



Quarterly Disclosure Statements  
(Unaudited)  
For the Six Months Ended June 30, 2025  
For

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Advocate Aurora Health, Inc.

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The Charlotte-Mecklenburg Hospital Authority  
Combined Group

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Wake Forest Baptist Combined Group

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**ADVOCATE HEALTH, INC.**  
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## Introduction

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### Purpose of this Report

The purpose of this report is to provide information necessary to comply with continuing disclosure undertakings for the Advocate Aurora Health Credit Group, The Charlotte-Mecklenburg Hospital Authority d/b/a Atrium Health CMHA Combined Group and the Atrium Health Wake Forest Baptist Combined Group, as described below, all of which are now part of an integrated health care delivery and academic system known as Advocate Health.

### Advocate Health

Advocate Aurora Health, Inc., a Delaware nonprofit nonstock corporation (“AAH”) and Atrium Health, Inc., a North Carolina nonprofit corporation (“AHI”), entered into a Joint Operating Agreement pursuant to which they created Advocate Health, Inc., a Delaware nonprofit nonstock corporation (the “Advocate Health JOC”), to manage and oversee an integrated health care delivery and academic system which focuses on meeting patients’ needs by redefining how, when and where care is delivered. AAH and AHI are the two corporate members of the Advocate Health JOC. AAH and the entities comprising the “AAH System” described below (the “AAH System Entities”) and AHI and the other participants in the “AHI Enterprise” described below (the “AHI Enterprise Entities”) have maintained their separate legal existence and no sale, transfer or other conveyance of their assets occurred in connection with the formation of Advocate Health. No assumption or guaranty of debt or other liabilities of the AAH System Entities or AHI Enterprise Entities, or changes to their respective credit groups described below, occurred in connection with the formation of Advocate Health. Advocate Health has a combined footprint across Illinois, Wisconsin, North Carolina, South Carolina, Georgia and Alabama.

### Advocate Aurora Health, Inc.

AAH is the sole corporate member of Advocate Health Care Network, an Illinois not for profit corporation, (“Advocate”) and Aurora Health Care, Inc., a Wisconsin nonstock not for profit corporation (“Aurora”). AAH, Advocate, Aurora and their controlled subsidiaries are collectively referred to herein as the “AAH System.” The AAH System serves patients across northern and central Illinois and eastern Wisconsin. The participants in the AAH System do business as Advocate in Illinois and as Aurora in Wisconsin.

### Atrium Health, Inc.

The Charlotte-Mecklenburg Hospital Authority (“CMHA” or “Atrium Health CMHA”), which directly and through its affiliates does business as Atrium Health, and the Wake Forest Baptist Health system (“Wake Forest Baptist” or “Atrium Health Wake Forest Baptist”), including Wake Forest School of Medicine, are part of a single enterprise (the “AHI Enterprise”), governed and managed by AHI pursuant to a health system integration agreement and related agreements. The AHI Enterprise serves patients across North Carolina, South Carolina, Georgia and Alabama. The participants in the AHI Enterprise do business as Atrium Health and Atrium Health Wake Forest Baptist (in North Carolina and South Carolina) and as Atrium Health Navicent and Atrium Health Floyd (in Georgia and Alabama).



## **Advocate Health**

### **Introduction**

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The financial position and results of operation of Advocate Health are presented by combining the financial statements of AAH, Atrium Health CMHA and Atrium Health Wake Forest Baptist, which are under the common management of the Advocate Health JOC. Advocate Health, which includes Atrium Health CMHA, has prepared its financial statements in accordance with accounting principles as promulgated by the Financial Accounting Standards Board ("FASB"). Atrium Health CMHA is a governmental entity as defined by the Governmental Accounting Standards Board ("GASB"); accordingly, accounting principles as promulgated by GASB are the appropriate accounting principles for Atrium Health CMHA to follow. As part of the Advocate Health combined financial statements, the financial statements of Atrium Health CMHA are presented with FASB accounting principles. All significant intercompany transactions have been eliminated in the combination.

The Advocate Health combined financial statements are not required to be delivered pursuant to any continuing disclosure undertaking and are being provided on a voluntary basis.

**ADVOCATE HEALTH**  
**COMBINED BALANCE SHEETS - FASB**  
(in thousands)

	<u>June 30, 2025</u>	<u>December 31, 2024</u>
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 1,898,002	\$ 2,026,581
Short term investments	51,058	49,808
Assets limited as to use	216,287	185,331
Patient accounts receivable	4,250,900	3,974,174
Other current assets	3,011,540	1,894,762
Total current assets	<u>9,427,787</u>	<u>8,130,656</u>
Other assets		
Assets limited as to use	24,997,449	24,176,299
Property and equipment, net	14,036,285	13,541,714
Operating lease right-of-use assets	1,112,712	1,013,775
Other noncurrent assets	1,346,106	1,275,911
Total other assets	<u>41,492,552</u>	<u>40,007,699</u>
<b>Total assets</b>	<u><u>\$ 50,920,339</u></u>	<u><u>\$ 48,138,355</u></u>
<b>Liabilities</b>		
Current liabilities		
Long-term debt, current portion	\$ 2,190,172	\$ 1,238,272
Operating lease liabilities, current portion	203,128	196,933
Accrued salaries and employee benefits	2,350,470	2,551,275
Accounts payable and other accrued liabilities	3,182,342	2,903,762
Third-party payors payables	760,735	770,916
Total current liabilities	<u>8,686,847</u>	<u>7,661,158</u>
Noncurrent liabilities		
Long-term debt, less current portion	5,748,808	6,388,008
Operating lease liabilities, less current portion	1,052,106	897,771
Obligations under swap agreements	90,120	72,280
Other noncurrent liabilities	3,460,862	3,275,058
Total noncurrent liabilities	<u>10,351,896</u>	<u>10,633,117</u>
<b>Total liabilities</b>	<b>19,038,743</b>	<b>18,294,275</b>
<b>Net assets</b>		
Without donor restrictions		
Controlling interest	30,116,419	28,101,899
Noncontrolling interests in subsidiaries	204,769	212,737
Total net assets without donor restrictions	<u>30,321,188</u>	<u>28,314,636</u>
With donor restrictions	1,560,408	1,529,444
<b>Total net assets</b>	<u><b>31,881,596</b></u>	<u><b>29,844,080</b></u>
<b>Total liabilities and net assets</b>	<u><u>\$ 50,920,339</u></u>	<u><u>\$ 48,138,355</u></u>

**ADVOCATE HEALTH**  
**COMBINED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS - FASB**  
(in thousands)

	<b>Six Months Ended June 30, 2025</b>	<b>Six Months Ended June 30, 2024</b>
<b>Revenue</b>		
Patient service revenue	\$ 15,783,449	\$ 13,894,095
Other revenue	3,062,652	2,793,526
Total revenue	<u>18,846,101</u>	<u>16,687,621</u>
<b>Expenses</b>		
Salaries, wages and benefits	10,298,662	9,403,189
Supplies and drugs	4,171,971	3,561,041
Purchased services and other expenses	2,808,860	2,533,726
Depreciation and amortization	617,260	605,897
Interest	124,993	133,949
Total expenses	<u>18,021,746</u>	<u>16,237,802</u>
<b>Operating income</b>	<b>824,355</b>	<b>449,819</b>
<b>Nonoperating income</b>		
Investment income, net	1,270,136	948,996
Other nonoperating loss, net	(72,615)	(20,634)
Total nonoperating income, net	<u>1,197,521</u>	<u>928,362</u>
<b>Revenue in excess of expenses</b>	<b>2,021,876</b>	<b>1,378,181</b>
Less income attributable to noncontrolling interests	<u>(21,155)</u>	<u>(34,559)</u>
<b>Revenue in excess of expenses - attributable to controlling interest</b>	<b>\$ 2,000,721</b>	<b>\$ 1,343,622</b>

**ADVOCATE HEALTH**  
**COMBINED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS - FASB**  
(in thousands)

	<b>Six Months Ended June 30, 2025</b>	<b>Six Months Ended June 30, 2024</b>
<b>Net assets without donor restrictions, controlling interest</b>		
Revenue in excess of expenses - attributable to controlling interest	\$ 2,000,721	\$ 1,343,622
Pension-related changes other than net periodic pension costs	10,059	3,906
Other, net	3,740	4,014
Increase in net assets without donor restrictions, controlling interest	2,014,520	1,351,542
<b>Net assets without donor restrictions, noncontrolling interests</b>		
Revenues in excess of expenses	21,155	34,559
Distributions to noncontrolling interests	(29,123)	(35,009)
Decrease in net assets without donor restrictions, noncontrolling interests	(7,968)	(450)
<b>Net assets with donor restrictions</b>		
Contributions	68,347	84,892
Investment income, net	30,015	40,622
Net assets released from restrictions	(71,299)	(65,108)
Other, net	3,901	5,418
Increase in net assets with donor restrictions	30,964	65,824
<b>Increase in net assets</b>	<b>2,037,516</b>	<b>1,416,916</b>
Net assets at beginning of period	29,844,080	26,493,177
<b>Net assets at end of period</b>	<b>\$ 31,881,596</b>	<b>\$ 27,910,093</b>

**ADVOCATE HEALTH**  
**COMBINED STATEMENTS OF CASH FLOWS - FASB**  
(in thousands)

	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
<b>Cash flows from operating activities</b>		
Increase in net assets	\$ 2,037,516	\$ 1,416,916
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation, amortization and accretion	608,422	596,346
Noncash lease expense	113,015	103,152
Gain on sale of disposal group	—	(84,511)
Pension-related changes other than net periodic pension cost	(10,059)	(3,906)
Proceeds from restricted contributions and income on investments	(11,054)	(17,200)
Distribution to noncontrolling interests	38,994	42,333
Other	10,938	(30,582)
Changes in operating assets and liabilities		
Trading securities, net	(879,133)	(1,194,368)
Patient accounts receivable	(276,726)	(263,204)
Other assets and liabilities, net	(855,219)	(473,092)
Net provided by operating activities	<u>776,694</u>	<u>91,884</u>
<b>Cash flows from investing activities</b>		
Capital expenditures	(1,167,077)	(843,834)
Cash received from sale of disposal group	—	177,995
Acquisition of business, net of cash acquired	—	(117,036)
Investments in unconsolidated entities, net	(70,341)	(7,569)
Purchases of investments designated as non-trading	(7,653)	(15,644)
Sales of investments designated as non-trading	7,749	15,657
Other	5,875	(497)
Net cash used in investing activities	<u>(1,231,447)</u>	<u>(790,928)</u>
<b>Cash flows from financing activities</b>		
Repayments of long-term debt, net	(129,001)	(86,476)
Proceeds from issuance of long-term debt	450,000	—
Distribution to noncontrolling interests	(38,994)	(42,333)
Proceeds from restricted contributions and income on investments	11,054	17,200
Net cash provided by (used in) financing activities	<u>293,059</u>	<u>(111,609)</u>
<b>Net decrease in cash and cash equivalents</b>	<b>(161,694)</b>	<b>(810,653)</b>
Cash and cash equivalents at beginning of period	2,081,874	2,340,370
<b>Cash and cash equivalents at end of period</b>	<b><u>\$ 1,920,180</u></b>	<b><u>\$ 1,529,717</u></b>
<b>Reconciliation of cash and cash equivalents to the balance sheet</b>		
Cash and cash equivalents	1,898,002	1,465,126
Restricted cash in investments and assets whose use is limited	22,178	64,591
	<b><u>\$ 1,920,180</u></b>	<b><u>\$ 1,529,717</u></b>
<b>Supplemental disclosures of noncash information</b>		
Operating lease right-of-use assets in exchange for new operating lease liabilities	\$ 207,920	\$ 144,006

Certain reclassifications were made to the six months ended June 30, 2024 statement of cash flows amounts to conform to the classifications used in 2025. There was no impact on previously reported 2024 net assets or revenues in excess of expenses.



**ADVOCATE HEALTH**  
**UTILIZATION STATISTICS AND KEY FINANCIAL RATIOS**

	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024	Change	% Change
Census				
Discharges <sup>(1)</sup>	286,977	273,093	13,884	5.1 %
Observation Cases	83,691	83,018	673	0.8 %
Total Bedded Patients	370,668	356,111	14,557	4.1 %
Inpatient Length of Stay	5.36	5.43	(0.07)	(1.3)%
Case Mix index <sup>(1)</sup>	1.77	1.79	(0.02)	(1.1)%
Other Volume Stats				
Inpatient Surgeries	63,793	62,708	1,085	1.7 %
Outpatient Surgeries	161,694	160,003	1,691	1.1 %
Total Surgeries	225,487	222,711	2,776	1.2 %
ED Visits	1,180,131	1,133,212	46,919	4.1 %
wRVUs <sup>(1)</sup>	31,450,370	28,860,243	2,590,127	9.0 %

<sup>(1)</sup>Prior year was updated to reflect the current year measurement methodology

	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
<b>Operating Performance</b>		
Operating margin <sup>(1)</sup>	4.4%	2.7%
Operating cash flow margin <sup>(2)</sup>	8.3%	7.1%
Excess margin <sup>(3)</sup>	10.1%	7.8%
	<b>As of June 30, 2025</b>	<b>As of December 31, 2024</b>
<b>Leverage and Liquidity</b>		
Debt to capitalization <sup>(4)</sup>	20.7%	21.2%
Cash to debt <sup>(5)</sup>	317%	321%
Days cash on hand <sup>(6)</sup>	269	276

<sup>(1)</sup> Operating income/Total revenue

<sup>(2)</sup> (Operating income + Interest + Depreciation and amortization)/Total revenue

<sup>(3)</sup> Revenue in excess of expenses/(Total revenue + Total nonoperating income, net)

<sup>(4)</sup> (Long-term debt, current portion + Long-term debt, less current portion)/(Long-term debt, current portion + Long-term debt, less current portion + Total net assets without donor restrictions)

<sup>(5)</sup> Unrestricted cash and investments/(Long-term debt, current portion + Long-term debt, less current portion)

<sup>(6)</sup> Unrestricted cash and investments/((Total expenses - Depreciation and amortization)/days in period). The days cash on hand ratio is calculated from expenses on a trailing 12 month basis.

**ADVOCATE HEALTH**  
**OTHER FINANCIAL INFORMATION**

**Sources of Patient Service Revenue**

In the six months ended June 30, 2025 and 2024, the composition of Advocate Health's patient service revenue by payor was as follows:

<b>Payor Mix</b>	<b>Six Months Ended June 30, 2025</b>	<b>Six Months Ended June 30, 2024</b>
Managed care	50 %	50 %
Medicare	31 %	32 %
Medicaid	18 %	14 %
Self-pay and other	1 %	4 %
	<u>100 %</u>	<u>100 %</u>

**Unrestricted cash and investments**

As of June 30, 2025 and December 31, 2024, the composition of Advocate Health's unrestricted cash and investments was as follows:

	<b>As of June 30, 2025</b>	<b>As of December 31, 2024</b>
Cash and cash equivalents	\$ 1,898,002	\$ 2,026,581
Short term investments, excluding restricted assets	12,589	11,840
Long-term investments, excluding restricted assets limited as to use	23,213,436	22,420,281
<b>Total unrestricted cash and investments</b>	<u><b>\$ 25,124,027</b></u>	<u><b>\$ 24,458,702</b></u>

**Long-Term Debt**

As of June 30, 2025 and December 31, 2024, the composition of Advocate Health's debt was as follows:

	<b>June 30, 2025</b>		<b>December 31, 2024</b>	
Taxable fixed bonds	\$ 2,392,690	31%	\$ 2,392,690	32%
Tax-exempt fixed rate bonds	1,158,640	15%	1,208,120	16%
Tax-exempt variable rate bonds	1,845,730	24%	1,857,475	25%
Put bonds	938,610	12%	938,610	13%
Commercial paper	670,000	8%	270,000	4%
Finance leases / other banks debt	767,814	10%	781,448	10%
<b>Total Long-term debt</b> , excluding unamortized bond premiums and bond issuance costs and commercial paper original issue discount	<u><b>\$ 7,773,484</b></u>	<u><b>100%</b></u>	<u><b>\$ 7,448,343</b></u>	<u><b>100%</b></u>



## **ADVOCATE AURORA HEALTH, INC.**

### **Introduction**

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#### **Advocate Aurora Health Credit Group**

AAH and certain other AAH System Entities are members of the "Obligated Group" (the "AAH Obligated Group") created under a Second Amended and Restated Trust Indenture dated as of August 1, 2018 (the "AAH Master Indenture") among the Obligated Group Members identified therein and U.S. Bank Trust Company, National Association, Master Trustee. The members of the AAH Obligated Group are jointly and severally liable on any "Obligations" issued under the AAH Master Indenture. Certain of the AAH Obligated Group's affiliates are designated as "Restricted Affiliates" under the AAH Master Indenture.

Neither the Advocate JOC nor any of the AHI Enterprise Entities is a member of the AAH Obligated Group or a Restricted Affiliate as of the date of this report and, therefore, none of them have any obligation to provide for the payment of any Obligation issued under the AAH Master Indenture.

#### **Basis of Presentation**

The accompanying consolidated financial statements for AAH as of and for the three and six months ended June 30, 2025 and 2024, have been prepared in accordance with U.S. generally accepted accounting principles, as promulgated by FASB. December 31, 2024 information is derived from the audited financial statements.

**ADVOCATE AURORA HEALTH, INC.**  
**CONSOLIDATED BALANCE SHEETS**  
(in thousands)

	June 30, 2025	December 31, 2024
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 645,418	\$ 716,506
Assets limited as to use	186,490	179,057
Patient accounts receivable	2,111,627	2,009,794
Other current assets	2,136,836	1,085,336
Total current assets	5,080,371	3,990,693
Noncurrent assets		
Assets limited as to use	23,291,639	21,553,860
Property and equipment, net	6,173,623	6,079,747
Operating lease right-of-use assets	269,000	280,150
Other noncurrent assets	547,156	562,080
Total other assets	30,281,418	28,475,837
<b>Total assets</b>	<b>\$ 35,361,789</b>	<b>\$ 32,466,530</b>
<b>Liabilities</b>		
Current liabilities		
Long-term debt, current portion	\$ 710,775	\$ 343,589
Operating lease liabilities, current portion	67,395	67,961
Accrued salaries and employee benefits	1,241,685	1,400,664
Accounts payable and other accrued liabilities	2,151,411	1,536,611
Third-party payors payables	452,063	423,230
Total current liabilities	4,623,329	3,772,055
Noncurrent liabilities		
Long-term debt, less current portion	2,828,256	3,061,905
Operating lease liabilities, less current portion	237,335	249,594
Obligations under swap agreements	25,371	19,566
Due to related party - investment pool	9,174,384	7,945,909
Other noncurrent liabilities	1,999,569	1,869,124
Total noncurrent liabilities	14,264,915	13,146,098
<b>Total liabilities</b>	<b>18,888,244</b>	<b>16,918,153</b>
<b>Net assets</b>		
Without donor restrictions		
Controlling interest	16,013,138	15,088,922
Noncontrolling interests in subsidiaries	203,306	203,353
Total net assets without donor restrictions	16,216,444	15,292,275
With donor restrictions	257,101	256,102
<b>Total net assets</b>	<b>16,473,545</b>	<b>15,548,377</b>
<b>Total liabilities and net assets</b>	<b>\$ 35,361,789</b>	<b>\$ 32,466,530</b>

**ADVOCATE AURORA HEALTH, INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS**  
(in thousands)

	Three Months Ended June 30, 2025	Three Months Ended June 30, 2024	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
<b>Revenue</b>				
Patient service revenue	\$ 3,713,325	\$ 3,477,343	\$ 7,446,060	\$ 6,872,719
Other revenue	697,469	690,772	1,330,512	1,377,517
Total revenue	4,410,794	4,168,115	8,776,572	8,250,236
<b>Expenses</b>				
Salaries, wages and benefits	2,546,768	2,338,332	5,055,831	4,698,720
Supplies and drugs	956,665	852,771	1,878,245	1,644,397
Purchased services and other expenses	618,817	690,678	1,254,286	1,316,520
Depreciation and amortization	143,909	139,444	283,755	279,916
Interest	30,712	30,634	60,542	61,143
Total expenses	4,296,871	4,051,859	8,532,659	8,000,696
<b>Operating income</b>	<b>113,923</b>	<b>116,256</b>	<b>243,913</b>	<b>249,540</b>
<b>Nonoperating income</b>				
Investment income, net	1,046,342	313,767	1,230,514	563,034
Other nonoperating loss, net	(447,090)	(125,276)	(515,022)	(130,107)
Total nonoperating income, net	599,252	188,491	715,492	432,927
<b>Revenue in excess of expenses</b>	<b>713,175</b>	<b>304,747</b>	<b>959,405</b>	<b>682,467</b>
Less income attributable to noncontrolling interests	(16,555)	(16,410)	(29,076)	(34,355)
<b>Revenue in excess of expenses - attributable to controlling interest</b>	<b>\$ 696,620</b>	<b>\$ 288,337</b>	<b>\$ 930,329</b>	<b>\$ 648,112</b>

**ADVOCATE AURORA HEALTH, INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS**  
(in thousands)

	Three Months Ended June 30, 2025	Three Months Ended June 30, 2024	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
<b>Net assets without donor restrictions, controlling interest</b>				
Revenue in excess of expenses - attributable to controlling interest	\$ 696,620	\$ 288,337	\$ 930,329	\$ 648,112
Pension-related changes other than net periodic pension costs	5,025	2,178	10,043	4,322
Net assets released from restrictions for purchase of property and equipment	2,587	2,400	5,852	3,372
Equity transfer to related party	—	—	(27,310)	—
Other, net	5,770	(648)	5,302	(1,179)
Increase in net assets without donor restrictions, controlling interest	710,002	292,267	924,216	654,627
<b>Net assets without donor restrictions, noncontrolling interests</b>				
Revenues in excess of expenses	16,555	16,410	29,076	34,355
Distributions to noncontrolling interests	(6,737)	(8,730)	(29,123)	(35,009)
Increase (decrease) in net assets without donor restrictions, noncontrolling interests	9,818	7,680	(47)	(654)
<b>Net assets with donor restrictions</b>				
Contributions	2,487	3,689	5,665	5,788
Investment income, net	5,801	2,176	6,544	4,866
Net assets released from restrictions for operations	(3,659)	(3,065)	(5,358)	(5,515)
Net assets released from restrictions for purchase of property and equipment	(2,587)	(2,400)	(5,852)	(3,372)
Increase in net assets with donor restrictions	2,042	400	999	1,767
<b>Increase in net assets</b>	<b>721,862</b>	<b>300,347</b>	<b>925,168</b>	<b>655,740</b>
Net assets at beginning of period	15,751,683	14,614,447	15,548,377	14,259,054
<b>Net assets at end of period</b>	<b>\$ 16,473,545</b>	<b>\$ 14,914,794</b>	<b>\$ 16,473,545</b>	<b>\$ 14,914,794</b>

**ADVOCATE AURORA HEALTH, INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(in thousands)

	Three Months Ended June 30, 2025	Three Months Ended June 30, 2024	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
<b>Cash flows from operating activities</b>				
Increase in net assets	\$ 721,862	\$ 300,347	\$ 925,168	\$ 655,740
Adjustments to reconcile change in net assets to net cash provided by operating activities:				
Depreciation, amortization and accretion	141,536	136,655	278,913	274,368
Noncash lease expense	17,247	16,663	34,208	34,302
Gain on sale of disposal group	—	—	—	(84,511)
Pension-related changes other than net periodic pension cost	(5,025)	(2,178)	(10,043)	(4,322)
Equity transfer to related party	—	—	27,310	—
Distribution to noncontrolling interests	26,823	32,957	38,994	42,333
Distribution from unconsolidated entities	629	1,829	6,079	6,117
Other	1,124	(2,351)	4,792	(9,473)
Changes in operating assets and liabilities				
Trading securities, net	(1,044,409)	(7,781,742)	(1,737,874)	(8,143,496)
Patient accounts receivable	12,314	(48,482)	(101,833)	(155,136)
Third-party payors receivables and payables, net	36,720	(8,022)	61,249	90,543
Due to related party	445,952	7,482,188	1,134,567	7,472,186
Other assets and liabilities, net	122,811	366,898	(401,977)	(144,677)
Net cash provided by operating activities	477,584	494,762	259,553	33,974
<b>Cash flows from investing activities</b>				
Capital expenditures	(188,681)	(178,970)	(406,331)	(322,789)
Cash received from sale of disposal group	—	—	—	177,995
Investments in unconsolidated entities, net	(342)	(360)	(1,075)	(3,394)
Purchases of investments designated as non-trading	(5,522)	(11,940)	(7,653)	(15,644)
Sales of investments designated as non-trading	5,588	11,957	7,749	15,657
Other	430	154	3,778	(497)
Net cash used in investing activities	(188,527)	(179,159)	(403,532)	(148,672)
<b>Cash flows from financing activities</b>				
Repayments of long-term debt, net	(55,525)	(12,915)	(61,623)	(18,636)
Proceeds from issuance of long-term debt	—	—	200,000	—
Equity transfer to related party	—	—	(27,310)	—
Distribution to noncontrolling interests	(26,823)	(32,957)	(38,994)	(42,333)
Proceeds from restricted contributions and income on investments	15	233	818	318
Net cash (used in) provided by financing activities	(82,333)	(45,639)	72,891	(60,651)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>206,724</b>	<b>269,964</b>	<b>(71,088)</b>	<b>(175,349)</b>
Cash and cash equivalents at beginning of period	438,694	412,286	716,506	857,599
<b>Cash and cash equivalents at end of period</b>	<b>\$ 645,418</b>	<b>\$ 682,250</b>	<b>\$ 645,418</b>	<b>\$ 682,250</b>
<b>Supplemental disclosures of noncash information</b>				
Operating lease right-of-use assets in exchange for new operating lease liabilities	\$ 13,118	\$ 13,611	\$ 19,002	\$ 20,851

Certain reclassifications were made to the three and six months ended June 30, 2024 statement of cash flows amounts to conform to the classifications used in 2025. There was no impact on previously reported 2024 net assets or revenues in excess of expenses.

**ADVOCATE AURORA HEALTH, INC.**  
**UTILIZATION STATISTICS AND SOURCES OF REVENUE**

**Utilization Statistics**

A summary of certain combined utilization statistics for the AAH System for the three and six months ended June 30, 2025 and 2024 are set forth in the table below.

	Three Months Ended June 30, 2025	Three Months Ended June 30, 2024	Change	% Change
<b>Historical Utilization Statistics</b>				
Discharges	69,722	66,540	3,182	4.8 %
Observation Cases	20,082	20,875	(793)	(3.8)%
Patient Days	344,205	333,098	11,107	3.3 %
Hospital Outpatient Visits	1,273,989	1,206,824	67,165	5.6 %
Physician Visits	2,868,658	2,781,555	87,103	3.1 %
Home Care Visits	246,213	223,433	22,780	10.2 %
Capitated Member Lives <sup>(1)</sup>	177,141	215,781	(38,640)	(17.9)%

	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024	Change	% Change
<b>Historical Utilization Statistics</b>				
Discharges	139,475	132,003	7,472	5.7 %
Observation Cases	39,921	42,306	(2,385)	(5.6)%
Patient Days	703,460	674,847	28,613	4.2 %
Hospital Outpatient Visits	2,501,810	2,372,061	129,749	5.5 %
Physician Visits	5,774,277	5,555,178	219,099	3.9 %
Home Care Visits	484,275	432,918	51,357	11.9 %

<sup>(1)</sup> As of the date set forth in the column header

**Sources of Patient Service Revenue**

In the three and six months ended June 30, 2025 and 2024, the composition of the AAH System's patient service revenue by payor was as follows:

	Three Months Ended June 30, 2025	Three Months Ended June 30, 2024	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
<b>Payor Mix</b>				
Managed Care	53 %	54 %	53 %	53 %
Medicare	32 %	32 %	32 %	32 %
Medicaid	13 %	12 %	13 %	13 %
Self-pay and Other	2 %	2 %	2 %	2 %
	100 %	100 %	100 %	100 %





## **THE CHARLOTTE-MECKLENBURG HOSPITAL AUTHORITY COMBINED GROUP**

### **Introduction**

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#### **Atrium Health CMHA Combined Group**

CMHA issues revenue bonds ("CMHA Bonds") under a Second Amended and Restated Bond Order adopted in 1997 (as amended, the "CMHA Bond Order"). CMHA and certain of its affiliates have formed an "Obligated Group" (the "CMHA Obligated Group") under the CMHA Bond Order. Members of the CMHA Obligated Group are jointly and severally liable for payment of CMHA Bonds and other obligations secured by the CMHA Bond Order ("Parity Obligations"). The CMHA Bond Order also authorizes the creation of a "Combined Group" (the "CMHA Combined Group"), which consists of the members of the CMHA Obligated Group and any affiliates designated by CMHA ("Designated Affiliates").

None of the Advocate Health JOC, the AAH System Entities, or any entities that are part of Wake Forest Baptist, Atrium Health Navicent or Atrium Health Floyd are members of the CMHA Combined Group as of the date of this report and, therefore, none of them have any obligation to provide for the payment of the CMHA Bonds or Parity Obligations.

#### **Basis of Presentation**

The accompanying consolidated financial statements and highlights reflect the financial position and results of operations of the CMHA Combined Group as of and for the six months ended June 30, 2025 and 2024. These financial statements have been prepared in accordance with U.S. generally accepted accounting principles, as promulgated by the GASB. December 31, 2024 information is derived from the audited financial statements.

## THE CHARLOTTE-MECKLENBURG HOSPITAL AUTHORITY COMBINED GROUP

### Financial Highlights

(in thousands)

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#### **Six Months Ended June 30, 2025 Compared with Six Months Ended June 30, 2024:**

For the six months ended June 30, 2025, the excess of revenues and support over expenses and losses was \$779,624, a \$213,957 increase from 2024, driven primarily by higher operating revenue and investment income. Operating income was \$398,455 for the six months ended June 30, 2025, which was \$326,231 above the prior year.

Total operating revenue increased 19.2% to \$5,642,150 largely due to greater hospital and medical group patient volumes, additional Medicaid supplemental program funding, and growth in retail pharmacy sales. Total operating expenses increased 12.5% to \$5,243,694, primarily due to personnel, supplies and drugs costs related to higher patient volumes along with other expense inflation.

As of June 30, 2025, days cash on hand was 257 days. Debt-to-capitalization ratio decreased from 24.7% at March 31, 2025, to 23.6% at June 30, 2025, primarily driven by excess of revenues and support over expenses and losses before contributions during the current year.

**THE CMHA COMBINED GROUP**  
**COMBINED BALANCE SHEETS**  
(in thousands)

	June 30, 2025	December 31, 2024
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 384,829	\$ 394,089
Short term investments	38,468	37,969
Assets limited as to use	12,186	6,274
Patient accounts receivable	1,317,078	1,184,604
Other current assets	577,131	524,846
Total current assets	2,329,692	2,147,782
Other assets		
Assets limited as to use	7,196,824	7,012,371
Property and equipment, net	5,243,033	4,877,707
Operating lease right-of-use assets, net	611,824	483,352
Other noncurrent assets	669,245	587,658
Total other assets	13,720,926	12,961,088
Total assets	16,050,618	15,108,870
Deferred outflows of resources	231,452	196,442
<b>Total assets and deferred outflows of resources</b>	<b>\$ 16,282,070</b>	<b>\$ 15,305,312</b>
<b>Liabilities</b>		
Current liabilities		
Long-term debt, current portion	\$ 1,229,304	\$ 644,979
Operating lease liabilities, current portion	81,234	75,432
Accrued salaries and employee benefits	630,356	651,777
Accounts payable and other accrued liabilities	549,835	826,226
Third-party payors payables	194,468	242,270
Total current liabilities	2,685,197	2,440,684
Noncurrent liabilities		
Long-term debt, less current portion	1,701,364	2,083,807
Operating lease liabilities, less current portion	647,008	459,346
Obligations under swap agreements	63,919	52,076
Other noncurrent liabilities	873,947	794,384
Total noncurrent liabilities	3,286,238	3,389,613
<b>Total liabilities</b>	<b>5,971,435</b>	<b>5,830,297</b>
Deferred inflows of resources	231,843	184,373
<b>Net position</b>		
Net investment in capital assets	1,975,197	2,110,582
Restricted, by donor	578,043	536,967
Unrestricted	7,525,552	6,643,093
<b>Total net position</b>	<b>10,078,792</b>	<b>9,290,642</b>
<b>Total liabilities and deferred inflows and net position</b>	<b>\$ 16,282,070</b>	<b>\$ 15,305,312</b>

**THE CMHA COMBINED GROUP**  
**COMBINED STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
(in thousands)

	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
<b>Revenue</b>		
Patient service revenue	\$ 4,830,018	\$ 4,137,962
Other revenue	812,133	596,600
Total revenue	<u>5,642,151</u>	<u>4,734,562</u>
<b>Expenses</b>		
Salaries, wages, and benefits	2,891,270	2,628,766
Supplies and drugs	1,327,067	1,098,776
Purchased services and other expenses	764,881	675,288
Depreciation and amortization	260,477	259,508
Total operating expenses	<u>5,243,695</u>	<u>4,662,338</u>
<b>Operating income</b>	<b>398,456</b>	<b>72,224</b>
<b>Nonoperating income</b>		
Interest expense	(62,967)	(64,011)
Investment income, net	392,743	367,286
Other nonoperating income, net	51,392	190,168
Total nonoperating income, net	<u>381,168</u>	<u>493,443</u>
<b>Excess of revenues and support over expenses and losses before contributions</b>	<b>\$ 779,624</b>	<b>\$ 565,667</b>
<b>Changes in net position</b>		
Capital and other contributions	8,526	12,131
<b>Changes in net position</b>	<b>788,150</b>	<b>577,798</b>
Net position, beginning of year	9,290,642	7,935,089
<b>Net position, end of period</b>	<b><u>\$ 10,078,792</u></b>	<b><u>\$ 8,512,887</u></b>

**THE CMHA COMBINED GROUP**  
**COMBINED STATEMENTS OF CASH FLOWS**  
(in thousands)

	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
<b>Cash flows from operating activities</b>		
Receipts from third-party payers and patients	\$ 4,649,742	\$ 4,094,973
Payments to suppliers	(2,310,725)	(1,936,050)
Payments to employees	(2,938,547)	(2,674,957)
Other receipts, net	633,231	460,149
Net cash provided by (used in) operating activities	33,701	(55,885)
<b>Cash flows from noncapital financing activities</b>		
Proceeds from the issuance of commercial paper	250,000	250,000
Retirements of commercial paper	—	(250,000)
Other activities	42,599	183,059
Net cash provided by noncapital financing activities	292,599	183,059
<b>Cash flows from capital and related financing activities</b>		
Capital expenditures	(460,768)	(369,205)
Interest payments on short- and long-term debt	(45,850)	(64,045)
Repayments of long-term debt, net	(43,688)	(43,133)
Contributions restricted for building and equipment purchases	8,905	13,569
Other contributions	1,646	1,454
Net cash used in capital and related financing activities	(539,755)	(461,360)
<b>Cash flows from investing activities</b>		
Investment earnings	9,003	5,230
Withdrawals from assets limited as to use	213,047	6,519,653
Contributions to assets limited as to use	(12,714)	(6,528,691)
Acquisition of business	(5,108)	(121,902)
Purchase of equity method investments	(16)	(4,175)
Net cash provided by (used in) investing activities	204,212	(129,885)
<b>Net decrease in cash, cash equivalents and restricted cash</b>	<b>(9,243)</b>	<b>(464,071)</b>
<b>Cash and cash equivalents</b>		
Beginning of year	394,849	693,166
<b>End of period</b>	<b>\$ 385,606</b>	<b>\$ 229,095</b>
<b>Reconciliation of cash and cash equivalents to the balance sheet</b>		
Cash and cash equivalents	384,829	228,353
Restricted cash in investments and assets whose use is limited	777	742
<b>Total cash, cash equivalents and restricted cash</b>	<b>\$ 385,606</b>	<b>\$ 229,095</b>
<b>Reconciliation of operating income to net cash provided by (used in) operating activities</b>		
Operating income	\$ 398,456	\$ 72,224
Adjustments to reconcile operating income to net cash used in operating activities		
Depreciation and amortization	260,477	259,508
Increase in patient accounts receivable, net	(132,474)	(31,047)
Increase in other current assets	(127,223)	(125,894)
Increase in other noncurrent assets	(317,513)	(16,912)
Decrease in accounts payable and other accrued liabilities	(275,687)	(147,063)
Increase (decrease) in other noncurrent liabilities	275,467	(54,759)
Decrease in estimated third party payer settlements	(47,802)	(11,942)
Net cash provided by (used in) operating activities	\$ 33,701	\$ (55,885)

**THE CMHA COMBINED GROUP  
UTILIZATION STATISTICS**

	<b>Six Months Ended June 30, 2025</b>	<b>Six Months Ended June 30, 2024</b>	<b>Change</b>	<b>% Change</b>
<b>Medical Group</b>				
Practice locations <sup>(1)</sup>	541	541	—	— %
Total Physicians <sup>(1)</sup>	1,991	1,871	120	6.4 %
Patient visits (including faculty) <sup>(1)</sup>	3,463,896	3,239,310	224,586	6.9 %
<b>Total Acute Care Facilities</b>				
Adjusted patient days (excluding newborn)	1,103,618	1,048,596	55,022	5.2 %
Adjusted discharges (excluding newborn)	190,995	181,408	9,587	5.3 %
Surgical Procedures	54,151	53,277	874	1.6 %

<sup>(1)</sup> Prior year updated to reflect the current year measurement methodology.



## ATRIUM HEALTH WAKE FOREST BAPTIST

### Introduction

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#### **Atrium Health Wake Forest Baptist Combined Group**

Atrium Health Wake Forest Baptist is an integrated clinical, research and academic enterprise operated by Wake Forest University Baptist Medical Center, a North Carolina nonprofit corporation ("WFUBMC"), which is a joint operating company that was established by Wake Forest University, a North Carolina nonprofit corporation ("WFU"), and North Carolina Baptist Hospital, a North Carolina nonprofit corporation ("NCBH"). Wake Forest University Health Sciences ("WFUHS") is a wholly-owned affiliate of WFU that owns all of the assets of and operates Wake Forest University School of Medicine and is part of Atrium Health Wake Forest Baptist.

WFUBMC, NCBH and WFUHS are the members of the "Obligated Group" (the "WFB Obligated Group") created under a Master Trust Indenture, dated as of March 1, 2010 (as supplemented and amended, the "WFB Master Indenture"), between NCBH and The Bank of New York Mellon Trust Company, N.A., as master trustee. The members of the WFB Obligated Group are jointly and severally liable on any "Obligations" issued under the WFB Master Indenture. The WFB Master Indenture authorizes the creation of a "Combined Group" (the "WFB Combined Group"), which consists of the members of the WFB Obligated Group and all "Designated Members." Wake Forest University is not a member of the WFB Obligated Group or a part of Wake Forest Baptist and is not directly or indirectly obligated to pay amounts due with respect to Obligations issued under the WFB Master Indenture.

None of the Advocate Health JOC, the AAH System Entities or CMHA or any of its affiliates are members of the WFB Combined Group as of the date of this report and, therefore, none of them have any obligation to provide for the payment of any Obligation issued under the WFB Master Indenture.

#### **Basis of Presentation**

The accompanying combined financial statements reflect the financial position and results of operations of Atrium Health Wake Forest Baptist as of and for the six months ended June 30, 2025 and 2024. These financial statements have been prepared in accordance with U.S. generally accepted accounting principles, as promulgated by FASB. December 31, 2024 information is derived from the audited financial statements.

**ATRIUM HEALTH WAKE FOREST BAPTIST**  
**COMBINED BALANCE SHEETS**  
(in thousands)

	June 30, 2025	December 31, 2024
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 437,163	\$ 482,279
Patient accounts receivable	540,548	481,037
Other current assets	336,624	376,309
Total current assets	1,314,335	1,339,625
Noncurrent assets		
Assets limited as to use	2,358,418	2,274,755
Property and equipment, net	1,678,076	1,579,837
Operating lease right-of-use assets	218,355	154,937
Other noncurrent assets	151,912	194,976
Total noncurrent assets	4,406,761	4,204,505
<b>Total assets</b>	<b>\$ 5,721,096</b>	<b>\$ 5,544,130</b>
<b>Liabilities</b>		
Current liabilities		
Long-term debt, current portion	\$ 232,555	\$ 232,066
Operating lease liabilities, current portion	45,292	42,600
Accrued salaries and employee benefits	352,256	369,958
Accounts payable and other accrued liabilities	310,632	378,271
Third-party payors payables	59,781	72,727
Total current liabilities	1,000,516	1,095,622
Noncurrent liabilities		
Long-term debt, less current portion	761,536	781,792
Operating lease liabilities, less current portion	178,927	118,278
Obligations under swap agreements	829	638
Other noncurrent liabilities	368,467	353,327
Total noncurrent liabilities	1,309,759	1,254,035
<b>Total liabilities</b>	<b>2,310,275</b>	<b>2,349,657</b>
<b>Net assets</b>		
Without donor restrictions		
Controlling interest	2,889,399	2,661,947
Noncontrolling interests in subsidiaries	1,463	9,384
Total net assets without donor restrictions	2,890,862	2,671,331
With donor restrictions	519,959	523,142
<b>Total net assets</b>	<b>3,410,821</b>	<b>3,194,473</b>
<b>Total liabilities and net assets</b>	<b>\$ 5,721,096</b>	<b>\$ 5,544,130</b>



**ATRIUM HEALTH WAKE FOREST BAPTIST**  
**COMBINED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS**  
(in thousands)

	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
<b>Revenue</b>		
Patient service revenue	\$ 2,419,266	\$ 1,940,343
Other revenue	733,608	569,676
Total revenue	<u>3,152,874</u>	<u>2,510,019</u>
<b>Expenses</b>		
Salaries, wages and benefits	1,621,681	1,436,407
Supplies and drugs	748,307	635,946
Purchased services and other	524,535	361,896
Depreciation and amortization	73,697	78,367
Interest	18,070	15,636
Total expenses	<u>2,986,290</u>	<u>2,528,252</u>
<b>Operating income (loss)</b>	<b>166,584</b>	<b>(18,233)</b>
<b>Nonoperating income</b>		
Investment income, net	87,534	84,408
Other nonoperating loss, net	(6,292)	(3,224)
Total nonoperating income, net	<u>81,242</u>	<u>81,184</u>
<b>Revenue in excess of expenses</b>	<b>247,826</b>	<b>62,951</b>
Less loss (income) attributable to noncontrolling interests	<u>7,921</u>	<u>(204)</u>
<b>Revenue in excess of expenses - attributable to controlling interest</b>	<b>\$ 255,747</b>	<b>\$ 62,747</b>

**ATRIUM HEALTH WAKE FOREST BAPTIST**  
**COMBINED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS**  
(in thousands)

	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
<b>Net assets without donor restrictions, controlling interest</b>		
Revenue in excess of expenses - attributable to controlling interest	\$ 255,747	\$ 62,747
Pension-related changes other than net periodic pension costs	16	(416)
Equity transfer to related party, net	(28,311)	—
Increase in net assets without donor restrictions, controlling interest	227,452	62,331
<b>Net assets without donor restrictions, noncontrolling interests</b>		
Revenues (less than) in excess of expenses - attributable to noncontrolling interests	(7,921)	204
(Decrease) increase in net assets without donor restrictions, noncontrolling interests	(7,921)	204
<b>Net assets with donor restrictions</b>		
Contributions	26,643	54,003
Investment income, net	10,133	10,999
Net assets released from restrictions for operations	(43,105)	(38,834)
Other, net	3,146	4,952
(Decrease) increase in net assets with donor restrictions	(3,183)	31,120
<b>Increase in net assets</b>	<b>216,348</b>	<b>93,655</b>
Net assets at beginning of period	3,194,473	2,880,481
<b>Net assets at end of period</b>	<b>\$ 3,410,821</b>	<b>\$ 2,974,136</b>

**ATRIUM HEALTH WAKE FOREST BAPTIST**  
**COMBINED STATEMENTS OF CASH FLOWS**  
(in thousands)

	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
<b>Cash flows from operating activities</b>		
Increase in net assets	\$ 216,348	\$ 93,655
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	73,145	77,811
Noncash lease expense	24,888	21,101
Pension-related changes other than net periodic pension cost	(16)	416
Equity transfer to related party, net	28,311	—
Other	(4,012)	(7,061)
Changes in operating assets and liabilities		
Trading securities, net	825,944	(111,593)
Patient accounts receivable	(59,511)	(85,441)
Third-party payors receivables and payables, net	16,773	(3,835)
Due from related party	(975,392)	—
Other assets and liabilities, net	(58,966)	(23,345)
Net cash provided by (used in) operating activities	<u>87,512</u>	<u>(38,292)</u>
<b>Cash flows from investing activities</b>		
Capital expenditures	(167,874)	(169,293)
Other	517	—
Net cash used in investing activities	<u>(167,357)</u>	<u>(169,293)</u>
<b>Cash flows from financing activities</b>		
Repayments of long-term debt, net	(20,722)	(20,666)
Proceeds from restricted contributions and income on investments	3,917	6,705
Equity transfer from related party, net	18,402	—
Net cash provided by (used in) financing activities	<u>1,597</u>	<u>(13,961)</u>
<b>Net decrease in cash and cash equivalents</b>	<b>(78,248)</b>	<b>(221,546)</b>
Cash and cash equivalents at beginning of period	536,812	491,757
<b>Cash and cash equivalents at end of period</b>	<b><u>\$ 458,564</u></b>	<b><u>\$ 270,211</u></b>
<b>Reconciliation of cash and cash equivalents to the balance sheet</b>		
Cash and cash equivalents	437,163	206,362
Restricted cash in assets limited as to use	21,401	63,849
	<b><u>\$ 458,564</u></b>	<b><u>\$ 270,211</u></b>
<b>Supplemental disclosures of noncash information</b>		
Operating lease right-of-use assets in exchange for new operating lease liabilities	\$ 88,439	\$ 10,365

Certain reclassifications were made to the six months ended June 30, 2024 statement of cash flows amounts to conform to the classifications used in 2025. There was no impact on previously reported 2024 net assets or revenues in excess of expenses.

**ATRIUM HEALTH WAKE FOREST BAPTIST**  
**COMBINING BALANCE SHEET INFORMATION**  
(in thousands)

	June 30, 2025			
	Atrium Health Wake Forest Baptist	Non-Designated Entities	Eliminations	Atrium Health Wake Forest Baptist Combined Group
<b>Assets</b>				
Current assets				
Cash and cash equivalents	\$ 437,163	\$ (14,121)	\$ —	\$ 423,042
Patient accounts receivable	540,548	(29,972)	—	510,576
Other current assets	336,624	(44,199)	—	292,425
Total current assets	1,314,335	(88,292)	—	1,226,043
Noncurrent assets				
Assets limited as to use	2,358,418	(97,957)	—	2,260,461
Property and equipment, net	1,678,076	(102,707)	—	1,575,369
Operating lease right-of-use assets	218,355	(46,260)	—	172,095
Other noncurrent assets	151,912	(41,996)	(161,659)	(51,743)
Total noncurrent assets	4,406,761	(288,920)	(161,659)	3,956,182
<b>Total assets</b>	<b>\$ 5,721,096</b>	<b>\$ (377,212)</b>	<b>\$ (161,659)</b>	<b>\$ 5,182,225</b>
<b>Liabilities</b>				
Current liabilities				
Long-term debt, current portion	\$ 232,555	\$ (991)	\$ —	\$ 231,564
Operating lease liabilities, current portion	45,292	(10,825)	—	34,467
Accrued salaries and employee benefits	352,256	(12,144)	—	340,112
Accounts payable and other accrued liabilities	310,632	(260,963)	—	49,669
Third-party payors payables	59,781	(874)	—	58,907
Total current liabilities	1,000,516	(285,797)	—	714,719
Noncurrent liabilities				
Long-term debt, less current portion	761,536	(22,296)	—	739,240
Operating lease liabilities, less current portion	178,927	(36,963)	—	141,964
Obligations under swap agreements	829	—	—	829
Other noncurrent liabilities	368,467	(700)	—	367,767
Total noncurrent liabilities	1,309,759	(59,959)	—	1,249,800
<b>Total liabilities</b>	<b>2,310,275</b>	<b>(345,756)</b>	<b>—</b>	<b>1,964,519</b>
<b>Net assets</b>				
Without donor restrictions				
Controlling interest	2,889,399	(31,002)	(160,196)	2,698,201
Noncontrolling interests in subsidiaries	1,463	—	(1,463)	—
Total net assets without donor restrictions	2,890,862	(31,002)	(161,659)	2,698,201
With donor restrictions	519,959	(454)	—	519,505
<b>Total net assets</b>	<b>3,410,821</b>	<b>(31,456)</b>	<b>(161,659)</b>	<b>3,217,706</b>
<b>Total liabilities and net assets</b>	<b>\$ 5,721,096</b>	<b>\$ (377,212)</b>	<b>\$ (161,659)</b>	<b>\$ 5,182,225</b>

**ATRIUM HEALTH WAKE FOREST BAPTIST**  
**COMBINING STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS**  
(in thousands)

	Six Months Ended June 30, 2025			
	Atrium Health Wake Forest Baptist	Non-Designated Entities	Eliminations	Atrium Health Wake Forest Baptist Combined Group
<b>Revenue</b>				
Patient service revenue	\$ 2,419,266	\$ (164,291)	\$ —	\$ 2,254,975
Other revenue	733,608	(16,516)	83	717,175
Total revenue	3,152,874	(180,807)	83	2,972,150
<b>Expenses</b>				
Salaries, wages and benefits	1,621,681	(108,445)	—	1,513,236
Supplies and drugs	748,307	(31,706)	—	716,601
Purchased services and other	524,535	(42,603)	—	481,932
Depreciation and amortization	73,697	(8,863)	83	64,917
Interest	18,070	(473)	—	17,597
Total expenses	2,986,290	(192,090)	83	2,794,283
<b>Operating income</b>	<b>166,584</b>	<b>11,283</b>	<b>—</b>	<b>177,867</b>
<b>Nonoperating income</b>				
Investment income, net	87,534	(4,908)	—	82,626
Other nonoperating loss, net	(6,292)	1,911	(26,842)	(31,223)
Total nonoperating income, net	81,242	(2,997)	(26,842)	51,403
<b>Revenue in excess of expenses</b>	<b>247,826</b>	<b>8,286</b>	<b>(26,842)</b>	<b>229,270</b>
Less loss attributable to noncontrolling interests	7,921	—	(7,921)	—
<b>Revenue in excess of expenses - attributable to controlling interest</b>	<b>\$ 255,747</b>	<b>\$ 8,286</b>	<b>\$ (34,763)</b>	<b>\$ 229,270</b>

(Continued)

**ATRIUM HEALTH WAKE FOREST BAPTIST**  
**COMBINING STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS**  
(in thousands)

	Six Months Ended June 30, 2025			
	Atrium Health Wake Forest Baptist	Non-Designated Entities	Eliminations	Atrium Health Wake Forest Baptist Combined Group
<b>Net assets without donor restrictions, controlling interest</b>				
Revenue in excess of expenses - attributable to controlling interest	\$ 255,747	\$ 8,286	\$ (34,763)	\$ 229,270
Pension-related changes other than net periodic pension costs	16	—	—	16
Equity transfer to related party, net	(28,311)	71,509	(61,652)	(18,454)
Increase in net assets without donor restrictions, controlling interest	227,452	79,795	(96,415)	210,832
<b>Net assets without donor restrictions, noncontrolling interests</b>				
Revenues less than expenses - attributable to noncontrolling interests	(7,921)	—	7,921	—
Decrease in net assets without donor restrictions, noncontrolling interests	(7,921)	—	7,921	—
<b>Net assets with donor restrictions</b>				
Contributions	26,643	(406)	—	26,237
Investment income, net	10,133	—	—	10,133
Net assets released from restrictions for operations	(43,105)	—	—	(43,105)
Other, net	3,146	—	—	3,146
Decrease in net assets with donor restrictions	(3,183)	(406)	—	(3,589)
<b>Increase in net assets</b>	<b>216,348</b>	<b>79,389</b>	<b>(88,494)</b>	<b>207,243</b>
Net assets at beginning of period	3,194,473	(110,845)	(73,165)	3,010,463
<b>Net assets at end of period</b>	<b>\$ 3,410,821</b>	<b>\$ (31,456)</b>	<b>\$ (161,659)</b>	<b>\$ 3,217,706</b>

**ATRIUM HEALTH WAKE FOREST BAPTIST COMBINED GROUP  
UTILIZATION STATISTICS**

	<b>Six Months Ended June 30, 2025</b>	<b>Six Months Ended June 30, 2024</b>	<b>Change</b>	<b>% Change</b>
Case Mix Adjusted Equivalent Discharges	171,578	157,151	14,427	9.2 %
Patient Days	190,150	175,128	15,022	8.6 %
Inpatient Admissions	35,959	33,297	2,662	8.0 %
Average Length of Stay	5.29	5.26	0.03	0.6 %
Average Length of Stay (Case Mix Adjusted)	2.88	2.82	0.06	2.1 %
Inpatient Operating Room Cases	9,475	9,496	(21)	(0.2)%
Outpatient Operating Room Cases	22,975	21,940	1,035	4.7 %
Total Operating Room Cases	32,450	31,436	1,014	3.2 %
Emergency Department Visits	114,775	107,657	7,118	6.6 %
Case Mix Index (all payors using Medicare weights)	1.8345	1.8662	(0.0317)	(1.7)%
RVUs	6,068,361	5,229,983	838,378	16.0 %
Outpatient Visits <sup>(1)</sup>	1,614,567	1,035,481	579,086	55.9 %

<sup>(1)</sup>The methodology for calculation of outpatient visits has changed beginning March 2025. The previous year has not been restated.