

# Spectrum Health System and Affiliates Consolidated Financial Statements

March 31, 2019



# CHIEF FINANCIAL OFFICER'S REPORT

Year-to-date March 31, 2019

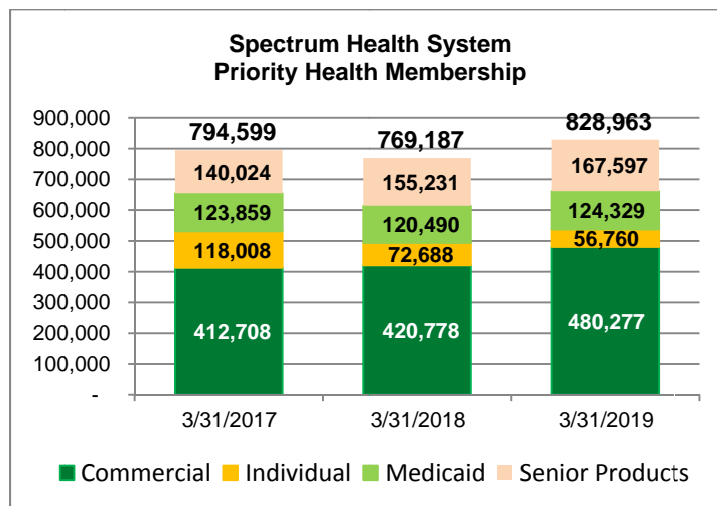
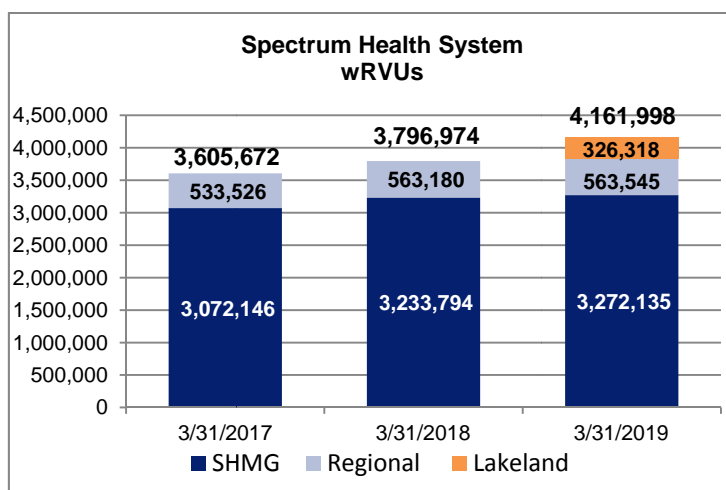
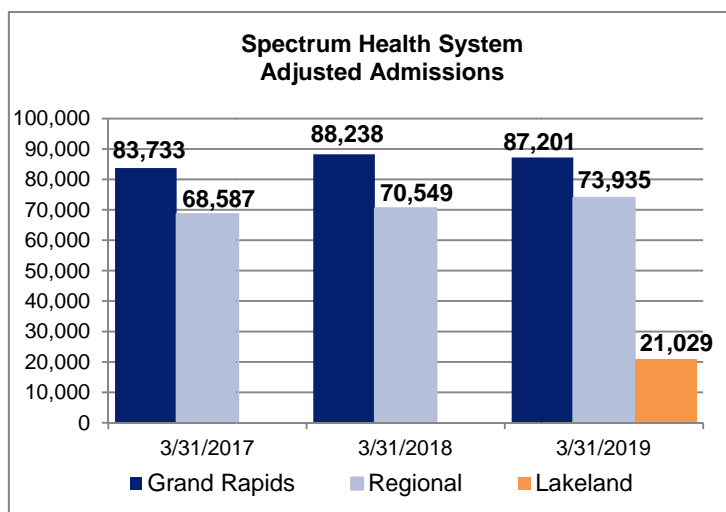


The enclosed package represents the consolidated financial statements for Spectrum Health System and Affiliates (the System). The financial statements have been summarized by the System's delivery, insurance and other operations.

Spectrum Health Lakeland (Lakeland) became a wholly-owned subsidiary of the System effective October 1, 2018. Lakeland operating results are included in the following System results from the effective date of the transaction. Purchase accounting for the Lakeland transaction is in process and will be finalized in the coming months. Adjustments will impact the contribution recognized in the other revenue (expense) section of the consolidated statements of activities.

## VOLUME

Spectrum Health Grand Rapids adjusted (for outpatient) admissions totaled 87,201 which represents a decrease of 1.2% from March 2018 levels, but are in line with planned levels. Regional adjusted admissions increased 4.8% over March 2018, and are ahead of planned levels by 2.9%. Lakeland adjusted admissions for March 2019 are behind planned levels by 2.1%. Spectrum Health Physicians Services wRVUs totaled 4.2 million, which was 2.6% behind Plan. Excluding Lakeland, wRVUs increased 1.0% from the prior year. Health insurance membership was 828,963 as of March 31, 2019, which was ahead of Plan by 2.8%.



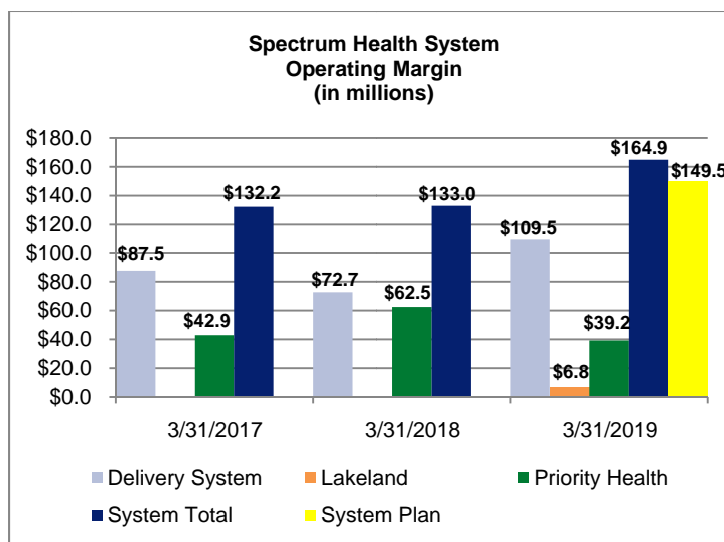
## OPERATING MARGIN

The System's operating margin was \$164.9 million or 3.3% of net operating revenue.

The Delivery System's operating margin was \$109.5 million, or 4.5%, which was favorable to Plan by \$16.5 million and favorable to prior year by \$36.8 million. Favorable results were driven by favorable mix of services and collection rates, offset slightly by unfavorable payer mix.

Lakeland's operating margin was \$6.8 million, or 2.5%, and was favorable to Plan by \$1.2 million. Overall favorable mix of services; diagnostic imaging and outpatient ancillary services exceeded Plan.

Priority Health's operating margin was \$39.2 million, or 1.3%, which was unfavorable to Plan by \$9.0 million. Excluding \$24.4 million of losses related to the shutdown of a new insurance product offering, Priority Health was favorable to Plan by \$7.4 million. Priority Health continues to experience favorability in Medicare risk adjustment settlement estimates, partially offset by higher than planned medical trends for Medicare. All other segments continue to perform better than Plan.



# CHIEF FINANCIAL OFFICER'S REPORT

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## TOTAL MARGIN

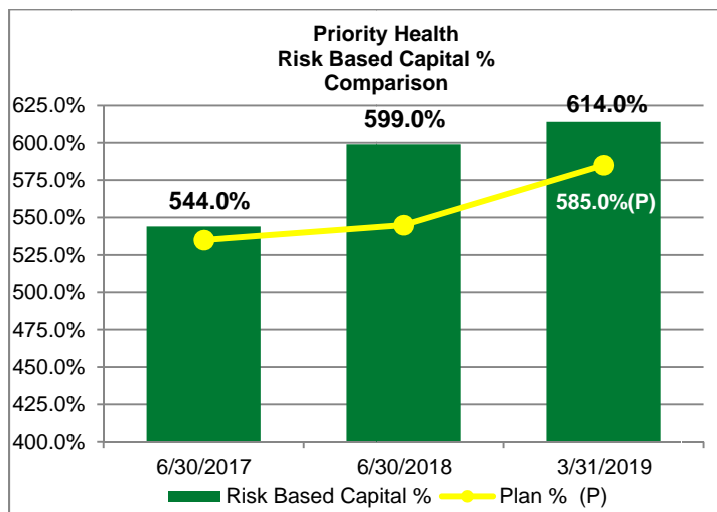
The System's year-to-date excess of revenue over expense as of March 31, 2019, was \$977.2 million or 16.8% of total revenue. Net other revenue of \$819.1 million was comprised primarily of the accounting contribution of Lakeland totaling \$774.1 million. Excluding the Lakeland contribution, net other revenue totaled \$45.0 million. This was primarily comprised of \$118.5 million of realized investment returns (interest, dividends and realized gains/losses), offset by \$47.5 million of unrealized investment losses and \$21.5 million of interest rate swap losses, which are a function of the market.

## LIQUIDITY AND CASH FLOW

At March 31, 2019 total cash and investments for the System were \$3.7 billion, an increase of \$613.1 million from June 30, 2018. Cash increased \$523.9 million due to the integration of Lakeland. Absent this integration, overall cash increased by \$89.2 million. The increase is driven by an operating cash flow margin of \$360.7 million, non-operating investment gains of \$59.7 million, and other net asset activity of \$8.9 million. These were offset by facility, information technology, and equipment additions totaling \$152.4 million, working capital decreases of \$150.1 million, and \$37.6 million in net changes to long term debt.

## RATIOS

Days cash on hand for the System increased 12.5 days to 211.6 at March 31, 2019 from 199.1 days at June 30, 2018. Priority Health's risk based capital (RBC) was 614.0%. Operating cash flow margin was 7.2%, which is below Moody's 2017 Aa3 median of 8.3%.

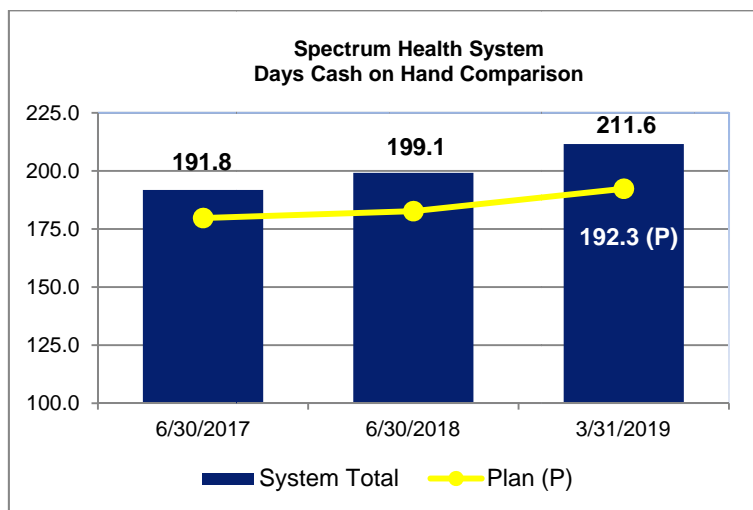


## EQUITY STRUCTURE

Debt was approximately \$890.2 million at the end of March and fund balance was approximately \$4.5 billion. The debt to capitalization ratio for the System at March 2019 was 17.3%, which was lower than the Moody's 2017 Aa3 median of 27.7%. Total assets for the System were approximately \$6.9 billion.

Respectfully submitted,

Matthew E. Cox  
 Senior Vice President & Chief Financial Officer  
 (matthew.cox@spectrumhealth.org)  
 March 2019



## Ratio Analysis - Total System

March 31, 2019



	Actual* March 31, 2019	Actual June 30, 2018	Plan June 30, 2019	S&P Median 2017	Moody's Median 2017
<b>Profitability Ratios</b>					
Operating margin	3.3%	3.0%	3.2%	3.6%	3.0%
Total margin	16.8%	4.6%	4.2%	7.4%	5.8%
Return on assets	15.1%	4.8%	4.7%	n/a	4.9%
Operating cash flow margin	7.2%	6.8%	7.0%	n/a	8.3%
<b>Liquidity Indicators</b>					
Days in patient receivables	53.4	64.2	50.0	53.2	47.7
Days cash (unrestricted) on hand	211.6	199.1	192.3	341.8	234.2
Current ratio	1.6	1.4	1.4	n/a	1.8
Cash to debt %	413.6%	373.6%	392.0%	n/a	206.7%
<b>Capital Structure</b>					
Total debt to capitalization	17.3%	20.0%	18.6%	23.3%	27.7%
Proforma total debt to capitalization <sup>^</sup>	19.4%	22.8%	20.9%	n/a	n/a
Debt service coverage	18.9	8.2	10.2	6.5	6.4
Debt to cash flow	0.7	1.7	1.6	n/a	2.3
Risk based capital (PH only)	614.0%	599.0%	600.0%	n/a	472.0% (a)
Average age of plant	9.0	9.8	9.6	10.3	10.0
Capital expenditures to depreciation	0.9	1.1	1.3	1.5	1.5

(a) Provider Sponsored Health Plan benchmark which consists of seven similar sized health plans. RBC benchmark data is based on December 31, 2018 statutory filings.

Note: Moody's figures are medians for freestanding hospitals, single-state & multi-state healthcare systems with Aa3 bond ratings for 2017. Spectrum Health's current rating from Moody's is Aa3. S&P figures are medians for not-for-profit health care systems with AA bond ratings for 2017. Spectrum Health's current rating for S&P is AA.

<sup>^</sup> Estimated impact of proposed lease accounting standard in FY20.

\* Includes preliminary Spectrum Health Lakeland consolidated results, prior to valuation adjustments for purchase accounting.

## Key Statistics

Year-to-date March 31, 2019



	Actual	Better (Worse) than Plan	Prior Year*
<b><u>Spectrum Health Grand Rapids</u></b>			
Admissions	51,970	(66)	52,452
Patient days - acute care	237,672	1,406	240,367
Patient days - observation	9,632	952	8,329
Patient days - long term care	58,203	(707)	58,800
Adjusted admissions	87,201	(26)	88,238
Net revenue per adjusted patient admission	\$ 18,626	\$ 349	\$ 17,426
Cost per adjusted patient admission	\$ 17,673	\$ (223)	\$ 16,715
<b><u>Spectrum Health Regional Hospitals</u></b>			
Admissions	11,909	(683)	12,607
Patient days - acute care	30,759	(4,211)	34,941
Patient days - observation	3,428	359	3,323
Patient days - long term care	30,336	(485)	29,781
Adjusted admissions	73,935	2,098	70,549
Net revenue per adjusted patient admission	\$ 5,880	\$ (124)	\$ 5,983
Cost per adjusted patient admission	\$ 5,490	\$ 189	\$ 5,686
<b><u>Spectrum Health Post Acute Care</u></b>			
Patient days - Kalamazoo	47,773	(2,643)	50,873
Home health admissions	6,474	(2,372)	8,168
Hospice days	92,680	7,739	88,780
Hours of care - Neuro homecare	201,436	(33,693)	227,583
<b><u>Spectrum Health Physician Services</u></b>			
Primary care covered lives	421,644	(6,040)	397,499
Priority Health assigned lives	97,219	N/A	99,912
<b><u>Spectrum Health Medical Group</u></b>			
Encounters	2,057,799	12,485	2,026,094
wRVUs	3,272,135	(84,736)	3,233,794
wRVUs / encounter	1.59	(0.05)	1.60
Net patient revenue per wRVU	\$ 86.26	\$ 0.01	\$ 87.97
Cost per wRVU	\$ 151.27	\$ (1.31)	\$ 139.86
<b><u>Spectrum Health Regional Hospital Physician Services</u></b>			
Encounters	420,412	510	447,183
wRVUs	563,545	(6,140)	563,180
wRVUs / encounter	1.34	(0.02)	1.26
Net patient revenue per wRVU	\$ 110.84	\$ 2.63	\$ 109.24
Cost per wRVU	\$ 109.95	\$ (0.19)	\$ 138.37
<b><u>Spectrum Health Lakeland</u></b>			
Admissions	7,380	(93)	-
Patient days - acute care	31,957	(1,150)	-
Patient days - observation	4,691	1,129	-
Patient days - long term care	18,981	237	-
Adjusted admissions	21,029	(457)	-
Net revenue per adjusted patient admission	\$ 13,228	\$ 580	\$ -
Cost per adjusted patient admission	\$ 12,903	\$ (516)	\$ -
Encounters	185,776	2,590	-
wRVUs	326,318	(19,672)	-
wRVUs / encounter	1.76	(0.13)	-
Net patient revenue per wRVU	\$ 73.03	\$ 1.56	\$ -
Cost per wRVU	\$ 93.46	\$ (5.52)	\$ -

\*Restated to conform with current year presentation

## Key Statistics

Year-to-date March 31, 2019



	Actual	Better (Worse) than Plan	Prior Year
<b><u>Membership</u></b>			
Group	372,594	34,623	330,926
Individual	56,760	(30,394)	72,688
ASO stop loss	107,683	20,645	89,852
Total commercial	537,037	24,874	493,466
Senior products (Medicare and Medigap)	167,597	(1,248)	155,231
Medicaid	124,329	(671)	120,490
<b>Total membership</b>	<b>828,963</b>	<b>22,955</b>	<b>769,187</b>
<b><u>Medical cost ratio</u></b>			
Total commercial	87.0%	1.4%	88.0%
Senior products (Medicare and Medigap)	90.7%	(1.7)%	88.0%
Medicaid	89.7%	2.4%	90.3%
<b>Total medical cost ratio</b>	<b>88.7%</b>	<b>0.3%</b>	<b>88.2%</b>

**Spectrum Health System  
Liquidity Worksheet\*  
March 31, 2019  
(in thousands)**

<b>Assets</b>				
	<b>Assets With Same-Day Liquidity</b>	<b>Assets With Next-Day Liquidity</b>	<b>Assets &gt; Next-Day Liquidity</b>	<b>Total</b>
Cash & Cash Equivalents	\$ 108,961	\$ -	\$ -	\$ 108,961
S&P Rated Money Market Funds (> Am)	291,404	6,061	-	297,465
U.S. Treasury Debt Obligations (> 1 year)	-	203,390	-	203,390
U.S. Agencies (> 1 year)	-	-	103,147	103,147
Investment Grade Debt (not included above)	-	199,039	193,685	392,724
Equities	-	88,335	207,811	296,146
Non-Investment Grade Debt	-	-	421	421
Total	\$ 400,365	\$ 496,825	\$ 505,064	\$ 1,402,254

<b>Self-Liquidity Backed Debt</b>				
	<b>Same-Day Notice</b>	<b>Next-Day Notice</b>	<b>&gt; Next-Day Notice</b>	<b>Total</b>
Series 2015A Variable Rate Demand Obligation (Windows)	\$ -	\$ -	\$ 78,400	\$ 78,400
	-	-	78,400	78,400

\*The table represents assets that would be reasonably available to Spectrum Health System to satisfy a liquidity event. The table does not include assets held by affiliates that would not be reasonably available to satisfy a liquidity event, including assets held by Spectrum Health Foundation, Lakeland Health and Priority Health, among others.

# Consolidating Balance Sheets

March 31, 2019



(in thousands)

	Delivery System	Spectrum Health Lakeland*	Priority Health	Corporate & Subsidiaries	Reclass & Eliminations	Total
Cash and cash equivalents	\$ 344,734	\$ 63,211	\$ 388,654	\$ 15,033	\$ (9,258)	\$ 802,374
Short term investments	-	17,511	345,778	-	-	363,289
Patient accounts receivable, net	346,188	41,599	-	-	(4,026)	383,761
Other accounts receivable, net	14,617	7,866	158,045	817	-	181,345
Pledges receivable	4,318	334	-	5,984	-	10,636
Inventory	43,681	8,527	-	-	-	52,208
Prepaid expenses and other current assets	57,927	14,187	22,552	45,034	-	139,700
<b>Total current assets</b>	<b>811,465</b>	<b>153,235</b>	<b>915,029</b>	<b>66,868</b>	<b>(13,284)</b>	<b>1,933,313</b>
Due from affiliates	86,360	-	68,324	79,263	(233,947)	-
Investment in system	-	-	-	25,070	(25,070)	-
Investments	23,019	422,563	663,568	1,427,070	(19,960)	2,516,260
Donor and restricted assets:						
Restricted Investments	-	1,181	2,435	181,880	-	185,496
Assets designated for affiliates	165,421	-	-	-	(165,421)	-
Pledges receivable	25,920	755	-	15,083	-	41,758
	191,341	1,936	2,435	196,963	(165,421)	227,254
Property and equipment, net	1,457,201	394,037	21,567	93,504	-	1,966,309
Other assets:						
Investment in joint ventures	33,485	-	-	5,451	-	38,936
Goodwill, net	1,696	-	10,331	8,144	-	20,171
Other intangible assets and costs	1,521	-	3,675	-	-	5,196
Other long term assets	19,197	8,368	5,297	163,024	(813)	195,073
	55,899	8,368	19,303	176,619	(813)	259,376
<b>TOTAL ASSETS</b>	<b>\$ 2,625,285</b>	<b>\$ 980,139</b>	<b>\$ 1,690,226</b>	<b>\$ 2,065,357</b>	<b>\$ (458,495)</b>	<b>\$ 6,902,512</b>

\*Includes preliminary Spectrum Health Lakeland consolidated results, prior to valuation adjustments for purchase accounting.



# Consolidating Balance Sheets

March 31, 2019



(in thousands)

	Delivery System	Spectrum Health Lakeland*	Priority Health	Corporate & Subsidiaries	Reclass & Eliminations	Total
Accounts payable and accrued expenses	\$ 148,816	\$ 23,460	\$ 253,556	\$ 50,392	\$ (9,731)	\$ 466,493
Accrued salaries, wages and related withholdings	149,407	24,965	-	86,088	-	260,460
Health plan claims payable	-	-	358,120	-	(4,025)	354,095
Short term debt	78,400	-	-	-	-	78,400
Current maturities of long term debt	31,972	4,265	1,245	1,229	-	38,711
<b>Total current liabilities</b>	<b>408,595</b>	<b>52,690</b>	<b>612,921</b>	<b>137,709</b>	<b>(13,756)</b>	<b>1,198,159</b>
Due to affiliates	60,172	-	112,055	81,367	(253,594)	-
Third party settlement liabilities	54,342	-	-	-	-	54,342
Interest rate swaps	977	15,071	-	87,908	-	103,956
Long term debt, less current portion	619,513	93,670	20,341	39,610	-	773,134
Professional liability accrual	-	8,008	-	67,198	-	75,206
Accrued pension obligation	1,368	-	-	-	(813)	555
Other long term liabilities	18,744	14,198	750	135,670	-	169,362
Net assets:						
Common stock	-	-	19	-	(19)	-
Additional paid-in capital	67,024	-	53,993	-	(121,017)	-
Unrestricted	1,195,842	778,004	890,147	1,359,534	37,771	4,261,298
Temporarily restricted	129,570	4,482	-	90,303	(99,335)	125,020
Permanently restricted	66,111	14,016	-	66,058	(66,086)	80,099
Total System net assets	1,458,547	796,502	944,159	1,515,895	(248,686)	4,466,417
Non-controlling interest	3,027	-	-	-	58,354	61,381
Total net assets	1,461,574	796,502	944,159	1,515,895	(190,332)	4,527,798
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 2,625,285</b>	<b>\$ 980,139</b>	<b>\$ 1,690,226</b>	<b>\$ 2,065,357</b>	<b>\$ (458,495)</b>	<b>\$ 6,902,512</b>

\*Includes preliminary Spectrum Health Lakeland consolidated results, prior to valuation adjustments for purchase accounting.

## Consolidating Statements of Activities

Year-to-date March 31, 2019

(in thousands)



	Delivery System	Lakeland Health	Priority Health	Corporate & Subsidiaries	Reclass & Eliminations	Total
<b>OPERATING REVENUE (net of deductions)</b>						
Premium revenue	\$ -	\$ -	\$ 2,948,352	\$ -	\$ (146,533)	\$ 2,801,819
Net patient service revenue	2,350,333	274,828	-	-	(530,887)	2,094,274
Other	72,015	3,345	24,856	4,532	(1,333)	103,415
<b>Total operating revenue</b>	<b>2,422,348</b>	<b>278,173</b>	<b>2,973,208</b>	<b>4,532</b>	<b>(678,753)</b>	<b>4,999,508</b>
<b>OPERATING EXPENSES</b>						
Salaries, wages and employee benefits	1,257,011	153,183	2	340,034	(159,164)	1,591,066
Supplies and other	904,040	101,435	351,316	(369,828)	477	987,440
Health care claims expense	-	-	2,580,346	-	(520,065)	2,060,281
Depreciation and amortization	130,236	15,513	1,433	25,784	-	172,966
Interest	21,554	1,206	900	(516)	(270)	22,874
<b>Total operating expenses</b>	<b>2,312,841</b>	<b>271,337</b>	<b>2,933,997</b>	<b>(4,526)</b>	<b>(679,022)</b>	<b>4,834,627</b>
<b>Net operating income</b>	<b>109,507</b>	<b>6,836</b>	<b>39,211</b>	<b>9,058</b>	<b>269</b>	<b>164,881</b>
<b>Net operating margin %</b>	<b>4.5%</b>	<b>2.5%</b>	<b>1.3%</b>	<b>199.9%</b>	<b>(0.0)%</b>	<b>3.3%</b>
<b>OTHER REVENUE (EXPENSE):</b>						
Investment income, net	4,870	9,848	25,615	78,477	(269)	118,541
Unrealized gain (loss) on investments, net	(567)	(9,919)	9,049	(46,052)	-	(47,489)
Gain on interest rate swaps, net	(230)	(3,548)	-	(17,680)	-	(21,458)
Other income (expense)	1,155	(1,481)	2,346	(10,600)	4,063	(4,517)
Contribution received in integration of affiliate*	-	774,051	-	-	-	774,051
<b>Total other revenue (expenses)</b>	<b>5,228</b>	<b>768,951</b>	<b>37,010</b>	<b>4,145</b>	<b>3,794</b>	<b>819,128</b>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENSES</b>	<b>114,735</b>	<b>775,787</b>	<b>76,221</b>	<b>13,203</b>	<b>4,063</b>	<b>984,009</b>
Less: Excess of revenue (over) under expenses attributable to noncontrolling interest	(1,053)	-	-	-	(5,762)	(6,815)
<b>EXCESS OF REVENUE OVER (UNDER) EXPENSES ATTRIBUTABLE TO SYSTEM</b>	<b>\$ 113,682</b>	<b>\$ 775,787</b>	<b>\$ 76,221</b>	<b>\$ 13,203</b>	<b>\$ (1,699)</b>	<b>\$ 977,194</b>
<b>Total margin %</b>	<b>4.7%</b>	<b>74.1%</b>	<b>2.5%</b>	<b>152.2%</b>	<b>0.3%</b>	<b>16.8%</b>

\*Includes preliminary Lakeland consolidated results, prior to valuation adjustments for purchase accounting.

**Consolidating Statements of Activities (continued)**

Year-to-date March 31, 2019



(in thousands)

	Delivery System	Spectrum Health Lakeland*	Priority Health	Corporate & Subsidiaries	Reclass & Eliminations	System Sub-Total	Controlling Interest	System Total
<b>Net asset balance (deficit) at beginning of year</b>	\$ 1,292,059	\$ -	\$ 813,926	\$ 1,474,908	\$ (118,975)	\$ 3,461,918	\$ 54,566	\$ 3,516,484
Excess of revenue over (under) expenses	113,682	775,787	76,221	13,203	(1,699)	977,194	6,815	984,009
Contributions received from integration of affiliate	-	18,624	-	-	-	18,624	-	18,624
Contributions	-	447	-	22,356	-	22,803	-	22,803
Expenditures of donor sponsored programs	(1,052)	(18)	-	(13,617)	-	(14,687)	-	(14,687)
Capital transfers (to affiliate) from Foundation	3,754	-	-	(3,754)	-	-	-	-
Investment income (loss) from restricted net assets	(310)	(147)	-	(679)	-	(1,136)	-	(1,136)
Assets designated for affiliates - current year activity	6,976	-	-	-	(6,976)	-	-	-
Pension related changes other than net periodic pension costs	(180)	-	-	-	-	(180)	-	(180)
<b>Transfers: Corporate</b>	(21,752)	-	-	21,752	-	-	-	-
Foundation	(1,732)	-	-	1,732	-	-	-	-
Other activity	78	1,809	-	(6)	-	1,881	-	1,881
<b>Net asset balance at end of year</b>	<u>\$ 1,391,523</u>	<u>\$ 796,502</u>	<u>\$ 890,147</u>	<u>\$ 1,515,895</u>	<u>\$ (127,650)</u>	<u>\$ 4,466,417</u>	<u>\$ 61,381</u>	<u>\$ 4,527,798</u>

\*Includes preliminary Spectrum Health Lakeland consolidated results, prior to valuation adjustments for purchase accounting.

## Consolidating Statements of Cash Flows

Year-to-date March 31, 2019



(in thousands)

	Delivery System	Spectrum Health Lakeland*	Priority Health	Corporate & Subsidiaries	Reclass & Eliminations	Total
<b>OPERATING ACTIVITIES AND OTHER REVENUE</b>						
Change in net assets	\$ 100,517	\$ 796,502	\$ 76,221	\$ 40,987	\$ (2,913)	\$ 1,011,314
Contributions and other net asset activity	1,284	(2,091)	-	(8,054)	-	(8,861)
Contributions received in integration of affiliates	-	(792,675)	-	-	-	(792,675)
Unrealized (gain) loss in market value of interest rate swaps	3	2,599	-	12,125	-	14,727
Depreciation and amortization	130,236	15,513	1,433	25,784	-	172,966
Pension related changes other than net periodic pension costs	180	-	-	-	-	180
Changes in operating assets and liabilities:						
Trading securities:						
Investments	4,358	1,976	(25,477)	(53,382)	(3,663)	(76,188)
Donor and other restricted investments	-	1,890	-	(7,259)	-	(5,369)
Changes in assets designated for affiliates	(6,975)	-	-	-	6,975	-
Decrease (increase) in net accounts receivable, inventories, prepaid expenses, and other operating assets	24,471	594	(43,117)	(26,102)	3,434	(40,720)
Increase (decrease) in accounts payable, accrued expenses, accrued salaries and related withholdings, health plan claims payable, third-party settlement liabilities and other operating liabilities	12,167	(4,473)	(86,129)	7,129	(10,189)	(81,495)
Other	(4,114)	-	98	820	-	(3,196)
<b>Net cash provided by (used in) operating activities and other revenue</b>	<b>262,127</b>	<b>19,835</b>	<b>(76,971)</b>	<b>(7,952)</b>	<b>(6,356)</b>	<b>190,683</b>
<b>INVESTING ACTIVITIES</b>						
Additions to property and equipment, net	(99,915)	(32,464)	-	(20,003)	-	(152,382)
Investment in System	-	-	-	4,064	(4,064)	-
Integration of affiliates	-	81,848	-	-	-	81,848
Other	2,180	-	-	1,255	-	3,435
<b>Net cash provided by (used in) investing activities</b>	<b>(97,735)</b>	<b>49,384</b>	<b>-</b>	<b>(14,684)</b>	<b>(4,064)</b>	<b>(67,099)</b>
<b>FINANCING ACTIVITIES</b>						
Contributions and other net asset activity	(1,284)	2,091	-	8,054	-	8,861
Payment of long term debt	(17,383)	(8,099)	(934)	(11,188)	-	(37,604)
Inter-company - due to/due from affiliates, net	21,387	-	(9,220)	(16,145)	3,978	-
Inter-company transfers	(19,730)	-	-	19,730	-	-
<b>Net cash provided by (used in) financing activities</b>	<b>(17,010)</b>	<b>(6,008)</b>	<b>(10,154)</b>	<b>451</b>	<b>3,978</b>	<b>(28,743)</b>
<b>Increase (decrease) in cash</b>	<b>147,382</b>	<b>63,211</b>	<b>(87,125)</b>	<b>(22,185)</b>	<b>(6,442)</b>	<b>94,841</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>197,352</b>	<b>-</b>	<b>475,779</b>	<b>37,218</b>	<b>(2,816)</b>	<b>707,533</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 344,734</b>	<b>\$ 63,211</b>	<b>\$ 388,654</b>	<b>\$ 15,033</b>	<b>\$ (9,258)</b>	<b>\$ 802,374</b>

\*Includes preliminary Spectrum Health Lakeland consolidated results, prior to valuation adjustments for purchase accounting