

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD  
APPLICATION FOR PERMIT26-047  
**RECEIVED**

## SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION OCT 8 2026

This Section must be completed for all projects.

HEALTH FACILITIES &  
SERVICES REVIEW BOARD**Facility/Project Identification**

|                                                                   |                          |                            |
|-------------------------------------------------------------------|--------------------------|----------------------------|
| Facility Name: Loyola Medicine Warrenville Ambulatory Care Center |                          |                            |
| Street Address: 28301 Ferry Road                                  |                          |                            |
| City and Zip Code: Warrenville, Illinois 60555                    |                          |                            |
| County: DuPage                                                    | Health Service Area: 007 | Health Planning Area: A-05 |

**Applicant(s)** (Provide for each applicant (refer to Part 1130.220))

|                                                                         |  |  |
|-------------------------------------------------------------------------|--|--|
| Exact Legal Name: Loyola University Health System d/b/a Loyola Medicine |  |  |
| Street Address: 2160 South First Avenue                                 |  |  |
| City and Zip Code: Maywood, Illinois 60153                              |  |  |
| Name of Registered Agent: CT Corporation                                |  |  |
| Registered Agent Street Address: 208 South LaSalle Street               |  |  |
| Registered Agent City and Zip Code: Chicago, Illinois 60604             |  |  |
| Name of Chief Executive Officer: Shawn P. Vincent                       |  |  |
| CEO Street Address: One Westbrook Corporate Center, Suite 840           |  |  |
| CEO City and Zip Code: Westchester, Illinois 60154                      |  |  |
| CEO Telephone Number: (708) 216-3215                                    |  |  |

**Type of Ownership of Applicant/Co-Applicant**

|                                                                                                                                                                                                                                                                                                                                         |                                              |                                |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|--------------------------------|
| <input checked="" type="checkbox"/> Non-profit Corporation                                                                                                                                                                                                                                                                              | <input type="checkbox"/> Partnership         |                                |
| <input type="checkbox"/> For-profit Corporation                                                                                                                                                                                                                                                                                         | <input type="checkbox"/> Governmental        |                                |
| <input type="checkbox"/> Limited Liability Company                                                                                                                                                                                                                                                                                      | <input type="checkbox"/> Sole Proprietorship | <input type="checkbox"/> Other |
| <ul style="list-style-type: none"><li>Corporations and limited liability companies must provide an <b>Illinois certificate of good standing</b>.</li><li>Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.</li></ul> |                                              |                                |
| APPEND DOCUMENTATION AS ATTACHMENT-1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.                                                                                                                                                                                                                           |                                              |                                |

**Primary Contact**

(Person to receive all correspondence or inquiries during the review period)

|                                                                      |
|----------------------------------------------------------------------|
| Name: Edward J. Green, Esq.                                          |
| Title: Attorney                                                      |
| Company Name: Foley & Lardner LLP                                    |
| Address: 321 North Clark Street, Suite 2800, Chicago, Illinois 60654 |
| Telephone Number: (312) 832-4375                                     |
| E-mail Address: egreen@foley.com                                     |
| Fax Number: (312) 832-4700                                           |

**ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD  
APPLICATION FOR PERMIT****SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION****This Section must be completed for all projects.****Facility/Project Identification**

|                                                                   |                          |                            |
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| Facility Name: Loyola Medicine Warrenville Ambulatory Care Center |                          |                            |
| Street Address: 28301 Ferry Road                                  |                          |                            |
| City and Zip Code: Warrenville, Illinois 60555                    |                          |                            |
| County: DuPage                                                    | Health Service Area: 007 | Health Planning Area: A-05 |

**Applicant(s) [Provide for each applicant (refer to Part 1130.220)]**

|                                                               |  |
|---------------------------------------------------------------|--|
| Exact Legal Name: Loyola University Medical Center            |  |
| Street Address: 2160 South First Avenue                       |  |
| City and Zip Code: Maywood, Illinois 60153                    |  |
| Name of Registered Agent: CT Corporation                      |  |
| Registered Agent Street Address: 208 South LaSalle Street     |  |
| Registered Agent City and Zip Code: Chicago, Illinois 60604   |  |
| Name of Chief Executive Officer: Shawn P. Vincent             |  |
| CEO Street Address: One Westbrook Corporate Center, Suite 840 |  |
| CEO City and Zip Code: Westchester, Illinois 60154            |  |
| CEO Telephone Number: (708) 216-3215                          |  |

**Type of Ownership of Applicant/Co-Applicant**

|                                                                                                                                                                                                                                                                                                                                  |                                              |                                |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|--------------------------------|
| <input checked="" type="checkbox"/> Non-profit Corporation                                                                                                                                                                                                                                                                       | <input type="checkbox"/> Partnership         |                                |
| <input type="checkbox"/> For-profit Corporation                                                                                                                                                                                                                                                                                  | <input type="checkbox"/> Governmental        |                                |
| <input type="checkbox"/> Limited Liability Company                                                                                                                                                                                                                                                                               | <input type="checkbox"/> Sole Proprietorship | <input type="checkbox"/> Other |
| <ul style="list-style-type: none"><li>Corporations and limited liability companies must provide an Illinois certificate of good standing.</li><li>Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.</li></ul> |                                              |                                |
| <b>APPEND DOCUMENTATION AS ATTACHMENT-1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</b>                                                                                                                                                                                                             |                                              |                                |

**Primary Contact****[Person to receive all correspondence or inquiries during the review period]**

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| Name: Edward J. Green, Esq.                                          |
| Title: Attorney                                                      |
| Company Name: Foley & Lardner LLP                                    |
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| E-mail Address: egreen@foley.com                                     |
| Fax Number: (312) 832-4700                                           |

**ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD  
APPLICATION FOR PERMIT****SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION**

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**Facility/Project Identification**

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| Street Address: 28301 Ferry Road                                  |                          |                            |
| City and Zip Code: Warrenville, Illinois 60555                    |                          |                            |
| County: DuPage                                                    | Health Service Area: 007 | Health Planning Area: A-05 |

**Applicant(s)** [Provide for each applicant (refer to Part 1130.220)]

|                                                             |  |
|-------------------------------------------------------------|--|
| Exact Legal Name: Trinity Health Corporation                |  |
| Street Address: 20555 Victor Parkway                        |  |
| City and Zip Code: Livonia, Michigan 46152                  |  |
| Name of Registered Agent: CT Corporation                    |  |
| Registered Agent Street Address: 208 South LaSalle Street   |  |
| Registered Agent City and Zip Code: Chicago, Illinois 60604 |  |
| Name of Chief Executive Officer: Michael A. Slubowski       |  |
| CEO Street Address: 20555 Victor Parkway                    |  |
| CEO City and Zip Code: Livonia, Michigan 46152              |  |
| CEO Telephone Number: (734) 343-1000                        |  |

**Type of Ownership of Applicant/Co-Applicant**

|                                                                                                                                                                                                                                                                                                                                         |                                              |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|
| <input checked="" type="checkbox"/> Non-profit Corporation                                                                                                                                                                                                                                                                              | <input type="checkbox"/> Partnership         |
| <input type="checkbox"/> For-profit Corporation                                                                                                                                                                                                                                                                                         | <input type="checkbox"/> Governmental        |
| <input type="checkbox"/> Limited Liability Company                                                                                                                                                                                                                                                                                      | <input type="checkbox"/> Sole Proprietorship |
| <input type="checkbox"/> Other                                                                                                                                                                                                                                                                                                          |                                              |
| <ul style="list-style-type: none"><li>Corporations and limited liability companies must provide an <b>Illinois certificate of good standing</b>.</li><li>Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.</li></ul> |                                              |
| <b>APPEND DOCUMENTATION AS ATTACHMENT-1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</b>                                                                                                                                                                                                                    |                                              |

**Primary Contact**

[Person to receive all correspondence or inquiries during the review period]

|                                                                        |
|------------------------------------------------------------------------|
| Name: Edward J. Green, Esq.                                            |
| Title: Attorney                                                        |
| Company Name: Foley & Lardner LLP                                      |
| Address: 321 North Clark Street, Suite 2800, Chicago, Illinois 60654   |
| Telephone Number: (312) 832-4375                                       |
| E-mail Address: <a href="mailto:egreen@foley.com">egreen@foley.com</a> |
| Fax Number: (312) 832-4700                                             |

**Additional Contact** [Person who is also authorized to discuss the application for permit]

|                                                                     |
|---------------------------------------------------------------------|
| Name: Jill M. Rappis, Esq.                                          |
| Title: Regional Senior Vice President & General Counsel             |
| Company Name: Loyola University Health System d/b/a Loyola Medicine |
| Address: 2160 South First Avenue, Maywood, Illinois 60153           |
| Telephone Number: (708) 216-8073                                    |
| E-mail Address: jrappis@lumc.edu                                    |
| Fax Number: (708) 216-8059                                          |

**Post Permit Contact**

[Person to receive all correspondence subsequent to permit issuance-**THIS PERSON MUST BE EMPLOYED BY THE LICENSED HEALTH CARE FACILITY AS DEFINED AT 20 ILCS 3960**

|                                                                     |
|---------------------------------------------------------------------|
| Name: Jill M. Rappis, Esq.                                          |
| Title: Regional Senior Vice President & General Counsel             |
| Company Name: Loyola University Health System d/b/a Loyola Medicine |
| Address: 2160 South First Avenue, Maywood, Illinois 60153           |
| Telephone Number: (708) 216-8073                                    |
| E-mail Address: jrappis@lumc.edu                                    |
| Fax Number: (708) 216-8059                                          |

**Site Ownership**

[Provide this information for each applicable site]

|                                                                                                                                                                                                                                                                                                                                                        |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Exact Legal Name of Site Owner: Loyola University Health System d/b/a Loyola Medicine                                                                                                                                                                                                                                                                  |
| Address of Site Owner: 2160 South First Avenue, Maywood, Illinois 60153                                                                                                                                                                                                                                                                                |
| Street Address or Legal Description of Site:<br>Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statement, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease or a lease. |
| <b>APPEND DOCUMENTATION AS ATTACHMENT-2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</b>                                                                                                                                                                                                                                  |

**Operating Identity/Licensee**

[Provide this information for each applicable facility, and insert after this page.]

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                           |                          |                     |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|--------------------------|---------------------|
| Exact Legal Name: Loyola University Health System d/b/a Loyola Medicine                                                                                                                                                                                                                                                                                                                                                                                          |                           |                          |                     |
| Address: 2160 South First Avenue, Maywood, Illinois 60153                                                                                                                                                                                                                                                                                                                                                                                                        |                           |                          |                     |
| <input checked="" type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                                                              | Non-profit Corporation    | <input type="checkbox"/> | Partnership         |
| <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                                                                         | For-profit Corporation    | <input type="checkbox"/> | Governmental        |
| <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                                                                         | Limited Liability Company | <input type="checkbox"/> | Sole Proprietorship |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                           | <input type="checkbox"/> | Other               |
| <ul style="list-style-type: none"> <li>o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing.</li> <li>o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.</li> <li>o <b>Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.</b></li> </ul> |                           |                          |                     |
| <b>APPEND DOCUMENTATION AS ATTACHMENT-3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</b>                                                                                                                                                                                                                                                                                                                                            |                           |                          |                     |

**Organizational Relationships**

Provide (for each co-applicant) an organizational chart containing the name and relationship of any person or entity who is related (as defined in Part 1130.140). If the related person or entity is participating in the development or funding of the project, describe the interest and the amount and type of any financial contribution.

**APPEND DOCUMENTATION AS ATTACHMENT-4, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**Flood Plain Requirements**

[Refer to application instructions.]

Provide documentation that the project complies with the requirements of Illinois Executive Order #2006-5 pertaining to construction activities in special flood hazard areas. As part of the flood plain requirements, please provide a map of the proposed project location showing any identified floodplain areas. Floodplain maps can be printed at [www.FEMA.gov](http://www.FEMA.gov) or [www.illinoisfloodmaps.org](http://www.illinoisfloodmaps.org). This map must be in a readable format. In addition, please provide a statement attesting that the project complies with the requirements of Illinois Executive Order #2006-5 (<http://www.hfsrb.illinois.gov>). **NOTE: A SPECIAL FLOOD HAZARD AREA AND 500-YEAR FLOODPLAIN DETERMINATION FORM** has been added at the conclusion of this Application for Permit that must be completed to deem a project complete.

APPEND DOCUMENTATION AS **ATTACHMENT-5**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

**Historic Resources Preservation Act Requirements**

[Refer to application instructions.]

Provide documentation regarding compliance with the requirements of the Historic Resources Preservation Act.

APPEND DOCUMENTATION AS **ATTACHMENT-6**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

**DESCRIPTION OF PROJECT****1. Project Classification**

[Check those applicable - refer to Part 1110.40 and Part 1120.20(b)]

Part 1110 Classification:

- ☐ Substantive
- ☒ Non-substantive

**2. Narrative Description**

Provide in the space below, a brief narrative description of the project. Explain **WHAT** is to be done in **State Board defined terms**, **NOT WHY** it is being done. If the project site does **NOT** have a street address, include a legal description of the site. Include the rationale regarding the project's classification as substantive or non-substantive.

Loyola University Health System d/b/a Loyola Medicine ("Loyola Medicine"), Loyola University Medical Center ("LUMC"), and Trinity Health Corporation ("Trinity," and collectively with Loyola Medicine and LUMC, the "Applicants"), hereby seek a Certificate of Need ("CON") from the Illinois Health Facilities & Services Review Board (the "Board"), to construct a three story, 98,581 square foot, outpatient ambulatory care center named the Loyola Medicine Warrenville Ambulatory Care Center (the "Warrenville Ambulatory Care Center") and to be located at 28301 Ferry Road, Warrenville, Illinois (the "Project").

The Warrenville Ambulatory Care Center will house Loyola Medicine primary care and specialty care physicians, an imaging center, an infusion center, a retail pharmacy, and a blood draw lab. The Warrenville Care Center will also house a licensed ambulatory surgical treatment center (the "ASTC"). This CON contains the sizing and shell space costs for the ASTC, but a separate CON will be filed for the ASTC.

The total cost of the Project is expected to be \$106,769,368. The Applicants will fund the Project with cash and securities. Project completion is expected to occur on or about December 31, 2028, subject to timely Review Board approval.

Because this Project does not involve inpatient services or designated "categories of services," this Project is considered Non-Substantive.

### Project Costs and Sources of Funds

Complete the following table listing all costs (refer to Part 1120.110) associated with the project. When a project or any component of a project is to be accomplished by lease, donation, gift, or other means, the fair market or dollar value (refer to Part 1130.140) of the component must be included in the estimated project cost. If the project contains non-reviewable components that are not related to the provision of health care, complete the second column of the table below. Note, the use and sources of funds must equal.

| Project Costs and Sources of Funds                                                                                                                    |                   |                   |                    |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------|--------------------|
| USE OF FUNDS                                                                                                                                          | CLINICAL          | NONCLINICAL       | TOTAL              |
| Preplanning Costs                                                                                                                                     |                   |                   |                    |
| Site Survey and Soil Investigation                                                                                                                    | 20,902            | 34,098            | 55,000             |
| Site Preparation                                                                                                                                      | 2,081,137         | 3,394,923         | 5,476,060          |
| Off Site Work                                                                                                                                         |                   |                   |                    |
| New Construction Contracts                                                                                                                            | 26,867,219        | 43,828,026        | 70,695,245         |
| Modernization Contracts                                                                                                                               |                   |                   |                    |
| Contingencies                                                                                                                                         | 1,857,908         | 3,030,772         | 4,888,680          |
| Architectural/Engineering Fees                                                                                                                        | 1,457,829         | 2,378,131         | 3,835,960          |
| Consulting and Other Fees                                                                                                                             | 672,647           | 1,097,276         | 1,769,923          |
| Movable or Other Equipment (not in construction contracts)                                                                                            | 7,571,981         | 6,819,452         | 14,391,433         |
| Bond Issuance Expense (project related)                                                                                                               |                   |                   |                    |
| Imputed Interest Expense During Construction (project related)**                                                                                      | 1,560,868         | 2,546,218         | 4,107,086          |
| Fair Market Value of Leased Space or Equipment                                                                                                        |                   |                   |                    |
| Other Costs To Be Capitalized                                                                                                                         | 589,059           | 960,922           | 1,549,981          |
| Acquisition of Building or Other Property (excluding land)                                                                                            |                   |                   |                    |
| <b>TOTAL USES OF FUNDS</b>                                                                                                                            | <b>42,679,550</b> | <b>64,089,818</b> | <b>106,769,368</b> |
| SOURCE OF FUNDS                                                                                                                                       | CLINICAL          | NONCLINICAL       | TOTAL              |
| Cash and Securities                                                                                                                                   | 42,679,550        | 64,089,818        | 106,769,368        |
| Pledges                                                                                                                                               |                   |                   |                    |
| Gifts and Bequests                                                                                                                                    |                   |                   |                    |
| Bond Issues (project related)                                                                                                                         |                   |                   |                    |
| Mortgages                                                                                                                                             |                   |                   |                    |
| Leases (fair market value)                                                                                                                            |                   |                   |                    |
| Governmental Appropriations                                                                                                                           |                   |                   |                    |
| Grants                                                                                                                                                |                   |                   |                    |
| Other Funds and Sources                                                                                                                               |                   |                   |                    |
| <b>TOTAL SOURCES OF FUNDS</b>                                                                                                                         | <b>42,679,550</b> | <b>64,089,818</b> | <b>106,769,368</b> |
| <b>NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT-7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</b> |                   |                   |                    |

\*\* The Applicants are using cash to fund this Project. This line item reflects the imputed amount of interest associated with the carrying costs incurred by Loyola Medicine during the construction phase of the Project; which is a function of how the Trinity shared services arrangement for cash management works between Trinity and its member health systems and hospitals. It is effectively a cost accounting entry between Trinity and Loyola Medicine. Nevertheless, the Applicants have included this line entry for full transparency.

**Related Project Costs**

Provide the following information, as applicable, with respect to any land related to the project that will be or has been acquired during the last two calendar years:

Land acquisition is related to project ☒ Yes ☐ No  
Purchase Price: \$8,650,000 (for the land/ building acquired in 2025)  
Fair Market Value: \$8,650,000 (for the land/ building acquired in 2025)

The project involves the establishment of a new facility or a new category of service

☐ Yes ☒ No

If yes, provide the dollar amount of all **non-capitalized** operating start-up costs (including operating deficits) through the first full fiscal year when the project achieves or exceeds the target utilization specified in Part 1100.

Estimated start-up costs and operating deficit cost is \$ \_\_\_\_.

**Project Status and Completion Schedules**

**For facilities in which prior permits have been issued please provide the permit numbers.**

Indicate the stage of the project's architectural drawings:

☐ None or not applicable ☐ Preliminary  
☒ Schematics ☐ Final Working

Anticipated project completion date (refer to Part 1130.140): December 31, 2028

Indicate the following with respect to project expenditures or to obligation (refer to Part 1130.140):

- ☐ Purchase orders, leases or contracts pertaining to the project have been executed.  
☐ Project obligation is contingent upon permit issuance. Provide a copy of the contingent "certification of obligation" document, highlighting any language related to CON Contingencies  
☒ Project obligation will occur after permit issuance.

**APPEND DOCUMENTATION AS ATTACHMENT-8, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**State Agency Submittals**

Are the following submittals up to date as applicable:

- ☒ Cancer Registry  
☒ APORS  
☒ All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted  
☒ All reports regarding outstanding permits  
**Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.**

## Cost Space Requirements

Provide in the following format, the department/area DGSF or the building/area BGSF and cost. The type of gross square footage either DGSF or BGSF must be identified. The sum of the department costs **MUST** equal the total estimated project costs. Indicate if any space is being reallocated for a different purpose. Include outside wall measurements plus the department's or area's portion of the surrounding circulation space. **Explain the use of any vacated space.**

**Not Reviewable Space** [i.e., non-clinical]: means an area for the benefit of the patients, visitors, staff, or employees of a health care facility and not directly related to the diagnosis, treatment, or rehabilitation of persons receiving services from the health care facility. "Non-clinical service areas" include, but are not limited to, chapels; gift shops; newsstands; computer systems; tunnels, walkways, and elevators; telephone systems; projects to comply with life safety codes; educational facilities; student housing; patient, employee, staff, and visitor dining areas; administration and volunteer offices; modernization of structural components (such as roof replacement and masonry work); boiler repair or replacement; vehicle maintenance and storage facilities; parking facilities; mechanical systems for heating, ventilation, and air conditioning; loading docks; and repair or replacement of carpeting, tile, wall coverings, window coverings or treatments, or furniture. Solely for the purpose of this definition, "non-clinical service area" does not include health and fitness centers. [20 ILCS 3960/3]

| Dept. / Area                                  | Cost                 | Gross Square Feet |                    | Amount of Proposed Total Gross Square Feet That Is: |            |       |               |
|-----------------------------------------------|----------------------|-------------------|--------------------|-----------------------------------------------------|------------|-------|---------------|
|                                               |                      | Existing          | Proposed           | New Const.                                          | Modernized | As Is | Vacated Space |
| <b>Reviewable/Clinical</b>                    |                      |                   |                    |                                                     |            |       |               |
| Imaging Center                                |                      |                   | 6,650              | 6,650                                               |            |       |               |
| Retail Pharmacy                               |                      |                   | 1,190              | 1,190                                               |            |       |               |
| Blood Draw Lab                                |                      |                   | 980                | 980                                                 |            |       |               |
| Infusion Center                               |                      |                   | 4,470              | 4,470                                               |            |       |               |
| Medical Practice Area                         |                      |                   | 24,175             | 24,175                                              |            |       |               |
| Total Reviewable/Clinical                     |                      |                   | 37,465             | 37,465                                              |            |       |               |
| <b>Non-Reviewable</b>                         |                      |                   |                    |                                                     |            |       |               |
| Support Space                                 |                      |                   | 23,651             | 23,651                                              |            |       |               |
| Shelled/Unfinished Space (Surgery Center CON) |                      |                   | 32,665             | 32,665                                              |            |       |               |
| Total Non-Reviewable                          |                      |                   | 61,116             | 61,116                                              |            |       |               |
| <b>TOTAL</b>                                  | <b>\$106,769,368</b> |                   | <b>98,581 BGSF</b> | <b>98,581 BGSF</b>                                  |            |       |               |

APPEND DOCUMENTATION AS ATTACHMENT-9, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

**Facility Bed Capacity and Utilization**

Complete the following chart, as applicable. Complete a separate chart for each facility that is a part of the project and insert following this page. Provide the existing bed capacity and utilization data for the latest **Calendar Year for which the data are available**. Include **observation days in the patient day totals for each bed service**. Any bed capacity discrepancy from the Inventory will result in the application being deemed **incomplete**.

|                                                       |                                |                                                  |                   |             |               |
|-------------------------------------------------------|--------------------------------|--------------------------------------------------|-------------------|-------------|---------------|
| FACILITY NAME: Loyola University Medical Center       |                                | CITY: 2160 South First Avenue, Maywood, Illinois |                   |             |               |
| REPORTING PERIOD DATES: From: 1/1/2025 to: 12/31/2025 |                                |                                                  |                   |             |               |
| Category of Service                                   | Authorized Beds As of 1/1/2025 | Admissions 2025                                  | Patient Days 2025 | Bed Changes | Proposed Beds |
| Medical/Surgical                                      | 312                            | 11,798                                           | 85,588            | 0           | 312           |
| Obstetrics                                            | 30                             | 1,074                                            | 3,286             | 0           | 30            |
| Pediatrics                                            | 34                             | 746                                              | 3,499             | 0           | 34            |
| Intensive Care                                        | 121                            | 4,659                                            | 31,800            | 0           | 121           |
| Comprehensive Physical Rehabilitation                 |                                |                                                  |                   |             |               |
| Acute/Chronic Mental Illness                          |                                |                                                  |                   |             |               |
| Neonatal Intensive Care                               | 50                             | 261                                              | 5,320             | 0           | 50            |
| General Long Term Care                                |                                |                                                  |                   |             |               |
| Specialized Long Term Care                            |                                |                                                  |                   |             |               |
| Long Term Acute Care                                  |                                |                                                  |                   |             |               |
| Other (identify)                                      |                                |                                                  |                   |             |               |
| TOTALS:                                               | 547                            | 18,538                                           | 129,493           | 0           | 547           |

## CERTIFICATION

The application must be signed by the authorized representative(s) of the applicant entity. The authorized representative(s) are:

- o in the case of a corporation, any two of its officers or members of its Board of Directors;
- o in the case of a limited liability company, any two of its managers or members (or the sole manager or member when two or more managers or members do not exist);
- o in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist);
- o in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- o in the case of a sole proprietor, the individual that is the proprietor.

This Application for Permit is filed on the behalf of Loyola University Health System d/b/a Loyola Medicine\* in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this application for permit on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the permit application fee required for this application is sent herewith or will be paid upon request.

SIGNATURE

Shawn P. Vincent

PRINTED NAME

Chief Executive Officer

PRINTED TITLE

Notarization:

Subscribed and sworn to before me  
this 5<sup>th</sup> day of October

Christa Ann Krout

Signature of Notary

Seal

Official Seal  
CHRISTA ANN KROUT  
Notary Public, State of Illinois  
Commission No. 1001794  
My Commission Expires December 27, 2028

SIGNATURE

Melissa M. Lukasick

PRINTED NAME

Chief Financial Officer

PRINTED TITLE

Notarization:

Subscribed and sworn to before me  
this 5<sup>th</sup> day of October

Christa Ann Krout

Signature of Notary

Seal

Official Seal  
CHRISTA ANN KROUT  
Notary Public, State of Illinois  
Commission No. 1001794  
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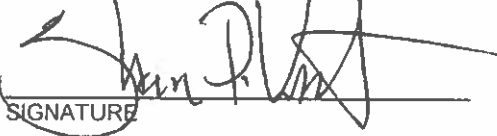
\*Insert EXACT legal name of the applicant

## CERTIFICATION

The application must be signed by the authorized representative(s) of the applicant entity. The authorized representative(s) are:

- in the case of a corporation, any two of its officers or members of its Board of Directors;
- in the case of a limited liability company, any two of its managers or members (or the sole manager or member when two or more managers or members do not exist);
- in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist);
- in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- in the case of a sole proprietor, the individual that is the proprietor.

This Application for Permit is filed on the behalf of Loyola University Medical Center\* in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this application for permit on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the permit application fee required for this application is sent herewith or will be paid upon request.

  
SIGNATURE

Shawn P. Vincent

PRINTED NAME

Chief Executive Officer

PRINTED TITLE

  
SIGNATURE

Melissa M. Lukasick

PRINTED NAME

Chief Financial Officer

PRINTED TITLE

Notarization:

Subscribed and sworn to before me  
this 5<sup>th</sup> day of October

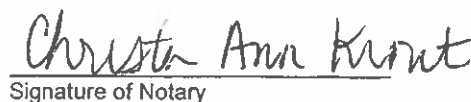
  
Signature of Notary

Seal

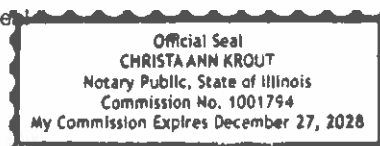


Notarization:

Subscribed and sworn to before me  
this 5<sup>th</sup> day of October

  
Signature of Notary

Seal



\*Insert EXACT legal name of the applicant

## CERTIFICATION

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- o in the case of a limited liability company, any two of its managers or members (or the sole manager or member when two or more managers or members do not exist);
- o in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist);
- o in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- o in the case of a sole proprietor, the individual that is the proprietor.

This Application is filed on the behalf of Trinity Health Corporation\* in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this Application of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the fee required for this Application is sent herewith or will be paid upon request.

Michael A. Slubowski

SIGNATURE

Michael A. Slubowski  
PRINTED NAME

President & Chief Executive Officer  
PRINTED TITLE

Joshua Moore

SIGNATURE

Joshua Moore, Esq.  
PRINTED NAME

Assistant Secretary  
PRINTED TITLE

Notarization:

Subscribed and sworn to before me  
this 30th day of September, 2024

Debra A Dimascio

Signature of Notary

Seal

DEBRA ANN DIMASCIO  
Notary Public - State of Michigan  
County of Wayne  
My Commission Expires Aug 17, 2032  
Acting in the County of \_\_\_\_\_

Notarization:

Subscribed and sworn to before me  
this 30th day of September, 2024

Debra A Dimascio

Signature of Notary

Seal

DEBRA ANN DIMASCIO  
Notary Public - State of Michigan  
County of Wayne  
My Commission Expires Aug 17, 2032  
Acting in the County of \_\_\_\_\_

**SECTION III. BACKGROUND, PURPOSE OF THE PROJECT, AND ALTERNATIVES - INFORMATION REQUIREMENTS**

This Section is applicable to all projects except those that are solely for discontinuation with no project costs.

**1110.110(a) – Background of the Applicant**

READ THE REVIEW CRITERION and provide the following required information:

**BACKGROUND OF APPLICANT**

1. A listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable.
2. A listing of all health care facilities currently owned and/or operated in Illinois, by any corporate officers or directors, LLC members, partners, or owners of at least 5% of the proposed health care facility.
3. For the following questions, please provide information for each applicant, including corporate officers or directors, LLC members, partners and owners of at least 5% of the proposed facility. A health care facility is considered owned or operated by every person or entity that owns, directly or indirectly, an ownership interest.
  - a. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant, directly or indirectly, during the three years prior to the filing of the application.
  - b. A certified listing of each applicant, identifying those individuals that have been cited, arrested, taken into custody, charged with, indicted, convicted or tried for, or pled guilty to the commission of any felony or misdemeanor or violation of the law, except for minor parking violations; or the subject of any juvenile delinquency or youthful offender proceeding. Unless expunged, provide details about the conviction and submit any police or court records regarding any matters disclosed.
  - c. A certified and detailed listing of each applicant or person charged with fraudulent conduct or any act involving moral turpitude.
  - d. A certified listing of each applicant with one or more unsatisfied judgements against him or her.
  - e. A certified and detailed listing of each applicant who is in default in the performance or discharge of any duty or obligation imposed by a judgment, decree, order or directive of any court or governmental agency.
4. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. **Failure to provide such authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.**
5. If, during a given calendar year, an applicant submits more than one application for permit, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest that the information was previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant is able to submit amendments to previously submitted information, as needed, to update and/or clarify data.

**APPEND DOCUMENTATION AS ATTACHMENT 11, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-4) MUST BE IDENTIFIED IN ATTACHMENT 11.**

**Criterion 1110.110(b) & (d)****PURPOSE OF PROJECT**

1. Document that the project will provide health services that improve the health care or well-being of the market area population to be served.
2. Define the planning area or market area, or other relevant area, per the applicant's definition.
3. Identify the existing problems or issues that need to be addressed as applicable and appropriate for the project.
4. Cite the sources of the documentation.
5. Detail how the project will address or improve the previously referenced issues, as well as the population's health status and well-being.
6. Provide goals with quantified and measurable objectives, with specific timeframes that relate to achieving the stated goals **as appropriate**.

For projects involving modernization, describe the conditions being upgraded, if any. For facility projects, include statements of the age and condition of the project site, as well as regulatory citations, if any. For equipment being replaced, include repair and maintenance records.

**NOTE: Information regarding the "Purpose of the Project" will be included in the State Board Staff Report.**

**APPEND DOCUMENTATION AS ATTACHMENT 12, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-6) MUST BE IDENTIFIED IN ATTACHMENT 12.**

**ALTERNATIVES**

- 1) Identify ALL of the alternatives to the proposed project:

Alternative options must include:

- A) Proposing a project of greater or lesser scope and cost;
  - B) Pursuing a joint venture or similar arrangement with one or more providers or entities to meet all or a portion of the project's intended purposes; developing alternative settings to meet all or a portion of the project's intended purposes.
  - C) Utilizing other health care resources that are available to serve all or a portion of the population proposed to be served by the project; and
  - D) Provide the reasons why the chosen alternative was selected.
- 2) Documentation shall consist of a comparison of the project to alternative options. The comparison shall address issues of total costs, patient access, quality and financial benefits in both the short-term (within one to three years after project completion) and long-term. This may vary by project or situation. **FOR EVERY ALTERNATIVE IDENTIFIED, THE TOTAL PROJECT COST AND THE REASONS WHY THE ALTERNATIVE WAS REJECTED MUST BE PROVIDED.**
  - 3) The applicant shall provide empirical evidence, including quantified outcome data that verifies improved quality of care, as available.

**APPEND DOCUMENTATION AS ATTACHMENT 13, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**SECTION IV. PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE****Criterion 1110.120 - Project Scope, Utilization, and Unfinished/Shell Space**

READ THE REVIEW CRITERION and provide the following information:

**SIZE OF PROJECT:**

1. Document that the amount of physical space proposed for the proposed project is necessary and not excessive. This must be a narrative and it shall include the basis used for determining the space and the methodology applied.
2. If the gross square footage exceeds the BGSF/DGSF standards in Appendix B, justify the discrepancy by documenting one of the following:
  - a. Additional space is needed due to the scope of services provided, justified by clinical or operational needs, as supported by published data or studies and certified by the facility's Medical Director.
  - b. The existing facility's physical configuration has constraints or impediments and requires an architectural design that delineates the constraints or impediments.
  - c. The project involves the conversion of existing space that results in excess square footage.
  - d. Additional space is mandated by governmental or certification agency requirements that were not in existence when Appendix B standards were adopted.

Provide a narrative for any discrepancies from the State Standard. A table must be provided in the following format with Attachment 14.

| SIZE OF PROJECT    |                       |                   |            |                  |
|--------------------|-----------------------|-------------------|------------|------------------|
| DEPARTMENT/SERVICE | PROPOSED<br>BGSF/DGSF | STATE<br>STANDARD | DIFFERENCE | MET<br>STANDARD? |
|                    |                       |                   |            |                  |

APPEND DOCUMENTATION AS **ATTACHMENT 14**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

**PROJECT SERVICES UTILIZATION:**

This criterion is applicable only to projects or portions of projects that involve services, functions or equipment for which HFSRB has established utilization standards or occupancy targets in 77 Ill. Adm. Code 1100.

Document that in the second year of operation, the annual utilization of the service or equipment shall meet or exceed the utilization standards specified in 1110.Appendix B. A narrative of the rationale that supports the projections must be provided.

A table must be provided in the following format with Attachment 15.

| UTILIZATION |                   |                                                                     |                          |                   |                   |
|-------------|-------------------|---------------------------------------------------------------------|--------------------------|-------------------|-------------------|
|             | DEPT./<br>SERVICE | HISTORICAL<br>UTILIZATION<br>(PATIENT DAYS)<br>(TREATMENTS)<br>ETC. | PROJECTED<br>UTILIZATION | STATE<br>STANDARD | MEET<br>STANDARD? |
| YEAR 1      |                   |                                                                     |                          |                   |                   |
| YEAR 2      |                   |                                                                     |                          |                   |                   |

APPEND DOCUMENTATION AS **ATTACHMENT 15**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

**UNFINISHED OR SHELL SPACE:**

Provide the following information:

1. Total gross square footage (GSF) of the proposed shell space.
2. The anticipated use of the shell space, specifying the proposed GSF to be allocated to each department, area or function.
3. Evidence that the shell space is being constructed due to:
  - a. Requirements of governmental or certification agencies; or
  - b. Experienced increases in the historical occupancy or utilization of those areas proposed to occupy the shell space.
4. Provide:
  - a. Historical utilization for the area for the latest five-year period for which data is available; and
  - b. Based upon the average annual percentage increase for that period, projections of future utilization of the area through the anticipated date when the shell space will be placed into operation.

**APPEND DOCUMENTATION AS ATTACHMENT 16, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**ASSURANCES:**

Submit the following:

1. Verification that the applicant will submit to HFSRB a CON application to develop and utilize the shell space, regardless of the capital thresholds in effect at the time or the categories of service involved.
2. The estimated date by which the subsequent CON application (to develop and utilize the subject shell space) will be submitted; and
3. The anticipated date when the shell space will be completed and placed into operation.

**APPEND DOCUMENTATION AS ATTACHMENT 17, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**M. Criterion 1110.270 - Clinical Service Areas Other than Categories of Service**

1. Applicants proposing to establish, expand and/or modernize Clinical Service Areas Other than categories of service must submit the following information:

2. Indicate changes by Service: Indicate # of key room changes by action(s):

| Service                  | # Existing Key Rooms | # Proposed Key Rooms |
|--------------------------|----------------------|----------------------|
| <input type="checkbox"/> |                      |                      |
| <input type="checkbox"/> |                      |                      |
| <input type="checkbox"/> |                      |                      |

3. READ the applicable review criteria outlined below and **submit the required documentation for the criteria:**

| Project Type                                                                                                            | Required Review Criteria                          |
|-------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| New Services or Facility or Equipment                                                                                   | (b) – Need Determination – Establishment          |
| Service Modernization                                                                                                   | (c)(1) – Deteriorated Facilities                  |
|                                                                                                                         | AND/OR                                            |
|                                                                                                                         | (c)(2) – Necessary Expansion                      |
|                                                                                                                         | PLUS                                              |
|                                                                                                                         | (c)(3)(A) – Utilization – Major Medical Equipment |
|                                                                                                                         | OR                                                |
|                                                                                                                         | (c)(3)(B) – Utilization – Service or Facility     |
| APPEND DOCUMENTATION AS <b>ATTACHMENT 31</b> , IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. |                                                   |

The following Sections **DO NOT** need to be addressed by the applicants or co-applicants responsible for funding or guaranteeing the funding of the project if the applicant has a bond rating of A- or better from Fitch's or Standard and Poor's rating agencies, or A3 or better from Moody's (the rating shall be affirmed within the latest 18-month period prior to the submittal of the application):

- Section 1120.120 Availability of Funds – Review Criteria
- Section 1120.130 Financial Viability – Review Criteria
- Section 1120.140 Economic Feasibility – Review Criteria, subsection (a)

## VI. 1120.120 - AVAILABILITY OF FUNDS

The applicant shall document that financial resources shall be available and be equal to or exceed the estimated total project cost plus any related project costs by providing evidence of sufficient financial resources from the following sources, as applicable [Indicate the dollar amount to be provided from the following sources]:

|               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|---------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| \$106,769,368 | <p>a) Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to:</p> <ol style="list-style-type: none"> <li>1) the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and</li> <li>2) interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion;</li> </ol> <p>b) Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated time table of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.</p> <p>c) Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts.</p> <p>d) Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including:</p> <ol style="list-style-type: none"> <li>1) For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated;</li> <li>2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate;</li> <li>3) For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.;</li> <li>4) For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment;</li> <li>5) For any option to lease, a copy of the option, including all terms and conditions.</li> </ol> <p>e) Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent.</p> <p>f) Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt.</p> <p>g) All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.</p> |
| \$106,769,368 | TOTAL FUNDS AVAILABLE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

APPEND DOCUMENTATION AS ATTACHMENT 34, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

**SECTION VII. 1120.130 - FINANCIAL VIABILITY**

All the applicants and co-applicants shall be identified, specifying their roles in the project funding or guaranteeing the funding (sole responsibility or shared) and percentage of participation in that funding.

**Financial Viability Waiver**

The applicant is not required to submit financial viability ratios if:

1. "A" Bond rating or better
2. All of the projects capital expenditures are completely funded through internal sources
3. The applicant's current debt financing or projected debt financing is insured or anticipated to be insured by MBIA (Municipal Bond Insurance Association Inc.) or equivalent
4. The applicant provides a third party surety bond or performance bond letter of credit from an A rated guarantor.

See Section 1120.130 Financial Waiver for information to be provided

**APPEND DOCUMENTATION AS ATTACHMENT 35, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

The applicant or co-applicant that is responsible for funding or guaranteeing funding of the project shall provide viability ratios for the latest three years for which **audited financial statements are available and for the first full fiscal year at target utilization, but no more than two years following project completion**. When the applicant's facility does not have facility specific financial statements and the facility is a member of a health care system that has combined or consolidated financial statements, the system's viability ratios shall be provided. If the health care system includes one or more hospitals, the system's viability ratios shall be evaluated for conformance with the applicable hospital standards.

|                                                 | Historical<br>3 Years |  |  | Projected |
|-------------------------------------------------|-----------------------|--|--|-----------|
| <b>Enter Historical and/or Projected Years:</b> |                       |  |  |           |
| Current Ratio                                   |                       |  |  |           |
| Net Margin Percentage                           |                       |  |  |           |
| Percent Debt to Total Capitalization            |                       |  |  |           |
| Projected Debt Service Coverage                 |                       |  |  |           |
| Days Cash on Hand                               |                       |  |  |           |
| Cushion Ratio                                   |                       |  |  |           |

Provide the methodology and worksheets utilized in determining the ratios detailing the calculation and applicable line item amounts from the financial statements. Complete a separate table for each co-applicant and provide worksheets for each.

**Variance**

Applicants not in compliance with any of the viability ratios shall document that another organization, public or private, shall assume the legal responsibility to meet the debt obligations should the applicant default.

**APPEND DOCUMENTATION AS ATTACHMENT 36, IN NUMERICAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**SECTION VII. 1120.140 - ECONOMIC FEASIBILITY**

This section is applicable to all projects subject to Part 1120.

**A. Reasonableness of Financing Arrangements**

The applicant shall document the reasonableness of financing arrangements by submitting a notarized statement signed by an authorized representative that attests to one of the following:

- 1) That the total estimated project costs and related costs will be funded in total with cash and equivalents, including investment securities, unrestricted funds, received pledge receipts and funded depreciation; or
- 2) That the total estimated project costs and related costs will be funded in total or in part by borrowing because:
  - A) A portion or all of the cash and equivalents must be retained in the balance sheet asset accounts in order to maintain a current ratio of at least 2.0 times for hospitals and 1.5 times for all other facilities; or
  - B) Borrowing is less costly than the liquidation of existing investments, and the existing investments being retained may be converted to cash or used to retire debt within a 60-day period.

**B. Conditions of Debt Financing**

This criterion is applicable only to projects that involve debt financing. The applicant shall document that the conditions of debt financing are reasonable by submitting a notarized statement signed by an authorized representative that attests to the following, as applicable:

- 1) That the selected form of debt financing for the project will be at the lowest net cost available;
- 2) That the selected form of debt financing will not be at the lowest net cost available, but is more advantageous due to such terms as prepayment privileges, no required mortgage, access to additional indebtedness, term (years), financing costs and other factors;
- 3) That the project involves (in total or in part) the leasing of equipment or facilities and that the expenses incurred with leasing a facility or equipment are less costly than constructing a new facility or purchasing new equipment.

**C. Reasonableness of Project and Related Costs**

Read the criterion and provide the following:

1. Identify each department or area impacted by the proposed project and provide a cost and square footage allocation for new construction and/or modernization using the following format (insert after this page).

| COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE |                         |      |                      |        |                       |        |                      |                    |                          |
|-----------------------------------------------------|-------------------------|------|----------------------|--------|-----------------------|--------|----------------------|--------------------|--------------------------|
| Department<br>(list below)                          | A                       | B    | C                    | D      | E                     | F      | G                    | H                  | Total<br>Cost<br>(G + H) |
|                                                     | Cost/Square Foot<br>New | Mod. | Gross Sq. Ft.<br>New | Circ.* | Gross Sq. Ft.<br>Mod. | Circ.* | Const. \$<br>(A x C) | Mod. \$<br>(B x E) |                          |
|                                                     |                         |      |                      |        |                       |        |                      |                    |                          |
| Contingency                                         |                         |      |                      |        |                       |        |                      |                    |                          |
| TOTALS                                              |                         |      |                      |        |                       |        |                      |                    |                          |

\* Include the percentage (%) of space for circulation

**D. Projected Operating Costs**

The applicant shall provide the projected direct annual operating costs (in current dollars per equivalent patient day or unit of service) for the first full fiscal year at target utilization but no more than two years following project completion. Direct cost means the fully allocated costs of salaries, benefits and supplies for the service.

**E. Total Effect of the Project on Capital Costs**

The applicant shall provide the total projected annual capital costs (in current dollars per equivalent patient day) for the first full fiscal year at target utilization but no more than two years following project completion.

**APPEND DOCUMENTATION AS ATTACHMENT 37, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**SECTION IX. SAFETY NET IMPACT STATEMENT (NOT APPLICABLE)**

**SAFETY NET IMPACT STATEMENT that describes all of the following must be submitted for ALL SUBSTANTIVE PROJECTS AND PROJECTS TO DISCONTINUE STATE-OWNED HEALTH CARE FACILITIES [20 ILCS 3960/5.4]:**

1. The project's material impact, if any, on essential safety net services in the community, to the extent that it is feasible for an applicant to have such knowledge.
2. The project's impact on the ability of another provider or health care system to cross-subsidize safety net services, if reasonably known to the applicant.
3. How the discontinuation of a facility or service might impact the remaining safety net providers in a given community, if reasonably known by the applicant.

**Safety Net Impact Statements shall also include all of the following:**

1. For the 3 fiscal years prior to the application, a certification describing the amount of charity care provided by the applicant. The amount calculated by hospital applicants shall be in accordance with the reporting requirements for charity care reporting in the Illinois Community Benefits Act. Non-hospital applicants shall report charity care, at cost, in accordance with an appropriate methodology specified by the Board.
2. For the 3 fiscal years prior to the application, a certification of the amount of care provided to Medicaid patients. Hospital and non-hospital applicants shall provide Medicaid information in a manner consistent with the information reported each year to the Illinois Department of Public Health regarding "Inpatients and Outpatients Served by Payor Source" and "Inpatient and Outpatient Net Revenue by Payor Source" as required by the Board under Section 13 of this Act and published in the Annual Hospital Profile.
3. Any information the applicant believes is directly relevant to safety net services, including information regarding teaching, research, and any other service.

**A table in the following format must be provided as part of Attachment 38.**

| Safety Net Information per PA 96-0031 |      |      |      |
|---------------------------------------|------|------|------|
| CHARITY CARE                          |      |      |      |
| Charity (# of patients)               | Year | Year | Year |
| Inpatient                             |      |      |      |
| Outpatient                            |      |      |      |
| Total                                 |      |      |      |
| Charity (cost in dollars)             | Year | Year | Year |
| Inpatient                             |      |      |      |
| Outpatient                            |      |      |      |
| Total                                 |      |      |      |
| MEDICAID                              |      |      |      |
| Medicaid (# of patients)              | Year | Year | Year |
| Inpatient                             |      |      |      |
| Outpatient                            |      |      |      |
| Total                                 |      |      |      |
| Medicaid (revenue)                    | Year | Year | Year |
| Inpatient                             |      |      |      |
| Outpatient                            |      |      |      |
| Total                                 |      |      |      |

**APPEND DOCUMENTATION AS ATTACHMENT 38, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**SECTION X. CHARITY CARE INFORMATION**

Charity Care information **MUST** be furnished for **ALL** projects [1120.20(c)].

1. All applicants and co-applicants shall indicate the amount of charity care for the latest three **audited** fiscal years, the cost of charity care and the ratio of that charity care cost to net patient revenue.
2. If the applicant owns or operates one or more facilities, the reporting shall be for each individual facility located in Illinois. If charity care costs are reported on a consolidated basis, the applicant shall provide documentation as to the cost of charity care; the ratio of that charity care to the net patient revenue for the consolidated financial statement; the allocation of charity care costs; and the ratio of charity care cost to net patient revenue for the facility under review.
3. If the applicant is not an existing facility, it shall submit the facility's projected patient mix by payer source, anticipated charity care expense and projected ratio of charity care to net patient revenue by the end of its second year of operation.

Charity care" means care provided by a health care facility for which the provider does not expect to receive payment from the patient or a third-party payer (20 ILCS 3960/3). Charity Care **must** be provided at cost.

A table in the following format must be provided for all facilities as part of Attachment 39.

| CHARITY CARE                     |      |      |      |
|----------------------------------|------|------|------|
|                                  | Year | Year | Year |
| Net Patient Revenue              |      |      |      |
| Amount of Charity Care (charges) |      |      |      |
| Cost of Charity Care             |      |      |      |

APPEND DOCUMENTATION AS **ATTACHMENT 39**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

**SECTION XI - SPECIAL FLOOD HAZARD AREA AND 500-YEAR FLOODPLAIN DETERMINATION FORM**

In accordance with Executive Order 2006-5 (EO 5), the Health Facilities & Services Review Board (HFSRB) must determine if the site of the CRITICAL FACILITY, as defined in EO 5, is located in a mapped floodplain (Special Flood Hazard Area) or a 500-year floodplain. All state agencies are required to ensure that before a permit, grant or a development is planned or promoted, the proposed project meets the requirements of the Executive Order, including compliance with the National Flood Insurance Program (NFIP) and state floodplain regulation.

1. Applicant: Loyola Medicine, 2160 South First Avenue, Maywood, Illinois 60153
  2. Project Location: 28301 Ferry Road, Warrenville, Illinois 60555, DuPage County, Winfield Township
- 
2. You can create a small map of your site showing the FEMA floodplain mapping using the FEMA Map Service Center website (<https://msc.fema.gov/portal/home>) by entering the address for the property in the Search bar. If a map, like that shown on page 2 is shown, select the **Go To NFHL Viewer** tab above the map. You can print a copy of the floodplain map by selecting the  icon in the top corner of the page. Select the pin tool icon  and place a pin on your site. Print a FIRMETTE size image. If there is no digital floodplain map available select the **View/Print FIRM** icon above the aerial photo. You will then need to use the Zoom tools provided to locate the property on the map and use the **Make a FIRMette** tool to create a pdf of the floodplain map.

IS THE PROJECT SITE LOCATED IN A SPECIAL FLOOD HAZARD AREA: Yes: ☐ No: ☒

IS THE PROJECT SITE LOCATED IN THE 500-YEAR FLOOD PLAIN? Yes: ☒ (Zone X) No: ☐

If you are unable to determine if the site is in the mapped floodplain or 500-year floodplain, contact the county or the local community building or planning department for assistance.

If the determination is being made by a local official, please complete the following:

FIRM Panel Numbers: 17043C0141J Effective Dates: 8/1/2019

Name of Official: \_\_\_\_\_ Title: \_\_\_\_\_

Business/Agency: \_\_\_\_\_ Address: \_\_\_\_\_

---

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**NOTE:** This finding only means that the property in question is or is not in a Special Flood Hazard Area or a 500-year floodplain as designated on the map noted above. It does not constitute a guarantee that the property will or will not be flooded or be subject to local drainage problems.

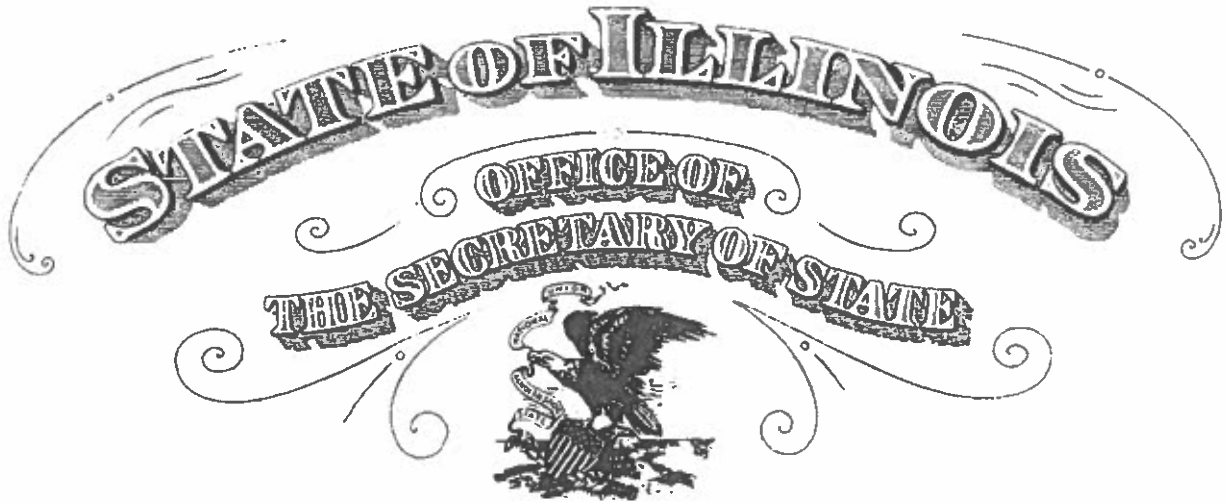
If you need additional help, contact the Illinois Statewide Floodplain Program at 217/782-4428

**Section I**  
**Attachment 1**  
**Applicant Identification**

The Certificates of Good Standing for the Applicants are attached at ATTACHMENT 1.

File Number

5348-850-1



***To all to whom these Presents Shall Come, Greeting:***

*I, Alexi Giannoulis, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that*

LOYOLA UNIVERSITY HEALTH SYSTEM, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON JUNE 11, 1984, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.



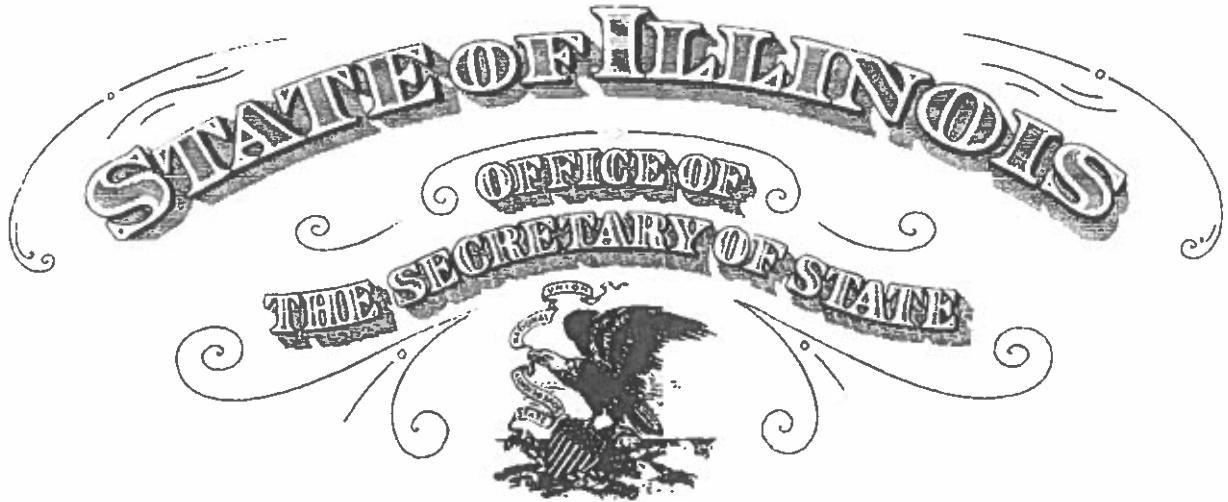
***In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 5TH day of OCTOBER A.D. 2026 .***

Authentication #: 2627802412 verifiable until 10/05/2027  
Authenticate at: <https://www.ilsos.gov>

*Alexi Giannoulis*  
SECRETARY OF STATE

File Number

5815-594-2



***To all to whom these Presents Shall Come, Greeting:***

*I, Alexi Giannoulas, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that*

LOYOLA UNIVERSITY MEDICAL CENTER, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON JANUARY 13, 1995, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE. AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.



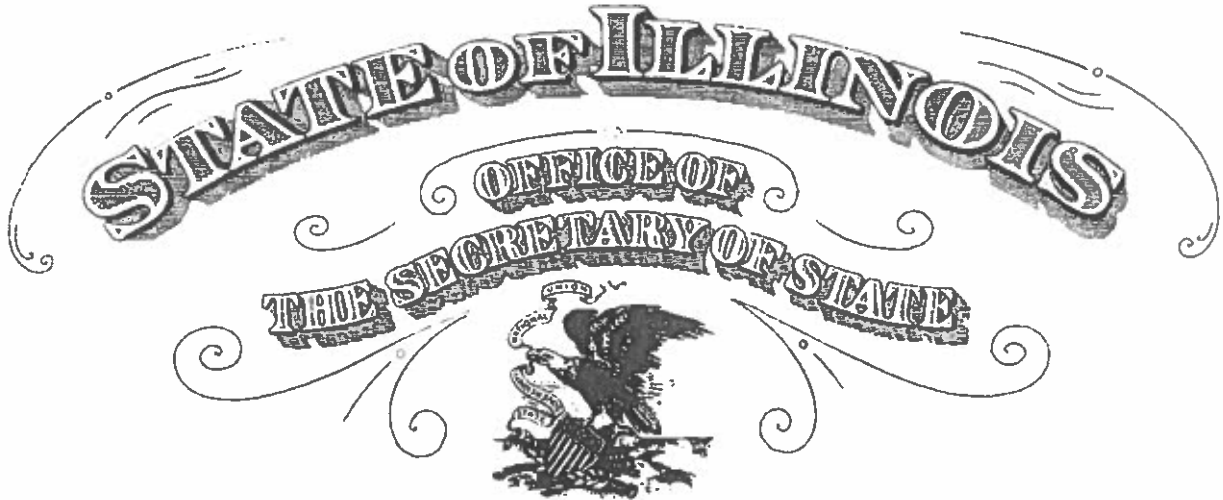
***In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 5TH day of OCTOBER A.D. 2026 .***

Authentication # 2627802432 verifiable until 10/05/2027  
Authenticate at: <https://www.ilsos.gov>

*Alexi Giannoulas*  
SECRETARY OF STATE

File Number

6775-210-4



***To all to whom these Presents Shall Come, Greeting:***

*I, Alexi Giannoulis, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that*

TRINITY HEALTH CORPORATION, INCORPORATED IN INDIANA AND LICENSED TO CONDUCT AFFAIRS IN THIS STATE ON MARCH 02, 2011, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS A FOREIGN CORPORATION IN GOOD STANDING AND AUTHORIZED TO CONDUCT AFFAIRS IN THE STATE OF ILLINOIS.



***In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 5TH day of OCTOBER A.D. 2026 .***

Authentication #: 2627802446 verifiable until 10/05/2027  
Authenticate at: <https://www.ilsos.gov>

*Alexi Giannoulis*  
SECRETARY OF STATE

**Section I**  
**Attachment 2**  
**Site Ownership**

1. The Loyola Medicine Warrenville Ambulatory Care Center (the "Warrenville Ambulatory Care Center") will be located at 28301 Ferry Road in Warrenville, Illinois (the "Site Parcel").

2. Loyola Medicine has title to the Site Parcel and legally described as follows:

LOTS 1A AND 1B IN CANTERA E-1 RESUBDIVISION, BEING A RESUBDIVISION OF LOT 1 IN CANTERA SUB AREA "E", BEING A RESUBDIVISION OF THE NORTHEAST QUARTER OF SECTION 2, TOWNSHIP 38 NORTH, RANGE 9 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT OF SAID CANTERA E-1 RESUBDIVISION RECORDED JANUARY 5, 2000 AS DOCUMENT R2000-001885, EXCEPT THAT PART OF LOT 1A CONVEYED TO THE FOREST PRESERVE DISTRICT OF DU PAGE COUNTY BY QUIT-CLAIM DEED RECORDED JULY 3, 2006 AS DOCUMENT R2006-126381, IN DU PAGE COUNTY, ILLINOIS.

3. An Affidavit from Melissa Lukasick, the Chief Financial Officer ("CFO") of Loyola Medicine, in support of this Criterion is attached at ATTACHMENT 2.



LOYOLA  
MEDICINE

September 30, 2026

Mr. Michael Constantino  
Project Review Supervisor  
Illinois Health Facilities & Services Review Board  
525 West Jefferson Street, 2<sup>nd</sup> Floor  
Springfield, Illinois 62761

Re: Certification of Corporate Ownership of Site Parcels

Dear Mr. Constantino:

I hereby certify, under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109, as follows:

1. Loyola University Health System d/b/a Loyola Medicine ("Loyola Medicine") has title to the property located at 28301 Ferry Road, Warrenville, Illinois, and legally described as follows:

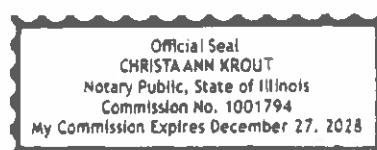
LOTS 1A AND 1B IN CANTERA E-1 RESUBDIVISION, BEING A RESUBDIVISION OF LOT 1 IN CANTERA SUB AREA "E", BEING A RESUBDIVISION OF THE NORTHEAST QUARTER OF SECTION 2, TOWNSHIP 38 NORTH, RANGE 9 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT OF SAID CANTERA E-1 RESUBDIVISION RECORDED JANUARY 5, 2000 AS DOCUMENT R2000-001885, EXCEPT THAT PART OF LOT 1A CONVEYED TO THE FOREST PRESERVE DISTRICT OF DU PAGE COUNTY BY QUIT-CLAIM DEED RECORDED JULY 3, 2006 AS DOCUMENT R2006-126381, IN DU PAGE COUNTY, ILLINOIS.

Sincerely,

Melissa Lukasick  
Regional CFO  
Loyola Medicine

SUBSCRIBED AND SWORN  
to before me this 5<sup>th</sup> day  
of ~~September~~ <sup>October</sup>, 2026.

Notary Public



*We also treat the human spirit.*

A Member of Trinity Health

Loyola Medicine | One Westbrook Cor

0031

Vestchester, IL 60154

Attachment

**Section I**  
**Attachment 3**  
**Operating Entity/Licensee**

Loyola Medicine will own and operate the Warrenville Ambulatory Care Center. The Certificate of Good Standing for Loyola Medicine is attached at ATTACHMENT 1.

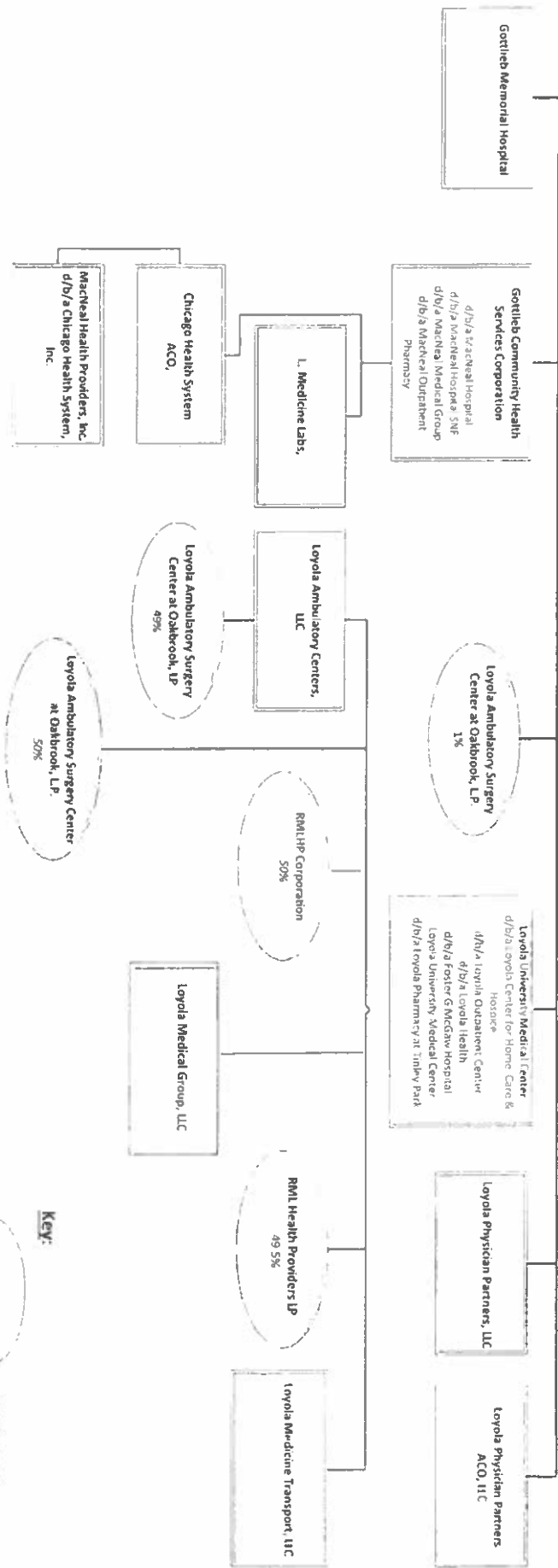
**Section I**  
**Attachment 4**  
**Organizational Relationships**

The organizational chart for the Applicants is attached at ATTACHMENT 4.

**Trinity Health Corporation**

Effective 10/1/2026

**Loyola University Health System**  
d/b/a Loyola Medicine



**Key:**

○ = Joint Venture

□ = Wholly owned or wholly controlled subsidiary

**Section I**  
**Attachment 5**  
**Flood Plain Requirements**

The Site Parcel for this Project is located in flood plain Zone X, which is designated as an area of low flood risk not requiring flood insurance. See Flood Insurance Rate Map No. 17043C0141J (revised: 8/1/2019), attached at ATTACHMENT 40.

An Affidavit from Melissa Lukasick, the CFO of Loyola Medicine, in support of this Criterion is attached at ATTACHMENT 5.

The Applicants have also completed the Special Flood Hazard Area and 500-Year Flood Plain Determination Form now required by the Review Board. See Section XI of this Application.



September 30, 2026

Mr. Michael Constantino  
Project Review Supervisor  
Illinois Health Facilities & Services Review Board  
525 West Jefferson Street, 2<sup>nd</sup> Floor  
Springfield, Illinois 62761

Re: Certification Re: Compliance with Illinois Executive Order # 2006-5  
Loyola Medicine Warrenville Ambulatory Care Center CON

Dear Mr. Constantino:

I hereby certify, under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109, as follows:

1. Loyola University Health System d/b/a Loyola Medicine ("Loyola Medicine") has title to the property located at 28301 Ferry Road, Warrenville, Illinois, and legally described as follows:

LOTS 1A AND 1B IN CANTERA E-1 RESUBDIVISION, BEING A RESUBDIVISION OF LOT 1 IN CANTERA SUB AREA "E", BEING A RESUBDIVISION OF THE NORTHEAST QUARTER OF SECTION 2, TOWNSHIP 38 NORTH, RANGE 9 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT OF SAID CANTERA E-1 RESUBDIVISION RECORDED JANUARY 5, 2000 AS DOCUMENT R2000-001885, EXCEPT THAT PART OF LOT 1A CONVEYED TO THE FOREST PRESERVE DISTRICT OF DU PAGE COUNTY BY QUIT-CLAIM DEED RECORDED JULY 3, 2006 AS DOCUMENT R2006-126381, IN DU PAGE COUNTY, ILLINOIS.

2. The land identified herein and associated with the Loyola Medicine Warrenville Ambulatory Care Center Project are all located in flood plain Zone X, which is designated as an area of low flood risk not requiring flood insurance. See Flood Insurance Rate Map No. 17043C0141J (revised: 8/1/2019).

3. Loyola Medicine has reviewed and will comply with the development requirements of Illinois Executive Order 2006-5, to the extent Illinois Executive Order 2006-5 is applicable.

Sincerely,



Melissa Lukasick  
Regional CFO  
Loyola Medicine

SUBSCRIBED AND SWORN  
to before me this 5<sup>th</sup> day  
of ~~September~~ October 2026.

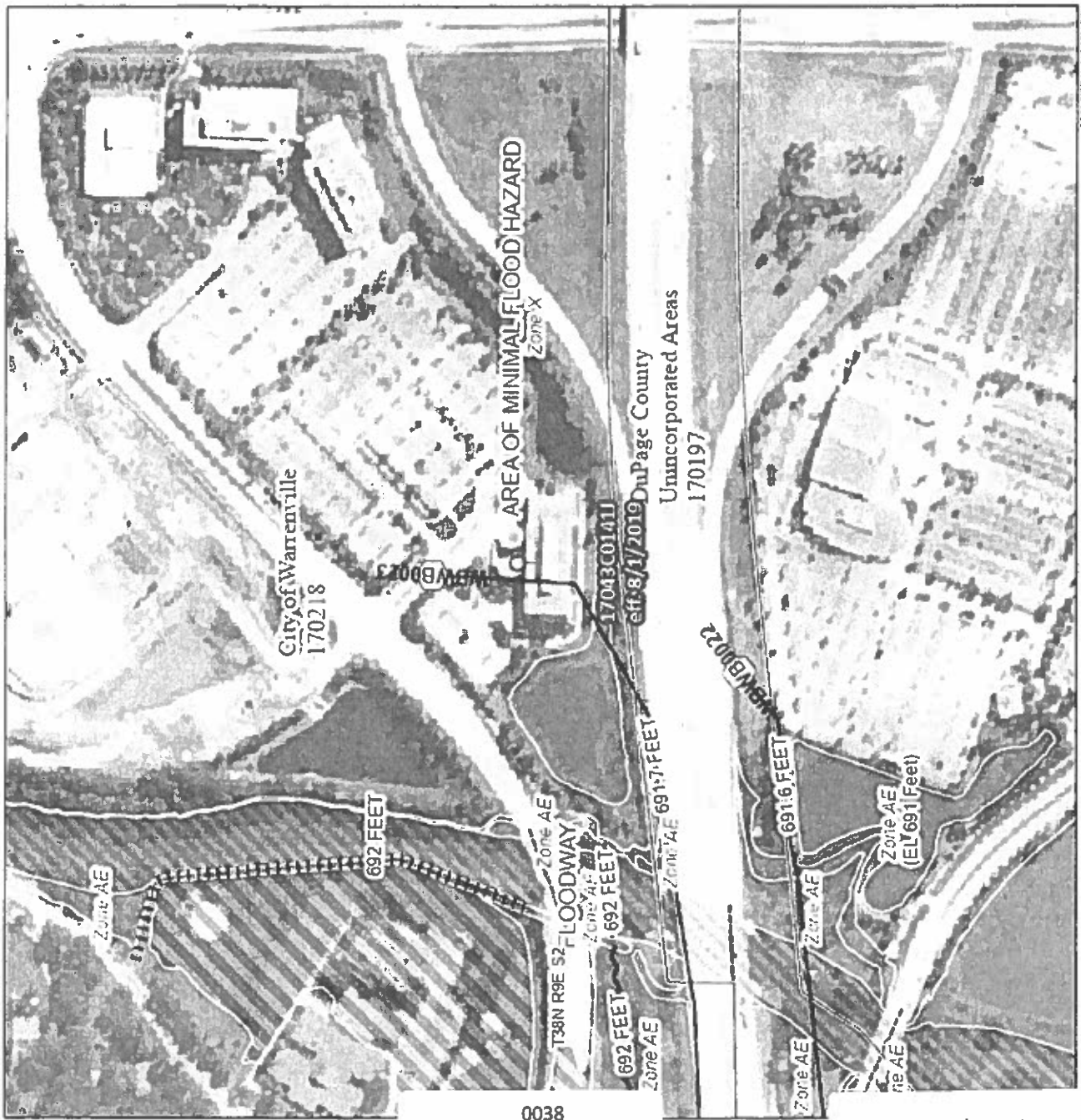
Christa Ann Krout  
Notary Public



# National Flood Hazard Layer FIRMette



88°10'39"W 41°48'39"N



88°10'39"W 41°48'39"N

1:6,000

2,000

1,500

1,000

500

0

Basemap Imagery Source: USGS National Map 2023

## Legend

SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT

**SPECIAL FLOOD HAZARD AREAS**

Without Base Flood Elevation (BFE)  
Zone A, V, AE  
With BFE or Depth Zone AE, AO, AH, VE, AR  
Regulatory Floodway

**OTHER AREAS OF FLOOD HAZARD**

0.2% Annual Chance Flood Hazard. Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile Zone X  
Future Conditions 1% Annual Chance Flood Hazard Zone Y  
Area with Reduced Flood Risk due to Levee. See Notes. Zone V  
Area with Flood Risk due to Levee Zone D

**OTHER AREAS**

NO SCREEN  
Area of Minimal Flood Hazard Zone X  
Effective LOMRs  
Area of Undetermined Flood Hazard Zone D

**GENERAL STRUCTURES**

Channel, Culvert, or Storm Sewer  
Levee, Dike, or Floodwall

**OTHER FEATURES**

Cross Sections with 1% Annual Chance  
Water Surface Elevation  
Coastal Transect  
Base Flood Elevation Line (BFE)  
Limit of Study  
Jurisdiction Boundary  
Coastal Transect Baseline  
Profile Baseline  
Hydrographic Feature

**MAP PANELS**

Digital Data Available  
No Digital Data Available  
Unmapped

The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.

This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards.

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 9/11/2026 at 4:45 PM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.

Attachment

**Section I**  
**Attachment 6**  
**Historic Resources Preservation Act Requirements**

The Warrenville Ambulatory Care Center will be located at 28301 Ferry Road in Warrenville, Illinois. There are no buildings or structures subject to the Illinois Historic Resources Preservation Act. Nevertheless, attached at ATTACHMENT 6 is a copy of the clearance letter sent to the Illinois Historical Preservation Agency regarding compliance with the requirements of the Illinois Historic Resources Preservation Act.

October 3, 2026

**VIA FACSIMILE (217) 524-7525, EMAIL (BOB.APPLEMAN@ILLINOIS.GOV) AND FEDERAL EXPRESS**

Mr. Robert F. Appleman  
Deputy State Historic Preservation Officer  
Preservation Services Division  
Illinois Historic Preservation Office  
1 Old State Capital Plaza  
Springfield, Illinois 62701

Re: Loyola Medicine Warrenville Ambulatory Care Center

Dear Mr. Appleman:

I am writing on behalf of Loyola University Health System d/b/a Loyola Medicine ("Loyola Medicine"). We are in the process of preparing a Certificate of Need Application for Loyola Medicine, pursuant to which Loyola Medicine will seek permission from the Illinois Health Facilities and Services Review Board to construct a three story, ambulatory care center/medical office building located at 28301 Ferry Road, Warrenville, Illinois (the "Warrenville Ambulatory Care Center").

The Warrenville Ambulatory Care Center will occupy approximately 98,581 gross square feet. The land upon which the Warrenville Ambulatory Care Center will sit currently houses an existing office building which was built in 1999 and renovated in 2020. The existing office building will be demolished as part of the project.

The PINs for the property are: 7-02-203-007 and 7-02-203-009 and are legally described as follows:

LOTS 1A AND 1B IN CANTERA E-1 RESUBDIVISION, BEING A RESUBDIVISION OF LOT 1 IN CANTERA SUB AREA "E", BEING A RESUBDIVISION OF THE NORTHEAST QUARTER OF SECTION 2, TOWNSHIP 38 NORTH, RANGE 9 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT OF SAID CANTERA E-1 RESUBDIVISION RECORDED JANUARY 5, 2000 AS DOCUMENT R2000-001885, EXCEPT THAT PART OF LOT 1A CONVEYED TO THE FOREST PRESERVE DISTRICT OF DU PAGE COUNTY BY QUIT-CLAIM DEED RECORDED JULY 3, 2006 AS DOCUMENT R2006-126381, IN DU PAGE COUNTY, ILLINOIS.

BOSTON  
BRUSSELS  
CENTURY CITY  
CHICAGO  
DETROIT

JACKSONVILLE  
LOS ANGELES  
MADISON  
MIAMI  
MILWAUKEE

NEW YORK  
ORLANDO  
SACRAMENTO  
SAN DIEGO  
SAN DIEGO/DEL MAR

SAN FRANCISCO  
SHANGHAI  
SILICON VALLEY  
TALLAHASSEE  
TAMPA

TOKYO  
WASHINGTON, D.C.

0040

Attachment  
6



FOLEY & LARDNER LLP

Mr. Robert F. Appleman  
Loyola Medicine Warrenville Ambulatory Care Center  
Page 2

Pursuant to Section 4 of the Illinois State Agency Historic Resources Preservation Act (the "Act"), we are seeking a formal determination from the Illinois Historic Preservation Agency as to whether the Act applies to the construction of the Warrenville Ambulatory Care Center (and the demolition of the existing office building that currently on the site).

I understand that there are no fees associated with this request. If you have any questions or need any additional information to complete your evaluation of the proposed project, you may contact me at (312) 832-4375. My fax number is (312) 832-4700 and my email address is [egreen@foley.com](mailto:egreen@foley.com).

Sincerely,

A handwritten signature in dark ink that reads 'Edward J. Green'.

Edward J. Green

**Section I**  
**Attachment 7**  
**Project Costs & Sources of Funds**

The equipment listing for the Project is attached at ATTACHMENT 7.

## Prepared by:

HBS

[illegible]





































**Section III**  
**Attachment 11**  
**Background of the Applicants**

**LUMC**

1. Loyola University Medical Center ("LUMC"), an Illinois not-for-profit corporation, is a fully licensed, Medicare-certified, Joint Commission accredited, Illinois not-for-profit general acute care hospital.
2. LUMC is located at 2160 South First Avenue, Maywood, Illinois.

**Loyola Medicine**

1. Loyola University Health System d/b/a Loyola Medicine ("Loyola Medicine"), an Illinois not-for-profit corporation, is the sole corporate member of LUMC.
2. Loyola Medicine is located at 2160 South First Avenue, Maywood, Illinois.
3. Loyola Medicine is also the sole corporate member of the following licensed healthcare facilities in Illinois: (a) LUMC Outpatient Dialysis Center, a provider based, end stage renal disease facility located in Maywood, Illinois; (b) LUMC Ambulatory Surgery Center, a provider based, ambulatory surgery center located in Maywood, Illinois; (c) Gottlieb Memorial Hospital, a general acute care hospital located in Melrose Park, Illinois; and (d) Gottlieb Community Health Services d/b/a MacNeal Hospital, a general acute care hospital located in Berwyn, Illinois). Loyola Medicine, through its corporate members, also owns the Loyola Surgery Center in Oak Brook Terrace, Illinois.
4. There have been no adverse actions taken against any facility owned or operated by Loyola Medicine during the three (3) years prior to the filing of this Application. A letter certifying the above information is attached at ATTACHMENT 11.
5. An authorization letter granting access to the Review Board and IDPH to verify information about Loyola Medicine is attached at ATTACHMENT 11.

**Trinity**

1. Trinity Health Corporation ("Trinity") is an Indiana non-profit corporation. Trinity is one of the largest not-for-profit, faith-based health care systems in the nation. It is a family of 133,000 colleagues and more than 38,900 physicians and clinicians caring for diverse communities across 23 states. In fiscal year 2025, Trinity invested \$2.9 billion in its communities in the form of charity care, community benefit and other programs and services.
2. Trinity is the sole corporate member of Loyola Medicine.
3. There have been no adverse actions taken against any facility owned or operated in Illinois by Trinity during the three (3) years prior to the filing of this Application. A letter certifying the above information is attached at ATTACHMENT 11.
4. An authorization letter granting access to the Review Board and IDPH to verify information about Trinity is attached at ATTACHMENT 11.



LOYOLA  
MEDICINE

September 30, 2026

Mr. Michael Constantino  
Supervisor, Project Review Section  
Illinois Health Facilities & Services Review  
Board  
525 West Jefferson Street, Second Floor  
Springfield, Illinois 62761-0001

Re: No Adverse Actions Certification  
Loyola Medicine Warrenville Ambulatory Care Center CON

Dear Mr. Constantino:

I hereby certify, under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109, that there have been no adverse actions taken against any Illinois facility owned or operated by Loyola University Health System d/b/a Loyola Medicine or Loyola University Medical Center during the three (3) years prior to the filing of this Certificate of Need.

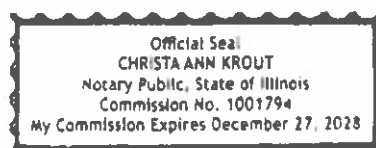
Sincerely,

Melissa Lukasick  
Regional CFO  
Loyola Medicine

SUBSCRIBED AND SWORN  
to before me this 5<sup>th</sup> day  
of ~~September~~, 2026.

*October*

Notary Public



*'We also treat the human spirit.'*

Loyola Medicine | One Westbrook Corporate

0063

Westchester, IL 60154

A Member of Trinity Health

Attachment

11



LOYOLA  
MEDICINE

September 30, 2026

Mr. Michael Constantino  
Supervisor, Project Review Section  
Illinois Health Facilities & Services Review  
Board  
525 West Jefferson Street, Second Floor  
Springfield, Illinois 62761-0001

Re: Authorization to Access Information  
Loyola Medicine Warrenville Ambulatory Care Center CON

Dear Mr. Constantino:

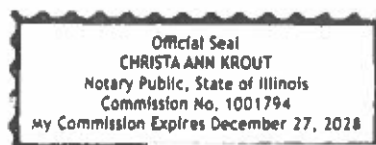
I hereby authorize the Illinois Health Facilities & Services Review Board (the "Board") and the Illinois Department of Public Health ("IDPH") to access all information necessary to verify any documentation or information submitted by Loyola University Health System d/b/a Loyola Medicine or Loyola University Medical Center with this Certificate of Need. I further authorize the Board and IDPH to obtain any additional documentation or information which the Board or IDPH finds pertinent and necessary to process this Certificate of Need.

Sincerely,

Melissa Lukasick  
Regional CFO  
Loyola Medicine

SUBSCRIBED AND SWORN  
to before me this 5<sup>th</sup> day  
of ~~September~~ October, 2026.

Notary Public



*We also treat the human spirit.*

A Member of Trinity Health

Loyola Medicine | One Westbrook Corp

0064

St. Charles, IL 60154

Attachment

[TRINITY LETTERHEAD]

September 30, 2026

Mr. Michael Constantino  
Project Review Supervisor  
Illinois Health Facilities & Services Review Board  
525 West Jefferson Street, 2<sup>nd</sup> Floor  
Springfield, Illinois 62761

Re: No Adverse Actions Certification  
Loyola Medicine Warrenville Ambulatory Care Center

Dear Mr. Constantino:

I hereby certify, under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109, that there have been no adverse actions taken against any Illinois licensed facility owned or operated by Trinity Health Corporation during the three (3) years prior to the filing of this Certificate of Need Application.

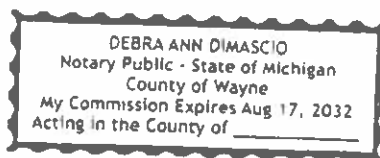
Sincerely,

Michael A. Slubowski

Michael A. Slubowski  
President & CEO  
Trinity Health Corporation

Subscribed and Sworn to before me  
this 30<sup>th</sup> day of September, 2026.

Debra A. Dimascio  
Notary Public



[TRINITY LETTERHEAD]

September 30, 2026

Mr. Michael Constantino  
Project Review Supervisor  
Illinois Health Facilities & Services Review Board  
525 West Jefferson Street, 2<sup>nd</sup> Floor  
Springfield, Illinois 62761

Re: Authorization to Access Information  
Loyola Medicine Warrenville Ambulatory Care Center

Dear Mr. Constantino:

I hereby authorize the Illinois Health Facilities & Services Review Board (the "Board") and the Illinois Department of Public Health ("IDPH") to access all information necessary to verify any documentation or information submitted by Trinity Health Corporation, an Indiana nonprofit corporation, with this Certificate of Need ("CON") Application. I further authorize the Board and IDPH to obtain any additional documentation or information which the Board or IDPH finds pertinent and necessary to process this CON Application.

Sincerely,

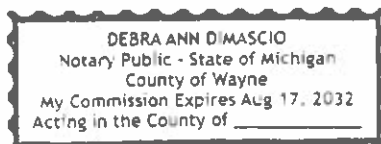
Michael A. Slubowski

Michael A. Slubowski  
President & CEO  
Trinity Health Corporation

Subscribed and Sworn to before me  
this 30<sup>th</sup> day of September, 2026.

Debra Ann Dimascio

Notary Public



**Section III**  
**Attachment 12**  
**Criterion 1110.110(b) and (d)**  
**Purpose of Project**

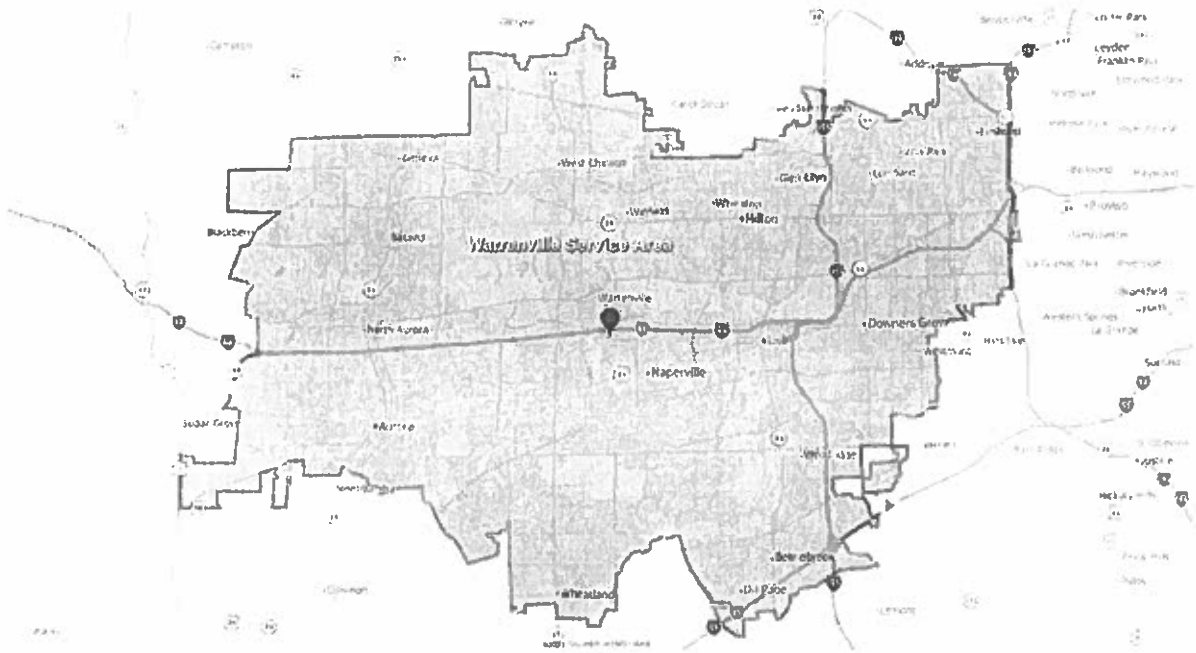
**Purpose Statement**

Loyola University Health System d/b/a Loyola Medicine ("Loyola Medicine"), Loyola University Medical Center ("LUMC"), and Trinity Health Corporation ("Trinity," and collectively with Loyola Medicine and LUMC, the "Applicants"), hereby seek a Certificate of Need ("CON") from the Illinois Health Facilities & Services Review Board (the "Board"), to construct a three story, 98,581 square foot, outpatient ambulatory care center named the Loyola Medicine Warrenville Ambulatory Care Center (the "Warrenville Ambulatory Care Center") and to be located at 28301 Ferry Road, Warrenville, Illinois (the "Project").

The Warrenville Ambulatory Care Center will house Loyola Medicine primary care and specialty care physicians, an imaging center, an infusion center and pharmacy, a retail pharmacy, and a blood draw lab. The Warrenville Ambulatory Care Center will also house a licensed ambulatory surgical treatment center (the "ASTC"). This CON contains the sizing and shell space costs for the ASTC, but a separate CON will be filed for the ASTC.

### Define the Planning Area or Market Area

1. Loyola Medicine is a long-time operator of several facilities, ambulatory sites and medical practices across Chicagoland.
2. The service area for the proposed Warrenville Ambulatory Care Center (the "Warrenville Service Area") is set forth below:



### Identify the Existing Problems or Issues that need to be Addressed

1. In 2025, 35,711 Loyola Medicine patients in the Warrenville Service Area received care at other Loyola Medicine sites. See following charts.

| County       | Loyola Patients |
|--------------|-----------------|
| DuPage       | 29,365          |
| Kane         | 2,713           |
| Will         | 3,633           |
| <b>Total</b> | <b>35,711</b>   |

| <b>ZIP_CODE</b> | <b>CITY</b>   | <b>Loyola<br/>Patients</b> |
|-----------------|---------------|----------------------------|
| 60126           | Elmhurst      | 4,922                      |
| 60134           | Geneva        | 369                        |
| 60137           | Glen Ellyn    | 1,440                      |
| 60138           | Glen Ellyn    | 7                          |
| 60148           | Lombard       | 3,503                      |
| 60181           | Villa Park    | 3,023                      |
| 60185           | West Chicago  | 505                        |
| 60187           | Wheaton       | 614                        |
| 60189           | Wheaton       | 841                        |
| 60190           | Winfield      | 243                        |
| 60440           | Bolingbrook   | 2,481                      |
| 60502           | Aurora        | 374                        |
| 60503           | Aurora        | 287                        |
| 60504           | Aurora        | 784                        |
| 60505           | Aurora        | 846                        |
| 60506           | Aurora        | 818                        |
| 60507           | Aurora        | 20                         |
| 60510           | Batavia       | 358                        |
| 60515           | Downers Grove | 1,622                      |
| 60516           | Downers Grove | 2,032                      |
| 60517           | Woodridge     | 1,823                      |
| 60519           | Eola          | 1                          |
| 60523           | Oak Brook     | 1,441                      |
| 60532           | Lisle         | 1,081                      |
| 60539           | Mooseheart    | 3                          |
| 60540           | Naperville    | 1,008                      |
| 60542           | North Aurora  | 299                        |
| 60555           | Warrenville   | 356                        |
| 60559           | Westmont      | 1,896                      |
| 60563           | Naperville    | 868                        |
| 60564           | Naperville    | 865                        |
| 60565           | Naperville    | 948                        |
| 60566           | Naperville    | 3                          |
| 60567           | Naperville    | 24                         |
| 60598           | Aurora        | 4                          |
| 60599           | Fox Valley    | 2                          |
| <b>Total</b>    |               | <b>35,711</b>              |

2. The Warrenville Ambulatory Care Center will treat the Loyola Medicine patients currently receiving care at the other Loyola Medicine sites, as well addressing consumer and payer demands for convenient outpatient care outside the acute care setting and expand available community offerings. Loyola Medicine has been at the forefront of this migration over the past twenty years through the development of ambulatory care sites.

3. The western suburbs inside the Warrenville Ambulatory Care Center service area are projected to grow by 1.2% over the next 5 years, with the 65 and over population expected to grow by 13.7% over this same 5 year period.

**Detail how the Project will Address or Improve the Previously Referenced Issues as well as the Population's Health Status and Well-Being**

1. The Applicants purchased the 28301 Ferry Road location in 2025.
2. The new Warrenville Ambulatory Care Center will be located on that site.
3. In all, approximately 35 Loyola Medicine employed physicians and advanced practitioners across multiple specialties will be located at the new Warrenville Ambulatory Care Center.
4. Loyola Medicine intends to add additional specialties at the Warrenville Ambulatory Care Center based on those specialties where patients from this market are most frequently traveling to other Loyola Medicine sites for care.
5. Loyola Medicine intends to also recruit as needed, new providers to meet current and future expected demand for the services to be offered at the Warrenville Ambulatory Care Center.
6. Ambulatory development has long been a strategic priority for Loyola Medicine. The health system offers ambulatory care at 27 off-campus locations throughout the Chicago land area and continues to plan for new developments to provide care closer to home for its patients, in the lowest cost setting possible.
7. Given Loyola Medicine's experience in outpatient care, the Applicants are not anticipating a significant impact on patient access.
8. Ultimately, this project will improve Loyola Medicine's ability to meet its goal of treating patients closer to home in a more convenient, cost-effective setting.

**Provide Goals with Quantified and Measurable Objectives with Specific Timeframes that Relate to Achieving the Stated Goals**

1. Once complete, the Warrenville Ambulatory Care Center site will provide a location for care for many of the existing 35,711 Loyola Medicine patients that live in the Warrenville Ambulatory Care Center service area and have to travel to receive care at other Loyola Medicine sites in more distant markets will have the ability to get care closer to home.
2. Clinic volume projections for the Project for the first two years after completion of the Project are shown in the following table:

| Service         | Year 1 | Year 2 |
|-----------------|--------|--------|
| Primary Care    | 6,239  | 14,664 |
| Specialty Care  | 8,307  | 19,539 |
| Infusion Center | 420    | 987    |

|                |               |               |
|----------------|---------------|---------------|
| Imaging Center | 15,080        | 22,624        |
| <b>Total</b>   | <b>30,046</b> | <b>57,814</b> |

3. Loyola Medicine employed physicians, advanced practice providers, and other healthcare providers will provide care at the Warrenville Ambulatory Care Center, in the following specialties.

| Planned Specialties                       |
|-------------------------------------------|
| Primary Care for both adults & pediatrics |
| Cardiac/Thoracic Surgery                  |
| Cardiology, Electrophysiology             |
| Cardiology, General                       |
| Cardiology, Heart Failure                 |
| Cardiology, Invasive/Interventional       |
| Colorectal Surgery                        |
| Endocrinology                             |
| Gastroenterology                          |
| General Surgery                           |
| Hematology/Oncology                       |
| Hepatology                                |
| Infectious Disease                        |
| Medical and Surgical Bariatrics           |
| Neurology                                 |
| Neurosurgery                              |
| Ophthalmology                             |
| Orthopaedic Surgery                       |
| Otolaryngology                            |
| Physical Medicine and Rehab               |
| Plastic Surgery                           |
| Podiatry                                  |
| Pulmonary and Advanced Lung Diseases      |
| Rheumatology                              |
| Sports Medicine                           |
| Surgical Oncology                         |
| Transplant Nephrology                     |
| Urology                                   |
| Vascular Surgery                          |

### **Section III**

#### **Attachment 13**

#### **Criterion 1110.110(d), Alternatives to Proposed Project**

The Applicants considered various alternatives before electing to file this Application.

#### **Alternative No. 1: Lease Vacant Medical Office Space (Cost: Unable to Determine)**

Loyola Medicine also explored leasing one or more properties within the service area. However, Loyola Medicine was unable to find vacant medical office space of sufficient size or ability to accommodate the services to be provided at the Warrenville Ambulatory Care Center. Loyola Medicine also looked at current effective rental rate, escalation factors in effect, services included in the rent, costs of services not included in the rent, the term of leases, the buildings' gross, usable or rentable square feet, current occupancy in the building, tenant finish-out allowance, the mix of tenants in the building and medical services provided, and quality of construction.

#### **Alternative No. 2: Lease Space in a Medical Office Building to be Constructed by a Developer (Cost: In Excess of \$106 million)**

Under this alternative, the Applicants would engage a developer to construct and own the new medical office building. The Applicants would then lease back the ambulatory care building from the developer under a triple net lease. Given the current economic environment (i.e., rapidly increasing construction costs and an uncertain long term, interest rate environment for developers), the Applicants would have spent more in leasing costs over the term of the lease (after discounting to present value) than the projected costs for this Project. The Applicants considered proposals in the \$150 million to \$200 million range under this Alternative.

#### **Alternative No. 3: Build on Existing Loyola Medicine Land (Cost: \$106 Million)**

This option was selected as the best alternative that would allow for continuity of care for the existing Loyola Medicine patients being served in the market. In addition, since Loyola Medicine already owns the land for the proposed project, Loyola Medicine was able to eliminate additional capital expenditures that would be required for acquiring and building on new land.

**Section IV**  
**Attachment 14**  
**Criterion 1110.120(a), Size of Project**

Overall, the Warrenville Ambulatory Care Center will occupy 98,581 gross square feet.

The portions of the Warrenville Ambulatory Care Center with state sizing standards are set forth below.

See Floor Plans attached at ATTACHMENT 14.

**Imaging Center**

The Imaging Center will occupy 6,650 gross square feet of space in the Warrenville Care Center.

| Imaging Center Sizing Analysis |               |                              |                        |
|--------------------------------|---------------|------------------------------|------------------------|
| Equipment/Rooms Proposed       | Proposed GSF  | State Standard               | Meets State Standard?  |
| 1 MRI (1.5 Tesla)              | 1,800         | 1,800 GSF per MRI            | Yes. Meets State Norm. |
| 1 CT (64 slice)                | 1,800         | 1,800 GSF per CT             |                        |
| 1 X-Ray Unit                   | 1,300         | 1,300 GSF per X Ray Unit     |                        |
| 1 Ultrasound                   | 900           | 900 GSF per Ultrasound       |                        |
| 1 Mammography Unit             | 850           | 900 GSF per Mammography Unit |                        |
|                                | Total = 6,650 | Total = 6,700                |                        |

The portions of the Warrenville Ambulatory Care Center with NO state sizing standards are set forth below.

**Infusion Center**

The Infusion Center will occupy **4,470** gross square feet of space of clinical space and 900 gross square feet of registration/non-clinical space (which is included in the total non-clinical space number of 28,451 gross square feet).

| Imaging Center Sizing Analysis |              |                |                       |
|--------------------------------|--------------|----------------|-----------------------|
| Equipment/Rooms Proposed       | Proposed GSF | State Standard | Meets State Standard? |
| 12 Infusion Chairs             | 4,470        | N/A            | N/A                   |

### **Well Patient/Blood Draw Labs**

The Well Patient/Blood Draw Labs area will occupy **980** gross square feet of space. The Infusion Center is listed as clinical space. (confirm number of blood draw labs)

| Blood Draw Lab Sizing Analysis |              |                |                       |
|--------------------------------|--------------|----------------|-----------------------|
| Equipment/Rooms Proposed       | Proposed GSF | State Standard | Meets State Standard? |
| 3 Well Patient/Blood Draw Labs | 980          | N/A            | N/A                   |

### **Medical Practice**

The Medical Practice area will occupy **24,175** gross square feet of space. The Medical Practice area is listed as clinical space.

| Medical Practice Sizing Analysis |              |                |                       |
|----------------------------------|--------------|----------------|-----------------------|
| Equipment/Rooms Proposed         | Proposed GSF | State Standard | Meets State Standard? |
| 60 Exam Rooms, Work Areas, Etc.  | 24,175       | N/A            | N/A                   |

### **Retail Pharmacy Area**

The Retail Pharmacy Area will occupy **1,190** gross square feet of space. The Retail Pharmacy Area is listed as clinical space.

| Retail Pharmacy Sizing Analysis |              |                |                       |
|---------------------------------|--------------|----------------|-----------------------|
| Equipment/Rooms Proposed        | Proposed GSF | State Standard | Meets State Standard? |
| 1 Work Area                     | 1,190        | N/A            | N/A                   |

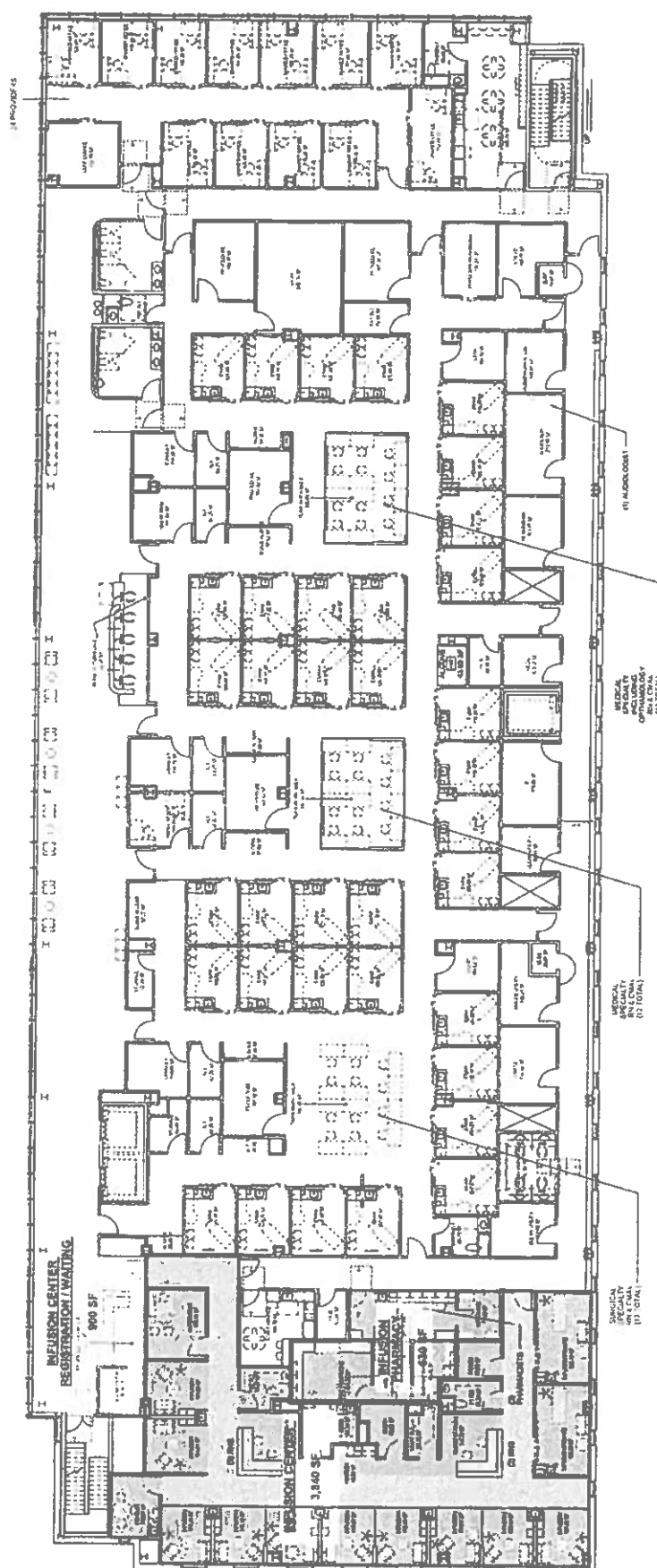
### **ASTC Shell Space**

The ASTC Shell Space will occupy **32,665** gross square feet of space. A separate CON Application will be filed for the ASTC. For purposes of this CON Application, the ASTC Shell Space is listed as non-reviewable. See ATTACHMENT 16 (Shell Space) and ATTACHMENT 17 (Assurances Regarding Shell Space).

### **Other Non-Clinical Portions**

The other non-reviewable/non-Clinical portions of the Project total **28,451** gross square feet of space. This includes Registration, Administration, Bathrooms, Storage, Housekeeping, Data Rooms, Mechanical Rooms, Elevators, Stairs and Circulation.



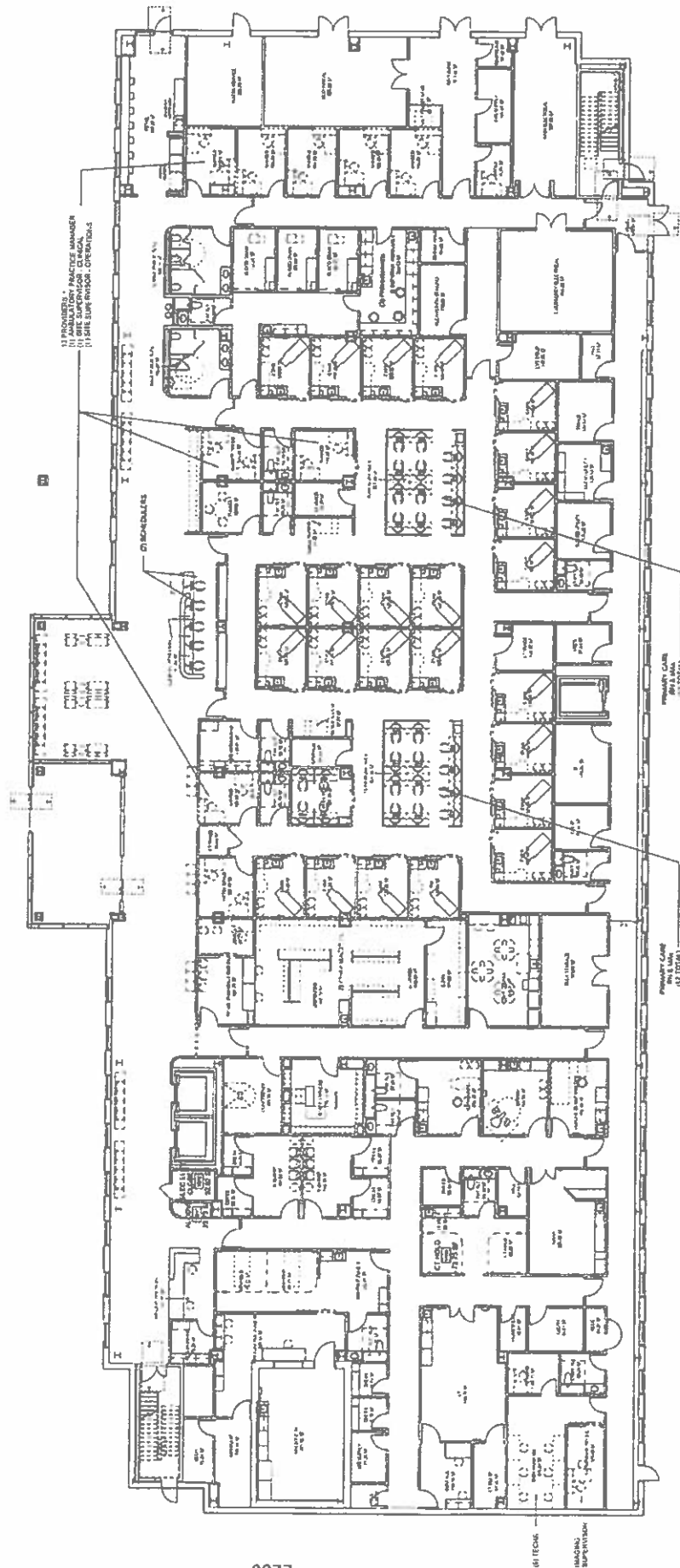


## LOYOLA MEDICINE - WARRENVILLE CARE CENTER



PLANNING - LEVEL 02  
7/2/2026



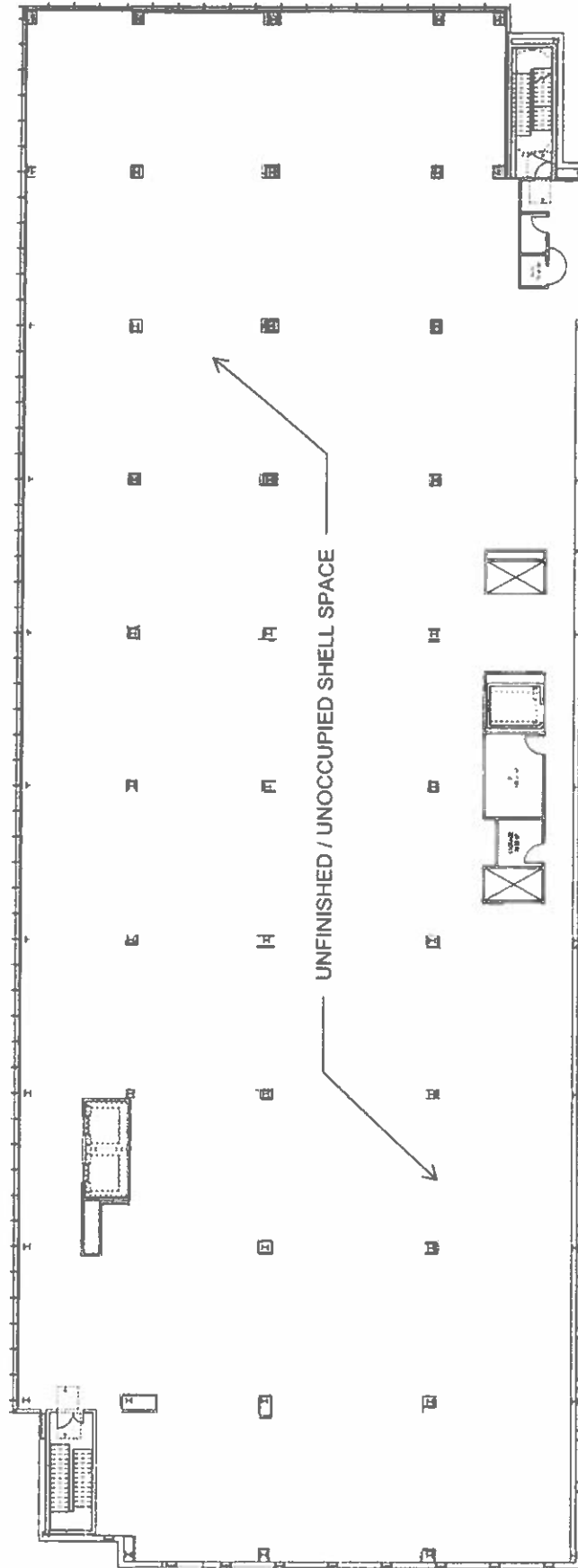


LOYOLA MEDICINE - WARRENVILLE CARE CENTER

PLANNING - LEVEL 01  
7/2/2026







# LOYOLA MEDICINE - WARRENVILLE CARE CENTER



PLANNING - LEVEL 03  
7/2/2026



## Section IV

### Attachment 15

#### Criterion 1110.120(b), Project Services Utilization

1. The following chart sets forth the projected visits and volumes for those services at the Warrenville Ambulatory Care Center with state utilization standards.

| Utilization Metrics       |                                           |                                           |                     |                                                               |                                      |                                 |
|---------------------------|-------------------------------------------|-------------------------------------------|---------------------|---------------------------------------------------------------|--------------------------------------|---------------------------------|
|                           | Year 1<br>Visits/<br>Procedures/<br>Exams | Year 2<br>Visits/<br>Procedures/<br>Exams | State<br>Norm       | Allowable<br>Number of<br>Units/Rooms<br>Under State<br>Norms | Proposed<br>Number of<br>Units/Rooms | Meets<br>State<br>Standard?     |
| <b>Imaging<br/>Center</b> |                                           |                                           |                     |                                                               |                                      |                                 |
| MRI                       | 1,294<br>procedures                       | 2,608<br>procedures                       | 2,500<br>procedures | 2                                                             | 1                                    | Yes.<br>Meets<br>State<br>Norm. |
| CT                        | 3,482<br>visits                           | 7,027<br>visits                           | 7,000 visits        | 2                                                             | 1                                    | Yes.<br>Meets<br>State<br>Norm. |
| X-Rays                    | 5,899<br>procedures                       | 8,856<br>procedures                       | 8,000<br>procedures | 2                                                             | 1                                    | Yes.<br>Meets<br>State<br>Norm. |
| Ultrasounds               | 2,352<br>visits                           | 3,661<br>visits                           | 3,100 visits        | 2                                                             | 1                                    | Yes.<br>Meets<br>State<br>Norm. |
| Mammography               | 2,317<br>visits                           | 5,217<br>visits                           | 5,000 visits        | 2                                                             | 1                                    | Yes.<br>Meets<br>State<br>Norm. |

The following chart sets forth the projected visits and volumes for those services at the Warrenville Ambulatory Care Center without state utilization standards.

|                 | Projected Year 1 | Projected Year 2 |
|-----------------|------------------|------------------|
| Primary Care    | 6,239 Visits     | 14,664 Visits    |
| Specialty Care  | 8,307 Visits     | 19,539 Visits    |
| Infusion Center | 420 Visits       | 987 Visits       |
| Blood Draw Lab  | 3,674 tests      | 8,369 tests      |
| Pharmacy        | 3,714 scripts    | 9,756 scripts    |

**Section IV**  
**Attachment 16**  
**Criterion 1110.120(d), Shell Space**

**ASTC Shell Space**

The Applicants will be submitting a separate Certificate of Need Application to establish a licensed ambulatory surgical treatment center ("ASTC") in the ATSC shell space identified in this Application. A separate CON Application has to be filed for the ASTC because the ASTC needs a license from the Illinois Department of Public Health. The ASTC shell space occupies 32,665 gross square feet of space in this Application, and the ASTC CON Application will cover that same amount of space.

The ASTC CON Application will set forth the same project completion date as set forth in this CON Application (December 31, 2028), with the understanding that the Illinois Department of Public Health licensure and life safety code divisions could impact the actual timing and opening of the ASTC.

**Section IV**  
**Attachment 17**  
**Criterion 1110.120(e), Shell Space Assurances**

The Applicants will be submitting a separate Certificate of Need Application to establish a licensed ambulatory surgical treatment center ("ASTC") in the ATSC shell space identified in this Application. A separate CON Application has to be filed for the ASTC because the ASTC needs a license from the Illinois Department of Public Health. The ASTC shell space occupies 32,665 gross square feet of space in this Application, and the ASTC CON Application will cover that same amount of space.

The ASTC CON Application will set forth the same project completion date as set forth in this CON Application (December 31, 2028), with the understanding that the Illinois Department of Public Health licensure and life safety code divisions could impact the actual timing and opening of the ASTC.

An Affidavit from Melissa Lukasick, the Chief Financial Officer ("CFO") of Loyola Medicine, in support of this Criterion is attached at ATTACHMENT 17.



September 30, 2026

Mr. Michael Constantino  
Supervisor, Project Review Section  
Illinois Health Facilities & Services Review  
Board  
525 West Jefferson Street, Second Floor  
Springfield, Illinois 62761-0001

Re: Criterion 1110.20(e), Shell Space Certification  
Loyola Medicine Warrenville Ambulatory Care Center CON

Dear Mr. Constantino:

I hereby certify, under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109, as follows:

1. The Applicants will be submitting a separate CON Application to establish a licensed ambulatory surgical treatment center ("ASTC") in the ATSC shell space identified in this CON Application, regardless of the capital thresholds in effect at the time of filing or the categories of service involved.
2. A separate CON Application has to be filed for the ASTC because the ASTC needs a license from the Illinois Department of Public Health.
3. The ASTC shell space occupies 32,665 gross square feet of space in this CON Application, and the ASTC CON Application will cover that same amount of space.

4. The ASTC CON Application will set forth the same project completion date as set forth in this CON Application (December 31, 2028), with the understanding that the Illinois Department of Public Health licensure and life safety code divisions could impact the actual timing and opening of the ASTC.

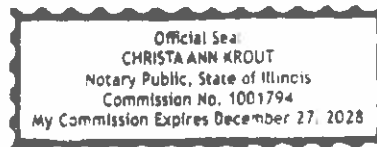
Sincerely,



Melissa Lukasick  
Regional CFO  
Loyola Medicine

SUBSCRIBED AND SWORN  
to before me this 5<sup>th</sup> day  
of ~~September~~, 2026.

October  
Christa Ann Krout  
Notary Public



**Section VI**  
**Attachment 31**  
**Clinical Service Areas Other Than Categories of Service**  
**Criterion 1110.270**

**Criterion 1110.270(a), Services**

The proposed Project does not involve any designated categories of service recognized by the Review Board.

The Warrenville Ambulatory Care Center will house approximately 35 Loyola Medicine primary care and specialty care physicians and advanced practice providers, an imaging center, an infusion center, a blood draw lab, and a retail pharmacy.

**Criterion 1110.270(b)(1), Establishment (Service to Planning Area Residents)**

1. In 2025, 35,711 Loyola Medicine patients in the Warrenville Service Area received care at other Loyola Medicine sites.
2. Once complete, the Warrenville Ambulatory Care Center site will provide a location for care for many of the existing 35,711 Loyola Medicine patients that live in the Warrenville Ambulatory Care Center service area and have to travel to receive care at other Loyola Medicine sites in more distant markets will have the ability to get care closer to home.

**Criterion 1110.270(b)(1), Establishment (Service Demand)**

1. ATTACHMENT 15 sets forth the volume projections for the Warrenville Ambulatory Care Center.
2. The projections were generated after reviewing the historical Loyola Medicine volume numbers and using Loyola Medicine's proprietary, service demand models.

**Criterion 1110.270(b)(1), Establishment (Impact on Other Area Providers)**

1. The services provided at the Warrenville Ambulatory Care Center are not tracked across all of the providers in the relevant service area. Thus, the Applicants cannot determine whether the Project will lower the utilization of other area providers. That said, Loyola Medicine intends to treat patients at the Warrenville Ambulatory Care Center that are currently being treated by Loyola Medicine employed physicians – so no providers should be impacted by this Project.

**Criterion 1110.270(b)(1), Establishment (Utilization)**

1. As set forth in ATTACHMENT 15, the services provided at the Warrenville Ambulatory Care Center will meet the utilization standards set forth in Appendix B of Part 1110 of the Review Board's Rules.

**Section VI**  
**Attachment 34**  
**Availability of Funds**  
**Criterion 1120.120**

The Applicants will be funding this Project with cash and cash equivalents. An Affidavit of Available Funds from Melissa Lukasick ("Ms. Lukasick"), the CFO at Loyola Medicine, in support of this Criterion is attached at ATTACHMENT 34. Trinity Health's recent audited financial statements (June 30, 2025) and the most recent rating letters from Moody's Investors Service (Aa3)(November 30, 2023)) and Fitch Rating (AA-)(December 11, 2023) are attached at ATTACHMENT 35.



LOYOLA  
MEDICINE

September 30, 2026

Mr. Michael Constantino  
Supervisor, Project Review Section  
Illinois Health Facilities & Services Review  
Board  
525 West Jefferson Street, Second Floor  
Springfield, Illinois 62761-0001

Re: Criterion 1120.120(a), Available Funds Certification  
Loyola Medicine Warrenville Ambulatory Care Center CON

Dear Mr. Constantino:

I hereby certify, under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109, and pursuant to 77 Ill. Admin. Code §§ 1120.120(a), that Loyola University Health System d/b/a Loyola Medicine and Loyola University Medical Center have sufficient and readily accessible cash and cash equivalents to fund the obligations set forth in this Certificate of Need Application.

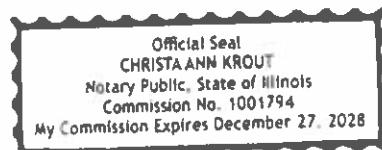
Sincerely,

Melissa Lukasick  
Regional CFO  
Loyola Medicine

SUBSCRIBED AND SWORN  
to before me this 5<sup>th</sup> day  
of ~~September~~, 2026.

*October*

Notary Public



*We also treat the human spirit.*

Loyola Medicine | One Westbrook Corporate C

0087

ter, IL 60154

Attachment  
34

**Section VII**  
**Attachment 35**  
**Financial Feasibility**  
**Financial Viability**  
**Criterion 1120.130**

The Applicants will be funding their obligations under the Project from internal sources – specifically cash and cash equivalents. Thus, the Applicants are entitled to a financial viability waiver pursuant to Criterion 1120.130(a)(1). Ms. Lukasick's Financial Viability Waiver Certification in support of this Criterion is attached at ATTACHMENT 34. Trinity Health's recent audited financial statements (June 30, 2025) and the most recent rating letters from Moody's Investors Service (Aa3)(November 30, 2023)) and Fitch Rating (AA-)(December 11, 2023) are attached at ATTACHMENT 35.



LOYOLA  
MEDICINE

September 30, 2026

Mr. Michael Constantino  
Supervisor, Project Review Section  
Illinois Health Facilities & Services Review  
Board  
525 West Jefferson Street, Second Floor  
Springfield, Illinois 62761-0001

Re: Criterion 1120.130(a). Financial Viability Waiver Certification  
Loyola Medicine Warrenville Ambulatory Care Center CON

Dear Mr. Constantino:

I hereby certify, under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109, and pursuant to 77 Ill. Admin. Code §§ 1120.130(a), that Loyola University Health System d/b/a Loyola Medicine and Loyola University Medical Center will fund the obligations set forth in this Certificate of Need Application from internal sources – specifically, cash and cash equivalents.

Sincerely,

Melissa Lukasick  
Regional CFO  
Loyola Medicine

SUBSCRIBED AND SWORN  
to before me this 5<sup>th</sup> day  
of ~~September~~, 2026.

Christa Ann Krout

Notary Public



*We also treat the human spirit.*

Loyola Medicine | One Westbrook Corporal

0089

hester, IL 60154

Attachment  
35

# Trinity Health

Consolidated Financial Statements as of and for  
the years ended June 30, 2025 and 2024,  
Supplemental Consolidating Schedules as of and  
for the year ended June 30, 2025  
and Independent Auditor's Reports



## TRINITY HEALTH

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Trinity Health Corporation  
Livonia, Michigan

### Opinion

We have audited the consolidated financial statements of Trinity Health Corporation and its subsidiaries (the "Corporation"), which comprise the consolidated balance sheets as of June 30, 2025 and 2024, 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 (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as of June 30, 2025 and 2024, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Corporation 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 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 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 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 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 Corporation'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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation'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.

*Deloitte + Touche LLP*

September 25, 2025

# TRINITY HEALTH

## CONSOLIDATED BALANCE SHEETS JUNE 30, 2025 AND 2024 (In thousands)

| ASSETS                                                            | 2025          | 2024          |
|-------------------------------------------------------------------|---------------|---------------|
| CURRENT ASSETS:                                                   |               |               |
| Cash and cash equivalents                                         | \$ 569,895    | \$ 404,959    |
| Investments                                                       | 6,213,751     | 5,822,925     |
| Security lending collateral                                       | 883,303       | 330,662       |
| Assets limited or restricted as to use - current portion          | 398,735       | 453,062       |
| Patient accounts receivable                                       | 2,809,648     | 2,802,458     |
| Estimated receivables from third-party payers                     | 414,189       | 523,354       |
| Other receivables                                                 | 545,284       | 429,249       |
| Inventories                                                       | 410,645       | 408,189       |
| Prepaid expenses and other current assets                         | 270,595       | 196,842       |
| Total current assets                                              | 12,516,045    | 11,371,700    |
| ASSETS LIMITED OR RESTRICTED AS TO USE - Noncurrent portion:      |               |               |
| Self-insurance, benefit plans, and other                          | 1,304,698     | 1,157,778     |
| By Board                                                          | 3,648,160     | 8,454,359     |
| By donors                                                         | 676,019       | 629,104       |
| Total assets limited or restricted as to use - noncurrent portion | 10,628,877    | 10,241,241    |
| PROPERTY AND EQUIPMENT - Net                                      | 9,039,673     | 8,779,673     |
| OPERATING LEASE RIGHT-OF-USE ASSETS                               | 520,092       | 562,739       |
| INVESTMENTS IN UNCONSOLIDATED AFFILIATES                          | 493,154       | 804,881       |
| GOODWILL                                                          | 937,807       | 941,054       |
| PREPAID PENSION AND RETIREE HEALTH ASSETS                         | 212,405       | 204,322       |
| OTHER ASSETS                                                      | 400,033       | 337,767       |
| TOTAL ASSETS                                                      | \$ 34,748,086 | \$ 33,243,377 |

| <b>LIABILITIES AND NET ASSETS</b>                 | <b>2025</b>          | <b>2024</b>          |
|---------------------------------------------------|----------------------|----------------------|
| <b>CURRENT LIABILITIES:</b>                       |                      |                      |
| Commercial paper                                  | \$ 99,312            | \$ 99,086            |
| Short-term borrowings                             | 577,295              | 599,415              |
| Current portion of long-term debt                 | 347,789              | 464,535              |
| Current portion of operating lease liabilities    | 139,243              | 143,620              |
| Accounts payable and accrued expenses             | 1,551,166            | 1,958,339            |
| Salaries, wages and related liabilities           | 1,196,713            | 1,126,666            |
| Payable under security lending agreements         | 883,303              | 330,662              |
| Estimated payables to third-party payers          | 255,225              | 303,743              |
| Current portion of self-insurance reserves        | 299,877              | 320,090              |
| Total current liabilities                         | 5,349,923            | 5,346,156            |
| LONG-TERM DEBT - Net of current portion           | 6,368,951            | 6,405,170            |
| LONG-TERM PORTION OF OPERATING LEASE LIABILITIES  | 484,490              | 527,765              |
| SELF-INSURANCE RESERVES - Net of current portion  | 1,180,854            | 1,162,330            |
| ACCRUED PENSION AND RETIREE HEALTH COSTS          | 59,658               | 72,505               |
| OTHER LONG-TERM LIABILITIES                       | 927,999              | 833,928              |
| Total liabilities                                 | 14,371,875           | 14,347,854           |
| <b>NET ASSETS:</b>                                |                      |                      |
| Net assets without donor restrictions             | 19,130,806           | 17,693,897           |
| Noncontrolling ownership interest in subsidiaries | 545,106              | 537,264              |
| Total net assets without donor restrictions       | 19,675,912           | 18,231,161           |
| Net assets with donor restrictions                | 700,299              | 664,362              |
| Total net assets                                  | 20,376,211           | 18,895,523           |
| <b>TOTAL LIABILITIES AND NET ASSETS</b>           | <b>\$ 34,748,086</b> | <b>\$ 33,243,377</b> |

The accompanying notes are an integral part of the consolidated financial statements.

## TRINITY HEALTH

### CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS YEARS ENDED JUNE 30, 2025 AND 2024 (In thousands)

|                                                                            | 2025          | 2024          |
|----------------------------------------------------------------------------|---------------|---------------|
| OPERATING REVENUE:                                                         |               |               |
| Net patient service revenue                                                | \$ 21,635,098 | \$ 20,568,260 |
| Premium and capitation revenue                                             | 1,272,008     | 1,117,212     |
| Net assets released from restrictions                                      | 32,737        | 36,710        |
| Other revenue                                                              | 2,481,835     | 2,134,454     |
| Total operating revenue                                                    | 25,421,678    | 23,856,636    |
| EXPENSES:                                                                  |               |               |
| Salaries and wages                                                         | 11,155,080    | 10,615,011    |
| Employee benefits                                                          | 2,168,560     | 1,999,981     |
| Contract labor                                                             | 274,336       | 300,776       |
| Total labor expenses                                                       | 13,597,976    | 12,915,768    |
| Supplies                                                                   | 4,735,063     | 4,343,260     |
| Purchased services and medical claims                                      | 3,370,297     | 3,120,647     |
| Depreciation and amortization                                              | 887,931       | 888,524       |
| Occupancy                                                                  | 943,679       | 899,191       |
| Interest                                                                   | 259,305       | 279,031       |
| Other                                                                      | 1,430,420     | 1,346,181     |
| Total expenses                                                             | 25,224,671    | 23,790,602    |
| OPERATING INCOME BEFORE OTHER ITEMS                                        | 197,007       | 66,034        |
| Asset impairment charges                                                   | (158,848)     | (134,427)     |
| Restructuring costs                                                        | (50,408)      | -             |
| OPERATING LOSS                                                             | (12,249)      | (68,393)      |
| NONOPERATING ITEMS:                                                        |               |               |
| Investment earnings                                                        | 1,475,055     | 979,982       |
| Equity in earnings of unconsolidated affiliates and other loss             | 24,276        | (310,181)     |
| Change in market value and cash payments of interest rate swaps            | (5,349)       | 12,869        |
| Other net periodic retirement cost                                         | (109,403)     | (48,649)      |
| Other, including income taxes                                              | (19,385)      | (19,937)      |
| Total nonoperating items                                                   | 1,365,194     | 614,084       |
| EXCESS OF REVENUE OVER EXPENSES                                            | 1,352,945     | 545,691       |
| EXCESS OF REVENUE OVER EXPENSES ATTRIBUTABLE TO<br>NONCONTROLLING INTEREST | (66,911)      | (70,182)      |
| EXCESS OF REVENUE OVER EXPENSES,<br>NET OF NONCONTROLLING INTEREST         | \$ 1,286,034  | \$ 475,509    |

|                                                                                            | <u>2025</u>          | <u>2024</u>          |
|--------------------------------------------------------------------------------------------|----------------------|----------------------|
| NET ASSETS WITHOUT DONOR RESTRICTIONS:                                                     |                      |                      |
| Net assets without donor restrictions attributable to Trinity Health:                      |                      |                      |
| Excess of revenue over expenses                                                            | \$ 1,286,034         | \$ 475,509           |
| Net assets released from restrictions for capital acquisitions                             | 41,279               | 33,537               |
| Net change in retirement plan related items - consolidated organizations                   | 115,456              | 19,739               |
| Purchase of noncontrolling interest in subsidiary                                          | -                    | (18,448)             |
| Other                                                                                      | (5,860)              | 7,012                |
|                                                                                            | <u>1,436,909</u>     | <u>517,349</u>       |
| Increase in net assets without donor restrictions attributable to Trinity Health           |                      |                      |
| Net assets without donor restrictions attributable to noncontrolling interests:            |                      |                      |
| Excess of revenue over expenses attributable to noncontrolling interests                   | 66,911               | 70,182               |
| Noncontrolling interests attributed to acquisitions                                        | -                    | 60,658               |
| Dividends, distributions and other                                                         | (59,069)             | (87,016)             |
|                                                                                            | <u>7,842</u>         | <u>43,824</u>        |
| Increase in net assets without donor restrictions attributable to noncontrolling interests |                      |                      |
| NET ASSETS WITH DONOR RESTRICTIONS:                                                        |                      |                      |
| Contributions:                                                                             |                      |                      |
| Program and time restrictions                                                              | 84,010               | 72,440               |
| Endowment funds                                                                            | 2,361                | 2,373                |
| Net investment gains:                                                                      |                      |                      |
| Program and time restrictions                                                              | 26,466               | 37,880               |
| Endowment funds                                                                            | 14,045               | 14,608               |
| Net assets released from restrictions                                                      | (74,016)             | (70,247)             |
| Disaffiliation of unconsolidated affiliate                                                 | (3,257)              | (31,467)             |
| Other                                                                                      | (13,672)             | (17,239)             |
|                                                                                            | <u>35,937</u>        | <u>8,348</u>         |
| Increase in net assets with donor restrictions                                             |                      |                      |
| INCREASE IN NET ASSETS                                                                     | 1,480,688            | 569,521              |
| NET ASSETS - BEGINNING OF YEAR                                                             | <u>18,895,523</u>    | <u>18,326,002</u>    |
| NET ASSETS - END OF YEAR                                                                   | <u>\$ 20,376,211</u> | <u>\$ 18,895,523</u> |

The accompanying notes are an integral part of the consolidated financial statements.

## TRINITY HEALTH

### CONSOLIDATED STATEMENTS OF CASH FLOWS YEARS ENDED JUNE 30, 2025 AND 2024 (In thousands)

|                                                                                               | 2025         | 2024         |
|-----------------------------------------------------------------------------------------------|--------------|--------------|
| OPERATING ACTIVITIES:                                                                         |              |              |
| Increase in net assets                                                                        | \$ 1,480,688 | \$ 569,521   |
| Adjustments to reconcile increase in net assets to net cash provided by operating activities: |              |              |
| Depreciation and amortization                                                                 | 887,931      | 886,524      |
| Amortization of right-of-use assets                                                           | 130,890      | 135,698      |
| Asset impairment charges                                                                      | 158,848      | 134,427      |
| Change in net unrealized and realized gains and losses on investments                         | (1,249,609)  | (909,210)    |
| Change in market values of interest rate swaps                                                | 1,718        | (13,658)     |
| Undistributed equity in earnings of unconsolidated affiliates and other loss                  | (53,104)     | 313,459      |
| Loss on purchase of noncontrolling interest in subsidiary                                     | -            | 18,448       |
| Increase in noncontrolling interest related to acquisitions                                   | -            | (60,658)     |
| Deferred retirement items                                                                     | (115,456)    | (19,739)     |
| Restricted contributions and investment income received                                       | (13,360)     | (15,597)     |
| Dividends paid attributed to noncontrolling interest                                          | 73,874       | 71,660       |
| Other adjustments                                                                             | (18,059)     | 8,617        |
| Changes in:                                                                                   |              |              |
| Patient accounts receivable                                                                   | (5,752)      | (332,809)    |
| Estimated receivables from third-party payers                                                 | 109,165      | (224,408)    |
| Prepaid pension and retiree health costs                                                      | 106,245      | 41,142       |
| Other assets                                                                                  | (139,999)    | 55,372       |
| Accounts payable and accrued expenses                                                         | (364,719)    | 462,166      |
| Estimated payables to third-party payers                                                      | (48,518)     | 20,134       |
| Operating leases, self-insurance reserves and other liabilities                               | (124,761)    | (109,114)    |
| Accrued pension and retiree health costs                                                      | (11,719)     | (9,353)      |
| Total adjustments                                                                             | (676,385)    | 453,101      |
| Net cash provided by operating activities                                                     | \$ 804,303   | \$ 1,022,622 |

|                                                                             | 2025         | 2024         |
|-----------------------------------------------------------------------------|--------------|--------------|
| INVESTING ACTIVITIES:                                                       |              |              |
| Proceeds from sales of investments                                          | \$ 8,605,946 | \$ 3,613,525 |
| Purchases of investments                                                    | (8,036,195)  | (7,613,873)  |
| Purchases of property and equipment                                         | (1,178,864)  | (934,404)    |
| Proceeds from disposal of property and equipment                            | 16,905       | 13,482       |
| Cash from disaffiliation of unconsolidated affiliates                       | 167,945      | 4,000,000    |
| Net cash used for acquisitions                                              | (4,210)      | (63,333)     |
| Change in investments in unconsolidated affiliates                          | (4,804)      | 8,334        |
| Change in other investing activities                                        | (11,151)     | (8,042)      |
| Net cash used in investing activities                                       | (444,428)    | (984,311)    |
| FINANCING ACTIVITIES:                                                       |              |              |
| Proceeds from issuance of debt                                              | 76,150       | 70,652       |
| Repayments of debt                                                          | (221,107)    | (209,104)    |
| Net change in commercial paper                                              | 226          | (452)        |
| Draws on lines of credit                                                    | -            | 300,000      |
| Repayments on lines of credit                                               | -            | (300,000)    |
| Dividends paid                                                              | (73,874)     | (71,660)     |
| Proceeds from restricted contributions and restricted investment income     | 11,421       | 11,680       |
| Increase in financing costs and other                                       | (908)        | (1,605)      |
| Net cash used in financing activities                                       | (208,092)    | (200,489)    |
| NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH      | 151,783      | (162,178)    |
| CASH, CASH EQUIVALENTS, AND RESTRICTED CASH - BEGINNING OF YEAR             | 573,907      | 736,085      |
| CASH, CASH EQUIVALENTS, AND RESTRICTED CASH - END OF YEAR                   | \$ 725,690   | \$ 573,907   |
| SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:                          |              |              |
| Cash paid for interest - net of amounts capitalized                         | \$ 266,087   | \$ 287,936   |
| Accruals for purchases of property and equipment and other long-term assets | 70,884       | 44,024       |
| Unsettled investment trades and purchases                                   | 61,029       | 58,463       |
| Unsettled investment trades and sales                                       | 17,676       | 13,931       |
| Increase (decrease) in security lending collateral                          | 552,641      | (19,323)     |
| (Increase) decrease in payable under security lending agreements            | (552,641)    | 19,323       |

The accompanying notes are an integral part of the consolidated financial statements.

## TRINITY HEALTH

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

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#### 1. ORGANIZATION AND MISSION

Trinity Health Corporation, an Indiana nonprofit corporation headquartered in Livonia, Michigan, and its subsidiaries ("Trinity Health" or the "Corporation"), controls one of the largest health care systems in the United States. The Corporation is sponsored by Catholic Health Ministries, a Public Juridic Person of the Holy Roman Catholic Church. The Corporation operates a comprehensive integrated network of health services, including inpatient and outpatient services, physician services, managed care coverage, home health care, long-term care, assisted living care and rehabilitation services located in 25 states. The operations are organized into Regional Health Ministries, National Health Ministries and Mission Health Ministries ("Health Ministries"). The Mission statement for the Corporation is as follows:

*We, Trinity Health, serve together in the spirit of the Gospel as a compassionate and transforming healing presence within our communities.*

**Community Benefit Ministry** – Consistent with our Mission, Trinity Health provides medical care to all patients regardless of their ability to pay. In addition, Trinity Health provides services intended to benefit persons experiencing poverty and other vulnerabilities, including persons who cannot afford health insurance or other payments, such as co-pays and deductibles because of limited income and/or are uninsured or underinsured; and works to improve the health status of the communities in which it operates. Trinity Health honors its Mission through the delivery of medical care and community service programs, such as street outreach to meet the medical and social needs of people experiencing homelessness and people with limited access to health care, and through the implementation of social care models that connect individuals to food, housing and other essential daily needs.

Trinity Health's Community Health and Well-Being strategy promotes optimal health for people experiencing poverty and other vulnerabilities in the communities it serves by investing in communities to address patient social needs and impact community conditions, such as housing, employment, education or transportation. These costs have been included in the appropriate categories below.

The following summary has been prepared in accordance with the Catholic Health Association of the United States' ("CHHA"), *A Guide for Planning and Reporting Community Benefit, 2022 Edition*.

The quantifiable costs of the Corporation's community benefit ministry for the years ended June 30 are as follows (in thousands):

|                                                                             | <u>2025</u>             | <u>2024</u>             |
|-----------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Ministry for those experiencing poverty and other vulnerabilities:</b>   |                         |                         |
| Financial assistance                                                        | \$ 310,024              | \$ 258,029              |
| Unpaid cost of Medicaid and other public programs                           | 383,419                 | 510,677                 |
| <b>Programs for those experiencing poverty and other vulnerabilities:</b>   |                         |                         |
| Community health improvement services                                       | 43,381                  | 35,586                  |
| Subsidized health services                                                  | 83,578                  | 46,182                  |
| Financial contributions                                                     | 30,834                  | 26,281                  |
| Community building activities                                               | 2,353                   | 2,199                   |
| Community benefit operations                                                | <u>6,362</u>            | <u>4,986</u>            |
| <br>Total programs for those experiencing poverty and other vulnerabilities | <br><u>166,508</u>      | <br><u>115,234</u>      |
| <br>Ministry for those experiencing poverty and other vulnerabilities       | <br><u>859,951</u>      | <br><u>883,940</u>      |
| <br><b>Ministry for the broader community:</b>                              |                         |                         |
| Community health improvement services                                       | 23,939                  | 20,968                  |
| Health professions education                                                | 272,089                 | 249,919                 |
| Subsidized health services                                                  | 176,403                 | 74,898                  |
| Research                                                                    | 5,818                   | 6,398                   |
| Financial contributions                                                     | 38,379                  | 34,671                  |
| Community building activities                                               | 1,552                   | 1,316                   |
| Community benefit operations                                                | <u>12,462</u>           | <u>9,483</u>            |
| <br>Ministry for the broader community                                      | <br><u>530,642</u>      | <br><u>397,653</u>      |
| <br>Community benefit ministry                                              | <br><u>\$ 1,390,593</u> | <br><u>\$ 1,281,593</u> |

*Ministry for those experiencing poverty and other vulnerabilities* represents the financial commitment to seek out and serve those who need help the most, especially those who are experiencing poverty, are uninsured or face barriers to accessing health care, emphasizing the necessity to integrate social and clinical care. This is done with the conviction that health care is a basic human right.

*Ministry for the broader community* represents the cost of programs and activities aimed at improving the health and well-being of everyone living in the community. While these programs are not focused on specific, low-income population groups, they are accessible to and involve outreach for those experiencing poverty and other vulnerabilities. These programs are not intended to be financially self-supporting.

*Financial assistance* represents the cost of services provided to patients who cannot afford health care services due to limited income based on federal poverty standards and/or are uninsured or underinsured. A patient's service is classified as financial assistance in accordance with the Corporation's established policies as further described in Note 2. The cost of financial assistance is calculated using a cost-to-charge ratio methodology.

*Unpaid cost of Medicaid and other public programs* represents the cost (determined using a cost-to-charge ratio) of providing services to beneficiaries of public programs, including state Medicaid and means tested programs, in excess of governmental and managed care contract payments.

*Community health improvement services* are activities and services carried out to improve community health and well-being, for which no patient bill exists. These services are not expected to be financially self-supporting, although some may be supported by outside grants or other funding. An example is the Corporation's Social Care program which was developed to address individual social needs, such as access to transportation, childcare, or affordable medications by facilitating connections between patients, health care providers and community partners that promote healthy behaviors. Other examples include social and environmental improvement activities that address the community conditions such as enrollment assistance into Financial Assistance, Medicaid and other public programs, community health education, free immunization services, free or low-cost prescription medications and rural and urban outreach programs. The Corporation actively collaborates with community groups and agencies to assist those in need by providing such services.

*Health professions education* includes the unreimbursed cost of training health professionals, such as medical residents, nursing students, technicians and students in allied health professions.

*Subsidized health services* are net costs for billed services that are subsidized by the Corporation. These include services offered despite a financial loss because they are needed in the community and either other providers are unwilling to provide the services, or the services would otherwise not be available in sufficient amounts. Examples of services include free-standing community clinics, hospice care, mobile units, emergency departments, and behavioral health services. The Corporation implemented a reporting system to better capture the cost of subsidized health services for reporting as community benefit in the fiscal year ended June 30, 2025.

*Research* includes unreimbursed clinical and community health research and studies on health care delivery, which is generalizable and shared with the public.

*Financial contributions* are made by the Corporation to community organizations and are restricted to support community benefit activities. These amounts include special system-wide funds used to improve community health and well-being as well as resources contributed directly to programs, organizations and foundations for efforts on behalf of those experiencing poverty and other vulnerabilities. Amounts included here also represent certain in-kind donations.

*Community building activities* include programs that address the root causes of health problems and focus on policy, systems and environmental changes. Examples include advocacy for community health improvement, the costs of programs that improve the physical environment, promote economic development, enhance other community support systems, develop leadership skills through training and build community coalitions.

*Community benefit operations* include costs associated with dedicated staff, community health needs and asset assessments and other costs associated with community benefit strategy and operations.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*Principles of Consolidation* – The consolidated financial statements include the accounts of the Corporation, and all wholly-owned, majority-owned and controlled organizations. Investments where the Corporation holds less than 20% of the ownership interest are accounted for using the cost method. All other investments that are not controlled by the Corporation are accounted for using the equity method of accounting. The equity share of income or losses from investments in unconsolidated affiliates is recorded in other revenue if the unconsolidated affiliate is operational and projected to make routine and regular cash distributions; otherwise, the equity share of income or losses from investments in unconsolidated affiliates is recorded in nonoperating items in the consolidated statements of operations and changes in net assets. All material intercompany transactions and account balances have been eliminated in consolidation.

*Use of Estimates* – The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management of the Corporation to make assumptions, estimates and judgments that affect the amounts reported in the consolidated financial statements, including the notes thereto, and related disclosures of commitments and contingencies, if any.

The Corporation considers critical accounting policies to be those that require more significant judgments and estimates in the preparation of its consolidated financial statements, including the following: recognition of net patient service revenue, which includes explicit and implicit price concessions; recorded values of investments and derivatives; evaluation of long-lived assets and goodwill for impairment; reserves for losses and expenses related to health care professional, general, and health plan liabilities; and risks and assumptions for measurement of pension and retiree health prepaid assets and liabilities. Management relies on historical experience and other assumptions believed to be reasonable in making its judgments and estimates. Actual results could differ materially from those estimates.

**Cash, Cash Equivalents and Restricted Cash** – For purposes of the consolidated statements of cash flows, cash, cash equivalents and restricted cash include certain investments in highly liquid debt instruments with original maturities of three months or less.

The following table reconciles cash, cash equivalents and restricted cash shown in the statements of cash flows to amounts presented within the consolidated balance sheets as of June 30 (in thousands):

|                                                                                               | <b>2025</b>       | <b>2024</b>       |
|-----------------------------------------------------------------------------------------------|-------------------|-------------------|
| Cash and cash equivalents                                                                     | \$ 569,895        | \$ 404,959        |
| Restricted cash included in assets limited or restricted as to use - current portion          |                   |                   |
| Self-insurance, benefit plans and other                                                       | 85,452            | 97,626            |
| By donors                                                                                     | 1,291             | 1,450             |
| Total restricted cash included in assets limited or restricted as to use - current portion    | 86,743            | 99,076            |
| Restricted cash included in assets limited as to use - noncurrent portion                     |                   |                   |
| Self-insurance, benefit plans and other                                                       | 54,913            | 36,379            |
| By donors                                                                                     | 14,139            | 33,493            |
| Total restricted cash included in assets limited or restricted as to use - noncurrent portion | 69,052            | 69,872            |
| Total cash, cash equivalents, and restricted cash shown in the statements of cash flows       | <u>\$ 725,690</u> | <u>\$ 573,907</u> |

**Investments** – Investments, inclusive of assets limited or restricted as to use, include marketable debt and equity securities. Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value and are classified as trading securities. Investments also include investments in commingled funds, hedge funds and other investments structured as limited liability corporations or partnerships. Commingled funds and hedge funds that hold securities directly are stated at the fair value of the underlying securities, as determined by the administrator, based on readily determinable market values, or based on net asset value, which is calculated using the most recent fund financial statements. Limited liability corporations and partnerships are accounted for under the equity method.

**Investment Earnings** – Investment earnings include interest, dividends, realized gains and losses and unrealized gains and losses. Also included are equity earnings from investment funds accounted for using the equity method. Investment earnings on assets held by trustees under bond indenture agreements, assets designated by the Corporation's board of directors ("Board") for debt redemption, assets held for borrowings under the intercompany loan program, assets held by grant-making foundations, assets deposited in trust funds by a captive insurance company for self-insurance purposes, and interest and dividends earned on life plan communities advance entrance fees, in accordance with industry practices, are included in other revenue in the consolidated statements of operations and changes in net assets. Investment earnings, net of direct investment expenses, from all other investments and Board-designated funds are included in nonoperating investment income unless the income or loss is restricted by donor or law.

**Derivative Financial Instruments** – The Corporation periodically utilizes various financial instruments (e.g., options and swaps) to hedge interest rates, equity downside risk and other exposures. The Corporation's policies prohibit trading in derivative financial instruments on a speculative basis. The Corporation recognizes all derivative instruments in the consolidated balance sheets at fair value.

***Securities Lending*** – The Corporation participates in securities lending transactions whereby a portion of its investments are loaned, through its agent, to various parties in return for cash and securities from the parties as collateral for the securities loaned. Each business day, the Corporation, through its agent, and the borrower determine the market value of the collateral and the borrowed securities. If on any business day the market value of the collateral is less than the required value, additional collateral is obtained as appropriate. The amount of cash collateral received under securities lending is reported as an asset and a corresponding payable in the consolidated balance sheets and is up to 105% of the market value of securities loaned. As of June 30, 2025 and 2024, the Corporation had securities loaned of \$1.3 billion and \$663.7 million, respectively, and received collateral (cash and noncash) totaling \$1.4 billion and \$685.1 million, respectively, relating to the securities loaned. The fees received for these transactions are recorded in nonoperating investment earnings in the consolidated statements of operations and changes in net assets. In addition, certain pension plans participate in securities lending programs with the Northern Trust Company, the plans' agent.

The Corporation evaluates the financial condition of its securities lending plan managers and borrowing institutions to minimize exposure to credit risk. Credit risk is regularly monitored and minimized by Trinity Health's managers of the program by selecting borrowers with stringent financial viability standards, underwriting and approval procedures as set forth by the institution. An established framework is also used to size borrower credit limits to reduce concentration risk. In addition, the vast majority of borrowers have long-term credit ratings of A or better and short-term ratings of A-1 or better from at least one nationally recognized statistical rating organization. The Corporation does not expect any credit losses related to the securities lending arrangement.

***Patient Accounts Receivable, Estimated Receivables from and Payables to Third-Party Payers*** – An unconditional right to payment, subject only to the passage of time is treated as a receivable. Patient accounts receivable, including billed accounts and unbilled accounts for which there is an unconditional right to payment, and estimated amounts due from third-party payers for retroactive adjustments, are receivables if the right to consideration is unconditional and only the passage of time is required before payment of that consideration is due. For patient accounts receivable, the estimated uncollectable amounts are generally considered implicit price concessions that are a direct reduction to patient service revenue and accounts receivable.

The Corporation has agreements with third-party payers that provide for payments to the Corporation's Health Ministries at amounts different from established rates. Estimated retroactive adjustments under reimbursement agreements with third-party payers and other changes in estimates are included in net patient service revenue and estimated receivables from and payables to third-party payers. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods, as final settlements are determined. Estimated receivables from third-party payers also includes amounts receivable under state Medicaid provider tax programs.

***Assets Limited as to Use*** – Assets set aside by the Board for quasi-endowments, future capital improvements, strategic development funds, future funding of retirement programs and insurance claims, retirement of debt, held for borrowings under the intercompany loan program, and other purposes over which the Board retains control and may at its discretion subsequently use for other purposes, assets held by trustees under bond indenture and certain other agreements, and self-insurance trust and benefit plan arrangements are included in assets limited as to use.

**Donor-Restricted Gifts** – Unconditional promises to give cash and other assets to the Corporation are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received. The gifts are reported as support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or program restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of operations and changes in net assets as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reported as contributions without donor restrictions included in other revenue in the consolidated statements of operations and changes in net assets.

**Inventories** – Inventories are stated at the lower of cost or market. The cost of inventories is determined principally by the weighted-average cost method.

**Property and Equipment** – Property and equipment, including internal-use software, are recorded at cost, if purchased, or at fair value at the date of donation, if donated. Finance lease right-of-use assets included in property and equipment represent the right to use the underlying assets for the lease term and are recognized at the lease commencement date based on the present value of lease payments over the term of the lease.

Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed using either the straight-line or an accelerated method and includes finance lease right-of-use asset amortization and internal-use software amortization. The useful lives of property and equipment range from 2 to 75 years, and finance lease agreements have initial terms typically ranging from 3 to 30 years. Interest costs incurred during the period of construction of capital assets are capitalized as a component of the cost of acquiring those assets.

Gifts of long-lived assets such as land, buildings, or equipment are reported as support without donor restrictions and are excluded from the excess of revenue over expenses, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions.

**Right-of-Use Lease Assets and Lease Liabilities** – The Corporation determines if an arrangement is a lease at inception of the contract. Right-of-use assets represent the right to use the underlying assets for the lease term and lease liabilities represent the obligation to make lease payments arising from the leases. Right-of-use assets and lease liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The Corporation uses the implicit rate noted within the contract, when available. Otherwise, the Corporation uses its incremental borrowing rate estimated using recent secured debt issuances that correspond to various lease terms, information obtained from banking advisors, and the Corporation's secured debt fair value. The Corporation does not recognize leases, for operating or finance type, with an initial term of 12 months or less ("short-term leases") on the consolidated balance sheets, and the lease expense for these short-term leases is recognized on a straight-line basis over the lease term within occupancy expense in the consolidated statements of operations and changes in net assets. The Corporation's finance leases are primarily for real estate. Finance lease right-of-use assets are included in property and equipment, with the related liabilities included in current and long-term debt on the consolidated balance sheets.

Operating lease right-of-use assets and liabilities are recorded for leases that are not considered finance leases. The Corporation's operating leases are primarily for real estate, vehicles, and medical and office equipment. Real estate leases include outpatient, medical office, ground, and corporate administrative office space. The Corporation's real estate lease agreements typically have an initial term of 2 to 10 years. The Corporation's equipment lease agreements typically have an initial term of 2 to 5 years.

The real estate leases may include one or more options to renew, with renewals that can extend the lease term from 5 to 10 years. The exercise of lease renewal options is at the Corporation's sole discretion. For accounting purposes, options to extend or terminate the lease are included in the lease term when it is reasonably certain that the option will be exercised. Operating lease liabilities represent the obligation to make lease payments arising from the leases and are recognized at the lease commencement date based on the present value of lease payments over the lease term.

Certain of the Corporation's lease agreements for real estate include payments based on common area maintenance expenses and others include rental payments adjusted periodically for inflation. These variable lease payments are recognized in occupancy expense, net, but are not included in the right-of-use asset or liability balances when they can be separately identified in the contract. The Corporation's lease agreements do not contain any material residual value guarantees, restrictions, or covenants.

**Goodwill** – Goodwill represents the future economic benefits arising from assets acquired in a business combination that are not individually identified and separately recognized.

***Asset Impairments –***

***Property, Equipment and Right-of-Use Lease Assets*** – The Corporation evaluates long-lived assets for possible impairment whenever events or changes in circumstances indicate that the carrying amount of the asset, or related group of assets, may not be recoverable from estimated future undiscounted cash flows. If the estimated future undiscounted cash flows are less than the carrying value of the assets, the impairment recognized is calculated as the carrying value of the long-lived assets in excess of the fair value of the assets. The fair value of the assets is estimated based on appraisals, established market values of comparable assets or internal estimates of future net cash flows expected to result from the use and ultimate disposition of the assets.

***Goodwill*** – Goodwill is tested for impairment on an annual basis or when an event or change in circumstance indicates the value of a reporting unit may have changed. Testing is conducted at the reporting unit level. If the carrying amount of the reporting unit goodwill exceeds the implied fair value of that goodwill, an impairment loss is recognized in an amount equal to that excess. Estimates of fair value are based on appraisals, established market prices for comparable assets or internal estimates of future net cash flows.

***Other Assets*** – Other assets include long-term notes receivable, reinsurance recovery receivables, definite- and indefinite-lived intangible assets other than goodwill and prepaid retiree health costs. The net balances of definite-lived intangible assets include noncompete agreements, physician guarantees and other definite-lived intangible assets with finite lives amortized using the straight-line method over their estimated useful lives, which generally range from 2 to 12 years. Indefinite-lived intangible assets primarily include trade names, which are tested annually for impairment.

***Short-Term Borrowings*** – Short-term borrowings include puttable variable-rate demand bonds supported by self-liquidity or liquidity facilities considered short-term in nature.

***Other Long-Term Liabilities*** – Other long-term liabilities include deferred compensation, asset retirement obligations, interest rate swaps and deferred revenue from entrance fees. Deferred revenue from entrance fees are fees paid by residents of facilities for the elderly upon entering into continuing care contracts, which are amortized to income using the straight-line method over the estimated remaining life expectancy of the resident, net of the portion that is refundable to the resident.

***Net Assets with Donor Restrictions*** – Net assets with donor restrictions are those whose use by the Corporation has been limited by donors to a specific time period or program. In addition, certain net assets have been restricted by donors to be maintained by the Corporation in perpetuity.

**Net Patient Service Revenue** – The Corporation reports patient service revenue at the amount that reflects the consideration it is expected to be entitled to in exchange for providing patient care. These amounts are due from patients, third-party payers (including commercial payers and government programs) and others and include variable consideration for retroactive revenue adjustments due to settlement of audits, reviews, and investigations. Generally, the Corporation bills patients and third-party payers several days after the services are performed or the patient is discharged from a facility.

The Corporation determines performance obligations based on the nature of the services provided. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected charges. The Corporation 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 hospitals receiving inpatient acute care services, or receiving services in outpatient centers, or in their homes (home care).

The Corporation measures performance obligations from admission to the hospital, or the commencement of an outpatient service, to the point when it is no longer required to provide services to the patient, which is generally at the time of discharge or the 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 (for example, pharmaceuticals and medical equipment) and the Corporation does not believe that it is required to provide additional goods and services related to that sale.

Because patient service performance obligations relate to contracts with a duration of less than one year, the Corporation has elected to apply the optional exemption provided in Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 606-10-50-14(a) and, therefore, the Corporation is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. The unsatisfied or partially unsatisfied performance obligations are primarily related to inpatient acute care services at the end of the reporting period. The performance obligations for these contracts are generally completed when the patients are discharged, which generally occurs within days or weeks from the end of the reporting period.

The Corporation has elected the practical expedient allowed under FASB ASC 606-10-32-18 and does not adjust the promised amount of consideration from patients and third-party payers for the effects of a significant financing component due to the Corporation'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 payer pays for that service will be one year or less. However, the Corporation 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.

The Corporation determines the transaction price based on standard charges for services provided, reduced by contractual adjustments provided to third-party payers, discounts provided to uninsured and underinsured patients in accordance with the Corporation's policy, and implicit price concessions provided to uninsured patients, underinsured patients, and other payers. The Corporation determines its estimates of contractual adjustments and discounts based on contractual agreements, discount policies and historical experience. The estimate of implicit price concessions is based on historical collection experience with the various classes of patients using a portfolio approach as a practical expedient to account for patient contracts with similar characteristics, as collective groups rather than individually. The financial statement effect of using this practical expedient is not materially different from an individual contract approach.

Generally, patients who are covered by third-party payers are responsible for related deductibles and coinsurance, which vary in amount. The Corporation also provides services to uninsured and underinsured patients, and offers those uninsured and underinsured patients a discount, either by policy or law, from standard charges. The Corporation estimates the transaction price for patients with deductibles and coinsurance and for those who are uninsured and underinsured based on historical experience and current market conditions, using the portfolio approach. 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 patient service revenue in the period of the change. Subsequent changes that are determined to be the result of an adverse change in the payer's or patient's ability to pay are recorded as bad debt expense in other expenses in the statements of operations and changes in net assets. Agreements with third-party payers typically provide for payments at amounts less than established charges. A summary of the payment arrangements with major third-party payers is as follows:

*Medicare (Parts A and B)* – Acute inpatient and outpatient services rendered to Medicare program beneficiaries are paid primarily at prospectively determined rates. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. Certain items are reimbursed at a tentative rate with final settlement determined after submission of annual cost reports and audits thereof by the Medicare fiscal intermediaries.

*Medicare Advantage (Part C)* – Acute inpatient and outpatient services rendered to Medicare beneficiaries that chose an Advantage plan are paid primarily at prospectively determined rates. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors.

*Medicaid* – Reimbursement for services rendered to Medicaid program beneficiaries includes prospectively determined rates per discharge, per diem payments, discounts from established charges, fee schedules and cost reimbursement methodologies with certain limitations. Cost reimbursable items are reimbursed at a tentative rate with final settlement determined after submission of annual cost reports and audits thereof by the Medicaid fiscal intermediaries.

*Medicaid Health Maintenance Organization ("HMO")* – Reimbursement for services rendered to Medicaid program beneficiaries that chose an HMO program includes payments that are prospectively determined under rates per discharge, per diem payments, discounts from established charges, fee schedules and cost reimbursement methodologies with certain limitations.

*Other* – Reimbursement for services to certain patients is received from commercial insurance carriers, health maintenance organizations and preferred provider organizations. The basis for reimbursement includes prospectively determined rates per discharge, per diem payments and discounts from established charges.

Cost report settlements under these programs are subject to audit by Medicare and Medicaid auditors and administrative and judicial review, and it can take several years until final settlement of such matters is determined and completely resolved. Because the laws, regulations, instructions, and rule interpretations governing Medicare and Medicaid reimbursement are complex and change frequently, the estimates that have been recorded could change by material amounts.

Settlements with third-party payers for retroactive revenue 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 payer, correspondence from the payer and 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.

**Financial Assistance** – The Corporation provides services to all patients regardless of ability to pay. In accordance with the Corporation's policy, a patient is classified as a financial assistance patient based on specific criteria, including income eligibility as established by the *Federal Poverty Guidelines*, as well as other financial resources and obligations.

Charges for services to patients who meet the Corporation's guidelines for financial assistance are not reported as net patient service revenue in the accompanying consolidated financial statements. Therefore, the Corporation has determined it has provided implicit price concessions to uninsured and underinsured 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 Corporation expects to collect based on its collection history with those patients.

**Self-Insured Employee Health Benefits** – The Corporation administers self-insured employee health benefit plans for employees. The majority of the Corporation's employees participate in the programs. The provisions of the plans permit employees and their dependents to elect to receive medical care at either the Corporation's Health Ministries or other health care providers. Patient service revenue has been reduced by an allowance for self-insured employee health benefits, which represents revenue attributable to medical services provided by the Corporation to its employees and dependents in such years.

**Premium and Capitation Revenue** – The Corporation has certain Health Ministries that arrange for the delivery of health care services to enrollees through various contracts with providers and common provider entities. Enrollee contracts are negotiated on a yearly basis. Premiums are due monthly and are recognized as revenue during the period in which the Corporation is obligated to provide services to enrollees. Premiums received prior to the period of coverage are recorded as deferred revenue and included in accounts payable and accrued expenses in the consolidated balance sheets.

Certain of the Corporation's Health Ministries have entered into capitation arrangements whereby they accept the risk for the provision of certain health care services to health plan members. Under these agreements, the Corporation's Health Ministries are financially responsible for services provided to the health plan members by other institutional health care providers. Capitation revenue is recognized during the period for which the Health Ministry is obligated to provide services to health plan enrollees under capitation contracts. Capitation receivables are included in other receivables in the consolidated balance sheets.

Reserves for incurred but not reported claims have been established to cover the unpaid costs of health care services covered under the premium and capitation arrangements. The premium and capitation arrangement reserves are included in accounts payable and accrued expenses in the consolidated balance sheets. The liability is estimated based on actuarial studies, historical reporting, and payment trends. Subsequent actual claim experience will differ from the estimated liability due to variances in estimated and actual utilization of health care services, the amount of charges and other factors. As settlements are made and estimates are revised, the differences are reflected in current operations.

**Other Revenue** – Other revenue is recorded at amounts the Corporation expects to collect in exchange for providing goods or services not directly associated with patient care and recorded over the time in which obligations to provide goods or services are satisfied. Other revenue includes revenue from the following sources: grants, retail pharmacy, operating investment income, professional services, assisted and independent living, equity in earnings of unconsolidated affiliates if the unconsolidated affiliate is operational and projected to make routine and regular cash distributions, incentive revenue, and gainshare recognized under alternative payment models and ancillary services.

**Grant Revenue** – Where grants are determined to be contributions, unconditional grants are recognized as revenue when received. Conditional grants are recognized as revenue when the Corporation has complied with and substantially met the conditions associated with the grant. For grants that are not contributions, the Corporation recognizes revenue at the amount that reflects the consideration it is expected to be entitled to in exchange for providing services under the term of the grant agreement.

**Income Taxes** – The Corporation and substantially all of its subsidiaries have been recognized as tax-exempt pursuant to Section 501(a) of the Internal Revenue Code. The Corporation also has taxable subsidiaries, which are included in the consolidated financial statements. The Corporation includes penalties and interest, if any, with its provision for income taxes in other nonoperating items in the consolidated statements of operations and changes in net assets.

**Excess of Revenue Over Expenses** – The consolidated statements of operations and changes in net assets includes excess of revenue over expenses. Changes in net assets without donor restrictions, which are excluded from excess of revenue over expenses, consistent with industry practice, include the effective portion of the change in market value of derivatives that meet hedge accounting requirements, permanent transfers of assets to and from affiliates for other than goods and services, contributions of long-lived assets received or gifted (including assets acquired using contributions, which by donor restriction were to be used for the purposes of acquiring such assets), net change in retirement plan related items, discontinued operations and cumulative effects of changes in accounting principles.

**Adopted Accounting Pronouncements –**

In October 2021, the FASB issued No. 2021-08, “*Business Combinations (Topic 805) – Accounting for Contract Assets and Contract Liabilities from Contracts with Customers*”. This guidance was issued to address the inconsistency in accounting related to recognition of an acquired contract liability and the payment terms and their effect on subsequent revenue by the acquirer. The amendments in this update require that the acquirer recognize and measure contract assets and contract liabilities acquired in a business combination in accordance with FASB Topic 606, as if it had originated the contracts, generally consistent with how they were recognized and measured in the acquiree’s financial statements. This guidance was effective for the Corporation beginning July 1, 2024. The adoption of this guidance had no impact on the Corporation’s financial position, or results of operations as of and for the year ended June 30, 2025. The Corporation will continue to apply this guidance in consideration of any future business combinations.

In July 2025, the FASB issued No. 2025-05, “*Measurement of Credit Losses for Accounts Receivable and Contract Assets*” which amends FASB Topic 326. This guidance provides a practical expedient, and an accounting policy election related to the estimation of expected credited losses for current accounts receivable and current contract assets that arise from transactions accounted for under FASB Topic 606. This guidance was effective for the Corporation beginning July 1, 2026, with early adoption allowable. The Corporation early adopted, and this guidance had no impact on the Corporation’s financial position, or results of operations as of and for the year ended June 30, 2025.

### 3. INVESTMENTS IN UNCONSOLIDATED AFFILIATES

*Investments in Unconsolidated Affiliates* – The Corporation and certain of its Health Ministries have investments in entities that are recorded under the cost and equity methods of accounting. As of June 30, 2025 and 2024, the Corporation maintained investments in unconsolidated affiliates with ownership interests ranging from 2.0% to 50.0%.

The Corporation's share of equity earnings from entities accounted for under the equity method and other loss and the classification on the consolidated statements of operations and changes in net assets for the years ended June 30 are as follows (in thousands):

|                                                                      | 2025              | 2024                |
|----------------------------------------------------------------------|-------------------|---------------------|
| Other revenue                                                        | \$ 81,424         | \$ 80,658           |
| Nonoperating items                                                   | 24,276            | (310,181)           |
| Total equity in earnings of unconsolidated affiliates and other loss | <u>\$ 105,700</u> | <u>\$ (229,523)</u> |

*BayCare Health System* – The Corporation held a 50.4% interest in BayCare Health System Inc. and Affiliates ("BayCare"), a Florida not-for-profit corporation exempt from state and federal income taxes. BayCare was formed in 1997 pursuant to a Joint Operating Agreement ("JOA") among the not-for-profit, tax-exempt members of the Trinity Health BayCare Participants, Morton Plant Mease Health Care, Inc., and South Florida Baptist Hospital, Inc. (collectively, the "Members"). BayCare consists of three community health alliances located in the Tampa Bay area of Florida, including St. Joseph's-Baptist Healthcare Hospital, St. Anthony's Health Care, and Morton Plant Mease Health Care. The Corporation had the right to appoint nine of the 21 voting members of the Board of Directors of BayCare; therefore, the Corporation accounted for BayCare under the equity method of accounting. As of June 30, 2025 and 2024, the Corporation's investment in BayCare totaled \$0.

On May 24, 2024, Trinity Health and BayCare signed a Definitive Agreement that was effective June 27, 2024. Pursuant to the agreement BayCare transferred corporate assets in the amount of \$4 billion, in cash, to Trinity Health, and Trinity Health then disaffiliated and resigned (i) as a corporate member of BayCare, and (ii) as a corporate member of each participant in BayCare that had Trinity Health as its corporate member. Because the equity method investment recorded in the consolidated balance sheet exceeded the agreed upon \$4 billion transfer of cash, as of and for the year-ended June 30, 2024, the Corporation recorded a reduction to investments in unconsolidated affiliates in the consolidated balance sheet and a \$754 million loss in non-operating items equity in earnings of unconsolidated affiliates and other loss in the consolidated statement of operations and changes in net assets.

**Emory Healthcare/St. Joseph's Health System** – The Corporation held a 49% interest in Emory Healthcare/St. Joseph's Health System ("EH/SJHS"). EH/SJHS operates several organizations, including two acute care hospitals, St. Joseph's Hospital of Atlanta, and John's Creek Hospital. As of June 30, 2025 and 2024, the Corporation's investment in EH/SJHS totaled \$0 and \$279.2 million, respectively.

On March 12, 2025, Trinity Health signed a Membership Purchase Agreement effectively transferring its shares and terminating its 49% interest in EH/SJHS. Pursuant to the agreement, EH/SJHS transferred corporate assets in the amount of \$300 million, which included cash of \$150 million and a promissory note of \$150 million to be paid with interest on a quarterly basis for a period of two years from the effective date of the agreement. The first scheduled payment on the promissory note of \$17.9 million was received on June 30, 2025. As a result of the transfer, the Corporation recorded a reduction to investments in unconsolidated affiliates in the consolidated balance sheet and a \$20.6 million loss in non-operating items equity in earnings of unconsolidated affiliates and other loss, and a pension settlement loss of \$55.9 million in non-operating items other net periodic retirement costs in the consolidated statement of operations and changes in net assets.

The unaudited summarized financial position and results of operations for the entities accounted for under the equity method as of and for the years ended June 30 are as follows (in thousands):

|                                    | 2025                           |                                          |                                  |                                        |                    |              |
|------------------------------------|--------------------------------|------------------------------------------|----------------------------------|----------------------------------------|--------------------|--------------|
|                                    | Medical<br>Office<br>Buildings | Outpatient<br>and Diagnostic<br>Services | Ambulatory<br>Surgery<br>Centers | Physician<br>Hospital<br>Organizations | Other<br>Investees | Total        |
| Total assets                       | \$ 29,817                      | \$ 225,067                               | \$ 225,437                       | \$ 157,611                             | \$ 1,358,425       | \$ 1,996,357 |
| Total liabilities                  | \$ 26,898                      | \$ 72,321                                | \$ 156,337                       | \$ 60,489                              | \$ 537,306         | \$ 853,351   |
| Revenue, net                       | \$ 7,220                       | \$ 225,419                               | \$ 274,146                       | \$ 84,842                              | \$ 2,023,829       | \$ 2,615,456 |
| Excess of revenue<br>over expenses | \$ 229                         | \$ 11,583                                | \$ 69,430                        | \$ 16,295                              | \$ 90,697          | \$ 188,234   |

|                                    | 2024                           |                                          |                                  |                                        |                    |              |
|------------------------------------|--------------------------------|------------------------------------------|----------------------------------|----------------------------------------|--------------------|--------------|
|                                    | Medical<br>Office<br>Buildings | Outpatient<br>and Diagnostic<br>Services | Ambulatory<br>Surgery<br>Centers | Physician<br>Hospital<br>Organizations | Other<br>Investees | Total        |
| Total assets                       | \$ 34,698                      | \$ 295,703                               | \$ 189,740                       | \$ 153,565                             | \$ 960,902         | \$ 1,634,608 |
| Total liabilities                  | \$ 28,040                      | \$ 112,843                               | \$ 137,888                       | \$ 75,606                              | \$ 495,320         | \$ 849,697   |
| Revenue, net                       | \$ 14,739                      | \$ 222,761                               | \$ 190,778                       | \$ 76,762                              | \$ 1,832,714       | \$ 2,337,754 |
| Excess of revenue<br>over expenses | \$ 7,096                       | \$ 13,050                                | \$ 51,562                        | \$ 12,563                              | \$ 62,893          | \$ 147,164   |

#### 4. OPERATING REVENUE

Operating revenue consists primarily of net patient service revenue, premium and capitation revenue, retail pharmacy, and grant revenue. Revenue from patient's deductibles and coinsurance are included in the categories presented below based on the primary payer. Premium revenue primarily results from the Corporation's health plans, which sell Medicare Advantage products, under several separate contracts with the Centers for Medicare and Medicaid Services ("CMS"). Capitation revenue primarily results from the Corporation's Program of All-Inclusive Care for the Elderly ("PACE") that provides comprehensive medical and social services to participants, most of whom are dually eligible for both Medicare and Medicaid. The table below shows sources of net patient service revenue by primary payer for the years ended June 30 (in thousands):

|                                        | 2025                 | 2024                 |
|----------------------------------------|----------------------|----------------------|
| Net patient service revenue, by payer: |                      |                      |
| Medicare Advantage plans               | \$ 4,874,175         | \$ 4,526,190         |
| Medicare plans                         | 4,112,531            | 4,079,539            |
| Blue Cross plans                       | 4,344,740            | 4,077,175            |
| Commercial and other plans             | 4,310,352            | 4,039,956            |
| Medicaid HMO plans                     | 2,713,613            | 2,544,786            |
| Medicaid plans                         | 988,215              | 987,789              |
| Uninsured                              | 291,472              | 312,825              |
| Net patient service revenue            | <u>\$ 21,635,098</u> | <u>\$ 20,568,260</u> |

The composition of net patient service revenue and other revenue based on service lines for the years ended June 30 (in thousands) are as follows:

|                                               | 2025                 | 2024                 |
|-----------------------------------------------|----------------------|----------------------|
| Net patient service revenue, by service line: |                      |                      |
| Acute care - inpatient                        | \$ 8,903,375         | \$ 8,664,006         |
| Acute care - outpatient                       | 9,304,598            | 8,619,726            |
| Physician services                            | 2,790,964            | 2,617,982            |
| Home health care                              | 414,452              | 444,090              |
| Long term care                                | 221,709              | 222,456              |
| Net patient service revenue                   | <u>21,635,098</u>    | <u>20,568,260</u>    |
| Retail pharmacy revenue                       | 943,201              | 729,219              |
| Premium revenue                               | 781,687              | 644,941              |
| Capitation revenue                            | 490,321              | 472,271              |
| Grant revenue                                 | 164,076              | 151,425              |
| Revenue from other sources                    | 1,407,295            | 1,290,520            |
| Total operating revenue                       | <u>\$ 25,421,678</u> | <u>\$ 23,856,636</u> |

For the year ended June 30, 2024, the Corporation received \$121.5 million for the 340B remedy lump sum settlement under the CMS November 8, 2023 Final Rule related to underpayments in the drug discount program for calendar years 2018 to 2022 that is included in net patient service revenue from Medicare and Acute care in the above tables. For the year ended June 30, 2025, the Corporation received a \$70.0 million one-time settlement that is recorded in other revenue in the consolidated statement of operations and changes in net assets.

## 5. LONG-LIVED ASSETS

### *Property and Equipment:*

A summary of property and equipment as of June 30 is as follows (in thousands):

|                                           | 2025         | 2024         |
|-------------------------------------------|--------------|--------------|
| Land                                      | \$ 450,723   | \$ 436,763   |
| Buildings and improvements                | 12,005,320   | 11,548,755   |
| Equipment                                 | 7,712,761    | 7,575,356    |
| Finance lease right-of-use assets         | 98,625       | 96,519       |
| Total                                     | 20,267,429   | 19,657,393   |
| Accumulated depreciation and amortization | (11,788,180) | (11,531,483) |
| Construction in progress                  | 560,424      | 653,763      |
| Property and equipment - net              | \$ 9,039,673 | \$ 8,779,673 |

As of June 30, 2025, commitments for capital projects totaled approximately \$367.5 million. The outstanding commitments are primarily for new facility construction, expansion at existing campuses and related infrastructure updates.

In conjunction with the March 1, 2023 acquisition of Genesis Health System ("Genesis") the Corporation and Mercy Health Network, d/b/a MercyOne, committed to allocate not less than \$450 million of capital to Genesis over seven years with the commitment period ending March 1, 2030. The capital commitment period may be extended up to 18 months under certain circumstances. The Corporation's related capital spending for Genesis through June 30, 2025 is \$99.3 million.

### *Leases:*

The following table presents the components of the Corporation's right-of-use assets and liabilities related to finance leases and their classification in the consolidated balance sheets as of June 30 (in thousands):

| Component of Finance Lease Balances          | Classification in Consolidated Balance Sheets | 2025      | 2024      |
|----------------------------------------------|-----------------------------------------------|-----------|-----------|
| Assets:                                      |                                               |           |           |
| Finance lease right-of-use assets - net      | Property and equipment                        | \$ 58,546 | \$ 64,640 |
| Liabilities:                                 |                                               |           |           |
| Current portion of finance lease liability   | Current portion of long-term debt             | 9,307     | 9,497     |
| Long-term portion of finance lease liability | Long-term debt                                | 71,777    | 77,348    |

The components of lease expense and their classification in the consolidated statements of operations and changes in net assets for the years ended June 30 were as follows (in thousands):

| <u>Component of Lease Expenses</u>  | <u>Classification in<br/>Statements of Operations and<br/>Changes in Net Assets</u> | <u>2025</u>       | <u>2024</u>       |
|-------------------------------------|-------------------------------------------------------------------------------------|-------------------|-------------------|
| Operating lease expense             | Occupancy                                                                           | \$ 159,877        | \$ 162,100        |
| Finance lease expense:              |                                                                                     |                   |                   |
| Amortization of right-of-use assets | Depreciation and amortization                                                       | 10,633            | 9,806             |
| Interest on lease liabilities       | Interest                                                                            | 4,743             | 5,080             |
| Total finance lease expense         |                                                                                     | 15,376            | 14,886            |
| Short-term lease expense            | Occupancy                                                                           | 54,360            | 62,469            |
| Total lease expense                 |                                                                                     | <u>\$ 229,613</u> | <u>\$ 239,455</u> |

The weighted average remaining lease term and weighted average discount rate as of and for the years ended June 30 were as follows:

| <u>Weighted average<br/>remaining lease term (years)</u> | <u>2025</u> | <u>2024</u> |
|----------------------------------------------------------|-------------|-------------|
| Operating leases                                         | 6.23        | 7.38        |
| Finance leases                                           | 8.45        | 9.17        |

| <u>Weighted average discount rate</u> | <u>2025</u> | <u>2024</u> |
|---------------------------------------|-------------|-------------|
| Operating leases                      | 4.71 %      | 4.36 %      |
| Finance leases                        | 5.62 %      | 5.64 %      |

Supplemental cash flow information related to leases for the years ended June 30 was as follows (in thousands):

|                                                                         | <u>2025</u> | <u>2024</u> |
|-------------------------------------------------------------------------|-------------|-------------|
| Cash paid for amounts included in the measurement of lease liabilities: |             |             |
| Operating cash outflows from operating leases                           | \$ 177,896  | \$ 178,847  |
| Operating cash outflows from finance leases                             | 4,743       | 5,080       |
| Financing cash outflows from finance leases                             | 10,267      | 12,106      |
| Right-of-use assets obtained in exchange for lease obligations:         |             |             |
| Operating leases                                                        | 119,390     | 136,164     |
| Finance leases                                                          | 4,643       | 1,731       |

Future maturities of lease liabilities as of June 30, 2025 are presented in the following table (in thousands):

|                             | Operating<br>Leases | Finance<br>Leases |
|-----------------------------|---------------------|-------------------|
| 2026                        | \$ 166,501          | \$ 13,910         |
| 2027                        | 142,893             | 13,389            |
| 2028                        | 115,592             | 12,807            |
| 2029                        | 93,345              | 11,686            |
| 2030                        | 57,761              | 11,230            |
| Thereafter                  | 142,722             | 42,280            |
| Total lease payments        | 718,814             | 105,302           |
| Less: imputed interest      | (95,081)            | (24,218)          |
| Total lease obligations     | 623,733             | 81,084            |
| Less: current obligations   | (139,243)           | (9,307)           |
| Long-term lease obligations | \$ 484,490          | \$ 71,777         |

**Goodwill:**

The following table provides information on changes in the carrying amount of goodwill, which is included in the accompanying consolidated financial statements of the Corporation as of June 30 (in thousands):

|                                   | 2025       | 2024       |
|-----------------------------------|------------|------------|
| As of July 1:                     |            |            |
| Goodwill                          | \$ 990,332 | \$ 895,156 |
| Accumulated impairment loss       | (49,278)   | (47,078)   |
| Total                             | 941,054    | 848,078    |
| Goodwill acquired during the year | -          | 117,699    |
| Goodwill divested during the year | -          | (22,523)   |
| Impairment loss                   | (3,247)    | (2,200)    |
| Total                             | 937,807    | 941,054    |
| As of June 30:                    |            |            |
| Goodwill                          | 990,332    | 990,332    |
| Accumulated impairment loss       | (52,525)   | (49,278)   |
| Total                             | \$ 937,807 | \$ 941,054 |

***Impairments:***

During the year ended June 30, 2025, the Corporation recorded impairment charges of \$158.8 million in the consolidated statement of operations and changes in net assets. Included in total impairment charges was \$147.7 million related to four of the Health Ministries of the Corporation where material adverse trends in the most recent estimates of future undiscounted cash flows indicated that the carrying value of the long-lived assets were not recoverable from estimated future cash flows. The Corporation believes the most significant factors contributing to the continuing adverse financial trends at these locations were a reduction in numerous volume indicators, changes in demographics and increased cost of staffing and other operating expenses. The total impairments were comprised of \$75.2 million related to unconsolidated equity method investments and goodwill, \$61.4 million of property and equipment for aged buildings and structures, \$15.8 million of operating leased space and related furniture and equipment to be vacated or no longer used, and \$6.4 million of other assets.

During the year ended June 30, 2024, the Corporation recorded impairment charges of \$134.4 million in the consolidated statement of operations and changes in net assets. Included in total impairment charges was \$95.4 million related to acute care facilities at two of the Health Ministries of the Corporation where material adverse trends in the most recent estimates of future undiscounted cash flows indicated that the carrying value of the long-lived assets were not recoverable from estimated future cash flows. The Corporation believes the most significant factors contributing to the continuing adverse financial trends at these locations were a reduction in numerous volume indicators, changes in demographics and increased cost of staffing and other operating expenses. The total impairments were comprised of \$100.5 million of property and equipment for aged buildings and structures, \$29.2 million of operating leased space and related furniture and equipment to be vacated or no longer used, and \$4.7 million of other assets.

## 6. LONG-TERM DEBT AND OTHER FINANCING ARRANGEMENTS

A summary of short-term borrowings and long-term debt as of June 30 is as follows (in thousands):

|                                                                                                                                                                                                    | 2025         | 2024         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|--------------|
| <b>Short-term borrowings:</b>                                                                                                                                                                      |              |              |
| Variable rate demand bonds with contractual maturities through 2049. Interest payable monthly at rates ranging from 1.60% to 4.95% during 2025 and 1.80% to 5.01% during 2024                      | \$ 577,295   | \$ 599,415   |
| <b>Long-term debt:</b>                                                                                                                                                                             |              |              |
| Tax-exempt revenue bonds and refunding bonds:                                                                                                                                                      |              |              |
| Fixed-rate term and serial bonds, payable at various dates through 2053. Interest rates ranging from 1.57% to 5.00% during 2025 and 1.25% to 5.00% during 2024                                     | \$ 3,898,555 | \$ 3,852,190 |
| Variable-rate term bonds, payable at various dates through 2051. Interest rates ranging from 2.58% to 5.31% during 2025 and 2.65% to 5.45% during 2024                                             | 185,550      | 336,525      |
| Taxable revenue bonds:                                                                                                                                                                             |              |              |
| Fixed-rate term, payable through 2049. Interest rates ranging from 2.31% to 4.13% during 2025 and 2.21% to 4.13% during 2024                                                                       | 2,124,670    | 2,134,840    |
| Variable-rate term, payable through 2051. Interest rates ranging from 5.01% to 6.04% during 2025 and 5.81% to 6.05% during 2024                                                                    | 54,680       | 54,680       |
| Notes payable to banks. Interest payable at rates ranging from 2.31% to 6.00% during 2025 and 2.78% to 7.00% during 2024, fixed and variable, payable in varying monthly installments through 2040 | 47,912       | 60,923       |
| Financing lease obligations (excluding imputed interest of \$24.2 million at June 30, 2025 and \$28.4 million at June 30, 2024)                                                                    | 81,084       | 86,845       |
| Other                                                                                                                                                                                              | 67,318       | 65,667       |
| Total long-term debt                                                                                                                                                                               | 6,459,769    | 6,591,670    |
| Less current portion - net of current discounts                                                                                                                                                    | (347,789)    | (464,535)    |
| Unamortized debt issuance costs                                                                                                                                                                    | (34,348)     | (35,635)     |
| Unamortized premiums - net                                                                                                                                                                         | 291,319      | 313,670      |
| Long-term debt - net of current portion                                                                                                                                                            | \$ 6,368,951 | \$ 6,405,170 |

Contractually obligated principal repayments on short-term borrowings and long-term debt are as follows (in thousands):

|                       | <u>Short-Term<br/>Borrowings</u> | <u>Long-Term<br/>Debt</u> |
|-----------------------|----------------------------------|---------------------------|
| Years ending June 30: |                                  |                           |
| 2026                  | \$ 22,995                        | \$ 352,787                |
| 2027                  | 23,920                           | 164,311                   |
| 2028                  | 24,755                           | 165,790                   |
| 2029                  | 25,760                           | 181,500                   |
| 2030                  | 27,635                           | 184,654                   |
| Thereafter            | <u>452,230</u>                   | <u>5,410,727</u>          |
| Total                 | <u>\$ 577,295</u>                | <u>\$ 6,459,769</u>       |

A summary of interest costs on borrowed funds primarily under the revenue bond indentures during the years ended June 30 is as follows (in thousands):

|                                         | <u>2025</u>       | <u>2024</u>       |
|-----------------------------------------|-------------------|-------------------|
| Interest costs incurred                 | \$ 271,784        | \$ 288,483        |
| Less capitalized interest               | <u>(12,479)</u>   | <u>(9,452)</u>    |
| Interest expense included in operations | <u>\$ 259,305</u> | <u>\$ 279,031</u> |

**Obligated Group and Other Requirements** – The Corporation has debt outstanding under a master trust indenture dated October 3, 2013, as amended and supplemented, the amended and restated master indenture (“ARMI”). The ARMI permits the Corporation to issue obligations to finance certain activities. Obligations issued under the ARMI are joint and several obligations of the obligated group established thereunder (the “Obligated Group,” which currently consists of the Corporation). Proceeds from tax-exempt bonds and refunding bonds are to be used to finance the construction, acquisition and equipping of capital improvements. Proceeds from taxable bonds are to be used to finance corporate purposes or advance refund tax-exempt bonds. Certain Health Ministries of the Corporation constitute designated affiliates and the Corporation covenants to cause each designated affiliate to pay, loan or otherwise transfer to the Obligated Group such amounts necessary to pay the amounts due on all obligations issued under the ARMI. The Obligated Group and the designated affiliates are referred to as the Trinity Health Credit Group.

Pursuant to the ARMI, the Obligated Group agent (which is the Corporation) has caused the designated affiliates representing, when combined with the Obligated Group members, at least 85% of the consolidated net revenues of the Trinity Health Credit Group to grant to the master trustee security interests in their pledged property which security interests secure all obligations issued under the ARMI. There are several conditions and covenants required by the ARMI with which the Corporation must comply, including covenants that require the Corporation to maintain a minimum historical debt-service coverage and limitations on liens or security interests in property, except for certain permitted encumbrances, affecting the property of the Corporation or any material designated affiliate (a designated affiliate whose total revenues for the most recent fiscal year exceed 5% of the combined total revenues of the Corporation for the most recent fiscal year). Long-term debt outstanding as of June 30, 2025 and 2024, which has not been secured under the ARMI is generally collateralized by certain property and equipment.

**Commercial Paper** – The Corporation’s commercial paper program is authorized for borrowings up to \$600 million. As of June 30, 2025 and 2024, the total amount of commercial paper outstanding was \$99.3 million and \$99.1 million, respectively. Proceeds from this program are to be used for general purposes of the Corporation. The notes are payable from the proceeds of subsequently issued notes and from other funds available to the Corporation, including funds derived from the liquidation of securities held by the Corporation in its investment portfolio. The interest rate charged on borrowings outstanding during the years ended June 30, 2025 and 2024, ranged from 4.28% to 5.45% and 5.04% to 5.52%, respectively.

**Liquidity Facilities** – On September 19, 2024, the Corporation renewed and amended its revolving credit agreement (“RCAI”), by and among the Corporation and U.S. Bank National Association, which acts as an administrative agent for a group of lenders under RCAI. RCAI establishes a revolving credit facility for the Corporation, under which that group of lenders agree to lend to the Corporation amounts that may fluctuate from time to time. Amounts drawn under RCAI can only be used to support the Corporation’s obligation to pay the purchase price of bonds that are subject to tender and that have not been successfully remarketed, and the maturing principal of and interest on commercial paper notes. On June 30, 2025, the Corporation renewed RCAI and reduced the amount of the facility from \$600 million to \$400 million. Of the \$400 million available balance, the first tranche of \$200 million expires on September 25, 2028 and the second tranche of \$200 million expires on September 25, 2029. As of June 30, 2025 and 2024, there were no amounts outstanding under RCAI.

On September 19, 2024, the Corporation renewed its three-year general-purpose credit facility (“RCAII”) of \$600 million, with a maturity date of September 25, 2026. The agreement is by and among the Corporation and U.S. Bank National Association, which acts as an administrative agent for a group of lenders under RCAII and establishes a revolving credit facility for the Corporation, under which that group of lenders agree to lend to the Corporation amounts that may fluctuate from time to time. Amounts drawn under RCAII can be used for general corporate purposes and working capital needs. During the third and fourth quarters of fiscal year 2024, the Corporation temporarily expanded its general-purpose credit facility RCAII by \$200 million and executed draws totaling \$800 million as a result of a cyberattack on Change Healthcare, one of the Corporation’s vendors for revenue cycle services and pharmacy operations, which affected the Corporation’s ability to bill medical and pharmacy claims. The \$800 million balance drawn was fully repaid and the requested expansion was canceled during May and June of 2024. On June 30, 2025, the Corporation renewed RCAII, and increased the amount of the facility from \$600 million to \$800 million. RCAII expires on September 25, 2028. As of June 30, 2025 and 2024, there were no amounts outstanding under RCAII.

Each financial institution providing liquidity support under RCAI and RCAII is secured by an obligation under the ARMI.

**Standby Letters of Credit** – The Corporation maintains an arrangement for multiple standby letters of credit with a financial institution with a capacity available of \$65 million and \$90 million as of June 30, 2025 and 2024, respectively. The arrangement supports multiple insurance, unemployment, and other risk liabilities that total \$50.5 million and \$52.7 million as of June 30, 2025 and 2024, respectively. As of June 30, 2025 and 2024, there were no draws on the letters of credit.

In addition, the Corporation maintains a two-year arrangement for standby letters of credit with an additional financial institution in the amount of \$50 million. The arrangement is for letters of credit that can relate to multiple insurance, unemployment, and other risk liabilities. There were no letters of credit issued under this arrangement as of June 30, 2025 and 2024. As of June 30, 2025 and 2024 there were no draws on the letters of credit.

The banks providing standby letters of credit are not secured by an obligation under the ARMI.

*Transactions* – In September 2023, the Corporation renewed \$75 million direct placement bonds that were scheduled for mandatory tender in September 2023.

In November 2024, the Corporation refinanced \$50 million of direct placement bonds that were scheduled for mandatory tender in November 2024, extending the mandatory tender to December 2029.

In December 2024, the Corporation refinanced \$75 million private placement bonds that were scheduled for mandatory tender in December 2024, extending the mandatory tender to December 2027.

In December 2024, the Corporation refinanced \$75 million direct placement bonds that were scheduled for mandatory tender in December 2024; the bonds were remarketed as a private placement, extending the mandatory tender to December 2029.

In February 2025, the Corporation refinanced \$100 million of publicly issued bonds that were scheduled for mandatory tender in February 2025; the bonds were remarketed as a private placement, extending the mandatory tender to February 2028.

Each series of the referenced bonds are secured by an obligation issued under the ARMI.

## **7. PROFESSIONAL AND GENERAL LIABILITY PROGRAMS**

The Corporation operates a wholly owned insurance company, Trinity Assurance, Ltd. ("TAL"). TAL qualifies as a captive insurance company and provides certain insurance coverage to the Corporation's Health Ministries under a centralized program. The Corporation is self-insured for certain levels of general and professional liability, workers' compensation, and certain other claims. The Corporation has limited its liability by purchasing other coverages from unrelated third-party commercial insurers. TAL has also limited its liability through commercial reinsurance arrangements.

On March 1, 2023, the Corporation acquired Genesis Health System, an Iowa nonprofit corporation, which was the sole member and shareholder of Misericordia Assurance Company, LTD ("MAC"), a captive insurance company domiciled in the Cayman Islands. Effective March 1, 2023, TAL policies included the facilities and individuals that were previously insured with MAC. Policies issued and reinsurance purchased by MAC prior to March 1, 2023, and all losses previous to March 1, 2023, were assumed by TAL through the merger of MAC into TAL effective as of December 1, 2023.

The Corporation's current self-insurance program includes \$25 million per occurrence with an additional \$5 million (\$10 million aggregate) layer for the professional liability and \$15 million per occurrence for general liability as well as \$10 million per occurrence for hospital government liability, \$5 million per occurrence for miscellaneous errors and omissions liability, network security and privacy liability, and management liability (directors' and officers' and employment practices), and certain other coverages. In addition, through TAL and its various commercial reinsurers, the Corporation maintains integrated excess liability coverage with separate annual aggregate limits for professional/general liability and management liability. The Corporation self-insures \$750,000 per occurrence for workers' compensation in most states, with commercial insurance providing coverage up to the statutory limits and self-insures up to \$500,000 per occurrence for first-party property damage with commercial insurance providing additional coverage. Privacy and network security coverage in excess of the self-insurance is also commercially insured.

TAL reinsures a portion of its risks in order to limit its exposure to losses. This reinsurance coverage is in excess of various attachment points. Reinsurance contracts do not relieve TAL from its obligations to policyholders. Failure of reinsurers to honor their obligations could result in losses to TAL. Consequently, TAL evaluates the financial condition of its reinsurers and monitors concentrations of credit risk arising

from similar geographic regions, activities, or economic characteristics of the reinsurers to minimize exposure to significant losses from reinsurer insolvencies.

TAL's reinsurance contracts are placed with 21 commercial third party reinsurers with A.M. Best ratings of A- or better. Credit risk is minimized by TAL by monitoring counterparty creditworthiness. TAL manages credit risk on the reinsurance recoverable by dealing only with reinsurers with good credit ratings.

The liability for self-insurance reserves represents estimates of the ultimate net cost of all losses and loss adjustment expenses, which are incurred but unpaid at the consolidated balance sheet date. The reserves are based on the loss and loss adjustment expense factors inherent in the Corporation's premium structure. Independent consulting actuaries determined these factors from estimates of the Corporation's expenses and available industry-wide data.

The Corporation discounts the reserves to their present value and used a discount rate of 3.0% as of both June 30, 2025 and 2024. The reserves include estimates of future trends in claim severity and frequency. Although considerable variability is inherent in such estimates, management believes that the liability for unpaid claims and related adjustment expenses is adequate based on the loss experience of the Corporation. The estimates are continually reviewed and adjusted as necessary. The changes to the estimated self-insurance reserves were determined based upon the annual independent actuarial analyses.

Claims in excess of certain insurance coverage and the recorded self-insurance liability have been asserted against the Corporation by various claimants. The claims are in various stages of processing, and some may ultimately be brought to trial. There are known incidents occurring through June 30, 2025, that may result in the assertion of additional claims and other claims may be asserted arising from services provided in the past. While it is possible that settlement of asserted claims and claims which may be asserted in the future could result in liabilities in excess of amounts for which the Corporation has provided, management, based upon the advice of legal counsel, believes that the excess liability, if any, should not materially affect the consolidated financial statements of the Corporation.

## 8. PENSION AND OTHER BENEFIT PLANS

**Deferred Compensation** – The Corporation has nonqualified deferred compensation plans at certain Health Ministries that permit eligible employees to defer a portion of their compensation. The deferred amounts are distributable in cash after retirement or termination of employment. As of June 30, 2025 and 2024, the assets under these plans totaled \$539.6 million and \$472.1 million, respectively, and liabilities totaled \$547.5 million and \$480.3 million, respectively, which are included in self-insurance, benefit plans and other assets and other long-term liabilities in the consolidated balance sheets.

**Defined Contribution Benefits** – The Corporation sponsors defined contribution pension plans covering substantially all its employees. These programs are funded by employee voluntary contributions, subject to legal limitations. Prior to January 1, 2024, employer contributions to the majority of these plans included a nonelective contribution of 3% for participants who satisfied certain eligibility requirements, with a minimum nonelective contribution for certain participants, and varying levels of matching contributions based on employee service. Effective January 1, 2024, the nonelective contribution was eliminated and the matching contribution formula changed for most of the plans. The new formula provides 100% match on the first 3% of eligible compensation plus a 50% match on the next 7% of eligible compensation, regardless of employee service. Eligibility requirements to receive the matching contribution did not change. The employees direct their voluntary contributions and employer contributions among a variety of investment options. Contribution expense under the plans totaled \$429.0 million and \$399.5 million for the years ended June 30, 2025 and 2024, respectively, which is included in employee benefits in the consolidated statements of operations and changes in net assets.

**Noncontributory Defined Benefit Pension Plans (“Pension Plans”)** – The Corporation maintains qualified Pension Plans that are closed to new participants, and under which benefit accruals are frozen. Certain nonqualified, supplemental plan arrangements also provide retirement benefits to specified groups of participants. One of the plans is subject to the provisions of ERISA. The remainder of the plans sponsored by the Corporation are intended to be “Church Plans,” as defined in the Code Section 414(c) and Section 3(33) of the ERISA, as amended, which have not made an election under Section 410(d) of the Code to be subject to ERISA. The Corporation’s adopted funding policy for its qualified church plans, which is reviewed annually, is to fund the current service cost based on the accumulated benefit obligations and amortization of any under or over funding.

During the year ended June 30, 2025, the Corporation recorded a pension settlement loss of \$62.6 million primarily related to the transfer of its shares of EH/SJHS as described in Note 3 and the spin-off of related defined benefit pension plan assets and benefit obligations to Emory Healthcare, Inc. The loss was recorded in non-operating items other net periodic retirement costs in the statement of operations and changes in net assets.

**Postretirement Health Care and Life Insurance Benefits (“Postretirement Plans”)** – The Corporation sponsors both funded and unfunded contributory plans to provide health care benefits to certain of its retirees. All of the Postretirement Plans are closed to new participants. The Postretirement Plans cover certain hourly and salaried employees who retire from certain Health Ministries. Medical benefits for these retirees are subject to deductibles and cost sharing provisions. The funded plans provide benefits to certain retirees at fixed dollar amounts in health reimbursement account arrangements for Medicare eligible participants.

The following table sets forth the changes in projected benefit obligations, accumulated postretirement obligations and changes in plan assets and funded status of the plans for both the Pension Plans and Postretirement Plans for the years ended June 30 (in thousands):

|                                                         | <b>Pension Plans</b> |                  | <b>Postretirement Plans</b> |                   |
|---------------------------------------------------------|----------------------|------------------|-----------------------------|-------------------|
|                                                         | <b>2025</b>          | <b>2024</b>      | <b>2025</b>                 | <b>2024</b>       |
| <b>Change in Benefit Obligations:</b>                   |                      |                  |                             |                   |
| Benefit obligation, beginning of year                   | \$ 5,055,596         | \$ 5,222,778     | \$ 62,283                   | \$ 67,798         |
| Interest cost                                           | 286,250              | 294,553          | 3,461                       | 3,766             |
| Actuarial loss (gain)                                   | 99,585               | (30,187)         | (831)                       | (4,236)           |
| Benefits paid                                           | (427,976)            | (431,583)        | (4,877)                     | (5,045)           |
| Plan amendments                                         | -                    | 35               | -                           | -                 |
| Settlements                                             | (138,700)            | -                | -                           | -                 |
| <b>Benefit obligation, end of year</b>                  | <b>4,874,755</b>     | <b>5,055,596</b> | <b>60,036</b>               | <b>62,283</b>     |
| <b>Change in Plan Assets</b>                            |                      |                  |                             |                   |
| Fair value of plan assets, beginning of year            | 5,061,185            | 5,271,429        | 188,511                     | 163,013           |
| Actual return on plan assets                            | 372,360              | 205,905          | 22,169                      | 29,142            |
| Employer contributions                                  | 13,470               | 15,434           | 1,396                       | 1,401             |
| Benefits paid                                           | (427,976)            | (431,583)        | (4,877)                     | (5,045)           |
| Settlements                                             | (138,700)            | -                | -                           | -                 |
| <b>Fair value of plan assets, end of year</b>           | <b>4,880,339</b>     | <b>5,061,185</b> | <b>207,199</b>              | <b>188,511</b>    |
| <b>Funded amount recognized June 30</b>                 | <b>\$ 5,584</b>      | <b>\$ 5,589</b>  | <b>\$ 147,163</b>           | <b>\$ 126,228</b> |
| Recognized in prepaid pension and retiree health assets | \$ 54,664            | \$ 66,993        | \$ 157,741                  | \$ 137,329        |
| Recognized in accrued pension and retiree health costs  | \$ (49,080)          | \$ (61,404)      | \$ (10,578)                 | \$ (11,101)       |

The benefit obligation actuarial loss in 2025 was primarily due to decreases in the discount rates to measure plan liabilities. The actuarial gain on the post-retirement benefit obligation was primarily related to demographic experience. The benefit obligation actuarial gain in 2024 was due primarily to increases in the discount rates to measure plan liabilities.

The accumulated benefit obligations equaled the projected benefit obligations for all defined benefit pension and postretirement plans as of June 30, 2025 and 2024, respectively.

The information for pension plans with projected and accumulated benefit obligations in excess of plan assets as of June 30 are as follows (in thousands):

|                                               | <b>2025</b>        | <b>2024</b>        |
|-----------------------------------------------|--------------------|--------------------|
| Projected and accumulated benefit obligations | \$ 553,201         | \$ 550,361         |
| Fair value of plan assets                     | 504,121            | 488,957            |
| <b>Funded status</b>                          | <b>\$ (49,080)</b> | <b>\$ (61,404)</b> |

The information for postretirement plans with projected and accumulated benefit obligations in excess of plan assets as of June 30 are as follows (in thousands):

|                                               | <u>2025</u>        | <u>2024</u>        |
|-----------------------------------------------|--------------------|--------------------|
| Projected and accumulated benefit obligations | \$ 10,578          | \$ 11,101          |
| Fair value of plan assets                     | <u>-</u>           | <u>-</u>           |
| Funded status                                 | <u>\$ (10,578)</u> | <u>\$ (11,101)</u> |

Components of net periodic benefit expense (income) for the years ended June 30 consisted of the following (in thousands):

|                                       | <u>Pension Plans</u> |                  | <u>Postretirement Plans</u> |                    |
|---------------------------------------|----------------------|------------------|-----------------------------|--------------------|
|                                       | <u>2025</u>          | <u>2024</u>      | <u>2025</u>                 | <u>2024</u>        |
| Interest cost                         | \$ 286,250           | \$ 294,552       | 3,461                       | \$ 3,764           |
| Expected return on assets             | (289,902)            | (297,488)        | (12,092)                    | (10,421)           |
| Amortization of prior service credit  | (4,884)              | (4,811)          | (158)                       | (349)              |
| Recognized net actuarial loss (gain)  | <u>71,464</u>        | <u>69,062</u>    | <u>(7,324)</u>              | <u>(5,660)</u>     |
| Net periodic benefit expense (income) |                      |                  |                             |                    |
| before settlements                    | 62,928               | 61,315           | (16,113)                    | (12,666)           |
| Settlements                           | <u>62,588</u>        | <u>-</u>         | <u>-</u>                    | <u>-</u>           |
| Net periodic benefit expense (income) | <u>\$ 125,516</u>    | <u>\$ 61,315</u> | <u>\$ (16,113)</u>          | <u>\$ (12,666)</u> |

The deferred losses (gains) included in net assets without donor restrictions, including amounts arising during the year and amounts reclassified into net periodic benefit cost, are as follows (in thousands):

|                                             | Pension Plans      |                         |              |
|---------------------------------------------|--------------------|-------------------------|--------------|
|                                             | Net<br>Loss (Gain) | Prior<br>Service Credit | Total        |
| Balance at July 1, 2023                     | \$ 1,926,205       | \$ (91,009)             | \$ 1,835,196 |
| Reclassified into net periodic benefit cost | (69,062)           | 4,811                   | (64,251)     |
| Arising during the year                     | 61,398             | 35                      | 61,433       |
| Balance at June 30, 2024                    | \$ 1,918,541       | \$ (86,163)             | \$ 1,832,378 |
| Reclassified into net periodic benefit cost | (71,464)           | 4,884                   | (66,580)     |
| Arising during the year                     | 17,127             | -                       | 17,127       |
| Settlements                                 | (62,588)           | -                       | (62,588)     |
| Balance at June 30, 2025                    | \$ 1,801,616       | \$ (81,279)             | \$ 1,720,337 |

|                                             | Postretirement Plans |                         |             | All Plans<br>Grand<br>Total |
|---------------------------------------------|----------------------|-------------------------|-------------|-----------------------------|
|                                             | Net<br>Loss (Gain)   | Prior<br>Service Credit | Total       |                             |
| Balance at July 1, 2023                     | \$ (76,212)          | \$ (1,699)              | \$ (77,911) | \$ 1,757,285                |
| Reclassified into net periodic benefit cost | 5,660                | 349                     | 6,009       | (58,242)                    |
| Arising during the year                     | (22,930)             | -                       | (22,930)    | 38,503                      |
| Balance at June 30, 2024                    | \$ (93,482)          | \$ (1,350)              | \$ (94,832) | \$ 1,737,546                |
| Reclassified into net periodic benefit cost | 7,324                | 158                     | 7,482       | (59,098)                    |
| Arising during the year                     | (10,897)             | -                       | (10,897)    | 6,230                       |
| Settlements                                 | -                    | -                       | -           | (62,588)                    |
| Balance at June 30, 2025                    | \$ (97,055)          | \$ (1,192)              | \$ (98,247) | \$ 1,622,090                |

Assumptions used to determine benefit obligations and net periodic benefit cost as of and for the years ended June 30 were as follows:

|                                          | Pension Plans |               | Postretirement Plans |               |
|------------------------------------------|---------------|---------------|----------------------|---------------|
|                                          | 2025          | 2024          | 2025                 | 2024          |
| Benefit Obligations:                     |               |               |                      |               |
| Discount rate                            | 5.45% - 5.90% | 5.85% - 6.05% | 5.10% - 5.65%        | 5.80% - 5.90% |
| Weighted average interest crediting rate | 4.76%         | 4.94%         | N/A                  | N/A           |
| Net Periodic Benefit Cost:               |               |               |                      |               |
| Discount rate                            | 5.85% - 6.05% | 5.90% - 5.95% | 5.80% - 5.90%        | 5.85% - 5.95% |
| Weighted average interest crediting rate | 4.94%         | 4.89%         | N/A                  | N/A           |
| Expected long-term return on plan assets | 5.50% - 6.25% | 4.50% - 6.60% | 6.50%                | 6.50%         |

Approximately 95% of the Corporation's pension plan liabilities were measured using a 5.75% discount rate as of June 30, 2025. Approximately 74% of the Corporation's pension plan liabilities were measured using a 5.95% discount rate as of June 30, 2024.

The Corporation utilizes a pension liability driven investment ("LDI") strategy in determining its asset allocation and long-term rate of return for plan assets. This risk management strategy uses a glide path methodology based on funded status, which was further refined during fiscal year 2021 to protect the funded status of the Pension Plans. The revised glidepath was developed in alignment of an improving hedging ratio, which measures the percentage of hedging assets to Pension Plan liabilities. The glidepath methodology is used to initiate asset allocation changes across the efficient frontier. Efficient frontier analysis models the risk and return trade-offs among asset classes while taking into consideration the correlation among the asset classes. Historical market returns and risks are examined as part of this process, but risk-based adjustments are made to correspond with modern portfolio theory. Long-term historical correlations between asset classes are used, consistent with widely accepted capital markets principles. Current market factors, such as inflation and interest rates, are evaluated before long-term capital market assumptions are determined. The long-term rate of return is established using the efficient frontier analysis approach with proper consideration of asset class diversification and rebalancing. Peer data and historical returns are reviewed to check for reasonableness and appropriateness.

**Health Care Cost Trend Rates** – Assumed health care cost trend rates have a significant effect on the amounts reported for the postretirement plans. The postretirement benefit obligation includes assumed health care cost trend rates as of June 30 as follows:

|                                     | 2025  | 2024  |
|-------------------------------------|-------|-------|
| Medical and drugs, pre-age 65       | 7.00% | 6.50% |
| Medical and drugs, post-age 65      | 7.00% | 6.50% |
| Ultimate trend rate                 | 5.00% | 5.00% |
| Year rate reaches the ultimate rate | 2033  | 2030  |

The Corporation's investment allocations as of June 30 by investment category are as follows:

|                                     | Pension Plans |      | Postretirement Plans |      |
|-------------------------------------|---------------|------|----------------------|------|
|                                     | 2025          | 2024 | 2025                 | 2024 |
| Investment Category:                |               |      |                      |      |
| Cash and cash equivalents           | 3%            | 2%   | -                    | 2%   |
| Marketable securities:              |               |      |                      |      |
| U.S. and non-U.S. equity securities | 3%            | 3%   | -                    | -    |
| Equity mutual funds                 | 1%            | 1%   | -                    | -    |
| Debt securities                     | 64%           | 61%  | 35%                  | 36%  |
| Other investments:                  |               |      |                      |      |
| Commingled funds                    | 26%           | 28%  | 65%                  | 62%  |
| Hedge funds                         | 2%            | 3%   | -                    | -    |
| Private equity funds                | 1%            | 2%   | -                    | -    |
| Total                               | 100%          | 100% | 100%                 | 100% |

The LDI investment strategy focuses on maintaining an appropriate liability hedging ratio along the glidepath. It utilizes a mix of equities, hedge funds and fixed-income investments for a prudent level of risk. Risk tolerance is established through careful consideration of plan liabilities, plan funded status and corporate financial condition. The investment portfolio contains a diversified blend of equity and fixed-income investments. Furthermore, equity investments are diversified across U.S. and non-U.S. stocks, as well as growth, value, and small and large capitalizations. Other investments, such as hedge funds, interest rate swaps and private equity are used judiciously to enhance long-term returns while improving portfolio diversification. The private equity investments remain in run-off mode. Derivatives may be used to gain market exposure in an efficient and timely manner; however, derivatives may not be used to leverage the portfolio beyond the market value of the underlying investments. Investment risk is measured and monitored on an ongoing basis through monthly investment portfolio reviews, annual liability measurements and periodic asset/liability studies. For the majority of the Corporation's pension plan investments, the combined target investment allocation as of June 30, 2025, was fixed-income obligations 78%; global and traditional equity securities 18%; hedge funds 2%; and cash 2%.

The following table summarizes the Pension Plans' and Postretirement Plans' assets measured at fair value as of June 30, 2025 (in thousands). See Note 10 for definitions of Levels 1, 2 and 3 of the fair value hierarchy.

|                                                 | 2025                                                                       |                                                           |                        |
|-------------------------------------------------|----------------------------------------------------------------------------|-----------------------------------------------------------|------------------------|
|                                                 | Quoted Prices<br>in Active<br>Markets for<br>Identical Assets<br>(Level 1) | Significant<br>Other<br>Observable<br>Inputs<br>(Level 2) | Total<br>Fair<br>Value |
| Pension Plans:                                  |                                                                            |                                                           |                        |
| Cash and cash equivalents                       | \$ 158,486                                                                 | \$ -                                                      | \$ 158,486             |
| Equity securities                               | 123,154                                                                    | 37                                                        | 123,191                |
| Debt securities                                 |                                                                            |                                                           |                        |
| Government and government<br>agency obligations | -                                                                          | 883,090                                                   | 883,090                |
| Corporate bonds                                 | -                                                                          | 2,239,279                                                 | 2,239,279              |
| Exchange traded/mutual funds                    |                                                                            |                                                           |                        |
| Equity funds                                    | 50,312                                                                     | -                                                         | 50,312                 |
| Derivatives                                     | 4,275                                                                      | -                                                         | 4,275                  |
| Subtotal                                        | <u>\$ 336,227</u>                                                          | <u>\$ 3,122,406</u>                                       | <u>\$ 3,458,633</u>    |
| Investments measured at net asset value:        |                                                                            |                                                           |                        |
| Commingled funds                                |                                                                            |                                                           |                        |
| Equity funds                                    |                                                                            |                                                           | 824,159                |
| Fixed-income funds                              |                                                                            |                                                           | 417,302                |
| Hedge funds                                     |                                                                            |                                                           | 89,582                 |
| Private equity                                  |                                                                            |                                                           | 64,805                 |
| Total financial assets                          |                                                                            |                                                           | 4,854,481              |
| Accrued income and other                        |                                                                            |                                                           | 25,858                 |
| Fair value of plan assets                       |                                                                            |                                                           | <u>\$ 4,880,339</u>    |
| Postretirement Plans:                           |                                                                            |                                                           |                        |
| Exchange traded/mutual funds                    |                                                                            |                                                           |                        |
| Short-term investment funds                     | \$ 796                                                                     | \$ -                                                      | \$ 796                 |
| Fixed-income funds                              | 72,057                                                                     | -                                                         | 72,057                 |
| Other                                           | 4                                                                          | -                                                         | 4                      |
| Subtotal                                        | <u>\$ 72,857</u>                                                           | <u>\$ -</u>                                               | <u>\$ 72,857</u>       |
| Investment measured at net asset value:         |                                                                            |                                                           |                        |
| Equity commingled fund                          |                                                                            |                                                           | 134,342                |
| Fair value of plan assets                       |                                                                            |                                                           | <u>\$ 207,199</u>      |

The following table summarizes the Pension Plans' and Postretirement Plans' assets measured at fair value as of June 30, 2024 (in thousands).

|                                                 | 2024                                                                       |                                                           |                        |
|-------------------------------------------------|----------------------------------------------------------------------------|-----------------------------------------------------------|------------------------|
|                                                 | Quoted Prices<br>in Active<br>Markets for<br>Identical Assets<br>(Level 1) | Significant<br>Other<br>Observable<br>Inputs<br>(Level 2) | Total<br>Fair<br>Value |
| Pension Plans:                                  |                                                                            |                                                           |                        |
| Cash and cash equivalents                       | \$ 114,077                                                                 | \$ 11,573                                                 | \$ 125,650             |
| Equity securities                               | 129,169                                                                    | 37                                                        | 129,206                |
| Debt securities                                 |                                                                            |                                                           |                        |
| Government and government<br>agency obligations | -                                                                          | 704,400                                                   | 704,400                |
| Corporate bonds                                 | -                                                                          | 2,356,158                                                 | 2,356,158              |
| Exchange traded/mutual funds                    |                                                                            |                                                           |                        |
| Equity funds                                    | 65,487                                                                     | -                                                         | 65,487                 |
| Other                                           | 2,868                                                                      | -                                                         | 2,868                  |
| Subtotal                                        | <u>\$ 311,601</u>                                                          | <u>\$ 3,072,168</u>                                       | <u>\$ 3,383,769</u>    |
| Investments measured at net asset value:        |                                                                            |                                                           |                        |
| Commingled funds                                |                                                                            |                                                           |                        |
| Equity funds                                    |                                                                            |                                                           | 777,847                |
| Fixed-income funds                              |                                                                            |                                                           | 632,188                |
| Hedge funds                                     |                                                                            |                                                           | 150,144                |
| Private equity                                  |                                                                            |                                                           | 86,317                 |
| Total financial assets                          |                                                                            |                                                           | 5,030,265              |
| Accrued income and other                        |                                                                            |                                                           | 30,920                 |
| Fair value of plan assets                       |                                                                            |                                                           | <u>\$ 5,061,185</u>    |
| Postretirement Plans:                           |                                                                            |                                                           |                        |
| Exchange traded/mutual funds                    |                                                                            |                                                           |                        |
| Short-term investment funds                     | \$ 2,289                                                                   | \$ -                                                      | \$ 2,289               |
| Fixed-income funds                              | 68,646                                                                     | -                                                         | 68,646                 |
| Subtotal                                        | <u>\$ 70,935</u>                                                           | <u>\$ -</u>                                               | <u>\$ 70,935</u>       |
| Investment measured at net asset value:         |                                                                            |                                                           |                        |
| Equity commingled fund                          |                                                                            |                                                           | 117,576                |
| Fair value of plan assets                       |                                                                            |                                                           | <u>\$ 188,511</u>      |

Unfunded capital commitments related to private equity investments totaled \$19.9 million and \$20.2 million as of June 30, 2025 and 2024, respectively. The private equity investments are in harvest mode and the anticipated amount of capital to be called is less than 15% of the unfunded amount.

See Note 10 for the Corporation's methods and assumptions to estimate the fair value of equity and debt securities, mutual funds, commingled funds, and hedge funds.

**Private Equity** – These assets include several private equity funds that invest primarily in the United States, Asia, and Europe, both directly and on the secondary market, pursuing distressed opportunities and natural resources, primarily energy. These funds are valued at net asset value, which is calculated using the most recent fund financial statements.

**Derivatives** – The fair value of the derivatives is estimated utilizing the terms of the derivative instruments and publicly available market yield curves. The Pension Plans' investment policies specifically prohibit the use of derivatives for speculative purposes.

**Other** – Represents unsettled transactions relating primarily to purchases and sales of plan assets. Due to the short maturity of these assets and liabilities, the fair value approximates the carrying amounts.

There were no Level 3 assets in the Pension Plan portfolios as of June 30, 2025 or 2024.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Corporation believes the valuation methodologies are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**Expected Contributions** – The Corporation expects to contribute approximately \$11.5 million to its Pension Plans and \$1.9 million to its Postretirement Plans during the year ending June 30, 2026, under the Corporation's stated funding policies.

**Expected Benefit Payments** – The Corporation expects to pay the following for pension benefits and postretirement benefits for the years ending June 30 (in thousands):

|                       | <u>Pension<br/>Plans</u> | <u>Postretirement<br/>Plans</u> |
|-----------------------|--------------------------|---------------------------------|
| Years ending June 30: |                          |                                 |
| 2026                  | \$ 489,121               | \$ 6,710                        |
| 2027                  | 430,785                  | 6,466                           |
| 2028                  | 424,716                  | 6,238                           |
| 2029                  | 416,503                  | 6,006                           |
| 2030                  | 409,322                  | 5,760                           |
| Years 2031 – 2034     | 1,858,689                | 24,683                          |

## 9. COMMITMENTS AND CONTINGENCIES

**Litigation and Settlements** – The Corporation is, from time to time, involved in litigation and regulatory investigations that may result in litigation or settlement, arising in the ordinary course of doing business. After consultation with legal counsel, management believes that these matters will be resolved without material adverse effect on the Corporation's future consolidated financial position or results of operations.

**Health Care Regulatory Environment** – The health care industry is subject to numerous and complex federal, state and local government laws and regulations. These laws and regulations include, but are not limited to, matters such as licensure, accreditation, data privacy and security, government health care program participation requirements, government reimbursement rules for patient services, government rules for receipt and use of federal funding programs, fraud and abuse prevention requirements, Executive Orders, and requirements for tax-exempt organizations. Laws and regulations concerning government programs, including Medicare, Medicaid, and Medicare Advantage, are subject to varying regulatory and judicial interpretation. Compliance with such laws and regulations is nuanced and can be subject to future government and judicial review and interpretation as well as significant regulatory enforcement actions, including fines, penalties, and potential exclusion from government health care programs such as Medicare and Medicaid.

The Corporation and its Health Ministries periodically receive requests for information and notices of investigations regarding potential noncompliance with those laws and regulations, billing, payment, or other reimbursement matters; or indicating the existence of whistleblower litigation which, in some instances, have resulted in the Corporation entering into significant settlement agreements. There can be no assurance that regulatory authorities will not challenge the Corporation's compliance with these laws and regulations. In addition, the contracts the Corporation has with commercial payers also provide for retroactive audit and review of claims.

The health care industry in general is experiencing an increase in these activities as federal and state governments increase their enforcement activities and institute new programs and tools designed to identify potential fraud, waste and abuse, irregularities in reimbursement, or quality of patient care. Based on the information received to date, management does not believe the ultimate resolution of these matters will have a material adverse effect on the Corporation's future consolidated financial position or results of operations. Trinity Health monitors its business activities for compliance with applicable laws and regulations and operates a values-based ethics and compliance program that is designed to meet or exceed applicable federal guidelines and industry standards.

## 10. LIQUIDITY AND FAIR VALUE MEASUREMENTS

**Liquidity and Availability** – The following financial assets are not subject to donor or other contractual restrictions and are available for expenditure generally within one year of the balance sheet date. Board-designated funds have been established in which the Board has the objective of setting funds aside that can be drawn upon for current needs. Also, as more fully described in Note 6, the Corporation has a commercial paper program authorized for borrowings of up to \$600 million and a general-purpose credit facility of \$800 million as of June 30, 2025. As of both June 30, 2025 and 2024, there were no amounts outstanding under the existing general purpose credit facility.

The Corporation monitors liquidity position through days cash on hand, which is defined as total unrestricted cash and investments without donor or contractual restrictions, divided by total operating expenses minus depreciation and amortization, divided by the number of days in the period.

The following table depicts the liquidity position of the Corporation as of June 30, but does not include cash or securities provided to the Corporation as collateral under its securities lending program (in thousands):

|                                                    | 2025          | 2024          |
|----------------------------------------------------|---------------|---------------|
| Cash and cash equivalents                          | \$ 569,895    | \$ 404,959    |
| Investment securities classified as current assets | 6,213,751     | 5,822,925     |
| Board-designated funds                             | 8,817,673     | 8,651,133     |
| Total unrestricted cash and investments            | \$ 15,601,319 | \$ 14,879,017 |
| Days cash on hand                                  | 234           | 238           |

Approximately 12.2% of the Board-designated funds include private equity investments that may not be as readily available depending on market conditions. The Corporation has other assets limited or restricted as to use for donor-restricted purposes, debt service and for future capital improvements. Additionally, certain other Board-designated assets are designated for future capital expenditures and operating reserves. These assets limited as to use, which are more fully described in Note 12, are not available for general expenditure within the next year. However, the Board-designated amounts could be made available, if necessary and are thus reflected in the amounts above.

In addition, as of June 30, 2025 and 2024 the Corporation had a working capital surplus of \$7.2 billion and \$6.0 billion, respectively.

**Fair Value Measurements** – The Corporation’s consolidated financial statements reflect certain assets and liabilities recorded at fair value. Assets and liabilities measured at fair value on a recurring basis in the Corporation’s consolidated balance sheets include cash, cash equivalents, securities lending collateral, equity securities, debt securities, mutual funds, commingled funds, hedge funds and derivatives. Defined benefit retirement plan assets are measured at fair value on an annual basis; see Note 8 for further details.

Fair value is 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. The fair value should be based on assumptions that market participants would use, including a consideration of nonperformance risk.

To determine fair value, the Corporation uses various valuation methodologies based on market inputs. For many instruments, pricing inputs are readily observable in the market; the valuation methodology is widely accepted by market participants and involves little to no judgment. For other instruments, pricing inputs are less observable in the marketplace. These inputs can be subjective in nature and involve uncertainties and matters of considerable judgment. The use of different assumptions, judgments and/or estimation methodologies may have a material effect on the estimated fair value amounts.

The Corporation assesses the inputs used to measure fair value using a three-level hierarchy based on the extent to which inputs used in measuring fair value are observable in the market. The fair value hierarchy is as follows:

Level 1 – Quoted (unadjusted) prices for identical instruments in active markets

Level 2 – Other observable inputs, either directly or indirectly, including:

- Quoted prices for similar instruments in active markets
- Quoted prices for identical or similar instruments in nonactive markets (few transactions, limited information, noncurrent prices, high variability over time, etc.)
- Inputs other than quoted prices that are observable for the instrument (interest rates, yield curves, volatilities, default rates, etc.)
- Inputs that are derived principally from or corroborated by other observable market data

Level 3 – Unobservable inputs that cannot be corroborated by observable market data

**Valuation Methodologies** – Exchange-traded securities whose fair value is derived using quoted prices in active markets are classified as Level 1. In instances where quoted market prices are not readily available, fair value is estimated 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. The inputs to these models depend on the type of security being priced, but are typically benchmark yields, credit spreads, prepayment spreads, reported trades and broker-dealer quotes, all with reasonable levels of transparency. Generally, significant changes in any of those inputs in isolation would result in a significantly different fair value measurement. The Corporation classifies these securities as Level 2 within the fair value hierarchy. There were no Level 3 investments as of June 30, 2025 and 2024.

The Corporation maintains policies and procedures to value instruments using the best and most relevant data available. The Corporation has not adjusted the prices obtained. Third-party administrators do not provide access to their proprietary valuation models, inputs and assumptions. Accordingly, the Corporation reviews the independent reports of internal controls for these service providers. In addition, on a quarterly basis, the Corporation performs reviews of investment consultant industry peer group benchmarking and supporting relevant market data. Finally, all of the fund managers have an annual independent audit performed by an accredited accounting firm. The Corporation reviews these audited financials for ongoing validation of pricing used. Based on the information available, the Corporation believes that the fair values provided by the third-party administrators and investment fund managers are representative of prices that would be received to sell the assets.

In instances where the inputs used to measure fair value fall into different levels of the fair value hierarchy, the fair value measurement has been determined based on the lowest-level input that is significant to the fair value measurement in its entirety. The Corporation's assessment of the significance of a particular item to the fair value measurement in its entirety requires judgment, including the consideration of inputs specific to the asset.

Following is a description of the valuation methodologies the Corporation used for instruments recorded at fair value, as well as the general classification of such instruments pursuant to the valuation hierarchy:

**Cash and Cash Equivalents** – The carrying amounts reported in the consolidated balance sheets approximate their fair value. Certain cash and cash equivalents are included in investments and assets limited or restricted as to use in the consolidated balance sheets. Included in this category is commercial paper. The fair value of commercial paper is based on amortized cost. Commercial paper is designated as Level 2 investments with significant observable inputs, including security cost, maturity and credit rating.

**Securities Lending Collateral** – The securities lending collateral is invested in a Northern Trust sponsored commingled collateral fund, which is composed primarily of short-term securities. The fair value amounts of the commingled collateral fund are determined using the calculated net asset value per share (or its equivalent) for the fund with the underlying investments valued using techniques similar to those used for instruments noted below.

**Equity Securities** – Equity securities are valued at the closing price reported on the applicable exchange on which the security is traded or are estimated using quoted market prices for similar securities.

**Debt Securities** – Debt securities 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.

**Exchange-Traded/Mutual Funds** – Exchange-traded funds are valued at the closing price reported on the applicable exchange on which the fund is traded or estimated using quoted market prices for similar securities. Mutual funds are valued using the net asset value based on the value of the underlying assets owned by the fund, minus liabilities, divided by the number of shares outstanding and multiplied by the number of shares owned.

**Commingled Funds** – Commingled funds are developed for investment by institutional investors only and, therefore, do not require registration with the Securities and Exchange Commission. Commingled funds are recorded at fair value based on net asset value, which is calculated using the most recent fund financial statements.

**Hedge Funds** – Hedge funds utilize either a direct or a “fund-of-funds” approach resulting in diversified multi-strategy, multi-manager investments. Underlying investments in these funds may include equity securities, debt securities, commodities, currencies and derivatives. These funds are valued at net asset value, which is calculated using the most recent fund financial statements.

The Corporation classifies its equity and debt securities, mutual funds, commingled funds and hedge funds as trading securities. The amount of holding gains included in the excess of revenue over expenses related to securities still held as of June 30, 2025 and 2024, were \$2,951.4 million and \$1,959.2 million, respectively.

**Equity Method Investments** – Certain other investments are accounted for using the equity method. These investments are structured as limited liability corporations and partnerships and are designed to produce stable investment returns regardless of market activity. These investments utilize a combination of “fund-of-funds” and direct fund investment strategies resulting in a diversified multi-strategy, multi-manager investment approach. Some of these funds are developed by investment managers specifically for the Corporation’s use and are similar to mutual funds but are not traded on a public exchange. Underlying investments in these funds may include other funds, equity securities, debt securities, commodities, currencies and derivatives. Audited information is only available annually based on the limited liability corporations, partnerships or funds’ year-end. Management’s estimates of the fair values of these investments are based on information provided by the third-party administrators and fund managers or the general partners. Management obtains and considers the audited financial statements of these investments when evaluating the overall reasonableness of the recorded value. In addition to a review of external information provided, management’s internal procedures include such things as review of returns against benchmarks and discussions with fund managers on performance, changes in personnel or process, along with evaluations of current market conditions for these investments. Because of the inherent uncertainty of valuations, values may differ materially from the values that would have been used had a ready market existed. Unfunded capital commitments related to equity method investments totaled \$687.6 million and \$644.0 million as of June 30, 2025 and 2024, respectively.

**Interest Rate Swaps** – The fair value of the Corporation’s derivatives, which are mainly interest rate swaps, are estimated utilizing the terms of the swaps and publicly available market yield curves along with the Corporation’s nonperformance risk as observed through the credit default swap market and bond market and based on prices for recent trades. These swap agreements are classified as Level 2 within the fair value hierarchy.

The following table presents information about the fair value of the Corporation's financial instruments measured at fair value on a recurring basis and recorded as of June 30, 2025 (in thousands):

|                                                 | 2025                                                                       |                                                           |                        |
|-------------------------------------------------|----------------------------------------------------------------------------|-----------------------------------------------------------|------------------------|
|                                                 | Quoted Prices<br>in Active<br>Markets for<br>Identical Assets<br>(Level 1) | Significant<br>Other<br>Observable<br>Inputs<br>(Level 2) | Total<br>Fair<br>Value |
| <b>Assets:</b>                                  |                                                                            |                                                           |                        |
| Cash and cash equivalents                       | \$ 1,134,371                                                               | \$ 26,793                                                 | \$ 1,161,164           |
| Security lending collateral                     | -                                                                          | 383,303                                                   | 883,303                |
| Equity securities                               | 4,805,532                                                                  | -                                                         | 4,805,532              |
| Debt securities:                                |                                                                            |                                                           |                        |
| Government and government<br>agency obligations | -                                                                          | 2,017,160                                                 | 2,017,160              |
| Corporate bonds                                 | -                                                                          | 2,057,650                                                 | 2,057,650              |
| Asset backed securities                         | -                                                                          | 629,583                                                   | 629,583                |
| Bank loans                                      | -                                                                          | 36,039                                                    | 36,039                 |
| Other                                           | -                                                                          | 2,448                                                     | 2,448                  |
| Exchange traded/mutual funds:                   |                                                                            |                                                           |                        |
| Equity funds                                    | 811,721                                                                    | -                                                         | 811,721                |
| Fixed income funds                              | 1,018,639                                                                  | -                                                         | 1,018,639              |
| Real estate investment funds                    | 93,160                                                                     | -                                                         | 93,160                 |
| Other                                           | 24,416                                                                     | -                                                         | 24,416                 |
| Subtotal                                        | <u>\$ 7,887,839</u>                                                        | <u>\$ 5,652,976</u>                                       | <u>\$ 13,540,815</u>   |
| Equity method investments                       |                                                                            |                                                           | 3,116,226              |
| Investments measured at net asset value:        |                                                                            |                                                           |                        |
| Commingled funds                                |                                                                            |                                                           | 1,222,749              |
| Hedge funds                                     |                                                                            |                                                           | 624,965                |
| Total financial assets                          |                                                                            |                                                           | <u>18,504,755</u>      |
| Accrued income                                  |                                                                            |                                                           | <u>53,376</u>          |
| Fair value of assets                            |                                                                            |                                                           | <u>\$ 18,558,131</u>   |
| <b>Liabilities:</b>                             |                                                                            |                                                           |                        |
| Interest rate swaps                             | <u>\$ -</u>                                                                | <u>\$ 37,178</u>                                          | <u>\$ 37,178</u>       |

The following table presents information about the fair value of the Corporation's financial instruments measured at fair value on a recurring basis and recorded as of June 30, 2024 (in thousands):

|                                                 | 2024                                                                       |                                                           |                        |
|-------------------------------------------------|----------------------------------------------------------------------------|-----------------------------------------------------------|------------------------|
|                                                 | Quoted Prices<br>in Active<br>Markets for<br>Identical Assets<br>(Level 1) | Significant<br>Other<br>Observable<br>Inputs<br>(Level 2) | Total<br>Fair<br>Value |
| <b>Assets:</b>                                  |                                                                            |                                                           |                        |
| Cash and cash equivalents                       | \$ 4,639,842                                                               | \$ 8,805                                                  | \$ 4,648,647           |
| Security lending collateral                     | -                                                                          | 330,662                                                   | 330,662                |
| Equity securities                               | 3,475,866                                                                  | 123                                                       | 3,475,989              |
| Debt securities:                                |                                                                            |                                                           |                        |
| Government and government<br>agency obligations | -                                                                          | 934,525                                                   | 934,525                |
| Corporate bonds                                 | -                                                                          | 1,146,787                                                 | 1,146,787              |
| Asset backed securities                         | -                                                                          | 339,852                                                   | 339,852                |
| Bank loans                                      | -                                                                          | 23,191                                                    | 23,191                 |
| Other                                           | -                                                                          | 2,553                                                     | 2,553                  |
| Exchange traded/mutual funds:                   |                                                                            |                                                           |                        |
| Equity funds                                    | 743,743                                                                    | -                                                         | 743,743                |
| Fixed income funds                              | 681,582                                                                    | -                                                         | 681,582                |
| Real estate investment funds                    | 67,202                                                                     | -                                                         | 67,202                 |
| Other                                           | 21,993                                                                     | -                                                         | 21,993                 |
| Subtotal                                        | <u>\$ 9,630,228</u>                                                        | <u>\$ 2,786,498</u>                                       | <u>\$ 12,416,726</u>   |
| Equity method investments                       |                                                                            |                                                           | 2,868,748              |
| Investments measured at net asset value:        |                                                                            |                                                           |                        |
| Commingled funds                                |                                                                            |                                                           | 1,245,673              |
| Hedge funds                                     |                                                                            |                                                           | 555,069                |
| Total financial assets                          |                                                                            |                                                           | <u>17,086,216</u>      |
| Accrued income                                  |                                                                            |                                                           | <u>34,737</u>          |
| Fair value of assets                            |                                                                            |                                                           | <u>\$ 17,120,953</u>   |
| <b>Liabilities:</b>                             |                                                                            |                                                           |                        |
| Interest rate swaps                             | <u>\$ -</u>                                                                | <u>\$ 35,460</u>                                          | <u>\$ 35,460</u>       |

The following table reconciles the information about the fair value of the Corporation's financial instruments measured at fair value on a recurring basis presented in the table above to amounts presented in the consolidated balance sheets as of June 30 (in thousands):

|                                                              | 2025                 | 2024                 |
|--------------------------------------------------------------|----------------------|----------------------|
| Assets:                                                      |                      |                      |
| Cash and cash equivalents                                    | \$ 569,895           | \$ 404,959           |
| Investments                                                  | 6,213,751            | 5,822,925            |
| Security lending collateral                                  | 883,303              | 330,662              |
| Assets limited or restricted as to use - current portion     | 398,735              | 453,062              |
| Assets limited or restricted as to use - noncurrent portion: |                      |                      |
| Self-insurance, benefit plans and other                      | 1,304,698            | 1,157,778            |
| By Board                                                     | 8,648,160            | 8,454,359            |
| By donor                                                     | 676,019              | 629,104              |
| Less items not recorded at fair value:                       |                      |                      |
| Unconditional promises to give - net                         | (40,983)             | (36,576)             |
| Reinsurance recovery receivable                              | (82,674)             | (83,025)             |
| Other, primarily beneficial interests in trusts              | (12,773)             | (12,295)             |
| Total assets                                                 | <u>\$ 18,558,131</u> | <u>\$ 17,120,953</u> |

*Investments in Entities that Calculate Net Asset Value per Share* – The Corporation holds shares or interests in investment companies at year-end, included in commingled funds and hedge funds, where the fair value of the investment held is estimated based on the net asset value per share (or its equivalent) of the investment company. There were no unfunded commitments as of June 30, 2025 and 2024. The fair value and redemption rules of these investments are as follows as of June 30 (in thousands):

| 2025             |                     |                                   |                          |
|------------------|---------------------|-----------------------------------|--------------------------|
|                  | Fair Value          | Redemption Frequency              | Redemption Notice Period |
| Commingled funds | \$ 1,222,749        | Daily, weekly, thrice-monthly     | 2 - 10 days              |
| Hedge funds      | <u>624,965</u>      | Monthly, quarterly, semi-annually | 15 - 95 days             |
| Total            | <u>\$ 1,847,714</u> |                                   |                          |
| 2024             |                     |                                   |                          |
|                  | Fair Value          | Redemption Frequency              | Redemption Notice Period |
| Commingled funds | \$ 1,245,673        | Daily, weekly, thrice-monthly     | 2 - 10 days              |
| Hedge funds      | <u>555,069</u>      | Monthly, quarterly, semi-annually | 15 - 95 days             |
| Total            | <u>\$ 1,800,742</u> |                                   |                          |

The hedge fund category includes equity long/short hedge funds, multi-strategy hedge funds and relative value hedge funds. Equity long/short hedge funds invest both long and short, primarily in U.S. common stocks. Management of the fund has the ability to shift investments from value to growth strategies, from small to large capitalization stocks and from a net long position to a net short position. Multi-strategy hedge funds pursue multiple strategies to diversify risks and reduce volatility.

The relative value hedge fund strategy is to exploit structural and technical inefficiencies in the market by investing in financial instruments that are perceived to be inefficiently priced as a result of business, financial or legal uncertainties. Investments representing approximately 0.2% and 0.3% of the value of the investments in this category as of June 30, 2025 and 2024, respectively, can only be redeemed semi-annually, bi-annually, or annually subsequent to the initial investment date. Investments representing 66.7% and 66.6% of the investments in this category as of June 30, 2025 and 2024, respectively, can only be redeemed at the rate of 25% per quarter.

The commingled fund category primarily includes investments in funds that invest in financial instruments of U.S. and non-U.S. entities, primarily bonds, notes, bills, debentures, currencies and interest rate and derivative products.

The composition of investment returns included in the consolidated statements of operations and changes in net assets for the years ended June 30 is as follows (in thousands):

|                                                     | 2025                | 2024                |
|-----------------------------------------------------|---------------------|---------------------|
| Dividend, interest income and other                 | \$ 381,789          | \$ 264,595          |
| Realized gain - net                                 | 140,538             | 141,719             |
| Realized equity earnings, other investments         | 145,424             | 70,758              |
| Change in net unrealized (loss) gain on investments | 963,647             | 696,733             |
| Total investment return                             | <u>\$ 1,631,398</u> | <u>\$ 1,173,805</u> |
| Included in:                                        |                     |                     |
| Operating income                                    | \$ 115,832          | \$ 141,335          |
| Nonoperating items                                  | 1,475,055           | 979,982             |
| Changes in net assets with donor restrictions       | 40,511              | 52,488              |
| Total investment return                             | <u>\$ 1,631,398</u> | <u>\$ 1,173,805</u> |

In addition to investments, assets restricted as to use include receivables for unconditional promises to give cash and other assets, net of allowances for uncollectible promises to give. Unconditional promises to give consist of the following as of June 30 (in thousands):

|                                                | 2025             | 2024             |
|------------------------------------------------|------------------|------------------|
| Amounts expected to be collected in:           |                  |                  |
| Less than one year                             | \$ 22,135        | \$ 21,105        |
| One to five years                              | 21,529           | 18,726           |
| More than five years                           | 1,846            | 1,979            |
|                                                | <u>45,510</u>    | <u>41,810</u>    |
| Discount to present value of future cash flows | (2,603)          | (2,960)          |
| Allowance for uncollectible amounts            | <u>(1,924)</u>   | <u>(2,274)</u>   |
| Total unconditional promises to give - net     | <u>\$ 40,983</u> | <u>\$ 36,576</u> |

## 11. DERIVATIVE FINANCIAL INSTRUMENTS

**Derivative Financial Instruments** – In the normal course of business, the Corporation is exposed to market risks, including the effect of changes in interest rates and equity market volatility. To manage these risks, the Corporation maintains various derivative contracts, primarily interest rate swaps. Interest rate swaps are used to manage the effect of interest rate fluctuations. The Corporation did not enter into any derivative contracts during the years ended June 30, 2025 and 2024.

Management reviews the Corporation's hedging program, derivative position and overall risk management on a regular basis. The Corporation only enters into transactions it believes will be highly effective at offsetting the underlying risk.

**Interest Rate Swaps** – The Corporation utilizes interest rate swaps to manage interest rate risk related to the Corporation's variable interest rate debt. Cash payments on interest rate swaps totaled \$3.6 million and \$0.8 million for the years ended June 30, 2025 and 2024, respectively, and are included in nonoperating items.

Certain of the Corporation's interest rate swaps contain provisions that give certain counterparties the right to terminate the interest rate swap if a rating is downgraded below specified thresholds. If a ratings downgrade threshold is breached, the counterparties to the derivative instruments could demand immediate termination of the swaps. Such termination could result in a payment from the Corporation or a payment to the Corporation depending on the market value of the interest rate swap.

**Effect of Derivative Instruments on Excess of Revenue over Expenses** – The Corporation has interest rate swaps not designated as hedging instruments which are included in the excess of revenue over expenses in the statements of operations and changes in net assets. Net (losses) gains included in the change in market value and cash payments of interest rate swaps totaled (\$5.3) million and \$12.9 million for the years ended June 30, 2025 and 2024, respectively.

**Balance Sheet Effect of Derivative Instruments** – The following table summarizes the estimated fair value of the Corporation's derivative financial instruments as of June 30 (in thousands):

| Derivatives Not<br>Designated as<br>Hedging Instruments | Consolidated<br>Balance Sheet<br>Location | Fair Value |           |
|---------------------------------------------------------|-------------------------------------------|------------|-----------|
|                                                         |                                           | 2025       | 2024      |
| Liability Derivatives:                                  |                                           |            |           |
| Interest rate swaps                                     | Other long-term liabilities               | \$ 37,178  | \$ 35,460 |

The counterparties to the interest rate swaps expose the Corporation to credit loss in the event of nonperformance. As of June 30, 2025 and 2024, an adjustment for nonperformance risk reduced derivative liabilities by \$0.4 million and \$0.7 million, respectively.

## 12. NET ASSETS WITHOUT DONOR RESTRICTIONS AND WITH DONOR RESTRICTIONS

Net assets with donor restrictions are those whose use by the Corporation has been limited by donors to a specific program or time period. In addition, certain restricted assets have been restricted by donors to be maintained by the Corporation in perpetuity. Net assets with donor restrictions as of June 30 are restricted for the following programs or periods (in thousands):

|                                                                               | 2025              | 2024              |
|-------------------------------------------------------------------------------|-------------------|-------------------|
| Subject to expenditure for specified program                                  |                   |                   |
| Education and research                                                        | \$ 54,647         | \$ 46,284         |
| Building and equipment                                                        | 112,856           | 89,892            |
| Patient care                                                                  | 58,821            | 65,408            |
| Cancer center/research                                                        | 23,047            | 24,467            |
| Services for elderly care                                                     | 50,899            | 47,867            |
| Other                                                                         | 95,246            | 98,879            |
| Total subject to expenditure for specified program                            | <u>395,516</u>    | <u>372,797</u>    |
| Subject to the passage of time                                                |                   |                   |
| For periods after June 30                                                     | <u>40,983</u>     | <u>36,576</u>     |
| Total subject to expenditure for specified program and passage of time        | <u>\$ 436,499</u> | <u>\$ 409,373</u> |
| Subject to organization spending policy and appropriation                     |                   |                   |
| Investment in perpetuity, which, once appropriated, is expendable to support: |                   |                   |
| Hospital operations                                                           | 147,398           | 145,168           |
| Medical programs                                                              | 23,427            | 14,809            |
| Scholarship funds                                                             | 14,727            | 17,737            |
| Research funds                                                                | 14,147            | 13,693            |
| Community service funds                                                       | 16,802            | 18,695            |
| Other                                                                         | 47,299            | 44,887            |
| Total subject to organization spending policy and appropriation               | <u>263,800</u>    | <u>254,989</u>    |
| Total net assets with donor restrictions                                      | <u>\$ 700,299</u> | <u>\$ 664,362</u> |

The Corporation's endowments consist of funds established for a variety of purposes. Endowments include both donor-restricted endowment funds and funds designated by the Board to function as endowments. Net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. The Corporation considers various factors in making a determination to appropriate or accumulate donor-restricted endowment funds.

The Corporation employs a total return investment approach whereby a mix of equities and fixed-income investments are used to maximize the long-term return of endowment funds for a prudent level of risk. The Corporation targets a diversified asset allocation to achieve its long-term return objectives within prudent risk constraints. The Corporation can appropriate each year all available earnings in accordance with donor restrictions. The endowment corpus is to be maintained in perpetuity. Certain donor-restricted endowments require a portion of annual earnings to be maintained in perpetuity along with the corpus. Only amounts exceeding the amounts required to be maintained in perpetuity are expended.

The changes in endowment net assets and composition by type of fund for the years ended June 30 are as follows (in thousands):

|                                                    | Net Assets<br>Without<br>Donor<br>Restrictions | Net Assets<br>With<br>Donor<br>Restrictions | Total      |
|----------------------------------------------------|------------------------------------------------|---------------------------------------------|------------|
| Endowment net assets, July 1, 2023                 | \$ 101,430                                     | \$ 300,279                                  | \$ 401,709 |
| Investment return:                                 |                                                |                                             |            |
| Investment income                                  | 4,163                                          | 5,810                                       | 9,973      |
| Change in net realized and unrealized gains        | 8,599                                          | 14,297                                      | 22,896     |
| Total investment return                            | 12,762                                         | 20,107                                      | 32,869     |
| Contributions                                      | 1,002                                          | 4,216                                       | 5,218      |
| Appropriation of endowment assets for expenditures | (2,973)                                        | (2,946)                                     | (5,919)    |
| Other                                              | (4,365)                                        | (2,659)                                     | (7,024)    |
| Endowment net assets, June 30, 2024                | \$ 107,856                                     | \$ 318,997                                  | \$ 426,853 |
| Investment return:                                 |                                                |                                             |            |
| Investment income                                  | 4,682                                          | 3,108                                       | 7,790      |
| Change in net realized and unrealized gains        | 5,760                                          | 12,832                                      | 18,592     |
| Total investment return                            | 10,442                                         | 15,940                                      | 26,382     |
| Contributions                                      | 1,527                                          | 4,021                                       | 5,548      |
| Appropriation of endowment assets for expenditures | (1,852)                                        | (2,952)                                     | (4,804)    |
| Other                                              | (4,289)                                        | (22,865)                                    | (27,154)   |
| Endowment net assets, June 30, 2025                | \$ 113,684                                     | \$ 313,141                                  | \$ 426,825 |

The table below describes the restrictions for endowment amounts classified as net assets with donor restrictions as of June 30 (in thousands):

|                                                                        | 2025       | 2024       |
|------------------------------------------------------------------------|------------|------------|
| Net assets with donor restrictions:                                    |            |            |
| Endowments requiring income to be added to the original gift           | \$ 6,717   | \$ 10,970  |
| Term endowment funds                                                   | -          | 11,693     |
| Accumulated investment gains on endowment funds:                       |            |            |
| Without purpose restrictions                                           | 211,123    | 204,779    |
| With purpose restrictions                                              | 95,301     | 91,555     |
| Total endowment funds classified as net assets with donor restrictions | \$ 313,141 | \$ 318,997 |

**Underwater Endowments** – Periodically, the fair value of assets associated with the individual donor-restricted endowment funds may fall below the level that the donor or the Uniform Prudent Management of Institutional Funds Act (UPMIFA) requires the Corporation to retain as a fund of perpetual duration. The Corporation has a policy that permits spending from underwater endowment funds depending on the degree to which the fund is underwater, unless otherwise precluded by donor intent or relevant laws and regulations. However, the Corporation's policy for all endowments is the investment returns released into income during the year may not exceed 5% of the total investment pool balance. This policy also applies to underwater endowments.

**Governing Board Designations** – At times, the Corporation's governing Board may make designations or appropriations that result in self-imposed limits on the use of resources without donor restrictions, known as Board-designated net assets. The Corporation's governing Board has designated, from net assets without donor restrictions, amounts for the following purposes as of June 30 (in thousands):

|                                                             | 2025         | 2024         |
|-------------------------------------------------------------|--------------|--------------|
| Quasi-endowment funds                                       | \$ 113,684   | \$ 107,856   |
| Future capital improvements                                 | 1,148,583    | 1,048,207    |
| Ministry strategic development funds                        | 5,089,551    | 4,537,256    |
| Insurance and retirement programs                           | 1,256,194    | 1,145,316    |
| Retirement of debt/intercompany loan program                | 717,326      | 1,348,675    |
| Program/mission                                             | 350,042      | 314,856      |
| Other                                                       | 142,293      | 148,967      |
| Total governing Board designations                          | 8,817,673    | 8,651,133    |
| Less current portion                                        | (169,513)    | (196,774)    |
| Total governing Board designations - net of current portion | \$ 8,648,160 | \$ 8,454,359 |

### 13. RESTRUCTURING CHARGES

During fiscal year 2025, the Corporation undertook actions to reduce administrative costs in response to ongoing economic challenges facing the Corporation including shifting patient volumes and continued inflated labor and supplies costs. As a result of these actions, restructuring charges, primarily for severance and termination benefits, of \$50.4 million for the year ended June 30, 2025, were recorded in the consolidated statement of operations and changes in net assets.

### 14. SUBSEQUENT EVENTS

Management has evaluated subsequent events through September 25, 2025, the date the consolidated financial statements were issued. The following subsequent events were noted:

**Divestiture - MercyOne Siouxland Medical Center, Sioux City Iowa ("MercyOne Siouxland")** – Effective September 1, 2025, the Corporation, through its subsidiary Mercy Health Services – Iowa, Corp., sold certain assets related to the operations of MercyOne Siouxland Medical Center, including working capital and the assumption of certain liabilities, to UnityPoint Health System. For the years ended June 30, 2025 and 2024, the Corporation's consolidated statements of operations and changes in net assets included revenue of \$192.5 million and \$210.9 million, respectively, and deficiency of revenue over expenses of \$91.2 million and \$52.3 million respectively, related to the operations of MercyOne Siouxland.

\* \* \* \* \*



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## INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATING SCHEDULES

To the Board of Directors of  
Trinity Health Corporation  
Livonia, Michigan

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating schedules (the "schedules") listed in the table of contents are presented for the purpose of additional analysis of the consolidated financial statements rather than to present the financial position, results of operations, and cash flows of the individual companies, and are not a required part of the consolidated financial statements. These schedules are the responsibility of Trinity Health Corporation's management and were derived from and relate directly to the underlying accounting and other records used to prepare the consolidated financial statements. Such schedules have been subjected to the auditing procedures applied in our audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such schedules 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, such schedules are fairly stated in all material respects in relation to the consolidated financial statements as a whole.

*Deloitte + Touche LLP*

September 25, 2025

# TRINITY HEALTH

## Supplemental Condensed Consolidating Balance Sheets - Information

June 30, 2025

(In thousands)

|                                                                   | Saint Agnes<br>Medical Center,<br>Fresno, California | Saint Alphonsus<br>Health System,<br>Oregon-Idaho | MercyOne Iowa<br>Region | Loyola Medicine<br>Health System,<br>Maywood, Illinois | Saint Joseph Regional<br>Medical Center,<br>South Bend, Indiana |
|-------------------------------------------------------------------|------------------------------------------------------|---------------------------------------------------|-------------------------|--------------------------------------------------------|-----------------------------------------------------------------|
| <b>ASSETS</b>                                                     |                                                      |                                                   |                         |                                                        |                                                                 |
| <b>CURRENT ASSETS</b>                                             |                                                      |                                                   |                         |                                                        |                                                                 |
| Cash, cash equivalents and investments                            | \$ 27,117                                            | \$ 762,788                                        | \$ 1,053,304            | \$ 88,669                                              | \$ 36,825                                                       |
| Assets limited as to use - current portion                        | 2,494                                                | 154                                               | 1,689                   | 1,815                                                  | -                                                               |
| Patient and other receivables                                     | 351,806                                              | 212,738                                           | 518,215                 | 316,430                                                | 81,925                                                          |
| Other current assets                                              | 10,356                                               | 28,223                                            | 89,271                  | 47,451                                                 | 16,386                                                          |
| Total current assets                                              | 391,773                                              | 1,003,903                                         | 1,662,479               | 454,365                                                | 135,136                                                         |
| <b>ASSETS LIMITED OR RESTRICTED AS TO USE -</b>                   |                                                      |                                                   |                         |                                                        |                                                                 |
| Noncurrent portion:                                               |                                                      |                                                   |                         |                                                        |                                                                 |
| Self-insurance, benefit plans and other                           | 312                                                  | 24,151                                            | 116,007                 | 87,257                                                 | 9,414                                                           |
| By Board                                                          | 4,081                                                | 23,474                                            | 402,665                 | 2,653                                                  | -                                                               |
| By donors                                                         | 9,710                                                | 8,799                                             | 85,532                  | 78,234                                                 | 9,625                                                           |
| Total assets limited or restricted as to use - Noncurrent portion | 14,103                                               | 56,424                                            | 604,204                 | 168,144                                                | 19,059                                                          |
| <b>PROPERTY AND EQUIPMENT - Net</b>                               | 264,317                                              | 540,027                                           | 984,864                 | 693,876                                                | 262,352                                                         |
| <b>OTHER ASSETS</b>                                               | 131,699                                              | 228,671                                           | 518,147                 | 310,558                                                | 40,656                                                          |
| <b>TOTAL ASSETS</b>                                               | <u>\$ 801,892</u>                                    | <u>\$ 1,829,025</u>                               | <u>\$ 3,769,694</u>     | <u>\$ 1,626,943</u>                                    | <u>\$ 457,203</u>                                               |
| <b>LIABILITIES AND NET ASSETS</b>                                 |                                                      |                                                   |                         |                                                        |                                                                 |
| <b>CURRENT LIABILITIES</b>                                        |                                                      |                                                   |                         |                                                        |                                                                 |
| LONG-TERM DEBT - Net of current portion                           | \$ 240,799                                           | \$ 180,731                                        | \$ 1,212,545            | \$ 282,986                                             | \$ 88,718                                                       |
| LONG-TERM PORTION OF OPERATING LEASE LIABILITIES                  | 127,466                                              | 229,477                                           | 928,112                 | 699,587                                                | 346,846                                                         |
| OTHER LIABILITIES                                                 | 13,443                                               | 34,546                                            | 105,468                 | 15,276                                                 | 2,274                                                           |
|                                                                   | 5,295                                                | 27,678                                            | 128,420                 | 97,658                                                 | 9,528                                                           |
| <b>NET ASSETS:</b>                                                |                                                      |                                                   |                         |                                                        |                                                                 |
| Net assets without donor restrictions                             | 404,983                                              | 1,347,640                                         | 1,308,131               | 451,388                                                | 212                                                             |
| Net assets with donor restrictions                                | 9,906                                                | 8,953                                             | 87,018                  | 80,048                                                 | 9,625                                                           |
| <b>TOTAL LIABILITIES AND NET ASSETS</b>                           | <u>\$ 801,892</u>                                    | <u>\$ 1,829,025</u>                               | <u>\$ 3,769,694</u>     | <u>\$ 1,626,943</u>                                    | <u>\$ 457,203</u>                                               |

**TRINITY HEALTH**  
**Supplemental Condensed Consolidating Balance Sheets - Information**  
**June 30, 2025**  
(In thousands)

|                                                                   | Trinity Health<br>Michigan<br>Region | Mount Carmel<br>Health System,<br>Columbus, Ohio | Holy Cross<br>Health, Inc.,<br>Maryland | Trinity Health<br>New York Region | Trinity Health Of<br>New England<br>Corporation, Inc. |
|-------------------------------------------------------------------|--------------------------------------|--------------------------------------------------|-----------------------------------------|-----------------------------------|-------------------------------------------------------|
| <b>ASSETS</b>                                                     |                                      |                                                  |                                         |                                   |                                                       |
| <b>CURRENT ASSETS:</b>                                            |                                      |                                                  |                                         |                                   |                                                       |
| Cash, cash equivalents and investments                            | \$ 2,660,169                         | \$ 765,073                                       | \$ 589,040                              | \$ 369,363                        | \$ 136,453                                            |
| Assets limited as to use - current portion                        | 8,404                                | 442                                              | 1,851                                   | 2,754                             | 3,796                                                 |
| Patient and other receivables                                     | 772,449                              | 281,168                                          | 113,076                                 | 432,385                           | 337,894                                               |
| Other current assets                                              | 82,292                               | 38,021                                           | 14,237                                  | 38,261                            | 57,847                                                |
| Total current assets                                              | 3,523,314                            | 1,084,704                                        | 718,204                                 | 842,763                           | 535,990                                               |
| <b>ASSETS LIMITED OR RESTRICTED AS TO USE -</b>                   |                                      |                                                  |                                         |                                   |                                                       |
| Noncurrent portion:                                               |                                      |                                                  |                                         |                                   |                                                       |
| Self-insurance, benefit plans and other                           | 128,195                              | 31,345                                           | 1,957                                   | 55,874                            | 21,107                                                |
| By Board                                                          | 566,972                              | 99,335                                           | 2,000                                   | 271,122                           | 34,406                                                |
| By donors                                                         | 106,444                              | 15,869                                           | 8,470                                   | 132,427                           | 144,501                                               |
| Total assets limited or restricted as to use - Noncurrent portion | 801,611                              | 146,549                                          | 12,427                                  | 459,423                           | 200,014                                               |
| <b>PROPERTY AND EQUIPMENT - Net</b>                               | 1,663,052                            | 1,104,765                                        | 393,378                                 | 785,345                           | 513,991                                               |
| <b>OTHER ASSETS</b>                                               | 488,448                              | 461,303                                          | 99,965                                  | 222,365                           | 235,326                                               |
| <b>TOTAL ASSETS</b>                                               | <u>\$ 6,476,425</u>                  | <u>\$ 2,797,321</u>                              | <u>\$ 1,223,974</u>                     | <u>\$ 2,309,896</u>               | <u>\$ 1,485,321</u>                                   |
| <b>LIABILITIES AND NET ASSETS</b>                                 |                                      |                                                  |                                         |                                   |                                                       |
| <b>CURRENT LIABILITIES</b>                                        | \$ 622,956                           | \$ 333,118                                       | \$ 123,784                              | \$ 387,656                        | \$ 365,373                                            |
| LONG-TERM DEBT - Net of current portion                           | 884,422                              | 815,934                                          | 344,904                                 | 720,729                           | 743,252                                               |
| LONG-TERM PORTION OF OPERATING LEASE LIABILITIES                  | 99,146                               | 25,784                                           | 7,517                                   | 43,981                            | 31,008                                                |
| OTHER LIABILITIES                                                 | 138,967                              | 25,747                                           | 4,860                                   | 137,925                           | 189,571                                               |
| <b>NET ASSETS:</b>                                                |                                      |                                                  |                                         |                                   |                                                       |
| Net assets without donor restrictions                             | 4,616,682                            | 1,560,427                                        | 732,588                                 | 883,987                           | 7,821                                                 |
| Net assets with donor restrictions                                | 114,252                              | 16,311                                           | 10,321                                  | 135,618                           | 148,296                                               |
| <b>TOTAL LIABILITIES AND NET ASSETS</b>                           | <u>\$ 6,476,425</u>                  | <u>\$ 2,797,321</u>                              | <u>\$ 1,223,974</u>                     | <u>\$ 2,309,896</u>               | <u>\$ 1,485,321</u>                                   |

**TRINITY HEALTH**  
**Supplemental Condensed Consolidating Balance Sheets - Information**  
**June 30, 2025**  
(In thousands)

| ASSETS                                                            | Trinity Health<br>Mid-Atlantic | St. Mary's Hospital,<br>Inc.,<br>Athens, Georgia | Holy Cross<br>Hospital, Inc.,<br>Ft. Lauderdale,<br>Florida | Premier<br>Health,<br>National<br>Urgent Care | Trinity<br>Continuing Care<br>Services |
|-------------------------------------------------------------------|--------------------------------|--------------------------------------------------|-------------------------------------------------------------|-----------------------------------------------|----------------------------------------|
| <b>CURRENT ASSETS</b>                                             |                                |                                                  |                                                             |                                               |                                        |
| Cash, cash equivalents and investments                            | \$ 382,015                     | \$ 49,612                                        | \$ 17,237                                                   | \$ 4,666                                      | \$ 23,338                              |
| Assets limited as to use - current portion                        | 172                            | 98                                               | 531                                                         | -                                             | 1,410                                  |
| Patient and other receivables                                     | 173,484                        | 66,447                                           | 94,295                                                      | 4,778                                         | 27,782                                 |
| Other current assets                                              | 22,194                         | 11,944                                           | 14,495                                                      | 1,351                                         | 1,970                                  |
| Total current assets                                              | 577,865                        | 128,101                                          | 126,558                                                     | 10,795                                        | 54,500                                 |
| <b>ASSETS LIMITED OR RESTRICTED AS TO USE -</b>                   |                                |                                                  |                                                             |                                               |                                        |
| Noncurrent portion                                                |                                |                                                  |                                                             |                                               |                                        |
| Self-insurance, benefit plans and other                           | 5,904                          | 4,805                                            | 21,931                                                      | -                                             | 6,937                                  |
| By Board                                                          | 9,861                          | 4,217                                            | 26,473                                                      | -                                             | 8,691                                  |
| By donors                                                         | 13,598                         | 2,575                                            | 33,879                                                      | -                                             | 5,872                                  |
| Total assets limited or restricted as to use - Noncurrent portion | 29,363                         | 11,597                                           | 82,283                                                      | -                                             | 21,500                                 |
| <b>PROPERTY AND EQUIPMENT - Net</b>                               | 256,080                        | 93,702                                           | 232,429                                                     | -                                             | 207,520                                |
| <b>OTHER ASSETS</b>                                               | 63,313                         | 32,541                                           | 60,594                                                      | 38                                            | 17,946                                 |
| <b>TOTAL ASSETS</b>                                               | <u>\$ 926,621</u>              | <u>\$ 265,941</u>                                | <u>\$ 501,864</u>                                           | <u>\$ 10,833</u>                              | <u>\$ 301,466</u>                      |
| <b>LIABILITIES AND NET ASSETS</b>                                 |                                |                                                  |                                                             |                                               |                                        |
| <b>CURRENT LIABILITIES</b>                                        | \$ 143,776                     | \$ 46,757                                        | \$ 99,052                                                   | \$ 25,694                                     | \$ 39,035                              |
| LONG-TERM DEBT - Net of current portion                           | 1,841                          | 55,640                                           | 140,074                                                     | 4                                             | 296,497                                |
| LONG-TERM PORTION OF OPERATING LEASE LIABILITIES                  | 7,758                          | 9,971                                            | 13,975                                                      | 7,254                                         | -                                      |
| OTHER LIABILITIES                                                 | 12,189                         | 4,804                                            | 38,515                                                      | -                                             | 94,625                                 |
| <b>NET ASSETS:</b>                                                |                                |                                                  |                                                             |                                               |                                        |
| Net assets without donor restrictions                             | 747,287                        | 143,638                                          | 176,373                                                     | (22,119)                                      | (134,624)                              |
| Net assets with donor restrictions                                | 13,770                         | 5,131                                            | 33,875                                                      | -                                             | 5,933                                  |
| <b>TOTAL LIABILITIES AND NET ASSETS</b>                           | <u>\$ 926,621</u>              | <u>\$ 265,941</u>                                | <u>\$ 501,864</u>                                           | <u>\$ 10,833</u>                              | <u>\$ 301,466</u>                      |

**TRINITY HEALTH**  
**Supplemental Condensed Consolidating Balance Sheets - Information**  
**June 30, 2025**  
**(In thousands)**

|                                                                   | Trinity Home<br>Health Services | Trinity Health<br>PACE | Pittsburgh Mercy<br>Health System Inc.,<br>Pittsburgh,<br>Pennsylvania | Mercy Primary<br>Care Center,<br>Detroit, Michigan | Trinity Health<br>Consolidated<br>Labs |
|-------------------------------------------------------------------|---------------------------------|------------------------|------------------------------------------------------------------------|----------------------------------------------------|----------------------------------------|
| <b>ASSETS</b>                                                     |                                 |                        |                                                                        |                                                    |                                        |
| <b>CURRENT ASSETS</b>                                             |                                 |                        |                                                                        |                                                    |                                        |
| Cash, cash equivalents and investments                            | \$ 15,509                       | \$ 143,613             | \$ 9,943                                                               | \$ 19,553                                          | \$ 6,644                               |
| Assets limited as to use - current portion                        | -                               | -                      | -                                                                      | -                                                  | -                                      |
| Patient and other receivables                                     | 48,188                          | 13,874                 | 15,593                                                                 | 595                                                | 5,475                                  |
| Other current assets                                              | 788                             | 296                    | 1,630                                                                  | 113                                                | 3,550                                  |
| Total current assets                                              | <u>64,485</u>                   | <u>157,783</u>         | <u>27,166</u>                                                          | <u>20,261</u>                                      | <u>15,669</u>                          |
| <b>ASSETS LIMITED OR RESTRICTED AS TO USE -</b>                   |                                 |                        |                                                                        |                                                    |                                        |
| Noncurrent portion:                                               |                                 |                        |                                                                        |                                                    |                                        |
| Self-insurance, benefit plans and other                           | 1,382                           | 304                    | 756                                                                    | -                                                  | -                                      |
| By Board                                                          | -                               | -                      | 97,668                                                                 | -                                                  | -                                      |
| By donors                                                         | 474                             | 2,196                  | 2,815                                                                  | 401                                                | -                                      |
| Total assets limited or restricted as to use - Noncurrent portion | <u>1,856</u>                    | <u>2,500</u>           | <u>101,239</u>                                                         | <u>401</u>                                         | <u>-</u>                               |
| <b>PROPERTY AND EQUIPMENT - Net</b>                               | 558                             | 26,835                 | 30,669                                                                 | 14                                                 | 4,230                                  |
| <b>OTHER ASSETS</b>                                               | <u>35,677</u>                   | <u>36,830</u>          | <u>35,844</u>                                                          | <u>570</u>                                         | <u>3,423</u>                           |
| <b>TOTAL ASSETS</b>                                               | <u>\$ 102,576</u>               | <u>\$ 223,948</u>      | <u>\$ 194,918</u>                                                      | <u>\$ 21,246</u>                                   | <u>\$ 23,322</u>                       |
| <b>LIABILITIES AND NET ASSETS</b>                                 |                                 |                        |                                                                        |                                                    |                                        |
| <b>CURRENT LIABILITIES</b>                                        | \$ 32,937                       | \$ 52,715              | \$ 12,743                                                              | \$ 732                                             | \$ 12,082                              |
| LONG-TERM DEBT - Net of current portion                           | 9,122                           | 6,257                  | 2,152                                                                  | -                                                  | 1,922                                  |
| LONG-TERM PORTION OF OPERATING LEASE LIABILITIES                  | 2,406                           | 16,997                 | 14,228                                                                 | 376                                                | 2,417                                  |
| OTHER LIABILITIES                                                 | 1,381                           | 304                    | 756                                                                    | -                                                  | 1                                      |
| <b>NET ASSETS:</b>                                                |                                 |                        |                                                                        |                                                    |                                        |
| Net assets without donor restrictions                             | 56,256                          | 145,479                | 162,222                                                                | 19,737                                             | 6,900                                  |
| Net assets with donor restrictions                                | 474                             | 2,196                  | 2,817                                                                  | 401                                                | -                                      |
| <b>TOTAL LIABILITIES AND NET ASSETS</b>                           | <u>\$ 102,576</u>               | <u>\$ 223,948</u>      | <u>\$ 194,918</u>                                                      | <u>\$ 21,246</u>                                   | <u>\$ 23,322</u>                       |

**TRINITY HEALTH**  
**Supplemental Condensed Consolidating Balance Sheets - Information**  
**June 30, 2025**  
(In thousands)

|                                                                   | Trinity Health<br>Waukegan, LLC | Trinity<br>Specialty<br>Pharmacy | Global Health<br>Ministry | St. Joseph's Health<br>System, Inc.<br>Atlanta, Georgia | Mercy Care Center<br>Chicago, Illinois |
|-------------------------------------------------------------------|---------------------------------|----------------------------------|---------------------------|---------------------------------------------------------|----------------------------------------|
| <b>ASSETS</b>                                                     |                                 |                                  |                           |                                                         |                                        |
| <b>CURRENT ASSETS</b>                                             |                                 |                                  |                           |                                                         |                                        |
| Cash, cash equivalents and investments                            | \$ 10,456                       | \$ 28,228                        | \$ 10,955                 | \$ 371,907                                              | \$ 174                                 |
| Assets limited as to use - current portion                        | -                               | -                                | -                         | 79                                                      | -                                      |
| Patient and other receivables                                     | -                               | 9,741                            | -                         | 151,790                                                 | 921                                    |
| Other current assets                                              | -                               | 6,539                            | 9                         | 150                                                     | 41                                     |
| Total current assets                                              | 10,456                          | 44,508                           | 10,964                    | 523,926                                                 | 1,136                                  |
| <b>ASSETS LIMITED OR RESTRICTED AS TO USE -</b>                   |                                 |                                  |                           |                                                         |                                        |
| Noncurrent portion:                                               |                                 |                                  |                           |                                                         |                                        |
| Self-insurance, benefit plans and other                           | -                               | -                                | -                         | 87                                                      | -                                      |
| By Board                                                          | -                               | -                                | -                         | 48,393                                                  | -                                      |
| By donors                                                         | -                               | -                                | 362                       | 11,870                                                  | -                                      |
| Total assets limited or restricted as to use - Noncurrent portion | -                               | -                                | 362                       | 60,350                                                  | -                                      |
| <b>PROPERTY AND EQUIPMENT - Net</b>                               | 4,860                           | 2,200                            | -                         | 48,082                                                  | 2,965                                  |
| <b>OTHER ASSETS</b>                                               | -                               | -                                | -                         | 12,780                                                  | -                                      |
| <b>TOTAL ASSETS</b>                                               | <u>\$ 15,316</u>                | <u>\$ 46,708</u>                 | <u>\$ 11,326</u>          | <u>\$ 645,138</u>                                       | <u>\$ 4,101</u>                        |
| <b>LIABILITIES AND NET ASSETS</b>                                 |                                 |                                  |                           |                                                         |                                        |
| <b>CURRENT LIABILITIES</b>                                        |                                 |                                  |                           |                                                         |                                        |
| LONG-TERM DEBT - Net of current portion                           | \$ -                            | \$ 21,158                        | \$ 2,330                  | \$ 6,895                                                | \$ 6,661                               |
| LONG-TERM PORTION OF OPERATING LEASE LIABILITIES                  | -                               | -                                | -                         | 21,209                                                  | -                                      |
| OTHER LIABILITIES                                                 | -                               | -                                | 1,461                     | 450                                                     | 967                                    |
| <b>NET ASSETS</b>                                                 |                                 |                                  |                           |                                                         |                                        |
| Net assets without donor restrictions                             | 15,316                          | 25,550                           | 7,246                     | 608,214                                                 | (3,528)                                |
| Net assets with donor restrictions                                | -                               | -                                | 289                       | 8,370                                                   | -                                      |
| <b>TOTAL LIABILITIES AND NET ASSETS</b>                           | <u>\$ 15,316</u>                | <u>\$ 46,708</u>                 | <u>\$ 11,326</u>          | <u>\$ 645,138</u>                                       | <u>\$ 4,101</u>                        |

**TRINITY HEALTH**  
**Supplemental Condensed Consolidating Balance Sheets - Information**  
**June 30, 2025**  
(In thousands)

| ASSETS                                                            | Trinity Health<br>ACO, Inc. | Allegany<br>Franciscan<br>Ministries | Cadillac<br>Foundation | Trinity<br>Assurance, Ltd. | HealthRise        |
|-------------------------------------------------------------------|-----------------------------|--------------------------------------|------------------------|----------------------------|-------------------|
| <b>CURRENT ASSETS:</b>                                            |                             |                                      |                        |                            |                   |
| Cash, cash equivalents and investments                            | \$ 3,187                    | \$ 118,836                           | \$ -                   | \$ 4,226                   | \$ 8,045          |
| Assets limited as to use - current portion                        | -                           | -                                    | -                      | 130,224                    | -                 |
| Patient and other receivables                                     | -                           | -                                    | -                      | 5,352                      | 38,450            |
| Other current assets                                              | -                           | 14                                   | -                      | 17                         | 2,916             |
| Total current assets                                              | 3,187                       | 118,850                              | -                      | 139,819                    | 49,411            |
| <b>ASSETS LIMITED OR RESTRICTED AS TO USE -</b>                   |                             |                                      |                        |                            |                   |
| Noncurrent portion                                                |                             |                                      |                        |                            |                   |
| Self-insurance, benefit plans and other                           | -                           | -                                    | -                      | 725,493                    | -                 |
| By Board                                                          | -                           | -                                    | 11,113                 | -                          | -                 |
| By donors                                                         | -                           | -                                    | -                      | -                          | -                 |
| Total assets limited or restricted as to use - Noncurrent portion | -                           | -                                    | 11,113                 | 725,493                    | -                 |
| <b>PROPERTY AND EQUIPMENT - Net</b>                               | -                           | 24                                   | -                      | -                          | 2,192             |
| <b>OTHER ASSETS</b>                                               | -                           | 6                                    | -                      | 1                          | 124,202           |
| <b>TOTAL ASSETS</b>                                               | <b>\$ 3,187</b>             | <b>\$ 118,880</b>                    | <b>\$ 11,113</b>       | <b>\$ 865,313</b>          | <b>\$ 175,805</b> |
| <b>LIABILITIES AND NET ASSETS</b>                                 |                             |                                      |                        |                            |                   |
| <b>CURRENT LIABILITIES</b>                                        |                             |                                      |                        |                            |                   |
| LONG-TERM DEBT - Net of current portion                           | \$ -                        | \$ 1,841                             | \$ 1,582               | \$ 195,932                 | \$ 25,779         |
| LONG-TERM PORTION OF OPERATING LEASE LIABILITIES                  | -                           | -                                    | -                      | -                          | 6,508             |
| OTHER LIABILITIES                                                 | -                           | -                                    | -                      | -                          | 1,718             |
|                                                                   | -                           | -                                    | -                      | 662,036                    | 1                 |
| <b>NET ASSETS:</b>                                                |                             |                                      |                        |                            |                   |
| Net assets without donor restrictions                             | 3,187                       | 117,039                              | 9,531                  | 7,345                      | 141,799           |
| Net assets with donor restrictions                                | -                           | -                                    | -                      | -                          | -                 |
| <b>TOTAL LIABILITIES AND NET ASSETS</b>                           | <b>\$ 3,187</b>             | <b>\$ 118,880</b>                    | <b>\$ 11,113</b>       | <b>\$ 865,313</b>          | <b>\$ 175,805</b> |

**TRINITY HEALTH**  
**Supplemental Condensed Consolidating Balance Sheets - Information**  
**June 30, 2025**  
(In thousands)

|                                                                   | Other<br>Subsidiaries | System Services      | Eliminations          | TRINITY<br>HEALTH    |
|-------------------------------------------------------------------|-----------------------|----------------------|-----------------------|----------------------|
| <b>ASSETS</b>                                                     |                       |                      |                       |                      |
| <b>CURRENT ASSETS</b>                                             |                       |                      |                       |                      |
| Cash, cash equivalents and investments                            | \$ 4,758              | \$ 1,019,971         | \$ (1,074,725)        | \$ 7,666,949         |
| Assets limited as to use - current portion                        | -                     | 242,823              | (1)                   | 398,735              |
| Patient and other receivables                                     | 21,791                | 770,825              | (1,098,346)           | 3,769,121            |
| Other current assets                                              | 40                    | 220,672              | (29,834)              | 681,240              |
| Total current assets                                              | 26,589                | 2,254,291            | (2,202,906)           | 12,516,045           |
| <b>ASSETS LIMITED OR RESTRICTED AS TO USE -</b>                   |                       |                      |                       |                      |
| Noncurrent portion                                                |                       |                      |                       |                      |
| Self-insurance, benefit plans and other                           | 1,006                 | 60,453               | 1                     | 1,304,698            |
| By Board                                                          | -                     | 7,035,037            | (1)                   | 8,648,160            |
| By donors                                                         | 2,365                 | -                    | -                     | 676,019              |
| Total assets limited or restricted as to use - Noncurrent portion | 3,371                 | 7,095,490            | 1                     | 10,628,877           |
| <b>PROPERTY AND EQUIPMENT - Net</b>                               | 131                   | 921,213              | 2                     | 9,039,673            |
| <b>OTHER ASSETS</b>                                               | 4,122                 | 6,866,981            | (7,468,515)           | 2,563,491            |
| <b>TOTAL ASSETS</b>                                               | <u>\$ 34,213</u>      | <u>\$ 17,137,975</u> | <u>\$ (9,671,418)</u> | <u>\$ 34,748,086</u> |
| <b>LIABILITIES AND NET ASSETS</b>                                 |                       |                      |                       |                      |
| <b>CURRENT LIABILITIES</b>                                        | \$ 252,541            | \$ 2,695,684         | \$ (2,184,669)        | \$ 5,349,923         |
| LONG-TERM DEBT - Net of current portion                           | -                     | 6,236,583            | (6,249,587)           | 6,368,951            |
| LONG-TERM PORTION OF OPERATING LEASE LIABILITIES                  | -                     | 30,643               | (2,663)               | 484,490              |
| OTHER LIABILITIES                                                 | 46,414                | 1,742,239            | (1,202,315)           | 2,168,511            |
| <b>NET ASSETS:</b>                                                |                       |                      |                       |                      |
| Net assets without donor restrictions                             | (267,110)             | 6,432,758            | (36,443)              | 19,675,912           |
| Net assets with donor restrictions                                | 2,368                 | 68                   | 4,259                 | 700,299              |
| <b>TOTAL LIABILITIES AND NET ASSETS</b>                           | <u>\$ 34,213</u>      | <u>\$ 17,137,975</u> | <u>\$ (9,671,418)</u> | <u>\$ 34,748,086</u> |

# TRINITY HEALTH

## Supplemental Condensed Consolidating Statements of Operations and

### Changes in Net Assets - Information

June 30, 2025

(In thousands)

|                                                                                              | Saint Agnes<br>Medical Center,<br>Fresno, California | Saint Alphonsus<br>Health System,<br>Oregon-Idaho | MercyOne Iowa<br>Region | Loyola Medicine<br>Health System,<br>Maywood, Illinois | Saint Joseph Regional<br>Medical Center,<br>South Bend, Indiana |
|----------------------------------------------------------------------------------------------|------------------------------------------------------|---------------------------------------------------|-------------------------|--------------------------------------------------------|-----------------------------------------------------------------|
| Operating revenue:                                                                           |                                                      |                                                   |                         |                                                        |                                                                 |
| Net patient service revenue                                                                  | \$ 861,713                                           | \$ 1,393,569                                      | \$ 3,359,418            | \$ 1,841,549                                           | \$ 501,914                                                      |
| Other                                                                                        | 56,615                                               | 73,953                                            | 474,299                 | 262,037                                                | 17,549                                                          |
| Total operating revenue                                                                      | 918,328                                              | 1,467,522                                         | 3,833,717               | 2,103,586                                              | 519,463                                                         |
| Expenses:                                                                                    |                                                      |                                                   |                         |                                                        |                                                                 |
| Labor costs                                                                                  | 408,358                                              | 718,438                                           | 1,860,093               | 1,072,707                                              | 232,876                                                         |
| Purchased services and medical claims                                                        | 200,503                                              | 212,292                                           | 655,125                 | 266,781                                                | 88,747                                                          |
| Depreciation, amortization and interest                                                      | 39,110                                               | 63,599                                            | 147,124                 | 113,574                                                | 38,877                                                          |
| Other                                                                                        | 294,141                                              | 382,646                                           | 1,197,831               | 707,223                                                | 149,068                                                         |
| Total expenses                                                                               | 942,112                                              | 1,376,975                                         | 3,860,173               | 2,160,285                                              | 509,568                                                         |
| OPERATING INCOME (LOSS) BEFORE OTHER ITEMS                                                   | (23,784)                                             | 90,547                                            | (26,456)                | (56,699)                                               | 9,895                                                           |
| Other items                                                                                  | (439)                                                | (2,098)                                           | (35,778)                | (3,293)                                                | (790)                                                           |
| OPERATING INCOME (LOSS)                                                                      | (24,223)                                             | 88,449                                            | (62,234)                | (59,992)                                               | 9,105                                                           |
| NONOPERATING ITEMS:                                                                          |                                                      |                                                   |                         |                                                        |                                                                 |
| Investment earnings (losses) and interest rate swaps                                         | 1,595                                                | 75,888                                            | 70,793                  | 16,974                                                 | 165                                                             |
| Other                                                                                        | (1,490)                                              | (2,660)                                           | (7,111)                 | (5,257)                                                | (456)                                                           |
| Total nonoperating items                                                                     | 105                                                  | 73,228                                            | 63,682                  | 11,717                                                 | (291)                                                           |
| EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES                                                 | (24,118)                                             | 161,677                                           | 1,448                   | (48,275)                                               | 8,814                                                           |
| LESS (EXCESS) DEFICIENCY OF REVENUE OVER EXPENSES<br>ATTRIBUTABLE TO NONCONTROLLING INTEREST | (18,894)                                             | (905)                                             | (31,493)                | -                                                      | -                                                               |
| EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES - Net of noncontrolling<br>interest             | \$ (43,012)                                          | \$ 160,772                                        | \$ (30,045)             | \$ (48,275)                                            | \$ 8,814                                                        |
| CHANGES IN NET ASSETS                                                                        |                                                      |                                                   |                         |                                                        |                                                                 |
| INCREASE (DECREASE) NET ASSETS WITHOUT DONOR RESTRICTIONS                                    | \$ (27,533)                                          | \$ 157,562                                        | \$ (57,104)             | \$ (59,209)                                            | \$ 7,096                                                        |
| INCREASE (DECREASE) NET ASSETS WITH DONOR RESTRICTIONS                                       | (5,201)                                              | (688)                                             | 1,321                   | 8,734                                                  | (828)                                                           |
| INCREASE (DECREASE) NET ASSETS                                                               | (32,734)                                             | 156,874                                           | (55,783)                | (50,475)                                               | 6,268                                                           |
| NET ASSETS, Beginning of year                                                                | 447,623                                              | 1,199,719                                         | 1,450,932               | 581,911                                                | 3,569                                                           |
| NET ASSETS, End of year                                                                      | 414,889                                              | 1,356,593                                         | 1,395,149               | 531,436                                                | 9,837                                                           |

**TRINITY HEALTH**  
**Supplemental Condensed Consolidating Statements of Operations and**  
**Changes in Net Assets - Information**  
**June 30, 2025**  
**(In thousands)**

|                                                                                      | Trinity Health<br>Michigan<br>Region | Mount Carmel<br>Health System,<br>Columbus, Ohio | Holy Cross<br>Health, Inc.,<br>Maryland | Trinity Health<br>New York Region | Trinity Health Of<br>New England<br>Corporation, Inc. |
|--------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------------------|-----------------------------------------|-----------------------------------|-------------------------------------------------------|
| <b>Operating revenue:</b>                                                            |                                      |                                                  |                                         |                                   |                                                       |
| Net patient service revenue                                                          | \$ 4,669,014                         | \$ 1,419,891                                     | \$ 731,096                              | \$ 2,478,290                      | \$ 1,853,354                                          |
| Other                                                                                | 497,865                              | 828,372                                          | 16,876                                  | 282,389                           | 194,741                                               |
| Total operating revenue                                                              | 5,166,879                            | 2,248,263                                        | 747,972                                 | 2,760,679                         | 2,048,095                                             |
| <b>Expenses:</b>                                                                     |                                      |                                                  |                                         |                                   |                                                       |
| Labor costs                                                                          | 2,613,768                            | 832,827                                          | 386,869                                 | 1,555,138                         | 1,062,094                                             |
| Purchased services and medical claims                                                | 619,443                              | 885,830                                          | 172,849                                 | 381,464                           | 349,676                                               |
| Depreciation, amortization and interest                                              | 211,127                              | 106,552                                          | 46,732                                  | 125,366                           | 87,970                                                |
| Other                                                                                | 1,494,020                            | 418,499                                          | 139,984                                 | 605,634                           | 639,922                                               |
| Total expenses                                                                       | 4,938,358                            | 2,243,708                                        | 696,434                                 | 2,667,602                         | 2,139,662                                             |
| <b>OPERATING INCOME (LOSS) BEFORE OTHER ITEMS</b>                                    | 228,521                              | 4,555                                            | 51,538                                  | 93,077                            | (91,567)                                              |
| Other items                                                                          | (3,523)                              | (3,489)                                          | (2,854)                                 | (1,879)                           | (39,958)                                              |
| <b>OPERATING INCOME (LOSS)</b>                                                       | 224,998                              | 1,066                                            | 48,684                                  | 91,198                            | (131,525)                                             |
| <b>NONOPERATING ITEMS:</b>                                                           |                                      |                                                  |                                         |                                   |                                                       |
| Investment earnings (losses) and interest rate swaps                                 | 321,555                              | 66,228                                           | 59,051                                  | 49,264                            | 18,459                                                |
| Other                                                                                | (11,490)                             | (7,470)                                          | (889)                                   | (5,605)                           | 197                                                   |
| Total nonoperating items                                                             | 310,065                              | 58,758                                           | 58,162                                  | 43,659                            | 18,656                                                |
| <b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>                                  | 535,063                              | 59,824                                           | 106,846                                 | 134,857                           | (112,869)                                             |
| <b>LESS (EXCESS) DEFICIENCY OF REVENUE OVER EXPENSES</b>                             |                                      |                                                  |                                         |                                   |                                                       |
| ATTRIBUTABLE TO NONCONTROLLING INTEREST                                              | (6,495)                              | (25,008)                                         | -                                       | (851)                             | (463)                                                 |
| <b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES - Net of noncontrolling interest</b> | \$ 528,568                           | \$ 34,816                                        | \$ 106,846                              | \$ 134,006                        | \$ (113,332)                                          |
| <b>CHANGES IN NET ASSETS</b>                                                         |                                      |                                                  |                                         |                                   |                                                       |
| INCREASE (DECREASE) NET ASSETS WITHOUT DONOR RESTRICTIONS                            | \$ 520,977                           | \$ 37,209                                        | \$ 103,865                              | \$ 121,824                        | \$ (151,346)                                          |
| INCREASE (DECREASE) NET ASSETS WITH DONOR RESTRICTIONS                               | 21,358                               | 656                                              | 908                                     | 9,888                             | 2,228                                                 |
| INCREASE (DECREASE) NET ASSETS                                                       | 542,335                              | 37,865                                           | 104,773                                 | 131,712                           | (149,118)                                             |
| NET ASSETS, Beginning of year                                                        | 4,188,599                            | 1,538,873                                        | 638,136                                 | 887,893                           | 305,235                                               |
| NET ASSETS, End of year                                                              | \$ 4,730,934                         | \$ 1,576,738                                     | \$ 742,909                              | \$ 1,019,605                      | \$ 156,117                                            |

# TRINITY HEALTH

## Supplemental Condensed Consolidating Statements of Operations and

### Changes in Net Assets - Information

June 30, 2025

(In thousands)

|                                                                                              | Trinity Health<br>Mid-Atlantic | St. Mary's Hospital,<br>Inc.,<br>Athens, Georgia | Holy Cross<br>Hospital, Inc.,<br>Ft. Lauderdale,<br>Florida | Premier<br>Health,<br>National<br>Urgent Care | Trinity<br>Continuing Care<br>Services |
|----------------------------------------------------------------------------------------------|--------------------------------|--------------------------------------------------|-------------------------------------------------------------|-----------------------------------------------|----------------------------------------|
| Operating revenue:                                                                           |                                |                                                  |                                                             |                                               |                                        |
| Net patient service revenue                                                                  | \$ 1,012,397                   | \$ 395,068                                       | \$ 698,205                                                  | \$ 21,847                                     | \$ 99,241                              |
| Other                                                                                        | 79,657                         | 11,880                                           | 21,049                                                      | 62,419                                        | 138,405                                |
| Total operating revenue                                                                      | 1,092,054                      | 406,948                                          | 719,254                                                     | 84,266                                        | 237,646                                |
| Expenses:                                                                                    |                                |                                                  |                                                             |                                               |                                        |
| Labor costs                                                                                  | 623,414                        | 211,536                                          | 367,175                                                     | 76,475                                        | 136,457                                |
| Purchased services and medical claims                                                        | 196,231                        | 78,066                                           | 106,990                                                     | 4,813                                         | 31,342                                 |
| Depreciation, amortization and interest                                                      | 45,152                         | 18,537                                           | 36,457                                                      | 3,174                                         | 28,904                                 |
| Other                                                                                        | 278,296                        | 106,768                                          | 200,084                                                     | 6,898                                         | 45,238                                 |
| Total expenses                                                                               | 1,143,093                      | 414,907                                          | 710,706                                                     | 91,360                                        | 241,941                                |
| OPERATING INCOME (LOSS) BEFORE OTHER ITEMS                                                   | (51,039)                       | (7,959)                                          | 8,548                                                       | (7,094)                                       | (4,295)                                |
| Other items                                                                                  | (21,136)                       | (384)                                            | (1,860)                                                     | (79,659)                                      | (121)                                  |
| OPERATING INCOME (LOSS)                                                                      | (72,175)                       | (8,343)                                          | 6,688                                                       | (86,753)                                      | (4,416)                                |
| NONOPERATING ITEMS:                                                                          |                                |                                                  |                                                             |                                               |                                        |
| Investment earnings (losses) and interest rate swaps                                         | 42,949                         | 5,448                                            | 7,259                                                       | 148                                           | 5,162                                  |
| Other                                                                                        | (4,382)                        | (367)                                            | (2,216)                                                     | -                                             | (697)                                  |
| Total nonoperating items                                                                     | 38,567                         | 5,081                                            | 5,043                                                       | 148                                           | 4,465                                  |
| EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES                                                 | (33,608)                       | (3,262)                                          | 11,731                                                      | (86,605)                                      | 49                                     |
| LESS (EXCESS) DEFICIENCY OF REVENUE OVER EXPENSES<br>ATTRIBUTABLE TO NONCONTROLLING INTEREST | (5,379)                        | -                                                | (337)                                                       | 33,273                                        | -                                      |
| EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES - Net of noncontrolling<br>interest             | \$ (39,487)                    | \$ (3,262)                                       | \$ 11,394                                                   | \$ (53,332)                                   | \$ 49                                  |
| CHANGES IN NET ASSETS                                                                        |                                |                                                  |                                                             |                                               |                                        |
| INCREASE (DECREASE) NET ASSETS WITHOUT DONOR RESTRICTIONS                                    | \$ (66,682)                    | \$ (10,217)                                      | \$ 18,477                                                   | \$ (79,984)                                   | \$ 4,481                               |
| INCREASE (DECREASE) NET ASSETS WITH DONOR RESTRICTIONS                                       | 3,264                          | 2,531                                            | 1,248                                                       | 1                                             | 104                                    |
| INCREASE (DECREASE) NET ASSETS                                                               | (63,418)                       | (7,686)                                          | 19,725                                                      | (79,983)                                      | 4,585                                  |
| NET ASSETS, Beginning of year                                                                | 824,475                        | 156,455                                          | 190,523                                                     | 57,864                                        | (133,276)                              |
| NET ASSETS, End of year                                                                      | \$ 761,057                     | \$ 148,769                                       | \$ 210,248                                                  | \$ (22,119)                                   | \$ (128,691)                           |

**TRINITY HEALTH**  
Supplemental Condensed Consolidating Statements of Operations and  
Changes in Net Assets - Information  
June 30, 2025  
(In thousands)

|                                                                                              | Trinity Home<br>Health Services | Trinity Health<br>PACF | Pittsburgh Mercy<br>Health System Inc.,<br>Pittsburgh,<br>Pennsylvania | Mercy Primary<br>Care Center,<br>Detroit, Michigan | Trinity Health<br>Consolidated<br>Labs |
|----------------------------------------------------------------------------------------------|---------------------------------|------------------------|------------------------------------------------------------------------|----------------------------------------------------|----------------------------------------|
| <b>(Operating revenue):</b>                                                                  |                                 |                        |                                                                        |                                                    |                                        |
| Net patient service revenue                                                                  | \$ 245,100                      | \$ -                   | \$ 71,725                                                              | \$ 921                                             | \$ -                                   |
| Other                                                                                        | 2,164                           | 313,086                | 42,854                                                                 | 3,837                                              | 61,572                                 |
| Total operating revenue                                                                      | 247,264                         | 313,086                | 114,579                                                                | 4,758                                              | 61,572                                 |
| <b>Expenses:</b>                                                                             |                                 |                        |                                                                        |                                                    |                                        |
| Labor costs                                                                                  | 209,705                         | 109,056                | 71,475                                                                 | 2,376                                              | 11,740                                 |
| Purchased services and medical claims                                                        | 15,556                          | 157,999                | 13,121                                                                 | 119                                                | 26,142                                 |
| Depreciation, amortization and interest                                                      | 1,650                           | 7,021                  | 2,212                                                                  | 2                                                  | 1,530                                  |
| Other                                                                                        | 22,320                          | 22,418                 | 34,071                                                                 | 2,180                                              | 22,272                                 |
| Total expenses                                                                               | 249,231                         | 296,494                | 120,879                                                                | 4,677                                              | 61,682                                 |
| OPERATING INCOME (LOSS) BEFORE OTHER ITEMS                                                   | (1,967)                         | 16,592                 | (6,300)                                                                | 81                                                 | (112)                                  |
| Other items                                                                                  | (578)                           | (147)                  | -                                                                      | -                                                  | (5)                                    |
| OPERATING INCOME (LOSS)                                                                      | (2,545)                         | 16,445                 | (6,300)                                                                | 81                                                 | (117)                                  |
| <b>NONOPERATING ITEMS:</b>                                                                   |                                 |                        |                                                                        |                                                    |                                        |
| Investment earnings (losses) and interest rate swaps                                         | 2,862                           | 14,168                 | 5,339                                                                  | 1,971                                              | 731                                    |
| Other                                                                                        | (767)                           | 1                      | (431)                                                                  | -                                                  | -                                      |
| Total nonoperating items                                                                     | 2,095                           | 14,169                 | 4,908                                                                  | 1,971                                              | 731                                    |
| EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES                                                 | (450)                           | 30,614                 | (1,392)                                                                | 2,052                                              | 614                                    |
| LESS (EXCESS) DEFICIENCY OF REVENUE OVER EXPENSES<br>ATTRIBUTABLE TO NONCONTROLLING INTEREST | -                               | -                      | -                                                                      | -                                                  | -                                      |
| EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES - Net of noncontrolling<br>interest             | \$ (450)                        | \$ 30,614              | \$ (1,392)                                                             | \$ 2,052                                           | \$ 614                                 |
| <b>CHANGES IN NET ASSETS</b>                                                                 |                                 |                        |                                                                        |                                                    |                                        |
| INCREASE (DECREASE) NET ASSETS WITHOUT DONOR RESTRICTIONS                                    | \$ (2,030)                      | \$ 28,190              | \$ (424)                                                               | \$ 2,052                                           | \$ 651                                 |
| INCREASE (DECREASE) NET ASSETS WITH DONOR RESTRICTIONS                                       | (144)                           | 25                     | 200                                                                    | 7                                                  | -                                      |
| INCREASE (DECREASE) NET ASSETS                                                               | (2,174)                         | 28,215                 | (224)                                                                  | 2,059                                              | 651                                    |
| NET ASSETS, Beginning of year                                                                | 58,904                          | 119,460                | 165,263                                                                | 18,079                                             | 6,249                                  |
| NET ASSETS, End of year                                                                      | \$ 56,730                       | \$ 147,675             | \$ 165,039                                                             | \$ 20,138                                          | \$ 6,900                               |

**TRINITY HEALTH**  
**Supplemental Condensed Consolidating Statements of Operations and**  
**Changes in Net Assets - Information**  
**June 30, 2025**  
**(In thousands)**

|                                                                                      | Trinity Health<br>Wardle Lab LLC | Trinity<br>Specialty<br>Pharmacy | Global Health<br>Ministry | St. Joseph's Health<br>System, Inc.,<br>Atlanta, Georgia | Mercy Care Center<br>Chicago, Illinois |
|--------------------------------------------------------------------------------------|----------------------------------|----------------------------------|---------------------------|----------------------------------------------------------|----------------------------------------|
| <b>Operating revenue:</b>                                                            |                                  |                                  |                           |                                                          |                                        |
| Net patient service revenue                                                          | \$ -                             | \$ -                             | \$ -                      | \$ 3,349                                                 | \$ 212                                 |
| Other                                                                                | 810                              | 193,990                          | 3,737                     | 33,923                                                   | 957                                    |
| Total operating revenue                                                              | 810                              | 193,990                          | 3,737                     | 37,272                                                   | 1,169                                  |
| <b>Expenses:</b>                                                                     |                                  |                                  |                           |                                                          |                                        |
| Labor costs                                                                          | -                                | 2,436                            | 1,711                     | 25,812                                                   | 1,445                                  |
| Purchased services and medical claims                                                | -                                | 290                              | 48                        | 4,293                                                    | 397                                    |
| Depreciation, amortization and interest                                              | 322                              | 302                              | -                         | 1,769                                                    | 1,742                                  |
| Other                                                                                | -                                | 181,540                          | 1,745                     | 4,909                                                    | 675                                    |
| Total expenses                                                                       | 322                              | 184,568                          | 3,504                     | 36,783                                                   | 4,259                                  |
| <b>OPERATING INCOME (LOSS) BEFORE OTHER ITEMS</b>                                    | 488                              | 9,422                            | 233                       | 489                                                      | (3,090)                                |
| Other items                                                                          | -                                | -                                | -                         | (489)                                                    | -                                      |
| <b>OPERATING INCOME (LOSS)</b>                                                       | 488                              | 9,422                            | 233                       | -                                                        | (3,090)                                |
| <b>NONOPERATING ITEMS:</b>                                                           |                                  |                                  |                           |                                                          |                                        |
| Investment earnings (losses) and interest rate swaps                                 | 1,042                            | 2,981                            | 1,027                     | 63,728                                                   | (377)                                  |
| Other                                                                                | -                                | -                                | (7)                       | (147)                                                    | -                                      |
| Total nonoperating items                                                             | 1,042                            | 2,981                            | 1,020                     | 63,581                                                   | (377)                                  |
| <b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>                                  | 1,530                            | 12,403                           | 1,253                     | 63,581                                                   | (3,467)                                |
| <b>LESS (EXCESS) DEFICIENCY OF REVENUE OVER EXPENSES</b>                             |                                  |                                  |                           |                                                          |                                        |
| ATTRIBUTABLE TO NONCONTROLLING INTEREST                                              | -                                | -                                | -                         | -                                                        | -                                      |
| <b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES - Net of noncontrolling interest</b> | \$ 1,530                         | \$ 12,403                        | \$ 1,253                  | \$ 63,581                                                | \$ (3,467)                             |
| <b>CHANGES IN NET ASSETS</b>                                                         |                                  |                                  |                           |                                                          |                                        |
| INCREASE (DECREASE) NET ASSETS WITHOUT DONOR RESTRICTIONS                            | \$ 1,530                         | \$ 12,403                        | \$ 1,180                  | \$ 39,921                                                | \$ (3,467)                             |
| INCREASE (DECREASE) NET ASSETS WITH DONOR RESTRICTIONS                               | (1)                              | -                                | 53                        | (5,977)                                                  | (1)                                    |
| INCREASE (DECREASE) NET ASSETS                                                       | 1,529                            | 12,403                           | 1,233                     | 33,944                                                   | (3,468)                                |
| NET ASSETS, Beginning of year                                                        | 13,787                           | 13,147                           | 6,302                     | 582,640                                                  | (60)                                   |
| NET ASSETS, End of year                                                              | \$ 15,316                        | \$ 25,550                        | \$ 7,535                  | \$ 616,584                                               | \$ (3,528)                             |

# TRINITY HEALTH

Supplemental Condensed Consolidating Statements of Operations and  
Changes in Net Assets - Information  
June 30, 2025  
(In thousands)

|                                                                                              | Trinity Health<br>ACO, Inc. | Allegany<br>Franciscan<br>Ministries | Cadillac<br>Foundation | Trinity<br>Assurance, Ltd. | Healthrise |
|----------------------------------------------------------------------------------------------|-----------------------------|--------------------------------------|------------------------|----------------------------|------------|
| <b>Operating revenue:</b>                                                                    |                             |                                      |                        |                            |            |
| Net patient service revenue                                                                  | \$ 21,212                   | \$ -                                 | \$ -                   | \$ -                       | \$ -       |
| Other                                                                                        | 21,212                      | 8,806                                | 1,107                  | 199,506                    | 140,332    |
| Total operating revenue                                                                      |                             | 8,806                                | 1,107                  | 199,506                    | 140,332    |
| <b>Expenses:</b>                                                                             |                             |                                      |                        |                            |            |
| Labor costs                                                                                  | (1)                         | 1,130                                | -                      | -                          | 108,449    |
| Purchased services and medical claims                                                        | 19,377                      | 1,220                                | -                      | 694                        | 5,147      |
| Depreciation, amortization and interest                                                      | -                           | 6                                    | -                      | -                          | 1,078      |
| Other                                                                                        | 2                           | 6,450                                | 1,107                  | 205,383                    | 4,931      |
| Total expenses                                                                               | 19,378                      | 8,806                                | 1,107                  | 206,077                    | 119,605    |
| OPERATING INCOME (LOSS) BEFORE OTHER ITEMS                                                   | 1,834                       | -                                    | -                      | (6,571)                    | 20,727     |
| Other items                                                                                  | -                           | -                                    | -                      | -                          | (866)      |
| OPERATING INCOME (LOSS)                                                                      | 1,834                       | -                                    | -                      | (6,571)                    | 19,861     |
| <b>NONOPERATING ITEMS:</b>                                                                   |                             |                                      |                        |                            |            |
| Investment earnings (losses) and interest rate swaps                                         | 314                         | 4,755                                | -                      | -                          | 100        |
| Other                                                                                        | -                           | -                                    | -                      | -                          | (231)      |
| Total nonoperating items                                                                     | 314                         | 4,755                                | -                      | -                          | (131)      |
| EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES                                                 | 2,148                       | 4,755                                | -                      | (6,571)                    | 19,730     |
| LESS (EXCESS) DEFICIENCY OF REVENUE OVER EXPENSES<br>ATTRIBUTABLE TO NONCONTROLLING INTEREST | -                           | -                                    | -                      | -                          | (9,668)    |
| EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES - Net of noncontrolling<br>interest             | \$ 2,148                    | \$ 4,755                             | \$ -                   | \$ (6,571)                 | \$ 10,062  |
| <b>CHANGES IN NET ASSETS</b>                                                                 |                             |                                      |                        |                            |            |
| INCREASE (DECREASE) NET ASSETS WITHOUT DONOR RESTRICTIONS                                    | \$ 2,147                    | \$ 4,755                             | \$ -                   | \$ (6,571)                 | \$ 16,661  |
| INCREASE (DECREASE) NET ASSETS WITH DONOR RESTRICTIONS                                       | -                           | -                                    | -                      | -                          | 1          |
| INCREASE (DECREASE) NET ASSETS                                                               | 2,147                       | 4,755                                | -                      | (6,571)                    | 16,662     |
| NET ASSETS, Beginning of year                                                                | 1,040                       | 112,284                              | 9,531                  | 13,916                     | 125,157    |
| NET ASSETS, End of year                                                                      | 3,187                       | 117,039                              | 9,531                  | 7,345                      | 141,799    |

# TRINITY HEALTH

Supplemental Condensed Consolidating Statements of Operations and  
Changes in Net Assets - Information  
June 30, 2025  
(In thousands)

|                                                                                                      | Other<br>Subsidiaries | System Services | Eliminations | TRINITY<br>HEALTH |
|------------------------------------------------------------------------------------------------------|-----------------------|-----------------|--------------|-------------------|
| <b>Operating revenue:</b>                                                                            |                       |                 |              |                   |
| Net patient service revenue                                                                          | \$ -                  | \$ 27           | \$ (22,802)  | \$ 21,635,098     |
| Other                                                                                                | 205                   | 2,698,009       | (2,937,633)  | 3,786,580         |
| Total operating revenue                                                                              | 205                   | 2,698,036       | (2,980,435)  | 25,421,678        |
| <b>Expenses:</b>                                                                                     |                       |                 |              |                   |
| Labor costs                                                                                          | 1                     | 1,224,586       | (330,170)    | 13,597,976        |
| Purchased services and medical claims                                                                | -                     | 516,285         | (1,590,543)  | 3,370,297         |
| Depreciation, amortization and interest                                                              | -                     | 442,705         | (425,358)    | 1,147,236         |
| Other                                                                                                | 295                   | 568,086         | (635,474)    | 7,109,162         |
| Total expenses                                                                                       | 296                   | 2,751,662       | (2,981,543)  | 25,224,671        |
| <b>OPERATING INCOME (LOSS) BEFORE OTHER ITEMS</b>                                                    | (91)                  | (53,626)        | 1,110        | 197,007           |
| Other items                                                                                          | -                     | (10,012)        | 102          | (209,256)         |
| <b>OPERATING INCOME (LOSS)</b>                                                                       | (91)                  | (63,638)        | 1,212        | (12,249)          |
| <b>NONOPERATING ITEMS:</b>                                                                           |                       |                 |              |                   |
| Investment earnings (losses) and interest rate swaps                                                 | (8,029)               | 643,318         | 18,614       | 1,493,982         |
| Other                                                                                                | -                     | (77,314)        | -            | (128,788)         |
| Total nonoperating items                                                                             | (8,029)               | 566,504         | 18,615       | 1,365,194         |
| <b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>                                                  | (8,120)               | 502,866         | 19,827       | 1,352,945         |
| <b>LESS (EXCESS) DEFICIENCY OF REVENUE OVER EXPENSES<br/>ATTRIBUTABLE TO NONCONTROLLING INTEREST</b> | -                     | -               | (191)        | (66,911)          |
| <b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES - Net of noncontrolling<br/>interest</b>             | (8,120)               | 502,866         | 19,636       | 1,286,034         |
| <b>CHANGES IN NET ASSETS</b>                                                                         |                       |                 |              |                   |
| INCREASE (DECREASE) NET ASSETS WITHOUT DONOR RESTRICTIONS                                            | (10,530)              | 819,296         | 19,571       | 1,444,751         |
| INCREASE (DECREASE) NET ASSETS WITH DONOR RESTRICTIONS                                               | (3,848)               | (68)            | 166          | 35,937            |
| INCREASE (DECREASE) NET ASSETS                                                                       | (14,378)              | 819,228         | 19,737       | 1,480,688         |
| NET ASSETS, Beginning of year                                                                        | (250,364)             | 5,613,598       | (51,921)     | 18,895,523        |
| NET ASSETS, End of year                                                                              | (264,742)             | 6,432,826       | (32,184)     | 20,376,211        |

# MOODY'S

## INVESTORS SERVICE

### CREDIT OPINION

30 November 2023



Send Your Feedback

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#### CLIENT SERVICES

Americas 1-212-553-1653

Asia Pacific 852-3551-3077

Japan 81-3-5408-4100

EMEA 44-20-7772-5454

## Trinity Health Credit Group

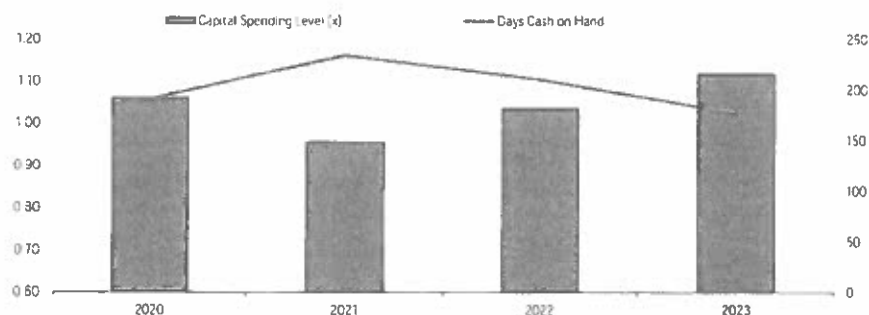
### Update to credit analysis

#### Summary

Trinity Health (Aa3 stable) will maintain stable liquidity as it builds on recent momentum restoring financial performance across most of its markets. Wide geographic diversification and active management of the system's network are core credit strengths. The organization will leverage investments in technology and changes to management structure and regional organization, including streamlined reporting that enabled it to respond more nimbly than peer organizations to the financial challenges of recent years. Trinity Health will remain in some troubled markets, but following divestitures of several struggling ministries in recent years, none of the organization's ministries is a major drag on operations. Nevertheless, performance is varied across ministries with multiple continuing to underperform. Consolidation of Trinity's Iowa operations positions that market for material improvement, which we expect to continue through fiscal 2024 and 2025. Trinity Health's debt burden is average at about 35% of revenue; absolute liquidity will remain stable, cash flow is unlikely to increase enough to prevent some deterioration in days cash with a growing expense base.

Exhibit 1

Capital spending is relatively steady, but continues to exceed operating cash flow, pressuring days cash



Days cash excludes Medicare advances

Source: Moody's Investors Service

#### Credit strengths

- » Material geographic diversification of revenue and cashflow; several key markets have a long track record of stable and good cash flow
- » Active management of portfolio of hospitals and other assets to strengthen market share with regular divestitures and acquisitions and partnerships with physician groups

- » Capital spending will be manageable from available cashflow; although absolute debt may continue to increase, debt-to-revenue will remain relatively steady
- » Implementation of new electronic medical record and revenue cycle system proceeding on time and without major disruption to operations
- » Fully funded pension

### Credit challenges

- » Though better than peers, current margins, without expected improvement, are not sustainable at current level over the long term
- » Capital spending will consume all cash flow and some unrestricted cash/investment return; as a result, days cash may decline somewhat over the next year
- » Multiple markets with challenging payor mixes or where it does not hold leading market share; margins in these markets typically lag that of the system as a whole
- » Modest balance sheet ratios with days cash and cash to debt below medians for the rating category
- » Ongoing asset impairment charges relating to certain ministries and business lines; our expectation is there will not be significant impairments going forward

### Rating outlook

The stable outlook reflects our expectation that Trinity Health will continue to improve financial performance during fiscal 2024 enabling it to maintain a relatively stable absolute liquidity position. Cash to debt will remain stable, though days cash may decrease with a growing expense base.

### Factors that could lead to an upgrade

- » Sustained operating cash flow margin above 10%
- » Sustained increase in liquidity with over 250% cash to debt and 250 days cash
- » For the VMIG 1 and P-1 ratings: not applicable

### Factors that could lead to a downgrade

- » Multi-year erosion of days cash on hand
- » Inability to restore operating cash flow margin to 7% - 8%
- » For the VMIG 1 and P-1 ratings: downgrade of Trinity Health's long term rating or decrease in daily liquidity

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the issuer/deal page on <https://ratings.moodys.com> for the most updated credit rating action information and rating history.

## Key indicators

Exhibit 2

### Trinity Health Credit Group, MI

|                                                     | 2019       | 2020       | 2021       | 2022       | 2023       |
|-----------------------------------------------------|------------|------------|------------|------------|------------|
| Operating Revenue (\$'000)                          | 19,203,303 | 18,742,447 | 20,019,705 | 19,951,232 | 21,491,815 |
| 3 Year Operating Revenue CAGR (%)                   | 5.6        | 2.2        | 3.1        | 1.3        | 4.7        |
| Operating Cash Flow Margin (%)                      | 7.0        | 6.0        | 9.2        | 4.9        | 3.4        |
| PM: Medicare (%)                                    | 47.3       | 47.6       | 40.8       | 48.1       | 48.7       |
| PM: Medicaid (%)                                    | 18.0       | 17.9       | 18.3       | 18.2       | 17.9       |
| Days Cash on Hand                                   | 181        | 244        | 253        | 210        | 177        |
| Unrestricted Cash and Investments to Total Debt (%) | 132.3      | 149.5      | 182.4      | 156.4      | 137.7      |
| Total Debt to Cash Flow (x)                         | 3.6        | 4.5        | 2.7        | 4.2        | 5.5        |

Based on audits for Trinity Health, fiscal year ended June 30 2022.

2020 and 2021 cash balances include Medicare advances of \$1.6 billion and \$1.3 billion, respectively. 2020 also includes \$1 billion in draws under lines of credit that were repaid prior to June 2021. Excluding Medicare advances and line of credit draws, FYE 2020 days cash on hand is 191 days and cash to debt is 133% and FYE 2021 days cash on hand is 234 days and cash to debt is 162%.

Restructuring costs, Loss on transfer of Lourdes and St. Francis Medical Center, and Asset impairment charges, excluded from operating expenses.

Investment income included in Other Revenue reclassified as non-operating.

Investment returns normalized at 5%.

Source: Moody's Investors Service

## Profile

Trinity Health is one of the largest not-for-profit healthcare systems in the U.S. operating approximately 100 hospitals and other facilities in 27 states across the U.S. The system has significant operations in other lines of business including insurance, home care, and physician practices. It is headquartered in Livonia, Michigan.

## Detailed credit considerations

### Market position

Trinity Health will remain one of the largest not for profit health systems in the country. With operations in 27 states, its credit profile benefits from significant market diversification and economies of scale. In contrast to other large multi-state Catholic health systems, Trinity Health maintained positive cash flow throughout the sector's most challenging quarters in fiscal 2021, 2022 and 2023, in part due to the advantages of size, but also due to several years of work prior to the pandemic to improve core operating performance.

As a result of its size, Trinity Health constantly has a variety of projects underway to tweak care delivery models. Over the last several years, Trinity's management team created avenues for knowledge sharing between regional and local management teams, which is contributing to more stable financial performance. Recently, Trinity reorganized its support services on a regional basis to balance the benefits of economies of scale and responsiveness of a leaner team.

Trinity Health will continue to make acquisitions and divestitures. In fiscal 2023, Trinity Health acquired the remaining 50% stake in MercyOne from CommonSpirit and merged with Genesis via a member substitution, thereby creating a statewide network in Iowa. These transactions should position Trinity for stronger financial performance in Iowa. Trinity Health also completed the divestiture of St. Francis Medical Center in New Jersey, which had long struggled financially. Restructuring costs related to the divestiture and unrelated workforce reductions system wide have been excluded from operating measures.

### Operating performance and liquidity

Trinity Health is capitalizing on software investments, and organizational and process changes to drive financial improvement. The system reorganized divisions to reduce management layers while maintaining divisions with sufficient size to take advantage of economies of scale. Installation of common human resources software and enterprise resource planning software is enabling better data sharing and implementation of best practices across formerly disparate health systems. Because Trinity Health is large and regularly acquires and divests hospitals, not all ministries are on the same software platform, but the organization is moving toward that goal. Trinity is in the middle of a multi-year implementation of a common electronic medical record, which will be complete in fiscal year 2025.

Following several transactions last year, Trinity Health now operates a statewide network in Iowa that is completely managed by Trinity Health (previously it partnered with CommonSpirit; Genesis joined Trinity Health significantly increasing its presence in Iowa). Though financial performance in Iowa was historically challenged, we expect stronger margins going forward. In the year since it acquired CommonSpirit's stake, Trinity Health has significantly improved the financial performance of its Iowa network and is on track to generate positive operating margins there by the end of fiscal 2024.

Financial performance is slowly improving and Trinity Health should achieve an operating cash flow margin of 4% - 5% in fiscal 2024. Though margins were weak in 2023 (3.4% operating cash flow margin), they were in line with many organizations across the country. Moreover, following underperformance to plan in the first half of the year, Trinity Health implemented a variety of action to improve the full year operating cash flow margin after being at only 2.9% in the first half of the year; margins are steady at 4.1% in Q1 2024.

#### **Liquidity**

Trinity Health will maintain a relatively steady unrestricted liquidity balance over the next year. However, a key credit challenge for the organization is that because capital spending plans exceed projected operating cash flow, the ability to maintain a stable days cash position depends to a large extent on market returns (Trinity Health will finance the difference between spending and operating cash flow with investment returns and balance sheet reserves). It's unlikely that Trinity Health will materially reduce capital spending in order to conserve cash; capital spending has been around depreciation expense over the last several years, contributing to a slowly increasing average age of plant (13 years in 2023 compared to 11 years in 2018). Positively, the pension is fully funded, reducing unexpected calls on liquidity.

#### **Leverage**

Leverage will remain roughly stable in 2024; though Trinity Health does not plan to issue new debt this year, cash flow is unlikely to increase enough to materially reduce debt to cash flow. Capital spending is being managed within cash flow available from operations and investment returns. However, we expect the organization will need to issue debt to fund strategic investments in ambulatory and community oriented assets over the next several years. Debt to revenue measured about 35% over the last several years, in line with national medians.

#### **Legal security**

All debt of the legacy organizations are secured on parity through Master Trust Indenture dated October 3, 2013. Trinity Health may not withdraw from the Obligated Group. The Credit Group consists of its sole member, Trinity Health, and its Designated Affiliates. The Designated Affiliates include the majority of the hospitals. The Obligated Group pledges to cause the Designated Affiliates to pay, loan or otherwise transfer to the Obligated Group such moneys as are necessary to pay amounts due on the bonds. Pledge of revenue derived from the operation of all facilities of the majority of the Designated Affiliates, including rights to receivable accounts and health care insurance receivables.

Key financial covenants include debt service coverage of 1.1x and minimum 75 days cash.

#### **Debt structure**

Trinity Health has credit agreements with a variety of banks for direct placements and its revolving credit agreements. Renewal dates are staggered across product type and bank with the next direct placement renewal in November and December 2024 and September 2025 for the bank facility program backing self liquidity. We expect Trinity Health to actively manage its relationships and renewal dates. Trinity Health provides adequate coverage of its self-liquidity debt. As of September 30, 2023, self-liquidity debt is comprised of \$174 million in weekly VRDO bonds and \$240 million in CP; taxable CP is authorized up to \$600 million and VRDB in a CP mode up to \$140 million. Daily assets total \$665 million (after applying Moody's discounts). In support of the self liquidity program, Trinity Health has an extensive bank facility program that we include in coverage computations. Nine banks provide \$600 million in committed capital available solely to support Trinity Health's variable rate debt portfolio. These bank agreements have staggered expiration dates ranging between September 2025 and September 2026, reducing renewal risk. As part of the Issuing Paying Agreement executed in October 2014, management directed the agent to adhere to the procedures memo that limits the amount of commercial paper, both tax-exempt and taxable, that can roll within a five-day period to \$400 million.

**Debt-related derivatives**

The notional value of outstanding swaps is approximately \$729 million as of September 30, 2023. There is no collateral currently posted.

**Pensions and OPEB**

Trinity Health sponsors several defined benefit pension plans, which are frozen. At FYE 2023, Trinity Health's defined benefit pensions were 101% funded; the plans have been approximately fully funded over the last three years.

**ESG considerations**

Trinity Health Credit Group's ESG credit impact score is CIS-3

Exhibit 3

**ESG credit impact score**

ESG considerations have a limited impact on the current rating, with potential for greater negative impact over time.

Source: Moody's Investors Service

Trinity Health's ESG Credit Impact Score is moderately negative (**CIS-3**) reflecting a neutral-to-low assessment of environmental risks, a neutral governance score and moderately negative social risks. These challenges are partly mitigated by the organization's large size and diversity of locations across the US and adequate wealth and liquidity.

Exhibit 4

**ESG issuer profile scores**

Source: Moody's Investors Service

**Environmental**

Trinity Health's E-IPS is neutral, reflecting the absence of significant environmental risks. We assess its environmental risk as neutral-to-low across all of the various sub-factors.

**Social**

Trinity Health's S-IPS reflects exposure to inherent industry challenges regarding issues such as human capital and a reimbursement pressure from government payors, balanced against the organization's favorable market position and large size, which enables it to leverage economies of scale to address certain challenges. We assess the organization's customer relations score as neutral, which is better than most Not-for-Profit Hospitals reflecting the organization's large size and operations in multiple markets that reduces reliance on any single market or customer segment. Trinity sponsors various programs that provide community benefit, but are not financially self-sustaining and the organization is engaged in efforts to broaden the diversity of its workforce. Trinity's large size also allows it to leverage economies of scale in its supply chain and manage challenges related to workforce recruitment and retention.

through internal float pools and other initiatives. However, despite these strengths, we still assess human capital as moderately negative, in line with sector averages reflecting persistent nationwide shortages of medical staff and highly skilled workers. Exposure to government payors and policy and regulatory issues is average in the aggregate though certain markets have significantly greater exposure to Medicaid and charity care which presents financial headwinds compared to other markets. Nevertheless, we assess its demographics and societal trends exposure as moderately negative due to the organization's size and ability to absorb incremental policy changes; this compares favorably to many other not-for-profit hospitals that have a highly negative score in this sub-factor. Trinity regularly evaluates its portfolio of hospitals and other assets and divests or closes facilities from time to time; these actions sometimes result in pressure from local communities to maintain services which can impact Trinity's financial performance in those markets or impact consideration received when divesting assets.

#### **Governance**

Trinity Health's governance risk exposure is neutral, reflecting governance characteristics that are in line with the average for the sector. Trinity Health is structured as a non-profit 501-c 3 organization and has a self-perpetuating board of directors. Senior management has been with the organization for many years and has a long track record of stable and good financial performance and executing various operational and capital projects on time and budget.

ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moodys.com. In order to view the latest scores, please click [here](#) to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

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# Trinity Health Credit Group, Michigan

Trinity Health's 'AA-' IDR and associated long-term ratings continue to reflect its national size and scale, with a significant market presence in multiple states. Trinity Health is one of Fitch's largest rated multi-state systems, with solid market positions in each of its Regional Health Ministries (RHMs), which disperse risk and reduce dependence on any one location for operational success. Trinity Health's integrated delivery model also remains a core credit strength.

Fitch expects that Trinity Health will return to sustained stronger operating EBITDA margins. Fiscal 2023 results lagged fiscal 2022 due to ongoing operational pressures but also included one-time expenses associated with restructuring costs and asset impairment charges. These expenses are not likely to re-occur in fiscal 2024. Excluding the one-time expenses, fiscal 2023 results were comparable to fiscal 2022.

Fitch expects that Trinity Health will continue to implement growth and efficiency initiatives that will result in gradual but meaningful incremental improvement to operating margins going forward. Financial results for audited YE June 30, 2023 reflected a weak operating EBITDA margin of only 3.7% compared to fiscal YE June 2022's slightly stronger operating EBITDA margin of 4.6%. Fitch expects Trinity Health's longer-term operating EBITDA margins to be approximately 8% or slightly higher based on their operating margin target of 3%, which has been achieved both pre- and post-Covid. Operating EBITDA margins in this range would support additional capital spending and improve overall liquidity levels.

An inability to reach near this EBITDA target over the next one to two years could pressure the current rating as Fitch could reassess Trinity Health's operating risk as midrange versus strong. The current strong operating risk assessment is forward looking and assumes that the system performs as expected and realizes continued operational performance improvement.

## Security

The bonds are general obligations of Trinity Health. The master trust indenture provides for security interests in members' pledged property at the obligated group and certain designated affiliates with pledged property, including all receipts, revenues, income and other moneys received, and rights to receive accounts and health care insurance receivables. Trinity Health has a restricted affiliate structure. The bonds are general unsecured obligations of the Trinity Health Credit Group. Trinity Health's parent is the only member of the obligated group. Most hospital ministries are designated affiliates of the credit group.

## Credit Strengths

- Solid levels of unrestricted cash and investments, equal to 174 days' cash on hand, and 119% cash to debt.
- Geographic diversity among Regional Health Ministries.
- Significant size and scale.

## Credit Challenges

- Remaining operational challenges in fiscal 2023 on top of a challenging fiscal 2022, although operational improvement is expected over the near term, and one-time events are not expected to repeat in fiscal 2024.

## Rating

Long-Term IDR AA-

## Outlooks

Long-Term IDR Stable

## Outstanding Debt

Various Series, Various Issuers, Tax Exempt Debt AA-  
Trinity Health, Taxable Debt AA-  
Short Term Self-Liquidity F1+

## Key Metrics

|                          |       |
|--------------------------|-------|
| Total Revenues (\$ Bil.) | 21.5  |
| Cash to Debt (%)         | 119.0 |
| Days' Cash on Hand       | 173.7 |
| MADS Coverage (x)        | 3.9   |
| Operating EBITDA (%)     | 3.7   |

Source: Fitch Ratings, Fitch Solutions, Trinity Health Credit Group (M)

## Applicable Criteria

U.S. Not-For-Profit Hospitals and Health Systems Rating Criteria (pub. 18 Nov 2020) (including rating assumption sensitivity)

Public Sector, Revenue-Supported Entities Rating Criteria (pub. 27 Apr 2023) (including rating assumption sensitivity)

## Related Research

Fitch Affirms Trinity Health Credit Group, MI's Ratings at 'AA-', Outlook Stable (November 2023)

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## Key Rating Drivers

### Revenue Defensibility – 'bbb'

#### *Solid Market Positions and Stable Payor Mix*

Trinity Health's revenue defensibility is assessed as mid-range, which is the most favorable assessment in the absence of meaningful taxing authority. Fitch defines revenue defensibility as an organization's ability to influence future reimbursement levels, which is generally limited for hospital providers, particularly over the short term. Revenue defensibility is also highly dependent on the payor mix, with Medicare, Medicaid and self-pay volumes resulting in a more restricted ability to influence near-term reimbursement. Trinity Health reported that Medicaid and self-pay combined accounted for a comparatively low 19.9% of Trinity Health's gross revenues in fiscal 2023.

Revenue defensibility is also dependent on the organization's market share and market position, along with the economic outlook of its service areas. Trinity Health's delivery and payor network has a broad national presence in 27 states. The key states of Michigan, Iowa, New York, Illinois, and Ohio account for approximately 60% of operating revenue, indicating that Trinity Health does not rely on any one market.

Many of Trinity Health's key markets have above average population growth when compared to the overall U.S., and the system's combined Medicaid and self-pay percentage of patients is low, given the markets' generally favorable demographic characteristics.

### Operating Risk – 'a'

#### *Year Over Year Improvement Expected*

Trinity Health's operating risk profile is currently assessed as 'strong', still acknowledging the system's modest financial results over the last two fiscal years but also factoring in management's and Fitch's expectation that operating margins will improve year over year for the next two to three years.

Trinity Health has generally demonstrated good operating EBITDA and EBITDA margins averaging 6.2% and 9.8%, respectively, as calculated by Fitch over the last five audited years, including both fiscal 2022 and 2023, which were more operationally challenging. These margins average 7.6% and 11.5%, respectively, if those two years are excluded. Trinity Health's margins declined in fiscal 2023 compared to fiscal 2022, although when accounting for one-time costs and expenses, the two years are operationally comparable.

Operational challenges included elevated costs, primarily in the form of salary/wage/benefits expenses, and external contract labor (in the form of agency and travelers) played a part much as it has for the majority of the sector. Trinity Health reports that notable progress has been made on their many labor initiatives, with reduced contract labor headcount, lowered per hour costs per contract labor unit, an improved and positive net new hire ratio, and reduced turnover rates. All are encouraging signs that operational stability and success are achievable.

Most recently, first quarter results in fiscal 2024 (unaudited three months through Sept. 30, 2023) show year over year improvement compared to the same period last year, in operating revenue (to \$5.6 billion compared to \$5.0 billion), operating margin (-1% compared to -2.9%), and operating EBITDA margin (4.1% compared to 2.8%), with a slight increase in cash to debt of 116% compared to 114%.

Longer term, Trinity Health is continuing a multi-year financial improvement plan that should result in a positive operating margin in fiscal 2024 and achievement of a 3% operating margin by fiscal 2026, following full implementation of TogetherCare, a systemwide technology installation. A key component of Trinity Health's future financial success remains the implementation of its three-person patient care model called TogetherTeam. This model, now implemented in approximately 50% of the system, optimizes efficiency by combining the efforts of bedside nurses, virtual nurses, and care partners, and continues to be rolled out across the entire Trinity Health system, with the initial focus on medical/surgical, step-down and telemetry units. Even beyond the expected success of TogetherTeam, Trinity Health has additional revenue enhancement and expense alignment initiatives planned, including developing clinical applications using artificial intelligence (AI).

The current average age of plant remains acceptable for its markets, at approximately 13.0 years (as of fiscal 2023 YE), and Fitch expects capital spending to be around \$950 million in fiscal 2024, very similar to fiscal 2023's expenditures when excluding the MercyOne acquisition. This spending level is only modestly lower than historical levels, which trended more towards 115% of annual depreciation, although this more normalized level of spending is expected to return after completion of TogetherCare, which is on track to finish implementation by mid-2025.

## Financial Profile — 'aa'

### Gradual Improvement Expected

Trinity Health's liquidity and leverage metrics have moderated somewhat compared to recent highs in fiscal 2021 but still remain adequate for a 'AA-' rated entity. A return to stronger operating profitability of around 8% would further stabilize the system's financial position in the 'AA' rating category under Fitch's forward-looking scenario analysis.

At fiscal YE 2023, the system had around \$10.0 billion of unrestricted cash and investments, which translated to 174 days' cash on hand. Trinity Health had approximately \$8.4 billion of total debt outstanding at audited fiscal YE 2023 or 119% cash to debt outstanding. Trinity Health's net debt position (debt minus unrestricted cash and investments) remained favorably negative at \$1.6 billion.

Trinity Health's pension is funded at 101% on a PBO basis.

Fitch assumes that levels of capital spending will be ramped up in the years following TogetherCare's completion, after modest reductions in annual capital spending during Covid compared to pre-pandemic spending. This assumes information technology spending is repurposed more towards routine and other strategic spending. With a consistent level of positive operating results, Fitch expects Trinity Health to maintain a net leverage position with cash-to-adjusted debt of at least 105% even under a potential stress scenario. This would remain consistent with a very strong 'aa' financial profile assessment with recovery expected in years three and four.

### Asymmetric Additional Risk Considerations

Trinity Health has approximately \$6.8 billion of long-term debt outstanding, with smoothed maximum annual debt service of \$461.5 million. Actual annual debt service is slightly lower for the near term, and consequently coverage does not pose an asymmetric risk. Trinity Health's liquidity position is sound and also does not pose an asymmetric risk, nor does its asset allocation of 27% cash and fixed income, 7% long/short equities, 38% global equities, and 28% private equity, hedge funds and alternative investments.

## Rating Sensitivities

Factors, actions or events that may, individually or collectively, lead to negative rating action include:

- Inability to improve operating margins in fiscal 2024 compared to fiscal 2023.
- Fitch's expectation for longer-term rating stability is an operating EBITDA margin of approximately 8%. If operating results are expected to fall short of this longer-term goal, the rating could be pressured.
- Balance sheet dilution from either incremental debt or high capital spending, such that cash-to-adjusted debt falls to, and is expected to remain at, levels below 100%.

Factors, actions or events that may, individually or collectively, lead to positive rating action include:

- An upgrade is unlikely in the current operating environment over the two-year Outlook period, barring a significant positive addition to Trinity Health's unrestricted cash and investment levels, such that cash-to-adjusted debt is consistently above the 175% range in the stress case.
- An expectation of sustainable operating EBITDA margins of approximately 9% or greater without a significant and associated increase in capital spending.

## Credit Profile

Trinity Health, headquartered in Livonia, MI, is one of the largest nonprofit health care systems in the U.S. The system owns or manages 101 hospitals and 126 continuing care locations, including home care, hospice, and senior living facilities in 27 states. Most recently, Trinity Health acquired the remaining 50% of MercyOne (Iowa) from CommonSpirit, and is integrating with Genesis, creating one of Trinity Health's largest state RHM's. Trinity Health delivered \$1.5 billion in community benefit in fiscal 2023, 2.3 million primary care patients and 3.0 million, and growing, MyChart users. Trinity Health is the largest PACE (Program of All-Inclusive Care for the Elderly) provider in the U.S.

Trinity Health employs approximately 121,000 individuals, including 8,200 employed physicians and clinicians. In fiscal 2023, Trinity Health recorded total operating revenues of about \$21.6 billion.

Trinity Health owns 100% of MediGold, which is currently located in five states, Ohio, Iowa, Idaho, New York and Connecticut. MediGold will expand into Michigan in 2024.

**Revenue Defensibility**

Trinity Health reported that Medicaid and self-pay combined accounted for a comparatively low 19.9% of Trinity Health's gross revenues in fiscal 2023, indicating that there is some additional flexibility for this key credit driver. This level has been consistent for the last several fiscal years, and it is Fitch's opinion that there is no immediate downward pressure to Trinity Health's payor mix.

Trinity Health is largely concentrated in 10 markets representing approximately 80% of their operating revenues. These markets typically have demographically favorable characteristics, which does, however, attract competition from other providers. Trinity Health is the market leader in multiple RHMs, from an inpatient market share standpoint, and is generally the second largest provider in other key markets. This consistently strong market presence in various dispersed geographies gives Trinity Health a measure of essentiality in its varied locations, contributing to Fitch's mid-range assessment.

Trinity Health's overall service area characteristics are generally favorable. Population growth in key states remains in-line with or above the national average and will allow for additional organic volume growth, which Fitch views favorably. Similarly, the median household income levels and poverty rates are generally better than the national average, and as a result, Fitch does not expect any material movement in Trinity Health's overall payor mix over the near term.

**Payor Mix**

| (% Gross Revenues; Fiscal Years Ended June 30) | 2019  | 2020  | 2021 | 2022  | 2023  |
|------------------------------------------------|-------|-------|------|-------|-------|
| Medicare                                       | 47.3  | 47.6  | —    | 48.1  | 48.7  |
| Medicaid                                       | 18.0  | 17.9  | —    | 18.2  | 17.9  |
| Commercial & Managed Care                      | 31.9  | 31.8  | —    | 31.5  | 31.4  |
| Self-Pay                                       | 2.8   | 2.7   | —    | 2.2   | 2.0   |
| Other                                          | 0.0   | 0.0   | —    | 0.0   | 0.0   |
| Total                                          | 100.0 | 100.0 | —    | 100.0 | 100.0 |

Source: Fitch Ratings, Fitch Solutions, Trinity Health Credit Group (MI)

**Utilization Data**

| (Fiscal Years Ended June 30)                       | 2019       | 2020       | 2021       | 2022       | 2023       |
|----------------------------------------------------|------------|------------|------------|------------|------------|
| Operated Beds                                      | 13,970     | 12,895     | 11,610     | 11,223     | 12,505     |
| Acute Adult Admissions / Discharges                | 588,000    | 524,000    | 496,000    | 479,000    | 508,000    |
| Acute Adult Patient Days                           | 2,731,000  | 2,466,000  | 2,444,000  | 2,438,000  | 2,518,000  |
| Average Length of Stay (Days)                      | 4.6        | 4.7        | 4.9        | 5.1        | 5.0        |
| Average Daily Census                               | 7,482      | 6,756      | 6,696      | 6,679      | 6,899      |
| Occupancy (%)                                      | 53.6       | 52.4       | 57.7       | 59.5       | 55.2       |
| Observation Cases                                  | 144,458    | 129,609    | 119,364    | 113,417    | 123,762    |
| Hospital Stays (Admissions plus Observation Cases) | 732,458    | 653,609    | 615,364    | 592,417    | 631,762    |
| Births                                             | 40,147     | 43,017     | 41,219     | 40,844     | 39,050     |
| Inpatient Surgeries                                | 142,918    | 120,987    | 112,573    | 100,840    | 109,322    |
| Outpatient Surgeries                               | 276,679    | 227,957    | 278,133    | 278,552    | 306,785    |
| Emergency Department Visits, Net of Admissions     | 2,353,689  | 2,031,824  | 1,827,596  | 1,912,921  | 2,040,560  |
| Outpatient/Clinic Visits                           | 21,110,299 | 18,592,762 | 20,564,378 | 20,046,751 | 21,981,013 |
| Medicare Casemix Index                             | 1.70       | 1.80       | 1.90       | 1.90       | 1.90       |

Source: Fitch Ratings, Fitch Solutions, Trinity Health Credit Group (MI)

**Operating Risk**

Optional section 'USPF - Operating Cost Flexibility Text' has been hidden. It can be displayed and enabled for authoring by re-enabling it via the side-bar.

The current average age of plant remains acceptable for its markets, at approximately 13.0 years (as of fiscal 2023 YE) and Fitch expects capital spending to be around \$950 million in fiscal 2024, very similar to fiscal 2023's expenditures

when excluding the MercyOne acquisition. This spending level is only modestly lower than historical levels, which trended more towards 115% of annual depreciation, although this more normalized level of spending is expected to return after completion of TogetherCare.

Capex anticipated in fiscal 2024 includes still significant continued investment in information technology, changing infrastructure, growth initiatives that Trinity Health views as necessary to re-think/re-imagine healthcare. Fitch expects future capital spending to be about \$1.0 billion to \$1.2 billion per year on average, which should keep the average age of plant at around, or lower than, the current level.

### Financial Summary

| (\$000, audited fiscal years ended June 30)   | 2019       | 2020       | 2021       | 2022       | 2023       |
|-----------------------------------------------|------------|------------|------------|------------|------------|
| <b>Balance Sheet Data</b>                     |            |            |            |            |            |
| Unrestricted Cash & Investments               | 8,782,300  | 10,135,579 | 11,288,271 | 10,465,259 | 10,003,109 |
| Total Assets                                  | 26,972,104 | 30,457,076 | 33,621,747 | 31,121,354 | 32,280,207 |
| Total Debt (Including Current Portion)        | 7,135,798  | 8,913,193  | 7,924,011  | 8,014,918  | 8,405,124  |
| Adjusted Debt                                 | 8,253,798  | 8,913,193  | 7,924,011  | 8,014,918  | 8,405,124  |
| Net Adjusted Debt                             | -528,502   | -1,222,386 | -3,364,260 | -2,450,341 | -1,597,985 |
| Unrestricted Net Assets                       | 13,282,719 | 12,964,568 | 17,866,583 | 16,310,756 | 17,669,988 |
| <b>Income &amp; Cash Flow Data</b>            |            |            |            |            |            |
| Net Patient Revenue                           | 16,601,888 | 15,454,773 | 16,734,960 | 17,042,518 | 18,521,694 |
| Other Revenue                                 | 2,652,151  | 3,348,958  | 3,393,794  | 2,860,890  | 3,027,620  |
| Total Revenues                                | 19,254,039 | 18,803,731 | 20,128,754 | 19,903,408 | 21,549,314 |
| Depreciation & Amortization                   | 861,009    | 894,959    | 896,434    | 876,099    | 858,770    |
| Interest Expense                              | 238,944    | 244,156    | 236,128    | 225,797    | 261,911    |
| Total Expenses                                | 19,021,461 | 18,758,309 | 19,317,894 | 20,082,192 | 21,874,678 |
| Income from Operations                        | 232,578    | 45,422     | 810,860    | -178,784   | -325,364   |
| Operating EBITDA                              | 1,332,531  | 1,184,537  | 1,943,422  | 923,112    | 795,317    |
| Non-Operating Gains (Losses)                  | 616,679    | 403,101    | 1,612,698  | 389,734    | 1,015,053  |
| Excess (Deficiency) of Revenues over Expenses | 849,257    | 448,523    | 2,423,558  | 210,950    | 689,689    |
| EBITDA                                        | 1,949,210  | 1,587,638  | 3,556,120  | 1,312,846  | 1,810,370  |
| Operating Lease Expense                       | 223,600    | —          | —          | —          | —          |
| Total Pension Expense                         | -50,052    | -75,239    | -40,751    | 62,616     | 172,576    |
| Adjusted EBITDA                               | 2,122,758  | 1,512,399  | 3,515,369  | 1,375,462  | 1,982,946  |
| Net Unrealized Gains (Losses)                 | 123,793    | -21,333    | 1,548,700  | -1,549,567 | 408,427    |
| Net Capital Expenditures                      | 1,269,281  | 947,612    | 847,975    | 894,624    | 951,304    |
| Maximum Annual Debt Service (MADS)            | 461,539    | 461,539    | 461,539    | 461,539    | 461,539    |

\*Unaudited. EBITDA – Earnings before interest, taxes, depreciation & amortization. Note: Fitch may have reclassified certain financial statement items for analytical purposes.  
Source: Fitch Ratings, Fitch Solutions, Trinity Health Credit Group (MH)

### Financial Profile

Within the context of the system's mid-range revenue defensibility and strong operating risk profile, Fitch expects Trinity Health's balance sheet leverage related ratios to be consistent with the very strong 'aa' financial profile assessment.

At fiscal YE 2023, the system had around \$10.0 billion of unrestricted cash and investments, which translated to 174 days' cash on hand. Trinity Health had approximately \$8.4 billion of total debt outstanding at audited fiscal YE 2023, which calculates to 119% cash to debt outstanding. Trinity Health's net debt position (debt minus unrestricted cash and investments) remained favorably negative at \$1.6 billion.

Trinity Health's pension is funded at 101% on a PBO basis.

Through Fitch's baseline scenario, or Fitch's best estimate of the most likely scenario of financial performance over the next five years, given the current economic environment and expectations for Trinity Health's future operational performance, Fitch expects that Trinity Health will see incremental improvement in key balance sheet leverage related metrics over time.

Fitch's stress case scenario assumes an economic stress and an issuer-specific portfolio sensitivity stress based on Trinity Health's asset allocation, and some operational stress (reflected in lower operating margins) with volatility in year one followed by a recovery and then growth and general stability in years three through five. Despite the stress

of Fitch's conservative forward-looking scenario analysis, Trinity Health maintains levels commensurate with a very strong 'aa' financial profile, consistent with the 'AA' rating category by year three, indicating that Trinity Health is not particularly susceptible to a stress in Fitch's opinion.

#### Short-Term 'F1+' Self-Liquidity Rating

Trinity Health maintains sufficient internal liquid resources (composed of cash, investments and dedicated bank credit facilities) and has implemented written procedures to fund any un-remarketed put and/or CP roll of the maximum amount of debt supported by self-liquidity as per Fitch criteria.

#### Key Ratios

|                                                   | 2019  | 2020  | 2021  | 2022  | 2023  |
|---------------------------------------------------|-------|-------|-------|-------|-------|
| Days Cash on Hand                                 | 176.5 | 207.1 | 223.7 | 198.9 | 173.7 |
| Days in Accounts Receivable                       | 44.2  | 40.5  | 45.3  | 44.0  | 48.8  |
| Cushion Ratio (x)                                 | 19.0  | 22.0  | 24.5  | 22.7  | 21.7  |
| MADS Coverage - EBITDA (x)                        | 4.2   | 3.4   | 7.7   | 2.8   | 3.9   |
| MADS Coverage - Operating EBITDA (x)              | 2.9   | 2.6   | 4.2   | 2.0   | 1.7   |
| MADS / Total Revenue (%)                          | 2.4   | 2.5   | 2.3   | 2.3   | 2.1   |
| <b>Profitability &amp; Operational Ratios (%)</b> |       |       |       |       |       |
| Operating Margin                                  | 1.2   | 0.2   | 4.0   | -0.9  | -1.5  |
| Operating EBITDA Margin                           | 6.9   | 6.3   | 9.7   | 4.6   | 3.7   |
| EBITDA Margin                                     | 9.8   | 8.3   | 16.4  | 6.5   | 8.0   |
| <b>Capital Related Ratios</b>                     |       |       |       |       |       |
| Cash / Debt (%)                                   | 123.1 | 113.7 | 142.5 | 130.6 | 119.0 |
| Cash / Adjusted Debt (%)                          | 106.4 | 113.7 | 142.5 | 130.6 | 119.0 |
| Net Adjusted Debt / Adjusted EBITDA               | -0.3  | -0.8  | -1.0  | -1.8  | -0.8  |
| Average Age of Plant (Years)                      | 11.0  | 10.9  | 11.5  | 12.3  | 13.0  |
| Capital Expenditures / Depreciation (%)           | 147.4 | 105.9 | 94.6  | 102.1 | 110.8 |

\*Unaudited. EBITDA - Earnings before interest, taxes, depreciation & amortization. Note: Fitch may have reclassified certain financial statement items for analytical purposes.  
Source: Fitch Ratings, Fitch Solutions, Trinity Health Credit Group (M)

#### Asymmetric Additional Risk Considerations

Trinity Health has approximately \$6.8 billion of long-term debt outstanding. Smoothed maximum annual debt service is \$461.5 million, with actual annual debt service slightly lower for the near term, and consequently, coverage does not pose an asymmetric risk. Trinity Health's liquidity position is sound and also does not pose an asymmetric risk.

Based on management data, cash and investments were approximately allocated to 27% cash and fixed income, 7% long/short equities, 38% global equities, and 28% private equity, hedge funds and alternative investments.

#### ESG Considerations

The highest level of ESG credit relevance is a score of '3', unless otherwise disclosed in this section. A score of '3' means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation on the relevance and materiality of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores, visit <https://www.fitchratings.com/topics/esg/products#esg-relevance-scores>.

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**Section VIII**  
**Attachment 37**  
**Economic Feasibility**  
**Criterion 1120.140**

**Criterion 1120.140(a), Reasonableness of Financing Arrangements**

The Applicants have satisfied this Criterion because the Applicants will be funding the Project with cash and cash equivalents. Ms. Lukasick's Affidavit of Available Funds in support of this Criterion is attached at ATTACHMENT 34.

**Criterion 1120.140(c), Reasonableness of Project and Related Costs**

1. The construction cost per gross square foot for the clinical portions of the Project is \$717.13. The construction and contingency cost per gross square foot for the clinical portions of the Project is \$766.72. The clinical portions of the Project encompass 37,465 gross square feet. The construction costs for the clinical portions of the Project total \$26,867,219. The construction and contingency costs for the clinical portions of the Project total \$28,725,127.

**COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE  
(CLINICAL PORTIONS OF PROJECT PLUS PRORATA SHARE OF CIRCULATION)**

| Department<br>(list below)                            | A B              |     | C D                                         |      | E F          |            | G                                           | H       | Total                                  |
|-------------------------------------------------------|------------------|-----|---------------------------------------------|------|--------------|------------|---------------------------------------------|---------|----------------------------------------|
|                                                       | Cost/Square Foot |     | Gross Sq Ft.<br>(Clinical<br>Portions Only) |      | Gross Sq Ft. |            | Const. \$<br>(Clinical<br>Portions<br>Only) | Mod. \$ | Cost<br>(Clinical<br>Portions<br>Only) |
|                                                       | NEW              | MOD | NEW                                         | CIRC | MOD          | CIRC       | (A x C)                                     | (B x E) | (G + H)                                |
| Clinical/Reviewable<br>Areas                          |                  |     |                                             |      |              |            |                                             |         |                                        |
| Construction Total                                    | \$717.13         |     | 37,465                                      |      |              | ---        | \$26,867,219                                |         | \$26,867,219                           |
| Contingencies                                         | \$49.59          |     | 37,465                                      |      |              | ---        | \$1,857,908                                 |         | \$1,857,908                            |
| <b>Construction &amp;<br/>Contingencies<br/>Total</b> | <b>\$766.72</b>  |     | <b>37,465</b>                               |      |              | <b>---</b> | <b>\$28,725,127</b>                         |         | <b>\$28,725,127</b>                    |

2. The Applicants will incur the following costs in completing this Project.

| Project Costs                                                    |                   |                   |                    |
|------------------------------------------------------------------|-------------------|-------------------|--------------------|
| USE OF FUNDS                                                     | CLINICAL          | NONCLINICAL       | TOTAL              |
| Preplanning Costs                                                |                   |                   |                    |
| Site Survey and Soil Investigation                               | 20,902            | 34,098            | 55,000             |
| Site Preparation                                                 | 2,081,137         | 3,394,923         | 5,476,060          |
| Off Site Work                                                    |                   |                   |                    |
| New Construction Contracts                                       | 26,867,219        | 43,828,026        | 70,695,245         |
| Modernization Contracts                                          |                   |                   |                    |
| Contingencies                                                    | 1,857,908         | 3,030,772         | 4,888,680          |
| Architectural/Engineering Fees                                   | 1,457,829         | 2,378,131         | 3,835,960          |
| Consulting and Other Fees                                        | 672,647           | 1,097,276         | 1,769,923          |
| Movable or Other Equipment (not in construction contracts)       | 7,571,981         | 6,819,452         | 14,391,433         |
| Bond Issuance Expense (project related)                          |                   |                   |                    |
| Imputed Interest Expense During Construction (project related)** | 1,560,868         | 2,546,218         | 4,107,086          |
| Fair Market Value of Leased Space or Equipment                   |                   |                   |                    |
| Other Costs To Be Capitalized                                    | 589,059           | 960,922           | 1,549,981          |
| Acquisition of Building or Other Property (excluding land)       |                   |                   |                    |
| <b>TOTAL USES OF FUNDS</b>                                       | <b>42,679,550</b> | <b>64,089,818</b> | <b>106,769,368</b> |

The following chart compares the Project costs to the Section 1120 cost norms

| Project Item                                               | Project Cost<br>(Clinical/Reviewable<br>Parts Only) | Section 1120 Norm                                                       | Project Cost<br>Compared to Section<br>1120 Norm          |
|------------------------------------------------------------|-----------------------------------------------------|-------------------------------------------------------------------------|-----------------------------------------------------------|
| Preplanning Costs                                          | \$0                                                 | 1.8% * (Construction<br>Costs + Contingencies +<br>Equipment) = 653,348 | Below Section 1120<br>Norm.                               |
| Site Survey, Soil<br>Investigation and Site<br>Preparation | \$2,081,137                                         | 5% * (Construction<br>Costs + Contingencies)<br>= \$1,436,256           | Above Section 1120<br>Norm. See below for<br>explanation. |
| New Construction<br>Contracts and<br>Contingencies         | \$28,725,127/37,465 GSF<br>= \$766.72 per GSF       | \$342 * 1.03 = \$352.26<br>per GSF                                      | Above Section 1120<br>Norm. See below for<br>explanation. |
| Contingencies                                              | \$1,857,908                                         | 10% * (Construction<br>Costs) = \$2,686,722                             | Meets Section 1120<br>Norm.                               |
| Architectural and<br>Engineering Fees                      | \$1,457,829                                         | 7.08% * (Construction<br>Costs + Contingencies)<br>= \$2,033,739        | Meets Section 1120<br>Norm.                               |
| Purchased Equipment                                        | \$7,571,981                                         | No Section 1120 Norm                                                    | Reasonable as<br>compared to other<br>approved projects.  |

The Site Prep Costs exceed the applicable State Norm because the Applicants have to demolish an existing building on the site. The demolition costs total \$1,893,237.

The Construction Contracts and Contingency exceeds the applicable State Norm because: (a) the applicable State Norm applies to traditional medical office space; and (b) the Warrenton Ambulatory Care Center is not traditional medical office space and is more accurately described as a medical clinic. More specifically, the Warrenton Ambulatory Care Center includes an Imaging Center, which will require lead walls and additional structural support for the equipment located in the Imaging Center. It also bears noting that the applicable State Norm is a function of the location of the Warrenton Ambulatory Care Center. Other zip codes have a far higher State Norm.

**Criterion 1120.140(d), Projected Operating Costs**

1. The projected operating costs for the Warrenville Ambulatory Park Care Center in 2030 (i.e., 2 years after project completion) are as follows:

Total Operating Expenses: \$31,069,351

Depreciation Expense: \$5,072,496

Bad Debt Expense: \$850,849

Estimated Number of 98,809  
Visits/Procedures at Warrenville  
Ambulatory Care Center (Medical  
Practice Visits, Imaging Center  
Procedures/Visits; Infusion Visits;  
Blood Draw Labs; Pharmacy  
Scripts).

Proj. Operating Costs =  $\frac{\text{Total Operating Expenses} - \text{Depreciation Expense} - \text{Bad Debt Expense}}{\text{Estimated Number of Visits}}$

Projected Operating Costs: \$25,146,006

Proj. Operating Costs per \$254 per  
Visit/Procedure at Warrenville visit/procedure/lab/script  
Ambulatory Care Center;

2. The remaining parts of this Project are not subject to this Criterion.

**Criterion 1120.140(e), Total Effect of the Project On Capital Costs (in Year 2)**

Total Projected Annual Capital Costs in Year 2 = \$0

Total Projected Annual Capital Costs Per Visit/Procedure in Year 2: \$0

**Section IX**  
**Attachment 38**  
**Safety Net Impact Statement**

Because this Project does not involve inpatient services or designated "categories of services," this Project is considered Non-Substantive. Accordingly, this Criterion is not applicable.

**Section X**  
**Attachment 39**  
**Charity Care Information**

Total Loyola Medicine

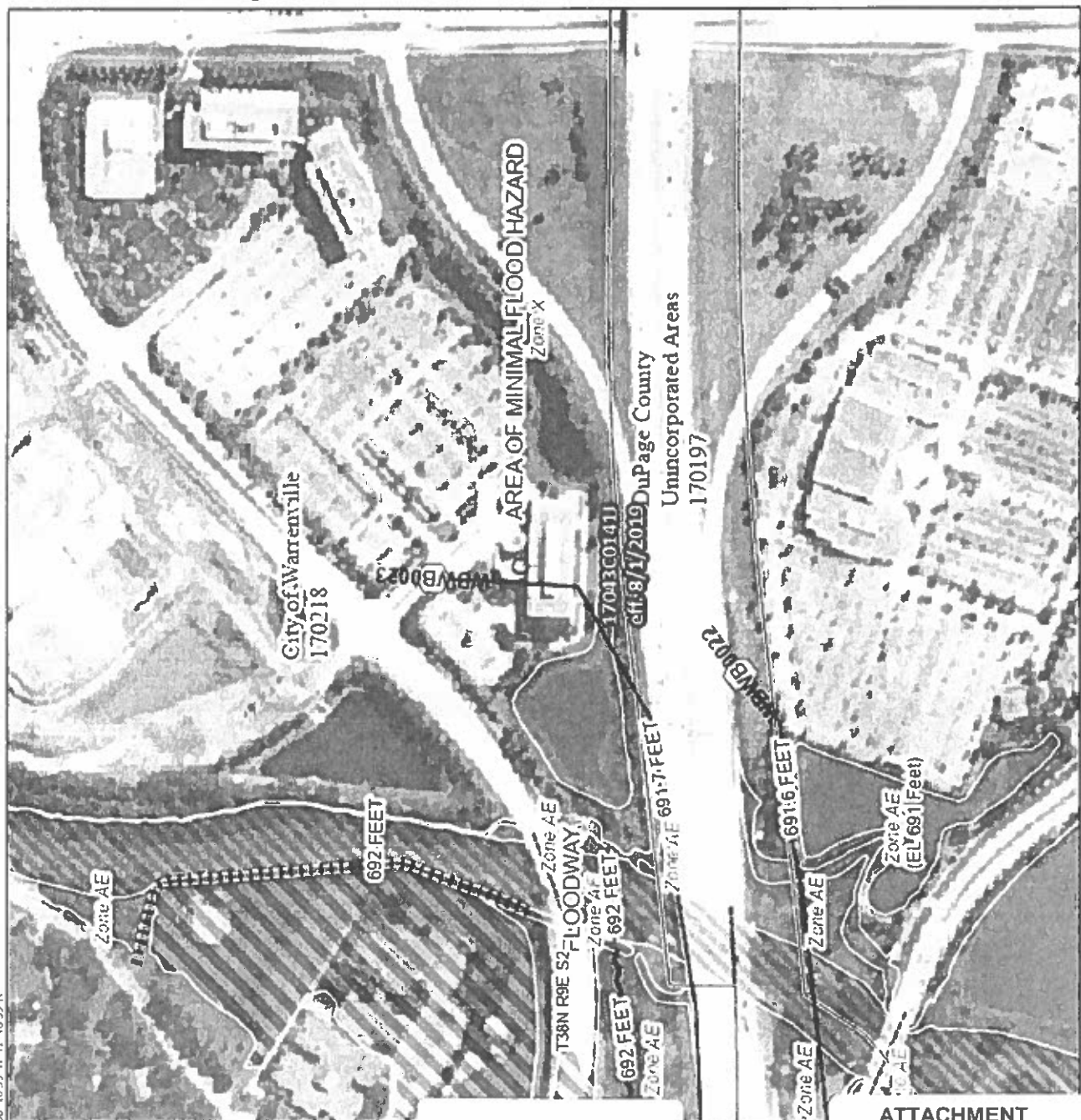
|                                              | FY 2023         | FY 2024         | FY 2025         |
|----------------------------------------------|-----------------|-----------------|-----------------|
| Total Net Patient Revenue                    | \$1,403,088,638 | \$1,439,374,335 | \$1,447,132,320 |
| Amount of Charity Care (Charges)             | \$72,952,198    | \$86,188,691    | \$141,898,843   |
| Cost of Charity Care                         | \$19,413,889    | \$23,189,666    | \$37,957,055    |
| Cost of Charity Care/Total Net Patient Ratio | 1.38%           | 1.61%           | 2.62%           |

**Section X**  
**Attachment 40**  
**Flood Plain Determination**

The Site Parcel for this Project is located in flood plain Zone X, which is designated as an area of low flood risk not requiring flood insurance. See Flood Insurance Rate Map No. 17043C0141J (revised: 8/1/2019), attached at ATTACHMENT 40.



48° 10' 39" W 41° 48' 39" N



Feet

0 250 500 1,000 1,500 2,000 1,6,000

Basemap Imagery Source: USGS National Map 2023

## SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT

**Without Base Flood Elevation (BFE)**  
Zone A, V, A99  
**With BFE or Depth Zone AE, AO, AH, VE, A**  
**Regulatory Floodway**

0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile  $Zone\ x$

**Future Conditions 1% Annual  
Chance Flood Hazard Zone X**

Area with Reduced Flood Risk due to  
Levee. See Notes, Zone X

Area with Flood Risk due to Levee Zone 0

NO SCREEN    Area of Minimal F  
Effective LOMRS

**Purchase pool@wiley.com for eay**

--- Channel, Culvert, or Storm Sewer

Levee, Dike, or Floodwall

**20.2** Cross Sections with 1% Annual Chance

17.5 Water Surface Elevation

Coastal Transient

Base Flood Elevation Line (BFE)

### Limit of Study

—— Jurisdiction Boundary

Coastal Tract Boundary

Profile Baseline

**Hydrographic Feature**

Digital Data Available

No Digital Data Available

Unmapped

## MAP PANELS

The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.

This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 9/11/2026 at 4:45 PM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is valid if the one or more of the following map elements do not appear: base map imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.

ATTACHMENT

40

0186

After paginating the entire completed application indicate, in the chart below, the page numbers for the included attachments:

| INDEX OF ATTACHMENTS |                                                                                                        |         |
|----------------------|--------------------------------------------------------------------------------------------------------|---------|
| ATTACHMENT NO.       |                                                                                                        | PAGES   |
| 1                    | Applicant Identification including Certificate of Good Standing                                        | 26-29   |
| 2                    | Site Ownership                                                                                         | 30-31   |
| 3                    | Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership. | 32      |
| 4                    | Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.                  | 33-34   |
| 5                    | Flood Plain Requirements                                                                               | 35-38   |
| 6                    | Historic Preservation Act Requirements                                                                 | 39-41   |
| 7                    | Project and Sources of Funds Itemization                                                               | 42-61   |
| 8                    | Financial Commitment Document if required                                                              | N/A     |
| 9                    | Cost Space Requirements                                                                                | N/A     |
| 10                   | Discontinuation                                                                                        | N/A     |
| 11                   | Background of the Applicant                                                                            | 62-66   |
| 12                   | Purpose of the Project                                                                                 | 67-71   |
| 13                   | Alternatives to the Project                                                                            | 72      |
| 14                   | Size of the Project                                                                                    | 73-79   |
| 15                   | Project Service Utilization                                                                            | 80      |
| 16                   | Unfinished or Shell Space                                                                              | 81      |
| 17                   | Assurances for Unfinished/Shell Space                                                                  | 82-84   |
| 18                   | Master Design & Related Projects                                                                       | N/A     |
|                      | <b>Service Specific:</b>                                                                               |         |
| 19                   | Medical Surgical Pediatrics, Obstetrics, ICU                                                           | N/A     |
| 20                   | Comprehensive Physical Rehabilitation                                                                  | N/A     |
| 21                   | Acute Mental Illness                                                                                   | N/A     |
| 22                   | Open Heart Surgery                                                                                     | N/A     |
| 23                   | Cardiac Catheterization                                                                                | N/A     |
| 24                   | In-Center Hemodialysis                                                                                 | N/A     |
| 25                   | Non-Hospital Based Ambulatory Surgery                                                                  | N/A     |
| 26                   | Selected Organ Transplantation                                                                         | N/A     |
| 27                   | Kidney Transplantation                                                                                 | N/A     |
| 28                   | Subacute Care Hospital Model                                                                           | N/A     |
| 29                   | Community-Based Residential Rehabilitation Center                                                      | N/A     |
| 30                   | Long Term Acute Care Hospital                                                                          | N/A     |
| 31                   | Clinical Service Areas Other than Categories of Service                                                | 85      |
| 32                   | Freestanding Emergency Center Medical Services                                                         | N/A     |
| 33                   | Birth Center                                                                                           | N/A     |
|                      | <b>Financial and Economic Feasibility:</b>                                                             |         |
| 34                   | Availability of Funds                                                                                  | 86-87   |
| 35                   | Financial Waiver                                                                                       | 88-176  |
| 36                   | Financial Viability                                                                                    | N/A     |
| 37                   | Economic Feasibility                                                                                   | 177-182 |
| 38                   | Safety Net Impact Statement                                                                            | 183     |
| 39                   | Charity Care Information                                                                               | 184     |
| 40                   | Flood Plain Compliance                                                                                 | 185-186 |