
| Net pension benefit/(cost) | (1,031) | 6,126 | (83) | (100) |
| Settlement (gain)/loss | (4,382) | (5,251) | - | - |
| Net periodic benefit/(cost) | \$ (5,413) | \$ 875 | \$ (83) | \$ (100) |

Changes in plan assets and benefit obligations recognized in net assets without donor restrictions were \$12,814 and \$10,210 for the fiscal years ending June 30, 2023 and 2022 respectively for the Pension Plans.

The weighted-average assumptions used in the measurement of the Organization's projected benefit obligations were as follows at June 30:

| | 2023 | 2022 |
|--|-------------|-------------|
| Discount rate (Legacy Plan) | 5.43% | 4.90% |
| Discount rate (Spin-off Plan) | 5.48% | 4.95% |
| Discount rate (Postretirement Plan) | 5.41% | 4.90% |
| Expected rate of compensation increase (Postretirement Plan) | 3.50% | 3.50% |

The weighted-average assumptions used in the measurement of the Organization's net periodic pension costs were as follows at June 30:

| | 2023 | 2022 |
|--|-------------|-------------|
| Discount rate (Legacy Plan) | 4.90% | 2.88% |
| Discount rate (Spin-off Plan) | 4.95% | 2.99% |
| Discount rate (Postretirement Plan) | 4.90% | 2.86% |
| Expected return on plan assets (Pension Plans) | 7.25% | 7.25% |

Separate equivalent discount rates were determined for PBO and interest cost using individual spot rates derived from an acceptable high-quality corporate bond yield curve and matched with separate cash flows for each future year.

The long-term rate of return on assets was determined by using the Master Trust's asset allocation as described in the Master Trust's Investment Policy Statement ("Policy Statement") and modeling a distribution of compound

average returns over a 20-year time horizon. The model uses asset class return, variance, and correlation assumptions to produce the expected return. The return assumptions used forward-looking gross returns influenced by the current bond yields, corporate bond spreads, and equity risk premiums based on current market conditions. In addition, the Master Trust provides for an increasingly more conservative investment allocation as the PBO funded status becomes closer to fully funded in anticipation of ultimate liquidation of the frozen DB Plans. Specifically, the DB Plans are currently using the less than 80% PBO funded asset allocation as set forth in the Policy Statement. In general, the long-term rate of return is the sum of the portion of total assets in each asset class over the anticipated 20-year time horizon multiplied by the expected return for that class. This resulted in the selection of a 7.25% long-term rate of return on asset assumption used to determine this component of nonoperating activity for both 2023 and 2022.

The DB Plans' weighted-average asset allocation as of June 30, 2023 and 2022 is as follows:

| Asset Category | 2023 | | 2022 | |
|------------------------------|-------------|-------------|-------------|-------------|
| | Actual | Target | Actual | Target |
| Marketable equity securities | 62% | 68% | 61% | 68% |
| Fixed-income securities | 27% | 26% | 29% | 26% |
| Alternative investment | 11% | 6% | 10% | 6% |
| Total | 100% | 100% | 100% | 100% |

The Master Trust employs a total return investment approach, whereby a mix of equities, fund of funds, and fixed income investments are used such that the chances and duration of investment losses are carefully weighed against the long-term potential for appreciation of assets. Risk tolerance is established by monthly measurement of the PBO funded percentage and market conditions. The investment portfolio contains a diversified blend of equity and fixed-income investments. In addition to the monthly PBO funded calculations, investment risk is measured and monitored on an ongoing basis through quarterly investment portfolio reviews and periodic asset/liability studies.

The fair values of the DB Plans' assets, by asset category and by the level of inputs used to determine fair value, as of June 30, 2023, were as follows:

| | 2023 | | | |
|--|-----------|-----------|---------|-------------------|
| | Level 1 | Level 2 | Level 3 | Total |
| Investments at fair value: | | | | |
| Fixed-income funds: | | | | |
| Corporate debt securities | \$ - | \$ 27,523 | \$ - | \$ 27,523 |
| Municipal government securities | - | 1,048 | - | 1,048 |
| Federal government securities | - | 10,483 | - | 10,483 |
| Total fixed-income funds | - | 39,054 | - | 39,054 |
| Domestic equity funds | 58,535 | - | - | 58,535 |
| International equity fund | 31,636 | - | - | 31,636 |
| Total investments in the fair value hierarchy | \$ 90,171 | \$ 39,054 | \$ - | 129,225 |
| Alternative investments measured at NAV ⁽ⁱ⁾ | | | | 15,754 |
| Total investments | | | | \$ 144,979 |

The fair values of the DB Plans' assets, by asset category and by the level of inputs used to determine fair value, as of June 30, 2022, were as follows:

| | 2022 | | | |
|--|------------------|------------------|-------------|--------------------------|
| | Level 1 | Level 2 | Level 3 | Total |
| Investments at fair value: | | | | |
| Fixed-income funds: | | | | |
| Corporate debt securities | \$ - | \$ 29,516 | \$ - | \$ 29,516 |
| Municipal government securities | - | 1,611 | - | 1,611 |
| Federal government securities | - | 13,697 | - | 13,697 |
| Total fixed-income funds | - | 44,824 | - | 44,824 |
| Domestic equity funds | 62,006 | - | - | 62,006 |
| International equity fund | 34,211 | - | - | 34,211 |
| Total investments in the fair value hierarchy | <u>\$ 96,217</u> | <u>\$ 44,824</u> | <u>\$ -</u> | <u>141,041</u> |
| Alternative investments measured at NAV ⁽ⁱ⁾ | | | | 15,748 |
| Total investments | | | | <u>\$ 156,789</u> |

(i) In accordance with ASC Subtopic 820-10, certain investments that were measured at fair value using the NAV per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy.

Following is a description of the valuation methodologies the Organization used for instruments recorded at fair value:

Fixed-Income Funds - Fixed-income funds are valued using quoted market prices and/or other market data for the same or comparable instruments and transactions in establishing the prices, discounted cash flow models, and other pricing models. These models are primarily industry-standard models that consider various assumptions, including time value and yield curve as well as other relevant economic measures.

Domestic Equity Funds and International Equity Fund - The estimated fair value has been determined based on quoted (unadjusted) prices for identical assets in active markets.

Alternative Investments - The estimated fair value has been determined based on the NAV per share. The Organization's alternative investments are primarily composed of real estate securities. The NAVs of the collective trust portfolios are estimated based on prices obtained for the underlying securities by the trust managers.

The tables set forth a summary of the Organization's investments with respect to NAV as of June 30, 2023 and 2022, as follows:

| Fair Value Estimated Using NAV Per Share As of June 30, 2023 | Fair Value ⁽ⁱ⁾ | Redemption Frequency | Redemption Notice | Redemption Lockout |
|---|---------------------------|-------------------------|----------------------|-----------------------|
| SEI core property fund ⁽ⁱⁱ⁾ | \$ 15,754 | Quarterly | 95 days | None |
| Fair Value Estimated Using NAV Per Share As of June 30, 2022 | Fair Value ⁽ⁱ⁾ | Redemption Frequency | Redemption Notice | Redemption Lockout |
| SEI core property fund ⁽ⁱⁱ⁾ | \$ 15,748 | Quarterly | 95 days | None |

(i) The fair values of the investments have been estimated using the NAV of the investment.

(ii) The investment objective of the fund is to outperform the return of NCREIF Property Quarterly Index.

The Organization expects to contribute approximately \$4,128 and \$129 to the DB Plans and Postretirement Plan, respectively in 2024.

The DB Plans' pension benefit and Postretirement Plan's benefit payments as of June 30, 2023, are expected to be paid at the following approximate values:

| Years ending June 30: | Postretirement | |
|------------------------------|-----------------------|-------------|
| | Pension Plans | Plan |
| 2024 | \$ 19,824 | \$ 129 |
| 2025 | 17,750 | 130 |
| 2026 | 17,992 | 130 |
| 2027 | 17,329 | 131 |
| 2028 | 15,707 | 132 |
| 2029 and thereafter | 70,353 | 660 |

12. INCOME TAXES

EH, WH, LH, FH, EHHCH, CG, WFHF, and LAHCF have received determination letters that they qualify as Section 501(c)(3) organizations under the Code and are, therefore, exempt from income tax pursuant to Section 501(a) of the Code and applicable state statutes. PHO is a disregarded entity and is treated similar to a 501(c)(3) organization from a tax perspective by the Organization.

EHPP is a taxable organization for federal and state income tax purposes and EHDS and EHV are disregarded entities with EHPP as their sole member. ERRRG is a wholly owned risk retention group and a taxable subsidiary of EH. Income tax expense for the years ended June 30, 2023 and 2022 was \$0. Deferred tax assets totaling approximately \$151,562 and \$146,182 as of June 30, 2023 and 2022, respectively, relate primarily to net operating loss carryforwards. Valuation allowances of \$150,918 and \$145,537 at June 30, 2023 and 2022, respectively, are recorded due to uncertainty as to the future use of deferred tax assets. Estimation as to whether deferred tax assets will be realized is based on historical and projected future performance.

Federal and state net operating loss carryforwards approximate \$535,864 and \$516,548 respectively, as of June 30, 2023 and \$474,877 and \$453,093, respectively, as of June 30, 2022, which are available to offset future federal and state taxable income and are scheduled to expire as follows:

| Years Ending June 30: | |
|------------------------------|-----------|
| 2023 | \$ 4,994 |
| 2024 | 3,347 |
| 2025 | 2,749 |
| 2026 | 2,970 |
| 2027 | 3,207 |
| 2028 and thereafter | 1,035,145 |

The Organization does not have any material uncertain tax provisions as of June 30, 2023 and 2022.

13. RELATED PARTY TRANSACTIONS

LH leases a building to MVCA (see Note 4) under a 20-year agreement that expires in 2024. Under the terms of the lease, LH receives approximately \$632 and \$605 in annual rent for the years ended June 30, 2023 and 2022, respectively. The lease provides for an annual increase based upon changes in the Consumer Price Index as published by the Bureau of Labor Statistics of the US Department of Labor, US City Average. LH is responsible for the cost associated with the building's maintenance, repairs, taxes, and utilities.

The Organization is the managing partner for MEC and receives management and other fees primarily for administrative, payroll, advertising, and legal services. For these services, the Organization received approximately \$49 and \$41 for the years ended June 30, 2023 and 2022, respectively.

As a result of the merger with BHS, the Organization shares costs for certain administrative, payroll, advertising, legal, and consulting services with BHS. For these services, the Organization received approximately \$816 from BHS and paid approximately \$603 to BHS during the year ended June 30, 2023. Additionally, the Organization has \$673 and \$688 accrued as a payable to and receivable from BHS, respectively as of June 30, 2023, which is reported in the accompanying consolidated balance sheets.

14. NATURAL AND FUNCTIONAL EXPENSES

Expenses by both their nature and function for the year ended June 30, 2023 are as follows:

| | Hospital Services | Physician Services | Home Care Services | Other Programs | Programs Subtotal | Management & General | Fundraising | Supporting Subtotal | Total Expenses |
|---------------------------------|----------------------|-----------------------|-----------------------|-------------------|----------------------|-------------------------|---------------|------------------------|-------------------|
| Salaries and wages | \$ 139,323 | \$ 136,267 | \$ 13,566 | \$ 516 | \$ 289,672 | \$ 37,745 | \$ 101 | \$ 37,846 | \$ 327,518 |
| Fringe benefits | 28,923 | 18,917 | 3,519 | 82 | 51,441 | 7,365 | 19 | 7,384 | 58,825 |
| Professional fees | 4,088 | 4,657 | 20 | - | 8,765 | 928 | - | 928 | 9,693 |
| Patient care and other supplies | 72,141 | 1,823 | 618 | 19 | 74,601 | 12,082 | 421 | 12,503 | 87,104 |
| Pharmaceuticals | 21,820 | 3,558 | 5 | - | 25,383 | 3,106 | - | 3,106 | 28,489 |
| Purchased services | 69,232 | 13,760 | 612 | 1,320 | 84,924 | 17,084 | 226 | 17,310 | 102,234 |
| Utilities | 5,678 | 726 | 168 | 19 | 6,591 | 1,412 | - | 1,412 | 8,003 |
| Insurance | 4,450 | 1,745 | - | 8 | 6,203 | 629 | - | 629 | 6,832 |
| Other expenses | 22,880 | 9,261 | 1,229 | 719 | 34,089 | 2,448 | 64 | 2,512 | 36,601 |
| Interest | 2,338 | 14 | - | - | 2,352 | 2,182 | - | 2,182 | 4,534 |
| Depreciation and amortization | 23,945 | 1,111 | 100 | 8 | 25,164 | 4,722 | 3 | 4,725 | 29,889 |
| | \$ 394,818 | \$ 191,839 | \$ 19,837 | \$ 2,691 | \$ 609,185 | \$ 89,703 | \$ 834 | \$ 90,537 | \$ 699,722 |

Expenses by both their nature and function for the year ended June 30, 2022 are as follows:

| | Hospital Services | Physician Services | Home Care Services | Other Programs | Programs Subtotal | Management & General | Fundraising | Supporting Subtotal | Total Expenses |
|---------------------------------|----------------------|-----------------------|-----------------------|-------------------|----------------------|-------------------------|---------------|------------------------|-------------------|
| Salaries and wages | \$ 134,859 | \$ 134,487 | \$ 14,397 | \$ 571 | \$ 284,314 | \$ 35,584 | \$ 89 | \$ 35,673 | \$ 319,987 |
| Fringe benefits | 32,572 | 19,462 | 2,854 | 88 | 54,976 | 7,529 | 22 | 7,551 | 62,527 |
| Professional fees | 3,872 | 2,735 | 20 | - | 6,627 | 773 | - | 773 | 7,400 |
| Patient care and other supplies | 72,913 | 2,057 | 640 | 21 | 75,631 | 12,072 | 343 | 12,415 | 88,046 |
| Pharmaceuticals | 24,907 | 3,360 | 5 | - | 28,272 | 3,486 | - | 3,486 | 31,758 |
| Purchased services | 56,112 | 12,911 | 860 | 41 | 69,924 | 13,952 | 196 | 14,148 | 84,072 |
| Utilities | 6,306 | 726 | 140 | 17 | 7,189 | 1,478 | - | 1,478 | 8,667 |
| Insurance | 2,673 | 1,401 | - | 13 | 4,087 | 338 | - | 338 | 4,425 |
| Other expenses | 26,477 | 10,140 | 1,149 | 172 | 37,938 | 1,231 | 78 | 1,309 | 39,247 |
| Interest | 2,364 | 23 | - | - | 2,387 | 2,421 | - | 2,421 | 4,808 |
| Depreciation and amortization | 23,905 | 1,176 | 269 | 14 | 25,364 | 4,792 | 6 | 4,798 | 30,162 |
| | \$ 386,960 | \$ 188,478 | \$ 20,334 | \$ 937 | \$ 596,709 | \$ 83,656 | \$ 734 | \$ 84,390 | \$ 681,099 |

The consolidated financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include depreciation and interest, which are allocated on a square-footage basis, as well as salaries and benefits, which are allocated on the basis of estimates of time and effort.

15. COMMITMENTS AND CONTINGENCIES

The Organization is involved in legal proceedings arising in the ordinary course of business. In the opinion of management, the outcome of such current legal proceedings will not have a material impact on the Organization's consolidated financial position or results of operations.

Other capital commitments for various construction and other projects are approximately \$9,002 as of June 30, 2023.

16. SUBSEQUENT EVENTS

Subsequent events have been evaluated through October 26, 2023, the date the consolidated financial statements were issued.

EXCELA HEALTH AND SUBSIDIARIES (A SUBSIDIARY OF INDEPENDENCE HEALTH SYSTEM)
CONSOLIDATING BALANCE SHEET
AS OF JUNE 30, 2023
(in thousands)

| | Master Obligated Group | | | | | | | | | | | Excelsa Health Physician Practices | Excelsa Health Diversified Services | Excelsa Health Physician Practices | Excelsa Health Hospital Organization | Excelsa Health Reciprocal Risk Retention | Reclassifications & Eliminations | Excelsa Health |
|--|------------------------|--------------------------|-------------------|------------------|-------------------------------------|---------------------------|--|---------------|--|----------------------------------|---------------------------------|--|---|--|--|--|-------------------------------------|----------------|
| | Excelsa Health | Westmoreland Hospital | Latrobe Hospital | Frick Hospital | Reclassifications & Eliminations | Master Obligated Group | Excelsa Health Home Care & Hospice | CareGivers | Latrobe Area Hospital Foundation | Westmoreland Frick Foundation | Excelsa Health Ventures, LLC | | | | | | | |
| ASSETS | | | | | | | | | | | | | | | | | | |
| CURRENT ASSETS | | | | | | | | | | | | | | | | | | |
| Cash and cash equivalents | \$ 35,179 | \$ 51 | \$ (1,202) | \$ (9) | \$ - | \$ 32,019 | \$ (189) | \$ 1 | \$ (290) | \$ 138 | \$ 60 | \$ (464) | \$ - | \$ 3,482 | \$ - | \$ - | \$ 34,757 | |
| Receivables | - | 31,586 | 17,019 | 8,091 | - | 57,236 | 4,537 | 98 | - | - | (4) | (20) | - | - | - | - | 68,377 | |
| Due from third-party payor | - | 334 | 592 | 717 | - | 1,643 | - | - | - | - | - | - | - | - | - | - | 1,643 | |
| Inventories | - | 2,772 | 1,357 | 888 | - | 5,187 | - | - | - | - | - | - | - | - | - | - | 5,187 | |
| Prepaid expenses and other current assets | 10,704 | 207 | 2,357 | 2,884 | - | 39,298 | 222 | 76 | 36 | 2 | 148 | 131 | 3,177 | 2,180 | (3,112) | 46,898 | | |
| Due from affiliates | 172,912 | 94,558 | 88,768 | 31,855 | (324,830) | 31,855 | 5,476 | 286 | 379 | 5 | 861 | 3,417 | 29,282 | 145 | (109,623) | 172,912 | | |
| TOTAL CURRENT ASSETS | 217,885 | 149,340 | 110,272 | 43,666 | (324,830) | 198,204 | 10,046 | 405 | 115 | 145 | 1,085 | 3,518 | 41,805 | 5,807 | (104,514) | 157,587 | | |
| Board-designated, trustee, and other investments | 9,279 | 120,665 | 109,484 | 87 | - | 248,795 | 21 | - | 16,637 | 11,606 | - | - | - | - | (28,453) | 248,606 | | |
| Property, buildings, and equipment - net of accumulated depreciation | 25 | 76,135 | 83,256 | 32,805 | (208) | 191,821 | 346 | 7 | - | 20 | 23,854 | 4,362 | 3,801 | - | (3,572) | 224,211 | | |
| Operating lease right-of-use assets | - | 4,454 | - | - | - | 4,456 | 196 | 192 | - | - | - | 35 | 6,560 | - | - | 7,897 | | |
| Goodwill | - | - | 9,771 | - | - | 9,771 | - | - | - | - | - | - | - | - | - | 9,771 | | |
| Equity investments in joint ventures | 8,975 | - | - | - | - | 8,975 | - | - | - | - | - | - | 26,626 | - | - | 35,601 | | |
| Other long-term assets | 927 | 18,035 | 1,549 | - | - | 20,977 | 466 | - | - | - | - | (46) | 9,373 | 18 | (15,272) | 14,595 | | |
| TOTAL ASSETS | \$ 237,091 | \$ 377,670 | \$ 314,570 | \$ 76,734 | \$ (325,036) | \$ 681,029 | \$ 10,609 | \$ 604 | \$ 16,752 | \$ 11,771 | \$ 24,919 | \$ 7,869 | \$ 86,165 | \$ 3,497 | \$ (152,486) | \$ 696,554 | | |
| LIABILITIES AND NET ASSETS | | | | | | | | | | | | | | | | | | |
| CURRENT LIABILITIES | | | | | | | | | | | | | | | | | | |
| Accounts payable and accrued liabilities | \$ 367 | \$ 35,013 | \$ 8,768 | \$ 3,094 | \$ - | \$ 47,242 | \$ 544 | \$ (6) | \$ 6 | \$ 2 | \$ 96 | \$ 5 | \$ 3,301 | \$ 3,177 | \$ 2,188 | \$ 54,445 | | |
| Payroll and related employee benefits | 2,304 | 9,811 | 4,862 | 1,338 | - | 18,315 | 1,452 | 46 | - | - | - | - | 18,418 | - | - | 38,231 | | |
| Current portion of long-term obligations | 4,695 | 1,049 | 222 | 234 | - | 6,200 | - | - | - | - | - | 315 | 228 | - | - | 6,743 | | |
| Due to third-party payor | - | 191 | 1,954 | 2,356 | - | 4,501 | - | - | - | - | - | - | - | - | - | 4,501 | | |
| Accrued interest payable | 1,610 | 961 | 203 | 214 | - | 2,988 | - | - | - | - | - | 10 | - | - | - | 2,998 | | |
| Current portion of operating lease liability | - | 1,233 | 91 | - | (192) | 1,132 | 83 | 76 | - | - | - | 22 | 3,336 | - | (2,917) | 1,732 | | |
| Due to affiliates | 191,806 | 125,582 | 32,740 | 14,760 | (324,830) | 40,058 | 6,052 | 212 | 24 | 38 | 154 | 3,220 | 51,421 | 2,125 | (102,899) | 673 | | |
| TOTAL CURRENT LIABILITIES | 200,782 | 173,840 | 48,840 | 21,996 | (325,032) | 120,436 | 8,131 | 328 | 30 | 40 | 250 | 3,572 | 76,704 | 3,335 | 4,313 | 109,323 | | |
| Long-term obligations - less current portion | 75,545 | 43,044 | 8,865 | 9,728 | - | 137,182 | - | - | - | - | - | 664 | - | - | - | 137,836 | | |
| Accrued pension and postretirement benefit costs | - | (74,078) | 78,554 | 30,785 | - | 35,261 | - | - | - | - | - | - | - | - | (2) | 35,259 | | |
| Professional and other long-term liabilities | - | 26,598 | 2,030 | 1,478 | - | 30,106 | - | - | - | - | - | 13 | - | - | (15,725) | 17,705 | | |
| Operating lease liability - less current portion | - | 3,365 | 243 | - | (18) | 3,690 | 110 | 119 | - | - | - | - | 3,547 | - | (820) | 6,659 | | |
| TOTAL LIABILITIES | 276,327 | 172,769 | 138,652 | 63,987 | (325,040) | 326,675 | 8,241 | 447 | 30 | 40 | 250 | 4,239 | 80,251 | 3,335 | 21,697 | 124,963 | | |
| NET ASSETS | | | | | | | | | | | | | | | | | | |
| Without donor restrictions | (39,236) | 201,307 | 167,070 | 12,006 | 4 | 342,151 | 2,367 | 151 | 11,506 | 10,751 | 24,669 | 3,630 | 5,914 | 162 | (158,12) | 365,562 | | |
| With donor restrictions | - | 208,040 | 115,899 | 13,727 | - | 342,132 | 3,368 | 6 | 46,272 | 11,331 | 24,669 | 3,630 | 5,914 | 162 | (158,12) | 346,732 | | |
| TOTAL LIABILITIES AND NET ASSETS | \$ 237,091 | \$ 377,670 | \$ 314,570 | \$ 76,734 | \$ (325,036) | \$ 681,029 | \$ 10,609 | \$ 604 | \$ 16,752 | \$ 11,771 | \$ 24,919 | \$ 7,869 | \$ 86,165 | \$ 3,497 | \$ (152,486) | \$ 696,554 | | |

EXCELA HEALTH AND SUBSIDIARIES (A SUBSIDIARY OF INDEPENDENCE HEALTH SYSTEM)
CONSOLIDATING BALANCE SHEET
AS OF JUNE 30, 2022
(in thousands)

| | Master Obligated Group | | | | | | | | | | | | | | | | | |
|---|------------------------|-----------------------|-------------------|------------------|----------------------------------|------------------------|------------------------------------|---------------|----------------------------------|-------------------------------|------------------------------|-------------------------------------|------------------------------------|--------------------------------------|--|----------------------------------|-------------------|--|
| | Excelsa Health | Westmoreland Hospital | Latrobe Hospital | Frick Hospital | Reclassifications & Eliminations | Master Obligated Group | Excelsa Health Home Care & Hospice | CareGivers | Latrobe Area Hospital Foundation | Westmoreland Frick Foundation | Excelsa Health Ventures, LLC | Excelsa Health Diversified Services | Excelsa Health Physician Practices | Excelsa Health Hospital Organization | Excelsa Health Reciprocal Risk Retention | Reclassifications & Eliminations | Excelsa Health | |
| ASSETS | | | | | | | | | | | | | | | | | | |
| Cash and cash equivalents | \$ 41,547 | \$ 84 | \$ (1,205) | \$ 59 | \$ - | \$ 40,485 | \$ 7 | \$ 1 | \$ (181) | \$ 346 | \$ 47 | \$ - | \$ (148) | \$ (9) | \$ 1,465 | \$ - | \$ 42,013 | |
| Receivables | 35,322 | 17,656 | 8,139 | 866 | - | 61,117 | 3,901 | 51 | - | - | (17) | (20) | 7,104 | - | - | - | 72,136 | |
| Due from third-party payor | - | 1,021 | 1,030 | 866 | - | 3,237 | - | - | - | - | - | - | - | - | - | - | 3,237 | |
| Prepaid expenses and other current assets | 10,007 | 2,866 | 2,180 | 1,679 | - | 2,932 | 149 | 20 | 514 | 8 | 119 | 116 | 3,190 | 107 | 3,314 | (217) | 3,912 | |
| Due to affiliates | 153,769 | 68,158 | 55,600 | 16,620 | (2,382,772) | 5,835 | 5,805 | 255 | 40 | - | 823 | 559 | 23,532 | 107 | 1,272 | (89,276) | 31,479 | |
| TOTAL CURRENT ASSETS | 205,323 | 130,820 | 77,022 | 27,602 | (2,382,772) | 192,851 | 9,862 | 327 | 373 | 359 | 972 | 655 | 43,678 | 90 | 6,051 | (100,440) | 154,777 | |
| Property, buildings, trackage, and other investments | 24,680 | 146,625 | 126,311 | 297 | - | 297,913 | 21 | - | 14,943 | 10,281 | - | 4,744 | 4,408 | - | - | (25,899) | 297,259 | |
| Operating lease right-of-use assets | 25 | 79,838 | 80,455 | 27,133 | - | 187,451 | 309 | 16 | - | 23 | 24,481 | 4,744 | 4,408 | - | - | (22,332) | 221,382 | |
| Goodwill and other intangible assets - net of impairment and accumulated amortization | - | 2,757 | 349 | 15 | (707) | 2,414 | 46 | 221 | - | - | - | 40 | 5,599 | - | - | - | 6,888 | |
| Equity investments in affiliates | 9,740 | - | - | - | - | 9,771 | - | - | - | - | - | - | 19,142 | (195) | - | - | 26,687 | |
| Other long-term assets | 75 | 16,545 | - | 475 | - | 18,671 | - | - | - | - | - | (46) | 7,187 | 18 | (14,730) | - | 11,100 | |
| TOTAL ASSETS | \$ 239,843 | \$ 366,585 | \$ 295,514 | \$ 55,848 | \$ (238,979) | \$ 718,811 | \$ 10,238 | \$ 564 | \$ 15,316 | \$ 10,663 | \$ 25,403 | \$ 5,393 | \$ 80,014 | \$ (97) | \$ 6,069 | \$ (143,310) | \$ 720,064 | |
| LIABILITIES AND NET ASSETS | | | | | | | | | | | | | | | | | | |
| CURRENT LIABILITIES | | | | | | | | | | | | | | | | | | |
| Accounts payable and accrued liabilities | \$ 193 | \$ 28,003 | \$ 8,949 | \$ 2,588 | \$ - | \$ 38,733 | \$ 361 | \$ - | \$ 17 | \$ 16 | \$ 76 | \$ 8 | \$ 3,065 | \$ - | \$ 2,228 | \$ (2,178) | \$ 48,326 | |
| Payroll and related employee benefits | 5,480 | 10,599 | 5,340 | 1,976 | - | 23,095 | 1,718 | 50 | - | - | - | - | 23,361 | - | - | - | 48,224 | |
| Current portion of contract liability - Medicare advances | 4,375 | 715 | 151 | 159 | - | 5,400 | - | - | - | - | - | 305 | 209 | - | - | - | 5,858 | |
| Due to third-party payor | 1,697 | 972 | 206 | 216 | - | 3,091 | - | 37 | - | - | - | 13 | - | - | - | - | 4,977 | |
| Accrued interest payable | 162,780 | 68,752 | 33,147 | 15,440 | (268) | 12,72 | 46 | 203 | 20 | 27 | 143 | 22 | 3,095 | 113 | 624 | (98,270) | 2,359 | |
| Due to affiliates | 174,525 | 114,051 | 52,579 | 22,638 | (2,382,772) | 41,827 | 6,285 | 253 | 20 | 27 | 143 | 22 | 48,665 | 113 | 624 | (98,270) | 2,359 | |
| TOTAL CURRENT LIABILITIES | 181,001 | 181,799 | 118,179 | 5,131 | (2,382,772) | 343,907 | 8,410 | 479 | 37 | 43 | 219 | 711 | 78,395 | 113 | 2,852 | (102,561) | 113,762 | |
| Long-term obligations - less current portion | 81,505 | 44,088 | 30,886 | 9,981 | - | 146,460 | - | - | - | - | - | 963 | 219 | - | - | - | 146,822 | |
| Accrued pension and postretirement benefit costs | - | (11,864) | 40,791 | 15,763 | - | 44,590 | - | - | - | - | - | - | - | - | - | - | 44,590 | |
| Professional and other long-term liabilities | - | 24,357 | 2,111 | 1,414 | (439) | 28,002 | - | 189 | - | - | - | - | 3,308 | - | 16,306 | (14,730) | 29,658 | |
| Operating lease liability - less current portion | - | 1,346 | 453 | - | - | 1,342 | - | - | - | - | - | - | 18 | - | (395) | - | 4,285 | |
| Current liability - Medicare advances | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| TOTAL LIABILITIES | 256,030 | 172,080 | 105,000 | 49,716 | (2,382,772) | 343,907 | 8,410 | 479 | 37 | 43 | 219 | 1,692 | 81,922 | 113 | 19,158 | (117,683) | 338,007 | |
| Without donor restrictions | (16,187) | 189,001 | 181,799 | 5,131 | - | 359,744 | 1,827 | 81 | 10,201 | 9,550 | 25,184 | 3,701 | (1,908) | (210) | (13,089) | (19,279) | 375,802 | |
| With donor restrictions | - | 5,504 | 87,15 | 941 | - | 15,160 | 1 | 4 | 5,078 | 1,070 | - | - | - | - | - | (6,148) | 15,165 | |
| TOTAL NET ASSETS | (16,187) | 194,505 | 190,514 | 6,072 | (2,382,772) | 374,904 | 1,828 | 85 | 15,279 | 10,620 | 25,184 | 3,701 | (1,908) | (210) | (13,089) | (25,427) | 390,987 | |
| TOTAL LIABILITIES AND NET ASSETS | \$ 239,843 | \$ 366,585 | \$ 295,514 | \$ 55,848 | \$ (238,979) | \$ 718,811 | \$ 10,238 | \$ 564 | \$ 15,316 | \$ 10,663 | \$ 25,403 | \$ 5,393 | \$ 80,014 | \$ (97) | \$ 6,069 | \$ (143,310) | \$ 720,064 | |

