

Mass General Brigham Incorporated and Affiliates
Consolidating Balance Sheets
September 30, 2022
(\$ in Thousands)

| | IHP | All Other MGB Affiliates and Eliminations | MGB and Affiliates Total |
|-----------------------------------------------------|------------|----------------------------------------------------|--------------------------------|
| Assets | | | |
| Current assets | | | |
| Cash and equivalents | \$ 17,247 | \$ 176,672 | \$ 193,919 |
| Investments | 29,620 | 2,360,597 | 2,390,217 |
| Current portion of investments limited as to use | 9,931 | 4,134,600 | 4,144,531 |
| Patient accounts receivable, net | - | 1,438,412 | 1,438,412 |
| Research grants receivable, net | 331 | 215,131 | 215,462 |
| Other current assets | 2,848 | 719,638 | 722,486 |
| Total current assets | 59,977 | 9,045,050 | 9,105,027 |
| Investments limited as to use, less current portion | 9,067 | 4,952,311 | 4,961,378 |
| Long-term investments | 5,889 | 2,576,382 | 2,582,271 |
| Interest in the net assets of affiliate | 33,184 | (33,184) | - |
| Property and equipment, net | 25,212 | 6,417,048 | 6,442,260 |
| Right-of-use operating lease assets | 33,889 | 1,101,898 | 1,135,787 |
| Other assets | 481 | 1,981,127 | 1,981,608 |
| Total assets | \$ 167,699 | \$ 26,040,632 | \$ 26,208,331 |
| Liabilities and Net Assets | | | |
| Current liabilities | | | |
| Current portion of long-term obligations | \$ 921 | \$ 518,433 | \$ 519,354 |
| Accounts payable and accrued expenses | 17,885 | 1,165,958 | 1,183,843 |
| Accrued medical claims and related expenses | - | 119,237 | 119,237 |
| Accrued employee compensation and benefits | 1,640 | 1,202,089 | 1,203,729 |
| Current portion of operating lease obligations | 4,640 | 201,710 | 206,350 |
| Unexpended funds on research grants | 265 | 355,669 | 355,934 |
| Due to affiliates | 3,842 | (3,842) | - |
| Total current liabilities | 29,193 | 3,559,254 | 3,588,447 |
| Accrued professional liability | - | 570,862 | 570,862 |
| Accrued employee benefits | - | 633,894 | 633,894 |
| Interest rate swaps liability | - | 156,705 | 156,705 |
| Accrued other | 1,600 | 273,331 | 274,931 |
| Operating lease obligations, less current portion | 30,261 | 770,777 | 801,038 |
| Long-term obligations, less current portion | 8,736 | 5,548,441 | 5,557,177 |
| Total liabilities | 69,790 | 11,513,264 | 11,583,054 |
| Commitments and contingencies | | | |
| Net assets | | | |
| Without donor restrictions | 74,491 | 11,503,311 | 11,577,802 |
| With donor restrictions | 23,418 | 3,024,057 | 3,047,475 |
| Total net assets | 97,909 | 14,527,368 | 14,625,277 |
| Total liabilities and net assets | \$ 167,699 | \$ 26,040,632 | \$ 26,208,331 |

Mass General Brigham Incorporated and Affiliates
Consolidating Statements of Operations
Year ended September 30, 2022
(\$ in Thousands)

| | IHP | All Other MGB Affiliates and Eliminations | MGB and Affiliates Total |
|--------------------------------------------------------------|--------------------|-------------------------------------------------|--------------------------------|
| Operating revenues | | | |
| Net patient service revenue | \$ - | \$ 11,869,451 | \$ 11,869,451 |
| Premium revenue | - | 930,753 | 930,753 |
| Direct academic and research revenue | 5,903 | 1,931,835 | 1,937,738 |
| Indirect academic and research revenue | 1,666 | 567,958 | 569,624 |
| Other revenue | 62,100 | 1,340,701 | 1,402,801 |
| Total operating revenues | <u>69,669</u> | <u>16,640,698</u> | <u>16,710,367</u> |
| Operating expenses | | | |
| Employee compensation and benefit expenses | 44,443 | 9,100,027 | 9,144,470 |
| Supplies and other expenses | 15,106 | 4,387,887 | 4,402,993 |
| Medical claims and related expenses | - | 722,212 | 722,212 |
| Direct academic and research expenses | 5,903 | 1,931,835 | 1,937,738 |
| Depreciation and amortization expenses | 4,538 | 765,245 | 769,783 |
| Interest expense | 56 | 164,777 | 164,833 |
| Total operating expenses | <u>70,046</u> | <u>17,071,983</u> | <u>17,142,029</u> |
| (Loss) income from operations | <u>(377)</u> | <u>(431,285)</u> | <u>(431,662)</u> |
| Nonoperating (loss) gains | | | |
| (Loss) income from investments | (11,351) | (2,260,149) | (2,271,500) |
| Change in fair value of interest rate swaps | - | 330,530 | 330,530 |
| Other nonoperating (expenses) income | (1,902) | (108,069) | (109,971) |
| Academic and research gifts, net of expenses | 3,337 | 20,639 | 23,976 |
| Non-service related pension income | - | 201,000 | 201,000 |
| System development funding | (12) | 12 | - |
| Total nonoperating (loss) gains, net | <u>(9,928)</u> | <u>(1,816,037)</u> | <u>(1,825,965)</u> |
| (Deficit) excess of revenues over expenses | <u>(10,305)</u> | <u>(2,247,322)</u> | <u>(2,257,627)</u> |
| Other changes in net assets | | | |
| Funds utilized for property and equipment | - | 44,340 | 44,340 |
| Transfers from/(to) affiliates | (8) | 8 | - |
| Change in funded status of defined benefit plans | - | 965,424 | 965,424 |
| Other changes in net assets | - | 19,337 | 19,337 |
| (Decrease) increase in net assets without donor restrictions | <u>\$ (10,313)</u> | <u>\$ (1,218,213)</u> | <u>\$ (1,228,526)</u> |

Mass General Brigham Inc and Affiliates
Consolidating Statements of Changes in Net Assets
With Donor Restrictions
Year ended September 30, 2022
(\$ in Thousands)

| | IHP | All Other MGB Affiliates and Eliminations | MGB and Affiliates Total |
|-----------------------------------------------------------------|------------------|----------------------------------------------------|--------------------------------|
| Net assets with donor restrictions at September 30, 2021 | \$ 29,897 | \$ 3,339,278 | \$ 3,369,175 |
| Increases (decreases) | | | |
| Loss from investments | (4,339) | (513,232) | (517,571) |
| Other nonoperating (expenses) income | (1,316) | 219,496 | 218,180 |
| Funds utilized for property and equipment | - | (14,136) | (14,136) |
| Other changes in net assets | (824) | (7,349) | (8,173) |
| Change in net assets | (6,479) | (315,221) | (321,700) |
| Net assets with donor restrictions at September 30, 2022 | \$ 23,418 | \$ 3,024,057 | \$ 3,047,475 |