



**Ochsner Clinic Foundation
d/b/a Ochsner Health
Quarterly Financial Information Disclosure**

**For the Three Months Ended
March 31, 2023**

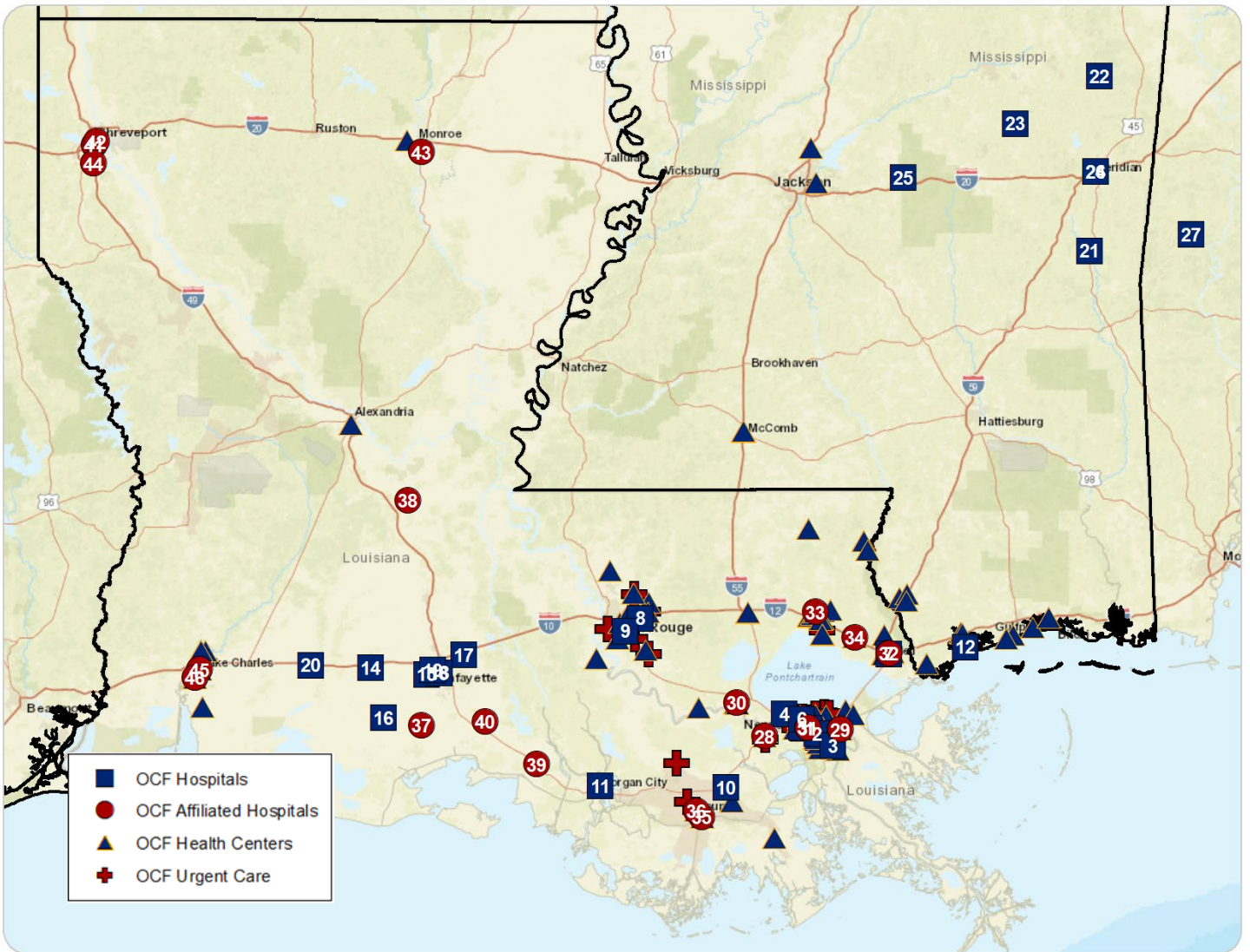
System Overview

Ochsner Clinic Foundation d/b/a Ochsner Health (“OCF” or “Ochsner”) is a Louisiana-based non-profit corporation and an organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code (the “Code”) founded on providing the best patient care, research, and education. Ochsner is the largest non-profit, academic, multi-specialty, integrated healthcare delivery system in the Gulf Coast region. OCF operates 27 hospitals, manages 6 hospitals, has joint operating agreements with 3 hospitals, has 174 health centers and 28 Urgent Care and Occupational Health Clinics, including the locations added after OCF’s recent acquisition of Rush Health Systems, Inc. effective July 1, 2022, which is now called Ochsner Rush Health (“Ochsner Rush”). Ochsner Medical Center (“OMC”) is a nationally recognized tertiary and quaternary referral center with destination centers of excellence including cancer, neurosciences, transplantation, cardiovascular, and women’s and pediatrics services. When combined with affiliated hospitals, Ochsner owns, provides management assistance and support, or is affiliated with 46 hospitals across Louisiana and Mississippi. OCF employs over 1,800 physicians that have over 1,500 board certifications in approximately 90 specialties, trains over 1,000 medical residents and fellows annually, which currently includes approximately 420 at OCF and 600 at Ochsner LSU Health System of North Louisiana, has 374 Doctor of Medicine students enrolled in the University of Queensland, Ochsner Clinical School, and is currently conducting over 660 clinical research studies. In 2022, more than 1.3 million people from all 50 states and more than 62 countries visited Ochsner.

Ochsner is recognized nationally for quality. Awards and recognitions in 2022 and 2023 include:

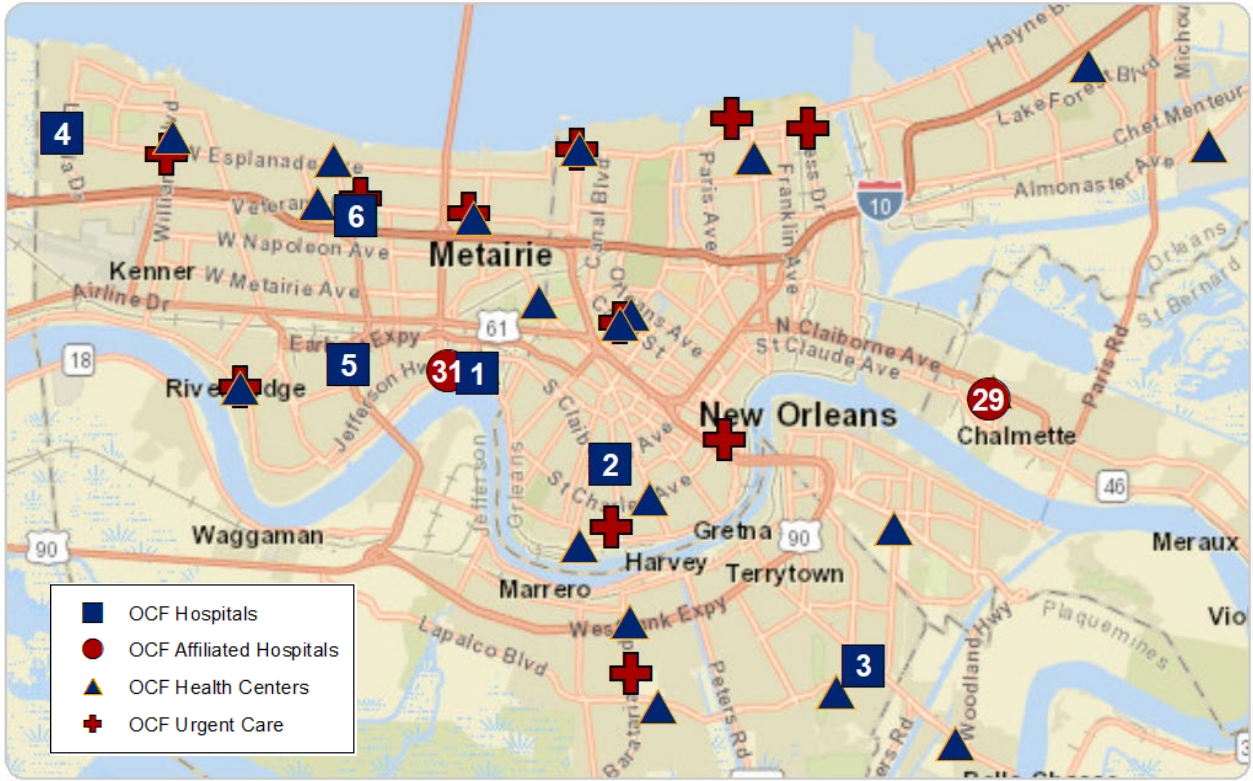
- Ochsner Medical Center, Ochsner Baptist, a campus of Ochsner Medical Center, and Ochsner Medical Center – West Bank Campus were recognized as a Best Hospital in the country, according to *U.S. News and World Report’s 2022-23 Best Hospitals* rankings for the eleventh consecutive year. Ochsner Medical Center, Ochsner Baptist and Ochsner Medical Center – West Bank Campus were also ranked #1 among the best hospitals in Louisiana, according to *U.S. News and World Report’s 2022-23 Best Hospitals rankings*.
- Ochsner achieved the Gold Seal of Approval from the Joint Commission.
- Ochsner received the 2022 Web MD Elite Choice Award in Cardiology, Orthopedics, Neurology, and Gastroenterology.
- Ochsner Medical Center received the Specialty Excellence Awards for Neurosciences and Vascular Surgery and was recognized in the top 100 hospitals for Prostate Surgery and Stroke Care by the *Healthgrades 2023 Report to the Nation*.
- Ochsner Medical Center earned the High Performing in Maternity Care (Uncomplicated Pregnancy) rating for 2022-2023 – the highest rating *U.S. News & World Report* awards for maternity care.
- Ochsner Medical Center and Ochsner St. Anne were named two of America’s Best Maternity Hospitals by Newsweek Magazine.
- Ochsner University Hospital & Clinics, Leonard J. Chabert Medical Center, St. Tammany Parish Hospital, and CHRISTUS Ochsner Lake Area Hospital achieved the Healthgrades 2023 Outstanding Patient Experience Award.
- Ochsner Medical Center – Kenner and Ochsner Medical Center – Northshore achieved the Healthgrades 2023 Patient Safety Excellence Award.
- Ochsner Hospital for Children was nationally ranked in pediatric cardiology and heart surgery, pediatric gastroenterology and gastrointestinal surgery, and pediatric orthopedics specialties in the 2022-23 *U.S. News and World Report’s Best Children’s Hospitals* rankings.
- Ochsner Hospital for Children was named first in Louisiana in Best Children’s Hospitals rankings for 2022-23 by *U.S. News and World Report* for the second consecutive year.
- Eight Ochsner facilities and affiliates received an “A” Grade for Patient Safety from the Spring 2023 Leapfrog Group.
- Ochsner Medical Center – Baton Rouge was named the 2022 Hospital of the Year in the 61-160 beds category by Louisiana State Nurses Association and Louisiana Nurse Foundation.
- Ochsner Rehabilitation Hospital was named Best Physical Rehabilitation Center in Louisiana by Newsweek.
- Ochsner St. Anne Hospital was named a 2022 Top 100 Critical Access Hospital by the Chartis Center for Rural Health.
- Ochsner St. Anne Hospital was recognized as a Best Hospital for Patient Experience by Becker’s Hospital Review.
- Ochsner was recognized as a 2022 Best Employer for Veterans by Forbes.
- Ochsner was recognized as a 2023 Greatest Workplace for Diversity by Newsweek.

The following map indicates the locations of Ochsner’s acute care hospitals, health centers and urgent care locations. See “DESCRIPTION OF CREDIT GROUP” and “OBLIGATED GROUP MEMBER” herein for more information regarding Ochsner’s health care facilities.



	Ochsner Health	Affiliate
New Orleans Southshore	Ochsner Medical Center (1) Ochsner Baptist Medical Center (2) Ochsner Medical Center West Bank (3) Ochsner Medical Center Kenner (4) Ochsner Hospital for Orthopedics and Sports Medicine (5) Ochsner Medical Complex Clearview (6)	St Charles Parish Hospital (28) St Bernard Parish Hospital (29) River Place Behavioral Health (30) Ochsner Rehabilitation Hospital (31)
New Orleans Northshore	Ochsner Medical Center Northshore (7)	Slidell Memorial Hospital (32) St Tammany Parish Hospital (33) Northshore Rehabilitation Hospital (34)
Baton Rouge	Ochsner Medical Center Baton Rouge (8) Ochsner Medical Center - The Grove (9)	
Bayou	Ochsner St Anne Hospital (10) Ochsner St Mary (11)	Leonard J Chabert Medical Center (35) Terrebonne General Medical Center (36)
Mississippi Gulf Coast	Ochsner Medical Center - Hancock (12)	
Acadiana	Ochsner Lafayette General Medical Center (13) Ochsner Acadia General Hospital (14) Ochsner Lafayette General Orthopaedic Hospital (15) Ochsner Abrom Kaplan Memorial Hospital (16) Ochsner St Martin Hospital (17) Ochsner Lafayette General Surgical Hospital (18) Ochsner Univeristy Hospital & Clinics (19) Ochsner American Legion Hospital (20)	Abbeville General Hospital (37) Bunkie General Hospital (38) Franklin Foundation Hospital (39) Iberia Medical Center (40)
Central Mississippi & Alabama	Ochsner Watkins Hospital (21) Ochsner Stennis Hospital (22) Ochsner Laird Hospital (23) Ochsner Rush Medical Center (24) Ochsner Scott Regional Hospital (25) Ochsner Specialty Hospital (26) Ochsner Choctaw General Hospital (27)	
North Louisiana		Ochsner-LSU Health - Shreveport (41) Ochsner-LSU Health - St Mary (42) Ochsner-LSU Health - Monroe (43) Ochsner-LSU Health Shreveport - Louisiana Behavioral Health (44)
Lake Charles		CHRISTUS-Ochsner St Patrick (45) CHRISTUS-Ochsner Lake Area (46)

Greater New Orleans Area



Forward-Looking Information

This Financial Information Disclosure contains disclosures, which contain “forward-looking statements” within the meaning of the Federal securities laws. Forward-looking statements include all statements that do not relate solely to historical or current fact and can be identified by the use of words “expect”, “anticipate”, “intend”, “project”, “likely”, “may”, “might”, “estimate”, “budget” and similar words or expressions. These forward-looking statements are based on the current plans and expectations of Ochsner Clinic Foundation d/b/a Ochsner Health (“OCF” or “Ochsner”) as of the date of this report and are subject to a number of known and unknown risks and uncertainties inherent in the operation of health care facilities, many of which are beyond OCF's control, that could significantly affect current plans and expectations and OCF's future financial position and results of operations.

Important factors that could cause results to differ materially from those expected by management include, but are not limited to, general, economic and business, competition from other healthcare facilities in the service areas, an unfavorable pricing environment, inability to achieve expected efficiencies in operations or effectively control health care costs, the efforts of insurers and others to contain health care costs, changes in Medicare or Medicaid reimbursement formulas, the risk that managed care provider arrangements will not be negotiated or renewed on acceptable terms, future divestitures or acquisitions which may have a financial impact, availability and terms of capital to fund future expansion and ongoing capital needs, new laws or regulations, the possible enactment of federal or state health care reform, fines or penalties related to regulatory matters, changes in accounting standards and practices, the outcome of pending and future litigation and government investigations, labor issues and the ability to attract and retain qualified management and other personnel, including physicians, nurses and medical support personnel.

Given these uncertainties, bondholders and prospective bondholders are cautioned not to unduly rely on such forward-looking statements when evaluating the information presented in this report. OCF disclaims any obligation, and makes no promise, to update any such factors or forward-looking statements or to disclose any facts, events or circumstances after the date hereof that may affect the accuracy of any forward-looking statements, whether as a result of changes in underlying factors, to reflect new information, as a result of the occurrence of events or developments or otherwise.

Description of Credit Group

Ochsner's history began when the Ochsner Clinic opened its doors to patients on January 2, 1942 as a physician practice. Alton Ochsner Medical Foundation ("AOMF"), a Louisiana not for profit corporation exempt from taxation under Section 501(c)(3) of the IRS Code, was founded on January 21, 1944 to own and operate Ochsner Foundation Hospital. On August 31, 2001, Ochsner Clinic merged with a wholly-owned subsidiary of AOMF and Ochsner Clinic became a wholly owned subsidiary of AOMF. As part of the acquisition of Ochsner Clinic, AOMF changed its name to Ochsner Clinic Foundation ("OCF"). Ochsner Clinic Foundation operates under the trade name of Ochsner Health. All references to "Ochsner," "Ochsner Health," or "OCF" hereinafter refer to Ochsner Clinic Foundation.

OCF is the only Obligated Group Member under the Master Indenture. Certain affiliates of OCF have been designated as Designated Affiliates and Credit Group Members under the Master Indenture. Credit Group or Credit Group Members means all Obligated Group Members and Designated Affiliates. Under the Master Indenture, Obligated Group Members are jointly and severally liable to make payments with respect to Obligations issued under the Master Indenture. Designated Affiliates are not obligated to make payments with respect to Obligations but may be required to transfer to Obligated Group Members, to the extent legally available, amounts necessary to enable the Obligated Group Members to make payments under the Master Indenture. Obligated Group Members may designate entities as Designated Affiliates under the Master Indenture and may rescind such designation at any time. Designated Affiliates have not changed since the Designated Affiliate Agreement dated September 26, 2022. OCF and Designated Affiliates constituted 96.1% of the total assets of OCF Consolidated as of March 31, 2023, and 99.1% of the total revenue of OCF Consolidated as of March 31, 2023.

Obligated Group Member

OCF is the only Obligated Group Member under the Master Indenture. OCF is headquartered in New Orleans, Louisiana, and, either directly or through its fully owned affiliates or subsidiaries, operates 27 hospitals and other healthcare facilities, as follows:

- Ochsner Medical Center ("OMC"), a 724-bed acute care hospital located in New Orleans, Louisiana, which serves as the flagship of Ochsner, and includes an 11-story clinic building, a 30-bed skilled nursing facility (within Ochsner's West Campus), a 134-room hotel and related medical facilities located on a main campus in Jefferson Parish at the western end of New Orleans;
- Ochsner Hospital for Orthopedics and Sports Medicine, a 28-bed satellite hospital of OMC, located in Jefferson, Louisiana, which primarily provides outpatient services;
- Ochsner Medical Complex – Clearview, a 10-bed satellite hospital of OMC, located in Metairie, Louisiana;
- Ochsner Medical Center – West Bank Campus, a 117-bed acute care satellite hospital of OMC in New Orleans, Louisiana;
- Ochsner Baptist Medical Center, a 123-bed acute care satellite hospital of OMC in New Orleans, Louisiana;
- Ochsner Medical Center – Kenner, a 116-bed acute care hospital in Kenner, Louisiana;
- Ochsner Medical Center – North Shore, a 150-bed acute care hospital in Slidell, Louisiana;
- Ochsner Medical Center – Baton Rouge, a 152-bed acute care hospital in Baton Rouge, Louisiana;
- Ochsner Medical Complex – The Grove, a 10-bed satellite hospital of Ochsner Medical Center – Baton Rouge, located in Baton Rouge, Louisiana, which primarily provides outpatient services;
- Ochsner St. Anne Hospital, a 35-bed critical access hospital in Raceland, Louisiana;
- Ochsner St. Mary, a 164-bed acute care hospital in Morgan City, Louisiana;
- Ochsner Medical Center - Hancock, a 102-bed acute care hospital in Bay St. Louis, Mississippi;
- Ochsner Lafayette General Medical Center, a 411-bed acute care hospital in Lafayette, Louisiana, including a 24-bed satellite sub-acute Behavioral Health Unit;
- Ochsner Lafayette General Orthopedic Hospital, a 68-bed satellite hospital of Ochsner Lafayette General Medical Center in Lafayette, Louisiana;
- Ochsner Lafayette General Surgical Hospital, a 10-bed satellite hospital of Ochsner Lafayette General Medical Center in Lafayette, Louisiana;
- Ochsner St. Martin Hospital, a 25-bed critical care access hospital in Breaux Bridge, Louisiana;
- Ochsner University Hospital & Clinics, a 116-bed acute care hospital in Lafayette, Louisiana;
- Ochsner Abrom Kaplan Memorial Hospital, a 35-bed critical access hospital in Kaplan, Louisiana;

- Ochsner Acadia General Hospital, a 113-bed hospital in Crowley, Louisiana;
- Ochsner American Legion Hospital, a 49-bed acute care hospital in Jennings, Louisiana;
- Ochsner Rush Medical Center, a 215-bed acute care hospital in Meridian, Mississippi;
- Ochsner Specialty Hospital, a 49-bed long-term acute care hospital in Meridian, Mississippi;
- Ochsner Choctaw General Hospital, a 25-bed critical access hospital in Butler, Alabama;
- Ochsner Watkins Hospital, a 25-bed critical access hospital in Quitman, Mississippi;
- Ochsner Stennis Hospital, a 25-bed critical access hospital in DeKalb, Mississippi;
- Ochsner Laird Hospital, a 25-bed critical access hospital in Union, Mississippi;
- Ochsner Scott Regional Hospital, a 25-bed acute care hospital in Morton, Mississippi;
- 174 health centers throughout Louisiana and Mississippi;
- 28 Urgent Care and Occupational Health Clinics throughout Louisiana and Mississippi; and
- Several fitness centers that operate as Ochsner Fitness Center.

OCF, either directly or through its fully owned affiliates or subsidiaries, provides management assistance and support to 6 hospitals, as follows:

- Leonard J. Chabert Medical Center (“LJCMC”), a 156-bed public, safety net hospital in Houma, Louisiana;
- St. Charles Parish Hospital (“SCPH”), a 57-bed public, safety net hospital in Luling, Louisiana;
- St. Bernard Parish Hospital (“SBPH”), a 40-bed public, safety net hospital in Chalmette, Louisiana; and
- Ochsner LSU Health System of North Louisiana (“OLHS-NL”), which includes Ochsner LSU Health Shreveport – Academic Medical Center, a 395-bed hospital in Shreveport, Louisiana, Ochsner LSU Health Shreveport – St. Mary Medical Center, a 93-bed hospital in Shreveport, Louisiana, and Ochsner LSU Health – Monroe Medical Center, a 244-bed hospital in Monroe, Louisiana.

OCF also has joint operating agreements with three hospitals, as follows:

- Terrebonne General Health System, a 321-bed public acute care hospital in Houma, Louisiana;
- St. Tammany Health System, a 281-bed public acute care hospital in Covington, Louisiana; and
- Slidell Memorial Hospital, a 223-bed public acute care hospital in Slidell, Louisiana.

In recent years, OCF has entered into several strategic partnerships, affiliation agreements, and acquisitions that increase local access to care, improve quality, reduce the cost of healthcare, and share best practices and resources in order to improve the health of Louisiana communities. Agreements signed or completed in 2023 and 2022 are as follows:

- College of Medicine Partnership. In January 2023, Ochsner announced an agreement to establish a joint College of Medicine with Xavier University. Ochsner and Xavier will form a nonprofit corporation, create a new curriculum, and use facilities, personnel, and administrative systems from both institutions to create a strong physician pipeline.
- Diamondhead Urgent Care. On November 17, 2022, Ochsner acquired Diamondhead Urgent Care in Diamondhead, MS, to increase the scope of care in the Gulf Region.
- Impact Talent Solutions I, LLC. On September 30, 2022, Ochsner entered a joint venture with a staffing company to form Impact Talent Solutions I, LLC. The focus of the new joint venture is to provide staffing services. Ochsner owns a 60% interest in this joint venture.
- Rush Health Systems. On July 1, 2022, OCF and Rush completed a membership substitution transaction pursuant to which OCF became the sole corporate member of Rush and is now called Ochsner Rush Health. This follows an interim management services agreement that was executed October 4, 2021 whereby Ochsner provided management services to Rush and employed certain Rush executives.
- Jennings American Legion Hospital. On April 1, 2022, Ochsner acquired certain assets and liabilities and leased the facility of Jennings American Legion Hospital. The hospital is a 49-bed acute care hospital in Jennings, Louisiana and is now called Ochsner American Legion Hospital. Ochsner also committed to spend \$30.5 million in capital improvements over the initial 10-year lease term.

Governance

As of the release date of this document, there have been no changes to Governance since the Annual Financial Information Disclosure dated April 28, 2023.

Executive Leadership

As of the release date of this document, there have been no changes to the Executive Leadership since the Annual Financial Information Disclosure dated April 28, 2023.

Management Discussion and Analysis of Financial Results

Executive Summary

OCF had a Loss from Operations of \$8.7 million (-0.5% of Total Revenues) for the first three months of 2023 compared to Income from Operations of \$26.1 million (1.7% of Total Revenues) for the first three months of 2022, a \$34.8 million decrease. Operating EBIDA was \$74.9 million (4.3% of Total Revenues) for the first three months of 2023 compared to \$100.6 million (6.6% of Total Revenues) for the first three months of 2022, a \$25.7 million decrease.

Statement of Operations

OCF achieved Total Revenues of \$1.7 billion for the first three months of 2023, an increase of \$195.7 million or 12.8% over the first three months of 2022. Patient Service Revenue increased \$199.9 million or 20.1%. Excluding Ochsner Rush, Patient Service Revenue increased \$125.5 million or 12.6%. Patient Service Revenue mainly increased due to increased clinic volume and revenue attributable to outpatient and inpatient surgical volume. Premium Revenue increased \$4.0 million or 3.3%. When comparing the first three months of 2023 to 2022 excluding Ochsner Rush, discharges increased 4.2%, patient days increased 1.6%, inpatient surgical procedures increased 12.7%, outpatient surgical procedures increased 12.6%, emergency room visits increased 2.6%, clinic visits increased 16.4%, clinic RVUs increased 11.4%, inpatient revenue increased 15.9% and outpatient revenue increased 9.1%. Revenue received from any of OCF's managed or affiliated hospitals is not included within Patient Service Revenue.

Other Operating Revenue for the first three months of 2023 was \$398.3 million, a \$8.9 million decrease over the first three months of 2022. Excluding Ochsner Rush, Other Operating Revenue decreased \$11.4 million. The primary drivers of the decrease excluding Ochsner Rush were a \$59.5 million decrease in Federal Emergency Management Agency (FEMA) receipts and \$36.8 million decrease in donated agency labor from the Louisiana Department of Health which ended mid-year 2022. Decreases were offset by a \$57.0 million increase in pharmacy revenue, \$8.9 million increase from physician services agreements, \$5.6 million business interruption insurance proceeds related to Hurricane Ida, \$3.1 million increase in revenue from the Medicaid Managed Care Incentive Payment program, \$6.6 million increase related to funding from partners of partially owned subsidiaries formed exclusively for charitable, education, and scientific purposes, and \$4.5 million increase in revenue from our joint operating agreements and managed facilities, which provided approximately \$45.0 million and \$40.5 million in revenue for the first three months of 2023 and 2022, respectively.

Salaries and Wages for the first three months of 2023 were \$784.3 million, a \$77.6 million increase over the first three months of 2022. Excluding Rush, Salaries and Wages increased \$38.5 million, or 5.4%. The increase in Salaries and Wages includes premium pay, wage inflation as well as additional staffing and providers needed to meet increased patient demand. Excluding Rush, total providers increased by 3.7% or 92 full-time equivalents ("FTEs"). That includes a 3.3% increase in physicians, or 52 FTEs, and a 4.5% increase in the number of other providers, or 40 FTEs. Ochsner employs over 1,800 active staff physicians and over 1,400 other providers.

Medical Services to Outside Providers expense for the first three months of 2023 increased by \$3.1 million or 5.1% from the first three months of 2022. OCF currently provides services to approximately 44,000 senior members under capitation contracts and Medicare Advantage plans. Increases in provider and pharmacy claim expense were driven by an increase in members under Ochsner Health Plan, which were approximately 2,900 and 1,900 in 2023 and 2022, respectively.

Medical Supplies and Services increased by approximately \$85.8 million when comparing the first three months of 2023 to 2022. Medical Supplies and Services as a percentage of Total Revenues was 23.2% for the first three months of 2023 and 20.6% for the first three months of 2022. Excluding Ochsner Rush, Medical Supplies and Services increased \$74.7 million, or 23.8%. Approximately \$55.7 million of this increase is due to increased drug expenses primarily related to increased volume for the retail, home infusion, and 340B pharmacies. There was an approximate \$14.0 million increase in Medical Supplies and Purchased Services related to increased surgical procedures and implant volume.

Other Operating Expenses which include building and equipment rental and maintenance, insurance, professional services, and general and administrative expenses for the first three months of 2023 increased by \$55.1 million or 21.3% over the first three months of 2022. Excluding Ochsner Rush, Other Operating Expenses increased \$38.6 million or 14.9%. Approximately \$5.9 million of this increase is for software expenses as we increased our cybersecurity and integrated Ochsner Lafayette General onto our medical records software. Other increases include \$3.6 million in insurance expense, \$4.2 million for consulting and professional fees, \$3.4 million related to Ochsner American Legion, which was acquired April 1, 2022, \$7.6 million for provider assessments in Louisiana, \$3.0 million for marketing and system-wide meetings, and \$7.7 million for purchased food and other services.

OCF's non-operating gains and losses related to realized gains and losses and changes in the market value of the pooled investment portfolio was a gain of \$43.3 million and a loss of \$56.0 million for the first three months of 2023 and 2022, respectively.

Ratings

On October 1, 2020, Moody's Investors Service, Inc. affirmed its rating for the Bonds of 'A3' with a stable outlook. On June 29, 2022, S&P Global Ratings affirmed its rating for the Bonds of 'A' with a stable outlook.

COVID-19

Ochsner has benefited from the CARES Act and other legislation to help it respond to the pandemic. During 2020, OCF received \$296.0 million from the CARES Act Medicare Accelerated and Advance Payment Program. Starting in April 2021, Medicare started to recoup the advance payments, and as of March 31, 2023, Ochsner owed \$3.8 million related to the advances. In the quarter ended March 31, 2023, Ochsner fully repaid the deferred employer portion of Social Security tax. OCF has applied for federal aid from FEMA and has received and recognized \$235.0 million through March 31, 2023 related to COVID-19, of which \$64.3 million was received and recognized in Other Operating Revenue in the three months ended March 31, 2022. Ochsner has received and recognized \$257.3 million of Provider Relief Funds through March 31, 2023, of which \$2.5 million was received and recognized in Other Operating Revenue in the three months ended March 31, 2022. Ochsner has not received FEMA or Provider Relief funds related to COVID-19 in 2023.

Hurricane Ida

On August 29, 2021, Hurricane Ida made landfall at Port Fourchon, Louisiana, approximately 50 miles south of New Orleans, Louisiana, as a category 4 hurricane causing catastrophic damage. Ochsner maintains insurance for both property damage and business interruption. OCF continues to work with and has engaged national consulting firms to assist in the insurance claims adjustment and FEMA application processes. OCF received and recognized \$5.6 million of business interruption insurance proceeds and \$4.7 million FEMA payments in the three months ended March 31, 2023. There were no insurance proceeds or FEMA payments related to Hurricane Ida received in the three months ended March 31, 2022. Insurance proceeds and FEMA payments are recorded within Other Operating Revenue.

Unrestricted Liquidity and Cash Position

As of March 31, 2023, OCF had unrestricted cash and investments of \$2.0 billion which equates to 108 days cash on hand. Unrestricted cash and investments decreased by \$143.5 million from \$2.1 billion or 124 days cash on hand at December 31, 2022. Days cash on hand decreased 16 days that included an 8 day decrease due to the increase in expense per day and an 8 day decrease due to a decrease in cash on hand. Approximately \$1.5 billion or 77.3% of the \$2.0 billion of cash and investments is available within 30 days. Sources of cash for the three months ended March 31, 2023 include operating earnings before interest, depreciation and amortization of \$74.9 million, which includes \$4.7 million of payments from FEMA, long-term borrowings of \$38.0 million, and \$43.3 million gain on the Pooled Investment Portfolio. Uses of cash include \$84.5 million of capital expenditures, a \$26.3 million increase in patient's account receivable, a \$51.6 million increase in other receivables, a \$21.9 million increase in other current assets, a \$60.8 million decrease in accounts payable, a \$37.8 million repayment of the deferred employer portion of Social Security tax and a \$3.9 million repayment of the Medicare advance. As of March 31, 2023, OCF had \$100.9 million of donor restricted investments.

Cash and Investments; Days Cash on Hand

The table below includes Cash and Investments and Days Cash on Hand. Dollar amounts are in thousands.

	Cash and Investments		Days Cash on Hand	
	Mar 31, 2023	Dec 31, 2022	Mar 31, 2023	Dec 31, 2022
Monthly liquidity	1,532,986	1,654,738	84	97
Liquidity greater than 30 days and less than one year	259,634	302,962	14	18
Locked up (liquidity one year or more)	190,921	169,313	10	9
Total	<u>\$1,983,541</u>	<u>\$2,127,013</u>	<u>108</u>	<u>124</u>

Cash as of March 31, 2023 includes \$3.8 million from the CARES Act Medicare Accelerated and Advanced Payment Program. Cash as of December 31, 2022 includes \$7.7 million from the CARES Act Medicare Accelerated and Advance Payment Program and \$37.8 million from deferred payroll taxes. Excluding these items, OCF Cash and Investments as of March 31, 2023 was \$2.0 billion or 108 Days Cash on Hand verses \$2.1 billion or 122 Days Cash on Hand as of December 31, 2022.

Debt

As of March 31, 2023, OCF had \$2.3 billion and \$2.2 billion in long-term debt outstanding. In March 2023 OCF entered into a \$38 million note payable secured by various medical office buildings.

<u>Series</u>	<u>Par Amt O/S</u>	<u>Final Maturity</u>	<u>Interest Mode</u>
OCHSNER CLINIC FOUNDATION			
Series 2015 Taxable New Money	252,820,000	5/15/2045	Fixed
Series 2015 Tax Exempt Refunding	99,390,000	5/15/2047	Fixed
Series 2016	154,060,000	5/15/2047	Fixed
Series 2017 New Money	158,820,000	5/15/2046	Fixed
Series 2017 Tax Exempt Refunding	247,585,000	5/15/2042	Fixed
2020 Senior Secured Notes	350,000,000	5/15/2046	Fixed
Series 2020A Tax Exempt Bonds	279,645,000	5/15/2049	Fixed
Series 2020B Tax Exempt 5 Year Put Bonds	105,360,000	5/15/2050	Fixed
March 2013 Note Payable ⁽¹⁾	4,263,077	3/31/2033	Fixed
December 2013 Note Payable ⁽¹⁾	29,743,355	12/31/2028	Fixed
July 2014 Note Payable ⁽¹⁾	54,887,082	8/15/2034	Fixed
September 2018 Promissory Note	27,423,636	9/1/2023	Fixed
2006 Working Capital Note ⁽²⁾	9,390,490	5/1/2026	Variable
July 2022 Promissory Note - Refi Rush Debt	130,000,000	12/31/2023	Variable
December 2022 Note Payable ⁽¹⁾	173,368,693	1/15/2043	Fixed
March 2023 Note Payable ⁽¹⁾	38,000,613	4/15/2043	Fixed
Software, equipment, and other loans ⁽²⁾	38,354,527	N/A	N/A
Financing Lease Obligations ⁽²⁾⁽³⁾	139,701,307	N/A	N/A
TOTAL	<u>2,292,812,780</u>		

Note:

(1) Not an obligation of a credit group member or a supplemental obligation of the Master Indenture.

(2) Not secured by an Obligation issued under the Master Indenture.

(3) Excludes operating lease liabilities.

Ochsner Clinic Foundation
Consolidated Statements of Operations
For the Three Months Ended March 31, 2023 and 2022
(In Thousands)

	Unaudited		
	2023	2022	Difference
Unrestricted revenues:			
Patient service revenue	\$ 1,195,485	\$ 995,579	\$ 199,906
Premium revenue	124,263	120,296	3,967
Other operating revenue	398,302	407,168	(8,866)
Net assets released from restriction, used for operations	3,720	2,986	734
Total unrestricted revenues	<u>1,721,770</u>	<u>1,526,029</u>	<u>195,741</u>
Expenses:			
Salaries and wages	784,274	706,676	77,598
Benefits	84,744	84,860	(116)
Medical services to outside providers	63,724	60,615	3,109
Medical supplies and services	400,180	314,400	85,780
Other operating expenses	313,982	258,916	55,066
Depreciation and amortization	60,981	54,468	6,513
Interest	22,577	19,956	2,621
Total expenses	<u>1,730,462</u>	<u>1,499,891</u>	<u>230,571</u>
(Loss) income from operations	<u>(8,692)</u>	<u>26,138</u>	<u>(34,830)</u>
Non-operating gains and losses:			
Investment and other realized gains - net	31,255	5,462	25,793
Unrealized gains (losses) on investments - net	12,085	(61,497)	73,582
Total non-operating gains (losses)	<u>43,340</u>	<u>(56,035)</u>	<u>99,375</u>
Excess (deficit) of revenues over expenses	<u>\$ 34,648</u>	<u>\$ (29,897)</u>	<u>\$ 64,545</u>
Attributable to noncontrolling interests	467	145	322
Excess (deficit) of revenues over expenses attributable to Ochsner Clinic Foundation	<u>\$ 35,115</u>	<u>\$ (29,752)</u>	<u>\$ 64,867</u>

Ochsner Clinic Foundation
Consolidated Balance Sheets
As of March 31, 2023 and December 31, 2022
(In Thousands)

	(Unaudited) March 31, 2023	December 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	\$ 535,371	\$ 737,900
Assets limited as to use, required for current liabilities	5,316	5,316
Patient accounts receivable, net	482,131	455,844
Other receivables	486,411	434,822
Inventories	146,561	146,120
Prepaid expenses and other current assets	99,019	94,754
Estimated third-party payor settlements	66,877	50,235
Total current assets	1,821,686	1,924,991
Assets limited as to use:		
By Board for capital improvements, charity, research, and other	1,448,170	1,389,113
Under bond indenture agreements	23,743	29,738
Under self-insurance trust fund	12,054	5,316
Donor-restricted long-term investments	100,922	110,577
Total assets limited as to use	1,584,889	1,534,744
Less assets limited as to use, required for current liabilities	(5,316)	(5,316)
Non-current assets limited as to use	1,579,573	1,529,428
Investments in unconsolidated affiliates, real estate, and other	94,119	96,598
Property, net	2,057,530	2,037,596
Right of use assets from operating leases	569,904	580,374
Goodwill and intangible assets	150,244	151,549
Other assets	62,904	44,411
Total assets	\$ 6,335,960	\$ 6,364,947

Ochsner Clinic Foundation
Consolidated Balance Sheets
As of March 31, 2023 and December 31, 2022
(In Thousands)

	(Unaudited) March 31, 2023	December 31, 2022
Liabilities and net assets		
Current liabilities:		
Accounts payable	\$ 361,205	\$ 446,197
Accrued salaries, wages, and benefits	378,434	427,497
Deferred revenue	48,742	30,793
Estimated third-party payor settlements	17,579	17,186
Notes payable, current	272,000	272,000
Long-term debt and bonds payable, current portion	185,156	191,375
Operating lease current liabilities	86,437	87,010
Other current liabilities	128,725	112,477
Total current liabilities	1,478,278	1,584,535
Pension and postretirement obligations	61,682	60,923
Bonds payable	1,693,219	1,694,828
Long-term debt	331,806	298,394
Operating lease long-term liabilities	484,885	494,231
Other long-term liabilities	256,514	238,927
Total liabilities	4,306,384	4,371,838
Net assets:		
Without donor restrictions	1,884,778	1,848,382
Noncontrolling interests	(960)	(431)
Total net assets without donor restrictions	1,883,818	1,847,951
With donor restrictions	145,758	145,158
Total net assets	2,029,576	1,993,109
Total liabilities and net assets	\$ 6,335,960	\$ 6,364,947

Ochsner Clinic Foundation
Condensed Consolidated Statements of Cash Flows
For the Three Months Ended March 31, 2023 and 2022
(In Thousands)

	Unaudited	
	2023	2022
Operating activities		
Increase (decrease) in net assets	\$ 36,467	\$(36,520)
Adjustments to reconcile increase (decrease) in net assets to net cash used in operating activities:		
Depreciation and amortization	60,981	54,468
Loss from equity-method investment, net of cash received	2,433	3,513
Net realized and unrealized (gain) loss on investments	(45,602)	61,826
Other reconciling items, net	810	567
Changes in operating assets and liabilities, net of acquisitions:		
Patient accounts receivable	(26,287)	(38,274)
Other current and noncurrent assets	(73,537)	(151,770)
Accounts payable	(60,784)	35,429
Accrued expenses and other liabilities	(13,886)	16,709
Net cash used in operating activities	(119,405)	(54,052)
Investing activities		
Purchases of assets whose use is limited and other investments	(1,900)	(125,331)
Sales and maturities of assets whose use is limited and other investments	182,213	98,522
Capital expenditures	(84,474)	(73,197)
Other	(18,054)	(842)
Net cash provided by (used in) investing activities	77,785	(100,848)
Financing activities		
Repayment of line of credit	-	(100,000)
Repayment of long-term debt	(10,634)	(5,426)
Proceeds from long-term borrowings	38,001	-
Other	(3,430)	(3,908)
Net cash provided by (used in) financing activities	23,937	(109,334)
Net decrease in cash, cash equivalents, and restricted cash	(17,683)	(264,234)
Cash, cash equivalents, and restricted cash - beginning of year	778,554	750,696
Cash, cash equivalents, and restricted cash - end of year	\$760,871	\$486,462
Reconciliation of Cash and cash equivalents per the Balance Sheet to Cash, cash equivalents and restricted cash per above:		
Cash and cash equivalents per the balance sheet, 3/31/23 and 3/31/22 respectively	\$535,371	\$397,497
Cash, cash equivalents, and restricted cash included in Assets limited to use:		
By Board for capital improvements, charity, research and other	201,757	23,945
Under bond indenture agreements	23,743	65,020
Cash, cash equivalents, and restricted cash, per above	\$760,871	\$486,462

OCHSNER CLINIC FOUNDATION UTILIZATION STATISTICS

	Year Ended			Mar 2022	Mar 2023
	2020	2021	2022	YTD	YTD
Licensed Beds ⁽¹⁾	2,538	2,533	2,920	2,533	2,947
Average Number of Beds in Use ⁽²⁾	2,295	2,380	2,699	2,371	2,653
Discharges Including Newborn	74,905	100,195	101,659	23,717	29,002
Discharges Excluding Newborn	67,303	90,087	91,329	20,991	23,553
Observation Cases	17,441	25,480	27,341	6,189	7,154
Patient Days Including Newborn	388,948	531,471	540,880	126,757	135,821
Patient Days Excluding Newborn	373,774	503,423	518,580	121,729	133,129
Average Daily Census ⁽³⁾	1,344	1,379	1,485	1,353	1,480
Percent Occupancy ⁽³⁾	58.56%	57.95%	55.01%	57.05%	55.76%
Average Length of Stay	5.2	5.3	5.3	5.3	4.7
Adjusted Patient Days ⁽³⁾	852,935	1,191,387	1,237,155	374,253	328,441
Clinic Visits ⁽⁴⁾	2,450,593	3,111,137	3,612,492	813,744	1,024,159
Employed Physician FTEs	1,350	1,478	1,661	1,564	1,693
Transfers through Regional Referral Center	12,604	12,600	16,518	11,966	4,654
Inpatient Surgical Procedures	16,131	20,631	22,180	4,824	5,807
Outpatient Surgical Procedures	47,567	63,141	73,916	16,023	19,284
Emergency Room Visits	373,678	537,609	584,573	131,448	147,343
Medicare Case Mix Index	2.04	1.99	1.93	1.98	1.89

	Licensed Beds ⁽¹⁾	Average Number of Beds in Use ⁽²⁾	Discharges Including Newborn	Discharges Excluding Newborn	Observation Cases	Patient Days Including Newborn	Patient Days Excluding Newborn	Average Daily Census ⁽³⁾	Percent Occupancy ⁽³⁾	Average Length of Stay	Adjusted Patient Days ⁽³⁾	Inpatient Surgical Procedures	Outpatient Surgical Procedures	Emergency Room Visits	Medicare Case Mix Index
New Orleans South Shore															
Ochsner Medical Center ⁽⁵⁾	762	766	6,734	6,734	2,025	43,262	43,262	481	62.75%	6.4	97,046	2,223	4,723	19,321	2.17
Ochsner Baptist Medical Center	123	144	3,341	1,804	578	10,953	10,194	113	78.66%	3.3	22,866	234	1,697	7,633	1.55
Ochsner Medical Center - West Bank Campus	117	133	1,897	1,496	803	7,410	7,216	80	60.28%	3.9	16,186	252	708	19,936	1.64
Ochsner Medical Center Kenner	116	116	2,087	1,558	625	6,727	6,484	72	62.11%	3.2	14,544	250	871	13,603	1.75
New Orleans North Shore															
Ochsner Medical Center - North Shore	150	110	623	623	350	2,422	2,422	27	24.46%	3.9	5,433	213	3,717	6,249	1.74
Baton Rouge															
Ochsner Medical Center - Baton Rouge ⁽⁶⁾	162	176	2,643	1,988	654	8,585	8,239	92	52.01%	3.2	18,481	394	1,590	14,500	1.85
Bayou															
Ochsner St. Anne Hospital	35	35	504	368	131	1,754	1,671	19	53.05%	3.5	3,450	15	243	5,617	1.38
Ochsner St. Mary	164	70	459	399	90	2,482	2,450	27	38.89%	5.4	5,495	49	172	6,276	1.53
Mississippi Gulf Coast															
Ochsner Medical Center - Hancock	102	47	123	123	162	503	503	6	11.89%	4.1	1,128	25	296	4,584	1.65
Acadiana															
Ochsner Lafayette General Medical Center ⁽⁷⁾	489	493	6,595	5,068	676	29,960	29,231	325	65.88%	4.5	84,063	1,434	2,637	14,776	2.03
Ochsner Acadia General Hospital	113	30	401	401	62	2,170	2,170	24	80.37%	5.4	6,241	118	332	4,037	1.50
Ochsner Abrom Kaplan Memorial Hospital	35	21	172	172	42	1,146	1,146	13	60.63%	6.7	3,296	1	55	1,669	1.22
Ochsner St. Martin Hospital	25	24	139	139	88	1,650	1,650	18	76.39%	11.9	4,745	1	37	4,575	1.30
Ochsner American Legion Hospital	49	47	693	473	111	1,917	1,802	20	42.60%	2.8	5,182	117	357	3,178	1.49
Ochsner University Hospital & Clinics	116	52	527	527	463	2,682	2,682	30	57.31%	5.1	7,713	111	604	8,972	1.48
East Central Mississippi															
Ochsner Rush Medical Center	215	215	1,603	1,219	197	6,332	6,141	68	31.74%	4.0	16,133	370	1,244	6,579	1.84
Ochsner Specialty Hospital	49	49	88	88	-	1,672	1,672	19	37.91%	19.0	4,685	-	-	-	1.80
Ochsner Choctaw General Hospital	25	25	58	58	31	608	608	7	27.02%	10.5	1,704	-	-	1,467	0.95
Ochsner Watkins Hospital	25	25	98	98	24	850	850	9	37.78%	8.7	2,382	-	-	1,141	0.99
Ochsner Stennis Hospital	25	25	77	77	11	901	901	10	40.04%	11.7	2,525	-	-	1,019	1.11
Ochsner Laird Hospital	25	25	68	68	7	983	983	11	43.69%	14.5	2,755	-	1	1,099	1.27
Ochsner Scott Regional Hospital	25	25	72	72	24	852	852	9	37.87%	11.8	2,388	-	-	1,112	0.97
Total	2,947	2,653	29,002	23,553	7,154	135,821	133,129	1,480	55.79%	4.7	328,441	5,807	19,284	147,343	1.89

(1) Data excludes NICU and Nursery beds.

(2) Data excludes Nursery beds, but includes NICU beds, a large number of beds in use will yield an amount greater than the number of licensed beds.

(3) Data excludes Normal Newborn Days.

(4) Data includes physician visits and resident visits.

(5) Data includes Ochsner Medical Center, Ochsner West Campus, Ochsner Hospital for Orthopedics and Sports Medicine, and Clearview Medical Complex

(6) Data includes Ochsner Medical Center - Baton Rouge and Ochsner Medical Complex - The Grove.

(7) Data includes Ochsner Lafayette General Medical Center, Ochsner Lafayette General Surgical Hospital, and Ochsner Lafayette General Orthopedic Hospital

**OCHSNER CLINIC FOUNDATION GROSS REVENUE BY PAYOR
FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022**

Payor Groupings	3/31/2023	3/31/2022
Commercial	30%	30%
Managed Medicare	28%	27%
Medicare	18%	18%
Medicaid	20%	21%
Guarantor / Patients / Other	4%	4%
TOTAL	100%	100%