

NEW YORK CITY HEALTH AND HOSPITALS CORPORATION
(A Component Unit of the City of New York)

Balance sheets

Dec. 31, 2016 (Unaudited) and June 30, 2016 (Audited)

(in thousands)

	Dec 31 2016	June 30 2016
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Assets		
Current assets:		
Cash and cash equivalents	\$ 964,877	1,112,004
U.S. Government securities and other investments	91,911	76,858
Patient accounts receivable, net	436,077	418,276
Premiums receivable	234,007	146,797
Estimated third-party payor settlements, net	275,977	726,364
Estimated pools receivable, net	---	---
Grants receivable	163,504	261,509
Supplies	23,291	23,291
Assets restricted as to use and required for current liabilities	60,028	34,405
Other current assets	144,613	113,714
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Total current assets	2,394,285	2,913,218
Assets restricted as to use, net	279,620	286,555
U.S. Government securities and other investments	309,029	329,047
Capital assets, net	3,429,252	3,408,669
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	\$ 6,412,186	6,937,489
	=====	=====
Liabilities and Net Assets		
Current liabilities:		
Current installments of long-term debt	\$ 63,431	63,506
Accrued salaries, fringe benefits and payroll taxes	856,333	839,309
Accounts payable and accrued expenses	919,818	826,764
Estimated pools payable, net	45,000	308,800
Due to City of New York, net	607,307	504,902
Current portion of pension	484,778	497,715
Current portion of postemployment benefits obligation, other than pension	117,964	117,964
Other current liabilities	5,061	5,061
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Total current liabilities	3,099,692	3,164,021
Long-term debt, net of current installments	852,551	855,837
Long-term pension, net of current portion	2,864,109	2,603,898
Postemployment benefits obligation, other than pension, net of current portion	4,929,065	4,883,995
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Total liabilities	11,745,417	11,507,751
Net assets:		
Invested in capital assets, net of related debt	2,539,190	2,520,920
Restricted:		
For debt service	165,018	141,235
Expendable for specific operating activities	13,185	12,763
Nonexpendable permanent endowments	928	928
For statutory reserve requirements	134,597	134,439
Unrestricted	(8,186,149)	(7,380,547)
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Total net assets	(5,333,231)	(4,570,262)
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	\$ 6,412,186	6,937,489
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NEW YORK CITY HEALTH AND HOSPITALS CORPORATION
(A Component Unit of the City of New York)

Statements of Revenues, Expenses, and Changes in Net Assets

Periods ended December 31, 2016 and 2015

UNAUDITED FOR MANAGEMENT USE ONLY

(in thousands)

	2016	2015
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Operating revenues:		
Net patient service revenue	\$ 2,353,040	2,490,467
Appropriations from (remittances to) City of New York, net	211,731	134,845
Premium revenue	1,459,921	1,313,904
Grants revenue	98,193	99,897
Other revenue	43,426	39,539
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Total operating revenues	4,166,311	4,078,652
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Operating expenses:		
Personal services	1,460,445	1,405,633
Other than personal services	1,923,970	1,729,962
Fringe benefits and employer payroll taxes	454,446	487,619
Pension	276,863	148,994
Postemployment benefits, other than pension	104,053	50,828
Affiliation contracted services	567,566	525,640
Depreciation	154,560	150,327
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Total operating expenses	4,941,903	4,499,003
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Operating loss	(775,592)	(420,351)
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Nonoperating revenues (expenses):		
Investment income	(5,676)	(401)
Interest expense	(61,822)	(66,318)
Contributions restricted-specific operating activities	467	690
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Total nonoperating expenses, net	(67,031)	(66,029)
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Loss before other changes in net assets	(842,623)	(486,380)
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Other changes in net assets:		
Capital contributions funded by City of New York	78,786	102,152
Capital contributions funded by donors	870	187
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Total other changes in net assets	79,656	102,339
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Decrease in net assets	(762,967)	(384,041)
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Net assets at beginning of period	(4,570,264)	(4,622,132)
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Net assets at end of period	\$ (5,333,231)	(5,006,173)
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NEW YORK CITY HEALTH AND HOSPITALS CORPORATION
(A Component Unit of the City of New York)

Statements of Cash Flows

Periods ended December 31, 2016 and 2015

UNAUDITED FOR MANAGEMENT USE ONLY

(in thousands)

	2016	2015
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Cash flows from operating activities:		
Cash received from patients and third-party payors	\$ 2,521,827	2,289,831
Cash appropriations received from City of New York	235,587	314,806
Cash appropriations remitted to City of New York	0	(91,295)
Cash received from premiums and stop-loss insurance recoveries	1,372,711	1,256,355
Receipts from grants	196,198	91,495
Other receipts	13,061	60,966
Cash paid for personal services, fringe benefits and employer payroll taxes	(1,988,232)	(1,913,529)
Cash paid for other than personal services	(1,771,091)	(1,680,562)
Cash paid for affiliation contracted services	(567,566)	(538,456)
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Net cash provided by operating activities	12,495	(210,389)
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Cash flows from noncapital financing activities:		
Proceeds from contributions restricted for specific operating activities	467	690
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Net cash provided by noncapital financing activities	467	690
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Cash flows from capital and related financing activities:		
Purchase of capital assets	(145,095)	(131,943)
Capital contributions by donors	870	187
Capital contributions by City of New York	78,786	102,152
Cash paid for retainage and construction accounts payable	(72)	(1,319)
Payments of long-term debt	(1,381)	54,820
Proceeds from issuance of long term-debt	---	---
Refunding of long-term debt	---	---
Cash paid for deferred financing fees	---	---
Interest paid	(72,857)	(73,813)
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Net cash used in capital and related financing activities	(139,749)	(49,916)
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Cash flows from investing activities:		
Purchases of assets restricted as to use	(2,733)	(1,362)
Sales of assets restricted as to use	(19,885)	(69,767)
Cash invested in U.S. Government securities	(121,837)	(144,364)
Cash received from sales and maturities of U.S. Government securities	126,282	45,120
Interest received	(2,167)	625
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Net cash provided by (used in) investing activities	(20,340)	(169,748)
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Net increase in cash and cash equivalents	(147,127)	(429,363)
Cash and cash equivalents at beginning of period	1,112,004	1,264,999
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Cash and cash equivalents at end of period	\$ 964,877	835,636
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Supplemental disclosures:		
Financing obligation incurred in exchange for equipment	\$ ---	---
Change in fair value of assets restricted as to use	(2,098)	(666)

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Statements of Cash Flows

Periods ended December 31, 2016 and 2015

UNAUDITED FOR MANAGEMENT USE ONLY

(in thousands)

	2016	2015
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Reconciliation of operating loss to net cash provided by operating activities:		
Operating (loss)	\$ (775,592)	(420,351)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation	154,560	150,327
Provision for bad debts	(49,285)	257,394
Changes in assets and liabilities:		
Patient accounts receivable, net	31,485	(231,391)
Premiums receivable	(87,210)	(57,549)
Estimated third-party payor settlements, net	450,387	28,461
Estimated pools receivable, net	(263,800)	(255,100)
Grants receivable	98,005	(8,402)
Supplies and other current assets	(30,381)	15,057
Accrued salaries, fringe benefits and payroll taxes	264,301	132,576
Accounts payable and accrued expenses	72,551	(46,393)
Due to City of New York	102,404	179,960
Postemployment benefits obligation, other than pension	45,070	45,022
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Net cash provided by operating activities	\$ 12,495	(210,389)
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