

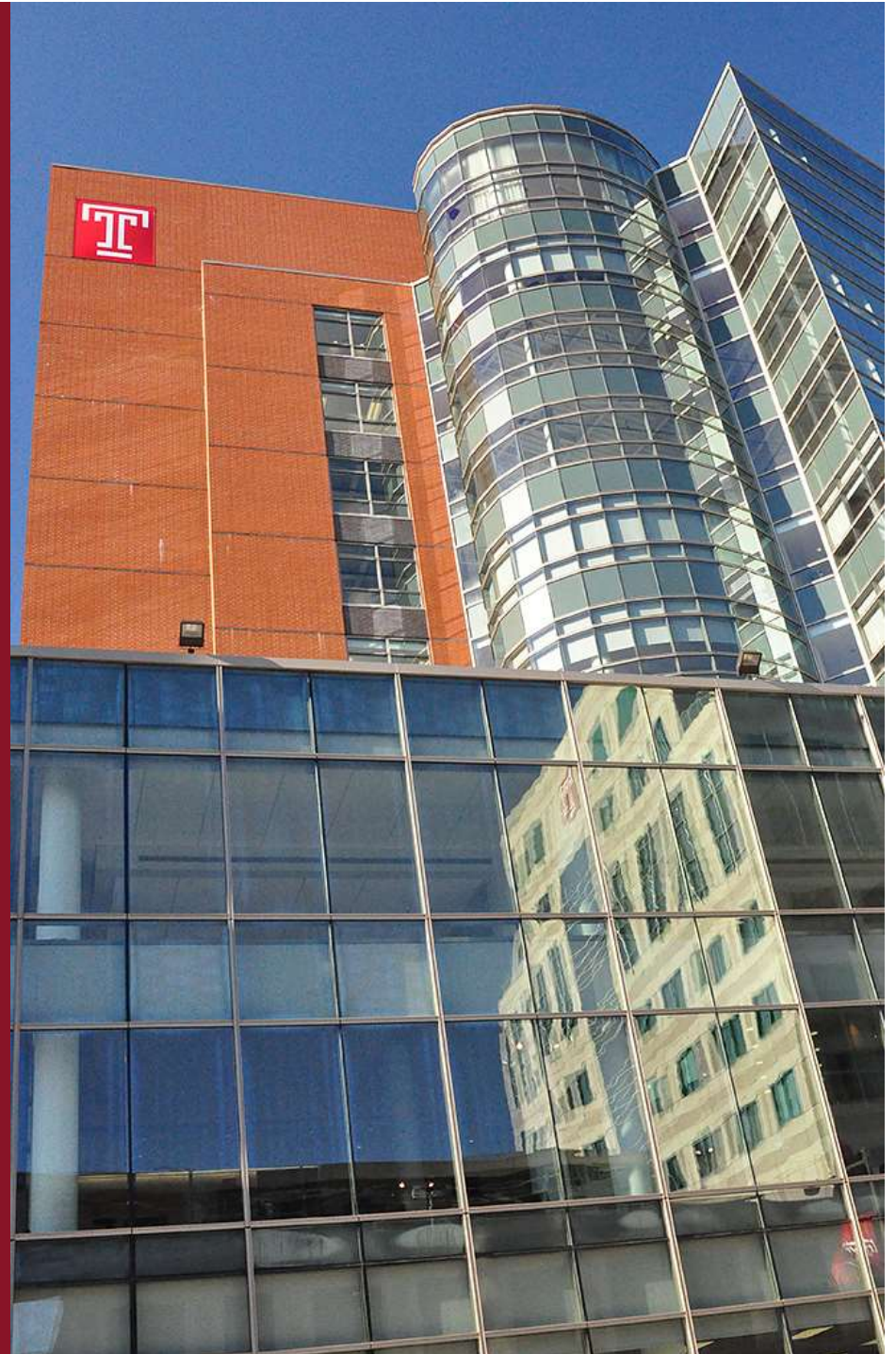
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Temple University Health System  
Investor Conference Call  
Period Ending December 31, 2024

March 4, 2025

 **TEMPLE HEALTH**

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# CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Welcome to today's TUHS investor call. As identified on the invitation published on DAC, the material being reviewed with you today can be found on our website: [TUHS Investor Relations](#) within the Public Documents folder.

Certain statements included, incorporated by reference or verbally discussed, constitute projections or estimates of future events, generally known as forward-looking statements. These statements are generally identifiable by the terminology used such as “plan,” “expect,” “estimate,” “budget” or other similar words. These forward-looking statements include, but are not limited to, the information contained within this presentation and the financial statements being referenced as part of this presentation. By providing this information, TUHS is not committing to providing some or all such information in future investor communications.

The achievement of certain results or other expectations contained in such forward-looking statements involves known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. Temple University Health System and their affiliates do not plan to issue any updates or revisions to those forward-looking statements if or when changes in its expectation, or events, conditions or circumstances on which such statements are based occur.

# Participants

## Temple University Health System



**Michael Young**  
Chief Executive Officer  
TUHS, Inc.



**Jerry Oetzel**  
Chief Financial Officer  
TUHS, Inc.

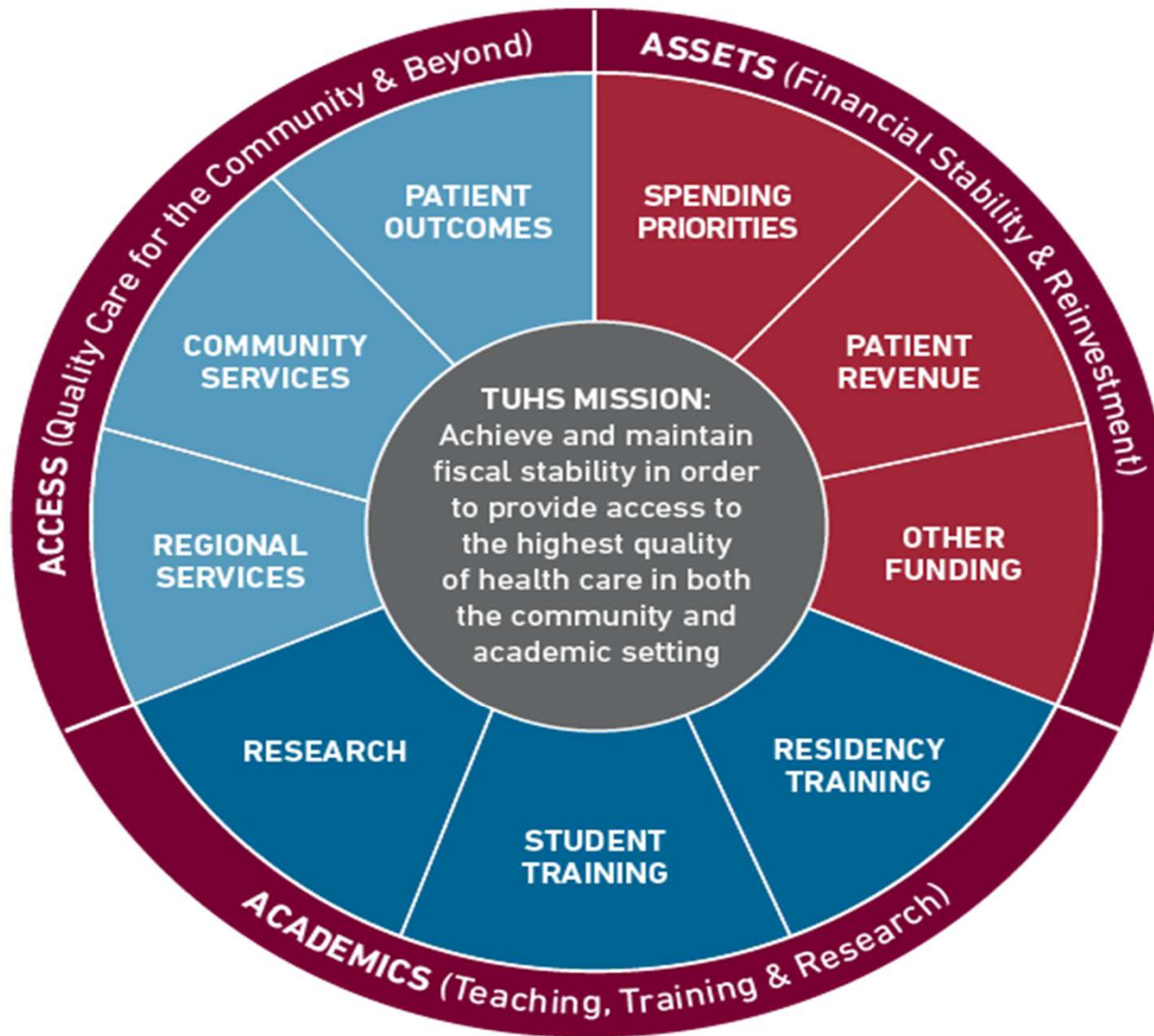


**Michael DiFranco**  
Chief Accounting Officer  
TUHS, Inc.



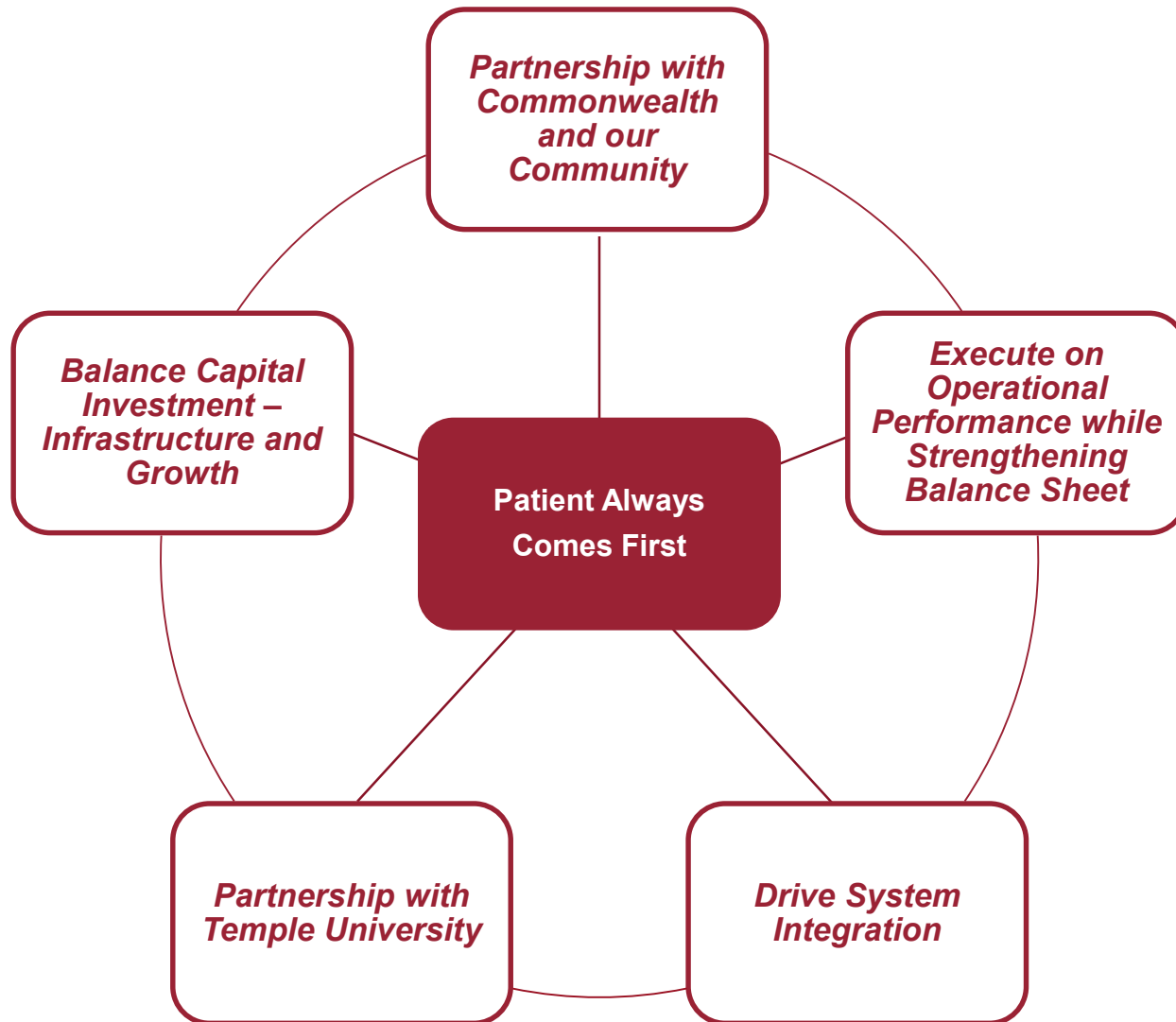
**Abhi Rastogi**  
Chief Executive Officer  
TUH, Inc.

# Mission





# Vision for the Future



## Awards/Recognition

- TUH Earns its **8th grade of 'A' from Leapfrog since 2020** in the Fall 2024 Leapfrog Hospital Safety Grade Report. Jeanes Campus also Earned an 'A' Grade in Leapfrog's Fall and Spring 2024 Reports
- TUH Named **to Healthgrades 2025 Best Hospitals List**. Includes Main, Jeanes, Episcopal, and Northeastern Campuses
- TUH Campuses Earn **Patient Safety Excellence Award from Healthgrades**. Top 10% of Hospitals Nationwide
- Temple Health Main, Jeanes, and Chestnut Hill Campuses Earn **AHA National Quality Awards for Stroke Care**
- TUH Earns **2024 Gift of Life Award for Outstanding Support of Organ Donation**
- Abhi Rastogi Recognized on **Philadelphia Business Journal's Most Admired CEO List for 2024**
- **Becker's Hospital Review Recognitions** for Highly Successful CEO-CFO Duos (Michael Young and Gerald Oetzel); Chief Medical Officers to Know (Carl Sirio, Daniel del Portal, and James Helstrom); and Women in Health IT to Know (Deborah Cancilla)



## Strategic Initiatives Update

- Temple Women's Hospital Campus Development – outpatient departments now open; OB hospital to open spring 2025.
- Lewis Katz School of Medicine establishing a new regional campus with Wellspan Health.
- FQHC initiative – spinoff of Temple Physicians, Inc. practice sites; conversion completed and operating well.
- Continued Fox Chase expansion – Buckingham, Chestnut Hill, New Jersey.
- Defined benefit plan de-risking – Termination finalized on February 28, 2025.
- Continued strategic focus on 340B pricing – 340B added programs include: Endocrinology, Rheumatology, GI, Hepatology, and Neurology at TUH-Jeanes, along with HIV Comprehensive Care, Burn, and Infectious Disease at TUH-Main.
- Continue to integrate services at Chestnut Hill with Temple University Hospital.

## YTD December FY 25 – Income Statement

<i>TUHS Consolidated (Without CHH)</i>	Year-to-Date			Prior Year	
	Actual	Budget	V%	Actual	V%
1 Net Patient Service Revenue	1,474,777	1,379,068	6.9%	1,211,754	21.7%
3 Research Revenue	23,587	24,044	-1.9%	22,100	6.7%
5 Other Revenue	23,719	37,267	-36.4%	26,661	-11.0%
<b>6 Total Operating Revenue</b>	<b>1,522,083</b>	<b>1,440,379</b>	<b>5.7%</b>	<b>1,260,515</b>	<b>20.8%</b>
7 Salaries & Benefits	815,985	810,662	0.7%	757,196	7.8%
8 Professional Fees	47,905	42,631	12.4%	42,955	11.5%
9 Supplies	142,581	131,724	8.2%	126,086	13.1%
10 Pharmacy Drugs	250,177	205,333	21.8%	194,233	28.8%
11 Purchased Services & Other	102,798	109,678	-6.3%	74,792	37.4%
12 Other Expenses	106,827	110,703	-3.5%	95,214	12.2%
<b>13 Total Operating Expenses</b>	<b>1,466,273</b>	<b>1,410,731</b>	<b>3.9%</b>	<b>1,290,476</b>	<b>13.6%</b>
<b>14 EBIDA</b>	<b>55,810</b>	<b>29,648</b>	<b>88.2%</b>	<b>(29,961)</b>	<b>286.3%</b>
15 EBIDA Margin %	3.7%	2.1%		-2.4%	
16 Depreciation	33,076	33,048	0.1%	30,978	6.8%
17 Interest	7,283	7,182	1.4%	7,462	-2.4%
<b>20 Operating Income</b>	<b>19,563</b>	<b>(6,444)</b>	<b>403.6%</b>	<b>(65,117)</b>	<b>130.0%</b>
21 Other Investment Income	32,297	14,342	125.2%	27,711	16.5%
22 Non-operating Income	2,657	(20,583)	112.9%	2,716	-2.2%
<b>23 Net Income</b>	<b>54,517</b>	<b>(12,685)</b>	<b>529.8%</b>	<b>(34,690)</b>	<b>257.2%</b>

*NOTE: Amounts above exclude equity loss in CHH of approximately (\$6M).*

7 All figures are in \$ thousands and based on unaudited financial statements.



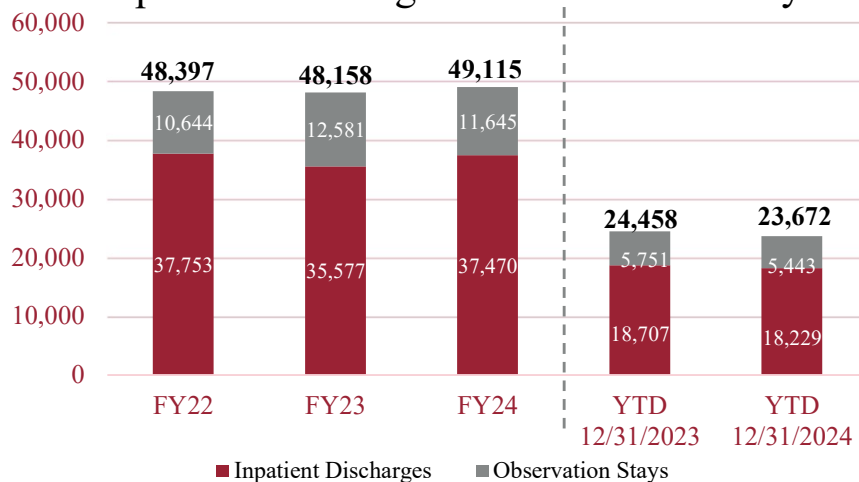
# TUHS Consolidated Key Ops – December FY25 (excluding CHH)

December FY2025	>5% unfavorable to budget	<5% unfavorable to budget	Favorable to budget			Rolling 6 Month Trend
				YTD		
Key Operating Indicators	Actual	Budget	Var	PY	Var	
1 Inpatient Acute Discharges	17,223	18,196	(973) ❌	17,686	(463) 🟡	
2 Observation Discharges	5,443	5,735	(292) ❌	5,751	(308) ❌	
3 Total Discharges	22,826	24,123	(1,297) ❌	23,620	(794) 🟡	
4 Births	943	1,097	(154) ❌	1,097	(154) ❌	
5 OR - Inpatient	4,229	4,594	(365) ❌	4,622	(393) ❌	
6 OR - Outpatient	7,045	6,905	140 🟢	6,952	93 🟢	
7 Total Surgeries	11,274	11,499	(225) 🟡	11,574	(300) 🟡	
8 Transplants	213	189	24 🟢	176	37 🟢	
9 CMI	2.03	1.98	0.04 🟢	2.00	0.03 🟢	
10 Total Census Days including BH	147,078	146,802	276 🟢	144,437	2,641 🟢	
11 % of Observation Days to Total Census	7.5%	7.7%	-0.2% 🟡	7.7%	-0.2% 🟡	
12 Total Inpatient Acute LOS (incl IICN)	6.53	6.05	0.49 ❌	6.10	0.43 ❌	
13 Behavioral Health LOS	23.74	25.40	(1.65) 🟢	27.79	(4.05) 🟢	
14 Observation LOS	2.01	1.97	0.05 🟡	1.93	0.09 🟡	
15 Avg Daily Census incl Observations	799	798	1 🟢	785	14 🟢	
16 % Occupancy on Staffed Beds (including Observations)	86.2%	86.0%	0.2% 🟢	84.3%	1.9% 🟢	
17 Avg Daily Discharges	99	105	(6) ❌	102	(3) 🟡	
18 ED Visits	75,851	81,368	(5,517) ❌	80,585	(4,734) ❌	
19 ED Inpatient Discharges	12,327	13,066	(739) ❌	12,618	(291) 🟡	
20 % of Acute Inpatient Discharges (admitted from ED)	70.9%	71.1%	-0.1% 🟡	70.6%	0.3% 🟢	
21 Total OP Registrations	381,230	392,913	(11,683) 🟡	384,250	(3,020) 🟡	
22 Infusion Treatment Visits	25,384	24,931	454 🟢	23,748	1,636 🟢	
23 Physician Visits	445,511	460,330	(14,819) 🟡	455,195	(9,684) 🟡	
24 FTEs - paid hours	10,782	10,925	(143) 🟢	10,418	364 🟡	
25 FTEs per adj occupied bed (1)	3.90	4.08	(0.18) 🟢	4.01	(0.10) 🟢	
26 Days in AR	46	50	(4) 🟢	57	(11) 🟢	
27 Write-offs	5,930,276	6,894,957	(964,681) 🟢	6,826,242	(895,966) 🟢	
Payor Mix - Inpatient Discharges						
Medicaid	37.0%	39.8%	-2.8%	39.9%	-2.9%	
Medicare	43.3%	44.0%	-0.7%	43.2%	0.2%	
Blue Cross	10.1%	9.1%	1.0%	9.2%	0.9%	
Managed Care	5.0%	4.6%	0.4%	4.4%	0.5%	
Other	4.6%	2.5%	2.2%	3.3%	1.4%	
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>	<b>100.0%</b>	<b>0.0%</b>	

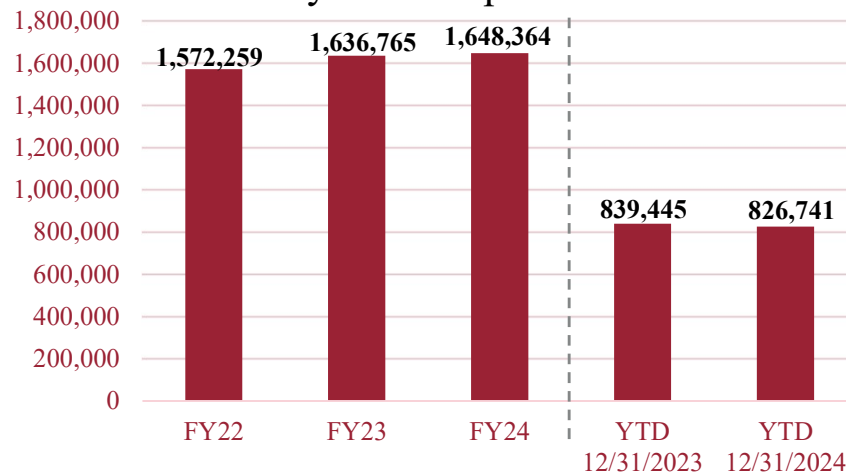
(1) Excludes AOH Inc

# TUHS Key Utilization Statistics

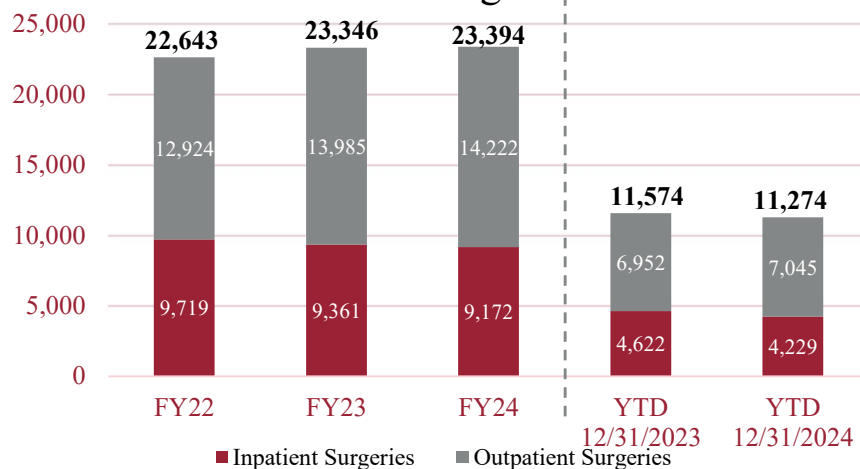
## Inpatient Discharges & Observation Stays



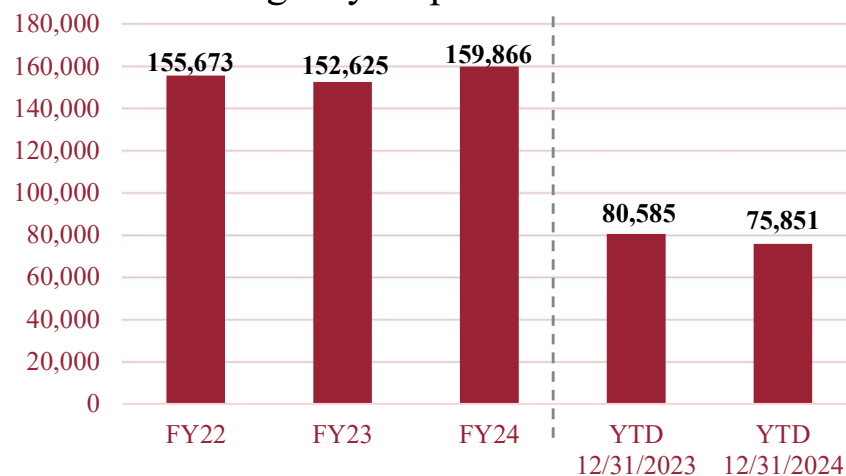
## Health System Outpatient Visits



## Total Surgeries

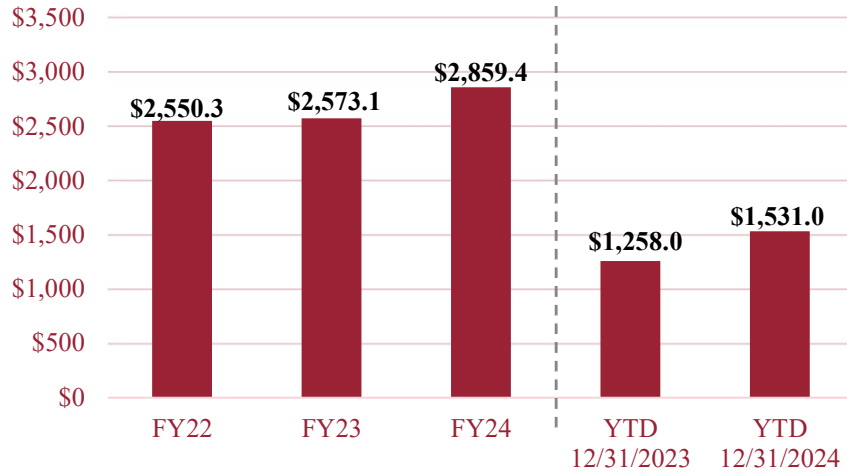


## Emergency Department Visits

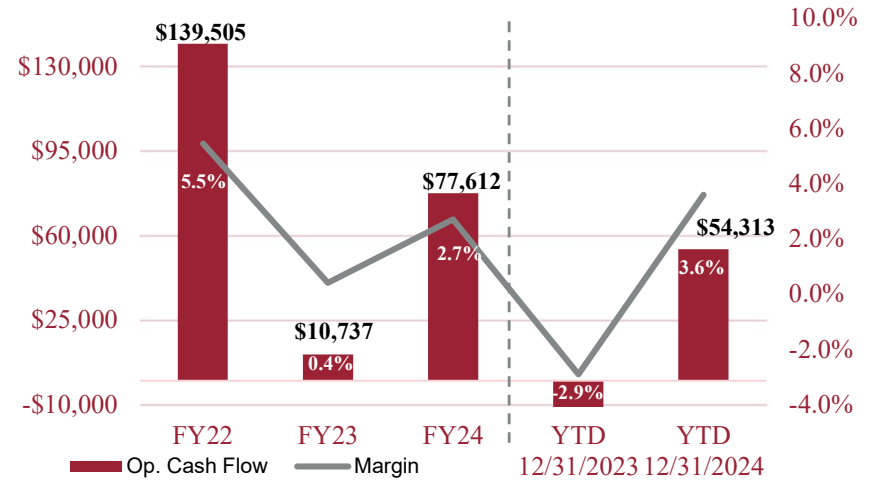


# TUHS Operating Performance

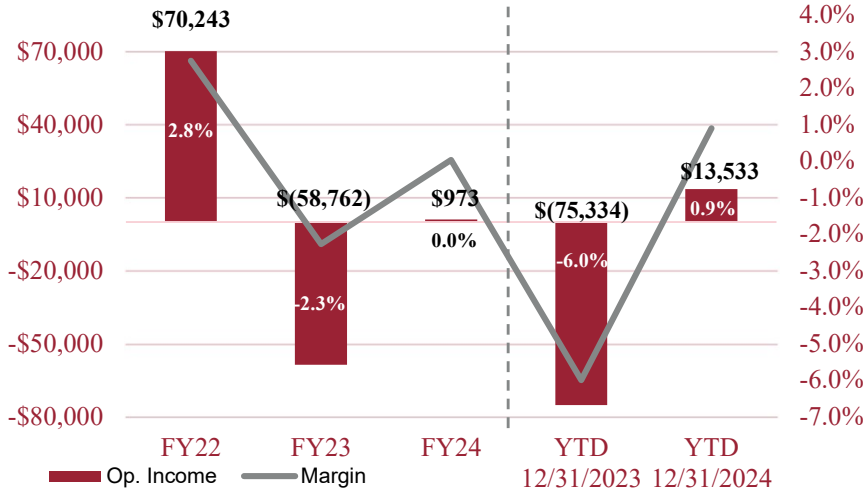
## Total Revenue (In Millions)



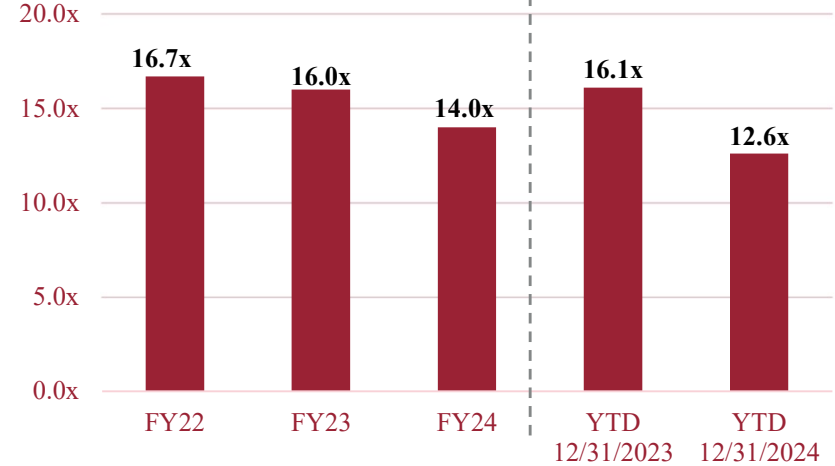
## Operating EBIDA



## Operating Income

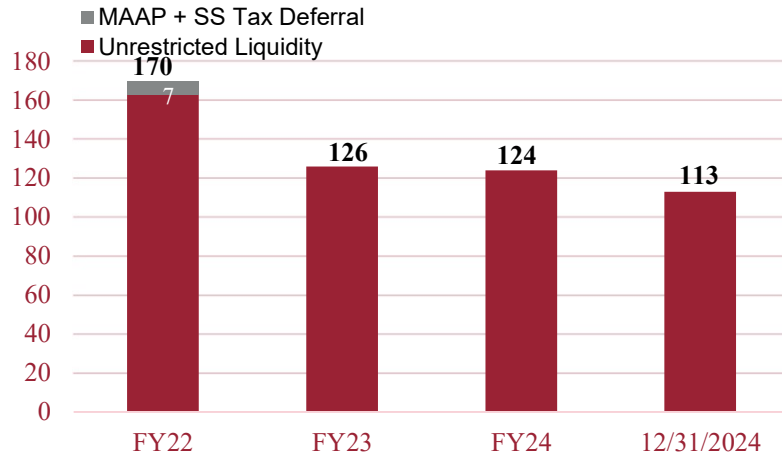


## Debt-to-Revenue

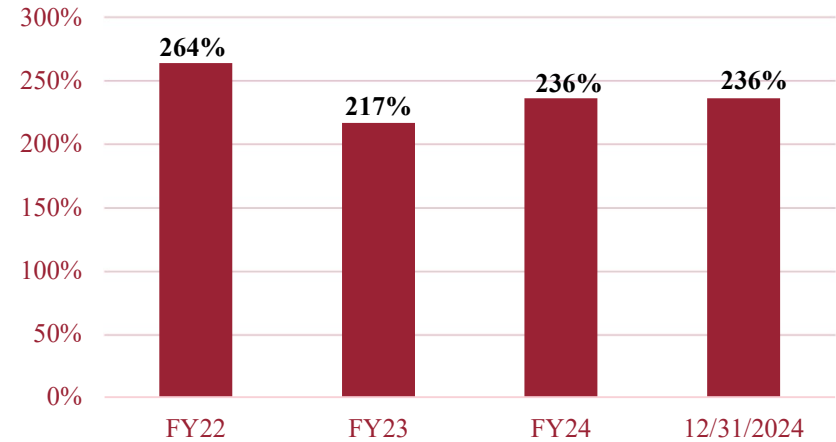


# TUHS Balance Sheet Metrics

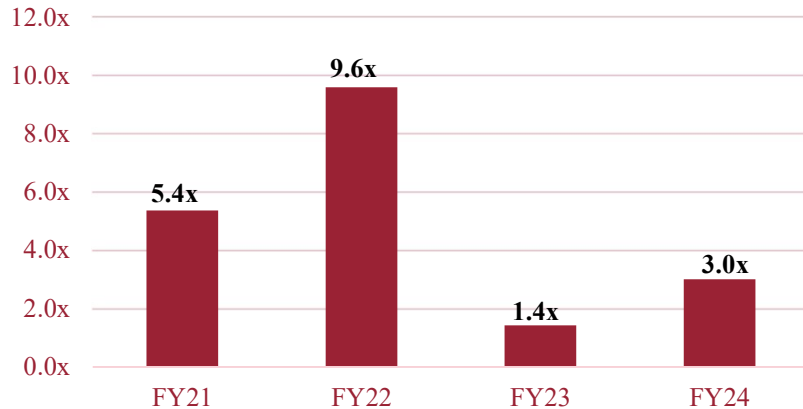
## Days Cash on Hand



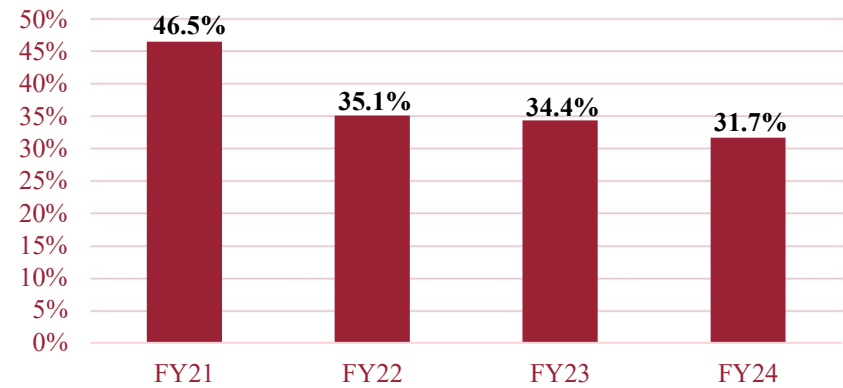
## Cash-to-Debt



## MADS Coverage



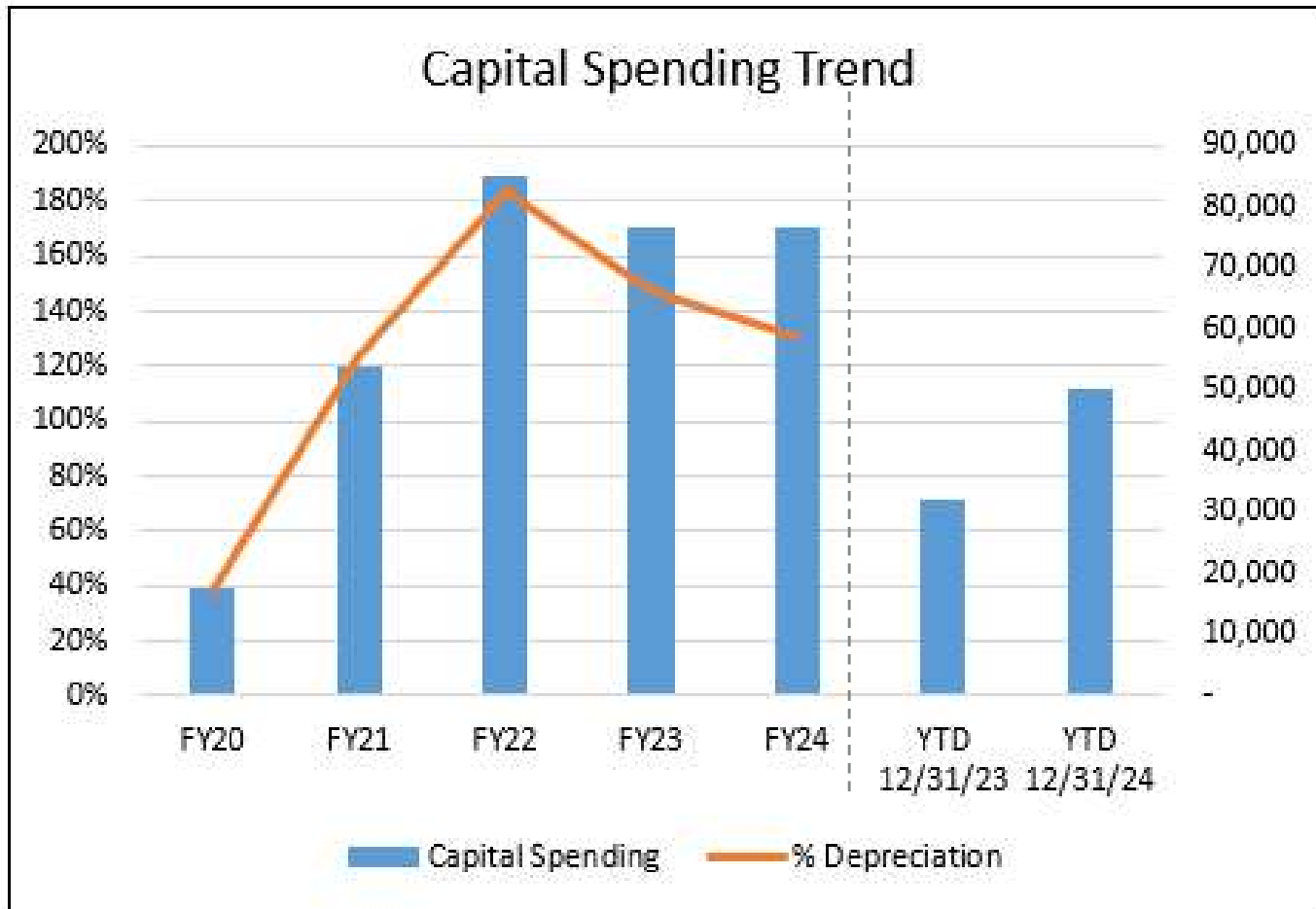
## Debt-to-Capitalization



(1) Liquidity and applicable ratios for FY20 thru FY22 include advance funding from Medicare and others to be repaid. FY22 thru FY24 also includes proceeds from the sale of HPP which are reflected in FY22 thru FY24 financials.

(2) MADS Coverage and Debt-to-capitalization reflect Obligated Group.

# Capital Spending



12 All figures are in \$ thousands and based on unaudited financial statements.



## Key Takeaways

- An essential service provider in the Philadelphia market.
- Strong partnership with Temple University and Lewis Katz School of Medicine.
- Medical staff housed within TUHS, allowing for coordination of the full continuum of care.
- High acuity and high-quality brand in the market.
- Continued strong transplant performance in FY2025.
- Improving financial position at the main campus and CHH.
- Management team successfully implementing strategic plan resulting in strong financial turnaround in FY 2024, and continuing into FY 2025.

# TEMPLE HEALTH

Temple Health refers to the health, education and research activities carried out by the affiliates of Temple University Health System (TUHS) and by the Lewis Katz School of Medicine at Temple University. TUHS neither provides nor controls the provision of health care. All health care is provided by its member organizations or independent health care providers affiliated with TUHS member organizations. Each TUHS member organization is owned and operated pursuant to its governing documents.