

**Hudson Regional Health
Hudson Hospital Opco, LLC
dba Heights University Hospital**

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

Hudson Hospital Opco, LLC
dba Heights University Hospital
Balance Sheets
(in thousands)

	Current Year		Prior Year
	Jun-26	May-26	Dec-25
	(Unaudited)	(Unaudited)	(Unaudited)
Assets			
Current Assets:			
Cash and cash equivalents	\$ 94	\$ 66	\$ 69
Restricted cash and cash equivalents	\$ -	\$ -	\$ -
Net patient accounts receivable, current portion	\$ 8,379	\$ 8,780	\$ 13,524
Investments	\$ -	\$ -	\$ -
Due from related parties	\$ -	\$ -	\$ -
Other receivables	\$ -	\$ -	\$ 2,845
Prepaid expenses	\$ 447	\$ 574	\$ -
Loan Receivable	\$ -	\$ -	\$ -
Inventory	\$ -	\$ -	\$ -
Total Current Assets	\$ 8,920	\$ 9,420	\$ 16,438
Non-Current Assets:			
Net patient accounts receivable, long term portion	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
Intangible Assets	\$ -	\$ -	\$ -
Right of use assets	\$ 50,932	\$ 50,932	\$ 50,920
Property and equipment, net	\$ 20,670	\$ 20,520	\$ 19,952
Total Assets, Deferred Cost & Equipment	\$ 71,602	\$ 71,452	\$ 70,872
Total Assets	\$ 80,522	\$ 80,872	\$ 87,310
Liabilities and Member's Equity			
Current Liabilities:			
Lease liability, current portion	\$ 56	\$ 56	\$ 56
Accounts payable (Post Petition)	\$ 11,695	\$ 11,695	\$ 9,069
Accrued expenses payable	\$ 23,694	\$ 22,999	\$ 20,311
Accrued compensation	\$ 11,373	\$ 12,000	\$ 10,281
Due to related party	\$ 104,424	\$ 100,257	\$ 90,696
Deferred revenue	\$ 1,100	\$ 1,100	\$ -
Accrued interest payable	\$ 1,180	\$ 905	\$ 1,654
Loan payable	\$ 21,564	\$ 23,135	\$ 25,490
Due to third party, current portion	\$ 11,251	\$ 11,263	\$ 11,354
Total Current Liabilities	\$ 186,337	\$ 183,410	\$ 168,911
Long Term Liabilities:			
Lease liability less current portion	\$ 72,898	\$ 72,487	\$ 70,519
Accrued compensation (Pre-Petition)	\$ 7,359	\$ 7,359	\$ 7,359
Accounts payable (Pre-Petition)	\$ 43,116	\$ 42,077	\$ 42,678
Accrued Expenses (Pre-Petition)	\$ 1,838	\$ 1,838	\$ 1,838
Accrued interest payable (Pre-Petition)	\$ 1,946	\$ 1,946	\$ 1,946
Loan payable (Pre-Petition)	\$ 56,453	\$ 56,453	\$ 56,453
Total Liabilities	\$ 369,946	\$ 365,570	\$ 349,704
Member's Equity:			
Member's Equity (Net)	\$ (289,424)	\$ (284,698)	\$ (262,394)
Total Member's Equity	\$ (289,424)	\$ (284,698)	\$ (262,394)
Total Liabilities and Member's Equity	\$ 80,522	\$ 80,872	\$ 87,310
	\$ -	\$ -	\$ -

HUDSON HOSPITAL OPCO, LLC.
dba HEIGHTS UNIVERSITY HOSPITAL
Statement of Operations
DRAFT
(unaudited) (in thousands)

	Month to Date				Year to Date			
	<u>Jun-26</u>	<u>2026 BUDGET</u>	<u>CYMTD vs</u> <u>BUDG</u>	<u>Jun-25</u>	<u>Jun-26</u>	<u>2026 BUDGET</u>	<u>CYMTD vs</u> <u>BUDG</u>	<u>Jun-25</u>
<u>Operating Revenues</u>								
Net Patient Service Revenue	\$ -	\$ -	\$ -	\$ 6,839	\$ 915	\$ -	\$ 915	\$ 37,682
Other Operating Revenue	\$ 28		\$ 28	\$ 269	\$ 1,892		\$ 1,892	\$ 8,249
Charity Care Subsidy	\$ (2,239)		\$ (2,239)	\$ 784	\$ (2,296)		\$ (2,296)	\$ 4,106
Total Operating Revenues	\$ (2,211)	\$ -	\$ (2,211)	\$ 7,892	\$ 511	\$ -	\$ 511	\$ 50,037
<u>Operating Expenses</u>								
Salaries and Wages	\$ 33	\$ -	\$ 33	\$ 4,184	\$ 5,876	\$ -	\$ 5,876	\$ 25,114
Fringe Benefits	\$ 13	\$ -	\$ 13	\$ 944	\$ 1,329	\$ -	\$ 1,329	\$ 6,048
Supplies and other Expenses	\$ 1,501	\$ -	\$ 1,501	\$ 5,440	\$ 14,193	\$ -	\$ 14,193	\$ 36,691
Interest	\$ 711	\$ -	\$ 711	\$ 1,018	\$ 4,520	\$ -	\$ 4,520	\$ 5,394
Depreciation	\$ 260	\$ -	\$ 260	\$ 261	\$ 1,625	\$ -	\$ 1,625	\$ 1,756
Total Operating Expenses	\$ 2,517	\$ -	\$ 2,517	\$ 11,845	\$ 27,543	\$ -	\$ 27,543	\$ 75,004
Net Income/Loss from Operation	\$ (4,728)	\$ -	\$ (4,728)	\$ (3,953)	\$ (27,032)	\$ -	\$ (27,032)	\$ (24,967)
<u>Income/Loss of Non-Recurring</u>								
Income (Loss) of Non-Recurring Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Non-Operating Income/Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Income/Loss	\$ (4,728)	\$ -	\$ (4,728)	\$ (3,953)	\$ (27,032)	\$ -	\$ (27,032)	\$ (24,967)

HUDSON HOSPITAL OPCO, LLC.
dba HEIGHTS UNIVERSITY HOSPITAL
Statement of Cash Flows
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(unaudited) (in thousands)

	MTD	YTD
	<u>Jun-26</u>	<u>Jun-26</u>
From Operating Activities:		
Income/(loss) from operations	\$ (4,728)	\$ (27,032)
Adjustments to reconcile increase in net assets to cash provided by operating activities:		
Depreciation & Amortization	\$ 260	\$ 1,625
Change in operating assets and liabilities:		\$ -
(Increase)/decrease in patient accounts receivable	\$ 401	\$ 5,145
(Increase)/decrease in other receivables	\$ -	\$ 2,845
(Increase)/decrease in prepaid expenses and deposits	\$ 127	\$ (447)
Increase/(decrease) in accounts payable, and other accrued expenses	\$ 696	\$ 6,011
Increase/(decrease) in due to related party	\$ 4,167	\$ 13,728
Increase/(decrease) in deferred revenue	\$ -	\$ 1,100
Increase/(decrease) in accrued compensation	\$ (627)	\$ 1,092
Increase/(decrease) in accrued interest payable	\$ 275	\$ (474)
Increase/(decrease) in loan payable	\$ (1,571)	\$ (3,927)
Increase/(decrease) in other liabilities	\$ 1,438	\$ 2,714
Net cash provided by/(used in) operating activities	\$ 438	\$ 2,380
From Investing Activities:		
Investments		\$ -
Gain on Sales		\$ -
Acquisitions of property, plant, and equipment	\$ (410)	\$ (2,355)
Net cash provided by/(used in) investing activities	\$ (410)	\$ (2,355)
Flows From Financing Activities:		
Capital Contributions		\$ -
Proceeds from line of credit, net of payments	\$ -	\$ -
Proceeds from long-term debt	\$ -	\$ -
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	\$ -	\$ -
Net increase/(decrease) in cash and cash equivalents	\$ 28	\$ 25
Cash and cash equivalents at beginning of period	\$ 66	\$ 69
Cash and cash equivalents at end of period	\$ 94	\$ 94

Hudson Hospital Opco, LLC
dba Heights University Hospital
June 30, 2026 Expense Comparison (Unaudited)

June 2026 Actual vs. June 2026 Budget

	<u>Jun-26 ACTUAL</u>	<u>Jun-26 BUDGET</u>	<u>Jun-26 VARIANCE</u>	<u>Jun-26 YTD ACTUAL</u>	<u>Jun-26 YTD BUDGET</u>	<u>Jun-26 YTD VARIANCE</u>
Salaries and Wages	\$ 32,572	\$ 4,208,749	\$ (4,176,177)	\$ 5,876,216	\$ -	\$ 5,876,216
Contract Labor	\$ -	\$ (2,000)	\$ 2,000	\$ (100)	\$ -	\$ (100)
Salaries, Wages and Contract Labor	\$ 32,572	\$ 4,206,749	\$ (4,174,177)	\$ 5,876,116	\$ -	\$ 5,876,116
Policy Fringe Benefits	\$ 9,640	\$ 435,686	\$ (426,046)	\$ 915,861	\$ -	\$ 915,861
Taxes	\$ 3,326	\$ 408,541	\$ (405,215)	\$ 413,157	\$ -	\$ 413,157
Total Fringe Benefits	\$ 12,966	\$ 844,227	\$ (831,261)	\$ 1,329,018	\$ -	\$ 1,329,018
	40%	20%		23%	0%	
Consulting Fees/Purch Services	\$ 875,596	\$ 619,109	\$ 256,487	\$ 5,325,322	\$ -	\$ 5,325,322
Collection Fees	\$ -	\$ 1,194,344	\$ (1,194,344)	\$ -	\$ -	\$ -
Physician - Quality	\$ -	\$ 102,545	\$ (102,545)	\$ 1,027,303	\$ -	\$ 1,027,303
Physician Related	\$ -	\$ 100,960	\$ (100,960)	\$ 4,500	\$ -	\$ 4,500
Property Taxes	\$ 129,118	\$ 945,065	\$ (815,947)	\$ 759,435	\$ -	\$ 759,435
Medical Surgical Supplies	\$ 4,954	\$ 252,638	\$ (247,684)	\$ 525,136	\$ -	\$ 525,136
Liability and W/C Insurance	\$ 267,423	\$ 304,291	\$ (36,868)	\$ 1,854,239	\$ -	\$ 1,854,239
Rent, Maintenance, Repairs	\$ 48,774	\$ 117,533	\$ (68,759)	\$ 640,527	\$ -	\$ 640,527
Utilities	\$ 68,793	\$ 157,601	\$ (88,808)	\$ 971,177	\$ -	\$ 971,177
Pharmaceuticals	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Management Fee	\$ -	\$ -	\$ -	\$ 2,029,476	\$ -	\$ 2,029,476
All Other Supply	\$ 106,279	\$ -	\$ 106,279	\$ 1,055,669	\$ -	\$ 1,055,669
Total Supplies and Other	\$ 1,500,937	\$ 3,794,086	\$ (2,293,149)	\$ 14,192,784	\$ -	\$ 14,192,784
Interest	\$ 710,675	\$ -	\$ 710,675	\$ 4,520,078	\$ -	\$ 4,520,078
Depreciation	\$ 259,502	\$ -	\$ 259,502	\$ 1,624,896	\$ -	\$ 1,624,896
Lease, Interest, Depreciation	\$ 970,177	\$ -	\$ 970,177	\$ 6,144,974	\$ -	\$ 6,144,974
Grand Total	\$ 2,516,652	\$ 8,845,062	\$ (6,328,410)	\$ 27,542,892	\$ -	\$ 27,542,892

June 2026 Actual vs. June 2025 Actual

	<u>Jun-26 ACTUAL</u>	<u>Jun-25 ACTUAL</u>	<u>2026 vs 2025 VARIANCE</u>	<u>Jun-26 YTD ACTUAL</u>	<u>Jun-25 YTD ACTUAL</u>	<u>2026 vs 2025 VARIANCE</u>
Salaries and Wages	\$ 32,572	\$ 4,146,598	\$ (4,114,026)	\$ 5,876,216	\$ 25,075,085	\$ (19,198,869)
Contract Labor	\$ -	\$ 37,027	\$ (37,027)	\$ (100)	\$ 39,123	\$ (39,223)
Salaries, Wages and Contract Labor	\$ 32,572	\$ 4,183,625	\$ (4,151,053)	\$ 5,876,116	\$ 25,114,208	\$ (19,238,092)
Policy Fringe Benefits	\$ 9,640	\$ 568,074	\$ (558,434)	\$ 915,861	\$ 3,608,861	\$ (2,693,000)
Taxes	\$ 3,326	\$ 375,432	\$ (372,106)	\$ 413,157	\$ 2,439,015	\$ (2,025,858)
Total Fringe Benefits	\$ 12,966	\$ 943,506	\$ (930,540)	\$ 1,329,018	\$ 6,047,876	\$ (4,718,858)
		23%			24%	
Consulting Fees/Purch Services	\$ 875,596	\$ 1,156,269	\$ (280,673)	\$ 5,325,322	\$ 3,443,580	\$ 1,881,742
Collection Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Physician - Quality	\$ -	\$ 859,459	\$ (859,459)	\$ 1,027,303	\$ 9,116,168	\$ (8,088,865)
Physician Related	\$ -	\$ 160,182	\$ (160,182)	\$ 4,500	\$ 700,817	\$ (696,317)
Property Taxes	\$ 129,118	\$ 146,376	\$ (17,258)	\$ 759,435	\$ 628,613	\$ 130,822
Medical Surgical Supplies	\$ 4,954	\$ 988,041	\$ (983,087)	\$ 525,136	\$ 5,889,157	\$ (5,364,021)
Liability and W/C Insurance	\$ 267,423	\$ 271,745	\$ (4,322)	\$ 1,854,239	\$ 1,757,234	\$ 97,005
Rent, Maintenance, Repairs	\$ 48,774	\$ 344,482	\$ (295,708)	\$ 640,527	\$ 1,929,821	\$ (1,289,294)
Utilities	\$ 68,793	\$ 169,365	\$ (100,572)	\$ 971,177	\$ 1,110,248	\$ (139,071)
Pharmaceuticals	\$ -	\$ 118,031	\$ (118,031)	\$ -	\$ 989,680	\$ (989,680)
Management Fee	\$ -	\$ 714,690	\$ (714,690)	\$ 2,029,476	\$ 7,902,517	\$ (5,873,041)
All Other Supply	\$ 106,279	\$ 510,991	\$ (404,712)	\$ 1,055,669	\$ 3,223,355	\$ (2,167,686)
Total Supplies and Other	\$ 1,500,937	\$ 5,439,631	\$ (3,938,694)	\$ 14,192,784	\$ 36,691,190	\$ (22,498,406)
Interest	\$ 710,675	\$ 1,017,579	\$ (306,904)	\$ 4,520,078	\$ 5,394,066	\$ (873,988)
Depreciation	\$ 259,502	\$ 260,594	\$ (1,092)	\$ 1,624,896	\$ 1,756,266	\$ (131,370)
Lease, Interest, Depreciation	\$ 970,177	\$ 1,278,173	\$ (307,996)	\$ 6,144,974	\$ 7,150,332	\$ (1,005,358)
Grand Total	\$ 2,516,652	\$ 11,844,935	\$ (9,328,283)	\$ 27,542,892	\$ 75,003,606	\$ (47,460,714)

HUDSON HOSPITAL OPCO, LLC.
dba Heights University Hospital
Statistics by Service and Payor
DRAFT
(unaudited)

	Month		YTD		Budget		Comparison			
	May-25	May-26	May-25	May-26	Current Mo	Current YTD	CM vs PYM	CYTD vs PYTD	CM vs CMB	CYTD vs YTDB
Discharges by Service										
Medical-Surgical	212		837				(212)	(837)	-	-
Pediatrics	-						0	-	-	-
OB/GYN	-						0	-	-	-
Newborn	-						0	-	-	-
Acute Subtotal	212	-	837	-	-	-	(212)	(837)	-	-
Psychiatric	28		102				(28)	(102)	-	-
Detox	52		192				(52)	(192)	-	-
Total Inpatient	292	-	1,131	-	-	-	(292)	(1,131)	-	-
Patient Days by Service										
Medical-Surgical	1,162		5,442				(1,162)	(5,442)	-	-
Pediatrics	-						0	-	-	-
OB/GYN	-						0	-	-	-
Newborn	-						0	-	-	-
Acute Subtotal	1,162	-	5,442	-	-	-	(1,162)	(5,442)	-	-
Psychiatric	221		851				(221)	(851)	-	-
Detox	202		812				(202)	(812)	-	-
Total Inpatient	1,585	-	7,105	-	-	-	(1,585)	(7,105)	-	-
ALOS by Service										
Medical-Surgical	5.48		6.50				(5.48)	(6.50)	-	-
Pediatrics	-						-	-	-	-
OB/GYN	-						-	-	-	-
Newborn	-						-	-	-	-
Acute Subtotal	5.48	-	6.50	-	-	-	(5.48)	(6.50)	-	-
Psychiatric	7.89		8.34				(7.89)	(8.34)	-	-
Detox	3.88		4.23				(3.88)	(4.23)	-	-
Total Inpatient	5.43	-	6.28	-	-	-	(5.43)	(6.28)	-	-
Discharges by Payor										
Medicare	53		171				(53)	(171)	-	-
Medicare HMO	56		266				(56)	(266)	-	-
Horizon/Blue Cross	18		58				(18)	(58)	-	-
Aetna	7		25				(7)	(25)	-	-
Cigna	-		5				-	(5)	-	-
United Healthcare	3		10				(3)	(10)	-	-
Commercial/Managed Care	7		32				(7)	(32)	-	-
Medicaid	20		78				(20)	(78)	-	-
Medicaid HMO	83		301				(83)	(301)	-	-
Self Pay/Charity	45		185				(45)	(185)	-	-
Total Inpatient Discharges	292	-	1,131	-	-	-	(292)	(1,131)	-	-
% of Discharges (Excl.Sp/Charity)	85%		84%							
% of Discharges (Medicare/Medicare HMO)	37%		93%							
% of Discharges (Horizon/Comm/Man Care)	12%		11%							
% of Discharges (SP/Charity)	35%		34%							
% of Discharges (Medicaid/Medicaid HMO)	15%		16%							
Patient Days by Payor										
Medicare	348		1,192				(348)	(1,192)	-	-
Medicare HMO	329		1,993				(329)	(1,993)	-	-
Horizon/Blue Cross	100		348				(100)	(348)	-	-
Aetna	27		241				(27)	(241)	-	-
Cigna	-		22				-	(22)	-	-
United Healthcare	19		61				(19)	(61)	-	-
Commercial/Managed Care	29		198				(29)	(198)	-	-
Medicaid	155		620				(155)	(620)	-	-
Medicaid HMO	437		1,773				(437)	(1,773)	-	-
Self Pay/Charity	141		657				(141)	(657)	-	-
Total Inpatient Days	1,585	-	7,105	-	-	-	(1,585)	(7,105)	-	-
% of Days (Excl.Sp/Charity)	91%		91%							
% of Days (Medicare/Medicare HMO)	43%		45%							
% of Days (Horizon/Comm/Man Care)	11%		12%							
% of Days (SP/Charity)	37%		34%							
% of Discharges (Medicaid/Medicaid HMO)	9%		9%							
ER Visits	2,096	-	8,732	1,567	-	-	(2,096)	(7,165)	-	1,567
ER Admits					-	-	-	-	-	-
ER Admits Acute(ICU)					-	-	-	-	-	-
ER Admits Psych					-	-	-	-	-	-
Observation					-	-	-	-	-	-
SDS					-	-	-	-	-	-
Endoscopy					-	-	-	-	-	-
Op Visits		83		1,029	-	-	83	1,029	83	1,029
Interventional Radiology Procedures					-	-	-	-	-	-
FTE	577	24	576	52	-	-	(553)	(524)	24	52
Acute Admissions					-	-	-	-	-	-
Psych Admissions					-	-	-	-	-	-
Inpatient Surgical Volume					-	-	-	-	-	-
Outpatient Surgical Volume					-	-	-	-	-	-