

Return of Organization Exempt From Income Tax

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

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

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

OMB No. 1545-0047

2021**Open to Public Inspection**

A For the 2021 calendar year, or tax year beginning				, 2021, and ending		, 20	
B Check if applicable: <div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending </div> <div style="width: 35%;"> C Name of organization <u>NAVICENT HEALTH, INC.</u> Doing business as Number and street (or P.O. box if mail is not delivered to street address) Room/suite <u>777 HEMLOCK STREET, MSC 111</u> City or town, state or province, country, and ZIP or foreign postal code <u>MACON, GA 31201</u> F Name and address of principal officer: <u>DELVECCHIO S. FINLEY</u> <u>SAME AS C ABOVE</u> </div> <div style="width: 5%;"> D Employer identification number <u>58-2149127</u> E Telephone number <u>(478) 633-6968</u> G Gross receipts \$ <u>138,628,462</u> </div> </div>							
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527				H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. See instructions.			
J Website: ▶ <u>WWW.NAVICENTHEALTH.ORG</u>				H(c) Group exemption number ▶			
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶				L Year of formation: <u>1994</u>		M State of legal domicile: <u>GA</u>	

Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: <u>NAVICENT HEALTH'S MISSION IS TO ELEVATE HEALTH AND WELL-BEING THROUGH COMPASSIONATE CARE FOR ALL. OUR VALUES ARE INTEGRITY, (CONTINUED ON SCHEDULE O)</u>		
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3	Number of voting members of the governing body (Part VI, line 1a)	3	<u>19</u>
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	<u>14</u>
	5	Total number of individuals employed in calendar year 2021 (Part V, line 2a)	5	<u>1,076</u>
	6	Total number of volunteers (estimate if necessary)	6	
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	<u>856,600</u>
b	Net unrelated business taxable income from Form 990-T, Part I, line 11	7b	<u>439,339</u>	
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9	Program service revenue (Part VIII, line 2g)	<u>116,882,768</u>	<u>611,574</u>
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	<u>92,546,389</u>	<u>131,997,913</u>
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	<u>160,320</u>	<u>288,212</u>
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	<u>450,163</u>	<u>5,730,763</u>
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	<u>210,039,640</u>	<u>138,628,462</u>
	14	Benefits paid to or for members (Part IX, column (A), line 4)	<u>10,131,106</u>	<u>36,750</u>
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	<u>84,988,069</u>	<u>102,948,418</u>
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	<u>0</u>	<u>0</u>
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶ <u>0</u>		
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	<u>60,354,843</u>	<u>76,084,087</u>
	18	Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	<u>155,474,018</u>	<u>179,069,255</u>
19	Revenue less expenses. Subtract line 18 from line 12	<u>54,565,622</u>	<u>(40,440,793)</u>	
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21	Total liabilities (Part X, line 26)	<u>218,184,816</u>	<u>383,086,657</u>
	22	Net assets or fund balances. Subtract line 21 from line 20	<u>70,134,106</u>	<u>384,805,858</u>
			<u>148,050,710</u>	<u>(1,719,201)</u>

Part II Signature Block

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

Sign Here	Signature of officer <u>KIMBERLY SHREWSBURY, CFO</u> Type or print name and title	Date
	Paid Preparer Use Only <div style="display: flex; justify-content: space-between;"> <div style="width: 40%;"> Print/Type preparer's name <u>W. EDWARD PHILLIPS</u> </div> <div style="width: 20%;"> Preparer's signature </div> <div style="width: 20%;"> Date </div> <div style="width: 20%;"> Check <input type="checkbox"/> if self-employed </div> <div style="width: 20%;"> PTIN <u>P00451499</u> </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div style="width: 60%;"> Firm's name ▶ <u>DRAFFIN & TUCKER, LLP</u> </div> <div style="width: 40%;"> Firm's EIN ▶ <u>58-0914992</u> </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div style="width: 60%;"> Firm's address ▶ <u>PO BOX 71309, ALBANY, GA 31708-1309</u> </div> <div style="width: 40%;"> Phone no. <u>(229) 883-7878</u> </div> </div>	

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

For Paperwork Reduction Act Notice, see the separate instructions.

Cat. No. 11282Y

Form **990** (2021)

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☐ Yes ☒ No

- 1** Briefly describe the organization's mission:
 NAVICENT HEALTH'S MISSION IS TO ELEVATE HEALTH AND WELL-BEING THROUGH COMPASSIONATE CARE FOR ALL. OUR VALUES ARE INTEGRITY, RESPECT, OWNERSHIP AND CARING. NAVICENT HEALTH, INC. IS A NONPROFIT CORPORATION WHOSE PRIMARY PURPOSE IS TO SERVE AS A PARENT CORPORATION PROVIDING (CONTINUED ON SCHEDULE O)
- 2** Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No
 If "Yes," describe these new services on Schedule O.
- 3** Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No
 If "Yes," describe these changes on Schedule O.
- 4** Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 141,660,168 including grants of \$ 36,750) (Revenue \$ 114,402,610)
 NAVICENT HEALTH'S PRIMARY PURPOSE IS TO SERVE AS A CONTROLLING BODY FOR THE MEDICAL CENTER OF CENTRAL GEORGIA, INC., HEALTH SERVICES OF CENTRAL GEORGIA, INC., CENTRAL GEORGIA SENIOR HEALTH, INC., THE MEDICAL CENTER OF PEACH COUNTY, INC., NAVICENT HEALTH BALDWIN, INC. AND OTHER AFFILIATED ENTITIES; AND TO PROVIDE STRATEGIC DIRECTION, FINANCIAL MANAGEMENT, RESOURCE ALLOCATION AND OTHER SUPPORT TO ITS AFFILIATES IN THE PROVISION OF HEALTHCARE SERVICES TO THE CENTRAL GEORGIA COMMUNITY.

4b (Code:) (Expenses \$ 21,388,544 including grants of \$) (Revenue \$ 22,469,466)
 NAVICENT HEALTH OPERATES CENTRAL GEORGIA REHABILITATION HOSPITAL, LLC, THE FIRST REHABILITATION FACILITY ESTABLISHED IN CENTRAL GEORGIA AND ONE OF TWO FREE-STANDING REHABILITATION HOSPITALS IN THE STATE. THE REHABILITATION HOSPITAL PROVIDES COMPREHENSIVE PHYSICAL REHABILITATION SERVICES ON AN INPATIENT AND OUTPATIENT BASIS. IT IS LICENSED FOR 58 BEDS

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

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

4e Total program service expenses **163,048,712**

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules (continued)

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

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



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

Part V Statements Regarding Other IRS Filings and Tax Compliance (continued)		Yes	No		
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	1,076		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file. See instructions.	2b		✓	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a		✓	
b	If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation on Schedule O	3b		✓	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		✓	
b	If "Yes," enter the name of the foreign country CJ See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a			✓
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			✓
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c			
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a			✓
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	Organizations that may receive deductible contributions under section 170(c).				
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a			✓
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			✓
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			✓
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f			✓
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g			
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			
8	Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	8			
9	Sponsoring organizations maintaining donor advised funds.				
a	Did the sponsoring organization make any taxable distributions under section 4966?	9a			
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9b			
10	Section 501(c)(7) organizations. Enter:				
a	Initiation fees and capital contributions included on Part VIII, line 12	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	Section 501(c)(12) organizations. Enter:				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b			
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	Section 501(c)(29) qualified nonprofit health insurance issuers.				
a	Is the organization licensed to issue qualified health plans in more than one state? Note: See the instructions for additional information the organization must report on Schedule O.	13a			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a			✓
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation on Schedule O	14b			
15	Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year? If "Yes," see the instructions and file Form 4720, Schedule N.	15		✓	
16	Is the organization an educational institution subject to the section 4968 excise tax on net investment income? If "Yes," complete Form 4720, Schedule O.	16			✓
17	Section 501(c)(21) organizations. Did the trust, any disqualified person, or mine operator engage in any activities that would result in the imposition of an excise tax under section 4951, 4952 or 4953? If "Yes," complete Form 6069.	17			

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

Section A. Governing Body and Management

	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year 1a 19 If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain on Schedule O.		
b Enter the number of voting members included on line 1a, above, who are independent 1b 14		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? 2		<input checked="" type="checkbox"/>
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, trustees, or key employees to a management company or other person? 3		<input checked="" type="checkbox"/>
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? 4		<input checked="" type="checkbox"/>
5 Did the organization become aware during the year of a significant diversion of the organization's assets? 5		<input checked="" type="checkbox"/>
6 Did the organization have members or stockholders? 6	<input checked="" type="checkbox"/>	
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? 7a	<input checked="" type="checkbox"/>	
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? 7b	<input checked="" type="checkbox"/>	
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body? 8a	<input checked="" type="checkbox"/>	
b Each committee with authority to act on behalf of the governing body? 8b	<input checked="" type="checkbox"/>	
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses on Schedule O 9		<input checked="" type="checkbox"/>

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

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

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ► GA

18 Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain on Schedule O)

19 Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, address, and telephone number of the person who possesses the organization's books and records ►
KIMBERLY SHREWSBURY, 777 HEMLOCK STREET, MACON, GA 31201, (478) 633-1452

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck if Schedule O contains a response or note to any line in this Part VII ☐**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

- List all of the organization's **current** key employees, if any. See the instructions for definition of "key employee."

- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (box 5 of Form W-2, Form 1099-MISC, and/or box 1 of Form 1099-NEC) of more than \$100,000 from the organization and any related organizations.

- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

See the instructions for the order in which to list the persons above.

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/ 1099-MISC/ 1099-NEC)	(E) Reportable compensation from related organizations (W-2/ 1099-MISC/ 1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) CAROL LOVIN BOARD MEMBER	1.0 41.0	✓						0	1,715,644	204,400
(2) NINFA M SAUNDERS PRESIDENT/CEO	0.0 0.0						✓	0	1,740,727	0
(3) THOMAS OLIVER, MD PRESIDENT HOSPITALS AND CLINICS	40.0 1.0				✓			1,202,047	0	28,294
(4) DELVECCHIO FINLEY PRESIDENT/CEO	5.0 50.0			✓				0	1,113,418	65,210
(5) ROBERT C WILDE EVP ENTERPRISE CHIEF FINANCIAL OFFICER	45.0 5.0			✓				587,462	0	107,177
(6) SANFORD G DUKE, MD CHIEF CLINICAL OFFICER ENTERPRISE CLINICAL SYSTEMS	40.0 0.0				✓			656,228	0	37,956
(7) KENNETH B BANKS CORPORATE SECRETARY & CHIEF LEGAL COUNSEL	45.0 5.0			✓				614,094	0	64,817
(8) ELBERT T MCQUEEN SENIOR VP	35.0 10.0				✓			474,267	0	49,913
(9) LUIS FONSECA PRESIDENT HOSPITALS AND CLINICS	40.0 0.0					✓		450,834	0	13,540
(10) SARA L LONERGAN VP DEPUTY GENERAL COUNSEL	40.0 0.0					✓		378,547	0	12,140
(11) JR DALE J BOYLSTON CEO TC2 HEALTH/PRESIDENT STRATUS HEALTHCARE	40.0 0.0					✓		313,029	0	33,665
(12) STEPHEN B KARDON PRESIDENT STRATUS/TC2	40.0 0.0					✓		315,571	0	29,452
(13) BHALLA VISHAL CHIEF HR OFFICER	15.0 35.0				✓			0	322,183	4,964
(14) CYNTHIA BUSBEE SVP MKT COMM. PUBLIC AFFAIRS	40.0 0.0					✓		289,393	0	26,211

Form **990** (2021)

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15) TODD M DIXON CEO - BALDWIN	1.0 40.0				✓			0	262,109	23,645
(16) JUDY K WARE CFO RURAL HEALTH	40.0 1.0				✓			216,740	0	37,278
(17) KIM JOHNSTON, MD VICE CHAIRMAN	1.0 1.0	✓		✓				0	0	0
(18) STARR PURDUE CHAIRMAN	1.0 1.0	✓		✓				0	0	0
(19) BILL TIFT,, MD BOARD MEMBER	1.0 1.0	✓						0	0	0
(20) CONNIE CATER BOARD MEMBER	1.0 1.0	✓						0	0	0
(21) DAVID DANZIE BOARD MEMBER	1.0 1.0	✓						0	0	0
(22) HENRY KOPLIN BOARD MEMBER	1.0 2.0	✓						0	0	0
(23) J MARBURY RAINER BOARD MEMBER	1.0 1.0	✓						0	0	0
(24) JAYESH PATEL, MD BOARD MEMBER	1.0 1.0	✓						0	0	0
(25) (SEE STATEMENT)										
1b Subtotal								5,498,212	5,154,081	738,662
c Total from continuation sheets to Part VII, Section A								0	0	0
d Total (add lines 1b and 1c)								5,498,212	5,154,081	738,662
2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization								151		

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

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.		
(A) Name and business address	(B) Description of services	(C) Compensation
MACON OCCUPATIONAL MEDICINE, LLC, 124 THIRD STREET, MACON, GA 31201-3404	EMPLOYE HEALTH SERVICES	1,740,860
TAYLOR ENGLISH DUMA LLP, 1600 PARKWOOD CIRCLE, SUITE 200, ATLANTA, GA 30339	LEGAL SERVICES	884,704
BENDIN SUMRALL & LADNER LLC, 1360 PEACHTREE ST NE SUITE 800, ATLANTA, GA 30309	LEGAL SERVICES	660,402
API HEALTHCARE CORPORATION, 33073 COLLECTION CENTER DR, CHICAGO, IL 60693	MAINT. CONTRACT AND SUPPORT	597,999
PARKER, HUDSON, RAINER & DOBBS LLP, 303 PEACHTREE STREET, NE, STE 3600, ATLANTA, GA 30308	LEGAL SERVICES	542,590
2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization ►		44

Part VIII Statement of RevenueCheck if Schedule O contains a response or note to any line in this Part VIII ☐

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
Contributions, Gifts, Grants, and Other Similar Amounts	1a	Federated campaigns	1a					
	b	Membership dues	1b					
	c	Fundraising events	1c					
	d	Related organizations	1d					
	e	Government grants (contributions)	1e	231,605				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	379,969				
	g	Noncash contributions included in lines 1a-1f	1g	\$				
	h	Total. Add lines 1a-1f ▶			611,574			
Program Service Revenue				Business Code				
	2a	AFFILIATED SUPPORT REVENUE		541200	107,705,925	107,705,925		
	b	PATIENT REVENUE		621990	21,832,288	21,832,288		
	c	PARKING FEES		821930	1,278,230	1,278,230		
	d	MANAGEMENT FEES		561000	856,600		856,600	
	e	CAFETERIA SALES		722514	8,002	8,002		
	f	All other program service revenue			316,868	316,868	0	
	g	Total. Add lines 2a-2f ▶			131,997,913			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) ▶			287,051			287,051
	4	Income from investment of tax-exempt bond proceeds ▶						
	5	Royalties ▶						
	6a	Gross rents	6a	(i) Real	(ii) Personal			
	b	Less: rental expenses	6b	395,024				
	c	Rental income or (loss)	6c	395,024	0			
	d	Net rental income or (loss) ▶			395,024	395,024		
	7a	Gross amount from sales of assets other than inventory	7a	(i) Securities	(ii) Other		1,161	
	b	Less: cost or other basis and sales expenses	7b					
	c	Gain or (loss)	7c	0	1,161			
	d	Net gain or (loss) ▶			1,161		1,161	
	8a	Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18	8a					
	b	Less: direct expenses	8b					
	c	Net income or (loss) from fundraising events ▶						
	9a	Gross income from gaming activities. See Part IV, line 19	9a					
	b	Less: direct expenses	9b					
	c	Net income or (loss) from gaming activities ▶						
	10a	Gross sales of inventory, less returns and allowances	10a					
b	Less: cost of goods sold	10b						
c	Net income or (loss) from sales of inventory ▶							
Miscellaneous Revenue				Business Code				
	11a	EQUITY PARTNERSHIP INVESTMENT		531390	3,533,555	3,533,555		
	b	RECOVERY OF LOAN PREVIOUSLY WRITTEN OFF		531390	1,802,184	1,802,184		
	c							
	d	All other revenue			0	0	0	
e	Total. Add lines 11a-11d ▶			5,335,739				
12	Total revenue. See instructions ▶			138,628,462	136,872,076	856,600	288,212	

Part IX Statement of Functional Expenses

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

Check if Schedule O contains a response or note to any line in this Part IX ☐**Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.**

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21	36,750	36,750		
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	5,498,212		5,498,212	
6 Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	66,159,586	61,257,898	4,901,688	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	2,251,393	2,065,946	185,447	
9 Other employee benefits	24,058,596	23,945,234	113,362	
10 Payroll taxes	4,980,631	4,346,488	634,143	
11 Fees for services (nonemployees):				
a Management				
b Legal	1,791,255	588,934	1,202,321	
c Accounting				
d Lobbying	98,866		98,866	
e Professional fundraising services. See Part IV, line 17				
f Investment management fees	27,766	27,766		
g Other. (If line 11g amount exceeds 10% of line 25, column (A), amount, list line 11g expenses on Schedule O.)	9,714,281	8,899,387	814,894	0
12 Advertising and promotion	846,924	645,196	201,728	
13 Office expenses	5,566,989	5,252,408	314,581	
14 Information technology	20,802,416	20,802,416		
15 Royalties				
16 Occupancy	682,862	617,071	65,791	
17 Travel	265,261	196,761	68,500	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	695	695		
20 Interest	37,701	36,158	1,543	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	10,310,193	10,307,994	2,199	
23 Insurance	11,555,359	11,555,359		
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A), amount, list line 24e expenses on Schedule O.)				
a MEDICAL SUPPLIES	6,267,065	6,243,291	23,774	
b MINOR EQ, EQ RENTAL & MAINT	4,604,050	4,573,738	30,312	
c TAXES, PENALTIES & FEES	1,540,307	585,882	954,425	
d DUES & SUBSCRIPTIONS	1,076,196	173,830	902,366	
e All other expenses	895,901	889,510	6,391	0
25 Total functional expenses. Add lines 1 through 24e	179,069,255	163,048,712	16,020,543	0
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

Part X Balance SheetCheck if Schedule O contains a response or note to any line in this Part X ☐

		(A) Beginning of year		(B) End of year
Assets	1 Cash—non-interest-bearing	2,926,616	1	222,751,932
	2 Savings and temporary cash investments		2	
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	4,501,962	4	5,081,921
	5 Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons	0	5	0
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)	0	6	0
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use	374,340	8	135,098
	9 Prepaid expenses and deferred charges	9,618,965	9	5,472,357
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 231,883,519		
	b Less: accumulated depreciation	10b 179,520,486		
		55,187,705	10c	52,363,033
	11 Investments—publicly traded securities	0	11	0
	12 Investments—other securities. See Part IV, line 11	41,173,379	12	40,969,542
	13 Investments—program-related. See Part IV, line 11	21,844,495	13	25,246,807
	14 Intangible assets	82,557,354	14	31,065,967
15 Other assets. See Part IV, line 11	218,184,816	15	383,086,657	
16 Total assets. Add lines 1 through 15 (must equal line 33)	16,421,452	16	54,886,685	
Liabilities	17 Accounts payable and accrued expenses		17	
	18 Grants payable		18	
	19 Deferred revenue		19	894,514
	20 Tax-exempt bond liabilities	9,529,500	20	9,276,500
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons	0	22	0
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17–24). Complete Part X of Schedule D	44,183,154	25	319,748,159
	26 Total liabilities. Add lines 17 through 25	70,134,106	26	384,805,858
	Net Assets or Fund Balances	Organizations that follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 27, 28, 32, and 33.		
27 Net assets without donor restrictions		148,050,710	27	(1,719,201)
28 Net assets with donor restrictions			28	
Organizations that do not follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 29 through 33.				
29 Capital stock or trust principal, or current funds			29	
30 Paid-in or capital surplus, or land, building, or equipment fund			30	
31 Retained earnings, endowment, accumulated income, or other funds			31	
32 Total net assets or fund balances		148,050,710	32	(1,719,201)
33 Total liabilities and net assets/fund balances	218,184,816	33	383,086,657	

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Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response or note to any line in this Part XI ☒

1	Total revenue (must equal Part VIII, column (A), line 12)	1	138,628,462
2	Total expenses (must equal Part IX, column (A), line 25)	2	179,069,255
3	Revenue less expenses. Subtract line 2 from line 1	3	(40,440,793)
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	148,050,710
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	(1,073,979)
9	Other changes in net assets or fund balances (explain on Schedule O)	9	(108,255,139)
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	(1,719,201)

Part XII Financial Statements and ReportingCheck if Schedule O contains a response or note to any line in this Part XII ☐

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other If the organization changed its method of accounting from a prior year or checked "Other," explain on Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		✓
b Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	✓	
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O.		✓
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	✓	
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits.	✓	

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(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (Check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(25) JOHN D HOUSER ----- BOARD MEMBER	1.0 ----- 1.0	✓						0	0	0
(26) MAC EVERETT ----- BOARD MEMBER	1.0 ----- 1.0	✓						0	0	0
(27) MARK GROSSNICKLE, MD ----- BOARD MEMBER	1.0 ----- 1.0	✓						0	0	0
(28) RAY PIPPIN ----- BOARD MEMBER	1.0 ----- 1.0	✓						0	0	0
(29) RICK SHACKELFORD ----- BOARD MEMBER	1.0 ----- 1.0	✓						0	0	0
(30) RON SHIPMAN ----- BOARD MEMBER	1.0 ----- 1.0	✓						0	0	0
(31) RONNIE COLLIER ----- BOARD MEMBER	1.0 ----- 1.0	✓						0	0	0
(32) SHEILA RAY ----- BOARD MEMBER	1.0 ----- 1.0	✓						0	0	0
(33) TIMOTHY JACKSON ----- BOARD MEMBER	1.0 ----- 1.0	✓						0	0	0
(34) WIMBERLY TREADWELL ----- BOARD MEMBER	1.0 ----- 1.0	✓						0	0	0

**SCHEDULE A
(Form 990)**

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

► Attach to Form 990 or Form 990-EZ.

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

OMB No. 1545-0047

2021

**Open to Public
Inspection**

Name of the organization

NAVICENT HEALTH, INC.

Employer identification number

58-2149127

Part I Reason for Public Charity Status. (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 12, check only one box.)

- 1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E (Form 990).)
- 3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: _____
- 5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
- 6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 9 ☐ An agricultural research organization described in **section 170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture (see instructions). Enter the name, city, and state of the college or university: _____
- 10 ☐ An organization that normally receives (1) more than 33¹/₃% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions, subject to certain exceptions; and (2) no more than 33¹/₃% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)
- 11 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**
- 12 ☒ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2).** See **section 509(a)(3).** Check the box on lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.
 - a ☐ **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
 - b ☐ **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
 - c ☒ **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
 - d ☐ **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
 - e ☐ Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
- f Enter the number of supported organizations 1
- g Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1–10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
(A) THE MEDICAL CENTER OF CENTRAL GOERGIA, INC.	58-2149128	3. HOSPITAL. SECTION 170(B)(1)(A)(III).	✓		0	0
(B)						
(C)						
(D)						
(E)						
Total					0	0

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

Cat. No. 11285F

Schedule A (Form 990) 2021

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2017	(b) 2018	(c) 2019	(d) 2020	(e) 2021	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2017	(b) 2018	(c) 2019	(d) 2020	(e) 2021	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2021 (line 6, column (f), divided by line 11, column (f))	14	%
15 Public support percentage from 2020 Schedule A, Part II, line 14	15	%
16a 33¹/₃% support test—2021. If the organization did not check the box on line 13, and line 14 is 33 ¹ / ₃ % or more, check this box and stop here . The organization qualifies as a publicly supported organization <input type="checkbox"/>		
b 33¹/₃% support test—2020. If the organization did not check a box on line 13 or 16a, and line 15 is 33 ¹ / ₃ % or more, check this box and stop here . The organization qualifies as a publicly supported organization <input type="checkbox"/>		
17a 10%-facts-and-circumstances test—2021. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and stop here . Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
b 10%-facts-and-circumstances test—2020. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and stop here . Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions <input type="checkbox"/>		

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2017	(b) 2018	(c) 2019	(d) 2020	(e) 2021	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2017	(b) 2018	(c) 2019	(d) 2020	(e) 2021	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included on line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						
14 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2021 (line 8, column (f), divided by line 13, column (f))	15	%
16 Public support percentage from 2020 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2021 (line 10c, column (f), divided by line 13, column (f))	17	%
18 Investment income percentage from 2020 Schedule A, Part III, line 17	18	%
19a 33 1/3% support tests—2021. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here . The organization qualifies as a publicly supported organization <input type="checkbox"/>		
b 33 1/3% support tests—2020. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here . The organization qualifies as a publicly supported organization <input type="checkbox"/>		
20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions <input type="checkbox"/>		

Part IV Supporting Organizations

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

Section A. All Supporting Organizations

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

Part IV Supporting Organizations (continued)

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

Section B. Type I Supporting Organizations

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

Section C. Type II Supporting Organizations

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

Section D. All Type III Supporting Organizations

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

Section E. Type III Functionally Integrated Supporting Organizations

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

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

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

Section A—Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3.	4	
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	Adjusted Net Income (subtract lines 5, 6, and 7 from line 4)	8	
Section B—Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):		
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	Total (add lines 1a, 1b, and 1c)	1d	
e	Discount claimed for blockage or other factors (<i>explain in detail in Part VI</i>):		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d.	3	
4	Cash deemed held for exempt use. Enter 0.015 of line 3 (for greater amount, see instructions).	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by 0.035.	6	
7	Recoveries of prior-year distributions	7	
8	Minimum Asset Amount (add line 7 to line 6)	8	
Section C—Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, column A)	1	
2	Enter 0.85 of line 1.	2	
3	Minimum asset amount for prior year (from Section B, line 8, column A)	3	
4	Enter greater of line 2 or line 3.	4	
5	Income tax imposed in prior year	5	
6	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	6	
7	<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).		

Schedule A (Form 990) 2021

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

Section D—Distributions		Current Year	
1	Amounts paid to supported organizations to accomplish exempt purposes	1	
2	Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	2	
3	Administrative expenses paid to accomplish exempt purposes of supported organizations	3	
4	Amounts paid to acquire exempt-use assets	4	
5	Qualified set-aside amounts (prior IRS approval required—provide details in Part VI)	5	
6	Other distributions (describe in Part VI). See instructions.	6	
7	Total annual distributions. Add lines 1 through 6.	7	
8	Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.	8	
9	Distributable amount for 2021 from Section C, line 6	9	
10	Line 8 amount divided by line 9 amount	10	

Section E—Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2021	(iii) Distributable Amount for 2021
1 Distributable amount for 2021 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2021 (reasonable cause required—explain in Part VI). See instructions.			
3 Excess distributions carryover, if any, to 2021			
a From 2016			
b From 2017			
c From 2018			
d From 2019			
e From 2020			
f Total of lines 3a through 3e			
g Applied to underdistributions of prior years			
h Applied to 2021 distributable amount			
i Carryover from 2016 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from line 3f.			
4 Distributions for 2021 from Section D, line 7: \$			
a Applied to underdistributions of prior years			
b Applied to 2021 distributable amount			
c Remainder. Subtract lines 4a and 4b from line 4.			
5 Remaining underdistributions for years prior to 2021, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, explain in Part VI . See instructions.			
6 Remaining underdistributions for 2021. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in Part VI . See instructions.			
7 Excess distributions carryover to 2022. Add lines 3j and 4c.			
8 Breakdown of line 7:			
a Excess from 2017 . . .			
b Excess from 2018 . . .			
c Excess from 2019 . . .			
d Excess from 2020 . . .			
e Excess from 2021 . . .			

Schedule A (Form 990) 2021

Part VI

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

Return Reference - Identifier	Explanation
SCHEDULE A, PART IV, SECTION D, LINE 3 - SUPP. ORG. HAVE SIGNIFICANT VOICE IN INVESTMENT POLICIES	COMPLETE OVERLAP BETWEEN THE BOARDS OF THE SUPPORTED AND SUPPORTING ORGANIZATIONS AND SUBSTANTIAL IDENTITY AMONG THE OFFICER GROUP OF THE TWO ORGANIZATIONS ENSURE THAT THE SUPPORTED ORGANIZATION HAS A SIGNIFICANT VOICE IN THE SUPPORTING ORGANIZATION'S INVESTMENT POLICIES AND IN THE USE OF THE SUPPORTING ORGANIZATION'S ASSETS AND INCOME.
SCHEDULE A, PART IV, SECTION E, LINE 3A - POWER TO APPOINT/ELECT MAJORITY OF OFFICER/DIRECTOR/TRUSTEE	NAVICENT HEALTH ANNUALLY APPOINTS THE MEMBERS TO THE BOARD OF DIRECTORS OF THE MEDICAL CENTER OF CENTRAL GEORGIA (THE SUPPORTED ORGANIZATION). THE CEO AND EVP/CFO OF BOTH ORGANIZATIONS ARE THE SAME INDIVIDUALS.
SCHEDULE A, PART IV, SECTION E, LINE 3B - SUBSTANTIAL DIRECTION OVER POLICIES/PROGRAMS/ACTIVITIES	NAVICENT HEALTH IS RESPONSIBLE FOR STRATEGIC AND FINANCIAL PLANNING, COMPENSATION OVERSIGHT AND RESOURCE ALLOCATION ISSUES FOR THE MEDICAL CENTER OF CENTRAL GEORGIA AND ALL AFFILIATED ORGANIZATIONS WITHIN THE GEORGIA BASED MULTI-ENTITY HEALTHCARE SYSTEM OF ORGANIZATIONS.

SCHEDULE C
(Form 990)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

OMB No. 1545-0047

2021

**Open to Public
Inspection**

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

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

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

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

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

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

Name of organization NAVICENT HEALTH, INC.	Employer identification number 58-2149127
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Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

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

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

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

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

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

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds. If none, enter -0-.	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-.
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

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

Cat. No. 50084S

Schedule C (Form 990) 2021

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

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

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

4-Year Averaging Period Under Section 501(h)

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

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2018	(b) 2019	(c) 2020	(d) 2021	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column (e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Schedule C (Form 990) 2021

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

For each "Yes" response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.

	(a)		(b)
	Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers?		✓	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		✓	
c Media advertisements?		✓	
d Mailings to members, legislators, or the public?		✓	
e Publications, or published or broadcast statements?		✓	
f Grants to other organizations for lobbying purposes?		✓	
g Direct contact with legislators, their staffs, government officials, or a legislative body?		✓	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		✓	
i Other activities?	✓		98,867
j Total. Add lines 1c through 1i			98,867
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		✓	
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

Part IV Supplemental Information

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

SEE NEXT PAGE

Part IV

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

Return Reference - Identifier	Explanation
SCHEDULE C, PART II-B, LINE 1 - DETAILED DESCRIPTION OF THE LOBBYING ACTIVITY	LOBBYING EXPENSES INCLUDE A PORTION OF DUES PAID TO VARIOUS ORGANIZATIONS (I.E., GEORGIA HOSPITAL ASSOCIATION). IT ALSO INCLUDES AMOUNTS PAID TO A CONTRACTED INDIVIDUAL AND A PORTION OF THE AMOUNT PAID TO AN EMPLOYEE, WHOM LOBBY ON BEHALF OF THE ORGANIZATION AND THE NAVICENT HEALTH SYSTEM.

**SCHEDULE D
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

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

OMB No. 1545-0047

2021

**Open to Public
Inspection**

Name of the organization

NAVICENT HEALTH, INC.

Employer identification number

58-2149127

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

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

Part II Conservation Easements.

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

1 Purpose(s) of conservation easements held by the organization (check all that apply). <input type="checkbox"/> Preservation of land for public use (for example, recreation or education) <input type="checkbox"/> Preservation of a historically important land area <input type="checkbox"/> Protection of natural habitat <input type="checkbox"/> Preservation of a certified historic structure <input type="checkbox"/> Preservation of open space	
2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.	
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register	2d
3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ►	
4 Number of states where property subject to conservation easement is located ►	
5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?	<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ►	
7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ► \$	
8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.	

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

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

1a If the organization elected, as permitted under FASB ASC 958, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide in Part XIII the text of the footnote to its financial statements that describes these items.	
b If the organization elected, as permitted under FASB ASC 958, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:	
(i) Revenue included on Form 990, Part VIII, line 1	► \$
(ii) Assets included in Form 990, Part X	► \$
2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under FASB ASC 958 relating to these items:	
a Revenue included on Form 990, Part VIII, line 1	► \$
b Assets included in Form 990, Part X	► \$

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

3 Using the organization's acquisition, accession, and other records, check any of the following that make significant use of its collection items (check all that apply):

- a** ☐ Public exhibition
b ☐ Scholarly research
c ☐ Preservation for future generations
d ☐ Loan or exchange program
e ☐ Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements.

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

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII ☐

Part V Endowment Funds.

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a** Board designated or quasi-endowment %
b Permanent endowment %
c Term endowment %

The percentages on lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

	Yes	No
(i) Unrelated organizations	3a(i)	
(ii) Related organizations	3a(ii)	
b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R?	3b	

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		713,639		713,639
b Buildings		55,169,025	38,788,619	16,380,406
c Leasehold improvements		739,029	724,932	14,097
d Equipment		170,951,272	140,006,935	30,944,337
e Other		4,310,554		4,310,554
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				52,363,033

Part VII Investments—Other Securities.

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

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

Part VIII Investments—Program Related.

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

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) INVESTMENTS IN AFFILIATES	17,734,598	
(2) INVESTMENTS IN JOINT VENTURES	23,234,944	
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.)	40,969,542	

Part IX Other Assets.

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

(a) Description	(b) Book value
(1) A/R HOSPITAL AUTHORITY	32,907
(2) MISCELLANEOUS RECEIVABLE	2,626,109
(3) 457B DEFERRED COMPENSATION	25,504,575
(4) NONCURRENT LOANS	2,902,376
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.)	31,065,967

Part X Other Liabilities.

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

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) SERP LIABILITY	3,588,770
(3) 457B PLAN	24,445,058
(4) WELLS FARGO TERM LOAN 2019	5,755,736
(5) DEFERRED INFLOW - PENSION	47,137,228
(6) DUE TO AFFILIATES	226,812,792
(7) OPERATING LEASE	11,006,186
(8) COMMITMENTS AND CONTINGENCIES	1,002,389
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.)	319,748,159

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

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

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

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

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

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

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

Part XIII Supplemental Information.

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

[SEE STATEMENT](#)

Part XIII

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

Return Reference - Identifier	Explanation
SCHEDULE D, PART X, LINE 2 - FIN 48 (ASC 740) FOOTNOTE	<p>ATRIUM HEALTH INC., ATRIUM HEALTH NAVICENT, ATRIUM HEALTH FLOYD, NCBH, WFUHS, AND VARIOUS AFFILIATES ARE TAX EXEMPT AS DESCRIBED IN SECTION (C)(3) OF THE INTERNAL REVENUE CODE (THE CODE) AND ARE GENERALLY EXEMPT FROM FEDERAL INCOME TAXES ON RELATED INCOME PURSUANT TO SECTION 501(A) OF THE CODE. AS A NORTH CAROLINA HOSPITAL AUTHORITY, ATRIUM HEALTH CMHA IS ALSO EXEMPT FROM FEDERAL AND STATE INCOME TAXES.</p> <p>ACCORDINGLY, NO PROVISION FOR INCOME TAXES IS MADE IN THE COMBINED FINANCIAL STATEMENTS. IF APPLICABLE, UNRELATED BUSINESS INCOME IS REPORTED BY ALL MEMBERS AND SUBSIDIARY ORGANIZATIONS ON IRS FORM 990-T. FISCAL YEARS ENDING ON OR AFTER JUNE 30, 2018 REMAIN SUBJECT TO EXAMINATION BY FEDERAL AND STATE TAX AUTHORITIES.</p> <p>THE ENTERPRISE AND ITS SUBSIDIARIES HAVE EVALUATED UNCERTAIN TAX POSITIONS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021, INCLUDING A QUANTIFICATION OF TAX RISKS IN AREAS SUCH AS UNRELATED BUSINESS INCOME AND TAXATION OF FOR-PROFIT SUBSIDIARIES. THIS EVALUATION DID NOT HAVE A MATERIAL EFFECT ON THE ENTERPRISE'S COMBINED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021.</p>

**SCHEDULE F
(Form 990)**

Department of the Treasury
Internal Revenue Service

Name of the organization

NAVICENT HEALTH, INC.

Statement of Activities Outside the United States

► Complete if the organization answered "Yes" on Form 990, Part IV, line 14b, 15, or 16.

► Attach to Form 990.

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

OMB No. 1545-0047

2021

**Open to Public
Inspection**

Employer identification number

58-2149127

Part I General Information on Activities Outside the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 14b.

1 For grantmakers. Does the organization maintain records to substantiate the amount of its grants and other assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☐ Yes ☐ No

2 For grantmakers. Describe in Part V the organization's procedures for monitoring the use of its grants and other assistance outside the United States.

3 Activities per Region. (The following Part I, line 3 table can be duplicated if additional space is needed.)

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in the region	(d) Activities conducted in the region (by type) (such as, fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in the region	(f) Total expenditures for and investments in the region
(1) CENTRAL AMERICA AND THE CARIBBEAN	0	0	INVESTMENTS		109,042,068
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					
(11)					
(12)					
(13)					
(14)					
(15)					
(16)					
(17)					
3a Subtotal	0	0			109,042,068
b Total from continuation sheets to Part I	0	0			0
c Totals (add lines 3a and 3b)	0	0			109,042,068

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

Cat. No. 50082W

Schedule F (Form 990) 2021

Part II **Grants and Other Assistance to Organizations or Entities Outside the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Part II can be duplicated if additional space is needed.

1	(a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of noncash assistance	(h) Description of noncash assistance	(i) Method of valuation (book, FMV, appraisal, other)
(1)									
(2)									
(3)									
(4)									
(5)									
(6)									
(7)									
(8)									
(9)									
(10)									
(11)									
(12)									
(13)									
(14)									
(15)									
(16)									

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as a tax exempt 501(c)(3) organization by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter . . . ►

3 Enter total number of other organizations or entities ►

Part III **Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 16.
Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Region	(c) Number of recipients	(d) Amount of cash grant	(e) Manner of cash disbursement	(f) Amount of noncash assistance	(g) Description of noncash assistance	(h) Method of valuation (book, FMV, appraisal, other)
(1)							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							
(13)							
(14)							
(15)							
(16)							
(17)							
(18)							

Part IV Foreign Forms

- 1** Was the organization a U.S. transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926)* ☒ **Yes** ☐ **No**
- 2** Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to separately file Form 3520, Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A; don't file with Form 990)* ☐ **Yes** ☒ **No**
- 3** Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons With Respect to Certain Foreign Corporations (see Instructions for Form 5471)* ☒ **Yes** ☐ **No**
- 4** Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund (see Instructions for Form 8621)* ☒ **Yes** ☐ **No**
- 5** Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons With Respect to Certain Foreign Partnerships (see Instructions for Form 8865)* ☒ **Yes** ☐ **No**
- 6** Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to separately file Form 5713, International Boycott Report (see Instructions for Form 5713; don't file with Form 990)* ☐ **Yes** ☒ **No**

Schedule F (Form 990) 2021

Part V

Supplemental Information. Provide the information required by Part I, line 2 (monitoring of funds); Part I, line 3, column (f) (accounting method; amounts of investments vs. expenditures per region); Part II, line 1 (accounting method); Part III (accounting method); and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information (see instructions).

Return Reference - Identifier	Explanation
SCHEDULE F, PART I, LINE 3 - METHOD USED TO ACCOUNT FOR EXPENDITURES ON ORG'S FINANCIAL STATEMENTS	CENTRAL AMERICA AND THE CARIBBEAN -ACCRUAL

**SCHEDULE H
(Form 990)**

Hospitals

OMB No. 1545-0047

2021

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

- **Complete if the organization answered "Yes" on Form 990, Part IV, question 20.**
► **Attach to Form 990.**
► **Go to www.irs.gov/Form990 for instructions and the latest information.**

Name of the organization NAVICENT HEALTH, INC.	Employer identification number 58 2149127
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Part I Financial Assistance and Certain Other Community Benefits at Cost

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

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

7 Financial Assistance and Certain Other Community Benefits at Cost						
Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			285,632		285,632	1.34
b Medicaid (from Worksheet 3, column a)			1,835,378	1,168,472	666,906	3.12
c Costs of other means-tested government programs (from Worksheet 3, column b)					0	0.00
d Total. Financial Assistance and Means-Tested Government Programs	0	0	2,121,010	1,168,472	952,538	4.45
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)					0	0.00
f Health professions education (from Worksheet 5)					0	0.00
g Subsidized health services (from Worksheet 6)					0	0.00
h Research (from Worksheet 7)					0	0.00
i Cash and in-kind contributions for community benefit (from Worksheet 8)					0	0.00
j Total. Other Benefits	0	0	0	0	0	0.00
k Total. Add lines 7d and 7j	0	0	2,121,010	1,168,472	952,538	4.45

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

Cat. No. 50192T

Schedule H (Form 990) 2021

Part II Community Building Activities Complete this table if the organization conducted any community building activities during the tax year, and describe in Part VI how its community building activities promoted the health of the communities it serves.

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing					0	0.00
2 Economic development					0	0.00
3 Community support					0	0.00
4 Environmental improvements					0	0.00
5 Leadership development and training for community members					0	0.00
6 Coalition building					0	0.00
7 Community health improvement advocacy					0	0.00
8 Workforce development					0	0.00
9 Other					0	0.00
10 Total	0	0	0	0	0	0.00

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

		Yes	No
1 Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?	1		✓
2 Enter the amount of the organization's bad debt expense. Explain in Part VI the methodology used by the organization to estimate this amount	2	605,279	
3 Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy. Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit.	3		
4 Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements.			

Section B. Medicare

5 Enter total revenue received from Medicare (including DSH and IME)	5	11,403,270
6 Enter Medicare allowable costs of care relating to payments on line 5	6	9,045,353
7 Subtract line 6 from line 5. This is the surplus (or shortfall)	7	2,357,917
8 Describe in Part VI the extent to which any shortfall reported on line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: <input type="checkbox"/> Cost accounting system <input checked="" type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other		

Section C. Collection Practices

9a Did the organization have a written debt collection policy during the tax year?	9a	✓	
b If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI	9b	✓	

Part IV Management Companies and Joint Ventures (owned 10% or more by officers, directors, trustees, key employees, and physicians—see instructions)

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				

Part V Facility Information (continued)**Section B. Facility Policies and Practices**

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

Name of hospital facility or letter of facility reporting group CENTRAL GEORGIA REHABILITATION HOSPITAL, LLC**Line number of hospital facility, or line numbers of hospital facilities in a facility reporting group (from Part V, Section A):** 1

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

Part V Facility Information (continued)**Financial Assistance Policy (FAP)**Name of hospital facility or letter of facility reporting group CENTRAL GEORGIA REHABILITATION HOSPITAL, LLC

	Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:		
13 Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care? If "Yes," indicate the eligibility criteria explained in the FAP:	13 ✓	
a <input checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of <u>2</u> <u>0</u> <u>0</u> % and FPG family income limit for eligibility for discounted care of <u>4</u> <u>0</u> <u>0</u> %		
b <input type="checkbox"/> Income level other than FPG (describe in Section C)		
c <input type="checkbox"/> Asset level		
d <input type="checkbox"/> Medical indigency		
e <input checked="" type="checkbox"/> Insurance status		
f <input checked="" type="checkbox"/> Underinsurance status		
g <input type="checkbox"/> Residency		
h <input type="checkbox"/> Other (describe in Section C)		
14 Explained the basis for calculating amounts charged to patients?	14 ✓	
15 Explained the method for applying for financial assistance? If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply):	15 ✓	
a <input checked="" type="checkbox"/> Described the information the hospital facility may require an individual to provide as part of his or her application		
b <input checked="" type="checkbox"/> Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application		
c <input checked="" type="checkbox"/> Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process		
d <input type="checkbox"/> Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications		
e <input type="checkbox"/> Other (describe in Section C)		
16 Was widely publicized within the community served by the hospital facility? If "Yes," indicate how the hospital facility publicized the policy (check all that apply):	16 ✓	
a <input checked="" type="checkbox"/> The FAP was widely available on a website (list url): <u>(SEE STATEMENT)</u>		
b <input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url): <u>(SEE STATEMENT)</u>		
c <input checked="" type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url): <u>(SEE STATEMENT)</u>		
d <input checked="" type="checkbox"/> The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
e <input checked="" type="checkbox"/> The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)		
f <input checked="" type="checkbox"/> A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
g <input checked="" type="checkbox"/> Individuals were notified about the FAP by being offered a paper copy of the plain language summary of the FAP, by receiving a conspicuous written notice about the FAP on their billing statements, and via conspicuous public displays or other measures reasonably calculated to attract patients' attention		
h <input checked="" type="checkbox"/> Notified members of the community who are most likely to require financial assistance about availability of the FAP		
i <input checked="" type="checkbox"/> The FAP, FAP application form, and plain language summary of the FAP were translated into the primary language(s) spoken by Limited English Proficiency (LEP) populations		
j <input type="checkbox"/> Other (describe in Section C)		

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Part V Facility Information (continued)**Billing and Collections**Name of hospital facility or letter of facility reporting group CENTRAL GEORGIA REHABILITATION HOSPITAL, LLC

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

Policy Relating to Emergency Medical Care

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

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Part V Facility Information *(continued)***Charges to Individuals Eligible for Assistance Under the FAP (FAP-Eligible Individuals)**Name of hospital facility or letter of facility reporting group CENTRAL GEORGIA REHABILITATION HOSPITAL, LLC

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

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

Return Reference - Identifier	Explanation
SCHEDULE H, PART V, SECTION B, LINE 3E - THE SIGNIFICANT HEALTH NEEDS OF THE COMMUNITY	<p>PRIORITIZATION FOR NAVICENT HEALTH WAS DETERMINED BASED ON A JOINT, REGIONAL PRIORITIZATION PROCESS, ALONG WITH THE OTHER NAVICENT HEALTH FACILITIES IN CENTRAL GEORGIA. ON DECEMBER 17, 2020, NAVICENT HEALTH CONVENED AN ONLINE MEETING WITH COMMUNITY STAKEHOLDERS (REPRESENTING A CROSS SECTION OF COMMUNITY-BASED AGENCIES AND ORGANIZATIONS) TO EVALUATE, DISCUSS AND PRIORITIZE HEALTH ISSUES FOR COMMUNITY, BASED ON FINDINGS OF THIS COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA). PROFESSIONAL RESEARCH CONSULTANTS, INC. (PRC) BEGAN THE VIRTUAL MEETING WITH A PRESENTATION OF KEY FINDINGS FROM THE CHNA, HIGHLIGHTING THE SIGNIFICANT HEALTH ISSUES IDENTIFIED FROM THE RESEARCH. FOLLOWING THE DATA REVIEW, PRC ANSWERED ANY QUESTIONS. FINALLY, PARTICIPANTS WERE PROVIDED AN OVERVIEW OF THE PRIORITIZATION EXERCISE THAT FOLLOWED. IN ORDER TO ASSIGN PRIORITY TO THE IDENTIFIED HEALTH NEEDS, A WIRELESS AUDIENCE RESPONSE SYSTEM WAS USED IN WHICH EACH PARTICIPANT WAS ABLE TO REGISTER HIS/HER RATINGS USING A SMALL REMOTE KEYPAD. THE PARTICIPANTS WERE ASKED TO EVALUATE EACH HEALTH ISSUE ALONG TWO CRITERIA:</p> <ul style="list-style-type: none"> SCOPE & SEVERITY ABILITY TO IMPACT <p>INDIVIDUALS' RATINGS FOR EACH CRITERIA WERE AVERAGED FOR EACH TESTED HEALTH ISSUE, AND THEN THESE COMPOSITE CRITERIA SCORES WERE AVERAGED TO PRODUCE AN OVERALL SCORE. THIS PROCESS YIELDED THE FOLLOWING PRIORITIZED LIST OF COMMUNITY HEALTH NEEDS:</p> <ol style="list-style-type: none"> 1. DIABETES 2. HEART DISEASE & STROKE 3. NUTRITION, PHYSICAL ACTIVITY & WEIGHT 4. INFANT HEALTH & FAMILY PLANNING 5. ACCESS TO HEALTH CARE SERVICES 6. SEXUAL HEALTH 7. MENTAL HEALTH 8. RESPIRATORY DISEASE 9. CANCER 10. TOBACCO USE 11. SUBSTANCE ABUSE 12. INJURY & VIOLENCE 13. POTENTIALLY DISABLING CONDITIONS 14. SEPTICEMIA 15. ORAL HEALTH <p>AS A SPECIALTY HOSPITAL, NONE OF THE IDENTIFIED PRIORITIES SPECIFICALLY RELATE TO CENTRAL GEORGIA REHABILITATION HOSPITAL AS A PROVIDER.</p>
SCHEDULE H, PART V, SECTION B, LINE 5 - INPUT FROM PERSONS WHO REPRESENT BROAD INTERESTS OF COMMUNITY SERVED	<p>FACILITY NAME: CENTRAL GEORGIA REHABILITATION HOSPITAL, LLC</p> <p>DESCRIPTION: THIS ASSESSMENT INCORPORATES DATA FROM MULTIPLE SOURCES, INCLUDING PRIMARY RESEARCH (THROUGH THE PRC COMMUNITY HEALTH SURVEY AND PRC ONLINE KEY INFORMANT SURVEY), AS WELL AS SECONDARY RESEARCH (VITAL STATISTICS AND OTHER EXISTING HEALTH-RELATED DATA). IT ALSO ALLOWS FOR TRENDING AND COMPARISON TO BENCHMARK DATA AT THE STATE AND NATIONAL LEVELS. THE SURVEY INSTRUMENT USED FOR THIS STUDY IS BASED LARGELY ON THE CENTERS FOR DISEASE CONTROL AND PREVENTION (CDC) BEHAVIORAL RISK FACTOR SURVEILLANCE SYSTEM (BRFSS), AS WELL AS VARIOUS OTHER PUBLIC HEALTH SURVEYS AND CUSTOMIZED QUESTIONS ADDRESSING GAPS IN INDICATOR DATA RELATIVE TO HEALTH PROMOTION AND DISEASE PREVENTION OBJECTIVES AND OTHER RECOGNIZED HEALTH ISSUES. THE FINAL SURVEY INSTRUMENT WAS DEVELOPED BY NAVICENT HEALTH AND PRC AND IS SIMILAR TO THE PREVIOUS SURVEYS USED IN THE REGION, ALLOWING FOR DATA TRENDING. THE STUDY AREA FOR THE SURVEY EFFORT (REFERRED TO AS THE "TOTAL AREA" IN THIS REPORT) IS DEFINED AS EACH OF THE RESIDENTIAL ZIP CODES PREDOMINANTLY ASSOCIATED WITH BALDWIN, BIBB, CRAWFORD, HOUSTON, JONES, MONROE, PEACH, OR TWIGGS COUNTIES IN CENTRAL GEORGIA. IN THE REPORTING, CRAWFORD, JONES, MONROE, AND TWIGGS COUNTY FINDINGS ARE GROUPED INTO A SINGLE COMBINED AREA, REFERRED TO AS "OTHER COUNTIES."</p> <p>A PRECISE AND CAREFULLY EXECUTED METHODOLOGY IS CRITICAL IN ASSERTING THE VALIDITY OF THE RESULTS GATHERED IN THE PRC COMMUNITY HEALTH SURVEY. THUS, TO ENSURE THE BEST REPRESENTATION OF THE POPULATION SURVEYED A MIXED-MODE METHODOLOGY WAS IMPLEMENTED. THIS INCLUDED SURVEYS CONDUCTED VIA TELEPHONE (LANDLINE AND CELL PHONE), AS WELL AS THROUGH ONLINE QUESTIONNAIRES. THE SAMPLE DESIGN USED FOR THIS EFFORT CONSISTED OF A STRATIFIED RANDOM SAMPLE OF 1,200 INDIVIDUALS AGE 18 AND OLDER IN THE TOTAL AREA, INCLUDING 300 EACH IN BIBB AND HOUSTON COUNTIES, 200 EACH IN PEACH AND BALDWIN COUNTIES, AND 200 IN THE COMBINED OTHER COUNTIES AREA. ONCE THE INTERVIEWS WERE COMPLETED, THESE WERE WEIGHTED IN PROPORTION TO THE ACTUAL POPULATION DISTRIBUTION SO AS TO APPROPRIATELY REPRESENT THE TOTAL AREA AS A WHOLE. ALL ADMINISTRATION OF THE SURVEYS, DATA COLLECTION, AND DATA ANALYSIS WAS CONDUCTED BY PRC.</p> <p>FOR STATISTICAL PURPOSES, THE MAXIMUM RATE OF ERROR ASSOCIATED WITH A SAMPLE SIZE OF 1,200 RESPONDENTS IS +/-2.8% AT THE 95 PERCENT CONFIDENCE LEVEL.</p>

Return Reference - Identifier	Explanation
SCHEDULE H, PART V, SECTION B, LINE 6A - CHNA CONDUCTED WITH ONE OR MORE OTHER HOSPITAL FACILITIES	<p>FACILITY NAME: MEDICAL CENTER OF CENTRAL GEORGIA, INC.</p> <p>DESCRIPTION: AN ACADEMIC MEDICAL CENTER AND DESIGNATED LEVEL 1 TRAUMA CENTER, MCCG IS LICENSED FOR 635-BEDS. BOTH MCCG AND CENTRAL GEORGIA REHABILITATION HOSPITAL, LLC ARE CONTROLLED BY NAVICENT HEALTH, INC.</p>
SCHEDULE H, PART V, SECTION B, LINE 11 - HOW HOSPITAL FACILITY IS ADDRESSING NEEDS IDENTIFIED IN CHNA	<p>FACILITY NAME: CENTRAL GEORGIA REHABILITATION HOSPITAL</p> <p>DESCRIPTION: A WIDE RANGE OF PRIORITY HEALTH ISSUES WERE IDENTIFIED BY THE COMMUNITY REPRESENTATIVES IN THE 2020 CHNA. THE HOSPITAL, AS PART OF NAVICENT HEALTH, WILL CONSIDER THE TOP HEALTH PRIORITIES IDENTIFIED THROUGH THE PROCESS AND THEIR OVERALL ALIGNMENT WITH THE HOSPITAL'S MISSION, GOALS AND STRATEGIC PRIORITIES. THE HOSPITAL WILL CONTINUE TO FOCUS ON DEVELOPING, SUPPORTING AND COLLABORATING ON STRATEGIES AND INITIATIVES TO IMPROVE HEALTHCARE ACCESS AND HEALTH PROMOTION. THIS FACILITY IS A SPECIALTY HOSPITAL PROVIDING REHABILITATION SERVICES TO ALL INDIVIDUALS WITHOUT REGARD TO THEIR ABILITY TO PAY. THE IMPLEMENTATION STRATEGIES FOR NAVICENT HEALTH SYSTEM (WHICH THE SYSTEM REFERS TO AS THE NAVICENT HEALTH SYSTEM COMMUNITY ACTION PLAN) MAY BE FOUND AT: HTTPS://WWW.NAVICENTHEALTH.ORG/OUR-ANNUAL-REPORTS.HTML.</p>
SCHEDULE H, PART V, SECTION B, LINE 16A - FAP AVAILABLE WEBSITE	https://atriumhealth.org/for-patients-visitors/financial-assistance#helpful-docs
SCHEDULE H, PART V, SECTION B, LINE 16B - FAP APPLICATION FORM WEBSITE	https://atriumhealth.org/for-patients-visitors/financial-assistance#helpful-docs
SCHEDULE H, PART V, SECTION B, LINE 16C - PLAIN LANGUAGE FAP SUMMARY WEBSITE	https://atriumhealth.org/for-patients-visitors/financial-assistance#helpful-docs

Part V Facility Information *(continued)***Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**
(list in order of size, from largest to smallest)How many non-hospital health care facilities did the organization operate during the tax year? 0

Name and address	Type of Facility (describe)
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	

Schedule H (Form 990) 2021

Provide the following information.

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

Return Reference - Identifier	Explanation
SCHEDULE H, PART I - PERCENT OF TOTAL EXPENSES AND OTHER FINANCIAL INFORMATION	THE PERCENT OF TOTAL EXPENSES AND OTHER FINANCIAL INFORMATION IN SCHEDULE H, PARTS I AND III ARE CALCULATED USING ONLY THE FINANCIAL INFORMATION OF CENTRAL GEORGIA REHAB HOSPITAL, LLC, A WHOLLY OWNED LIMITED LIABILITY COMPANY OF NAVICENT HEALTH, INC. THAT IS ACCOUNTED FOR AS A SEPARATE DEPARTMENT OF THE ORGANIZATION.
SCHEDULE H, PART I, LINE 7 - EXPLANATION OF COSTING METHODOLOGY USED FOR CALCULATING LINE 7 TABLE	THE DATA REPORTED IN PART 1, LINE 7 IS REPORTED AS INSTRUCTED BY THE CATHOLIC HEALTH ASSOCIATION'S "A GUIDE FOR PLANNING AND REPORTING COMMUNITY BENEFITS, 2008". THE COSTS WERE CALCULATED USING THE RATIO OF COSTS TO CHARGES USING WORKSHEET 2 IN THE INSTRUCTIONS TO FORM 990 SCHEDULE H.
SCHEDULE H, PART III, LINE 2 - METHODOLOGY USED TO ESTIMATE BAD DEBT	PATIENT CHARGES WRITTEN OFF TO BAD DEBT REPRESENT THE AMOUNT OF CHARGES CONSIDERED UNCOLLECTIBLE AFTER REASONABLE ATTEMPTS TO COLLECT HAVE BEEN MADE FOR THAT PORTION OF A PATIENT'S BILL THAT ARE NOT OTHERWISE PAID BY THIRD-PARTY INSURANCE, GOVERNMENT PROGRAMS, PATIENT PAYMENTS OR THAT DO NOT QUALIFY FOR WRITEOFF UNDER THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY.
SCHEDULE H, PART III, LINE 4 - FOOTNOTE IN ORGANIZATION'S FINANCIAL STATEMENTS DESCRIBING BAD DEBT	ATRIUM HEALTH ISSUES CONSOLIDATED FINANCIAL STATEMENTS IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES AS PRESCRIBED BY THE GOVERNMENTAL ACCOUNTING STANDARDS BOARD. THERE IS NO COMPREHENSIVE FOOTNOTE THAT ADDRESSES BAD DEBT EXPENSE. PATIENT SERVICE REVENUE IS EXPLAINED IN FOOTNOTE 1(P) ON PAGES 34-35, FINANCIAL ASSISTANCE AND COMMUNITY BENEFIT COSTS ARE DISCUSSED IN FOOTNOTE 15 ON PAGE 107, AND THE USE OF ESTIMATES (WHICH INCLUDES THE USE OF ESTIMATES RELATED TO THE VALUATION OF ACCOUNTS RECEIVABLE, INCLUDING CONTRACTUAL ALLOWANCES AND PROVISIONS FOR BAD DEBTS) IS DISCUSSED IN FOOTNOTE 1(W) ON PAGE 39 OF THE AUDITED FINANCIAL ON STATEMENTS FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2021.
SCHEDULE H, PART III, LINE 8 - DESCRIBE EXTENT ANY SHORTFALL FROM LINE 7 TREATED AS COMMUNITY BENEFIT AND COSTING METHOD USED	THE COSTING METHODOLOGY USES THE COSTS INCLUDED IN THE COST REPORT WHICH ARE CALCULATED USING A DEPARTMENTAL SPECIFIC COST TO CHARGE RATIO AS COMPARED TO ACTUAL MEDICARE PAYMENTS. THE MEDICARE COST REPORT DOES NOT FULLY CAPTURE ALL MEDICARE REVENUE AND COSTS, INCLUDING BUT NOT LIMITED TO PHYSICIAN SERVICES AND MEDICARE PART C. TOTAL MEDICARE SURPLUS IS REDUCED TO \$2,214,726.
SCHEDULE H, PART III, LINE 9B - DID COLLECTION POLICY CONTAIN PROVISIONS ON COLLECTION PRACTICES FOR PATIENTS WHO ARE KNOWN TO QUALIFY FOR ASSISTANCE	PATIENTS ARE NOTIFIED OF THE ORGANIZATION'S FINANCIAL ASSISTANCE POLICY PRIOR TO DISCHARGE. EACH BILLING STATEMENT CONTAINS A CONSPICUOUS NOTICE THAT FINANCIAL ASSISTANCE IS AVAILABLE TO INDIVIDUALS THAT QUALIFY. ONCE A PATIENT IS DETERMINED TO QUALIFY FOR FINANCIAL ASSISTANCE, IT IS NOTED IN THE PATIENT'S FINANCIAL RECORD AND ANY COLLECTION EFFORTS CEASE. ANY PREVIOUS AMOUNTS BILLED ARE WRITTEN OFF (OR REFUNDED IF ANY PAYMENT WAS RECEIVED) AS PROVIDED IN THE FINANCIAL ASSISTANCE POLICY. THE ASSISTANT VICE PRESIDENT OF REVENUE CYCLE OF THE ORGANIZATION REVIEWS THE FINANCIAL ACTIVITY ON OTHER ACCOUNTS TO DETERMINE IF AN ACCOUNT SHOULD BE TURNED OVER TO OUTSIDE COLLECTIONS. IF A PATIENT ACCOUNT TURNED OVER TO COLLECTIONS IS LATER DETERMINED TO QUALIFY FOR FINANCIAL ASSISTANCE, THE ACCOUNT IS BROUGHT BACK FROM COLLECTIONS AND THE ACCOUNT WRITTEN OFF.
SCHEDULE H, PART VI, LINE 2 - NEEDS ASSESSMENT	A COMMUNITY NEEDS ASSESSMENT WAS PERFORMED IN 2020 ON BEHALF OF THE NAVICENT HEALTH BY PROFESSIONAL RESEARCH CONSULTANTS, INC. (PRC). THE CHNA WAS CONDUCTED FOR THE MEDICAL CENTER OF CENTRAL GEORGIA AND CENTRAL GEORGIA REHABILITATION HOSPITAL. PRC IS A NATIONALLY RECOGNIZED HEALTHCARE CONSULTING FIRM. IN ADDITION, THE HOSPITAL ROUTINELY SOLICITS FEEDBACK ON COMMUNITY HEALTH NEEDS FROM MEMBERS OF THE MEDICAL STAFF AND COMMUNITY LEADERS AS PART OF ITS STRATEGIC PLANNING PROCESS.
SCHEDULE H, PART VI, LINE 3 - PATIENT EDUCATION	PATIENTS ARE INFORMED OF AVAILABLE ASSISTANCE BY THE FOLLOWING METHODS: THE PATIENT IS NOTIFIED UPON ADMISSION OF THE FINANCIAL ASSISTANCE POLICY; SIGNAGE AT ALL ACCESS POINTS INTO THE ORGANIZATION NOTIFIES PATIENTS AND GUESTS OF THE POLICY; AND ALL BILLINGS INCLUDE INFORMATION TO CONTACT THE BUSINESS OFFICE TO APPLY FOR ASSISTANCE. WE ALSO IDENTIFY ALL PATIENTS WITHOUT INSURANCE AND WORK WITH THEM TO OBTAIN MEDICAID COVERAGE IF POSSIBLE. THE ORGANIZATION'S WEBSITE NOTIFIES VISITORS OF AVAILABLE FINANCIAL ASSISTANCE. THE FAP, THE PLAIN LANGUAGE SUMMARY AND THE APPLICATION FOR ASSISTANCE ARE ALSO AVAILABLE ON THE ORGANIZATION'S WEBSITE.
SCHEDULE H, PART VI, LINE 4 - COMMUNITY INFORMATION	THE PRIMARY SERVICE AREA IS BIBB CRAWFORD, HOUSTON, JONES MONROE, PEACH AND TWIGGS COUNTIES. THERE ARE TWENTY-ONE COUNTIES IN THE SECONDARY SERVICE AREA. THE CURRENT POPULATION IN THE PRIMARY SERVICE AREA IS 406,725 AND THE SECONDARY SERVICE AREA HAS A POPULATION OF 389,460. MCCG IS THE TERTIARY HOSPITAL FOR THE CENTRAL GEORGIA REGION.

Return Reference - Identifier	Explanation
SCHEDULE H, PART VI, LINE 5 - PROMOTION OF COMMUNITY HEALTH	THE ORGANIZATION IS PART OF A MULTI-ENTITY HEALTHCARE SYSTEM THAT PROVIDES MEDICAL SERVICES TO THE COMMUNITY. THE ORGANIZATION HAS A BOARD COMPRISED OF MEMBERS OF THE COMMUNITY. THE MEDICAL STAFF OF THE HOSPITAL IS OPEN TO ALL QUALIFIED PHYSICIAN APPLICANTS. ANY SURPLUS FUNDS ARE REINVESTED IN THE ORGANIZATION AND USED FOR PROGRAM SERVICES. AN EMERGENCY ROOM OPEN 24/7/365 IS AVAILABLE AT OUR SISTER ORGANIZATION, THE MEDICAL CENTER OF CENTRAL GEORGIA, A GENERAL SHORT TERM ACUTE CARE FACILITY AND ONE OF FIVE LEVEL 1 TRAUMA CENTER'S IN THE STATE OF GEORGIA. .
SCHEDULE H, PART VI, LINE 6 - DESCRIPTION OF AFFILIATED GROUP	THE ORGANIZATION IS PART OF NAVICENT HEALTH, INC. AND IS ONE OF SEVERAL AFFILIATED ENTITIES COMPRISING THE MULTI-ENTITY HEALTHCARE SYSTEM. ORGANIZATIONS IN THE SYSTEM INCLUDE: AH GEORGIA, INC., A NORTH CAROLINA NON-PROFIT ORGANIZATION, SERVES AS THE SOLE MEMBER OF THE NAVICENT HEALTH, INC. NAVICENT HEALTH SERVES AS THE LOCAL (CENTRAL GEORGIA BASED) PARENT ENTITY OF THE HEALTH SYSTEM. IT ALSO OPERATES CENTRAL GEORGIA REHABILITATION HOSPITAL, INC. THE MEDICAL CENTER OF CENTRAL GEORGIA, INC. IS A 637-BED GENERAL SHORT-TERM ACUTE CARE HOSPITAL FACILITY THAT IS DESIGNATED AS A LEVEL 1 TRAUMA CENTER AND MAGNET HOSPITAL FOR NURSING. HEALTH SERVICES OF CENTRAL GEORGIA, INC. PROVIDES FACULTY PHYSICIANS TO THE RESIDENCY TRAINING PROGRAMS OF THE MEDICAL CENTER OF CENTRAL GEORGIA AS WELL AS OTHER PHYSICIANS, NURSE PRACTITIONERS, AND PHYSICIAN ASSISTANTS. CENTRAL GEORGIA SENIOR HEALTH, INC. IS A LIFE PLAN COMMUNITY (CCRC) OFFERING INDEPENDENT LIVING, ASSISTED LIVING, MEMORY SUPPORT AND SKILLED NURSING. NAVICENT HEALTH BALDWIN, INC. IS A 140-LICENSED BED ACUTE CARE HOSPITAL AND 15-BED SKILLED NURSING FACILITY IN NEARBY BALDWIN COUNTY. THE MEDICAL CENTER OF PEACH COUNTY, INC. IS A 25-BED CRITICAL ACCESS HOSPITAL PRIMARILY SERVING THE RESIDENTS OF PEACH COUNTY, GEORGIA. AH GEORGIA, INC. IS ALSO BECAME THE SOLE MEMBER OF FLOYD HEALTHCARE MANAGEMENT, INC., A HOSPITAL SERVING PORTIONS OF NORTHWEST GEORGIA AND NORTHEAST ALABAMA DURING 2021.
SCHEDULE H, PART VI, LINE 7 - STATE FILING OF COMMUNITY BENEFIT REPORT	GA

**SCHEDULE I
(Form 990)**

Department of the Treasury
Internal Revenue Service

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**
Complete if the organization answered "Yes" on Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.
▶ Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2021

**Open to Public
Inspection**

Name of the organization

NAVICENT HEALTH, INC.

Employer identification number

58-2149127

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☒ Yes ☐ No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments. Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section (if applicable)	(d) Amount of cash grant	(e) Amount of noncash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of noncash assistance	(h) Purpose of grant or assistance
(1) THE GRAND OPERA HOUSE 651 MULBERRY STREET, MACON, GA 31201	58-0566167	501(C)(3)	5,000				COMMUNITY SUPPORT
(2) AMERICAN HEART ASSOCIATION PO BOX 4002900, DES MOINES, IA 50340-2900	13-5613797	501(C)(3)	18,750				COMMUNITY SPONSORSHIP
(3) THE GEORGIA TRUST/HAY HOUSE 934 GEORGIA AVE., MACON, GA 31201	23-7357226	501(C)(3)	8,000				COMMUNITY SPONSORSHIP
(4) HISTORIC MACON FOUNDATION INC PO BOX 13358, MACON, GA 31201	51-0200143	501(C)(3)	5,000				COMMUNITY SPONSORSHIP
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							

- 2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ▶ 4
- 3 Enter total number of other organizations listed in the line 1 table ▶ 0

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

Cat. No. 50055P

Schedule I (Form 990) 2021

Part III **Grants and Other Assistance to Domestic Individuals.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22.
Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of noncash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of noncash assistance
1					
2					
3					
4					
5					
6					
7					

Part IV	Supplemental Information. Provide the information required in Part I, line 2; Part III, column (b); and any other additional information.
----------------	--

(SEE STATEMENT)

Part IV**Supplemental Information.** Provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

Return Reference - Identifier	Explanation
SCHEDULE I, PART I, LINE 2 - PROCEDURES FOR MONITORING USE OF GRANT FUNDS.	NAVICENT REQUIRES ALL ORGANIZATIONS THAT RECEIVE SPONSORSHIPS TO PROVIDE PROOF OF THEIR NON PROFIT STATUS. NAVICENT MAKES SMALL GRANTS ON BEHALF OF THE MEDICAL CENTER OF CENTRAL GEORGIA.

SCHEDULE J
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization

NAVICENT HEALTH, INC.

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

- Complete if the organization answered "Yes" on Form 990, Part IV, line 23.
► Attach to Form 990.
► Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2021

Open to Public Inspection

Employer identification number

58-2149127

Part I Questions Regarding Compensation

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Yes No

1b

2

4a

4b

4c

5a

5b

6a

6b

7

8

9

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

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC and/or 1099-NEC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)–(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 CAROL LOVIN BOARD MEMBER	(i)	0	0	0	0	0	0	0
	(ii)	787,371	706,786	221,487	188,297	16,103	1,920,044	0
2 NINFA M SAUNDERS PRESIDENT/CEO	(i)	0	0	0	0	0	0	0
	(ii)	0	0	1,740,727	0	0	1,740,727	0
3 THOMAS OLIVER, MD PRESIDENT HOSPITALS AND CLINICS	(i)	862,705	149,300	190,042	11,600	16,694	1,230,341	0
	(ii)	0	0	0	0	0	0	0
4 DELVECCHIO FINLEY PRESIDENT/CEO	(i)	0	0	0	0	0	0	0
	(ii)	763,260	150,000	200,158	46,583	18,627	1,178,628	0
5 ROBERT C WILDE EVP ENTERPRISE CHIEF FINANCIAL OFFICER	(i)	467,778	97,513	22,171	85,905	21,272	694,639	0
	(ii)	0	0	0	0	0	0	0
6 SANFORD G DUKE, MD CHIEF CLINICAL OFFICER ENTERPRISE CLINICAL SYSTEMS	(i)	521,053	109,278	25,897	11,642	26,314	694,184	0
	(ii)	0	0	0	0	0	0	0
7 KENNETH B BANKS CORPORATE SECRETARY & CHIEF LEGAL COUNSEL	(i)	441,391	92,598	80,105	36,619	28,198	678,911	0
	(ii)	0	0	0	0	0	0	0
8 ELBERT T MCQUEEN SENIOR VP	(i)	341,094	66,755	66,418	26,193	23,720	524,180	0
	(ii)	0	0	0	0	0	0	0
9 LUIS FONSECA PRESIDENT HOSPITALS AND CLINICS	(i)	329,623	50,000	71,211	5,530	8,010	464,374	0
	(ii)	0	0	0	0	0	0	0
10 SARA L LONERGAN VP DEPUTY GENERAL COUNSEL	(i)	287,083	50,863	40,601	11,514	626	390,687	0
	(ii)	0	0	0	0	0	0	0
11 JR DALE J BOYLSTON CEO TC2 HEALTH/PRESIDENT STRATUS HEALTHCARE	(i)	290,666	0	22,363	9,048	24,617	346,694	0
	(ii)	0	0	0	0	0	0	0
12 STEPHEN B KARDON PRESIDENT STRATUS/TC2	(i)	304,019	0	11,552	8,722	20,730	345,023	0
	(ii)	0	0	0	0	0	0	0
13 BHALLA VISHAL CHIEF HR OFFICER	(i)	0	0	0	0	0	0	0
	(ii)	170,985	50,000	101,198	4,964	0	327,147	0
14 CYNTHIA BUSBEE SVP MKT COMM. PUBLIC AFFAIRS	(i)	231,479	37,664	20,250	6,522	19,689	315,604	0
	(ii)	0	0	0	0	0	0	0
15 TODD M DIXON CEO - BALDWIN	(i)	0	0	0	0	0	0	0
	(ii)	214,496	37,686	9,927	6,012	17,633	285,754	0
16 JUDY K WARE CFO RURAL HEALTH	(i)	178,551	19,774	18,415	8,746	28,532	254,018	0
	(ii)	0	0	0	0	0	0	0

Schedule J (Form 990) 2021

Part III

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

Return Reference - Identifier	Explanation
SCHEDULE J, PART I, LINE 4A - SEVERANCE OR CHANGE-OF-CONTROL PAYMENT	NINFA SAUNDERS \$1,740,727
SCHEDULE J, PART I, LINE 4B - SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN	<p>MCCG HAD A SUPPLEMENTAL EXECUTIVE BENEFIT PROGRAM ("SEBP") FOR CERTAIN EXECUTIVES THAT WAS DESIGNED AS A LOAN REGIME SPLIT DOLLAR LIFE INSURANCE PROGRAM. THIS PROGRAM WAS EXPECTED TO PROVIDE DEATH AND OTHER BENEFITS TO EXECUTIVES AND TO PROVIDE REPAYMENT OF LIFE INSURANCE PREMIUMS TO THE ORGANIZATION.</p> <p>AS A RESULT OF ECONOMIC CONDITIONS, THE LIFE INSURANCE POLICIES DID NOT PERFORM AS ANTICIPATED. DURING 2009 MCCG SUSPENDED ALL PREMIUM PAYMENTS AND REEVALUATED THE EFFECTIVENESS OF THE PROGRAM FOR ALL CURRENT PARTICIPANTS. DURING CALENDAR YEAR 2009 THE MCCG BOARD OF DIRECTORS, AFTER CONSULTATION WITH COMPENSATION AND LEGAL ADVISERS, ADOPTED A RESOLUTION TO MAKE PAYMENTS TO THE RETIRED PARTICIPANTS IN THE SEBP. IN CONSIDERATION FOR THE RECEIPT OF SUCH PAYMENT, THE RETIRED EXECUTIVES SURRENDERED SUBSTANTIALLY ALL RIGHTS AND BENEFITS (OTHER THAN A SMALL DEATH BENEFIT) UNDER THE SEBP TO THE ORGANIZATION. SUBSEQUENTLY, A SIMILAR DECISION WAS MADE DURING FISCAL YEAR ENDED SEPTEMBER 30, 2011 FOR THE REMAINING (EMPLOYED) PARTICIPANTS WITH ANY PAYMENTS TO BE MADE DEPENDENT ON THE INDIVIDUAL CONTINUING TO PROVIDE SUBSTANTIAL SERVICES TO A SPECIFIED FUTURE DATE.</p> <p>IN ADDITION, MCCG AND ITS AFFILIATED ORGANIZATIONS ADOPTED A SERP PROGRAM FOR CERTAIN EXECUTIVES EFFECTIVE FOR SERVICES RENDERED ON OR AFTER JANUARY 1, 2010. THIS PROGRAM PROVIDES FOR ANNUAL ACCOUNT VESTING IF THE PARTICIPANT IS EMPLOYED ON DECEMBER 31 OF THE THIRD YEAR AFTER THE ACCOUNT IS CREATED. THE BENEFIT EQUALS THE ANNUAL INCREASE IN THE PRESENT VALUE OF A LIFETIME ANNUITY PAYABLE COMMENCING AT A SPECIFIED TARGETED FUTURE DATE. THE ANNUITY IS EQUAL TO A SPECIFIC PERCENTAGE OF FINAL AVERAGE EARNINGS (GENERALLY 60%) LESS (1) THE EXPECTED ANNUAL SEBP PAYMENT USED IN CALCULATING THE SEBP LUMP SUM PAYMENT, (2) THE ANNUAL BENEFIT PROVIDED UNDER THE DEFINED BENEFIT PLAN, AND (3) 100% OF THE PARTICIPANT'S SOCIAL SECURITY BENEFIT. DURING THE YEAR, THE FOLLOWING BENEFITS WERE ACCRUED: NONE</p> <p>IN ADDITION, NAVICENT HEALTH ADOPTED A RETENTION PAYMENT PLAN EFFECTIVE OCTOBER 1, 2011 DESIGNED TO ENCOURAGE DESIGNATED EMPLOYEES TO CONTINUE THEIR EMPLOYMENT. UNDER THE PLAN, NAVICENT HEALTH MAY SELECT A RETENTION CREDIT EQUAL TO A PERCENTAGE OF THE EXECUTIVE'S BASE SALARY. THE CREDIT IS REDUCED BY THE VALUE OF LIFE INSURANCE COVERAGE PROVIDED TO THE EXECUTIVE. IN GENERAL, THE PLAN IS SUBJECT TO VESTING AT THE END OF THE THIRD PLAN YEAR AFTER THE ACCOUNT WAS CREATED OR AGE 65 IF EARLIER, AND IS SUBJECT TO FORFEITURE IF THE EXECUTIVE VOLUNTARILY SEPARATES FROM SERVICE. DURING THE YEAR THE FOLLOWING BENEFITS ACCRUED UNDER THIS PLAN: KEN BANKS \$25,126 ELBERT MCQUEEN \$15,881</p> <p>IN ADDITION, NAVICENT ADOPTED A NONQUALIFIED, UNFUNDED DEFERRED COMPENSATION PLAN DESIGNED TO ATTRACT AND RETAIN QUALIFIED MANAGEMENT PERSONNEL. DURING THE YEAR THE FOLLOWING BENEFITS ACCRUED UNDER THIS PLAN: R. CHRIS WILDE \$75,779</p>

**SCHEDULE K
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax-Exempt Bonds

► Complete if the organization answered "Yes" on Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.

► Attach to Form 990.

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

OMB No. 1545-0047

2021

**Open to Public
Inspection**

Name of the organization

NAVICENT HEALTH, INC.

Employer identification number

58-2149127

Part I Bond Issues

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
							Yes	No	Yes	No	Yes	No
A	MACON-BIBB COUNTY HOSPITAL AUTHORITY	58-1034851	NONENONEN	12/18/2019	9,770,500	REFINANCE LONG TERM DEBT		✓		✓		✓
B												
C												
D												

Part II Proceeds

		A		B		C		D	
1	Amount of bonds retired								
2	Amount of bonds legally defeased		0						
3	Total proceeds of issue		9,770,500						
4	Gross proceeds in reserve funds		0						
5	Capitalized interest from proceeds		0						
6	Proceeds in refunding escrows		0						
7	Issuance costs from proceeds		0						
8	Credit enhancement from proceeds		0						
9	Working capital expenditures from proceeds		0						
10	Capital expenditures from proceeds		0						
11	Other spent proceeds		9,770,500						
12	Other unspent proceeds		0						
13	Year of substantial completion		2013						
14	Were the bonds issued as part of a refunding issue of tax-exempt bonds (or, if issued prior to 2018, a current refunding issue)?	Yes	No	Yes	No	Yes	No	Yes	No
15	Were the bonds issued as part of a refunding issue of taxable bonds (or, if issued prior to 2018, an advance refunding issue)?	✓							
16	Has the final allocation of proceeds been made?		✓						
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	✓							

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

Cat. No. 50193E

Schedule K (Form 990) 2021

Part III Private Business Use

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

Part IV Arbitrage

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

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

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

[illegible]

SCHEDULE O (Form 990) Department of Treasury Internal Revenue Service	Supplemental Information to Form 990 or 990-EZ Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information. ▶ Attach to Form 990 or 990-EZ. ▶ Go to www.irs.gov/Form990 for the latest information.	OMB No. 1545-0047 <div style="font-size: 2em; font-weight: bold; margin: 0;">2021</div> Open to Public Inspection
Name of the Organization NAVICENT HEALTH, INC.		Employer Identification Number 58-2149127

Return Reference - Identifier	Explanation
FORM 990, PART I, LINE 1 - BRIEF MISSION	RESPECT, OWNERSHIP AND CARING. NAVICENT HEALTH, INC. IS A NONPROFIT CORPORATION WHOSE PRIMARY PURPOSE IS TO SERVE AS A PARENT CORPORATION PROVIDING STRATEGIC DIRECTION TO THE MEDICAL CENTER OF CENTRAL GEORGIA, INC. AND OTHER AFFILIATES IN SUPPORT OF THEIR MISSION OF PROVIDING A COMPREHENSIVE RANGE OF HIGH-QUALITY, REASONABLY PRICED HEALTH CARE SERVICES TO THE CENTRAL GEORGIA COMMUNITY.
FORM 990, PART III, LINE 1 - ORGANIZATION'S MISSION	STRATEGIC DIRECTION TO THE MEDICAL CENTER OF CENTRAL GEORGIA, INC. AND OTHER AFFILIATES IN SUPPORT OF THEIR MISSION OF PROVIDING A COMPREHENSIVE RANGE OF HIGH-QUALITY, REASONABLY PRICED HEALTH CARE SERVICES TO THE CENTRAL GEORGIA COMMUNITY.
FORM 990, PART V, LINE 1A - FORMS 1099	THE MEDICAL CENTER OF CENTRAL GEORGIA ISSUES ALL FORMS 1099 FOR THE HEALTHCARE SYSTEM.
FORM 990, PART VI, LINE 6 - CLASSES OF MEMBERS OR STOCKHOLDERS	AH GEORGIA, INC. IS THE SOLE MEMBER OF THE ORGANIZATION. AS SOLE MEMBER, IT HAS THE RIGHT TO APPOINT TWO MEMBERS TO THE BOARD OF DIRECTORS AND TO APPROVE THE APPOINTMENT OF ALL REMAINING DIRECTORS. THE ACTIONS LISTED IN RESPONSE TO QUESTION 4 ABOVE MAY NOT BE TAKEN WITHOUT THE PRIOR APPROVAL OF THE SOLE MEMBER .
FORM 990, PART VI, LINE 7A - MEMBERS OR STOCKHOLDERS ELECTING MEMBERS OF GOVERNING BODY	AH GEORGIA, INC. IS THE SOLE MEMBER OF NAVICENT HEALTH. AS THE SOLE MEMBER, IT APPOINTS TWO MEMBERS TO THE BOARD OF DIRECTORS AND APPROVES THE APPOINTMENT OF ALL OTHER MEMBERS OF THE BOARD. IN ADDITION, CERTAIN CORPORATE ACTIONS REQUIRE THE PRIOR APPROVAL OF THE SOLE MEMBER.
FORM 990, PART VI, LINE 7B - DECISIONS REQUIRING APPROVAL BY MEMBERS OR STOCKHOLDERS	THE ARTICLES AND BYLAWS WERE AMENDED TO REQUIRE THE PRIOR APPROVAL OF THE SOLE MEMBER BEFORE THE FOLLOWING ACTIONS MAY BE TAKEN BY THE BOARD OF DIRECTORS: AMENDING OR RESTATING THE ARTICLES OF INCORPORATION OR BYLAWS; APPOINTMENT OR REMOVAL OF THE PRESIDENT AND CEO; ORGANIZING ANY SUBSIDIARY; UNDERTAKE ANY JOINT VENTURE, MERGER, CONSOLIDATION, ACQUISITION OR REORGANIZATION; ENTERING ANY TRANSACTION PROVIDING INCUR, RESTRUCTURE, REFINANCE, DISCHARGE OR DEFEASE ANY DEBT; ADOPT OR AMEND STRATEGIC OR CAPITAL PLANS; ADOPT OPERATING AND CAPITAL BUDGETS; AND AMEND OR TERMINATE ANY HOSPITAL FACILITY LEASE.
FORM 990, PART VI, LINE 11B - REVIEW OF FORM 990 BY GOVERNING BODY	THE FORM 990 WAS PREPARED BY HOSPITAL PERSONNEL FROM INFORMATION PROVIDED BY MANAGEMENT AND FROM INTERNAL FINANCIAL STATEMENTS. IT IS REVIEWED IN DETAIL BOTH BY OUR OUTSIDE TAX ADVISOR (AN INDEPENDENT CPA) AND BY FINANCIAL MANAGEMENT OF NAVICENT HEALTH, INC. A COPY OF THE FORM 990 WAS PROVIDED TO EACH BOARD MEMBER PRIOR TO FILING THE RETURN WITH THE INTERNAL REVENUE SERVICE
FORM 990, PART VI, LINE 12C - CONFLICT OF INTEREST POLICY	THE DEPARTMENT OF AUDIT AND COMPLIANCE ISSUES COI DISCLOSURE FORMS ANNUALLY TO OUR BOARD MEMBERS, ADMINISTRATION AND DIRECTORS. AUDIT AND COMPLIANCE RECEIVES, REVIEWS AND DOCUMENTS ALL POTENTIAL CONFLICTS (PERCEIVED AND REAL.) THE RESULTS ARE TAKEN TO THE COMPLIANCE COMMITTEE WHERE THE REAL CONFLICTS OF INTEREST ARE IDENTIFIED, DISCUSSED, AND A PLAN FOR CORRECTIVE ACTION IS DEVELOPED. THE CORRECTIVE ACTION RECOMMENDATIONS ARE TAKEN TO THE VARIOUS BOARDS AND ADMINISTRATION FOR IMPLEMENTATION. ANY TIME A CHANGE IN A RELATIONSHIP OR NEW POTENTIAL CONFLICT EVOLVES, THE INDIVIDUALS MUST AMEND THEIR COI DISCLOSURE FORM. CONFLICTED INDIVIDUALS ARE PROHIBITED FROM PARTICIPATING IN DELIBERATIONS AND DECISIONS REGARDING SUCH TRANSACTIONS, BUT MAY PROVIDE INFORMATION IF REQUESTED BY THE COMPLIANCE COMMITTEE
FORM 990, PART VI, LINE 15A - PROCESS TO ESTABLISH COMPENSATION OF TOP MANAGEMENT OFFICIAL	THE COMPENSATION COMMITTEE OF THE BOARD ENGAGES AN EXECUTIVE CONSULTING FIRM TO REVIEW AND PROVIDE RECOMMENDATIONS REGARDING TOTAL COMPENSATION AND BENEFITS FOR THE EXECUTIVE LEADERSHIP TEAM. BASE COMPENSATION, INCENTIVE COMPENSATION AND BENEFITS ARE INCLUDED IN THE REVIEW. THE EXECUTIVE CONSULTANTS REVIEW ORGANIZATIONAL STRUCTURE, INDIVIDUAL JOB DESCRIPTIONS AND DISCUSS SCOPE OF LEADERSHIP AND SPAN OF CONTROL WITH HR AND THE CEO AS A PART OF THE PROCESS TO DETERMINE PROPER PLACEMENT OF THE PAY GRADE AND LEVEL OF PARTICIPATION IN INCENTIVE AND BENEFITS PROGRAMS. THE COMPENSATION COMMITTEE PERIODICALLY REAFFIRMS THE TOTAL COMPENSATION PHILOSOPHY WHICH CURRENTLY TARGETS THE 75TH PERCENTILE OF TOTAL COMPENSATION FOR THE LEADERSHIP TEAM. THE PEER GROUP USED IS NATIONAL HOSPITALS AND HEALTH SYSTEMS OF SIMILAR SIZE AND SCOPE. KEY EMPLOYEES AND OTHERS OUTSIDE OF THE EXECUTIVE LEADERSHIP TEAM HAVE COMPENSATION SET BY HR GUIDELINES AND/OR MARKET COMPENSATION STUDIES
FORM 990, PART VI, LINE 15B - PROCESS TO ESTABLISH COMPENSATION OF OTHER OFFICERS OR KEY EMPLOYEES	ALL POSITIONS ARE REVIEWED VIA ABOVE PROCESS PERIODICALLY WITH THE EXECUTIVE POSITIONS REVIEWED EVERY 2-3 YEARS.
FORM 990, PART VI, LINE 19 - REQUIRED DOCUMENTS AVAILABLE TO THE PUBLIC	NAVICENT HEALTH, INC. PROVIDES COPIES OF ITS GOVERNING AND OTHER CORPORATE DOCUMENTS UPON REQUEST.

Return Reference - Identifier	Explanation	
FORM 990, PART XI, LINE 9 - OTHER CHANGES IN NET ASSETS OR FUND BALANCES	(a) Description	(b) Amount
	REBRANDING COST	1,902,464
	PENSION/ OPEB-2021	40,267,161
	PENSION-POST RETIREMENT ADJUSTMENT	18,665,362
	PENSION/OPEB -2020	- 169,090,126
PART VII SECTION A - BOARD MEMBERS	CENTRAL GEORGIA REHABILITATION HOSPITAL, LLC IS A SINGLE MEMBER DISREGARDED ENTITY OWNED BY NAVICENT HEALTH, INC. THE BOARD MEMBERS OF THE LLC ARE DELVECCHIO FINLEY, STARR PURDUE, TRACEY BLALOCK, CHRIS WILDE (TREASURER), AND ELBERT MCQUEEN (PRESIDENT/CEO & CHAIRMAN). IN ADDITION, KEN BANKS SERVES AS AN OFFICER (SECRETARY).	
SCHEDULE F, PART IV, LINE 1 - TRANSFERS TO FOREIGN CORPORATIONS	THE ORGANIZATION HAS MADE INDIRECT INVESTMENTS IN FOREIGN CORPORATIONS AS A RESULT OF INVESTMENTS MADE IN FOREIGN PARTNERSHIPS. FORM 926 IS ATTACHED IF THE FOREIGN PARTNERSHIP INDICATED FILING FORM 926 IS REQUIRED. FORM 926 IS ALSO ATTACHED FOR TRANSFERS MADE TO ITS WHOLLY OWNED SELF-INSURANCE CAPTIVE SUBSIDIARY DURING THE YEAR.	
SCHEDULE F, PART I, LINE 3(F) - INVESTMENTS	NAVICENT HEALTH, INC. IS THE OWNER OF VARIOUS FOREIGN INVESTMENTS WHICH ARE HELD FOR THE BENEFIT OF THE MEDICAL CENTER OF CENTRAL GEORGIA, INC., AN AFFILIATED CONTROLLED TAX-EXEMPT ORGANIZATION. FOR ACCOUNTING PURPOSES, THESE INVESTMENTS ARE REFLECTED ON THE BALANCE SHEET OF THE MEDICAL CENTER OF CENTRAL GEORGIA.	
SCHEDULE F, PART IV LINE 3 - OWNERSHIP INTEREST IN FOREIGN CORPORATIONS	THE ORGANIZATION HAS ATTACHED FORM 5471 FOR ITS INVESTMENTS IN ITS WHOLLY OWNED SELF-INSURANCE CAPTIVE, CENTRA PROFESSIONAL INDEMNITY, LTD.	
SCHEDULE F, PART IV, LINE 4 - SHAREHOLDER IN PFICS	BLACKSTONE PARK AVENUE NON-TAXABLE FUND, LP HAS MADE A TIMELY IRC SECTION 1295 ELECTION WITH RESPECT TO VARIOUS INVESTMENTS IN PASSIVE FOREIGN INVESTMENT COMPANIES AND HAS FILED FORM 8621 ON BEHALF OF THE PARTNERSHIP. IN ADDITION, NAVICENT HEALTH HAS INVESTED IN A FOREIGN PARTNERSHIP, GRAMERCY DISTRESSED OPPORTUNITY FUND III, LP THAT REPORTED INDIRECT PFIC INCOME. NAVICENT HEALTH IS A TAX-EXEMPT ORGANIZATION DESCRIBED IN IRC SECTION 501(C)(3). PURSUANT TO TREASURY REGULATION SECTION 1.298-1(C), FORM 8621 IS NOT REQUIRED TO BE FILED WITH RESPECT TO A PFIC UNLESS THE INCOME DERIVED WITH RESPECT TO THE PFIC STOCK IS TAXABLE AS UNRELATED BUSINESS INCOME. ACCORDING TO THE INFORMATION PROVIDED BY THE PARTNERSHIPS, THE PFIC INVESTMENTS GENERATED NO UBI. THEREFORE, FORM 8621 IS NOT REQUIRED TO BE FILED.	
SCHEDULE F, PART IV, LINE 5 - OWNERSHIP INTEREST IN FOREIGN PARTNERSHIPS	NAVICENT HEALTH OWNS DIRECT AND INDIRECT INTERESTS IN FOREIGN PARTNERSHIPS. FORM 8865 IS COMPLETED FOR EACH OF THESE INVESTMENTS WHEN REQUIRED BASED ON INFORMATION PROVIDED BY THE PARTNERSHIPS. NO FILINGS WERE REQUIRED FOR 2021 BASED UPON THE INFORMATION PROVIDED.	

**SCHEDULE R
(Form 990)**Department of the Treasury
Internal Revenue ServiceName of the organization
NAVICENT HEALTH, INC.**Related Organizations and Unrelated Partnerships**

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

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

OMB No. 1545-0047

2021**Open to Public
Inspection**Employer identification number
58-2149127**Part I Identification of Disregarded Entities.** Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) CENTRAL GEORGIA REHAB HOSPITAL, LLC (30-0371539) 3351 NORTHSIDE DRIVE, MACON, GA 31201	REHABILITATION SERVICES	GA	1,080,922	6,596,687	NAVICENT HEALTH, INC.
(2) NAVICENT HEALTH OCONEE, LLC (82-2446235) 777 HEMLOCK STREET, MCC 111, MACON, GA 31201	DORMANT	GA	0	0	NAVICENT HEALTH, INC.
(3)					
(4)					
(5)					
(6)					

Part II Identification of Related Tax-Exempt Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) CENTRAL GEORGIA SENIOR HEALTH, INC. (58-2345439) 777 HEMLOCK STREET, MSC 111, MACON, GA 31201	RETIREMENT COMMUNITY	GA	501(C)(3)	12 TYPE II	NAVICENT HEALTH, INC.	✓	
(2) HEALTH SERVICES OF CENTRAL GEORGIA, INC. (58-2307485) 777 HEMLOCK STREET, MSC 111, MACON, GA 31201	HEALTHCARE SERVICES	GA	501(C)(3)	3	NAVICENT HEALTH, INC.	✓	
(3) THE MEDICAL CENTER OF CENTRAL GEORGIA, INC. (58-2149128) 777 HEMLOCK STREET, MSC 111, MACON, GA 31201	HOSPITAL	GA	501(C)(3)	3	NAVICENT HEALTH, INC.	✓	
(4) THE MEDICAL CENTER OF PEACH COUNTY, INC. (45-3765471) 777 HEMLOCK STREET, MSC 111, MACON, GA 31201	HOSPITAL	GA	501(C)(3)	3	NAVICENT HEALTH, INC.	✓	
(5) NAVICENT HEALTH BALDWIN, INC. (82-3914925) 777 HEMLOCK STREET, MSC 111, MACON, GA 31201	HOSPITAL	GA	501(C)(3)	3	NAVICENT HEALTH, INC.	✓	
(6) AH GEORGIA, INC. (83-1707383) PO BOX 32862, CHARLOTTE, NC 28232-2861	SOLE MEMBER NAVICENT HEALTH	NC	501(C)(3)	7	THE CHARLOTTE-MECKLENBURG HOSPITAL AUTHORITY		✓
(7) (SEE STATEMENT)							

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

Cat. No. 50135Y

Schedule R (Form 990) 2021

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512—514)	(f) Share of total income	(g) Share of end-of- year assets	(h) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) (SEE STATEMENT)												
(2)												
(3)												
(4)												
(5)												
(6)												
(7)												

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
(1) (SEE STATEMENT)									
(2)									
(3)									
(4)									
(5)									
(6)									
(7)									

Part V Transactions With Related Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.**Note:** Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

	Yes	No
1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II–IV?		
a Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity	1a	✓
b Gift, grant, or capital contribution to related organization(s)	1b	✓
c Gift, grant, or capital contribution from related organization(s)	1c	✓
d Loans or loan guarantees to or for related organization(s)	1d	✓
e Loans or loan guarantees by related organization(s)	1e	✓
f Dividends from related organization(s)	1f	✓
g Sale of assets to related organization(s)	1g	✓
h Purchase of assets from related organization(s)	1h	✓
i Exchange of assets with related organization(s)	1i	✓
j Lease of facilities, equipment, or other assets to related organization(s)	1j	✓
k Lease of facilities, equipment, or other assets from related organization(s)	1k	✓
l Performance of services or membership or fundraising solicitations for related organization(s)	1l	✓
m Performance of services or membership or fundraising solicitations by related organization(s)	1m	✓
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	✓
o Sharing of paid employees with related organization(s)	1o	✓
p Reimbursement paid to related organization(s) for expenses	1p	✓
q Reimbursement paid by related organization(s) for expenses	1q	✓
r Other transfer of cash or property to related organization(s)	1r	✓
s Other transfer of cash or property from related organization(s)	1s	✓
2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.		

(a) Name of related organization	(b) Transaction type (a–s)	(c) Amount involved	(d) Method of determining amount involved
MEDICAL CENTER OF CENTRAL GEORGIA, INC.	K	1,302,337	CASH
(1) MEDICAL CENTER OF CENTRAL GEORGIA, INC.	Q	71,657,798	CASH
(2) NAVICENT HEALTH, INC	Q	429,696	CASH
(3) MEDICAL CENTER OF CENTRAL GEORGIA, INC.	P	429,696	CASH
(4) NAVICENT HEALTH, INC	Q	253,000	CASH
(5) (SEE STATEMENT)			
(6)			

Part VI **Unrelated Organizations Taxable as a Partnership.** Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512–514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	
(1)													
(2)													
(3)													
(4)													
(5)													
(6)													
(7)													
(8)													
(9)													
(10)													
(11)													
(12)													
(13)													
(14)													
(15)													
(16)													

Schedule R (Form 990) 2021

Part II**Identification of Related Tax-Exempt Organizations** (continued)

(a) Name, address and EIN of related organization	(b) Primary Activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(7) THE CHARLOTTE-MECKLENBURG HOSPITAL AUTHORITY (56-0529945) 1000 BLYTHE BLVD., CHARLOTTE, NC 28203	HEALTHCARE	NC			N/A		✓
(8) FLOYD HEALTHCARE MANAGEMENT, INC. (58-1973570) 304 TURNER MCCALL BLVD., ROME, GA 30162-0233	HOSPITAL	GA	501(C)(3)	3	AH GEORGIA, INC.		✓

Part III
Identification of Related Organizations Taxable as a Partnership (continued)

(a) Name, address and EIN of related organization	(b) Primary Activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income related, unrelated, excluded from tax under sections 512-514	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V - UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) CENTRAL GEORGIA PET, LLC (31-7146447) 1650 HARDEMAN AVENUE, MACON, GA 31201	IMAGING SERVICES	GA	MEDICAL CENTER OF CENTRAL GEORGIA	RELATED	655,599	1,016,365		✓	0		✓	66.67
(2) SECURE HEALTH PLANS OF GEORGIA, INC. (58-2306549) 577 MULBERRY STREET, SUITE 1000, MACON, GA 31201	MANAGED CARE	GA	NAVICENT HEALTH, INC.	RELATED	(36,802)	3,511,077		✓	0		✓	50.39
(3) COWLES CLINIC REALTY, LLC (81-0636590) 1000 COWLES CLINIC WAY #C100, GREENSBORO, GA 30642	HEALTHCARE REAL ESTATE	GA	NAVICENT HEALTH, INC.	RELATED	201,944	5,182,405		✓	0		✓	51.00
(4) MACON OUTPATIENT SURGERY, LLC (20-3027560) 3708 NORTHSIDE DRIVE, MACON, GA 31210	PHYSICIAN SERVICES	GA	NAVICENT HEALTH, INC.	RELATED	3,870,923	1,167,468		✓	0		✓	51.00

Part IV**Identification of Related Organizations Taxable as a Corporation or Trust** (continued)

(a) Name, address and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C-corp, S-corp or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
(1) CENTRAL GEORGIA HEALTH VENTURES, INC. (58-2164989) 777 HEMLOCK STREET, MSC 111, MACON, GA 31201	HOLDING COMPANY	GA	NAVICENT HEALTH, INC.	C CORPORATION	733,433	5,533,536	100.00	✓	
(2) CENTRA PROFESSIONAL INDEMNITY, LTD PO BOX 1363, GEORGETOWN, GRAND CAYMAN, KY1-1108, CJ	SELF-INSURANCE	CAYMAN ISLANDS	NAVICENT HEALTH, INC.	C CORPORATION			100.00	✓	
(3) NAVICENT HEALTHPLAN, INC. (20-2467391) 777 HEMLOCK STREET, MSC 111, MACON, GA 31201	INSURANCE	GA	NAVICENT HEALTH, INC.	C CORPORATION			100.00	✓	

Part V**Transactions with Related Organizations** (continued)

(a) Name of other organization	(b) Transaction type (a-s)	(c) Amount Involved	(d) Method of determining amount involved
(6) MEDICAL CENTER OF CENTRAL GEORGIA, INC.	P	253,000	CASH
(7) MEDICAL CENTER OF PEACH COUNTY. INC.	Q	291,651	CASH
(8) MEDICAL CENTER OF CENTRAL GEORGIA, INC.	P	291,651	CASH
(9) NAVICENT HEALTH BALDWIN	Q	217,876	CASH
(10) MEDICAL CENTER OF CENTRAL GEORGIA, INC.	P	217,876	CASH
(11) CENTRAL GEORGIA SENIOR HEALTH, INC	Q	16,289,017	CASH
(12) MEDICAL CENTER OF CENTRAL GEORGIA, INC.	P	16,289,017	CASH
(13) MEDICAL CENTER OF PEACH COUNTY. INC.	Q	8,585,718	CASH
(14) MEDICAL CENTER OF CENTRAL GEORGIA, INC.	P	8,585,718	CASH
(15) CENTRA PROFESSIONAL INDEMNITY	R	13,718,369	CASH
(16) MEDICAL CENTER OF CENTRAL GEORGIA, INC.	S	3,086,557	CASH
(17) CENTRAL GEORGIA SENIOR HEALTH, INC	S	86,727	CASH
(18) NAVICENT HEALTH, BALDWIN	S	91,978	CASH
(19) HEALTH SERVICES OF CENTRAL GEORGIA, INC	S	194,574	CASH
(20) MEDICAL CENTER OF CENTRAL GEORGIA, INC.	K	64,381	CASH
(21) CENTRAL GEORGIA PET, LLC	J	64,381	CASH
(22) CENTRAL GEORGIA PET, LLC	F	772,000	CASH
(23) MEDICAL CENTER OF CENTRAL GEORGIA, INC.	P	66,526,765	CASH
(24) HEALTH SERVICES OF CENTRAL GEORGIA, INC	Q	66,526,765	CASH
(25) MEDICAL CENTER OF CENTRAL GEORGIA, INC.	P	1,664,270	CASH
(26) HEALTH SERVICES OF CENTRAL GEORGIA, INC	Q	1,664,270	CASH
(27) MEDICAL CENTER OF CENTRAL GEORGIA, INC.	K	1,664,270	CASH
(28) HEALTH SERVICES OF CENTRAL GEORGIA, INC	J	1,664,270	CASH
(29) MEDICAL CENTER OF CENTRAL GEORGIA, INC.	K	467,777	CASH
(30) HEALTH SERVICES OF CENTRAL GEORGIA, INC	J	467,777	CASH
(31) NAVICENT HEALTH, INC	J	231,548	CASH
(32) HEALTH SERVICES OF CENTRAL GEORGIA, INC	K	231,548	CASH
(33) MEDICAL CENTER OF CENTRAL GEORGIA, INC.	J	115,939	CASH
(34) NAVICENT HEALTH, INC	K	115,939	CASH
(35) MEDICAL CENTER OF PEACH COUNTY. INC.	J	264,421	CASH
(36) HEALTH SERVICES OF CENTRAL GEORGIA, INC	K	264,421	CASH
(37) MEDICAL CENTER OF CENTRAL GEORGIA, INC.	J	26,207,675	CASH
(38) HEALTH SERVICES OF CENTRAL GEORGIA, INC	K	26,207,675	CASH
(39) MEDICAL CENTER OF CENTRAL GEORGIA, INC.	P	6,210,942	CASH
(40) CENTRAL GEORGIA SENIOR HEALTH, INC	Q	6,210,942	CASH
(41) MEDICAL CENTER OF CENTRAL GEORGIA, INC.	P	198,425	CASH
(42) CENTRAL GEORGIA SENIOR HEALTH, INC	Q	198,425	CASH
(43) MEDICAL CENTER OF CENTRAL GEORGIA, INC.	P	21,636,721	CASH
(44) NAVICENT HEALTH, BALDWIN	Q	21,636,721	CASH
(45) MEDICAL CENTER OF CENTRAL GEORGIA, INC.	R	62,734	CASH

(a) Name of other organization	(b) Transaction type (a-s)	(c) Amount Involved	(d) Method of determining amount involved
(46) CENTRAL GEORGIA HEALTH VENTURES, INC.	S	62,734	CASH
(47) NAVICENT HEALTH, INC	P	6,582,010	CASH
(48) CENTRAL GEORGIA SENIOR HEALTH, INC	Q	6,582,010	CASH
(49) NAVICENT HEALTH, INC	P	20,213,406	CASH
(50) NAVICENT HEALTH, BALDWIN	Q	20,213,406	CASH
(51) NAVICENT HEALTH, INC	P	5,201,051	CASH
(52) MEDICAL CENTER OF PEACH COUNTY. INC.	Q	5,201,051	CASH
(53) NAVICENT HEALTH, INC	P	8,138,513	CASH
(54) HEALTH SERVICES OF CENTRAL GEORGIA, INC	Q	8,138,513	CASH
(55) NAVICENT HEALTH, INC	P	189,970,973	CASH
(56) MEDICAL CENTER OF CENTRAL GEORGIA, INC.	Q	189,970,973	CASH
(57) ATRIUM	P	685,699	CASH
(58) NAVICENT	Q	685,699	CASH
(59) NAVICENT HEALTH, INC	P	116,517,515	CASH
(60) MEDICAL CENTER OF CENTRAL GEORGIA, INC.	Q	116,517,515	CASH
(61) NAVICENT HEALTH, INC	P	3,144,159	CASH
(62) MEDICAL CENTER OF PEACH COUNTY. INC.	Q	3,144,159	CASH
(63) NAVICENT HEALTH, INC	P	7,812,278	CASH
(64) NAVICENT HEALTH, BALDWIN	Q	7,812,278	CASH
(65) NAVICENT HEALTH, INC	P	1,983,440	CASH
(66) CENTRAL GEORGIA SENIOR HEALTH, INC	Q	1,983,440	CASH
(67) NAVICENT HEALTH, INC	P	9,255,585	CASH
(68) HEALTH SERVICES OF CENTRAL GEORGIA, INC	Q	9,255,585	CASH



Atrium Health Enterprise

Atrium Health Charlotte-Mecklenburg Hospital Authority and
Atrium Health Wake Forest Baptist
(under the common management of Atrium Health, Inc.)

Combined Financial Statements and Other Financial Information
(With Independent Auditors' Report Thereon)

December 31, 2021

Atrium Health Enterprise
Combined Financial Statements
December 31, 2021

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KPMG LLP
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620 S. Tryon Street
Charlotte, North Carolina 28202-1842

Independent Auditors' Report

The Board of Directors
Atrium Health, Inc.:

Opinions

We have audited the financial statements of the business-type activities, fiduciary activities, and the discretely presented component unit of The Charlotte-Mecklenburg Hospital Authority (Atrium Health CMHA), the combined financial statements of Wake Forest University Baptist Medical Center and Affiliates, North Carolina Baptist Hospital and Affiliates and Wake Forest University Health Sciences and Affiliates (collectively, Atrium Health Wake Forest Baptist), and the combined financial statements of Atrium Health CMHA and Atrium Health Wake Forest Baptist (collectively, Atrium Health Enterprise), as of and for the year ended December 31, 2021, and the related notes to the financial statements for each respective entity, which collectively comprise the basic financial statements for each respective entity as listed in the table of contents.

Unmodified Opinion on U.S. Generally Accepted Accounting Principles – Atrium Health CMHA

In our opinion, the accompanying financial statements referred to above of Atrium Health CMHA present fairly, in all material respects, the respective financial position of the business type activities, fiduciary activities, and the aggregate discretely presented component unit of Atrium Health CMHA as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended, in accordance with U.S. generally accepted accounting principles.

Unmodified Opinion on U.S. Generally Accepted Accounting Principles – Atrium Health Wake Forest Baptist

In our opinion, the accompanying combined financial statements referred to above of Atrium Health Wake Forest Baptist present fairly, in all material respects, the financial position of Atrium Health Wake Forest Baptist as of December 31, 2021, and the results of its operations and changes in net assets, and its cash flows for the year then ended, in accordance with U.S. generally accepted accounting principles.

Unmodified Opinion on Accounting Principles as Promulgated by the Financial Accounting Standards Board (FASB) – Atrium Health Enterprise

In our opinion, the accompanying combined financial statements referred to above of Atrium Health Enterprise present fairly, in all material respects, the financial position of Atrium Health Enterprise as of December 31, 2021, and the results of its operations and changes in net assets and its cash flows for the year then ended in accordance with accounting principles as promulgated by FASB.

KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee



Adverse Opinion on U.S. Generally Accepted Accounting Principles – Atrium Health Enterprise

In our opinion, because of the significance of the matter discussed in the Matter Giving Rise to Adverse Opinion section of our report, the combined financial statements of Atrium Health Enterprise referred to above do not present fairly the financial position of Atrium Health Enterprise as of December 31, 2021, or the results of its operations and changes in net assets and its cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

Basis for Unmodified and Adverse Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audits of the Financial Statements section of our report. We are required to be independent of Atrium Health CMHA, Atrium Health Wake Forest Baptist, and Atrium Health Enterprise 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 opinions.

Matter Giving Rise to Adverse Opinion – Atrium Health Enterprise

As described in Note 1 to the combined financial statements, Atrium Health CMHA is a governmental entity as defined by the Governmental Accounting Standards Board (GASB) and represents 73.7% and 69.4% of Atrium Health Enterprise's total assets and revenues, respectively. Accordingly, accounting principles as promulgated by GASB are the appropriate accounting principles for Atrium Health CMHA to follow. However, Atrium Health Enterprise, which includes Atrium Health CMHA, has prepared its combined financial statements in accordance with accounting principles as promulgated by FASB. The effects on the combined financial statements of Atrium Health Enterprise of the variances between the accounting policies described in Note 1 and U.S. generally accepted accounting principles for governmental entities, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the respective financial statements of Atrium Health CMHA, Atrium Health Wake Forest Baptist, and Atrium Health Enterprise in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the respective financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the respective financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Atrium Health CMHA's, Atrium Health Wake Forest Baptist's and Atrium Health Enterprise's ability to continue as a going concern for one year after the date that the respective financial statements are available to be issued.

Auditors' Responsibilities for the Audits of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the respective financial statements as a whole for each entity are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. 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 respective financial statements. In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the respective 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 each of the respective financial statements.
- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing opinions on the effectiveness of Atrium Health CMHA's, Atrium Health Wake Forest Baptist's, and Atrium Health Enterprise's internal control. Accordingly, no such opinions are 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 respective financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Atrium Health CMHA's, Atrium Health Wake Forest Baptist's, and Atrium Health Enterprise'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 audits, significant audit findings, and certain internal control related matters that we identified during the audits.

Required Supplementary Information

U.S. generally accepted accounting principles require that management's discussion and analysis on pages 5 through 14, the schedules of changes in the net pension liability and related ratios – Atrium Health Charlotte Defined Benefit Plan, the schedules of pension contributions – Atrium Health Charlotte Defined Benefit Plan, the schedules of pension plan investment returns – Atrium Health Charlotte Defined Benefit Plan, the schedules of changes in the net pension liability and related ratios – Atrium Health Navicent Defined Benefit Plan, the schedules of pension contributions – Atrium Health Navicent Defined Benefit Plan, the schedules of pension plan investment returns – Atrium Health Navicent Defined Benefit Plan, the schedules of changes in the net pension liability and related ratios – Atrium Health Floyd Defined Benefit Plan, the schedules of pension contributions – Atrium Health Floyd Defined Benefit Plan, and the schedules of pension plan investment returns – Atrium Health Floyd Defined Benefit Plan on pages 113-130 be presented to supplement the basic financial statements of Atrium Health CMHA. Such information is the responsibility of management and, although not a part of the basic financial statements of Atrium Health CMHA, is required by GASB who considers it to be an essential part of financial reporting for placing the basic financial statements of Atrium Health CMHA in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements of Atrium Health CMHA, and other knowledge we obtained during our audit of the basic financial statements of Atrium Health CMHA. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with evidence sufficient to express an opinion or provide any assurance.



Supplementary Information

Our audits were conducted for the purpose of forming opinions on the respective financial statements as a whole of Atrium Health CMHA, Atrium Health Wake Forest Baptist, and Atrium Health Enterprise.

The supplementary combining information of Atrium Health CMHA (including CMHA Combined Group, Atrium Health Navicent and Atrium Health Floyd) on pages 131 – 139 is presented for purposes of additional analysis and is not a required part of the financial statements of Atrium Health CMHA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements of Atrium Health CMHA. The information has been subjected to the auditing procedures applied in the audit of the financial statements of Atrium Health CMHA and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements of Atrium Health CMHA or to the financial statements themselves of Atrium Health CMHA, and other additional procedures in accordance with GAAS. In our opinion, the combining information is fairly stated in all material respects in relation to the financial statements of Atrium Health CMHA as a whole.

The supplementary combining information of Atrium Health Wake Forest Baptist on pages 140 – 141 is presented for purposes of additional analysis and is not a required part of the combined financial statements of Atrium Health Wake Forest Baptist. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements of Atrium Health Wake Forest Baptist. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements of Atrium Wake Forest Baptist and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements of Atrium Health Wake Forest Baptist or to the combined financial statements themselves of Atrium Health Wake Forest Baptist, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the combined financial statements of Atrium Health Wake Forest Baptist.

KPMG LLP

Charlotte, North Carolina
May 19, 2022

ATRIUM HEALTH CHARLOTTE-MECKLENBURG HOSPITAL AUTHORITY

(d/b/a Atrium Health CMHA)

Management's Discuss and Analysis - Unaudited

December 31, 2021

Dollars in thousands.

This Management's Discussion and Analysis provides an overview of the financial position and results of activities of Atrium Health Charlotte-Mecklenburg Hospital Authority (Atrium Health CMHA) for the years ended December 31, 2021 and 2020. Atrium Health CMHA follows guidance from the Governmental Accounting Standards Board (GASB) as it is a governmental entity. This discussion and analysis has been prepared by management and is required supplemental information to the basic financial statements of Atrium Health CMHA and the notes that follow this section. Except as otherwise noted, the financial highlights in this analysis refer exclusively to Atrium Health CMHA's Primary Enterprise as described in note 1 of the notes to the combined financial statements, including Atrium Health Charlotte, Atrium Health Navicent and Atrium Health Floyd.

Certain information set forth in the following discussion contains "forward-looking statements" regarding the future oriented financial information, business plans and the future performance of Atrium Health CMHA and the health care industry that are based on the beliefs and assumptions of the management of Atrium Health CMHA and the information available to management at the time that these disclosures were prepared. Words such as "expects," "plans," "believes," "will" and other similar expressions are intended to identify these forward-looking statements. Such statements are subject to factors that could cause actual results to differ materially from anticipated results. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this report. Actual results may differ materially from those expressed in or implied by any forward-looking statements. Atrium Health CMHA undertakes no obligation to revise or update publicly any forward-looking statements for any reason.

Atrium Health CMHA Overview

- In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic. COVID-19 has continued to affect Atrium Health CMHA and the communities it serves through 2021. In response to the pandemic and to preserve resources for patients infected with COVID-19, Atrium Health CMHA, at various times throughout the pandemic depending on regional surges of COVID-19 infections and the implementation of local and state "stay at home" orders, ceased or curtailed non-essential procedural patient care such elective surgeries, resulting in significant unexpected revenue declines. Throughout the pandemic, Atrium Health CMHA has continued to make financial commitments to ensure the safety of its patients and the well-being of its teammates. As a result, the financial impact of the pandemic to Atrium Health CMHA has been decreases in volumes and revenues from non-COVID patients while simultaneously increasing the cost of care for all patients. Revenue losses from the pandemic were partially, but not completely, offset by Federal stimulus funding recorded as nonoperating income. For more information on the impact of COVID-19, see note 1 of the notes to the combined financial statements.
- In October 2020, Atrium Health CMHA and Wake Forest Baptist Health (Atrium Health WFB) became part of the Enterprise pursuant to an Enterprise Agreement among AHI, Atrium Health CMHA and Wake Forest University Baptist Medical Center (WFUBMC), which is the joint operating company for North Carolina Baptist Hospital (NCBH) and affiliates and Wake Forest University Health Sciences (WFUHS) and affiliates, and related agreements, which included a Health System Integration Agreement between AHI, Atrium Health CMHA, WFUBMC, Wake Forest University Health Sciences, North Carolina Baptist Hospital, and Wake Forest University (WFU) (collectively, the Enterprise

ATRIUM HEALTH CHARLOTTE-MECKLENBURG HOSPITAL AUTHORITY

(d/b/a Atrium Health CMHA)

Management's Discuss and Analysis - Unaudited

December 31, 2021

Dollars in thousands.

agreements). Each Enterprise participant and its affiliates maintain their separate legal existence and continue to own their assets. Each Enterprise participant retains all power, authorities, rights and remedies necessary or appropriate to allow it to comply with its pre-existing debt instruments and any new debt instruments. Nothing in the Enterprise agreements is intended to constitute the actual or implied assumption or guaranty by any Enterprise participant of any other Enterprise participant's debt or other liabilities, and all debt and other liabilities of each Enterprise participant will remain the debt and liabilities of such Enterprise participant regardless of when incurred, except as otherwise expressly agreed in writing.

- Effective July 2021, AH Georgia, Inc., a Georgia not-for-profit corporation of which Atrium Health CMHA is the sole member, became the sole corporate member of Floyd Healthcare Management, Inc. (Floyd), which with its affiliates does business as Atrium Health Floyd in northwest Georgia and northeast Alabama, pursuant to a Member Substitution Agreement among Atrium Health CMHA, AH Georgia, Inc., and Floyd. The financial information of Atrium Health Floyd has been blended within Atrium Health CMHA for all periods presented in this discussion and analysis. For more information on the arrangement, see note 1 of the notes to combined financial statements.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to Atrium Health CMHA's basic financial statements and the notes to the basic financial statements. This report also contains other required supplementary information in addition to the basic financial statements.

The Governmental Accounting Standards Board (GASB) requires three financial statements: the statement of net position (balance sheet); the statement of revenues, expenses and changes in net position; and the statement of cash flows.

The balance sheet; statement of revenue, expenses and changes in net position; and statement of cash flows are presented on an accrual basis, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). This information provides an indication of Atrium Health CMHA's financial health. The balance sheet includes all of Atrium Health CMHA's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, as well as an indication about which assets can be utilized for general purposes and which are restricted as a result of bond covenants or other agreements. The statement of revenue, expenses, and changes in net position reports the revenue and expenses during the periods indicated. The statement of cash flows reports the cash provided and used by operating activities, as well as other cash sources, such as investment income, and other cash uses, such as repayment of debt and purchase of capital.

Atrium Health CMHA applies the provisions of GASB Statement No. 84, *Fiduciary Activities*, which establishes criteria for identifying fiduciary activities of governments and how those activities should be reported. As a result, the Statement of Fiduciary Net Position, and the Statement of Changes in Fiduciary Net Position for all Atrium Health CMHA defined benefit plans have been presented with the basic financial statements. Notes to the basic financial statements provide additional information that is essential for a full understanding of the data provided in the basic financial statements. Required supplementary information relates to Atrium Health CMHA's progress in funding its obligation to provide pension benefits to its employees.

ATRIUM HEALTH CHARLOTTE-MECKLENBURG HOSPITAL AUTHORITY

(d/b/a Atrium Health CMHA)

Management's Discuss and Analysis - Unaudited

December 31, 2021

*Dollars in thousands.***Financial Analysis and Results of Operations**

Assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position at December 31 are summarized in Table 1 and are discussed below:

Table 1 – Summary Balance Sheet

	2021	2020
Current assets	\$ 2,584,506	\$ 2,457,811
Capital assets – net	4,684,832	4,287,914
Other noncurrent assets	8,619,941	7,376,624
Total assets	15,889,279	14,122,349
Deferred outflows of resources	396,387	464,512
Total assets and deferred outflows of resources	<u>\$ 16,285,666</u>	<u>\$ 14,586,861</u>
	2021	2020
Current liabilities	\$ 2,959,159	\$ 2,620,414
Long-term liabilities	3,844,074	3,751,902
Total liabilities	6,803,233	6,372,316
Deferred inflows of resources	277,416	41,232
Net investment in capital assets	1,628,733	1,471,247
Restricted – by donor	35,919	76,861
Unrestricted	7,540,365	6,625,205
Total net position	<u>9,205,017</u>	<u>8,173,313</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 16,285,666</u>	<u>\$ 14,586,861</u>

Atrium Health CMHA classifies net position as net investment in capital assets, restricted – by donor, and unrestricted. The change in net investment in capital assets over the prior year was driven by debt principal payments and additional capital expenditures. The unrestricted net position increase for the year ended December 31, 2021 was driven primarily by operating performance, and favorable investment returns.

The net position of Atrium Health CMHA at December 31, 2021 increased \$1,031,704 from December 31, 2020. The increase in net position was due to positive results of operations of \$322,279 and nonoperating gains of \$830,981, offset by capital and other contributions of \$121,556.

Atrium Health CMHA's cash and investment position at December 31, 2021 and 2020 was \$8,410,364 and \$7,921,561, respectively.

ATRIUM HEALTH CHARLOTTE-MECKLENBURG HOSPITAL AUTHORITY

(d/b/a Atrium Health CMHA)

Management's Discuss and Analysis - Unaudited

December 31, 2021

Dollars in thousands.

Days cash on hand for the Atrium Health CMHA Combined Group, which consists of all entities that have either a direct obligation (Obligated Group) or indirect obligation (Designated Affiliates, of which there are currently none) to pay amounts due on Atrium Health CMHA's bonds, was 393 and 409 at December 31, 2021 and 2020, respectively.

More detailed information about Atrium Health CMHA's cash, investments and other financial instruments is presented in notes 2, 4 and 5 of the notes to the combined financial statements.

Revenues and Expenses

Revenues, expenses and changes in net position are summarized in Table 2 and are discussed below:

ATRIUM HEALTH CHARLOTTE-MECKLENBURG HOSPITAL AUTHORITY

(d/b/a Atrium Health CMHA)

Management's Discuss and Analysis - Unaudited

December 31, 2021

*Dollars in thousands.***Table 2 – Statement of Revenues, Expenses, and Changes in Net Position**

	<u>2021</u>	<u>2020</u>
Operating revenues and support:		
Net patient service revenue	\$ 8,120,786	\$ 6,973,229
Other operating revenue	851,750	795,500
Total operating revenues	<u>8,972,536</u>	<u>7,768,729</u>
Operating expenses:		
Personnel costs	5,119,128	4,686,855
Supplies	1,772,428	1,607,038
Purchased services	635,616	637,920
Other operating expenses	728,597	611,197
Depreciation and amortization	394,488	383,311
Total operating expenses	<u>8,650,257</u>	<u>7,926,321</u>
Operating income (loss)	<u>322,279</u>	<u>(157,592)</u>
Nonoperating gains (losses):		
Interest expense	(107,429)	(88,033)
Stimulus grants	181,510	305,526
Interest and dividend income	96,180	74,288
Net change in the fair value of investments	664,512	692,305
WFBH academic endowment and enrichment funds	-	(220,000)
Other, net	<u>(3,792)</u>	<u>(23,396)</u>
Total nonoperating gains	<u>830,981</u>	<u>740,690</u>
Excess of revenues over expenses before contributions	1,153,260	583,098
Capital contributions	7,748	19,419
Other contributions	<u>(129,304)</u>	<u>(5,594)</u>
Increase in net position	1,031,704	596,923
Beginning net position	<u>8,173,313</u>	<u>7,576,390</u>
Ending net position	<u>\$ 9,205,017</u>	<u>\$ 8,173,313</u>

Operating Revenues

Operating revenues in 2021 increased 15.5% from 2020 largely due to increases in hospital and physician practice patient volumes, and growth of other operating revenues. Other operating revenues increased 7.1%, primarily as a result of retail pharmacy sales. More detail of operating revenue can be found in notes 1 and 14 of the notes to combined financial statements.

Operating Expenses

Operating expenses in 2021 increased 9.1% from the prior year. Personnel costs, comprising 59.2% of the total Atrium Health CMHA operating expenses in 2021, increased due to volume growth at hospital facilities, increases in physician practice providers and staffing support, continued COVID-related salaries

ATRIUM HEALTH CHARLOTTE-MECKLENBURG HOSPITAL AUTHORITY

(d/b/a Atrium Health CMHA)

Management's Discuss and Analysis - Unaudited

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Dollars in thousands.

and benefits and annual market adjustments across Atrium Health CMHA. Other expenses, consisting primarily of pharmaceutical and supply costs, professional fees, rent and purchased services, increased 9.8%, primarily due to higher patient volumes, continued COVID-related expenses and inflationary cost increases, including the cost of new technologies.

Nonoperating Gains and Losses and Contributions

Nonoperating gains and losses, which consists primarily of realized and unrealized investment returns, was impacted favorably in 2021 by the market value appreciation of Atrium Health CMHA's investments. As a governmental entity, Atrium Health CMHA is required to record all investment market value changes as a component of nonoperating gains (losses).

Nonoperating activity from Atrium Health CMHA's investment return on equity, fixed income, and cash investments was a \$760,692 gain in 2021 and a \$766,593 gain in 2020.

Interest and dividend income on Atrium Health CMHA's investment portfolio in 2021 was \$96,180 and net realized and unrealized gains on the portfolio were \$664,512. The net realized/unrealized gains were due to positive performance of investments throughout 2021.

Management presents portfolio performance to the respective regional Committees and Boards that maintain oversight over investment and financial performance on a quarterly basis. Management meets regularly with investment consultants to review portfolio and investment manager performance and to identify and recommend changes to the investment strategy for consideration by the respective Finance or Investment Oversight Committees. Investment expenses consist of fees paid to Atrium Health CMHA's investment managers, investment consultants, and custodians.

Nonoperating gains and losses in 2021 also included \$181,510 in grant revenues related to Federal stimulus legislation. Other net nonoperating expenses were \$3,792 and \$23,396 for the years ended December 31, 2021 and 2020, respectively. The decrease was due primarily to contract termination and settlement expenses that were not related to ongoing operations in 2020.

Other contributions of \$129,304 consisted primarily of payments made to the Floyd-Polk Healthcare Foundation in connection with the closing of the strategic combination with Atrium Health Floyd in July, 2021.

ATRIUM HEALTH CHARLOTTE-MECKLENBURG HOSPITAL AUTHORITY

(d/b/a Atrium Health CMHA)

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*Dollars in thousands.***Capital Assets and Debt Administration****Capital Assets**

Capital assets, net of depreciation and impairment at December 31, 2021 and 2020 are summarized in Table 3 and are discussed below.

Table 3 – Capital Assets, Net of Depreciation and Impairment

	2021	2020
Land	\$ 328,477	\$ 327,763
Buildings and land improvements	5,145,764	4,753,826
Equipment	2,965,945	3,080,013
Construction in progress	984,472	703,488
Subtotal	9,424,658	8,865,090
Accumulated depreciation	(4,739,826)	(4,577,176)
Total	<u>\$ 4,684,832</u>	<u>\$ 4,287,914</u>

During the current fiscal year, significant additions to capital assets in excess of \$10,000 included the following:

Union West New Hospital and Medical Office Buildings	\$ 103,462
Atrium Health Pineville New Bed Tower	69,708
Greater Charlotte Epic Electronic Health Record	63,336
Carolinas Medical Center Tower and Infrastructure Upgrades	59,387
Land Acquisition in Center City Charlotte Market	56,053
Navicent Epic Electronic Health Record and Revenue Cycle	48,628
Carolinas Rehabilitation Replacement Facility	47,613
Musculoskeletal Institute	21,807
Information and Analytics Services OneCloud	14,370
Wake Forest Baptist Oracle Implementation	14,145
Kenilworth Medical Office Buildings I & II	11,525

ATRIUM HEALTH CHARLOTTE-MECKLENBURG HOSPITAL AUTHORITY

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Dollars in thousands.

During the prior fiscal year, significant additions to capital assets in excess of \$10,000 included the following:

Carolinas Medical Center Tower and Infrastructure Upgrades	\$	60,983
Kenilworth Medical Office Buildings I & II		56,797
Land Acquisition in Center City Charlotte Market		44,647
Greater Charlotte Epic Electronic Health Record		41,684
Union West New Hospital and Medical Office Buildings		34,163
Atrium Health Pineville New Bed Tower		31,308
Atrium Health Pineville Medical Office Building		29,075
Navicent Epic Electronic Health Record and Revenue Cycle		27,357
Oracle Enterprise Resource Planning		23,391
Musculoskeletal Institute		17,259
Information and Analytics Services OneCloud		16,350
Strategic Land Acquisitions		14,494

Ongoing capital requirements are funded from a combination of operating cash, debt proceeds, and contributions. Atrium Health CMHA's annual capital budget for 2021 and 2020 was \$795,659 and \$937,561, respectively. Cash outflows related to capital additions, net of retirements, for 2021 and 2020 totaled \$788,946 and \$665,767, respectively. Total depreciation expense on capital assets was \$388,396 and \$381,862 for 2021 and 2020, respectively. At December 31, 2021, Atrium Health CMHA has planned future capital spending of approximately \$4,274,369 for 2022-2026 for ongoing routine and significant strategic IT and facility expansion projects. More detailed information about Atrium Health CMHA's capital assets is presented in note 7 of the notes to the combined financial statements.

Long-Term Debt

Atrium Health Charlotte can issue debt on behalf of the CMHA Combined Group members as established under its Second Amended and Restated Bond Order, as further amended (the Bond Order). Likewise, Atrium Health Navicent can borrow on behalf of its Obligated Group members as established under its Amended and Restated Master Trust Indenture, as further amended (the Master Trust Indenture).

Debt service for the CMHA Combined Group (scheduled principal and interest payments and net interest rate swap payments, excluding refinancing activity) for 2021 and 2020 totaled \$80,331 and \$158,881, respectively.

The actual annual debt service coverage ratio for the CMHA Combined Group, as defined in the Bond Order (and excluding net interest rate swap payments), for 2021 and 2020 was 15.10 and 5.33, respectively. The Bond Order requires an actual annual debt service coverage ratio of not less than 1.1.

In February 2022, the CMHA Combined Group refunded the outstanding 2012A bonds with proceeds from the issuance of the 2022A bonds.

In January 2022, Atrium Health Navicent extended the holding periods of its Series 2017 A and Series 2017 B Revenue Anticipation Certificates aggregating \$225,530 and its \$60,000 taxable Variable Term Loan to January 2027.

ATRIUM HEALTH CHARLOTTE-MECKLENBURG HOSPITAL AUTHORITY

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In December 2021, Atrium Health Floyd entered into a Variable Term Loan with a financial institution for \$179,000 maturing in 2043 with an initial holding period expiring in January 2027.

More detailed information about Atrium Health CMHA's outstanding debt is presented in note 9 of the notes to the combined financial statements.

Events and Factors Expected to Impact Future Periods

Healthcare is a capital-intensive industry that requires significant reinvestment to keep pace with patient care advancements and technology transformations occurring in the marketplace. An entity's ability to reinvest to meet its longer-term capital and program needs hinges on its ability to perform well financially. Healthcare providers, given the on-going COVID-19 pandemic, have experienced significant disruption to financial performance and capital reinvestment plans. We believe that Atrium Health CMHA, with its geographic dispersion; world-class providers and services; financial strength; balanced with its mission to provide health, hope and healing for all is well positioned to meet the demands of our fast-changing industry as well as to navigate the disruptions of the on-going pandemic.

Financial performance disruption due to the COVID-19 pandemic has primarily occurred due to patient volume decreases coupled with increased costs of patient care. Healthcare facilities have reacted to continuing surges of COVID-19 patients by "scaling down and ramping up" non-essential patient care services, which negatively impacts financial performance through reductions in higher margin services as well as impeding healthcare providers' abilities to appropriately flex costs. The high transmissibility of COVID-19 variants continues to impact consumer confidence, such that when providers do "ramp up" non-essential patient care services, many patients are still choosing to forgo preventative care, elective procedures, and other traditional outpatient services. A January 2022 study from The Hartford, found 43% of US workers have delayed routine care citing "fear of contracting COVID-19" as the highest reason. In their recent Not-For-Profit Outlook, Moody's Investor Services noted, "Recovery in patient volumes will continue to be choppy" in 2022. The magnitude of future COVID-19 patient surges and the return of consumer confidence are unknowns in the months and years ahead, but the negative financial impacts of both are expected to continue for health care providers.

Aside from the COVID-19 pandemic, healthcare providers expect an increase in reimbursement pressures in the future. Lower margins for insurance companies, along with the recently implemented federal rules requiring hospitals to make negotiated rates publicly available, will likely result in tougher contract negotiations yielding lower than inflation reimbursement rate increases. As the population continues to age, the shift away from commercial payers to lower reimbursement governmental payers is anticipated to drive healthcare revenues lower. Additionally, Medicare sequestration, the process designed to annually reduce federal government healthcare spending by 2% is expected to resume in the second quarter of 2022 and CARES Act funding is unlikely to continue in 2022 as most of the designated government funds have been distributed and it is doubtful, given other priorities, that Congress would allocate more. External pressures on revenue streams are not new to the industry, but they are expected to intensify as governmental and commercial payers continue to try to bend the growth curve in healthcare spending.

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Dollars in thousands.

Moody's Investor Services cites, "labor costs indeed are the challenge that the sector is facing over the next year and will result, in our opinion, in driving expenses at a rate higher than revenue growth". At the start of the pandemic, some providers initially chose to lay-off or furlough staff during periods of non-essential services shut-downs. Others took the opposite stance, anticipating high staffing needs for impending COVID-19 patient surges. Regardless of the initial responses, staffing costs across almost all providers have increased compared to pre-pandemic periods due to higher overtime rates and premium pay, wages paid to employees unable to work due to quarantine, wages for additional staff for screening and testing centers, and most notably, utilization of more expensive contract staff. While labor concerns were on the horizon prior to the pandemic, it is quite clear that COVID-19 exacerbated and accelerated the industry's significant shortage of clinical labor. According to the National Institutes of Health, the United States faced a shortage of roughly 1 million nurses in 2020, and since then, that shortage has only grown as many nurses continue to leave the field due to burnout and fatigue associated with COVID-19. To fill the gaps in staff, many hospitals have had to turn to travel nurses, which is more costly now than ever before.

All health care providers must meet the challenges of fluctuating patient volumes, changing consumer confidence, reimbursement pressures, and the on-going shortage of clinical care givers. Atrium Health CMHA remains committed to its mission to provide health, hope and healing for all. With its history of meeting past challenges, a strong governing board; an experienced management team; a broad, growing and connected continuum of highly specialized world-class clinical services; and a commitment to superior levels of quality and safety, differentiated patient experience, operational and population health excellence, and teammate engagement; Atrium Health CMHA is positioned to meet the demands of this on-going pandemic and the fast-changing industry in which we operate.

Finance Contact

Atrium Health CMHA's financial statements are designed to present users with a general overview of Atrium Health CMHA's finances and to demonstrate Atrium Health CMHA's accountability. If you have any questions about the report or need additional financial information, please contact the Vice President of Finance, Atrium Health, 1000 Blythe Boulevard, Charlotte, NC 28203.

Atrium Health Enterprise

Combined Balance Sheets - Atrium Health Enterprise

December 31, 2021

Dollars in thousands.

	Atrium Health Charlotte- Mecklenburg Hospital Authority	Atrium Health Wake Forest Baptist	Atrium Health Enterprise
Assets			
Current assets:			
Cash and cash equivalents	\$ 799,598	\$ 332,481	\$ 1,136,105
Short term investments	39,326	—	50,868
Patient receivables – net	1,291,751	357,037	1,648,788
Accounts, grants and notes receivable, net	141,561	148,390	307,741
Assets limited as to use – investments	47,321	—	47,321
Other current assets	264,949	111,089	372,170
Total current assets	2,584,506	948,997	3,562,993
Property and equipment – net	4,684,832	1,284,201	6,155,850
Investments and assets limited as to use	8,355,490	2,448,262	11,275,504
Operating lease right-of-use assets, net		196,476	730,166
Other assets	264,451	185,931	391,897
Total assets	15,889,279	\$ 5,063,867	\$ 22,116,410
Deferred outflows of resources	396,387		
Total assets and deferred outflows of resources	\$ 16,285,666		
Liabilities			
Current liabilities:			
Accounts payable	\$ 411,803	\$ 184,895	\$ 588,151
Salaries and benefits payable	786,877	365,586	1,154,593
Other liabilities and accruals	666,881	219,185	881,006
Estimated third party payer settlements	321,328	75,810	397,137
Operating lease liabilities		40,833	119,543
Current portion of long-term debt	772,270	158,130	934,956
Total current liabilities	2,959,159	1,044,439	4,075,386
Notes payable, finance leases and line of credit – net of current portion	229,282	88,557	354,831
Bonds payable – net of current portion	2,620,184	727,959	3,344,100
Operating lease liabilities – less current portion		162,934	643,230
Interest rate swap liability	263,120	3,525	266,645
Retirement benefits	90,622	96,260	986,597
Other liabilities	640,866	123,256	677,818
Total liabilities	6,803,233	2,246,930	10,348,607
Net assets			
Without donor restrictions		2,402,597	10,835,128
With donor restrictions		414,340	932,675
Total net assets		2,816,937	11,767,803
Total liabilities and net assets		\$ 5,063,867	\$ 22,116,410
Deferred inflows of resources	277,416		
Net position			
Net investment in capital assets	1,628,733		
Restricted – by donor	35,919		
Unrestricted	7,540,365		
Total net position	9,205,017		
Total liabilities and deferred inflows and net position	\$ 16,285,666		

See accompanying notes to combined financial statements.

Atrium Health Enterprise

Combined Statements of Revenues, Expenses and Changes in Net Position and Net Assets – Atrium Health Enterprise

Year Ended December 31, 2021

Dollars in thousands.

	Atrium Health Charlotte- Mecklenburg Hospital Authority	Atrium Health Wake Forest Baptist	Atrium Health Enterprise
Operating revenues and support			
Patient service revenue	\$ 8,120,786	\$ 3,228,061	\$ 11,092,481
Gifts, grants and contracts	82,527	244,329	441,650
Student tuition and fees – net	11,694	43,618	57,300
Investment return designated for current operations		32,523	32,523
Net assets released from restrictions		37,672	92,227
Other sources	757,529	492,502	1,219,672
Total operating revenues	8,972,536	4,078,705	12,935,853
Operating expenses			
Personnel costs	5,119,128	2,417,071	7,410,086
Supplies	1,772,428	977,563	2,708,165
Purchased services	635,616	149,472	767,177
Other operating expenses	728,597	349,536	1,077,128
Depreciation and amortization	394,488	143,903	532,570
Financing costs		30,023	114,431
Total operating expenses	8,650,257	4,067,568	12,609,557
Operating income	322,279	11,137	326,296
Nonoperating gains			
Interest expense	(107,429)		
Stimulus grants	181,510		
Net investment gains	757,608	169,655	928,795
Net gains on interest rate swap valuation	3,084	1,208	66,569
Net assets released from restriction		150,000	—
Pension and postretirement costs		(4,945)	42,883
Gains from equity method affiliates		12,025	39,839
Contribution from business combinations, net		10,709	260,454
Other, net	(3,792)	12,657	46,371
Total nonoperating gains	830,981	351,309	1,384,911
Excess of revenues and support over expenses and losses before capital and other contributions	\$ 1,153,260	\$ 362,446	\$ 1,711,207
Changes in net position:			
Capital contributions	7,748		
Other contributions	(129,304)		
Change in net position	1,031,704		
Net position, beginning of year	8,173,313		
Net position, end of year	\$ 9,205,017		
Changes in net assets without donor restrictions:			
Pension and postretirement net adjustments		40,775	252,314
Other		—	14,008
Changes in net assets without donor restrictions		403,221	1,977,529
Changes in net assets with donor restrictions:			
Contributions		38,933	143,874
Investment return in excess of amounts designated for current operations		8,532	8,532
Net assets released from restrictions		(187,672)	(92,211)
Net investment gains		32,109	79,256
Other		(2,955)	(3,540)
Change in net assets with donor restrictions		(111,053)	135,911
Change in total net assets		292,168	2,113,440
Net assets, beginning of year		2,524,769	9,654,363
Net assets, end of year		\$ 2,816,937	\$ 11,767,803

See accompanying notes to combined financial statements.

Atrium Health Enterprise

Combined Statements of Cash Flows - Atrium Health Enterprise

December 31, 2021

Dollars in thousands.

	Atrium Health Charlotte- Mecklenburg Hospital Authority	Atrium Health Wake Forest Baptist	Atrium Health Enterprise
Cash flows from operating activities:			
Receipts from third-party payers and patients	\$ 7,894,877	\$ 3,215,423	\$ 10,861,431
Payments to suppliers	(2,946,106)	(1,405,478)	(4,409,786)
Payments to employees	(5,172,323)	(2,324,340)	(7,174,156)
Other receipts – net	657,050	685,144	1,342,592
Net cash provided by operating activities	433,498	170,749	620,081
Cash flows from financing activities:			
Cash flows from noncapital financing activities:			
Proceeds from the issuance of commercial paper	250,000		
Retirements of commercial paper	(100,000)		
Stimulus grants	181,510		
Academic endowment and enrichment funds disbursed	(160,000)		
Other activities	(107,523)		
Net cash provided by noncapital financing activities	63,987		
Cash flows from capital and related financing activities:			
Purchase of capital assets	(797,112)		
Proceeds from sale of capital assets	8,166		
Interest payments on short- and long-term debt	(100,451)		
Principal payments, refunding and retirements on short- and long-term debt	(330,683)	(47,421)	(314,225)
Proceeds from issuance of long-term debt	985,807	—	1,233,506
Contributions restricted for building and equipment purchases	18,510	—	7,748
Other contributions	—	160,000	119,424
Net cash (used in) provided by capital and related financing activities	(215,763)	112,579	1,046,453
Net cash (used in) provided by financing activities	(151,776)	112,579	1,046,453
Cash flows from investing activities:			
Investment earnings	19,821	—	26,315
Purchases of investments and assets limited as to use	(54,071)	(1,496,242)	(7,068,528)
Sales of investments and assets limited as to use	124,233	1,128,649	6,648,034
Purchase of capital assets	—	(127,650)	(910,013)
Proceeds from sale of capital assets	—	14,450	15,879
Acquisition of health-related businesses, net of cash acquired	—	(19,925)	(150,481)
Purchase of equity method investments	—	—	(1,063)
Net cash provided by (used in) investing activities	89,983	(500,718)	(1,439,857)
Net increase (decrease) in cash and cash equivalents	371,705	(217,390)	226,677
Cash and cash equivalents:			
Beginning of year	978,709	555,907	1,466,280
End of year	\$ 1,350,414	\$ 338,517	\$ 1,692,957
Reconciliation of cash and cash equivalents to the balance sheet:			
Cash and cash equivalents	799,598	332,481	1,136,105
Restricted cash in investments and assets whose use is limited	550,816	6,036	556,852
Total cash and cash equivalents	\$ 1,350,414	\$ 338,517	\$ 1,692,957
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	\$ 322,279		
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation and amortization	394,488		
Increase in patient accounts receivable – net	(262,175)		
Increase in inventories and other current assets	(39,274)		
Decrease in other assets affecting operating activities	46,112		
Increase in accounts payable and other current liabilities	271,923		
Decrease in other liabilities affecting operating activities	(336,121)		
Increase in estimated third party payer settlements	36,266		
Net cash provided by operating activities	\$ 433,498		

See accompanying notes to combined financial statements.

Atrium Health Foundation, Inc.

(a component unit of Atrium Health Charlotte-Mecklenburg Hospital Authority)

Balance Sheet

December 31, 2021

*Dollars in thousands.***Assets**

Current assets:

Cash and cash equivalents	\$	4,026
Short term investments		11,542
Accounts, grants and notes receivable, net		33,540
Other current assets		422
Total current assets		49,530

Property and equipment – net		4,181
Investments and assets limited as to use		378,369
Other assets		61,188
Total assets		493,268

Deferred outflows of resources		—
Total assets and deferred outflows of resources	\$	493,268

Liabilities

Current liabilities:

Accounts payable	\$	13
Other liabilities and accruals		2,148
Total current liabilities		2,161
Other liabilities		3,385
Total liabilities		5,546

Deferred inflows of resources		—
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Net position:

Net investment in capital assets		4,181
Restricted – by donor		473,725
Unrestricted		9,816
Total net position		487,722
Total liabilities and deferred inflows and net position	\$	493,268

See accompanying notes to combined financial statements.

Atrium Health Foundation, Inc.

(a component unit of Atrium Health Charlotte-Mecklenburg Hospital Authority)

Statement of Revenues, Expense and Changes in Net Position

Year Ended December 31, 2021

*Dollars in thousands.***Operating revenues and support**

Gifts, grants and contracts	\$	50,432
Other sources		973
Total operating revenues		51,405

Operating expenses

Personnel costs		4,610
Other operating expenses		28,149
Depreciation and amortization		262
Total operating expenses		33,021
Operating income		18,384

Nonoperating gains

Net investment gains		50,514
Total nonoperating gains		50,514
Excess of revenues over expenses and losses before capital and other contributions		68,898

Capital contributions		23,607
Other contributions		905
Changes in net position		93,410
Net position, beginning of year		394,312
Net position, end of year	\$	487,722

See accompanying notes to combined financial statements.

Atrium Health Foundation, Inc.

(a component unit of Atrium Health Charlotte-Mecklenburg Hospital Authority)

Statement of Cash Flows

December 31, 2021

Dollars in thousands.

Cash flows from operating activities:

Payments to suppliers	\$	(8,317)
Other payments – net		(2,606)
Net cash used in operating activities		(10,923)

Cash flows from capital and related financing activities:

Purchase of capital assets		(74)
Contributions restricted for building and equipment purchases		7,878
Other contributions		1,099
Net cash provided by capital and related financing activities		8,903

Cash flows from investing activities:

Investment earnings		1,934
Purchases of investments and assets limited as to use		(2)
Net cash provided by investing activities		1,932
Net decrease in cash and cash equivalents		(88)

Cash and cash equivalents:

Beginning of year		4,114
End of year	\$	4,026

Reconciliation of cash and cash equivalents to the balance sheet:

Cash and cash equivalents		4,026
Restricted cash in investments and assets whose use is limited		—
Total cash and cash equivalents	\$	4,026

Reconciliation of operating income to net cash provided by operating activities:

Operating income	\$	18,384
Adjustments to reconcile operating income to net cash used in operating activities		
Depreciation and amortization		262
Increase in patient accounts receivable – net		—
Decrease in inventories and other current assets		(26,875)
Decrease in other assets affecting operating activities		(188)
Decrease in accounts payable and other current liabilities		(2,420)
Decrease in other liabilities affecting operating activities		(86)
Net cash used in operating activities	\$	(10,923)

See accompanying notes to combined financial statements.

Atrium Health Charlotte-Mecklenburg Hospital Authority

Statement of Fiduciary Net Position - Pension Trust Funds

December 31, 2021

Dollars in thousands.

Assets

Cash and cash equivalents	\$	45,717
Investments at fair value:		
Fixed income:		
U.S. government treasuries and agencies		18,313
Corporate bonds		17,047
Fixed income - other		181,473
Asset-backed securities		13,266
Total fixed income		230,099
Equity:		
Domestic equities		413,247
International equities		144,845
Global equities		228,216
		786,308
Global asset allocation funds		31,513
Real asset funds		53,810
Total investments at fair value level		1,101,730
Investments at net asset value:		
Fixed income - other		39,727
Global asset allocation funds		58,371
Long/short fixed income		92,871
Multi-strategy hedge funds		242
Private equity funds		83,187
International equity		43,253
Global equity		80,527
		398,178
Total investments		1,499,908
Total assets	\$	1,545,625
Liabilities		
Accounts payable and other liabilities		—
Total liabilities		—
Net position restricted for pensions	\$	1,545,625

See accompanying notes to combined financial statements.

Atrium Health Charlotte-Mecklenburg Hospital Authority

Statement of Changes in Fiduciary Net Position - Pension Trust Funds

Year Ended December 31, 2021

Dollars in thousands.

Additions

Employer contributions	\$	44,112
Investment income:		
Net appreciation in fair value of investments		202,435
Interest and dividends		17,561
		<u>219,996</u>
Less investment expense		<u>3,073</u>
Net investment income		<u>216,923</u>
Total additions		<u>261,035</u>

Deductions

Benefit payments		(240,708)
Administrative expense		<u>(2,551)</u>
Total deductions		<u>(243,259)</u>
Net increase in fiduciary net position		17,776

Fiduciary net position restricted for pensions:

Beginning of year		<u>1,528,649</u>
End of year	\$	<u><u>1,546,425</u></u>

See accompanying notes to combined financial statements.

1. Organization and Summary of Significant Accounting Policies**a. Description of the Organization****Atrium Health Enterprise**

The combined financial statements of the entities collectively comprising the Atrium Health Enterprise (Enterprise), an integrated healthcare delivery and academic system and ancillary activities, were prepared to present the Enterprise's financial position and results of operations under the common management of Atrium Health, Inc. (AHI), a North Carolina non-profit corporation. The statements also present individually the financial position and results of operations of The Charlotte-Mecklenburg Hospital Authority (Atrium Health CMHA) and Atrium Health Wake Forest Baptist (Atrium Health WFB).

The Enterprise, which does business as Atrium Health, is one of the nation's leading and most innovative healthcare organizations, providing a full spectrum of healthcare and wellness programs in the Southeast region. Its diverse network of care locations includes academic medical centers, hospitals, freestanding emergency departments, physician practices, surgical and rehabilitation centers, home health agencies, nursing homes and behavioral health centers, as well as hospice and palliative care services. Atrium Health works to enhance the overall health and wellbeing of its communities through high quality patient care, education and research programs, and numerous collaborative partnerships. Its mission is to improve health, elevate hope and advance healing – for all.

In October 2020, Atrium Health CMHA and Atrium Health WFB became part of the Enterprise pursuant to an Enterprise Agreement among AHI, Atrium Health CMHA and Wake Forest University Baptist Medical Center (WFUBMC), which is the joint operating company for North Carolina Baptist Hospital (NCBH) and affiliates and Wake Forest University Health Sciences (WFUHS) and affiliates, and related agreements, which included a Health System Integration Agreement between AHI, Atrium Health CMHA, WFUBMC, WFUHS, NCBH, and Wake Forest University (WFU) (collectively, the Enterprise agreements). Each Enterprise participant and its affiliates maintain their separate legal existence and continue to own their assets. Each Enterprise participant retains all power, authorities, rights and remedies necessary or appropriate to allow it to comply with its pre-existing debt instruments and any new debt instruments. Nothing in the Enterprise agreements is intended to constitute the actual or implied assumption or guaranty by any Enterprise participant of any other Enterprise participant's debt or other liabilities, and all debt and other liabilities of each Enterprise participant will remain the debt and liabilities of such Enterprise participant regardless of when incurred, except as otherwise expressly agreed in writing.

Atrium Health CMHA and Atrium Health WFB delegate authority to AHI to manage and oversee the activities and operations of the Enterprise participants in accordance with the Enterprise agreements, subject to the authority of WFU, WFUHS and WFUBMC over academic and research matters and the exercise of certain reserved powers and carrying out of certain responsibilities by the Atrium Health CMHA Board of Commissioners and WFUBMC Board of Directors. Some of the reserve powers of each Enterprise participant include the power to: approve a change in its

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fundamental business or mission; develop its capital and operating budgets, subject to approval by the AHI Board of Directors; and develop its strategic plans (which shall be generally consistent with those of the entire Enterprise), subject to approval by the AHI Board of Directors.

The AHI Board of Directors consists of 16 directors, including thirteen directors designated by Atrium Health CMHA and three directors designated by WFUBMC.

Atrium Health CMHA

Atrium Health CMHA was organized in 1943 under the North Carolina Hospital Authorities Act. It is a public body and a body corporate and politic and, therefore, has been determined by the Internal Revenue Service to be exempt from federal and state income taxes. Atrium Health CMHA is headquartered in Charlotte, North Carolina.

For financial reporting purposes under Governmental Accounting (GASB) Standards, Atrium Health is divided into the "Primary Enterprise", "Discrete Component Unit," and "Fiduciary Activities." The Primary Enterprise consists of Atrium Health CMHA and all of its controlled affiliates (Atrium Health Charlotte) and two blended component units (Atrium Health Navicent and Atrium Health Floyd) described below. The Discrete Component Unit is The Atrium Health Foundation, Inc. (the Foundation), which raises and holds economic resources for the direct benefit of Atrium Health CMHA. The Foundation operates to raise funds to enhance, promote and support medical services, scientific education and research. It solicits contributions for Atrium Health CMHA entities, and, in the absence of donor restrictions, its Board of Directors has discretionary control over the amounts to be distributed. Net capital and operating contributions to Atrium Health CMHA from the Foundation included in the combined statement of revenues, expenses and changes in net position were \$30,259 for the year ended December 31, 2021. The Discrete Component Unit is reported on a basis consistent with Atrium Health CMHA's calendar year and is discretely presented. Transactions between Atrium Health CMHA and its Discrete Component Unit resulting in intercompany receivables, payables, revenues and expenses are not eliminated.

Atrium Health CMHA is the sole member of AH Georgia, Inc., which is the sole member of two non-profit hospital systems in Georgia: Navicent Health, Inc., which with its subsidiaries does business as Atrium Health Navicent in central and south Georgia, and Floyd Healthcare Management, Inc., which with its affiliates does business as Atrium Health Floyd in northwest Georgia and northeast Alabama. Each of Atrium Health Navicent and Atrium Health Floyd retains and appoints a majority of its Board of Directors, but Atrium Health CMHA holds customary approval rights, including approving budgets and any borrowings or discharging of debt. In addition, Atrium Health CMHA agrees to ensure, but does not formally guarantee, that neither Atrium Health Navicent nor Atrium Health Floyd defaults under any indebtedness agreements, notes or bonds, or other debt-related liabilities. Both Atrium Health Navicent and Atrium Health Floyd are component units of Atrium Health CMHA and, because a controlled subsidiary of Atrium Health CMHA is the sole member of each, financial information of both entities is blended with the Atrium Health CMHA Primary Enterprise as of and for the year ended December 31, 2021. Each of Atrium Health Navicent and Atrium Health Floyd has its own obligated group and they are not part of the CMHA Combined Group described below.

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Effective July 2021, Atrium Health CMHA entered into a strategic combination with Atrium Health Floyd. This combination occurred pursuant to an agreement and member substitution whereby AH Georgia, Inc. became the sole corporate member of Floyd. More information regarding the impact of this combination to the Atrium Health CMHA and Enterprise financials is provided in Note 18 to the combined financial statements.

Atrium Health CMHA's Second Amended and Restated Bond Order authorizes the creation of a CMHA Combined Group, which consists of the CMHA Obligated Group and Designated Affiliates (there are no Designated Affiliates at this time). Only the CMHA Combined Group has a direct or indirect obligation to pay amounts due on bonds issued by Atrium Health CMHA. As of December 31, 2021, the members of the CMHA Combined Group were substantially all of the members of Atrium Health CMHA, with the exception of Atrium Health Navicent and Atrium Health Floyd and the Foundation.

Atrium Health WFB

WFUBMC, a North Carolina non-profit corporation originally formed to act on behalf of WFUHS, a wholly-owned affiliate of WFU, and NCBH in connection with facilities planning, informational technology services, insurance, payroll, fundraising, and budget formulation and review, directs the planning and supervision of numerous construction projects as well as the fundraising campaigns in connection therewith. Construction costs are paid in accordance with the respective occupancy percentages of the facilities. WFUHS and NCBH are both party to a land and facilities sharing agreement whereby WFUHS and NCBH independently hold title to certain land and facilities, as designated by the agreement. NCBH and WFU were the initial corporate members of WFUBMC. NCBH and WFUHS each have a 50% equity interest in WFUBMC.

Effective July 2010, the Boards of WFUHS, NCBH, WFUBMC, and WFU approved the Medical Center Integration Agreement (MCIA). The MCIA allows for the leveraging of the combined resources of NCBH and WFUHS to fulfill a single mission: improve health and optimize performance of the combined organizations, while balancing patient care, education and research.

The MCIA created an integrated academic medical center that combines clinical care, education and research under a single management and debt structure, collectively referred to as Atrium Health WFB, which is governed by the Board of WFUBMC. One of the nation's preeminent academic medical centers, Atrium Health WFB is an integrated health care system that operates over 50 subsidiaries. It provides a continuum of care that includes primary care centers, outpatient rehabilitation centers and dialysis centers. To ensure alignment across the organization, NCBH and WFUHS unrestricted operating income is shared equally between the entities. Although the entities will be operated to maximize value at the total Atrium Health WFB level, revenues, expenses, existing and new assets and debt will continue to be accounted for generally at the individual entity levels.

Effective March 2011, NCBH, WFUHS, and WFUBMC formed a single obligated group (WFB Obligated Group) under the then-existing NCBH master trust indenture (WFB MTI). The separate WFUHS master trust indenture was discharged, and new obligations were issued to WFUHS

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obligation holders under the WFB MTI. In addition, substantially all of the subsidiaries of NCBH, WFUHS, and WFUBMC were included in the single credit group (WFB Combined Group) as Designated Members. Under the new credit structure, each member of the WFB Obligated Group is jointly and severally liable for all debt and other obligations that are evidenced and secured under the WFB MTI. As of December 31, 2021, the WFB Obligated Group is liable for \$856,295 of bonds payable, \$19,199 under lines of credit and \$32,155 of notes payable. Only the WFB Combined Group has a direct or indirect obligation to pay amounts due on debt and other obligations that are evidenced and secured under the WFB MTI.

Effective October 2020, in connection with the formation of the Enterprise, the MCIA among WFUBMC, WFUHS, NCBH, and WFU was amended to add AHI as a party and AHI became a corporate member of WFUBMC. Of the seventeen voting directors of the WFUBMC Board, WFU designates six, NCBH designates six, AHI designates three and the WFUBMC Board elects two. NCBH and WFUHS continue to share unrestricted operating income equally between the entities.

b. ***Basis of Presentation***

The financial statements for Atrium Health CMHA and Atrium Health WFB have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (GAAP). As a governmental entity, Atrium Health CMHA is presented in accordance with Governmental Accounting Standards Board (GASB) standards. As non-governmental not-for-profit entity, Atrium Health WFB is presented in accordance with Financial Accounting Standards Board (FASB) accounting standards. Atrium Health Enterprise, which includes both Atrium Health CMHA, Atrium Health WFB and Atrium Health Foundation, Inc., is presented in accordance with FASB standards. Because Atrium Health CMHA financial statement amounts are presented in accordance with FASB standards when reported as part of the Enterprise, Enterprise financial statements and disclosure amounts do not equal the sum of Atrium Health CMHA and Atrium Health WFB statements or amounts. All significant intercompany accounts and transactions have been eliminated in the combined financial statements.

c. ***Recent Accounting Pronouncements***

GASB Pronouncements Adopted

In 2019, the GASB issued Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period, which provides updated accounting requirements for interest cost incurred before the end of a construction period. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost was incurred. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of the related capital asset. The provisions of this Statement are required to be adopted no later than the year ended December 31, 2021. The adoption of this Statement in 2021 had no material impact for Atrium Health CMHA.

FASB Pronouncements Adopted

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, Leases (Topic 842). This ASU requires the recognition of right-of-use assets

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and lease liabilities by lessees for those leases classified as operating leases under previous GAAP which have terms of greater than 12 months. This ASU defines a lease as a contract, or part of a contract, that conveys the right to control the use of identified property, plant, or equipment (an identified asset) for a period of time in exchange for consideration. This ASU retains a distinction between finance leases and operating leases. The result of retaining a distinction between finance leases and operating leases in the statement of operations and the statement of cash flows is largely unchanged from previous GAAP. Atrium Health WFB and the Enterprise adopted ASU 2016-02 during 2021 using a modified retrospective approach. Atrium Health WFB didn't reassess whether any existing or expired agreements contain leases, the lease classification for any expired or existing leases, or the initial direct costs for any expired or existing leases through election of the package of practical expedients permitted under the ASU. This ASU requires that the rights and obligations arising from the lease contracts, including existing and new arrangements, be recognized as assets and liabilities on the combined balance sheet, in addition to disclosures to help financial statement users better understand the amount, timing and uncertainty of cash flows arising from leases. Upon adoption, the following amounts were recorded:

	Operating Lease Right-of-Use Assets	Operating Lease Liabilities
Atrium Health WFB	\$ 291,900	\$ 295,996
Atrium Health Enterprise	886,816	897,871

d. Effects of COVID-19 Pandemic

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic. In an effort to preserve resources for patients infected with COVID-19, the Enterprise, at various times throughout the pandemic depending on regional surges of COVID-19 infections, ceased or curtailed non-essential procedural patient care such as elective surgeries, resulting in significant unexpected revenue declines. Since that time, vaccines have been developed to counter the spread of COVID-19, but that has not prevented the virus from evolving and new variants from spreading. As a result, the pandemic continued to affect the Enterprise in 2021, resulting in lost revenues and higher cost of care.

The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and the American Rescue Plan Act (ARP Act), passed in March of 2020 and 2021 respectively, provided funding to the Department of Health and Human Services (DHHS) Public Health and Social Services Emergency Fund (Relief Fund), which provided funds to qualifying healthcare providers treating COVID-19 patients to replace lost revenues or reimburse for COVID-19 related costs. The Enterprise received approximately \$274,400 from the Relief Fund in 2021 to replace lost revenues or reimburse for COVID-19 related costs for the year ended December 31, 2021. In fiscal year 2021, the Enterprise recorded approximately \$201,400 to gifts, grants and contracts revenue. The unrecognized funds at December 31, 2021 were recorded as deferred revenue in the combined balance sheet. These Relief Fund payments are not subject to repayment, provided the Enterprise is able to attest to and comply with the terms and conditions of the funding, including demonstrating that the

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distributions received have been used to replace lost revenue attributable to COVID-19 or to reimburse for COVID-19 related costs. Under GASB, Atrium Health CMHA recorded approximately \$181,500 to non-operating revenue for the year ended December 31, 2021.

	Atrium Health CMHA	Atrium Health WFB	Atrium Health Enterprise
Relief fund proceeds	\$ 231,000	\$ 49,100	\$ 274,400
Gift, grants and contract revenue	—	34,800	201,400
Non-operating revenue	181,500	—	—

Additionally, to ease cash flow concerns for health care providers at the start of the pandemic, DHHS Centers for Medicare and Medicaid Services (CMS) provided Medicare advance payments to the Enterprise, which were recorded as other liabilities and accruals. In fiscal year 2021, CMS began recouping these advance payments, which, according to CMS guidance, are expected to be fully recouped by the end of 2022. The respective balance sheets of the Enterprise included the following Medicare advance payments in other liabilities and accruals at December 31, 2021:

	Atrium Health CMHA	Atrium Health WFB	Atrium Health Enterprise
Medicare advance payments outstanding	\$ 305,200	\$ 103,400	\$ 408,600

The COVID-19 pandemic continues to evolve; the ultimate impact to financial and operating results cannot be reasonably estimated at the time of issuance.

e. **Cash Equivalents**

Cash equivalents include highly liquid investments with original maturities at the date of purchase of three months or less and primarily consist of money market funds and bank accounts. Atrium Health WFB, Atrium Health Navicent, and Atrium Health Floyd maintain cash balances at various financial institutions. The accounts are insured by the Federal Deposit Insurance Corporation up to \$250. At times, the amounts on deposit with these financial institutions exceed the insured limit. Atrium Health CMHA follows North Carolina General Statute 159-30, whereby all deposits of Atrium Health CMHA are held in depositories that are either insured or covered under statewide single financial institution collateral pools (the Pooling Method). Collateral is maintained for all the depositories' governmental units in the state. The North Carolina State Treasurer monitors the Pooling Method depositories for adequate collateralization. Under the Pooling Method, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. The amount of the pledged collateral is based on an approved averaging method for noninterest-bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State

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Treasurer does not confirm this information with Atrium Health CMHA. Because of the inability to measure the exact amount of collateral pledged for Atrium Health CMHA under the Pooling Method, the potential exists for under collateralization, and this risk may increase in periods of high cash flows. However, each Pooling Method Depository is subject to financial stability standards and oversight by the State Treasurer of North Carolina.

f. *Investments and Assets Limited as to Use*

Investments in debt and equity securities, inclusive of assets limited as to use, are reported at fair value. Investments in joint ventures are accounted for using the equity method.

Gains, losses, and investment income are included in excess of revenues and support over expenses and losses unless their use is restricted by donor or law.

The fair value of alternative investments is measured based on the Net Asset Value (NAV) of the shares in each investment company or partnership as a practical expedient, except for those institutional funds which have readily determinable fair values and are disclosed separately. Investments in alternative investments may include derivative products that are reported at fair value. The investments may individually expose the Enterprise to securities lending, short sales, and trading in futures and forward contract options, and other derivative products. The Enterprise's risk is limited to its carrying value of the instruments. These instruments can only be divested at specific times or based on specific triggering events.

The Enterprise's split-interest agreements with donors consist primarily of irrevocable charitable remainder trusts and charitable gift annuities for which the Enterprise serves as trustee. Assets held in these trusts are stated at fair value and are included in investments and assets whose use is limited in the combined balance sheet. Contribution revenues are recognized at the dates the trusts are established. The Enterprise records the change in value of split-interest agreements according to the fair value of assets that are associated with each trust and recalculates the liability for the present value of annuity obligations. Any change in fair value is recognized in the combined statement of revenues, expenses and changes in net position and net assets.

The Enterprise is the beneficiary of certain trusts and other assets held and administered by others. The Enterprise's share of these assets is recorded at fair value with carrying values adjusted annually for changes in fair value.

g. *Property and Equipment*

Property and equipment are recorded at cost at the date of acquisition or estimated fair market value on the date received for donated items. Depreciation is recorded on the straight-line method over the estimated useful life of each class or component of depreciable asset. Estimated lives range from 1 to 40 years. Depreciation is not recorded on land and construction in progress.

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Gains or losses on the disposal of property and equipment are included in nonoperating expenses in the combined statements of revenues, expenses and changes in net position and net assets.

	Estimated Useful Life in Years
Land improvements	3-25
Buildings and other improvements	3-40
Fixed and movable equipment	1-25

Under GASB, interest costs incurred on borrowed funds during the period of construction of capital assets are not capitalized as a component of the cost of acquiring those assets. Under FASB, interest costs incurred on borrowed funds during the period of construction of capital assets are capitalized as a component of the cost of acquiring those assets.

h. Leases

Under GASB, Atrium Health CMHA records operating lease expense within operating expenses.

Under FASB, Atrium Health WFB and the Enterprise have operating and finance leases for real estate and equipment. The Enterprise determines if an arrangement is a lease at the inception of a contract. The Enterprise has both leases under which it is obligated as a lessee and leases for which it is a lessor. Operating leases as a lessee are included in Operating lease right-of-use assets, net and Operating lease liabilities in the combined balance sheets. Finance leases as a lessee are included in Property and equipment, net and Current portion of long-term debt and Notes payable, finance leases, and line of credit, net of current portion in the combined balance sheets.

Operating lease right-of-use assets represent the Enterprise's right to use an underlying asset during the lease term, and operating lease liabilities represent the Enterprise's obligation to make lease payments arising from the lease. Operating lease right-of-use asset and liabilities are recognized at the commencement date, based on the net present value of fixed lease payments over the lease term discounted using an appropriate incremental borrowing rate. The Enterprise's lease terms include options to extend or terminate the lease when it is reasonably certain that the options will be exercised. As most of the Enterprise's operating leases do not provide an implicit rate, the Enterprise uses its incremental borrowing rate based on the information available at the commencement date in determining the present value of lease payments. Finance lease agreements generally include an interest rate that is used to determine the present value of future lease payments. Operating fixed lease expense and finance lease depreciation expense are recognized on a straight-line basis over the lease term. Variable lease costs consist primarily of common area maintenance and are not significant to total lease expense. Interest expense is recognized as a component of the lease payment for finance leases.

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i. Long-Lived Assets

The Enterprise reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The Enterprise recognizes an impairment charge when the fair value of the asset or group of assets is less than the carrying value.

j. Goodwill

Under GASB, Atrium Health CMHA accounts for the acquisition of healthcare related businesses in accordance with GASB Statement No. 69. Any excess of purchase price over the net position acquired is recorded as a deferred outflow of resources and is attributed to future periods in a systematic manner based upon professional standards. Any purchase price in excess of net position acquired prior to January 1, 2013 is being amortized over periods that do not exceed 25 years. Because the combination with Atrium Health Floyd, as described elsewhere in Note 1 and Note 18, was not an acquisition as defined in GASB Statement No. 69, Atrium Health CMHA applied guidance from GASB Statement No. 62.

Under FASB, goodwill has resulted from business combinations and is based on the purchase price in excess of the fair values of assets acquired and liabilities assumed at the acquisition date. Annually, or when indicators of impairment exist, the Enterprise evaluates goodwill for impairment to determine whether there are events or circumstances that indicate it is more likely than not that the fair value of a reporting unit is less than its carrying amount. Other assets includes \$118,340 of goodwill as of December 31, 2021.

k. Deferred Outflows of Resources and Inflows of Resources

Atrium Health CMHA's deferred outflows of resources consists of the unamortized amounts related to long-term debt refunding transactions, the aggregate change in fair value of swaps that are effective hedges, benefit plan differences between expected and actual investment earnings, benefit plan differences between expected and actual experience related to demographic factors, benefit plan assumption changes, and the excess cost of net position related to the acquisition of health-related businesses. The balance of the deferred outflows of resources at December 31, 2021 is composed of the following:

Refunding of debt	\$ 173,746
Aggregate change in fair value of swaps	79,221
Deferred outflows of resources related to Atrium Health Charlotte DB Plan (note 11)	105,860
Deferred outflows of resources related to Atrium Health Navicent DB Plan (note 11)	15,772
Deferred outflows of resources related to Atrium Health Floyd DB Plan (note 11)	582
Excess cost of net position acquired	21,206
	<u>\$ 396,387</u>

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Atrium Health CMHA's deferred inflows of resources consists of the gain related to a 2008 sale-leaseback transaction, which is being amortized over the terms of the related leases, benefit plan differences between expected and actual experience related to demographic factors, benefit plan assumption changes, and the benefit plan difference between expected and actual investment earnings.

Sale-leaseback gain	\$ 8,936
Deferred inflows of resources related to Atrium Health Charlotte DB Plan (note 11)	199,901
Deferred inflows of resources related to Atrium Health Navicent DB Plan (note 11)	66,885
Deferred inflows of resources related to Atrium Health Floyd DB Plan (note 11)	1,694
	<u>\$ 277,416</u>

l. Derivative Instruments

The Enterprise records all derivative instruments other than interest rate swaps in investments and assets limited as to use on the accompanying combined balance sheets at their respective fair values. The Enterprise records its interest rate swap agreements as part of other long-term assets or liabilities in the accompanying combined balance sheets at fair value. Under GASB, the changes in fair value of derivative instruments that meet the criteria of an effective hedge are deferred on the balance sheet. Under FASB, all changes in fair value are reflected in the combined statements of revenues, expenses and changes in net assets.

m. Defined Benefit Plans

The Enterprise records annual amounts relating to its defined benefit plans based on calculations that incorporate various actuarial and other assumptions, including discount rates, mortality, turnover rates, rate of return, and healthcare cost trend rates in accordance with the applicable accounting standards. Management reviews its assumptions on an annual basis and makes modifications to the assumptions based on current rates and trends when it is appropriate to do so. The effect of modifications to those assumptions is recorded in changes in net assets without donor restrictions and amortized to net periodic pension benefit (cost) over future periods using the corridor method. Management believes that the assumptions used in recording its obligations under its defined benefit plans are reasonable based on its experience and market conditions.

The net periodic pension benefit (cost) is recognized as employees render the services necessary to earn the benefits.

n. Net Position and Net Assets

Under GASB, net position is classified as net investment in capital assets, restricted-by donor, and unrestricted. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Restricted net

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position consists of assets generated from revenues that have third-party limitations on their use. Unrestricted net position has no third-party restrictions on use. When both restricted and unrestricted resources are available for use, generally it is Atrium Health CMHA's policy to use restricted resources first and then unrestricted resources when they are needed.

FASB presents net assets and revenues, gains, and losses classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Enterprise and Atrium Health WFB and changes therein are classified and reported as follows:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization.

Net assets with donor restrictions – Net assets subject to donor-imposed stipulations. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Enterprise and/or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity; generally, the donors of these assets permit the Enterprise to use all or part of the income earned on related investments for general or specific purposes.

FASB presents revenues as increases in net assets without donor restrictions unless their use is limited by donor-imposed restrictions. Donor-restricted contributions are reported as increases in net assets with donor restrictions. Contributions which impose restrictions that are met in the same fiscal year they are received are reported as increases in net assets without donor restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases, respectively, in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or by law. Expirations of restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications from net assets with donor restrictions to net assets without donor restrictions in the combined statement of revenues, expenses and changes in net assets.

o. Classification of Revenues and Expenses

Except in cases where accounting standards dictate otherwise, exchange transactions deemed by management to be ongoing, major, or central to the provision of healthcare services are reported as operating revenues and expenses; otherwise, they are reported as nonoperating income and losses. For Atrium Health CMHA, nonoperating activities include investment returns (realized and unrealized net gains and losses on investments, interest, and dividends), interest expense on long-term debt, and federal stimulus grants that are considered non-exchange transactions. For Atrium Health WFB and the Enterprise, nonoperating activities include investment returns in excess of the Enterprise's approved endowment distribution, other than designated returns on assets held for self-insurance purposes; net gains and losses on interest rate swaps; losses on extinguishment of debt; changes in valuation of interest rate swap agreements; gains and losses from equity method affiliates; pension and postretirement costs; and other incidental transactions.

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The combined statement of revenues, expenses and changes in net assets for Atrium Health WFB and the Enterprise includes excess of revenues and support over expenses and losses. Changes in net assets without donor restrictions that are excluded from excess of revenue and support over expenses and losses, consistent with industry practice, include transfers of assets to and from affiliates for other than goods and services, changes in pension and postretirement plan liabilities, and capital contributions.

p. Patient Service Revenue

Under GASB and FASB, patient service revenue is reported at the amount that reflects the consideration to which the Enterprise expects to be entitled for providing patient care. These amounts are due from patients, third-party payers, and others, and includes variable consideration for retroactive revenue adjustments due to settlement audits, reviews and investigations.

Under FASB, revenue is recognized as performance obligations are satisfied. Performance obligations are determined based on the nature of the services provided by the Enterprise. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected (or actual) charges. The Enterprise 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 patient services. The Enterprise measures the performance obligation from admission into its care locations to the point when it is no longer required to provide services to that patient, which is generally at the time of discharge. These services are considered to be a single performance obligation. Revenue for performance obligations satisfied at a point in time is recognized when services are provided and the Enterprise does not believe it is required to provide additional services to the patient. Generally, performance obligations satisfied at a point in time relate to outpatient and certain laboratory services.

Because all its performance obligations relate to contracts with a duration of less than one year, the Enterprise has elected to apply the optional exemption provided in FASB ASC 606-10-50-14(a) and, therefore, 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 referred to above are primarily related to inpatient-type 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 of the end of the reporting period.

The Enterprise is utilizing the portfolio approach practical expedient in ASC 606 for contracts related to patient service revenue. The Enterprise accounts for the contracts within each portfolio as a collective group, rather than individual contracts, based on the payment pattern expected in each portfolio category and the similar nature and characteristics of the patients within each portfolio. The portfolios consist of major payer classes for inpatient revenue and outpatient revenue. Based on historical collection trends and other analyses, the Enterprise has concluded

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that revenue for a given portfolio would not be materially different than if accounting for revenue on a contract-by-contract basis.

The Enterprise has agreements with third-party payers that provide for payments to the Enterprise at amounts different from its established rates. Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges, and per diem payments. For uninsured patients who do not qualify for charity care, the Enterprise recognizes revenue based on established rates, subject to certain discounts and implicit price concessions as determined by the Enterprise. The Enterprise determines the transaction price based on standard charges for services provided, reduced by explicit price concessions provided to third-party payers, discounts provided to uninsured patients in accordance with the Enterprise policies, and implicit price concessions provided to uninsured patients. Explicit price concessions are based on contractual agreements, discount policies, and historical experience. Implicit price concessions represent differences between amounts billed and the estimated consideration the Enterprise expects to receive from patients, which are determined based on historical collection experience, current market conditions, and other factors.

Generally, patients who are covered by third-party payers are responsible for patient responsibility balances, including deductibles and coinsurance, which vary in amount. The Enterprise estimates the transaction price for patients with deductibles and coinsurance based on historical experience and current market conditions. The initial estimate of the transaction price is determined by reducing the standard charge by any explicit price concessions, 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. Adjustments arising from a change in the transaction price were not significant for the year ended December 31, 2021. Subsequent changes that are determined to be the result of an adverse change in the patient's ability to pay are recorded as bad debt expense. Bad debt expense for the year ended December 31, 2021 was not material to the combined statement of revenues, expenses and changes in net assets.

A summary of the payment arrangements with major third-party payers is as follows:

Medicare and Medicaid

Under the Medicare and Medicaid programs, the Enterprise is entitled to reimbursement for certain patient charges at rates determined by federal and state governments. Differences between established billing rates and reimbursements from these programs are recorded as contractual adjustments to arrive at patient service revenue.

Inpatient care services and outpatient services rendered to Medicare program beneficiaries are paid at prospectively determined rates based on clinical, diagnostic, and other factors. The Enterprise is reimbursed for certain cost reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports, and audits thereof, by the Medicare administrative contractor. The Enterprise's Medicare cost reports have generally been audited by the Medicare fiscal intermediary through December 31, 2017.

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Inpatient reimbursement under the Medicaid program is based on prospectively determined rates based on clinical, diagnostic and other factors. Outpatient services rendered to Medicaid program beneficiaries are reimbursed under various reimbursement methodologies. The Enterprise is reimbursed for outpatient services at tentative rates with final settlement determined after submission of annual cost reports, and audits thereof, by the fiscal intermediary. The Enterprise's Medicaid cost reports have generally been audited by the Medicaid fiscal intermediary through December 31, 2017.

The Enterprise has also entered into contracts with certain Medicare and Medicaid managed care organizations to receive reimbursement for providing services to selected enrolled beneficiaries. Payment arrangements with these managed care organizations consist primarily of prospectively determined rates per discharge, discounts from established charges, or prospectively determined per diems.

For North Carolina (NC) operations, the Enterprise receives Medicaid supplemental payments commonly referred to as Disproportionate Share ("DSH") and Upper Payment Limit ("UPL") payments that are intended to offset a portion of the cost incurred for delivering care to Medicaid and Uninsured patients. The Enterprise provides a portion of the state contribution needed to draw down the federal match needed to make these payments. The state share consists of multiple sources including Certified Public Expenditures ("CPE's"), Intergovernmental Transfers ("IGT's"), and state legislated assessment payments. Under the assessment program, the Enterprise reports assessments and receipts within other operating expenses and patient service revenue, respectively, in the accompanying combined statements of revenues, expenses and changes in net assets.

The NC Medicaid program transitioned to Managed Care effective July 1, 2021, resulting in significant changes to hospital reimbursement methodologies. Effective July 1, 2021, the NC's legacy reimbursement program has been terminated and the majority of its historical supplemental payments are now included in the hospital specific base payment rates for both Medicaid Managed Care payers and Medicaid fee for service payments. The Enterprise hospitals will continue to receive Graduate Medical Education (GME) payments and DSH payments discretely paid outside of the newly created base payments. In total, the overall level of Medicaid funding is expected to remain consistent as the new base rates, GME payments and DSH payments, net of the legislated assessments, CPE's, and IGT's should be comparable with historical levels. There are no assurances regarding reimbursements under the NC Medicaid program as the program could be materially modified in the future.

Similar programs exist in Georgia for which assessments and receipts are reported within other operating expenses and patient service revenue, respectively, in the accompanying combined statement of operations and changes in net assets.

For Georgia operations, under the Georgia Indigent Care Trust Fund ("ICTF") Program, the Enterprise receives ICTF payments for treating a disproportionate number of Medicaid and other indigent patients. ICTF payments are based on estimated uncompensated cost of services to Medicaid and uninsured patients.

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Notes to Combined Financial Statements

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Dollars in thousands.

The following is a summary of the funds recognized and assessments paid under these programs for the year ended December 31, 2021:

	Atrium Health CMHA	Atrium Health WFB	Atrium Health Enterprise
Net funds recognized	\$ 313,215	\$ 129,031	\$ 430,355
Less assessments paid	(73,665)	(47,689)	(118,909)
Net amounts recognized	<u>\$ 239,550</u>	<u>\$ 81,342</u>	<u>\$ 311,446</u>

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. Settlements with third-party payers for retroactive adjustments due to reviews and audits are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care in the period the related services are provided. These settlements are estimated based on the terms of the payment agreement with the payer, correspondence from the payer, and the Enterprise's historical settlement activity, including an assessment to ensure that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements are adjusted in future periods as adjustments become known or as years are settled or are no longer subject to such reviews and adjustments. The following is a summary of the estimated amounts that retroactive settlement adjustments increased patient service revenue for the year ended December 31, 2021:

	Atrium Health CMHA	Atrium Health WFB	Atrium Health Enterprise
Retroactive settlement adjustment	<u>\$ 20,572</u>	<u>\$ 6,337</u>	<u>\$ 26,909</u>

Management believes it has complied in all material respects with Medicare and Medicaid laws and regulations. The following is a summary of amounts due to third-party payers related to Medicare and Medicaid at December 31, 2021:

	Atrium Health CMHA	Atrium Health WFB	Atrium Health Enterprise
Amounts due to Medicare and Medicaid	<u>\$ 322,611</u>	<u>\$ 60,484</u>	<u>\$ 383,095</u>

Other Arrangements

Payment arrangements with commercial insurance carriers, health maintenance organization, and preferred provider organizations provide for payment using prospectively determined rates per discharge, discounts from established charges, and prospectively determined per diem rates.

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Dollars in thousands.

q. Financial Assistance

The Enterprise cares for patients who meet certain criteria under its financial assistance policies without charge or at amounts less than its established rates. The Enterprise does not pursue collection of amounts determined to qualify under those policies, and accordingly, such amounts are not recognized as revenue.

r. Gifts, Grants and Contracts

Grants for basic research and other sponsored programs are generally subject to restrictions and conditions that must be met before the Enterprise is entitled to funding. Accordingly, advances from granting agencies are generally considered refundable in the unlikely event specified services are not performed. The Enterprise recognizes revenues on grants for basic research and other sponsored programs as the awards for such programs are expended, since expenditure in accordance with award terms typically results in the simultaneous release of restrictions and conditions imposed by the grantor. Revenue from exchange contracts for applied research is recognized as contractual performance obligations are substantially met. Indirect cost recovery on U.S. government grants and contracts is based upon a predetermined negotiated rate and is recorded as gifts, grants and contracts revenue.

s. Net Student Tuition and Fees

Student tuition and fees for instruction and other educational services, net of scholarships and fellowships, are substantially billed and collected prior to the end of each semester. Revenues are earned and recognized over the course of each semester as education services are delivered. Student tuition and fees received in advance of services to be rendered are recorded as deferred revenue. Student aid provided by the Enterprise is an implicit price concession reflected as a reduction in student tuition and fee revenue. Student aid does not include payments made to students for services rendered to the Enterprise.

t. Other Sources of Revenue

Other sources of revenue for the Enterprise is composed of the following amounts for the year ended December 31, 2021:

	Atrium Health CMHA	Atrium Health WFB	Atrium Health Enterprise
Reimbursed services provided to affiliates	\$ 77,313	\$ —	\$ 77,313
Pharmacy sales	413,672	392,634	806,876
Rental and other revenue	266,544	99,868	335,483
	<u>\$ 757,529</u>	<u>\$ 492,502</u>	<u>\$ 1,219,672</u>

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u. **Contributions**

Atrium Health CMHA donated funds received to acquire property, plant and equipment are considered donations of capital and are included as a component of capital assets and the net investment in capital assets portion of net position.

For Atrium Health WFB and the Enterprise, contributions, including unconditional promises to give, are recognized in the period the contributions or promise is made. Contributions of assets other than cash are recorded at their estimated fair value. Unconditional promises expected to be collected in future years are recorded at the present value of expected future cash flows discounted at an appropriate discount rate commensurate with the risks involved. Amortization of discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met.

v. **Income Taxes**

Atrium Health Inc., Atrium Health Navicent, Atrium Health Floyd, NCBH, WFUHS, and various affiliates are tax exempt organizations as described in Section 501c(3) of the Internal Revenue Code (the Code) and are generally exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. As a North Carolina hospital authority, Atrium Health CMHA is also exempt from state and federal taxes.

Accordingly, no provision for income taxes is made in the combined financial statements. If applicable, unrelated business income is reported by all member and subsidiary organizations on IRS Form 990 T. Fiscal years ending on or after June 30, 2018 remain subject to examination by federal and state tax authorities.

The Enterprise and its subsidiaries have evaluated uncertain tax positions for the fiscal year ended December 31, 2021, including a quantification of tax risks in areas such as unrelated business income and taxation of its for-profit subsidiaries. This evaluation did not have a material effect on the Enterprise's combined financial statements for the year ended December 31, 2021.

w. **Use of Estimates**

Atrium Health CMHA and Atrium Health WFB prepare its financial statements in accordance with GAAP, which requires management to make estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the combined financial statements and the reported amounts of revenues and expenses during the reporting period. Significant items subject to such estimates and assumptions include the carrying amount of land, buildings, and equipment, valuation allowances for receivables, environmental liabilities, fair value of investments and assets whose use is limited, obligations related to employee benefits, third-party payer settlements, and the ultimate cost of asserted and unasserted medical malpractice claims. Actual results could differ from those estimates.

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Notes to Combined Financial Statements

December 31, 2021

Dollars in thousands.

2. Liquidity and Availability

As of December 31, 2021, Atrium Health Charlotte had cash and cash equivalents of \$482,857. A portion of the cash and cash equivalents were invested with the North Carolina Capital Management Trust's Government Portfolio, which has a rating of AAAM from S&P Global Ratings and Aaa- from Moody's Investors Service, Inc.

As of December 31, 2021, Atrium Health Navicent had uncollateralized cash and cash equivalents of \$61,028 which consisted of cash on hand, deposits with banks and investments in highly liquid debt instruments with maturities of three months or less when purchased, excluding assets limited as to use.

As of December 31, 2021, Atrium Health Floyd had uncollateralized cash and cash equivalents of \$255,713 which consisted of cash on hand, deposits with banks and investments in highly liquid debt instruments with maturities of three months or less when purchased, excluding assets limited as to use.

Financial assets available for general expenditures within one year of the combined balance sheet date comprise the following at December 31, 2021:

	Atrium Health CMHA	Atrium Health WFB	Atrium Health Enterprise
Cash and cash equivalents	\$ 799,598	\$ 332,481	\$ 1,136,105
Patient receivables	1,291,751	357,037	1,648,788
Current accounts, grants and notes receivable, net	141,561	148,390	307,741
Investments available to be liquidated	8,053,059	1,766,560	9,829,421
Financial assets available within one year	<u>\$ 10,285,969</u>	<u>\$ 2,604,468</u>	<u>\$ 12,922,055</u>

To help manage unanticipated liquidity needs, Atrium Health WFB has committed lines of credit with a total borrowing capacity of \$300,000 at December 31, 2021, which it could draw upon. Additionally, the Enterprise has board-designated endowment funds of \$539,010 at December 31, 2021. Although the Enterprise does not intend to spend from its board-designated endowment funds other than amounts appropriated for general expenditures as part of its annual budget approval and appropriation, amounts from its board-designated endowment funds could be made available if necessary.

The asset allocation of the Enterprise's investment portfolio is broadly diversified and is designed to maximize the probability of achieving the Enterprise's long-term investment objectives at an appropriate level of risk, while maintaining a level of liquidity to meet the needs of ongoing portfolio management. The nature of certain investments restricts the liquidity and availability of these investments to be available for the general expenditures of the Enterprise within one year of the combined balance sheet date. These investments have been excluded from the amounts above.

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*Dollars in thousands.***3. Accounts, Grants and Notes Receivable**

Net accounts, grants and notes receivable consist of the following at December 31, 2021:

	Atrium Health CMHA	Atrium Health WFB	Atrium Health Enterprise
Accounts receivable	\$ 127,644	\$ 62,315	\$ 117,492
Grants receivable	18,389	63,841	82,230
Notes receivable	9,741	15,583	25,324
Contributions receivable	—	74,338	169,474
Accounts, grants and notes receivable, net	155,774	216,077	394,520
Less current portion	(141,561)	(148,390)	(307,741)
Accounts, grants and notes receivable, long-term	<u>\$ 14,213</u>	<u>\$ 67,687</u>	<u>\$ 86,779</u>

Accounts, grants and notes receivable, long term is included in other assets in the combined balance sheet.

The following table is an analysis of the maturities of contributions receivable at December 31, 2021:

	Atrium Health WFB	Atrium Health Enterprise
One year or less	\$ 18,487	\$ 52,204
One to five years	55,947	93,407
More than five years	2,166	46,766
Contributions receivable, gross	76,600	192,377
Estimated uncollectible amounts	(1,962)	(4,135)
Discount to present value	(300)	(18,768)
Contributions receivable, net	<u>\$ 74,338</u>	<u>\$ 169,474</u>

Contributions receivable are discounted at a rate commensurate with the scheduled timing of receipt. Such amounts outstanding as of December 31, 2021 were discounted at rates ranging from 1.71% to 2.22% for Atrium Health WFB and 3% to 7% for Atrium Health Foundation.

4. Investments and Assets Limited as to Use***Atrium Health CMHA:***

Atrium Health CMHA may, for funds not required for immediate disbursement, make investments that are permissible for trustees, executors, and other fiduciaries under North Carolina and Georgia laws. Funds that are not needed for immediate operating needs and that have been designated by the governing boards for capital improvements, along with other trusteed assets, are invested in

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short term investments, fixed income securities, equity securities and limited partnerships. Investments included in the portfolio are reflected at fair value at the balance sheet date, as noted in the table below, with gains and losses reflected in nonoperating income (loss) in the accompanying statement of revenues, expenses and changes in net position.

Atrium Health CMHA operates a regional integrated healthcare system, which has significant capital needs arising from both changes in medical technology and a growing demand for healthcare services. At December 31, 2021, the fair value of investments designated for capital improvements of \$7,496,033 is substantially less than the historical cost of property, plant and equipment of \$9,424,658.

Atrium Health CMHA's Short term investments and Investments and assets limited as to use – current and noncurrent (which includes investments designated for capital improvements and bond proceeds held by trustee), based on fair value as of December 31, 2021, and organized by investment type to provide an indication of the level of investment and deposit risks assumed, are as follows:

	Ratings by nationally recognized agency	Effective duration in years	Charlotte designated for capital improvements	Charlotte other assets limited as to use	Navicent designated for capital improvements	Navicent other assets limited as to use	Floyd all investments
Short term investments			\$ 144,341	\$ 562,725	\$ 38,853	\$ 1,620	\$ 41,177
Fixed income:							
U.S. government treasuries and agencies	AAA	3.96	18,406	268	2,013	-	21,763
	AA	11.68	166,347	6,292	18,203	-	-
Mortgage pass-throughs	AAA	2.61	10,710	313	1,172	-	12,923
	AA	3.18	179,859	5,345	19,681	-	-
	A	2.66	5,743	213	628	-	-
	BBB	2.49	1,309	95	143	-	-
Collateralized mortgage obligations	AAA	3.56	1,708	-	187	-	323
	AA	2.17	1,527	-	167	-	-
Corporate bonds	AAA	2.43	5,034	83	551	-	-
	AA	2.94	13,980	728	1,530	-	1,290
	A	4.31	88,154	2,830	9,646	58,078	4,456
	BBB	4.47	92,591	3,011	10,132	-	10,383
	BB	3.29	801	61	88	-	-
Municipal bonds	AAA	2.21	8,598	465	941	-	-
	AA	2.63	14,528	165	1,590	-	-
	A	2.50	1,543	71	169	-	-
Asset-backed securities	AAA	2.22	15,178	99	1,661	-	235
	AA	1.79	21,566	848	2,360	-	447
	A	3.30	1,216	-	133	-	-
Fixed income - funds	N/A	1.93	1,078,819	30,688	118,050	-	41,900
Long/short fixed income	N/A	N/A	469,326	-	51,356	4,523	-
Total fixed income (weighted-average duration)		3.52	2,196,943	51,575	240,401	62,601	93,720
Domestic equities			1,599,222	50,740	174,995	19,763	-
International equities			988,575	30,675	108,175	32,139	-
Global equities			1,079,062	23,512	118,076	-	-
Total equity			3,666,859	104,927	401,246	51,902	-
Global asset allocation funds			333,541	7,924	36,498	-	-
Real assets funds			278,105	9,621	30,432	156	-
Multi-strategy hedge funds			-	2,480	508	-	-
Private equity funds			8,436	50,492	24,494	-	560
Total reported value			\$ 6,628,225	\$ 789,744	\$ 772,432	\$ 116,279	\$ 135,457

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The investments designated for capital improvements of \$7,496,033 includes \$772,432 of Atrium Health Navicent funds, and \$95,376 of Atrium Health Floyd funds. Of the Atrium Health Navicent funds, \$725,222 are invested alongside Atrium Health Charlotte funds under the terms of an Investment Coordination Agreement (ICA) between Atrium Health Charlotte and Atrium Health Navicent, under which Atrium Health Navicent retains beneficial ownership of its funds. Atrium Health Navicent funds invested under the ICA represent approximately 9.80% of the combined portfolio of \$7,400,657. Atrium Health Navicent's funds also include \$47,209 of investments separately held by Atrium Health Navicent.

Custodial Credit Risk

Custodial credit risk is the risk that Atrium Health CMHA will not be able to recover the value of its bank deposits, which are exposed to custodial credit risk if they are uninsured and uncollateralized. As of December 31, 2021, all of Atrium Health CMHA's bank deposits were either insured by federal depository insurance or collateralized by the Pooling Method. From time to time, Atrium Health Navicent deposits at banks exceed the federal deposit insurance corporation insurance limit. By policy, the amount of credit exposure to any one institution is limited.

Fixed income investments and equity securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of Atrium Health CMHA and are held by either the counterparty or the counterparty's trust department or agent, but not in Atrium Health CMHA's name. As of December 31, 2021, all of Atrium Health CMHA's fixed income investments and equity securities are held by Atrium Health Charlotte's, Atrium Health Navicent's or Atrium Health Floyd's custodial bank in Atrium Health Charlotte's, Atrium Health Navicent's or Atrium Health Floyd's name and are, therefore, not exposed to custodial credit risk.

Credit Risk

With respect to fixed income investments, credit risk is the risk that an issuer or other counterparty to an investment will not fulfill their obligations as required by the fixed income security. Atrium Health CMHA's investment policy requires that the overall average credit quality of the non-core fixed income portfolios must be maintained at A or higher, and the overall average credit quality of the core fixed income portfolios must be maintained at AA or higher. As of December 31, 2021, Atrium Health CMHA's fixed income portfolio met these overall average requirements. The quality ratings of Atrium Health CMHA's investments in fixed income securities (excluding long/short fixed income), as determined by nationally recognized statistical rating organizations, are disclosed in the preceding tables.

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Notes to Combined Financial Statements

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Concentration of Credit Risk

Credit concentration risk results from not adequately diversifying investments. Per Atrium Health CMHA's investment policy, equity and fixed income restrictions include, (1) no more than 7% of any investment manager's equity portfolio may be invested in securities of any one issuing corporation, and (2) fixed income investments in any single issuer (excluding obligations of the U.S. government and its agencies) may not exceed 5% of any investment manager's portfolio market value at the time of purchase. Although exceptions to these policy restrictions are at times granted to investment managers, at no time may an investment in any one corporation exceed 5% of that corporation's outstanding shares while fixed income investments in any single issuer (excluding obligations of the U.S. government and its agencies) may not exceed 5% of the total issue at the time of purchase. At December 31, 2021, no investment in any one corporation or single issuer exceeded allowable thresholds.

Atrium Health CMHA, Atrium Health WFB and Atrium Health Enterprise:

Short term investments, assets limited as to use – investments and investments and assets limited as to use consist of the following at December 31, 2021:

	Atrium Health CMHA	Atrium Health WFB	Atrium Health Enterprise
Short-term investments ^(a)	\$ 788,714	\$ 144,426	\$ 951,520
Absolute return ^(b)	898,646	885,019	1,832,172
Commodities ^(c)	318,313	17,935	352,121
Fixed income ^(d)	2,124,557	500,790	2,687,485
Private equity ^(e)	83,422	519	108,147
Public equity ^(f)	4,224,935	554,285	5,000,027
Real estate ^(g)	—	10,747	10,747
Pooled investments held at WFU ^(h)	—	2,162	2,162
Beneficial interest in perpetual trusts and assets held by others ⁽ⁱ⁾	—	23,242	23,242
Investments in equity-method affiliates ^(j)	93,385	87,055	180,440
Other ^(k)	3,550	222,082	225,630
Total investments and assets limited as to use	<u>\$ 8,535,522</u>	<u>\$ 2,448,262</u>	<u>\$ 11,373,693</u>

(a) **Short-term investments** – includes temporary cash investment accounts and restricted cash, including bond proceeds held by trustee and collateral on interest rate swaps.

(b) **Absolute return** – includes investments in hedge funds and hedge fund -of-funds that invest both long and short on a global basis primarily in a wide range of securities and other instruments, including equity securities (common stocks), credit securities (both investment grade and non-investment grade), commodities, private equity, currencies, futures contracts, options, and other derivative instruments. This class also includes absolute return mutual funds and exchange traded funds. The investment objective of this asset class is to produce attractive long-term risk-adjusted returns with low correlation to traditional asset classes.

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- (c) **Commodities** – includes investments in hedge funds and hedge fund -of -funds that invest in a wide range of commodities, securities, and financial instruments with a focus on commodities markets. This class also includes commodity (i.e., precious metals, industrial materials and energy) mutual funds and exchange traded funds. The investment objective of this class is to produce attractive long -term risk -adjusted returns in excess of traditional commodity index exposure.
- (d) **Fixed income** – includes corporate bonds, mortgage-backed securities, asset-backed securities, mutual funds, exchange traded funds, and other fixed income securities. This class also includes investments in hedge funds and hedge fund-of-funds that invest in fixed income securities.
- (e) **Private equity** – includes various illiquid venture capital investments.
- (f) **Public equity** – includes investments primarily in U.S. and non -U.S. (including emerging markets) common stocks, mutual funds, and exchange traded funds. This class also includes investments in hedge funds and hedge fund -of -funds that invest on both a long and short basis in global equity markets. The investment objective for this class is capital appreciation over the long term.
- (g) **Real estate** – includes real estate mutual funds and exchange traded funds.
- (h) **Pooled investments held at WFU** – includes primarily alternative investment vehicles and other investment interests.
- (i) **Beneficial interest in perpetual trusts and assets held by others** – includes trusts and certain other assets held and administered by others for which the Enterprise has an unconditional right to receive all or a portion of the specified cash flows.
- (j) **Investments in equity-method affiliates** – includes various equity-method affiliates (generally, companies in which the Enterprise has an equity-method interest ranging from 20% to 50%).
- (k) **Other** – includes primarily funds held under retirement and benefit plans and other miscellaneous investments.

The Enterprise had unfunded purchase commitments of \$16,421 at December 31, 2021.

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Dollars in thousands.

The following is a summary of redemption frequency for the Enterprise's investments at December 31, 2021:

Category	Redemption frequency (in days), if currently eligible	Redemption notice period (in days)
Short-term investments	1 to 7	1
Absolute return	daily to >365	1 to 90
Commodities	daily	1 to 2
Fixed income	daily	1 to 2
Private equity	N/A	N/A
Public equity	daily	1 to 2
Real estate	daily to >365	1 to 2
Pooled investments held at WFU	N/A	N/A
Beneficial interest in perpetual trusts and assets held by others	N/A	N/A
Investments in equity-method affiliates	N/A	N/A
Other	N/A	N/A

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Dollars in thousands.

Designations of investments and assets whose use is limited consist of the following at December 31, 2021 for Atrium Health WFB and the Enterprise, respectively:

	Without donor restrictions	With donor restrictions	Atrium Health WFB Total
Endowment funds	\$ 539,010	\$ 248,528	\$ 787,538
Funds designated for capital improvements	1,005,602	—	1,005,602
Funds designated for settlement of professional liability costs	3,949	—	3,949
Collateral for derivative agreements	3,630	—	3,630
Beneficial interests in perpetual trusts and assets held by others	—	23,242	23,242
Funds held under retirement and benefit plans	122,068	—	122,068
Designated for restricted purposes	4,110	50,959	55,069
Assets whose use is limited	<u>\$ 1,678,369</u>	<u>\$ 322,729</u>	2,001,098
Other unrestricted investments			360,109
Investments in equity-method affiliates			<u>87,055</u>
Investments and assets whose use is limited			<u>\$ 2,448,262</u>

	Without donor restrictions	With donor restrictions	Atrium Health Enterprise Total
Endowment funds	\$ 539,010	\$ 248,528	\$ 787,538
Funds designated for capital improvements	8,541,714	—	8,541,714
Funds designated for settlement of professional liability costs	248,296	—	248,296
Collateral for derivative agreements	3,630	—	3,630
Beneficial interests in perpetual trusts and assets held by others	—	23,242	23,242
Funds held under retirement and benefit plans	148,532	—	148,532
Designated for restricted purposes	615,232	464,960	1,080,192
Assets whose use is limited	<u>\$ 10,096,414</u>	<u>\$ 736,730</u>	10,833,144
Other unrestricted investments			360,109
Investments in equity-method affiliates			<u>180,440</u>
Investments and assets whose use is limited			<u>\$ 11,373,693</u>

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Notes to Combined Financial Statements

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*Dollars in thousands.***Investment Return**

Total investment return included in net position for Atrium Health CMHA and change in change in net assets without donor restrictions for Atrium Health WFB and the Enterprise in the accompanying combined statement of revenues, expenses and changes in net position and net assets comprises the following for the year ended December 31, 2021:

	Atrium Health CMHA	Atrium Health WFB	Atrium Health Enterprise
Interest and dividend income, net	\$ 96,180	\$ (5,454)	\$ 91,970
Net realized gains	356,568	80,309	436,330
Net unrealized gains	304,860	94,800	400,495
Total investment return	<u>\$ 757,608</u>	<u>\$ 169,655</u>	<u>\$ 928,795</u>

Total investment return is reflected in the accompanying combined statement of revenues, expenses and changes in net position and net assets as follows at December 31, 2021:

	Atrium Health CMHA	Atrium Health WFB	Atrium Health Enterprise
Operating:			
Investment return designated for current operations	\$ —	\$ 32,523	\$ 32,523
Nonoperating:			
Net investment gains	<u>757,608</u>	<u>169,655</u>	<u>928,795</u>
Total investment return included in change in net assets without donor restrictions	<u>757,608</u>	<u>202,178</u>	<u>961,318</u>
With donor restrictions:			
Investment return in excess of amounts designated for current operations	—	8,532	8,532
Net investment gains (losses)	<u>—</u>	<u>32,109</u>	<u>79,256</u>
Total investment return included in change in net assets with donor restrictions	<u>—</u>	<u>40,641</u>	<u>87,788</u>
Total investment return	<u>\$ 757,608</u>	<u>\$ 242,819</u>	<u>\$ 1,049,106</u>

5. Fair Value of Financial Instruments

Under GAAP, fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. GAAP also prioritizes, for the measurement of fair value, the use of market-based information over entity specific information and establishes a three level hierarchy for fair value based on the transparency of inputs used in the valuation of an asset or liability as of the measurement date. The fair value hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements).

Financial instruments measured and reported at fair value are classified and disclosed within one of the following categories:

Level 1 – valuations for financial instruments traded in active exchange markets as of the reporting date. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2 – valuations for financial instruments as determined through direct or indirect observations other than quoted market prices.

Level 3 – valuations for financial instruments that are derived from other valuation methodologies including discounted cash flow models and similar techniques, and not based on market exchange, dealer or broker traded transactions. These valuation methodologies are based on unobservable inputs in situations where there is little or no market activity for the asset or liability. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.

Net Asset Value (NAV) – Certain investments that are measured at fair value using net asset value per share (or its equivalent) as a practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in the table below are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the accompanying combined balance sheets.

The classification of investments in the fair value hierarchy is not necessarily an indication of the risks, liquidity, or degree of difficulty in estimating the fair value of each investment's underlying assets and liabilities. In general, for Level 2, Level 3, and NAV investments, the Enterprise utilizes the investment manager of the asset to provide a valuation estimate based on disclosed techniques and processes, which have been reviewed by the Enterprise management for propriety and consistency with consideration given to type and investment strategy.

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The following tables summarize the valuation of the Atrium Health CMHA, Atrium Health WFB, and the Enterprise's financial instruments recorded at fair value within the fair value hierarchy levels as of December 31, 2021, respectively:

	Atrium Health CMHA				
	Fair Value Measurements			Investments	Total
	Level 1	Level 2	Level 3	Reported at NAV _i	
Investments and assets whose use is limited at fair value:					
Short-term investments	\$ 788,714	\$ —	\$ —	\$ —	\$ 788,714
Absolute return	—	—	—	898,646	898,646
Commodities	318,313	—	—	—	318,313
Fixed income	911,385	850,577	—	362,595	2,124,557
Private equity	—	—	—	83,422	83,422
Public equity	3,470,973	—	—	753,962	4,224,935
Other	—	—	—	3,550	3,550
Investments and assets whose use is limited at fair value	\$ 5,489,385	\$ 850,577	\$ —	\$ 2,102,175	\$ 8,442,137
Equity method affiliates					93,385
Total investments and assets whose use is limited					\$ 8,535,522
Other liabilities at fair value:					
Interest rate swaps	—	263,120	—	—	263,120
Total other liabilities at fair value	\$ —	\$ 263,120	\$ —	\$ —	\$ 263,120

1) Fund Investments reported at NAV as a practical expedient estimate of fair value at December 31, 2021.

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	Atrium Health WFB				
	Fair Value Measurements			Investments Reported at NAV _t	Total
	Level 1	Level 2	Level 3		
Investments and assets whose use is limited at fair value:					
Short-term investments	\$ 121,159	\$ 23,267	\$ —	\$ —	\$ 144,426
Absolute return	4,552	—	—	880,467	885,019
Commodities	17,935	—	—	—	17,935
Fixed income	216,475	284,315	—	—	500,790
Private equity	—	—	519	—	519
Public equity	321,320	232,965	—	—	554,285
Real estate	10,717	—	30	—	10,747
Pooled investments held at WFU	—	—	2,162	—	2,162
Beneficial interest in perpetual trusts and assets held by others	—	—	23,242	—	23,242
Other	94,333	127,749	—	—	222,082
Investments and assets whose use is limited at fair value	<u>\$ 786,491</u>	<u>\$ 668,296</u>	<u>\$ 25,953</u>	<u>\$ 880,467</u>	<u>\$ 2,361,207</u>
Equity method affiliates					87,055
Total investments and assets whose use is limited					<u>\$ 2,448,262</u>
Other liabilities at fair value:					
Employee benefits - nonrecurring	\$ —	\$ 122,068	\$ —	\$ —	\$ 122,068
Interest rate swaps	—	3,525	—	—	3,525
Annuities payable - nonrecurring	—	3,804	—	—	3,804
Total other liabilities at fair value	<u>\$ —</u>	<u>\$ 129,397</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 129,397</u>

1) Fund Investments reported at NAV as a practical expedient estimate of fair value at December 31, 2021.

	Atrium Health Enterprise				
	Fair Value Measurements			Investments Reported at NAV _t	Total
	Level 1	Level 2	Level 3		
Investments and assets whose use is limited at fair value:					
Short-term investments	\$ 928,253	\$ 23,267	\$ —	\$ —	\$ 951,520
Absolute return	4,552	—	—	1,827,620	1,832,172
Commodities	352,121	—	—	—	352,121
Fixed income	1,147,849	1,159,283	—	380,353	2,687,485
Private equity	—	—	519	107,628	108,147
Public equity	3,975,379	232,965	—	791,683	5,000,027
Real estate	10,717	—	30	—	10,747
Pooled investments held at WFU	—	—	2,162	—	2,162
Beneficial interest in perpetual trusts and assets held by others	—	—	23,242	—	23,242
Other	94,333	127,749	—	3,548	225,630
Investments and assets whose use is limited at fair value	<u>\$ 6,513,204</u>	<u>\$ 1,543,264</u>	<u>\$ 25,953</u>	<u>\$ 3,110,832</u>	<u>\$ 11,193,253</u>
Equity method affiliates					180,440
Total investments and assets whose use is limited					<u>\$ 11,373,693</u>
Other liabilities at fair value:					
Employee benefits - nonrecurring	\$ —	\$ 122,068	\$ —	\$ —	\$ 122,068
Interest rate swaps	—	266,645	—	—	266,645
Annuities payable - nonrecurring	—	3,804	—	—	3,804
Total other liabilities at fair value	<u>\$ —</u>	<u>\$ 392,517</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 392,517</u>

1) Fund Investments reported at NAV as a practical expedient estimate of fair value at December 31, 2021.

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Notes to Combined Financial Statements

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The fair values of the Enterprise's interest rate swaps (see note 10) were estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swaps. The spot rates used for discounting are further adjusted for the credit (nonpayment) risk associated with the party that is a net debtor as of the measurement date. The swap valuations are considered Level 2 liabilities and were valued at \$266,645 at December 31, 2021.

The following tables present the activity for Level 3 investments and assets whose use is limited held at Atrium Health WFB and the Enterprise for the year ended December 31, 2021:

	Beginning balance	Realized and unrealized gains (losses)	Purchases	Sales	Transfers into and (out) of Level 3	Ending balance
Level 3 investments:						
Private equity	\$ 538	\$ (2)	\$ —	\$ (17)	\$ —	\$ 519
Real estate	33	(3)	—	—	—	30
Pooled investments held at WFB	2,023	139	—	—	—	2,162
Beneficial interest in perpetual trusts and assets held by others	23,474	(112)	—	(120)	—	23,242
Total Level 3 investments	<u>\$ 26,068</u>	<u>\$ 22</u>	<u>\$ —</u>	<u>\$ (137)</u>	<u>\$ —</u>	<u>\$ 25,953</u>

Transfers into and out of Level 3 are typically the result of a change in observation of significant valuation inputs required by various models.

The Atrium Health Foundation's investments at December 31, 2021 are as follows:

	Atrium Health Foundation				
	Fair Value Measurements			Investments	Total
	Level 1	Level 2	Level 3	Reported at NAV ₁	
Investments at fair value:					
Short-term investments	\$ 18,380	\$ —	\$ —	\$ —	\$ 18,380
Absolute return	—	—	—	48,506	48,506
Commodities	15,873	—	—	—	15,873
Fixed income	19,989	24,392	—	17,758	62,139
Private equity	—	—	—	24,206	24,206
Public equity	183,086	—	—	37,721	220,807
Investments at fair value	<u>\$ 237,328</u>	<u>\$ 24,392</u>	<u>\$ —</u>	<u>\$ 128,191</u>	<u>\$ 389,911</u>

1) Fund Investments reported at NAV as a practical expedient estimate of fair value at December 31, 2021.

6. Endowment

Atrium Health WFB's pooled endowment funds consist of approximately 717 individual funds established for a variety of purposes, but primarily to support its academic activities, including both donor-restricted endowment funds and funds designated by the WFBUMC Board of Directors to function as endowments. Net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. Gift annuities, beneficial interest in perpetual

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trusts, assets held by others and contributions receivable are not considered components of the endowment.

The Board of Directors has implemented a spending policy for Atrium Health WFB designed to stabilize annual spending levels and preserve the real value of the endowment over time. In accordance with the policy, a predetermined endowment spending rate consistent with Atrium Health WFB's total return objective has been established and approved by the Board of Directors. Should endowment yields prove to be insufficient to support this policy, the balance is provided from capital gains. Should endowment yields exceed the amounts necessary to maintain this objective, the balance is reinvested in the endowment. The endowment spending rate for the year ended December 31, 2021 was approximately 5.3%, calculated as a percentage of the average of the previous three-year semi-annual moving market value on a per unit basis.

The Board of Directors has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as allowing Atrium Health WFB to appropriate for expenditure or accumulate so much of an endowment fund as Atrium Health WFB determines is prudent for the uses, benefits, purposes and duration for which the endowment fund is established, subject to the intent of the donor as expressed in the gift instrument.

As a result of this interpretation, Atrium Health WFB's policy is to report as net assets with donor restrictions (i) the original value of gifts donated to the permanent endowment, (ii) the original value of subsequent gifts to the permanent endowment, and (iii) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

In accordance with UPMIFA, Atrium Health WFB considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (a) The duration and preservation of the fund.
- (b) The purpose of the donor-restricted endowment fund.
- (c) General economic conditions.
- (d) The possible effect of inflation and deflation.
- (e) The expected total return from income and the appreciation of investments.
- (f) Other resources of Atrium Health WFB's Investment Committee.
- (g) The investment policies of Atrium Health WFB's Investment Committee.

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Atrium Health WFB and the Enterprise's endowment net assets consist of the following at December 31, 2021, respectively:

	Without donor restrictions	With donor restrictions	Atrium Health WFB Total
Board-designated endowment funds	\$ 539,010	\$ —	\$ 539,010
Donor-restricted endowment funds:			
Underwater funds	—	(368)	(368)
Other funds:			
Historical value	—	177,515	177,515
Appreciation	—	71,381	71,381
Total pooled endowment funds	539,010	248,528	787,538
Other non-pooled endowment funds	46	38,524	38,570
Endowment net assets	<u>\$ 539,056</u>	<u>\$ 287,052</u>	<u>\$ 826,108</u>

	Without donor restrictions	With donor restrictions	Atrium Health Enterprise Total
Board-designated endowment funds	\$ 539,010	\$ —	\$ 539,010
Donor-restricted endowment funds:			
Underwater funds	—	(368)	(368)
Other funds:			
Historical value	—	177,515	177,515
Appreciation	—	71,381	71,381
Total pooled endowment funds	539,010	248,528	787,538
Other non-pooled endowment funds	46	101,461	101,507
Endowment net assets	<u>\$ 539,056</u>	<u>\$ 349,989</u>	<u>\$ 889,045</u>

Changes in Atrium Health WFB and the Enterprise's endowment net assets for the year ended December 31, 2021 are as follows, respectively:

	Without donor restrictions	With donor restrictions	Atrium Health WFB Total
Endowment net assets, beginning of year	\$ 320,657	\$ 247,211	\$ 567,868
Investment return:			
Investment income	4,372	2,101	6,473
Net appreciation	78,556	37,975	116,531
Total investment return	82,928	40,076	123,004
Contributions	—	8,797	8,797
Appropriation for expenditure	(19,279)	(9,032)	(28,311)
Transfers to create new board-designated endowment funds	154,750	—	154,750
Endowment net assets, end of year	<u>\$ 539,056</u>	<u>\$ 287,052</u>	<u>\$ 826,108</u>

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	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Atrium Health Enterprise Total</u>
Endowment net assets, beginning of year	\$ 320,657	\$ 301,824	\$ 622,481
Investment return:			
Investment income	4,372	2,545	6,917
Net appreciation	<u>78,556</u>	<u>45,803</u>	<u>124,359</u>
Total investment return	82,928	48,348	131,276
Contributions	—	9,847	9,847
Appropriation for expenditure	(19,279)	(10,030)	(29,309)
Transfers to create new board-designated endowment funds	<u>154,750</u>	<u>—</u>	<u>154,750</u>
Endowment net assets, end of year	<u>\$ 539,056</u>	<u>\$ 349,989</u>	<u>\$ 889,045</u>

From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the value of the original gifts. Deficiencies of this nature existed in four donor-restricted endowment funds at December 31, 2021. These deficiencies resulted from unfavorable market fluctuations that occurred shortly after the investment of new contributions for donor-restricted endowment funds and continued appropriation for certain programs that was deemed prudent by the WFBUMC Board of Directors. The amount by which the funds were underwater was calculated as follows at December 31, 2021:

	<u>Atrium Health WFB</u>	<u>Atrium Health Enterprise</u>
Aggregate original gift amount	\$ 3,802	\$ 3,802
Aggregate fair value	<u>3,434</u>	<u>3,434</u>
Aggregate deficiency	<u>\$ (368)</u>	<u>\$ (368)</u>

Atrium Health WFB builds allowable underwater spending into its endowment fund agreements, which is agreed upon and signed by any donor. The applicable distribution may be taken from an endowment fund irrespective of whether the fund's balance is above the total amount of gifts for the fund and any required accumulation from earnings, so long as prudence measures continue to be met. Absent this language, the Enterprise's process is to apply as stated or follow the terms of a fund agreement if different terms are specified. The WFBUMC Board appropriated for expenditure \$162, from endowment funds underwater during the year ended December 31, 2021 following its normal procedure of a 5.3% distribution rate based on a three-year semi-annual moving average.

In addition to the endowment funds detailed above, Atrium Health WFB has other donor-restricted endowment funds of \$4,651 at December 31, 2021.

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*Dollars in thousands.***7. Property and Equipment**

Property and equipment for Atrium Health CMHA is summarized as follows for the year ended December 31, 2021:

	<u>Beginning balance</u>	<u>Additions</u>	<u>Transfers</u>	<u>Retirements</u>	<u>Ending balance</u>
Depreciable capital assets:					
Land improvements	\$ 132,663	\$ 9	\$ (1,652)	\$ (114)	\$ 130,906
Buildings	4,621,162	11,687	392,113	(10,104)	5,014,858
Equipment	<u>3,080,014</u>	<u>43,448</u>	<u>62,046</u>	<u>(219,563)</u>	<u>2,965,945</u>
Depreciable capital assets – gross	7,833,839	55,144	452,507	(229,781)	8,111,709
Accumulated depreciation	<u>(4,577,176)</u>	<u>(388,320)</u>	<u>—</u>	<u>225,670</u>	<u>(4,739,826)</u>
Depreciable capital assets – net	3,256,663	(333,176)	452,507	(4,111)	3,371,883
Nondepreciable capital assets:					
Land	327,763	—	714	—	328,477
Construction in progress	<u>703,488</u>	<u>740,498</u>	<u>(459,514)</u>	<u>—</u>	<u>984,472</u>
Net capital assets	<u>\$ 4,287,914</u>	<u>\$ 407,322</u>	<u>\$ (6,293)</u>	<u>\$ (4,111)</u>	<u>\$ 4,684,832</u>

Depreciation expense for Atrium Health CMHA was \$388,396 for the year ended December 31, 2021.

Property and equipment for Atrium Health WFB and Atrium Health Enterprise are summarized as follows at December 31, 2021:

	<u>Atrium Health WFB</u>	<u>Atrium Health Enterprise</u>
Land and land improvements	\$ 191,049	\$ 651,965
Buildings and other improvements	1,859,404	7,022,360
Fixed and movable equipment	1,177,090	4,155,954
Construction in progress	<u>152,963</u>	<u>1,174,272</u>
	\$ 3,380,506	\$ 13,004,551
Less: accumulated depreciation	<u>(2,096,305)</u>	<u>(6,848,701)</u>
Total property and equipment	<u>\$ 1,284,201</u>	<u>\$ 6,155,850</u>

Total depreciation expense for Atrium Health WFB and the Enterprise was \$143,903 and \$522,940, respectively, for the year ended December 31, 2021.

The Enterprise's policy, in accordance with FASB, is to capitalize interest incurred on debt during the construction of qualifying projects exceeding one year. The Enterprise capitalized interest totaled \$15,155 in 2021.

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*Dollars in thousands.***Sale-Leaseback Agreements**

In 2006, Atrium Health WFB entered into a sale-leaseback agreement to sell and lease back certain assets. The initial lease term is 20 years with four 5-year renewal options. The lease is classified as an operating lease. Future minimum lease payments in each year from 2022 to 2026 are \$8,098, \$8,179, \$8,261, \$8,344 and \$8,427, respectively, and \$3,001 thereafter.

In 2010, Atrium Health WFB entered into a sale-leaseback agreement to sell and lease back certain assets. The initial lease is 16 years with three 5-year renewal options. The lease is classified as an operating lease. Operating lease payments are due monthly and expected future minimum payments in each year from 2022 to 2026 are \$6,301, \$6,459, \$6,620, \$6,786 and \$6,955, respectively, and \$3,521 thereafter.

Atrium Health WFB has a deferred gain related to the sale and lease back of certain assets. The deferred gain was \$10,422 for 2021, and is included in other liabilities in the accompanying combined balance sheets.

The sale-leaseback payments are included in total operating lease payments.

8. Leases***Atrium Health CMHA:***

Under GASB, Atrium Health CMHA obligations under noncancelable operating leases with remaining terms of more than one year, principally real estate leases for medical office space, as of December 31, 2021, were as follows:

2022	\$	94,279
2023		85,079
2024		67,219
2025		60,098
2026		52,795
2027-2031		189,362
2032-2036		108,633
2037-2041		12,222
2042- Thereafter		9,603
	\$	<u>679,290</u>

Atrium Health WFB and Atrium Health Enterprise:

Atrium Health WFB and the Enterprise have operating and finance leases for real estate and equipment that are reported in accordance with FASB lease guidance. Both Atrium Health WFB and the Enterprise determine if an arrangement is a lease at the inception of a contract.

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Dollars in thousands.

The following table presents the components of the lease right-of-use assets and lease liabilities and their classification in the combined balance sheets as of December 31, 2021:

Components of lease balances	Classification in combined balance sheet	Atrium Health WFB	Atrium Health Enterprise
Assets:			
Operating lease assets	Operating lease right-of-use assets, net	\$ 196,476	\$ 730,166
Finance lease assets	Property and equipment, net	71,596	110,830
Total leased assets		<u>\$ 268,072</u>	<u>\$ 840,996</u>
Liabilities:			
Operating lease liabilities:			
Current	Current portion of operating lease liabilities	\$ 40,833	\$ 119,543
Long-term	Operating lease liabilities, net of current portion	162,934	643,230
Total operating lease liabilities		<u>203,767</u>	<u>762,773</u>
Finance lease liabilities:			
Current	Current portion of long-term debt	2,735	7,393
Long-term	Notes payable, finance leases, and line of credit, net of current portion	61,853	97,670
Total finance lease liabilities		<u>64,588</u>	<u>105,063</u>
Total lease liabilities		<u>\$ 268,355</u>	<u>\$ 867,836</u>

The following table presents the components of lease expense and its classification in the combined statement of revenues, expenses and changes in net assets for the year ended December 31, 2021:

Components of lease expense	Classification in combined statement of operations and changes in net assets	Atrium Health WFB	Atrium Health Enterprise
Operating lease expense	Other operating expenses	\$ 50,142	\$ 148,025
Finance lease expense:			
Amortization of leased assets	Depreciation and amortization	3,984	6,981
Interest on lease liabilities	Financing costs	2,773	3,653
Total finance lease expense		6,757	10,634
Variable and short-term lease expense	Other operating expenses	6,265	6,840
Total lease expense		<u>\$ 63,164</u>	<u>\$ 165,499</u>

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Dollars in thousands.

The following table presents the weighted-average lease terms and discount rates for operating and finance leases as of December 31, 2021:

	Atrium Health WFB	Atrium Health Enterprise
Weighted-average remaining lease term:		
Operating leases	5.93 years	9.16 years
Finance leases	20.45 years	18.18 years
Weighted-average discount rate:		
Operating leases	2.89%	2.09%
Finance leases	4.31%	4.26%

Cash flow and other information related to leases is included in the following table for the year ended December 31, 2021:

	Atrium Health WFB	Atrium Health Enterprise
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 49,507	\$ 138,765
Operating cash flows from finance leases	2,773	3,767
Financing cash flows from finance leases	2,412	5,606

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Dollars in thousands.

Future maturities of lease liabilities at December 31, 2021 are presented in the following table for Atrium Health WFB and the Enterprise, respectively:

	Operating leases	Finance leases	Atrium Health WFB Total
2022	\$ 46,307	\$ 5,445	\$ 51,752
2023	39,183	5,435	44,618
2024	31,966	5,010	36,976
2025	29,220	4,761	33,981
2026	29,190	4,465	33,655
Thereafter	47,464	74,874	122,338
Total lease payments	223,330	99,990	323,320
Less: imputed interest	19,563	35,402	54,965
Total lease obligations	203,767	64,588	268,355
Less: current lease obligations	40,833	2,735	43,568
Long-term lease obligations	<u>\$ 162,934</u>	<u>\$ 61,853</u>	<u>\$ 224,787</u>

	Operating leases	Finance leases	Atrium Health Enterprise Total
2022	\$ 134,318	\$ 11,713	\$ 146,031
2023	118,947	10,749	129,696
2024	95,899	8,296	104,195
2025	86,106	7,973	94,079
2026	78,737	7,714	86,451
Thereafter	333,469	108,688	442,157
Total lease payments	847,476	155,133	1,002,609
Less: imputed interest	84,703	50,070	134,773
Total lease obligations	762,773	105,063	867,836
Less: current lease obligations	119,543	7,393	126,936
Long-term lease obligations	<u>\$ 643,230</u>	<u>\$ 97,670</u>	<u>\$ 740,900</u>

Lease income is included in other sources of revenue in the combined statements of revenues, expenses and changes in net assets and amounted to \$17,131 for the year ended December 31, 2021.

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*Dollars in thousands.***9. Debt*****Atrium Health CMHA:***

Atrium Health CMHA's long-term debt, including related issuance premiums and unamortized gains on debt-related derivative instrument agreements, consists of the following as of December 31, 2021:

Atrium Heath Charlotte:

Series 2005 B, C, and D Variable Rate Refunding Revenue Bonds, maturing 2023 through 2026, bearing interest at variable rates which are adjusted weekly (weighted average rate for the year ended December 31, 2021 was 0.75%)	\$ 32,115
Series 2007 B Variable Rate Refunding Revenue Bonds, maturing 2022 through 2038, bearing interest at variable rates which are adjusted daily (weighted average rate for the year ended December 31, 2021 was 0.02%)	74,760
Series 2007 C Variable Rate Refunding Revenue Bonds, maturing 2027 through 2037, bearing interest at variable rates which are adjusted daily (weighted average rate for the year ended December 31, 2021 was 0.02%)	87,635
Series 2007 D Variable Rate Revenue Bonds, maturing 2041 through 2043, bearing interest at variable rates which are adjusted weekly (weighted average rate for the year ended December 31, 2021 was 0.89%)	67,140
Series 2007 E Variable Rate Revenue Bonds, maturing 2041 through 2044, bearing interest at variable rates which are adjusted daily (weighted average rate for the year ended December 31, 2021 was 0.03%)	77,220
Series 2007 F Variable Rate Revenue Bonds, maturing 2030 through 2042, bearing interest at variable rates which are adjusted weekly (weighted average rate for the year ended December 31, 2021 was 0.89%)	57,055
Series 2007 G Variable Rate Revenue Bonds, maturing 2032 through 2041, bearing interest at variable rates which are adjusted weekly (weighted average rate for the year ended December 31, 2021 was 0.75%)	111,170
Series 2007 H Variable Rate Revenue Bonds, maturing 2027 through 2045, bearing interest at variable rates which are adjusted weekly (weighted average rate for the year ended December 31, 2021 was 0.52%)	166,050
Series 2012 A Revenue and Refunding Revenue Bonds, maturing 2022 through 2043 bearing interest at 3.0% to 5.0%	143,525
Series 2013 A Revenue and Refunding Revenue Bonds, maturing 2022 through 2039 bearing interest at 3.0% to 5.0%	109,330

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Notes to Combined Financial Statements

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Atrium Heath Charlotte:

Series 2015 A Taxable Refunding Revenue Bonds, maturing 2022 through 2024 bearing interest at 2.64%	\$ 4,725
Series 2015 B Taxable Commercial Paper Revenue Bonds (weighted average interest rate for the year ended December 31, 2021 was 0.14%)	400,000
Series 2016 A Refunding Revenue Bonds, maturing 2022 through 2047 bearing interest at 3.0% to 5.0%	331,250
Series 2018 A Refunding Revenue Bonds, maturing 2023 through 2039 bearing interest at 4.0% to 5.0%	149,760
Series 2018 B Variable Rate Revenue Bonds, maturing 2040 through 2048 bearing interest at 5.0% through the initial long-term rate period ending February 28, 2022	50,000
Series 2018 C Variable Rate Revenue Bonds, maturing 2040 through 2048 bearing interest at 5.0% through the initial long-term rate period ending February 28, 2023	50,000
Series 2018 D Variable Rate Revenue Bonds, maturing 2040 through 2048 bearing interest at variable rates plus 0.60% through the initial index floating rate period ending November 30, 2023, which are adjusted weekly (weighted average rate for the year ended December 31, 2021 was 0.64%)	50,000
Series 2018 E Variable Rate Revenue Bonds, maturing 2040 through 2048 bearing interest at variable rates plus 0.45% through the initial index floating rate period ending November 30, 2021, which are adjusted weekly (weighted average rate for the year ended December 31, 2021 was 0.49%) Converted on December 1, 2021 to put bond with initial long-term rate period ending October 31, 2025 bearing interest at 5.0%	50,000
Series 2018 F Variable Rate Revenue Bonds, maturing 2040 through 2048 bearing interest at variable rates which are adjusted weekly (weighted average rate for the year ended December 31, 2021 was 0.04%)	100,000
Series 2018 G Variable Rate Revenue Bonds, maturing 2040 through 2048 bearing interest at variable rates which are adjusted daily (weighted average rate for the year ended December 31, 2021 was 0.02%)	50,000
Series 2018 H Variable Rate Revenue Bonds, maturing 2040 through 2048 bearing interest at variable rates which are adjusted daily (weighted average rate for the year ended December 31, 2021 was 0.02%)	50,000
Series 2021 A Taxable Revenue Bonds, maturing 2051 bearing interest at 3.20%	300,000
Series 2021 B Variable Rate Revenue Bonds, maturing 2050 bearing interest at 5.0% through the initial long-term rate period ending December 1, 2024	100,000

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*Dollars in thousands.***Atrium Heath Charlotte:**

Series 2021 C Variable Rate Revenue Bonds, maturing 2050 bearing interest at 5.0% through the initial long-term rate period ending November 30, 2028	\$ 100,000
Series 2021 D Variable Rate Revenue Bonds, maturing 2050 bearing interest at 5.0% through the initial long-term rate period ending November 30, 2031	100,000
Series 2021 E Variable Rate Refunding Revenue Bonds, maturing 2022 through 2042, bearing interest at variable rates which are adjusted daily (weighted average rate for the year ended December 31, 2021 was 0.02%)	126,010
Other long-term debt	<u>59,827</u>
Total Atrium Health Charlotte Long-term Debt	2,997,572
Commercial paper and current portion	<u>(760,955)</u>
Total Atrium Health Charlotte Long-term Debt, minus current portion	2,236,617
Net unamortized premiums	157,344
Unamortized gains on debt-related derivative agreements	<u>1,565</u>
Total Atrium Health Charlotte Debt, net	<u>2,395,526</u>

Atrium Health Navicent:

Series 2017A Revenue Anticipation Certificates, maturing 2042 through 2045 bearing interest at variable rates which are adjusted weekly (weighted average rate for the year ended December 31, 2021 was 1.08%)	40,000
Series 2017B Revenue Anticipation Certificates, maturing 2020 through 2042 bearing interest at variable rates which are adjusted weekly (weighted average rate for the year ended December 31, 2021 was 1.08%)	185,530
Taxable Variable Term Loan, maturing 2038 through 2048 bearing interest at variable rates which are adjusted weekly (weighted average rate for the year ended December 31, 2021 was 1.44%)	60,000
Other long-term debt	<u>725</u>
Total Atrium Health Navicent Long-term Debt	286,255
Current portion	<u>(5,315)</u>
Total Atrium Health Navicent Debt, net	<u>280,940</u>

Atrium Health Floyd:

Term Loan	179,000
Current portion	<u>(6,000)</u>
Total Atrium Health Floyd Debt, net	<u>173,000</u>
Total Atrium Health CMHA long term debt	<u>\$ 2,849,466</u>

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A summary of Atrium Health CMHA changes in long-term debt during 2021 is as follows:

	Beginning balance	Additions	Retirements	Ending balance
Atrium Health Charlotte:				
Fixed rate revenue bonds	\$ 872,905	\$ 300,000	\$ (139,040)	\$ 1,033,865
Variable rate revenue bonds	643,430	426,010	(3,815)	1,065,625
Commercial paper revenue bonds	250,000	250,000	(100,000)	400,000
Direct placement revenue bonds	446,140	—	(7,885)	438,255
Notes from direct borrowings	61,702	669	(2,544)	59,827
	<u>2,274,177</u>	<u>976,679</u>	<u>(253,284)</u>	<u>2,997,572</u>
Atrium Health Navicent:				
Direct placement revenue anticipation certificates	230,590	—	(5,060)	225,530
Note from direct borrowings	60,725	—	—	60,725
	<u>291,315</u>	<u>—</u>	<u>(5,060)</u>	<u>286,255</u>
Atrium Health Floyd:				
Fixed rate revenue bonds	173,062	—	(173,062)	—
Term Loan	—	179,000	—	179,000
	<u>173,062</u>	<u>179,000</u>	<u>(173,062)</u>	<u>179,000</u>
Total	<u>\$ 2,738,554</u>	<u>\$ 1,155,679</u>	<u>\$ (431,406)</u>	<u>\$ 3,462,827</u>

Atrium Health Charlotte Components of Debt

- (a) **Series 2005B, C and D Variable Rate Refunding Revenue Bonds** – In December 2005, Atrium Health Charlotte issued Series 2005 B, C and D Variable Rate Refunding Revenue Bonds which, together with \$2,855 of Atrium Health Charlotte funds, currently refunded \$96,760 of Series 1996 A Revenue Bonds. Interest on the Series 2005 B, C and D Variable Rate Refunding Revenue Bonds is payable monthly in arrears and principal is payable on January 15 of each year. In February 2011, Atrium Health Charlotte utilized a mandatory tender process to substitute new direct pay letters of credit on these bonds. As a result of this mandatory tender process, these bonds were deemed extinguished and the remarketed bonds were treated as a new issuance. In December 2016, Atrium Health Charlotte utilized a mandatory tender process to convert Series 2005 B, C and D to direct placements. As a result of this mandatory tender process, these bonds were deemed extinguished and the remarketed bonds were treated as a new issuance.
- (b) **Series 2007 B and C Variable Rate Refunding Revenue Bonds** – In August 2007, Atrium Health Charlotte issued Series 2007 B and C Variable Rate Refunding Revenue Bonds, which advance refunded all \$71,015 of the outstanding Series 2003 A Revenue Bonds and all \$100,000 of the outstanding Series 2005 A Revenue Bonds. Interest on the Series 2007 B and C Variable Rate Refunding Revenue Bonds is payable monthly in arrears and principal is payable on January 15 of each year. In May 2017, Atrium Health Charlotte utilized a mandatory tender process to convert Series 2007 C from the weekly interest rate mode to the daily interest rate mode. As a

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Dollars in thousands.

result of this mandatory tender process, these bonds were deemed extinguished and the remarketed bonds were treated as a new issuance.

- (c) **Series 2007 D, E and F Variable Rate Revenue Bonds** – In September 2007, Atrium Health Charlotte issued Series 2007 D, E and F Variable Rate Revenue Bonds insured by Financial Security Assurance, Inc., now known as Assured Guaranty Municipal Corp. (AGMC). Interest on the Series 2007 D, E and F Variable Rate Revenue Bonds is payable monthly in arrears and principal is payable on January 15 of each year. In May 2013, Atrium Health Charlotte utilized a mandatory tender process to convert Series 2007 D and F to direct purchase bonds and to substitute a new direct pay letter of credit on Series 2007 E. As a result of this mandatory tender process, these bonds were deemed extinguished and the remarketed bonds were treated as a new issuance. In November 2016, Atrium Health Charlotte utilized a mandatory tender process to change the holder of the Series 2007 D direct placement. As a result of this mandatory tender process, these bonds were deemed extinguished and the remarketed bonds were treated as a new issuance. In May 2017, Atrium Health Charlotte utilized a mandatory tender process to convert Series 2007 E from the weekly interest rate mode to the daily interest rate mode. As a result of this mandatory tender process, these bonds were deemed extinguished and the remarketed bonds were treated as a new issuance.
- (d) **Series 2007 G and H Variable Rate Revenue Bonds** – In September 2007, Atrium Health Charlotte issued Series 2007 G Variable Rate Revenue Bonds insured by AGMC and Series 2007 H Variable Rate Revenue Bonds. The proceeds of the Series 2007 H Variable Rate Revenue Bonds were used to repay \$159,930 of outstanding revenue bonds issued by the North Carolina Medical Care Commission (NCMCC) for the benefit of CHS NorthEast. Interest on the Series 2007 G Variable Rate Revenue Bonds and the Series 2007 H Variable Rate Revenue Bonds is payable monthly in arrears. Principal is payable on January 15 of each year. In May 2013, Atrium Health Charlotte utilized a mandatory tender process to convert Series 2007 G to direct purchase bonds. As a result of this mandatory tender process, these bonds were deemed extinguished and the remarketed bonds were treated as a new issuance. In November 2016, Atrium Health Charlotte utilized a mandatory tender process to convert Series 2007 H to a direct placement. As a result of this mandatory tender process, these bonds were deemed extinguished and the remarketed bonds were treated as a new issuance.
- (e) **Series 2012 A Revenue and Refunding Revenue Bonds** – In May 2012, Atrium Health Charlotte issued Series 2012 A Revenue and Refunding Revenue Bonds which currently refunded all \$88,535 of the outstanding Series 2001 A Revenue Bonds and \$32,185 of outstanding revenue bonds issued by the NCMCC for the benefit of CHS Union. The Series 2012 A Revenue and Refunding Revenue Bonds also included \$50,000 to finance a small portion of Atrium Health Charlotte's capital plan. Interest on the Series 2012 A Revenue Bonds is payable semiannually on January 15 and July 15 of each year and principal is payable on January 15 of each year. These bonds were refunded by the Series 2022A Refunding Revenue Bonds issued February 9, 2022.
- (f) **Series 2013 A Revenue and Refunding Revenue Bonds** – In May 2013, Atrium Health Charlotte issued Series 2013 A Revenue and Refunding Revenue Bonds which advance refunded \$4,815 of the outstanding Series 2009 A Refunding Revenue Bonds and all \$73,250 of outstanding revenue bonds issued by the NCMCC for the benefit of CHS Cleveland. The Series 2013 A Revenue and

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Refunding Revenue Bonds also included \$50,000 to finance a small portion of Atrium Health Charlotte's capital plan. Interest on the Series 2013 A Revenue Bonds is payable semiannually on January 15 and July 15 of each year and principal is payable on January 15 of each year.

- (g) **2015 A Taxable Refunding Revenue Bonds** – In January 2015, Atrium Health Charlotte issued Series 2015 A Taxable Refunding Revenue Bonds which, together with funds held by CHS Stanly in Debt Service Reserve Funds, currently refunded all \$16,030 of outstanding Series 1996 and Series 1999 Revenue Bonds issued by the NCMCC for the benefit of CHS Stanly. The Series 2015 A Revenue Bonds were directly placed with a financial institution and will be held through their maturity on January 15, 2024, but Atrium Health Charlotte may prepay the bonds at any time without penalty or premium except for any cost of prepayment (based upon U.S. Treasury obligations) that applies. Interest on the Series 2015 A Revenue Bonds is payable semiannually on January 15 and July 15 of each year and principal is payable on January 15 of each year.
- (h) **Series 2016 A Refunding Revenue Bonds** – In November 2016, Atrium Health Charlotte issued Series 2016 A Refunding Revenue Bonds which currently refunded \$121,240 of the outstanding Series 2007 A Revenue and Refunding Revenue Bonds and advance refunded \$300,255 of the outstanding Series 2008 A Refunding Revenue Bonds. Interest on the Series 2016 A Refunding Revenue Bonds is payable semiannually on January 15 and July 15 of each year and principal is payable on January 15 of each year.
- (i) **Series 2018 A Refunding Revenue Bonds** - In November 2018, Atrium Health Charlotte issued Series 2018 A Refunding Revenue Bonds which currently refunded \$178,425 of the outstanding Series 2009 A Refunding Revenue Bonds. Interest on the Series 2018 A Refunding Revenue Bonds is payable semiannually on January 15 and July 15 of each year and principal is payable on January 15 of each year.
- (j) **Series 2018 B and 2018 C Variable Rate Revenue Bonds** – In November 2018, Atrium Health Charlotte issued Series 2018 B and 2018 C Variable Rate Revenue Bonds. Interest on the Series 2018 B and 2018 C Variable Rate Revenue Bonds is payable semiannually on January 15 and July 15 of each year and principal is payable on January 15 of each year. These bonds are subject to mandatory tender for purchase on March 1, 2022 and March 1, 2023, respectively, following the end of their initial long-term rate periods. Upon the initial mandatory tender of March 1, 2022, the Series 2018 B Bonds were extended to a new mandatory tender date of October 31, 2029.
- (k) **Series 2018 D and 2018 E Variable Rate Revenue Bonds** – In November 2018, Atrium Health Charlotte issued Series 2018 D and 2018 E Variable Rate Revenue Bonds. Interest on the Series 2018 D and 2018 E Variable Rate Revenue Bonds is payable monthly in arrears and principal is payable on January 15 of each year. These bonds are subject to mandatory tender for purchase on December 1, 2023 and December 1, 2021, respectively, following the end of their initial index floating rate periods. Upon the initial mandatory tender of December 1, 2021, the Series 2018 E bonds were converted to the long-term rate mode and now interest on the bonds is payable semiannually on January 15 and July 15 of each year and bear interest at 5.0% through a new long-term rate period ending October 31, 2025.

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- (l) **Series 2018 F Variable Rate Revenue Bonds** – In November 2018, Atrium Health Charlotte issued Series 2018 F Variable Rate Revenue Bonds. Interest on the Series 2018 F Variable Rate Revenue Bonds is payable monthly in arrears and principal is payable on January 15 of each year. Atrium Health Charlotte has established a self-liquidity program that will be used to repurchase any Series 2018 F Variable Rate Bonds that are not remarketed.
- (m) **Series 2018 G and 2018 H Variable Rate Revenue Bonds** - In December 2018, Atrium Health Charlotte issued Series 2018 G and 2018 H Variable Rate Revenue Bonds. Interest on the Series 2018 G and 2018 H Variable Rate Revenue Bonds is payable monthly in arrears and principal is payable on January 15 of each year.
- (n) **Series 2021 A Taxable Revenue Bonds** – In May 2021, Atrium Health Charlotte issued Series 2021 A Taxable Revenue Bonds. Interest on the Series 2021 A Taxable Revenue Bonds is payable semiannually on January 15 and July 15 of each year and principal is payable on January 15 of each year.
- (o) **Series 2021 B, C and D Variable Rate Revenue Bonds** – In May 2021, Atrium Health Charlotte issued Series 2021 B, C and D Variable Rate Revenue Bonds. Interest on the Series 2021 B, C and D Variable Rate Revenue Bonds is payable semiannually on January 15 and July 15 of each year and principal is payable on January 15 of each year. These bonds are subject to mandatory tender for purchase on December 2, 2024, December 1, 2028 and December 1, 2031 respectively, following the end of their initial long-term rate periods.
- (p) **Series 2021 E Variable Rate Refunding Revenue Bonds** – In July 2021, Atrium Health issued Series 2021 E Variable Rate Refunding Revenue Bonds, which currently refunded all \$125,375 of the outstanding Series 2011 A Revenue Bonds. Interest on the Series 2021 E Variable Rate Refunding Revenue Bonds is payable monthly in arrears and principal is payable on January 15 of each year.
- (q) **Pineville LTACH/Rehab Hospital Loan** – In October 2014, Atrium Health Charlotte became the sole member of Pineville LTACH/Rehab Hospital, LLC (the LLC), which owns and leases a facility to Atrium Health Charlotte. Previously, the LLC was a joint venture between Atrium Health - Charlotte and an unaffiliated entity. The facility was constructed with the proceeds from a \$30,101 loan to the LLC from a financial services company that is payable beginning September 2013 through August 2038 at an interest rate of 3.84%. The loan, which was not issued under Atrium Health Charlotte's Bond Order, is secured by a leasehold deed of trust and assignment of facility leases and rents. The balance of \$23,050 at December 31, 2021 is included in other long-term debt.
- (r) **Cleveland County Note Payable** – In March 2013, Atrium Health Charlotte entered into an Amended and Restated Interlocal Agreement with Cleveland County, North Carolina for the purpose of more fully integrating CHS Cleveland with Atrium Health Charlotte and enhancing Atrium Health Charlotte's ability to provide services to the residents of Cleveland County. Atrium Health Charlotte's payment to Cleveland County included an unsecured, noninterest bearing note in the original amount of \$77,000 payable through 2038 which is recorded as other long-term debt at its net present value of \$36,182 at December 31, 2021.

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- (s) **Series 2015 B Taxable Commercial Paper Program** – In October 2015, Atrium Health Charlotte established a taxable commercial paper program providing for the issuance of up to \$200,000 in aggregate taxable commercial paper revenue bonds. In November 2018, the issuance limit was increased to \$400,000. The bonds issued under the commercial paper program currently carry short-term credit ratings of A-1+ from S&P Global Ratings and P-1 from Moody's Investors Service. Proceeds from the sale of commercial paper are used to pay for additional healthcare facilities or the costs of operating healthcare facilities, including general operating costs, routine capital expenditures and the acquisition and installation of healthcare equipment. Atrium Health Charlotte has established a self-liquidity program that will be used to repurchase any commercial paper that is not remarketed. Commercial paper may be issued with maturity dates from one to 270 days from the date of issuance. While management may elect to continuously roll over all or portions of the commercial paper, the principal amount of all commercial paper must be repaid by October 2055. At December 31, 2021, commercial paper totaling \$400,000, with a weighted average maturity and interest rate of 253 days and 0.18%, respectively, was outstanding and included within current portion of debt.

Debt issued under the Atrium Health Charlotte Bond Order is payable solely from the CMHA Combined Group's revenues (as defined by the Bond Order). There are various financial covenants and restrictions contained in Atrium Health Charlotte's Bond Order, Series Resolutions, liquidity facilities, direct pay letter of credit and continuing covenants agreements for direct placements, including maintenance of a defined minimum level of annual long-term debt service coverage. As of December 31, 2021, Atrium Health Charlotte was in compliance with these financial covenants.

Deferred financing costs, net of accumulated amortization, totaled \$2,971 as of December 31, 2021. Premiums, net of accumulated amortization, totaled \$157,344 as of December 31, 2021. These costs are being amortized over the estimated duration of the related debt using the effective interest method.

Atrium Health Navicent Components of Debt

- (a) **Series 2017 A and Series 2017 B Revenue Anticipation Certificates** - In December 2017, the Macon-Bibb County Hospital Authority issued Series 2017 A and Series 2017 B Revenue Anticipation Certificates, the proceeds of which were loaned to Atrium Health Navicent to refund various series of Macon-Bibb County Hospital Authority Revenue Anticipation Certificates and to finance and reimburse capital expenditures. Interest on the Series 2017 A and 2017 B Certificates is payable monthly in arrears and principal is payable on August 1 of each year. The Series 2017 A and Series 2017 B certificates were initially directly placed with a financial institution with holding periods that expire on December 31, 2027 and December 31, 2019, respectively. In December 2019, Atrium Health Navicent utilized a mandatory tender process to change the holder of the Series 2017 A and Series 2017 B certificates to another financial institution. As a result of this mandatory tender process, these certificates were deemed extinguished and the remarketed certificates were treated as a new issuance with holding periods that expire on January 29, 2021. On January 29, 2021, the holding periods were extended to January 28, 2022. On January 28, 2022, the holding periods were extended to January 16, 2027. The Series 2017 A Revenue Anticipation Certificates mature 2042 through 2045 and bear interest at variable rates which are adjusted weekly (weighted average rate for the year ended December 31, 2021 was 1.08%). The Series 2017 B Revenue Anticipation Certificates mature 2022 through 2042 and bear

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interest at variable rates which are adjusted weekly (weighted average rate for the year ended December 31, 2021 was 1.08%).

- (b) **Variable Term Loan** – In December 2017, Atrium Health Navicent entered into a taxable Variable Term Loan with a financial institution, the proceeds of which were used to pay off the remaining balances of taxable loans executed in 2012 and 2017. Interest on the Variable Term Loan is payable monthly in arrears and principal is payable on August 1 of each year. The Variable Term Loan was initially directly placed with a financial institution with a holding period that expires on December 31, 2027. In December 2019, Atrium Health Navicent changed the holder of the Variable Term Loan to another financial institution. As a result, the Variable Term Loan was deemed extinguished and the new Variable Term Loan was treated as a new issuance with a holding period that expires on January 29, 2021. On January 29, 2021, the holding period was extended to January 28, 2022. On January 28, 2022, the holding period was extended to January 16, 2027. The Variable Term Loan matures 2038 through 2048 and bears interest at variable rates which are adjusted weekly (weighted average rate for the year ended December 31, 2021 was 1.44%).

Floyd Health Term Loan – In December 2021, Atrium Health Floyd entered into a term loan with a financial institution, with a variable rate based on Secured Overnight Financing Rate (SOFR) plus 1.41%. Interest is payable monthly in arrears while principal is payable on July 1 with the final maturity of July 1, 2043. The Term Loan is subject to a Mandatory Prepayment Date of January 16, 2027. Atrium Health Floyd is subject to various covenants under the term loan, including a days cash on hand and long-term debt service coverage ratio requirement. Neither Atrium Health Charlotte, Atrium Health Navicent or Atrium Health WFB have guaranteed the Atrium Health Floyd Term Loan.

Debt Service Requirements and Additional Information on Atrium Health CMHA Debt

Debt service requirements for long term debt in future years, excluding commercial paper but including the impact of other long term debt (note payable to a financial services company, note payable to Cleveland County and note payable to a financial institution) and interest rate swap transactions discussed later in this note, are shown in the table below. Debt service requirements, as reflected in the table, assume current interest rates on unhedged variable rate debt while net swap payments, are projected using the December 31, 2021 relationship between the Securities Information and Financial Markets Association (SIFMA) Municipal Swap Index and the one month London InterBank Offered Rate (LIBOR) of approximately 99%, which is higher than the interest projected using the 60% average relationship between SIFMA and LIBOR over the past 10 years. Regulators in the United Kingdom have called for LIBOR to be abandoned by June 30, 2023. Modifications to LIBOR or the replacement of LIBOR with an alternative reference rate such as the

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Secured Overnight Financing Rate could produce different results than the current average relationship between SIFMA and LIBOR.

	Fixed rate and variable rate revenue bonds		Notes from direct borrowings and direct placements		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 33,325	\$ 78,618	\$ 16,292	\$ 29,136	\$ 49,617	\$ 107,754
2023	28,335	72,245	23,428	28,402	51,763	100,647
2024	34,490	69,800	24,583	25,785	59,073	95,585
2025	36,155	65,810	23,928	25,007	60,083	90,817
2026	37,885	62,643	24,888	24,211	62,773	86,854
2027-2031	223,260	273,725	128,062	111,977	351,322	385,702
2032-2036	288,745	190,447	156,166	94,889	444,911	285,336
2037-2041	266,920	128,352	290,280	63,890	557,200	192,242
2042-2046	386,555	90,478	243,665	10,470	630,220	100,948
2047-2051	763,820	53,015	32,045	721	795,865	53,736
	<u>\$ 2,099,490</u>	<u>\$ 1,085,133</u>	<u>\$ 963,337</u>	<u>\$ 414,488</u>	<u>\$ 3,062,827</u>	<u>\$ 1,499,621</u>

Atrium Health Charlotte's Revenue Bonds (other than the Series 2015 A and Series 2015 B Revenue Bonds which are taxable) are tax exempt and are secured on a parity basis by and payable from Atrium Health Charlotte's revenues as defined in its bond order, the money and securities held in certain funds and accounts created by the applicable bond agreements and held by the bond trustee, and in the case of the CMHA Combined Group, amounts payable by the other members of the CMHA Combined Group under their respective Member Guaranty Agreement or Member Security Agreement. The tax exempt fixed rate revenue bonds are redeemable at the option of Atrium Health Charlotte at par value upon the expiration of the 10 year no call period subsequent to their respective issuance date. The Series 2018 D and Series 2018 E index floating rate bonds are redeemable at the option of Atrium Health Charlotte at par value one year prior to their index floating rate purchase dates of December 1, 2023 and December 1, 2021, respectively. Upon the initial mandatory tender of December 1, 2021, the Series 2018 E bonds were converted to the long-term rate mode and now interest on the bonds is payable semiannually on January 15 and July 15 of each year.

Atrium Health Navicent's tax-exempt Revenue Anticipation Certificates and taxable Variable Term Loan are secured on a parity basis by and payable from Atrium Health Navicent's revenues as defined in its Master Trust Indenture, the money and securities held in certain funds and accounts created by the applicable bond agreements and held by the bond trustee. The Series 2017 A and Series 2017 B Certificates and taxable Variable Term Loan are subject to mandatory sinking fund redemption at a redemption price equal to the principal amount of each Bond to be redeemed plus accrued interest to the date fixed for redemption. The Variable Term Loan is also subject to mandatory prepayment in whole, without penalty, on January 16, 2027.

There are various financial covenants and restrictions contained in Atrium Health Charlotte's Bond Order, Series Resolutions, liquidity facilities, direct pay letter of credit and continuing covenants agreements for direct placements and Atrium Health Navicent's Master Trust Indenture and continuing covenant and credit agreement for direct placements and term loan, including maintenance of a defined minimum level of annual long term debt service coverage. As of

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December 31, 2021, Atrium Health Charlotte and Atrium Health Navicent were in compliance with these financial covenants.

Atrium Health Charlotte's parity obligation revenue bonds totaling \$2,537,745 contain terms related to significant events of default with finance-related consequences. The principal of and accrued interest on all parity obligations may be accelerated if certain events of default under the Bond Order or the individual Series Resolutions occur, including: (i) failure to pay the principal of or interest on parity obligations when due and payable; (ii) failure to comply with any of the covenants, agreements, conditions or provisions of the Bond Order or any Series Resolution for a period of 30 days after receipt by Atrium Health Charlotte of a written notice from the Trustee specifying such default and requesting it be corrected; or (iii) any member of the CMHA Combined Group becomes insolvent, or the subject of insolvency proceedings, is unable or admits in writing its inability to pay its debts as they mature, makes a general assignment for the benefit of creditors to an authorized agent to liquidate any substantial amount of property or files a petition or other pleading seeking reorganization, composition, readjustment or liquidation of assets or requesting similar relief or applies to a court for the appointment of a receiver for any of its assets.

With respect to Atrium Health Charlotte's parity obligation variable rate revenue bonds totaling \$1,065,625 certain agreements contain terms related to significant termination events with finance-related consequences. For revenue bonds totaling \$262,395 that are supported by liquidity facilities, if certain events occur (event of insolvency, payment default, contest of validity, invalidity and ratings downgrade below Baa3 and or BBB-), the financial institution's obligation to purchase tendered bonds of a series may be terminated immediately and without prior written notice to the owners of the bonds of that series or the Trustee. Atrium Health Charlotte will then be obligated to pay the purchase price of any bonds of a series tendered for purchase after an immediate termination of the liquidity facility for that series. In the event funds are not otherwise available on a purchase date for that series, Atrium Health Charlotte will have 90 days in which to arrange for the purchase of the tendered bonds. Atrium Health Charlotte's failure to arrange for purchase of the tendered bonds by the end of that 90-day period is an event of default under the Series Resolution for the applicable series. For revenue bonds totaling \$203,230 that are supported by a direct pay letters of credit, the related reimbursement agreements set forth a number of events of default (including but not limited to failure to pay amounts due under the reimbursement agreement, failure to perform any covenant, restriction or agreement contained in the reimbursement agreement, ratings downgrade below A3 and A-, an involuntary case or other proceeding commenced against Atrium Health Charlotte seeking liquidation, reorganization or other relief with respect to bankruptcy or insolvency). If an event of default under the reimbursement agreement occurs and is continuing, the financial institution may: (i) terminate the letter of credit on a date at least 40 days after giving written notice to the Trustee that an event of default has occurred and is continuing, which will result in a mandatory purchase date; and (ii) declare all amounts due under the reimbursement agreement and all interest accrued thereon (other than payments of principal and redemption price and interest on bonds purchased with money furnished by the financial institution pursuant to the letter of credit) to be immediately due and payable.

With respect to Atrium Health Charlotte's parity obligation direct placement revenue bonds totaling \$438,255, the continuing covenants agreements contain terms related to significant events of default with finance-related consequences. The principal of and accrued interest on such parity obligations

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Dollars in thousands.

may be accelerated and immediately due if certain events of default under the continuing covenants agreements occur as follows: (i) failure to pay the principal of or interest on parity obligations when due or failure to purchase the parity obligations from the financial institution on the purchase date; (ii) an event of default as defined in the Bond Order or Series Resolutions occurs and is continuing; (iii) default in the payment of any material debt when due; (iv) the credit ratings of Atrium Health Charlotte are withdrawn or reduced below Baa3 and BBB-; (iv) commencement of a voluntary case or other proceeding seeking liquidation, reorganization, arrangement, adjustment, winding-up, dissolution, composition or similar relief with respect to its debts; or (v) a representation or warranty proves to have been untrue or incomplete in any material respect. Other events of default such as the failure to observe or perform any covenant, restriction or agreement contained in the continuing covenants agreements for 30 days after receipt of written notice from the financial institutions do not allow the acceleration of parity obligations prior to a period of 180 days after notice is given by the financial institutions.

Atrium Health Navicent's parity obligation revenue anticipation certificates and taxable variable term loan totaling \$285,530 contain terms related to significant events of default with finance-related consequences. The principal of and accrued interest on all parity obligations may be accelerated if certain events of default under the Navicent Master Trust Indenture occur, including: (i) failure to make due and punctual payment of principal and interest on parity obligations; (ii) income available for debt service is less than 1.00 times annual debt service for any two consecutive years; (iii) failure to observe or perform any covenants or agreement under the Master Trust Indenture for a period of 60 days after receipt by Atrium Health Navicent of a written notice from the Master Trustee requiring the failure to be remedied; (iv) default in the payment of other indebtedness whose grace, notice and / or cure period for such payments has expired; (v) a court decree or order for relief in an involuntary case under applicable federal / state bankruptcy, insolvency or other similar law, or appointing a receiver, liquidator, assignee, custodian, trustee, or the winding up or liquidation of its affairs; (vi) commencement of a voluntary case under any applicable federal / state bankruptcy, insolvency or other similar law or consent to an order for relief in an involuntary case under such law; or (vii) an event of default under the Lease and Transfer Agreement with the Macon-Bibb County Hospital Authority.

With respect to Atrium Health Navicent's direct placement revenue anticipation certificates and note from direct borrowings totaling \$285,530, the continuing covenant and credit agreement contains terms related to significant events of default with finance-related consequences. The principal of and accrued interest on such parity obligations may be accelerated and due within 7 days if certain events of default under the continuing covenant and credit agreement occurs including but not limited to the following: (i) failure to pay the principal of or interest on parity obligations when due or failure to purchase the parity obligations from the financial institution on the purchase date; (ii) default on parity debt and senior debt; (iii) invalidity of the obligations or pledge of gross revenues; (iv) an event of insolvency; or (v) termination of the Agreement and Member Substitution with Atrium Health CMHA. Other events of default such as the failure to perform any term, covenant, condition or provision contained in the continuing covenant and credit agreement for 30 days or more do not allow the acceleration of the parity obligations prior to a period of 30 days after notice is given by the financial institution.

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There are no subjective acceleration clauses included in the debt agreements of Atrium Health Charlotte and Atrium Health Navicent.

In the event bondholders elect to tender any or all of the Series 2007 B, C, and E Revenue Bonds or Series 2018 G and H Revenue Bonds for purchase and the bonds cannot be remarketed, liquidity facilities and a direct pay letter of credit provided by two financial institutions are utilized to purchase the unremarketed bonds. Bonds held by the liquidity facility and letter of credit providers generally require payment of a higher rate of interest. The terms of these liquidity facilities and direct pay letter of credit are described in the table below.

Series	Facility type	Expiration year	Repayment period
2007 B	Liquidity facility	2026	3 year
2007 C	Liquidity facility	2026	3 year
2007 E	Direct pay letter of credit	2025	5 year
2018 G	Liquidity facility	2024	3 year
2018 H	Liquidity facility	2024	3 year
2021 E	Direct pay letter of credit	2026	3 year

Atrium Health Charlotte's Series 2005 B, C and D Variable Rate Refunding Revenue Bonds and Series 2007 D, F, G and H Revenue Bonds have been purchased by three financial institutions with holding periods noted in the table below that expire prior to the maturity of the respective bonds.

Series	Facility type	Expiration year
2005 B, C, and D	Direct placement	2026
2007 D	Direct placement	2023
2007 F	Direct placement	2023
2007 G	Direct placement	2026
2007 H	Direct placement	2022

Atrium Health Charlotte's Series 2018 B, C, D and E Variable Rate Revenue Bonds are subject to mandatory tender for purchase at the end of the initial holding periods noted in the table below that expire prior to the maturity of the respective bonds.

Series	Facility type	Expiration year
2018 B	Long-term rate period bonds	2029
2018 C	Long-term rate period bonds	2023
2018 D	Index floating rate period bonds	2023
2018 E	Long-term rate period bonds	2025

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Atrium Health Navicent's Series 2017 A and Series 2017 B Revenue Anticipation Certificates have been purchased by one financial institution with holding periods noted in the table below that expire prior to the maturity of the respective obligations.

<u>Series</u>	<u>Facility type</u>	<u>Expiration year</u>
2017 A	Direct placement	2027
2017 B	Direct placement	2027

For Atrium Health CMHA, interest expense was \$107,429 for the year ended December 31, 2021. Interest paid to bond holders and other lenders totaled \$100,451 for the year ended December 31, 2021.

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*Dollars in thousands.****Atrium Health WFB and Atrium Health Enterprise:***

Atrium Health Enterprise's debt consists of the following at December 31, 2021:

Atrium Health Charlotte:

Series 2005BCD	\$ 32,115
Series 2005BCD unamortized gains on debt-related derivative agreements	1,566
Series 2007B	74,760
Series 2007C	87,635
Series 2007D	67,140
Series 2007E	77,220
Series 2007F	57,055
Series 2007G	111,170
Series 2007H	166,050
Series 2012A	143,525
Series 2012A unamortized bond premium	12,768
Series 2013A	109,330
Series 2013A unamortized bond premium	8,648
Series 2015A	4,725
Series 2015B Commercial Paper	400,000
Series 2015B Commercial Paper original issue discount	(361)
Series 2016A	331,250
Series 2016A unamortized bond premium	37,204
Series 2018A	149,760
Series 2018A unamortized bond premium	12,132
Series 2018B	50,000
Series 2018B unamortized bond premium	3,515
Series 2018C	50,000
Series 2018C unamortized bond premium	4,313
Series 2018D	50,000
Series 2018E	50,000
Series 2018E bond issuance costs	(118)
Series 2018F	100,000
Series 2018G	50,000
Series 2018H	50,000
Series 2021A	300,000

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Atrium Health Charlotte:	
Series 2021A bond issuance costs	\$ (1,712)
Series 2021B	100,000
Series 2021B unamortized bond premium	15,708
Series 2021B bond issuance costs	(294)
Series 2021C	100,000
Series 2021C unamortized bond premium	28,286
Series 2021C bond issuance costs	(294)
Series 2021D	100,000
Series 2021D unamortized bond premium	35,132
Series 2021D bond issuance costs	(393)
Series 2021E	126,010
Series 2021E bond issuance costs	(160)
Total debt	3,093,684
Notes payable, finance leases and line of credit	59,826
Less commercial paper and current portion	(760,853)
Total Atrium Health Charlotte long-term debt	2,392,657
Atrium Health Navicent:	
Series 2017A	40,000
Series 2017B	185,530
Taxable Variable Term Loan	60,000
Other Long-Term Debt	725
Total debt	286,255
Less current portion	(5,315)
Total Atrium Health Navicent long-term debt	280,940
Atrium Health Floyd:	
Term Loan	179,000
Finance Lease	40,475
Total notes payable, finance leases and line of credit	219,475
Less current portion	(10,658)
Total Atrium Health Floyd long-term debt	208,817
Atrium Health WFB:	
Series 2012A ^(a)	118,405
Series 2012A unamortized bond premium	3,202
Series 2012A bond issuance costs	(798)
Series 2012B ^(a)	76,950
Series 2012B unamortized bond premium	9,315
Series 2012B bond issuance costs	(547)
Series 2012D ^(a)	80,000
Series 2012D bond issuance costs	(250)

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Atrium Health WFB:

Series 2016 ^(b)	\$ 150,000
Series 2016 bond issuance costs	(1,199)
Series 2019A ^(c)	37,030
Series 2019A unamortized bond premium	5,113
Series 2019A bond issuance costs	(321)
Series 2019B ^(c)	105,905
Series 2019B bond issuance costs	(819)
Series 2019C ^(c)	60,605
Series 2019C bond issuance costs	(546)
Series 2020 ^(d)	214,850
Series 2020 bond issuance costs	(600)
Total bonds payable	<u>856,295</u>
Line of credit ^(e)	19,199
Loan agreement ^(f)	2,669
Loan agreements ^(g)	2,061
Loan agreement ^(h)	29,486
Finance leases ⁽ⁱ⁾	4,644
Finance lease ^(j)	38,199
Finance lease ^(k)	21,408
Loan agreements ^(l)	347
Finance leases ^(m)	<u>338</u>
Total notes payable, finance leases and line of credit	<u>118,351</u>
Total debt	974,646
Less current portion	<u>(158,130)</u>
Total Atrium Health WFB long-term debt	<u>816,516</u>
Total Atrium Health Enterprise debt	4,633,887
Less total Atrium Health Enterprise current portion	<u>934,956</u>
Total Atrium Health Enterprise long-term debt	<u>\$ 3,698,931</u>

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Dollars in thousands.

Aggregate annual maturities of notes payable, finance leases, term loans, line of credit and bonds payable are as follows:

	Year Ending December 31				
	Atrium Health Charlotte	Atrium Health Navicent	Atrium Health Floyd	Atrium Health WFB	Atrium Health Enterprise
2022	\$ 44,333	\$ 6,040	\$ 12,268	\$ 53,043	\$ 115,684
2023	46,840	5,580	11,414	36,286	100,120
2024	53,570	5,860	9,686	36,347	105,463
2025	54,190	6,150	9,712	35,111	105,163
2026	55,975	6,460	9,949	110,242	182,626
All years thereafter	2,498,964	256,165	166,446	703,617	3,625,192
	<u>\$ 2,753,872</u>	<u>\$ 286,255</u>	<u>\$ 219,475</u>	<u>\$ 974,646</u>	<u>\$ 4,234,248</u>

The Atrium Health CMHA, Atrium Health WFB, Atrium Health Navicent and Atrium Health Floyd all maintain separate credit groups. No entity is obligated for or guarantees the debt of any other entity.

Atrium Health WFB Components of Debt

- (a) **Series 2012 Revenue Bonds** – revenue bonds issued by Atrium Health WFB Obligated Group, representing funds borrowed by the entities pursuant to loan agreements with the North Carolina Medical Care Commission (NCMCC). As a conduit issuer, the NCMCC loans the debt proceeds to the borrower and the bonds are issued by the NCMCC under a MTI structure. The MTI provides the flexibility for multiple parties to participate in debt issuances as part of an obligated group.

The Series 2012A bonds mature in full in fiscal year 2046. The fixed rate instruments bear interest at fixed coupon rates of 4.00% and 5.00%. Per the bond agreements, the principal payments on the bonds are due on December 1 of each year beginning in 2039 and in increasing annual amounts ranging from \$9,425 to \$20,200.

The Series 2012B bonds mature in full in fiscal year 2034. The fixed rate instruments bear interest at fixed coupon rates ranging from 2.00% to 5.00%. Per the bond agreements, the principal payments on the bonds are due on December 1 of each year beginning in 2014 and in increasing annual amounts ranging from \$3,385 to \$7,000.

The Series 2012D bonds were issued in an aggregate principal amount not to exceed \$80,000 and mature in full in fiscal year 2043. The bonds were refunded in fiscal year 2018 and reissued with a new bank as bondholder. The bonds are currently in the Bank-Bought Rate Mode and bear interest at an Index Floating Rate based on an Adjusted London Interbank Offered Rate (LIBOR) rate plus a tax-exempt spread of 0.5925%. At the option of NCBH, the bonds may be converted to various interest rate modes. Per the bond agreements, the principal payments on the bonds are due on December 1 of each year beginning in 2034 and in increasing annual amounts ranging from \$14,075 to \$15,295.

- (b) **Series 2016 Taxable Bonds** – taxable bonds issued directly by WFUBMC as general, unsecured obligations under the MTI structure. The Series 2016 bonds are structured with a \$75 million bullet maturity due on June 1, 2026, at a fixed rate of 3.093% and a \$75 million term bond with

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final maturity on June 1, 2046, at a fixed rate of 4.175%. The 2046 maturity includes sinking fund payments of \$25 million due on June 1 of each year beginning in 2044.

- (c) **Series 2019 Revenue Bonds** – revenue bonds issued by Atrium Health WFB Obligated Group, representing funds borrowed by the entities pursuant to loan agreements with the North Carolina Medical Care Commission (NCMCC). As a conduit issuer, the NCMCC loans the debt proceeds to the borrower and the bonds are issued by the NCMCC under a MTI structure. The MTI provides the flexibility for multiple parties to participate in debt issuances as part of an obligated group.

The Series 2019A bonds mature in full in fiscal year 2034. The fixed rate instruments bear interest at fixed coupon rates of 5.00%. Per the bond agreements, the principal payments on the bonds are due on December 1 of each year beginning in 2019 in annual amounts ranging from \$185 to \$4,505.

The Series 2019B bonds mature in full in fiscal year 2048. The long-term rate put bond instruments bear interest at initial fixed coupon rates of 2.20% with an initial term date of December 1, 2022. Per the bond agreements, the principal payments on the bonds are due on December 1 of each year beginning in 2034 and in increasing annual amounts ranging from \$4,605 to \$23,350.

The Series 2019C bonds mature in full in fiscal year 2048. The long-term rate put bond instruments bear interest at initial fixed coupon rates of 2.55% with an initial term date of June 1, 2026. Per the bond agreements, the principal payments on the bonds are due on June 1 of each year beginning in 2035 and in increasing annual amounts ranging from \$3,375 to \$16,735.

- (d) **Series 2020 Revenue Refunding Bonds** – revenue refunding bonds issued by Atrium Health WFB Obligated Group, representing funds borrowed by the entities pursuant to a loan agreement with the Public Finance Authority ("PFA"). As a conduit issuer, the PFA loans the debt proceeds to the borrower and the bonds are issued by the PFA under an MTI structure. The MTI provides the flexibility for multiple parties to participate in debt issuances as part of an obligated group.

The Series 2020 bonds were issued in an aggregate principal amount of \$230,450 and mature in full in fiscal year 2033. The 2020 bonds refund the prior outstanding Series 2010 bonds and were issued in the Fixed Rate Mode and bear interest at a fixed rate of 2.31%. Per the bond agreements, the principal payments on the bonds are due on June 1 of each year beginning in 2021 in annual amounts ranging from \$13,600 to \$20,500.

- (e) **Line of credit** – consists of an unsecured credit facility with a total borrowing capacity of \$100,000 to provide for the working capital needs of NCBH, WFUHS, and WFUBMC. The line of credit is due on June 3, 2022, and bears interest at one-month LIBOR plus 0.65%. The facility is structured with WFUBMC as the Borrower and NCBH and WFUHS as Co-obligors.
- (f) **Loan agreement** – represents an unsecured loan agreement held by WFUHS, with a variable rate based on one month LIBOR plus a premium of 0.65% for \$20,014 to refinance two previously outstanding fixed rate notes. Fixed principal payments and accrued interest are due monthly with a final maturity date of April 1, 2023. This taxable loan is guaranteed by both NCBH and WFUBMC.
- (g) **Loan agreements** – represents notes payable held by a WFUHS subsidiary, with variable interest rates based on one-month LIBOR plus a premium of 1.05% and final maturities in 2021 and 2025.

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- (h) **Loan agreement** – represents a taxable, unsecured loan agreement held by WFUBMC, WFUHS and NCBH as Borrowers, with a fixed rate of 1.88% to refinance previously outstanding loan agreements held by the Borrowers and owned subsidiaries. Principal payments and accrued interest are due monthly with a final maturity date of April 15, 2027.
- (i) **Finance leases** – represents various finance lease obligations held by Atrium Health WFB affiliates, with interest rates ranging from 0.04% to 5.31% and final maturities in 2024.
- (j) **Finance lease** – represents a finance lease obligation of \$44,125 entered into by WFUHS related to the Bowman Gray Center for Medical Education with an initial term of 15 years and additional renewal options. The obligation has a fixed interest rate of 4.5%.
- (k) **Finance lease** – represents a finance lease obligation of \$21,911 entered into by WFUBMC and WRMC Hospital Operating Corporation (WMC) related to assets leased from the Town of North Wilkesboro with an initial term of 30 years and additional renewal options. The obligation has a fixed interest rate of 4.10%.
- (l) **Loan agreements** – represents various notes payable and finance leases held by High Point Regional Health, Inc. (HPMC), with interest rates ranging from a fixed rate of 5.00% to variable one-month LIBOR plus a premium of 2.50% and final maturity dates through 2026.
- (m) **Finance leases** – represents various finance lease obligations of \$538 entered into by Wake Forest Ambulatory Ventures, LLC related to equipment. The obligations have fixed interest rates ranging from 4.25% to 6.16% and final maturity dates through June 2025.

An additional unsecured line of credit facility with a total borrowing capacity of \$200,000 was entered into in June 2021 to provide for the working capital needs of WFUHS, NCBH, and WFUBMC, all Borrowers under the credit facility. The line of credit is due on June 2, 2022 and bears interest at one-month LIBOR plus 1.00%. There is no outstanding balance on the facility at December 31, 2021.

Debt issued under the MTI is payable solely from the Obligated Group's revenues (as defined by the MTI). Additionally, the Combined Group must remain compliant with certain covenants and restrictions required by the MTI and loan agreements underlying the bonds. The Combined Group is subject to covenants under the MTI containing restrictions or limitations with respect to indebtedness, property encumbrance, consolidation or merger or transfer of assets. In addition, the Combined Group has agreed that it will not create any lien upon its property, accounts, or revenue now owned or hereafter acquired other than "permitted liens" as described in the MTI.

Deferred financing costs, net of accumulated amortization, totaled \$5,080 as of December 31, 2021. Premiums, net of accumulated amortization, totaled \$17,630 as of December 31, 2021. These costs are being amortized over the estimated duration of the related debt using the effective interest method.

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10. Interest Rate Swaps

Atrium Health Charlotte

Atrium Health Charlotte has adopted an Interest Rate Exchange Agreement Policy (the Policy) that governs its use of derivative instrument agreements and restricts the use of such agreements to achieving desired interest cost savings, hedging interest rate risk in financing transactions, adjusting the mix of variable and fixed rate debt exposure to appropriate levels, providing flexibility to meet financial objectives not available under then-existing market conditions and improving cash flows. The Policy does not allow Atrium Health Charlotte to speculate using derivative instrument agreements.

In January 2006, Atrium Health Charlotte entered into an uninsured floating-to-fixed interest rate swap agreement on its Series 2005 B, C and D Variable Rate Refunding Revenue Bonds.

In August 2007, Atrium Health Charlotte entered into four floating-to-fixed interest rate swaps under separate agreements insured by Ambac Assurance Corporation (Ambac) with two counterparties, in connection with its Series 2007 B and C Variable Rate Refunding Revenue Bonds, with an aggregate initial notional amount of \$177,835. These swaps were entered into in conjunction with the refunding of the Series 2003 A and 2005 A Revenue Bonds.

In September 2007, Atrium Health Charlotte entered into five AGMC-insured floating-to-fixed interest rate swaps under separate agreements with three counterparties, in connection with its Series 2007 D, E and F Variable Rate Revenue Bonds, with an aggregate initial notional amount of \$201,415.

Also in September 2007, Atrium Health Charlotte entered into two Ambac and two AGMC-insured floating-to-fixed interest rate swaps under separate agreements with two counterparties, in connection with its Series 2007 G and H Variable Rate Revenue Bonds, with an aggregate initial notional amount of \$279,875.

In January 2021, Atrium Health Charlotte entered into an uninsured floating-to-fixed interest rate swap agreement on its Series 2021 E Variable Rate Refunding Revenue Bonds.

The significant terms and features of the above transactions as of and for the year ended December 31, 2021, are summarized in the below table. The notional amounts of the swaps effectively match the principal amounts of the associated debt. The swaps contain scheduled

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reductions to outstanding notional amounts that are expected to follow scheduled or anticipated reductions in the associated bonds.

Associated bonds	2005 B, C, and D	2007 B	2007 C
Notional amount	\$ 32,115	\$ 74,760	\$ 87,635
Swap type	Floating-to-fixed	Floating-to-fixed	Floating-to-fixed
Origination date	January 15, 2006	August 28, 2007	August 28, 2007
Final bond maturity	January 15, 2026	January 15, 2038	January 15, 2037
Atrium Health pays	5.52 %	4.36 %	4.38 %
Atrium Health receives	75% of LIBOR	SIFMA	SIFMA
Fair value at December 31, 2021	\$ (3,930)	\$ (25,170)	\$ (26,335)
Change in fair value during the year	2,191	7,413	8,155

Associated bonds	2007 D	2007 E	2007 F
Notional amount	\$ 67,140	\$ 77,220	\$ 57,055
Swap type	Floating-to-fixed	Floating-to-fixed	Floating-to-fixed
Origination date	September 19, 2007	September 19, 2007	September 19, 2007
Final bond maturity	January 15, 2043	January 15, 2044	January 15, 2042
Atrium Health pays	3.88 %	3.89 %	3.89 %
Atrium Health receives	62.97% of LIBOR plus 0.29%	62.97% of LIBOR plus 0.29%	62.97% of LIBOR plus 0.29%
Fair value at December 31, 2021	\$ (28,819)	\$ (33,882)	\$ (23,564)
Change in fair value during the year	5,320	6,154	4,468

Associated bonds	2007 G	2007 H	2021 E
Notional amount	\$ 111,170	\$ 166,050	\$ 126,010
Swap type	Floating-to-fixed	Floating-to-fixed	Floating-to-fixed
Origination date	September 19, 2007	September 19, 2007	January 15, 2021
Final bond maturity	January 15, 2041	January 15, 2045	January 15, 2042
Atrium Health pays	3.90 %	3.88 %	1.97 %
Atrium Health receives	62.97% of LIBOR plus 0.29%	62.97% of LIBOR if LIBOR is equal to or greater than 3.5%; 77.5% of LIBOR if LIBOR is less than 3.5%	70% of LIBOR
Fair value at December 31, 2021	\$ (42,261)	\$ (57,890)	\$ (12,755)
Change in fair value during the year	8,454	13,601	6,521

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The swaps' aggregate negative fair value of (\$254,606), as of December 31, 2021, is reported as a long-term liability on the combined balance sheet. Certain of the mandatory tender processes discussed above resulted in the termination of the related hedging relationships. Although hedging relationships have been subsequently re-established, the swaps are considered off-market swaps because the fixed rates of the swaps differed from the market rates for similar swaps at the time the hedging relationship was re-established. The negative fair value of the off-market swaps are being amortized using straight-line amortization. As of December 31, 2021, Atrium Health Charlotte has determined that its 15 interest rate swaps are effective hedging derivative instruments. Because the swaps are effective hedges, aggregate changes in their fair value of \$62,277 for the year ended December 31, 2021, are deferred and are reported on the combined balance sheet as a deferred outflow of resources. See note 5 for further discussion of the measurement techniques and inputs utilized in the measurement of the swaps' fair value. For the year ended December 31, 2021, the swaps produced annual net cash outflows of approximately \$28,372. Cash flows associated with the swaps are treated as interest expense.

As of December 31, 2021, all swaps had a negative fair value. The negative fair value may be countered by a reduction in total interest payments required under Atrium Health Charlotte's associated variable rate revenue bonds, creating a lower synthetic interest rate. Because the coupons on the variable rate revenue bonds adjust to changing interest rates, the bonds do not have corresponding fair value increases.

As of December 31, 2021, Atrium Health Charlotte was not exposed to credit risk because the swaps had negative fair values. However, should interest rates change and the fair values of the swaps become positive, Atrium Health would be exposed to credit risk in the amount of the swaps' fair value.

Atrium Health Charlotte's 15 interest rate swaps are executed under seven swap agreements with various counterparties. Seven swaps, approximating 40% of the notional amount of swaps outstanding, are provided by one counterparty that was rated A+ and Aa2 by S&P Global Ratings and Moody's Investors Service, respectively, as of December 31, 2021. Five additional swaps, approximating 34% of the outstanding notional value, are provided by another counterparty rated A+ and Aa2. The remaining three swaps are provided by a third counterparty rated A+ and Aa3 as of December 31, 2021.

In the event Atrium Health Charlotte's credit ratings, as determined by S&P Global Ratings and Moody's Investors Service, fall below a level of A+ or A1, respectively, and the three uninsured swap agreements associated with Series 2005 B, C and D bonds, Series 2007 B, C and H bonds (with one counterparty) and with Series 2007 B and C bonds (with a different counterparty) each has a negative fair value of \$25,000 or more, then Atrium Health Charlotte must post collateral on these swap agreements equal to the amount of fair value in excess of \$25,000. As of December 31, 2021, the fair values of these swap agreements were (\$3,930), (\$54,694), and (\$25,752). No collateral was required to be posted by Atrium Health for these swap agreements.

In the event Atrium Health Charlotte's credit ratings, as determined by S&P Global Ratings and Moody's Investors Service, fall below a level of A+ or A1, respectively, and the uninsured swap agreement associated with Series 2007 H bonds has a negative fair value of \$50,000 or more, then Atrium Health Charlotte must post collateral on this swap agreement equal to the amount of fair

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value in excess of \$50,000. As of December 31, 2021, the fair value of this swap agreement was (\$28,949). No collateral was required to be posted by Atrium Health Charlotte for this swap agreement.

With respect to the AGMC-insured swap agreement associated with Series 2007 E, F and G bonds, should the financial strength ratings of AGMC, as determined by S&P Global Ratings and Moody's Investors Service, fall below A- or A3, respectively, upon the request of the counterparty, Atrium Health Charlotte, at its option, must either procure replacement swap insurance policies from counterparties rated at least AAA by S&P Global Ratings and Aaa by Moody's Investors Service, respectively, or agree to post collateral on those swap agreements equal to the amount of negative fair value in excess of \$25,000 if Atrium Health Charlotte's credit ratings, as determined by S&P Global Ratings and Moody's Investors Services, fall below a level of A+ or A1, respectively. As of December 31, 2021, the fair value of this swap agreement was (\$49,852). No collateral was required to be posted by Atrium Health for this swap agreement given AGMC's ratings of AA and A2.

With respect to the AGMC-insured swap agreement associated with Series 2007 D, E, F and G bonds, should the financial strength ratings of AGMC, as determined by S&P Global Ratings and Moody's Investors Service, fall below A- or A3, respectively, upon the request of the counterparty Atrium Health Charlotte, at its option, must either procure replacement swap insurance policies from counterparties rated at least AAA by S&P Global Ratings and Aaa by Moody's Investors Service, respectively, or agree to post collateral on this swap agreement equal to the amount of negative fair value in excess of \$50,000 if Atrium Health Charlotte's credit ratings, as determined by S&P Global Ratings and Moody's Investors Service, fall below a level of A+ or A1, respectively. As of December 31, 2021, the fair value of this insured swap agreement was (\$78,674). No collateral was required to be posted by Atrium Health Charlotte for this swap agreement given AGMC's ratings of AA and A2.

In the event Atrium Health Charlotte's credit ratings, as determined by S&P Global Ratings and Moody's Investors Service, fall below a level of A+ or A1, respectively, and the uninsured 2021 E swap has a negative fair value of \$55,000 or more, then Atrium Health Charlotte must post collateral on this swap agreement equal to the amount of fair value in excess of \$55,000. As of December 31, 2021, the fair value of this swap agreement was (\$12,755). No collateral was required to be posted by Atrium Health Charlotte for this swap agreement.

Atrium Health Charlotte's Series 2007 B, C and E and Series 2021 E bonds bear interest at a rate that is equivalent to the SIFMA rate while the Series 2005 B, C and D bonds and Series 2007 D, F, G and H bonds bear interest at LIBOR plus a spread. For those swaps on the SIFMA-based variable rate revenue bonds for which it receives a variable rate based on LIBOR, Atrium Health Charlotte is exposed to basis risk depending upon the relationship between SIFMA and LIBOR. If that relationship changes, the effective synthetic rate on the SIFMA-based variable rate revenue bonds may be higher than the intended synthetic rate. As of December 31, 2021, the SIFMA rate was 0.10% and LIBOR was 0.10%, resulting in a SIFMA to LIBOR relationship of approximately 99%.

Atrium Health Charlotte or the counterparty may terminate any of the swaps if either party fails to perform under the terms of the agreement. If any of the swaps are terminated, the associated variable rate revenue bonds would no longer carry synthetic interest rates. Also, if the swap has a negative fair value at the time of termination, Atrium Health Charlotte would be liable to the counterparty for a payment equal to the swap's fair value. Likewise, if the swap has a positive fair

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value at the time of termination, Atrium Health Charlotte would be entitled to a payment equal to the swap's fair value from the counterparty terminating the swap.

Atrium Health Navicent

In October, 2001, Central Georgia Senior Health, Inc. entered into an uninsured floating-to-fixed interest rate swap agreement on its Series 2000 Revenue Anticipation Certificates, with an initial notional amount of \$23,000. Although the Series 2000 Certificates were refinanced in 2015 and 2017, the interest rate swap agreement remains in place and is to create synthetic fixed rate debt on a portion of the Series 2017 B Revenue Anticipation Certificates. This swap matured on September 1, 2021.

In August 2005, The Medical Center of Central Georgia, Inc. entered into an Ambac-insured floating-to-fixed interest rate swap agreement on its Series 2005 Revenue Anticipation Certificates, with an initial notional amount of \$52,000. Although the Series 2005 Certificates were refinanced in 2009, the insured interest rate swap agreement remains in place to create synthetic fixed rate debt on a portion of the Series 2017 B Revenue Anticipation Certificates.

The significant terms and features of the above transactions, which were amended in April 2018 and again in April 2021, as of and for the year ended December 31, 2021, are summarized in the below table. The notional amounts of the swaps neither effectively match the principal amounts of the associated debt nor contain scheduled reductions to outstanding notional amounts that follow scheduled or anticipated reductions in the associated debt.

Associated certificates	2017 B	2017 B
Notional amount	\$ —	\$ 48,285
Swap type	Floating-to-fixed	Floating-to-fixed
Origination date	October 1, 2001	August 1, 2005
Final swap maturity	September 1, 2021	May 1, 2024
Navicent Health pays	4.12 %	3.29 %
Navicent Health receives	67% of LIBOR	67% of LIBOR
Fair value at		
December 31, 2021	\$ —	\$ (8,514)
Change in fair value during the year	166	2,918

The remaining swap's negative fair value of (\$8,514), as of December 31, 2021, is reported as a long-term liability on the combined balance sheet. As of December 31, 2021, Atrium Health Navicent has determined that its interest rate swaps are not an effective hedging derivative instruments, resulting in changes in its fair value of \$3,084 for the year ended December 31, 2021, being reported in nonoperating income. See note 5 for further discussion of the measurement techniques and inputs utilized in the measurement of the swaps' fair value. For the year ended December 31, 2021, the swaps produced annual net cash outflows of approximately \$1,742. Cash flows associated with the swaps are treated as interest expense.

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As of December 31, 2021, the swap had a negative fair value. The negative fair value may be countered by a reduction in total interest payments required under Atrium Health Navicent's associated variable rate revenue anticipation certificates, creating a lower synthetic interest rate. Because the coupons on the variable rate revenue anticipation certificates adjust to changing interest rates, the revenue anticipation certificates do not have corresponding fair value increases.

As of December 31, 2021, Atrium Health Navicent was not exposed to credit risk because the swap had a negative fair value. However, should interest rates change and the fair value of the swap become positive, Atrium Health Navicent would be exposed to credit risk in the amount of the swap's fair value. Atrium Health Navicent's interest rate swap is executed under one swap agreement with a counterparty that was rated A and A2 by S&P Global Ratings and Moody's Investors Service, respectively, as of December 31, 2021.

In the event the swap agreement has a negative fair value of \$15,000 or more, then Atrium Health Navicent must post collateral on the swap agreement equal to the amount of fair value in excess of \$15,000. As of December 31, 2021, the fair value of this swap agreement was (\$8,514). No collateral was required to be posted by Atrium Health Navicent for this swap agreement.

Atrium Health Navicent or the counterparty may terminate the swap if either party fails to perform under the terms of the agreements. If the swap is terminated, the associated variable rate revenue anticipation certificates would no longer carry synthetic interest rates. Also, if the swap has a negative fair value at the time of termination, Atrium Health Navicent would be liable to the counterparty for a payment equal to the swap's fair value. Likewise, if the swap has a positive fair value at the time of termination, Atrium Health Navicent would be entitled to a payment equal to the swap's fair value from the counterparty terminating the swap.

Debt service requirements of Atrium Health Charlotte's outstanding hedged variable rate revenue bonds and related net swap payments and Atrium Health Navicent's outstanding revenue anticipation certificates with a synthetic fixed rate and related net swap payments, assuming current SIFMA and LIBOR interest rates and the SIFMA to LIBOR relationship remain the same, as of December 31, 2021, were as follows:

	Variable rate bonds and revenue anticipation certificates		Interest rate swap – net	Total
	Principal	Interest		
2022	\$ 9,175	\$ 5,393	\$ 30,236	\$ 44,804
2023	18,055	5,276	29,714	53,045
2024	11,260	3,236	27,365	41,861
2025	11,745	3,171	26,850	41,766
2026	12,310	3,103	26,308	41,721
2027–2031	78,510	14,816	123,068	216,394
2032–2036	160,445	13,259	100,463	274,167
2037–2041	282,050	9,584	60,767	352,401
2042–2046	226,500	920	8,384	235,804
2047–2051	—	—	—	—
	<u>\$ 810,050</u>	<u>\$ 58,758</u>	<u>\$ 433,155</u>	<u>\$ 1,301,963</u>

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*Dollars in thousands.***Atrium Health WFB**

Management directs the effective mix of fixed and variable rate debt in its debt portfolio and manages exposure to increasing interest expense from variable-rate debt, by utilizing interest rate swap agreements. The following table summarizes the general terms of Atrium Health WFB's outstanding agreement as of December 31, 2021:

	<u>2002 Agreement</u>
Notional amount	\$ 18,340
Swap type	Fixed Payer
Origination date	37,488
Final bond maturity	49,126
Atrium Health WFB pays	0.04 %
Atrium Health WFB receives	67% of 1-Month LIBOR
Fair value at	
December 31, 2021	\$ (3,525)
Change in fair value during the year	1,208

Atrium Health WFB records its interest rate swap agreements as part of other long-term assets or liabilities in the accompanying combined balance sheet at its fair value. The estimated amounts that Atrium Health WFB would pay to terminate the swap agreement at the reporting date, considering current forward interest rates and the current creditworthiness of the swap counterparties approximate the fair values of the interest rate swap. All changes in fair value are reflected as a gain or loss in nonoperating activities on the combined statement of revenues, expenses and changes in net assets. The periodic net cash settlements with the counterparties are accounted for as adjustments to interest expense.

The fair value of the interest rate swap is a liability of \$ 3,525 at December 31, 2021 for which Atrium Health WFB has posted collateral of \$3,630 as of December 31, 2021. The collateral to support the swap is included in assets whose use is limited.

After taking into account the aforementioned swap agreement, Atrium Health WFB's adjusted debt portfolio was approximately 91% fixed as of December 31, 2021.

The Enterprise

The Enterprise had a net gain of \$66,569 on interest rate swaps reflected in nonoperating gains in the combined statement of revenues, expenses and changes in net assets as of December 31, 2021.

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11. Benefit Plans

Substantially all employees of the Enterprise are eligible to participate in defined contribution benefit plans at their respective region (Atrium Health Charlotte, Atrium Health Navicent, Atrium Health Floyd and Atrium Health WFB). The Enterprise regions contribute specified percentages of each employee's salary to the plans. Total employer contributions across the Enterprise were \$321,129 for the year ended December 31, 2021.

Atrium Health Charlotte Defined Benefit Pension Plan

Atrium Health Charlotte has a defined benefit pension plan covering substantially all employees of Atrium Health Charlotte who were employed prior to January 1, 2014 and who have attained five or more years of service. These benefits are based on years of service and the teammates' compensation. Effective January 1, 2009, the Atrium Health Charlotte DB Plan became a cash balance plan and a small group of teammates meeting specified employment, age, and service criteria were grandfathered and accrued benefits under the Atrium Health Charlotte pre cash balance formula. The Board of Commissioners of Atrium Health Charlotte or an authorized committee of the Board has the authority to amend benefit provisions. Late in 2013, Atrium Health Charlotte undertook certain steps to modernize its retirement benefits by closing the Atrium Health Charlotte DB Plan to teammates hired after January 1, 2014. The Atrium Health Charlotte DB Plan was frozen for all teammates effective January 1, 2018, after which no additional benefits accrue under the Atrium Health Charlotte DB Plan.

Atrium Health Navicent Defined Benefit Pension Plan

Atrium Health Navicent has a defined benefit pension plan covering substantially all employees of Atrium Health Navicent who were employed prior to December 31, 2007 and who have attained more than five years of service. Effective January 1, 2008, plan participants under the age of 40 no longer accrue benefits under the Atrium Health Navicent DB Plan. As of December 31, 2013, the Atrium Health Navicent DB Plan was frozen for all teammates such that additional benefits no longer accrue after that date.

Atrium Health Floyd Defined Benefit Pension Plan

Atrium Health Floyd has a defined benefit pension plan covering substantially all employees of Floyd who were employed prior to September 30, 2005. The benefits are based on 1.75% of earnings for each year after January 1, 1998, with the total benefit subject to thirty-five years of benefit service maximum. Atrium Health Floyd's funding policy is to contribute annually an amount intended to provide not only for benefits attributed to service date but also for those expected to be earned in the future. As of March 31, 2014, Atrium Health Floyd DB Plan was frozen for all teammates such that additional benefits no longer accrue after that date.

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*Dollars in thousands.****Atrium Health NCBH Defined Benefit Pension Plan***

Atrium Health WFB has a defined benefit pension plan covering substantially all employees of NCBH who were employed prior to December 31, 2011. The benefits are based on years of service and the employee's compensation during the last five years of employment. NCBH's funding policy is to contribute amounts to the plan sufficient to meet the minimum funding requirements set forth in the Employee Retirement Income Security Act of 1974.

On June 2, 2011, the Board of NCBH amended its pension plan to provide that (i) no further benefits will accrue after December 31, 2011; (ii) no new employees will be eligible to enter the pension plan after December 31, 2011; and (iii) all participants who are active employees of NCBH on December 31, 2011 will become fully vested in their accrued benefits under the pension plan on such date.

Atrium Health WMC Defined Benefit Pension Plan

Atrium Health WFB has a defined benefit pension plan covering substantially all employees of Wilkes Medical Center (WMC) who were employed prior to December 31, 2011. The benefits are based on years of service and age. WMC's funding policy is to contribute amounts to the plan sufficient to meet the minimum funding requirements set forth in the Employee Retirement Income Security Act of 1974. WMC Defined Benefit Pension Plan had a net pension liability balance of \$713 as of December 31, 2021. The plan had a projected benefit obligation of \$38,168 and fair value of plan assets of \$37,455 as of December 31, 2021. The annual income for the WMC Defined Benefit Pension Plan was \$779 for 2021.

Atrium Health WFB and Atrium Health Enterprise:

The Enterprise regions made the below contributions to their respective plans and had the below ending net pension liability:

	As of December 31, 2021	
	Contribution	Net Pension Liability
Atrium Health Charlotte DB Plan	\$ 36,570	\$ 801,471
Atrium Health Navicent DB Plan	6,960	46,557
Atrium Health Floyd DB Plan	582	22,071
Atrium Health NCBH DB Plan	—	72,079
Totals	<u>\$ 44,112</u>	<u>\$ 942,178</u>

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The following table summarizes the valuation of the Enterprise's defined benefit pension plans' assets by the fair value hierarchy levels as of December 31:

	2021				
	Fair Value Measurements			Investments	
	Level 1	Level 2	Level 3	Reported at NAV ₁	Total
Atrium Health Charlotte DB Plan:					
Investments at fair value:					
Short-term investments	\$ 39,105	\$ —	\$ —	\$ —	\$ 39,105
Absolute return	—	—	—	151,242	151,242
Commodities	43,010	—	—	—	43,010
Fixed income	75,599	48,627	—	39,727	163,953
Public equity	526,486	—	—	123,780	650,266
Private equity	—	—	—	67,227	67,227
Total plan investments	<u>\$ 684,200</u>	<u>\$ 48,627</u>	<u>\$ —</u>	<u>\$ 381,976</u>	<u>1,114,803</u>
Accruals carried at cost					—
Total Atrium Health Charlotte DB plan assets					<u>\$ 1,114,803</u>
Atrium Health Navicent DB Plan:					
Investments at fair value:					
Short-term investments	\$ 5,095	\$ —	\$ —	\$ —	\$ 5,095
Absolute return	31,513	—	—	—	31,513
Fixed income	62,587	—	—	—	62,587
Public equity	227,418	—	—	—	227,418
Private equity	—	—	—	15,960	15,960
Other	—	—	—	242	242
Total plan investments	<u>\$ 326,613</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 16,202</u>	<u>342,815</u>
Accruals carried at cost					—
Total Atrium Health Navicent DB plan assets					<u>\$ 342,815</u>

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	2021				
	Fair Value Measurements			Investments	
	Level 1	Level 2	Level 3	Reported at NAV ₁	Total
Atrium Health Floyd DB Plan:					
Investments at fair value:					
Short-term investments	\$ —	\$ 1,516	\$ —	\$ —	\$ 1,516
Commodities	—	10,800	—	—	10,800
Fixed income	—	43,287	—	—	43,287
Public equity	—	17,602	—	—	17,602
Private equity	—	14,802	—	—	14,802
Total plan investments	<u>\$ —</u>	<u>\$ 88,007</u>	<u>\$ —</u>	<u>\$ —</u>	<u>88,007</u>
Accruals carried at cost					—
Total Atrium Health Floyd DB plan assets					<u>\$ 88,007</u>
Atrium Health NCBH DB Plan:					
Investments at fair value:					
Short-term investments	\$ 2,263	\$ —	\$ —	\$ —	\$ 2,263
Absolute return	—	—	—	29,275	29,275
Fixed income	6,060	193,823	—	—	199,883
Public equity	149,935	—	—	—	149,935
Total plan investments	<u>\$ 158,258</u>	<u>\$ 193,823</u>	<u>\$ —</u>	<u>\$ 29,275</u>	<u>381,356</u>
Accruals carried at cost					(25,290)
Total Atrium Health NCBH DB plan assets					<u>\$ 356,066</u>

The classification of investments in the fair value hierarchy is not necessarily an indication of the risks, liquidity, or degree of difficulty in estimating the fair value of each investment's underlying assets and liabilities. Methods and assumptions used by the Enterprise in estimating the fair value of each class of financial instruments are discussed in detail in note 5.

The defined benefit pension plans' investment strategies, as set by the respective region's Board, is to provide adequate risk-adjusted returns while protecting the funded status of the plan. Expected long-term allocation targets, as well as the actual asset allocation as of December 31, are as follows:

	Atrium Health Charlotte DB Plan		Atrium Health Navicent DB Plan		Atrium Health Floyd DB Plan		Atrium Health NCBH DB Plan	
	Allocation Target Range	Actual 2021	Allocation Target Range	Actual 2021	Allocation Target Range	Actual 2021	Allocation Target Range	Actual 2021
Asset category:								
Equities	64 %	65 %	65 %	61 %	38 %	37 %	40 %	42 %
Fixed income	24 %	26 %	18 %	20 %	51 %	51 %	50 %	50 %
Diversified alternatives	12 %	9 %	17 %	19 %	11 %	12 %	10 %	8 %
Total plan assets	<u>100 %</u>	<u>100 %</u>	<u>100 %</u>	<u>100 %</u>	<u>100 %</u>	<u>100 %</u>	<u>100 %</u>	<u>100 %</u>

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The Enterprise's accumulated benefit obligation for pension benefits, the fair value of the plan assets and the amount underfunded/(overfunded) in relation to accumulated benefits are as follows:

	As of December 31, 2021		
	Accumulated Benefit Obligation	Fair Value of Plan Assets	Underfunded Amount
Atrium Health Charlotte DB Plan	\$ 1,916,274	\$ 1,114,803	\$ 801,471
Atrium Health Navicent DB Plan	389,372	342,815	46,557
Atrium Health Floyd DB Plan	110,078	88,007	22,071
Atrium Health NCBH DB Plan	428,145	356,066	72,079
Totals:	<u>\$ 2,843,869</u>	<u>\$ 1,901,691</u>	<u>\$ 942,178</u>

Estimated future benefit payments for the defined benefit pension plans are as follows:

	Year Ending December 31, 2021			
	Atrium Health Charlotte DB Plan	Atrium Health Navicent DB Plan	Atrium Health Floyd DB Plan	Atrium Health NCBH DB Plan
2022	\$ 191,167	\$ 15,118	\$ 5,205	\$ 19,270
2023	178,665	16,018	5,302	19,811
2024	168,137	16,905	5,425	20,339
2025	156,255	17,700	5,530	20,935
2026	149,726	18,479	5,574	21,461
2027 to 2031	602,991	102,127	28,778	111,405

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The following table provides a reconciliation of the changes in Enterprise's portion of the plans' benefit obligations and fair value of assets for the year ended December 31, 2021:

	Pension Benefits			
	Charlotte	Navicent	Floyd	NCBH
Change in benefit obligation:				
Benefit obligation, beginning of year	\$ 2,101,715	\$ 482,705	\$ 110,642	\$ 448,089
Service cost	—	—	—	—
Interest cost	55,412	12,492	1,224	12,673
Participants' contributions	—	—	—	—
Actuarial (gains) losses	(88,999)	(19,541)	781	(15,528)
Benefits paid	(26,176)	(17,822)	(2,569)	(17,089)
Settlements	(125,678)	(68,462)	—	—
Benefit obligation, end of year	1,916,274	389,372	110,078	428,145
Change in plan assets:				
Fair value of plan assets, beginning of year	1,072,872	368,825	86,952	345,828
Actual return on plan assets	157,215	53,314	3,874	27,327
Employer's contributions	36,570	6,960	582	—
Participants' contributions	—	—	—	—
Benefits paid	(26,176)	(17,822)	(3,401)	(17,089)
Settlements	(125,678)	(68,462)	—	—
Fair value of plan assets, end of year	1,114,803	342,815	88,007	356,066
Amounts recognized in the combined balance sheets (funded status):				
Retirement benefits	(801,471)	(46,557)	(22,071)	(72,079)
Total liability	\$ (801,471)	\$ (46,557)	\$ (22,071)	\$ (72,079)
Amounts recognized in net assets without donor restrictions:				
Prior service credit	\$ —	\$ —	\$ —	\$ —
Net actuarial (losses) gains	(162,820)	(41,267)	143	64,285
Total	\$ (162,820)	\$ (41,267)	\$ 143	\$ 64,285

Components of net periodic pension cost (benefit) for the plans for year ended December 31, 2021 are as follows:

	Pension Benefits			
	Charlotte	Navicent	Floyd	NCBH
Interest cost	\$ 55,412	\$ 12,492	\$ 1,224	\$ 12,673
Expected return on plan assets	(74,791)	(24,331)	(2,403)	(15,049)
Amortization of actuarial net loss	—	—	—	9,980
Settlement credit	(8,604)	(7,256)	—	—
Total net periodic pension cost (benefit)	\$ (27,983)	\$ (19,095)	\$ (1,179)	\$ 7,604

For defined benefit plans with prior service costs, the costs and credits are amortized on a straight-line basis over the average remaining service period of active participants. Gains in excess of 10% of the greater of the benefit obligation and the market-related value of assets are amortized over the average remaining service period of active participants.

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Assumptions used in the measurement of the Enterprise's benefit obligations and benefit costs as of December 31, 2021 are as follows:

	Pension Benefits							
	Charlotte		Navicent		Floyd		NCBH	
	Obligation	Cost	Obligation	Cost	Obligation	Cost	Obligation	Cost
Weighted-average assumptions:								
Discount rate	3.00%	2.65%	3.00%	2.65%	2.98%	2.26%	2.99%	3.00%
Expected return on plan assets	7.50%	7.50%	7.10%	6.70%	5.65%	5.65%	5.20%	5.35%
Interest crediting rate	4.18%	4.42%	N/A	N/A	N/A	N/A	N/A	N/A

The expected return on plan assets are based on expectations regarding each asset category and average long-term rate of returns for a portfolio allocated across these categories. The expected return is reviewed annually and adjusted as appropriate to reflect changes in the expected market performance of the investments.

Defined Benefit Postretirement Medical and Dental Plans

Atrium Health Navicent and Atrium Health WFB also sponsor unfunded postretirement health and dental plans which have a current and noncurrent liability balance as of December 31, 2021:

	Atrium Health Navicent	Atrium Health WFB
Current liability	\$ 2,130	\$ 2,112
Non-current liability	19,659	23,253
Total liability	<u>\$ 21,789</u>	<u>\$ 25,365</u>

Atrium Health CMHA GASB 68 Accounting:**Defined Contribution Plans**

Retirement benefits for Atrium Health CMHA are provided to teammates using both defined contribution (DC) plans and defined benefit (DB) plans.

Atrium Health CMHA offers several defined contribution plans with the largest plan for Atrium Health Charlotte and Atrium Health Floyd being separate Section 401(k) defined contribution plans and the largest plan for Atrium Health Navicent being a Section 403(b) defined contribution plan. These plans cover all full-time teammates of Atrium Health Charlotte, Navicent, and Floyd and are funded by voluntary teammate contributions and certain matching contributions by Atrium Health Charlotte, Navicent, and Floyd to their respective plans. Defined contribution plan assets are not recorded in Atrium Health CMHA's combined balance sheet but are held in participant-directed individual accounts and were \$4,724,736 for the Atrium Health Charlotte DC Plans, \$509,289 for the Atrium Health Navicent DC Plan, and \$167,450 for the Atrium Health Floyd DC Plan at December 31, 2021. Total matching contribution expense was \$192,928 for the Atrium Health Charlotte DC Plan, \$10,769 for the Atrium Health Navicent DC Plan, and \$6,510 for the Atrium Health Floyd DC Plan for the year ended December 31, 2021.

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Atrium Health CMHA DB Plans' Benefits Provided – The actuarial valuation establishing the net pension liability for the purposes of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, was based on the Atrium Health CMHA DB Plan membership data as of January 1, 2020 and rolled forward to the measurement date of July 1, 2021. The Atrium Health CMHA DB Plans' participant data as of July 1, 2021 is as follows:

	2021		
	Atrium Health Charlotte DB Plan	Atrium Health Navicent DB Plan	Atrium Health Floyd DB Plan
Retirees and beneficiaries receiving benefits	2,792	1,281	594
Previously employed plan members entitled to but not yet receiving benefits	7,366	1,428	220
Employed plan members	16,801	1,427	402
Total	26,959	4,136	1,216

Contributions to the Atrium Health CMHA DB Plans – Annual contributions to the Atrium Health CMHA DB Plans are based upon actuarial calculations. Atrium Health CMHA DB Plans utilize the entry age normal method to determine annual contributions. There are no teammate contributions to any of the Atrium Health CMHA DB Plans.

Atrium Health CMHA's funding policy is to contribute such actuarially determined amounts as are necessary to provide assets sufficient to meet the benefits to be paid to Atrium Health CMHA DB Plans' participants. In addition, with the freezing of the Atrium Health CMHA DB Plans, Atrium Health CMHA regions have periodically made contributions to their respective plans under Atrium Health CMHA in addition to the annual actuarially determined amounts in an effort to reduce the unfunded actuarially accrued liability in a systematic manner. Atrium Health CMHA's contribution rate for the year ended December 31, 2021 equaled 2.2%, 7.2%, and 1.6% of covered payroll for Atrium Health Charlotte, Atrium Health Navicent, and Atrium Health Floyd, respectively. This contribution rate was determined based on a measurement date of January 1, 2021.

Atrium Health CMHA DB Plans' Actuarial Assumptions – The total Atrium Health CMHA DB Plans' pension liability (asset) based on the July 1, 2021, measurement date was determined using the following actuarial assumptions:

	2021		
	Atrium Health Charlotte DB Plan	Atrium Health Navicent DB Plan	Atrium Health Floyd DB Plan
Inflation rate	2.1 %	2.1 %	2.1 %
Investment rate of return (net of investment expenses, including inflation)	7.5 %	7.5 %	5.7 %
Lump sum interest rate	4.5 %	—	—

Actuarial assumptions used in the July 1, 2021 valuations were based on the results of an actuarial experience study that is conducted every four years, most recently in 2020. Mortality rates were based on the Pri-2012 table (credibility adjustment factor of 95%) with MP-2020 Generational

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Projections. This change in mortality assumption as well as other assumption changes related to termination rates, retirement rates, benefit commencement age and form of payment resulted in a net increase in the total pension liability for Atrium Health Charlotte and Atrium Health Navicent of \$6,103 and \$1,221 respectively. The long-term investment rate of return on pension assets was determined using a combination of benchmark return information and a building-block method in which best-estimated expected real rates of return are developed for each major asset class. These expected real rates of return are weighted by the target asset allocation percentage to produce an overall expected real rate of return which is then increased by expected inflation to produce a long-term investment rate of return on pension assets of 7.5% for Atrium Health Charlotte and Atrium Health Navicent and 5.65% for Atrium Health Floyd.

The target allocation, expected nominal return (which includes inflation) and the best estimates of geometric or compounded real rates of return (which are net of inflation) for each major asset class were established as of July 1, 2020, the beginning of the measurement period, and are summarized in the following table:

Asset class	Atrium Health Charlotte DB Plan			Atrium Health Navicent DB Plan			Atrium Health Floyd DB Plan		
	Target allocation	Expected nominal return	Expected real rate of return	Target allocation	Expected nominal return	Expected real rate of return	Target allocation	Expected nominal return	Expected real rate of return
Fixed income	17.0 %	3.5 %	1.4 %	22.0 %	3.5 %	1.4 %	46.0 %	3.3 %	1.2 %
Long/short fixed income	10.0	5.5	3.3	7.0	5.5	3.3	—	- %	—
Domestic equities	23.0	6.2	4.0	27.0	6.2	5.0	14.0	6.5 %	4.3
International equities	16.0	6.2	4.0	16.0	6.2	5.0	14.0	7.2 %	5.0
Global equities	22.0	6.8	4.6	23.0	6.8	5.6	10.0	7.1 %	4.9
Private equity funds	8.0	9.9	7.6	5.0	9.9	7.6	—	—	—
Real asset funds	4.0	5.6	3.4	—	—	—	16.0	5.2 %	3.0
Total target allocation	100.0 %			100.0 %			100.0 %		

Rate of return – For the Atrium Health CMHA Plans fiscal year ended June 30, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expenses, was 32.6% for Atrium Health Charlotte, 29.9% for Atrium Health Navicent, and 20.2% for Atrium Health Floyd. The money-weighted rate of return expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested.

Atrium Health CMHA DB Plans' Discount rate – The discount rate used to measure the total Atrium Health CMHA DB Plans' pension liability (asset) as of July 1, 2021 was 7.5% for Charlotte and Navicent and 5.7% for Floyd. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made in amounts equal to the actuarially determined contributions. Based on those assumptions, the Atrium Health CMHA DB Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive teammates. Therefore, the long-term expected rate of return on pension assets was applied to all periods of projected benefit payments to determine the total pension liability (asset).

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Changes in the Atrium Health CMHA DB Plans' Net Pension Liability (Asset)

Changes in the Atrium Health CMHA DB Plans' net pension liability (asset) for the year ended December 31, 2021, are as follows:

	Increase (decrease)		
	Total pension liability (a)	Plan fiduciary net position (b)	Net pension liability (asset) (a) – (b)
Atrium Health Charlotte:			
Balances at December 31, 2020 (based on July 1, 2020 measurement date)	\$ 1,414,024	\$ 968,064	\$ 445,960
Changes for the fiscal year:			
Interest cost	100,567	—	100,567
Differences between expected and actual experiences	4,818	—	4,818
Changes in assumptions	6,103	—	6,103
Contributions - employer	—	36,570	(36,570)
Investment gains and other, net	—	295,675	(295,675)
Benefit payments	(146,316)	(146,316)	—
Administrative expense	—	(178)	178
Net changes	(34,828)	185,751	(220,579)
Ending balance:	<u>\$ 1,379,196</u>	<u>\$ 1,153,815</u>	<u>\$ 225,381</u>
Atrium Health Navicent:			
Balances at December 31, 2020 (based on July 1, 2020 measurement date)	\$ 279,236	\$ 326,706	\$ (47,470)
Changes for the fiscal year:			
Interest cost	20,195	—	20,195
Differences between expected and actual experiences	(2,042)	—	(2,042)
Changes in assumptions	(1,221)	—	(1,221)
Contributions - employer	—	7,108	(7,108)
Investment gains and other, net	—	93,602	(93,602)
Benefit payments	(19,937)	(19,937)	—
Administrative expense	—	(2,202)	2,202
Net changes	(3,005)	78,571	(81,576)
Ending balance:	<u>\$ 276,231</u>	<u>\$ 405,277</u>	<u>\$ (129,046)</u>

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	Increase (decrease)		
	Total pension liability (a)	Plan fiduciary net position (b)	Net pension liability (asset) (a) – (b)
Atrium Health Floyd:			
Balances at December 31, 2020 (based on July 1, 2020 measurement date)	\$ 80,957	\$ 84,518	\$ (3,561)
Changes for the fiscal year:			
Interest cost	2,221	—	2,221
Contributions - employer	—	532	(532)
Investment gains and other, net		4,446	(4,446)
Benefit payments	(2,518)	(2,518)	—
Administrative expense	—	(25)	25
Net changes	(297)	2,435	(2,732)
Ending balances	80,660	86,953	(6,293)
Total Balances at December 31, 2021 (based on July 1, 2021 measurement date)	\$ 1,736,087	\$ 1,646,045	\$ 90,042

Sensitivity of the Atrium Health CMHA DB Plans' net pension liability (asset) to changes in the discount rate – The following table presents the net Atrium Health CMHA DB Plans pension liability (asset) as of the July 1, 2021 measurement date calculated using the discount rate and alternatively, as required by GASB 68, what the net pension liability (asset) would be under different scenarios assuming it were calculated using a discount rate that is 1% lower or 1% higher:

	1% Decrease 6.50%	Current rate 7.50%	1% Increase 8.50%
Atrium Health Charlotte net pension liability at July 1, 2021	\$ 311,280	\$ 225,381	\$ 149,688
Atrium Health Navicent net pension asset at July 1, 2021	\$ (100,851)	\$ (129,046)	\$ (153,009)
	1% Decrease 4.65%	Current rate 5.65%	1% Increase 6.65%
Atrium Health Floyd net pension liability (asset) at July 1, 2021	\$ 3,186	\$ (6,293)	\$ (14,178)

Atrium Health CMHA DB Plans' Investments – Policies pertaining to the allocation of investments within the Atrium Health CMHA DB Plans are established and may be amended by each region's respective Board. It is the policy to invest pension assets in a wide range of permitted securities that maintain a balance between current income needs and the growth of principal for the future.

Atrium Health Charlotte, Navicent, and Floyd, as plan sponsors, have fiduciary responsibility for their respective DB Plan assets on behalf of the plan participants and beneficiaries.

The Plan categorizes its fair value measurements within the fair value hierarchy established by GAAP. The methods for determining fair value are consistent with Atrium Health CMHA's valuation techniques and presentation as detailed in note 5.

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Atrium Health CMHA DB Plans' assets were invested as follows as of the July 1, 2021 measurement date:

	Atrium Health Charlotte DB Plan			Atrium Health Navicent DB Plan			Atrium Health Floyd DB Plan		
	Defined benefit plan assets	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Defined benefit plan assets	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Defined benefit plan assets	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)
Short term investments	\$ 32,392	\$ 32,392	\$ —	\$ 4,762	\$ 4,762	\$ —	\$ 1,381	\$ —	\$ 1,381
Fixed income:									
U.S. government treasuries and agencies	25,498	—	25,498	—	—	—	—	—	—
Corporate bonds	10,109	—	10,109	—	—	—	—	—	—
Fixed income - other	55,829	55,829	—	72,272	72,272	—	42,507	—	42,507
Asset-backed securities	9,514	—	9,514	—	—	—	—	—	—
Total fixed income	100,950	55,829	45,121	72,272	72,272	—	42,507	—	42,507
Equity:									
Domestic equities	269,826	269,826	—	140,151	140,151	—	14,408	—	14,408
International equities	100,125	100,125	—	64,455	64,455	—	10,217	—	10,217
Global equities	177,545	177,545	—	64,093	64,093	—	8,261	—	8,261
Total equity	547,496	547,496	—	268,699	268,699	—	32,886	—	32,886
Global asset allocation funds	—	—	—	—	—	—	—	—	—
Real asset funds	20,779	20,779	—	40,067	40,067	—	10,179	—	10,179
Total investments by fair value level	701,617	\$ 656,496	\$ 45,121	385,800	\$ 385,800	\$ —	86,953	\$ —	\$ 86,953
Investments measured at NAV:									
Fixed income - other	50,396	—	—	—	—	—	—	—	—
Global asset allocation funds	91,388	—	—	—	—	—	—	—	—
Long/short fixed income	96,177	—	—	—	—	—	—	—	—
Multi-strategy hedge funds	—	—	—	245	—	—	—	—	—
Global Equity	84,979	—	—	—	—	—	—	—	—
International Equity	43,744	—	—	—	—	—	—	—	—
Private equity funds	67,344	—	—	15,752	—	—	—	—	—
Total investments measured at NAV	434,028	—	—	15,997	—	—	—	—	—
Total investments measured at fair value	\$ 1,135,645	—	—	\$ 401,797	—	—	\$ 86,953	—	—

The table below discloses the unfunded commitments, redemption frequency and redemption notice period for investments measured at net asset value as of the July 1, 2021 measurement date:

	Atrium Health Charlotte DB Plan				Atrium Health Navicent DB Plan			
	Unfunded commitments		Redemption		Unfunded commitments		Redemption	
	as of July 1 2021	Redemption frequency	notice period		as of July 1 2021	Redemption frequency	notice period	
Fixed income - other	\$ 50,396	Monthly	15 days		\$ —	Monthly	15 days	
Global asset allocation funds	91,388	Daily	2 days		—	Daily	2 days	
Long/short fixed income	96,177	Quarterly	45-90 days		—	Quarterly	45-90 days	
Multi-strategy hedge funds	—	N/A	N/A	245	—	N/A	N/A	—
Global Equity	84,979	Monthly	14 days	—	—	Monthly	14 days	—
International Equity	43,744	N/A	N/A	—	—	N/A	N/A	—
Private equity funds	67,344	N/A	N/A	15,752	9,781	N/A	N/A	—
Total	\$ 434,028	\$ 15,055		\$ 15,997	\$ 9,781			

The Plans' presentation of asset segments is consistent with Atrium Health CMHA's presentation as detailed in note 4.

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Pension expense and deferred outflows of resources and deferred inflows of resources related to the Atrium Health CMHA DB Plans – For the year ended December 31, 2021, Atrium Health CMHA recognized pension benefit of \$13,999 for the Atrium Health CMHA DB Plans. At December 31, 2021, Atrium Health CMHA Plans reported deferred outflows and inflows of resources as follows based on July 1, 2021 measurement date:

	Deferred outflows of resources			Deferred inflows of resources		
	Atrium Health Charlotte DB Plan	Atrium Health Navicent DB Plan	Atrium Health Floyd DB Plan	Atrium Health Charlotte DB Plan	Atrium Health Navicent DB Plan	Atrium Health Floyd DB Plan
Difference between expected and actual experience related to demographic factors	\$ 28,040	\$ 907	\$ —	\$ (12,972)	\$ (1,228)	\$ —
Assumption changes	25,006	—	—	(2,568)	(1,309)	—
Difference between expected and actual investment earnings	52,814	14,865	—	(184,361)	(64,348)	(1,694)
Contribution made in fiscal year 2021 after measurement date	—	—	582	—	—	—
Total	<u>\$ 105,860</u>	<u>\$ 15,772</u>	<u>\$ 582</u>	<u>\$ (199,901)</u>	<u>\$ (66,885)</u>	<u>\$ (1,694)</u>

Amounts reported above as deferred outflows of resources and deferred inflows of resources related to the Atrium Health CMHA DB Plans at December 31, 2021 will be recognized in pension expense for the year ended December 31, as follows:

	Amount		
	Atrium Health Charlotte DB Plan	Atrium Health Navicent DB Plan	Atrium Health Floyd DB Plan
2022	\$ 16,403	\$ (14,275)	\$ (424)
2023	14,636	(13,847)	(424)
2024	21,258	(9,018)	(423)
2025	41,873	(13,973)	(423)
2026	(129)	—	—
Thereafter	—	—	—
	<u>\$ 94,041</u>	<u>\$ (51,113)</u>	<u>\$ (1,694)</u>

Other Benefit Plans

Atrium Health Navicent also sponsors an unfunded postretirement health and dental plan which has a liability of \$22,870 as December 31, 2021 (based on July 1, 2021 measurement date).

Atrium Health CMHA GASB 67 Accounting:

Fiduciary Pension Trust Funds

The Atrium Health CMHA DB Plans are considered fiduciary pension trust funds. The following fiduciary fund information is provided as of December 31, 2021, the fiscal year end for the three plans, in addition to information previously provided for the three plans as of July 1, 2021 regarding

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plan administration, membership, benefit terms, contributions, investment policy and actuarial assumptions. This information is presented as required by GASB Statement No. 67, *Financial Reporting for Pension Plans*, as no separate financial statements for these plans are issued.

Atrium Health CMHA DB Plans' net pension liability as of plan fiscal year end

The Atrium Health CMHA plans' fiscal year end is December 31. The components of the net pension liability (asset) of the Atrium Health CMHA DB Plans on December 31, 2021 were as follows:

	Atrium Health Charlotte DB Plan	Atrium Health Navicent DB Plan	Atrium Health Floyd DB Plan
Total pension liability	\$ 1,351,075	\$ 233,397	\$ 80,302
Plan fiduciary net position	1,114,803	342,815	88,007
Atrium Health net pension liability (asset)	<u>\$ 236,272</u>	<u>\$ (109,418)</u>	<u>\$ (7,705)</u>
Plan fiduciary net position as a percentage of total pension liability	83%	147%	110%

Sensitivity of the Atrium Health CMHA DB Plans' net pension liability to changes in the discount rate – The following table presents the Atrium Health CMHA DB Plans' net pension liability (asset) as of December 31, 2021 calculated using the discount rate and alternatively, what the net pension liability (asset) would be under different scenarios assuming it were calculated using a discount rate that is 1% lower or 1% higher:

	1% Decrease 6.50%	Current rate 7.50%	1% Increase 8.50%
Atrium Health Charlotte net pension liability at December 31, 2021	\$ 318,431	\$ 236,272	\$ 163,942
Atrium Health Navicent net pension asset at December 31, 2021	\$ (84,870)	\$ (109,418)	\$ (130,234)
	1% Decrease 4.65%	Current rate 5.65%	1% Increase 6.65%
Atrium Health Floyd net pension liability (asset) at December 31, 2021	\$ 1,604	\$ (7,705)	\$ (15,463)

Atrium Health CMHA DB Plans' Investments

The Plans categorize its fair value measurements within the fair value hierarchy established by GAAP. The methods for determining fair value are consistent with Atrium Health CMHA's valuation techniques and presentation as detailed in note 5.

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Atrium Health CMHA DB Plans' assets were invested as follows as of December 31, 2021:

	Atrium Health Charlotte DB Plan			Atrium Health Navicent DB Plan			Atrium Health Floyd DB Plan		
	Defined benefit plan assets	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Defined benefit plan assets	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Defined benefit plan assets	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)
Short term investments	\$ 39,105	\$ 39,105	\$ —	\$ 5,095	\$ 5,095	\$ —	\$ 1,516	\$ —	\$ 1,516
Fixed income:									
U.S. government treasuries and agencies	18,313	—	18,313	—	—	—	—	—	—
Corporate bonds	17,047	—	17,047	—	—	—	—	—	—
Fixed income – other	75,599	75,599	—	62,587	62,587	—	43,287	—	43,287
Asset-backed Securities	13,267	—	13,267	—	—	—	—	—	—
Total fixed income	124,226	75,599	48,627	62,587	62,587	—	43,287	—	43,287
Equity:									
Domestic equities	275,713	275,713	—	122,732	122,732	—	14,802	—	14,802
International equities	96,993	96,993	—	38,445	38,445	—	9,407	—	9,407
Global equities	153,780	153,780	—	66,241	66,241	—	8,195	—	8,195
Total equity	526,486	526,486	—	227,418	227,418	—	32,404	—	32,404
Global asset allocation funds	—	—	—	—	—	—	—	—	—
Real asset funds	43,010	43,010	—	31,513	31,513	—	10,800	—	10,800
Total investments by fair value level	732,827	\$ 684,200	\$ 48,627	326,613	\$ 326,613	\$ —	88,007	\$ —	\$ 88,007
Investments measured at NAV:									
Fixed income - other	39,727			—			—		
Global asset allocation funds	58,371			—			—		
Long/short fixed income	92,871			—			—		
Multi-strategy hedge funds	—			242			—		
Global Equity	80,527			—			—		
International Equity	43,253			—			—		
Private equity funds	67,227			15,960			—		
Total investments measured at NAV	381,976			16,202			—		
Total investments measured at fair value	\$ 1,114,803			\$ 342,815			\$ 88,007		

The table below discloses the unfunded commitments, redemption frequency, and redemption notice period for investments measure at net asset value as of December 31, 2021:

	Atrium Health Charlotte DB Plan				Atrium Health Navicent DB Plan			
	2021	Unfunded commitments as of Dec 31 2021	Redemption frequency	Redemption notice period	2021	Unfunded commitments as of Dec 31 2021	Redemption frequency	Redemption notice period
Fixed income - other	\$ 39,727	\$ —	Monthly	15 days	\$ —	\$ —	Monthly	15 days
Global asset allocation funds	58,371	—	Daily	2 days	—	—	Daily	2 days
Long/short fixed income	92,871	—	Quarterly	45–90 days	—	—	Quarterly	45–90 days
Multi-strategy hedge funds	—	—	N/A	N/A	242	—	N/A	N/A
Global Equity	80,527	—	Monthly	14 days	—	—	Monthly	14 days
International Equity	43,253	—	N/A	N/A	—	—	N/A	N/A
Private equity funds	67,227	14,937	N/A	N/A	15,960	9,676	N/A	N/A
Total	\$ 381,976	\$ 14,937			\$ 16,202	\$ 9,676		

12. Contingencies and Other Commitments

a. *Grant Awards*

Expenditures and indirect costs related to governmental grants and contracts are subject to adjustment based upon review by the granting agencies. The amounts, if any, of expenditures, which may be disallowed by the granting agencies cannot be determined at this time, although management expects they will not have a material effect on the Enterprise's combined financial position.

b. *Professional Liability Insurance*

The Enterprise is subject to legal proceedings and claims that arise in the course of providing healthcare services.

Atrium Health Charlotte has instituted a limited self-insurance program for professional liability and general liability claims. Self-insurance is limited to \$10 million per occurrence, with no aggregate limit for the year end December 31, 2021. General liability and professional liability are also covered by umbrella liability insurance policies. In management's opinion, adequate provision has been made for amounts expected to be paid under the policy's deductible limits for asserted and unasserted claims not covered by the policy and any other uninsured liability.

Atrium Health Navicent is currently insured for commercial general liability on an occurrence basis and professional liability on a claims-made basis by Centra Professional Indemnity (SPC), Ltd. or CPI, a wholly owned subsidiary of Atrium Health Navicent, and excess coverage by commercial insurance carriers through CPI. The excess coverage limits are \$40 million for 2021. The coverage for professional liability is limited to claims incurred and reported during its term. Actuarially determined funding is provided for losses.

Atrium Health Floyd has professional liability self-insurance retention limits for Floyd Medical Center of \$ 1 million per occurrence and \$4 million in aggregate. For Polk Medical Center Inc. and Floyd Cherokee Medical Center, wholly owned subsidiaries of Atrium Health Floyd, claims are covered by a claims-made general and professional liability insurance policy with a specified deductible of \$50,000 per incident, \$1 million per occurrence and \$3 million in aggregate. In both plans, malpractice claims more than the self-insurance retention limits are insured with commercial insurance carriers on a claims-made basis. The umbrella policy covers malpractice claims up to \$15 million in aggregate.

Atrium Health WFB maintains professional liability coverage, which included a \$6 million per occurrence and a \$30 million annual aggregate self-insurance limit for the year ended December 31, 2021. Atrium Health WFB estimates its professional liability on an actuarial basis.

c. *Litigation*

The Enterprise is involved in various legal actions occurring in the normal course of activities. While the final outcomes cannot be determined at this time, management is of the opinion that

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the resolution of these legal actions will not have a material effect on the financial position of Atrium Health CMHA, Atrium Health WFB, or the Enterprise.

d. **Future Obligations**

Atrium Health CMHA has entered into contracts for various construction and capital projects, for which remaining commitments totaled approximately \$321,569 at December 31, 2021.

Atrium Health WFB's estimated cost to complete construction in progress at December 31, 2021 is approximately \$50,915.

Effective January 1, 2012, under the terms of a Lease Agreement between Atrium Health CMHA and Union County, Atrium Health CMHA leases hospital real estate from, and makes annual lease payments to, Union County. The initial term of the Lease Agreement remains in effect until December 31, 2061, unless earlier terminated, extended or renewed in accordance with the provisions of the Lease Agreement. Upon the expiration of the initial term, unless certain events of default exist, Atrium Health CMHA has the option to extend and renew the Lease Agreement for an initial renewal term of 25 years. During the term of the Lease Agreement, Union County has the right to require Atrium Health CMHA to purchase the hospital real estate at a stated price determined in accordance with the Lease Agreement. If Union County elects to require Atrium Health CMHA to purchase the hospital real estate, Atrium Health CMHA will have no further obligations under the Lease Agreement. As of December 31, 2021, the purchase price as stated in the Lease Agreement was \$127,792. The present value of Atrium Health CMHA's obligation for the annual lease payments, discounted using an effective interest rate of 4.34%, was \$120,149 as of December 31, 2021, and is recorded on the balance sheet as a long-term liability. The liability and related interest are payable in annual installments of approximately \$6,000 per year through 2061.

Additionally, as part of the Lease Agreement between Atrium Health CMHA and Union County, Atrium Health CMHA has committed to reinvest in healthcare related facilities and operations in Union County. As measured in 15-year increments commencing January 1, 2012, Atrium Health CMHA has committed to spending in Union County no less than 75% of the capital spending ratio of Atrium Health CMHA as a whole (defined as capital investments divided by net operating revenues) but limited to 75% of the operating income of the Union Healthcare Enterprise as defined in the Lease Agreement. Management believes Atrium Health CMHA has reinvested in excess of the commitment levels for the first eight years of the 15-year period.

In connection with an Agreement and Member Substitution between Atrium Health CMHA and Atrium Health Navicent, Atrium Health CMHA has committed to make capital, strategic and other expenditures in its Central and Southern Georgia market totaling at least \$1 billion over a period of 10 years beginning in 2019.

In connection with an Agreement and Member Substitution between Atrium Health CMHA and Atrium Health Floyd, Atrium Health CMHA has committed to make capital, strategic and other expenditures in its market totaling at least \$650 million over a period of 11 years beginning in 2021.

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In connection with the Health System Integration Agreement and related agreements between Atrium Health CMHA and Atrium Health WFB (see Note 1), the Atrium Health Enterprise, which includes both Atrium Health WFB and Atrium Health Charlotte, has committed to approximately \$3.4 billion in planned investments into the Winston-Salem, North Carolina area over 10 years beginning in October 2020. The Enterprise has agreed to invest approximately \$2.8 billion to improve facilities and fund critical investments across the communities served by Atrium Health WFB. With Atrium Health WFB and the Wake Forest University School of Medicine forming the academic core of the Enterprise, the Enterprise also has agreed to invest nearly \$600 million to advance the academic mission of Atrium Health WFB and further elevate its national reputation, including a \$150,000 academic endowment funded in March 2021 to fund additional education and research growth and a \$70,000 Academic Enrichment Fund (\$10,000 annually for seven years beginning in 2021) to accelerate academic initiatives. Atrium Health Charlotte and the Enterprise have committed to establish the academic endowment fund and to fund the Academic Enrichment Fund from non-Atrium Health WFB funds. See Note 17 for more information regarding the funding of these commitments.

e. HIPAA Compliance

Under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), the federal government has authority to complete fraud and abuse investigations. HIPAA has established substantial fines and penalties for offenders. The Enterprise maintains policies and procedures, and requires regular training sessions for employees in order to ensure and monitor compliance with HIPAA, as well as other applicable local, state and federal statutes and regulations.

13. Net Assets

The following is a summary of net assets of Atrium Health WFB and the Enterprise at December 31, 2021, respectively:

	Atrium Health WFB		
	Without donor restrictions	With donor restrictions	Total
Operations	\$ 1,863,541	\$ —	\$ 1,863,541
Endowment net assets	539,056	287,052	826,108
Gifts and pledges	—	105,507	105,507
Student loan funds	—	5,182	5,182
Interests in perpetual trusts held by others	—	15,282	15,282
Annuity and other split-interest agreements	—	1,317	1,317
Total net assets	<u>\$ 2,402,597</u>	<u>\$ 414,340</u>	<u>\$ 2,816,937</u>

ATRIUM HEALTH ENTERPRISE

Notes to Combined Financial Statements

December 31, 2021

Dollars in thousands.

	Atrium Health Enterprise		
	Without donor restrictions	With donor restrictions	Total
Operations	\$ 10,296,072	\$ 2,431	\$ 10,298,503
Endowment net assets	539,056	349,989	889,045
Gifts and pledges	—	558,474	558,474
Student loan funds	—	5,182	5,182
Interests in perpetual trusts held by others	—	15,282	15,282
Annuity and other split-interest agreements	—	1,317	1,317
Total net assets	<u>\$ 10,835,128</u>	<u>\$ 932,675</u>	<u>\$ 11,767,803</u>

WFBUMC's Board of Directors has designated \$539,056 from Atrium Health WFB net assets without donor restrictions at December 31, 2021 for the following purposes as of December 31:

	Atrium Health WFB
Academic instruction and research	\$ 224,662
Healthcare services	12,609
General administration	301,785
Total board-designated endowment net assets	<u>\$ 539,056</u>

Net assets with donor restrictions are restricted for the following purposes at Atrium Health WFB and the Enterprise as of December 31:

	Atrium Health WFB	Atrium Health Enterprise
Academic instruction and research	\$ 255,055	\$ 353,623
Healthcare services	19,749	433,674
General administration	139,536	145,378
Total net assets with donor restrictions	<u>\$ 414,340</u>	<u>\$ 932,675</u>

ATRIUM HEALTH ENTERPRISE

Notes to Combined Financial Statements

December 31, 2021

*Dollars in thousands.***14. Patient Service Revenue and Patient Receivables**

The sources of the Enterprise's gross patient revenue by type of payer, expressed as a percentage of total gross patient revenue, consisted of the following for the years ended December 31, 2021:

	Atrium Health CMHA	Atrium Health WFB	Atrium Health Enterprise
Managed care and commercial insurance	32.0 %	30.2 %	31.5 %
Medicare	41.7	44.4	42.5
Medicaid	16.5	15.5	16.2
Direct from patient/other	9.8	9.9	9.8
	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>

Patient service revenue by major payer source, net of price concessions, is as follows for the year ended December 31, 2021:

	Atrium Health CMHA	Atrium Health WFB	Atrium Health Enterprise
Managed care and commercial insurance	\$ 4,409,454	\$ 1,343,460	\$ 5,562,528
Medicare	2,452,238	1,156,276	3,516,869
Medicaid	1,163,619	549,055	1,668,396
Direct from patient/other	95,475	179,270	344,688
Total	<u>\$ 8,120,786</u>	<u>\$ 3,228,061</u>	<u>\$ 11,092,481</u>

Concentration of Credit Risk

The Enterprise grants credit without collateral to its patients, most of whom are insured under third-party payer agreements. The mix of gross receivables from patients and third-party payers was as follows as of December 31, 2021:

	Atrium Health CMHA	Atrium Health WFB	Atrium Health Enterprise
Medicare	29.9 %	28.8 %	29.7 %
Medicaid	13.6	15.4	13.9
Managed care and commercial insurance	32.9	28.9	32.1
Direct from patient/other	23.6	26.9	24.3
	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>

15. Financial Assistance and Community Benefit

The Enterprise, under its financial assistance and hardship programs, provides care without charge or at discounted rates to certain uninsured patients as well as any patient, regardless of insurance

ATRIUM HEALTH ENTERPRISE

Notes to Combined Financial Statements

December 31, 2021

Dollars in thousands.

coverage, who experiences financial hardship. Key elements used to determine eligibility for financial assistance include a patient's demonstrated inability to pay based on family size and household income relative to federal income poverty guidelines. The cost of care associated with the charges foregone is estimated using applicable cost to charge ratios.

In addition to providing financial assistance to uninsured patients and in furtherance of its mission, the Enterprise provides a broad range of benefits and services, including medical education and research opportunities, to the community spanning the geographic region within which Atrium Health CMHA operates. These community benefits can be measured and categorized as follows:

Unpaid Cost of Medicare and Medicaid Services – Represents the net unreimbursed cost, estimated using the applicable cost to charge ratios, of services provided to patients who qualify for federal and/or state government healthcare benefits.

Community Benefit Programs – Includes the unreimbursed cost of various medical education programs, and costs of various research programs, nonbilled medical services, in kind donations and other services that meet a community need, but do not pay for themselves and would not be provided if based solely on financial considerations.

Cost of care extended to uninsured and underinsured patients who do not qualify for financial assistance, estimated using applicable cost to charge ratios.

The total estimated cost of financial assistance and the aforementioned programs and services that benefit the community for a complete twelve-month period ending in 2021 is estimated as follows:

	Atrium Health CMHA	Atrium Health WFB	Atrium Health Enterprise
Cost of financial assistance to uninsured patients	\$ 292,936	\$ 46,582	\$ 339,518
Unpaid cost of Medicare and Medicaid services	1,044,949	393,127	1,438,076
Community benefit programs	142,749	160,275	303,024
Cost of care extended to uninsured and underinsured patients who do not qualify for financial assistance	278,223	96,717	374,940
	<u>\$ 1,758,857</u>	<u>\$ 696,701</u>	<u>\$ 2,455,558</u>
Percentage of operating expenses, including interest expense	20.1%	17.1%	19.5%

16. Functional Expenses

Expenses are presented by functional classification in accordance with the overall service mission of the Enterprise. The Enterprise's primary program services are academic instruction and research and health care services. Expenses directly attributable to a specific functional area are reported as expenses of those functional areas. Depreciation of plant assets, interest expense, and plant operation and maintenance expense are allocated to program and supporting activities based on square footage per periodic inventories of facilities. Total amounts allocated in fiscal 2021 were

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Notes to Combined Financial Statements

December 31, 2021

Dollars in thousands.

\$45,742 and \$12,610 for Atrium Health WFB and the Enterprise, respectively. Expenses are reported in the combined statement of revenues, expenses and changes in net assets in natural categories.

Expenses by functional classification for the year ended December 31, 2021 consist of the following for Atrium Health WFB and the Enterprise, respectively:

	Atrium Health WFB			
	Program		Supporting	
	Academic instruction and research	Healthcare services	General administration	Total
Salaries and wages	\$ 201,556	\$ 1,581,471	\$ 214,147	\$ 1,997,174
Employee benefits	38,296	334,162	47,439	419,897
Purchased services	21,123	99,553	28,796	149,472
Clinical and laboratory supplies	30,185	947,378	—	977,563
Other operating expenses	47,567	246,581	55,388	349,536
Depreciation	11,509	122,657	9,737	143,903
Financing costs	2,795	17,369	9,859	30,023
Total operating expenses	<u>\$ 353,031</u>	<u>\$ 3,349,171</u>	<u>\$ 365,366</u>	<u>\$ 4,067,568</u>

	Atrium Health Enterprise			
	Program		Supporting	
	Academic instruction and research	Healthcare services	General administration	Total
Salaries and wages	\$ 298,706	\$ 5,463,627	\$ 307,466	\$ 6,069,799
Employee benefits	59,587	1,188,059	92,641	1,340,287
Purchased services	32,117	657,034	78,026	767,177
Clinical and laboratory supplies	34,590	2,649,725	23,850	2,708,165
Other operating expenses	69,261	893,874	113,993	1,077,128
Depreciation	17,832	385,998	128,740	532,570
Financing costs	4,282	73,703	36,446	114,431
Total operating expenses	<u>\$ 516,375</u>	<u>\$ 11,312,020</u>	<u>\$ 781,162</u>	<u>\$ 12,609,557</u>

17. Related-Party Transactions

As part of the capital Enterprise agreements, in fiscal year 2021, Atrium Health CMHA contributed \$150,000 to WFUHS to create an unrestricted academic endowment to be used for new, ongoing or enhanced academic or research initiatives of the Atrium Health WFB entities. WFUHS received the unrestricted contribution in March 2021, and its Board established a \$150,000 quasi-endowment fund.

Additionally, as part of the capital Enterprise agreements, Atrium Health CMHA promised to provide an Academic Enrichment Fund consisting of \$10,000 per year for seven years to Atrium Health WFB. Atrium Health CMHA contributed the first \$10,000 to Atrium Health WFB during fiscal year 2021.

ATRIUM HEALTH ENTERPRISE

Notes to Combined Financial Statements

December 31, 2021

Dollars in thousands.

Atrium Health WFB's contribution receivable from Atrium Health CMHA amounted to \$60,000 at December 31, 2021; Atrium Health WFB recorded \$10,000 of the contribution receivable in current assets and \$50,000 of the contribution receivable in other long-term assets in the accompanying combined balance sheet.

NCBH and Atrium Health CMHA each own a 50% equity share of MedCost, the third-party administrator for Atrium Health CMHA and Atrium Health WFB's self-insured employee health and dental insurance. During the year ended December 31, 2021, Atrium Health CMHA and Atrium Health WFB paid MedCost approximately \$8,828 and \$6,736, for these services, respectively.

18. Business Combinations

Floyd Healthcare Management, Inc.

Floyd Healthcare Management, Inc. (Atrium Health Floyd) is a nonprofit health system based in Rome, Georgia, which provides health care to the residents of Floyd County, Georgia and surrounding counties. Atrium Health CMHA entered into a Member Substitution Agreement with Atrium Health Floyd in July 2021. Under the agreement, AH Georgia, Inc., a controlled affiliate of which Atrium Health CMHA is the sole member, became the sole corporate member of Atrium Health Floyd. Although Atrium Health Floyd retains and appoints a majority of its Board of Directors, Atrium Health CMHA holds customary approval rights, including approving budgets and any borrowings or discharging of debt. In addition, Atrium Health CMHA agrees to ensure, but does not formally guarantee, that Atrium Health Floyd does not default under any indebtedness agreements, notes or bonds, or other debt-related liabilities. As a result, Atrium Health Floyd is a component unit of Atrium Health CMHA and, because a controlled subsidiary of Atrium Health CMHA is its sole member, financial information for Atrium Health Floyd is blended with Atrium Health CMHA as of and for the year ended December 31, 2021. Because the impact of this transaction is considered a change in reporting entity, Atrium Health CMHA's net position as of December 31, 2020 has been restated to incorporate Atrium Health Floyd. The inclusion of Atrium Health Floyd increased Atrium Health CMHA's net position by \$292,229 as of January 1, 2021.

As presented in the Enterprise financial statements, in accordance with FASB guidance, Atrium Health Floyd's July 1, 2021 balance sheet was adjusted to fair value, and the acquisition date fair value was allocated to the assets and liabilities. The 2021 activity attributable to Atrium Health Floyd within the Enterprise statement of revenues, expenses and changes in net assets since the date of acquisition was \$281,516 and \$15,018 for operating revenue and support and operating excess of revenues and expenses, respectively.

ATRIUM HEALTH ENTERPRISE

Notes to Combined Financial Statements

December 31, 2021

Dollars in thousands.

The following table summarizes the estimated fair values of the assets acquired and the liabilities assumed by the Enterprise as of the date of the acquisition:

Assets:	
Current assets	\$ 229,667
Investments	85,734
Property and equipment	283,155
Other assets	49,273
Total assets	<u>\$ 647,829</u>
Liabilities:	
Current liabilities	\$ 85,406
Notes payable	14,829
Other liabilities	85,002
Total liabilities	<u>\$ 185,237</u>
Net assets acquired:	
Without donor restrictions	\$ 462,592
With donor restrictions	—
Total net assets	<u>\$ 647,829</u>

Atrium Health CMHA paid \$212,847 of cash on the transaction date and subsequently recognized Atrium Health Floyd's net assets with a fair value of \$462,592, resulting in a non-operating gain of \$249,745 which is recorded in contribution from business combinations, net in the accompanying combined statement of revenues, expenses and changes in net assets for the Enterprise.

The following table summarizes the Enterprise's unaudited pro forma results as if the acquisition date occurred at the beginning of fiscal year 2021:

	Atrium Health Enterprise proforma combined
Operating revenue and support	\$ 13,209,382
Operating excess of revenues and expenses	354,853
Changes in net assets:	
With donor restrictions	135,912
Without donor restrictions	1,977,529
Total change in net assets	<u>\$ 2,113,441</u>

ATRIUM HEALTH ENTERPRISE

Notes to Combined Financial Statements

December 31, 2021

Dollars in thousands.

19. Subsequent Events

In May 2022, the Enterprise and Advocate Aurora Health, Inc., a Delaware nonprofit corporation (Advocate Aurora), signed an agreement to come together to create a leading health and wellness delivery system to best meet patients' needs by redefining how, when and where care is delivered (the Proposed Combination). Advocate Aurora, which serves nearly 3 million patients annually in Illinois and Wisconsin, is one of the 12 largest not-for-profit, integrated health systems in the United States and a national leader in clinical innovation, health outcomes, consumer experience and value-based care.

To facilitate the Proposed Combination, the Enterprise and Advocate Aurora plan to create a joint operating company to be known as Advocate Health (Advocate Health). AHI and Advocate Aurora will be the sole corporate members of Advocate Health, which will manage and oversee the combined organization. Advocate Health will be governed by a board of directors comprising an equal number of members from the Enterprise and Advocate Aurora. As of the date of issuance, an operating agreement has not been signed.

At the closing of the transaction, the Enterprise and Advocate Aurora will continue to own their respective assets. No assets will be transferred as part of the Proposed Combination, and the Enterprise and its related entities and Advocate Aurora and its related entities will maintain their separate legal existence and licensure status of their respective facilities.

Atrium Health Charlotte - Mecklenburg Hospital Authority

Schedule of Changes in Net Pension Liability and Related Ratios – Atrium Health Charlotte Defined Benefit Plan (unaudited)

December 31, 2021

Dollars in thousands.

	2021	2020	2019	December 31, 2018	2017	2016	2015
Total pension liability:							
Service cost	\$ —	\$ —	\$ —	\$ —	\$ 46,519	\$ 53,214	\$ 55,197
Interest cost	100,567	99,367	91,210	96,417	100,609	95,929	93,442
Plan amendments	—	7,538	—	—	—	—	—
Differences between expected and actual experiences	4,818	15,058	25,325	(14,720)	(23,718)	7,092	(4,091)
Changes of assumptions	6,103	21,607	5,138	(2,402)	(5,217)	20,252	—
Benefit payments	(146,316)	(122,465)	(150,638)	(146,796)	(108,339)	(106,420)	(112,417)
Net change in total pension liability	(34,828)	21,105	(28,965)	(67,501)	9,854	70,067	32,131
Total pension liability – beginning	1,414,024	1,392,952	1,291,461	1,358,962	1,349,108	1,279,041	1,246,910
Total pension liability – ending (a)	1,379,196	1,414,057	1,262,496	1,291,461	1,358,962	1,349,108	1,279,041
Plan fiduciary net position:							
Contributions – employer	36,570	37,378	37,473	78,526	124,181	132,884	92,405
Investment gains and other, net	295,675	13,096	31,478	76,644	118,972	(36,909)	20,481
Benefit payments	(146,316)	(122,465)	(150,638)	(146,796)	(108,339)	(106,420)	(112,417)
Administrative expense	(178)	(80)	(162)	(312)	(217)	(364)	(696)
Net change in plan fiduciary net position	185,751	(72,071)	(81,849)	8,062	134,597	(10,809)	(227)
Plan fiduciary net position – beginning	968,064	1,040,135	991,368	983,306	848,709	859,518	859,745
Plan fiduciary net position – ending (b)	1,153,815	968,064	909,519	991,368	983,306	848,709	859,518
Net pension liability – ending (a) – (b)	\$ 225,381	\$ 445,993	\$ 352,977	\$ 300,093	\$ 375,656	\$ 500,399	\$ 419,523
Plan fiduciary net position as a percentage of the total pension liability	83.7 %	68.5 %	72.0 %	76.8 %	72.4 %	62.9 %	67.2 %
Covered-employee payroll	\$ 1,665,998	\$ 1,688,456	\$ 1,642,381	\$ 1,804,814	\$ 1,796,876	\$ 1,959,073	\$ 1,995,117
Net pension liability as a percentage of covered-employee payroll	13.5 %	26.4 %	21.5 %	16.6 %	20.9 %	25.5 %	21.0 %

Note to schedule:

Measurement date is July 1 of each fiscal year presented.

The schedules are intended to show information for 10 years. Additional years will be presented as the information becomes available.

Effective June 30, 2020, the Cleveland and Stanly DB Plans were merged with the Atrium DB Plan which increased the beginning total pension liability by approximately \$130 million and the beginning plan fiduciary net position by approximately \$131 million.

See accompanying independent auditors' report.

Atrium Health Charlotte - Mecklenburg Hospital Authority

Schedule of Pension Contributions – Atrium Health Charlotte Defined Benefit Plan (unaudited)

December 31, 2021

Dollars in thousands.

December 31	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered- employee payroll	Contributions as a percentage of covered- employee payroll
2021	\$ 36,570	\$ 36,570	\$ —	\$ 1,665,998	2.2 %
2020	37,378	37,378	—	1,688,456	2.2
2019	37,473	37,473	—	1,642,381	2.3
2018	36,326	78,526	(42,200)	1,804,814	4.4
2017	81,981	124,181	(42,200)	1,796,876	6.9
2016	90,684	132,884	(42,200)	1,959,073	6.8
2015	92,405	92,405	—	1,995,117	4.6

Notes to schedule:

Valuation date Actuarially determined contribution rates are calculated as of January 1, one year prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rate for 2021:

Actuarial cost method	Entry age normal with 20-year as level percent of pay, closed
Asset valuation method	5-year smoothed market
Cash balance interest credits	5.00%
Salary increases	Not applicable after 12/31/2017 due to benefit accrual freeze.
Investment rate of return	7.50%, net of pension plan investment expense, including inflation
Retirement rates	Age-graded rates from 55 to 70
Mortality	PRI-2012 sex-distinct mortality tables projected generationally with Scale MP-2020. Prior to 1/1/2020, RP-2014 with generational projection using scale MP-2018.

The schedules are intended to show information for 10 years. Additional years will be presented as the information becomes available.

See accompanying independent auditors' report.

Atrium Health Charlotte - Mecklenburg Hospital Authority

Schedule of Pension Plan Investment Returns – Atrium Health Charlotte Defined Benefit Plan (unaudited)

December 31, 2021

Dollars in thousands.

Atrium Health Defined Benefit Plan measurement date	Annual money- weighted rate of return net of investment expenses
July 1, 2021	32.6 %
July 1, 2020	1.6
July 1, 2019	3.8
July 1, 2018	8.0
July 1, 2017	15.0
July 1, 2016	(4.8)
July 1, 2015	2.4

Notes to schedule:

The schedules are intended to show information for 10 years. Additional years will be presented as the information becomes available.

See accompanying independent auditors' report.

Atrium Health Charlotte - Mecklenburg Hospital Authority

Schedule of Changes in Net Pension Liability and Related Ratios – Atrium Health Navicent Defined Benefit Plan (unaudited)

December 31, 2021

Dollars in thousands.

	2021	December 31, 2020	2019
Total pension liability:			
Service cost	\$ —	\$ —	\$ —
Interest cost	20,195	20,004	10,087
Differences between expected and actual experiences	(2,042)	2,382	—
Changes of assumptions	(1,221)	(1,507)	—
Benefit payments	(19,937)	(16,741)	(7,941)
Net change in total pension liability	(3,005)	4,138	2,146
Total pension liability – beginning	279,236	275,098	272,952
Total pension liability – ending (a)	276,231	279,236	275,098
Plan fiduciary net position:			
Contributions – employer	7,108	4,363	10,952
Investment gains and other, net	93,602	9	32,493
Benefit payments	(19,937)	(16,741)	(7,941)
Administrative expense	(2,202)	(2,756)	(151)
Net change in plan fiduciary net position	78,571	(15,125)	35,353
Plan fiduciary net position – beginning	326,706	341,831	306,478
Plan fiduciary net position – ending (b)	405,277	326,706	341,831
Net pension asset – ending (a) – (b)	\$ (129,046)	\$ (47,470)	\$ (66,733)
Plan fiduciary net position as a percentage of the total pension liability	146.7 %	117.0 %	124.3 %
Covered-employee payroll	\$ 96,163	\$ 118,953	\$ 138,664
Net pension asset as a percentage of covered-employee payroll	(134.2)%	(39.9)%	(48.1)%

Note to schedule:

Measurement date is July 1 of each fiscal year presented.

The schedules are intended to show information for 10 years. Additional years will be presented as the information becomes available.

See accompanying independent auditors' report.

Atrium Health Charlotte - Mecklenburg Hospital Authority

Schedule of Pension Contributions – Atrium Health Navicent Defined Benefit Plan (unaudited)

December 31, 2021

Dollars in thousands.

December 31	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered- employee payroll	Contributions as a percentage of covered- employee payroll
2021	\$ —	\$ 7,108	\$ (7,108)	\$ 96,163	7.4 %
2020	4,135	4,363	(228)	118,953	3.7
2019	4,723	10,952	(6,229)	138,664	7.9

Notes to schedule:

Valuation date Actuarially determined contribution rates are calculated as of January 1, one year prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rate for 2021:

Actuarial cost method	Traditional unit credit
Asset valuation method	2-year smoothed market
Salary increases	Not applicable after 12/31/2013 due to benefit accrual freeze.
Minimum required contribution	ERISA plan's minimum contribution is determined under Section 430 of the IRC.
Retirement rates	Age-graded rates from 55 to 70
Mortality	PRI-2012 sex-distinct mortality tables projected generationally with Scale MP-2020. Prior to 1/1/2020, RP-2014 with generational projection using scale MP-2018.

The schedules are intended to show information for 10 years. Additional years will be presented as the information becomes available.

See accompanying independent auditors' report.

Atrium Health Charlotte - Mecklenburg Hospital Authority

Schedule of Pension Plan Investment Returns – Atrium Health Navicent Defined Benefit Plan (unaudited)

December 31, 2021

Dollars in thousands.

Navicent Health Defined Benefit Plan measurement date	Annual money-weighted rate of return net of investment expenses
July 1, 2021	29.9 %
July 1, 2020	(0.5)
July 1, 2019	5.4

Notes to schedule:

The schedules are intended to show information for 10 years. Additional years will be presented as the information becomes available.

See accompanying independent auditors' report.

Atrium Health Charlotte - Mecklenburg Hospital Authority

Schedule of Changes in Net Pension Liability and Related Ratios – Atrium Health Floyd Defined Benefit Plan (unaudited)

December 31, 2021

Dollars in thousands.

	December 31, 2021
Total pension liability:	
Service cost	\$ —
Interest cost	2,221
Differences between expected and actual experiences	—
Changes of assumptions	—
Benefit payments	(2,518)
Net change in total pension liability	(297)
Total pension liability – beginning	80,957
Total pension liability – ending (a)	80,660
Plan fiduciary net position:	
Contributions – employer	532
Investment gains and other, net	4,446
Benefit payments	(2,518)
Administrative expense	(25)
Net change in plan fiduciary net position	2,435
Plan fiduciary net position – beginning	84,518
Plan fiduciary net position – ending (b)	86,953
Net pension asset – ending (a) – (b)	\$ (6,293)
Plan fiduciary net position as a percentage of the total pension liability	107.8 %
Covered-employee payroll	\$ 32,839
Net pension asset as a percentage of covered-employee payroll	(19.2)%
Note to schedule:	
Measurement date is July 1 of each fiscal year presented.	
The schedules are intended to show information for 10 years. Additional years will be presented as the information becomes available.	

See accompanying independent auditors' report.

Atrium Health Charlotte - Mecklenburg Hospital Authority

Schedule of Pension Contributions – Atrium Health Floyd Defined Benefit Plan (unaudited)

December 31, 2021

Dollars in thousands.

December 31	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered- employee payroll	Contributions as a percentage of covered- employee payroll
2021	\$ —	\$ 532	\$ (532)	\$ 32,839	1.6 %

Notes to schedule:

Valuation date Actuarially determined contribution rates are calculated as of January 1, one year prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rate for 2021:

Actuarial cost method	Traditional unit credit
Asset valuation method	2-year smoothed market
Salary increases	Not applicable after 3/31/2014 due to benefit accrual freeze.
Minimum required contribution	ERISA plan's minimum contribution is determined under Section 430 of the IRC.
Retirement rates	Age-graded rates from 57 to 62+
Mortality	PRI-2012 sex-distinct mortality tables projected generationally with Scale MP-2020.

The schedules are intended to show information for 10 years. Additional years will be presented as the information becomes available.

See accompanying independent auditors' report.

Atrium Health Charlotte - Mecklenburg Hospital Authority

Schedule of Pension Plan Investment Returns – Atrium Health Floyd Defined Benefit Plan (unaudited)

December 31, 2021

Dollars in thousands.

	Annual money- weighted rate of return net of investment expenses
Navicent Health Defined Benefit Plan measurement date	
July 1, 2021	20.2 %

Notes to schedule:

The schedules are intended to show information for 10 years. Additional years will be presented as the information becomes available.

See accompanying independent auditors’ report.

Atrium Health Charlotte - Mecklenburg Hospital Authority

Schedule of Changes in Net Pension Liability and Related Ratios – Atrium Health Charlotte Defined Benefit Plan (unaudited)

December 31, 2021

Dollars in thousands.

	2021	December 31, 2020	2019
Total pension liability:			
Service cost	\$ —	\$ —	\$ —
Interest cost	98,735	99,191	100,484
Changes of benefit terms	—	7,811	—
Differences between expected and actual experiences	(146)	14,140	—
Changes of assumptions	11,803	28,432	—
Benefit payments	(151,854)	(144,489)	(122,428)
Net change in total pension liability	(41,462)	5,085	(21,944)
Total pension liability – beginning	1,392,537	1,387,452	1,409,396
Total pension liability – ending (a)	1,351,075	1,392,537	1,387,452
Plan fiduciary net position:			
Contributions – employer	36,570	37,378	38,561
Investment gains and other, net	157,404	131,318	173,814
Benefit payments	(151,854)	(144,489)	(122,428)
Administrative expense	(188)	(121)	(121)
Net change in plan fiduciary net position	41,932	24,086	89,826
Plan fiduciary net position – beginning	1,072,871	1,048,785	958,959
Plan fiduciary net position – ending (b)	1,114,803	1,072,871	1,048,785
Net pension liability – ending (a) – (b)	\$ 236,272	\$ 319,666	\$ 338,667
Plan fiduciary net position as a percentage of the total pension liability	82.5 %	77.0 %	75.6 %
Covered-employee payroll	\$ 1,665,998	\$ 1,688,456	\$ 1,741,304
Net pension liability as a percentage of covered-employee payroll	14.2 %	18.9 %	19.5 %

Note to schedule:

Measurement date is December 31, 2021.

The December 31, 2021 information reflects the merger of the CCHS and SHS DB plans into the Atrium DB plan effective June 30, 2021. The schedules are intended to show information for 10 years. Additional years will be presented as the information becomes available.

See accompanying independent auditors' report.

Atrium Health Charlotte - Mecklenburg Hospital Authority

Schedule of Pension Contributions – Atrium Health Charlotte Defined Benefit Plan (unaudited)

December 31, 2021

Dollars in thousands.

December 31	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered- employee payroll	Contributions as a percentage of covered- employee payroll
2021	\$ 36,570	\$ 36,570	\$ —	\$ 1,665,998	2.2 %
2020	37,378	37,378	—	1,688,456	2.2
2019	37,473	38,561	(1,088)	1,741,304	2.2

Notes to schedule:

Valuation date Actuarially determined contribution rates are calculated as of January 1, one year prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rate for 2021:

Actuarial cost method	Entry age normal with 20-year as level percent of pay, closed
Asset valuation method	5-year smoothed market
Cash balance interest credits	5.00%
Salary increases	Not applicable after 12/31/2017 due to benefit accrual freeze.
Investment rate of return	7.50%, net of pension plan investment expense, including inflation
Retirement rates	Age-graded rates from 55 to 70
Mortality	PRI-2012 sex-distinct mortality tables projected generationally with Scale MP-2020. Prior to 1/1/2020, RP-2014 with generational projection using scale MP-2018.

The schedules are intended to show information for 10 years. Additional years will be presented as the information becomes available.

See accompanying independent auditors' report.

Atrium Health Charlotte - Mecklenburg Hospital Authority

Schedule of Pension Plan Investment Returns – Atrium Health Charlotte Defined Benefit Plan (unaudited)

December 31, 2021

Dollars in thousands.

Atrium Health Defined Benefit Plan measurement date	Annual money- weighted rate of return net of investment expenses
December 31, 2021	15.0 %
December 31, 2020	14.0
December 31, 2019	19.0

Notes to schedule:

The schedules are intended to show information for 10 years. Additional years will be presented as the information becomes available.

See accompanying independent auditors' report.

Atrium Health Charlotte - Mecklenburg Hospital Authority

Schedule of Changes in Net Pension Liability and Related Ratios - Atrium Health Navicent Defined Benefit Plan (unaudited)

December 31, 2021

Dollars in thousands.

	2021	December 31 2020	2019
Total pension liability:			
Service cost	\$ —	\$ —	\$ —
Interest cost	19,987	20,084	19,866
Changes of benefit terms	23,969	—	—
Differences between expected and actual experiences	(1,852)	854	—
Changes of assumptions	321	(904)	—
Benefit payments	(86,284)	(19,426)	(16,170)
Net change in total pension liability	(43,859)	608	3,696
Total pension liability – beginning	277,256	276,648	272,952
Total pension liability – ending (a)	233,397	277,256	276,648
Plan fiduciary net position:			
Contributions – employer	6,960	4,363	11,100
Investment gains and other, net	55,294	36,807	51,045
Benefit payments	(86,284)	(19,426)	(16,170)
Administrative expense	(1,980)	(2,507)	(2,865)
Net change in plan fiduciary net position	(26,010)	19,237	43,110
Plan fiduciary net position – beginning	368,825	349,588	306,478
Plan fiduciary net position – ending (b)	342,815	368,825	349,588
Net pension asset – ending (a) – (b)	\$ (109,418)	\$ (91,569)	\$ (72,940)
Plan fiduciary net position as a percentage of the total pension liability	146.9 %	133.0 %	126.4 %
Covered-employee payroll	\$ 96,163	\$ 112,865	\$ 138,664
Net pension asset as a percentage of covered-employee payroll	(113.8)%	(81.1)%	(52.6)%

Note to schedule:

Measurement date is December 31, 2021.

The schedule is intended to show information for 10 years. Additional years will be presented as the information becomes available.

See accompanying independent auditors' report.

Atrium Health Charlotte - Mecklenburg Hospital Authority

Schedule of Pension Contributions – Atrium Health Navicent Defined Benefit Plan (unaudited)

December 31, 2021

Dollars in thousands.

December 31	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered- employee payroll	Contributions as a percentage of covered- employee payroll
2021	\$ 6,960	\$ 6,960	\$ —	\$ 96,163	7.2 %
2020	4,135	4,363	(228)	112,865	3.9
2019	4,723	11,100	(6,377)	138,664	8.0

Notes to schedule:

Valuation date Actuarially determined contribution rates are calculated as of January 1, one year prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rate for 2021:

Actuarial cost method	Traditional unit credit
Asset valuation method	2-year smoothed market
Salary increases	Not applicable after 12/31/2013 due to benefit accrual freeze.
Minimum required contribution	ERISA plan's minimum contribution is determined under Section 430 of the IRC.
Retirement rates	Age-graded rates from 55 to 70
Mortality	PRI-2012 sex-distinct mortality tables projected generationally with Scale MP-2020. Prior to 1/1/2020, RP-2014 with generational projection using scale MP-2018.

The schedule is intended to show information for 10 years. Additional years will be presented as the information becomes available.

See accompanying independent auditors' report.

Atrium Health Charlotte - Mecklenburg Hospital Authority

Schedule of Pension Plan Investment Returns – Atrium Health Navicent Defined Benefit Plan (unaudited)

December 31, 2021

Dollars in thousands.

Navicent Health Defined Benefit Plan measurement date	Annual money- weighted rate of return net of investment expenses
December 31, 2021	15.6 %
December 31, 2020	11.2
December 31, 2019	17.0

Notes to schedule:

The schedules are intended to show information for 10 years. Additional years will be presented as the information becomes available.

See accompanying independent auditors' report.

Atrium Health Charlotte - Mecklenburg Hospital Authority

Schedule of Changes in Net Pension Liability and Related Ratios – Atrium Health Floyd Defined Benefit Plan (unaudited)

December 31, 2021

Dollars in thousands.

	December 31, 2021
Total pension liability:	
Service cost	\$ —
Interest cost	4,432
Differences between expected and actual experiences	—
Changes of assumptions	—
Benefit payments	(5,088)
Net change in total pension liability	(656)
Total pension liability – beginning	80,958
Total pension liability – ending (a)	80,302
Plan fiduciary net position:	
Contributions – employer	1,114
Investment gains and other, net	8,345
Benefit payments	(5,088)
Administrative expense	(882)
Net change in plan fiduciary net position	3,489
Plan fiduciary net position – beginning	84,518
Plan fiduciary net position – ending (b)	88,007
Net pension asset – ending (a) – (b)	\$ (7,705)
Plan fiduciary net position as a percentage of the total pension liability	109.6 %
Covered-employee payroll	\$ 32,839
Net pension asset as a percentage of covered-employee payroll	(23.5)%
Note to schedule:	
Measurement date is December 31, 2021.	
The schedule is intended to show information for 10 years. Additional years will be presented as the information becomes available.	

See accompanying independent auditors' report.

Atrium Health Charlotte - Mecklenburg Hospital Authority

Schedule of Pension Contributions – Atrium Health Floyd Defined Benefit Plan (unaudited)

December 31, 2021

Dollars in thousands.

December 31	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered- employee payroll	Contributions as a percentage of covered- employee payroll
2021	\$ —	1,114	(1,114)	32,839	3.4 %

Notes to schedule:

Valuation date Actuarially determined contribution rates are calculated as of January 1, one year prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rate for 2021:

Actuarial cost method	Traditional unit credit
Asset valuation method	2-year smoothed market
Salary increases	Not applicable after 3/31/2014 due to benefit accrual freeze.
Minimum required contribution	ERISA plan's minimum contribution is determined under Section 430 of the IRC.
Retirement rates	Age-graded rates from 57 to 62+
Mortality	PRI-2012 sex-distinct mortality tables projected generationally with Scale MP-2020.

The schedule is intended to show information for 10 years. Additional years will be presented as the information becomes available.

See accompanying independent auditors' report.

Atrium Health Charlotte - Mecklenburg Hospital Authority

Schedule of Pension Plan Investment Returns – Atrium Health Floyd Defined Benefit Plan (unaudited)

December 31, 2021

Dollars in thousands.

Navicent Health Defined Benefit Plan measurement date	Annual money- weighted rate of return net of investment expenses
December 31, 2021	10.1 %

Notes to schedule:

The schedules are intended to show information for 10 years. Additional years will be presented as the information becomes available.

See accompanying independent auditors' report.

The Charlotte-Mecklenburg Hospital Authority Combined Group

Combining Balance Sheet

December 31, 2021

Dollars in thousands.

	Atrium Health The Charlotte- Mecklenburg Hospital Authority	Atrium Health Foundation	Eliminations	Exclude AH Navicent	Exclude AH Floyd	Exclude Non-Obligated Group Affiliates	Exclude Consolidating Eliminations	Total Combined Group
Assets								
Current assets:								
Cash and cash equivalents	\$ 799,598	\$ 4,026	\$ —	\$ 61,028	\$ 255,713	\$ 18,229	\$ —	\$ 468,654
Short term investments	39,326	11,542	—	—	39,326	—	—	11,542
Patient receivables - net	1,291,751	—	—	230,691	89,388	1,076	—	970,596
Accounts, grants and notes receivable, net	141,561	33,540	(2,072)	13,172	8,723	22,436	—	128,698
Assets limited as to use - investments	47,321	—	—	—	4,121	—	—	43,200
Other current assets	264,949	422	—	30,158	24,424	169	—	210,620
Total current assets	2,584,506	49,530	(2,072)	335,049	421,695	41,910	—	1,833,310
Property and equipment - net	4,684,832	4,181	—	470,481	157,344	28,228	—	4,032,960
Investments and assets limited as to use	8,355,490	378,369	—	888,711	92,011	77,535	—	7,675,602
Other assets	264,451	61,188	(6,717)	71,781	4,359	5,936	(17,991)	254,837
Total assets	15,889,279	493,268	(8,789)	1,766,022	675,409	153,609	(17,991)	13,796,709
Deferred outflows of resources	396,387	—	—	28,215	582	—	—	367,590
Total assets and deferred outflows of resources	\$ 16,285,666	\$ 493,268	\$ (8,789)	\$ 1,794,237	\$ 675,991	\$ 153,609	\$ (17,991)	\$ 14,164,299
Liabilities								
Current liabilities:								
Accounts payable	\$ 411,803	\$ 13	\$ (4,300)	\$ 11,939	\$ 16,740	\$ 1,577	\$ —	\$ 377,260
Salaries and benefits payable	786,877	—	—	57,362	30,080	894	—	698,541
Other liabilities and accruals	666,881	2,148	(2,072)	114,832	53,102	3,504	—	495,519
Estimated third party payer settlements	321,328	—	—	6,102	(1,739)	—	—	316,965
Current portion of long-term debt	772,270	—	—	5,315	6,000	1,984	—	758,971
Total current liabilities	2,959,159	2,161	(6,372)	195,550	104,183	7,959	—	2,647,256
Notes payable, finance leases and line of credit - net of current portion	229,282	—	—	—	173,000	21,660	—	34,622
Bonds Payable - net of current portion	2,620,184	—	—	280,940	—	—	—	2,339,244
Interest rate swap liability	263,120	—	—	8,514	—	—	—	254,606
Retirement benefits	90,622	—	—	(128,466)	(6,293)	—	—	225,381
Other liabilities	640,866	3,385	(2,417)	115,067	25,918	—	—	500,849
Total liabilities	6,803,233	5,546	(8,789)	471,605	296,808	29,619	—	6,001,958
Deferred inflows of resources	277,416	—	—	66,885	1,694	—	—	208,837
Net position:								
Net investment in capital assets	1,628,733	4,181	—	179,030	—	4,584	—	1,449,300
Restricted - by donor	35,919	473,725	—	—	—	35,919	—	473,725
Unrestricted	7,540,365	9,816	—	1,076,717	377,489	83,487	(17,991)	6,030,479
Total net position	9,205,017	487,722	—	1,255,747	377,489	123,990	(17,991)	7,953,504
Total liabilities and deferred inflows and net position	\$ 16,285,666	\$ 493,268	\$ (8,789)	\$ 1,794,237	\$ 675,991	\$ 153,609	\$ (17,991)	\$ 14,164,299

The Total Combined Group column presented above represents the Combined Group, which consists of the Obligated Group and its Designated Affiliates, as such terms are defined in Section 101 of the Charlotte-Mecklenburg Hospital Authority's Second Amended and Restated Bond Order adopted as of September 9, 1997, as amended. Because none of the members of the Obligated Group have Designated Affiliates at this time, the only members of the Combined Group are the members of the Obligated Group.

The Charlotte-Mecklenburg Hospital Authority Combined Group

Combining Schedule of Revenues, Expenses and Changes in Net Position

December 31, 2021

Dollars in thousands.

	The Charlotte-Mecklenburg Hospital Authority	Atrium Health Foundation	Eliminations	Exclude AH Navicent	Exclude AH Floyd	Exclude Non-Obligated Group Affiliates	Exclude Consolidating Eliminations	Total Combined Group
Operating revenues and support								
Patient service revenue	\$ 8,120,786	\$ —	\$ —	\$ 867,690	\$ 532,788	\$ 5,409	\$ —	\$ 6,714,899
Gifts, grants and contracts	82,527	50,432	(30,259)	6,587	—	—	—	96,113
Student tuition and fees - net	11,694	—	—	—	—	—	—	11,694
Other sources	757,529	973	—	39,013	5,047	33,753	(1,703)	682,392
Total operating revenues	8,972,536	51,405	(30,259)	913,290	537,835	39,162	(1,703)	7,505,098
Operating expenses								
Personnel costs	5,119,128	4,610	—	541,194	318,585	11,199	—	4,252,760
Supplies	1,772,428	—	—	188,690	85,131	726	—	1,497,881
Purchased services	635,616	—	—	80,587	35,966	169	—	518,894
Other operating expenses	728,597	28,149	(25,959)	83,117	40,179	13,062	(1,703)	596,132
Depreciation and amortization	394,488	262	—	42,587	21,576	2,189	—	328,398
Total operating expenses	8,650,257	33,021	(25,959)	936,175	501,437	27,345	(1,703)	7,194,065
Operating income (loss)	322,279	18,384	(4,300)	(22,885)	36,398	11,817	—	311,033
Nonoperating gains								
Interest expense	(107,429)	—	—	(5,334)	(4,494)	(906)	—	(96,695)
Stimulus grants	181,510	—	—	14,900	17,210	—	—	149,400
Net investment gains	757,608	50,514	—	79,379	2,690	20,613	—	705,440
Net gains on interest rate swap valuation	3,084	—	—	3,084	—	—	—	—
Other, net	(3,792)	—	4,300	(47)	(5,630)	16	—	6,169
Total nonoperating gains	830,981	50,514	4,300	91,982	9,776	19,723	—	764,314
Excess of revenues over expenses and losses before capital and other contributions	\$ 1,153,260	\$ 68,898	\$ —	\$ 69,097	\$ 46,174	\$ 31,540	\$ —	\$ 1,075,347
Changes in net position:								
Capital contributions	7,748	23,607	—	—	—	(3,128)	—	34,483
Other contributions	(129,304)	905	—	10,762	39,086	—	—	(178,247)
Change in net position	1,031,704	93,410	—	79,859	85,260	28,412	—	931,583
Net position, beginning of year	8,173,313	394,312	—	1,175,888	292,229	95,578	(17,991)	7,021,921
Net position, end of year	\$ 9,205,017	\$ 487,722	\$ —	\$ 1,255,747	\$ 377,489	\$ 123,990	\$ (17,991)	\$ 7,953,504

The Total Combined Group column presented above represents the Combined Group, which consists of the Obligated Group and its Designated Affiliates, as such terms are defined in Section 101 of the Charlotte-Mecklenburg Hospital Authority's Second Amended and Restated Bond Order adopted as of September 9, 1997, as amended. Because none of the members of the Obligated Group have Designated Affiliates at this time, the only members of the Combined Group are the members of the Obligated Group.

See accompanying independent auditors' report.

The Charlotte-Mecklenburg Hospital Authority Combined Group

Combining Schedule of Cash Flows

December 31, 2021

Dollars in thousands

	Atrium Health The Charlotte- Mecklenburg Hospital Authority	Atrium Health Foundation	Eliminations	Exclude AH Navicent	Exclude AH Floyd	Exclude Non-Obligated Group Affiliates	Exclude Consolidating Eliminations	Total Combined Group
Cash flows from operating activities:								
Receipts from third-party payers and patients	\$ 7,894,877	\$ —	\$ —	\$ 817,774	\$ 522,611	\$ 5,424	\$ —	\$ 6,549,068
Payments to suppliers	(2,946,106)	(8,317)	—	(322,836)	(202,414)	(13,996)	—	(2,415,177)
Payments to employees	(5,172,323)	—	—	(554,238)	(322,949)	(10,706)	—	(4,284,430)
Other receipts (payments) – net	657,050	(2,606)	(4,300)	(7,054)	9,421	20,955	—	626,822
Net cash provided by (used in) operating activities	433,498	(10,923)	(4,300)	(66,354)	6,669	1,677	—	476,283
Cash flows from financing activities:								
Cash flows from noncapital financing activities:								
Proceeds from the issuance of commercial paper	250,000	—	—	—	—	—	—	250,000
Retirements of commercial paper	(100,000)	—	—	—	—	—	—	(100,000)
Stimulus grants	181,510	—	—	14,900	17,210	—	—	149,400
Academic endowment and enrichment funds disbursed	(160,000)	—	—	—	—	—	—	(160,000)
Other activities	(107,523)	—	4,300	—	70,399	—	—	(173,622)
Net cash provided by (used in) noncapital financing activities	63,987	—	4,300	14,900	87,609	—	—	(34,222)
Cash flows from capital and related financing activities:								
Purchase of capital assets	(797,112)	(74)	—	(24,634)	(30,117)	(792)	—	(741,643)
Proceeds from sale of capital assets	8,166	—	—	25	6,779	—	—	1,362
Interest payments on short- and long-term debt	(100,451)	—	—	(5,334)	(4,494)	(904)	—	(89,719)
Principal payments, refunding and retirements on short- and long-term debt	(330,683)	—	—	(4,335)	(173,062)	(970)	—	(152,316)
Proceeds from issuance of long-term debt	985,807	—	—	—	179,000	—	—	806,807
Contributions restricted for building and equipment purchases	18,510	7,878	—	10,762	—	(2,726)	—	18,352
Other contributions (distributions)	—	1,099	—	—	—	—	—	1,099
Net cash (used in) provided by capital and related financing activities	(215,763)	8,903	—	(23,516)	(21,894)	(5,392)	—	(156,058)
Net cash (used in) provided by financing activities	(151,776)	8,903	4,300	(8,616)	65,715	(5,392)	—	(190,280)
Cash flows from investing activities:								
Investment earnings	19,821	1,934	—	15	12,180	842	—	8,718
Purchases of investments and assets limited as to use	(54,071)	(2)	—	(22,791)	—	(2,219)	—	(29,063)
Sales of investments and assets limited as to use	124,233	—	—	8,324	98,703	17,206	—	—
Net cash provided by (used in) investing activities	89,983	1,932	—	(14,452)	110,883	15,829	—	(20,345)
Net increase (decrease) in cash and cash equivalents	371,705	(88)	—	(89,422)	183,267	12,114	—	265,658
Cash and cash equivalents:								
Beginning of year	978,709	4,114	—	150,450	72,446	6,115	—	753,812
End of year	\$ 1,350,414	\$ 4,026	\$ —	\$ 61,028	\$ 255,713	\$ 18,229	\$ —	\$ 1,019,470
Reconciliation of cash and cash equivalents to the balance sheet:								
Cash and cash equivalents	799,598	4,026	—	61,028	255,713	18,229	—	468,654
Restricted cash in investments and assets whose use is limited	550,816	—	—	—	—	—	—	550,816
Total cash and cash equivalents	\$ 1,350,414	\$ 4,026	\$ —	\$ 61,028	\$ 255,713	\$ 18,229	\$ —	\$ 1,019,470
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:								
Operating income (loss)	\$ 322,279	\$ 18,384	\$ (4,300)	\$ (22,885)	\$ 36,398	\$ 11,817	\$ —	\$ 311,033
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:								
Depreciation and amortization	394,488	262	—	42,587	21,576	2,189	—	328,398
(Increase) decrease in patient accounts receivable – net	(262,175)	—	—	(57,844)	(9,233)	14	—	(195,112)
(Increase) decrease in inventories and other current assets	(39,274)	(26,875)	2,338	3,471	(8,893)	(1,692)	—	(56,697)
Decrease (increase) in other assets affecting operating activities	46,112	(188)	—	(13,919)	4,956	(11,690)	—	66,577
Increase (decrease) in accounts payable and other current liabilities	271,923	(2,420)	(2,338)	37,981	17,069	444	—	211,671
(Decrease) increase in other liabilities affecting operating activities	(336,121)	(86)	—	(63,673)	(54,260)	595	—	(218,869)
Increase (decrease) in estimated third party payer settlements	36,266	—	—	7,928	(944)	—	—	29,282
Net cash provided by (used in) operating activities	\$ 433,498	\$ (10,923)	\$ (4,300)	\$ (66,354)	\$ 6,669	\$ 1,677	\$ —	\$ 476,283

The Total Combined Group column presented above represents the Combined Group, which consists of the Obligated Group and its Designated Affiliates, as such terms are defined in Section 101 of the Charlotte-Mecklenburg Hospital Authority's Second Amended and Restated Bond Order adopted as of September 9, 1997, as amended. Because none of the members of the Obligated Group have Designated Affiliates at this time, the only members of the Combined Group are the members of the Obligated Group.

Atrium Health – Navicent

Combining Balance Sheet

December 31, 2021

Dollars in thousands.

	Carlyle Place	All Other Navicent	Atrium Health Navicent
Assets			
Current assets:			
Cash and cash equivalents	\$ 302	\$ 60,726	\$ 61,028
Short term investments	—	—	—
Patient receivables – net	95	230,596	230,691
Accounts, grants and notes receivable, net	(1,772)	14,944	13,172
Assets limited as to use – investments	—	—	—
Other current assets	30	30,128	30,158
Total current assets	(1,345)	336,394	335,049
Property and equipment – net	29,739	440,742	470,481
Investments and assets limited as to use	104,976	783,735	888,711
Other assets	—	71,781	71,781
Total assets	133,370	1,632,652	1,766,022
Deferred outflows of resources	—	28,215	28,215
Total assets and deferred outflows of resources	\$ 133,370	\$ 1,660,867	\$ 1,794,237
Liabilities			
Current liabilities:			
Accounts payable	\$ —	\$ 11,939	\$ 11,939
Salaries and benefits payable	370	56,992	57,362
Other liabilities and accruals	37,063	77,769	114,832
Estimated third party payer settlements	—	6,102	6,102
Current portion of long-term debt	947	4,368	5,315
Total current liabilities	38,380	157,170	195,550
Notes payable, finance leases and line of credit – net of current portion	—	—	—
Bonds Payable – net of current portion	32,110	248,830	280,940
Interest rate swap liability	—	8,514	8,514
Retirement benefits	—	(128,466)	(128,466)
Other liabilities	125	114,942	115,067
Total liabilities	70,615	400,990	471,605
Deferred inflows of resources	—	66,885	66,885
Net position:			
Net investment in capital assets	—	179,030	179,030
Restricted – by donor	—	—	—
Unrestricted	62,755	1,013,962	1,076,717
Total net position	62,755	1,192,992	1,255,747
Total liabilities and deferred inflows and net position	\$ 133,370	\$ 1,660,867	\$ 1,794,237

See accompanying independent auditors' report.

Atrium Health – Navicent

Combining Schedule of Revenues, Expenses and Changes in Net Position

December 31, 2021

Dollars in thousands.

	Carlyle Place	All Other Navicent	Atrium Health Navicent
Operating revenues and support			
Patient service revenue	\$ 2,516	\$ 865,174	\$ 867,690
Gifts, grants and contracts	74	6,513	6,587
Student tuition and fees - net	—	—	—
Other sources	13,256	25,757	39,013
Total operating revenues and support	15,846	897,444	913,290
Operating expenses			
Personnel costs	9,315	531,879	541,194
Supplies	1,669	187,021	188,690
Purchased services	1,453	79,134	80,587
Other operating expenses	1,817	81,300	83,117
Depreciation and amortization	2,594	39,993	42,587
Total operating expenses	16,848	919,327	936,175
Operating loss	(1,002)	(21,883)	(22,885)
Nonoperating gains			
Interest Expense	(605)	(4,729)	(5,334)
Stimulus grants	12	14,888	14,900
Net investment gains	10,067	69,312	79,379
Net gains on interest rate swap valuation	166	2,918	3,084
Other, net	3	(50)	(47)
Total nonoperating gains	9,643	82,339	91,982
Excess of revenues and support over expenses and losses before contributions	8,641	60,456	69,097
Capital contributions	—	10,762	10,762
Other contributions	—	—	—
Change in net position	8,641	71,218	79,859
Net position:			
Net position, beginning of year	54,114	1,121,774	1,175,888
Net position, end of year	\$ 62,755	\$ 1,192,992	\$ 1,255,747

See accompanying independent auditors' report.

Atrium Health – Navicent

Combining Schedule of Cash Flows

December 31, 2021

Dollars in thousands.

	Carlyle Place Navicent Health	All Other Navicent	Atrium Health Navicent
Cash flows from operating activities:			
Receipts from third-party payers and patients	\$ 2,425	\$ 815,349	\$ 817,774
Payments to suppliers	28,496	(351,332)	(322,836)
Payments to employees	(9,704)	(544,534)	(554,238)
Other (payments) receipts – net	(21,704)	14,650	(7,054)
Net cash used in operating activities	(487)	(65,867)	(66,354)
Cash flows from financing activities:			
Cash flows from noncapital financing activities:			
Proceeds from the issuance of commercial paper	—	—	—
Retirements of commercial paper	—	—	—
Stimulus grants	12	14,888	14,900
Academic endowment and enrichment funds disbursed	—	—	—
Other activities	—	—	—
Net cash provided by noncapital financing activities	12	14,888	14,900
Cash flows from capital and related financing activities:			
Purchase of capital assets	(2,872)	(21,762)	(24,634)
Proceeds from sale of capital assets	—	25	25
Interest payments on short- and long-term debt	(605)	(4,729)	(5,334)
Principal payments, refunding and retirements on short- and long-term debt	(902)	(3,433)	(4,335)
Proceeds from issuance of long-term debt	—	—	—
Contributions restricted for building and equipment purchases	—	10,762	10,762
Other contributions (distributions)	—	—	—
Net cash used in capital and related financing activities	(4,379)	(19,137)	(23,516)
Net cash used in financing activities	(4,367)	(4,249)	(8,616)
Cash flows from investing activities:			
Investment earnings	9,101	(9,086)	15
Purchases of investments and assets limited as to use	(8,324)	(14,467)	(22,791)
Sales of investments and assets limited as to use	4,013	4,311	8,324
Net cash provided by (used in) investing activities	4,790	(19,242)	(14,452)
Net decrease in cash and cash equivalents	(64)	(89,358)	(89,422)
Cash and cash equivalents:			
Beginning of year	366	150,084	150,450
End of year	\$ 302	\$ 60,726	\$ 61,028
Reconciliation of cash and cash equivalents to the balance sheet:			
Cash and cash equivalents	302	60,726	61,028
Restricted cash in investments and assets whose use is limited	—	—	—
Total cash and cash equivalents	\$ 302	\$ 60,726	\$ 61,028
Reconciliation of operating loss to net cash used in operating activities:			
Operating loss	(1,000)	(21,885)	(22,885)
Adjustments to reconcile operating loss to net cash used in operating activities:			
Depreciation and amortization	2,594	39,993	42,587
(Decrease) increase in patient accounts receivable – net	8	(57,852)	(57,844)
Decrease in inventories and other current assets	1,887	1,584	3,471
Decrease (increase) in other assets affecting operating activities	169	(14,088)	(13,919)
Increase in accounts payable and other current liabilities	33,051	4,930	37,981
Decrease in other liabilities affecting operating activities	(37,097)	(26,576)	(63,673)
(Decrease) increase in estimated third party payer settlements	(99)	8,027	7,928
Net cash used in operating activities	\$ (487)	\$ (65,867)	\$ (66,354)

See accompanying independent auditors' report.

Atrium Health – Floyd

Combining Balance Sheet

December 31, 2021

Dollars in thousands.

	Polk Medical Center, Inc.	Floyd Cherokee Medical Center, LLC	All Other Floyd	Atrium Health Floyd
Assets				
Current assets:				
Cash and cash equivalents	\$ 23,709	\$ 7,740	\$ 224,264	\$ 255,713
Short term investments	4,577	—	34,749	39,326
Patient receivables - net	5,718	1,579	82,091	89,388
Accounts, grants and notes receivable, net	945	736	7,042	8,723
Assets limited as to use - investments	832	—	3,289	4,121
Other current assets	868	349	23,207	24,424
Total current assets	36,649	10,404	374,642	421,695
Property and equipment - net	19,727	2,260	135,357	157,344
Investments and assets limited as to use	24,202	—	67,809	92,011
Other assets	—	—	4,359	4,359
Total assets	80,578	12,664	582,167	675,409
Deferred outflows of resources	—	—	582	582
Total assets and deferred outflows of resources	\$ 80,578	\$ 12,664	\$ 582,749	\$ 675,991
Liabilities				
Current liabilities:				
Accounts payable	\$ 668	\$ 393	\$ 15,679	\$ 16,740
Salaries and benefits payable	1,145	677	28,258	30,080
Other liabilities and accruals	4,584	16,982	31,536	53,102
Estimated third party payer settlements	1,381	(30)	(3,090)	(1,739)
Current portion of long-term debt	—	—	6,000	6,000
Total current liabilities	7,778	18,022	78,383	104,183
Notes payable, finance leases and line of credit - net of current portion	—	—	173,000	173,000
Bonds Payable - net of current portion	—	—	—	—
Interest rate swap liability	—	—	—	—
Retirement benefits	—	—	(6,293)	(6,293)
Other liabilities	22,815	341	2,762	25,918
Total liabilities	30,593	18,363	247,852	296,808
Deferred inflows of resources	—	—	1,694	1,694
Net position:				
Net investment in capital assets	—	—	—	—
Restricted - by donor	—	—	—	—
Unrestricted	49,985	(5,699)	333,203	377,489
Total net position	49,985	(5,699)	333,203	377,489
Total liabilities and deferred inflows and net position	\$ 80,578	\$ 12,664	\$ 582,749	\$ 675,991

See accompanying independent auditors' report.

Atrium Health – Floyd

Combining Schedule of Revenues, Expenses and Changes in Net Position

December 31, 2021

Dollars in thousands.

	Polk Medical Center, Inc.	Floyd Cherokee Medical Center, LLC	All Other Floyd	Atrium Health Floyd
Operating revenues and support				
Patient service revenue	\$ 36,792	\$ 18,014	\$ 477,982	\$ 532,788
Gifts, grants and contracts	—	—	—	—
Student tuition and fees - net	—	—	—	—
Other sources	124	451	4,472	5,047
Total operating revenues and support	36,916	18,465	482,454	537,835
Operating expenses				
Personnel costs	15,557	11,044	291,984	318,585
Supplies	2,851	2,567	79,713	85,131
Purchased services	2,213	2,137	31,616	35,966
Other operating expenses	1,795	1,185	37,199	40,179
Depreciation and amortization	2,303	379	18,894	21,576
Total operating expenses	24,719	17,312	459,406	501,437
Operating income	12,197	1,153	23,048	36,398
Nonoperating gains				
Interest expense	(648)	(17)	(3,829)	(4,494)
Stimulus grants	3,846	943	12,421	17,210
Net investment gains	386	1	2,303	2,690
Net gains on interest rate swap valuation	—	—	—	—
Other, net	668	19	(6,317)	(5,630)
Total nonoperating gains	4,252	946	4,578	9,776
Excess of revenues and support over expenses before capital and other contributions	\$ 16,449	\$ 2,099	\$ 27,626	\$ 46,174
Capital contributions	—	—	—	—
Other contributions	(20,000)	—	59,086	39,086
Change in net position	(3,551)	2,099	86,712	85,260
Net position:				
Net position, beginning of year	53,536	(7,798)	246,491	292,229
Net position, end of year	\$ 49,985	\$ (5,699)	\$ 333,203	\$ 377,489

See accompanying independent auditors' report.

Atrium Health – Floyd

Combining Schedule of Cash Flows

December 31, 2021

Dollars in thousands.

	Polk Medical Center, Inc.	Floyd Cherokee Medical Center, LLC	All Other Floyd	Atrium Health Floyd
Cash flows from operating activities:				
Receipts from third-party payers and patients	\$ 36,945	\$ 18,129	\$ 467,537	\$ 522,611
Payments to suppliers	(8,320)	(14,126)	(179,968)	(202,414)
Payments to employees	(15,482)	(10,873)	(296,594)	(322,949)
Other receipts – net	792	1,395	7,234	9,421
Net cash provided by (used in) operating activities	13,935	(5,475)	(1,791)	6,669
Cash flows from financing activities:				
Cash flows from noncapital financing activities:				
Proceeds from the issuance of commercial paper	—	—	—	—
Retirements of commercial paper	—	—	—	—
Stimulus grants	3,846	—	13,364	17,210
Academic endowment and enrichment funds disbursed	—	—	—	—
Other activities	—	—	70,399	70,399
Net cash (used in) provided by noncapital financing activities	3,846	—	83,763	87,609
Cash flows from capital and related financing activities:				
Purchase of capital assets	(188)	(2,009)	(27,920)	(30,117)
Proceeds from sale of capital assets	—	—	6,779	6,779
Interest payments on short- and long-term debt	(649)	(47)	(3,798)	(4,494)
Principal payments, refunding and retirements on short- and long-term debt	(33,112)	—	(139,950)	(173,062)
Proceeds from issuance of long-term debt	—	623	178,377	179,000
Net cash used in capital and related financing activities	(33,949)	(1,433)	13,488	(21,894)
Net cash (used in) provided by financing activities	(30,103)	(1,433)	97,251	65,715
Cash flows from investing activities:				
Investment earnings	407	—	11,773	12,180
Purchases of investments and assets limited as to use	—	—	—	—
Sales of investments and assets limited as to use	27,857	—	70,846	98,703
Net cash provided by investing activities	28,264	—	82,619	110,883
Net increase (decrease) in cash and cash equivalents	12,096	(6,908)	178,079	183,267
Cash and cash equivalents:				
Beginning of year	11,613	14,648	46,185	72,446
End of year	\$ 23,709	\$ 7,740	\$ 224,264	\$ 255,713
Reconciliation of cash and cash equivalents to the balance sheet:				
Cash and cash equivalents	23,709	7,740	224,264	255,713
Restricted cash in investments and assets whose use is limited	—	—	—	—
Total cash and cash equivalents	\$ 23,709	\$ 7,740	\$ 224,264	\$ 255,713
Reconciliation of operating (loss) income to net cash (used in) provided by operating activities:				
Operating income	12,197	2,698	21,503	36,398
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:				
Depreciation and amortization	2,303	615	18,658	21,576
Decrease (increase) in patient accounts receivable – net	226	115	(9,574)	(9,233)
Decrease (increase) in inventories and other current assets	684	(166)	(9,411)	(8,893)
Increase in other assets affecting operating activities	—	—	4,956	4,956
Increase (decrease) in accounts payable and other current liabilities	1,840	(7,572)	22,801	17,069
Increase (decrease) in other liabilities affecting operating activities	(3,241)	(1,165)	(49,854)	(54,260)
Decrease in estimated third party payer settlements	(74)	—	(870)	(944)
Net cash provided by (used in) operating activities	\$ 13,935	\$ (5,475)	\$ (1,791)	\$ 6,669

See accompanying independent auditors' report.

Atrium Health – Wake Forest Baptist

Combining Balance Sheet

December 31, 2021

Dollars in thousands.

	NCBH	WFUHS	WFUBMC	Other Affis	Eliminations	Atrium Health Wake Forest Baptist	Non-Designated Entities	Eliminations	Wake Forest Baptist Combined Group
Assets									
Current assets:									
Cash and cash equivalents	\$ 58,582	\$ 11,412	\$ 258,678	\$ 3,809	\$ —	\$ 332,481	\$ (69,761)	\$ —	\$ 262,720
Short term investments	—	—	—	—	—	—	—	—	—
Patient receivables - net	195,154	76,506	83,005	2,372	—	357,037	(20,480)	—	336,557
Accounts, grants and notes receivable, net	247,701	233,299	182,635	10,989	(526,234)	148,390	(22,079)	—	126,311
Assets limited as to use - investments	—	—	—	—	—	—	—	—	—
Other current assets	83,448	11,448	16,043	150	—	111,089	(5,561)	—	105,528
Total current assets	584,885	332,665	540,361	17,320	(526,234)	948,997	(117,881)	—	831,116
Property and equipment - net	583,160	364,873	326,696	9,472	—	1,284,201	(79,702)	—	1,204,499
Investments and assets limited as to use	1,329,058	1,253,000	333,935	144	(467,875)	2,448,262	(83,894)	25,035	2,389,403
Operating lease right-of-use assets, net	21,203	143,057	116,816	—	(84,600)	196,476	(38,271)	—	158,205
Other assets	46,438	32,194	107,299	—	—	185,931	(92,465)	—	93,466
Total assets	\$ 2,564,744	\$ 2,125,789	\$ 1,425,107	\$ 26,936	\$ (1,078,709)	\$ 5,063,867	\$ (412,213)	\$ 25,035	\$ 4,676,689
Liabilities									
Current liabilities:									
Accounts payable	\$ 67,372	\$ 169,981	\$ 465,039	\$ 5,288	\$ (522,785)	\$ 184,895	\$ (139,207)	\$ —	\$ 45,688
Salaries and benefits payable	88,127	219,235	57,844	380	—	365,586	(12,577)	—	353,009
Other liabilities and accruals	116,941	86,564	24,738	117	(9,175)	219,185	(3,374)	—	215,811
Estimated third party payer settlements	75,810	—	—	—	—	75,810	1,427	—	77,237
Operating lease liabilities	4,944	23,279	17,185	—	(4,575)	40,833	(11,569)	—	29,264
Current portion of long-term debt	93,055	11,645	52,271	1,159	—	158,130	(1,363)	—	156,767
Total current liabilities	446,249	510,704	617,077	6,944	(536,535)	1,044,439	(166,663)	—	877,776
Notes payable, finance leases and line of credit - net of current portion	16,624	42,530	25,919	3,484	—	88,557	(24,688)	—	63,869
Bonds Payable - net of current portion	398,580	120,519	208,860	—	—	727,959	—	—	727,959
Operating lease liabilities - less current portion	15,903	124,743	92,638	—	(70,350)	162,934	(27,732)	—	135,202
Interest rate swap liability	—	3,525	—	—	—	3,525	—	—	3,525
Retirement benefits	72,294	23,253	713	—	—	96,260	(713)	—	95,547
Other liabilities	46,916	64,924	15,316	49	(3,949)	123,256	(6,170)	—	117,086
Total liabilities	996,566	890,198	960,523	10,477	(610,834)	2,246,930	(225,966)	—	2,020,964
Net assets:									
Without donor restrictions	1,557,536	924,951	371,526	16,459	(467,875)	2,402,597	(185,157)	25,035	2,242,475
With donor restrictions	10,642	310,640	93,058	—	—	414,340	(1,090)	—	413,250
Total net assets	1,568,178	1,235,591	464,584	16,459	(467,875)	2,816,937	(186,247)	25,035	2,655,725
Total liabilities and net assets	\$ 2,564,744	\$ 2,125,789	\$ 1,425,107	\$ 26,936	\$ (1,078,709)	\$ 5,063,867	\$ (412,213)	\$ 25,035	\$ 4,676,689

See accompanying independent auditors' report.

Atrium Health – Wake Forest Baptist

Combining Statement of Operations and Changes in Net Assets

December 31, 2021

Dollars in thousands.

	NCBH	WFUHS	WFUBMC	Other Affls	Eliminations	Atrium Health Wake Forest Baptist	Non-Designated Entities	Eliminations	Wake Forest Baptist Combined Group
Operating revenues and support									
Patient service revenue	\$ 1,706,567	\$ 708,602	\$ 794,147	\$ 18,745	\$ —	\$ 3,228,061	\$ (220,919)	\$ —	\$ 3,007,142
Gifts, grants and contracts	21,224	212,890	10,343	—	(128)	244,329	(9,648)	—	234,681
Student tuition and fees - net	1,885	41,733	—	—	—	43,618	—	—	43,618
Investment return designated for current operations	1,462	29,413	1,328	320	—	32,523	(1,690)	—	30,833
Net assets released from restrictions	407	35,717	1,548	—	—	37,672	(21)	—	37,651
Other sources	431,515	249,770	37,108	197	(226,088)	492,502	(51,734)	—	440,768
Total operating revenues	2,163,060	1,278,125	844,474	19,262	(226,216)	4,078,705	(284,012)	—	3,794,693
Operating expenses									
Personnel costs	994,678	980,102	431,234	5,459	5,598	2,417,071	(171,114)	—	2,245,957
Supplies	690,495	120,158	165,618	1,292	—	977,563	(35,066)	—	942,497
Purchased services	287,270	31,588	46,006	3,782	(219,174)	149,472	(13,727)	—	135,745
Other operating expenses	124,720	132,715	101,291	3,450	(12,640)	349,536	(66,808)	—	282,728
Depreciation and amortization	81,841	35,199	25,588	1,275	—	143,903	(5,500)	—	138,403
Financing costs	13,136	7,443	9,345	99	—	30,023	(975)	—	29,048
Total operating expenses	2,192,140	1,307,205	779,082	15,357	(226,216)	4,067,568	(293,190)	—	3,774,378
Operating (loss) income	(29,080)	(29,080)	65,392	3,905	—	11,137	9,178	—	20,315
Nonoperating gains (losses)									
Net investment gains (losses)	92,850	71,073	4,869	863	—	169,655	(3,937)	—	165,718
Net gains on interest rate swap valuation	—	1,208	—	—	—	1,208	—	—	1,208
Net assets released from restriction	—	150,000	—	—	—	150,000	—	—	150,000
Pension and postretirement costs	(7,618)	1,894	779	—	—	(4,945)	(779)	—	(5,724)
Gains from equity-method affiliates	42,816	45,615	4,477	—	(80,883)	12,025	(163)	(9,982)	1,880
Contribution from business combinations, net	—	—	10,709	—	—	10,709	(10,709)	—	—
Other, net	13,522	(46)	(33)	(3,146)	2,360	12,657	(10,687)	(2,360)	(390)
Total nonoperating gains (losses)	141,570	269,744	20,801	(2,283)	(78,523)	351,309	(26,275)	(12,342)	312,692
Excess of revenues and support over expenses and losses	112,490	240,664	86,193	1,622	(78,523)	362,446	(17,097)	(12,342)	333,007
Changes in net assets without donor restrictions:									
Pension and postretirement net adjustments	37,831	968	1,976	—	—	40,775	(1,976)	—	38,799
Other	—	—	—	—	—	—	—	—	—
Changes in net assets without donor restrictions	150,321	241,632	88,169	1,622	(78,523)	403,221	(19,073)	(12,342)	371,806
Changes in net assets with donor restrictions:									
Contributions	960	36,570	1,403	—	—	38,933	(419)	—	38,514
Investment return in excess of amounts designated for current operations	242	8,290	—	—	—	8,532	—	—	8,532
Net assets released from restrictions	(407)	(185,717)	(1,548)	—	—	(187,672)	21	—	(187,651)
Net investment gains	274	31,835	—	—	—	32,109	—	—	32,109
Other	(53)	7,115	(10,017)	—	—	(2,955)	—	—	(2,955)
Change in net assets with donor restrictions	1,016	(101,907)	(10,162)	—	—	(111,053)	(398)	—	(111,451)
Change in total net assets	151,337	139,725	78,007	1,622	(78,523)	292,168	(19,471)	(12,342)	260,355
Net assets, beginning of year	1,416,841	1,095,866	386,577	14,837	(389,352)	2,524,769	(166,776)	37,377	2,395,370
Net assets, end of year	\$ 1,568,178	\$ 1,235,591	\$ 464,584	\$ 16,459	\$ (467,875)	\$ 2,816,937	\$ (186,247)	\$ 25,035	\$ 2,655,725

See accompanying independent auditors' report.

Form **8453-TE****Tax Exempt Entity Declaration and Signature
for Electronic Filing**

OMB No. 1545-0047

Department of the Treasury
Internal Revenue ServiceFor calendar year 2021, or tax year beginning _____, 2021, and ending _____, 20_____
For use with Forms 990, 990-EZ, 990-PF, 990-T, 1120-POL, 4720, 8868, 5227, 5330, and 8038-CP
► Go to www.irs.gov/Form8453TE for the latest information.**2021**

Name of filer

NAVICENT HEALTH, INC.

EIN or SSN

58-2149127

Part I Type of Return and Return Information

Check the box for the type of return being filed with Form 8453-TE and enter the applicable amount, if any, from the return. Form 8038-CP and Form 5330 filers may enter dollars and cents. For all other forms, enter whole dollars only. If you check the box on line 1a, 2a, 3a, 4a, 5a, 6a, 7a, 8a, 9a, or 10a below, and the amount on that line of the return being filed with this form was blank, then leave line 1b, 2b, 3b, 4b, 5b, 6b, 7b, 8b, 9b, or 10b, whichever is applicable, blank (do not enter -0-). If you entered -0- on the return, then enter -0- on the applicable line below. Do not complete more than one line in Part I.

1a	Form 990 check here . . . ► <input checked="" type="checkbox"/>	b	Total revenue, if any (Form 990, Part VIII, column (A), line 12) . . .	1b	138,628,462
2a	Form 990-EZ check here . . . ► <input type="checkbox"/>	b	Total revenue, if any (Form 990-EZ, line 9)	2b	
3a	Form 1120-POL check here ► <input type="checkbox"/>	b	Total tax (Form 1120-POL, line 22)	3b	
4a	Form 990-PF check here . . . ► <input type="checkbox"/>	b	Tax based on investment income (Form 990-PF, Part V, line 5) . . .	4b	
5a	Form 8868 check here . . . ► <input type="checkbox"/>	b	Balance due (Form 8868, line 3c)	5b	
6a	Form 990-T check here . . . ► <input type="checkbox"/>	b	Total tax (Form 990-T, Part III, line 4)	6b	
7a	Form 4720 check here . . . ► <input type="checkbox"/>	b	Total tax (Form 4720, Part III, line 1)	7b	
8a	Form 5227 check here . . . ► <input type="checkbox"/>	b	FMV of assets at end of tax year (Form 5227, Item D)	8b	
9a	Form 5330 check here . . . ► <input type="checkbox"/>	b	Tax due (Form 5330, Part II, line 19)	9b	
10a	Form 8038-CP check here ► <input type="checkbox"/>	b	Amount of credit payment requested (Form 8038-CP, Part III, line 22)	10b	

Part II Declaration of Officer or Person Subject to Tax

- 11a ☐ I authorize the U.S. Treasury and its designated Financial Agent to initiate an Automated Clearing House (ACH) electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment.
- b ☐ If a copy of this return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I certify that I executed the electronic disclosure consent contained within this return allowing disclosure by the IRS of this Form 990/990-EZ/990-PF (as specifically identified in Part I above) to the selected state agency(ies).

Under penalties of perjury, I declare that ☒ I am an officer of the above named entity or ☐ I am the person subject to tax with respect to (name of entity) _____, (EIN) _____, and that I have examined a copy of the 2021 electronic return and accompanying schedules and statements, and, to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund.

Sign
Here

Signature of officer or person subject to tax

Date

CFO

Title, if applicable

Part III Declaration of Electronic Return Originator (ERO) and Paid Preparer (see instructions)

I declare that I have reviewed the above return and that the entries on Form 8453-TE are complete and correct to the best of my knowledge. If I am only a collector, I am not responsible for reviewing the return and only declare that this form accurately reflects the data on the return. The entity officer or person subject to tax will have signed this form before I submit the return. I will give a copy of all forms and information to be filed with the IRS to the officer or person subject to tax, and have followed all other requirements in Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns. If I am also the Paid Preparer, under penalties of perjury I declare that I have examined the above return and accompanying schedules and statements, and, to the best of my knowledge and belief, they are true, correct, and complete. This Paid Preparer declaration is based on all information of which I have any knowledge.

ERO's Use Only	ERO's signature	Date	Check if also paid preparer <input type="checkbox"/>	Check if self-employed <input type="checkbox"/>	ERO's SSN or PTIN
	Firm's name (or yours if self-employed), address, and ZIP code				EIN
					Phone no.

Under penalties of perjury, I declare that I have examined the above return and accompanying schedules and statements, and, to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer is based on all information of which the preparer has any knowledge.

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	PTIN
	W. EDWARD PHILLIPS	<i>W. Edward Phillips</i>	11/3/22		P00451499
	Firm's name ► DRAFFIN & TUCKER, LLP			Firm's EIN ► 58-0914992	
	Firm's address ► PO BOX 71309, ALBANY, GA 31708-1309			Phone no. (229) 883-7878	

For Privacy Act and Paperwork Reduction Act Notice, see back of form.

Cat. No. 31574T

Form **8453-TE** (2021)

**Return by a U.S. Transferor of Property
to a Foreign Corporation**

OMB No. 1545-0026

- Go to www.irs.gov/Form926 for instructions and the latest information.
► Attach to your income tax return for the year of the transfer or distribution.

Attachment
Sequence No. **128**

Part I U.S. Transferor Information (see instructions)

Name of transferor Navicent Health, Inc.	Identifying number (see instructions) 58-2149127
--	--

- 1 Is the transferee a specified 10%-owned foreign corporation that is not a controlled foreign corporation? . ☐ Yes ☒ No
- 2 If the transferor was a corporation, complete questions 2a through 2d.
- a If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by five or fewer domestic corporations? ☐ Yes ☐ No
- b Did the transferor remain in existence after the transfer? ☒ Yes ☐ No
- If not, list the controlling shareholder(s) and their identifying number(s).

Controlling shareholder	Identifying number

- c If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? ☐ Yes ☐ No
- If not, list the name and employer identification number (EIN) of the parent corporation.

Name of parent corporation	EIN of parent corporation

- d Have basis adjustments under section 367(a)(4) been made? ☐ Yes ☐ No

- 3 If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), complete questions 3a through 3d.

- a List the name and EIN of the transferor's partnership.

Name of partnership	EIN of partnership

- b Did the partner pick up its pro rata share of gain on the transfer of partnership assets? ☐ Yes ☐ No
- c Is the partner disposing of its entire interest in the partnership? ☐ Yes ☐ No
- d Is the partner disposing of an interest in a limited partnership that is regularly traded on an established securities market? ☐ Yes ☐ No

Part II Transferee Foreign Corporation Information (see instructions)

4 Name of transferee (foreign corporation) Centra Professional Indemnity, Ltd.	5a Identifying number, if any
6 Address (including country) PO Box 1363 Grand Cayman, Cayman Islands KY1-1108	5b Reference ID number (see instructions) CPI9127

- 7 Country code of country of incorporation or organization (see instructions)
CJ

- 8 Foreign law characterization (see instructions)

Corporation

- 9 Is the transferee foreign corporation a controlled foreign corporation? ☒ Yes ☐ No

Part III Information Regarding Transfer of Property (see instructions)**Section A—Cash**

Type of property	(a) Date of transfer	(b) Description of property	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Gain recognized on transfer
Cash	Various		13,537,358		

- 10** Was cash the only property transferred? ☒ **Yes** ☐ **No**
 If "Yes," skip the remainder of Part III and go to Part IV.

Section B—Other Property (other than intangible property subject to section 367(d))

Type of property	(a) Date of transfer	(b) Description of property	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Gain recognized on transfer
Stock and securities					
Inventory					
Other property (not listed under another category)					
Property with built-in loss					
Totals					

- 11** Did the transferor transfer stock or securities subject to section 367(a) with respect to which a gain recognition agreement was filed? ☐ **Yes** ☐ **No**
- 12a** Were any assets of a foreign branch (including a branch that is a foreign disregarded entity) transferred to a foreign corporation? ☐ **Yes** ☐ **No**
 If "Yes," go to line 12b.
- b** Was the transferor a domestic corporation that transferred substantially all of the assets of a foreign branch (including a branch that is a foreign disregarded entity) to a specified 10%-owned foreign corporation? . . ☐ **Yes** ☐ **No**
 If "Yes," continue to line 12c. If "No," skip lines 12c and 12d, and go to line 13.
- c** Immediately after the transfer, was the domestic corporation a U.S. shareholder with respect to the transferee foreign corporation? ☐ **Yes** ☐ **No**
 If "Yes," continue to line 12d. If "No," skip line 12d, and go to line 13.
- d** Enter the transferred loss amount included in gross income as required under section 91 ► \$ _____
- 13** Did the transferor transfer property described in section 367(d)(4)? ☐ **Yes** ☐ **No**
 If "No," skip Section C and questions 14a through 15.

Section C—Intangible Property Subject to Section 367(d)

Type of property	(a) Date of transfer	(b) Description of property	(c) Useful life	(d) Arm's length price on date of transfer	(e) Cost or other basis	(f) Income inclusion for year of transfer (see instructions)
Property described in sec. 367(d)(4)						
Totals						

- 14a** Did the transferor transfer any intangible property that, at the time of the transfer, had a useful life reasonably anticipated to exceed 20 years? ☐ Yes ☐ No
- b** At the time of the transfer, did any of the transferred intangible property have an indefinite useful life? . . . ☐ Yes ☐ No
- c** Did the transferor choose to apply the 20-year inclusion period provided under Regulations section 1.367(d)-1(c)(3)(ii) for any intangible property? ☐ Yes ☐ No
- d** If the answer to line 14c is "Yes," enter the total estimated anticipated income or cost reduction attributable to the intangible property's, or properties', as applicable, use(s) beyond the 20-year period described in Regulations section 1.367(d)-1(c)(3)(ii) ► \$ _____
- 15** Was any intangible property transferred considered or anticipated to be, at the time of the transfer or at any time thereafter, a platform contribution as defined in Regulations section 1.482-7(c)(1)? ☐ Yes ☐ No

Supplemental Part III Information Required To Be Reported (see instructions)

Part IV Additional Information Regarding Transfer of Property (see instructions)

- 16** Enter the transferor's interest in the transferee foreign corporation before and after the transfer.
(a) Before 100.00 % (b) After 100.00 %
- 17** Type of nonrecognition transaction (see instructions) ► 351
- 18** Indicate whether any transfer reported in Part III is subject to any of the following.
- | | |
|--|---|
| a Gain recognition under section 904(f)(3) | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| b Gain recognition under section 904(f)(5)(F) | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| c Recapture under section 1503(d) | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| d Exchange gain under section 987 | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
- 19** Did this transfer result from a change in entity classification? ☐ Yes ☒ No
- 20a** Did a domestic corporation make a distribution of property covered by section 367(e)(2)? See instructions . ☐ Yes ☒ No
If "Yes," complete lines 20b and 20c.
- b** Enter the total amount of gain or loss recognized pursuant to Regulations section 1.367(e)-2(b) ► \$ _____
- c** Did the domestic corporation not recognize gain or loss on the distribution of property because the property was used in the conduct of U.S. trade or business under Regulations section 1.367(e)-2(b)(2)? . . ☐ Yes ☐ No
- 21** Did a domestic corporation make a section 355 distribution of stock in a foreign controlled corporation covered by section 367(e)(1)? See instructions ☐ Yes ☒ No

Return by a U.S. Transferor of Property to a Foreign Corporation

OMB No. 1545-0026

► Go to www.irs.gov/Form926 for instructions and the latest information.
► Attach to your income tax return for the year of the transfer or distribution.

Attachment
Sequence No. **128**

Part I U.S. Transferor Information (see instructions)

Name of transferor	Identifying number (see instructions)
Navicent Health, Inc.	58-2149127

- 1** Is the transferee a specified 10%-owned foreign corporation that is not a controlled foreign corporation? . ☐ Yes ☒ No
- 2** If the transferor was a corporation, complete questions 2a through 2d.
- a** If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by five or fewer domestic corporations? ☐ Yes ☐ No
- b** Did the transferor remain in existence after the transfer? ☐ Yes ☐ No
- If not, list the controlling shareholder(s) and their identifying number(s).

Controlling shareholder	Identifying number

- c** If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? ☐ Yes ☐ No
- If not, list the name and employer identification number (EIN) of the parent corporation.

Name of parent corporation	EIN of parent corporation

- d** Have basis adjustments under section 367(a)(4) been made? ☐ Yes ☐ No

- 3** If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), complete questions 3a through 3d.

- a** List the name and EIN of the transferor's partnership.

Name of partnership	EIN of partnership

- b** Did the partner pick up its pro rata share of gain on the transfer of partnership assets? ☐ Yes ☐ No
- c** Is the partner disposing of its entire interest in the partnership? ☐ Yes ☐ No
- d** Is the partner disposing of an interest in a limited partnership that is regularly traded on an established securities market? ☐ Yes ☐ No

Part II Transferee Foreign Corporation Information (see instructions)

4 Name of transferee (foreign corporation) Invesco Mortgage Recovery Fund II AIV Feeder (Cayman), L.P.	5a Identifying number, if any 98-1248308
6 Address (including country) PO Box 309, Ugland House Grand Cayman, KY1-1104, Cayman Islands	5b Reference ID number (see instructions)

- 7** Country code of country of incorporation or organization (see instructions)
CJ

- 8** Foreign law characterization (see instructions)

Partnership

- 9** Is the transferee foreign corporation a controlled foreign corporation? ☒ Yes ☐ No

Part III Information Regarding Transfer of Property (see instructions)**Section A—Cash**

Type of property	(a) Date of transfer	(b) Description of property	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Gain recognized on transfer
Cash	Various		677,361		

- 10** Was cash the only property transferred? ☒ **Yes** ☐ **No**
If "Yes," skip the remainder of Part III and go to Part IV.

Section B—Other Property (other than intangible property subject to section 367(d))

Type of property	(a) Date of transfer	(b) Description of property	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Gain recognized on transfer
Stock and securities					
Inventory					
Other property (not listed under another category)					
Property with built-in loss					
Totals					

- 11** Did the transferor transfer stock or securities subject to section 367(a) with respect to which a gain recognition agreement was filed? ☐ **Yes** ☐ **No**
- 12a** Were any assets of a foreign branch (including a branch that is a foreign disregarded entity) transferred to a foreign corporation? ☐ **Yes** ☐ **No**
If "Yes," go to line 12b.
- b** Was the transferor a domestic corporation that transferred substantially all of the assets of a foreign branch (including a branch that is a foreign disregarded entity) to a specified 10%-owned foreign corporation? . . ☐ **Yes** ☐ **No**
If "Yes," continue to line 12c. If "No," skip lines 12c and 12d, and go to line 13.
- c** Immediately after the transfer, was the domestic corporation a U.S. shareholder with respect to the transferee foreign corporation? ☐ **Yes** ☐ **No**
If "Yes," continue to line 12d. If "No," skip line 12d, and go to line 13.
- d** Enter the transferred loss amount included in gross income as required under section 91 ► \$ _____
- 13** Did the transferor transfer property described in section 367(d)(4)? ☐ **Yes** ☐ **No**
If "No," skip Section C and questions 14a through 15.

Section C—Intangible Property Subject to Section 367(d)

Type of property	(a) Date of transfer	(b) Description of property	(c) Useful life	(d) Arm's length price on date of transfer	(e) Cost or other basis	(f) Income inclusion for year of transfer (see instructions)
Property described in sec. 367(d)(4)						
Totals						

- 14a** Did the transferor transfer any intangible property that, at the time of the transfer, had a useful life reasonably anticipated to exceed 20 years? ☐ Yes ☐ No
- b** At the time of the transfer, did any of the transferred intangible property have an indefinite useful life? . . . ☐ Yes ☐ No
- c** Did the transferor choose to apply the 20-year inclusion period provided under Regulations section 1.367(d)-1(c)(3)(ii) for any intangible property? ☐ Yes ☐ No
- d** If the answer to line 14c is "Yes," enter the total estimated anticipated income or cost reduction attributable to the intangible property's, or properties', as applicable, use(s) beyond the 20-year period described in Regulations section 1.367(d)-1(c)(3)(ii) ► \$ _____
- 15** Was any intangible property transferred considered or anticipated to be, at the time of the transfer or at any time thereafter, a platform contribution as defined in Regulations section 1.482-7(c)(1)? ☐ Yes ☐ No

Supplemental Part III Information Required To Be Reported (see instructions)

Part IV Additional Information Regarding Transfer of Property (see instructions)

- 16** Enter the transferor's interest in the transferee foreign corporation before and after the transfer.
(a) Before 8.0013 % (b) After 7.9475 %
- 17** Type of nonrecognition transaction (see instructions) ► 351
- 18** Indicate whether any transfer reported in Part III is subject to any of the following.
- | | |
|--|---|
| a Gain recognition under section 904(f)(3) | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| b Gain recognition under section 904(f)(5)(F) | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| c Recapture under section 1503(d) | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| d Exchange gain under section 987 | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
- 19** Did this transfer result from a change in entity classification? ☐ Yes ☒ No
- 20a** Did a domestic corporation make a distribution of property covered by section 367(e)(2)? See instructions . ☐ Yes ☒ No
If "Yes," complete lines 20b and 20c.
- b** Enter the total amount of gain or loss recognized pursuant to Regulations section 1.367(e)-2(b) ► \$ _____
- c** Did the domestic corporation not recognize gain or loss on the distribution of property because the property was used in the conduct of U.S. trade or business under Regulations section 1.367(e)-2(b)(2)? . . ☐ Yes ☐ No
- 21** Did a domestic corporation make a section 355 distribution of stock in a foreign controlled corporation covered by section 367(e)(1)? See instructions ☐ Yes ☒ No

(Rev. December 2021)

Information Return of U.S. Persons With Respect to Certain Foreign Corporations

OMB No. 1545-0123

► Go to www.irs.gov/Form5471 for instructions and the latest information.Department of the Treasury
Internal Revenue ServiceInformation furnished for the foreign corporation's annual accounting period (tax year required by section 898) (see instructions) beginning **January 1**, 20 **21**, and ending **December 31**, 20 **21**Attachment
Sequence No. **121**

Name of person filing this return Navicent Health, Inc. Number, street, and room or suite no. (or P.O. box number if mail is not delivered to street address) 777 Hemlock Street, MSC 111 City or town, state, and ZIP code Macon, GA 31201		A Identifying number 58-2149127 B Category of filer (See instructions. Check applicable box(es).): 1a <input type="checkbox"/> 1b <input type="checkbox"/> 1c <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input checked="" type="checkbox"/> 5a <input checked="" type="checkbox"/> 5b <input type="checkbox"/> 5c <input type="checkbox"/> C Enter the total percentage of the foreign corporation's voting stock you owned at the end of its annual accounting period 100.00%	
Filer's tax year beginning January 1 , 20 21 , and ending December 31 , 20 21			
D Check box if this is a final Form 5471 for the foreign corporation <input type="checkbox"/>			
E Check if any excepted specified foreign financial assets are reported on this form (see instructions) <input type="checkbox"/>			
F Check the box if this Form 5471 has been completed using "Alternative Information" under Rev. Proc. 2019-40 <input type="checkbox"/>			
G If the box on line F is checked, enter the corresponding code for "Alternative Information" (see instructions) ►			
H Person(s) on whose behalf this information return is filed:			

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Shareholder	Officer	Director

Important: Fill in all applicable lines and schedules. All information must be in English. All amounts must be stated in U.S. dollars unless otherwise indicated.

1a Name and address of foreign corporation Centra Professional Indemnity, Ltd. PO Box 1363 Grand Cayman, Cayman Islands KY1-1108		b(1) Employer identification number, if any b(2) Reference ID number (see instructions) CPI9127 c Country under whose laws incorporated Cayman Islands	
d Date of incorporation 11/14/1995	e Principal place of business Cayman Islands	f Principal business activity code number 524290	g Principal business activity Self-Insurance
h Functional currency code USD			

2 Provide the following information for the foreign corporation's accounting period stated above.

a Name, address, and identifying number of branch office or agent (if any) in the United States Global Captive Management, Ltd. PO Box 1363 Grand Cayman, Cayman Islands KY1-1108		b If a U.S. income tax return was filed, enter: <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:50%;">(i) Taxable income or (loss)</td> <td style="width:50%;">(ii) U.S. income tax paid (after all credits)</td> </tr> <tr> <td> </td> <td> </td> </tr> </table>		(i) Taxable income or (loss)	(ii) U.S. income tax paid (after all credits)		
(i) Taxable income or (loss)	(ii) U.S. income tax paid (after all credits)						
c Name and address of foreign corporation's statutory or resident agent in country of incorporation Global Captive Management, Ltd. PO Box 1363 Grand Cayman, Cayman Islands KY1-1108		d Name and address (including corporate department, if applicable) of person (or persons) with custody of the books and records of the foreign corporation, and the location of such books and records, if different Global Captive Management, Ltd. PO Box 1363 Grand Cayman, Cayman Islands KY1-1108					

Schedule A Stock of the Foreign Corporation

(a) Description of each class of stock	(b) Number of shares issued and outstanding	
	(i) Beginning of annual accounting period	(ii) End of annual accounting period
Common	16,700	16,700

For Paperwork Reduction Act Notice, see instructions.

Cat. No. 49958V

Form **5471** (Rev. 12-2021)

Schedule C Income Statement (see instructions)

Important: Report all information in functional currency in accordance with U.S. generally accepted accounting principles (GAAP). Also, report each amount in U.S. dollars translated from functional currency (using GAAP translation rules). However, if the functional currency is the U.S. dollar, complete only the U.S. Dollars column. See instructions for special rules for dollar approximate separate transactions method (DASTM) corporations.

		Functional Currency	U.S. Dollars
Income	1a Gross receipts or sales	1a	
	b Returns and allowances	1b	
	c Subtract line 1b from line 1a	1c	
	2 Cost of goods sold	2	
	3 Gross profit (subtract line 2 from line 1c)	3	
	4 Dividends	4	
	5 Interest	5	1,046,255
	6a Gross rents	6a	
	b Gross royalties and license fees	6b	
	7 Net gain or (loss) on sale of capital assets	7	
Deductions	8a Foreign currency transaction gain or loss—unrealized	8a	
	b Foreign currency transaction gain or loss—realized	8b	
	9 Other income (attach statement)	9	17,646,901
	10 Total income (add lines 3 through 9)	10	18,693,156
	11 Compensation not deducted elsewhere	11	
	12a Rents	12a	
	b Royalties and license fees	12b	
	13 Interest	13	
	14 Depreciation not deducted elsewhere	14	
	15 Depletion	15	
Net Income	16 Taxes (exclude income tax expense (benefit))	16	
	17 Other deductions (attach statement—exclude income tax expense (benefit))	17	15,357,605
	18 Total deductions (add lines 11 through 17)	18	
	19 Net income or (loss) before unusual or infrequently occurring items, and income tax expense (benefit) (subtract line 18 from line 10)	19	3,335,551
	20 Unusual or infrequently occurring items	20	
Other Comprehensive Income	21a Income tax expense (benefit)—current	21a	
	b Income tax expense (benefit)—deferred	21b	
	22 Current year net income or (loss) per books (combine lines 19 through 21b)	22	3,335,551
	23a Foreign currency translation adjustments	23a	
	b Other	23b	
	c Income tax expense (benefit) related to other comprehensive income	23c	
	24 Other comprehensive income (loss), net of tax (line 23a plus line 23b less line 23c)	24	

Schedule F Balance Sheet

Important: Report all amounts in U.S. dollars prepared and translated in accordance with U.S. GAAP. See instructions for an exception for DASTM corporations.

Assets		(a) Beginning of annual accounting period	(b) End of annual accounting period
1	Cash	3,448,470	2,963,908
2a	Trade notes and accounts receivable		
b	Less allowance for bad debts	()	()
3	Derivatives		
4	Inventories		
5	Other current assets (attach statement)		
6	Loans to shareholders and other related persons		
7	Investment in subsidiaries (attach statement)		
8	Other investments (attach statement)	79,903,994	89,013,415
9a	Buildings and other depreciable assets		
b	Less accumulated depreciation	()	()
10a	Depletable assets		
b	Less accumulated depletion	()	()
11	Land (net of any amortization)		
12	Intangible assets:		
a	Goodwill		
b	Organization costs		
c	Patents, trademarks, and other intangible assets		
d	Less accumulated amortization for lines 12a, 12b, and 12c	()	()
13	Other assets (attach statement)	4,414,806	5,209,633
14	Total assets	87,767,270	97,186,956
Liabilities and Shareholders' Equity			
15	Accounts payable	61,514	61,276
16	Other current liabilities (attach statement)	51,740,137	57,824,510
17	Derivatives		
18	Loans from shareholders and other related persons		
19	Other liabilities (attach statement)		
20	Capital stock:		
a	Preferred stock		
b	Common stock	16,700	16,700
21	Paid-in or capital surplus (attach reconciliation)	1,653,300	1,653,300
22	Retained earnings	34,295,619	37,631,170
23	Less cost of treasury stock	()	()
24	Total liabilities and shareholders' equity	87,767,270	97,186,956

Schedule G Other Information

	Yes	No
1 During the tax year, did the foreign corporation own at least a 10% interest, directly or indirectly, in any foreign partnership? If "Yes," see the instructions for required statement.	✓	
2 During the tax year, did the foreign corporation own an interest in any trust?		✓
3 During the tax year, did the foreign corporation own any foreign entities that were disregarded as separate from their owner under Regulations sections 301.7701-2 and 301.7701-3 or did the foreign corporation own any foreign branches (see instructions)? If "Yes," you are generally required to attach Form 8858 for each entity or branch (see instructions).		✓
4a During the tax year, did the filer pay or accrue any base erosion payment under section 59A(d) to the foreign corporation or did the filer have a base erosion tax benefit under section 59A(c)(2) with respect to a base erosion payment made or accrued to the foreign corporation (see instructions)? If "Yes," complete lines 4b and 4c.		✓
b Enter the total amount of the base erosion payments ▶ \$		
c Enter the total amount of the base erosion tax benefit ▶ \$		
5a During the tax year, did the foreign corporation pay or accrue any interest or royalty for which the deduction is not allowed under section 267A? If "Yes," complete line 5b.		✓
b Enter the total amount of the disallowed deductions (see instructions) ▶ \$		

Schedule G Other Information (continued)

- | | Yes | No |
|---|-----|----|
| 6a Is the filer of this Form 5471 claiming a foreign-derived intangible income deduction (under section 250) with respect to any amounts listed on Schedule M?
If "Yes," complete lines 6b, 6c, and 6d. | | ✓ |
| b Enter the amount of gross income derived from sales, leases, exchanges, or other dispositions (but not licenses) from transactions with the foreign corporation that the filer included in its computation of foreign-derived deduction eligible income (FDDEI) (see instructions) ▶ \$ _____ | | |
| c Enter the amount of gross income derived from a license of property to the foreign corporation that the filer included in its computation of FDDEI (see instructions) ▶ \$ _____ | | |
| d Enter the amount of gross income derived from services provided to the foreign corporation that the filer included in its computation of FDDEI (see instructions) ▶ \$ _____ | | |
| 7 During the tax year, was the foreign corporation a participant in any cost sharing arrangement?
If the answer to question 7 is "Yes," complete a separate Schedule G-1 for each cost sharing arrangement in which the foreign corporation was a participant during the tax year. | | ✓ |
| 8 From April 25, 2014, to December 31, 2017, did the foreign corporation purchase stock or securities of a shareholder of the foreign corporation for use in a triangular reorganization (within the meaning of Regulations section 1.358-6(b)(2))? | | ✓ |
| 9a Did the foreign corporation receive any intangible property in a prior year or the current tax year for which the U.S. transferor is required to report a section 367(d) annual income inclusion for the tax year?
If "Yes," go to line 9b. | | ✓ |
| b Enter in functional currency the amount of the earnings and profits reduction pursuant to section 367(d) (2)(B) for the tax year ▶ _____ | | |
| 10 During the tax year, was the foreign corporation an expatriated foreign subsidiary under Regulations section 1.7874-12(a)(9)?
If "Yes," see instructions and attach statement. | | ✓ |
| 11 During the tax year, did the foreign corporation participate in any reportable transaction as defined in Regulations section 1.6011-4?
If "Yes," attach Form(s) 8886 if required by Regulations section 1.6011-4(c)(3)(i)(G). | | ✓ |
| 12 During the tax year, did the foreign corporation pay or accrue any foreign tax that was disqualified for credit under section 901(m)? | | ✓ |
| 13 During the tax year, did the foreign corporation pay or accrue foreign taxes to which section 909 applies, or treat foreign taxes that were previously suspended under section 909 as no longer suspended? | | ✓ |
| 14 Did you answer "Yes" to any of the questions in the instructions for line 14?
If "Yes," enter the corresponding code(s) from the instructions and attach statement ▶ _____ | | ✓ |
| 15 Does the foreign corporation have interest expense disallowed under section 163(j) (see instructions)?
If "Yes," enter the amount ▶ \$ _____ | | ✓ |
| 16 Does the foreign corporation have previously disallowed interest expense under section 163(j) carried forward to the current tax year (see instructions)?
If "Yes," enter the amount ▶ \$ _____ | | ✓ |
| 17a Did any extraordinary reduction with respect to a controlling section 245A shareholder occur during the tax year (see instructions)? | | ✓ |
| b If the answer to question 17a is "Yes," was an election made to close the tax year such that no amount is treated as an extraordinary reduction amount or tiered extraordinary reduction amount (see instructions)? | | |
| 18 Does the reporting corporation have any loan to or from the related party to which the safe-haven rate rules of Regulations section 1.482-2(a)(2)(iii)(B) are applicable, and for which the reporting corporation used a rate of interest within the safe-haven range of Regulations section 1.482-2(a)(2)(iii)(B)(1) (100% to 130% of the AFR for the relevant term)? | | ✓ |
| 19a Did the reporting corporation make at least one distribution or acquisition (as defined by Regulations section 1.385-3) during the period including the tax year and the preceding three tax years, or, during the period beginning 36 months before the date of the respective distribution or acquisition and ending 36 months afterward, did the reporting corporation issue or refinance indebtedness owed to a related party? | | ✓ |
| b If the answer to question 19a is "Yes," provide the following.
(1) The amount of such distribution(s) and acquisition(s) ▶ \$ _____
(2) The amount of such related party indebtedness ▶ \$ _____ | | |

Schedule I Summary of Shareholder's Income From Foreign Corporation (see instructions)

If item H on page 1 is completed, a separate Schedule I must be filed for each Category 4, 5a, or 5b filer for whom reporting is furnished on this Form 5471. This Schedule I is being completed for:

Name of U.S. shareholder ► Navicent Health, Inc.		Identifying number ► 58-2149127	
1a	Section 964(e)(4) subpart F dividend income from the sale of stock of a lower-tier foreign corporation (see instructions)	1a	
b	Section 245A(e)(2) subpart F income from hybrid dividends of tiered corporations (see instructions)	1b	
c	Subpart F income from tiered extraordinary disposition amounts not eligible for subpart F exception under section 954(c)(6)	1c	
d	Subpart F income from tiered extraordinary reduction amounts not eligible for subpart F exception under section 954(c)(6)	1d	
e	Section 954(c) Subpart F Foreign Personal Holding Company Income (enter result from Worksheet A)	1e	
f	Section 954(d) Subpart F Foreign Base Company Sales Income (enter result from Worksheet A)	1f	
g	Section 954(e) Subpart F Foreign Base Company Services Income (enter result from Worksheet A)	1g	
h	Other subpart F income (enter result from Worksheet A)	1h	1,028,190
2	Earnings invested in U.S. property (enter the result from Worksheet B)	2	
3	Reserved for future use	3	
4	Factoring income	4	
See instructions for reporting amounts on lines 1, 2, and 4 on your income tax return.			
5a	Section 245A eligible dividends (see instructions)	5a	
b	Extraordinary disposition amounts (see instructions)	5b	
c	Extraordinary reduction amounts (see instructions)	5c	
d	Section 245A(e) dividends (see instructions)	5d	
e	Dividends not reported on line 5a, 5b, 5c, or 5d	5e	
6	Exchange gain or (loss) on a distribution of previously taxed earnings and profits	6	

7a	Was any income of the foreign corporation blocked?	Yes	No
b	Did any such income become unblocked during the tax year (see section 964(b))?		✓

If the answer to either question is "Yes," attach an explanation.

8a	Did this U.S. shareholder have an extraordinary disposition (ED) account with respect to the foreign corporation at any time during the tax year (see instructions)?		✓
b	If the answer to question 8a is "Yes," enter the U.S. shareholder's ED account balance at the beginning of the CFC year \$ _____ and at the end of the tax year \$ _____. Provide an attachment detailing any changes from the beginning to the ending balances.		
c	Enter the CFC's aggregate ED account balance with respect to all U.S. shareholders at the beginning of the CFC year \$ _____ and at the end of the tax year \$ _____. Provide an attachment detailing any changes from the beginning to the ending balances.		
9	Enter the sum of the hybrid deduction accounts with respect to stock of the foreign corporation (see instructions) \$ _____		

**SCHEDULE E
(Form 5471)**

(Rev. December 2021)

Department of the Treasury
Internal Revenue Service**Income, War Profits, and Excess Profits Taxes Paid or Accrued**

▶ Attach to Form 5471.

▶ Go to www.irs.gov/Form5471 for instructions and the latest information.

OMB No. 1545-0123

Name of person filing Form 5471

Identifying number

Navicent Health, Inc.**58-2149127**

Name of foreign corporation

EIN (if any)

Reference ID number (see instructions)

Centra Professional Indemnity, Ltd.**CPI9127**

a Separate Category (Enter code—see instructions.) ▶

PAS

b If code 901j is entered on line a, enter the country code for the sanctioned country (see instructions) ▶

c If one of the RBT codes is entered on line a, enter the country code for the treaty country (see instructions) ▶

Part I Taxes for Which a Foreign Tax Credit Is Allowed**Section 1 — Taxes Paid or Accrued Directly by Foreign Corporation**

	(a) Name of Payor Entity	(b) EIN or Reference ID Number of Payor Entity	(c) Unsuspended Taxes	(d) Country or U.S. Possession to Which Tax Is Paid (Enter code—see instructions. Use a separate line for each.)	(e) Foreign Tax Year of Payor Entity to Which Tax Relates (Year/Month/Day)	(f) U.S. Tax Year of Payor Entity to Which Tax Relates (Year/Month/Day)	
1			<input type="checkbox"/>				
2			<input type="checkbox"/>				
3			<input type="checkbox"/>				
4			<input type="checkbox"/>				
	(g) Income Subject to Tax in the Foreign Jurisdiction (see instructions)	(h) If taxes are paid on U.S. source income, check box	(i) Local Currency in Which Tax Is Payable (enter code—see instructions)	(j) Tax Paid or Accrued (in local currency in which the tax is payable)	(k) Conversion Rate to U.S. Dollars	(l) In U.S. Dollars (divide column (j) by column (k))	(m) In Functional Currency of Foreign Corporation
1		<input type="checkbox"/>					
2		<input type="checkbox"/>					
3		<input type="checkbox"/>					
4		<input type="checkbox"/>					
5	Total (combine lines 1 through 4 of column (l)). Also report amount on Schedule E-1, line 4 ▶						
6	Total (combine lines 1 through 4 of column (m)) ▶						-0-

Section 2 — Taxes Deemed Paid by Foreign Corporation

	(a) Name of Lower-Tier Distributing Foreign Corporation	(b) EIN or Reference ID Number of Lower-Tier Distributing Foreign Corporation	(c) Country or U.S. Possession to Which Tax Is Paid (Enter code—see instructions. Use a separate line for each.)	(d) PTEP Group (enter code)	(e) Annual PTEP Account (enter year)
1					
2					
3					
4					
	(f) PTEP Distributed (enter amount in functional currency)	(g) Total Amount of PTEP in the PTEP Group (in functional currency)	(h) Total Amount of the PTEP Group Taxes With Respect to PTEP Group (USD)	(i) Foreign Income Taxes Properly Attributable to PTEP and not Previously Deemed Paid ((column (f)/column (g)) x column (h)) (USD)	
1					
2					
3					
4					
5	Total (combine lines 1 through 4 of column (i)). Also report amount on Schedule E-1, line 6 ▶				-0-

For Paperwork Reduction Act Notice, see instructions.

Cat. No. 71397A

Schedule E (Form 5471) (Rev. 12-2021)

Name of foreign corporation Centra Professional Indemnity, Ltd.	EIN (if any)	Reference ID number (see instructions) CPI9127
a Separate Category (Enter code—see instructions.)		▶ PAS
b If code 901j is entered on line a, enter the country code for the sanctioned country (see instructions)		▶
c If one of the RBT codes is entered on line a, enter the country code for the treaty country (see instructions)		▶

Part II Election

For tax years beginning after December 31, 2004, has an election been made under section 986(a)(1)(D) to translate taxes using the exchange rate on the date of payment?
☐ Yes ☒ No If "Yes," state date of election ▶

Part III Taxes for Which a Foreign Tax Credit Is Disallowed (Enter in functional currency of foreign corporation.)

	(a) Name of Payor Entity	(b) EIN or Reference ID Number of Payor Entity	(c) Section 901(j)	(d) Section 901(k) and (l)	(e) Section 901(m)	(f) U.S. Taxes	(g) Suspended Taxes	(h) Other	(i) Total
1									
2									
3	In functional currency (combine lines 1 and 2)								0
4	In U.S. dollars (translated at the average exchange rate, as defined in section 989(b)(3) and related regulations (see instructions))								0

Schedule E-1 Taxes Paid, Accrued, or Deemed Paid on Earnings and Profits (E&P) of Foreign Corporation**IMPORTANT:** Enter amounts in U.S. dollars.

		Taxes related to:			
		(a) Subpart F Income	(b) Tested Income	(c) Residual Income	(d) Suspended Taxes
1a	Balance at beginning of year (as reported in prior year Schedule E-1)	-0-	-0-	-0-	
b	Beginning balance adjustments (attach statement)				
c	Adjusted beginning balance (combine lines 1a and 1b)				
2	Adjustment for foreign tax redetermination				
3a	Taxes unsuspended under anti-splitter rules				
b	Taxes suspended under anti-splitter rules				
4	Taxes reported on Schedule E, Part I, Section 1, line 5, column (l)				
5	Taxes carried over in nonrecognition transactions				
6	Taxes reported on Schedule E, Part I, Section 2, line 5, column (i)				
7	Other adjustments (attach statement)				
8	Taxes paid or accrued on current income/E&P or accumulated E&P (combine lines 1c through 7)				
9	Taxes deemed paid with respect to inclusions (see instructions)				
10	Taxes deemed paid with respect to actual distributions				
11	Taxes on amounts reclassified to section 959(c)(1) E&P from section 959(c)(2) E&P				
12	Other (attach statement)				
13	Balance of taxes paid or accrued (combine lines 8 through 12 in columns (a), (b), and (c))				
14	Reserved for future use				
15	Reduction for other taxes not deemed paid				
16	Balance of taxes paid or accrued at the beginning of the next year. Line 16, columns (a), (b), and (c) must always equal zero. So, if necessary, enter negative amounts on line 15 of columns (a), (b), and (c) in amounts sufficient to reduce line 13, columns (a), (b), and (c) to zero. For the remaining columns, combine lines 8 through 12	-0-	-0-	-0-	

Name of foreign corporation

EIN (if any)

Reference ID number (see instructions)

CPI9127

Centra Professional Indemnity, Ltd.

a Separate Category (Enter code—see instructions.) PAS

b If code 901j is entered on line a, enter the country code for the sanctioned country (see instructions)

c If one of the RBT codes is entered on line a, enter the country code for the treaty country (see instructions)

Schedule E-1 Taxes Paid, Accrued, or Deemed Paid on Accumulated Earnings and Profits (E&P) of Foreign Corporation (continued)

(e) Taxes related to previously taxed E&P (see instructions)										
	(i) Reclassified section 965(a) PTEP	(ii) Reclassified section 965(b) PTEP	(iii) General section 959(c)(1) PTEP	(iv) Reclassified section 951A PTEP	(v) Reclassified section 245A(d) PTEP	(vi) Section 965(a) PTEP	(vii) Section 965(b) PTEP	(viii) Section 951A PTEP	(ix) Section 245A(d) PTEP	(x) Section 951(a)(1)(A) PTEP
1a										
b										
c										
2										
3a										
b										
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										
16										

**SCHEDULE H
(Form 5471)**(Rev. December 2021)
Department of the Treasury
Internal Revenue Service**Current Earnings and Profits**

▶ Attach to Form 5471.

▶ Go to www.irs.gov/Form5471 for instructions and the latest information.

OMB No. 1545-0123

Name of person filing Form 5471

Navicent Health, Inc.

Name of foreign corporation

Centra Professional Indemnity, Ltd.

EIN (if any)

Identifying number

Reference ID number (see instructions)

CPI9127

IMPORTANT: Enter the amounts on lines 1 through 5c in **functional** currency.

1	Current year net income or (loss) per foreign books of account	1	3,335,551
2	Net adjustments made to line 1 to determine current earnings and profits according to U.S. financial and tax accounting standards (see instructions):		
		Net Additions	Net Subtractions
a	Capital gains or losses	2a	
b	Depreciation and amortization	2b	
c	Depletion	2c	
d	Investment or incentive allowance	2d	
e	Charges to statutory reserves	2e	
f	Inventory adjustments	2f	
g	Income taxes (see Schedule E, Part I, Section 1, line 6, column (m), and Part III, line 3, column (i))	2g	
h	Foreign currency gains or losses	2h	
i	Other (attach statement)	2i	15,339,540
3	Total net additions	3	17,646,901
4	Total net subtractions	4	17,646,901
5a	Current earnings and profits (line 1 plus line 3 minus line 4)	5a	1,028,190
b	DASTM gain or (loss) for foreign corporations that use DASTM (see instructions)	5b	
c	Combine lines 5a and 5b and enter the result on line 5c. Then enter on lines 5c(i), 5c(ii), and 5c(iii)(A) through 5c(iii)(D) the portion of the line 5c amount with respect to the categories of income shown on those lines	5c	1,028,190
	(i) General category (enter amount on applicable Schedule J, Part I, line 3, column (a))	5c(i)	
	(ii) Passive category (enter amount on applicable Schedule J, Part I, line 3, column (a))	5c(ii)	1,028,190
	(iii) Section 901(j) category:		
	(A) Enter the country code of the sanctioned country ▶ _____ and enter the line 5c amount with respect to the sanctioned country on this line 5c(iii)(A) and on the applicable Schedule J, Part I, line 3, column (a)	5c(iii)(A)	
	(B) Enter the country code of the sanctioned country ▶ _____ and enter the line 5c amount with respect to the sanctioned country on this line 5c(iii)(B) and on the applicable Schedule J, Part I, line 3, column (a)	5c(iii)(B)	
	(C) Enter the country code of the sanctioned country ▶ _____ and enter the line 5c amount with respect to the sanctioned country on this line 5c(iii)(C) and on the applicable Schedule J, Part I, line 3, column (a)	5c(iii)(C)	
	(D) Enter the country code of the sanctioned country ▶ _____ and enter the line 5c amount with respect to the sanctioned country on this line 5c(iii)(D) and on the applicable Schedule J, Part I, line 3, column (a)	5c(iii)(D)	
d	Current earnings and profits in U.S. dollars (line 5c translated at the average exchange rate, as defined in section 989(b)(3) and the related regulations (see instructions))	5d	1,028,190
e	Enter exchange rate used for line 5d ▶ _____		

For Paperwork Reduction Act Notice, see instructions.

Cat. No. 71399W

Schedule H (Form 5471) (Rev. 12-2021)

SCHEDULE I-1
(Form 5471)

(Rev. December 2021)

Department of the Treasury
Internal Revenue Service**Information for Global Intangible Low-Taxed Income**

OMB No. 1545-0123

▶ **Attach to Form 5471.**▶ **Go to *www.irs.gov/Form5471* for instructions and the latest information.**

Name of person filing Form 5471

Navicent Health, Inc.

Name of foreign corporation

Centra Professional Indemnity, Ltd.

Separate Category (Enter code—see instructions.)

Identifying number

58-2149127

Reference ID number (see instructions)

CPI9127**PAS**

		Functional Currency	Conversion Rate	U.S. Dollars
1 Gross income (see instructions if cost of goods sold exceed gross receipts)	1	1,028,190		
2 Exclusions (see instructions if cost of goods sold exceed gross receipts)				
a Effectively connected income	2a			
b Subpart F income	2b	1,028,190		
c High-tax exception income per section 954(b)(4)	2c			
d Related party dividends	2d			
e Foreign oil and gas extraction income	2e			
3 Total exclusions (combine lines 2a through 2e)	3	1,028,190		
4 Gross income less total exclusions (line 1 minus line 3) (see instructions)	4	-0-		
5 Deductions properly allocable to amount on line 4	5			
6 Tested income (loss) (line 4 minus line 5) (see instructions)	6			
7 Tested foreign income taxes	7			
8 Qualified business asset investment (QBAI)	8			
9a Interest expense included on line 5	9a			
b Qualified interest expense	9b			
c Tested loss QBAI amount	9c			
d Tested interest expense (line 9a minus the sum of line 9b and line 9c). If zero or less, enter -0-	9d			
10a Interest income included in line 4	10a			
b Qualified interest income	10b			
c Tested interest income (line 10a minus line 10b). If zero or less, enter -0-	10c			

For Paperwork Reduction Act Notice, see instructions.

Cat. No. 71400M

Schedule I-1 (Form 5471) (Rev. 12-2021)

**SCHEDULE J
(Form 5471)**

(Rev. December 2020)

Department of the Treasury
Internal Revenue Service**Accumulated Earnings & Profits (E&P) of Controlled Foreign Corporation**

► Attach to Form 5471.

OMB No. 1545-0123

► Go to www.irs.gov/Form5471 for instructions and the latest information.

Name of person filing Form 5471

Identifying number

Navicent Health, Inc.

58-2149127

Name of foreign corporation

EIN (if any)

Reference ID number (see instructions)

Centra Professional Indemnity, Ltd.

CPI9127

a Separate Category (Enter code—see instructions).

PAS

b If code 901j is entered on line a, enter the country code for the sanctioned country (see instructions).

Part I Accumulated E&P of Controlled Foreign Corporation☐ Check the box if person filing return does not have all U.S. shareholders' information to complete an amount in column (e) (see instructions).

Important: Enter amounts in functional currency.		(a) Post-2017 E&P Not Previously Taxed (post-2017 section 959(c)(3) balance)	(b) Post-1986 Undistributed Earnings (post-1986 and pre-2018 section 959(c)(3) balance)	(c) Pre-1987 E&P Not Previously Taxed (pre-1987 section 959(c)(3) balance)	(d) Hovering Deficit and Deduction for Suspended Taxes	(e) Previously Taxed E&P (see instructions)	
						(i) Reclassified section 965(a) PTEP	(ii) Reclassified section 965(b) PTEP
1a	Balance at beginning of year (as reported on prior year Schedule J)		-0-				
b	Beginning balance adjustments (attach statement)						
c	Adjusted beginning balance (combine lines 1a and 1b)						
2a	Reduction for taxes unsuspended under anti-splitter rules						
b	Disallowed deduction for taxes suspended under anti-splitter rules						
3	Current year E&P (or deficit in E&P) (enter amount from applicable line 5c of Schedule H)		1,028,190				
4	E&P attributable to distributions of previously taxed E&P from lower-tier foreign corporation						
5a	E&P carried over in nonrecognition transaction						
b	Reclassify deficit in E&P as hovering deficit after nonrecognition transaction						
6	Other adjustments (attach statement)						
7	Total current and accumulated E&P (combine lines 1c through 6)		1,028,190				
8	Amounts reclassified to section 959(c)(2) E&P from section 959(c)(3) E&P						
9	Actual distributions		1,028,190	See Statement			
10	Amounts reclassified to section 959(c)(1) E&P from section 959(c)(2) E&P						
11	Amounts included as earnings invested in U.S. property and reclassified to section 959(c)(1) E&P (see instructions)						
12	Other adjustments (attach statement)						
13	Hovering deficit offset of undistributed post-transaction E&P (see instructions)						
14	Balance at beginning of next year (combine lines 7 through 13)		-0-				

For Paperwork Reduction Act Notice, see the Instructions for Form 5471.

Cat. No. 21111K

Schedule J (Form 5471) (Rev. 12-2020)

Part I Accumulated E&P of Controlled Foreign Corporation (continued)

(e) Previously Taxed E&P (see instructions)					
	(iii) General section 959(c)(1) PTEP	(iv) Reclassified section 951A PTEP	(v) Reclassified section 245A(d) PTEP	(vi) Section 965(a) PTEP	(vii) Section 965(b) PTEP
1a					
b					
c					
2a					
b					
3					
4					
5a					
b					
6					
7					
8					
9					
10					
11					
12					
13					
14					

(e) Previously Taxed E&P (see instructions)			(f) Total Section 964(a) E&P (combine columns (a), (b), (c), and (e)(i) through (e)(x))
	(viii) Section 951A PTEP	(ix) Section 245A(d) PTEP	(x) Section 951(a)(1)(A) PTEP
1a			See Statement Attached
b			
c			
2a			
b			
3			1,028,190
4			
5a			
b			
6			
7			1,028,190
8			
9			1,028,190
10			
11			
12			
13			
14			0

Part II **Nonpreviously Taxed E&P Subject to Recapture as Subpart F Income (section 952(c)(2))****Important:** Enter amounts in functional currency.

1	Balance at beginning of year	1	0
2	Additions (amounts subject to future recapture)	2	
3	Subtractions (amounts recaptured in current year)	3	
4	Balance at end of year (combine lines 1 through 3)	4	0

**SCHEDULE M
(Form 5471)**

(Rev. December 2021)

Department of the Treasury
Internal Revenue Service**Transactions Between Controlled Foreign Corporation
and Shareholders or Other Related Persons**

► Attach to Form 5471.

► Go to www.irs.gov/Form5471 for instructions and the latest information.

OMB No. 1545-0123

Name of person filing Form 5471

Identifying number

58-2149127**Navicent Health, Inc.**

Name of foreign corporation

EIN (if any)

Reference ID number (see instructions)

Centra Professional Indemnity, Ltd.**CPI9127**

Important: Complete a *separate* Schedule M for each controlled foreign corporation. Enter the totals for each type of transaction that occurred during the annual accounting period between the foreign corporation and the persons listed in columns (b) through (f). All amounts must be stated in U.S. dollars translated from functional currency at the average exchange rate for the foreign corporation's tax year. See instructions.

Enter the relevant functional currency and the exchange rate used throughout this schedule ► **USD**

(a) Transactions of foreign corporation	(b) U.S. person filing this return	(c) Any domestic corporation or partnership controlled by U.S. person filing this return	(d) Any other foreign corporation or partnership controlled by U.S. person filing this return	(e) 10% or more U.S. shareholder of controlled foreign corporation (other than the U.S. person filing this return)	(f) 10% or more U.S. shareholder of any corporation controlling the foreign corporation
1 Sales of stock in trade (inventory)					
2 Sales of tangible property other than stock in trade					
3 Sales of property rights (patents, trademarks, etc.)					
4 Platform contribution transaction payments received					
5 Cost sharing transaction payments received					
6 Compensation received for technical, managerial, engineering, construction, or like services					
7 Commissions received					
8 Rents, royalties, and license fees received					
9 Hybrid dividends received (see instructions)					
10 Dividends received (exclude hybrid dividends, deemed distributions under subpart F, and distributions of previously taxed income)					
11 Interest received					
12 Premiums received for insurance or reinsurance					
13 Loan guarantee fees received					
14 Other amounts received (attach statement)					
15 Add lines 1 through 14	-0-				
16 Purchases of stock in trade (inventory)					
17 Purchases of tangible property other than stock in trade					
18 Purchases of property rights (patents, trademarks, etc.)					
19 Platform contribution transaction payments paid					
20 Cost sharing transaction payments paid					
21 Compensation paid for technical, managerial, engineering, construction, or like services					
22 Commissions paid					
23 Rents, royalties, and license fees paid					
24 Hybrid dividends paid (see instructions)					
25 Dividends paid (exclude hybrid dividends paid)					
26 Interest paid					
27 Premiums paid for insurance or reinsurance					
28 Loan guarantee fees paid					
29 Other amounts paid (attach statement)		See Statement			
30 Add lines 16 through 29					

Name of person filing Form 5471				Identifying number	
(a) Transactions of foreign corporation	(b) U.S. person filing this return	(c) Any domestic corporation or partnership controlled by U.S. person filing this return	(d) Any other foreign corporation or partnership controlled by U.S. person filing this return	(e) 10% or more U.S. shareholder of controlled foreign corporation (other than the U.S. person filing this return)	(f) 10% or more U.S. shareholder of any corporation controlling the foreign corporation
31 Accounts Payable					
32 Amounts borrowed (enter the maximum loan balance during the year)—see instructions					
33 Accounts Receivable					
34 Amounts loaned (enter the maximum loan balance during the year)—see instructions					

**SCHEDULE P
(Form 5471)**

(Rev. December 2020)

Department of the Treasury
Internal Revenue Service**Previously Taxed Earnings and Profits of U.S. Shareholder
of Certain Foreign Corporations**

▶ Attach to Form 5471.

▶ Go to www.irs.gov/Form5471 for instructions and the latest information.

OMB No. 1545-0123

Name of person filing Form 5471

Navicent Health, Inc.

Name of U.S. shareholder

Centra Professional Indemnity, Ltd.

Name of foreign corporation

Identifying number

58-2149127

Identifying number

Reference ID number (see instructions)

CPI9127**a** Separate Category (Enter code—see instructions.)**PAS****b** If code 901J is entered on line a, enter the country code for the sanctioned country (see instructions).**Part I Previously Taxed E&P in Functional Currency (see instructions)**

		(a) Reclassified section 965(a) PTEP	(b) Reclassified section 965(b) PTEP	(c) General section 959(c)(1) PTEP
1a	Balance at beginning of year (see instructions)			39,392,533
b	Beginning balance adjustments (attach statement)			
c	Adjusted beginning balance (combine lines 1a and 1b)			
2	Reduction for taxes unsuspended under anti-splitter rules			
3	Previously taxed E&P attributable to distributions of previously taxed E&P from lower-tier foreign corporation			
4	Previously taxed E&P carried over in nonrecognition transaction			
5	Other adjustments (attach statement)			
6	Total previously taxed E&P (combine lines 1c through 5)			
7	Amounts reclassified to section 959(c)(2) E&P from section 959(c)(3) E&P			
8	Actual distributions of previously taxed E&P			
9	Amounts reclassified to section 959(c)(1) E&P from section 959(c)(2) E&P			
10	Amounts included as earnings invested in U.S. property and reclassified to section 959(c)(1) E&P (see instructions)			
11	Other adjustments (attach statement)		See Statement	-38,392,533
12	Balance at beginning of next year (combine lines 6 through 11)			0

For Paperwork Reduction Act Notice, see instructions.

Cat. No. 49203F

Schedule P (Form 5471) (Rev. 12-2020)

Part I Previously Taxed E&P in Functional Currency (see instructions) (continued)

	(d) Reclassified section 951A PTEP	(e) Reclassified section 245A(d) PTEP	(f) Section 965(a) PTEP	(g) Section 965(b) PTEP	(h) Section 951A PTEP	(i) Section 245A(d) PTEP	(j) Section 951(a)(1)(A) PTEP	(k) Total
1a								38,392,533
b								
c								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11							See Statement	-38,392,533
12								0

Schedule P (Form 5471) (Rev. 12-2020)

Part II Previously Taxed E&P in U.S. Dollars

		(a) Reclassified section 965(a) PTEP	(b) Reclassified section 965(b) PTEP	(c) General section 959(c)(1) PTEP
1a	Balance at beginning of year (see instructions)			38,392,533
b	Beginning balance adjustments (attach statement)			
c	Adjusted beginning balance (combine lines 1a and 1b)			
2	Reduction for taxes unsuspended under anti-splitter rules			
3	Previously taxed E&P attributable to distributions of previously taxed E&P from lower-tier foreign corporation			
4	Previously taxed E&P carried over in nonrecognition transaction			
5	Other adjustments (attach statement)			
6	Total previously taxed E&P (combine lines 1c through 5)			
7	Amounts reclassified to section 959(c)(2) E&P from section 959(c)(3) E&P			
8	Actual distributions of previously taxed E&P			
9	Amounts reclassified to section 959(c)(1) E&P from section 959(c)(2) E&P			
10	Amounts included as earnings invested in U.S. property and reclassified to section 959(c)(1) E&P (see instructions)			
11	Other adjustments (attach statement)		See Statement	-38,392,533
12	Balance at beginning of next year (combine lines 6 through 11)			0

Part II Previously Taxed E&P in U.S. Dollars (continued)

	(d) Reclassified section 951A PTEP	(e) Reclassified section 245A(d) PTEP	(f) Section 965(a) PTEP	(g) Section 965(b) PTEP	(h) Section 951A PTEP	(i) Section 245A(d) PTEP	(j) Section 951(a)(1)(A) PTEP	(k) Total
1a								38,392,533
b								
c								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11							See Statement	-38,392,533
12								0

Schedule P (Form 5471) (Rev. 12-2020)

**SCHEDULE Q
(Form 5471)**(December 2020)
Department of the Treasury
Internal Revenue Service**CFC Income by CFC Income Groups**

▶ Attach to Form 5471.

▶ Go to www.irs.gov/Form5471 for instructions and the latest information.

OMB No. 1545-0123

Name of person filing Form 5471

Identifying number

58-2149127

Navicent Health, Inc.

Name of foreign corporation

EIN (if any)

Reference ID number (see instructions)

CPI9127

Centra Professional Indemnity, Ltd.

Complete a separate Schedule Q with respect to each applicable category of income (see instructions).

A Enter separate category code with respect to which this Schedule Q is being completed (see instructions for codes) ▶

PAS

B If category code "PAS" is entered on line A, enter the applicable grouping code (see instructions) ▶

iii

Complete a separate Schedule Q for U.S. source income and foreign source income.

C Indicate whether this Schedule Q is being completed for: ☐ U.S. source income or ☒ Foreign source income

Complete a separate Schedule Q for FOGEI or FORI income.

D If this Schedule Q is being completed for FOGEI or FORI income, check this box ▶ ☐Enter amounts in functional currency
of the foreign corporation (unless
otherwise noted).

(i) Country Code	(ii) Gross Income	(iii) Definitely Related Expenses	(iv) Related Person Interest Expense	(v) Other Interest Expense	(vi) Research & Experimental Expenses	(vii) Other Expenses (attach schedule)
1 Subpart F Income Groups						
a Dividends, Interest, Rents, Royalties, & Annuities (Total)						
(1) Unit name ▶ Self Insurance	1,046,255	18,065				
(2) Unit name ▶						
b Net Gain From Certain Property Transactions (Total)						
(1) Unit name ▶						
(2) Unit name ▶						
c Net Gain From Commodities Transactions (Total)						
(1) Unit name ▶						
(2) Unit name ▶						
d Net Foreign Currency Gain (Total)						
(1) Unit name ▶						
(2) Unit name ▶						
e Income Equivalent to Interest (Total)						
(1) Unit name ▶						
(2) Unit name ▶						
f Foreign Base Company Sales Income (Total)						
(1) Unit name ▶						
(2) Unit name ▶						

Important: See **Computer-Generated Schedule Q** in instructions.

For Paperwork Reduction Act Notice, see instructions.

Cat. No. 73414U

Schedule Q (Form 5471) (12-2020)

Schedule Q (Form 5471) (12-2020)

	(viii) Current Year Tax on Reattributed Income From Disregarded Payments	(ix) Current Year Tax on All Other Disregarded Payments	(x) Other Current Year Taxes	(xi) Net Income (column (ii) less columns (iii) through (x))	(xii) Foreign Taxes for Which Credit Allowed (U.S. Dollars)	(xiii) Average Asset Value	(xiv) High Tax Election	Reserved	Reserved
1									
a									
(1)				1,028,190	0		<input type="checkbox"/>		
(2)							<input type="checkbox"/>		
b									
(1)							<input type="checkbox"/>		
(2)							<input type="checkbox"/>		
c									
(1)							<input type="checkbox"/>		
(2)							<input type="checkbox"/>		
d									
(1)							<input type="checkbox"/>		
(2)							<input type="checkbox"/>		
e									
(1)							<input type="checkbox"/>		
(2)							<input type="checkbox"/>		
f									
(1)							<input type="checkbox"/>		
(2)							<input type="checkbox"/>		

Important: See Computer-Generated Schedule Q in instructions.

Enter amounts in functional currency of the foreign corporation (unless otherwise noted).

	(i) Country Code	(ii) Gross Income	(iii) Definitely Related Expenses	(iv) Related Person Interest Expense	(v) Other Interest Expense	(vi) Research & Experimental Expenses	(vii) Other Expenses (attach schedule)
1 Subpart F Income Groups							
g Foreign Base Company Services Income (Total)							
(1) Unit name ▶							
(2) Unit name ▶							
h Full Inclusion Foreign Base Company Income (Total)							
(1) Unit name ▶							
(2) Unit name ▶							
i Insurance Income (Total) . . .							
(1) Unit name ▶							
(2) Unit name ▶							
j International Boycott Income . .							
k Bribes, Kickbacks, and Other Payments							
l Section 901(j) income							
2 Recaptured Subpart F Income .							
3 Tested Income Group (Total) . .							
(1) Unit name ▶							
(2) Unit name ▶							
4 Residual Income Group (Total) .							
(1) Unit name ▶							
(2) Unit name ▶							
5 Total							

Important: See **Computer-Generated Schedule Q** in instructions.

Schedule Q (Form 5471) (12-2020)

	(viii) Current Year Tax on Reattributed Income From Disregarded Payments	(ix) Current Year Tax on All Other Disregarded Payments	(x) Other Current Year Taxes	(xi) Net Income (column (ii) less columns (iii) through (x))	(xii) Foreign Taxes for Which Credit Allowed (U.S. Dollars)	(xiii) Average Asset Value	(xiv) High Tax Election	Reserved	Reserved
1									
g									
(1)							<input type="checkbox"/>		
(2)							<input type="checkbox"/>		
h									
(1)							<input type="checkbox"/>		
(2)							<input type="checkbox"/>		
i									
(1)							<input type="checkbox"/>		
(2)							<input type="checkbox"/>		
j									
k									
l									
2									
3									
(1)							<input type="checkbox"/>		
(2)							<input type="checkbox"/>		
4									
(1)									
(2)									
5									

Important: See Computer-Generated Schedule Q in instructions.

Distributions From a Foreign Corporation

► Attach to Form 5471.

OMB No. 1545-0123

► Go to www.irs.gov/Form5471 for instructions and the latest information.

Name of person filing Form 5471			Identifying number	
Navicent Health, Inc.			58-2149127	
Name of foreign corporation		EIN (if any)	Reference ID number (see instructions)	
Centra Professional Indemnity, Ltd.			CPI9127	
	(a) Description of distribution	(b) Date of distribution	(c) Amount of distribution in foreign corporation's functional currency	(d) Amount of E&P distribution in foreign corporation's functional currency
1	No Distributions (Subpart F is considered a dividend for UBI purposes. See Statement Attached)			
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				

Line 9, Sch C (5471) - Other Income**U.S. Dollars**

1	Premiums Written & Earned	1	13,537,358
2	Unrealized Gains	2	4,109,543
3	Total Other Income		17,646,901

Line 17, Sch C (5471) - Other Deductions**U.S. Dollars**

1	Administrative Expenses	1	217,369
2	Premiums Ceded	2	1,604,305
3	Underwriting Expenses	3	13,517,866
4	Investment Fees	4	18,065
5	Total other deductions	5	15,357,605

Line 8, Sch F (5471) - Other Investments

		Beginning	End
1	Mututal Funds & ETFs	79,903,994	89,013,415
2	Total other current as	79,903,994	89,013,415

Line 13, Sch F (5471) - Other Assets

1	Interest Receivable	5	21
2	Prepaid Expenses	21,797	21,797
3	Loss Reserve Recoverable	4,393,004	5,187,815
4	Total Other Assets	4,414,806	5,209,633

Line 15, Sch F (5471) - Other Current Liabilities

		Beginning	End
1	Losses Payable	644,690	299,626
2	Loss Reserves	49,491,142	57,524,894
3	Premiums Received in	1,604,305	-
4	Total other liabilities	51,740,137	57,824,520

Line 21, Sch F (5471) - Paid-In or Capital Surplus

		Beginning	End
1	Additional Paid-In Cap	1,653,300	1,653,300
2	Total Paid-In or Surpl	1,653,300	1,653,300

Line 2h, Sch H (5471) - Other

		Net Additions	Net Subtractions
1	Unrealized Gains	-	4,109,543
2	Underwriting Income	-	13,537,358
3	Underwriting & Relate	15,339,540	
4			
5			
6			
7			
8			
9			
10			
11	Total other adjustmer	15,339,540	17,646,901

Navicent Health, Inc.
58-2149127
Statement Re: Form 5471

Centra Professional Indemnity, Ltd. is a wholly owned subsidiary of Navicent Health, Inc. It is a self-insurance captive. The amount earnings and profits and of Subpart F income reported on Form 5471 and its various Schedules represent interests and dividends earned during the year on capital used for self-insurance purposes. Other income and expenses reported in the audited financial statements during the year are related to self-insurance through the captive and for tax purposes are considered capital contributions. (As a self-insurance entity, any insurance related income would not be taxable as Unrelated Business Income pursuant to Internal Revenue Code section 512(b)(17).)

The passive investment income reported as subpart F income is also deemed to be distributed to Navicent Health since it is a tax-exempt organization described in IRC section 501(c)(3). Pursuant to long standing IRS guidance, subpart F income is deemed to be a dividend to an exempt organization and therefore, not subject to taxation pursuant to IRC section 514(b)(1). Since it would be a deemed distribution, it does not constitute accumulated earnings & profits. An adjustment is made on Form 5471 Schedule P to reflect this treatment for prior year earnings.

Navicent Health, Inc.
58-2149127
Form 5471 Attachment – Centra Professional Indemnity, Ltd.
Statement Regarding Subpart F Income

Any Subpart F income subject to inclusion under IRC section 951(a)(1) and any Global Intangible Low-Taxed Income subject to inclusion under IRC section 951A(a) generated by Navicent's investment in Centra Professional Indemnity, Ltd. is excludable from income as a dividend pursuant to IRC section 514(b) (see IRS Notice 2018-67, Section 10). Navicent Health, Inc. is a tax-exempt organization pursuant to IRC section 501(a) as an organization described in section 501(c)(3). All risks that are insured are self-insured risks qualifying for the exclusion from unrelated business income taxation.

Form 990 Audit Recon - 2021 Balance Sheet

GASB Audit FASB IFS *complete reconciliations available - this is generalized

Assets

Current assets:

Cash and cash equivalents	\$ 61,028	\$ 61,028	\$ (0)	
Short term investments	-		\$ -	
Patient receivables - net	230,691	230,691	\$ 0	
Accounts, grants and notes receivable, net	13,172	\$ 13,178	\$ (6)	GASB realignment
Assets limited as to use - investments	-		\$ -	
Other current assets	30,158	30,159	\$ (1)	Rounding
Total current assets	335,049	335,056	\$ (7)	
			\$ -	
Property and equipment - net	470,481	\$ 470,481	\$ (0)	
			\$ -	
Investments and assets limited as to use	888,711	\$ 888,710	\$ 1	Rounding
			\$ -	
				Deferred Outflows not in FASB + FASB adj for amortization
Other assets	71,781	\$ 98,990	\$ (27,209)	
			\$ -	
Total assets	<u>\$ 1,766,022</u>	<u>\$ 1,793,238</u>	\$ (27,216)	
			\$ -	
Deferred outflows of resources	28,215	\$ -	\$ 28,215	
			\$ -	
Total assets and deferred outflows of resources	<u>\$ 1,794,237</u>	<u>\$ 1,793,238</u>	\$ 999	GASB adjustment in Deferred OF
			\$ -	

Liabilities

Current liabilities:

Accounts payable	\$ 11,939	\$ 11,939	\$ 0	
Salaries and benefits payable	57,362	\$ 59,494	\$ (2,132)	
Other liabilities and accruals	114,832	116,523	\$ (1,691)	
Estimated third party payer settlements	6,102	\$ 6,102	\$ (0)	
Current portion of long-term debt	5,315	5,315	\$ (0)	
Total current liabilities	195,550	199,373	\$ (3,823)	
			\$ -	
Notes payable, finance leases and line of credit - net of current portion	-	\$ -	\$ -	
Bonds Payable - net of current portion	280,940	\$ 280,940	\$ (0)	
Interest rate swap liability	8,514	\$ 8,514	\$ 0	
Retirement benefits	(128,466)	\$ 66,796	\$ (195,262)	GASB pension adjustment
Other liabilities	115,067	\$ 111,964	\$ 3,103	
			\$ -	
Total liabilities	471,605	667,587	\$ (195,982)	
			\$ -	
Deferred inflows of resources	66,885	\$ -	\$ 66,885	GASB adjustments
			\$ -	
			\$ -	
Net position:				
Net investment in capital assets	179,030			
Restricted - by donor	-			
Unrestricted	<u>1,076,717</u>			
				GASB pension/OPEB adjustments run through NA
Total net position	1,255,747	\$ 1,125,679	\$ 130,068	
			\$ -	
Total liabilities and deferred inflows and net position	<u>\$ 1,794,237</u>	<u>\$ 1,793,266</u>	\$ 971	GASB adjustments in deferred IF

Balance Sheet Detail By Entity - Audited

Atinum Health Navicent - Internal Reporting Only
Year to Date Through The Period Ending December 31, 2021

	1201 - Navicent Health Medical Center	1202 - Navicent Health Medical Center - Peach	1203 - Navicent Health Medical Center - Baldwin	4551 - Carlyle Place Navicent Health	4552 - Pine Pointe Hospice Navicent Health	4553 - Navicent Health Rehabilitation Hospital	5119 - Doctors Office Bldg - Navicent Health	5201 - Navicent Health Corporate Human Resources	5203 - Navicent Health Co	5204 - Navicent Health Health Ventures	5206 - Centra Professional Indemnity	5207 - Navicent Health Elimination Company	Navicent Health Physicians Group	CONSOLIDATED
Account														
Current Assets														
Cash and Cash Equivalents														
10000100000100 Cash - Depository - Wells Fargo	1,502,102	-	-	-	(0)	0	-	-	267,743,139	9,689	-	-	(1,479,840)	267,775,090
10002100000100 Cash - Accounts Payable - Wells Fargo	179,364	-	-	-	-	-	-	-	26,817,584	-	-	-	-	27,196,948
10004100000100 Cash - Zero Balance Acct - MedCost	1,040	-	-	-	-	-	-	-	-	4,680	-	-	-	1,040
100041500004100 Cash - Zero Balance Acct - MedCost - Other	4,680	-	-	-	-	-	-	-	-	-	-	-	-	4,680
10005100000100 Cash - Payroll - Wells Fargo	(2,1418,305)	-	-	-	-	-	-	-	2,848,891	-	-	-	-	(20,589,414)
10010100000100 Cash - General Checking - Clearing	-	-	-	-	-	-	-	-	(7,802,746)	-	-	-	-	(7,802,746)
10010100000200 Cash - General Checking - Clearing - Temp Restricted	-	-	-	-	-	-	-	-	(6,902)	-	-	-	-	(6,902)
10013100000100 Cash - Depository - BBF	-	-	236,372	-	-	-	-	-	-	-	-	96,511	-	332,884
10016400000100 Cash - Depository - Suntrust	(2,372,376,666)	0	(9,118)	-	-	-	-	-	1,481,838	-	-	-	-	(2,375,764,946)
10016800000100 Cash - Checking - BBF	3,564,904	-	-	301,439	-	-	-	-	-	-	-	-	-	3,866,344
10017600000100 Cash - Depository - Farmers Merchant	-	-	-	-	-	-	-	-	-	-	-	9,620	-	9,620
10017700000100 Cash - Operating - Synovus	-	77,067	-	-	-	-	-	-	-	-	-	-	-	77,067
10017400000100 Cash - Central Georgia Credit Union	8,998	-	-	-	-	-	-	-	-	-	-	-	-	8,998
10027800000100 Cash - Daily Liquidity - Suntrust (10065)	22,291,868	-	-	-	-	-	-	-	-	-	-	-	-	22,291,868
10028000000100 Cash - Zero Balancing - Clearing	-	-	-	-	-	-	-	-	241,590	-	-	-	-	241,590
10040100000100 Cash - Operating	-	(1,688)	-	-	-	-	-	-	-	2,961,908	-	-	-	2,960,218
10042100000100 Cash - Operating - Wells Fargo	-	-	-	-	-	-	-	-	150	-	-	-	-	150
10042100000200 Cash - Operating - Wells Fargo - Temp Restricted	-	-	-	-	-	-	-	-	(150)	-	-	-	-	(150)
10041100000100 Cash - US Bank	-	-	-	-	-	-	-	-	-	-	-	-	(34,735)	(34,735)
10042200000100 Cash - Accounts Payable - Century (10010)	-	-	6,441,598	-	-	-	-	-	-	-	-	-	-	6,441,598
100422700000100 Cash - Operating - Suntrust	2,622,499	-	-	-	-	-	-	-	-	2,807,388	-	-	(1,808,814)	4,447,512
10042800000100 Suntrust Payroll	108,960	-	-	-	-	850,259	0	-	-	-	-	-	-	108,960
100422900000100 Cash - Payroll - Suntrust	-	-	-	-	-	-	-	-	-	-	(0)	-	-	(0)
10042300000100 Cash - Refund - Suntrust	-	-	(39,888)	-	-	-	-	-	-	-	-	-	-	(39,888)
100423400000100 Suntrust Online Bill Pay US Bank	(72,935)	-	-	-	-	-	-	-	-	-	-	-	-	(72,935)
100423500000100 Synovus Operating MCPC	-	393,864	-	-	-	-	-	-	-	-	-	-	-	393,864
100423600000100 Suntrust Refund	(35,616)	-	-	-	-	-	-	-	11,165	-	-	-	(103,804)	(128,055)
100428400000100 Cash - Accounts Payable - Suntrust	(12,238,690)	0	-	-	-	-	-	-	380,716	-	-	-	-	(11,857,975)
100428900000100 Cash - Georgia Heart Rural Hospital Program - Cadence	-	-	127,001	10,001	-	-	-	-	-	-	-	-	-	137,000
10060100000100 Cash - Petty	11,035	625	580	950	200	1,300	-	-	-	-	-	1,325	-	16,015
10061300000100 Other Cash - Imprest Balances	-	-	-	-	-	-	-	-	(38,764)	-	-	-	-	(38,764)
10061800000100 Other Cash - Debit Cards - BBF	2,934	-	-	-	-	-	-	-	-	-	-	-	-	2,934
100618200000100 Other Cash - Insurance Claims - Suntrust	-	-	-	-	-	-	-	-	1,029,894	-	-	-	-	1,029,894
Total Cash and Cash Equivalents	(242,514,828)	596,869	6,639,546	302,389	200	851,559	0	0	292,708,901	2,817,077	2,963,908	0	(3,317,537)	61,028,084
Short Term Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Short Term Investments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Patient AR - Net	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10732100000100 Pt Accts Rec - Legacy (Sloanian plus all other)	114,817,111	2,352,485	3,271,826	-	-	3,067,275	-	-	-	-	-	-	4,367,674	127,876,372
10733100000100 Pt Accts Rec - Other	10,020,169	-	3,384	-	771,698	-	-	-	-	-	-	-	-	10,792,251
10741100000100 Pt Accts Rec - Undistributed Payments	-	-	-	-	-	-	-	-	-	-	-	-	(4,48,120)	(4,48,120)
10746100000100 Pt Accts Rec - Unapplied Cash	-	-	(173,592)	-	238,339	5,760	-	-	-	-	-	-	-	70,537
10768100000100 Pt Accts Rec - Cash Clearing	28,893,490	923,533	(5,511)	-	600,386	(2,570,651)	-	-	(35,018)	-	-	-	2,936,992	30,743,220
10774100000100 Adjustment - Account Receivable Legacy	65,740,025	157,066	735,175	-	-	1,037,870	-	-	-	-	-	-	-	67,870,137
10776100000100 Pt Accts Rec - Clearing - Refund Payable	3,567,459	126,156	214,555	-	-	103,637	-	-	-	-	-	-	-	4,011,807
10780150000100 Pt Accts Rec - System Conversion	(25,546,303)	(93,328)	(576,987)	-	-	(875,307)	-	-	-	-	-	-	-	(27,001,926)
107801500001100 Pt Accts Rec - System Conversion - Medicaid	(20,442,219)	-	(58,942)	-	-	(14,331)	-	-	-	-	-	-	-	(20,538,520)
107801500002100 Pt Accts Rec - System Conversion 50002	(9,340,913)	(80,018)	(65,923)	-	-	(139,651)	-	-	-	-	-	-	-	(9,576,505)
107801500003100 Pt Accts Rec - System Conversion 50003	(5,927,381)	(12,194)	(2,602)	-	-	(28,991)	-	-	-	-	-	-	-	(5,942,177)
107801500004100 Pt Accts Rec - System Conversion Other	(5,198,770)	(5,174)	(77,897)	-	-	-	-	-	-	-	-	-	-	(5,199,102)
10781100000100 Pt Accts Rec - Health Logic Star Clearing	-	-	-	-	-	-	-	-	-	-	-	693	-	693
10789100000100 Pt Accts Rec - Cash Clearing - Emergency Medical Services	(28,123)	-	-	-	-	-	-	-	(2,944)	-	-	-	-	(30,967)
10791100000100 Pt Accts Rec - Cash Clearing - Home Health	-	-	-	-	-	-	-	-	(2,408,585)	-	-	-	-	(2,408,585)
110321500002100 Pt Accts Rec - Cash Clearing - Aetna - 50002	-	-	-	-	-	-	-	-	621,586	-	-	-	-	621,586
110331500002100 Pt Accts Rec - Cash Clearing - United - 50002	-	-	-	-	-	-	-	-	(10,795,412)	-	-	-	-	(10,795,412)
110361500002100 Pt Accts Rec - Cash Clearing - Cigna - 50002	-	-	-	-	-	-	-	-	424,495	-	-	-	-	424,495
110371500002100 Pt Accts Rec - Cash Clearing - BCBS - 50002	-	-	-	-	-	-	-	-	(12,198,045)	-	-	-	-	(12,198,045)
110411500003100 Pt Accts Rec - Cash Clearing - Point of Sale - Self Pay	-	-	-	-	-	-	-	-	938,339	-	-	930,462	-	1,868,801
110421500002100 Pt Accts Rec - Cash Clearing - Humana - 50002	-	-	-	-	-	-	-	-	830,255	-	-	-	-	830,255
110451500004100 Pt Accts Rec - Clearing - Other - Self Pay/Other	-	-	-	-	-	-	-	-	(21,918)	-	-	-	-	(21,918)
11050150000100 Pt Accts Rec - Clearing - Medicare	-	-	-	-	-	-	-	-	7,759,724	-	-	-	-	7,759,724
110511500001100 Pt Accts Rec - Clearing - Georgia - Medicaid	-	-	-	-	-	-	-	-	(6,521,232)	-	-	-	-	(6,521,232)
110541500004100 Pt Accts Rec - Clearing - Wholesale Lockbox - Other	-	-	-	-	-	-	-	-	1,069,244	-	-	-	-	1,069,244
11076100000100 Pt Accts Rec - Clearing - PLB	-	-	-	-	-	-	-	-	-	-	-	268	-	268
110761500004100 Pt Accts Rec - Clearing - PLB - Other	(1,082,239)	12,277	-	-	-	-	-	-	236,634	-	-	-	-	(833,326)
11088100000100 Pt Accts Rec - Inpatient	-	-	-	106,573	-	4,061,882	-	-	-	-	-	0	-	4,168,455
11088150000100 Pt Accts Rec - Inpatient - Medicare	2,114,583	152,665,989	11,030,535	-	-	-	-	-	-	-	-	-	-	169,819,789
110881500001100 Pt Accts Rec - Inpatient - Medicaid	731,171,222	455,397	1,927,578	-	-	344,589	-	-	-	-	-	-	-	75,888,785
110881500002100 Pt Accts Rec - Inpatient - Commercial	102,554,935	792,373	4,656,563	-	-	913,860	-	-	-	-	-	-	-	108,917,731
110881500003100 Pt Accts Rec - Inpatient - Self Pay	339,486	637,027	-	-	-	219,276	-	-	-	-	-	-	-	275,772,499
110881500004100 Pt Accts Rec - Inpatient - Other	63,400,876	169,525	868,900	-	-	861,853	-	-	-	-	-	-	-	65,101,154
11089100000100 Pt Accts Rec - Outpatient (Home Health - 12005/12045/12076)	-	-	-	-	-	5,690,037	-	-	-	18,234	-	-	-	9,782,237
11089150000100 Pt Accts Rec - Outpatient - Medicare	55,158,503	1,981,189	8,132,343	-	-	590,044	-	-	-	-	-	-	6,746,494	72,586,573
110891500002100 Pt Accts Rec - Outpatient - Medicaid	803,370	15,158,555	2,126,857	-	-	218,755	-	-	-	-	-	-	-	23,427,366
110891500003100 Pt Accts Rec - Outpatient - Commercial	51,866,780	1,713,372	10,386,055	-	-	394,456	-	-	-	-	-	-	-	69,996,221
110891500004100 Pt Accts Rec - Outpatient - Self Pay	1,109,261	1,109,261	1,420,224	-	-	113,969	-	-	-	-	-	-	-	13,727,569
110891500005100 Pt Accts Rec - Outpatient - Other	21,342,691	715,000	1,919,914	-	-	280,179	-	-	-	-	-	-	-	28,449,700
11095120000100 Pt Accts Rec - Accrued Claims	0	0	0	-	-	-	-	-	-	-	-	95,400	-	95,400
110951500000100 Pt Accts Rec - Accrued Claims - Medicare	1,200,000	100,000	200,000	-	-	-	-	-	-	-	-	-	-	1,500,000
110951500001100 Pt Accts Rec - Accrued Claims - Medicaid	-	-	-	-	-	-	-	-	-	-	-	-	-	50,096
11097100000100 Pt Accts Rec - Cash Clearing - Other Insurance	-	-	-	-	-	-	-	-	372,765	-	-	-	-	372,765
110971500002100 Pt Accts Rec - Cash Clearing - Other Insurance - Commercial	-	-	-	-	-	-	-	-	6,019,038	-	-	-	-	6,019,038
11098100000100 Pt Accts Rec - Cash Clearing - Multi System	(28,488,813)	(166,908)	548,355	-	(158,803)	2,822,106	-	-	-	-	-	1,037,382	-	(24,232,168)
114661500003100 Pt Accts Rec - Reserve - Facility - Self Pay	118,359	-	-	-	-	350,000	-	-	-	-	-	-	-	(5,952,661)
11471100000100 Allowance for Contractual Adjustments Legacy	(80,340,939)	(1,804,251)	(3,037,322)	-	-	(2,098,806)	-	-	-	-	-	-	-	(87,609,972)
11471150000100 Allowance for Contractual Adjustments Legacy - Medicare	-	-	-	-	-	-	-	-	-	-	-	(4,039,022)	-	(4,039,022)
11662100000100 Pt Accts Rec - Allowances for Bad Debts (13020/13022/13155)	-	-	-	-	-	-	-	-	-	-	-	-	-	(979,438)
11667150000100 Bad Debt Charge Off - Medicare	355,595	31,611	(829,438)	-	-	570	-	-	-	-	-	-	-	540,949
116671500002100 Pt Accts Rec - Reserve - Current Year Bad Debt - Medicare	-	-	157,872	-	-	-	-	-	-	-	-	-	-	157,872
116671500003100 Pt Accts Rec - Reserve - Current Year Bad Debt - Medicaid	-	-	-	-	-	-	-	-	-	-	-	-	-	8,633
116671500004100 Pt Accts Rec - Reserve - Current Year Bad Debt - Commercial	-	-	-	-	-	-	-	-	-	-	-	-	-	(524)
116671500005100 Pt Accts Rec - Reserve - Current Year Bad Debt - Self Pay	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,415)
116671500006100 Pt Accts Rec - Reserve - Current Year Bad Debt - Other	(412,215,653)	(15,76,627)	(1,884,421)	-										

Balance Sheet Detail By Entity - Audited

Atrium Health Navicent - Internal Reporting Only
Year to Date Through The Period Ending December 31, 2021

Account	1201 - Navicent Health Medical Center	1202 - Navicent Health Medical Center - Peach	1203 - Navicent Health Medical Center - Baldwin	4551 - Carlyle Place Navicent Health	4552 - Pine Pointe Hospice Navicent Health	4553 - Navicent Health Rehabilitation Hospital	5119 - Doctors Office Bldg - Navicent Health	5201 - Navicent Health Corporate Human Resources	5203 - Navicent Health Co	5204 - Navicent Health Health Ventures	5206 - Centra Professional Indemnity	5207 - Navicent Health Elimination Company	Navicent Health Physicians Group	CONSOLIDATED
11664150002100 Pt Accts Rec - Charge Offs Commercial	148,612,548	1,671,084	6,429,139	-	-	1,138,510	-	-	-	-	-	-	-	159,851,521
11664150003100 Pt Accts Rec - Charge Offs Self Pay	37,291	1,063	3	-	-	-	-	-	-	-	-	-	-	38,357
11664150004100 Pt Accts Rec - Charge Offs - Other	29,483,707	971,463	2,213,544	-	-	236,968	-	-	-	-	-	-	-	32,904,782
11665150000100 Pt Accts Rec - Reserve - Contractual	(746,544)	0	602,907	(11,200)	(41,922)	-	-	-	-	(8,773)	-	-	0	(206,533)
1166515000100 Pt Accts Rec - Reserve - Contractual - Medicare	(446)	28,727	1,332	-	-	258,621	-	-	-	-	-	-	(4,826,519)	(4,516,905)
11665150001100 Pt Accts Rec - Reserve - Contractual - Medicaid	-	4,666	-	-	-	5,140	-	-	-	-	-	-	(3,450,491)	(3,440,684)
11665150001100 Pt Accts Rec - Reserve - Contractual - Self Pay	-	-	-	-	-	-	-	-	-	-	-	-	1,406	1,406
11665150004100 Pt Accts Rec - Reserve - Contractual - Other	-	-	-	-	-	-	-	-	-	-	-	-	16	16
11667150000100 Pt Accts Rec - Reserve - Current Year Contractual - Medicare	(566,785,485)	(8,923,807)	(29,406,199)	-	-	(7,895,847)	-	-	-	-	-	-	36,368	(612,975,168)
11667150001100 Pt Accts Rec - Reserve - Current Year Contractual - Medicaid	(240,944,874)	(3,629,455)	(12,864,383)	-	-	(739,216)	-	-	-	-	-	-	17,236	(258,180,673)
11667150002100 Pt Accts Rec - Reserve - Current Year Contractual - Commercial	(228,883,703)	(5,126,627)	(16,655,861)	-	-	(1,804,913)	-	-	-	-	-	-	(2,275,810)	(254,750,953)
11667150003100 Pt Accts Rec - Reserve - Current Year Contractual - Self Pay	20	902	-	-	-	2,139	-	-	-	-	-	-	478,194	481,255
11667150004100 Pt Accts Rec - Reserve - Current Year Contractual - Other	(94,576,818)	(1,570,848)	(4,103,261)	-	-	(1,088,244)	-	-	-	-	-	-	(3,010,047)	(104,349,217)
Total Patient AR - Net	205,634,883	5,299,263	15,335,690	95,373	1,409,698	5,437,012	0	0	(14,387,391)	4,450	0	0	11,861,680	230,690,659
Due from Consolidated Entities														
11900100000100 Intercompany Due To - From (Balancing Entries)	218,873,065	121,446	(15,441,581)	(686,797)	(1,181,195)	95,777	3,036,863	(0)	(186,053,141)	115,143	-	-	(17,831,674)	645,896
11900100002000 Intercompany Due To - From (Balancing Entries - Temp Restricted)	(17,052)	-	-	-	-	-	-	-	7,262	-	-	-	-	(10,000)
11901100000100 Interfund Due To - From - Unrestricted	15,250	-	-	4,287,883	-	-	-	-	-	-	89,013,415	-	-	93,316,548
11901100002000 Interfund Due To - From - Temporarily Restricted	(15,250)	-	-	-	-	-	-	-	-	-	-	-	-	(15,250)
11901100000300 Interfund Due To - From - Restricted	-	-	-	(4,287,883)	-	-	-	-	-	-	(89,013,415)	-	-	(93,301,298)
11911100000100 Intercompany Due To - From (Lawson Intercompany Accounts)	38,618,229	(25,304,257)	16,512,677	(1,135,820)	44,415	(96,051)	818,671	-	(15,964,167)	(396,521)	-	(1,729,948)	(9,279,448)	2,087,781
Total Due from Consolidated Entities	257,474,241	(25,182,811)	1,071,086	(1,822,616)	(1,338,780)	(275)	3,855,534	(0)	(202,010,255)	(281,378)	0	(1,729,948)	(27,111,121)	2,923,677
Other Healthcare Organizations														
12222100000100 Oth Accts Rec - Atrium Health	4,903,694	-	-	-	-	-	-	-	(24,802,262)	-	-	-	-	(19,898,568)
12226100000100 Oth Accts Rec - Hospital Authority	-	-	-	-	-	-	-	-	32,907	-	-	-	-	32,907
Total Other Healthcare Organizations	4,903,694	0	0	0	0	0	0	0	(24,769,355)	0	0	0	0	(19,865,661)
Other AR														
12404100000100 Oth Accts Rec - Miscellaneous	1,743,909	36,223	985,822	50,755	-	-	-	-	4,007,108	-	-	-	175,031	6,998,848
12406100000100 Oth Accts Rec - Rent	17,681	-	-	-	-	-	-	149,766	-	-	-	-	0	167,447
12410150001100 Oth Accts Rec - Reserve - Accrued One - Self Pay	108,037	1,806	-	-	-	(3,025)	-	-	-	-	-	-	(70,291)	36,527
12411100000100 Oth Accts Rec - Notes Rec - Staff and Employees	78,679	-	61,231	-	-	-	-	-	-	-	-	-	(0)	139,910
12412100000100 Oth Accts Rec - Management Fee	(3,053)	-	-	-	-	-	-	-	-	-	-	-	-	(3,053)
12413100000100 Oth Accts Rec - Capitation	2,196,600	-	-	-	-	-	-	-	-	-	-	-	-	2,196,600
12415150003100 Oth Accts Rec - Contract - Legacy - Self Pay	2,512,981	1,454	26,790	-	-	-	-	-	-	-	-	-	-	2,514,225
12417100000100 Oth Accts Rec - Clearing - Affiliate	-	-	-	-	-	-	-	-	1,514,404	-	-	-	416,816	1,931,213
12434100000200 Unbilled AR - Grants - Temp Restricted	10,000	-	-	-	-	-	-	-	-	-	-	-	-	10,000
12441100000100 Oth Accts Rec - Grants	1,905,694	-	-	-	-	-	-	-	-	-	-	-	-	1,905,694
12442100000100 Oth Accts Rec - Non Patient	73,486,810	(766,545)	669	-	-	7,061	(316,812)	-	(56,783,290)	-	-	(178,881)	-	15,449,051
12445100000100 Oth Accts Rec - Intercompany Interest Receivable	196	-	309	-	-	-	4,911	-	-	1,144	-	-	-	6,602
12458100000100 Oth Accts Rec - Allowance	-	-	(62,531)	-	-	-	-	-	(2,892,376)	-	-	-	-	(2,954,907)
12459100000100 Oth Accts Rec - Graduate Medical Education	1,674,952	-	-	-	-	-	-	-	-	-	-	-	-	1,674,952
Total Other AR	83,752,506	(727,063)	1,012,291	50,755	0	4,036	(162,135)	0	(54,154,155)	1,144	0	0	342,741	30,120,118
Total Short Term Leases	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Inventories														
13000100000100 Inventory - Pharmacy	3,686,066	199,425	499,901	-	-	127,441	-	-	-	-	-	-	-	4,512,833
13003100000100 Inventory - Medical	3,724,049	(611)	(100)	29,608	-	-	-	-	-	-	-	-	-	3,752,976
13005100000100 Inventory - Dietary	-	-	-	-	-	9,822	-	-	-	-	-	-	-	9,822
13006100000100 Inventory - Surgery	5,389,567	-	1,130,726	-	-	-	-	-	-	-	-	-	-	6,520,293
13009100000100 Inventory - General Stores	7,447,646	(50)	507,261	-	-	0	-	-	(154)	-	-	-	-	7,994,793
13009100000200 Inventory - General Stores - Temp Restricted	1,459	-	-	-	-	-	-	-	-	-	-	-	-	1,459
13015100000100 Inventory - Adjustments	(0)	-	-	-	-	-	-	-	-	-	-	-	-	(0)
13017100000100 Inventory - Control	2,733	-	(50)	-	-	-	-	-	-	-	-	-	-	2,683
13020100000100 Inventory Clearing Account	554,234	-	104,542	-	-	-	-	-	-	153	-	-	-	658,929
13024100000100 Inventory Transfers	1,833	-	331	-	-	-	-	-	(2,164)	-	-	-	-	-
Total Inventories	20,807,587	198,744	2,242,611	29,608	0	137,263	0	0	(2,165)	0	0	0	0	23,413,648
Prepaid Expenses														
13200100000100 Prepaid Insurance	-	-	-	-	-	-	-	-	35,988	-	-	-	-	35,988
13211100000100 Prepaid Expenses - Other	1,095,184	46,668	89,412	-	-	0	19,828	-	5,436,369	-	21,819	-	-	6,709,280
Total Prepaid Expenses	1,095,184	46,668	89,412	0	0	0	19,828	0	5,472,357	0	21,819	0	0	6,745,268
Total Current Assets	331,133,267	(19,768,330)	26,390,635	(1,344,491)	71,118	6,429,595	3,713,227	(0)	2,857,938	2,541,293	2,095,727	(1,729,948)	(18,224,238)	335,055,792
Capital Assets														
Capital Assets (Includes CIP)														
13300100000100 Land	17,681,546	734,870	367,334	1,712,834	500,000	-	2,330,051	-	713,639	-	-	-	-	24,062,274
13301100000100 Land Improvements	2,315,745	126,834	374,833	3,819,781	26,321	518,613	-	-	574,671	-	-	1,870	-	7,676,468
13400100000100 Building	108,500,800	-	17,450	96,511	41,700	-	4,072,211	-	33,771,214	14,747	-	-	-	146,532,353
13401100000100 Building Improvements	378,282,221	19,741,549	14,858,895	66,275,783	4,909,837	39,272	84,231,892	-	20,783,868	-	-	268,458	-	589,391,574
13402100000100 Fixed Assets - Contra	268	-	(0)	-	-	-	-	-	(0)	-	-	-	-	268
13500100000100 Equipment	255,987,340	6,954,824	4,915,048	4,167,076	224,402	1,964,927	1,708,201	-	14,640,041	-	5,288,302	-	-	298,550,163
13501100000100 Computer and Technology - Capital	32,000,411	455,125	1,193,529	256,649	432,041	192,368	545,146	-	154,153,935	-	-	-	-	190,301,136
13600100000100 Leasehold Improvements	32,005	-	-	-	-	-	1,162,715	-	739,029	-	554,698	-	-	2,686,447
13601100000100 Asbestos Remediation	539,652	-	-	-	-	-	31,604	-	-	-	-	-	-	571,256
13700100000100 Construction In Progress	39,753,335	245,898	4,127,863	2,851,671	-	-	413,257	-	4,310,554	-	-	12,660	-	51,715,236
Total Capital Assets (Includes CIP)	839,153,343	27,961,099	25,654,951	79,200,306	6,134,100	2,196,566	95,213,692	0	229,686,952	14,747	0	0	7,215,441	1,312,431,197
Accumulated Depreciation														
13800100000100 Accum Depreciation	(535,518,107)	(12,215,625)	(8,852,594)	(49,461,357)	(2,230,686)	(2,029,474)	(45,664,707)	-	(176,998,721)	(13,371)	-	-	(5,911,696)	(838,916,317)
13805100000100 Accum Amortization - Leasehold Improvements	(12,003)	-	-	-	-	-	(1,335,532)	-	(492,291)	-	-	-	-	(2,544,970)
13823100000100 Reserve Asbestos Remediation	(467,026)	-	-	-	-	-	(31,605)	-	-	-	-	-	-	(498,631)
Total Accumulated Depreciation	(536,037,139)	(12,215,625)	(8,852,594)	(49,461,357)	(2,230,686)	(2,029,474)	(47,031,844)	0	(177,491,012)	(13,371)	0	0	(6,586,837)	(841,949,938)
Total Net Capital Assets	303,116,204	15,745,474	16,802,357	29,738,949	3,903,414	167,092	48,181,848	0	52,195,941	1,376	0	0	628,604	470,481,259

Balance Sheet Detail By Entity - Audited

Atrium Health Navicent - Internal Reporting Only
Year to Date Through The Period Ending December 31, 2021

Account	1201 - Navicent Health Medical Center	1202 - Navicent Health Medical Center - Peach	1203 - Navicent Health Medical Center - Baldwin	4551 - Carle Place Navicent Health	4552 - Pine Pointe Hospice Navicent Health	4553 - Navicent Health Rehabilitation Hospital	5119 - Doctors Office Bldg - Navicent Health	5201 - Navicent Health Corporate Human Resources	5203 - Navicent Health Co	5204 - Navicent Health Health Ventures	5206 - Centra Professional Indemnity	5202 - Navicent Health Elimination Company	Navicent Health Physicians Group	CONSOLIDATED
Other NonCurrent Assets														
Assets Limited as to Use:														
Bond Proceeds Held by Trustee - LT														
Total Bond Proceeds Held by Trustee - LT	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Investments Designated for Capital Improvements														
14100100000100 Designated for Capital Improvement - Investments	667,941,851	-	-	99,811,750	-	-	-	-	-	-	-	-	-	767,753,601
14101100000100 Designated for Capital Improvement - Accrued Interest	315,489	-	-	104,994	-	-	-	-	-	-	-	-	-	420,483
14107100000100 Statutory Operating Reserve - Unrestricted	-	-	-	(30,357)	-	-	-	-	-	-	-	-	-	(30,357)
14107100000300 Statutory Operating Reserve - Restricted	-	-	-	4,287,883	-	-	-	-	-	-	-	-	-	4,287,883
Total Investments Designated for Capital Improvements	668,257,341	0	0	104,174,270	0	0	0	0	0	0	0	0	0	772,431,610
Other Long-Term Investments														
Total Other Long-Term Investments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Assets Limited as to Use - Investments														
14600100000300 Funds Held by Trustee - Restricted (CPI Investments 16350)	-	-	-	-	-	-	-	-	-	-	0	-	-	0
14601100000100 Escrow Accounts	-	-	-	802,099	-	-	-	-	-	-	-	-	-	802,099
14602100000300 Investments - Self Insurance Trust Fund - Professional Liability - Restrictes	-	-	-	-	-	-	-	-	-	-	89,013,415	-	-	89,013,415
14603100000100 Deferred Compensation - Executive 457b	-	-	-	-	-	-	-	24,445,058	-	-	-	-	-	24,445,058
14604100000100 Investments - Deferred Compensation - Top Hat	-	-	-	-	-	-	-	-	958,534	-	-	-	-	958,534
14605100000100 Investments - Deferred Compensation - SERP	-	-	-	-	-	-	-	1,059,518	-	-	-	-	-	1,059,518
Total Other Assets Limited as to Use - Investments	0	0	0	802,099	0	0	0	25,504,575	958,534	89,013,415	0	0	0	116,278,624
Joint Venture Investments														
15000100000100 Oth Assets - Joint Venture - Investments - Legacy	1,304,442	-	-	-	-	-	-	23,523,525	1,503,273	-	-	-	-	26,331,240
15001152053100 Joint Venture - Earnings - MRI	-	-	-	-	-	-	-	388,391	388,391	-	-	-	-	888,591
15001152054100 Joint Venture - Earnings - GMC	-	-	-	-	-	-	-	293,995	293,995	-	-	-	-	593,995
15001152055100 Joint Venture - Earnings - PET	905,421	-	-	-	-	-	-	-	-	-	-	-	-	905,421
15001152060100 Joint Venture - Earnings - Advanced Home Care	-	-	-	-	-	-	-	48,739	48,739	-	-	-	-	48,739
15001152065100 Joint Venture - Earnings - MQPSI	-	-	-	-	-	-	-	4,223,966	4,223,966	-	-	-	-	4,223,966
15003152053100 Joint Venture - Distributions - MRI	-	-	-	-	-	-	-	-	(239,000)	-	-	-	-	(239,000)
15003152054100 Joint Venture - Distributions - GMC	-	-	-	-	-	-	-	-	(311,850)	-	-	-	-	(311,850)
15003152055100 Joint Venture - Distributions - PET	(455,000)	-	-	-	-	-	-	-	-	-	-	-	-	(455,000)
15003152057100 Joint Venture - Distributions - TC2	-	-	-	-	-	-	-	(496,250)	-	-	-	-	-	(496,250)
15003152061100 Joint Venture - Distributions - Cowles Clinic	-	-	-	-	-	-	-	(163,200)	-	-	-	-	-	(163,200)
15003152063100 Joint Venture - Distributions - MQPSI	-	-	-	-	-	-	-	(3,911,837)	-	-	-	-	-	(3,911,837)
15061100000100 Investment in Affiliates	-	-	-	-	-	-	-	17,734,598	-	-	(17,734,598)	-	-	0
Total Joint Venture Investments	1,754,863	0	0	0	0	0	0	40,969,541	1,634,809	0	(17,734,598)	0	0	26,624,615
Intangibles														
16000100000100 Oth Assets - Goodwill	-	-	-	(0)	-	-	-	13,063,973	-	-	-	-	224,713	13,288,686
Total Intangibles	0	0	0	(0)	0	0	0	13,063,973	0	0	0	0	224,713	13,288,686
Notes Receivable														
17000100000100 Oth Assets - Loans - Noncurrent	-	-	-	-	-	-	-	2,902,376	-	-	-	-	-	2,902,376
Total Notes Receivable	0	0	0	0	0	0	0	2,902,376	0	0	0	0	0	2,902,376
Other Long Term Assets														
18026100000100 Oth Assets - Operating Lease - Right of Use Asset	314	-	442,030	-	-	-	-	12,171,055	-	-	-	-	985,431	13,598,830
18031100000100 Contributions Receivable	1,500,000	-	-	-	-	-	-	-	-	-	-	-	-	1,500,000
18061100000100 Oth Asset - Receivable - Leases - Noncurrent	3,035	-	7,803	-	-	-	129,142	11,779	1,001	-	-	421	-	153,181
18067100000100 Oth Assets - Receivable - SERP	35,762,945	-	-	-	-	-	-	-	-	-	-	-	-	35,762,945
18075100000100 Oth Assets - Reinsurance Recoverables	-	-	-	-	-	-	-	-	5,187,815	-	-	-	-	5,187,815
Total Other Long Term Assets	37,266,294	0	449,833	0	0	0	129,142	0	12,182,834	1,001	5,187,815	0	985,852	56,202,771
Total Other NonCurrent Assets	707,278,498	0	449,833	104,976,369	0	0	129,142	0	94,623,301	2,594,344	94,201,230	(17,734,598)	1,210,565	907,728,683
Total Assets	1,341,527,969	(4,022,856)	43,642,825	133,370,827	3,974,532	6,596,687	52,024,216	(0)	149,677,179	5,137,013	97,186,956	(19,464,546)	(16,385,069)	1,793,265,734
Current Liabilities														
Accounts Payable														
20000100000100 Accounts Payable	0	0	0	(0)	-	0	0	-	(5,846,706)	0	-	1,069,658	(0)	(4,777,048)
20005100000100 Accts Pay - Insurance Refunds - Hospital Billing	-	-	-	-	-	-	-	-	(11,331)	-	-	-	-	(11,331)
20007100000100 Accts Pay - Patient Refunds	441,075	17,210	-	-	-	6,613	-	-	9,377	-	-	-	(75,513)	398,763
20011100000100 Accts Pay - Escheatment Liability (SHDL, Escheat,Unclmtd)	(1,225,168)	(38,620)	-	-	-	-	-	-	-	-	-	145	-	(1,263,644)
20012100000100 Accts Pay - Accruals - Bank and Investment Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	0
20013100000100 Accts Pay - Accruals - System	(3,088,169)	-	(143,156)	-	-	-	-	-	(907,588)	-	-	-	-	(4,138,913)
20015100000100 Accts Pay - Suspense - GL Interface - Manual	58,351	-	-	-	-	-	-	-	-	-	-	-	-	58,351
20016100000100 Accts Pay - Suspense - GL Interface	-	-	(616)	-	-	-	-	-	-	-	-	-	-	(616)
20021100000100 Accts Pay - Accruals - Facility	(1,434,904)	-	0	-	-	-	0	-	(769,590)	0	-	-	0	(2,204,494)
Total Accounts Payable	(5,248,815)	(21,410)	(143,771)	(0)	0	6,613	0	0	(7,525,817)	0	0	1,069,658	(75,368)	(11,938,930)
Salaries and Benefits Payable														
21000100000100 Payroll Payable	-	-	-	0	(0)	0	-	-	0	-	-	-	-	0
21002100000100 Compensation Payable - Payroll - Incentive	(3,118,326)	-	-	-	-	-	-	-	13,118,346	-	-	-	(1,188,223)	(7,424,879)
21003100000100 Compensation Payable - Payroll - Other	(0)	(0)	0	(0)	-	-	-	-	(0)	-	-	0	(0)	(0)
21007100000100 Payroll Clearing Account	(1,520,846)	-	-	-	-	-	-	-	-	-	-	-	-	(1,520,846)
21011100000100 Compensation Payable - Special Pay	-	-	-	-	-	-	-	-	6,028,000	-	-	-	-	(6,028,000)
21100100000100 PR Deducts - Withholding - State Income Tax	(278,690)	-	-	-	-	-	-	-	-	-	(402)	-	-	(279,092)
21101100000100 PR Deducts - Taxes - Federal	-	-	-	-	-	-	-	-	-	-	(8,146)	-	-	(794,542)
21105100000100 PR Deducts - Other Insurance	(513,492)	-	-	-	-	-	-	-	(0)	-	-	-	-	(513,492)
21108100000100 PR Deducts - Other	(9,959,820)	-	0	-	-	-	-	-	0	-	-	(0)	-	(9,959,820)
21109100000100 PR Deducts - Hospital Accounts Receivable	-	(126,156)	(214,555)	-	-	(103,637)	-	-	-	-	-	-	-	(440,110,707)
21112100000100 PR Deducts - Garnishment	(692,951)	-	-	-	-	-	-	-	-	-	-	-	-	(692,951)
21120100000100 PR Deducts - Taxes - FICA	(431,665)	-	-	-	-	-	-	-	-	-	-	-	-	(432,749)
21123100000100 PR Deducts - Medical Savings - Teammate	-	-	-	-	-	-	-	-	0	(1,084)	-	-	-	0
21600100000100 Benefits Payable - Paid Leave	(13,924,662)	(347,617)	(1,188,679)	(369,765)	(133,066)	(428,140)	-	-	(4,766,920)	(1,982)	-	-	(947,884)	(22,108,764)

Balance Sheet Detail By Entity - Audited

Atrium Health Navicent - Internal Reporting Only
Year to Date Through The Period Ending December 31, 2021

Account	1201 - Navicent Health Medical Center	1202 - Navicent Health Medical Center - Peach	1203 - Navicent Health Medical Center - Baldwin	4551 - Carle Place Navicent Health	4552 - Pine Pointe Hospice Navicent Health	4553 - Navicent Health Rehabilitation Hospital	5119 - Doctors Office Bldg - Navicent Health	5201 - Navicent Health Corporate Human Resources	5203 - Navicent Health Co	5204 - Navicent Health - Health Ventures	5206 - Centra Professional Indemnity	5202 - Navicent Health Elimination Company	Navicent Health Physicians Group	CONSOLIDATED
21602100000100 Benefits Payable - Health Savings									(3,686,344)					(3,686,344)
21612100000100 Benefits Payable - Post Retirement (ST OPEB)	(2,130,459)													(2,130,459)
Total Salaries and Benefits Payable	(36,842,177)	(473,773)	(1,403,234)	(369,765)	(133,066)	(531,777)	0	0	(17,599,640)	(4,302)	0	0	(2,136,107)	(59,493,840)
Fee Schedule and Reserves														
22013100000100 Current Liab - Health Insurance - Reserve									(3,283,867)					(3,283,867)
Total Fee Schedule and Reserves	0	0	0	0	0	0	0	0	(3,283,867)	0	0	0	0	(3,283,867)
Deferred Revenue														
22200100000100 Current Liab - Deferred Revenue	(2,812,700)			(35,694,732)										(36,507,432)
22201100000100 Current Liab - Deferred Endowment (Grants)					74,039								(3,122)	70,917
Total Deferred Revenue	(2,832,700)	0	0	(35,694,732)	74,039	0	0	0	0	0	0	0	(3,122)	(38,456,515)
Other Liabilities and Accruals														
22500100000100 Other Current Liabilities	(603,846)								(6,954,337)				(28,042)	(7,586,225)
22502100000100 Oth Curr Liab - Taxes - State Sales	(36,445)		13	(3,559)					(0)					(39,962)
22506100000100 Oth Curr Liab - Unemployment Payable	(1,730)			(0)			0							(1,730)
22510100000100 Oth Curr Liab - Rent - Deferred							(2,799)							(2,799)
22511100000100 Oth Curr Liab - Advance Deposits				(191,130)			(1,500)							(152,630)
22517100000100 Oth Curr Liab - Accrual - Miscellaneous	(0)	(240,000)	(1,115,848)	(1,175,044)			(0)		(17,838,417)		(360,892)	660,289	(834,866)	(20,908,761)
22535100000100 Unearned Income											0			0
22545100000100 Oth Curr Liab - Leases - Operating	0		(87,796)							(1,242,657)			(356,447)	(1,686,900)
22547100000100 Grants Clearing - Temp Restricted	(4,525)													(4,525)
22584100000100 Oth Curr Liab - Medicare Advanced Payments	(37,863,476)	(2,407,420)	(4,087,552)							(244)				(44,358,641)
Total Other Liabilities and Accruals	(38,509,972)	(2,647,420)	(5,295,183)	(1,369,733)	0	0	(4,299)	0	(26,035,655)	(0)	(360,892)	660,289	(1,219,358)	(74,782,222)
Due to Affiliates														
Total Due to Affiliates	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Estimated Third Party Payer Settlements														
23001100000100 General Reserve	1,683,172	(429,272)	(79,835)				83,477							1,257,542
23001152012100 General Reserve - 2012	(1,194,320)													(1,194,320)
23001152013100 General Reserve - 2013	(1,177,693)													(1,177,693)
23001152014100 General Reserve - 2014	(811,157)													(811,157)
23001152015100 General Reserve - 2015	0													0
23001152016100 General Reserve - 2016	(1,670,000)													(1,670,000)
23001152017100 General Reserve - 2017	(1,670,000)													(1,670,000)
23001152018100 General Reserve - 2018	(561,300)	0												(561,300)
23001152019100 General Reserve - 2019	(4,225,893)	(86,025)	(16,741)											(4,328,659)
23001152020100 General Reserve - 2020	(1,543,805)													(1,543,805)
23001152021100 General Reserve - 2021	(3,271,430)													(3,271,430)
23011150000100 Receivable - Medicare - General														
23031152017100 Receivable - Medicare - 2017														
23031152019100 Receivable - Medicare - 2019	895,776													895,776
23033100000100 Upper Payment Limit Receivable	3,050,000		120,000										1,084,896	4,254,896
23033152018100 Upper Payment Limit Receivable - Report Year 2018	233,417													233,417
23034100000100 Indigent Care Trust Fund Primary Care Due to Others		750,000												750,000
23035100000100 Indigent Care Trust Fund Receivable	3,050,000		120,000											3,170,000
Total Estimated Third Party Payer Settlements	(7,137,151)	113,972	(247,468)	0	0	0	83,477	0	0	0	0	0	1,084,896	(6,102,274)
Current Portion of Long Term Debt														
24001100000100 Curr Port LTD - Bond Costs	(0)			(0)										(0)
24001152019100 Curr Port LTD - Bond Costs - 2019	(4,102,235)			(947,015)					(265,750)					(5,315,000)
24002100000100 Curr Port LTD - Notes Payable									(0)					(0)
Total Current Portion of Long Term Debt	(4,102,236)	0	0	(947,015)	0	0	0	0	(265,750)	0	0	0	0	(5,315,001)
Total Current Liabilities	(94,673,049)	(3,028,631)	(7,089,656)	(38,381,245)	(59,027)	(441,687)	(4,299)	0	(54,710,748)	(4,302)	(360,892)	1,729,940	(2,349,059)	(199,372,648)
Long Term Debt, Less Current Portion														
25000100000100 LT Debt - Notes Payable (Term Loans BB1/Wells Fargo)	(49,137)		(15,000,000)				(39,920,576)		(5,755,736)					(60,725,449)
25001100000100 LT Debt - Bonds Payable	0													0
25001152019100 LT Debt - Bonds Payable - 2019	(179,093,950)			(82,110,299)					(9,010,750)					(220,214,999)
Total Long Term Debt, Less Current Portion	(179,143,086)	0	(15,000,000)	(82,110,299)	0	0	(39,920,576)	0	(14,766,486)	0	0	0	0	(280,940,448)
Commitments and Contingencies														
26004100000100 Oth LT Liab - Commitments and Contingencies	(46,502)	(482,644)	(217,259)	(86,999)		(0)			(1,002,389)		(57,524,894)			(58,527,283)
26005100000100 Oth LT Liab - Medicare Advanced Payments													0	(833,404)
Total Commitments and Contingencies	(46,502)	(482,644)	(217,259)	(86,999)	0	(0)	0	0	(1,002,389)	0	(57,524,894)	0	0	(59,360,687)
Other Liabilities														
26200100000100 Oth LT Liab - Other (LT OPEB/Retention/SEBP/SERP)	0								(3,588,770)					(3,588,770)
26207100000100 Oth LT Liab - Other - Deferred Revenue	(7,626,995)	(107,697)	(2,372,454)	(37,760)		(894,514)							(217,372)	(11,796,792)
26208100000100 Oth LT Liab - Deferred Compensation - Medical Group										(958,534)				(958,534)
26214100000100 Oth LT Liab - NonQualified Benefit Plan	315,696													315,696
26223100000100 Oth LT Liab - Operating Lease			(355,400)						(11,006,186)			(639,308)		(12,000,895)
26230100000100 Oth LT Liab - Deferred Compensation - Executive 457B									(24,445,058)					(24,445,058)
26231100000100 Oth LT Liab - Asset Retirement Obligations	(1,137,227)						(105,563)							(1,242,790)
26232100000100 Oth LT Liab - Asbestos Remediation	899,297						174,890							1,074,187
Total Other Liabilities	(7,549,229)	(107,697)	(2,727,854)	(37,760)	0	(894,514)	69,327	0	(39,040,014)	(958,534)	0	0	(1,356,680)	(52,602,957)
Pension Liability														
25900100000100 Pension - Unfunded									(88,404,840)					(88,404,840)
25905100000100 Pension Unrecog Gain and (Loss)									41,267,612					41,267,612
25907100000100 Other Post Retirement Benefit Liability	(19,658,929)													(19,658,929)
Total Pension Liability	(19,658,929)	0	0	0	0	0	0	0	(47,137,228)	0	0	0	0	(66,796,156)
Interest Rate Swap Liability														

Balance Sheet Detail By Entity - Audited

Atnum Health Navicent - Internal Reporting Only
Year to Date Through The Period Ending December 31, 2021

Account	1201 - Navicent Health Medical Center	1202 - Navicent Health Medical Center - Peach	1203 - Navicent Health Medical Center - Baldwin	4551 - Carlyle Place Navicent Health	4552 - Pine Pointe Hospice Navicent Health	4553 - Navicent Health Rehabilitation Hospital	5119 - Doctors Office Bldg - Navicent Health	5201 - Navicent Health Corporate Human Resources	5203 - Navicent Health Co	5204 - Navicent Health Health Ventures	5206 - Centra Professional Indemnity	5202 - Navicent Health Elimination Company	Navicent Health Physicians Group	CONSOLIDATED
26500100000100 Oth LT Liab - Interest Rate Swap	-	-	-	0	-	-	-	-	-	-	-	-	-	0
26500152005100 Oth LT Liab - Interest Rate Swap - 2005	(8,513,802)	-	-	-	-	-	-	-	-	-	-	-	-	(8,513,802)
Total Interest Rate Swap Liability	(8,513,802)	0	0	0	0	0	0	0	0	0	0	0	0	(8,513,802)
Total Long Term Liabilities	(35,768,463)	(590,341)	(2,945,113)	(124,759)	0	(894,514)	69,327	0	(87,179,632)	(956,534)	(57,524,894)	0	(1,356,680)	(187,273,604)
Total Liabilities	(309,584,599)	(3,618,972)	(25,034,769)	(70,616,303)	(59,027)	(1,336,201)	(39,855,548)	0	(156,656,866)	(962,836)	(57,885,786)	1,729,948	(3,705,739)	(667,586,699)
Net Position														
Temporarily Restricted	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30000100000100 Net Position - Unrestricted	(925,143,922)	7,260,330	(16,873,918)	(54,235,984)	(4,536,467)	(4,179,564)	(10,473,405)	-	25,218,980	(3,570,536)	(35,965,619)	17,734,598	(1,921,140)	(1,006,686,647)
30001100000100 Net Position - Capital	-	-	-	-	-	-	-	-	(1,902,464)	-	-	-	-	(1,902,464)
30009100000100 Net Position - Adjustments	(8,451,836)	-	-	-	-	-	-	-	(39,193,182)	-	-	-	-	(47,645,018)
Unrestricted	(933,595,758)	7,260,330	(16,873,918)	(54,235,984)	(4,536,467)	(4,179,564)	(10,473,405)	0	(15,876,666)	(3,570,536)	(35,965,619)	17,734,598	(1,921,140)	(1,056,234,129)
Net Position - Total	(933,595,758)	7,260,330	(16,873,918)	(54,235,984)	(4,536,467)	(4,179,564)	(10,473,405)	0	(15,876,666)	(3,570,536)	(35,965,619)	17,734,598	(1,921,140)	(1,056,234,129)
Total Net Income	98,347,612	(381,498)	1,734,137	8,518,539	(620,962)	1,080,922	1,695,263	(0)	(22,856,353)	603,641	3,115,552	0	(22,011,948)	69,444,506
Total Liabilities and Net Assets	(1,341,527,969)	4,022,856	(43,642,625)	(133,370,827)	(3,974,532)	(6,596,687)	(52,024,216)	0	(149,677,179)	(5,137,013)	(97,186,956)	19,464,546	16,385,069	(1,793,265,734)
Check Total	0	0	0	0	0	0	0	(0)	0	0	0	0	0	0

	GASB Audit	FASB Consol IFS		*complete recons are available in separate schedules - this is generalized
Operating revenues and support				
Patient service revenue	\$ 867,690	867,690		
Foundation grant revenue				
Gifts and grants and contracts	6,587	6,587		
Student tuition and fees - net	-			
Other sources	39,013	39,628	615	JV revenue in Operating revenue for GASB, GASB lease differences
			-	
Total operating revenues and support	913,290	913,905	615	
			-	
Operating expenses			-	
Personnel costs	541,194	542,462	1,268	Pension/OPEB in benefits, plus GASB adjustments and GASB pension dif
Supplies	188,690	188,690	0	
Purchased services	80,587	80,587	0	
Other operating expenses	83,117	83,206	89	GASB Amortization difference
Depreciation and amortization	42,587	41,544	(1,043)	
Financing costs	-		-	
			-	
Total operating expenses	936,175	936,490	315	
			-	
Operating Loss	(22,885)	(22,585)	300	
			-	
Nonoperating gains (losses)			-	
Interest Expense	(5,334)	(5,334)	0	
Stimulus grants	14,900	14,900	(0)	
Net investment gains	79,379	79,379	0	Int/Div included here GASB
Net gains on interest rate swap valuation	3,084	3,084	(0)	
Other, net	(47)		47	Contributions here FASB
Total nonoperating gains (losses)	91,982	92,029	47	
			-	
Excess of revenues and support over expenses and losses before contributions	69,097	69,445	348	
			-	
Capital contributions	-	-	-	
Other contributions	10,762			
Pension adjustments and net position adjustments Prior		(119,542)	(119,542)	
			-	
Change in net position	79,859	(50,097)	(129,956)	Net effect of GASB adjustments
Net position:				
Net position, beginning of year	1,175,888	1,175,888		
	-	-		
Net position, end of year	\$1,255,747	\$ 1,125,791		
		1,125,679	rounding	

Income Statement Detail by Entity - Audited

Atrium Health Navicent - Internal Reporting Only
Through The Period Ending December 31, 2021

Account	Description	Navicent Health Medical Center	Navicent Health Medical Center - Peach	Navicent Health Medical Center - Baldwin	Carlyle Place Navicent Health	Pine Pointe Hospice Navicent Health	Navicent Health Rehabilitation Hospital	Doctors Office Bldg - Navicent Health	Navicent Health Corporate Human Resources	Navicent Health - Elimination Company	Navicent Health Co	Navicent Health - Health Ventures	Centra Professional Indemnity	Navicent Health Physicians Group
Gross Revenue														
Inpatient Revenue														
40000100000100	Revenue - Inpatient	989,849,297	9,532,132	37,009,749	326,031	85,260	18,809,910	-	-	-	-	-	-	143,172
40000150000100	Revenue - Inpatient - Medicare	437,313,564	6,095,217	23,875,722	698,957	1,485,252	14,180,130	-	-	-	-	-	-	20,050,312
40000150001100	Revenue - Inpatient - Medicaid	188,816,705	1,738,537	8,242,292	-	107,265	542,855	-	-	-	-	-	-	8,815,232
40000150002100	Revenue - Inpatient - Commercial	205,101,347	3,071,185	6,445,275	-	44,108	2,648,862	-	-	-	-	-	-	12,203,427
40000150003100	Revenue - Inpatient - Self Pay	50,016,689	1,079,248	1,895,935	1,298,274	27,440	453,145	-	-	-	-	-	-	3,092,713
40000150004100	Revenue - Inpatient - Other	78,649,768	540,388	2,377,545	-	127,849	1,084,118	-	-	-	-	-	-	4,991,364
Total - Inpatient Revenue		1,949,747,370	22,056,707	79,846,518	2,323,262	1,877,174	37,719,021	0	0	0	0	0	0	49,296,220
Outpatient Revenue														
42000100000100	Revenue - Outpatient	652,429,013	22,959,014	58,104,931	-	119,037	3,834,893	-	-	-	-	17,708	-	(445,102)
42000150000100	Revenue - Outpatient - Medicare	185,309,865	2,438,755	16,880,469	400,306	2,173,666	1,814,235	-	-	-	-	-	-	6,442,667
42000150001100	Revenue - Outpatient - Medicaid	55,345,354	771,577	2,847,714	-	61,313	414,347	-	-	-	-	-	-	3,387,404
42000150002100	Revenue - Outpatient - Commercial	135,090,343	1,685,975	8,145,767	-	-	1,160,899	-	-	-	-	-	-	5,614,632
42000150003100	Revenue - Outpatient - Self Pay	14,418,302	150,934	704,641	-	9,290	248,566	-	-	-	-	1,586	-	746,816
42000150004100	Revenue - Outpatient - Other	15,998,090	317,520	1,212,468	-	107,469	545,237	-	-	-	-	10,087	-	754,919
42006100000100	Revenue - Emergency (594)	-	-	-	-	-	-	-	-	-	-	-	-	-
42006150000100	Revenue - Emergency - Medicare	16,041,143	4,883,156	5,862,174	-	-	404	-	-	-	-	-	-	-
42006150001100	Revenue - Emergency - Medicaid	25,196,269	2,693,805	16,880,469	-	-	5,595,285	-	-	-	-	-	-	-
42006150002100	Revenue - Emergency - Commercial	17,511,248	3,878,096	4,641,294	-	-	-	-	-	-	-	-	-	-
42006150003100	Revenue - Emergency - Self Pay	13,356,219	2,740,683	4,064,857	-	-	-	-	-	-	-	-	-	-
42006150004100	Revenue - Emergency - Other	12,161,788	1,335,147	1,647,990	-	-	-	-	-	-	-	-	-	-
42015150000100	Revenue - Observation - Medicare	45,014,863	860,995	2,148,290	-	-	238	-	-	-	-	-	-	-
42015150001100	Revenue - Observation - Medicaid	8,774,043	105,820	595,698	-	-	-	-	-	-	-	-	-	-
42015150002100	Revenue - Observation - Commercial	23,811,076	214,067	884,245	-	-	200	-	-	-	-	-	-	-
42015150003100	Revenue - Observation - Self Pay	4,348,992	122,532	508,060	-	-	-	-	-	-	-	-	-	-
42015150004100	Revenue - Observation - Other	8,073,917	73,986	238,144	-	-	-	-	-	-	-	-	-	-
42017100000100	Revenue - Physician Professional Fees	-	-	-	-	66,587	898,635	-	-	-	-	-	-	69,676,730
Total - Outpatient Revenue		1,232,879,931	45,232,061	114,082,027	400,306	2,537,361	8,917,655	0	0	0	0	29,380	0	86,178,067
Total Patient Revenue		3,182,627,301	67,288,768	193,928,545	2,723,568	4,414,535	46,636,676	0	0	0	0	29,380	0	135,474,286
Outpatient as Percent of Gross:		39%	67%	59%	15%	57%	19%	0%	0%	0%	0%	100%	0%	64%
Revenue Deductions														
Medicare Contractual														
43005150000100	Rev Deducts - Contractual Adjustment - Inpatient - Medicare	395,201,504	4,628,850	15,246,419	(419,533)	32,647	6,626,265	-	-	-	-	-	-	19,095,511
43008150000100	Rev Deducts - Contractual Adjustment - Outpatient - Medicare	171,584,642	5,022,344	20,019,297	64,355	32,891	1,303,154	-	-	-	-	-	-	-
43011150000100	Rev Deducts - Other - Medicare	7,188,041	249,428	2,644,156	598,240	-	-	-	-	-	-	-	-	-
43027100000100	Rev Deducts - BiWeekly Graduate Medical Education	(4,681,452)	-	-	-	-	-	-	-	-	-	-	-	-
Total - Medicare Contractual		569,292,735	9,900,622	37,909,872	243,062	65,538	7,929,419	0	0	0	0	0	0	19,095,511
ICTF/UPL														
43025100000100	Rev Deducts - Indigent Care Trust Fund/Upper Payment Limit	(22,130,640)	(1,705,477)	(218,690)	-	-	-	-	-	-	-	-	-	(3,601,984)
Total - ICTF/UPL		(22,130,640)	(1,705,477)	(218,690)	0	0	0	0	0	0	0	0	0	(3,601,984)
Medicaid Contractuals														
43005150001100	Rev Deducts - Contractual Adjustment - Inpatient - Medicaid	184,693,355	1,053,128	6,507,479	-	4,948	412,460	-	-	-	-	-	-	8,119,928
43008150001100	Rev Deducts - Contractual Adjustment - Outpatient - Medicaid	61,493,722	2,626,808	10,083,889	-	13,616	329,489	-	-	-	-	-	-	-
43011150001100	Rev Deducts - Other - Medicaid	-	300,000	-	-	-	-	-	-	-	-	-	-	70,909
43026150001100	Rev Deducts - Graduate Medical Education - Medicaid	(3,457,197)	-	-	-	-	-	-	-	-	-	-	-	-
Total - Medicaid Contractuals		242,729,880	3,979,936	16,591,368	0	18,564	741,948	0	0	0	0	0	0	8,190,837
Soarian and Other Contractuals														
43005100000100	Rev Deducts - Contractual Adjustment - Inpatient	-	-	7,276,949	0	-	-	-	-	-	-	-	-	-
43005150002100	Rev Deducts - Contractual Adjustment - Inpatient - Commercial	137,053,445	1,716,867	5,424,623	-	-	1,425,487	-	-	-	-	-	-	-
43005150004100	Rev Deducts - Contractual Adjustment - Inpatient - Other	75,881,393	454,877	2,219,571	-	-	745,105	-	-	-	-	-	-	4,124,050
43008100000100	Rev Deducts - Contractual Adjustment - Outpatient - Legacy	-	-	18,555,171	(42,185)	(310)	-	-	-	-	-	-	-	-
43008150002100	Rev Deducts - Contractual Adjustment - Outpatient - Commercial	91,829,877	3,424,130	11,231,271	-	-	419,393	-	-	-	-	-	-	-
43008150004100	Rev Deducts - Contractual Adjustment - Outpatient - Other	18,829,864	1,119,193	1,917,037	-	-	354,411	-	-	-	-	-	-	-
43010150002100	Rev Deducts - Discounts - Other - Commercial	381	6,211	-	-	-	7,114	-	-	-	-	-	-	-
43011100000100	Rev Deducts - Other	1,108,086,468	16,609,064	14,283,457	(0)	16,663	11,540,775	-	-	-	-	12,590	-	7,919,790
43011150002100	Rev Deducts - Other - Commercial	4,300,000	-	-	-	28,090	-	-	-	-	-	-	-	41,590,954
43011150003100	Rev Deducts - Other - Self Pay	-	-	-	-	18,992	-	-	-	-	-	-	-	-
43011150004100	Rev Deducts - Other - Other	1,789,642	350,000	(1,195,680)	-	-	-	-	-	-	-	-	-	-
Total - Soarian and Other Contractuals		1,437,771,070	23,680,343	61,500,389	(42,185)	63,636	14,492,285	0	0	0	0	12,590	0	53,634,794
Charity Care and Self pay														
43500100000100	Rev Deducts - Charity	68,606,063	2,067,003	9,667,279	-	234,597	519,309	-	-	-	-	-	-	1,129,509
43500150003100	Rev Deducts - Charity - Self Pay	(6,478,841)	-	-	-	-	1,169	-	-	-	-	-	-	-
43500150004100	Rev Deducts - Charity - Other	56,511,573	3,123,183	-	-	-	118,861	-	-	-	-	-	-	706,392
Total - Charity Care and Self pay		118,638,794	5,190,186	9,667,279	0	234,597	639,339	0	0	0	0	0	0	1,835,901
Bad Debt														
43600100000100	Rev Deducts - Bad Debt	41,604,749	3,915,503	7,595,383	6,305	8,731	496,608	3,267	-	-	398,618	17,532	-	30,693,848
43600150000100	Rev Deducts - Bad Debt - Medicare	(385,903)	-	-	-	-	-	-	-	-	-	-	-	-
43600150003100	Rev Deducts - Bad Debt - Self Pay	48,418,789	1,857,000	1,884,516	-	-	(84,369)	-	-	-	-	-	-	2,707,018

Income Statement Detail by Entity - Audited

Atrium Health Navicent - Internal Reporting Only
Through The Period Ending December 31, 2021

Account	Description	Navicent Health Medical Center	Navicent Health Medical Center - Peach	Navicent Health Medical Center - Baldwin	Carlyle Place Navicent Health	Pine Pointe Hospice Navicent Health	Navicent Health Rehabilitation Hospital	Doctors Office Bldg - Navicent Health	Navicent Health Corporate Human Resources	Navicent Health - Elimination Company	Navicent Health Co	Navicent Health - Health Ventures	Centra Professional Indemnity	Navicent Health Physicians Group
43603100000100	Rev Deducts - Bad Debt - Recoveries	(4,067,892)	(316,089)	(112,771)	-	-	(56,311)	-	-	-	(2,500)	-	-	(23,688,512)
43605100000100	Rev Deducts - Discounts - Self Pay	33,433,114	1,345,228	2,017,580	-	-	249,352	-	-	-	-	-	-	1,041,185
	Total - Bad Debt	119,002,857	6,801,641	11,486,208	6,305	8,731	605,279	3,267	0	0	396,118	17,532	0	10,753,539
	Total Deductions	2,465,304,696	47,847,252	136,936,426	207,182	391,065	24,408,271	3,267	0	0	396,118	30,122	0	89,908,598
	Net Patient Revenue	717,322,605	19,441,516	56,992,119	2,516,386	4,023,470	22,228,405	(3,267)	0	0	(396,118)	(742)	0	45,565,688
	Gifts and Grants and Contracts													
45000100000100	Oth Op Rev - Clinical Studies	15,552	-	-	-	-	-	-	-	-	-	-	-	-
45010100000100	Oth Op Rev - State	758,429	-	-	73,221	-	-	-	-	-	300,958	-	-	-
45012100000100	Oth Op Rev - Grants - Miscellaneous	5,242,626	-	83,000	-	-	-	-	-	-	79,010	-	-	80,000
45023100000100	Oth Op Rev - Federal - COVID19	8,130,559	280,008	6,059,608	12,480	-	231,605	-	-	-	-	-	-	185,739
45024100000100	Oth Op Rev - State - COVID19	(45,352)	-	-	-	-	-	-	-	-	-	-	-	-
	Total - Gifts and Grants and Contracts	14,101,814	280,008	6,142,608	85,701	0	231,605	0	0	0	379,969	0	0	265,739
	Intercompany Revenue													
48000100000100	Interco Revenue	55	-	-	-	-	-	-	-	-	-	-	-	-
	Total - Intercompany Revenue	55	0	0	0	0	0	0	0	0	0	0	0	0
	Other													
46200100000100	Oth Op Rev - Management Fees	89,517	-	-	-	-	-	-	-	-	2,601,881	-	-	-
46400100000100	Oth Op Rev - Rx - Retail Sales	55,953	3,342	-	-	-	-	-	-	-	-	-	-	-
46401100000100	Oth Op Rev - Retail Sales	563,232	-	-	-	-	-	-	-	-	-	-	-	-
46600100000100	Oth Op Rev - Rental Income	1,963,467	32,023	396,042	7,600	-	10,495,224	-	(4,752,095)	-	545,907	121,333	-	51,051
46601100000100	Oth Op Rev - Rental Income - Contra	(108,738)	-	(150,089)	-	-	(3,717,646)	-	-	-	(150,883)	(118,688)	-	(48,188)
46704100000100	Oth Op Rev - Activity Fees	1,144,679	-	(5,344)	724,559	-	-	-	-	-	123,345	-	-	-
46800100000100	Oth Op Rev - Food Services	4,348	(3,815)	-	279,836	-	8,002	-	-	-	-	-	-	-
47000150003100	Oth Op Rev - Contract - Self Pay	2,292,900	-	26,790	984,067	-	-	-	-	-	-	-	-	-
47002100000100	Oth Op Rev - Medical Record Abstracts	11,596	-	-	-	-	-	-	-	-	-	-	-	-
47003100000100	Oth Op Rev - Miscellaneous	889,265	21,796	65	596,008	-	1,274	-	-	(214,182)	852	6,807	-	3,740,931
47006100000100	Oth Op Rev - Parking	(6,758)	-	-	-	-	-	-	-	-	1,278,230	-	-	-
47007100000100	Oth Op Rev - General Services	125,580	481,657	596,859	325,094	262,557	-	-	-	(15,466,504)	242,893	-	11,933,053	594,216
47009100000100	Oth Op Rev - Administrative Services	2,624,209	-	-	-	-	-	-	-	-	-	-	-	-
47013100000100	Oth Op Rev - Reference Lab	2,060,016	-	-	-	-	-	-	-	-	-	-	-	-
47016100000100	Oth Op Rev - Transportation	-	-	-	11,585	-	-	-	-	-	-	-	-	-
47018100000100	Purchase Discounts and Rebates	129,071	-	-	(86,226)	-	-	-	-	-	5,407	-	-	-
47032100000100	Oth Op Rev - Lifecare	-	-	-	8,528,780	-	-	-	-	-	-	-	-	-
47033100000100	Oth Op Rev - Earned Entrance Fees	-	-	-	1,887,039	-	-	-	-	-	-	-	-	-
	Total - Other	11,838,336	536,457	864,323	13,258,341	262,557	9,275	6,777,578	0	(20,432,780)	4,647,633	15,508	11,933,053	4,338,009
	Total Other Operating Revenue	25,940,206	816,465	7,006,931	13,344,042	262,557	240,880	6,777,578	0	(20,432,780)	5,027,602	15,508	11,933,053	4,603,748
	TOTAL OPERATING REVENUE	743,262,811	20,257,981	63,999,050	15,860,429	4,286,027	22,469,286	6,774,311	0	(20,432,780)	4,631,484	14,766	11,933,053	50,169,436
	Operating Expenses													
	Salaries & Wages													
60035100000100	Salaries - Adjustment	(699,645)	(3,057)	(40,975)	(159,919)	63,257	-	-	-	-	(3,745,974)	-	-	(4,592)
60039100000100	Salaries - Exempt	26,276,245	686,330	2,623,330	827,522	737,659	1,453,042	-	-	-	20,815,940	-	-	31,524,030
60040100000100	Salaries - Non Exempt	99,594,447	3,748,584	8,854,249	3,090,842	939,841	5,657,639	-	-	-	11,921,915	34,383	-	8,916,053
60041100000100	Salaries - Physicians	2,243,130	70,500	339,400	42,370	34,314	(42,245)	-	-	-	38,480	-	-	4,592,245
60042100000100	Salaries - Other Compensation	131,361	2,999	109,610	2,349	1,633	-	-	-	-	5,968,348	(12,460)	-	230,579
60043100000100	Salaries - Overtime/Excess Shifts	9,734,860	346,029	765,306	264,284	34,812	597,545	-	-	-	1,522,022	81	-	46,688
60044100000100	Salaries - Shift Differentials and Special Pays	18,181,692	673,375	1,318,213	110,305	539,518	-	-	-	-	358,760	-	-	111,009
60045100000100	Salaries - Call Pay	4,755,076	61,736	763,244	7,719	42,778	7,876	-	-	-	142,360	-	-	246,037
60046100000100	Salaries - PTO Taken	9,797,610	272,330	656,053	224,575	200,766	268,932	-	-	-	2,234,767	2,845	-	2,695,868
60047100000100	Salaries - PTO Cash In	3,062,081	125,384	371,750	92,743	21,165	72,465	-	-	-	888,139	-	-	145,969
60048100000100	Salaries - PTO Expense (80103)	1,070,156	55,420	57,673	16,136	(37,870)	71,091	-	-	-	448,142	-	-	153,005
60049100000100	Salaries - Bonus and Severance Pay	3,909,721	5,792	86,323	33,790	7,516	45,786	-	-	-	3,502,817	508	-	404,495
60050100000100	Salaries - Education and Orientation	2,072,733	143,375	160,200	27,221	18,352	106,054	-	-	-	1,657,301	-	-	193,991
60051100000100	Salaries - Other Leave	1,361,047	20,255	68,503	9,545	23,384	48,279	-	-	-	296,997	-	-	182,048
60053100000100	Salaries - Legacy	60,515,675	2,180,072	5,489,750	1,581,567	745,943	2,866,893	-	-	-	13,913,275	37,312	-	16,624,110
60549900000200	Allocations - Salaries - Temp Restricted	19,775	-	-	-	-	-	-	-	-	-	-	-	-
	Total - Salaries & Wages	242,025,963	8,390,022	21,622,626	6,187,415	2,943,867	11,694,508	0	0	0	59,963,290	62,669	0	66,483,235
	Contract Labor													
60052100000100	Salaries - Contract Labor - Outside Agency	15,646,119	1,375,201	4,601,914	1,121,566	5,248	930,143	-	-	-	84,822	-	-	39,408
60054100000100	Salaries - Contract Labor - Locum	-	-	-	-	-	-	-	-	-	-	-	-	5,879,820
	Total - Contract Labor	15,646,119	1,375,201	4,601,914	1,121,566	5,248	930,143	0	0	0	84,822	0	0	5,919,227
	Benefits													
61000100000100	Benefits - Disability - Short Term	(695,107)	-	-	-	-	-	-	-	-	-	(182)	-	-
61001100000100	Benefits - Disability - Long Term	(180,988)	-	-	-	-	-	-	-	-	-	(107)	-	-
61002100000100	Benefits - Health Plan - Medical	38,708,788	1,255,604	3,401,435	1,255,604	478,325	1,348,615	-	-	-	4,100,155	6,648	-	6,523,836
61004100000100	Benefits - Health Plan - Health Savings Account Contributions	-	-	-	-	-	-	-	-	-	(8,144)	-	-	-
61006100000100	Benefits - Life Insurance	(927,543)	11,544	31,284	11,544	4,404	12,408	-	-	-	1,358,011	60	-	60,000
61007100000100	Benefits - Other Direct Retirement - Basic	-	-	-	-	-	-	-	-	-	604,309	-	-	-

Income Statement Detail by Entity - Audited

Atrium Health Navicent - Internal Reporting Only
Through The Period Ending December 31, 2021

Account	Description	Navicent Health Medical Center	Navicent Health Medical Center - Peach	Navicent Health Medical Center - Baldwin	Carlyle Place Navicent Health	Pine Pointe Hospice Navicent Health	Navicent Health Rehabilitation Hospital	Doctors Office Bldg - Navicent Health	Navicent Health Corporate Human Resources	Navicent Health - Elimination Company	Navicent Health Co	Navicent Health - Health Ventures	Centra Professional Indemnity	Navicent Health Physicians Group
61008100000100	Benefits - Unemployment	22	-	363	267	-	154	-	-	-	14	1	-	-
61009100000100	Benefits - 401k Employer Contributions	1,227	430	-	-	-	-	-	-	-	3,017	1,502	-	30,069
61010100000100	Benefits - 403b Employer Expense	6,826,307	121,909	353,718	171,444	85,148	213,196	-	-	-	1,306,175	484	-	1,654,818
61011100000100	Benefits - FICA - Employer	17,647,040	579,741	1,481,866	474,163	207,714	626,927	-	0	-	4,353,704	5,228	-	3,452,241
61016100000100	Benefits - Workers Compensation - Claims (80104 Insurance WC)	1,690,231	32,860	91,978	86,727	12,311	33,858	-	-	(2,276,433)	174,902	361	-	153,205
61017100000100	Benefits - Tuition Reimbursement	44,638	6,500	3,161	3,476	3,059	3,605	-	-	-	29,802	-	-	8,260
61020100000100	Benefits - Teammate Other	1,021,703	1,575	7,452	3,229	875	3,075	-	-	-	236,547	92	-	16,525
61028100000100	Benefits - Pension	143,406	-	-	-	1,608	-	-	-	-	729,005	-	-	22,008
61034100000100	Benefits - Health Plan - Prescriptions	(375,452)	-	-	-	-	-	-	-	-	11,078,547	-	-	-
Total - Benefits		63,904,273	2,010,161	5,371,257	2,006,454	793,444	2,241,838	0	0	(2,276,433)	26,083,696	14,087	0	11,920,962
Personnel Costs		321,576,354	11,775,385	31,595,798	9,315,435	3,742,559	14,866,489	0	0	(2,276,433)	86,131,808	76,756	0	84,323,424
Supplies - Medical														
62000100000100	Supplies - Medical - Other (s/b 62000100000100)	57,508,969	349,602	2,845,504	77,568	56,815	331,463	-	-	-	5,667,879	98	-	241,277
62001100000100	Supplies - Durable Medical Equipment	2,965	-	7,091	-	1,060	3,031	-	-	-	-	-	-	268
62002100000100	Supplies - IV	-	-	-	-	-	-	-	-	-	2,575	-	-	-
62003100000100	Supplies - Robotics	1,098,384	-	-	-	-	-	-	-	-	-	-	-	-
62005100000100	Supplies - Blood Products	-	-	3,750	-	-	-	-	-	-	-	-	-	-
62006100000100	Supplies - Infection and Safety	926,601	10,117	101,025	-	1,055	6,823	-	-	-	1,649	-	-	660
62007100000100	Supplies - Linen	19,773	126	2,137	-	-	-	-	-	-	-	-	-	-
62008100000100	Supplies - Anesthesia and Respiratory	3,662,473	15,756	163,344	-	315	243	-	-	-	-	-	-	1,443
63001100000100	Supplies - Surgical - Other	24,463,543	57,411	1,203,368	-	5,741	57,986	-	-	-	453	3,457	-	16,406
63002100000100	Supplies - Sutures	437,149	2,147	29,615	-	-	-	-	-	-	46	-	-	-
63005100000100	Supplies - Endomechanical Products	1,141,606	314	68,682	-	-	-	-	-	-	-	-	-	-
Total - Supplies - Medical		90,738,456	435,473	4,424,515	77,568	64,986	399,546	0	0	0	5,672,601	3,554	0	260,053
Supplies - Medical - Implants & Prosthesis														
63403100000100	Supplies - Implants and Prosthesis - Other	6,902,868	-	68,017	-	-	-	-	-	-	-	-	-	750
63404100000100	Supplies - Implants and Prosthesis - Orthopedic	5,455,813	48	304,869	-	-	-	-	-	-	-	-	-	-
63405100000100	Supplies - Implants and Prosthesis - Spinal	6,277,410	-	2,500	-	-	-	-	-	-	2,400	-	-	-
63406100000100	Supplies - Implants and Prosthesis - Cardiac	3,198,630	-	1,054	-	-	-	-	-	-	-	-	-	-
Total - Supplies - Medical - Implants & Prosthesis		21,834,721	48	376,439	0	0	0	0	0	0	2,400	0	0	750
Supplies - Pharmaceuticals														
63202100000100	Supplies - Pharmaceuticals	31,697,322	524,190	2,422,978	24,461	106,191	416,634	-	-	-	3,804,634	-	-	357,432
Total - Supplies - Pharmaceuticals		31,697,322	524,190	2,422,978	24,461	106,191	416,634	0	0	0	3,804,634	0	0	357,432
Supplies - Office, Dietary & Other														
63500100000100	Supplies - Laboratory	10,746,880	522,492	1,370,843	32	1,209	1,791	-	-	-	1,574	-	-	53,052
63501100000100	Supplies - Office - Program Other (sb 63501100000100)	931,896	26,090	89,955	74,154	2,958	22,072	-	-	-	124,583	210	-	290,820
63502100000100	Supplies - Maintenance	1,809,210	55,067	158,762	7,281	128,220	61,017	714	-	-	883,117	-	-	9,526
63503100000100	Supplies - Dietary	3,349,057	197,883	515,388	1,000,137	25,525	49,199	-	-	-	17,831	16	-	4,881
63504100000100	Supplies - Catering Services	-	486	(10,855)	-	-	-	-	-	-	801	-	-	-
63506100000100	Supplies - Food	241,184	248	759	-	27	128,513	-	-	-	535	-	-	1,213
63507100000100	Supplies - Other	1,218,880	13,032	78,015	243,685	3,234	40,148	-	-	-	(4,395,487)	-	-	23,195
63508100000100	Supplies - Minor Equipment and Furnishings	371,430	11,564	104,097	89,867	3,978	10,189	6,988	-	-	444,508	-	-	50,192
63509100000100	Supplies - NonCapital Software	-	-	58,902	-	-	-	-	-	-	-	-	-	-
63512100000100	Supplies - Inventory - Adjustments	3,600,995	58,656	160,983	-	-	230,452	-	-	-	-	-	-	-
63513100000100	Supplies - Vendor Discounts - Rebates, Credits	(2,124,952)	(2,989)	(684)	(16,704)	-	-	-	-	-	(68,963)	(8)	-	-
63515100000100	Supplies - Wearing Apparel - Teammates	96,153	-	1,649	-	-	-	-	-	-	-	-	-	-
63516100000100	Supplies - Personal Hygiene	302,149	12,154	457,59	-	1,256	23,595	-	-	-	3,896	-	-	31
63523100000100	Requisition Default Expense Account	4,622	-	1,395	-	-	-	-	-	-	7,905	-	-	-
63524100000100	Non-Capital Hardware	-	-	-	-	-	-	-	-	-	1,433,147	-	-	-
Total - Supplies - Office, Dietary & Other		20,547,989	896,197	2,526,922	1,567,438	45,467	566,976	7,702	0	0	(1,546,552)	218	0	432,910
Supplies		164,818,487	1,855,907	9,750,854	1,669,467	216,644	1,383,157	7,702	0	0	7,933,082	3,772	0	1,051,145
Professional Fees														
66002100000100	Prof Fees - Medical Specialist	15,182,846	174,302	233,486	-	-	-	-	-	-	196	-	-	1,356,633
66004100000100	Prof Fees - Consulting and Management	948,686	12,720	119,375	231,461	3,732	-	15,280	-	-	849,609	69	-	350
66007100000100	Prof Fees - Legal (61597)	951,390	1,741	421,222	-	-	-	-	-	-	1,791,255	-	2,531	150,261
66008100000100	Prof Fees - Audit (61598)	20,357	-	-	-	-	-	-	-	-	-	-	37,800	-
66009100000100	Prof Fees - Marketing (s/b 66009100000100)	189,871	9,398	6,885	80,458	9,459	6,936	-	-	-	876,738	-	-	22,847
66010100000100	Prof Fees - Collection - Medicare (s/b 66010100000100)	5,888,222	50,102	406,032	-	-	2,246	-	-	-	718	-	-	219,989
66013100000100	Prof Fees - Honoraria	2,000	-	-	-	-	-	-	-	-	-	-	-	-
66015100000100	Contract Labor - Travel and Expense	-	-	-	-	299	-	-	-	-	-	-	-	-
66019100000100	Prof Fees - Community Benefit Sponsorships	10,320	-	1,830	-	-	-	-	-	-	50	-	-	-
66021100000100	Prof Fees - Licenses	26,231	1,808	7,570	-	-	49	-	-	-	6,764	-	-	94,382
66022100000100	Prof Fees - Financial Services	692,670	62,082	125,777	6,819	1,695	24,535	-	-	-	35,222	6,304	1,560	205,212
66025100000100	Prof Fees - Lobbying Costs	-	-	-	-	-	-	-	-	-	44,000	-	-	-
Total - Professional Fees		23,912,593	312,153	1,320,348	320,567	15,185	33,765	15,280	0	0	3,604,552	6,373	41,892	2,049,674
Purchased Services														
65000100000100	Purch Svs - Third Party Contractor Services	10,979,660	525,820	2,487,336	162,840	14,885	187,474	537	-	(20,912)	2,832,831	65	115,896	91,978
65001100000100	Purch Svs - Aircraft Lease	-	2,500	3,294	-	-	616	-	-	-	-	-	-	1,500
65002100000100	Purch Svs - Affiliate Support	337,495	2,187	-	-	123,885	-	-	-	-	29,596	-	-	-
65003100000100	Purch Svs - Answering Service	-	2,267	-	-	-	-	-	-	-	-	-	-	-
65004100000100	Purch Svs - Appropriate Care	-	-	-	-	9,784	2,681	-	-	-	-	-	-	-
65005100000100	Purch Svs - Billing and Coding	261,903	100	36,504	-	-	-	-	-	-	-	71	-	-

Income Statement Detail by Entity - Audited

Atrium Health Navicent - Internal Reporting Only
Through The Period Ending December 31, 2021

Account	Description	Navicent Health Medical Center	Navicent Health Medical Center - Peach	Navicent Health Medical Center - Baldwin	Carlyle Place Navicent Health	Pine Pointe Hospice Navicent Health	Navicent Health Rehabilitation Hospital	Doctors Office Bldg - Navicent Health	Navicent Health Corporate Human Resources	Navicent Health - Elimination Company	Navicent Health Co	Navicent Health - Health Ventures	Centra Professional Indemnity	Navicent Health Physicians Group
65006100000100	Purch Svs - Medical Services - Consolidated	717,977	315,539	999,018	264,126	-	18,950	-	-	-	-	-	-	1,885
65009100000100	Purch Svs - Delivery Services	113,509	800	775	-	-	77	-	-	-	80	-	-	-
65010100000100	Purch Svs - Document Shredding	126	921	2,354	126	-	-	-	-	-	-	-	-	7,993
65011100000100	Purch Svs - Fleet Services	(32,500)	13,151	-	-	-	-	-	-	-	-	-	-	-
65012100000100	Purch Svs - Information Services	1,850	-	25,210	-	-	-	-	-	-	797,830	-	-	-
65014100000100	Purch Svs - Language Translation	585	2,976	-	-	-	-	-	-	-	-	-	-	1,166
65015100000100	Purch Svs - Laundry and Linen Service	2,768,972	98,877	228,045	-	-	116,121	-	-	-	10,068	-	-	3,715
65018100000100	Purch Svs - Offsite Document Storage	8,028	-	-	-	-	-	-	-	-	-	-	-	-
65019100000100	Purch Svs - Outside Laboratory	3,337,912	47,024	17,604	-	-	19,042	-	-	-	219,833	-	-	-
65020100000100	Purch Svs - Outside Radiology	3,184,704	38,722	26,901	3,303	-	23,090	-	-	(7,485)	-	-	-	-
65021100000100	Purch Svs - Other (Inactive - old 61530)	4,621,254	420,225	1,693,773	185,451	47,112	104,158	16,105	-	(29,271)	1,850,123	171	38,504	34,319
65023100000100	Purch Svs - Printing Services	540,034	1,350	5,047	187	234	4,076	-	-	-	17,771	-	-	1,250
65025100000100	Purch Svs - Repairs and Maintenance - Medical Equipment	8,017,478	228,294	999,385	27,084	-	12,998	-	-	(1,445,154)	2,099,263	-	-	248,765
65026100000100	Purch Svs - Repairs and Maintenance - Software and IAS	210,615	8,764	78,988	-	-	12,765	-	-	-	19,991,821	-	-	165,512
65027100000100	Purch Svs - Repairs and Maintenance - Facility Plant Operations	1,968,067	201,528	521,321	535,055	6,194	54,400	120,209	-	-	535,527	-	-	14,684
65028100000100	Purch Svs - Repairs and Maintenance - Surgical Equipment	298,908	20,806	36,399	-	-	-	-	-	-	(8,208)	-	-	-
65029100000100	Purch Svs - Security	-	-	-	-	-	-	-	-	-	-	-	-	3,230
65030100000100	Purch Svs - Stipends - Student	144,607	-	-	-	-	-	-	-	-	-	-	-	-
65031100000100	Purch Svs - Subcontractor Costs	899,279	-	75,889	159,195	-	(24)	-	-	-	-	-	-	-
65032100000100	Purch Svs - Subcontractor Costs < \$25k	(16,250)	-	-	1	-	-	-	-	-	-	-	-	-
65034100000100	Purch Svs - Transcription	-	-	-	-	-	(1,251)	-	-	-	-	-	-	18,079
65040100000100	Purch Svs - Dietary Services	(1,378,056)	(40,538)	(127,694)	79,995	-	-	-	-	-	(5,722)	-	-	-
65041100000100	Library	-	-	-	-	-	-	-	-	-	37,216	-	-	-
65043100000100	Purch Svs - Other Medical Center Services	63,998	-	-	-	-	-	-	-	-	201,595	-	-	-
65049100000100	Purch Svs - Human Resource	310	-	-	-	-	-	-	-	-	-	-	-	-
65050100000100	Purch Svs - Anesthesia	71,095	226,625	1,548,407	-	-	-	-	-	-	-	-	-	-
65051100000100	Purch Svs - Environmental Services	308,581	1,222	54,164	29,338	-	2,380	607,378	-	-	17,535	-	-	16,409
65052100000100	Purch Svs - Facility Management Services	111,472	86,189	16,739	5,936	-	-	4,800	-	-	-	-	-	-
65749600000100	IC - Purchase Services	739,114	9,221	-	-	-	-	-	-	-	-	-	-	-
65749900000100	Allocations - Purchased Services	120,000	180	-	-	-	-	51,527	-	-	340,093	-	-	-
Total - Purchased Services		38,400,728	2,214,750	8,729,461	1,452,637	202,094	557,552	800,555	0	(1,502,822)	28,967,252	307	154,400	610,485
Intercompany Expense														
67016100000100	Oth Oper Exp - Allocated Other Operating Expense	18,702,228	533,772	2,070,228	123,062	48,708	695,120	17,712	-	-	(25,542,354)	11,196	-	1,250,532
67016100000200	Oth Oper Exp - Allocated Other Operating Expense - Temp Restricted	2,075	-	-	-	-	-	-	-	-	-	-	-	-
67649300000100	Oth Oper Exp - Allocations - Medical Group - Indirect	26,207,675	264,421	12,745	-	-	-	-	-	-	-	-	-	(26,480,941)
67649900000100	Allocations - Other Expenses	68,567,272	1,699,159	3,996,684	415,149	181,936	1,737,888	262,892	-	-	(82,163,571)	18,334	-	5,324,087
Total - Intercompany Expense		113,479,250	2,497,352	6,079,657	538,211	230,644	2,433,008	280,604	0	0	(107,705,926)	29,530	0	(19,906,323)
Utilities														
67027100000100	Oth Oper Exp - Freight (s/b 67027100000100)	1,148,958	11,930	144,508	266	9	2,184	-	-	-	124,154	60	-	4,157
67033100000100	Oth Oper Exp - Interest - Other	244	-	-	-	-	-	-	-	-	-	-	-	-
67034100000100	Oth Oper Exp - Utilities - Electricity	4,147,266	333,007	730,616	466,829	76,355	141,906	599,394	-	-	239,974	-	-	39,081
67035100000100	Oth Oper Exp - Utilities - Gas	577,657	9,531	113,118	47,915	782	43,429	10,146	-	-	33,153	-	-	-
67036100000100	Oth Oper Exp - Utilities - Water (s/b 67036100000100)	584,735	48,670	109,722	96,564	4,392	15,081	55,851	-	-	11,498	-	-	3,794
67037100000100	Oth Oper Exp - Utilities - Other	13,900	8,689	21,146	68,860	8,216	11,855	1,122	-	-	185,966	-	-	23,183
67038100000100	Oth Oper Exp - Telecom Services	139,719	52,146	78,516	19,097	20,229	9,168	3,500	-	-	804,638	-	-	131,272
67040100000100	Oth Oper Exp - Automotive Fuel	324,302	1,292	339	-	-	15,769	-	-	-	35,502	-	-	-
Total - Utilities		6,936,781	465,264	1,197,965	699,530	109,985	239,391	670,012	0	0	1,434,886	60	0	201,487
Other Operating Expenses														
66300100000100	Oth Oper Exp - Building and Land Rent - Base	8,338	-	89,054	-	-	-	-	-	-	1,731,105	-	-	476,336
66303100000100	Oth Oper Exp - Rental and Lease - Buildings	2,223,149	91,511	452,996	-	2,732	1,382,753	-	-	(4,752,095)	2,082,859	-	-	2,814,989
66304100000100	Oth Oper Exp - Rental and Lease - Equipment	1,199,843	15,091	129,755	-	121,758	17,377	-	-	-	4,874	-	-	(750)
66309100000100	Oth Oper Exp - Base Rent - Contra	(8,652)	-	(87,888)	-	-	-	-	-	-	(1,653,317)	-	-	(466,011)
66600100000100	Oth Oper Exp - Insurance - Professional Liability	80,669	3,894	12,180	12,046	-	-	-	-	-	126,560	-	-	-
66602100000100	Oth Oper Exp - Insurance - Property	-	15,662	-	115	-	-	-	-	-	414,532	-	-	-
66605100000100	Oth Oper Exp - Insurance - Captive	11,424	-	-	-	-	-	-	-	(11,733,525)	11,014,267	-	13,538,943	-
66800100000100	Oth Oper Exp - Travel	106,072	6,509	4,142	27,696	622	10,904	-	-	-	114,052	-	-	5,456
66800100000200	Oth Oper Exp - Travel - Temp Restricted	1,418	-	-	-	-	-	-	-	-	-	-	-	-
66802100000100	Oth Oper Exp - Recruiting	242,046	-	15,601	-	-	389	-	-	-	1,580,538	-	-	20,073
66803100000100	Oth Oper Exp - Travel and Education - Advanced Practice Providers	598	-	-	-	-	-	-	-	-	-	-	-	6,239
66804100000100	Oth Oper Exp - Mileage	344,397	4,244	9,606	3,988	50,937	2,026	-	-	-	39,529	-	-	27,516
66805100000100	Oth Oper Exp - Meals and Entertainment	3,858	264	236	40,383	-	-	-	-	-	15,534	-	-	866
66807100000100	Oth Oper Exp - Continuing Education	832,804	16,802	10,656	11,433	348	1,537	1,900	-	-	95,935	-	-	249,270
66808100000100	Oth Oper Exp - Corporate Events and Retreats	(5,384)	2,686	-	63,732	681	4,253	-	-	-	164	-	-	360
66809100000100	Oth Oper Exp - Subscriptions - Professional	24,788	377	9,461	-	592	180	-	-	-	125,778	-	-	12,599
66811100000100	Oth Oper Exp - Moving and Transfer Costs	7,993	-	490	-	-	-	-	-	-	37,145	-	-	593
66812100000100	Oth Oper Exp - Teammate Recognition and Service Awards	12,841	187	-	20,007	165	1,631	-	-	-	1,226,437	-	-	3,340
66813100000100	Oth Oper Exp - Business Entertainment	-	-	1,405	-	-	-	-	-	-	1,112	-	-	-
66814100000100	Oth Oper Exp - Teammate Functions	32,643	-	-	-	-	-	-	-	-	1,523	-	-	580
66815100000100	Oth Oper Exp - Continuing Education - Provider	6,531	-	-	-	-	-	-	-	-	-	-	-	25,729
67000100000100	Oth Oper Exp - Patient Adjustments	450,202	-	20,324	-	-	-	-	-	-	-	-	-	-
67001100000100	Oth Oper Exp - Fee for Value	-	-	-	-	-	1,642	-	-	-	-	-	-	-
67002100000100	Oth Oper Exp - Automotive	461,183	49	1,376	44,698	-	4,475	-	-	-	43,003	-	-	68
67007100000100	Oth Oper Exp - Cost of Goods Sold	250,273	-	(767)	-	-	-	-	-	-	-	598	-	-
67009100000100	Oth Oper Exp - Grants	-	-	-	-	-	-	-	-	-	100,902	-	-	-
67011100000100	Oth Oper Exp - Medicare Non Reimbursed	-	-	-	-	-	-	-	-	-	175	-	-	-
67012100000100	Oth Oper Exp - Patient Ancillary Charges	249,423	-	-	-	51,101	-	-	-	-	-	-	-	-
67013100000200	Oth Oper Exp - Patient Stipend - Temp Restricted	2,100	-	-	-	-	-	-	-	-	-	-	-	-

Income Statement Detail by Entity - Audited

Atrium Health Navicent - Internal Reporting Only
Through The Period Ending December 31, 2021

Account	Description	Navicent Health Medical Center	Navicent Health Medical Center - Peach	Navicent Health Medical Center - Baldwin	Carlyle Place Navicent Health	Pine Pointe Hospice Navicent Health	Navicent Health Rehabilitation Hospital	Doctors Office Bldg - Navicent Health	Navicent Health Corporate Human Resources	Navicent Health - Elimination Company	Navicent Health Co	Navicent Health - Health Ventures	Centra Professional Indemnity	Navicent Health Physicians Group
67023100000100	Oth Oper Exp - Education Seminar Production	-	-	-	-	-	-	-	-	-	695	-	-	-
67025100000100	Oth Oper Exp - Tuition	-	-	-	-	-	-	-	-	-	-	-	-	374
67026100000100	Oth Oper Exp - Other Expense Savings	-	-	-	2,466	-	-	-	-	-	-	-	-	-
67028100000100	Oth Oper Exp - NonAllowable Costs	-	-	1,032	-	-	-	-	-	-	-	-	-	-
67046100000100	Oth Oper Exp - Dues - Organizational	1,670,137	19,269	29,994	29,872	6,439	22,423	-	-	-	975,868	-	-	321,136
Total - Other Operating Expenses		8,208,694	176,545	699,655	256,435	235,375	1,449,591	1,900	0	(16,485,620)	18,079,271	598	13,538,943	3,498,762
Taxes, Penalties and Fees														
66700100000100	Oth Oper Exp - Taxes - Property	73,672	-	7,794	-	-	-	614,942	-	-	9,657	-	-	38,572
66701100000100	Oth Oper Exp - Taxes - Sales and Use Tax	84,615	2,548	9,136	-	30	75,644	-	-	-	565,629	538	-	25,951
66702100000100	Oth Oper Exp - Taxes - Income	52,924	4,647	3,985	-	420	800	-	-	-	387,260	(25,000)	-	36,625
66709100000100	Oth Oper Exp - Taxes - Provider	8,806,707	-	692,262	-	-	312,183	-	-	-	187,108	-	-	-
66710100000100	Oth Oper Exp - Penalties and Fees	28,953	-	-	2,442	-	75	-	-	-	1,952	-	-	-
Total - Taxes, Penalties and Fees		9,046,871	7,194	713,177	2,442	450	388,702	614,942	0	0	1,151,605	(24,462)	0	101,148
Earnings before Interest, Taxes, Depreciation and Amortization		56,883,052	953,431	3,912,135	1,605,704	(466,908)	1,117,630	4,383,315	(0)	(167,905)	(34,965,046)	(78,168)	(1,802,182)	(21,760,366)
Depreciation and Amortization														
68000100000100	Depreciation	22,417,904	1,045,864	1,951,107	2,594,303	154,435	36,888	2,688,052	-	-	10,273,305	577	-	218,192
68007100000100	Amortization - Intangible Assets	128,397	-	-	-	-	-	-	-	-	-	-	-	35,010
Total - Depreciation and Amortization		22,546,301	1,045,864	1,951,107	2,594,303	154,435	36,888	2,688,052	0	0	10,273,305	577	0	253,202
Interest														
68500100000100	Interest	3,291,967	230,737	170,939	578,531	-	-	-	-	(167,905)	37,701	-	-	-
68500152005100	Interest - 2005	385,271	-	-	69,031	-	-	-	-	-	-	-	-	-
68500152019100	Interest - 2019	540,098	60,914	46,938	79,765	-	-	-	-	-	-	-	-	-
68502100000100	Interest - Fees	245	-	9,311	-	-	-	-	-	-	-	-	-	-
Total - Interest		4,217,581	291,651	227,187	727,328	0	0	0	0	(167,905)	37,701	0	0	0
Total Operating Expenses		713,143,641	20,642,066	62,265,209	17,576,356	4,907,370	21,388,544	5,079,048	0	(20,432,780)	49,907,536	93,512	13,735,235	72,183,005
Net Operating Income (Loss)		30,119,170	(384,084)	1,733,841	(1,715,927)	(621,343)	1,080,742	1,695,263	(0)	0	(45,276,052)	(78,745)	(1,802,182)	(22,013,568)
Non-Operating Revenue														
Interest and Dividend Income														
70001100000100	Non-Oper - Interest - Investments Designated for Capital Improvements	10,114,744	-	-	1,524,956	-	-	-	-	-	-	-	-	-
70002100000100	Non-Oper - Investment Fees	(1,479,138)	-	-	(231,459)	-	-	-	-	-	(26,124)	-	(18,066)	-
70003100000100	Non-Oper - Interest Income	994,202	2,587	297	128	-	180	-	-	-	286,871	-	1,046,256	1,621
Total - Interest and Dividend Income		9,629,808	2,587	297	1,293,625	0	180	0	0	0	260,747	0	1,028,190	1,621
Gains/(Losses) from Equity Method Affiliates														
73011100000100	Joint Venture Equity Income - Legacy	-	-	-	-	-	-	-	-	-	(0)	-	-	-
73011152053100	Joint Venture Equity Income MRI	-	-	-	-	-	-	-	-	-	-	388,391	-	-
73011152054100	Joint Venture Equity Income GMIC	-	-	-	-	-	-	-	-	-	-	293,995	-	-
73011152055100	Joint Venture Equity Income PET	905,421	-	-	-	-	-	-	-	-	-	-	-	-
73011152058100	Joint Venture Equity Income - Grachie	-	-	-	-	-	-	-	-	-	(405,322)	-	-	-
73011152059100	Joint Venture Equity Income - Flex Health	-	-	-	-	-	-	-	-	-	(333,827)	-	-	-
73011152060100	Joint Venture Equity Income - Advanced Home Care	-	-	-	-	-	-	-	-	-	48,739	-	-	-
73011152065100	Joint Venture Equity Income - MOPSI	-	-	-	-	-	-	-	-	-	4,223,966	-	-	-
Total - Gains/(Losses) from Equity Method Affiliates		905,421	0	0	0	0	0	0	0	0	3,533,555	682,386	0	0
Gains/(Losses) on Asset Disposals														
73200100000100	Non-Oper - Realized Gains and Losses - Fixed Assets	1,804	-	-	2,700	-	-	-	-	-	1,161	-	-	-
Total - Gains/(Losses) on Asset Disposals		1,804	0	0	2,700	0	0	0	0	0	1,161	0	0	0
Other Non-Operating Gains/(Losses)														
73500100000100	Non-Oper - Contributions	504,063	-	-	-	-	-	-	-	-	-	-	-	-
73501100000100	Non-Oper - Other Revenue	(10,153)	-	-	-	382	-	-	-	-	-	-	-	-
73502100000100	Non-Oper - Other Expenses	(714)	-	-	-	-	-	-	-	-	(41,125)	-	-	-
Total - Other Non-Operating Gains/(Losses)		493,196	0	0	0	382	0	0	0	0	(41,125)	0	0	0
OTHER, NET		1,400,420	0	0	2,700	382	0	0	0	0	3,493,591	682,386	0	0
Realized Gains/(Losses) on Investments														
75000100000100	Non-Oper - Realized Gains and Losses - Investments	33,820,309	-	-	4,968,882	-	-	-	-	-	-	-	(0)	-
Total - Realized Gains/(Losses) on Investments		33,820,309	0	0	4,968,882	0	0	0	0	0	0	0	(0)	0
Unrealized Gains/(Losses) on Investments														
75500100000100	Non-Oper - Unrealized Gains and Losses - Investments	20,460,005	-	-	3,803,510	-	-	-	-	-	-	-	4,109,544	-
Total - Unrealized Gains/(Losses) on Investments		20,460,005	0	0	3,803,510	0	0	0	0	0	0	0	4,109,544	0
Change in Fair Value of Interest Rate Swaps														
75751100000100	Unrealized Gains and Losses - Interest Rate Swaps (FASB 82000)	2,917,899	-	-	165,749	-	-	-	-	-	-	-	-	-
Total - Change in Fair Value of Interest Rate Swaps		2,917,899	0	0	165,749	0	0	0	0	0	0	0	0	0
Net Change in the FV of Investments		57,198,214	0	0	8,938,141	0	0	0	0	0	0	0	4,109,544	0
Pension/Post Retirement Costs														
76000100000100	Non-Oper - Pension	-	-	-	-	-	-	-	-	-	(19,095,311)	-	-	-

Income Statement Detail by Entity - Audited

Atrium Health Navicent - Internal Reporting Only
Through The Period Ending December 31, 2021

Account	Description	Navicent Health Medical Center	Navicent Health Medical Center - Peach	Navicent Health Medical Center - Baldwin	Carlyle Place Navicent Health	Pine Pointe Hospice Navicent Health	Navicent Health Rehabilitation Hospital	Doctors Office Bldg - Navicent Health	Navicent Health Corporate Human Resources	Navicent Health - Elimination Company	Navicent Health Co	Navicent Health - Health Ventures	Centra Professional Indemnity	Navicent Health Physicians Group
76002100000100	Non-Oper - Other Post Retirement Employee Benefits	-	-	-	-	-	-	-	-	-	429,951	-	-	-
	Total - Pension/Post Retirement Costs	0	0	0	0	0	0	0	0	0	(18,665,360)	0	0	0
	Total Non Operating Income (Loss)	68,228,442	2,587	297	10,234,466	382	180	0	0	0	22,419,699	682,386	5,137,734	1,621
	Extraordinary Item													
	Net Income (Loss)	98,347,612	(381,498)	1,734,137	8,518,539	(620,962)	1,080,922	1,695,263	(0)	0	(22,856,353)	603,641	3,335,552	(22,011,948)