



The MetroHealth System Board of Trustees Finance Committee Meeting

The MetroHealth System

MetroHealth Board Room K107 - 2500 MetroHealth Dr. Cleveland, OH 44109

2026-05-27 13:00 - 15:00 EDT

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The MetroHealth System Board of Trustees

FINANCE COMMITTEE

DATE: Wednesday, May 27, 2026
TIME: 1:00pm – 3:00pm
PLACE: The MetroHealth System Board Room K-107 / via YouTube Stream:
<https://www.youtube.com/@metrohealthCLE/streams>

AGENDA

- I. **Approval of Minutes**
Committee Meeting Minutes of April 22, 2026
- II. **Information Items**
 - A. April 2026 Financial Report – P. Woods, C. Morales, J. Rooney
- III. **Executive Session**
- IV. **Return to Open Meeting**

The MetroHealth System Board of Trustees

FINANCE COMMITTEE MEETING

Date: Wednesday, April 22, 2026

Time: 2:30pm - 4:30pm

MetroHealth System Board Room (K107) / Virtual

- Committee Members:** John Moss-I¹, Artis Arnold, III-I, E. Ronald Dziejicki-R, E. Harry Walker, M.D.-R
- Other Trustees:** Michael Summers-I,
- Staff:** Christine Alexander-Rager, M.D.-I, Robin Barre-I, James Bicak-I, Victoria Bowser-I, Kate Brown-I, Robert Glick-R, Joseph Golob, M.D.-I, Christina Morales-I, Kate Nagel-I, Allison Poulos-I, Brian Rentschler-I, Jeff Rooney-I, Tamiyka Rose-I, Deborah Southerington-I, David Stepnick, M.D.-I, James Wellons-I, Patrick Woods-I, Holly Perzy, M.D.-R
- Invited Guests:** John Andersen-I (Kaufman Hall), Adam Blake-I (Clearstead), Gordy Sofyanos-I (Kaufman Hall), David Strickland-I (Clearstead)
- Guests:** Guests not invited by the Finance Committee are not listed as they are considered members of the audience, and some were not appropriately identified.

Meeting Minutes

Mr. Moss called the meeting to order at 2:30 pm, in accordance with Section 339.02(K) of the Ohio Revised Code.

The minutes are written in a format conforming to the printed meeting agenda for the convenience of correlation, recognizing that some of the items were discussed out of sequence.

I. Approval of Minutes

The minutes of the February 25, 2026, Finance Committee and Investment Subcommittee meeting were approved by majority vote as submitted.

II. Information Items

A. Investment Committee Report-A. Blake, D. Strickland (Clearstead)

Mr. Moss introduced Mr. Adam Blake and Mr. David Strickland with Clearstead to provide the quarterly investment update. Mr. Blake outlined the structure of their quarterly update and described the topics they planned to cover: an oversight

¹ I-In-person, R-Remote

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dashboard, current capital markets conditions, compliance, an investment update including performance, longer-term market expectations and their implications for the portfolio, and an annual review of the investment policy. He noted that the quarter included negative developments followed by improvement into the early part of the second quarter, and framed the dashboard as a standing set of items the committee would review and analyze throughout the year, with the ability to reprioritize as needed. He also said that the next meeting would include deeper review of fixed income investments and a reassessment of fees across the portfolio.

During the capital markets review, Mr. Blake described a sequence of market conditions over the first quarter of 2026. He stated that the economy and markets performed relatively well in January and February, and then attributed a March market sell-off to increased uncertainty associated with the onset of a conflict involving Iran. Mr. Blake described broad global market declines that reached or approached “correction” levels, while noting that the S&P 500 did not fall as far as some other areas. He then described a “dramatic recovery” over the subsequent weeks and provided an update that, as of the meeting date in April, equities and bonds had rebounded meaningfully month-to-date, with U.S. large-cap equities, small-cap equities, and international stocks all up for April and core bonds up modestly. Mr. Blake characterized these April results as positioning second-quarter performance to be materially better than first-quarter performance, at least as of that point in time.

Mr. Blake also summarized how their research team distinguished between macro factors they viewed as unchanged and factors they viewed as changed as a result of the conflict and related market dynamics. In the “unchanged” category, he cited continued tailwinds from fiscal stimulus expected to affect consumers and businesses during 2026, continued capital spending related to artificial intelligence, and corporate earnings expectations that he described as improving relative to the prior year. Mr. Blake also stated that while they observed some inconsistencies in labor market signals, unemployment appeared low and stable, and he described the consumer as remaining in “decent shape.” In the “changed” category, he said inflation appeared somewhat higher due to higher energy prices, with a related concern that increased gasoline prices could reduce the benefit of higher tax refunds for consumers. Mr. Blake also said market pricing had shifted toward fewer or smaller Federal Reserve rate cuts in 2026 than previously expected, and he discussed equity valuation levels as having looked more attractive at quarter-end because prices had pulled back while earnings expectations had risen. Mr. Blake referenced Federal projections moving from the December to the March meeting, describing somewhat improved GDP growth expectations, an unemployment

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expectation of about 4.4%, inflation expected to be somewhat higher by year-end, and a Fed funds rate expected to remain constant.

In a question-and-answer exchange, Mr. Artis Arnold, III asked whether Clearstead had assessed S&P 500 earnings and valuation multiples excluding technology companies, with the aim of understanding whether the market appeared overvalued once technology's influence was removed. Mr. Blake responded that removing large technology companies tends to make valuations appear more favorable, while also noting an argument that higher valuations for certain technology companies may be supported by higher growth rates. He stated a longer-term thesis that the impact of artificial intelligence could extend beyond the technology sector by improving margins and profitability across many industries, and he suggested the effect could also be meaningful internationally where average company profitability was described as lower. Mr. Arnold then asked whether the portfolio had the "right type of managers," with particular attention to underperformance among some active managers and whether that underperformance was connected to sector exposures. Mr. Blake indicated they were comfortable with current positions while still making adjustments from time to time, and he described the portfolio as having a meaningful passive management component that they characterized as a beneficial allocation in many efficient market segments.

Mr. Strickland, in the compliance and performance portion of the investment update, stated that the portfolio was reviewed quarterly for compliance with the Ohio Revised Code and the Investment Policy Statement and that it was in compliance at the time of the review. He then described a quarter-end snapshot that included combined cash and unrestricted investments across the system and "select insurance," and he compared the total to the previous quarter, attributing part of the cash change to the timing of a receivable. He reviewed first-quarter performance as slightly negative overall, describing the combined system return as down modestly, with more negative results in the long-term pool that holds equity investments and relatively stabilizing results in short-term fixed income and cash holdings. Mr. Strickland described international equities as having started strongly before pulling back in March and ending the quarter slightly outperforming domestic equities. He also referenced an attribution-style view of market value change, including net cash flows and net investment change for the system and for the captive portfolio, and noted that operating cash was excluded from certain ending balance figures he cited. Looking ahead, he described an updated snapshot during the second quarter that reflected rebounding equity markets following a ceasefire announcement, and stated that, as of the day prior to the meeting, the

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system's investment results had recovered such that market value was up from quarter-end.

Mr. Strickland paused for questions. Mr. Arnold asks whether Harbor Capital is the only active manager in that allocation, and Mr. Blake responds that both Harbor and DFA are active strategies, describing DFA as a quantitative, value-leaning hybrid. He explains that the team trimmed some growth-oriented holdings the previous fall after taking gains, citing relatively better valuations in other parts of the market and concern about weakness in the technology trade. He adds that the group remains comfortable with its positions and makes periodic adjustments rather than broader changes. Mr. Blake also notes that the Vanguard FTSE Social Index has a somewhat higher technology weighting than the S&P 500 because it excludes sectors such as energy. In discussing recent returns versus the benchmark, Mr. Blake says that active management has generally struggled in a volatile market environment, particularly because large technology companies have had outsized influence on index performance, while still maintaining that the managers are selecting the types of growth stocks the team wants despite broader inconsistency among active strategies.

Mr. Blake continued with longer-term planning, he described an annual exercise in which the research team estimates expected returns across global markets over a 10-year horizon, emphasizing that the outlook was not a short-term forecast. Mr. Blake stated that strong market performance in recent years had reduced forward-looking return expectations, and he provided an example of expected return figures for reserve, non-reserve short-term, non-reserve long-term, and total system assets, along with a confidence interval for the long-term pool. He also presented a one-year sensitivity illustration intended to translate market shocks into potential portfolio outcomes, giving an example scenario in which a large equity market decline would translate into a smaller overall system decline due to the portfolio's conservative structure.

The investment presentation concluded with an annual investment policy review described as a checklist-based walkthrough of key policy requirements and principles. In summarizing the policy, Mr. Blake described different objectives and time horizons for portfolio segments, including a longer investment horizon for the non-reserve long-term pool and a capital preservation and liquidity orientation for the reserve pool that holds cash and short-term fixed income. He also referenced ongoing cost evaluation and characterized overall fees as low, while indicating fees would be reviewed in more detail at the next meeting. Additional policy-related points mentioned included the requirement that the committee meet quarterly, the

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role of retaining an investment advisor, and minimum allocation parameters, including a minimum cash balance item referenced in discussion and a minimum fixed income exposure across the system. Mr. Blake also noted that more than one policy framework applied (including state and county elements) and that certain caps (such as limits on international investments and private equity) were addressed in those policies. After inviting any final questions and receiving none, Mr. Moss thanked the presenters and moved the agenda to the March 2026 financial report.

B. March 2026 Financial Report-P. Woods, C. Morales, J Rooney

Mr. John Moss introduced staff presenters and reminded the committee that the meeting remained in public session, with a suggestion to reserve proprietary questions for executive session. Ms. Christina Morales began noting that the finance team had modified the format and content of the Finance Committee slide deck to improve clarity, concision, interpretability, and the presentation of key performance indicators and other operational details deemed important for committee oversight. Mr. Patrick Woods then began with a high-level financial summary described as a condensed income statement for the quarter, with March highlighted as differing from January and February. He explained that the slide included selected operational statistics at the bottom to allow the committee to connect revenue variability to volume metrics without needing to refer to a separate section of the deck.

Mr. Woods reviewed revenue and expense drivers, he stated that net patient revenue for the quarter exceeded the prior year while trailing budget, and he attributed much of the year-over-year improvement to the start of recognizing "HAP 2.0" program revenue on an accrued basis month over month, whereas the prior year included a large payment later in the year. In explaining the budget variance, he pointed to outpatient visits and emergency room visits as the primary volume-related drivers, describing January and February as consistently challenging months from a volume perspective and noting that March volumes improved, including an outpatient visit count that exceeded budget by a significant margin but did not fully offset earlier shortfalls. He also referenced weather-related impacts on volume in January. Mr. Woods characterized "other revenue" as favorable, emphasizing continued strong pharmacy performance and citing prescription fill volumes exceeding both budget and prior year. On the expense side, he described salaries and benefits as relatively consistent with budget and the prior

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year, while noting that full-time equivalent (FTE) staffing was below both budget and prior year. Mr. Woods explained that this staffing favorability was partially offset by an across-the-board pay increase that occurred earlier than budgeted and by accruals for incentives, along with contracted labor. He described department expenses as favorable early in the year due to controlled spending and the timing of budgeted projects that had been straight-lined, with a caution that delayed expenses could occur later in the year. Depreciation and interest variances were linked to the timing of a certificate of occupancy for a facility project referenced as "OPHC," with depreciation expected to align once the building and related assets were placed in service.

Mr. Woods reported an operating loss for the quarter that was better than budget and materially better than the prior year, while also emphasizing that the loss was concentrated in the early months of the quarter and that March was approximately break-even, which they presented as a positive signal for the remainder of the year if trends continued. Jeff Rooney noted that non-operating revenue reflected the investment market challenges also discussed during the Clearstead presentation. During discussion, Mr. Moss asked about EBITDA, and Ms. Morales provided an EBITDA figure for the quarter, describing it as roughly in line with budget. Mr. Woods then moved into a set of operational and financial KPIs that he said they wanted to emphasize more than in prior committee materials. He described measures including operating margin, inpatient and outpatient gross revenue expressed on different day-count bases (calendar day versus workday), and a metric described as MPR as a percentage of gross revenue, which he explained as a yield-type measure reflecting collections after contractual adjustments, charity care, and supplemental payments. Additional efficiency-oriented measures discussed included supplies as a percentage of operating revenue, labor as a percentage of operating revenue, operating revenue per FTE (which he attributed partly to lower FTE counts), and case mix index, which Mr. Woods said was below target prior year due to lower acuity in the caseload.

To provide context across time, Mr. Woods showed 13-month rolling trend views for selected KPIs and volumes. He described a recurring seasonal pattern in which performance and volumes are weaker early in the year, strengthen in mid-to-late year months, and then soften again toward year-end, with January and February frequently among the lowest-volume months and March often showing a rebound. He indicated that outpatient visit trends displayed the pattern more clearly than inpatient measures. For ratio-based views such as supplies and labor as a percentage of operating revenue, he noted a visible drop in December that he said was driven by recognition of HAP 2.0 revenue and therefore "distorted" the trend,

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suggesting that removing that effect would make the pattern appear flatter. Additional trend charts addressed inpatient and surgical volumes and outpatient visits, again emphasizing variability across months. Mr. Woods also highlighted pharmacy-related metrics, stating that prescription fills were increasing over time and that a “capture rate” had improved relative to the prior year, with a comment that prescription activity correlates with outpatient visit volumes. He pointed to an example month with lower outpatient visits and described how reduced visits can translate into reduced pharmacy revenue, while presenting the overall direction of pharmacy measures as positive.

Ms. Morales then addressed payer mix using gross charges, comparing the first quarter of 2026 to all of 2025 and emphasizing that small percentage changes can have outsized financial impacts. She noted a modest increase in the self-pay share from the prior year baseline and estimated that the magnitude of that change corresponded to a multi-million-dollar impact on the bottom line. She also noted a decline in the commercial share and attributed part of the shift to lower participation in health exchange coverage after enhanced subsidies were reduced beginning January 1, 2026. Ms. Morales stated that higher premiums and higher maximum out-of-pocket amounts were contributing to reduced exchange coverage, with some patients shifting into self-pay or uncompensated categories, which she framed as relevant to collection risk and revenue realization.

Returning to financial statement views, Ms. Morales briefly displayed a more traditional income statement and pointed out a revised subtotal intended to show total labor expense as a portion of operating expenses, noting that some contract labor costs are recorded within salary and wage lines and therefore do not align one-for-one with employee headcount. She then introduced a more detailed operating revenue schedule that expanded the summarized income statement lines into program-level components. Ms. Morales explained that most assessments associated with supplemental revenue programs are netted within revenue lines, but that a franchise fee expense is recorded in operating expenses; to show the “total cost and value” of supplemental programs more clearly, she said they had reclassified that franchise fee amount in the revenue schedule for presentation purposes. She then described the schedule as starting with gross inpatient and outpatient charges, followed by adjustments (contractual allowances, charity care, and bad debt) that bridged gross charges to net patient revenue, and reiterated that lower volumes were contributing to results being below budget. She then described supplemental revenue programs—citing items such as HCAP, HAP, CSIP, and GME-related funding—as supporting patient revenue and helping to offset payment shortfalls, particularly in Medicaid. A key year-over-year driver

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highlighted was enhanced HAP (HAP 2.0) revenue that she said was materially higher than the prior year period. Ms. Morales also described components of “other revenue,” including contract income associated with services provided through agreements, grant revenue, pharmacy revenue, and value-based revenue tied to quality performance in payer contracts. In explaining value-based revenue, she referenced an Accountable Care Organization (ACO) arrangement and stated that shared savings are recorded in that line; she identified “Collaborative Care Partners” as the entity associated with the ACO program. Ms. Morales also explained capitation income as a fixed monthly payment model associated with caring for attributed patient populations, contrasting it with fee-for-service reimbursement, and she described a residual “other revenue” line as including ancillary items such as cafeteria and parking.

Mr. Woods concluded the public-session financial report with balance sheet, cash, covenant, benchmark, and capital budget updates. On the balance sheet, he described a decrease in current assets tied to collection of HAP 2.0 receivable in the first quarter and described a decrease in investments reflecting market performance consistent with the earlier investment report. He also noted a decrease in restricted assets associated with scheduled debt service payments and described the mechanics of funding and releasing restricted funds in connection with bond payments, with corresponding long-term debt treatment. Mr. Woods highlighted the payoff of a line of credit with KeyBank after receiving HAP 2.0 funds and described the intent to preserve the facility for true liquidity needs. In discussing cash, he described the cash balance as increasing and reaching the highest level since 2022, while also explaining why the cash increase was smaller than the size of the HAP 2.0 payment received, citing factors such as investment performance effects, the line of credit payoff, prepaid franchise fees associated with the HAP program, and physician incentive payments. Mr. Woods stated that the net result was an improved cash position compared with recent years. Covenant metrics were discussed next, with Ms. Morales describing days cash on hand increasing and framing even modest changes in days cash as significant given daily cash requirements for operations; she also cited an improvement in debt service coverage and linked part of the change to the line-of-credit payoff reducing annual debt service. A benchmarking slide compared MetroHealth’s trailing twelve-month metrics to medians for peer credit ratings, with Ms. Morales describing many measures as favorable while noting that leverage and debt/capital ratios were areas where MetroHealth appeared below benchmark due to existing bond obligations. The final slide summarized the capital budget, with Ms. Morales stating that year-to-date capital spending was tracking approximately

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in line with expectations for a quarter into the year, referencing progress on projects such as an emergency department refresh and information technology work including Epic upgrades. Ms. Morales also referenced a prior committee action that increased the 2026 capital amount relative to the original budget and described capital budgeting as a commitment-based process rather than one that carries forward unused dollars automatically.

III. **Executive Session**

Mr. Moss asked for a motion to move into executive session to discuss hospital trade secrets as defined by ORC 1333.61. Mr. Arnold made a motion and Dr. Walker seconded. Upon unanimous roll call vote, the Committee went into executive session to discuss such matters state by Mr. Moss. Members of the public were excused, and the Committee went into executive session to discuss the identified matters at 3:20 pm.

IV. **Return to Open Meeting**

Following executive session, the meeting was reconvened in open session at approximately 4:31 pm and welcomed back the public via Zoom and those members of the public who remained in person.

There being no further business to bring before the Committee, the meeting was adjourned at approximately 4:32 pm.

THE METROHEALTH SYSTEM

John Moss, Chairperson



MetroHealth



Financial and Operational Results

For the Period Ended April 30, 2026

Finance Committee

May 27, 2026

Financial Summary

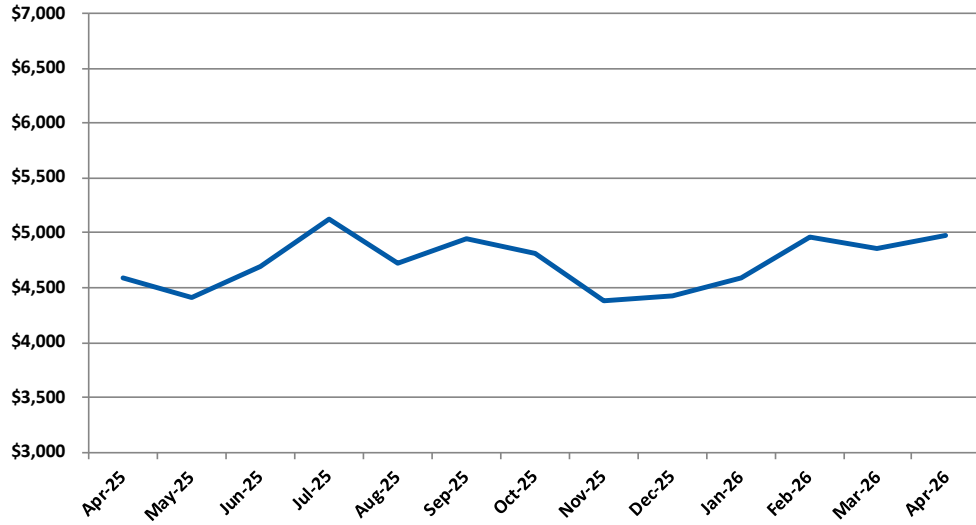
		April						Year to Date					
		Variance		Variance				Variance				Variance	
Actual	Budget	Fav (Unfav)	%	PY	Fav (Unfav)		Actual	Budget	Fav (Unfav)	%	PY	Fav (Unfav)	
175,074	131,296	43,778	33.3%	119,733	55,341	Net Patient Revenue	544,148	516,276	27,872	5.4%	467,894	76,254	
57,096	56,198	898	1.6%	55,389	1,707	Other Revenue	216,535	210,162	6,373	3.0%	210,976	5,559	
232,170	187,494	44,676	23.8%	175,122	57,048	Total Operating Revenue	760,683	726,438	34,245	4.7%	678,870	81,813	
103,568	96,770	(6,798)	(7.0%)	95,166	(8,402)	Salaries and Benefits	400,911	394,735	(6,176)	(1.6%)	393,286	(7,625)	
74,749	74,392	(357)	(0.5%)	65,530	(9,219)	Department Expenses	279,527	289,328	9,801	3.4%	257,165	(22,362)	
14,313	15,182	869	5.7%	13,603	(710)	Depreciation and Interest Expense	56,231	59,359	3,128	5.3%	54,148	(2,083)	
192,630	186,344	(6,286)	(3.4%)	174,299	(18,331)	Total Operating Expense	736,669	743,422	6,753	0.9%	704,599	(32,070)	
39,540	1,150	38,390	3,338%	823	38,717	Operating Income (Loss)	24,014	(16,984)	40,998	241.4%	(25,729)	49,743	
21,466	1,346	20,120	1,495.2%	2,979	18,487	Non-Operating Revenue (Expense)	16,616	4,388	12,228	278.6%	1,837	14,779	
61,006	2,496	58,510	2,344.5%	3,802	57,204	Net Income (Loss)	40,630	(12,596)	53,226	422.6%	(23,892)	64,522	
2,188	2,290	(102)	(4.5%)	1,966	222	Discharges	8,929	9,124	(195)	(2.1%)	8,787	142	
843	844	(1)	(0.1%)	1,110	(267)	Observations	3,129	3,427	(298)	(8.7%)	3,667	(538)	
124,578	122,173	2,405	2.0%	126,395	(1,817)	Outpatient Visits	475,696	475,270	426	0.1%	479,201	(3,505)	
12,122	12,788	(666)	(5.2%)	12,698	(576)	Emergency Room Visits	48,606	50,938	(2,332)	(4.6%)	51,633	(3,027)	
470	395	75	19.0%	408	62	Inpatient Surgical Cases	1,681	1,535	146	9.5%	1,610	71	
1,528	1,589	(61)	(3.8%)	1,623	(95)	Outpatient Surgical Cases	5,890	6,001	(111)	(1.8%)	5,974	(84)	
195,006	197,874	(2,868)	(1.4%)	183,625	11,381	Prescriptions Filled	753,769	728,147	25,622	3.5%	716,661	37,108	
7,971	8,307	336	4.0%	8,324	352	FTEs	7,940	8,307	366	4.4%	8,305	365	

Key Performance Indicators

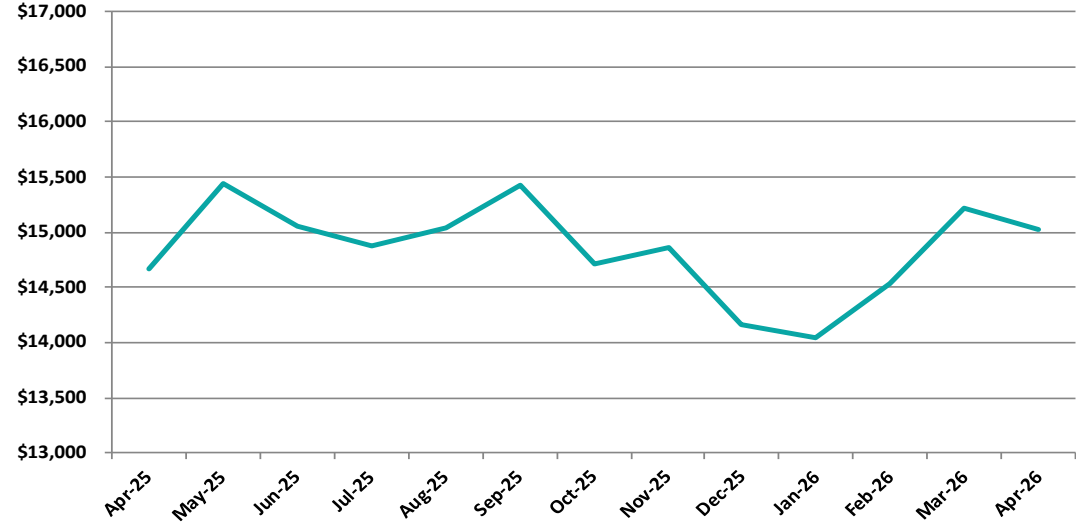
	April				Year to Date			
	Actual	Budget	Variance	Prior Year	Actual	Budget	Variance	Prior Year
Operating Income (Loss)	\$ 39,540	\$ 1,150	\$ 38,390	\$ 823	\$ 24,014	\$ (16,984)	\$ 40,998	\$ (25,729)
Operating Margin	17.0%	0.6%	16.4%	0.5%	3.2%	(2.3%)	5.5%	(3.8%)
Inpatient Gross Revenue/Calendar Day	\$ 4,975	\$ 4,905	\$ 70	\$ 4,588	\$ 4,844	\$ 4,968	\$ (123)	\$ 4,729
Outpatient Gross Revenue/Work Day	\$ 15,030	\$ 15,913	\$ (883)	\$ 14,664	\$ 14,718	\$ 15,826	\$ (1,108)	\$ 14,446
NPR as % of Gross Revenue	20.3%	20.7%	(0.4%)	21.9%	20.7%	20.7%	(0.0%)	21.9%
Supplies as a % of Operating Revenue	19.9%	24.9%	5.0%	23.9%	23.4%	24.6%	1.2%	24.0%
Labor as a % of Operating Revenue	44.6%	51.6%	7.0%	54.3%	52.7%	54.3%	1.6%	57.9%
Operating Revenue per FTE	\$ 29.1	\$ 22.6	\$ 6.5	\$ 21.0	\$ 95.8	\$ 87.5	\$ 8.3	\$ 81.7
Case Mix:								
Medicare	1.99	1.95	0.04	1.94	1.96	1.97	(0.01)	1.97
Medicaid	1.48	1.63	(0.15)	1.70	1.53	1.64	(0.11)	1.67
Total Case Mix	1.73	1.75	(0.02)	1.79	1.72	1.76	(0.04)	1.78

Key Performance Indicators

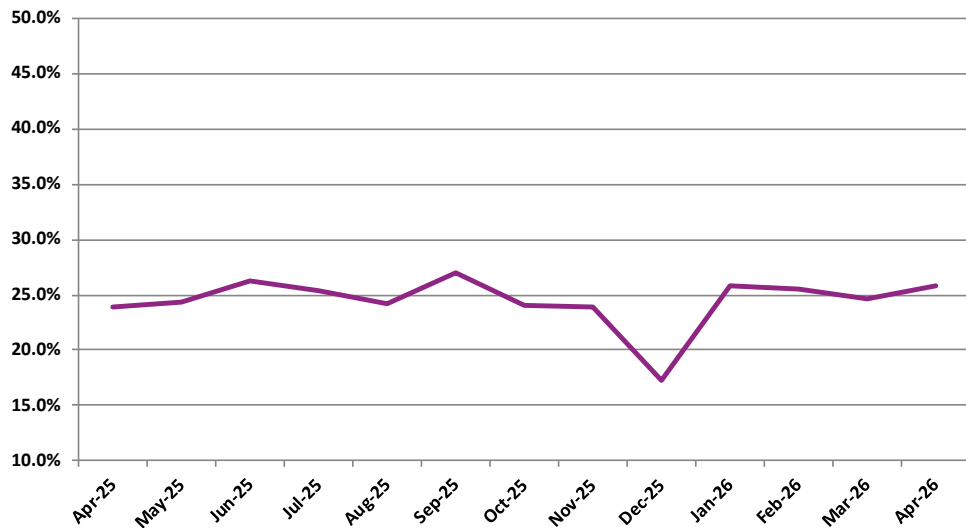
IP Gross Revenue / Calendar Day



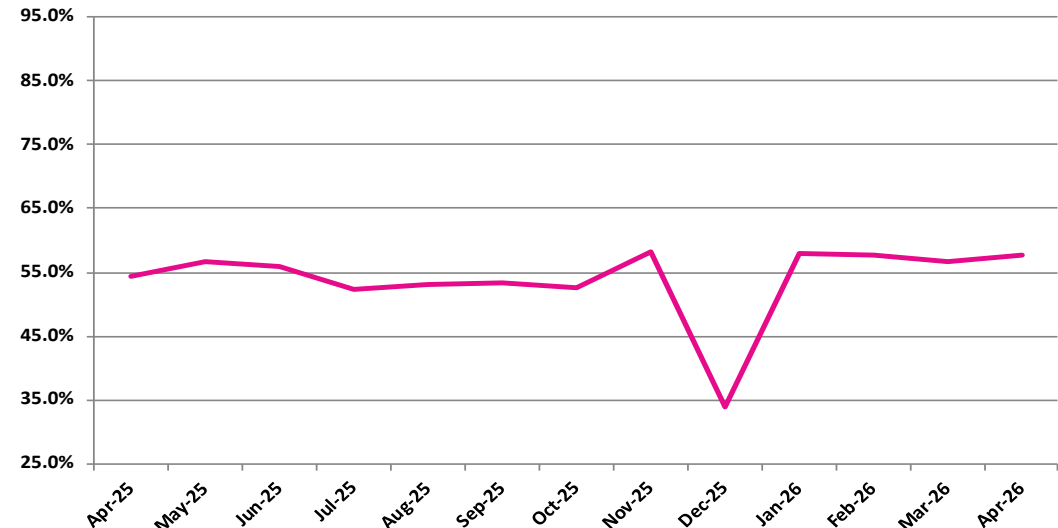
OP Gross Revenue / Work Day



Supplies as a % of Operating Revenue

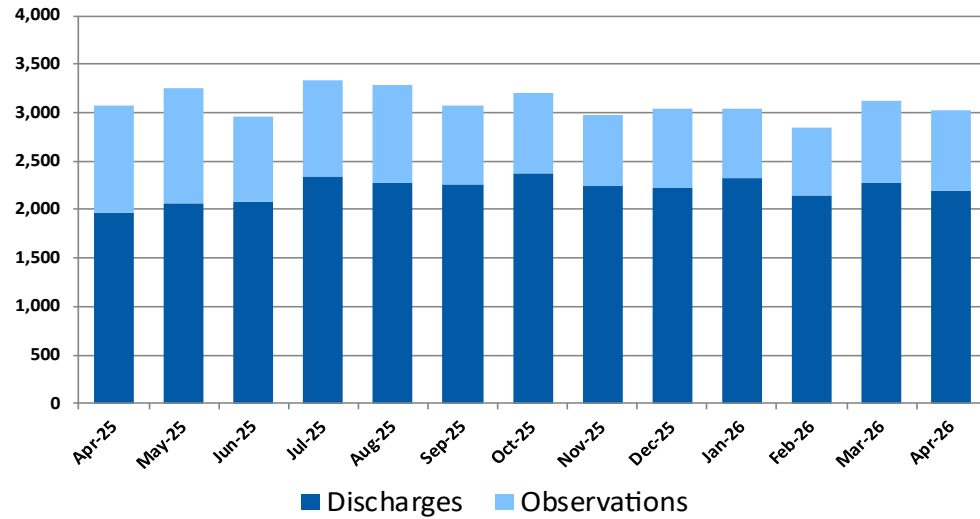


Labor as a % of Operating Revenue

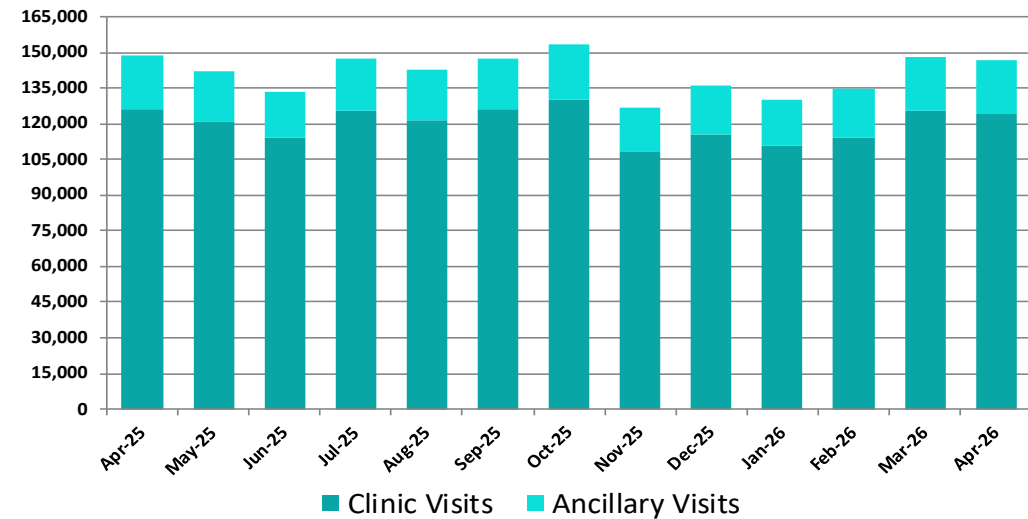


Operating Statistics

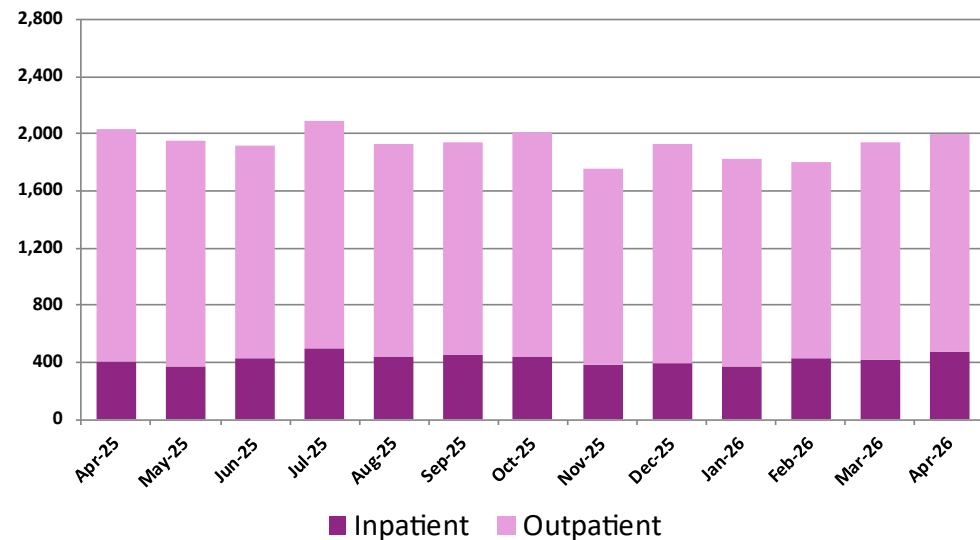
Inpatient Volume Trend



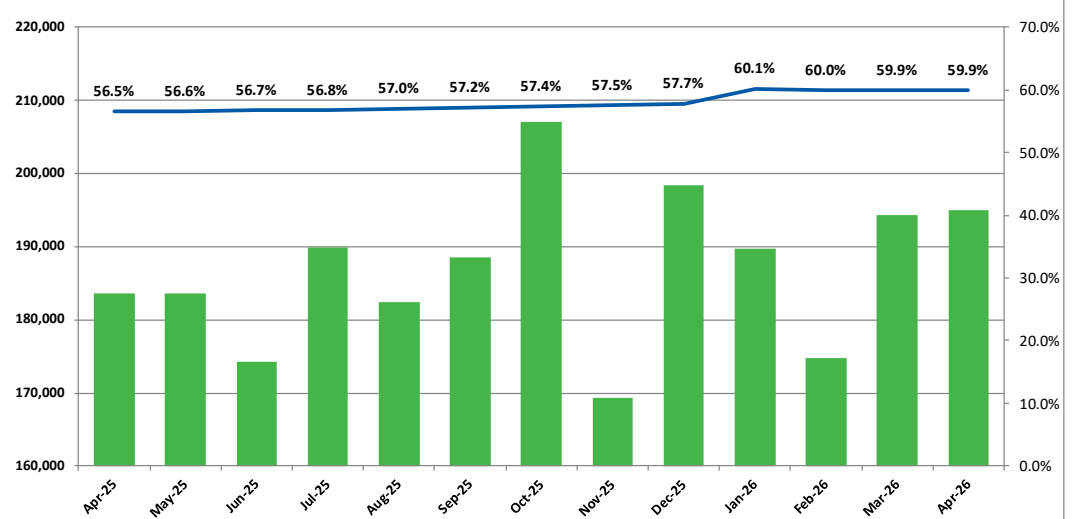
Visit Trend



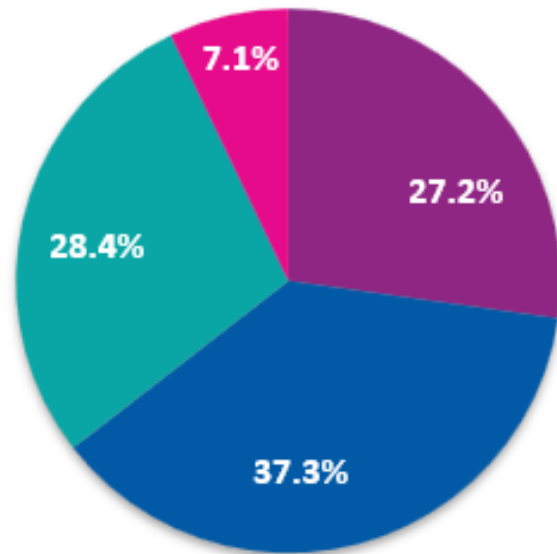
Surgical Volume Trend



Prescriptions Filled with Capture Rate %

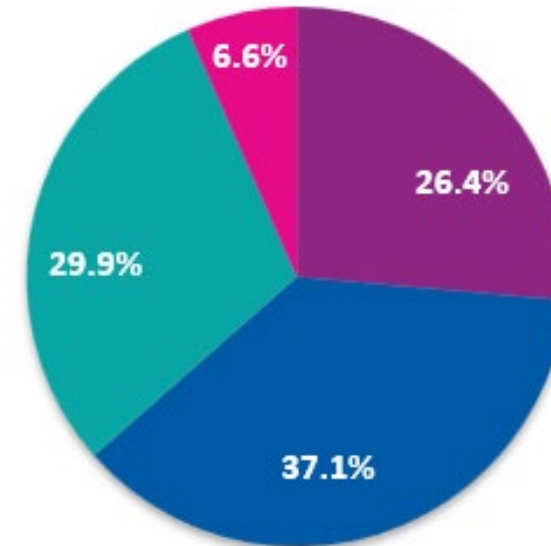


Payor Mix April 2026 YTD



■ Medicaid ■ Medicare ■ Commercial ■ Self pay

Payor Mix FYE 2025



■ Medicaid ■ Medicare ■ Commercial ■ Self pay

Statement of Operations

April						Year to Date								
Actual	Budget	Variance		PY	Variance			Actual	Budget	Variance		PY	Variance	
		Fav (Unfav)	%		Fav (Unfav)	%				Fav (Unfav)	%		Fav (Unfav)	%
175,074	131,296	43,778	33.3%	119,733	55,341		Net Patient Revenue	544,148	516,276	27,872	5.4%	467,894	76,254	
11,673	10,776	897	8.3%	12,910	(1,237)		Other Revenue	45,249	42,301	2,948	7.0%	51,070	(5,821)	
45,423	45,422	1	0.0%	42,479	2,944		Retail & Contract Pharmacy Revenue	171,286	167,861	3,425	2.0%	159,906	11,380	
232,170	187,494	44,676	23.8%	175,122	57,048		Total Operating Revenue	760,683	726,438	34,245	4.7%	678,870	81,813	
Operating Expenses														
77,427	75,320	(2,107)	(2.8%)	74,195	(3,232)		Salaries and Wages	308,794	307,532	(1,262)	(0.4%)	306,259	(2,535)	
26,141	21,450	(4,691)	(21.9%)	20,971	(5,170)		Employee Benefits	92,117	87,203	(4,914)	(5.6%)	87,027	(5,090)	
103,568	96,770	(6,798)	(7.0%)	95,166	(8,402)		Total Labor Expense	400,911	394,735	(6,176)	(1.6%)	393,286	(7,625)	
14,155	13,517	(638)	(4.7%)	12,981	(1,174)		Purchased Services	46,123	54,038	7,915	14.6%	51,406	5,283	
14,028	13,284	(744)	(5.6%)	11,872	(2,156)		Medical Supplies	50,509	52,454	1,945	3.7%	48,103	(2,406)	
30,977	32,142	1,165	3.6%	28,957	(2,020)		Pharmaceuticals	122,565	120,941	(1,624)	(1.3%)	109,709	(12,856)	
4,088	3,878	(210)	(5.4%)	3,798	(290)		Plant Operations	15,445	15,631	186	1.2%	15,380	(65)	
1,302	1,333	31	2.3%	1,094	(208)		Non-Medical Supplies	4,575	5,312	737	13.9%	5,269	694	
10,199	10,238	39	0.4%	6,828	(3,371)		Other Expenses	40,310	40,952	642	1.6%	27,298	(13,012)	
9,600	10,324	724	7.0%	8,889	(711)		Depreciation and Amortization	37,144	39,854	2,710	6.8%	35,282	(1,862)	
4,713	4,858	145	3.0%	4,714	1		Interest Expense	19,087	19,505	418	2.1%	18,866	(221)	
192,630	186,344	(6,286)	(3.4%)	174,299	(18,331)		Total Operating Expense	736,669	743,422	6,753	0.9%	704,599	(32,070)	
39,540	1,150	38,390	3,338%	823	38,717		Operating Income (Loss)	24,014	(16,984)	40,998	241.4%	(25,729)	49,743	

Operating Revenue – Detail

April						Year to Date							
Actual	Budget	Variance		PY	Variance		Actual	Budget	Variance		PY	Variance	
		Fav	%		Fav	%			Fav	%		Fav	%
		(Unfav)			(Unfav)				(Unfav)			(Unfav)	
\$ 149,240	\$ 147,144	2,096	1.4%	\$ 137,629	11,611	Inpatient Revenue	\$ 581,320	\$ 596,103	(14,783)	(2.5%)	\$ 567,437	13,883	
330,667	350,092	(19,425)	(5.5%)	322,615	8,052	Outpatient Revenue	1,251,017	1,345,197	(94,180)	(7.0%)	1,227,909	23,108	
479,907	497,236	(17,329)	(3.5%)	460,244	19,663	Gross Patient Revenue	1,832,337	1,941,300	(108,963)	(5.6%)	1,795,346	36,991	
(339,747)	(350,203)	10,456	3.0%	(322,236)	(17,511)	Contractuals	(1,287,799)	(1,367,256)	79,457	5.8%	(1,254,657)	(33,142)	
(34,329)	(36,819)	2,490	6.8%	(31,618)	(2,711)	Charity Care	(127,606)	(143,748)	16,142	11.2%	(122,607)	(4,999)	
(8,568)	(7,244)	(1,324)	(18.3%)	(5,706)	(2,862)	Bad Debt Expense	(37,946)	(28,282)	(9,664)	(34.2%)	(24,542)	(13,404)	
3,787	3,787	-	0.0%	4,371	(584)	DSH Care Assurance	15,148	15,148	-	0.0%	14,383	765	
11,991	15,428	(3,437)	(22.3%)	5,065	6,926	Hospital Additional Payment (HAP)	47,965	61,713	(13,748)	(22.3%)	20,259	27,706	
52,508	-	52,508	100.0%	-	52,508	Hospital State Directed Payment	62,819	-	62,819	100.0%	-	62,819	
(7,205)	(7,205)	-	0.0%	(3,646)	(3,559)	Franchise Fee Expense*	(28,822)	(28,822)	-	0.0%	(14,585)	(14,237)	
4,527	4,527	-	0.0%	4,766	(239)	Directed Payment - CICIP	18,461	18,108	353	1.9%	19,327	(866)	
2,063	1,917	146	7.6%	2,000	63	GME Medicare	9,261	8,626	635	7.4%	8,738	523	
2,917	2,667	250	9.4%	2,917	-	County Uncompensated Care	11,667	10,667	1,000	9.4%	11,667	-	
18	-	18	100.0%	(70)	88	Settlements	(159)	-	(159)	(100.0%)	(20)	(139)	
(312,038)	(373,145)	61,107	16.4%	(344,157)	32,119	Total Deductions*	(1,317,011)	(1,453,846)	136,835	9.4%	(1,342,037)	25,026	
167,869	124,091	43,778	35.3%	116,087	51,782	Adj. Net Patient Revenue*	515,326	487,454	27,872	5.7%	453,309	62,017	
2,559	2,677	(118)	(4.4%)	2,505	54	Contract Income	10,422	10,706	(284)	(2.7%)	11,675	(1,253)	
2,500	2,501	(1)	(0.0%)	3,776	(1,276)	Grant Revenue	10,215	10,003	212	2.1%	15,101	(4,886)	
45,423	45,422	1	0.0%	42,479	2,944	Pharmacy Revenue	171,287	167,861	3,426	2.0%	159,906	11,381	
636	848	(212)	(25.0%)	638	(2)	Value Based Revenue	3,135	2,591	544	21.0%	2,436	699	
4,638	3,379	1,259	37.3%	3,382	1,256	Capitation Income	16,424	13,516	2,908	21.5%	14,570	1,854	
1,344	1,374	(30)	(2.2%)	2,607	(1,263)	Other Revenue	5,055	5,487	(432)	(7.9%)	7,289	(2,234)	
57,100	56,201	899	1.6%	55,387	1,713	Total Other Revenue	216,538	210,164	6,374	3.0%	210,977	5,561	
224,969	180,292	44,677	25%	171,474	53,495	Total Adj. Operating Revenue*	731,864	697,618	34,246	4.9%	664,286	67,578	

* Franchise Fee is an operating expense on the Statement of Operations; this funds the Franchise Fee program, which includes the HAP, and is being included in Net Patient Revenue to present a complete picture of revenue including the assessments that support the supplemental programs.

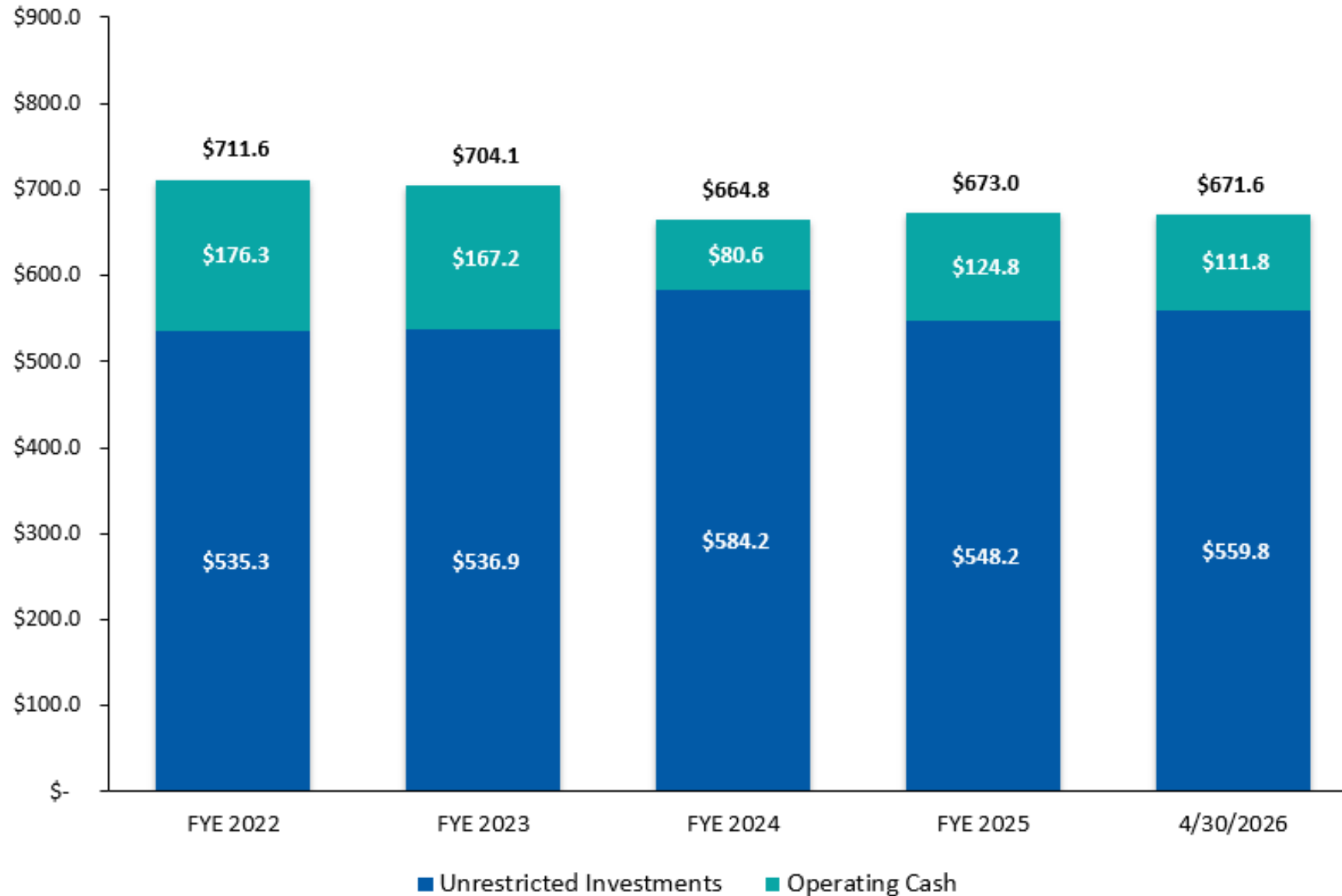
Statement of Net Position - Condensed

FOR THE PERIOD ENDED APRIL 30, 2026
(Dollars in Thousands)

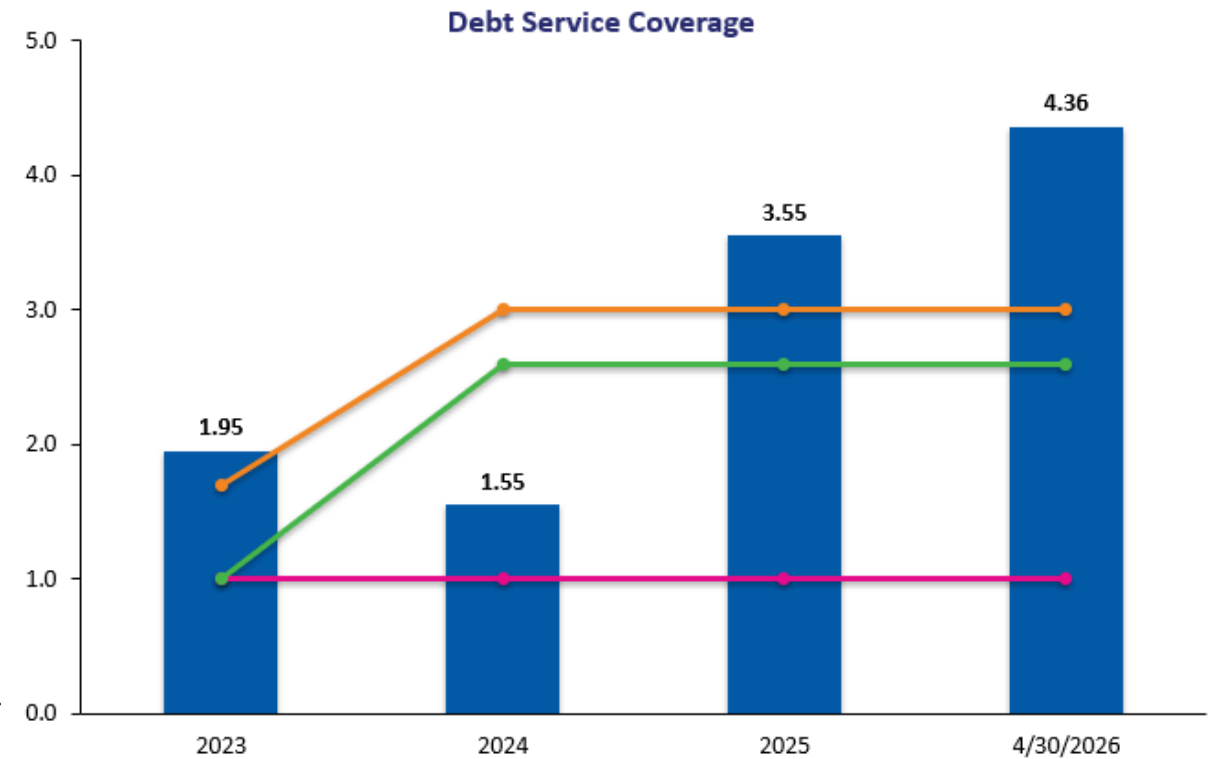
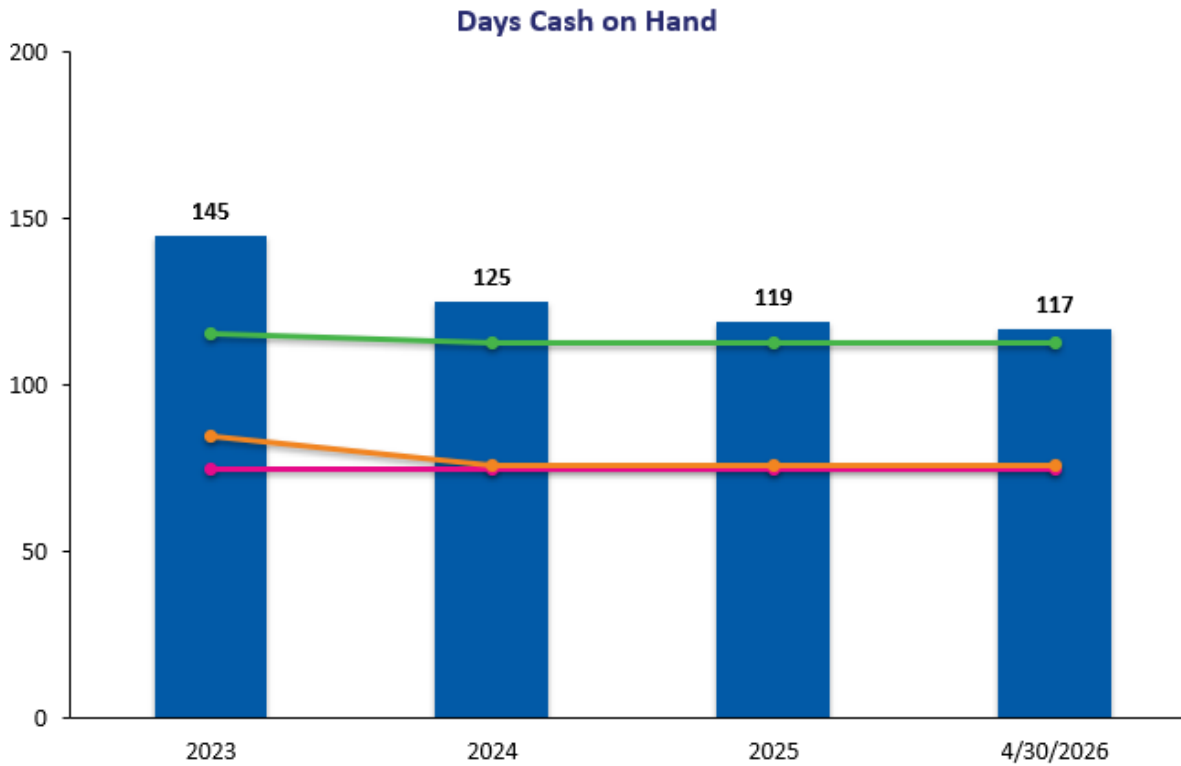
	Unaudited 4/30/26	Audited 12/31/25
Assets		
Current Assets:		
Cash and cash equivalents	\$ 111,833	\$ 124,845
Net accounts receivable	177,402	189,203
Other current assets	285,861	230,542
Total current assets	575,096	544,590
Noncurrent Assets:		
Investments	559,758	548,155
Restricted assets	131,164	148,020
Capital assets, net:	1,226,977	1,238,922
Right-of-use assets, net:	128,075	130,634
Other noncurrent assets	15,805	16,307
Total noncurrent assets	2,061,779	2,082,038
Total Assets	2,636,875	2,626,628
Deferred Outflows of Resources	265,736	265,816
Total Assets and Deferred Outflows of Resources	\$ 2,902,611	\$ 2,892,444

	Unaudited 4/30/26	Audited 12/31/25
Liabilities		
Current Liabilities:		
Accounts payable	\$ 78,893	\$ 93,044
Accrued payroll and related liabilities	104,908	89,906
Other current liabilities	85,938	107,048
Total current liabilities	269,739	289,998
Long-Term Liabilities, less current installments:		
Net pension liability	900,662	900,662
Long-term debt	983,913	997,569
Other long-term liabilities	177,576	173,644
Total long-term liabilities	2,062,151	2,071,875
Total Liabilities	2,331,890	2,361,873
Deferred Inflows of Resources	20,794	20,849
Total Net Position	549,927	509,722
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 2,902,611	\$ 2,892,444

Unrestricted Cash & Investments



Covenant Compliance



■ MetroHealth Results
 —●— Requirement
 —●— Moody's
 —●— S&P

- Notes:
- (1) MetroHealth covenants are measured on a trailing twelve-month basis
 - (2) Benchmarks are based on 'Baa3/BBB-' Rated Medians utilizing Hospital Systems only benchmarks for S&P and combined System & Stand-Alone Hospital benchmarks for Moodys.
 - (3) Calculations exclude the impact of GASB Standards implemented after covenant compliance measures were determined per the trust indenture. This includes modifications for GASB 87 - Leases, GASB 8 Interest Costs Incurred Before the End of a Construction Period and GASB 96 – Subscription Based IT Arrangements.

