



**FINANCIAL AND STATISTICAL REPORT**  
**December 31, 2020**  
**(UNAUDITED)**

PAGE

1. Combined Statements of Revenues and Expenses for the three months ended December 31, 2020 and 2019
2. Combined Statements of Revenues and Expenses for the years ended December 31, 2020 and 2019
3. Combining Balance Sheets as of December 31, 2020 and 2019
4. Statements of Cash Flows for the years ended December 31, 2020 and 2019
5. Combined Group Statistics for the three months ended December 31, 2020 and 2019
6. Combined Group Statistics for the years ended December 31, 2020 and 2019

**NOVANT HEALTH, INC.**  
**COMBINED STATEMENTS OF REVENUES AND EXPENSES**  
**FOR THE THREE MONTHS ENDED DECEMBER 31, 2020 AND 2019**

(in thousands of dollars)

	December 31, 2020				December 30, 2019			
	Combined Group	Unrestricted Affiliates	Eliminations	Total	Combined Group	Unrestricted Affiliates	Eliminations	Total
<b>Operating revenues and other support</b>								
Net patient service revenues	\$ 1,284,353	\$ 161,215	\$ -	\$ 1,445,568	\$ 1,234,593	\$ 101,896	\$ -	\$ 1,336,489
Other revenue	165,776	86,104	(29,096)	222,784	65,396	70,547	(13,119)	122,824
Total operating revenues and other support	<u>1,450,129</u>	<u>247,319</u>	<u>(29,096)</u>	<u>1,668,352</u>	<u>1,299,989</u>	<u>172,443</u>	<u>(13,119)</u>	<u>1,459,313</u>
<b>Operating expenses</b>								
Salaries and employee benefits	794,359	87,686	(2,458)	879,587	696,560	63,774	(1,730)	758,604
Supplies and other	470,593	134,360	(26,625)	578,328	431,931	99,864	(10,712)	521,083
Total operating expenses	<u>1,264,952</u>	<u>222,046</u>	<u>(29,083)</u>	<u>1,457,915</u>	<u>1,128,491</u>	<u>163,638</u>	<u>(12,442)</u>	<u>1,279,687</u>
Operating cash flow	185,177	25,273	(13)	210,437	171,498	8,805	(677)	179,626
Depreciation and amortization	56,435	11,805	-	68,240	69,008	4,306	-	73,314
Interest	9,736	1,690	-	11,426	13,066	(1,893)	-	11,173
Operating income (loss)	119,006	11,778	(13)	130,771	89,424	6,392	(677)	95,139
<b>Non-operating income (expense)</b>								
Investment income	222,007	23,144	-	245,151	117,336	14,473	-	131,809
Loss on extinguishment of debt	(6,208)	-	-	(6,208)	-	-	-	-
Income tax benefit (expense)	2,340	(2,304)	-	36	(2,274)	(3,436)	-	(5,710)
Other net periodic pension (costs) benefit	(1,323)	278	-	(1,045)	688	(66)	-	622
<b>Excess (deficit) of revenues over expenses</b>	<u>\$ 335,822</u>	<u>\$ 32,896</u>	<u>\$ (13)</u>	<u>\$ 368,705</u>	<u>\$ 205,174</u>	<u>\$ 17,363</u>	<u>\$ (677)</u>	<u>\$ 221,860</u>

**NOVANT HEALTH, INC.**  
**COMBINED STATEMENTS OF REVENUES AND EXPENSES**  
**FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

(in thousands of dollars)

	December 31, 2020				December 30, 2019			
	Combined Group	Unrestricted Affiliates	Eliminations	Total	Combined Group	Unrestricted Affiliates	Eliminations	Total
<b>Operating revenues and other support</b>								
Net patient service revenues	\$ 4,498,761	\$ 554,033	\$ -	\$ 5,052,794	\$ 4,491,552	\$ 563,884	\$ -	\$ 5,055,436
Other revenue	433,191	269,259	(72,469)	629,981	187,632	244,709	(52,832)	379,509
Total operating revenues and other support	<u>4,931,952</u>	<u>823,292</u>	<u>(72,469)</u>	<u>5,682,775</u>	<u>4,679,184</u>	<u>808,593</u>	<u>(52,832)</u>	<u>5,434,945</u>
<b>Operating expenses</b>								
Salaries and employee benefits	2,770,074	319,369	(6,335)	3,083,108	2,703,515	327,413	(7,051)	3,023,877
Supplies and other	1,670,067	473,352	(70,329)	2,073,090	1,525,264	430,206	(45,411)	1,910,059
Total operating expenses	<u>4,440,141</u>	<u>792,721</u>	<u>(76,664)</u>	<u>5,156,198</u>	<u>4,228,779</u>	<u>757,619</u>	<u>(52,462)</u>	<u>4,933,936</u>
Operating cash flow	491,811	30,571	4,195	526,577	450,405	50,974	(370)	501,009
Depreciation and amortization	215,959	44,092	-	260,051	223,445	42,788	-	266,233
Interest	68,688	9,334	-	78,022	69,327	9,965	-	79,292
Operating income (loss)	207,164	(22,855)	4,195	188,504	157,633	(1,779)	(370)	155,484
<b>Non-operating income (expense)</b>								
Investment income	181,492	20,331	-	201,823	334,659	43,888	-	378,547
Loss on extinguishment of debt	(6,208)	-	-	(6,208)	-	-	-	-
Income tax benefit (expense)	1,782	(2,287)	-	(505)	(2,559)	(4,799)	-	(7,358)
Other net periodic pension (costs) benefit	(1,466)	7	-	(1,459)	(4,971)	1,780	-	(3,191)
<b>Excess (deficit) of revenues over expenses</b>	<u>\$ 382,764</u>	<u>\$ (4,804)</u>	<u>\$ 4,195</u>	<u>\$ 382,155</u>	<u>\$ 484,762</u>	<u>\$ 39,090</u>	<u>\$ (370)</u>	<u>\$ 523,482</u>

**NOVANT HEALTH, INC.  
COMBINING BALANCE SHEETS**

	December 31, 2020				December 31, 2019			
	Combined Group	Unrestricted Affiliates	Eliminations	Total	Combined Group	Unrestricted Affiliates	Eliminations	Total
<i>(in thousands of dollars)</i>								
<b>Assets</b>								
Current assets								
Cash and cash equivalents	\$ 556,179	\$ 155,643	\$ -	\$ 711,822	\$ 292,171	\$ 110,365	\$ -	\$ 402,536
Accounts receivable, net	580,439	90,297	-	670,736	531,942	78,528	-	610,470
Short-term investments	330,582	160	-	330,742	195,459	160	-	195,619
Current portion of assets limited as to use	30,029	12,645	-	42,674	59,896	11,125	-	71,021
Receivable for settlement with third-party payors	21,129	3,980	-	25,109	13,339	2,892	-	16,231
Other current assets	234,386	42,033	(17,165)	259,254	209,881	40,102	(19,108)	230,875
Total current assets	1,752,744	304,758	(17,165)	2,040,337	1,302,688	243,172	(19,108)	1,526,752
Assets limited as to use	203,681	30,995	-	234,676	174,378	39,100	-	213,478
Long-term investments	2,640,842	343,829	-	2,984,671	2,180,009	327,700	-	2,507,709
Property and equipment, net	2,059,045	341,024	-	2,400,069	2,010,932	309,487	-	2,320,419
Right-of-use assets, net	520,722	57,319	(84,687)	493,354	464,736	44,932	(15,803)	493,865
Intangible assets and goodwill, net	61,164	248,883	-	310,047	61,165	252,809	-	313,974
Investments in affiliates	95,496	28,597	(69,139)	54,954	125,893	28,953	(75,562)	79,284
Deferred tax asset	-	5,317	-	5,317	-	6,646	-	6,646
Other assets	114,987	14,067	(801)	128,253	98,728	15,853	(665)	113,916
Total assets	\$ 7,448,681	\$ 1,374,789	\$ (171,792)	\$ 8,651,678	\$ 6,418,529	\$ 1,268,652	\$ (111,138)	\$ 7,576,043
<b>Liabilities and Net Assets</b>								
Current liabilities								
Current portion of long-term debt	\$ 53,968	\$ 880	\$ -	\$ 54,848	\$ 56,468	\$ 651	\$ -	\$ 57,119
Short-term borrowings	149,300	292	-	149,592	88,176	-	-	88,176
Accounts payable	257,409	31,387	(11,486)	277,310	189,499	27,336	(9,421)	207,414
Accrued liabilities	773,833	112,502	(3,329)	883,006	365,352	60,855	(3,116)	423,091
Current portion of operating lease liabilities	86,057	11,857	(9,118)	88,796	81,007	9,818	(2,456)	88,369
Estimated third-party payor settlements	78,411	9,571	-	87,982	32,688	3,674	-	36,362
Due to (from) related organizations	(247,392)	247,392	-	-	(194,354)	194,354	-	-
Total current liabilities	1,151,586	413,881	(23,933)	1,541,534	618,836	296,688	(14,993)	900,531
Long-term debt, net of current portion	1,262,576	13,411	-	1,275,987	1,268,823	15,116	-	1,283,939
Deferred tax liability	-	5,194	-	5,194	-	5,223	-	5,223
Operating lease liabilities, net of current portion	449,276	45,038	(76,303)	418,011	399,842	36,044	(13,560)	422,326
Derivative financial instruments	51,803	-	-	51,803	43,897	-	-	43,897
Employee benefits and other liabilities	367,203	22,047	-	389,250	281,946	51,659	-	333,605
Total liabilities	3,282,444	499,571	(100,236)	3,681,779	2,613,344	404,730	(28,553)	2,989,521
Net assets								
Without donor restrictions- attributable to Novant Health	4,164,059	769,155	(127,403)	4,805,811	3,802,995	772,469	(154,493)	4,420,971
Without donor restrictions - noncontrolling interests	-	23,405	55,847	79,252	-	8,911	71,908	80,819
Total unrestricted net assets	4,164,059	792,560	(71,556)	4,885,063	3,802,995	781,380	(82,585)	4,501,790
With donor restrictions	2,178	82,658	-	84,836	2,190	82,542	-	84,732
Total net assets	4,166,237	875,218	(71,556)	4,969,899	3,805,185	863,922	(82,585)	4,586,522
Total liabilities and net assets	\$ 7,448,681	\$ 1,374,789	\$ (171,792)	\$ 8,651,678	\$ 6,418,529	\$ 1,268,652	\$ (111,138)	\$ 7,576,043

**NOVANT HEALTH, INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

<i>(in thousands of dollars)</i>	<u>December 31, 2020</u>	<u>December 31, 2019</u>
<b>Cash flows from operating activities</b>		
Increase in net assets	\$ 383,377	\$ 547,622
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation, amortization, and accretion	259,735	266,287
Gain on sale of real estate	(3,916)	(5,461)
Loss on defeasance of bonds	6,208	-
Gain on sale of consolidated entities	(6,500)	(38,521)
Cumulative effect of change in accounting principle	-	(20,589)
Actuarial loss on pension and postretirement benefits	1,253	936
Change in funded status of defined benefit plans	878	2,233
Share of earnings in affiliates, net of distributions	17,196	4,282
Net realized and unrealized gains on assets limited as to use and investments	(164,305)	(327,494)
Change in fair value of interest rate swap	7,906	7,527
Contributions restricted for capital	(1,468)	(7,825)
Changes in operating assets and liabilities, net of assets acquired and liabilities assumed		
Accounts receivable	(92,662)	(80,345)
Accounts payable and accrued liabilities	551,823	13,025
Third-party payor settlements	42,742	(2,176)
Deferred taxes, net	1,300	3,374
Other assets and liabilities, net	19,620	(9,989)
Net cash provided by operating activities	<u>1,023,187</u>	<u>352,886</u>
<b>Cash flows from investing activities</b>		
Capital expenditures	(372,021)	(413,369)
Proceeds from sales of long-term investments	1,910,189	965,892
Purchase of long-term investments	(2,278,671)	(904,147)
Proceeds from sales of short-term investments	341,485	665,036
Purchase of short-term investments	(477,778)	(373,458)
Proceeds from sale of property and equipment	2,821	3,844
Proceeds from sale of consolidated entities	8,500	34,143
Investments in unconsolidated affiliates	(2,516)	(21,033)
Other investing activities	(1,388)	(1,715)
Net cash used in investing activities	<u>(869,379)</u>	<u>(44,807)</u>
<b>Cash flows from financing activities</b>		
Principal payments on long-term debt	(288,136)	(268,643)
Proceeds from long-term debt	264,165	-
Net proceeds from the issuance of bonds deposited with trustee	-	212,700
Proceeds from sale of accounts receivable, net	32,109	40,024
Proceeds from repurchase agreements, net	61,124	-
Proceeds from revolving credit facility, net	-	31,800
Other financing activities	4,559	7,758
Net cash provided by financing activities	<u>73,821</u>	<u>23,639</u>
Net increase in cash and cash equivalents	227,629	331,718
<b>Cash, cash equivalents and restricted cash</b>		
Beginning of year	<u>634,049</u>	<u>302,331</u>
End of year	<u>\$ 861,678</u>	<u>\$ 634,049</u>

**NOVANT HEALTH, INC.  
COMBINED GROUP STATISTICS  
FOR THE THREE MONTHS ENDED DECEMBER 31, 2020 AND 2019**

	Novant Health Presbyterian Medical Center	Novant Health Matthews Medical Center	Novant Health Huntersville Medical Center	Novant Health Charlotte Orthopedic Hospital	Novant Health Mint Hill Medical Center	Novant Health Forsyth Medical Center	Novant Health Medical Park Hospital	Novant Health Thomasville Medical Center	Novant Health Brunswick Medical Center	Novant Health Kernersville Medical Center	Novant Health Clemmons Medical Center	Novant Health Prince William Medical Center	Novant Health Haymarket Medical Center	Three Months Ended	
														December 31, 2020	December 31, 2019
<b><u>INPATIENT STATISTICS</u></b>															
Average Daily Census	511	129	93	28	27	651	10	67	41	38	15	95	17	1,722	1,596
Discharges	7,829	2,976	2,170	848	808	8,785	267	1,143	1,055	812	662	2,229	475	30,059	30,341
Average Length of Stay	6.0	4.0	3.9	3.0	3.1	6.8	3.3	5.4	3.6	4.3	2.1	3.9	3.2	5.3	4.8
Patient Days	46,978	11,842	8,533	2,576	2,527	59,910	881	6,171	3,785	3,485	1,421	8,756	1,537	158,402	146,808
<b><u>ADJUSTED STATISTICS</u></b>															
Adjusted Patient Days	87,757	24,239	21,064	4,345	8,888	92,870	4,833	15,558	11,123	9,381	3,482	19,294	5,710	308,544	297,702
Adjusted Discharges	14,625	6,091	5,357	1,430	2,842	13,618	1,465	2,882	3,100	2,186	1,622	4,912	1,765	61,895	64,171
<b><u>OUTPATIENT STATISTICS</u></b>															
ED Visits	16,761	9,608	8,998	-	5,865	20,126	-	7,385	6,971	8,596	4,834	8,458	4,923	102,525	121,108
Novant Health Medical Group Encounters	-	-	-	-	-	-	-	-	-	-	-	-	-	1,341,807	1,339,229
Cases	51,162	23,721	20,493	4,938	11,852	38,539	4,646	13,957	19,803	13,134	8,345	20,363	13,864	244,817	255,040
<b><u>SURGERY STATISTICS</u></b>															
IP Surgical Cases	1,341	489	393	927	45	2,088	265	248	282	239	437	157	151	7,062	7,659
OP Surgical Cases	4,479	1,030	1,073	2,013	359	3,240	2,536	1,143	975	537	608	476	465	18,934	19,718
Total Surgical Cases	5,820	1,519	1,466	2,940	404	5,328	2,801	1,391	1,257	776	1,045	633	616	25,996	27,377
<b><u>OTHER STATISTICS</u></b>															
Total Births	1,534	618	378	-	149	1,024	-	156	135	-	-	496	-	4,490	4,459
Cath Lab Patients	613	472	227	-	-	1,206	-	20	4	-	-	298	-	2,840	2,785
Open Heart Surgeries	114	-	-	-	-	97	-	-	-	-	-	-	-	211	190
Endoscopy Procedures	1,634	691	898	-	65	1,476	-	189	476	-	-	256	459	6,144	6,221
Radiology Procedures	43,729	24,858	21,260	5,034	14,465	60,244	1,186	14,313	18,484	14,785	9,098	20,712	14,126	262,294	270,766
Licensed Beds	590	157	139	48	36	859	22	146	74	50	36	130	60	2,347	2,333
Staffed Beds	546	131	110	30	33	711	13	79	54	47	21	102	21	1,898	1,829
Occupancy as % of Staffed Beds	93.6%	98.5%	84.5%	93.3%	81.8%	91.6%	76.9%	84.8%	75.9%	80.9%	71.4%	93.1%	81.0%	90.7%	87.3%

**NOVANT HEALTH, INC.**  
**COMBINED GROUP STATISTICS**  
**FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2020 AND 2019**

	Novant Health Presbyterian Medical Center	Novant Health Matthews Medical Center	Novant Health Huntersville Medical Center	Novant Health Charlotte Orthopedic Hospital	Novant Health Mint Hill Medical Center	Novant Health Forsyth Medical Center	Novant Health Medical Park Hospital	Novant Health Thomasville Medical Center	Novant Health Brunswick Medical Center	Novant Health Kernersville Medical Center	Novant Health Clemmons Medical Center	Novant Health Prince William Medical Center	Novant Health Haymarket Medical Center	Twelve Months Ended	
														December 31, 2020	December 31, 2019
<b><u>INPATIENT STATISTICS</u></b>															
Average Daily Census	475	119	82	27	24	595	8	66	40	32	13	96	20	1,597	1,610
Discharges	30,534	11,547	8,306	3,177	2,835	34,304	912	4,260	3,980	2,942	2,377	8,445	2,368	115,987	121,395
Average Length of Stay	5.7	3.8	3.6	3.1	3.0	6.3	3.3	5.7	3.7	4.0	1.9	4.2	3.1	5.0	4.8
Patient Days	173,944	43,526	29,956	9,912	8,641	217,673	2,970	24,259	14,538	11,749	4,597	35,172	7,301	584,238	587,071
<b><u>ADJUSTED STATISTICS</u></b>															
Adjusted Patient Days	326,810	89,104	75,399	16,345	29,993	339,506	15,825	59,426	41,811	31,800	10,467	73,838	23,487	1,133,811	1,181,422
Adjusted Discharges	57,368	23,638	20,906	5,239	9,840	53,504	4,859	10,435	11,446	7,963	5,412	17,729	7,618	235,957	255,664
<b><u>OUTPATIENT STATISTICS</u></b>															
ED Visits	69,702	38,252	35,377	-	22,251	77,334	-	28,725	27,870	32,327	17,840	35,136	20,238	405,052	491,531
Novant Health Medical Group Encounters	-	-	-	-	-	-	-	-	-	-	-	-	-	4,903,888	5,192,762
Cases	190,291	87,148	79,829	30,274	44,927	145,229	25,643	54,121	72,776	49,529	32,752	72,321	51,089	935,929	1,014,325
<b><u>SURGERY STATISTICS</u></b>															
IP Surgical Cases	4,959	1,796	1,411	3,259	192	8,405	938	883	1,184	933	1,689	633	610	26,892	29,452
OP Surgical Cases	16,033	3,601	3,936	6,874	1,046	11,710	9,043	3,890	3,622	2,077	1,895	1,734	1,677	67,138	74,106
Total Surgical Cases	20,992	5,397	5,347	10,133	1,238	20,115	9,981	4,773	4,806	3,010	3,584	2,367	2,287	94,030	103,558
<b><u>OTHER STATISTICS</u></b>															
Total Births	6,195	2,465	1,563	-	543	4,032	-	616	505	-	-	1,747	295	17,961	18,938
Cath Lab Patients	2,154	1,749	784	-	-	4,551	-	82	28	-	-	1,094	-	10,442	11,277
Open Heart Surgeries	358	-	-	-	-	362	-	-	-	-	-	-	-	720	852
Endoscopy Procedures	5,682	2,607	3,090	-	267	6,122	-	676	1,685	-	-	671	1,421	22,221	24,701
Radiology Procedures	164,914	93,409	80,138	17,754	50,938	225,701	4,271	52,601	66,811	53,068	32,286	76,695	54,013	972,599	1,064,172
Licensed Beds	590	157	139	48	36	859	22	146	74	50	36	130	60	2,347	2,333
Staffed Beds	505	121	98	30	28	650	11	76	51	39	17	102	24	1,752	1,855
Occupancy as % of Staffed Beds	94.1%	98.3%	83.7%	90.0%	85.7%	91.5%	72.7%	86.8%	78.4%	82.1%	76.5%	94.1%	83.3%	91.2%	86.8%