



**Quarterly Financial Disclosure
For the Three-Month Period Ended
November 30, 2023 and 2022**

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Pursuant to the following Continuing Disclosure Agreements (collectively, the “Disclosure Agreements”) executed and delivered in connection with the related bond issues (collectively, the “Bonds”), Stanford Health Care (the “Corporation”) hereby provides financial and utilization information for the three-month period ended November 30, 2023 and 2022:

- Continuing Disclosure Agreement dated June 15, 2011, relating to the reoffering of \$84,100,000 California Health Facilities Financing Authority Refunding Revenue Bonds (Stanford Hospital and Clinics) 2008 Series B-2;
- Continuing Disclosure Agreement dated May 23, 2012, relating to the original issue of \$68,320,000 California Health Facilities Financing Authority Revenue Bonds (Stanford Hospital and Clinics) 2012 Series B;
- Continuing Disclosure Agreement dated June 30, 2015, relating to the original issue of \$100,000,000 California Health Facilities Financing Authority Revenue Bonds (Stanford Health Care) 2015 Series A;
- Continuing Disclosure Agreement dated December 28, 2017, relating to the original issue of \$454,200,000 California Health Facilities Financing Authority Refunding Revenue Bonds (Stanford Health Care), 2017 Series A;
- Continuing Disclosure Agreement dated April 1, 2020, relating to the original issue of \$170,120,000 California Health Facilities Financing Authority Revenue Bonds (Stanford Health Care), 2020 Series A;
- Continuing Disclosure Agreement dated April 30, 2021, relating to the issuance of \$157,715,000 California Health Facilities Financing Authority Revenue Bonds (Stanford Health Care), 2021 Series A;
- Continuing Disclosure Agreement dated September 27, 2023, relating to the issuance of \$260,545,000 California Health Facilities Financing Authority Revenue Bonds (Stanford Health Care), 2023 Series A.



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The Bonds are identified together with their corresponding CUSIPs in Appendix A of this quarterly disclosure report. Additionally, the Treasury department of the Corporation maintains a world-wide web site to which it makes certain disclosure documents available to the general public at <https://stanfordhealthcare.org/about-us/bondholder-general-financial-information.html>.

This quarterly disclosure was prepared by management from records maintained by the Corporation and has not been compiled, reviewed, or audited by external auditors.

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Consolidated Balance Sheet - Unaudited
As of November 30, 2023 and 2022
(In Thousands)

	<u>2023</u>	<u>2022</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 415,332	\$ 239,760
Short term investments	130,329	71,853
Patient accounts receivables, net	1,091,797	1,240,980
Other receivables	90,086	107,053
Inventories	112,656	106,761
Prepaid expenses and other	99,486	130,134
Due from Lucile Salter Packard Children's Hospital at Stanford	23,740	20,072
Total current assets	<u>1,963,426</u>	<u>1,916,613</u>
Investments	2,098,908	1,919,131
Investments at equity	255,123	179,010
Investments in University managed pools	2,798,531	2,479,627
Assets limited as to use for capital projects & other long term purposes	44,726	41,369
Property and equipment, net	3,925,137	3,757,529
Right of use lease assets	340,021	231,672
Due from Stanford University - housing loans	190,802	156,044
Other assets	52,197	37,762
Total assets	<u>\$ 11,668,871</u>	<u>\$ 10,718,757</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 566,927	\$ 678,990
Accrued salaries and related benefits	377,841	433,296
Due to related parties	-	42
Due to Stanford University	145,372	160,398
Third-party payor settlements	75,679	63,917
Current portion of long-term debt	17,615	20,905
Debt subject to remarketing arrangements	168,200	168,200
Operating lease liabilities, current	71,731	69,403
Self-insurance reserves and other	117,810	99,923
Total current liabilities	<u>1,541,175</u>	<u>1,695,074</u>
Self-insurance reserves and other, net of current portion	244,944	221,478
Swap liabilities	59,058	112,027
Operating lease liabilities, non-current	281,310	174,563
Other long-term liabilities	140,330	138,180
Pension liability	-	2,775
Long-term debt, net of current portion	2,365,666	2,094,658
Total liabilities	<u>4,632,483</u>	<u>4,438,755</u>
Net assets:		
Without donor restrictions:		
Attributable to Stanford Health Care	6,858,882	6,098,219
Noncontrolling interests	41,463	39,283
Total without donor restrictions	<u>6,900,345</u>	<u>6,137,502</u>
With donor restrictions	136,043	142,500
Total net assets	<u>7,036,388</u>	<u>6,280,002</u>
Total liabilities and net assets	<u>\$ 11,668,871</u>	<u>\$ 10,718,757</u>

All information is preliminary and subject to change.



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Stanford Health Care

**Consolidated Statement of Operations and
Changes in Net Assets – Unaudited**

For the Three-Month Period Ended November 30, 2023 and 2022

(In Thousands)

	<u>2023</u>	<u>2022</u>
Operating revenues and other support:		
Net patient service revenue	\$ 2,077,802	\$ 1,831,176
Premium revenue	16,543	15,675
Grants - COVID-19 and FEMA	-	-
Other revenue	47,743	50,378
Net assets released from restrictions used for operations	1,159	2,254
Total operating revenues and other support	<u>2,143,247</u>	<u>1,899,483</u>
Operating expenses:		
Salaries and benefits	940,843	853,152
Professional services	8,316	9,584
Supplies	318,729	276,865
Purchased services	478,844	421,705
Depreciation and amortization	67,801	64,742
Interest	19,376	18,456
Other	154,659	143,373
Expense recoveries from related parties	-	102
Total operating expenses	<u>1,988,568</u>	<u>1,787,979</u>
Income from operations	154,679	111,504
Interest and investment income	16,791	(3,198)
Earnings on equity method investments	(4,793)	4,910
Change in value of University managed pools and other	32,604	30,998
Swap interest and change in value of swap agreements	16,227	31,523
Other components of net periodic benefit costs	(1,978)	(1,492)
Loss on extinguishment of debt	(7,732)	-
Excess of revenues over expenses	<u>205,798</u>	<u>174,245</u>
Other changes in net assets without donor restrictions:		
Transfers to Stanford University	(11,902)	(10,810)
Transfers from Lucile Salter Packard Children's Hospital	-	1,783
Change in net unrealized gain (loss) on investments	6,216	(1,070)
Net assets released from restrictions used for:		
Purchase of property and equipment	1,327	266
Purchase of property and equipment - New Stanford Hospital	-	328
Increase in net assets without donor restrictions	<u>201,439</u>	<u>164,742</u>
Changes in net assets with donor restrictions:		
Transfers from Stanford University	39	35
Contributions and other	924	975
Investment income	397	264
Losses on University managed pools	(760)	(1,024)
Net assets released from restrictions used for:		
Operations	(1,159)	(2,254)
Purchase of property and equipment	(1,327)	(266)
Purchase of property and equipment - New Stanford Hospital	-	(328)
Decrease in net assets with donor restrictions	<u>(1,886)</u>	<u>(2,598)</u>
Increase in net assets	<u>199,553</u>	<u>162,144</u>
Net assets, beginning of year	<u>6,836,835</u>	<u>6,117,858</u>
Net assets, end of year	<u>\$ 7,036,388</u>	<u>\$ 6,280,002</u>

All information is preliminary and subject to change.



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Consolidated Statement of Cash Flows – Unaudited
For the Three-Month Period Ended November 30, 2023 and 2022
(In Thousands)

	<u>2023</u>	<u>2022</u>
Cash flows from operating activities:		
Change in Stanford Health Care net assets	\$ 198,244	\$ 161,518
Change in noncontrolling interests	1,309	626
Total change in net assets	<u>199,553</u>	<u>162,144</u>
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	65,874	62,803
Change in fair value of interest rate swaps	(16,376)	(33,879)
Decrease (increase) in value of University managed pools	(12,083)	23,288
Unrealized gains on investments	(25,912)	(52,193)
Excess of income on equity method investees over distributions received	80	(12,284)
Contributions received for long lived assets or endowment	(192)	(562)
Net equity transfers to related parties	11,863	8,992
Premiums received from bond issuance	39,460	-
Changes in operating assets and liabilities:		
Patient accounts receivable	(49,011)	(217,412)
Due to related parties	(101,433)	(78,829)
Other receivables, inventory, other assets, prepaid expenses and other	87,582	4,268
Accounts payable, accrued liabilities and pension liabilities	(64,341)	77,160
Accrued salaries and related benefits	(89,741)	(48,777)
Third-party payor settlements	6,555	593
Self-insurance reserves	8,327	4,546
Cash provided by operating activities	<u>67,937</u>	<u>(100,142)</u>
Cash flows from investing activities:		
Purchases of investments	(283,971)	(63,480)
Sales of investments	136,289	8,600
Purchases of investments at equity	(20,000)	-
Purchases of investments in University managed pools	(200,149)	(55)
Sales of investments in University managed pools	376	204
Funding of Stanford University- housing loans	(5,536)	(7,262)
Repayments received on Stanford University - housing Loans	1,460	845
Swap settlement payments, net	(98)	(2,607)
Purchases of property and equipment	(126,943)	(115,869)
Cash used in investing activities	<u>(498,572)</u>	<u>(179,624)</u>
Cash flows from financing activities:		
Proceeds from issuance of debt	260,545	-
Costs of issuance of debt	(2,911)	-
Payment of long-term debt and finance lease obligations	(13,475)	(9,648)
Contributions received for long lived assets or endowment	1,455	1,787
Net equity transfers to related parties	(11,239)	(9,416)
Cash provided (used) in financing activities	<u>234,375</u>	<u>(17,277)</u>
Net (decrease) increase in cash and cash equivalents	(196,260)	(297,043)
Cash and cash equivalents, beginning of year	<u>611,592</u>	<u>536,803</u>
Cash and cash equivalents, end of year	<u>\$ 415,332</u>	<u>\$ 239,760</u>
Supplemental disclosures of cash flow information:		
Interest paid, net of amounts capitalized	\$ 21,123	\$ 20,982
Supplemental disclosures of non cash information:		
Increase in payables for property and equipment	\$ (9,546)	\$ (18,945)
Equity transfers from related parties, net	261	275

All information is preliminary and subject to change.



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Historical Utilization Statistics
For the Three-Month Period Ended
November 30, 2023 and 2022

	Three-Month Period Ended	
	2023	2022
Discharges		
Acute	8,342	8,200
Behavioral Health	154	141
Total	8,496	8,341
Patient Days		
Acute	58,276	56,529
Behavioral Health	2,398	2,522
subtotal	60,674	59,051
Short Stay OP	4,156	3,623
Total	64,830	62,674
Average Daily Census		
Acute	640.4	621.2
Behavioral Health	26.4	27.7
Total	666.7	648.9
Average Length of Stay		
Acute	6.99	6.89
Behavioral Health	15.57	17.89
Total	7.14	7.08
Case Mix Index	2.66	2.76
Emergency room visits*	27,222	27,158
Short Stay OP procedures	13,619	13,380
Other Outpatient visits	303,595	313,245
Surgeries		
Inpatient	3,319	3,240
Outpatient	8,201	7,649
Total	11,520	10,889

Source: Corporation records

* ER visits include patients who got admitted as inpatients.

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APPENDIX A

Bond Issues and Related CUSIP Numbers

California Health Facilities Financing Authority
Refunding Revenue Bonds
(Stanford Hospital and Clinics)
2008 Series B-2-1

CUSIP	Maturity Date	Current Commercial Paper Interest Rate (%)	Original Principal Amount
13033LNX1	11/15/2045	3.35	\$ 42,050,000



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**California Health Facilities Financing Authority
Refunding Revenue Bonds
(Stanford Hospital and Clinics)
2008 Series B-2-2**

CUSIP	Maturity Date	Current Commercial Paper Interest Rate (%)	Original Principal Amount
13033LNY9	11/15/2045	3.20	\$ 42,050,000



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California Health Facilities Financing Authority
Revenue Bonds
(Stanford Health Care)
2015 Series A

CUSIP	Maturity Date	Interest Rate (%)	Original Principal Amount
13033L8Q3	08/15/2052	4.25	\$ 25,000,000
13033L8P5	08/15/2054	5.00	\$ 75,000,000



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**California Health Facilities Financing Authority
Refunding Revenue Bonds
(Stanford Health Care)
2017 Series A**

CUSIP	Maturity Date	Interest Rate (%)	Original Principal Amount
13032UQB7	11/15/2024	5.00	\$17,615,000
13032UQC5	11/15/2025	5.00	\$18,480,000
13032UQD3	11/15/2026	5.00	\$19,320,000
13032UQE1	11/15/2027	5.00	\$20,260,000
13032UQF8	11/15/2028	5.00	\$21,225,000
13032UQG6	11/15/2029	5.00	\$22,270,000
13032UQH4	11/15/2030	5.00	\$23,340,000
13032UQJ0	11/15/2031	5.00	\$24,465,000
13032UQK7	11/15/2032	5.00	\$25,695,000
13032UQL5	11/15/2033	5.00	\$26,805,000
13032UQM3	11/15/2034	5.00	\$23,390,000
13032UQN1	11/15/2035	5.00	\$19,310,000
13032UQP6	11/15/2036	5.00	\$26,160,000
13032UQQ4	11/15/2037	5.00	\$30,225,000
13032UQR2	11/15/2040	4.00	\$105,405,000



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**California Health Facilities Financing Authority
Revenue Bonds
(Stanford Health Care)
2020 Series A**

CUSIP	Maturity Date	Interest Rate (%)	Original Principal Amount
13032UVN5	08/15/2050	4.00	\$ 170,120,000



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California Health Facilities Financing Authority
Revenue Bonds
(Stanford Health Care)
2021 Series A

CUSIP	Maturity Date	Mandatory Tender Date	Interest Rate (%)	Original Principal Amount
13032UYT9	08/15/2054	8/15/2025	3.00	\$ 157,715,000



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**California Health Facilities Financing Authority
Revenue Bonds
(Stanford Health Care)
2023 Series A**

CUSIP	Maturity Date	Interest Rate (%)	Original Principal Amount
13032UH68	08/15/2033	5.00	\$ 256,545,000