



# Prime Healthcare

*Saving hospitals. Saving jobs. Saving lives.*

## FINANCIAL STATEMENTS

Prime Healthcare Services - Monroe, LLC  
Years Ended December 31, 2023 and 2022



Prime Healthcare Services – Monroe, LLC

Financial Statements

Years Ended December 31, 2023 and 2022

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## Prime Healthcare Services – Monroe, LLC

### Important Notes

November 22, 2024

Please find attached the financial statements of Prime Healthcare Services – Monroe, LLC doing business as Monroe Hospital as of and for the fiscal years ended December 31, 2023 and 2022, which have been included as part of the financial statement audit of its parent company, Prime Healthcare Services, Inc. The financial statements of Prime Healthcare Services, Inc. have been audited and received an unqualified opinion for the years ended December 31, 2023 and 2022. Prime Healthcare Services, Inc. as a whole is a privately owned company and thus those audited financial statements are not available for public posting.

## Prime Healthcare Services - Monroe, LLC

### Balance Sheets (Dollars in Thousands)

|  | December 31 |           |
|--|-------------|-----------|
|  | 2023        | 2022      |
| <b>Assets</b>  |             |           |
| Current assets:  |             |           |
| Cash and cash equivalents  | \$ 2,843    | \$ 784    |
| Patient accounts receivable, net   | 4,930       | 5,567     |
| Receivables from third-party payers                                      | 190         | 452       |
| Supplies inventory   | 1,040       | 996       |
| Prepaid expenses and other current assets                                | 124         | 108       |
| Other current assets   | 44          | 41        |
| Total current assets   | 9,171       | 7,948     |
| Property and equipment, net of accumulated depreciation and amortization | 16,559      | 22,026    |
| Other assets   | 759         | 1,203     |
| Total assets   | \$ 26,489   | \$ 31,177 |
| <b>Liabilities and stockholder's deficit</b>                             |             |           |
| Current liabilities:   |             |           |
| Accounts payable   | \$ 703      | \$ 1,046  |
| Liabilities to third-party payers  | 1,237       | 600       |
| Accrued expenses   | 1,189       | 1,330     |
| Current portion of long-term debt and finance leases                     | 84          | 126       |
| Current portion of operating leases                                      | 454         | 442       |
| Related-party payables   | 89,083      | 82,899    |
| Total current liabilities  | 92,750      | 86,443    |
| Long-term liabilities:   |             |           |
| Finance leases, net of current portion                                   | 70          | 88        |
| Operating leases, net of current portion                                 | 161         | 611       |
| Insurance claims liabilities and reserves, net of current portion        | 901         | 811       |
| Other long-term liabilities  | 15          | 15        |
| Total liabilities  | 93,897      | 87,968    |
| Member's deficit   |             |           |
| Capital contributions  | 1,800       | 1,800     |
| Retained losses  | (69,208)    | (58,591)  |
| Total member's deficit   | (67,408)    | (56,791)  |
| Total liabilities and member's deficit                                   | \$ 26,489   | \$ 31,177 |

Prime Healthcare Services - Monroe, LLC

Statements of Operations  
(Dollars in Thousands)

|                                    | <b>Year Ended December 31</b> |                    |
|------------------------------------|-------------------------------|--------------------|
|                                    | <b>2023</b>                   | <b>2022</b>        |
| <b>Revenue</b>                     |                               |                    |
| Net patient service revenue        | \$ 31,432                     | \$ 30,795          |
| Other operating revenue            | 124                           | 139                |
| Net revenue                        | <u>31,556</u>                 | <u>30,934</u>      |
| <b>Operating expenses</b>          |                               |                    |
| Compensation and employee benefits | 17,881                        | 14,245             |
| General and administrative         | 5,578                         | 5,887              |
| Supplies                           | 3,226                         | 4,241              |
| Professional services              | 9,063                         | 14,026             |
| Depreciation and amortization      | 5,901                         | 13,158             |
| Rent and lease                     | 517                           | 427                |
|                                    | <u>42,166</u>                 | <u>51,984</u>      |
| Loss from operations               | (10,610)                      | (21,050)           |
| Interest expense                   | (7)                           | (254)              |
| Other nonoperating income          | -                             | 1                  |
| Loss before income taxes           | <u>(10,617)</u>               | <u>(21,303)</u>    |
| Net loss                           | <u>\$ (10,617)</u>            | <u>\$ (21,303)</u> |

Prime Healthcare Services - Monroe, LLC

Statements of Member's Deficit  
*(Dollars in Thousands)*

|                            | <b>Capital<br/>Contribution</b> | <b>Accumulated<br/>Deficit</b> | <b>Total</b>       |
|----------------------------|---------------------------------|--------------------------------|--------------------|
| Balance, January 1, 2022   | 1,800                           | \$ (37,288)                    | \$ (35,488)        |
| Net loss                   | –                               | (21,303)                       | (21,303)           |
| Balance, December 31, 2022 | 1,800                           | (58,591)                       | (56,791)           |
| Net loss                   | –                               | <b>(10,617)</b>                | <b>(10,617)</b>    |
| Balance, December 31, 2023 | <b>1,800</b>                    | <b>\$ (69,208)</b>             | <b>\$ (67,408)</b> |

## Prime Healthcare Services - Monroe, LLC

### Statements of Cash Flows (Dollars in Thousands)

|   | <b>Year Ended December 31</b> |             |
|---|-------------------------------|-------------|
|   | <b>2023</b>                   | <b>2022</b> |
| <b>Operating activities</b>   |                               |             |
| Net loss  | \$ (10,617)                   | \$ (21,303) |
| Adjustments to reconcile net loss to net cash provided by operating activities: |                               |             |
| Depreciation and amortization   | 5,901                         | 13,158      |
| Right-of-use asset amortization   | 504                           | 531         |
| Patient accounts receivable   | 637                           | (928)       |
| Supplies inventory  | (44)                          | 26          |
| Prepaid expenses and other current assets                                       | (19)                          | 352         |
| Related-party receivables/payables  | 6,184                         | 43,126      |
| Accounts payable  | (275)                         | 347         |
| Accrued expense, and insurance claims liabilities and reserves                  | (51)                          | (1,201)     |
| Operating lease liability   | (531)                         | (560)       |
| Medicare advances   | (10)                          | (3,153)     |
| Other long-term liabilities   | 1                             | 54          |
| Third-party payor settlements   | 909                           | 415         |
| Net cash provided by operating activities                                       | 2,589                         | 30,864      |
| <b>Investing activities</b>   |                               |             |
| Purchases of property and equipment   | (401)                         | (30,589)    |
| Net cash used in investing activities   | (401)                         | (30,589)    |
| <b>Financing activities</b>   |                               |             |
| Payments on long-term debt borrowing  | -                             | (557)       |
| Payments on finance lease obligations   | (129)                         | (1,460)     |
| Net cash used in financing activities   | (129)                         | (2,017)     |
| Net increase (decrease) in cash, cash equivalents, and restricted cash          | 2,059                         | (1,742)     |
| Cash, cash equivalents, and restricted cash at beginning of year                | 784                           | 2,526       |
| Cash, cash equivalents, and restricted cash at end of year                      | \$ 2,843                      | \$ 784      |