MGH and Affiliates Consolidating Balance Sheets September 30, 2021 (In Thousands)

Current passets: Cash and equivalents 19,019 152,899 171,918 170,0856 170,		<u>IHP</u>	Other MGH Affiliates and Eliminations	TOTAL <u>MGH</u>
Cash and equivalents 19,019 152,899 171,918 179,078,56 170	ASSETS			
Investments				
Current portion of investments limited as to use 6,427 1,781,136 1,787,563 Patient accounts receivable, net - 638,257 638,257 Research grants receivable, net 464 109,467 109,931 Other current assets 2,614 229,949 232,563 Current portion of notes receivable from affiliates 7,221 4,838,896 4,911,117 Investments limited as to use, less current portion 6,558 3,540,343 3,546,901 Long-term investments 6,707 2,171,502 2,178,209 Interest in the net assets of affiliate 40,232 (40,232) -7,221 Interest in the net assets of affiliate 40,232 (40,232) -7,271,733 Right-of-use operating lease assets 37,522 509,394 546,916 Other assets 375,22 509,394 546,916 Other assets 39,99 99 99 Total assets 191,396 13,988,212 14,179,608 Current portion of long-term obligations - 76 76 Cu				
Patient accounts receivable, net 464 109,467 109,913 Research grants receivable, net 464 109,467 109,913 Other current assets 2,614 229,949 232,563 Current portion of notes receivable from affiliates 7,221 4,838,896 4,911,117 Investments limited as to use, less current portion 6,558 3,540,333 3,546,901 Long-term investments 6,707 2,717,502 2,178,209 Interest in the net assets of affiliate 40,232 (40,232) -0 Property and equipment, net 27,790 2,721,733 2,749,523 Right-of-use operating lease assets 375,22 509,394 5,49,523 Right-of-use operating lease assets 375,22 509,394 5,49,523 Other assets 191,396 13,988,212 14,179,608 **Total assets **Current portion of long-term obligations - 76 76 **Current portion of notes payable to affiliates 1,016 135,944 136,960 **Accounts payable and accrued expenses 19,688 <				
Research grants receivable, net 464 109,467 109,931 Other current assets 2,614 229,949 232,563 Current portion of notes receivable from affiliates - 29 29 Total current assets 72,221 4,838,896 4,911,117 Investments limited as to use, less current portion 6,558 3,540,343 3,546,901 Long-term investments 6,707 2,171,502 2,178,209 Interest in the net assets of affiliate 40,232 (40,232) - Property and equipment, net 27,790 2,721,733 2,749,523 Right-of-use operating lease assets 37,522 509,394 546,916 Other assets 366 246,477 246,843 Notes receivable from affiliates, less current portion - 9 9 99 Total assets 191,396 13,988,212 14,179,608 LIABILITIES AND NET ASSETS 2 1 1,516 135,944 136,960 Current portion of long-term obligations 1 7 7 7	•	-,		
Current portion of notes receivable from affiliates 2 29 29 Total current assets 72,221 4,838,896 4,911,117 Investments limited as to use, less current portion 6,558 3,540,343 3,546,901 Long-term investments 6,707 2,171,502 2,178,209 Interest in the net assets of affiliate 40,232 40,232 -2,790 2,721,733 2,749,523 Right-of-use operating lease assets 37,522 509,394 546,915 546,915 646,915 646,915 646,915 646,913 646,912 646,913 646,913 646,913 646,913 646,913 646,913 646,913 646,913 646,913 646,913 646,913 646,913 646,913 646,913 646,913 646,913 99 9		464	,	
Total current assets 72,221		2,614		,
Investments limited as to use, less current portion 6,558 3,540,343 3,546,901	Current portion of notes receivable from affiliates	-	29	29
Long-term investments 6,707 2,171,502 2,178,209 Interest in the net assets of affiliate 40,232 (40,232) 2,721,733 2,749,523 7,790 2,721,733 2,749,523 7,790 2,721,733 2,749,523 7,790 2,721,733 2,749,523 7,790 2,721,733 2,749,523 7,790 2,721,733 2,749,523 7,790 2,721,733 2,749,523 7,790 2,721,733 2,749,523 7,790 2,46,843 7,790 2,46,843 7,790 2,46,843 7,790 2,46,843 7,790 2,46,843 7,790 2,46,843 7,790 2,46,843 7,790 2,46,843 7,790 2,46,843 7,790 2,46,843 7,790 2,46,843 7,790 2,46,843 7,790 2,46,843 7,790 2,46,843 7,790 2,46,843 7,790 2,46,843 7,790 2,46,843 7,790 2,46,843 7,790 2,46,843 7,790 2,46,943 7,790 2,46,943 7,790 2,46,943 7,790 2,46,943 7,790 2,46,943 7,790 2,46,943 7,790 2,46,943 7,790 2,46,943 7,790 2,466,944 7,76,950 2,305	Total current assets	72,221	4,838,896	4,911,117
Long-term investments 6,707 2,171,502 2,178,209 Interest in the net assets of affiliate 40,232 (40,232) 2,721,733 2,749,523 7,790 2,721,733 2,749,523 7,790 2,721,733 2,749,523 7,790 2,721,733 2,749,523 7,790 2,721,733 2,749,523 7,790 2,721,733 2,749,523 7,790 2,721,733 2,749,523 7,790 2,721,733 2,749,523 7,790 2,46,843 7,790 2,46,843 7,790 2,46,843 7,790 2,46,843 7,790 2,46,843 7,790 2,46,843 7,790 2,46,843 7,790 2,46,843 7,790 2,46,843 7,790 2,46,843 7,790 2,46,843 7,790 2,46,843 7,790 2,46,843 7,790 2,46,843 7,790 2,46,843 7,790 2,46,843 7,790 2,46,843 7,790 2,46,843 7,790 2,46,843 7,790 2,46,943 7,790 2,46,943 7,790 2,46,943 7,790 2,46,943 7,790 2,46,943 7,790 2,46,943 7,790 2,46,943 7,790 2,46,943 7,790 2,466,944 7,76,950 2,305	Investments limited as to use, less current portion	6.558	3.540.343	3.546.901
Interest in the net assets of affiliate	•			
Property and equipment, net 27,790 2,721,733 2,749,523 Right-of-use operating lease assets 37,522 509,394 546,916 Other assets 366 246,477 246,843 Notes receivable from affiliates, less current portion - 99 99 Total assets 191,396 13,988,212 14,179,608 LIABILITIES AND NET ASSETS Current liabilities: Current portion of long-term obligations - 76 76 Current portion of notes payable to affiliates 1,016 135,944 136,960 Accounts payable and accrued expenses 19,668 512,945 532,613 Accrued employee compensation and benefits 1,951 604,622 606,573 Current portion of operating lease obligations 4,775 87,346 92,121 Unexpended funds on research grants 221 146,433 146,654 Due to affiliates 3,395 98,590 101,985 Total current liabilities 3,1026 1,585,956 1,616,982 Other liabilities	<u> </u>	,		-
Other assets 366 246,477 246,843 Notes receivable from affiliates, less current portion - 99 99 Total assets 191,396 13,988,212 14,179,608 LIABILITIES AND NET ASSETS Current liabilities: Current portion of long-term obligations - 76 76 76 Current portion of notes payable to affiliates 1,016 135,944 136,960 Accounts payable and accrued expenses 19,668 512,945 532,613 Accrued employee compensation and benefits 1,951 604,622 606,573 Accrued employee compensation and benefits 4,775 87,346 92,121 Unexpended funds on research grants 221 146,433 146,654 Description of poperating lease obligations 3,395 146,433 146,654 Description of poperating lease obligations 3,1026 1,585,956 1,616,982 Other liabilities Accrued professional liability - 41,125 41,125 42,125 42,056 43,956 57,606 409,186 409,186 409,186 Accrued employee benefits	Property and equipment, net			2,749,523
Notes receivable from affiliates, less current portion - 99 99 Total assets 191,396 13,988,212 14,179,608 LIABILITIES AND NET ASSETS Current liabilities: Current portion of long-term obligations - 76 76 Current portion of notes payable to affiliates 1,016 135,944 136,960 Accounts payable and accrued expenses 19,668 512,945 532,613 Accrued employee compensation and benefits 1,951 604,622 606,573 Current portion of operating lease obligations 4,775 87,346 92,121 Unexpended funds on research grants 221 146,433 146,654 Due to affiliates 31,026 1,585,956 1,616,982 Total current liabilities 31,026 1,585,956 1,616,982 Other liabilities Accrued professional liability - 41,125 44,125 Accrued employee benefits - 409,186 409,186 Accrued other 2,650 54,956 57,606 <tr< td=""><td></td><td></td><td></td><td></td></tr<>				
Total assets	Other assets	366	246,477	246,843
LIABILITIES AND NET ASSETS Current liabilities: Current portion of long-term obligations - 76 76 Current portion of notes payable to affiliates 1,016 135,944 136,960 Accounts payable and accrued expenses 19,668 512,945 532,613 Accrued employee compensation and benefits 1,951 604,622 606,573 Current portion of operating lease obligations 4,775 87,346 92,121 Unexpended funds on research grants 221 146,433 146,654 Due to affiliates 3,395 98,590 101,985 Total current liabilities 31,026 1,585,956 1,616,982 Other liabilities Accrued professional liability - 41,125 41,125 Accrued other 2,655 54,956 57,606 Operating lease obligations, less current portion 33,362 375,343 408,705 Long-term obligations, less current portion - 2,305 2,305 Notes payable to affiliates, less current portion 9,657 1,319,06	Notes receivable from affiliates, less current portion		99	99
Current liabilities: Current portion of long-term obligations - 76 76 Current portion of notes payable to affiliates 1,016 135,944 136,960 Accounts payable and accrued expenses 19,668 512,945 532,613 Accrued employee compensation and benefits 1,951 604,622 606,573 Current portion of operating lease obligations 4,775 87,346 92,121 Unexpended funds on research grants 221 146,433 146,654 Due to affiliates 3,395 98,590 101,985 Total current liabilities 31,026 1,585,956 1,616,982 Other liabilities Accrued professional liability - 41,125 41,125 Accrued employee benefits - 409,186 409,186 Accrued other 2,650 54,956 57,606 Operating lease obligations, less current portion 33,362 375,343 408,705 Long-term obligations, less current portion 9,657 1,319,062 1,328,719 Total liabilities	Total assets	191,396	13,988,212	14,179,608
Current portion of long-term obligations - 76 76 Current portion of notes payable to affiliates 1,016 135,944 136,960 Accounts payable and accrued expenses 19,668 512,945 532,613 Accrued employee compensation and benefits 1,951 604,622 606,573 Current portion of operating lease obligations 4,775 87,346 92,121 Unexpended funds on research grants 221 146,433 146,654 Due to affiliates 3,395 98,590 101,985 Total current liabilities 31,026 1,585,956 1,616,982 Other liabilities Accrued professional liability - 41,125 41,125 Accrued employee benefits - 409,186 409,186 Accrued other 2,505 54,956 57,606 Operating lease obligations, less current portion 33,362 375,343 408,705 Long-term obligations, less current portion 9,657 1,319,062 1,328,719 Total liabilities 76,695 3,787,933 3,864,628 <td>LIABILITIES AND NET ASSETS</td> <td></td> <td></td> <td></td>	LIABILITIES AND NET ASSETS			
Current portion of notes payable to affiliates 1,016 135,944 136,960 Accounts payable and accrued expenses 19,668 512,945 532,613 Accrued employee compensation and benefits 1,951 604,622 606,573 Current portion of operating lease obligations 4,775 87,346 92,121 Unexpended funds on research grants 221 146,433 146,654 Due to affiliates 3,395 98,590 101,985 Total current liabilities 31,026 1,585,956 1,616,982 Other liabilities Accrued professional liability - 41,125 41,125 Accrued employee benefits - 409,186 409,186 Accrued other 2,650 54,956 57,606 Operating lease obligations, less current portion 33,362 375,343 408,705 Long-term obligations, less current portion - 2,305 2,305 Notes payable to affiliates, less current portion 9,657 1,319,062 1,328,719 Total liabilities 76,695 3,787,933 <t< td=""><td>Current liabilities:</td><td></td><td></td><td></td></t<>	Current liabilities:			
Accounts payable and accrued expenses 19,668 512,945 532,613 Accrued employee compensation and benefits 1,951 604,622 606,573 Current portion of operating lease obligations 4,775 87,346 92,121 Unexpended funds on research grants 221 146,433 146,654 Due to affiliates 3,395 98,590 101,985 Total current liabilities 31,026 1,585,956 1,616,982 Other liabilities Accrued professional liability - 41,125 41,125 Accrued employee benefits - 409,186 409,186 Accrued other 2,650 54,956 57,606 Operating lease obligations, less current portion 33,362 375,343 408,705 Long-term obligations, less current portion - 2,305 2,305 Notes payable to affiliates, less current portion 76,695 3,787,933 3,864,628 Net assets Unrestricted 84,804 7,763,202 7,848,006 Donor restricted 29,897	Current portion of long-term obligations	-	76	76
Accrued employee compensation and benefits 1,951 604,622 606,573 Current portion of operating lease obligations 4,775 87,346 92,121 Unexpended funds on research grants 221 146,433 146,654 Due to affiliates 3,395 98,590 101,985 Total current liabilities 31,026 1,585,956 1,616,982 Other liabilities Accrued professional liability - 41,125 41,125 Accrued employee benefits - 409,186 409,186 Accrued other 2,650 54,956 57,606 Operating lease obligations, less current portion 33,362 375,343 408,705 Long-term obligations, less current portion - 2,305 2,305 Notes payable to affiliates, less current portion 9,657 1,319,062 1,328,719 Total liabilities 84,804 7,763,202 7,848,006 Donor restricted 84,804 7,763,202 7,848,006 Donor restricted 29,897 2,437,077 2,466,974	Current portion of notes payable to affiliates	1,016	135,944	136,960
Current portion of operating lease obligations 4,775 87,346 92,121 Unexpended funds on research grants 221 146,433 146,654 Due to affiliates 3,395 98,590 101,985 Total current liabilities 31,026 1,585,956 1,616,982 Other liabilities Accrued professional liability - 41,125 41,125 Accrued employee benefits - 409,186 409,186 Accrued other 2,650 54,956 57,606 Operating lease obligations, less current portion 33,362 375,343 408,705 Long-term obligations, less current portion - 2,305 2,305 Notes payable to affiliates, less current portion 9,657 1,319,062 1,328,719 Total liabilities 76,695 3,787,933 3,864,628 Net assets Unrestricted 84,804 7,763,202 7,848,006 Donor restricted 29,897 2,437,077 2,466,974 Total net assets 114,701 10,200,279 10,314,980	Accounts payable and accrued expenses	19,668	512,945	532,613
Unexpended funds on research grants 221 146,433 146,654 Due to affiliates 3,395 98,590 101,985 Total current liabilities 31,026 1,585,956 1,616,982 Other liabilities Accrued professional liability - 41,125 41,125 Accrued employee benefits - 409,186 409,186 Accrued other 2,650 54,956 57,606 Operating lease obligations, less current portion 33,362 375,343 408,705 Long-term obligations, less current portion 9,657 1,319,062 1,328,719 Notes payable to affiliates, less current portion 9,657 1,319,062 1,328,719 Total liabilities 7,6695 3,787,933 3,864,628 Net assets Unrestricted 84,804 7,763,202 7,848,006 Donor restricted 29,897 2,437,077 2,466,974 Total net assets 114,701 10,200,279 10,314,980	Accrued employee compensation and benefits	1,951	604,622	606,573
Due to affiliates 3,395 98,590 101,985 Total current liabilities 31,026 1,585,956 1,616,982 Other liabilities Accrued professional liability 1 41,125 41,125 Accrued employee benefits 2 409,186 409,186 Accrued other 2,650 54,956 57,606 Operating lease obligations, less current portion 33,362 375,343 408,705 Long-term obligations, less current portion 9,657 1,319,062 1,328,719 Notes payable to affiliates, less current portion 9,657 1,319,062 1,328,719 Total liabilities 76,695 3,787,933 3,864,628 Net assets Unrestricted 84,804 7,763,202 7,848,006 Donor restricted 29,897 2,437,077 2,466,974 Total net assets 114,701 10,200,279 10,314,980	Current portion of operating lease obligations	4,775	87,346	92,121
Total current liabilities 31,026 1,585,956 1,616,982 Other liabilities Accrued professional liability - 41,125 41,125 Accrued employee benefits - 409,186 409,186 Accrued other 2,650 54,956 57,606 Operating lease obligations, less current portion 33,362 375,343 408,705 Long-term obligations, less current portion - 2,305 2,305 Notes payable to affiliates, less current portion 9,657 1,319,062 1,328,719 Total liabilities 76,695 3,787,933 3,864,628 Net assets Unrestricted 84,804 7,763,202 7,848,006 Donor restricted 29,897 2,437,077 2,466,974 Total net assets 114,701 10,200,279 10,314,980	Unexpended funds on research grants	221	146,433	146,654
Other liabilities Accrued professional liability - 41,125 41,125 Accrued employee benefits - 409,186 409,186 Accrued other 2,650 54,956 57,606 Operating lease obligations, less current portion 33,362 375,343 408,705 Long-term obligations, less current portion - 2,305 2,305 Notes payable to affiliates, less current portion 9,657 1,319,062 1,328,719 Total liabilities 76,695 3,787,933 3,864,628 Net assets Unrestricted 84,804 7,763,202 7,848,006 Donor restricted 29,897 2,437,077 2,466,974 Total net assets 114,701 10,200,279 10,314,980			98,590	
Accrued professional liability - 41,125 41,125 Accrued employee benefits - 409,186 409,186 Accrued other 2,650 54,956 57,606 Operating lease obligations, less current portion 33,362 375,343 408,705 Long-term obligations, less current portion - 2,305 2,305 Notes payable to affiliates, less current portion 9,657 1,319,062 1,328,719 Total liabilities 76,695 3,787,933 3,864,628 Net assets Unrestricted 84,804 7,763,202 7,848,006 Donor restricted 29,897 2,437,077 2,466,974 Total net assets 114,701 10,200,279 10,314,980	Total current liabilities	31,026	1,585,956	1,616,982
Accrued employee benefits - 409,186 409,186 Accrued other 2,650 54,956 57,606 Operating lease obligations, less current portion 33,362 375,343 408,705 Long-term obligations, less current portion - 2,305 2,305 Notes payable to affiliates, less current portion 9,657 1,319,062 1,328,719 Total liabilities 76,695 3,787,933 3,864,628 Net assets Unrestricted 84,804 7,763,202 7,848,006 Donor restricted 29,897 2,437,077 2,466,974 Total net assets 114,701 10,200,279 10,314,980	Other liabilities			
Accrued other 2,650 54,956 57,606 Operating lease obligations, less current portion 33,362 375,343 408,705 Long-term obligations, less current portion - 2,305 2,305 Notes payable to affiliates, less current portion 76,695 1,319,062 1,328,719 Total liabilities 76,695 3,787,933 3,864,628 Net assets Unrestricted 84,804 7,763,202 7,848,006 Donor restricted 29,897 2,437,077 2,466,974 Total net assets 114,701 10,200,279 10,314,980	Accrued professional liability	-	41,125	41,125
Operating lease obligations, less current portion 33,362 375,343 408,705 Long-term obligations, less current portion - 2,305 2,305 Notes payable to affiliates, less current portion 9,657 1,319,062 1,328,719 Total liabilities 76,695 3,787,933 3,864,628 Net assets Unrestricted 84,804 7,763,202 7,848,006 Donor restricted 29,897 2,437,077 2,466,974 Total net assets 114,701 10,200,279 10,314,980	Accrued employee benefits	-	409,186	409,186
Long-term obligations, less current portion - 2,305 2,305 Notes payable to affiliates, less current portion 9,657 1,319,062 1,328,719 Total liabilities 76,695 3,787,933 3,864,628 Net assets Unrestricted 84,804 7,763,202 7,848,006 Donor restricted 29,897 2,437,077 2,466,974 Total net assets 114,701 10,200,279 10,314,980	Accrued other	2,650	54,956	57,606
Notes payable to affiliates, less current portion 9,657 1,319,062 1,328,719 Total liabilities 76,695 3,787,933 3,864,628 Net assets Unrestricted 84,804 7,763,202 7,848,006 Donor restricted 29,897 2,437,077 2,466,974 Total net assets 114,701 10,200,279 10,314,980		33,362		
Total liabilities 76,695 3,787,933 3,864,628 Net assets Unrestricted 84,804 7,763,202 7,848,006 Donor restricted 29,897 2,437,077 2,466,974 Total net assets 114,701 10,200,279 10,314,980		-	,	
Net assets 84,804 7,763,202 7,848,006 Donor restricted 29,897 2,437,077 2,466,974 Total net assets 114,701 10,200,279 10,314,980				
Unrestricted 84,804 7,763,202 7,848,006 Donor restricted 29,897 2,437,077 2,466,974 Total net assets 114,701 10,200,279 10,314,980	Total liabilities	76,695	3,787,933	3,864,628
Donor restricted 29,897 2,437,077 2,466,974 Total net assets 114,701 10,200,279 10,314,980				
Total net assets 114,701 10,200,279 10,314,980			7,763,202	
	Donor restricted	29,897	2,437,077	2,466,974
Total liabilities and net assets 191,396 13,988,212 14,179,608	Total net assets	114,701	10,200,279	10,314,980
	Total liabilities and net assets	191,396	13,988,212	14,179,608

MGH and Affiliates Consolidating Statements of Operations Year ended September 30, 2021 (In Thousands)

	<u>IHP</u>	Other MGH Affiliates and Eliminations	TOTAL <u>MGH</u>
Operating revenue			
Net patient service revenue	-	5,489,923	5,489,923
Direct academic and research revenue	5,657	1,071,923	1,077,580
Indirect academic and research revenue Other revenue	1,284 60,007	314,226 615,111	315,510 675,118
Total operating revenue	66,948	7,491,183	7,558,131
Operating expenses			
Employee compensation and benefit expenses	39,564	3,602,452	3,642,016
Supplies and other expenses	16,043	2,150,000	2,166,043
Direct academic and research expenses	5,657	1,071,923	1,077,580
Depreciation and amortization expenses	3,349	313,947	317,296
Interest expense	20	45,394	45,414
Total operating expenses	64,633	7,183,716	7,248,349
Income from operations	2,315	307,467	309,782
Nonoperating gains (expenses)			
Income from investments	13,227	1,234,774	1,248,001
Other nonoperating (expenses) income	(1,066)	(70,240)	(71,306)
Academic and research gifts, net of expenses	(52)	111,640	111,588
System development funding	(14)	(85,018)	(85,032)
Total nonoperating gains, net	12,095	1,191,156	1,203,251
Excess of revenues over expenses	14,410	1,498,623	1,513,033
Other changes in net assets			
Funds utilized for property and equipment	-	33,849	33,849
Transfers (to) from affiliates	42	(96,038)	(95,996)
Other changes in net assets	-	(578)	(578)
Change in funded status of defined benefit plans	-	(2,347)	(2,347)
Increase in unrestricted net assets	14,452	1,433,509	1,447,961

MGH and Affiliates Consolidating Statements of Changes in Net Assets Year ended September 30, 2021 (in Thousands)

<u>Unrestricted</u>	<u>IHP</u>	Other MGH Affiliates and Eliminations	TOTAL <u>MGH</u>
Net assets at October 1, 2020	70,352	6,329,693	6,400,045
Increases (decreases)			
Income from operations	2,315	307,467	309,782
Income from investments	13,227	1,234,774	1,248,001
Other nonoperating (expenses) income	(1,066)	(70,240)	(71,306)
Academic and research gifts, net of expenses	(52)	111,640	111,588
System development funding	(14)	(85,018)	(85,032)
Funds utilized for property and equipment	-	33,849	33,849
Change in funded status of defined benefit plans	-	(2,347)	(2,347)
Other changes in net assets	-	(578)	(578)
Transfers (to) from affiliates	42	(96,038)	(95,996)
Change in unrestricted net assets	14,452	1,433,509	1,447,961
Net assets at September 30, 2021	84,804	7,763,202	7,848,006
Donor restricted Net assets at October 1, 2020	24,448	1,740,747	1,765,195
Increases (decreases)			
Income from investments	4,322	339,666	343,988
Other nonoperating (expenses) income	448	373,866	374,314
Funds utilized for property and equipment	-	(18,488)	(18,488)
Other changes in net assets	679	1,286	1,965
Change in donor restricted net assets	5,449	696,330	701,779
Net assets at September 30, 2021	29,897	2,437,077	2,466,974