

**Hudson Regional Health
IJKG Opco LLC
dba Bayonne University Hospital**

FINANCIAL STATEMENTS
For the period ending: June 30, 2026
DRAFT

IJKG Opco LLC
dba Bayonne University Hospital
Balance Sheets
(in thousands)

	Current Year		Prior Year
	Jun-26	May-26	Dec-25
	(Unaudited)	(Unaudited)	(Unaudited)
<u>Assets</u>			
Current Assets:			
Cash and cash equivalents	\$ 1,150	\$ 22	\$ 623
Restricted cash and cash equivalents	\$ 2	\$ 2	\$ 2
Net patient accounts receivable, current portion	\$ 54,222	\$ 53,880	\$ 38,144
Investments	\$ -	\$ -	\$ -
Due from related parties	\$ -	\$ -	\$ -
Other receivables	\$ 233	\$ 233	\$ 233
Prepaid expenses	\$ 708	\$ 717	\$ 2,219
Loan Receivable	\$ -	\$ -	\$ -
Inventory	\$ 5,007	\$ 4,949	\$ 4,883
Total Current Assets	\$ 61,322	\$ 59,803	\$ 46,105
Non-Current Assets:			
Net patient accounts receivable, long term portion	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
Intangible Assets	\$ -	\$ -	\$ -
Right of use assets	\$ 66,874	\$ 67,456	\$ 571
Property and equipment, net	\$ 11,110	\$ 10,396	\$ 7,772
Total Assets, Deferred Cost & Equipment	\$ 77,985	\$ 77,852	\$ 8,343
Total Assets	\$ 139,306	\$ 137,655	\$ 54,447
<u>Liabilities and Member's Equity</u>			
Current Liabilities:			
Lease liability, current portion	\$ 4,683	\$ 4,566	\$ 786
Accounts payable (Post Petition)	\$ 22,961	\$ 22,484	\$ 13,471
Accrued expenses payable	\$ 51,437	\$ 47,572	\$ 47,846
Accrued compensation	\$ 28,290	\$ 26,123	\$ 17,648
Due to related party	\$ 36,390	\$ 35,757	\$ 29,769
Deferred revenue	\$ -	\$ -	\$ 3
Accrued interest payable	\$ 11,856	\$ 11,480	\$ 2,464
Loan payable	\$ 22,576	\$ 24,179	\$ 26,582
Due to third party, current portion	\$ 416	\$ 416	\$ 416
Total Current Liabilities	\$ 178,610	\$ 172,577	\$ 138,985
Long Term Liabilities:			
Lease liability less current portion	\$ 65,890	\$ 65,899	\$ -
Accrued compensation (Pre-Petition)	\$ 6,940	\$ 6,940	\$ 6,940
Accounts payable (Pre-Petition)	\$ 38,197	\$ 38,286	\$ 38,368
Accrued Expense (Pre-Petition)	\$ 4,394	\$ 4,394	\$ 1,838
Accrued interest payable (Pre-Petition)	\$ 586	\$ 586	\$ 586
Loan payable (Pre-Petition)	\$ 25,265	\$ 25,265	\$ 25,265
Due to third party less current portion	\$ 4,789	\$ 4,573	\$ 4,546
Benefits payable	\$ -	\$ -	\$ -
Total Liabilities	\$ 324,670	\$ 318,520	\$ 216,528
Member's Equity:			
Member's Equity (Net)	\$ (185,364)	\$ (180,865)	\$ (162,080)
Total Member's Equity	\$ (185,364)	\$ (180,865)	\$ (162,080)
Total Liabilities and Member's Equity	\$ 139,306	\$ 137,655	\$ 54,447
	\$ 0	\$ (0)	\$ (0)

IJKG Opco LLC
dba Bayonne University Hospital
Statement of Operations
DRAFT
(unaudited) (in thousands)

	Month to Date				Year to Date			
	June 2026	2026 BUDGET	CYMTD vs BUDG	June 2025	June 2026	2026 BUDGET	CYTD vs BUDG	June 2025
<u>Operating Revenues</u>								
Net Patient Service Revenue	\$ 12,999	\$ 14,368	\$ (1,369)	\$ 10,981	\$ 84,277	\$ 86,687	\$ (2,410)	\$ 59,598
Other Operating Revenue	\$ 2,296	\$ 510	\$ 1,786	\$ 405	\$ 3,013	\$ 3,079	\$ (66)	\$ 1,707
Charity Care Subsidy	\$ -	\$ 523	\$ (523)	\$ 128	\$ 1,103	\$ 3,154	\$ (2,051)	\$ 768
Total Operating Revenues	\$ 15,295	\$ 15,401	\$ (106)	\$ 11,514	\$ 88,393	\$ 92,920	\$ (4,527)	\$ 62,073
<u>Operating Expenses</u>								
Salaries and Wages	\$ 6,738	\$ 6,119	\$ 619	\$ 4,912	\$ 38,813	\$ 36,918	\$ 1,895	\$ 29,745
Fringe Benefits	\$ 1,028	\$ 1,449	\$ (421)	\$ 637	\$ 7,999	\$ 8,741	\$ (743)	\$ 4,358
Physician Fees	\$ 1,980	\$ 1,294	\$ 687	\$ 679	\$ 9,673	\$ 7,804	\$ 1,868	\$ 7,869
Supplies and other Expenses	\$ 8,502	\$ 7,332	\$ 1,170	\$ 6,314	\$ 45,997	\$ 44,236	\$ 1,761	\$ 39,699
Interest	\$ 770	\$ 735	\$ 35	\$ 730	\$ 4,900	\$ 4,436	\$ 464	\$ 3,885
Depreciation	\$ 775	\$ 559	\$ 216	\$ 462	\$ 4,296	\$ 3,375	\$ 921	\$ 2,843
Total Operating Expenses	\$ 19,794	\$ 17,488	\$ 2,306	\$ 13,734	\$ 111,677	\$ 105,511	\$ 6,166	\$ 88,398
Net Income/Loss from Operation	\$ (4,499)	\$ (2,087)	\$ (2,412)	\$ (2,220)	\$ (23,284)	\$ (12,591)	\$ (10,692)	\$ (26,325)
<u>Income/Loss of Non-Recurring</u>								
Income (Loss) of Non-Recurring Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Non-Operating Income/Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Income/Loss	\$ (4,499)	\$ (2,087)	\$ (2,412)	\$ (2,220)	\$ (23,284)	\$ (12,591)	\$ (10,692)	\$ (26,325)

IJKG Opco LLC
dba Bayonne University Hospital
Statement of Cash Flows
DRAFT
(unaudited) (in thousands)

	MTD	YTD
	<u>Jun-26</u>	<u>Jun-26</u>
From Operating Activities:		
Income/(loss) from operations	\$ (4,499)	\$ (23,283)
Adjustments to reconcile increase in net assets to cash provided by operating activities:		
Depreciation & Amortization	\$ 775	\$ 4,296
Affiliated Company	\$ -	\$ -
Gain on Sales	\$ -	\$ -
Change in operating assets and liabilities:		
(Increase)/decrease in patient accounts receivable	\$ (342)	\$ (16,078)
(Increase)/decrease in other receivables	\$ 0	\$ 0
(Increase)/decrease in loan receivables	\$ -	\$ -
(Increase)/decrease in prepaid expenses and deposits	\$ (49)	\$ 1,388
(Increase)/decrease in due from related party	\$ -	\$ -
(Increase)/decrease in supplies	\$ -	\$ -
(Increase)/decrease in deferred charges	\$ -	\$ -
Increase/(decrease) in accounts payable, and other accrued expenses	\$ 4,252	\$ 15,466
Increase/(decrease) in due to related party	\$ 633	\$ 6,621
Increase/(decrease) in deferred revenue	\$ -	\$ (3)
Increase/(decrease) in accrued compensation	\$ 2,167	\$ 10,642
Increase/(decrease) in benefit payable	\$ 216	\$ 243
Increase/(decrease) in accrued interest payable	\$ 376	\$ 9,392
Increase/(decrease) in loan payable	\$ (1,603)	\$ (4,006)
Increase/(decrease) in other liabilities	\$ -	\$ -
Net cash provided by/(used in) operating activities	\$ 1,927	\$ 4,677
From Investing Activities:		
Investments	\$ -	\$ -
Gain on Sales	\$ -	\$ -
Acquisitions of property, plant, and equipment	\$ (908)	\$ (73,938)
Net cash provided by/(used in) investing activities	\$ (908)	\$ (73,938)
Flows From Financing Activities:		
Capital Contributions		\$ -
Proceeds from line of credit, net of payments	\$ -	\$ -
Proceeds from long-term debt	\$ 108	\$ 69,787
Proceeds from/(repayment of) short-term debt	\$ -	\$ -
Principal payments of long-term debt	\$ -	\$ -
Payment of Dividends/Distributions	\$ -	\$ -
Reclass Tax Distrib Payable to Equity		\$ -
Repayment of capital lease obligation		\$ -
Net cash provided by/(used in) financing activities	\$ 108	\$ 69,787
Net increase/(decrease) in cash and cash equivalents	\$ 1,127	\$ 526
Cash and cash equivalents at beginning of period	\$ 24	\$ 626
Cash and cash equivalents at end of period	\$ 1,152	\$ 1,152

IJGG Opco LLC
dba Bayonne University Hospital
Statistics by Service and Payor
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(unaudited)

	Month		YTD		Budget		Comparison			
	Jun-25	Jun-26	Jun-25	Jun-26	Current Mo	Current YTD	CM vs PYM	CYTD vs PYTD	CM vs CMB	CYTD vs YTD
Discharges by Service										
Medical-Surgical	256	315	1,628	2,046	340	2,053	59	418	(25)	(7)
Pediatrics	-	-	-	-	-	-	-	-	-	-
OB/GYN	-	-	-	-	-	-	-	-	-	-
Newborn	0	-	0	-	-	-	-	-	-	-
Acute Subtotal	256	315	1,628	2,046	340	2,053	59	418	(25)	(7)
Psychiatric	34	27	166	175	32	194	(7)	9	(5)	(19)
TCU	36	36	116	238	37	224	-	122	(1)	14
Total Inpatient	326	378	1,910	2,459	410	2,472	52	549	(32)	(13)
Patient Days by Service										
Medical-Surgical	1,231	1,364	8,826	8,649	1,578	9,521	133	(177)	(214)	(872)
Pediatrics	-	-	-	-	-	-	-	-	-	-
OB/GYN	-	-	-	-	-	-	-	-	-	-
Newborn	0	-	0	-	-	-	-	-	-	-
Acute Subtotal	1,231	1,364	8,826	8,649	1,578	9,521	133	(177)	(214)	(872)
Psychiatric	496	332	1,827	2,187	463	2,795	(164)	360	(131)	(608)
TCU	296	260	963	1,942	342	2,061	(36)	979	(82)	(119)
Total Inpatient	2,023	1,956	11,616	12,778	2,383	14,377	(67)	1,162	(427)	(1,599)
ALOS by Service										
Medical-Surgical	4.81	4.33	5.42	4.23	4.64	4.64	(0.48)	0.31	(0.31)	(0.41)
Pediatrics	-	-	-	-	-	-	-	-	-	-
OB/GYN	-	-	-	-	-	-	-	-	-	-
Newborn	-	-	-	-	-	-	-	-	-	-
Acute Subtotal	4.81	4.33	5.42	4.23	4.64	4.64	(0.48)	0.31	(0.31)	(0.41)
Psychiatric	14.59	12.30	11.01	12.50	14.38	14.38	(2.29)	2.08	(2.08)	(1.88)
TCU	8.22	7.22	8.30	8.16	9.19	9.19	(1.00)	1.97	(1.97)	(1.04)
Total Inpatient	6.21	5.17	6.08	5.20	5.82	5.82	(1.03)	0.64	(0.64)	(0.62)
Discharges by Payor										
Medicare	106	107	593	713	116	700	1	120	(9)	13
Medicare HMO	106	99	604	721	122	734	(7)	117	(23)	(13)
Horizon/Blue Cross	22	24	163	144	25	149	2	(19)	(1)	(5)
Aetna	3	5	43	32	7	44	2	(11)	(2)	(12)
Cigna	2	3	14	34	7	40	1	20	(4)	(6)
United Healthcare	1	10	20	46	6	38	9	26	4	8
Commercial/Managed Care	14	51	91	311	49	294	37	220	2	17
Medicaid	12	11	54	72	17	101	(1)	18	(6)	(29)
Medicaid HMO	46	61	265	348	56	335	15	83	5	13
Self Pay/Charity	14	7	63	38	6	38	(7)	(25)	1	0
Total Inpatient Discharges	326	378	1,910	2,459	410	2,472	52	549	(32)	(13)
% of Discharges (Excl.Sp/Charity)	96%	98%	97%	98%	98%	98%				
% of Discharges (Medicare/Medicare HMO)	65%	54%	63%	58%	58%	58%				
% of Discharges (Horizon/Comm/Man Care)	13%	25%	17%	23%	23%	23%				
% of Discharges (SP/Charity)	4%	2%	3%	2%	2%	2%				
% of Discharges (Medicaid/Medicaid HMO)	18%	19%	17%	17%	18%	18%				
Patient Days by Payor										
Medicare	639	658	3,632	3,923	674	4,068	19	291	(16)	(145)
Medicare HMO	675	513	3,826	4,139	741	4,471	(162)	313	(228)	(332)
Horizon/Blue Cross	90	119	881	649	134	809	29	(232)	(15)	(160)
Aetna	15	32	245	132	25	151	17	(113)	7	(19)
Cigna	13	9	76	145	32	190	(4)	69	(23)	(45)
United Healthcare	7	49	129	194	24	143	42	65	25	51
Commercial/Managed Care	59	132	460	701	97	587	73	241	35	114
Medicaid	80	144	428	440	85	516	64	12	59	(76)
Medicaid HMO	397	267	1,668	2,135	477	2,876	(130)	467	(210)	(741)
Self Pay/Charity	48	33	271	320	93	563	(15)	49	(60)	(243)
Total Inpatient Days	2,023	1,956	11,616	12,778	2,383	14,375	(67)	1,162	(427)	(1,597)
% of Days (Excl.Sp/Charity)	98%	98%	98%	97%	96%	96%				
% of Days (Medicare/Medicare HMO)	65%	60%	64%	63%	59%	59%				
% of Days (Horizon/Comm/Man Care)	9%	17%	15%	14%	13%	13%				
% of Days (SP/Charity)	2%	2%	2%	3%	4%	4%				
% of Discharges (Medicaid/Medicaid HMO)	24%	21%	18%	20%	24%	24%				
ER Visits	1,551	1,563	9,275	9,233	1,520	9,168	12	(42)	43	65
ER Admits	264	298	1,678	1,865	298	1,678	34	187	-	187
ER Admits Acute(ICU)	12	16	97	97	16	97	4	-	-	-
ER Admits Psych	34	24	158	167	24	158	(10)	9	-	9
Observation	116	70	619	359	68	411	(46)	(260)	2	(52)
SDS	257	431	1,150	2,171	283	1,710	174	1,021	148	461
Endoscopy	114	116	669	680	116	680	2	11	-	-
Op Visits	1,147	2,988	7,172	13,882	2,988	13,882	1,841	6,710	-	-
Interventional Radiology Procedures	258	422	1,194	2,385	422	2,385	164	1,191	-	-
FTE	666	756	655	748	766	766	90	92	(10)	(18)
Acute Admissions	284	356	1,738	2,284	356	2,284	72	546	-	-
Psych Admissions	36	26	177	180	26	180	(10)	3	-	-

IJGG OPCO LLC
June 2026 Expense Comparison

June 2026 vs. June 2026 Budget

Type	Jun-26 <u>ACTUAL</u>	Jun-26 <u>BUDGET</u>	Jun-26 <u>VARIANCE</u>	Jun-26 <u>YTD ACTUAL</u>	Jun-26 <u>YTD BUDGET</u>	Jun-26 <u>YTD VARIANCE</u>
Salaries and Wages	6,385,987	5,873,512	(512,475)	36,752,160	35,436,854	1,315,305
Contract Labor	352,472	245,506	(106,966)	2,060,551	1,481,221	579,330
Salaries, Wages and Contract Labor	6,738,459	6,119,018	(619,441)	38,812,711	36,918,075	1,894,636
Policy Fringe Benefits	514,083	822,156	308,073	4,980,888	4,960,340	20,548
Taxes	514,132	626,710	112,578	3,017,734	3,781,149	(763,415)
Total Fringe Benefits	1,028,215	1,448,866	420,650	7,998,622	8,741,489	(742,867)
Purch Services	2,697,291	2,265,629	(431,662)	14,505,476	13,669,294	836,182
Billing Fees	-	-	-	-	-	-
Physician Related	452,007	210,217	(241,790)	1,772,268	1,268,308	503,960
Physician Related-Quality	1,528,225	1,083,330	(444,895)	7,900,580	6,536,093	1,364,487
Property Taxes	60,926	69,041	8,116	365,626	416,548	(50,922)
Medical Surgical Supplies	3,277,601	2,990,733	(286,868)	18,239,183	18,044,087	195,096
Liability and W/C Insurance	399,465	420,777	21,312	2,444,058	2,538,685	(94,627)
Rent, Maintenance, Repairs	217,596	131,871	(85,725)	776,706	795,622	(18,916)
Utilities	251,578	272,341	20,764	1,482,127	1,643,126	(161,000)
Pharmaceuticals	159,770	169,448	9,678	1,084,538	1,022,335	62,202
Management Fee	781,697	588,430	(193,267)	4,016,194	3,550,193	466,001
All Other Supply	656,303	423,668	(232,635)	3,082,710	2,556,133	526,577
Total Supplies and Other	10,482,459	8,625,485	(1,856,974)	55,669,464	52,040,424	3,629,040
Affiliated Interest (Income) Expense	-	-	-	-	-	-
Interest	769,926	735,305	(34,622)	4,900,186	4,436,338	463,848
Depreciation	775,200	559,349	(215,851)	4,295,662	3,374,739	920,924
Lease, Interest, Depreciation	1,545,126	1,294,654	(250,473)	9,195,848	7,811,076	1,384,772
Grand Total	19,794,259	17,488,022	(2,306,238)	111,676,645	105,511,064	6,165,581

June 2026 Actual vs. June 2025 Actual

Variance-Type	Jun-26 <u>ACTUAL</u>	Jun-25 <u>ACTUAL</u>	2025 vs 2024 <u>VARIANCE</u>	Jun-26 <u>YTD ACTUAL</u>	Jun-25 <u>YTD ACTUAL</u>	2026 vs 2025 <u>Variance</u>
Salaries and Wages	6,385,987	4,685,083	1,700,904	36,752,160	28,478,407	8,273,752
Contract Labor	352,472	227,301	125,171	2,060,551	1,267,066	793,485
Salaries, Wages and Contract Labor	6,738,459	4,912,384	1,826,075	38,812,711	29,745,473	9,067,238
Policy Fringe Benefits	514,083	249,636	264,447	4,980,888	1,780,452	3,200,435
Taxes	514,132	386,880	127,252	3,017,734	2,577,257	440,478
Total Fringe Benefits	1,028,215	636,516	391,699	7,998,622	4,357,709	3,640,913
Purch Services	2,697,291	1,946,290	751,001	14,505,476	12,331,307	2,174,169
Billing Fees	-	-	-	-	-	-
Physician Related	452,007	185,029	266,978	1,772,268	1,055,093	717,175
Physician Related-Quality	1,528,225	493,662	1,034,564	7,900,580	6,814,187	1,086,392
Property Taxes	60,926	70,000	(9,074)	365,626	408,900	(43,274)
Medical Surgical Supplies	3,277,601	2,740,600	537,001	18,239,183	13,664,152	4,575,030
Liability and W/C Insurance	399,465	279,469	119,996	2,444,058	1,775,109	668,950
Rent, Maintenance, Repairs	217,596	21,219	196,376	776,706	369,031	407,675
Utilities	251,578	223,426	28,152	1,482,127	1,391,896	90,231
Pharmaceuticals	159,770	184,073	(24,303)	1,084,538	1,367,798	(283,260)
Management Fee	781,697	581,493	200,204	4,016,194	6,429,722	(2,413,528)
All Other Supply	656,303	267,817	388,486	3,082,710	1,821,648	1,261,061
Total Supplies and Other	10,482,459	6,993,077	3,489,382	55,669,464	47,428,842	8,240,622
Affiliated Interest (Income) Expense	-	-	-	-	-	-
Interest	769,926	729,860	40,066	4,900,186	3,884,688	1,015,498
Depreciation	775,200	462,282	312,918	4,295,662	2,842,511	1,453,151
Lease, Interest, Depreciation	1,545,126	1,192,143	352,984	9,195,848	6,727,200	2,468,649
Grand Total	19,794,259	13,734,120	6,060,140	111,676,645	88,259,224	23,417,421