



Project Name: _____

Project No: _____

Project Description: _____



| Done | Page | N/A | Description |
|------|------|-----|-------------|
|------|------|-----|-------------|

Divider I. Application Summary:

1. Applicant Identification and Certification (Form MO 580-1861)
2. Representative Registration (Form MO 580-1869)
3. Proposed Project budget (Form MO 580-1863) and detail sheet with documentation of costs.
4. Provide documentation from MO Secretary of State that the proposed owner(s) and operator(s) are registered to do business in MO.
5. State if the license of the proposed operator or any affiliate of the proposed operator has been revoked within the previous five (5) years.
6. If the license of the proposed operator or any affiliate of the proposed operator has been revoked within the previous 5 years, provide the name and address of the facility whose license was revoked.
7. State if the Medicare and/or Medicaid certification of any facility owned or operated by the proposed operator or any affiliate of the proposed operator has been revoked within the previous 5 years.
8. If the Medicare and/or Medicaid certification of any facility owned or operated by the proposed operator or any affiliate of the proposed operator has been revoked within the previous 5 years, provide the name and address of the facility whose Medicare and/or Medicaid certification was revoked.

Divider II. Proposal Description:

1. Provide a complete detailed project description.
2. Provide a timeline of events for the project, from CON issuance through project competition.
3. Provide a legible city or county map showing the exact location of the proposed facility.
4. Provide a site plan for the proposed project.
5. Provide preliminary schematic drawings for the proposed project.
6. Provide evidence that architectural plans have been submitted to the Department of Health and Senior Services.
7. Provide the proposed square footage.
8. Document ownership of the project site, or provide an option to purchase.
9. Define the community to be served.
10. Provide 2025 population projections for the 15-mile radius service area.
11. Identify specific community problems or unmet needs the proposal would address.
12. Provide historical utilization for each of the past three (3) **FULL** years and utilization projections through the first three (3) **FULL** years of operation of the new LTC beds.
13. Provide the methods and assumptions used to project utilization.
14. Document that consumer needs and preferences have been included in planning this project and describe how consumers had an opportunity to provide input.
15. Provide copies of any petitions, letters of support or opposition received.
16. Document that providers of similar health services in the proposed 15-mile radius have been notified of the application by a public notice in the local newspaper.
17. Document that providers of all affected facilities in the proposed 15-mile radius were addressed letters regarding the application.

Divider III. Service Specific Criteria and Standards:

1. For ICF/SNF beds, address the population-based bed need methodology of fifty-three (53) beds per one thousand (1,000) population age sixty-five (65) and older.
2. For RCF/ALF beds, address the population-based bed need methodology of twenty-five (25) beds per one thousand (1,000) population age sixty-five (65) and older.
3. For LTCH beds, address the population-based bed need methodology of one-tenth (0.1) bed per one thousand (1,000) population.
4. Document any alternate need methodology used to determine the need for additional beds such as Alzheimer's, mental health or other specialty beds.
5. For any proposed facility which is designed and operated exclusively for persons with acquired human immunodeficiency syndrome (AIDS) provide information to justify the need for the type of beds being proposed.
6. If the project is to add beds to an existing facility, has the facility received a Notice of Noncompliance within the last 18 months as a result of a survey, inspection or complaint investigation? If the answer is yes, explain.

Divider IV. Financial Feasibility Review Criteria and Standards:

1. Document that the proposed costs per square foot are reasonable when compared to the latest "RS Means Construction Cost data"
2. Document that sufficient financing is available by providing a letter from a financial institution or an auditor's statement indicating that sufficient funds are available.
3. Provide Service-Specific Revenues and Expenses (Form MO 580-1865) for the latest three (3) years, and projected through three (3) **FULL** years beyond project completion.
4. Document how patient charges are derived.
5. Document responsiveness to the needs of the medically indigent.
6. For a proposed new skilled nursing or intermediate care facility, what percentage of your admissions would be Medicaid eligible on the first day of admission or become Medicaid eligible within 90 days of admission?
7. For an existing skilled nursing or intermediate care facility, what percentage of your admissions are Medicaid eligible on the first day of admission or becomes Medicaid eligible within 90 days of admission.

DIVIDER I: Application Summary

1. Applicant Identification and Certification (Form MO 580-1861)
 - a. (See Attachment #2, preceded by Letter of Intent, see Attachment #1)
2. Representative Registration (From MO 580-1869)
 - a. (See Attachments #3-6)
3. Proposed Project budget (Form MO 580-1863) and detail sheet with documentation of costs.
 - a. (See Attachment #7-7B)
4. Provide documentation from MO Secretary of State that the proposed owner(s) and operator(s) are registered to do business in MO.
 - a. (See Attachments #8-9)
5. State if the license of the proposed operator or any affiliate of the proposed operator has been revoked within the previous five (5) years.
 - a. (Not Applicable)
6. If the license of the proposed operator or any affiliate of the proposed operator has been revoked within the previous 5 years, provide the name and address of the facility whose license was revoked.
 - a. (Not Applicable)
7. State if the Medicare and/or Medicaid certification of any facility owned or operated by the proposed operator or any affiliate of the proposed operator has been revoked within the previous 5 years.
 - a. (Not Applicable)
8. If the Medicare and/or Medicaid certification of any facility owned or operated by the proposed operator or any affiliate of the proposed operator has been revoked within the previous 5 years, provide the name and address of the facility whose Medicare and/or Medicaid certification was revoked.
 - a. (Not Applicable)

DIVIDER I ATTACHMENTS



Certificate of Need Program
LETTER OF INTENT

| | | |
|--|--|-------------------|
| 1. Project Information <i>(Attach additional pages as necessary to identify multiple project sites.)</i> | | |
| Title of Proposed Project (Name of existing or proposed facility) | | County |
| Project Address <i>(Street/City/State/Zip Code or Latitude and Longitude with City/State/Zip Code if no assigned address)</i> | | |
| 2. Applicant Identification <i>(Attach additional pages as necessary to list all owners and operators.)</i> | | |
| List All Owner(s): <i>(List corporate entity.)</i> | | |
| Address (Street/City/State/Zip Code) | | Telephone Number |
| [REDACTED] The Bishop Spencer Place | | |
| | | |
| List All Operator(s): <i>(List entity to be licensed or certified.)</i> | | |
| Address (Street/City/State/Zip Code) | | Telephone Number |
| [REDACTED] The Bishop Spencer Place | | |
| | | |
| 3. Type of Review | 4. Project Description <i>(Information should be brief but sufficient to understand scope of project.)</i> | |
| <p>Full Review: New Hospital New/Add LTC Beds* New/Add LTCH Beds/Eqpt. New/ Additional Equipment</p> <p>Expedited Review: 6-mile RCF/ALF Replacement 15-mile LTC Replacement 30-mile LTC Replacement LTC Bed Expansion LTC Renov./Modernization Equipment Replacement previously approved Equipment Replacement not previously approved</p> <p>Non-Applicability Review: (See 7. Applicability next page)</p> | <p>Include the number and type of long-term care beds to be added or replaced, square footage of new construction and/or renovation, services affected, and major medical equipment to be acquired or replaced. If replacing equipment previously approved, provide the CON project number of the existing equipment. If requesting a non-applicability letter, also complete the next page of this form.</p> <p>*If new or additional long-term care beds, provide the average occupancy of all licensed and available beds in the appropriate category within the fifteen-mile radius, check one of the following, and attach applicable documentation or explanation. <input type="checkbox"/> Bed need standard is met. <i>(Attach documentation.)</i> -OR- <input type="checkbox"/> Special exceptions apply. <i>(Attach explanation.)</i></p> | |
| Key: LTC = Long-Term Care; LTCH = Long-Term Care Hospital; RCF/ALF = Residential Care Facility/Assisted Living Facility | | |
| 5. Estimated Project Cost: \$ _____ | | |
| 6. Authorized Contact Person Identification <i>(List only one person who would be the main contact person for the project)</i> | | |
| Name of Contact Person | | Title |
| Contact Person Address <i>(Company/Street/City/State/Zip Code)</i> | | |
| Telephone Number | Fax Number | E-mail Address |
| Signature of Contact Person <i>Amy Lamb</i> | | Date of Signature |



Certificate of Need Program

LETTER OF INTENT

7. Applicability (Check the box below to indicate the rationale for the exemption or waiver being sought.)

A Proposed Expenditure form (MO 580-2375) is required even if the project cost is "\$0".

- If proposed expenditures are **less than the minimums** in §197.305(6), attach supporting documentation to illustrate how each of those amounts were determined, such as schematic drawings, equipment quotes, and contractor estimates.
- §197.305(9)(e) for additional long term care beds in the same category (certified as RCF/ALF, ICF or SNF) in a RCF/ALF, nursing home, or acute care hospital costing less than \$600,000, and are 10 beds or 10% of that facility's existing capacity, whichever is less. The facility must have had no patient care class I deficiencies within the last 18 months and has maintained at least an 85% average occupancy rate for the previous 6 quarters.

If the proposal meets one of the **exemptions** or **exceptions** below, then check the appropriate box, and attach detailed documentation substantiating compliance with the statutory provisions as set out in Rule 19 CSR 60-50.410:

- §197.312 for an RCF/ALF previously owned and operated by the city of St. Louis; or
- If the proposal meets the definition of **"nonsubstantive projects"** in §197.305(10) and 19 CSR 60-50.300(13) for a **waiver** from review, complete both pages of this form as the first step in the process, and provide the rationale as to why the proposal should be deemed to be "nonsubstantive" in the space below.
- If the proposal meets the definition of **"purchase"** or **"replacement"** in §197.318(4) and 19 CSR 60-50.450(4) for an **exception** from review, complete both pages of this form, and provide the rationale in the space below, including attached schematics and other documentation as to why the proposal should be deemed to be "nonapplicable".

Explain the rationale for the non-applicability letter request.



Certificate of Need Program

APPLICANT IDENTIFICATION AND CERTIFICATION

The information provided must match the **Letter of Intent** for this project, without exception.

1. Project Location (Attach additional pages as necessary to identify multiple project sites.)

| | |
|--|----------------------------|
| Title of Proposed Project Bishop Spencer Place- Memory Care Unit | Project Number #6091 RS |
| Project Address (Street/City/State/Zip Code) 4301 Madison Ave Kansas City MO 64111 | County Jackson |

2. Applicant Identification (Information must agree with previously submitted Letter of Intent.)

| List All Owner(s): (List corporate entity.) | Address (Street/City/State/Zip Code) | Telephone Number |
|---|--|------------------|
| The Bishop Spencer Place | 4301 Madison Ave Kansas City MO 64111 | 816-931-4277 |
| | | |
| (List entity to be licensed or certified.) | | |
| List All Operator(s): | Address (Street/City/State/Zip Code) | Telephone Number |
| The Bishop Spencer Place | 4301 Madison Ave Kansas City MO 64111 | 816-931-4277 |
| | | |

3. Ownership (Check applicable category.)

- Nonprofit Corporation
 Individual
 City
 District
 Partnership
 Corporation
 County
 Other _____

4. Certification

In submitting this project application, the applicant understands that:

- (A) The review will be made as to the community need for the proposed beds or equipment in this application;
- (B) In determining community need, the Missouri Health Facilities Review Committee (Committee) will consider all similar beds or equipment within the service area;
- (C) The issuance of a Certificate of Need (CON) by the Committee depends on conformance with its Rules and CON statute;
- (D) A CON shall be subject to forfeiture for failure to incur an expenditure on any approved project six (6) months after the date of issuance, unless obligated or extended by the Committee for an additional six (6) months;
- (E) Notification will be provided to the CON Program staff if and when the project is abandoned; and
- (F) A CON, if issued, may not be transferred, relocated, or modified except with the consent of the Committee.

We certify the information and date in this application as accurate to the best of our knowledge and belief by our representative's signature below:

5. Authorized Contact Person (Attach a Contact Person Correction Form if different from the Letter of Intent.)

| | |
|--|---|
| Name of Contact Person Amy Lamb | Title Director Project Management Office |
| Telephone Number 314-219-9467 | Fax Number E-mail Address alamb@saint-lukes.org |
| Signature of Contact Person <i>Amy Lamb</i> | Date of Signature 2/7/2024 |



Certificate of Need Program

REPRESENTATIVE REGISTRATION

(A registration form must be completed for **each** project presented.)

| | | | |
|--|--|--|--|
| Project Name Bishop Spencer Place- Memory Care | | Number #6091 RS | |
| (Please type or print legibly.) | | | |
| Name of Representative Amy Lamb | | Title Director Project Management Office | |
| Firm/Corporation/Association of Representative (may be different from below, e.g., law firm, consultant, other) Saint Luke's Health System | | Telephone Number 314-219-9467 | |
| Address (Street/City/State/Zip Code) 901 E 104th St. Kansas City MO 64131 | | | |
| Who's interests are being represented? (If more than one, submit a separate Representative Registration Form for each.) | | | |
| Name of Individual/Agency/Corporation/Organization being Represented Bishop Spencer Place | | Telephone Number 816-931-4277 | |
| Address (Street/City/State/Zip Code) 14301 Madison Ave, Kansas City MO 64111 | | | |
| Check one. Do you: <input checked="" type="checkbox"/> Support <input type="checkbox"/> Oppose <input type="checkbox"/> Neutral | | Relationship to Project: <input type="checkbox"/> None <input checked="" type="checkbox"/> Employee <input type="checkbox"/> Legal Counsel <input type="checkbox"/> Consultant <input type="checkbox"/> Lobbyist <input type="checkbox"/> Other (explain): | |
| Other Information: _____ _____ | | _____ _____ | |
| <p>I attest that to the best of my belief and knowledge the testimony and information presented by me is truthful, represents factual information, and is in compliance with §197.326.1 RSMo which says: <i>Any person who is paid either as part of his normal employment or as a lobbyist to support or oppose any project before the health facilities review committee shall register as a lobbyist pursuant to chapter 105 RSMo, and shall also register with the staff of the health facilities review committee for every project in which such person has an interest and indicate whether such person supports or opposes the named project. The registration shall also include the names and addresses of any person, firm, corporation or association that the person registering represents in relation to the named project. Any person violating the provisions of this subsection shall be subject to the penalties specified in §105.478, RSMo.</i></p> | | | |
| Original Signature <i>Amy Lamb</i> | | Date 2/7/24 | |



Certificate of Need Program

REPRESENTATIVE REGISTRATION(A registration form must be completed for **each** project presented.)

| | | | |
|---|--|--|--|
| Project Name Bishop Spencer Place- Memory Care Unit | | Number #6091 RS | |
| (Please type or print legibly.) | | | |
| Name of Representative Audrey Hill | | Title Operations Project Consultant | |
| Firm/Corporation/Association of Representative (may be different from below, e.g., law firm, consultant, other) Saint Luke's Health System | | Telephone Number 816-589-4399 | |
| Address (Street/City/State/Zip Code) 901 E 104th St, Kansas City MO 64131 | | | |
| Who's interests are being represented? (If more than one, submit a separate Representative Registration Form for each.) | | | |
| Name of Individual/Agency/Corporation/Organization being Represented Bishop Spencer Place | | Telephone Number 816-931-4277 | |
| Address (Street/City/State/Zip Code) 14301 Madison Ave, Kansas City MO 64111 | | | |
| Check one. Do you: <input checked="" type="checkbox"/> Support <input type="checkbox"/> Oppose <input type="checkbox"/> Neutral | | Relationship to Project: <input type="checkbox"/> None <input checked="" type="checkbox"/> Employee <input type="checkbox"/> Legal Counsel <input type="checkbox"/> Consultant <input type="checkbox"/> Lobbyist <input type="checkbox"/> Other (explain): | |
| Other Information: _____ _____ | | _____ _____ | |
| I attest that to the best of my belief and knowledge the testimony and information presented by me is truthful, represents factual information, and is in compliance with §197.326.1 RSMo which says: <i>Any person who is paid either as part of his normal employment or as a lobbyist to support or oppose any project before the health facilities review committee shall register as a lobbyist pursuant to chapter 105 RSMo, and shall also register with the staff of the health facilities review committee for every project in which such person has an interest and indicate whether such person supports or opposes the named project. The registration shall also include the names and addresses of any person, firm, corporation or association that the person registering represents in relation to the named project. Any person violating the provisions of this subsection shall be subject to the penalties specified in §105.478, RSMo.</i> | | | |
| Original Signature <i>Audrey Hill</i> | | Date 2/7/2024 | |



Certificate of Need Program

REPRESENTATIVE REGISTRATION

(A registration form must be completed for each project presented.)

| | |
|--|--------------------|
| Project Name Bishop Spencer Place- Memory Care Unit | Number #6091 RS |
|--|--------------------|

(Please type or print legibly.)

| | |
|---|-------------------------------------|
| Name of Representative Colleen Hollestelle | Title Nursing Home Administrator |
|---|-------------------------------------|

| | |
|---|----------------------------------|
| Firm/Corporation/Association of Representative (may be different from below, e.g., law firm, consultant, other) Bishop Spencer Place | Telephone Number 816-595-5009 |
|---|----------------------------------|

| |
|---|
| Address (Street/City/State/Zip Code) 14301 Madison Ave, Kansas City MO 64111 |
|---|

Who's interests are being represented?
(If more than one, submit a separate Representative Registration Form for each.)

| | |
|--|----------------------------------|
| Name of Individual/Agency/Corporation/Organization being Represented Bishop Spencer Place | Telephone Number 816-931-4277 |
|--|----------------------------------|

| |
|---|
| Address (Street/City/State/Zip Code) 14301 Madison Ave, Kansas City MO 64111 |
|---|

Check one. Do you:

- Support
- Oppose
- Neutral

Relationship to Project:

- None
- Employee
- Legal Counsel
- Consultant
- Lobbyist
- Other (explain):

Other Information:

I attest that to the best of my belief and knowledge the testimony and information presented by me is truthful, represents factual information, and is in compliance with §197.326.1 RSMo which says: *Any person who is paid either as part of his normal employment or as a lobbyist to support or oppose any project before the health facilities review committee shall register as a lobbyist pursuant to chapter 105 RSMo, and shall also register with the staff of the health facilities review committee for every project in which such person has an interest and indicate whether such person supports or opposes the named project. The registration shall also include the names and addresses of any person, firm, corporation or association that the person registering represents in relation to the named project. Any person violating the provisions of this subsection shall be subject to the penalties specified in § 105.478, RSMo.*

| | |
|------------------------|------------------|
| Original Signature | Date 2/7/2024 |
|------------------------|------------------|



Certificate of Need Program

REPRESENTATIVE REGISTRATION(A registration form must be completed for **each** project presented.)

| | | | |
|--|--|--|--|
| Project Name Bishop Spencer Place- Memory Care Unit | | Number #6901 RS | |
| (Please type or print legibly.) | | | |
| Name of Representative Louis Collier | | Title CEO Bishop Spencer Place | |
| Firm/Corporation/Association of Representative (may be different from below, e.g., law firm, consultant, other) Bishop Spencer Place | | Telephone Number 816-931-4277 | |
| Address (Street/City/State/Zip Code) 14301 Madison Ave, Kansas City MO 64111 | | | |
| Who's interests are being represented? (If more than one, submit a separate Representative Registration Form for each.) | | | |
| Name of Individual/Agency/Corporation/Organization being Represented Bishop Spencer Place | | Telephone Number 816-931-4277 | |
| Address (Street/City/State/Zip Code) 14301 Madison Ave, Kansas City MO 64111 | | | |
| Check one. Do you: <input checked="" type="checkbox"/> Support <input type="checkbox"/> Oppose <input type="checkbox"/> Neutral | | Relationship to Project: <input type="checkbox"/> None <input checked="" type="checkbox"/> Employee <input type="checkbox"/> Legal Counsel <input type="checkbox"/> Consultant <input type="checkbox"/> Lobbyist <input type="checkbox"/> Other (explain): | |
| Other Information: _____ _____ | | _____ _____ | |
| <p>I attest that to the best of my belief and knowledge the testimony and information presented by me is truthful, represents factual information, and is in compliance with §197.326.1 RSMo which says: <i>Any person who is paid either as part of his normal employment or as a lobbyist to support or oppose any project before the health facilities review committee shall register as a lobbyist pursuant to chapter 105 RSMo, and shall also register with the staff of the health facilities review committee for every project in which such person has an interest and indicate whether such person supports or opposes the named project. The registration shall also include the names and addresses of any person, firm, corporation or association that the person registering represents in relation to the named project. Any person violating the provisions of this subsection shall be subject to the penalties specified in §105.478, RSMo.</i></p> | | | |
| Original Signature <i>Louis Collier</i> | | Date 02/13/2024 | |



Certificate of Need Program

PROPOSED PROJECT BUDGET

Description

Dollars

COSTS:*

(Fill in every line, even if the amount is "\$0".)

- 1. New Construction Costs *** _____
- 2. Renovation Costs *** _____
- 3. Subtotal Construction Costs** (#1 plus #2) **_____**
- 4. Architectural/Engineering Fees _____
- 5. Other Equipment (not in construction contract) _____
- 6. Major Medical Equipment _____
- 7. Land Acquisition Costs *** _____
- 8. Consultants' Fees/Legal Fees *** _____
- 9. Interest During Construction (net of interest earned) *** _____
- 10. Other Costs *** _____
- 11. Subtotal Non-Construction Costs** (sum of #4 through #10) **_____**
- 12. Total Project Development Costs** (#3 plus #11) **_____****

FINANCING:

- 13. Unrestricted Funds _____
- 14. Bonds _____
- 15. Loans _____
- 16. Other Methods (specify) (Donations) _____
- 17. Total Project Financing** (sum of #13 through #16) **_____****

| | |
|--|-------|
| 18. New Construction Total Square Footage | _____ |
| 19. New Construction Costs Per Square Foot ***** | _____ |
| 20. Renovated Space Total Square Footage | _____ |
| 21. Renovated Space Costs Per Square Foot ***** | _____ |

* Attach additional page(s) detailing how each line item was determined, including all methods and assumptions used. Provide documentation of all major costs.

** These amounts should be the same.

*** Capitalizable items to be recognized as capital expenditures after project completion.

**** Include as Other Costs the following: other costs of financing; the value of existing lands, buildings and equipment not previously used for health care services, such as a renovated house converted to residential care, determined by original cost, fair market value, or appraised value; or the fair market value of any leased equipment or building, or the cost of beds to be purchased.

***** Divide new construction costs by total new construction square footage.

***** Divide renovation costs by total renovation square footage.

Proposed Budget Detail Sheet

1. New Construction Costs (not applicable)
2. 2. Renovation Costs
 - a. \$9,500,000 is the total estimate of renovation costs.
4. Architectural/Engineering Fees
 - a. \$500,000 is the architectural and engineering fee estimate.
5. 5. Other Equipment (not applicable)
6. 6. Major Medical Equipment (not applicable)
7. Land Acquisition Costs (not applicable)
8. Consultant's Fees/Legal Fees (not applicable)
9. Interest During Construction (not applicable)
10. Other Costs (not applicable)



- MY ACCOUNT
- HOME**
- SEARCH
- MISC INFO
- UCC FILING
- Help

Nonprofit Corporation Details as of 2/19/2024

Required Field *

File Documents - select the filing from the "Filing Type" drop-down list, then click FILE ONLINE.

File Registration Reports - click FILE REGISTRATION REPORT.

Copies or Certificates - click FILE COPIES/CERTIFICATES.

RETURN TO
SEARCH RESULTS

Create Filing

Articles of Amendment

FILE
ONLINE

ORDER COPIES/
CERTIFICATES

| General Information | Filings | Principal Office Address | Contact(s) |
|---------------------|--|--------------------------|--|
| Name | THE BISHOP SPENCER PLACE, INCORPORATED | Principal Office Address | 4301 Madison Ave Kansas City, MO 64111-3434 |
| Type | Nonprofit Corporation | Charter No. | N00017336 |
| Domesticity | Domestic | Home State | MO |
| Registered Agent | CSC-LAWYERS INCORPORATING SERVICE COMPANY 221 BOLIVAR ST JEFFERSON CITY, MO 65101 | Status | Good Standing |
| Date Formed | 12/16/1975 | | |
| Duration | Perpetual | | |
| Report Due | 8/31/2024 | | |

N00017336
Date Filed: 8/31/2023
John R. Ashcroft
Missouri Secretary of State

* SECTION 1, 3 & 4 ARE REQUIRED

REPORT DUE BY: 8/31/2023

N00017336
THE BISHOP SPENCER PLACE, INCORPORATED
CSC-LAWYERS INCORPORATING SERVICE COMPANY
221 BOLIVAR ST
JEFFERSON CITY MO 65101

ORGANIZED UNDER THE LAWS OF:
Missouri

1 PRINCIPAL PLACE OF BUSINESS OR CORPORATE HEADQUARTERS: *
4301 Madison Ave (Required)
STREET
Kansas City MO 64111-3434
CITY / STATE ZIP

2 If changing the registered agent and/or registered office address, please check the appropriate box(es) and fill in the necessary information.
 The new registered agent _____
IF CHANGING THE REGISTERED AGENT, AN ORIGINAL WRITTEN CONSENT FROM THE NEW REGISTERED AGENT MUST BE ATTACHED AND FILED WITH THIS REGISTRATION REPORT.
 The new registered office address _____
Must be a Missouri address, PO Box alone is not acceptable. This section is not applicable for Banks, Trusts and Foreign Insurance.

3 OFFICERS BOARD OF DIRECTORS *
NAME AND PHYSICAL ADDRESS (P.O. BOX ALONE NOT ACCEPTABLE). MUST LIST PRESIDENT AND SECRETARY BELOW **A** NAME AND PHYSICAL ADDRESS (P.O. BOX ALONE NOT ACCEPTABLE). MUST LIST AT LEAST THREE DIRECTORS BELOW **B**
PRESIDENT Elving, Beverly
STREET 4301 Madison Ave
CITY/STATE/ZIP Kansas City MO 64111-3491
SECRETARY Smith, Gaylord
STREET 4301 Madison Ave
CITY/STATE/ZIP Kansas City MO 64111-3491
VICE PRESIDENT Calvin, Karen
STREET 4301 Madison Ave
CITY/STATE/ZIP Kansas City MO 64111-3491
TREASURER Everson, The Rev'd Charles
STREET 4301 Madison Ave
CITY/STATE/ZIP Kansas City MO 64111-3434
NAME Everson, The Rev'd Charles
STREET 4301 Madison Ave
CITY/STATE/ZIP Kansas City MO 64111-3491 USA
NAME Collier, Louis
STREET 4301 Madison Ave
CITY/STATE/ZIP Kansas City MO 64111-3434 USA
NAME Levi, Phill
STREET 4301 Madison Ave
CITY/STATE/ZIP Kansas City MO 64111-3434 USA
NAME Donnelly, Margaret
STREET 4301 Madison Ave
CITY/STATE/ZIP Kansas City MO 64111-3434 USA
NAMES AND ADDRESSES OF ALL OTHER OFFICERS AND DIRECTORS ARE ATTACHED

4 The undersigned understands that false statements made in this report are punishable for the crime of making a false declaration under Section 575.060 RSMo. Photocopy or stamped signature not acceptable. *
Authorized party or officer sign here Lisa Walters (Required)
Please print name and title of signer: Lisa Walters / Officer
NAME TITLE

REGISTRATION REPORT FEE IS:
__ \$10.00 If filed on or before 8/31/2023
__ \$15.00 If filed after 9/30/2023
Corporation will be administratively dissolved if report is not filed by 11/29/2024

WHEN THIS FORM IS ACCEPTED BY THE SECRETARY OF STATE, BY LAW IT WILL BECOME A PUBLIC DOCUMENT AND ALL INFORMATION PROVIDED IS SUBJECT TO PUBLIC DISCLOSURE
E-MAIL ADDRESS (OPTIONAL): _____

John R. Ashcroft Secretary of State
 2023 ANNUAL REGISTRATION REPORT
 NONPROFIT

N00017336
 THE BISHOP SPENCER PLACE, INCORPORATED
 CSC-LAWYERS INCORPORATING SERVICE COMPANY
 221 BOLIVAR ST
 JEFFERSON CITY MO 65101

| OFFICERS (Continued) NAME AND PHYSICAL ADDRESS (P.O. BOX ALONE NOT ACCEPTABLE). | BOARD OF DIRECTORS (Continued) NAME AND PHYSICAL ADDRESS (P.O. BOX ALONE NOT ACCEPTABLE). |
|---|---|
| <p><u>CHAIRMAN</u> Bruce, Bishop Diane Jardine STREET 4301 Madison Ave CITY/STATE/ZIP Kansas City MO 64111-3434</p> | <p><u>DIR.</u> Fangman, Anthony L STREET 4301 Madison Ave CITY/STATE/ZIP Kansas City MO 64111-3491</p> |
| <p><u>OFFICER</u> Collier, Louis STREET 4301 Madison Ave CITY/STATE/ZIP Kansas City MO 64111-3434</p> | <p><u>DIR.</u> Hutcherson, The Rev. Anne STREET 4301 Madison Ave CITY/STATE/ZIP Kansas City MO 64111-3491</p> |
| <p><u>OFFICER</u> Walters, Lisa STREET 4301 Madison Ave CITY/STATE/ZIP Kansas City MO 64111-3491</p> | <p><u>DIR.</u> Bruce, Bishop Diane Jardine STREET 4301 Madison Ave CITY/STATE/ZIP Kansas City MO 64111-3491</p> |
| <p>3</p> | <p><u>DIR.</u> Calvin, Karen STREET 4301 Madison Ave CITY/STATE/ZIP Kansas City MO 64111-3491</p> |
| | <p><u>DIR.</u> Lampo, Jane STREET 4301 Madison Ave CITY/STATE/ZIP Kansas City MO 64111-3491</p> |
| | <p><u>DIR.</u> Halsey, Casey STREET 4301 Madison Ave CITY/STATE/ZIP Kansas City MO 64111-3491</p> |
| | <p><u>DIR.</u> Keyse, The Rev. Dr. Andrew STREET 4301 Madison Ave CITY/STATE/ZIP Kansas City MO 64111-3491</p> |
| | <p><u>DIR.</u> Johnson, Jani STREET 4301 Madison Ave CITY/STATE/ZIP Kansas City MO 64111-3491</p> |
| | <p><u>DIR.</u> Peck, Jane STREET 4301 Madison Ave</p> |

REQUIRED INFORMATION MUST BE COMPLETE OR THE REGISTRATION REPORT WILL BE REJECTED
 RETURN COMPLETED REGISTRATION REPORT AND PAYMENT TO: Secretary of State, P.O. Box 778, Jefferson City, MO 65102

John R. Ashcroft Secretary of State
 2023 ANNUAL REGISTRATION REPORT
 NONPROFIT

| | | |
|--|--|--|
| | | <p>CITY/STATE/ZIP Kansas City MO 64111-3491</p> <p><u>DIR.</u> Smith, Gaylord STREET 4301 Madison Ave CITY/STATE/ZIP Kansas City MO 64111-3491</p> <p><u>DIR.</u> Elving, Beverly O STREET 4301 Madison Ave CITY/STATE/ZIP Kansas City MO 64111-3491</p> |
|--|--|--|

REQUIRED INFORMATION MUST BE COMPLETE OR THE REGISTRATION REPORT WILL BE REJECTED
 RETURN COMPLETED REGISTRATION REPORT AND PAYMENT TO: Secretary of State, P.O. Box 778, Jefferson City, MO 65102

DIVIDER II: Application Summary

1. Provide a complete detailed project description.
 - a. Bishop Spencer Place (BSP) is an existing Continuing Care Retirement Community, owned and operated by Saint Luke's Health System. The proposed expansion of services related to this LOI is to open an additional 21 Assisted Living beds which will be operated in the facility's new memory care unit. The project will be funded through a combination of donations and system operational funds.
2. Provide a timeline of events for the project, from CON issuance through project competition.
 - a. (See Attachment #11)
3. Provide a legible city or county map showing the exact location of the proposed facility.
 - a. (See Attachment #12)
4. Provide a site plan for the proposed project.
 - a. (See Attachment #13)
5. Provide preliminary schematic drawings for the proposed project.
 - a. (See Attachment #14)
6. Provide evidence that architectural plans have been submitted to the Department of Health and Senior Services.
 - a. (See Attachment #15)
7. Provide the proposed square footage.
 - a. The proposed square footage for the 21 new beds includes a 17,00 sq ft renovation and a 1,280 sq ft addition to the existing BSP footprint.
8. Document ownership of the project site, or provide an option to purchase.
 - a. (See Attachments #16-18)
9. Define the community to be served.

- a. The primary service area for Bishop Spencer Place, a member of Saint Luke's Health System consists of 7 counties. On the Missouri side, this includes Platte, Clay, Jackson, and Cass Counties (See Attachment #19). A more targeted community can be defined as residents aged 65 and over who reside within the CON-prescribed 15-mile radius (see attachment #20).

10. Provide 2025 population projections for the 15-mile radius service area.

- a. See The DHSS 15-mile zip code and cities maps as attachments #20 - #20B, DHSS 15-Mile zip code populations as attachment #20C-#20D, and 2020 Population Projections & Bed Need as attachment #20E.

11. Identify specific community problems or unmet needs the proposal would address.

- a. Saint Luke's and Bishop Spencer Place leaders identified the need for a memory care unit after meeting with numerous residents, providers, and community leaders over the course of a multi-year strategic planning period. Key takeaways included:
 - i. About 1 in 9 people (10.8%) or an estimated 6.7 million age 65 and older has Alzheimer's dementia. The Kansas City market is currently lacking the number of memory care beds needed to care for this population.
 - ii. Many health care environments today are not prepared for the sheer number of baby boomers who will be showing up with traditional health care needs and various forms of dementia.
 - iii. Over 50% of caregivers globally say their health has suffered because of their caring responsibilities even while expressing positive sentiments about their role.

Once complete, the new memory care unit at Bishop Spencer place will be able to provide memory care services for 21 residents around the clock. Memory care will be an option for current residents as well as serve a new population of community members seeking on-site memory care services.

- b. When the community need methodology of 25 beds per one thousand population 65+ is applied to the 130,735 of 65+ in the 15-mile radius, it results in a total RCF/ALF need of 3,268 beds. There are 2,445 licensed and approved ALF beds in the same radius according to the CON published inventory. Thus, there is an unmet need for 823 RCF/ALF beds in this area.

12. Provide historical utilization for each of the past three (3) FULL years and utilization projections through the first three (3) FULL years of operation of the new LTC beds.

- a. The projected utilization for the first full three years of the 21-bed ALF memory care unit is as follows:

| <u>Year</u> | <u>Patient Days</u> |
|-------------|---------------------|
| 2026 | 6825 |
| 2027 | 6935 |
| 2028 | 6935 |

13. Provide the methods and assumptions used to project utilization.

- a. Utilization projections are based upon internal calculations produced as part of extensive market research and a comprehensive financial feasibility study.

14. Document that consumer needs and preferences have been included in planning this project and describe how consumers had an opportunity to provide input.

- a. Bishop Spencer Place and Saint Luke’s Health System have met with numerous residents, providers, and community leaders over the course of a multi-year planning period.

15. Provide copies of any petitions, letters of support or opposition received.

- a. To be submitted as supplemental documentation.

16. Document that providers of similar health services in the proposed 15-mile radius have been notified of the application by a public notice in the local newspaper.

- a. A public notice was published in the Kansas City Star on February 20, 2024 (See Attachment #21)

17. Document that providers of all affected facilities in the proposed 15-mile radius were addressed letters regarding the application.

- a. A letter was sent to affected facilities within a 15-mile radius on February 20, 2024. Sample language and recipient list has been included below.

Attention Administrator: Bishop Spencer Place plans to establish a 21-bed assisted living memory care unit at 4301 Madison Avenue, Kansas City, Missouri 64111, pending Certificate of Need approval of their \$10,000,000 application from the Missouri Health Facilities Review Committee. This application (project #6091 RS) will be filed on February 23, 2024.” Please email ahill@saintlukeskc.org for more information.

| Facility Name | City | Zip |
|---------------|------|-----|
| <hr/> | | |

| | | |
|---|--------------|-------|
| Grand Royale, The | Gladstone | 64119 |
| Heritage Village of Gladstone | Gladstone | 64119 |
| Linden Woods Village | Gladstone | 64119 |
| McCrite Plaza at Briarcliff Assisted Living | Kansas City | 64116 |
| Oxford Grand at Shoal Creek | Kansas City | 64158 |
| Anthology of the Plaza | Kansas City | 64112 |
| Armour Oaks Senior Living Community | Kansas City | 64114 |
| Beacon Hill Residential Care | Kansas City | 64109 |
| Bishop Spencer Place, Inc, The | Kansas City | 64111 |
| Blessed Homes | Kansas City | 64113 |
| Blue Hills Rest Home, Inc | Independence | 64058 |
| Brookdale Wornall Place | Kansas City | 64114 |
| Butterfly Haven | Kansas City | 64131 |
| Carrie Dumas Long Term Care Facility | Kansas City | 64128 |
| Cedarhurst of Blue Springs | Blue Springs | 64015 |
| Cross Creek at Lee's Summit | Lee's Summit | 64064 |
| Harris House Residential Care Facility, The | Kansas City | 64130 |
| Hidden Lake Care Center | Raytown | 64133 |
| House of Care Center | Kansas City | 64128 |
| Jolet Home | Kansas City | 64110 |
| Kingswood | Kansas City | 64114 |
| Lodge Residential Care Facility, The | Kansas City | 64130 |
| Madison Senior Living, The | Kansas City | 64145 |
| Maywood Manor | Independence | 64050 |
| Oaks, The | Kansas City | 64133 |
| Palestine Legacy Residences | Kansas City | 64128 |
| Rockhill Manor Assisted Living | Kansas City | 64110 |
| Silverado Lee's Summit | Lee's Summit | 64081 |
| St. Anthony's | Kansas City | 64131 |
| Summitview Terrace Assisted Living By Americare | Kansas City | 64138 |

| | | |
|---|--------------|-------|
| Trustwell Living of Raytown | Raytown | 64133 |
| Villa Ventura Assisted Living Facility | Kansas City | 64145 |
| Village Assisted Living | Lee's Summit | 64081 |
| Villages of Jackson Creek, The | Independence | 64057 |
| White Oak Assisted Living | Independence | 64050 |
| Wood Oaks, Inc | Independence | 64052 |
| Zebra Hitch Senior Living | Lee's Summit | 64086 |
| Anthology of Burlington Creek | Kansas City | 64151 |
| Autumn Woods, Inc | Kansas City | 64151 |
| Benton House of Tiffany Springs | Kansas City | 64154 |
| Gardens at Barry Road, The | Kansas City | 64153 |
| Leona House | Kansas City | 64151 |
| NWKC Senior Community, LLC | Kansas City | 64154 |
| Primrose Retirement Community of Kansas City | Kansas City | 64154 |
| Senior Star at Wexford Place | Kansas City | 64151 |
| Tiffany Springs Senior Care Community | Kansas City | 64154 |
| Wexford Place Assisted Living and Memory Support by Senior Star | Kansas City | 64151 |
| Windemere Healthcare Center, LLC | Riverside | 64150 |

DIVIDER II ATTACHMENTS

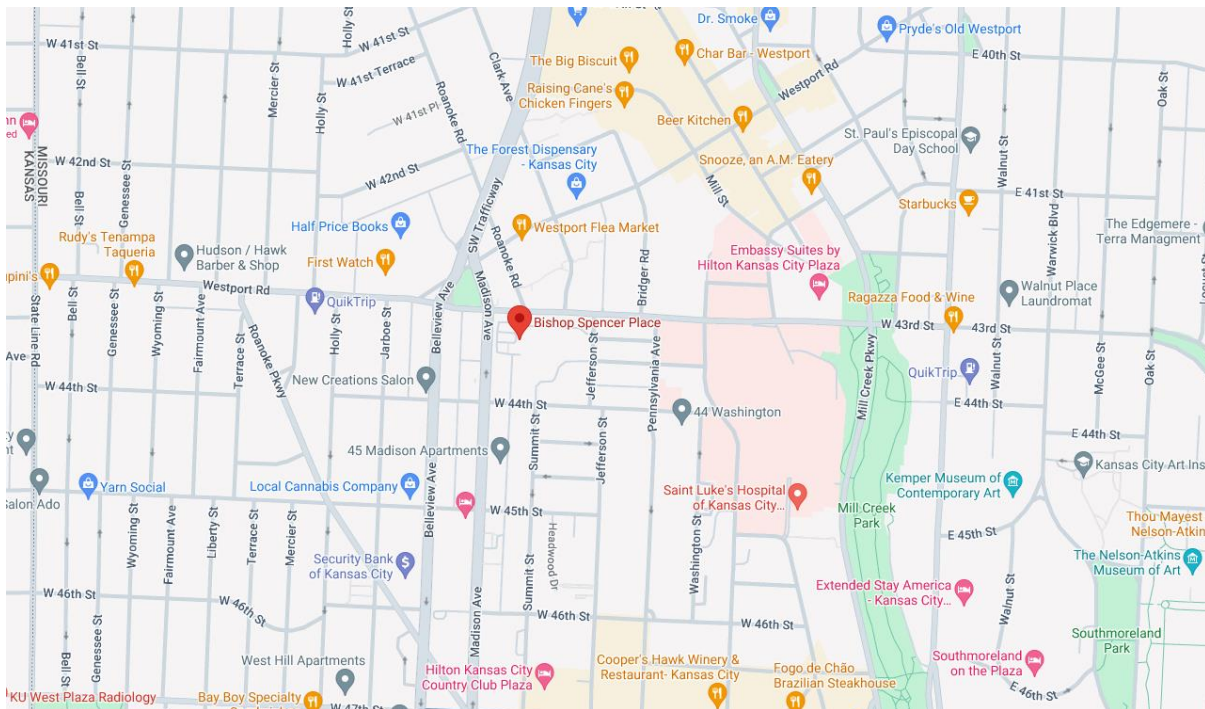
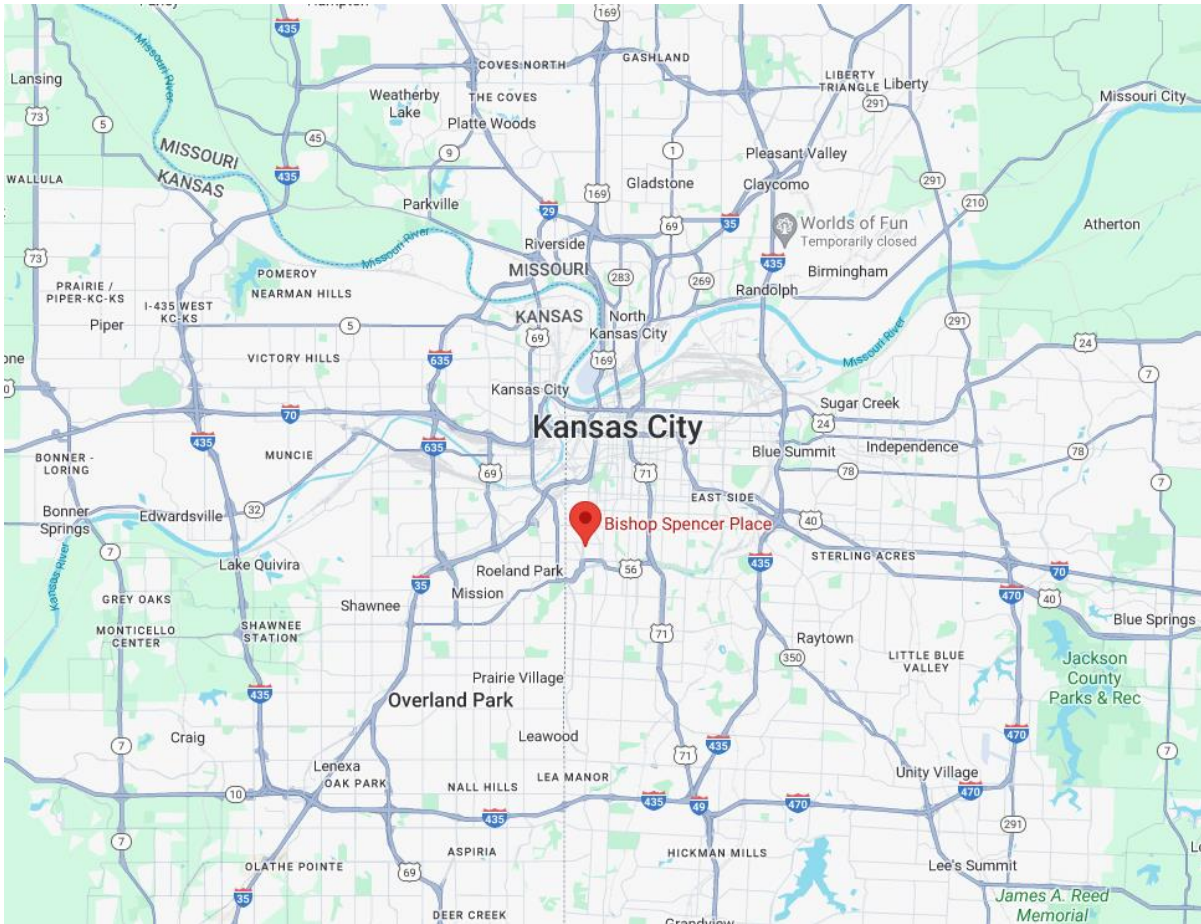
Bishop Spencer Place

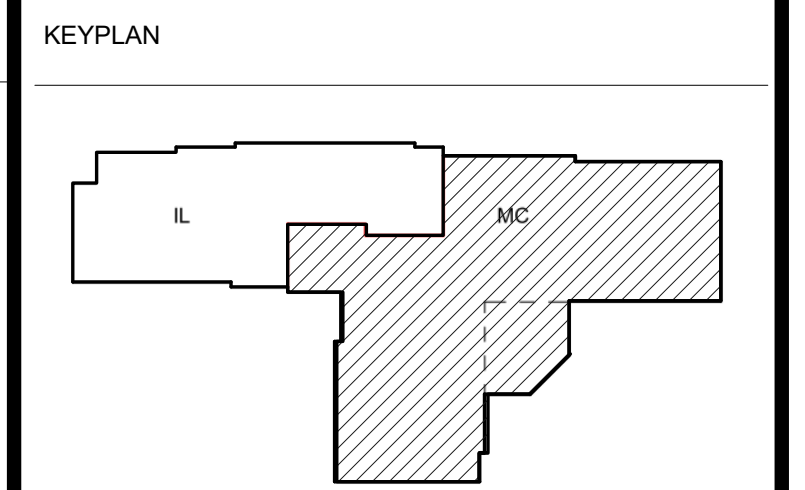
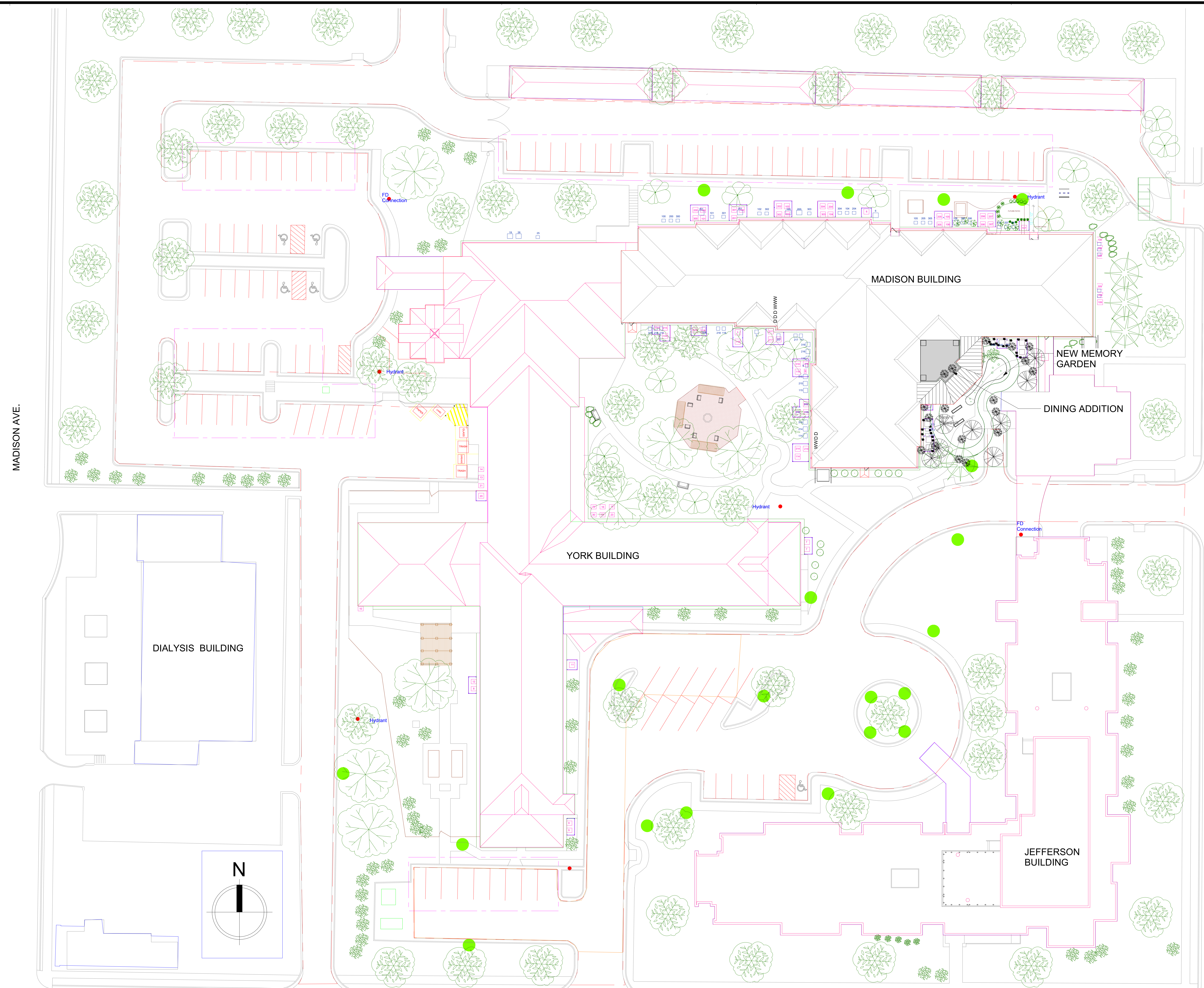
Memory Care Proposed Timeline

- Begin Design Development and Construction Documents - Nov 2023
- Completion of Design Development & Construction Documents – Mar 2024
- Contractor selected in April 2024
- Obtain CON in May 2024
- Obtain building permits in June 2024
- Construction Commencement in July 2024
- Construction to be completed in August 2025
- Memory Care Unit to open October 1, 2025

Proposed Facility Location

4301 Madison Ave.
Kansas City, MO 64111





Attachment #13

SCHEMATIC DESIGN SET

NOT FOR CONSTRUCTION



MADISON BLDG RENO

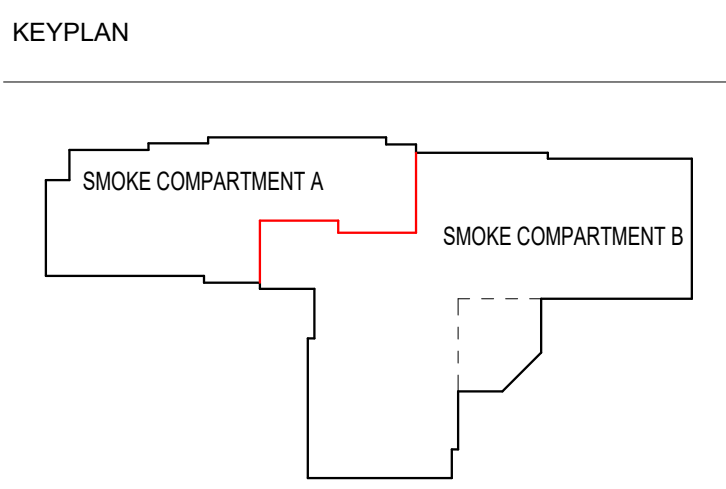
SFCS Architecture
Engineering
Planning
Interiors
SFCS Inc. • 305 South Jefferson Street
Roanoke, Virginia 24011.2003
540.344.6664 • Fax 540.343.6925
www.sfcs.com

| | |
|-----------------|---------------------------|
| DESIGNER : AAT | DRAWN : DRW |
| ARCHITECT : CRJ | CHECKED : CHK |
| ENGINEER : AJM | APPROVED : APP |
| NO. | REVISION DESCRIPTION DATE |

ARCHITECTURAL SITE PLAN

DATE: May 12, 2023 DRAWING
COMM. NO. 23101.00 **SD0.1**

1 SITE PLAN
SD0.1 1" = 20'-0"



Attachment #14



GENERAL NOTES



- NEW CONSTRUCTION KEYNOTES**
- 1 NEW SIDEWALK AND HARDSCAPE TO BE PROVIDED.
 - 2 IN-GROUND SPLASH PAD FOUNTAINS.
 - 3 GATE TO MATCH TREX FENCING. ACCESS CONTROL TO BE PROVIDED.
 - 4 NEW SIDEWALK TO BE PROVIDED FROM EXIST. DOORS TO DRIVEWAY.
 - 5 NEW 6" TREX SECLUSIONS OR SIMILAR PRIVACY/SECURITY FENCE TO BE PROVIDED.
 - 6 NEW CURB & GUTTER TO MATCH EXISTING.
 - 7 EXISTING CONC. PAD TO BE REUSED WHERE POSSIBLE. SEE MECHANICAL DRAWINGS TO CONFIRM REQUIRED CLEARANCE FROM VTAC LOUVERS.
 - 8 NEW CONC. PAD TO BE PROVIDED AT NEW / RELOCATED UNITS. SEE MECHANICAL DRAWINGS TO CONFIRM REQUIRED CLEARANCE FROM VTAC LOUVERS.
 - 9 EXISTING CONC. PAD TO BE EXTENDED TO ACCOMMODATE NEW MECH. EQUIP. SEE MECHANICAL DRAWINGS TO CONFIRM REQUIRED CLEARANCE FROM VTAC LOUVERS.
 - 10 NEW METAL CANOPY W/ BACKLIT SIGNAGE TO BE PROVIDED.
 - 11 HIP ROOF W/ ASPHALT SHINGLES.
 - 12 NEW FLAT ROOF AT MC VESTIBULE.
 - 13 DECORATIVE COPPER RAIN CHAINS TO BE PROVIDED AT 30" O.C. ALONG THIS ROOF EDGE.
 - 14 NEW PREFINISHED METAL GUTTER TO BE PROVIDED.
 - 15 NEW STANDING SEAM METAL ROOF TO BE PROVIDED. TYP.
 - 16 NEW PARAPET WALL W/ METAL COPING TO BE PROVIDED.
 - 17 NEW FLAT ROOF. ALTERNATE PRICE TO BE PROVIDED FOR WOOD DECK TILE & ARTIFICIAL TURF PEDESTAL SYSTEM BY EDCARBOR DESIGNS OR SIMILAR.
 - 18 RELOCATED MECHANICAL UNITS. SEE MECHANICAL DRAWINGS, TYP.

1 FIRST FLOOR PLAN
A1.1 1/8" = 1'-0"

DESIGN DEVELOPMENT SET

NOT FOR CONSTRUCTION

PROJECT TITLE



MADISON BLDG RENO



SFCS Inc. • 305 South Jefferson Street
Roanoke, Virginia 24011.2003
540.344.8664 • Fax 540.343.6925
www.sfcs.com

| | |
|-----------------|---------------------------|
| DESIGNER : AAT | DRAWN : DRW |
| ARCHITECT : CRJ | CHECKED : CHK |
| ENGINEER : AJM | APPROVED : APP |
| NO. | REVISION DESCRIPTION DATE |

DRAWING TITLE
FIRST FLOOR PLAN

| | | | |
|-----------|--------------|---------|------|
| DATE: | Jan 18, 2024 | DRAWING | A1.1 |
| COMM. NO. | 23101.00 | | |

Attachment #15

 A1.1 - FIRST FLOOR PLAN (002).pdf
1 MB

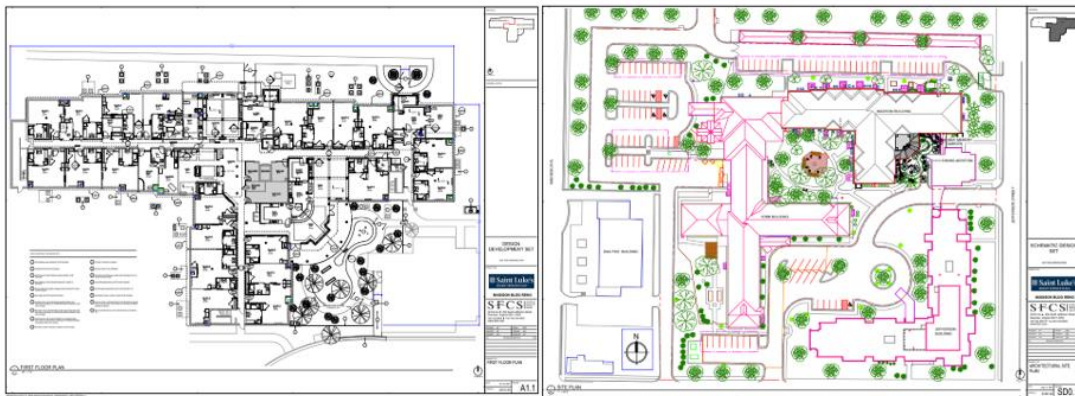
 2310100 - MADISON BLDG - ARCH CENTRAL - Sheet - SD0-1 - ARCHITECTURAL SITE PLAN.pdf
1022 KB

From: Hill, Audrey M
Sent: Thursday, February 15, 2024 10:45 AM
To: 'david.east@dhss.mo.gov' <david.east@dhss.mo.gov>
Cc: Lamb, Amy <alamb@saint-lukes.org>
Subject: Bishop Spencer Place Memory Care Unit

Good Morning,

Please find attached site plan and schematic drawing to introduce the proposed 21-bed ALF memory care unit to be constructed at Bishop Spencer Place in Kansas City, Missouri.

A Certificate of Need application will be submitted for consideration on February 23, 2024 (project #6091 RS). More detailed information and specifications will follow this as we navigate through the Certificate of Need process. Thank you for your consideration.



Audrey Hill
Operations Project Consultant
Saint Luke's Health System

Mobile: 816-589-4399

ARTICLES OF AMENDMENT
TO THE
ARTICLES OF INCORPORATION
OF
THE BISHOP SPENCER PLACE, INCORPORATED

Jason Kander
Secretary of State
State of Missouri
Corporations Division
PO Box 778 / 600 W. Main St., Rm. 322
Jefferson City, MO 65102

The undersigned corporation (the "Corporation"), for the purposes of amending its Articles of Incorporation, hereby executes the following Articles of Amendment:

1. The name of the Corporation is The Bishop Spencer Place, Incorporated.
2. The Amendments to the Corporation's Articles of Incorporation were adopted by a sufficient vote of the Board of Directors on December 16, 2016.
3. The Amendments were adopted by an affirmative vote of at least a majority of the Directors of the Corporation at a regular meeting of the Board of Directors duly called and convened as provided by the Bylaws of the Corporation and the Missouri Nonprofit Corporation Act.
4. The Amendments adopted provided that Article 7 shall be amended to read as follows:

ARTICLE 7

The sole member of the Corporation shall be Saint Luke's Health System, Inc. The Corporation shall not issue shares of stock.

5. The Amendments adopted provided that Article 8 shall be amended to read as follows:

ARTICLE 8

1. Each person or entity who was or is a member of the Corporation shall be indemnified by the Corporation as a matter of right to the fullest extent permitted or authorized by Section and 355.476 RSMo. and as otherwise provided in this Article.
2.
 - (a) Subject to the exclusions set forth in paragraph (b) hereof, the Corporation further agrees to hold harmless and indemnify each person or entity who was or is a member against any and all expenses (including attorneys' fees), judgments, fines and amounts

ORI-12192016-1360 State of Missouri
No of Pages 3 Pages

4817-8245-4845.3



Amend/Restate - Non-Profit

paid in settlement actually and reasonably incurred by the member in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (including an action by or in the right of the Corporation) to which the member is, was or at any time becomes a party defendant, or is threatened to be made a party defendant, by reason of the fact that the member is, was or at any time becomes a member, employee or agent of the Corporation, or is or was serving or at any time serves at the request of the Corporation as a member, employee or agent of another corporation, partnership, joint venture, trust or other enterprise.

(b) No indemnity pursuant to paragraph (a) hereof shall be paid by the Corporation: (i) in respect to remuneration paid to the member if it shall be determined by a final judgment or other final adjudication that such remuneration was in violation of law; (ii) on account of any member's conduct which is finally adjudged to have been knowingly fraudulent, deliberately dishonest or willful misconduct; (iii) if a final decision by a court having jurisdiction in the matter shall determine that such indemnification is not lawful; or (iv) with respect to any amounts paid pursuant to policies of insurance.

3. Expenses incurred by any person or entity who was or is a member of the Corporation in defending any threatened, pending or ongoing action, suit or proceeding (whether civil, criminal, administrative or investigative, including those by or in the right of the Corporation) shall be promptly advanced by the Corporation when so requested by such person at any time and from time to time, but only if the requesting person delivers to the corporation an undertaking to repay to the Corporation all amounts so advanced if it should ultimately be determined that the requesting person is not entitled to be indemnified by the Corporation under applicable law, this Article, or any bylaw of the Corporation, agreement, vote of disinterested Directors or otherwise.

4. The indemnification and other rights provided by this Article shall not be deemed exclusive of any other rights to which a member may be entitled under any bylaw, agreement, vote of disinterested Directors or otherwise, both as to action in such person's official capacity and as to action in any other capacity while a member of the Corporation, and the Corporation is hereby specifically authorized to provide such indemnification and other rights by any bylaw, agreement, vote of disinterested Directors or otherwise.

5. Each person or entity who was or is a member of the Corporation and the heirs, executors, administrators and estate of such person, are third party beneficiaries of this Article and shall be entitled to enforce against the Corporation all indemnification and other rights granted to such person by applicable law and as otherwise provided in this Article.

6. This Article may be hereafter amended or repealed; provided, however, that no amendment or repeal shall reduce, terminate or otherwise adversely affect the right of a person who was or is a member to obtain indemnification or an advance of expenses with respect to an action, suit or proceeding that pertains to or arises out of actions or omissions that occur prior to the effective date of such amendment or repeal.

IN WITNESS WHEREOF, the undersigned Tom Kokjer, President has executed this instrument and its Secretary has attested on the 15 day of December, 2016.

THE BISHOP SPENCER PLACE, INCORPORATED

By: Tom Kokjer
President, Tom Kokjer

ATTEST:

[Signature]
Secretary, The Bishop Spencer Place, Incorporated

STATE OF MISSOURI



Jason Kander
Secretary of State

CERTIFICATE OF AMENDMENT

WHEREAS,

THE BISHOP SPENCER PLACE, INCORPORATED
N00017336

a corporation organized under The Missouri Nonprofit Corporation Law has delivered to me Articles of Amendment of its Articles of Incorporation and has in all respects complied with the requirements of law governing the Amendment of Articles of Incorporation under The Missouri Nonprofit Corporation Law, and that the Articles of Incorporation of said corporation are amended in accordance therewith.

IN TESTIMONY WHEREOF, I hereunto set my hand and cause to be affixed the GREAT SEAL of the State of Missouri. Done at the City of Jefferson, this 19th day of December, 2016.


Secretary of State



RECORDER'S CERTIFICATION
JACKSON COUNTY, MISSOURI

03/22/2005 09:30:25 AM

INSTRUMENT TYPE: GCD FEE: \$30.00 4 Pages



INSTRUMENT NUMBER/BOOK & PAGE:

2005K0017433



ROBERT T. KELLY, DIRECTOR OF RECORDS

WHEN RECORDED RETURN TO:

*Rachelle M. Biondo
White Goss Bowers March Schulte & Weisenfels,
A Professional Corporation
4510 Belleview Avenue, Suite 300
Kansas City, Missouri 64111-3538*

Title of Document: Corporation Quit Claim Deed
Date of Document: March 21, 2005
Grantor(s): Bishop Spencer Place Redevelopment Corporation
Grantee(s): The Bishop Spencer Place Incorporated
Grantee(s) Mailing Address: 4301 Madison
Kansas City, Missouri 64111
Legal Description: See Page 2 of this document
Reference Book and Page(s): N/A

CORPORATION QUIT CLAIM DEED

This Indenture, made on the 24th day of March, 2005 by and between Bishop Spencer Place Redevelopment Corporation, a Missouri corporation, with a mailing address of 4301 Madison, Kansas City, Missouri 64111 ("Grantor") and The Bishop Spencer Place Incorporated, a Missouri not for profit corporation, with a mailing address of 4301 Madison, Kansas City, Missouri 64111 ("Grantee").

WITNESSETH, THAT THE Grantor, in consideration of the sum of Ten DOLLARS (\$10.00) and other valuable consideration to it in hand paid by Grantee, the receipt for which is hereby acknowledged, does, by these presents, REMISE, RELEASE and FOREVER QUIT-CLAIM unto Grantee, the following described lots, tracts or parcels of land, lying, being and situate in the County of Jackson and State of Missouri (known as Phase II of the Development Project) to wit and as further depicted on Exhibit A:

All that part of Lot 1, BISHOP SPENCER PLACE REPLAT, a subdivision of land in Kansas City, Jackson County, Missouri, more particularly described as follows: Beginning at the Southwest corner of said Lot 1; thence N 2° 27' 25" E, along the West line of said Lot 1, a distance of 76.23 feet; thence S 87° 11' 56" E, a distance of 134.71 feet; thence N 2° 48' 04" E, a distance of 135 feet; thence S 87° 11' 56" E, a distance of 122.34 feet; thence N 2° 48' 04" E, a distance of 55 feet; thence N 87° 11' 56" W, a distance of 2.90 feet; thence N 2° 48' 04" E, a distance of 25 feet; thence S 87° 11' 56" E, a distance of 85.61 feet; thence N 2° 48' 04" E, a distance of 75 feet; thence S 87° 11' 56" E, a distance of 130 feet, to a point on the East line of said Lot 1; thence S 2° 48' 04" W, a distance of 350.34 feet, to a point of curvature; thence Southerly, Southeasterly and Easterly, along the South line of said Lot 1, said line being a curve to the right having a radius of 15 feet and a central angle of 89° 54' 08", a distance of 23.54 feet, to a point of tangency; thence N 87° 17' 48" W, along the South line of Lot 1, a distance of 302.41 feet; thence N 87° 20' 15" W, along the South line of said Lot 1, a distance of 151.92 feet, to the point of beginning, containing 107,584 square feet, more or less.

TO HAVE AND TO HOLD THE SAME, with all the rights, immunities, privileges and appurtenances, thereto belonging, unto the said Grantee and unto its successors and assigns forever; so that neither Grantor, nor any other person or persons, for it or in its name or behalf, shall or will hereafter claim or demand any right or title to the aforesaid premises or any part thereof, but they and each of them shall, by these presents, be excluded and forever barred.

IN WITNESS WHEREOF, Grantor has caused these presents to executed and delivered the day and year first above written.

Bishop Spencer Place Redevelopment Corporation, a Missouri corporation

By: [Signature]
Name: John A. MacDonald
Title: President

STATE OF Missouri)
COUNTY OF Jackson) ss.

On this 14th day of March, 2005, before me, the undersigned Notary Public, in and for said state, personally appeared John A. MacDonald, President of Bishop Spencer Place Redevelopment Corporation, a Missouri corporation, known to me to be the person who executed the within Corporation Quit Claim Deed in behalf of said corporation and acknowledged to me that he executed the same for the purposes therein stated and that the foregoing instrument was authorized by the board of directors of said corporation, and he acknowledged execution thereof to be on behalf of and the free act and deed of said corporation.

Subscribed and sworn to me the day and year above written.

Notary Public: [Signature]
Printed Name: Linda Coleman

LINDA COLEMAN
Notary Public - State of Missouri
Commissioned in Jackson County
My Commission Expires April 21, 2005

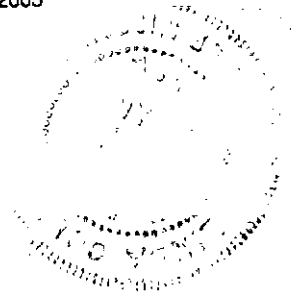
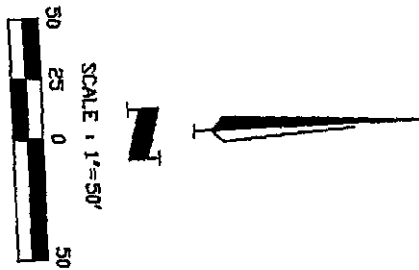
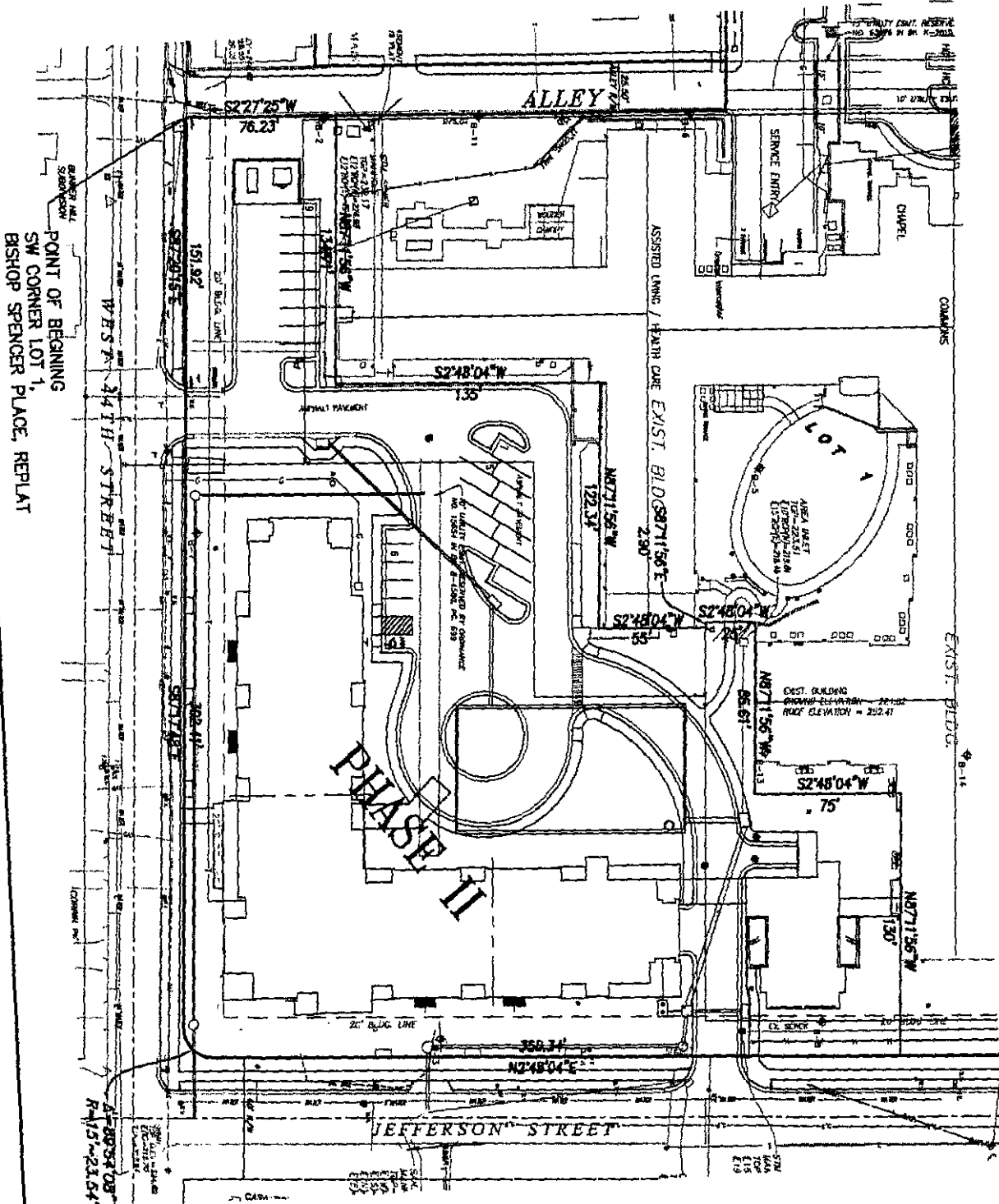


EXHIBIT A



BISHOP SPENCER PLACE
 PHASE II EXHIBIT

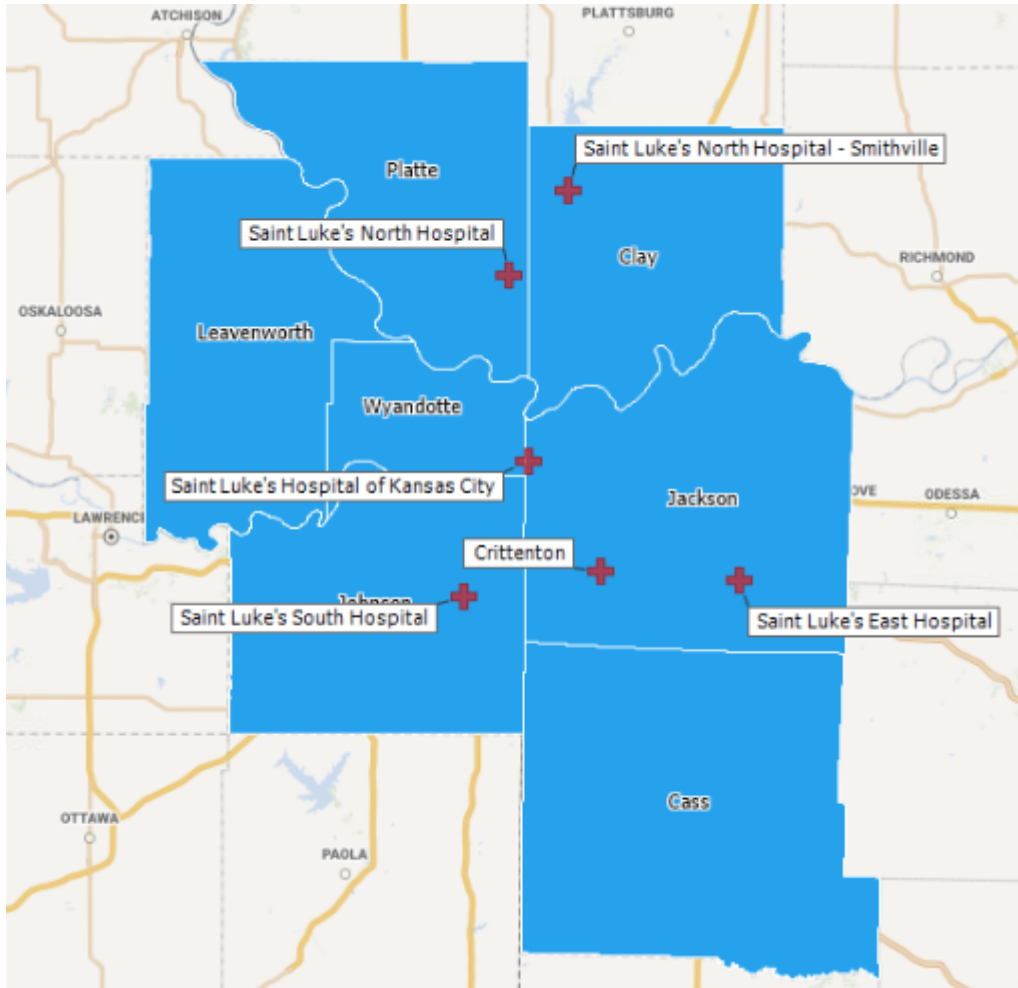


SHAFFER, KLINE & WARREN, INC.

ENGINEERING OFFICE
 11100 South 91st St.
 Omaha, NE 68134
 402/491-7000 FAX 402/491-7000

CIVIL ENGINEERS - ELECTRICAL ENGINEERS - MECHANICAL ENGINEERS - LANDSCAPE ARCHITECTS - LAND DEVELOPERS - LAND PLANNERS

Primary Service Area

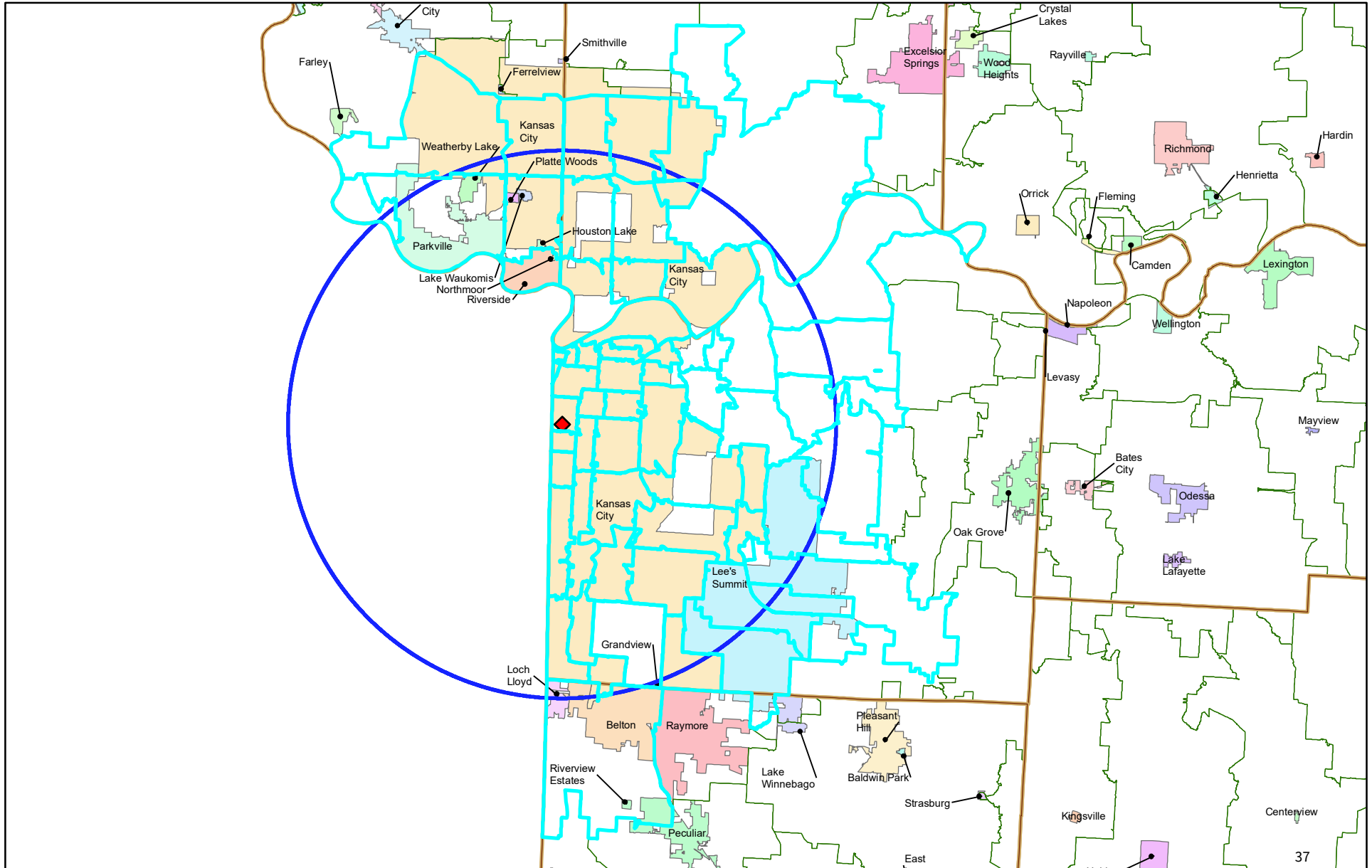




CON 15 Mile Radius

4301 Madison Ave
Kansas City, MO 64111
(Lat: 39.049541 & Long: -94.596836)

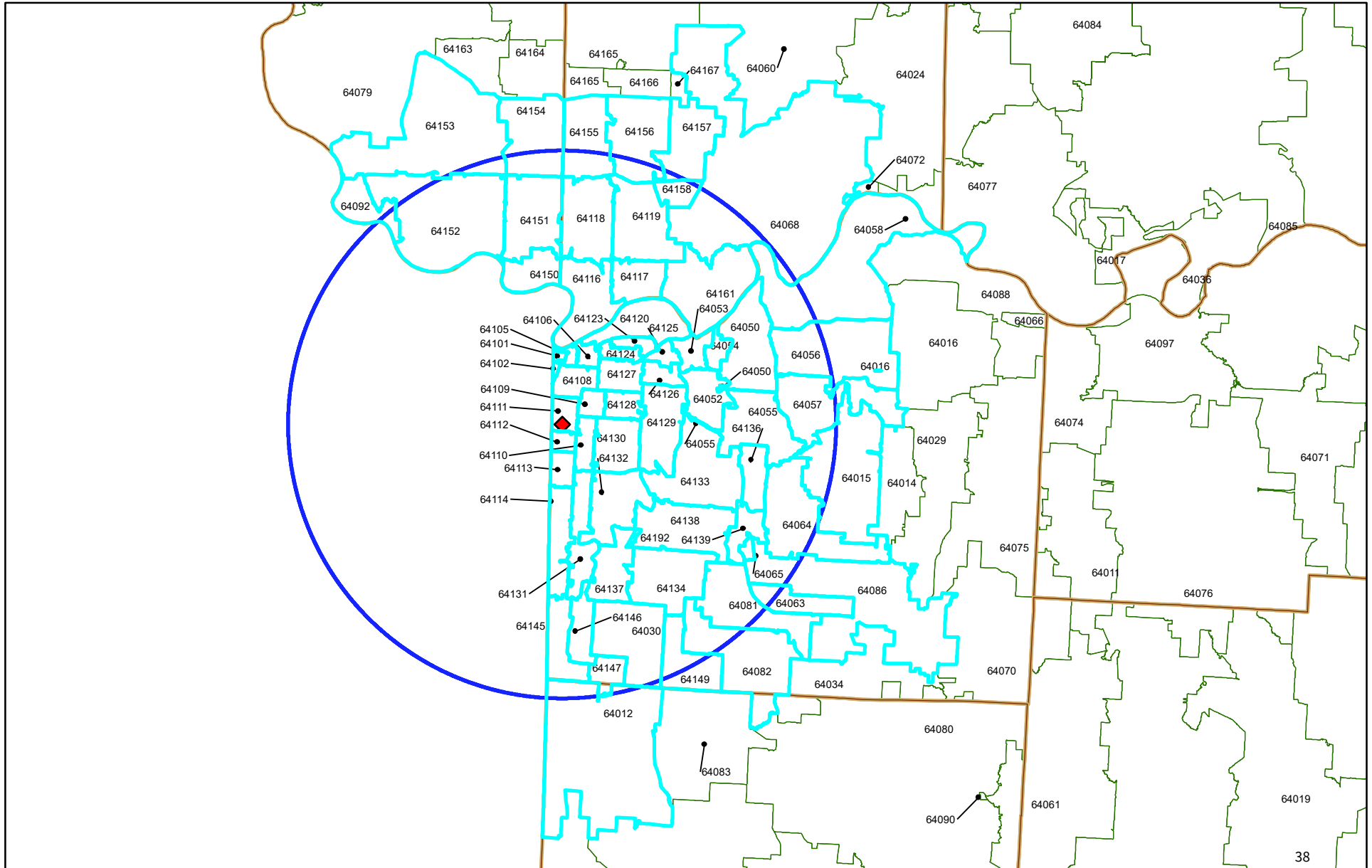
Attachment #20



CON 15 Mile Radius

Attachment
#20B

4301 Madison Ave
Kansas City, MO 64111
(Lat: 39.049541 & Long: -94.596836)



2025 Population Projections

Zip Codes

| Zip | County | Total Population | 65+ Population |
|--------------|---------|------------------|----------------|
| 64012 | Cass | 28,369 | 4,979 |
| 64015 | Jackson | 34,647 | 5,237 |
| 64030 | Jackson | 25,453 | 3,887 |
| 64050 | Jackson | 22,225 | 4,728 |
| 64052 | Jackson | 22,107 | 4,456 |
| 64053 | Jackson | 5,109 | 866 |
| 64054 | Jackson | 3,620 | 660 |
| 64055 | Jackson | 35,709 | 10,069 |
| 64056 | Jackson | 18,724 | 2,588 |
| 64057 | Jackson | 17,282 | 4,144 |
| 64058 | Jackson | 7,501 | 1,132 |
| 64063 | Jackson | 21,601 | 2,836 |
| 64064 | Jackson | 21,689 | 3,771 |
| 64065 | Jackson | 28 | 4 |
| 64068 | Clay | 41,643 | 7,134 |
| 64081 | Jackson | 28,758 | 6,834 |
| 64082 | Jackson | 22,731 | 2,813 |
| 64086 | Jackson | 24,875 | 2,908 |
| 64092 | Platte | 49 | 10 |
| 64101 | Jackson | 361 | 5 |
| 64102 | Jackson | - | - |
| 64105 | Jackson | 4,451 | 449 |
| 64106 | Jackson | 9,304 | 601 |
| 64108 | Jackson | 8,628 | 1,159 |
| 64109 | Jackson | 8,559 | 1,112 |
| 64110 | Jackson | 14,240 | 1,648 |
| 64111 | Jackson | 15,983 | 2,011 |
| 64112 | Jackson | 8,199 | 1,407 |
| 64113 | Jackson | 11,919 | 2,014 |
| 64114 | Jackson | 23,970 | 5,946 |
| 64116 | Clay | 15,972 | 3,380 |
| 64117 | Clay | 15,472 | 2,511 |
| 64118 | Clay | 44,093 | 8,471 |
| 64119 | Clay | 30,449 | 6,009 |
| 64120 | Jackson | 295 | 68 |
| 64123 | Jackson | 10,662 | 1,193 |
| 64124 | Jackson | 12,664 | 1,231 |
| 64125 | Jackson | 1,909 | 188 |
| 64126 | Jackson | 6,131 | 653 |
| 64127 | Jackson | 15,852 | 2,002 |
| 64128 | Jackson | 9,628 | 1,912 |
| 64129 | Jackson | 9,683 | 1,710 |
| 64130 | Jackson | 16,629 | 3,933 |
| 64131 | Jackson | 21,099 | 3,364 |
| 64132 | Jackson | 12,829 | 1,814 |
| 64133 | Jackson | 36,153 | 7,584 |
| 64134 | Jackson | 21,850 | 2,945 |
| 64136 | Jackson | 3,104 | 657 |
| 64137 | Jackson | 11,557 | 2,006 |
| 64138 | Jackson | 26,293 | 5,082 |
| 64139 | Jackson | 2,537 | 396 |
| 64145 | Jackson | 6,288 | 2,531 |
| 64146 | Jackson | 1,534 | 431 |
| 64147 | Jackson | 796 | 5 |
| 64149 | Jackson | 329 | 102 |
| 64150 | Platte | 3,387 | 659 |
| 64151 | Platte | 29,482 | 5,346 |
| 64152 | Platte | 32,526 | 4,874 |
| 64153 | Platte | 7,777 | 983 |
| 64154 | Platte | 14,790 | 2,698 |
| 64155 | Clay | 27,623 | 3,181 |
| 64156 | Clay | 9,449 | 743 |
| 64157 | Clay | 28,287 | 1,674 |
| 64158 | Clay | 7,874 | 390 |
| 64161 | Clay | 384 | 63 |
| 64192 | Jackson | 25 | 2 |
| Total | | 983,146 | 166,199 |

2025 Population Projections

| City | | | | |
|--------------|-------------------|---------|------------------|----------------|
| Zip | City | County | Total Population | 65+ Population |
| 64012 | Belton | Cass | 24,162 | 3,565 |
| 64012 | Loch Lloyd | Cass | 651 | 315 |
| 64012 | Peculiar | Cass | 6,104 | 840 |
| 64012 | Riverview Estates | Cass | 82 | 16 |
| 64082 | Lake Winnebago | Jackson | 1,257 | 348 |
| 64082 | Lees Summit | Jackson | 106,322 | 16,768 |
| 64147 | Kansas City | Jackson | 520,097 | 78,695 |
| 64150 | Northmoor | Platte | 356 | 51 |
| 64150 | Riverside | Platte | 3,874 | 668 |
| 64151 | Houston Lake | Platte | 256 | 48 |
| 64151 | Kansas City | Platte | 520,097 | 78,695 |
| 64151 | Lake Waukomis | Platte | 963 | 287 |
| 64151 | Northmoor | Platte | 356 | 51 |
| 64151 | Parkville | Platte | 8,217 | 1,027 |
| 64151 | Platte Woods | Platte | 411 | 135 |
| 64151 | Riverside | Platte | 3,874 | 668 |
| 64152 | Kansas City | Platte | 520,097 | 78,695 |
| 64152 | Parkville | Platte | 8,217 | 1,027 |
| 64152 | Weatherby | Platte | 101 | 12 |
| 64153 | Kansas City | Platte | 520,097 | 78,695 |
| 64153 | Parkville | Platte | 8,217 | 1,027 |
| 64154 | Kansas City | Platte | 520,097 | 78,695 |
| Total | | | 2,773,905 | 420,328 |

Bed Need Calculations: Attachment 20E

| A | B | C | D | E | F | G | H | I | J | K | L | M | N | O | |
|-----|----------------|------------|-------------|-------------------|------------------|----------------------------|--------------------------|-------------------------|-------------------------|---|------------------------|--------------------------|-----------------------------------|------------------------------------|--------|
| 1 | POPULATION 65+ | | | Project Number: | | Bishop Spencer Memory Care | | Project Address: | | 4301 Madison Ave, Kansas City, MO 64111 (39.049541, -94.596836) | | | | | |
| 2 | Zip In Radius | Pop in Zip | City in Zip | City Pop | % of City in ZIP | City Pop in ZIP | Total Cities' Pop in Zip | Zip Pop W/O Cities' Pop | % of Zip Area in Radius | Zip Pop in Radius W/O Cities' Pop | % City in Zip & Radius | City Pop in Zip & Radius | Total Cities' Pop in Zip & Radius | Zip Pop w City Pop in Zip & Radius | |
| 3 | 1 | 64012 | 4,979 | Belton | 3,565 | 95% | 3,387 | 4,054 | 925 | 5% | 46 | 5% | 178 | 336 | 382 |
| 4 | | | | Loch Lloyd | 315 | 100% | 315 | | | | | 50% | 158 | | |
| 5 | | | | Peculiar | 840 | 40% | 336 | | | | | 0% | | | |
| 6 | | | | Riverview Estates | 16 | 100% | 16 | | | | | 0% | | | |
| 7 | 2 | 64015 | 5,237 | | | | 0 | 0 | 5,237 | 20% | 1,047 | | 0 | 0 | 1,047 |
| 8 | | | | | | | 0 | | | | | | 0 | | |
| 9 | | | | | | | 0 | | | | | | 0 | | |
| 10 | 3 | 64030 | 3,887 | | | | 0 | 0 | 3,887 | 95% | 3,693 | | 0 | 0 | 3,693 |
| 11 | | | | | | | 0 | | | | | | 0 | | |
| 12 | | | | | | | 0 | | | | | | 0 | | |
| 13 | 4 | 64050 | 4,728 | | | | 0 | 0 | 4,728 | 100% | 4,728 | | 0 | 0 | 4,728 |
| 14 | | | | | | | 0 | | | | | | 0 | | |
| 15 | | | | | | | 0 | | | | | | 0 | | |
| 16 | 5 | 64052 | 4,456 | | | | 0 | 0 | 4,456 | 100% | 4,456 | | 0 | 0 | 4,456 |
| 17 | | | | | | | 0 | | | | | | 0 | | |
| 18 | | | | | | | 0 | | | | | | 0 | | |
| 19 | 6 | 64053 | 866 | | | | 0 | 0 | 866 | 100% | 866 | | 0 | 0 | 866 |
| 20 | | | | | | | 0 | | | | | | 0 | | |
| 21 | | | | | | | 0 | | | | | | 0 | | |
| 22 | 7 | 64054 | 660 | | | | 0 | 0 | 660 | 100% | 660 | | 0 | 0 | 660 |
| 23 | | | | | | | 0 | | | | | | 0 | | |
| 24 | | | | | | | 0 | | | | | | 0 | | |
| 25 | 8 | 64055 | 10,069 | | | | 0 | 0 | 10,069 | 100% | 10,069 | | 0 | 0 | 10,069 |
| 26 | | | | | | | 0 | | | | | | 0 | | |
| 27 | | | | | | | 0 | | | | | | 0 | | |
| 28 | 9 | 64056 | 2,588 | | | | 0 | 0 | 2,588 | 100% | 2,588 | | 0 | 0 | 2,588 |
| 29 | | | | | | | 0 | | | | | | 0 | | |
| 30 | | | | | | | 0 | | | | | | 0 | | |
| 31 | 10 | 64057 | 4,144 | | | | 0 | 0 | 4,144 | 90% | 3,730 | | 0 | 0 | 3,730 |
| 32 | | | | | | | 0 | | | | | | 0 | | |
| 33 | | | | | | | 0 | | | | | | 0 | | |
| 34 | 11 | 64058 | 1,132 | | | | 0 | 0 | 1,132 | 10% | 113 | | 0 | 0 | 113 |
| 35 | | | | | | | 0 | | | | | | 0 | | |
| 36 | | | | | | | 0 | | | | | | 0 | | |
| 37 | 12 | 64063 | 2,836 | | | | 0 | 0 | 2,836 | 20% | 567 | | 0 | 0 | 567 |
| 38 | | | | | | | 0 | | | | | | 0 | | |
| 39 | | | | | | | 0 | | | | | | 0 | | |
| 40 | 13 | 64064 | 3,771 | | | | 0 | 0 | 3,771 | 60% | 2,263 | | 0 | 0 | 2,263 |
| 41 | | | | | | | 0 | | | | | | 0 | | |
| 42 | | | | | | | 0 | | | | | | 0 | | |
| 43 | 14 | 64065 | 4 | | | | 0 | 0 | 4 | 100% | 4 | | 0 | 0 | 4 |
| 44 | | | | | | | 0 | | | | | | 0 | | |
| 45 | | | | | | | 0 | | | | | | 0 | | |
| 46 | 15 | 64068 | 7,134 | | | | 0 | 0 | 7,134 | 10% | 713 | | 0 | 0 | 713 |
| 47 | | | | | | | 0 | | | | | | 0 | | |
| 48 | | | | | | | 0 | | | | | | 0 | | |
| 49 | 16 | 64081 | 6,834 | | | | 0 | 0 | 6,834 | 60% | 4,100 | | 0 | 0 | 4,100 |
| 50 | | | | | | | 0 | | | | | | 0 | | |
| 51 | | | | | | | 0 | | | | | | 0 | | |
| 52 | 17 | 64082 | 2,813 | Lake Winnebago | 348 | | 0 | 0 | 2,813 | 30% | 844 | | 0 | 0 | 844 |
| 53 | | | | Lees Summit | 16,768 | | 0 | | | | | | 0 | | |
| 54 | | | | | | | 0 | | | | | | 0 | | |
| 55 | 18 | 64086 | 2,908 | | | | 0 | 0 | 2,908 | 15% | 436 | | 0 | 0 | 436 |
| 56 | | | | | | | 0 | | | | | | 0 | | |
| 57 | | | | | | | 0 | | | | | | 0 | | |
| 58 | 19 | 64092 | 10 | | | | 0 | 0 | 10 | 20% | 2 | | 0 | 0 | 2 |
| 59 | | | | | | | 0 | | | | | | 0 | | |
| 60 | | | | | | | 0 | | | | | | 0 | | |
| 61 | 20 | 64101 | 5 | | | | 0 | 0 | 5 | 100% | 5 | | 0 | 0 | 5 |
| 62 | | | | | | | 0 | | | | | | 0 | | |
| 63 | | | | | | | 0 | | | | | | 0 | | |
| 64 | 21 | 64102 | 0 | | | | 0 | 0 | 0 | 100% | 0 | | 0 | 0 | 0 |
| 65 | | | | | | | 0 | | | | | | 0 | | |
| 66 | | | | | | | 0 | | | | | | 0 | | |
| 67 | 22 | 64105 | 449 | | | | 0 | 0 | 449 | 100% | 449 | | 0 | 0 | 449 |
| 68 | | | | | | | 0 | | | | | | 0 | | |
| 69 | | | | | | | 0 | | | | | | 0 | | |
| 70 | 23 | 64106 | 601 | | | | 0 | 0 | 601 | 100% | 601 | | 0 | 0 | 601 |
| 71 | | | | | | | 0 | | | | | | 0 | | |
| 72 | | | | | | | 0 | | | | | | 0 | | |
| 73 | 24 | 64108 | 1,159 | | | | 0 | 0 | 1,159 | 100% | 1,159 | | 0 | 0 | 1,159 |
| 74 | | | | | | | 0 | | | | | | 0 | | |
| 75 | | | | | | | 0 | | | | | | 0 | | |
| 76 | 25 | 64109 | 1,112 | | | | 0 | 0 | 1,112 | 100% | 1,112 | | 0 | 0 | 1,112 |
| 77 | | | | | | | 0 | | | | | | 0 | | |
| 78 | | | | | | | 0 | | | | | | 0 | | |
| 79 | 26 | 64110 | 1,648 | | | | 0 | 0 | 1,648 | 100% | 1,648 | | 0 | 0 | 1,648 |
| 80 | | | | | | | 0 | | | | | | 0 | | |
| 81 | | | | | | | 0 | | | | | | 0 | | |
| 82 | 27 | 64111 | 2,011 | | | | 0 | 0 | 2,011 | 100% | 2,011 | | 0 | 0 | 2,011 |
| 83 | | | | | | | 0 | | | | | | 0 | | |
| 84 | | | | | | | 0 | | | | | | 0 | | |
| 85 | 28 | 64112 | 1,407 | | | | 0 | 0 | 1,407 | 100% | 1,407 | | 0 | 0 | 1,407 |
| 86 | | | | | | | 0 | | | | | | 0 | | |
| 87 | | | | | | | 0 | | | | | | 0 | | |
| 88 | 29 | 64113 | 2,014 | | | | 0 | 0 | 2,014 | 100% | 2,014 | | 0 | 0 | 2,014 |
| 89 | | | | | | | 0 | | | | | | 0 | | |
| 90 | | | | | | | 0 | | | | | | 0 | | |
| 91 | 30 | 64114 | 5,946 | | | | 0 | 0 | 5,946 | 100% | 5,946 | | 0 | 0 | 5,946 |
| 92 | | | | | | | 0 | | | | | | 0 | | |
| 93 | | | | | | | 0 | | | | | | 0 | | |
| 94 | 31 | 64116 | 3,380 | | | | 0 | 0 | 3,380 | 100% | 3,380 | | 0 | 0 | 3,380 |
| 95 | | | | | | | 0 | | | | | | 0 | | |
| 96 | | | | | | | 0 | | | | | | 0 | | |
| 97 | 32 | 64117 | 2,511 | | | | 0 | 0 | 2,511 | 100% | 2,511 | | 0 | 0 | 2,511 |
| 98 | | | | | | | 0 | | | | | | 0 | | |
| 99 | | | | | | | 0 | | | | | | 0 | | |
| 100 | 33 | 64118 | 8,471 | | | | 0 | 0 | 8,471 | 100% | 8,471 | | 0 | 0 | 8,471 |
| 101 | | | | | | | 0 | | | | | | 0 | | |
| 102 | | | | | | | 0 | | | | | | 0 | | |
| 103 | 34 | 64119 | 6,009 | | | | 0 | 0 | 6,009 | 100% | 6,009 | | 0 | 0 | 6,009 |
| 104 | | | | | | | 0 | | | | | | 0 | | |
| 105 | | | | | | | 0 | | | | | | 0 | | |

| | A | B | C | D | E | F | G | H | I | J | K | L | M | N | O |
|-----|----|-------|---------|---------------|---------|------|-------|-----|-------|---------|-------|---------|-----|----------------------|----------|
| 106 | 35 | 64120 | 68 | | | | 0 | 0 | 68 | 100% | 68 | | 0 | 0 | 68 |
| 107 | | | | | | | 0 | | | | | | 0 | | |
| 108 | | | | | | | 0 | | | | | | 0 | | |
| 109 | 36 | 64123 | 1,193 | | | | 0 | 0 | 1,193 | 100% | 1,193 | | 0 | 0 | 1,193 |
| 110 | | | | | | | 0 | | | | | | 0 | | |
| 111 | | | | | | | 0 | | | | | | 0 | | |
| 112 | 37 | 64124 | 1,231 | | | | 0 | 0 | 1,231 | 100% | 1,231 | | 0 | 0 | 1,231 |
| 113 | | | | | | | 0 | | | | | | 0 | | |
| 114 | | | | | | | 0 | | | | | | 0 | | |
| 115 | 38 | 64125 | 188 | | | | 0 | 0 | 188 | 100% | 188 | | 0 | 0 | 188 |
| 116 | | | | | | | 0 | | | | | | 0 | | |
| 117 | | | | | | | 0 | | | | | | 0 | | |
| 118 | 39 | 64126 | 653 | | | | 0 | 0 | 653 | 100% | 653 | | 0 | 0 | 653 |
| 119 | | | | | | | 0 | | | | | | 0 | | |
| 120 | | | | | | | 0 | | | | | | 0 | | |
| 121 | 40 | 64127 | 2,002 | | | | 0 | 0 | 2,002 | 100% | 2,002 | | 0 | 0 | 2,002 |
| 122 | | | | | | | 0 | | | | | | 0 | | |
| 123 | | | | | | | 0 | | | | | | 0 | | |
| 124 | 41 | 64128 | 1,912 | | | | 0 | 0 | 1,912 | 100% | 1,912 | | 0 | 0 | 1,912 |
| 125 | | | | | | | 0 | | | | | | 0 | | |
| 126 | | | | | | | 0 | | | | | | 0 | | |
| 127 | 42 | 64129 | 1,710 | | | | 0 | 0 | 1,710 | 100% | 1,710 | | 0 | 0 | 1,710 |
| 128 | | | | | | | 0 | | | | | | 0 | | |
| 129 | | | | | | | 0 | | | | | | 0 | | |
| 130 | 43 | 64130 | 3,933 | | | | 0 | 0 | 3,933 | 100% | 3,933 | | 0 | 0 | 3,933 |
| 131 | | | | | | | 0 | | | | | | 0 | | |
| 132 | | | | | | | 0 | | | | | | 0 | | |
| 133 | 44 | 64131 | 3,364 | | | | 0 | 0 | 3,364 | 100% | 3,364 | | 0 | 0 | 3,364 |
| 134 | | | | | | | 0 | | | | | | 0 | | |
| 135 | | | | | | | 0 | | | | | | 0 | | |
| 136 | 45 | 64132 | 1,814 | | | | 0 | 0 | 1,814 | 100% | 1,814 | | 0 | 0 | 1,814 |
| 137 | | | | | | | 0 | | | | | | 0 | | |
| 138 | | | | | | | 0 | | | | | | 0 | | |
| 139 | 46 | 64133 | 7,584 | | | | 0 | 0 | 7,584 | 100% | 7,584 | | 0 | 0 | 7,584 |
| 140 | | | | | | | 0 | | | | | | 0 | | |
| 141 | | | | | | | 0 | | | | | | 0 | | |
| 142 | 47 | 64134 | 2,945 | | | | 0 | 0 | 2,945 | 100% | 2,945 | | 0 | 0 | 2,945 |
| 143 | | | | | | | 0 | | | | | | 0 | | |
| 144 | | | | | | | 0 | | | | | | 0 | | |
| 145 | 48 | 64136 | 657 | | | | 0 | 0 | 657 | 100% | 657 | | 0 | 0 | 657 |
| 146 | | | | | | | 0 | | | | | | 0 | | |
| 147 | | | | | | | 0 | | | | | | 0 | | |
| 148 | 49 | 64137 | 2,006 | | | | 0 | 0 | 2,006 | 100% | 2,006 | | 0 | 0 | 2,006 |
| 149 | | | | | | | 0 | | | | | | 0 | | |
| 150 | | | | | | | 0 | | | | | | 0 | | |
| 151 | 50 | 64138 | 5,082 | | | | 0 | 0 | 5,082 | 100% | 5,082 | | 0 | 0 | 5,082 |
| 152 | | | | | | | 0 | | | | | | 0 | | |
| 153 | | | | | | | 0 | | | | | | 0 | | |
| 154 | 51 | 64139 | 396 | | | | 0 | 0 | 396 | 100% | 396 | | 0 | 0 | 396 |
| 155 | | | | | | | 0 | | | | | | 0 | | |
| 156 | | | | | | | 0 | | | | | | 0 | | |
| 157 | 52 | 64145 | 2,531 | | | | 0 | 0 | 2,531 | 100% | 2,531 | | 0 | 0 | 2,531 |
| 158 | | | | | | | 0 | | | | | | 0 | | |
| 159 | | | | | | | 0 | | | | | | 0 | | |
| 160 | 53 | 64146 | 431 | | | | 0 | 0 | 431 | 100% | 431 | | 0 | 0 | 431 |
| 161 | | | | | | | 0 | | | | | | 0 | | |
| 162 | | | | | | | 0 | | | | | | 0 | | |
| 163 | 54 | 64147 | 5 | Kansas City | 78,695 | | 0 | 0 | 5 | 100% | 5 | | 0 | 0 | 5 |
| 164 | | | | | | | 0 | | | | | | 0 | | |
| 165 | | | | | | | 0 | | | | | | 0 | | |
| 166 | 55 | 64149 | 102 | | | | 0 | 0 | 102 | 50% | 51 | | 0 | 0 | 51 |
| 167 | | | | | | | 0 | | | | | | 0 | | |
| 168 | | | | | | | 0 | | | | | | 0 | | |
| 169 | 56 | 64150 | 659 | Northmoor | 51 | | 0 | 0 | 659 | 100% | 659 | | 0 | 0 | 659 |
| 170 | | | | Riverside | 668 | | 0 | | | | | | 0 | | |
| 171 | | | | | | | 0 | | | | | | 0 | | |
| 172 | 57 | 64151 | 5,346 | Houston Lake | 48 | | 0 | 0 | 5,346 | 100% | 5,346 | | 0 | 0 | 5,346 |
| 173 | | | | Kansas City | 78,695 | | 0 | | | | | | 0 | | |
| 174 | | | | Lake Waukomis | 287 | | 0 | | | | | | 0 | | |
| 175 | | | | Parkville | 1,027 | | 0 | | | | | | 0 | | |
| 176 | | | | Platte Woods | 135 | | 0 | | | | | | 0 | | |
| 177 | | | | Riverside | 668 | | 0 | | | | | | 0 | | |
| 178 | | | | Northmoor | 51 | | 0 | | | | | | 0 | | |
| 179 | 58 | 64152 | 4,874 | Kansas City | 78,695 | | 0 | 936 | 3,938 | 85% | 3,347 | | 0 | 936 | 4,283 |
| 180 | | | | Parkville | 1,027 | 90% | 924 | | | | | 90% | 924 | | |
| 181 | | | | Weatherby | 12 | 100% | 12 | | | | | 100% | 12 | | |
| 182 | 59 | 64153 | 983 | Kansas City | 78,695 | | 0 | 51 | 932 | 10% | 93 | | 0 | 51 | 145 |
| 183 | | | | Parkville | 1,027 | 5% | 51 | | | | | 5% | 51 | | |
| 184 | | | | | | | 0 | | | | | | 0 | | |
| 185 | 60 | 64154 | 2,698 | Kansas City | 78,695 | | 0 | 0 | 2,698 | 20% | 540 | | 0 | 0 | 540 |
| 186 | | | | | | | 0 | | | | | | 0 | | |
| 187 | | | | | | | 0 | | | | | | 0 | | |
| 188 | 61 | 64155 | 3,181 | | | | 0 | 0 | 3,181 | 40% | 1,272 | | 0 | 0 | 1,272 |
| 189 | | | | | | | 0 | | | | | | 0 | | |
| 190 | | | | | | | 0 | | | | | | 0 | | |
| 191 | 62 | 64156 | 743 | | | | 0 | 0 | 743 | 20% | 149 | | 0 | 0 | 149 |
| 192 | | | | | | | 0 | | | | | | 0 | | |
| 193 | | | | | | | 0 | | | | | | 0 | | |
| 194 | 63 | 64157 | 1,674 | | | | 0 | 0 | 1,674 | 10% | 167 | | 0 | 0 | 167 |
| 195 | | | | | | | 0 | | | | | | 0 | | |
| 196 | | | | | | | 0 | | | | | | 0 | | |
| 197 | 64 | 64158 | 390 | | | | 0 | 0 | 390 | 95% | 371 | | 0 | 0 | 371 |
| 198 | | | | | | | 0 | | | | | | 0 | | |
| 199 | | | | | | | 0 | | | | | | 0 | | |
| 200 | 65 | 64161 | 63 | | | | 0 | 0 | 63 | 100% | 63 | | 0 | 0 | 63 |
| 201 | | | | | | | 0 | | | | | | 0 | | |
| 202 | | | | | | | 0 | | | | | | 0 | | |
| 203 | 66 | 64192 | 2 | | | | 0 | 0 | 2 | 0% | 0 | | 0 | 0 | 0 |
| 204 | | | | | | | 0 | | | | | | 0 | | |
| 205 | | | | | | | 0 | | | | | | 0 | | |
| 206 | | | | | | | 0 | | | | | | 0 | | |
| 207 | | | 166,199 | | 420,328 | | 5,041 | | 5,041 | 161,158 | | 129,412 | | 1,323 | 130,735 |
| 208 | | | | | | | | | | | | | | RCF/ALF Beds Needed: | 3,268.37 |
| 209 | | | | | | | | | | | | | | | |

Rev. 05/2013

ORDER DETAILS

PREVIEW FOR AD NUMBER IPL0043240

Order Number:

Order Status:

Saved

Classification:

Legals & Public Notices

Package:

KCM - Legal Ads

Final Cost:

\$184.74

Payment Type:

User ID:

IPL0040530

**Certificate of Need
Public Notice**

Bishop Spencer Place plans to establish a 21-bed assisted living memory care unit at 4301 Madison Avenue, Kansas City, Missouri 64111, pending Certificate of Need approval of their \$10,000,000 application from the Missouri Health Facilities Review Committee. This application (project #6091 RS) will be filed on February 23, 2024. W00000000
Publication Dates

SCHEDULE FOR AD NUMBER IPL0043240

February 21, 2024

The Kansas City Star Print

DIVIDER III: Application Summary

1. For ICF/SNF beds, address the population-based bed need methodology of fifty-three (53) beds per one thousand (1,000) population age sixty-five (65) and older.
 - a. (Not Applicable)
2. For RCF/ALF beds, address the population-based bed need methodology of twenty-five (25) beds per one thousand (1,000) population age sixty-five (65) and older.
 - a. An inventory of existing and approved RCF/ALF facilities inside the 15-miles radius is provided (attachment #22).
 - b. The following population-based long-term care bed need methodology for the fifteen- (15-) mile radius was used to determine the need:
 - i. 1. A service area need determined to be twenty-five (25) beds per one thousand (1,000) year 2025 population age sixty-five (65) and older minus the current supply of RCF/ALF beds shown in the most recent Six-Quarter Occupancy of Residential Care and Assisted Living Facility Licensed and Available Beds as provided by the CONP which includes licensed and CON-approved beds.

$$\text{Unmet ALF Need} = (25 \times P) - U$$

Where:

 - 25 = 25 RCF/ALF need rate per 1,000 population age 65 +
 - P = Year 2025 population in the 15-mile radius
 - U = Number of existing and approved beds in 15-mile radius
$$\text{Unmet Need} = (0.025 \times 130,735) - 2,445 = \mathbf{823.37}$$
3. For LTCH beds, address the population-based bed need methodology of one-tenth (0.1) bed per one thousand (1,000) population.
 - a. Not Applicable
4. Document any alternate need methodology used to determine the need for additional beds such as Alzheimer's, mental health or other specialty beds.
 - a. In researching the need for additional Memory Care beds in our market, we looked at both national and regional needs along with our current residents and their needs along with the needs of patients being discharged from our local hospital. We determined that our current residents and their families had a

difficult time finding open Memory Care Unit beds as did patients and their families being discharged from our hospital. All national and regional publications and articles relating to occupancy pre and post-pandemic support that Memory Care occupancy levels returned to pre-pandemic levels the earliest of all lines of service and that the need for additional beds will continue into the future as the aging population continues to grow.

5. For any proposed facility which is designed and operated exclusively for persons with acquired human immunodeficiency syndrome (AIDS) provide information to justify the need for the type of beds being proposed.
 - a. (Not Applicable)
6. If the project is to add beds to an existing facility, has the facility received a Notice of Noncompliance within the last 18 months as a result of a survey, inspection or complaint investigation? If the answer is yes, explain.
 - a. Not Applicable. The facility has not received a Notice of Noncompliance within the last 18 months.

| County | Facility Name | Address | City | Zip | Licensed Beds | | | Average Occup % |
|--------------|---|-------------------------------|--------------|-------|---------------|-----|-------------|-----------------|
| | | | | | ALF | RCF | TOTAL | |
| Clay | Grand Royale, The (Opened 7/26/21) | 2900 NE Kendallwood Parkway | Gladstone | 64119 | 25 | 0 | 25 | 82.11570674 |
| Clay | Heritage Village of Gladstone | 3000 NE 64th St | Gladstone | 64119 | 60 | 0 | 60 | 73.27461466 |
| Clay | Kendallwood Senior Living (Closed 9/13/23) | 2801 N E 60th St | Gladstone | 64119 | 0 | 0 | 0 | 26.11202186 |
| Clay | Linden Woods Village | 2901 NE 72nd Street | Gladstone | 64119 | 40 | 0 | 40 | 88.04094188 |
| Clay | McCrite Plaza at Briarcliff Assisted Living | 1201 N W Tullison Rd | Kansas City | 64116 | 164 | 0 | 164 | 69.51588373 |
| Clay | Oxford Grand at Shoal Creek | 8280 N Tullis Ave | Kansas City | 64158 | 98 | 0 | 98 | 80.37283969 |
| Jackson | Anthology of the Plaza (Opened 96 beds 7/24/19) | 2 Emanuel Cleaver II Blvd | Kansas City | 64112 | 96 | 0 | 96 | 50.56265207 |
| Jackson | Armour Oaks Senior Living Community | 8100 Wornall Rd | Kansas City | 64114 | 47 | 0 | 47 | 72.93057928 |
| Jackson | Baptist Homes of Independence (license merged 8/16/21) | 17451 Medical Center Parkway | Independence | 64057 | 0 | 20 | 20 | 21.71232877 |
| Jackson | Beacon Hill Residential Care | 2905 Campbell | Kansas City | 64109 | 0 | 37 | 37 | 52.35746696 |
| Jackson | Bishop Spencer Place, Inc, The | 4301 Madison Ave | Kansas City | 64111 | 40 | 0 | 40 | 37.39303483 |
| Jackson | Blessed Homes | 305 E 63rd St | Kansas City | 64113 | 0 | 11 | 11 | 89.96581197 |
| Jackson | Blue Hills Rest Home, Inc | 2207 N Blue Mills Rd | Independence | 64058 | 63 | 0 | 63 | 88.28640945 |
| Jackson | Brookdale Wornall Place | 501 West 107th Street | Kansas City | 64114 | 68 | 0 | 68 | 52.45192514 |
| Jackson | Carrie Dumas Long Term Care Facility | 2836 Benton Blvd | Kansas City | 64128 | 34 | 0 | 34 | 49.98926578 |
| Jackson | Cedarhurst of Blue Springs | 20551 East Trinity Place | Blue Springs | 64015 | 89 | 0 | 89 | 75.96161732 |
| Jackson | Cross Creek at Lee's Summit | 3320 NE Wilshire Dr. | Lee's Summit | 64064 | 55 | 0 | 55 | 81.03848706 |
| Jackson | Harris House Residential Care Facility, The | 3859 East 59th Terrace | Kansas City | 64130 | 0 | 7 | 7 | 97.75808133 |
| Jackson | Hidden Lake Care Center | 11400 Hidden Lake Dr | Raytown | 64133 | 0 | 48 | 48 | 62.96380779 |
| Jackson | House of Care Center | 3744 Benton Blvd | Kansas City | 64128 | 0 | 8 | 8 | 72.29212254 |
| Jackson | Jeanne Jugan Center (closed 4/12/23) | 8745 James A Reed Rd | Kansas City | 64138 | 0 | 0 | 0 | 35.48009368 |
| Jackson | Jolet Home | 3920 Forest | Kansas City | 64110 | 0 | 17 | 17 | 84.54272222 |
| Jackson | Kingswood | 10000 Wornall Rd | Kansas City | 64114 | 67 | 0 | 67 | 87.06787388 |
| Jackson | Lodge Residential Care Facility, The | 3860 East 60th St | Kansas City | 64130 | 0 | 8 | 8 | 99.68065693 |
| Jackson | Madison Senior Living, The | 14001 Madison Avenue | Kansas City | 64145 | 66 | 0 | 66 | 66.39254719 |
| Jackson | Maywood Manor | 1041 West Truman Rd | Independence | 64050 | 0 | 24 | 24 | 67.96684915 |
| Jackson | Oaks, The | 5550 Noland Rd | Kansas City | 64133 | 0 | 62 | 62 | 59.95114198 |
| Jackson | Rockhill Manor Assisted Living | 4235 Locust St | Kansas City | 64110 | 190 | 0 | 190 | 85.56403697 |
| Jackson | Silverado Lee's Summit | 3101 SW 3rd Street | Lee's Summit | 64081 | 54 | 0 | 54 | 72.84238997 |
| Jackson | St. Anthony's | 1010 East 68th Street | Kansas City | 64131 | 81 | 0 | 81 | 50.21402181 |
| Jackson | Summitview Terrace Assisted Living By Americare | 12101 East Bannister Rd | Kansas City | 64138 | 52 | 0 | 52 | 57.38513455 |
| Jackson | Trustwell Living of Raytown | 9110 E. 63rd Street | Raytown | 64133 | 76 | 0 | 76 | 43.37112299 |
| Jackson | Turning Point Group Home (Closed 04/01/23) | 1720 Swope Dr | Independence | 64057 | 0 | 0 | 0 | 69.9543379 |
| Jackson | Villa Ventura Assisted Living Facility | 12100 Wornall Rd | Kansas City | 64145 | 50 | 0 | 50 | 44.92424242 |
| Jackson | Village Assisted Living | 1701 NW O'Brien Road | Lee's Summit | 64081 | 50 | 0 | 50 | 52.81673307 |
| Jackson | Village Assisted Living (RCF Closed 10/01/18) | 1704 Northwest O'Brien Rd | Lees Summit | 64081 | 172 | 0 | 172 | 80.0743376 |
| Jackson | Villages of Jackson Creek, The | 3980 S Jackson Dr | Independence | 64057 | 62 | 0 | 62 | 52.06910761 |
| Jackson | Waterford South (Closed 8/26/22) | 11515 Holmes Rd | Kansas City | 64131 | 0 | 0 | 0 | 52.08006279 |
| Jackson | White Oak Assisted Living | 1415-1515 West White Oak | Independence | 64050 | 78 | 0 | 78 | 43.2271196 |
| Jackson | Wood Oaks, Inc | 1804 South Sterling Ave | Independence | 64052 | 0 | 30 | 30 | 88.21776156 |
| Platte | Anthology of Burlington Creek | 6311 N Cosby Avenue | Kansas City | 64151 | 110 | 0 | 110 | 71.85965494 |
| Platte | Autumn Woods, Inc | 5500 Nw Houston Lake Dr | Kansas City | 64151 | 0 | 28 | 28 | 94.20620438 |
| Platte | Benton House of Tiffany Springs | 5901 NW 88th Street | Kansas City | 64154 | 80 | 0 | 80 | 76.54393948 |
| Platte | Gardens at Barry Road, The | 8300 NW Barry Rd | Kansas City | 64153 | 140 | 0 | 140 | 70.94629823 |
| Platte | Leona House | 5000 NW Old Trail Rd | Kansas City | 64151 | 7 | 0 | 7 | 91.50156413 |
| Platte | Primrose Retirement Community of Kansas City | 8559 North Line Creek Parkway | Kansas City | 64154 | 44 | 0 | 44 | 67.76904715 |
| Platte | Tiffany Springs Senior Care Community | 9101 N Ambassador Drive | Kansas City | 64154 | 89 | 0 | 89 | 79.80398589 |
| Platte | Wexford Place Assisted Living and Memory Support by Senior Star | 6460 N Cosby Ave | Kansas City | 64151 | 98 | 0 | 98 | 87.33613884 |
| Platte | Windemere Healthcare Center, LLC | 3100 North West Vivion Rd | Riverside | 64150 | 0 | 65 | 65 | 99.8789918 |
| Total | | | | | | | 2445 | |

DIVIDER IV: Application Summary

1. Document that the proposed costs per square foot are reasonable when compared to the latest “RS Means Construction Cost data”
 - a. Renovation cost is \$509 per square foot (See Attachment #7), which is more than the $\frac{3}{4}$ percentile of \$294.82 per square foot for RS Means for the Kansas City Missouri Area (see attachment #23). The higher costs have resulted from increased costs of labor and materials in the post-covid era.
2. Document that sufficient financing is available by providing a letter from a financial institution or an auditor’s statement indicating that sufficient funds are available.
 - a. Bishop Spencer Place is financing this project with available cash, as outlined in the Proposed Project Budget. Bishop Spencer Place has adequate cash reserves available to fund this project as documented in the Audited Consolidated Balance Sheet (See Attachment #24).
3. Provide Service-Specific Revenues and Expenses (Form MO 580-1865) for the latest three (3) years, and projected through three (3) **FULL** years beyond project completion.
 - a. (See Attachment #25)
4. Document how patient charges are derived.
 - a. We reviewed current market charges and fees and we reviewed our expense structure and were able to consider patient charges on the lower end of the current market, due to these factors. Our pro forma is based on this review.
5. Document responsiveness to the needs of the medically indigent.
 - a. A copy of our existing policy for meeting the needs of the medically indigent is included (See Attachment #26).
6. For a proposed new skilled nursing or intermediate care facility, what percentage of your admissions would be Medicaid eligible on the first day of admission or become Medicaid eligible within 90 days of admission?
 - a. Not Applicable
7. For an existing skilled nursing or intermediate care facility, what percentage of your admissions are Medicaid eligible on the first day of admission or becomes Medicaid eligible within 90 days of admission.
 - a. Not Applicable

DIVIDER IV ATTACHMENTS

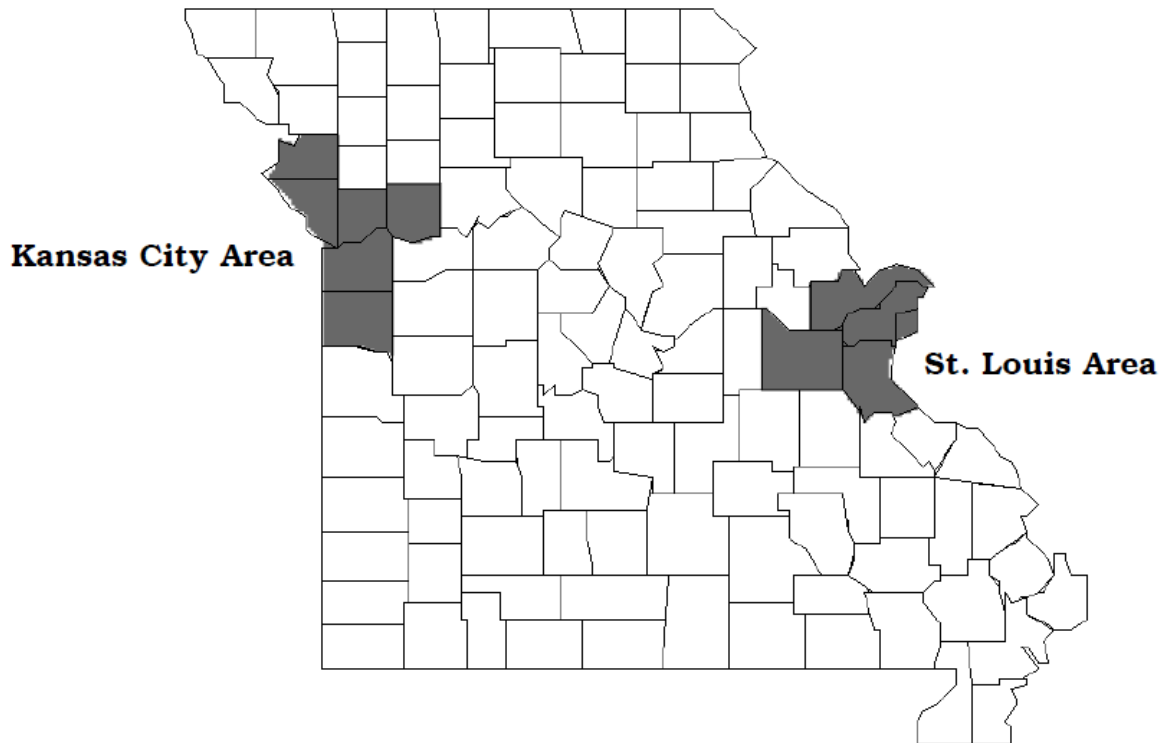
RS Means Cost Data

RS Means Cost Data Percentile Limits Total New Construction Project Costs*

Source: 2023 RS Means Building Construction Cost Data

| <u>Type of Facility</u> | <u>Percentile</u> | <u>St. Louis Area</u> | <u>Kansas City Area</u> | <u>Other Missouri Area</u> |
|---|----------------------|-----------------------|-------------------------|----------------------------|
| Hospital Cost Per Sq. Ft. | 3/4 Median | 554.45 519.48 | 552.78 517.92 | 508.38 476.32 |
| Nursing Home/ Assisted Living Facility** Cost Per Sq. Ft. | 3/4 Median | 295.70 223.78 | 294.82 223.10 | 271.14 205.18 |

***Since 2017, nursing homes and assisted living facilities have been combined into one cost per square foot.*



*** Renovation costs should not exceed 70% of total new construction project costs.**

CONSOLIDATED FINANCIAL STATEMENTS

Saint Luke's Health System, Inc.
Years Ended December 31, 2022 and 2021
With Report of Independent Auditors

Ernst & Young LLP



Saint Luke’s Health System, Inc.
Consolidated Financial Statements
Years Ended December 31, 2022 and 2021

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Report of Independent Auditors

The Board of Directors
Saint Luke's Health System, Inc.

Opinion

We have audited the consolidated financial statements of Saint Luke's Health System, Inc. and subsidiaries (the System), which comprise the consolidated balance sheets as of December 31, 2022 and 2021, and the related consolidated statements of operations and changes in net assets and cash flows for the years then ended, and the related notes (collectively referred to as the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the System at December 31, 2022 and 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the System and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the System's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the System’s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the System’s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal-control-related matters that we identified during the audit.

Ernst + Young LLP

April 5, 2023

Saint Luke's Health System, Inc.

Consolidated Balance Sheets
(In Thousands)

| | December 31 | |
|--------------------------------------|--------------|--------------|
| | 2022 | 2021 |
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 381,212 | \$ 668,407 |
| Short-term investments (Note 7) | 204,071 | 186,419 |
| Accounts receivable, net | 312,341 | 309,674 |
| Other receivables | 37,710 | 38,206 |
| Inventories | 36,494 | 35,390 |
| Prepaid expenses | 30,380 | 32,562 |
| Total current assets | 1,002,208 | 1,270,658 |
| Property and equipment, net (Note 6) | 978,118 | 983,340 |
| Right-to-use assets | 162,529 | 177,017 |
| Investments (Note 7) | 690,144 | 715,356 |
| Assets limited as to use (Note 7): | | |
| Board designated | 12,366 | 8,727 |
| Under self-insurance arrangements | 20,982 | 22,145 |
| Restricted by donor or grantor | 191,175 | 217,440 |
| Total assets limited as to use | 224,523 | 248,312 |
| Other assets: | | |
| Investment in affiliates, net | 39,267 | 37,742 |
| Other | 105,105 | 118,224 |
| Total other assets | 144,372 | 155,966 |
| Total assets | \$ 3,201,894 | \$ 3,550,649 |

| | December 31 | |
|---|----------------------------|----------------------------|
| | 2022 | 2021 |
| Liabilities and net assets | | |
| Current liabilities: | | |
| Current maturities of long-term debt <i>(Note 8)</i> | \$ 16,836 | \$ 15,929 |
| Accounts payable | 124,250 | 131,279 |
| Payroll-related liabilities | 101,604 | 117,928 |
| Estimated third-party payor settlements | 12,151 | 15,028 |
| Defined contribution plan obligations | 20,703 | 19,955 |
| Other | 101,766 | 237,665 |
| Total current liabilities | <u>377,310</u> | <u>537,784</u> |
| Reserve for self-insured risks <i>(Note 11)</i> | 51,776 | 51,861 |
| Long-term debt, less current maturities <i>(Note 8)</i> | 603,141 | 621,603 |
| Interest rate swap contracts <i>(Note 8)</i> | 8,725 | 26,718 |
| Pension obligation <i>(Note 10)</i> | – | 16,863 |
| Lease liability | 158,186 | 174,618 |
| Other noncurrent liabilities | 93,278 | 108,171 |
| Total liabilities | <u>1,292,416</u> | <u>1,537,618</u> |
| Net assets: | | |
| Saint Luke's Health System, Inc. | 1,671,791 | 1,746,896 |
| Noncontrolling interest | 8,891 | 10,482 |
| Total without donor restrictions | <u>1,680,682</u> | <u>1,757,378</u> |
| With donor restrictions <i>(Note 14)</i> | 228,796 | 255,653 |
| Total net assets | <u>1,909,478</u> | <u>2,013,031</u> |
| | | |
| Total liabilities and net assets | <u><u>\$ 3,201,894</u></u> | <u><u>\$ 3,550,649</u></u> |

See accompanying notes.

Saint Luke's Health System, Inc.

Consolidated Statements of Operations and Changes in Net Assets
(In Thousands)

| | Year Ended December 31 | |
|---|-------------------------------|--------------|
| | 2022 | 2021 |
| Revenues: | | |
| Patient service revenue | \$ 2,159,100 | \$ 2,162,901 |
| Other revenue | 194,875 | 204,226 |
| Total revenues | 2,353,975 | 2,367,127 |
| Expenses: | | |
| Salaries and wages | 1,049,199 | 1,001,103 |
| Employee benefits | 230,640 | 227,187 |
| Supplies and other | 942,910 | 867,953 |
| Depreciation and amortization | 104,306 | 105,204 |
| Interest | 19,609 | 18,579 |
| Total expenses | 2,346,664 | 2,220,026 |
| Operating income | 7,311 | 147,101 |
| Other income (loss): | | |
| Investment return <i>(Note 7)</i> | (76,044) | 105,670 |
| Change in fair value of interest rate swaps | 17,993 | 8,650 |
| Pension settlement | (59,659) | (5,061) |
| Other, net | (3,178) | (4,025) |
| Total other (loss) income, net | (120,888) | 105,234 |
| Consolidated (deficit) excess of revenues over expenses | (113,577) | 252,335 |
| Less revenues over expenses attributable to noncontrolling interest | (14,411) | (14,946) |
| (Deficit) excess of revenues over expenses attributable to Saint Luke's Health System, Inc. | \$ (127,988) | \$ 237,389 |

See accompanying notes.

Saint Luke's Health System, Inc.

Consolidated Statements of Operations and Changes in Net Assets (continued)
(In Thousands)

| | Year Ended December 31, 2022 | | | Year Ended December 31, 2021 | | |
|---|------------------------------|--------------|----------------|------------------------------|--------------|----------------|
| | Total | Controlling | Noncontrolling | Total | Controlling | Noncontrolling |
| Net assets without donor restrictions: | | | | | | |
| Consolidated (deficit) excess of revenues over expenses | \$ (113,577) | \$ (127,988) | \$ 14,411 | \$ 252,335 | \$ 237,389 | \$ 14,946 |
| Contribution of property, equipment, and other | 2,666 | 2,666 | – | 727 | 727 | – |
| Pension-related changes other than net periodic pension costs | 49,348 | 49,348 | – | 14,303 | 14,303 | – |
| Other changes in net assets without donor restrictions | (15,133) | 869 | (16,002) | (14,170) | 205 | (14,375) |
| (Decrease) increase in net assets without donor restrictions | (76,696) | (75,105) | (1,591) | 253,195 | 252,624 | 571 |
| Net assets with donor restrictions: | | | | | | |
| Contributions | 15,160 | 15,160 | – | 11,009 | 11,009 | – |
| Investment income, net | 1,942 | 1,942 | – | 4,063 | 4,063 | – |
| Change in unrealized (loss) gain on investments, net | (19,106) | (19,106) | – | 29,742 | 29,742 | – |
| Net assets released from restrictions | (24,808) | (24,808) | – | (18,918) | (18,918) | – |
| Change in interest in donor-restricted net assets of foundations | (45) | (45) | – | 155 | 155 | – |
| (Decrease) increase in net assets with donor restrictions | (26,857) | (26,857) | – | 26,051 | 26,051 | – |
| (Decrease) increase in net assets | (103,553) | (101,962) | (1,591) | 279,246 | 278,675 | 571 |
| Net assets at beginning of year | 2,013,031 | 2,002,549 | 10,482 | 1,733,785 | 1,723,874 | 9,911 |
| Net assets at end of year | \$ 1,909,478 | \$ 1,900,587 | \$ 8,891 | \$ 2,013,031 | \$ 2,002,549 | \$ 10,482 |

See accompanying notes.

Saint Luke's Health System, Inc.

Consolidated Statements of Cash Flows (In Thousands)

| | Year Ended December 31 | |
|---|-------------------------------|-------------|
| | 2022 | 2021 |
| Operating activities | | |
| (Decrease) increase in net assets | \$ (103,553) | \$ 279,246 |
| Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities: | | |
| Depreciation and amortization | 104,306 | 105,204 |
| Loss on disposal of property and equipment | 2,291 | 778 |
| Change in fair value of interest rate swaps | (17,993) | (8,650) |
| Pension-related changes other than net periodic pension costs | 9,397 | (9,242) |
| Distributions to noncontrolling interests | 16,002 | 14,375 |
| Restricted contributions | (15,160) | (11,009) |
| Changes in operating assets and liabilities: | | |
| Accounts receivable, net | (2,667) | (53,095) |
| Other current assets | 1,574 | (16,238) |
| Other noncurrent assets | 27,607 | 1,931 |
| Accounts payable | (7,029) | 36,361 |
| Other current liabilities | (154,352) | 72,645 |
| Reserve for self-insured risks | (85) | 2,707 |
| Other noncurrent liabilities | (57,585) | (140,139) |
| Net cash (used in) provided by operating activities | (197,247) | 274,874 |
| Investing activities | | |
| Purchase of property and equipment, net | (101,375) | (79,185) |
| Decrease (increase) in investment securities classified as trading | 16,698 | (212,476) |
| Increase in equity goodwill | (661) | (1,030) |
| Increase in investment in affiliates, net | (864) | (2,851) |
| Net cash used in investing activities | (86,202) | (295,542) |
| Financing activities | | |
| Payments and refunding of long-term debt | (17,555) | (48,681) |
| Proceeds from issuance of long-term debt | - | 30,500 |
| Distributions to noncontrolling interests | (16,002) | (14,375) |
| Restricted contributions | 15,160 | 11,009 |
| Net cash used in provided by financing activities | (18,397) | (21,547) |
| Net decrease in cash and cash equivalents and restricted cash | (301,846) | (42,215) |
| Cash and cash equivalents and restricted cash at beginning of year | 694,140 | 736,355 |
| Cash and cash equivalents and restricted cash at end of year | \$ 392,294 | \$ 694,140 |
| Reconciliation of cash and cash equivalents and restricted cash to the consolidated balance sheets | | |
| Cash and cash equivalents | \$ 381,212 | \$ 668,407 |
| Restricted cash included in investments | 11,082 | 25,733 |
| | \$ 392,294 | \$ 694,140 |
| Supplemental disclosure of cash flow information | | |
| Interest paid | \$ 23,198 | \$ 22,348 |

See accompanying notes.

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements

December 31, 2022

1. Background, Principles of Consolidation, and Summary of Significant Accounting Policies

Saint Luke's Health System, Inc., a Kansas not-for-profit corporation, operates an integrated health care delivery system (the System) serving the greater Kansas City metropolitan area and surrounding communities. The System is a faith-based, not-for-profit-aligned health system committed to excellence in providing health care and health-related services in a caring environment. The System is the sole corporate member of Saint Luke's Hospital of Kansas City (Saint Luke's), Saint Luke's North Hospital (North), Saint Luke's South Hospital (South), Saint Luke's East Hospital (East), and their consolidated and unconsolidated subsidiaries.

The System and its primary operating entities are not-for-profit corporations as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and are exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. Certain supporting subsidiaries are subject to federal and state income taxes.

The accompanying consolidated financial statements include the following operating entities:

- Saint Luke's Health System, Inc. (the Corporation)
- Saint Luke's Hospital of Kansas City (Saint Luke's)
- Saint Luke's North Hospital (North)
- Saint Luke's South Hospital (South)
- Saint Luke's East Hospital (East)
- Saint Luke's Hospital of Chillicothe d/b/a Hedrick Medical Center (Hedrick)
- Saint Luke's Hospital of Trenton d/b/a Wright Memorial Hospital (Wright Memorial)
- Saint Luke's Hospital of Garnett d/b/a Anderson County Hospital (Anderson County)
- Saint Luke's Hospital of Allen County d/b/a Allen County Regional Hospital (Allen County)
- Saint Luke's Home Care and Hospice
- Saint Luke's Health System Risk Retention Group (RRG)
- Saint Luke's Health System Insurance, Ltd. (Captive)
- Bishop Spencer Place, Inc.
- Saint Luke's Physician Group, Inc.
- Saint Luke's Foundation (Foundation)

All significant intercompany transactions and account balances have been eliminated in the consolidated financial statements.

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

1. Background, Principles of Consolidation, and Summary of Significant Accounting Policies (continued)

Accounting Policies

The System's accounting policies conform to U.S. generally accepted accounting principles (U.S. GAAP) applicable to health care organizations.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents and Restricted Cash

Cash and cash equivalents generally include cash and highly liquid debt instruments, generally with a maturity of three months or less when purchased. Highly liquid debt instruments with original, short-term maturities of three months or less that are included as part of the investment portfolio are excluded from cash equivalents as they are commingled with longer-term investments. Amounts included in restricted cash include cash held within investments and may represent funds set aside within the investment portfolio based on management's policy or contractual arrangements.

Short-Term Investments

Short-term investments primarily consist of U.S. government obligations, corporate obligations, and fixed-income funds internally designated as current assets because such amounts are available to meet the System's cash requirements.

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

1. Background, Principles of Consolidation, and Summary of Significant Accounting Policies (continued)

Patient Accounts Receivable

The System's patient accounts receivable are reported at the amount that reflects the consideration to which it expects to be entitled in exchange for providing patient care.

The revenues related to patient accounts receivable are reported at net realizable value based on certain assumptions. For third-party payors, including Medicare, Medicaid, and managed care, the net realizable value is based on the estimated contractual reimbursement percentage, which is based on current contract prices or historical paid claims data by payor. For self-pay, the net realizable value is determined using estimates of historical collection experience, including an analysis by aging category. These estimates are adjusted for expected recoveries and any anticipated changes in trends, including significant changes in payor mix, changes in operations and economic conditions, or trends in federal and state governmental health care coverage.

Inventories

Inventories consist primarily of medical supplies and pharmaceuticals and are stated at the lower of actual cost, generally on the first-in, first-out basis, or market.

Property and Equipment

Property and equipment are recorded at cost or, if donated, at fair value at the date of receipt. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets, as follows:

| | |
|---------------------------|---------------|
| Land improvement | 8 to 20 years |
| Building and improvements | 5 to 40 years |
| Equipment | 3 to 15 years |
| Software | 3 to 7 years |

Leasehold improvements are amortized over the shorter of the useful life or corresponding lease. The amortization is included in depreciation expense.

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

1. Background, Principles of Consolidation, and Summary of Significant Accounting Policies (continued)

Capitalized Interest

Interest cost incurred on tax-exempt borrowings designated for capital purposes, net of interest earned on such borrowed funds, is capitalized over the duration of the related capital projects. Imputed interest cost incurred on construction financed through internally generated funds or other borrowings is capitalized over the duration of the related capital projects when the project is material in cost and time.

Asset Impairment

The System considers whether indicators of impairment are present and performs the necessary test to determine whether the carrying value of an asset is appropriate. Impairment write-downs are recognized in operating income at the time the impairment is identified. There were no material impairments in the years ended December 31, 2022 or 2021.

Investments and Assets Limited as to Use

Assets limited as to use primarily include assets held by trustees under self-insurance arrangements and indenture agreements and restricted donations. Investments in equity and debt securities are measured at fair value.

The System considers its investment securities as trading securities. Investment income (including realized and unrealized gains and losses on investments, interest, and dividends) from trading investments is recorded as investment return, which is included in (deficit) excess of revenues over expenses, unless the income or loss is restricted by donor or law or derived from assets held by trustee under self-insurance arrangements or under indenture agreements. Gains and losses with respect to disposition of marketable securities are based on the specific-identification method.

Investment income earned by assets held by trustee under self-insurance arrangements and under indenture agreements is reported as other revenue. Restricted investment income and net gains or losses on investments of donor-restricted funds are added to or deducted from the appropriate restricted net asset balance.

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

1. Background, Principles of Consolidation, and Summary of Significant Accounting Policies (continued)

The System also holds investment positions in other trusts, limited liability investment companies, and hedge funds of funds (collectively referred to as alternative investments), which are reported based on the net asset value of the investment. The calculated net asset values are provided by the respective organizations and based on historical cost, appraisals, or other estimates that require varying degrees of judgment. Management has utilized the best available information for reported values, which in some instances are valuations as of an interim date not more than 90 days before year-end. Generally, the net asset value of the System's holdings reflects net contributions to the investee and an ownership share of realized and unrealized investment income and expenses. Returns from investments based on the net asset value, whether realized or unrealized, are included in investment return in (deficit) excess of revenues over expenses.

The System's assets limited as to use are exposed to various kinds and levels of risk. Fixed-income securities expose the System to interest rate risk, credit risk, and liquidity risk. As interest rates change, the current value of many fixed-income securities, particularly those with fixed interest rates, is affected. Credit risk is the risk that the obligor of the security will not fulfill its obligation. Liquidity risk is affected by the willingness of market participants to buy and sell given securities.

Equity securities expose the System to market risk, performance risk, and liquidity risk. Market risk is the risk associated with major movements of the equity market, both international and domestic. Performance risk is the risk associated with a company's operating performance. Liquidity risk, as previously defined, tends to be higher for international equities and equities related to small capitalized companies, as well as certain alternative investments.

Investment in Affiliates

The System has entered into certain limited liability company agreements with third parties that provide health-care-related services. Where applicable, these arrangements are accounted for using the equity method of accounting. The System's largest equity interest venture is a 51% membership interest in Kansas City Orthopaedic Institute, L.L.C., which specializes in providing orthopaedic services on an inpatient and outpatient basis. Although the System owns a majority financial interest in this entity, it does not possess a controlling interest in the entity, and therefore does not consolidate the entity. The balance of the equity interest was \$10.8 million and \$14.3 million as of December 31, 2022 and 2021, respectively. This carrying value exceeds the System's underlying equity in the net assets of the affiliate by \$11.4 million as of December 31, 2022 and 2021, which represents equity method goodwill. All other equity interest ventures are immaterial to the System.

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

1. Background, Principles of Consolidation, and Summary of Significant Accounting Policies (continued)

Deferred Financing Costs

Deferred financing costs are amortized over the period the debt is outstanding using the bonds outstanding method.

Deferred Revenue From Advanced Fees and Obligation

Bishop Spencer Place, Inc., a continuing-care retirement community, offers two entry-fee options for independent-living units: (1) 50-month refundable and (2) lifetime 90% refundable. The deferred revenue from nonrefundable entry fees is amortized to revenue using the straight-line method over the estimated remaining life expectancy of the resident.

Refundable entry fees are not amortized to revenue. Instead, they are kept on the consolidated balance sheets at their full refund amount per the residency agreements. The balance of the refundable entry fees was \$14.8 million and \$15.9 million as of December 31, 2022 and 2021, respectively, and is recorded in other noncurrent liabilities. Based on the structure of the contracts, the System was not required to record an obligation to provide future services and use of facilities at December 31, 2022 or 2021.

Derivative Financial Instruments

Derivative financial instruments, specifically interest rate swaps, are recorded on the consolidated balance sheets at fair value. The change in the fair value of the derivative financial instruments is recorded in other income (loss), net. None of the interest rate swaps are designated as hedges.

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

1. Background, Principles of Consolidation, and Summary of Significant Accounting Policies (continued)

Net Assets

Net assets without donor restrictions are those whose use by the System has not been limited by donors and are available for general operating use at the discretion of the Board of Directors (the Board). This category includes both net assets designated by the Board for a specific purpose and board-designated endowments. Board-designated endowments are net assets that are designated by the Board for a specific purpose and treated like an endowment (quasi-endowment).

Net assets with donor restrictions include those whose use by the System has been limited by donors for a specific purpose (primarily for patient care, health care education, or property) or time period. This category also includes net assets restricted by donors to be maintained by the System in perpetuity with the related investment income expendable to support the donor-designated purpose, which is primarily for patient care, health care education, or property.

Contributions, Bequests, and Pledges

Unrestricted contributions and bequests are reported in other nonoperating income (loss), net when earned. Restricted contributions and bequests are reported as additions to net assets with donor restrictions. Resources restricted by donors for facility replacement and expansion are added to net assets without donor restrictions to the extent placed into service. Resources restricted by donors and grantors for specific operating purposes are reported in other revenue to the extent used within the period.

Restricted pledges are recorded at fair value in the year notification is received as an addition to net assets with donor restrictions. Management believes these are Level 3 fair value measurements (as defined in Note 9) recorded on a nonrecurring basis. Pledges receivable totaling \$7.9 million and \$7.0 million as of December 31, 2022 and 2021, respectively, are included in other receivables and other noncurrent assets, and are all due in less than eight years. The pledges are recorded at their net present value based on the expected timing of pledge fulfillment using a credit-adjusted discount rate ranging from and 0.36% to 3.99% in 2022 and 2021, which approximated fair value at the date of pledge.

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

1. Background, Principles of Consolidation, and Summary of Significant Accounting Policies (continued)

Performance Indicator

The System's performance indicator is (deficit) excess of revenues over expenses, which includes all changes in net assets without donor restrictions other than the contribution of property, equipment, and other; pension-related changes other than net periodic pension costs; changes in net assets attributable to noncontrolling interest; and other.

Operating and Other Income (Loss)

The System's primary mission is to meet the health care needs in its service areas through a broad range of general and specialized health care services, including inpatient acute care, outpatient services, physician services, and other health care services. Activities directly associated with the furtherance of this purpose are considered to be operating activities. Other activities that result in gains or losses peripheral to the System's primary mission are considered to be other income (loss). Other income (loss) activities include investment return, excluding assets held by trustee under self-insurance arrangements and indenture agreements; change in fair value of interest rate swaps; and other, net. All unrestricted activities of the Foundation, including contribution and grant activity, are recorded in other, net.

Forthcoming Accounting Pronouncements

In June 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. This ASU requires entities to report "expected" credit losses on financial instruments and other commitments to extend credit rather than the current "incurred loss" model. These expected credit losses for financial assets held at the reporting date are to be based on historical experience, current conditions and reasonable and supportable forecasts. This ASU will also require enhanced disclosures relating to significant estimates and judgments used in estimating credit losses, as well as the credit quality. This ASU is effective for the System beginning January 1, 2023. The System is currently evaluating the effects of the standard on the consolidated financial statements.

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

1. Background, Principles of Consolidation, and Summary of Significant Accounting Policies (continued)

New Accounting Standards Adopted

In September 2020, the FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. This ASU affects presentation and disclosure of contributed nonfinancial assets in the statement of activities and notes to the financial statements. This ASU was effective for the System beginning January 1, 2022. The System has adopted this ASU with no material impact on the consolidated financial statements.

Reclassifications

Certain balances in the 2021 consolidated financial statements have been reclassified to conform to current year presentation. The effect of such reclassifications did not change total net assets, net assets without donor restrictions, operating income, or (deficit) excess of revenue over expenses.

2. Charity Care

The System is dedicated to providing both services and leadership in caring for the needy and accepts all patients regardless of their ability to pay. The System provides such care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Since the System does not attempt to collect amounts initially determined to qualify as charity care, such charges are not included in patient service revenue. The cost incurred in providing these services of approximately \$32.1 million and \$43.1 million in 2022 and 2021, respectively, is included in the System's operating expenses and is estimated using the prior year overall Medicare cost-to-charge ratio. In addition, the System provides care for medically indigent patients covered under the Medicaid welfare program at rates substantially below standard charges.

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

3. Patient Service Revenue

The System provides health care services through inpatient, outpatient, and ambulatory care facilities that provide services in the greater Kansas City metropolitan area and surrounding communities, and grants credit to patients, substantially all of whom are local residents. The System generally does not require collateral or other security in extending credit to patients; however, the System routinely obtains assignment of (or is otherwise entitled to receive) patients' benefits payable under its health insurance programs, plans, and policies, including, but not limited to, Medicare, Medicaid, health maintenance organizations, and commercial insurance policies. Patient service revenue is reported at the amount that reflects the consideration to which the System expects to be paid for providing patient care. Patient service revenue is recognized as performance obligations are satisfied based on the nature of services provided.

Performance obligations are identified based on the nature of the services provided. Revenue associated with performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected (or actual) charges. Performance obligations satisfied over time relate to patients receiving inpatient acute care services. The System measures the performance obligation from admission into the hospital to the point when there are no further services required for the patient, which is generally the time of discharge. For outpatient services, the performance obligation is satisfied as the patient simultaneously receives and consumes the benefits provided as the services are performed. In the case of these outpatient services, recognition of the obligation over time yields the same result as recognizing the obligation at a point in time. Management believes this method provides a faithful depiction of the transfer of services over the term of performance obligations based on the inputs needed to satisfy the obligations.

As the System's performance obligations relate to contracts with a duration of less than one year, the System has applied the optional exemption provided in the guidance and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. The unsatisfied or partially unsatisfied performance obligations referred to above are primarily related to inpatient acute care services at the end of the reporting period. The performance obligations for these contracts are generally completed when the patients are discharged, which generally occurs within days or weeks of the end of the reporting period.

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

3. Patient Service Revenue (continued)

The System uses a portfolio approach to account for categories of patient contracts as a collective group rather than recognizing revenue on an individual contract basis. The portfolios consist of major payor classes for inpatient revenue and major payor classes and types of services provided for outpatient revenue. Based on the historical collection trends and other analyses, the System believes that revenue recognized by utilizing the portfolio approach approximates the revenue that would have been recognized if an individual contract approach were used.

The System determines the transaction price, which involves significant estimates and judgment, based on standard charges for goods and services provided, reduced by explicit and implicit price concessions, including contractual adjustments provided to third-party payors, discounts provided to uninsured and underinsured patients in accordance with policy, and/or implicit price concessions based on the historical collection experience of patient accounts. The System determines the transaction price associated with services provided to patients who have third-party payor coverage based on reimbursement terms per contractual agreements, discount policies, and historical experience. For uninsured patients who do not qualify for charity care, the System determines the transaction price associated with services on the basis of charges, reduced by implicit price concessions. Implicit price concessions included in the estimate of the transaction price are based on historical collection experience for applicable patient portfolios. Patients who meet the System's criteria for charity care are provided care without charge; such amounts are not reported as revenue. Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to patient service revenue in the period of the change.

Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. During the last few years, as a result of nationwide investigations by governmental agencies, various health care organizations have received requests for information and notices regarding alleged noncompliance with those laws and regulations, which, in some instances, have resulted in organizations entering into significant settlement agreements. Compliance with such laws and regulations may also be subject to future government review and interpretation, as well as significant regulatory action, including fines, penalties, and potential exclusion from the Medicare and Medicaid programs. There can be no assurance that regulatory authorities will not challenge the System's compliance with these laws and regulations or that the laws and regulations themselves will not be subject to challenge, and it is not possible to determine the effect, if any, such claims, penalties, or challenges would have on the System. Patient service revenue increased by \$19.7 million and \$7.5 million in 2022 and 2021, respectively, as a result of changes in estimates due to settlements of prior years' cost reports, Medicaid settlements, and the disposition of other payor audits and settlements.

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

3. Patient Service Revenue (continued)

In certain instances, the System does receive payment in advance of the services provided and would consider these amounts to represent contract liabilities. Contract liabilities at December 31, 2022, were not significant.

Management has determined that the nature, amount, timing, and uncertainty of revenue and cash flows are affected by the payors and line of business that renders services to patients. The composition of patient service revenue and accounts receivable by payor for the years ended December 31 is as follows:

| | Patient Service Revenue | | Patient Accounts Receivable | |
|------------------------|------------------------------------|-------------|--|-------------|
| | Year Ended December 31 | | December 31 | |
| | 2022 | 2021 | 2022 | 2021 |
| Medicare | 37% | 36% | 28% | 25% |
| Blue Cross/Blue Shield | 28 | 30 | 26 | 28 |
| Medicaid | 7 | 5 | 10 | 5 |
| Managed care | 24 | 25 | 27 | 31 |
| Other/patients | 4 | 4 | 9 | 11 |
| Total | 100% | 100% | 100% | 100% |

The self-pay patient accounts receivable above includes amounts due from patients for coinsurance, deductibles, co-payments, installment payment plans, and amounts due from patients without insurance.

The composition of patient service revenue by service line is as follows:

| | Year Ended December 31 | |
|----------------------------------|-------------------------------|-------------|
| | 2022 | 2021 |
| Inpatient services | 41% | 44% |
| Outpatient services | 43 | 41 |
| Clinic and professional services | 16 | 15 |
| Total | 100% | 100% |

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

3. Patient Service Revenue (continued)

Other operating revenue is recognized at an amount that reflects the consideration to which the System expects to be entitled in exchange for providing goods and services. The amounts recognized reflect consideration due from customers, third-party payors, and others. Primary categories of other revenue include pharmacy revenue, grant revenue, cafeteria revenue, rent revenue, other miscellaneous revenue, and income (loss) on investment in affiliate.

4. COVID-19 Pandemic and CARES Act Funding

In March 2020, the World Health Organization declared the novel coronavirus disease (COVID-19) a pandemic. The Centers for Disease Control and Prevention confirmed its spread to the United States and it was declared a national public health emergency, followed by several state emergency declarations, and the Centers for Medicare & Medicaid Services (CMS) issued guidance regarding elective procedures. Several national and international travel restrictions were put in place and the governors in Missouri and Kansas issued executive orders postponing nonessential or elective procedures. In response, the System took appropriate measures to respond to the anticipated revenue shortfalls, including cost-saving measures such as streamlining care, eliminating nonessential expenditures, deferring or delaying nonstrategic capital, and managing labor costs.

During 2022 and 2021, the System received approximately \$0.5 million and \$35.8 million, respectively, of provider relief funds from various provisions in the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Approximately \$4.3 million and \$34.4 million was recognized as other revenue in 2022 and 2021, respectively. The unrecognized amount of provider relief funds of \$1.0 million and \$4.8 million has been reported as other current liabilities on the consolidated balance sheets as of December 31, 2022 and 2021, respectively.

Additionally, during 2020, the System received \$211.2 million of Medicare advance payments as part of the CMS Accelerated and Advance Payments Program (the Program). The consolidated balance sheets include \$129.6 million in other current liabilities as of December 31, 2021 related to these advance payments. Repayment started in 2021 based upon terms and conditions of the Program and was fully repaid during 2022.

The CARES Act also provides for a deferral of payments of the employer portion of Social Security tax incurred during the pandemic. At December 31, 2021, the System deferred \$14.7 million of Social Security taxes and was included in payroll-related liabilities. In December 2022, the remaining half of such payroll taxes were fully paid.

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

5. Financial Assets and Liquidity Resources

Financial assets and liquidity resources available within one year for general expenditures, such as operating expenses, scheduled principal payments on debt, and capital expenditures not financed with debt, were as follows:

| | December 31 | |
|---|-----------------------|--------------|
| | 2022 | 2021 |
| | <i>(In Thousands)</i> | |
| Financial assets: | | |
| Cash and cash equivalents | \$ 381,212 | \$ 668,407 |
| Short-term investments | 204,071 | 186,419 |
| Accounts receivable, net | 312,341 | 309,674 |
| Other receivables | 37,710 | 38,206 |
| Long-term investments | 690,144 | 715,356 |
| Assets limited as to use | 224,523 | 248,312 |
| Total financial assets | 1,850,001 | 2,166,374 |
| Less: | | |
| Board-designated investments | (12,366) | (8,727) |
| Under self-insurance arrangements | (20,982) | (22,145) |
| Restricted by donor or grantor | (191,175) | (217,440) |
| Pledges receivable with restrictions | (6,878) | (3,648) |
| Long-term investments | (93,587) | (95,475) |
| Financial assets not available to be used within one year | (324,988) | (347,435) |
| Financial assets available to meet general expenditures within one year | \$ 1,525,013 | \$ 1,818,939 |

The System has assets limited as to use for donor-restricted purposes, debt service, and the self-insurance arrangements. Additionally, certain other board-designated assets are designated for general support of patient care and operations. These assets limited as to use, which are more fully described in Note 7, are not available for general expenditure within the next year. However, the board-designated amounts could be made available, if necessary.

Periodically, at the discretion of the System, cash in excess of daily requirements is invested in short-term investments and money market funds.

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

6. Property and Equipment

Property and equipment consist of the following:

| | December 31 | |
|-----------------------------------|-----------------------|-------------|
| | 2022 | 2021 |
| | <i>(In Thousands)</i> | |
| Land and improvements | \$ 81,152 | \$ 80,649 |
| Buildings and improvements | 1,350,600 | 1,305,569 |
| Fixed equipment | 232,443 | 225,596 |
| Movable equipment | 584,183 | 559,986 |
| Software | 117,403 | 116,298 |
| | 2,365,781 | 2,288,098 |
| Less accumulated depreciation | 1,414,540 | 1,329,324 |
| | 951,241 | 958,774 |
| Construction-in-progress | 26,877 | 24,566 |
| Total property and equipment, net | \$ 978,118 | \$ 983,340 |

The System's Board has approved certain construction, renovation, information systems, and other projects throughout the System. As of December 31, 2022, the System had outstanding construction and other commitments of \$21.4 million related to these projects.

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

7. Investments and Assets Limited as to Use

The composition of investments and assets limited as to use is as follows:

| | December 31 | |
|---------------------------------------|-----------------------|---------------------|
| | 2022 | 2021 |
| | <i>(In Thousands)</i> | |
| Cash and cash equivalents | \$ 11,082 | \$ 25,733 |
| Certificates of deposit | 6,073 | 8,116 |
| Fixed-income funds | 230,187 | 227,591 |
| Debt securities | 308 | 403 |
| Common trust fixed-income funds | 132,278 | 120,040 |
| Common trust equity fund | 179,528 | 208,939 |
| Domestic equity securities | 30,393 | 36,124 |
| International equity mutual funds | 32,412 | 32,824 |
| International equity funds | 192,585 | 214,949 |
| Diversified liquid real assets | 67,561 | 52,605 |
| Managed future fund | 53,796 | 40,815 |
| University of Missouri pooled account | 24,134 | 25,615 |
| Private equity | 93,587 | 95,475 |
| Hedge funds of funds | 64,496 | 60,366 |
| Accrued interest receivable and other | 318 | 492 |
| Total | \$ 1,118,738 | \$ 1,150,087 |
| Presented as: | | |
| Short-term investments | \$ 204,071 | \$ 186,419 |
| Investments | 690,144 | 715,356 |
| Assets limited as to use | 224,523 | 248,312 |
| Total | \$ 1,118,738 | \$ 1,150,087 |

Common trust fixed-income funds and common trust equity funds generally are redeemable in less than five days. Private equity funds are generally not available to be redeemed except as distributed by the fund. As of December 31, 2022, the System had committed \$99.2 million to additional investments in private equity funds. The majority of the hedge funds of funds held are redeemable on a quarterly basis with 60 days' notice.

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

7. Investments and Assets Limited as to Use (continued)

Because of the timing of the preparation and delivery of financial statements for limited partnership investments, the use of the most recently available financial statements provided by the general partners results in a month to quarter delay in the inclusion of the limited partnership results on the consolidated statements of operations and changes in net assets. Due to this delay, these consolidated financial statements do not yet reflect the market conditions experienced in the last one to three months of the fourth quarter of fiscal 2022 for the limited partnerships.

Investment return is summarized as follows:

| | Year Ended December 31 | |
|---|-------------------------------|-------------|
| | 2022 | 2021 |
| | <i>(In Thousands)</i> | |
| Interest, dividends, and net realized gain, net | \$ 26,323 | \$ 52,544 |
| Change in unrealized (loss) gain, net | (119,123) | 87,054 |
| Total investment return | \$ (92,800) | \$ 139,598 |
| | | |
| Included in other revenue | \$ 408 | \$ 123 |
| Included in investment return | (76,044) | 105,670 |
| Included in net assets restricted by donor | (17,164) | 33,805 |
| Total investment return | \$ (92,800) | \$ 139,598 |

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

8. Long-Term Debt

Long-term debt consists of the following obligations:

| | December 31 | |
|--|-----------------------|-------------|
| | 2022 | 2021 |
| | <i>(In Thousands)</i> | |
| Uninsured Health Facilities Revenue Bonds | | |
| Series 2012C, variable-rate term bonds, privately placed, puttable starting in 2025 at which time bonds can be remarketed or redeemed, annual interest rate of 3.86% and 0.90% at December 31, 2022 and 2021, respectively, payable in installments through 2042 | \$ 30,000 | \$ 30,000 |
| Series 2016A, fixed annual interest rate ranging from 3.00% to 5.00% payable in installments through 2042 (including unamortized premiums of \$19,174 and \$22,513 at December 31, 2022 and 2021, respectively) | 255,624 | 268,048 |
| Series 2016B, variable-rate term bonds, privately placed, puttable starting in 2028 at which time bonds can be remarketed or redeemed, annual interest rate of 3.71% and 0.77% at December 31, 2022 and 2021, respectively, payable in installments through 2040 | 89,730 | 89,895 |
| Series 2016C, variable-rate term bonds, privately placed, puttable starting in 2028 at which time bonds can be remarketed or redeemed, annual interest rate of 3.71% and 0.65% at December 31, 2022 and 2021, respectively, payable in installments through 2035 | 18,345 | 19,405 |
| Series 2018A, fixed annual interest rate ranging from 4.00% to 5.00% payable in installments through 2048 (including unamortized premiums of \$1,563 and \$1,623 at December 31, 2022 and 2021, respectively) | 99,723 | 99,783 |

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

8. Long-Term Debt (continued)

| | December 31 | |
|--|-----------------------|-------------|
| | 2022 | 2021 |
| | <i>(In Thousands)</i> | |
| Uninsured Health Facilities Revenue Bonds (continued) | | |
| Series 2020, fixed annual interest rate ranging from 3.00% to 5.00% payable in installments through 2050 (including unamortized premiums of \$12,994 and \$13,461 at December 31, 2022 and 2021, respectively) | \$ 98,429 | \$ 102,391 |
| Other obligations | 31,661 | 31,931 |
| | 623,512 | 641,453 |
| Less: | | |
| Current maturities | 16,836 | 15,929 |
| Debt issuance costs | 3,535 | 3,921 |
| Total long-term debt, net of current maturities and debt issuance costs | \$ 603,141 | \$ 621,603 |

The Master Trust Indenture (the MTI) dated as of December 1, 1996, with subsequent amendments, sets forth the covenants relating to, and provides the terms and conditions upon which, borrowings under the MTI may be issued and secured. The MTI provides that the borrowings under the MTI are the joint and several obligations of each of the members of the Obligated Group. Currently, the Corporation, Saint Luke's, North, South, and East are members of the Obligated Group and comply with covenants, undertakings, stipulations, and provisions contained in the MTI. The tax-exempt revenue bonds have been issued through the Health & Educational Facilities Authority of the State of Missouri and were used by the Corporation primarily to finance capital projects and to refinance existing indebtedness.

The obligation of the Corporation to make payments on the indebtedness under the MTI and any additional notes is a general obligation of the Obligated Group and any future members of the Obligated Group that is not secured by a pledge or mortgage of, or security interest in, any assets of the Obligated Group or any future members of the Obligated Group. Nonetheless, the MTI imposes certain restrictions on the actions of the members of the Obligated Group for the benefit of all holders of notes issued under the MTI. Such terms include, among others, restrictions on liens on the property of the members of the Obligated Group, restrictions on the incurrence of

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

8. Long-Term Debt (continued)

additional indebtedness, maintenance of certain debt coverage and liquidity ratios, and provisions governing the transfer of the property of the members of the Obligated Group. As of December 31, 2022, the System was in compliance with all financial covenants.

At December 31, 2022, the System has a general operating line of credit of \$75 million. This facility has a one-year term expiring April 2023. The System has \$0 outstanding under the line of credit at December 31, 2022 and 2021. In February 2023, the System issued a \$50 million taxable draw down term loan with interest payable monthly and principal installments beginning in 2026.

In April 2021, Medical Plaza Partners, an affiliate of Saint Luke's, refinanced a loan of \$30.0 million with a \$30.5 million loan with Northwestern Mutual Life Insurance Company. The loan carries an annual interest rate of 3.71% with principal and interest payments payable monthly based on a 12-year amortization and a balloon payment, which is due in May 2033.

Scheduled annual principal payments on the System's long-term obligations, excluding the impact of unamortized bond premiums of \$ 33.7 million and debt issuance cost of \$3.5 million, are as follows:

| <u>Year Ending December 31</u> | <u>Long-Term Debt</u> |
|--------------------------------|-----------------------|
| | <i>(In Thousands)</i> |
| 2023 | \$ 16,836 |
| 2024 | 17,249 |
| 2025 | 17,807 |
| 2026 | 17,943 |
| 2027 | 18,794 |
| Thereafter | 501,781 |
| | <u>\$ 589,781</u> |

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

8. Long-Term Debt (continued)

Interest Rate Swap Agreements

The System is a party to multiple interest rate swap contracts that effectively convert various variable-rate demand bonds to fixed rates. Interest rate swap contracts between the System and a third party (counterparty) provide for the periodic exchange of payments between the parties based on changes in a defined index and a fixed rate and include counterparty credit risk, which is the risk that contractual obligations of the counterparties will not be fulfilled. Concentrations of credit risk relate to groups of counterparties that have similar economic or industry characteristics, which would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions. Counterparty credit risk is managed by requiring high credit standards for the System's counterparty. The counterparty to the interest rate swap contracts is a financial institution that carries investment-grade credit ratings. The interest rate swap contracts contain collateral provisions applicable to both parties to mitigate credit risk. There was no collateral posted at December 31, 2022 or 2021. The System does not anticipate nonperformance by its counterparty.

The System's interest rate swap contracts and fair value of derivatives (not designated as hedging instruments) at December 31 on the consolidated balance sheets are as follows:

| Expiration Date | Fixed Rate | The System Receives | Notional Amount | | Fair Value | |
|--------------------|---------------|------------------------|-----------------------|-----------|-----------------------|-------------|
| | | | 2022 | 2021 | 2022 | 2021 |
| | | | <i>(In Thousands)</i> | | <i>(In Thousands)</i> | |
| 2032 | 5.500% | SOFR | \$ 54,572 | \$ 57,352 | \$ (5,457) | \$ (16,150) |
| 2035 | 5.056 | SOFR | 30,820 | 31,741 | (3,268) | (10,568) |
| | | | | | \$ (8,725) | \$ (26,718) |

For the fair value leveling of these interest rate swaps, please refer to Note 9.

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

8. Long-Term Debt (continued)

The effects of derivative instruments included in other income (loss) on the consolidated statements of operations and changes in net assets for the years ended December 31 are as follows:

| Location of Gain (Loss) on Derivatives Recognized in (Deficit) Excess of Revenues Over Expenses | | Amount of Gain (Loss) on Derivatives Recognized in (Deficit) Excess of Revenues Over Expenses | |
|---|--|---|----------|
| | | 2022 | 2021 |
| <i>(In Thousands)</i> | | | |
| Change in fair value of interest rate swaps | Unrealized gain (loss) | \$ 17,993 | \$ 8,650 |
| Other, net | Difference between cash paid and received | (3,201) | (4,812) |

9. Fair Value Measurements

The System determines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Financial Accounting Standards Board's Accounting Standards Codification Topic 820, *Fair Value Measurement*, establishes a fair value hierarchy that prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement).

Certain of the System's financial assets and financial liabilities are measured at fair value on a recurring basis, including money market, fixed-income, and equity instruments, and interest rate swap contracts. The three levels of the fair value hierarchy and a description of the valuation methodologies used for instruments measured at fair value are as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities as of the reporting date. Level 1 primarily consists of financial instruments such as money market securities and listed equities.

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

9. Fair Value Measurements (continued)

Level 2 – Pricing inputs other than quoted prices included in Level 1 that are either directly observable or that can be derived or supported from observable data as of the reporting date. Instruments in this category include certain commercial paper, common trust fixed-income funds, common trust equity funds, and interest rate swap contracts depending on the significance of the credit value adjustment.

Level 3 – Pricing inputs include those that are significant to the fair value of the financial asset or financial liability and are not observable from objective sources. In evaluating the significance of inputs, the System generally classifies assets or liabilities as Level 3 when their fair value is determined using unobservable inputs that individually, or when aggregated with other unobservable inputs, represent more than 10% of the fair value of the assets or liabilities. These inputs may be used with internally developed methodologies that result in management's best estimate of fair value.

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

9. Fair Value Measurements (continued)

The fair value of financial assets and liabilities measured at fair value on a recurring basis was determined using the following inputs at December 31, 2022:

| | Fair Value Measurements Using | | | |
|--|-------------------------------|---|---|--|
| | Total Value | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| | <i>(In Thousands)</i> | | | |
| Assets | | | | |
| Investments: | | | | |
| Cash and cash equivalents | \$ 11,082 | \$ 11,082 | \$ — | \$ — |
| Certificates of deposit | 6,073 | 6,073 | — | — |
| Fixed-income funds | 230,187 | 230,187 | — | — |
| Debt securities | 308 | — | 308 | — |
| Common trust fixed-income funds | 7,773 | 7,773 | — | — |
| Domestic equity securities | 30,393 | 30,393 | — | — |
| International equity mutual funds | 32,412 | 32,412 | — | — |
| Diversified liquid real assets | 67,561 | 67,561 | — | — |
| | 385,789 | \$ 385,481 | \$ 308 | \$ — |
| Reconciling items | | | | |
| Investments recorded at net asset value | 732,631 | | | |
| Accrued interest and other | 318 | | | |
| Investments per consolidated balance sheet | \$ 1,118,738 | | | |
| Liabilities | | | | |
| Obligation under interest rate swap contracts | \$ (8,725) | \$ — | \$ (8,725) | \$ — |

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

9. Fair Value Measurements (continued)

The fair value of financial assets and liabilities measured at fair value on a recurring basis was determined using the following inputs at December 31, 2021:

| | Fair Value Measurements Using | | | |
|--|-------------------------------|---|---|--|
| | Total Value | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| | <i>(In Thousands)</i> | | | |
| Assets | | | | |
| Investments: | | | | |
| Cash and cash equivalents | \$ 25,733 | \$ 25,733 | \$ — | \$ — |
| Certificates of deposit | 8,116 | 8,116 | — | — |
| Fixed-income funds | 227,591 | 227,591 | — | — |
| Debt securities | 403 | — | 403 | — |
| Common trust fixed-income funds | 8,881 | 8,881 | — | — |
| Domestic equity securities | 36,124 | 36,124 | — | — |
| International equity mutual funds | 32,824 | 32,824 | — | — |
| Diversified liquid real assets | 52,605 | 52,605 | — | — |
| | 392,277 | \$ 391,874 | \$ 403 | \$ — |
| Reconciling items | | | | |
| Investments recorded at net asset value | 757,318 | | | |
| Accrued interest and other | 492 | | | |
| Investments per consolidated balance sheet | \$ 1,150,087 | | | |
| Liabilities | | | | |
| Obligation under interest rate swap contracts | \$ (26,718) | \$ — | \$ (26,718) | \$ — |

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

9. Fair Value Measurements (continued)

The fair values of the securities included in Level 1 were determined through quoted market prices. The fair values of Level 2 securities were determined through evaluated bid prices based on recent trading activity and other relevant information, including market interest rate curves and referenced credit spreads. Estimated prepayment rates, where applicable, are used for valuation purposes as provided by third-party pricing services where quoted market values are not available. The fair values of the interest rate swap contracts are determined based on the present value of expected future cash flows using discount rates appropriate with the risks involved and are included in Level 2 or Level 3 depending on the significance of the credit value adjustment. Due to the volatility of the capital markets, there is a reasonable possibility of significant changes in fair value and additional gains or losses in the near term subsequent to December 31, 2022.

The carrying amounts reported on the consolidated balance sheets for cash and cash equivalents, accounts receivable, other current assets, and current liabilities are reasonable estimates of their fair value due to the short-term nature of these financial instruments. The value of pledges receivable is estimated by management to approximate fair value at the date the pledge is received. Management believes these are Level 2 fair value measurements recorded on a nonrecurring basis.

The estimated fair value of the System's fixed-rate bonds is based on quoted market prices for the same or similar issues and approximates \$415.2 million and \$491.0 million as of December 31, 2022 and 2021, respectively, which included a consideration of third-party credit enhancement, of which there was no impact. The carrying amount of the System's fixed-rate bonds as recorded on the System's consolidated balance sheets was \$453.8 million and \$470.2 million as of December 31, 2022 and 2021, respectively. The estimated fair value of the System's variable-rate bonds approximates the carrying amount of \$138.1 million and \$139.3 million as of December 31, 2022 and 2021, respectively.

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

10. Retirement Plans

The System had a hard-frozen defined benefit pension plan (the Plan). Plan benefits were based on years of service and the employees' compensation. Effective December 31, 2021, the Plan was terminated and all benefit obligations were settled by December 31, 2022.

The following table sets forth the funded status of the Plan and accrued pension costs:

| | December 31 | |
|---|-----------------------|-------------|
| | 2022 | 2021 |
| | <i>(In Thousands)</i> | |
| Accumulated benefit obligation | \$ — | \$ 172,454 |
| Change in projected benefit obligation | | |
| Projected benefit obligation at beginning of year | \$ 172,454 | \$ 195,628 |
| Interest cost | 3,279 | 2,906 |
| Actuarial (gain) loss | (14,315) | (6,062) |
| Benefits paid | (161,418) | (20,018) |
| Projected benefit obligation at end of year | — | 172,454 |
| Change in plan assets | | |
| Fair value of plan assets at beginning of year | 155,591 | 160,877 |
| Actual investment return on plan assets | (19,827) | 10,632 |
| Contributions | 26,067 | 4,100 |
| Benefits paid | (161,418) | (20,018) |
| Fair value of plan assets at end of year | 412 | 155,591 |
| Pension obligation in noncurrent liabilities | \$ — | \$ (16,863) |
| Pension asset in short-term investments | \$ 412 | \$ — |

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

10. Retirement Plans (continued)

Included in net assets without donor restrictions are the following amounts that have not yet been recognized in net periodic pension (benefit) cost:

| | December 31 | |
|-----------------------------------|-----------------------|------------------|
| | 2022 | 2021 |
| | <i>(In Thousands)</i> | |
| Unrecognized actuarial losses | \$ — | \$ 50,349 |
| Unrecognized prior service credit | — | (1,001) |
| | \$ — | \$ 49,348 |

Changes in plan assets and benefit obligations included in net assets without donor restrictions are as follows:

| | Year Ended December 31 | |
|---------------------------------------|-------------------------------|------------------|
| | 2022 | 2021 |
| | <i>(In Thousands)</i> | |
| Unrecognized actuarial (losses)/gains | \$ (10,114) | \$ 8,216 |
| Amortization of actuarial losses | 60,463 | 6,286 |
| Amortization of prior service credit | (1,001) | (87) |
| | \$ 49,348 | \$ 14,415 |

| | 2022 | 2021 |
|--|-------------|-------------|
| Weighted average assumptions used to determine the projected benefit obligation for the years ended December 31: | | |
| Discount rate | n/a | 2.58% |
| Weighted average assumptions used to determine net periodic benefit cost for the years ended December 31: | | |
| Discount rate | 3.75% | 2.46% |
| Expected long-term return on plan assets | n/a | 5.50 |
| Mortality projection scale | n/a | MSS-2021 |

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

10. Retirement Plans (continued)

At December 31, 2021, the effect of the decrease in discount rate was to increase the projected benefit obligation by approximately \$5.1 million.

| | Year Ended December 31 | |
|--|-------------------------------|-------------|
| | 2022 | 2021 |
| | <i>(In Thousands)</i> | |
| Components of net periodic (benefit) cost: | | |
| Interest cost | \$ 3,279 | \$ 2,906 |
| Expected return on plan assets | (4,602) | (8,478) |
| Amortization of net actuarial loss | 804 | 1,225 |
| Amortization of prior service credit | (87) | (87) |
| Settlement charge – prior service credit | (914) | – |
| Settlement charge – net actuarial loss | 59,659 | 5,061 |
| Net periodic pension cost | \$ 58,139 | \$ 627 |

The System's pension plan's weighted average asset allocations, by asset category, are as follows:

| Asset Category | Target Asset Allocation | | Plan Assets | |
|-----------------------------|--------------------------------|-------------|--------------------|-------------|
| | December 31 | | December 31 | |
| | 2022 | 2021 | 2022 | 2021 |
| Fixed income | – % | 50% | – % | 50% |
| Public equity | – | 37 | – | 31 |
| Marketable real asset funds | – | 4 | – | 3 |
| Hedge funds | – | 9 | – | 8 |
| Cash | – | – | 100 | 8 |

The System employed a total return investment approach whereby a mix of marketable equity securities, common trust fixed-income funds, common trust equity funds, and alternative investments were used to estimate a long-term return of plan assets for a prudent level of risk. The System's goal was to manage the duration of both assets and liabilities to meet changes in the liabilities. Risk tolerance was therefore established through careful consideration of plan liabilities and plan-funded status.

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

10. Retirement Plans (continued)

The System determined an expected long-term rate of return for plan assets in consultation with its external investment advisor. The System reviewed historical market performance by investment asset class along with current economic outlooks for asset class performance in order to estimate its long-term rate of return assumption. Peer data and historical returns were reviewed to check for reasonableness.

The fair value of pension plan assets was determined using the following inputs at December 31, 2021:

| | Fair Value Measurements Using | | | |
|---|-------------------------------|---|---|--|
| | Fair Value | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| | <i>(In Thousands)</i> | | | |
| Cash and cash equivalents | \$ 13,006 | \$ 13,006 | \$ — | \$ — |
| Fixed-income funds | 38,820 | 38,820 | — | — |
| Domestic equity securities | 3,426 | 3,426 | — | — |
| Marketable real asset fund | 4,538 | 4,538 | — | — |
| Total assets measured on a recurring basis at fair value | 59,790 | <u>\$ 59,790</u> | <u>\$ —</u> | <u>\$ —</u> |
| Investments recorded at net asset value | 95,801 | | | |
| Fair value of plan assets | <u>\$ 155,591</u> | | | |

The fair value of Level 1 and Level 2 investments in the pension plan assets is valued as outlined in Note 8, with the exception of alternative investments, which are recorded at fair value within the pension plan assets. The fair value of alternative investments is based on net asset value. The fair values of the securities held by limited partnerships that do not have readily determinable fair values are determined by the general partner taking into consideration, among other things, the financial performance of underlying investments, recent sales prices of underlying investments, market exchanges at period-end, and other pertinent information. Fair value calculations may not

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

10. Retirement Plans (continued)

be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan's valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

The System maintains a deferred 403(b) plan for employees' contributions. In addition, the System maintains a 401(a) defined contribution retirement plan that covers substantially all employees meeting the eligibility requirements set forth under this plan. The System contributes an amount based on a percentage for eligible employees who contribute to the tax-deferred 403(b). The System recorded expenses of \$38.7 million and \$36.2 million related to these plans during 2022 and 2021, respectively, which are included in employee benefits expense on the consolidated statements of operations and changes in net assets.

11. Insurance and Self-Insured Risks

The System provides for medical malpractice and general liability exposure through a combination of self-insurance and third-party insurance carriers.

Professional and general liability coverage for substantially all of the Missouri hospital facilities is provided through Saint Luke's Health System Insurance, Ltd. (the Captive), a Cayman domiciled wholly owned subsidiary of the System. General liability coverage for the Kansas hospital facilities is provided through the Captive. Effective April 1, 2022, self-insured retentions are \$6.0 million per occurrence and \$38.5 million in annual aggregate. Prior to April 1, 2022, the self-insured retentions were \$5.0 million per occurrence and \$30.0 million in aggregate. Contributions to the Captive are made based on funding levels recommended by an independent actuary.

For entities participating in the Captive, expense is based on paid claims and the actuary's estimate of the eventual cost of claim settlements, including estimates for claims that may have occurred during the periods but were not yet identified and reported, and the probable timing of the payment of these claims. Accrued malpractice losses were undiscounted at December 31, 2022 and 2021.

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

11. Insurance and Self-Insured Risks (continued)

South established a trust (the SLS Trust) to self-insure professional liability risk beginning on January 1, 2005. Effective in 2022, the coverage provided by the SLS Trust is \$500,000 per claim and \$1.5 million in aggregate. Prior to 2022, the coverage provided by the SLS Trust was \$200,000 per claim and \$600,000 in the aggregate.

Beginning in 2022, the Kansas Health Care Stabilization Fund provides coverage in the amount of \$500,000 per claim and \$1.5 million in the aggregate. Prior to 2022, the Kansas Health Care Stabilization Fund provides coverage in the amount of \$800,000 per claim and \$2.4 million in the aggregate. Prior acts (or tail) coverage also is provided through each trust. The funding contributions to each trust were based on recommendations from an independent actuary.

Saint Luke's Health System RRG, which was established August 1, 2003, in South Carolina, provides coverage to employed physicians and related staff of the System. The RRG has the capacity to insure physicians who are not employed by the System. The RRG is wholly owned by the System and provides the first layer of coverage for employed physicians.

The RRG provides excess insurance coverage for general and professional liability for all the System's entities. This exposure is 100% reinsured by various third-party insurers.

In the event the claims-made policies are not renewed or replaced with equivalent insurance coverage, claims based on occurrences during their term, but reported subsequently, will be uninsured. Management is currently not aware of any incidents that would result in losses that could have a material adverse impact on the accompanying consolidated financial statements.

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

11. Insurance and Self-Insured Risks (continued)

The System similarly provides for health insurance and workers' compensation coverage through a combination of self-insurance and third-party insurers. Liabilities have been established for known claims and estimated claims, that have been incurred but not reported and amounted to the following:

| | December 31 | |
|--|-----------------------|-------------|
| | 2022 | 2021 |
| | <i>(In Thousands)</i> | |
| Professional and general liability | \$ 25,704 | \$ 25,253 |
| Health insurance and workers' compensation | 14,780 | 15,464 |
| Included in other current liabilities | \$ 40,484 | \$ 40,717 |

| | December 31 | |
|--|-----------------------|-------------|
| | 2022 | 2021 |
| | <i>(In Thousands)</i> | |
| Professional and general liability | \$ 49,268 | \$ 49,135 |
| Workers' compensation | 2,508 | 2,726 |
| Included as reserve for self-insured risks | \$ 51,776 | \$ 51,861 |

Workers' compensation exposure in the self-insured or high deductible layers for occurrences beginning July 1, 2015, is evaluated by the actuary and is funded and paid through the Captive.

12. Leases

The System leases certain health care equipment and real property under long-term leases as a normal part of its operation. The System determines whether an arrangement is a lease at the inception of a contract. The System elected a practical expedient to apply the new standard at the adoption date, and not recast the comparative periods presented. The System has lease agreements that require payments for lease and non-lease components and has elected to account for these as a single component. For leases that commenced before the effective date of Accounting Standards Update No. 2016-12, *Revenue from Contracts with Customers (Topic 606): Narrow-Scope Improvements and Practical Expedients*, the System elected the permitted practical expedients not to reassess the following: (i) whether any expired or existing contracts contain leases, (ii) the lease classification for any expired or existing leases, and (iii) initial direct costs for any existing leases.

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

12. Leases (continued)

As of December 31, 2022, the System had right-of-use assets of \$162.5 million and lease liabilities for operating leases of \$178.2 million. Current lease liabilities are recorded in other current liabilities. As of December 31, 2021, the System had right-of-use assets of \$177.0 million and lease liabilities for operating leases of \$193.9 million. Finance leases were not significant for the years ended December 31, 2022 or 2021. Leases with an initial term of 12 months or less are not recorded on the consolidated balance sheet.

Right-of-use assets represent the System's right to use an underlying asset during the lease term, and lease liabilities represent the System's obligation to make lease payments arising from the lease. Right-of-use assets and liabilities are recognized at the commencement date based on the net present value of fixed lease payments over the lease term. The System's lease term includes options to extend or terminate the lease when it is reasonably certain that the options will be exercised. As most of the System's operating leases do not provide an implicit interest rate, the System uses a three-tier system, based on the remaining term of the lease, to determine the discount rate applied to each lease. The three tiers of remaining lease terms are 1 to 5 years, 6 to 10 years, and 11 years or more, and the rates used for each tier are determined by the System's incremental borrowing rate based on outstanding bond issuances. The System reviews its incremental borrowing rate quarterly and applies the updated rate(s) to any new leases entered into during the quarter.

The amounts relating to the System's lease expense are as follows:

| | 2022 | 2021 |
|--------------------------|-----------------------|-------------|
| | <i>(In Thousands)</i> | |
| Lease expenses: | | |
| Long-term lease expense | \$ 24,297 | \$ 23,033 |
| Short-term lease expense | 812 | 1,363 |
| Total lease expense | \$ 25,109 | \$ 24,396 |

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

12. Leases (continued)

Other lease information:

| | 2022 | 2021 |
|---|-----------|-----------|
| Operating cash flows for leases | \$ 26,231 | \$ 25,714 |
| Right-of-use assets obtained in exchange for new lease liabilities | 2,089 | 250 |
| Weighted average remaining lease term (in years) | 8.77 | 9.79 |

The following table discloses the incremental borrowing rates in use for the three remaining lease term tiers in use in the year ended December 31, 2022:

| | |
|-----------------------|------|
| Remaining lease term: | |
| 1 to 5 years | 6.9% |
| 6 to 10 years | 6.8 |
| 11 and more years | 6.7 |

Future annual undiscounted cash flows for lease liabilities are as follows:

| | |
|--------------------------|------------|
| Year ending December 31: | |
| 2023 | \$ 25,837 |
| 2024 | 22,141 |
| 2025 | 23,223 |
| 2026 | 21,663 |
| 2027 | 20,510 |
| Thereafter | 89,950 |
| | \$ 203,324 |

Allen County, Anderson County, Hedrick, and Wright Memorial facilities are leased from the local community or government, while the System provides for the operations of these facilities. The financial position and results of operations of these facilities are included in the consolidated financial statements, and include combined total net assets of \$78.2 million and \$83.3 million as of December 31, 2022 and 2021, respectively. These leases have a remaining noncancelable initial term of five to ten years. The leases are evergreen leases, which require a one- to two-year cancellation notice by either party. Currently, the System has no reason to believe that these arrangements will be terminated.

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

13. Functional Classification of Expenses

The System's primary business operation includes acute, non-acute, post-acute, and behavioral health-related services in both hospital and clinic settings. In addition, the System provides home care services and care to the terminally ill, and manages properties utilized primarily for physician offices and clinics. The corporate entity, the Corporation, performs centralized information systems, marketing, human resources (including compensation and benefits), legal, compliance, accounting, finance, and purchasing functions for the System. Expenses are allocated to health care services and administrative services based on the functional department for which they are incurred. Departmental expenses may include various allocations of costs based on direct assignment, expenses, or other methods.

Expenses by functional classification consist of the following:

| | Health Care Services | Management and General | Total |
|-------------------------------------|---------------------------------|-----------------------------------|---------------------|
| Year ended December 31, 2022 | | | |
| Salaries and wages | \$ 986,328 | \$ 62,871 | \$ 1,049,199 |
| Employee benefits | 213,696 | 16,944 | 230,640 |
| Supplies and other | 888,963 | 53,947 | 942,910 |
| Depreciation and amortization | 98,431 | 5,875 | 104,306 |
| Interest | 19,609 | – | 19,609 |
| | \$ 2,207,027 | \$ 139,637 | \$ 2,346,664 |
| Year ended December 31, 2021 | | | |
| Salaries and wages | \$ 939,168 | \$ 61,935 | \$ 1,001,103 |
| Employee benefits | 211,119 | 16,068 | 227,187 |
| Supplies and other | 817,907 | 50,046 | 867,953 |
| Depreciation and amortization | 99,297 | 5,907 | 105,204 |
| Interest | 18,579 | – | 18,579 |
| | \$ 2,086,070 | \$ 133,956 | \$ 2,220,026 |

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

14. Net Assets With Donor Restrictions

Net assets with donor restrictions are available for the following purposes:

| | December 31 | |
|--|-----------------------|-------------------|
| | 2022 | 2021 |
| | <i>(In Thousands)</i> | |
| Subject to expenditure for specific purpose: | | |
| Health care services | \$ 66,594 | \$ 82,464 |
| Health care education and research | 69,239 | 79,715 |
| Other programs | 6,727 | 7,876 |
| Purchase of equipment | 13,053 | 14,858 |
| Foundation net assets | 506 | 551 |
| | \$ 156,119 | \$ 185,464 |

Proceeds from the following principal of these net assets with donor restrictions are restricted to the following:

| | December 31 | |
|--|-----------------------|------------------|
| | 2022 | 2021 |
| | <i>(In Thousands)</i> | |
| Subject to expenditure when a specific event occurs: | | |
| Health care services | \$ 41,148 | \$ 38,712 |
| Health care education and research | 30,298 | 30,246 |
| Purchase of equipment | 1,231 | 1,231 |
| | \$ 72,677 | \$ 70,189 |

15. Endowments

Endowments consist of funds established for a variety of purposes. The endowments include both donor-restricted endowment funds and funds designated by the Board to function as endowments. Net assets associated with endowment funds are classified and reported on the existence or absence of donor-imposed restrictions in accordance with U.S. GAAP.

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

15. Endowments (continued)

The Foundation's governing body has interpreted the State of Missouri Prudent Management of Institutional Funds Act (SPMIFA) and, thus, classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions because those net assets are time restricted until the governing body appropriates such amounts for expenditures. Most of those net assets also are subject to purpose restrictions that must be met before reclassifying those net assets to net assets without donor restrictions. The governing body of the Foundation has interpreted SPMIFA as not requiring the maintenance of purchasing power of the original gift amount contributed to an endowment fund, unless a donor stipulates the contrary. As a result of this interpretation, when reviewing its donor-restricted endowment funds, the Foundation considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. The Foundation has interpreted SPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law. Additionally, in accordance with SPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- Duration and preservation of the fund
- Purposes of the Foundation and the fund
- General economic conditions
- Possible effect of inflation and deflation
- Expected total return from investment income and appreciation or depreciation of investments
- Other resources of the Foundation
- Investment policies of the Foundation

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

15. Endowments (continued)

At December 31, 2022, the endowment net asset composition by type of fund consisted of the following:

| | Without Donor Restrictions | With Donor Restrictions | Total |
|----------------------------------|---|--|-------------------|
| Board-designated endowment funds | \$ 5,781 | \$ – | \$ 5,781 |
| Donor-restricted endowment funds | – | 131,823 | 131,823 |
| Total funds | \$ 5,781 | \$ 131,823 | \$ 137,604 |

At December 31, 2021, the endowment net asset composition by type of fund consisted of the following:

| | Without Donor Restrictions | With Donor Restrictions | Total |
|----------------------------------|---|--|-------------------|
| Board-designated endowment funds | \$ 3,802 | \$ – | \$ 3,802 |
| Donor-restricted endowment funds | – | 146,766 | 146,766 |
| Total funds | \$ 3,802 | \$ 146,766 | \$ 150,568 |

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

15. Endowments (continued)

For the years ended December 31, 2022 and 2021, the changes in the endowment net assets were as follows:

| | Without Donor Restrictions | With Donor Restrictions | Total |
|---|---|--|-------------------|
| Endowment net assets, January 1, 2021 | \$ 4,797 | \$ 129,418 | \$ 134,215 |
| Investment return, net | 456 | 23,788 | 24,244 |
| Contributions | – | 531 | 531 |
| Appropriations of endowment assets for expenditure | (51) | (3,386) | (3,437) |
| Other changes | (1,400) | (3,585) | (4,985) |
| Endowment net assets, December 31, 2021 | 3,802 | 146,766 | 150,568 |
| Investment return, net | (137) | (11,261) | (11,398) |
| Contributions | – | 892 | 892 |
| Appropriations of endowment assets for expenditure | (46) | (3,888) | (3,934) |
| Other changes | 2,162 | (686) | 1,476 |
| Endowment net assets, December 31, 2022 | \$ 5,781 | \$ 131,823 | \$ 137,604 |

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs and other items supported by its endowment while seeking to maintain the purchasing power of the endowment. Endowment assets include those assets of donor-restricted endowment funds the Foundation must hold in perpetuity or for donor-specified periods, as well as those of board-designated endowment funds. Under the Foundation's policies, endowment assets are invested in a manner that is intended to produce results that meet or exceed the price and yield results of various benchmarks, with a primary objective of maintaining purchasing power by achieving a return, net of fees, equal to or greater than 5%, plus inflation, over long periods of time. Actual returns in any given year may vary from this amount.

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

15. Endowments (continued)

To satisfy its long-term rate of return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both current yield (investment income such as dividends and interest) and capital appreciation (both realized and unrealized). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

The Foundation has a policy (the spending policy) of appropriating for expenditure each year 5% of its endowment fund's rolling three-year average fair value as of the previous June 30 balance. If the endowment fund's value reflects less than 5% growth, distributions can be made with appropriate consideration and approval. In establishing this policy, the Foundation considered the long-term expected return on its endowments. This is consistent with the Foundation's objective to maintain the purchasing power of endowment assets held in perpetuity or for a specified term, as well as to provide additional real growth through new gifts and investment return.

16. Commitments and Contingencies

The health care industry is heavily regulated by both federal and state governments. These laws and regulations are wide ranging and impose very complex requirements that are often subject to shifting government interpretation and enforcement policies. These requirements affect nearly all aspects of health care operations, including billing and coding, accounting, cost allocation, tax exemption, physician contracting and employment, medical staff oversight, patient privacy, record-keeping, hospital operations, and licensure and accreditation, among other functions and transactions. Violations may be intentional or may occur because those responsible for the noncompliance are unaware that the law is violated by their actions. Management may not be aware of noncompliant conduct.

Enforcement activity in health care is a focus of both federal and state government. The government has several powerful enforcement tools to prosecute individual or industry-wide practices and may seek restitution, fines, and penalties for conduct that extends many years past. In addition, private parties have a compelling incentive to file so-called whistle-blower lawsuits alleging certain types of noncompliance. These lawsuits are costly to defend and pose the risk of such extreme penalties that health care providers are often forced to settle even where the merits are not clear to avoid this risk. Finally, in certain instances, health care providers are required to disclose certain noncompliance on a timely basis to avoid onerous penalties and government regulation, and guidance of the meaning of "timely" disclosure is still evolving.

Saint Luke's Health System, Inc.

Notes to Consolidated Financial Statements (continued)

16. Commitments and Contingencies (continued)

There can be no assurance that regulatory authorities will not challenge the System's compliance with these laws and regulations or that the laws and regulations themselves will not be subject to challenge, and it is not possible to determine the effect, if any, such claims, penalties, or challenges would have on the System.

17. Subsequent Events

The System evaluated events and transactions occurring subsequent to December 31, 2022 through April 5, 2023, the date of issuance of the accompanying consolidated financial statements. During this period, there were no subsequent events that required recognition or disclosure in the consolidated financial statements.

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SERVICE-SPECIFIC REVENUES AND EXPENSES

Project Title:

Project #:

Historical Financial Data for Latest Three Full Years plus Projections Through Three Full Years Beyond Project Completion

| | | | |
|---|-------------|-------|-------|
| Use an individual form for each affected service with a sufficient number of copies of this form to cover entire period, and fill in the years in the appropriate blanks. | Year | | |
| | _____ | _____ | _____ |

| | | | |
|--------------------------------|--|--|--|
| Amount of Utilization:* | | | |
|--------------------------------|--|--|--|

Revenue:

| | | | |
|------------------|--|--|--|
| Average Charge** | | | |
|------------------|--|--|--|

| | | | |
|---------------|--|--|--|
| Gross Revenue | | | |
|---------------|--|--|--|

| | | | |
|--------------------|--|--|--|
| Revenue Deductions | | | |
|--------------------|--|--|--|

| | | | |
|-------------------|--|--|--|
| Operating Revenue | | | |
|-------------------|--|--|--|

| | | | |
|---------------|--|--|--|
| Other Revenue | | | |
|---------------|--|--|--|

| | | | |
|----------------------|--|--|--|
| TOTAL REVENUE | | | |
|----------------------|--|--|--|

Expenses:

| | | | |
|-----------------|--|--|--|
| Direct Expenses | | | |
|-----------------|--|--|--|

| | | | |
|----------|--|--|--|
| Salaries | | | |
|----------|--|--|--|

| | | | |
|------|--|--|--|
| Fees | | | |
|------|--|--|--|

| | | | |
|----------|--|--|--|
| Supplies | | | |
|----------|--|--|--|

| | | | |
|-------|--|--|--|
| Other | | | |
|-------|--|--|--|

| | | | |
|--------------|--|--|--|
| TOTAL DIRECT | | | |
|--------------|--|--|--|

| | | | |
|-------------------|--|--|--|
| Indirect Expenses | | | |
|-------------------|--|--|--|

| | | | |
|--------------|--|--|--|
| Depreciation | | | |
|--------------|--|--|--|

| | | | |
|-------------|--|--|--|
| Interest*** | | | |
|-------------|--|--|--|

| | | | |
|------------|--|--|--|
| Rent/Lease | | | |
|------------|--|--|--|

| | | | |
|--------------|--|--|--|
| Overhead**** | | | |
|--------------|--|--|--|

| | | | |
|----------------|--|--|--|
| TOTAL INDIRECT | | | |
|----------------|--|--|--|

| | | | |
|-----------------------|--|--|--|
| TOTAL EXPENSES | | | |
|-----------------------|--|--|--|

| | | | |
|---------------------------|--|--|--|
| NET INCOME (LOSS): | | | |
|---------------------------|--|--|--|

*Utilization will be measured in "patient days" for licensed beds, "procedures" for equipment, or other appropriate units of measure specific to the service affected.

**Indicate how the average charge/procedure was calculated.

***Only on long term debt, not construction.

****Indicate how overhead was calculated.

Status **Active** PolicyStat ID **12871924**



Origination 3/1/2002
Last 2/15/2023
Approved
Effective 1/1/2023
Last Revised 2/15/2023
Next Review 2/15/2024

Owner Shelby Frigon: VP Revenue Cycle
Area Finance
Applicability Saint Luke's Health System – All Facilities & ACRH

Financial Assistance for Medically Indigent Patients, FIN-010

PURPOSE

To assure that financial assistance options are available to all medically indigent patients and guarantors who are unable to pay for emergent and medically necessary services provided by Saint Luke's Health System ("Saint Luke's") while ensuring Saint Luke's compliance with State and Federal laws and regulatory guidance pertaining to charity care and financial assistance.

POLICY

Saint Luke's Health System provides financial assistance for medically indigent patients who meet eligibility criteria outlined in this Policy.

Situations where the provision of financial assistance will be considered include but are not limited to:

- Uninsured patients who do not have the ability to pay
- Insured patients who do not have the ability to pay for portions not covered by insurance including but not limited to coinsurance and deductibles
- Deceased patients with no estate, and no living trust
- Patients involved in catastrophic illness or injury

DEFINITION(S)

Amounts Generally Billed – The Amounts Generally Billed (AGB) is the amount generally allowed by Medicare fee for service and private health insurers for emergency and other medically necessary care. SLHS uses the look back method to determine AGB.

Catastrophic Medical Expense – A Catastrophic Medical Expense is defined as a patient's financial responsibility exceeding 20% of the annual income and financial resources available to the patient and/or guarantor.

Co Pay – Minimum amount due from patients who qualify for financial assistance. Co pay does not exceed AGB.

Federal Poverty Guidelines - Federal Poverty Guidelines (FPL) means those guidelines issued by the Federal Government that describe poverty levels in the United States based on a person or family's household income. The Federal Poverty Guidelines are adjusted according to inflation and published in the Federal Register. For the purposes of this policy, the most current annual guidelines will be utilized.

Financial Assistance Application- means the information and accompanying documentation that an individual submits to apply for financial assistance. This can include (a) completing a paper copy of the SLHS Financial Assistance Application and mailing or delivering to SLHS or (b) providing financial information in person during patient registration or over the phone by contacting a SLHS Centralized Business Office.

Look Back Method – Look Back Method is a prior twelve (12) month period used when calculating Amounts Generally Billed.

Medically Necessary Services - Medically necessary services are services that are reasonable and medically necessary for the prevention, diagnosis, or treatment of a physical or mental illness or injury; to achieve age appropriate growth and development; to minimize the progression of a disability; or to attain, maintain, or regain functional capacity; in accordance with accepted standards of practice in the medical community of the area in which the physical or mental health services rendered; and service(s) is (are) furnished in the most appropriate setting. Medically necessary services are not used primarily for convenience and are not considered experimental or an excessive form of treatment.

Medically Indigent - A medically indigent patient is defined as a person who has demonstrated that he/she is too impoverished to meet his or her medical expenses. The medically indigent patient may or may not have an income and may or may not be covered by insurance. Each patient's financial position will be evaluated individually using the Federal Poverty Limit as a guideline.

PROCEDURE

Applying for Financial Assistance

Medical indigence must be demonstrated through documentation, financial screening or by presumptive scoring. This determination can be made while the patient is in the hospital, shortly after dismissal, during the normal internal collection efforts and after placement with an outside collection agency. Requests for financial assistance are accepted for up to 1 year from the first post-discharge billing statement date.

Patients apply for financial assistance by completing a Financial Assistance Application or may be screened for financial assistance by contacting a SLHS Centralized business office and providing financial documents as requested. Patients may obtain a Financial Assistance Application by requesting

in writing or by contacting a SLHS Centralized Business Office by phone or email. The Financial Assistance Application is also available on the Saint Luke's website www.saintlukeskc.org/financial-assistance#. Supporting documentation may be required including items such as Federal Income Tax Return, IRS non-filing letter, recent bank statements, or recent paycheck stubs. Other documents that support the patient/household income, assets and financial position may be requested but not required. Supporting documentation requirements may be waived in some circumstances including but not limited to Medicaid eligible patients receiving non covered medically necessary or emergent services, patients that potentially qualify for financial assistance based on presumptive scoring, patients unable to provide documents and homeless patients.

Certain Critical Access Hospitals and associated clinics may be approved sites for the National Health Services Corps (NHSC). When this situation exists, those sites will follow the guidelines as established and approved by the NHSC. Patients at approved NHSC sites do not have to provide banking and asset information.

Assistance with the application process is provided by a SLHS Centralized Business Office staff or hospital admitting staff. Assistance may be requested by phone or in person by calling or visiting the locations identified in the Request a Copy section.

Once a patient has completed a Financial Assistance Application and the patient is determined to be eligible for financial assistance, such determination is valid for subsequent eligible services twelve (12) months after the approval date without requiring updated income documentation. Patients should contact a SLHS Centralized Business Office to request financial assistance for subsequent eligible services. A SLHS Centralized Business Office will confirm the household size, income and assets have not changed since last approved. After twelve (12) months or if the patient's financial situation has changed, the patient must reapply for financial assistance eligibility. Financial assistance adjustments approved based on presumptive scoring are only valid for the date of service reviewed and are not valid for subsequent dates of service. Presumptive eligibility will be re-evaluated for each date of service.

Financial Assistance Determination

A patient's eligibility for financial assistance is not determined until activities to identify and secure payment from Medicare, Medicaid, Crime Victims, other government programs, other funded programs, medical insurance, or any other possible appropriate source for payment are exhausted which could also include but not limited to Health Cost Sharing plans, auto insurance personal injury protection (PIP) or med pay, liability liens, or estate claims. Reversal of financial assistance adjustments must be made if subsequent third party payments are received. Financial assistance is to be considered the adjustment of last resort.

Uninsured patients may receive a patient discount. For hospital services, if the patient subsequently qualifies for financial assistance, the discount is reversed and the financial assistance adjustment is posted.

A patient's eligibility for financial assistance is based on the household income at the time assistance is sought, expressed as a percentage of the Federal Poverty Guideline for family size. The Federal Poverty Guideline as used for the purposes of determining financial assistance is outlined later in this policy.

Household Income is defined as:

Adults: If the patient is an adult, "Yearly Household Income" means the sum of the total yearly gross income or estimated yearly income of the patient and the patient's spouse/live in partner.

Minors: If the patient is a minor, "Yearly Household Income" means the sum of the total yearly gross income or estimated yearly income of the patient, and patient's parent(s) or legal guardian in the home.

Other financial resources may be considered when determining a patient's ability to pay. Other financial resources could include checking accounts, savings accounts, IRA's, CD's retirement savings and investments. A patient's and responsible party's overall financial position will be considered when determining financial assistance.

Household size is defined as:

Adults: In calculating the Household Size, include the patient, the patient's spouse or live in partner, and any dependents (as defined by the Internal Revenue Code (IRC)).

Minors: In calculating the Household Size, if the patient is a minor, include the patient, parent(s) or legal guardian(s) in the home, and dependents of the parent(s) or legal guardian(s) (as defined by IRC).

For unscheduled inpatient or outpatient admissions and scheduled hospital services approved for continuation of care, a co pay (minimum patient responsibility) per admission may be due to the hospital. Financial assistance up to 100% of billed charges less the co pay may be provided for hospital services.

For emergency room visits that do not result in an admission, a co pay per emergency room visit may be due to the hospital. Financial assistance up to 100% of billed charges less the co pay may be provided.

Scheduled inpatient and outpatient hospital services not approved through the continuation of care process are eligible for partial financial assistance for patients at or below 300% of the Federal Poverty Guideline. Amounts owed after financial assistance are not to exceed Amounts Generally Billed (AGB). Patients who are non U.S. residents are not eligible for financial assistance beyond the uninsured patient discount for scheduled services with the exception of OB Care.

Saint Luke's Health System may limit financial assistance to patients who decline insurance coverage including government assistance plans. In those situations, financial assistance may be limited to Amounts Generally Billed (AGB).

The FPL% guidelines are applied to applicable services as follows:

Saint Luke's Hospital of Kansas City, Saint Luke's North Hospital, Saint Luke's South Hospital, Saint Luke's East Hospital, Saint Luke's Radiation Therapy Liberty, and Saint Luke's Home Care and Hospice

| Income % of FPL | Charity | Patient Responsibility |
|--|------------------|--------------------------------------|
| Unscheduled inpatient and observation / outpatient hospital services/ Continuation of Care approved scheduled services | | |
| 200% or less FPL | 100% | 0% |
| 201% - 250% FPL | 100% less co-pay | \$700 co-pay per admission/account |
| 251% - 300% FPL | 100% less co-pay | \$1,500 co-pay per admission/account |

Emergency room visits not resulting in admission

| | | |
|--------------------|------------------|------------------------|
| Less than 300% FPL | 100% less co-pay | \$150 per visit co pay |
|--------------------|------------------|------------------------|

Scheduled Services not approved for continuation of care

| | | |
|--------------------|-----|-----|
| Less than 300% FPL | 75% | 25% |
|--------------------|-----|-----|

Saint Luke's Regional Lab Accounts

| Income % of FPL | % Charity | % Patient Responsibility |
|-----------------|-----------|--------------------------|
| 200% or less | 100% | 0% |
| >200% | 0% | 100% |

Allen County Regional Hospital, Anderson County Hospital, Hedrick Medical Center, Wright Memorial Hospital

Unscheduled inpatient and observation / outpatient hospital services / Continuation of Care approved scheduled services, clinic visits and ambulance

| Income % of FPL | Charity | Patient Responsibility |
|------------------|---------|------------------------|
| 200% or less FPL | 100% | 0% |
| 201% - 250% FPL | 75% | 25% |

| Income % of FPL | Charity | Patient Responsibility |
|-----------------|---------|------------------------|
| 251% - 275% FPL | 60% | 40% |
| 276% - 300% FPL | 45% | 55% |
| > 300% FPL | 0% | 100% |

Emergency room visits not resulting in admission

| | | |
|--------------------|------------------|------------------------|
| Less than 300% FPL | 100% less co-pay | \$150 per visit co-pay |
|--------------------|------------------|------------------------|

Scheduled Services not approved for continuation of care

| | | |
|--------------------|-----|-----|
| Less than 300% FPL | 40% | 60% |
|--------------------|-----|-----|

Bishop Spencer Place

| Income % of FPL | Charity | Patient Responsibility |
|--|------------------|--------------------------------------|
| Skilled Nursing and Rehab Services (excludes residential services) | | |
| 200% or less FPL | 100% | 0% |
| 201% - 250% FPL | 100% less co-pay | \$700 co-pay per admission/account |
| 251% - 300% FPL | 100% less co-pay | \$1,500 co-pay per admission/account |

Presumptive Eligibility

SLHS entities may receive scoring from third parties who independently evaluate propensity to pay and probability of charity. SLHS may rely on that scoring for the basis of determining financial assistance when a patient does not complete a financial assistance application and provide supporting documentation as requested. Patients qualifying for presumptive eligibility may receive full or partial assistance. If partial assistance is approved, the patient receives a bill for the reduced amount owed. For hospital accounts, the patient is notified in writing of partial approval and how they can apply for financial assistance to determine if additional assistance is available. The patient is provided a reasonable time period in which to apply for additional assistance. If the patient applies for additional assistance, the application is reviewed and the patient is notified of the decision. Patients that are not approved for full financial assistance receive a statement.

Catastrophic Assistance

For patients that do not otherwise qualify for financial assistance per the Federal Poverty Guidelines, catastrophic assistance may be available. Catastrophic medical expense is defined as patient responsibility exceeding 20% of annual income and financial resources available to the patient and/or guarantor. In situations where a patient has a catastrophic medical expense the patient financial responsibility after charity may be reduced to an amount equal to 20% of annual income and financial resources. The patient's financial responsibility after financial assistance will not exceed AGB.

Basis for Calculating Amounts Generally Billed –

Hospital Accounts Only

After the patient's hospital account is reduced by the financial assistance adjustment based on this policy and guidelines, the patient is responsible for no more than amounts generally billed to individuals who have Medicare fee for service and private health insurers for emergency and other medically necessary care. The Look Back Method is used to determine AGB.

The AGB summary document describes the calculation and states the percentage used by the hospital. The Amounts Generally Billed summary is available on the Saint Luke's website. www.saintlukeskc.org/financial-assistance#

Patients or members of the public may request a copy of this policy available at no charge at the hospital admitting office or by contacting the SLHS Centralized business office. The hospital locations and SLHS Centralized business office contact information are provided under Request a Copy section of this policy.

Hospital Financial Assistance Approval

Financial assistance may be approved by a patient account employee, supervisor, manager, director, vice president, controller or CFO. Management review and approval is required as defined in the Patient Account Adjustment and Action Approval Levels Policy (FIN-067).

Patient Refunds

The hospital will refund any amount the individual has paid for care that exceeds the amount he or she is determined to be personally responsible for paying as a financial assistance policy eligible individual, unless such amount is less than \$5 (or such other amount set by notice or other guidance published by the Internal Revenue Service).

Financial Assistance Policy Availability to Patients

Information about the availability of financial assistance appears on patient statements and is posted on signs in hospital registration areas. The financial assistance policy, plain language summary of policy and financial assistance application form with instructions are available on the Saint Luke's website. www.saintlukeskc.org/financial-assistance#

Patients or members of the public may request a copy of this policy available at no charge at the hospital admitting office or by contacting the SLHS Centralized business office by phone, mail, email, or in person. The hospital locations and SLHS Centralized business office contact information is provided under Request a Copy section of this policy.

Patient Billing and Collection

Statements are sent to patients to advise them of balances due. Statements and final notices state that financial assistance may be available to those that qualify and provide contacts to request additional information. Balances are considered delinquent when the patient fails to make either acceptable

payment or acceptable payment arrangements before the next statement. Patients are notified of delinquent balances by messages on the statements, by phone calls, by final notices or by collection letters.

Hospital delinquent accounts are eligible to be placed for collection 30 days after final notice has been sent. The policies and practices of the collection agency follow the Fair Debt Collection Practices Act. The agency demonstrates a patient relations approach in all its practices. The agency utilizes a variety of collection methods including letters and phone calls.

SLHS hospitals will make reasonable efforts to determine whether an individual is eligible for assistance under this policy before engaging in any extraordinary collections action ("ECA"). Reasonable efforts to determine eligibility include: notification to the patient by SLHS of the FAP upon admission and in written and oral communications with the patient regarding the patient's bill, an effort to notify the individual by telephone about the Policy and the process for applying for assistance at least 30 days before taking action to initiate any lawsuit, and a written response to any Financial Assistance Application for assistance under this Policy submitted within 240 days of the first post-discharge billing statement with respect to the unpaid balance. Potential ECA's may include any actions taken that require a legal or judicial process in an attempt to collect payment from an individual including but not limited to commencing a civil action. SLHS may send accounts to a contracted collection agency(ies) but such action is not considered an ECA. SLHS contracted collection agency(ies) are not authorized to report SLHS accounts to credit agencies. SLHS will not initiate an ECA until at least 120 days have passed from the first post-discharge billing statement.

The Vice President of Revenue Cycle or Chief Financial Officer has the final authority or responsibility for determining that the hospital facility policies and procedures make a reasonable efforts to determine whether an individual is FAP eligible and therefore engage in ECAs against the individual. It is the expectation of SLHS that such ECA's would be infrequent for use in situations where the patient has been determined able but unwilling to pay.

Collection Suit

Saint Luke's Health System (SLHS), the collection agency and collection law firm (law firm) work with patients to avoid filing a suit for collections whenever possible. When settlement or payment arrangements are not agreed to and/or met, SLHS may file suit in an attempt to collect on delinquent accounts. When a patient does not apply or applies/is screened for financial assistance and is not approved, SLHS may file suit in an attempt to collect on delinquent accounts. An attempt to reach the patient by phone and advise them of the availability of financial assistance occurs prior to suit approval. No extraordinary collection actions occur prior to 120 days after first post discharge billing date of the account. All requests for suit are approved by the Vice President of Revenue Cycle or CFO.

Financial Assistance Procedure for Professional Services for Advanced Urology Associates, Saint Luke's

Physician Group, Rockhill Orthopaedic Specialists, Heart Surgeons of Kansas City

A Financial Assistance screening may occur with the patient which could include gathering income, family size, supporting documents and/or presumptive eligibility as described in this policy. Financial assistance is applied to applicable services following the below table.

Financial assistance for clinic visits and imaging centers may be limited to the uninsured patient discount.

Professional services rendered in the hospital:

| Income % of FPL | % Charity | % Patient Responsibility |
|-----------------|-----------|--------------------------|
| 200% or less | 75% | 25% |
| 201% to 250% | 50% | 50% |
| 251% to 300% | 25% | 75% |

Request a Copy

The Financial Assistance for Medically Indigent Patients policy, Financial Assistance Application, or Plain Language Summary, are available free of charge on line at www.saintlukeskc.org/financial-assistance#, in person at hospital admitting offices or by calling the SLHS Centralized business office. These documents are available in English and Spanish.

Saint Luke's Health System Centralized Business Office
816-932-5678 or 888-581-9401

Saint Luke's Hospital of Kansas City
4401 Wornall Road
Kansas City, MO 64111

Saint Luke's North Hospital–Barry Road
5830 N.W. Barry Road
Kansas City, MO 64154

Saint Luke's South Hospital
12300 Metcalf Ave.
Overland Park, KS 66213

Crittenton Children's Center
(A division of Saint Luke's Hospital)
10918 Elm Ave
Kansas City, MO 64134

Saint Luke's East Hospital

100 N. E. Saint Luke's Blvd.
Lee's Summit, MO 64086

Saint Luke's North Hospital–Smithville
601 S. 169 Highway
Smithville, MO 64089

Critical Access Hospitals:

Allen County Regional Hospital
3066 N. Kentucky Street
Iola, KS 66749
620-365-1015

Anderson County Hospital
421 S Maple
Garnett, KS 66032
785-204-4002

Hedrick Medical Center
2799 N. Washington St.
Chillicothe, MO 64601
660-214-8150

Wright Memorial Hospital
191 Iowa Blvd.
Trenton, MO 64683
660-358-5871

Saint Luke's Health System Physicians Centralized Business Office 816-502-7000

Saint Luke's Physician Group
Medical Plaza Imaging Associates

Rockhill Orthopaedic Specialists
Advanced Urologic Associates

Measures to Publicize the Financial Assistance Policy

The measures used to widely publicize this Policy to the community and patients include, but are not limited to the following:

- Posting the Policy, Financial Assistance Application and plain language summary on the Saint Luke's website at the following location: www.saintlukeskc.org/financial-assistance#.
- Copies of the Policy, Financial Assistance Application and plain language summary may be downloaded and printed from saintlukeskc.org/financial-assistance#
- Paper copies of the Policy, application and plain language summary are available to patients upon request and without charge. The patient may call to request a copy from a SLHS

- centralized business office or request from a facility admitting department.
- Posting a notice in the emergency department and admitting areas of the hospitals.
- Including a message on hospital patient statements to notify and inform patients of the availability of financial assistance and where to call for information and application.
- Saint Luke's staff discusses when appropriate, in person or during billing and customer service phone contacts with patients.
- Informational notification included in selected SLHS publications going to community members.
- Financial Assistance Policy information provided to local safety net providers.

IN COLLABORATION WITH

Director Physician Revenue Cycle
SLHS Chief Compliance Officer
Director of Taxation
Chief Financial Officers

The Financial Assistance for Medically Indigent Patients policy (FIN-010) was approved by the Saint Luke's Health System Board of Directors on December 16, 2022.

SEE ALSO

Financial Assistance Application ([SYS 153 English](#) and [SYS 154 Spanish](#))
[Financial Assistance Policy Plain Language Summary \(SYS-590\)](#)

THIS DOCUMENT APPLIES TO:

For a the most recent list of covered and non covered providers please see [Saint Luke's Health System Financial Assistance Policy Covered and Non Covered Entities and Provider Group](#) list. The list is updated quarterly.

Allen County Regional Hospital (d/b/a for Saint Luke's Hospital of Allen County Inc)

Anderson County Hospital (d/b/a for Saint Luke's Hospital of Garnett, Inc.)

Bishop Spencer Place

Hedrick Medical Center (d/b/a for Saint Luke's Hospital of Chillicothe)

Saint Luke's East Hospital

Saint Luke's Home Care and Hospice

Saint Luke's Hospital of Kansas City

Saint Luke's North Hospital

Saint Luke's Radiation Therapy Liberty

Saint Luke's South Hospital, Inc.

Wright Memorial Hospital (d/b/a for Saint Luke's Hospital of Trenton, Inc.)

Advanced Urology Associates

Rockhill Orthopaedic Specialists

Saint Luke's Physician Group

Medical Plaza Imaging Associates

Heart Surgeons of Kansas City

Providers Not Covered by this Policy:

For the most recent list of covered and non covered providers please see [Saint Luke's Health System Financial Assistance Policy Covered and Non Covered Entities and Provider Group](#) list. The list is updated quarterly.

Physicians or medical professionals provide care to patients or assist with patient treatment by reading lab work, interpreting medical tests, performing medical tests and individual patient physician services. The physicians and medical professionals not employed by Saint Luke's Health System or its subsidiaries are not covered by this Policy.

If you have questions about whether a specific provider is covered or not covered by this policy, please call 816-932-5678.

Attachments

[\(SLHS\) SLHS Financial Assistance Policy Covered and Non-Covered Entities and Provider Group List 122020.docx](#)

[\(SLHS\) SLHS Financial Assistance Policy Covered and Non-Covered Entities and Provider Group List.docx](#)

[\(SLHS\) SLHS Financial Assistance Policy Covered and Non-Covered Entities and Provider Group List.pdf](#)

Approval Signatures

| Step Description | Approver | Date |
|------------------|--|-----------|
| Ready to Publish | Mary Eidson: Program Coordinator SLHS Policies | 2/15/2023 |

| | | |
|---|--|------------|
| SVP CFO and Administration SLHS Approval | Chuck Robb: SVP CFO and Administration SLHS | 2/14/2023 |
| CFO SLPG Approval | Julie Murphy: Chief Financial Officer SLPG | 2/3/2023 |
| Confirm Approval Workflow | Mary Eidson: Program Coordinator SLHS Policies | 2/3/2023 |
| Owner | Melissa Abernathy: Director Physician Revenue Cycle | 2/3/2023 |
| Owner | Shelby Frigon: VP Revenue Cycle | 12/22/2022 |

Applicability

Advanced Urologic Associates, Anderson County Hospital, Bishop Spencer Place, Cardiometabolic Center, Inc., Crittenton Children’s Center Campus, Hedrick Medical Center, Medical Plaza Imaging Associates, Inc., Rockhill Orthopaedic Specialists, Inc., Saint Luke’s Care, Saint Luke’s East Hospital, Saint Luke’s Health System, Saint Luke’s Hospital of Kansas City, Saint Luke’s Neighborhood Clinics, LLC, Saint Luke’s North Hospital, Saint Luke’s Physician Group, Saint Luke’s Radiation Therapy- Liberty, Saint Luke’s South Hospital, Inc., Saint Luke’s Health System Home Care and Hospice, Saint Luke’s Hospital of Allen County, Inc., Search Engine Across All Sites, Wright Memorial Hospital

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