

**BAYCARE HEALTH SYSTEM, INC.  
OFFICER'S CERTIFICATION  
Q1 2023**

To: DAC  
315 E. Robinson Street, Ste. 300  
Orlando, FL 32801  
Attn: Shana Blanchard, Client Service Mgr.

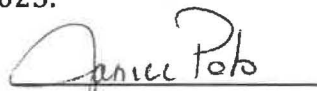
The undersigned, Janice Polo, does hereby certify that she is the Executive Vice President of Finance and Chief Financial Officer of BayCare Health System, Inc. ("BayCare") and that this Certificate is being executed and delivered pursuant to:

Section 2(a) of the Third Amended and Restated Disclosure Dissemination Agent Agreement dated as of April 1, 2020 between BayCare and Digital Assurance Certification, LLC

Each capitalized term used but not defined in this Certificate is so used with the meaning assigned to such term in the Agreement.

The undersigned hereby certifies that the statements provided present fairly the financial condition of BayCare and its combined Affiliates as of the dates and for the periods indicated.

IN WITNESS WHEREOF, the undersigned is executed and delivered this Officer's Certificate this 5<sup>th</sup> day of May 2023.

A handwritten signature in black ink that reads "Janice Polo". The signature is written in a cursive style and is positioned above a horizontal line.

Janice Polo  
Executive Vice President & CFO  
BayCare Health System, Inc.



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**SUMMARY FINANCIAL  
INFORMATION**

**HISTORICAL**

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**For The Three-Month Period  
Ended March 31, 2023**

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**BAYCARE HEALTH SYSTEM**  
**COMBINED STATEMENTS OF OPERATIONS**  
**For The Three-Month Period Ended March 31, 2023**  
(Dollars in thousands)

	Year-to-Date		
	Current Year	Prior Year	Over / (Under) PY
<b><u>HOSPITAL INDICATORS</u></b>			
Discharges	41,869	39,723	5.4%
OSV - % of Discharges + OSV	33.8%	31.7%	6.6%
Adjusted Discharges	80,589	74,797	7.7%
Average Length of Stay	4.91	5.18	-5.2%
Medicare/Medicare HMO Average Length of Stay	5.10	5.30	-3.8%
Case Mix Index	1.66	1.69	-1.8%
Net Revenue Per Adjusted Discharge	\$13,848	\$13,998	-1.1%
Cost Per Adjusted Discharge	\$13,010	\$12,969	0.3%
Volume Adjusted Cost Per Adjusted Discharge	\$13,010	\$12,605	3.2%
FTEs	18,265	16,902	8.1%
FTEs/AOB	4.19	3.96	5.8%
Salaries Per Adjusted Discharge	\$4,809	\$4,847	-0.8%
Supplies Per Adjusted Discharge-CMI Adj	\$1,663	\$1,658	0.3%
<b><u>SYSTEM OVERALL INDICATORS</u></b>			
Operating Cash Flow Margin	10.2%	11.0%	-7.3%
Operating Margin	4.6%	5.2%	-11.5%
Total Margin	19.0%	-33.9%	156.0%
FTEs	27,282	25,428	7.3%
<b><u>SYSTEM FINANCIAL ACTIVITY</u></b>			
<b><u>Operating Revenue</u></b>			
Net Patient Service Revenue	\$1,262,013	\$1,170,175	7.8%
Net Premium Revenue	38,977	30,674	27.1%
Other Revenue	39,669	41,826	-5.2%
<b>Total Operating Revenue</b>	<b>1,340,659</b>	<b>1,242,675</b>	<b>7.9%</b>
<b><u>Operating Expenses</u></b>			
Salaries and Wages	615,609	569,472	8.1%
Benefits	90,886	84,950	7.0%
Supplies	251,123	234,570	7.1%
Health Plan Cost to External Providers	22,535	16,376	37.6%
Purchased Services and Other Expenses	224,127	200,177	12.0%
<b>Subtotal</b>	<b>1,204,280</b>	<b>1,105,545</b>	<b>8.9%</b>
<b><u>Operating Cash Flow</u></b>			
	<b>\$136,379</b>	<b>\$137,130</b>	<b>-0.5%</b>
Depreciation and Amortization	62,760	62,265	0.8%
Interest	11,533	10,782	7.0%
<b>Subtotal</b>	<b>74,293</b>	<b>73,047</b>	<b>1.7%</b>
<b>Total Operating Expenses</b>	<b>1,278,573</b>	<b>1,178,592</b>	<b>8.5%</b>
<b><u>OPERATING INCOME (LOSS)</u></b>			
	<b>\$62,086</b>	<b>\$64,083</b>	<b>-3.1%</b>
<b>Total Non-Operating Revenue (Losses)</b>	<b>237,778</b>	<b>(362,598)</b>	<b>165.6%</b>
<b><u>EXCESS (DEFICIENCY) OF REVENUES AND GAINS OVER EXPENSES</u></b>			
	<b>\$299,864</b>	<b>(\$298,515)</b>	<b>200.5%</b>

**BAYCARE HEALTH SYSTEM**  
**COMBINED BALANCE SHEETS**  
**March 31, 2023**  
(Dollars in thousands)

	<b>Current Month</b>	<b>Prior Year End</b>
	<b>03/31/23</b>	<b>12/31/22</b>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$136,463	\$88,824
Short-term investments	1,255	1,244
Accounts receivable, less allowance for doubtful accounts	547,194	523,176
Inventories	141,907	140,325
Prepaid expenses and other current assets	223,689	210,298
<b>TOTAL CURRENT ASSETS</b>	<b>1,050,508</b>	<b>963,867</b>
Investments	7,026,137	6,852,931
Assets limited as to use	341,521	333,384
Right-of-use asset - finance leases	15,709	16,364
Right-of-use asset - operating leases	54,636	53,922
Property, plant and equipment, net	2,779,110	2,788,034
Interest in net assets of Foundations	177,502	173,809
Due from affiliates	3,760	3,277
Other assets	130,814	127,372
<b>TOTAL ASSETS</b>	<b>\$11,579,697</b>	<b>\$11,312,960</b>
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities:		
Accounts payable and accrued expenses	\$312,267	\$339,415
Employee compensation	307,164	351,556
Estimated third party settlements	35,350	27,247
Health plan claims payable	16,393	9,271
Finance lease liability	2,348	2,452
Operating lease liability	8,720	8,884
Current portion long-term debt	148,308	148,323
Long-term debt, subject to short-term put arrangements	404,430	404,430
Other current liabilities	28,231	14,227
<b>TOTAL CURRENT LIABILITIES</b>	<b>1,263,211</b>	<b>1,305,805</b>
Finance lease liability, less current portion	16,375	16,929
Operating lease liability, less current portion	48,860	48,002
Long-term debt, less current portion	1,053,718	1,054,011
Other	452,159	446,101
<b>TOTAL LIABILITIES</b>	<b>2,834,323</b>	<b>2,870,848</b>
Net assets:		
Without donor restrictions	8,632,160	8,328,605
With donor restrictions	113,214	113,507
<b>TOTAL NET ASSETS</b>	<b>8,745,374</b>	<b>8,442,112</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$11,579,697</b>	<b>\$11,312,960</b>

**BAYCARE HEALTH SYSTEM**  
**COMBINED STATEMENTS OF CHANGES IN NET ASSETS**  
**March 31, 2023**  
(Dollars in thousands)

	<b>Current Month</b>	<b>Prior Year End</b>
	<b>03/31/23</b>	<b>12/31/22</b>
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS</b>		
Excess (deficiency) of revenues and gains over expenses	\$299,864	(\$535,014)
Net assets released from restrictions for capital additions	1,887	12,323
Pension related changes other than net periodic pension cost	0	26,980
Other	1,804	(5,724)
<b>INCREASE (DECREASE) IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>	303,555	(501,435)
<b>NET ASSETS WITH DONOR RESTRICTIONS</b>		
Contributions	1	49
Net assets released from restrictions for operations	31	(686)
Net assets released from restrictions for capital additions	(64)	(64)
Change in interest in net assets of foundations	(261)	(19,192)
<b>INCREASE (DECREASE) IN NET ASSETS WITH DONOR RESTRICTIONS</b>	(293)	(19,893)
<b>INCREASE (DECREASE) IN NET ASSETS</b>	303,262	(521,328)
<b>NET ASSETS (DEFICIT) AT THE BEGINNING OF THE YEAR</b>	8,442,112	8,963,440
<b>NET ASSETS (DEFICIT) AT THE END OF THE YEAR</b>	\$8,745,374	\$8,442,112

**BAYCARE HEALTH SYSTEM**  
**COMBINED STATEMENTS OF CASH FLOWS**  
**For The Three-Month Period Ended March 31, 2023**  
(Dollars in thousands)

	<b>Current Year To Date 03/31/23</b>	<b>Prior Year To Date 03/31/22</b>
<b>OPERATING ACTIVITIES &amp; GAINS</b>		
Increase (decrease) in net assets	\$303,262	(\$302,825)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	62,760	62,265
Provision for bad debts	207	453
(Gain) loss on interest rate swaps	8,328	(29,928)
(Gain) loss on sale of property, plant and equipment	372	394
Amortization of bond premiums, net	(131)	(479)
Amortization of bond issue costs	226	242
(Increase) decrease in:		
Accounts receivable, net	(24,225)	(34,529)
Inventories	(1,582)	(1,453)
Prepaid expenses & other current assets	(12,735)	(16,219)
Increase (decrease) in:		
Accounts payable & accrued expenses	18,619	(11,792)
Employee compensation	(44,392)	(72,279)
Estimated third party settlements	8,103	(3,818)
Health plan claims payable	7,411	6,170
Other assets and liabilities	21,311	5,440
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES &amp; GAINS AND NONOPERATING LOSSES</b>	<b>347,534</b>	<b>(398,358)</b>
<b>INVESTING ACTIVITIES</b>		
Net purchases of property, plant and equipment	(110,293)	(85,871)
Proceeds from the sale of property, plant and equipment	7	67
(Increase) decrease in other assets	(7,192)	22,603
<b>NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES</b>	<b>(117,478)</b>	<b>(63,201)</b>
<b>FINANCING ACTIVITIES</b>		
Principal payments on long-term borrowings and finance lease obligations	(1,039)	(954)
Payment of debt issue costs	(24)	0
Net change in revolving line of credit	0	70,000
<b>NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>	<b>(1,063)</b>	<b>69,046</b>
<b>INCREASE (DECREASE) IN CASH &amp; INVESTMENTS</b>	<b>228,993</b>	<b>(392,513)</b>
<b>CASH &amp; INVESTMENTS AT BEGINNING OF PERIOD</b>	<b>\$7,276,383</b>	<b>\$8,250,365</b>
<b>CASH &amp; INVESTMENTS AT END OF PERIOD</b>	<b>\$7,505,376</b>	<b>\$7,857,852</b>