

Children's Hospital Medical Center and Affiliates

Title 2 U.S. Code of Federal Regulations Part 200
(Uniform Guidance) Reports for the
Year Ended June 30, 2022

CHILDREN'S HOSPITAL MEDICAL CENTER AND AFFILIATES

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Children's Hospital Medical Center and Affiliates:
Cincinnati, Ohio

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of Children's Hospital Medical Center and Affiliates (the "Company"), which comprise the consolidated balance sheets as of June 30, 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 to the consolidated financial statements (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 Company as of June 30, 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) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. 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 Company 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 from 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 Company'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 from 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 and *Government Auditing Standards* 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 and *Government Auditing Standards*, 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 Company'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 Company'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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2022 on our consideration of the Company's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Company's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Company's internal control over financial reporting and compliance.

Deloitte & Touche LLP

September 30, 2022

Children's Hospital Medical Center and Affiliates

Consolidated Balance Sheets June 30, 2022 and 2021 (dollars in thousands)

| | 2022 | 2021 |
|--|--------------------|--------------------|
| CURRENT ASSETS: | | |
| Cash and cash equivalents | \$ 293,360 | \$ 274,863 |
| Marketable securities | 1,259,210 | 1,352,918 |
| Cash, cash equivalents and marketable securities | 1,552,570 | 1,627,781 |
| Patient receivables, net | 511,704 | 506,944 |
| Other receivables | 141,986 | 140,916 |
| Inventories and prepaid expenses | 80,350 | 74,042 |
| Total current assets | 2,286,610 | 2,349,683 |
| ASSETS LIMITED AS TO USE - Funds in trust | 32,275 | 31,250 |
| PROPERTY AND EQUIPMENT, net of accumulated depreciation | 1,432,608 | 1,403,713 |
| GOODWILL | 7,296 | 8,154 |
| OPERATING LEASE RIGHT-OF-USE ASSETS | 17,345 | 16,485 |
| PENSION BENEFIT ASSET | 281,043 | 171,709 |
| OTHER LONG-TERM ASSETS | 72,387 | 48,651 |
| INTEREST IN NET ASSETS OF SUPPORTING ORGANIZATIONS | 4,462,791 | 4,545,670 |
| Total assets | <u>\$8,592,355</u> | <u>\$8,575,315</u> |
| CURRENT LIABILITIES: | | |
| Accounts payable and accrued expenses | \$ 466,433 | \$ 410,481 |
| Current portion of long-term debt and lease obligations | 17,986 | 28,815 |
| Commercial paper | 100,000 | 100,000 |
| Bonds payable subject to remarketing, net | 86,302 | 91,640 |
| Total current liabilities | 670,721 | 630,936 |
| SELF-INSURANCE RESERVES | 25,274 | 22,184 |
| LONG-TERM DEBT: | | |
| Tax-exempt bonds payable | 327,916 | 340,776 |
| Taxable bonds payable | 596,176 | 595,946 |
| Finance lease obligations | 48,544 | 51,647 |
| Operating lease obligations | 14,949 | 14,242 |
| OTHER LONG-TERM LIABILITIES | 19,487 | 54,976 |
| Total liabilities | 1,703,067 | 1,710,707 |
| COMMITMENTS AND CONTINGENCIES (Note 11) | - | - |
| NET ASSETS: | | |
| Without donor restrictions | 2,212,893 | 2,100,516 |
| With donor restrictions | 4,676,395 | 4,764,092 |
| Total net assets | 6,889,288 | 6,864,608 |
| Total liabilities and net assets | <u>\$8,592,355</u> | <u>\$8,575,315</u> |

See accompanying notes to consolidated financial statements.

Children's Hospital Medical Center and Affiliates

Consolidated Statements of Operations and Changes in Net Assets For the Years Ended June 30, 2022 and 2021 (dollars in thousands)

| | 2022 | 2021 |
|--|------------------|------------------|
| OPERATING REVENUES, GAINS AND OTHER SUPPORT: | | |
| Net patient service revenue | \$2,369,523 | \$2,226,690 |
| Net assets released from restriction used for operations- | | |
| Grant revenue | 218,688 | 202,492 |
| Other restricted net assets used to support operations | 129,721 | 109,627 |
| Other revenue | 193,115 | 207,082 |
| Total operating revenues, gains and other support | <u>2,911,047</u> | <u>2,745,891</u> |
| OPERATING EXPENSES: | | |
| Salaries | 1,374,087 | 1,258,656 |
| Employee benefits | 372,037 | 347,711 |
| Supplies, drugs and other | 525,548 | 469,344 |
| Purchased services | 287,721 | 252,208 |
| Depreciation | 151,729 | 138,638 |
| Utilities | 20,079 | 18,401 |
| Interest | 30,926 | 23,249 |
| Total operating expenses | <u>2,762,127</u> | <u>2,508,207</u> |
| Operating income | 148,920 | 237,684 |
| NONOPERATING (LOSSES) GAINS: | | |
| Net investment (loss) return | (84,045) | 85,743 |
| Net benefit gain other than service cost | 26,485 | 1,682 |
| Net nonoperating (losses) gains | <u>(57,560)</u> | <u>87,425</u> |
| Revenue and gains in excess of expenses and losses | 91,360 | 325,109 |
| OTHER CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS: | | |
| Receipts from supporting organizations | 4,229 | 3,757 |
| Net assets released from restrictions used for purchase of property and equipment | 16,626 | 4,031 |
| Transfers to supporting organizations | (82,346) | (37,181) |
| Pension and post-retirement health liability adjustment | <u>82,508</u> | <u>149,032</u> |
| Increase in net assets without donor restrictions | \$ 112,377 | \$ 444,748 |

(Continued on next page)

Children's Hospital Medical Center and Affiliates

Consolidated Statements of Operations and Changes in Net Assets
For the Years Ended June 30, 2022 and 2021 (dollars in thousands)

| | <u>2022</u> | <u>2021</u> |
|--|--------------------|--------------------|
| NET ASSETS WITH DONOR RESTRICTIONS: | | |
| Contributions and investment income- | | |
| Grant receipts | \$ 220,629 | \$ 202,702 |
| Gifts and contributions of financial assets and other income | 139,588 | 140,273 |
| | <u>360,217</u> | <u>342,975</u> |
| Net assets released from restriction- | | |
| Grant expenditures | (218,688) | (202,492) |
| Net assets with donor restrictions used to support operations | (129,721) | (109,627) |
| Net assets with donor restrictions used for purchase of property and equipment | (16,626) | (4,031) |
| | <u>(365,035)</u> | <u>(316,150)</u> |
| (Loss) gain in interest in net assets of supporting organizations | <u>(82,879)</u> | <u>1,120,619</u> |
| (Decrease) increase in net assets with donor restrictions | <u>(87,697)</u> | <u>1,147,444</u> |
| INCREASE IN NET ASSETS | 24,680 | 1,592,192 |
| NET ASSETS, beginning of year | <u>6,864,608</u> | <u>5,272,416</u> |
| NET ASSETS, end of year | <u>\$6,889,288</u> | <u>\$6,864,608</u> |

See accompanying notes to consolidated financial statements.

Children's Hospital Medical Center and Affiliates

Consolidated Statements of Cash Flows

For the Years Ended June 30, 2022 and 2021 (dollars in thousands)

| | <u>2022</u> | <u>2021</u> |
|---|-------------------|-------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Increase in net assets | \$ 24,680 | \$ 1,592,192 |
| Adjustments to reconcile increase in net assets to net cash provided by operating activities- | | |
| Depreciation and amortization | 151,095 | 135,955 |
| Loss on disposal of property and equipment | 2,077 | 1,563 |
| Proceeds from sale of donated securities | 773 | 2,176 |
| Receipts from supporting organizations | (4,229) | (3,757) |
| Contributions of financial assets to supporting organizations | 82,346 | 37,181 |
| Contributions of financial assets restricted for purchase of property and equipment | (16,626) | (4,031) |
| Loss (gain) in interest in net assets of supporting organizations | 82,879 | (1,120,619) |
| Unrealized and realized losses (gains) on marketable securities, net | 129,121 | (50,232) |
| Gain on interest rate swap | (7,377) | (3,066) |
| Increase in receivables | (5,830) | (95,869) |
| Increase in inventories and prepaid expenses and other assets | (25,623) | (23,161) |
| Increase in pension benefit asset | (109,334) | (250,640) |
| Increase in accounts payable and accrued expenses, net | 65,286 | 71,877 |
| Decrease in operating lease obligations | (2,736) | (2,097) |
| (Decrease) increase in self-insurance reserves and other long-term liabilities | (29,443) | 8,443 |
| Net cash provided by operating activities | <u>337,059</u> | <u>295,915</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Expenditures for property and equipment | (187,563) | (220,455) |
| Acquisition of pediatric primary care practices | (277) | (8,583) |
| Purchases of marketable securities | (1,263,928) | (1,484,503) |
| Sales and maturities of marketable securities | 1,227,728 | 1,208,023 |
| Cash withdrawn from funds in trust | 5,750 | 1,391 |
| Cash invested in funds in trust | (5,828) | (8,526) |
| Net cash used in investing activities | <u>(224,118)</u> | <u>(512,653)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| Issuance of bonds and notes payable | - | 200,000 |
| Repayment of bonds, notes payable, and finance lease obligations | (32,006) | (30,214) |
| Contributions restricted for purchase of property and equipment | 16,626 | 4,031 |
| Receipts from supporting organizations | 4,229 | 3,757 |
| Contributions to supporting organizations | (82,346) | (37,181) |
| Net cash (used in) provided by financing activities | <u>(93,497)</u> | <u>140,393</u> |
| Net increase (decrease) in cash, cash equivalents, and restricted cash | 19,444 | (76,345) |
| CASH, CASH EQUIVALENTS, AND RESTRICTED CASH, beginning of year | <u>282,902</u> | <u>359,247</u> |
| CASH, CASH EQUIVALENTS, AND RESTRICTED CASH, end of year | <u>\$ 302,346</u> | <u>\$ 282,902</u> |
| SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING ACTIVITIES: | | |
| Capital expenditures in accounts payable and accrued expenses | \$ 20,548 | \$ 29,882 |
| Acquisition of property through finance leases | \$ 3,337 | \$ 5,793 |
| Acquisition of property through operating leases | \$ 3,673 | \$ 3,906 |

See accompanying notes to consolidated financial statements.

Children's Hospital Medical Center and Affiliates

Consolidated Financial Statements

For the Years Ended June 30, 2022 and 2021, respectively (dollars in thousands)

(1) Accounting Policies –

- (a) Basis of Consolidation – Children's Hospital Medical Center (Cincinnati Children's), River City Insurance Limited (River City), CHMC Community Health Services Network (CHSN), HealthVine LLC (HealthVine) and other entities with the purpose to hold land for future use, which are under common management, are included in the accompanying consolidated financial statements and are collectively referred to as Cincinnati Children's. Intercompany transactions and balances have been eliminated.

Cincinnati Children's is an Ohio not-for-profit corporation providing pediatric healthcare services, education, and research. River City is a captive insurance company and a wholly owned subsidiary of Cincinnati Children's. CHSN is a wholly owned subsidiary of Cincinnati Children's whose purpose is to manage primary care practices in a community setting. Other land holding entities are wholly owned subsidiaries of Cincinnati Children's whose purpose is to hold land for future use.

- (b) Supporting Organizations – The Children's Hospital (TCH) and Convalescent Hospital Fund for Children (CHFC) are both Ohio not-for-profit corporations that provide financial support to Cincinnati Children's. The TCH and CHFC purpose clauses both specify the support of Cincinnati Children's as the organization's sole purpose. Additionally, certain endowment funds of these supporting organizations are restricted by the donors for specific operating purposes of Cincinnati Children's. As such, the assets of TCH and CHFC are recorded in Cincinnati Children's consolidated financial statements as Interest in Net Assets of Supporting Organizations and as Net Assets with Donor Restrictions. Changes in the fair value of Interest in Net Assets of Supporting Organizations are recorded as a Gain (Loss) in Interest in Net Assets of Supporting Organizations in the accompanying Consolidated Statements of Operations and Changes in Net Assets.

The majority of receipts are from TCH and CHFC donor-restricted endowment funds or are other receipts that are designated by the supporting organizations' Boards of Trustees for specific operating purposes. The receipts are reflected in Gifts and contributions of financial assets and other income with donor restrictions in the accompanying Consolidated Statements of Operations and Changes in Net Assets. Upon spending, such funds are reflected in Other restricted net assets used to support operations in the Consolidated Statements of Operations and Changes in Net Assets.

Other receipts from TCH are designated by the supporting organization's Board of Trustees to provide general support. The receipts are reflected in Receipts from supporting organizations without donor restrictions in the accompanying Consolidated Statements of Operations and Changes in Net Assets.

- (c) Support Received from Supporting Organizations – TCH and CHFC provide annual support to Cincinnati Children's through transfers of dividend and interest earnings on investments, net of investment management fees, administrative expenses, and donor-required income reinvestments.

The supporting organizations' respective Boards of Trustees may also make certain pledges of principal without donor restriction in support of key projects or initiatives at Cincinnati Children's. In January 2020, CHFC's Board of Trustees made a gift in the amount of \$36,000 to support the construction of a new facility at the College Hill Campus and programmatic support of Cincinnati Children's *Pursuing our Potential in Mental Health* initiative. The agreement has certain criteria that represent donor-imposed conditions that must be overcome before Cincinnati Children's is entitled to the assets promised. Contributions of \$6,651 and \$1,855 were made for the years ended June 30, 2022 and June 30, 2021, respectively. The receipts are reflected in Gifts and contributions of financial assets and other income with donor restrictions and in Net assets used for purchase of property and equipment in the Consolidated Statements of Operations and Changes in Net Assets.

Children’s Hospital Medical Center and Affiliates

Consolidated Financial Statements

For the Years Ended June 30, 2022 and 2021, respectively (dollars in thousands)

The following table details transfers between Cincinnati Children’s and Supporting Organizations in the Consolidated Statements of Operations and Changes in Net Assets:

| | <u>2022</u> | <u>2021</u> |
|--|-------------------|-------------------|
| Transfers of net assets with donor restrictions included in | | |
| Gifts and contributions of financial assets and other | | |
| income: | | |
| Cincinnati Children's from TCH | \$102,823 | \$103,074 |
| Cincinnati Children's from CHFC | 11,887 | 6,280 |
| Total | <u>\$114,710</u> | <u>\$109,354</u> |
| Transfers of net assets without donor restrictions included in | | |
| Receipts from (Transfers to) supporting organizations: | | |
| Cincinnati Children's from TCH | \$ 4,229 | \$ 3,757 |
| Cincinnati Children's to TCH (1) | (82,346) | (37,181) |
| Total | <u>\$(78,117)</u> | <u>\$(33,424)</u> |

(1) The purpose of this transfer is to establish funds designated to support divisional activities and strategic priorities.

- (d) **Revenue Recognition** – The following revenue streams are subject to the revenue recognition guidance in Accounting Standards Codification No. 606 (ASC 606) “Revenue from Contracts with Customers”:

| | <u>2022</u> | <u>2021</u> |
|-----------------------------|--------------------|--------------------|
| Net patient service revenue | \$2,369,523 | \$2,226,690 |
| Other revenue | 193,115 | 207,082 |
| | <u>\$2,562,638</u> | <u>\$2,433,772</u> |

Net Patient Service Revenue

Cincinnati Children’s net patient service revenue generally relates to contracts with patients in which the performance obligations are to provide health care services to patients. As patients simultaneously receive and consume the benefits of health care provided by Cincinnati Children’s, the performance obligations meet the criteria to be satisfied over time. Net patient service revenue is recorded as services are provided. Payment for such services is due between thirty to forty-five days from payer receipt of claim. Consideration for patient service revenue is variable. Agreements with payers typically provide for payments at amounts less than established charges.

Effective January 1, 2021, Cincinnati Children’s signed an agreement with an Ohio Medicaid managed care company in which performance obligations are to stand-ready to provide care for approximately 130,000 children. The performance obligation to stand-ready is satisfied over time. Cincinnati Children’s is reimbursed under a variable capitation methodology for hospital services. All physician and home care services are reimbursed based on provider fee schedules. The hospital services are reimbursed through a variable capitation payment which represents the amount remaining after payment has been made for (a) Cincinnati Children’s physician services, (b) Cincinnati Children’s home care services, (c) services provided to members by facilities outside the Cincinnati Children’s network, and (d) an actuarially determined accrual for incurred but not reported claims (see Note 1h). Under delegation agreements, Cincinnati Children’s receives fixed payments to perform the required medical management, care management and care coordination functions. Medicaid managed care organizations retain risk for payments to providers. The amount of net patient service revenue recorded under this arrangement in fiscal year 2022 and 2021 was \$174,467 and \$103,836, respectively.

Children's Hospital Medical Center and Affiliates

Consolidated Financial Statements

For the Years Ended June 30, 2022 and 2021, respectively (dollars in thousands)

Laws and regulations concerning government programs, including Medicaid and Medicare, are complex and subject to varying interpretation. As a result of 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 related programs. There can be no assurance that regulatory authorities will not challenge Cincinnati Children's compliance with these laws and regulations, and it is not possible to determine the impact (if any) such claims or penalties would have upon Cincinnati Children's. In addition, the contracts Cincinnati Children's has with third party payers also provide for retroactive audit and review of claims. At June 30, 2022, Cincinnati Children's has settled all Medicaid cost reports through 2016 and all Medicare cost reports through 2020.

Settlements with third party payers for retroactive adjustments due to audits, reviews or investigations are considered variable consideration and are included in the determination of estimated transaction price for providing patient care. These settlements are based on the terms of the payment agreement with the payer, correspondence from the payer, and Cincinnati Children's historical settlement activity, including an assessment to ensure that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur. Estimated settlements are adjusted in future periods as adjustments become known based on new information or as years are settled and no longer subject to such audits, reviews, and investigations. Adjustments arising from a change in transaction price were not material in fiscal years 2022 and 2021.

Generally, patients who are covered by third party payers are responsible for related deductibles and coinsurance, which vary in amount. Cincinnati Children's also provides services to uninsured patients and offers those uninsured patients a discount, either by policy or law, from standard charges. Cincinnati Children's estimates the transaction price for patients with deductibles and coinsurance and from those who are uninsured based on historical experience and current market conditions. The initial estimate of the transaction price is determined by reducing the standard charge by established contractual adjustments, discounts, and implicit price concessions. Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to patient service revenue in the period of change.

Consistent with Cincinnati Children's mission, care is provided to patients regardless of their ability to pay. Therefore, Cincinnati Children's has determined it has provided implicit price concessions to uninsured patients and patients with other uninsured balances. The implicit price concessions included in estimating the transaction price represent the difference between the amounts billed to patients and the amounts Cincinnati Children's expects to collect based on its collection history with those patients.

Patients who meet Cincinnati Children's criteria for charity care are provided care without charge or at amounts less than established rates. Amounts determined to qualify as charity care are not reported as net patient service revenue.

Because the majority of its performance obligations relate to contracts with a duration of less than one year, Cincinnati Children's has elected to apply the optional exemption provided in FASB ASC 606-10-50-14(a) 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 fiscal year. The unsatisfied or partially unsatisfied performance obligations referred to above are primarily related to inpatient acute care services at the end of the fiscal year. The performance obligations for these contracts are generally completed when patients are discharged, which generally occurs shortly after the end of the fiscal year.

Children's Hospital Medical Center and Affiliates

Consolidated Financial Statements

For the Years Ended June 30, 2022 and 2021, respectively (dollars in thousands)

In both fiscal years 2022 and 2021, substantially all of net patient service revenue is derived from third-party payment programs (Medicaid, insurance companies and various managed care agreements). Cincinnati Children's classifies its patients by payer. The following table disaggregates Cincinnati Children's net patient service revenue by payer categories for the fiscal year ended June 30, 2022 and 2021:

| | 2022 | | 2021 | |
|----------------------------------|------|--------------------|------|--------------------|
| Commercial insurers | 1% | \$ 23,695 | 1% | \$ 22,266 |
| Managed care | 62% | 1,469,104 | 63% | 1,402,815 |
| Government (HMO and third party) | 31% | 734,552 | 28% | 623,473 |
| International | 3% | 71,086 | 4% | 89,068 |
| Specialty contracts ¹ | 2% | 47,390 | 3% | 66,801 |
| Self-pay | 1% | 23,696 | 1% | 22,267 |
| | | <u>\$2,369,523</u> | | <u>\$2,226,690</u> |

The following details the percentage of accounts receivable by payer category as of June 30, 2022 and 2021:

| | 2022 | 2021 |
|----------------------------------|------|------|
| Commercial insurers | 1% | 2% |
| Managed care | 56% | 63% |
| Government (HMO and third party) | 23% | 20% |
| International | 11% | 7% |
| Specialty contracts ¹ | 6% | 7% |
| Self-pay | 3% | 1% |

Other Revenue

Cincinnati Children's other revenue generally relates to contracts with external organizations in which the performance obligations are to provide research services or other various fee-for-service arrangements outside the scope of healthcare services. Relief funds received as a result of the Coronavirus Aid, Relief, and Economic Security (CARES) Act are also included in other revenue. See Note 1(s) for further discussion on the COVID-19 Pandemic.

Revenue from industry contracts and certain government contracts is earned based on performance obligations to provide research services to the external organizations. License and royalty revenue relates to contracts with other organizations in which our performance obligations are to provide intellectual property to the organization. Revenue is also earned for various other contracted fee-for-service arrangements where services are performed for external organizations outside the scope of healthcare services for Cincinnati Children's patients. Performance obligations for industry and government contracts, license and royalty contracts, and various other fee-for-service arrangements are satisfied over time. Consideration is fixed based on contracted price, and there is no significant variable consideration related to these agreements.

- (e) Graduate Medical Education – Cincinnati Children's receives Federal graduate medical education funding. Other revenue of \$11,762 and \$11,188 was recognized for the years ended June 30, 2022 and 2021, respectively.

¹ Specialty contracts are single case agreements or contracts for specialty services, such as transplants.

Children’s Hospital Medical Center and Affiliates

Consolidated Financial Statements

For the Years Ended June 30, 2022 and 2021, respectively (dollars in thousands)

- (f) Tax Exempt Status – Cincinnati Children’s, CHSN and HealthVine are recognized by the Internal Revenue Service as exempt from federal income taxes under Section 501(a) of the Internal Revenue Code as charitable organizations qualifying under Section 501(c)(3). River City is a captive insurance company and has no income tax obligations. Other land holding entities with the purpose to hold land for future use are limited liability corporations whose income is taxable to Cincinnati Children’s. The income tax provisions recorded in the accompanying consolidated financial statements are immaterial for the years ended June 30, 2022 and 2021.

Cincinnati Children’s accounts for income taxes in accordance with Accounting Standards Codification Topic (ASC) 740 “Income Taxes”. It is Cincinnati Children’s policy to classify the expense related to interest and penalties, if any, to be paid on underpayments of income taxes within other expenses. There were no material penalties or interest recognized in fiscal years 2022 and 2021. Cincinnati Children’s paid \$5,227 in income taxes for unrelated business income during the year ended June 30, 2022.

Fiscal years 2019 through 2022 are subject to examination by both the Federal and State tax jurisdictions.

- (g) Cash Equivalents – Cash equivalents consist primarily of money market investments (including money market mutual funds) and demand deposits. Money market investments have maturities of 90 days or less at the time of purchase. Cash is held primarily in two financial institutions.
- (h) Inventories and Prepaid Expenses – Inventories consist primarily of medical supplies and pharmaceuticals and are valued on an average cost method.

As part of Cincinnati Children’s variable capitation agreement, reimbursement is reduced by an actuarially determined estimate for incurred but not reported claims. Cincinnati Children’s recorded incurred but not reported claims of approximately \$23,507 and \$21,107 for the years ended June 30, 2022 and 2021, respectively. The estimate is recorded as an increase in prepaid expenses and an increase in accounts payable and accrued expenses.

- (i) Marketable Securities – Cincinnati Children’s accounts for its investments under ASC 958-320 “Not-for-Profit Entities – Investments – Debt Securities” and ASC 958-321 “Not-for-Profit Entities – Investments – Equity Securities.” Cincinnati Children’s carries its marketable securities at fair value with unrealized gains and losses included in net investment return (loss) in the accompanying Consolidated Statements of Operations and Changes in Net Assets.

At both June 30, 2022 and 2021, 19% of Cincinnati Children’s marketable securities were invested in U.S. Treasury securities.

- (j) Property and Equipment – Property and equipment are stated at cost. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets, ranging from three to forty years, as follows:

| | |
|-------------------------------------|------------|
| Land Improvements | 3-25 years |
| Buildings and Building Improvements | 5-40 years |
| Equipment | 3-25 years |

Cincinnati Children’s evaluates long-lived assets under the provisions of ASC 360 “Property Plant and Equipment.” During fiscal years 2022 and 2021, Cincinnati Children’s did not incur any losses related to impairment of property and equipment.

- (k) Goodwill – Goodwill is the excess of the purchase price over the fair value of the net assets of an entity acquired. Cincinnati Children’s acquired the assets of a pediatric primary care practice, resulting in

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goodwill of \$8,583 in fiscal year 2021, and elected to apply the accounting alternatives available for not-for-profit entities. During the year ended June 30, 2022, no amounts were recorded to goodwill. Goodwill is amortized over a 10-year period and tested for impairment when a triggering event occurs. During fiscal year 2022 and 2021, \$858 and \$429 of amortization expense and no impairment losses were recognized, respectively.

- (l) Leases – Cincinnati Children's leases property and equipment under finance and operating leases. Cincinnati Children's determines if an arrangement is a lease at inception. Right-of-use assets and lease obligations are recognized for leases with terms greater than 12 months based on the net present value of the future minimum lease payments over the lease term at commencement date. When readily determinable, Cincinnati Children's uses the interest rate implicit in the lease to determine the present value of future minimum lease payments. However, most of Cincinnati Children's leases do not have a readily determinable implicit interest rate. For these leases, Cincinnati Children's uses a collateralized incremental borrowing rate based on the period and cash payment stream comparable with that of each lease. The right-of-use asset and lease obligations include a value for options to extend a lease if it is reasonably certain that the option will be exercised.

The current portion of operating lease obligations is included in the current portion of long-term debt and lease obligations and the non-current portion is separately stated as operating lease obligations on the consolidated balance sheets. The related right-of-use assets are included in operating lease right-of-use assets on the consolidated balance sheets. Operating lease expense is recognized on a straight-line basis over the lease term and is included in purchased services in the consolidated statements of operations and changes in net assets.

The current portion of finance lease obligations is included in current portion of long-term debt and lease obligations and the non-current portion is separately broken out as finance lease obligations on the consolidated balance sheets. The related finance lease right-of-use assets are included in property and equipment, net on the consolidated balance sheets. Finance lease right-of-use assets are amortized using the straight-line method over the shorter period of the lease term or the estimated useful life of the property or equipment. Such amortization expense is included in depreciation in the consolidated statements of operations and changes in net assets.

- (m) Costs of Borrowing – Interest incurred on borrowed funds, net of interest earned on restricted bond funds, during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets. In fiscal years 2022 and 2021, Cincinnati Children's capitalized \$4,329 and \$11,013 of interest related to construction in progress, respectively. Total cash paid for interest was approximately \$35,339 and \$33,655 in fiscal years 2022 and 2021, respectively.

Deferred bond issuance costs and issuance premiums are amortized using the effective interest method over the period the related obligation is outstanding.

- (n) Interest Rate Swap Agreement – Cincinnati Children's has an interest rate swap agreement to manage interest rate risk associated with the variable rate 2018Z and 2018AA bonds. The swap agreement is measured at fair value and recognized in the Consolidated Balance Sheets within other long-term liabilities. Cincinnati Children's recognizes gains and losses from the changes in fair value of the interest rate swap agreement as non-operating gains and losses within net investment return on the Consolidated Statements of Operations and Changes in Net Assets.

- (o) Net Asset Classifications – Cincinnati Children's reports its financial position and activities according to the following net asset classifications:

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Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objective of the organization are classified as net assets without donor restrictions. These net assets may be used at the discretion of management of Cincinnati Children's.

Net assets with donor restrictions – Net assets subject to stipulations imposed by donors or supporting organizations are classified as net assets with donor restrictions. Some restrictions are temporary in nature; those restrictions will be met by fulfilling a certain purpose or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the principal be maintained in perpetuity.

Net assets with donor restrictions are comprised of the following:

| | <u>2022</u> | <u>2021</u> |
|---|------------------|------------------|
| Subject to expenditure for specified purpose: | | |
| Clinical | \$ 40,735 | \$ 40,342 |
| Research | 96,634 | 93,558 |
| Education | 16,736 | 16,493 |
| General Administration and Other | <u>35,921</u> | <u>44,831</u> |
| | 190,026 | 195,224 |
| Subject to expenditure for specified purpose, held at supporting organizations: | | |
| Research | 14,525 | 15,507 |
| Education | 1,075 | 1,144 |
| General Administration and Other | <u>4,326</u> | <u>4,604</u> |
| | 19,926 | 21,255 |
| Subject to expenditure based on Board discretion of the supporting organization, held at supporting organizations | <u>2,179,232</u> | <u>2,202,814</u> |
| | 2,179,232 | 2,202,814 |
| Investment in perpetuity, the income from which is expendable for specified purpose, held at Cincinnati Children's: | | |
| Clinical | 1,161 | 917 |
| Research | 18,120 | 17,929 |
| Education | 1,307 | 1,352 |
| General Administration and Other | <u>2,990</u> | <u>3,000</u> |
| | 23,578 | 23,198 |

(Continued on next page)

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Investment in perpetuity, the income from which is expendable for specified purpose, held at supporting organizations:

| | | |
|---|---------------------------|---------------------------|
| Clinical | 53,484 | 46,872 |
| Research | 2,044,408 | 2,099,458 |
| Education | 88,275 | 91,815 |
| General Administration and Other | 75,176 | 81,498 |
| | <u>2,261,343</u> | <u>2,319,643</u> |
| Subject to appropriation and expenditure when a specified event occurs: | | |
| Upon death of insured party | 2,290 | 1,958 |
| | <u>2,290</u> | <u>1,958</u> |
| Total net assets with donor restrictions | <u>\$4,676,395</u> | <u>\$4,764,092</u> |

- (p) Revenue and Gains in Excess of Expenses and Losses – The Consolidated Statements of Operations and Changes in Net Assets subtotals operating revenues, gains and other support, operating expenses and nonoperating gains as Revenue and gains in excess of expenses and losses. Other changes in net assets without donor restrictions are receipts from and transfers to supporting organizations, pension and post-retirement health liability adjustments, and net assets released from restrictions used for purchase of property and equipment, which are excluded from Revenue and gains in excess of expenses and losses.
- (q) Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.
- (r) New Accounting Pronouncements – In August 2018, the FASB issued ASU 2018-15, *Intangibles—Goodwill and Other (Topic 350): Internal-Use Software*. This standard aligns the requirements for capitalizing implementation costs incurred in a cloud computing arrangement that is a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software. The standard is effective for fiscal years beginning after December 15, 2020. Cincinnati Children’s adopted ASU 2018-15 effective July 1, 2021. Adopting this standard had no material impact on the consolidated financial statements.

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 changes the presentation and disclosure requirements for not-for-profit entities to increase transparency about contributed nonfinancial assets. The ASU is effective for annual periods beginning after June 15, 2021, and interim periods within annual periods beginning after June 15, 2022, with early adoption permitted. Cincinnati Children’s adopted this standard effective July 1, 2021 and has determined that the impact on the consolidated financial statements is not material.

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- (s) The Coronavirus Aid, Relief, and Economic Security (“CARES”) Act – The CARES Act was passed by Congress on March 27, 2020 to aid organization and individuals with the economic impacts of COVID-19. Cincinnati Children’s received \$22,191 and \$50,000 in relief funds from the Department of Health and Human Services in fiscal years 2022 and 2021, respectively. Relief funds are recorded as other revenue in the Operating revenues, gains and other support section of the Consolidated Statements of Operations and Changes in Net Assets for the years ended June 30, 2022 and 2021.

In addition to the distribution of relief funds, the CARES Act also included electable payroll tax credits and deferrals. Cincinnati Children’s elected to delay payment of the employer portion of the Social Security payroll taxes on wages paid from March 27, 2020 through December 31, 2020 in the amount of \$45,656. Half of the total deferred amount was paid in December 2021 and the remaining portion is due by December 31, 2022. At June 30, 2022, deferred payroll taxes of \$22,828 are included in Accounts payable and accrued expenses on the Consolidated Balance Sheets. At June 30, 2021, deferred payroll taxes of \$22,828 were included in Other Long-Term Liabilities, and \$22,828 were included in Accounts payable and accrued expenses on the Consolidated Balance Sheets.

(2) Liquidity and Availability –

Financial assets available for general expenditure within one year of the balance sheet date consist of the following:

| | <u>2022</u> | <u>2021</u> |
|--|--------------------|--------------------|
| Amounts available for general expenditure | | |
| Cash and cash equivalents | \$ 293,360 | \$ 274,863 |
| Marketable securities | 1,259,210 | 1,352,918 |
| Patient receivables, net | 511,704 | 506,944 |
| Other receivables | 141,986 | 140,916 |
| | <u>2,206,260</u> | <u>2,275,641</u> |
| Less: Board-designated assets | 100,000 | 100,000 |
| Financial assets available for general expenditure | <u>\$2,106,260</u> | <u>\$2,175,641</u> |

Cincinnati Children’s has cash and cash equivalents, marketable securities (more fully described in Note 4), patient receivables and certain other receivables which are liquid and available for general expenditure within one year in the normal course of operations. Accordingly, these assets have been included in the quantitative information above. During fiscal 2021, the Board of Trustees designated \$100,000 from net assets without donor restrictions to be used to support Cincinnati Children’s community pillar of the *Pursuing Our Potential Together* strategic plan. Cincinnati Children’s has other assets limited to use for professional liability, self-insurance health care and debt service, as well as perpetual endowments with donor restrictions. These assets limited to use, which are more fully described in Notes 4 and 6, are not available for general expenditure within the next year and are not reflected in the amounts above.

Cincinnati Children’s has \$186,302 in outstanding obligations for which liquid funds must be available for payment in the event of a failed remarketing. Cincinnati Children’s maintains certain balances in cash and investments and has access to a \$100,000 line of credit, as discussed in more detail in Note 9.

Additionally, Cincinnati Children’s is required to maintain certain liquidity ratios as outlined in bond covenants. As of June 30, 2022 and 2021, Cincinnati Children’s was in compliance with all such covenants.

Cincinnati Children’s forecasts its future cash flows and monitors liquidity on an ongoing basis.

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(3) Reconciliation of Cash, Cash Equivalents, and Restricted Cash –

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the Consolidated Balance Sheets that sum to the total of the same such amounts shown in the Consolidated Statement of Cash Flows for the fiscal years ending June 30, 2022 and 2021:

| | <u>2022</u> | <u>2021</u> |
|--|------------------|------------------|
| Cash and cash equivalents | \$293,360 | \$274,863 |
| Restricted cash included in other long-term assets | 8,986 | 8,039 |
| Total cash, cash equivalents, and restricted cash shown in the statement of cash flows | <u>\$302,346</u> | <u>\$282,902</u> |

(4) Fair Value Measurements –

Cincinnati Children’s accounts for its assets and liabilities under ASC 820 “Fair Value Measurements.” As defined in ASC 820, fair value is 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. In order to increase consistency and comparability in fair value measurements and related disclosures, ASC 820 establishes a fair value hierarchy that prioritizes inputs to valuation techniques used to measure fair value into three broad levels, which are described below:

Level 1: Quoted Prices (unadjusted) in active markets for identical assets or liabilities that are accessible at the measurement date for assets and liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly or indirectly. These include quoted prices for identical or similar assets or liabilities in markets that are not active, that is, markets in which there are a few transactions for the asset or liability, the prices are not current, or price quotations vary substantially either over time or among market makers, or in which little information is released publicly and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3: Unobservable inputs, developed using Cincinnati Children’s estimates and assumptions, which reflect those that the market participants would use. Such inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

Determining where an asset or liability falls within the hierarchy depends on the lowest level input that is significant to the fair value measurement as a whole. In determining fair value, Cincinnati Children’s utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible and considers counterparty credit risk in the assessment of fair value.

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The table below includes the major categorization for financial instruments on the basis of the nature and risk of the investments at June 30, 2022.

| | Level 1 | Level 2 | Level 3 | Total |
|--|-----------|-----------|---------|-------------|
| Marketable Securities: | | | | |
| U.S. Government and agency securities | \$ - | \$328,313 | \$ - | \$ 328,313 |
| Foreign bonds | - | 53,936 | - | 53,936 |
| Municipal bonds | - | 16,595 | - | 16,595 |
| Common stock | 227,167 | - | - | 227,167 |
| Corporate obligations | - | 438,485 | - | 438,485 |
| Bond mutual funds | 24,782 | - | - | 24,782 |
| Total marketable securities measured in the fair value hierarchy | 251,949 | 837,329 | - | 1,089,278 |
| Full discretion fixed income ² | - | - | - | 169,932 |
| | 251,949 | 837,329 | - | 1,259,210 |
| Assets Limited As To Use: | | | | |
| Money market mutual funds | 9,144 | - | - | 9,144 |
| Common stock | 23,131 | - | - | 23,131 |
| | 32,275 | - | - | 32,275 |
| Deferred Compensation Plans (included in Other Receivables and Other Long-term Assets): | | | | |
| Common stock | 7,779 | - | - | 7,779 |
| Mutual funds: | | | | |
| Money market | 1,122 | - | - | 1,122 |
| Equity | 663 | - | - | 663 |
| International equity | 325 | - | - | 325 |
| Bond | 732 | - | - | 732 |
| Lifecycle | 3,773 | - | - | 3,773 |
| Variable annuities | - | 73 | - | 73 |
| Guaranteed insurance contract | - | - | 763 | 763 |
| | 14,394 | 73 | 763 | 15,230 |
| Derivative Investments (included in Other-Long-term Assets): | | | | |
| Interest rate swap agreement | - | 4,421 | - | 4,421 |
| Total investments at fair value | \$298,618 | \$841,823 | \$763 | \$1,311,136 |

² Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Consolidated Balance Sheet.

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The table below includes the major categorization for financial instruments on the basis of the nature and risk of the investments at June 30, 2021.

| | Level 1 | Level 2 | Level 3 | Total |
|--|-----------|-----------|---------|-------------|
| Marketable Securities: | | | | |
| U.S. Government and agency securities | \$ - | \$370,368 | \$ - | \$ 370,368 |
| Foreign bonds | - | 46,067 | - | 46,067 |
| Municipal bonds | - | 9,347 | - | 9,347 |
| Common stock | 239,044 | - | - | 239,044 |
| Corporate obligations | - | 471,451 | - | 471,451 |
| Bond mutual funds | 25,086 | - | - | 25,086 |
| Total marketable securities measured in the fair value hierarchy | 264,130 | 897,233 | - | 1,161,363 |
| Full discretion fixed income ³ | - | - | - | 191,555 |
| | 264,130 | 897,233 | - | 1,352,918 |
| Assets Limited As To Use: | | | | |
| Money market mutual funds | 9,088 | - | - | 9,088 |
| Common stock | 22,162 | - | - | 22,162 |
| | 31,250 | - | - | 31,250 |
| Deferred Compensation Plans (included in Other Receivables and Other Long-term Assets): | | | | |
| Common stock | 8,116 | - | - | 8,116 |
| Mutual funds: | | | | |
| Money market | 1,203 | - | - | 1,203 |
| Equity | 950 | - | - | 950 |
| International equity | 587 | - | - | 587 |
| Bond | 972 | - | - | 972 |
| Lifecycle | 3,384 | - | - | 3,384 |
| Variable annuities | - | 208 | - | 208 |
| Guaranteed insurance contract | - | - | 469 | 469 |
| | 15,212 | 208 | 469 | 15,889 |
| Derivative Investments (included in Other-Long-term Liabilities): | | | | |
| Interest rate swap agreement | - | (2,956) | - | (2,956) |
| Total investments at fair value | \$310,592 | \$894,485 | \$469 | \$1,397,101 |

The valuation methods described below may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although management believes its 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 different fair value measurement at the reporting date.

The carrying amount and fair value of cash and cash equivalents, accounts receivable, and accounts payable approximate fair value.

Cincinnati Children's uses quoted market prices in active markets to determine the fair value of common stock and mutual funds; such items are classified as Level 1 in the fair value hierarchy.

³ Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Consolidated Balance Sheet.

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Cincinnati Children’s primarily bases fair value for investments in fixed income securities, including U.S. government securities, municipal bonds and corporate obligations on a calculation using interest rate curves and credit spreads applied to the terms of the debt instrument (maturity and coupon interest rate). Consideration is also given to the counterparty credit rating. Such items are classified as Level 2 in the fair value hierarchy.

Cincinnati Children’s interest rate swap agreement (Note 14) is a derivative instrument valued using the income approach, which uses market inputs to discount future cash flows to a single present amount based on market expectations.

Cincinnati Children’s investment in Full Discretion Fixed Income is an investment in a limited liability company whose investment objective is to invest in marketable and non-marketable securities with issue and industry diversification. As set forth in the LLC agreement, the LLC will dissolve on May 22, 2047, but may dissolve earlier under certain conditions. Any Investing Member may elect to withdraw, in whole or in part from the LLC if the Member notifies of intent to withdraw sixty calendar days in advance. The Full Discretion Fixed Income is measured at fair value using the net asset value per share practical expedient.

The guaranteed insurance contract is recorded based on discounted cash flows, which is an approximation of fair value, and is classified as Level 3 based on time restrictions for redemption.

Activity and transfers into and out of Level 3 and the reasons for those transfers are as follows:

| <u>2022</u> | <u>Guaranteed Insurance Contracts</u> |
|-------------|---------------------------------------|
| Purchases | \$335 |
| Issues | - |
| <u>2021</u> | <u>Guaranteed Insurance Contracts</u> |
| Purchases | \$132 |
| Issues | - |

Cincinnati Children’s policy is to recognize transfers in and out as of the actual date of the event or change in circumstances that caused the transfer. For the years ended June 30, 2022 and 2021, there were no material transfers in or out of Levels 1, 2 or 3.

(5) Losses on the Provision of Uncompensated Care –

In accordance with its mission and purpose, Cincinnati Children’s maintains a policy of providing medically necessary services to pediatric patients within its primary service area regardless of ability to pay. This primary service area has been defined to include the four counties in Ohio, three counties in Kentucky and one county in Indiana that geographically surround Cincinnati. Under certain circumstances, Cincinnati Children’s accepts patients from outside the primary service area regardless of their ability to pay. Cincinnati Children’s defines uncompensated care as services rendered to patients whose families’ annual income or net worth falls below certain minimum standards. As such, losses absorbed by Cincinnati Children’s in rendering services to patients who are covered under governmental programs which are designed to aid low-income families (primarily the Medicaid program) are considered uncompensated care.

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The following information summarizes uncompensated care provided during the years ended June 30, 2022 and 2021:

| CHARGES | 2022 | 2021 |
|---|---------------------|---------------------|
| Charges under Medicaid and other entitlement programs | \$2,320,168 | \$1,982,947 |
| Charity care not eligible for Medicaid assistance, at established charges | 23,405 | 24,580 |
| Other uncollectible self-pay, at established charges | 20,295 | 19,442 |
| Total Medicaid, charity care and other uncollectible self-pay charges | <u>\$2,363,868</u> | <u>\$2,026,969</u> |
| | | |
| COSTS/LOSSES | | |
| Estimated costs to provide uncompensated care | \$(1,015,752) | \$(851,532) |
| Reimbursement from Medicaid programs | 714,615 | 611,230 |
| Losses on the provision of uncompensated care | (301,137) | (240,302) |
| Funds received from HCAP and tax levy | 34,068 | 31,463 |
| Losses on provision of uncompensated care net of HCAP and tax levy | <u>\$ (267,069)</u> | <u>\$ (208,839)</u> |

The 2022 and 2021 cost amounts reflected in the tables above are calculated using cost to charge ratios calculated from preliminary cost reports because the current year cost report is not yet available. Management does not believe the use of preliminary data would have a material impact on the amounts calculated above.

(6) Funds in Trust –

Cincinnati Children's has certain funds, which are invested and held in trust for various specified purposes. Funds are carried at fair value with unrealized gains and losses included in net investment return in the accompanying Consolidated Statements of Operations and Changes in Net Assets. The amounts of such funds, at carrying value, and the specified purposes for which such funds may be used, are set forth below:

| | June 30, | |
|---|-----------------|-----------------|
| | 2022 | 2021 |
| Self-insurance Funds- | | |
| Professional liability | \$ 159 | \$ 159 |
| Employee health and workers' compensation | 140 | 140 |
| Bond interest and principal escrow funds | 8,687 | 7,740 |
| Endowment funds held in perpetual trust | 23,289 | 23,211 |
| | <u>\$32,275</u> | <u>\$31,250</u> |

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(7) Property and Equipment –

Property and equipment consists of the following:

| | June 30, | |
|-------------------------------------|--------------------|--------------------|
| | 2022 | 2021 |
| Land | \$ 42,208 | \$ 42,158 |
| Land improvements | 38,135 | 31,645 |
| Buildings and building improvements | 2,009,554 | 1,610,173 |
| Equipment | 765,716 | 693,081 |
| Construction in progress | 87,544 | 416,644 |
| | <u>2,943,157</u> | <u>2,793,701</u> |
| Accumulated depreciation | (1,510,549) | (1,389,988) |
| Property and equipment, net | <u>\$1,432,608</u> | <u>\$1,403,713</u> |

(8) Professional Liability –

Cincinnati Children's insurance program includes a self-insured retention for losses arising out of healthcare professional liability claims. The current self-insured retention for asserted claims is \$10,000 (\$25,000 in aggregate). Cincinnati Children's regularly purchases excess healthcare professional liability insurance on a claims made basis at varying levels.

The actuarial present value of expected costs (including incurred, but not reported claims) for the healthcare professional liability program of \$25,274 and \$22,184 for 2022 and 2021, respectively, has been accrued in the accompanying Consolidated Balance Sheets. Accrued healthcare professional liability losses have been discounted at a rate of 4% at June 30, 2022 and 2021. The costs of Cincinnati Children's healthcare professional liability program, including premiums paid for excess re-insurance, legal fees, settlements, judgments, and other administrative costs are included in Supplies, Drugs and Other in the accompanying Consolidated Statements of Operations and Changes in Net Assets. Accrued losses funding levels are actuarially determined based on management's estimation of potential outstanding loss liabilities, payout patterns, and various other assumptions, and then adjusted to reflect its best estimate of the present value of expected costs for the healthcare professional liability claims. Healthcare professional liability expense was \$12,278 and \$5,359 for fiscal years 2022 and 2021, respectively.

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(9) Debt –

Debt at June 30, 2022 and 2021 is summarized as follows:

| | <u>2022</u> | <u>2021</u> |
|--|------------------|------------------|
| Series 2018BB commercial paper, variable interest (1.50% to 1.56% at June 30, 2022), taxable | \$100,000 | \$100,000 |
| Bonds payable: | | |
| Series 2011, 2.18% due through 2022 | - | 8,480 |
| Series 2014S, 3.0% to 5.0% due through 2034, net of unamortized premium of \$1,987 in 2022 and \$2,662 in 2021 | 85,546 | 92,029 |
| Series 2014T, 4.268% due 2044, taxable | 297,899 | 297,804 |
| Series 2016X, 5.00%, due through 2032, net of unamortized premium of \$7,923 in 2022 and \$8,744 in 2021 | 59,164 | 59,937 |
| Series 2016Y, 2.853% due 2026, taxable | 99,644 | 99,558 |
| Series 2018Z*, variable interest (0.89% at June 30, 2022), due through 2037 | 33,914 | 36,012 |
| Series 2018AA*, variable interest (0.88% at June 30, 2022), due through 2037 | 52,387 | 55,627 |
| Series 2019CC, 5.0% due through 2049, net of unamortized premium of \$57,927 in 2022 and \$60,360 in 2021 | 192,332 | 194,715 |
| Series 2020DD, 2.82% due 2051, taxable | 198,633 | 198,585 |
| Notes Payable: | | |
| Term Note Payable, 2.20% due 2022 | - | 6,000 |
| Total | <u>1,119,519</u> | <u>1,148,747</u> |
| Less: | | |
| Current portion of bonds and notes payable | (9,125) | (20,385) |
| Commercial paper notes | (100,000) | (100,000) |
| Bonds payable subject to remarketing, net | (86,302) | (91,640) |
| Bonds payable and notes payable - long-term | <u>\$924,092</u> | <u>\$936,722</u> |

*Denotes variable rate bonds subject to remarketing agreements

- (a) **Bonds Payable** – Cincinnati Children's has pledged gross revenues to secure the payment of 2014S, 2014T, 2016X, 2016Y, 2018Z, 2018AA, 2019CC, and 2020DD bonds. Cincinnati Children's is bound by certain financial covenants included in the bond indentures, direct placement agreements, and related agreements, including a requirement to maintain a minimum Debt Service Coverage Ratio.

The 2018Z and 2018AA tax-exempt bonds are subject to mandatory tender purchase seven days after notice from bondholders and may be remarketed. If the bonds are not remarketed, Cincinnati Children's must repay the bonds. The 2018Z and 2018AA bonds are classified as current liabilities in bonds payable subject to remarketing, net in the accompanying Consolidated Balance Sheets. The interest rates on the 2018Z and 2018AA variable rate bonds are reset weekly by a rate-setting agent.

- (b) **Commercial Paper** – The Series 2018BB taxable commercial paper was issued in the original aggregate principal amount of \$100,000 and outstanding at any one time in a principal amount not to exceed \$100,000. The Notes shall mature no later than May 15, 2048. The commercial paper notes have a maximum maturity period of 270 days and are resold at maturity. In the event the notes have not been resold, Cincinnati Children's must repay the notes. The 2018BB commercial paper is classified as current liabilities in the accompanying Consolidated Balance Sheets. The interest rates on the 2018BB commercial paper are reset with each remarketing by a rate-setting agent.

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- (c) Future Debt Maturities – The following is a schedule of future debt maturities, excluding discounts/premiums and deferred issuance costs:

| | |
|------------|--------------------|
| 2023 | \$ 195,895 |
| 2024 | 9,060 |
| 2025 | 9,510 |
| 2026 | 9,750 |
| 2027 | 109,800 |
| Thereafter | 724,035 |
| | <u>\$1,058,050</u> |

- (d) Line of Credit – In June 2020, Cincinnati Children’s entered into a 1-year agreement for a line of credit of \$100,000. The line of credit agreement was amended in June 2021 to extend the maturity date to June 2024. The line of credit bears interest at the greater of the Daily Reset LIBOR Rate or 0.50%, plus 50 basis points. In the event LIBOR is no longer available, the line of credit bears interest at the daily SOFR rate, plus an adjustment spread. There were no draws on the line of credit during fiscal year 2022 or 2021.

(10) Employee Benefit Plans –

Cincinnati Children’s maintains non-contributory retirement plans covering substantially all employees. Among these plans is a defined benefit plan where benefits are based on a formula which reflects years of service and salary levels. Cincinnati Children’s funding policy for its defined benefit plan meets the funding standards established by the Employee Retirement Income Security Act of 1974 (ERISA).

Cincinnati Children’s investment strategy with respect to pension assets is designed to achieve a moderate level of overall portfolio risk in keeping with desired risk objective, which is established through careful consideration of plan liabilities, plan funded status and corporate financial condition. Cincinnati Children’s adopted an Investment Policy that adjusts allocations between return-seeking assets and liability-hedging assets based on the funded status of the Plan and prevailing yields. As the funded ratio improves, allocations to liability-hedging assets increase accordingly.

Cincinnati Children’s seeks to maintain diversified portfolios and has adopted allocation targets within the return-seeking and liability hedging portfolios as follows:

| | |
|---|-------------------|
| Return-Seeking Allocation: | Min - Target -Max |
| Global Equity | 60% - 70% - 80% |
| Private Equity | 5% - 10% - 15% |
| Private Real Estate | 5% - 10% - 15% |
| Multi-Asset Credit | 5% - 10% - 15% |
| Opportunity Allocation | 0% - 0% - 10% |
| Liability-Hedging Allocation: | |
| Long Credit | 50% - 75% - 100% |
| STRIPS (Long Duration Treasury Instruments) | 0% - 25% - 50% |

In order to maintain the portfolio’s actual asset allocation in line with the target allocations specified above, rebalancing will occur periodically. As of June 30, 2022, Cincinnati Children’s has made \$126,400 in funding commitments in eleven investment partnerships of which \$106,700 has been funded. Additionally, Cincinnati Children’s has made \$82,500 in funding commitments in ten real estate investment partnerships of which \$78,000 has been funded. It is anticipated that these commitments will be funded from liquid investments of the plan.

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Cincinnati Children's defined benefit plan investment allocation at the actuarial measurement date of June 30, 2022 and 2021 by asset category is as follows:

| | <u>2022</u> | <u>2021</u> |
|-----------------------------|---------------|---------------|
| Cash and cash equivalents | 1.3% | 1.7% |
| Corporate bonds | 12.9% | 13.6% |
| Government bonds | 1.9% | 1.8% |
| Investment Partnerships: | | |
| Equity | 5.3% | 4.0% |
| Bond | - | 0.8% |
| Real estate | 2.7% | 2.4% |
| Commingled Investment Funds | | |
| Equity | 12.9% | 18.7% |
| Bond | 43.3% | 40.0% |
| Government | 19.0% | 17.0% |
| Real estate | 0.7% | 0.0% |
| | <u>100.0%</u> | <u>100.0%</u> |

At June 30, 2022, the fair value and its placement in the fair value hierarchy of the underlying assets of the Plan that are required to be measured at fair value are as follows (see Note 4 for further discussion on the fair value hierarchy and fair value principles):

| | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> | <u>Total</u> |
|--|-----------------|------------------|----------------|--------------------|
| Cash and cash equivalents | \$18,057 | \$ - | \$ - | \$ 18,057 |
| Corporate bonds | - | 184,093 | - | 184,093 |
| Government bonds | - | 27,241 | - | 27,241 |
| Total assets in the fair value hierarchy | <u>18,057</u> | <u>211,334</u> | <u>-</u> | <u>229,391</u> |
| Investments measured at net asset value ⁴ : | | | | |
| Investment Partnerships: | | | | |
| Equity | - | - | - | 76,191 |
| Real estate | - | - | - | 38,100 |
| Commingled Investment Funds: | | | | |
| Equity | - | - | - | 183,853 |
| Bond | - | - | - | 617,843 |
| Government | - | - | - | 270,194 |
| Real estate | - | - | - | 10,000 |
| Total assets at fair value | <u>\$18,057</u> | <u>\$211,334</u> | <u>\$ -</u> | <u>\$1,425,572</u> |

⁴ Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Change in Plan Assets disclosure.

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At June 30, 2021, the fair value and its placement in the fair value hierarchy of the underlying assets of the Plan that are required to be measured at fair value are as follows (see Note 4 for further discussion on the fair value hierarchy and fair value principles):

| | Level 1 | Level 2 | Level 3 | Total |
|--|-----------------|------------------|-------------|--------------------|
| Cash and cash equivalents | \$29,579 | \$ - | \$ - | \$ 29,579 |
| Corporate bonds | - | 239,259 | - | 239,259 |
| Government bonds | - | 31,870 | - | 31,870 |
| Total assets in the fair value hierarchy | <u>29,579</u> | <u>271,129</u> | <u>-</u> | <u>300,708</u> |
| Investments measured at net asset value ⁵ : | | | | |
| Investment Partnerships: | | | | |
| Equity | - | - | - | 70,552 |
| Bond | - | - | - | 14,348 |
| Real Estate | - | - | - | 42,696 |
| Commingled Investment Funds: | | | | |
| Equity | - | - | - | 327,271 |
| Bond | - | - | - | 702,807 |
| Government | - | - | - | 297,274 |
| Total assets at fair value | <u>\$29,579</u> | <u>\$271,129</u> | <u>\$ -</u> | <u>\$1,755,656</u> |

The fair values of Level 1 investments are based on quoted prices in active markets. The fair value for investments in fixed income securities, including U.S. government securities and corporate obligations, is based on a calculation using interest rate curves and credit spreads applied to the terms of the debt instrument (maturity and coupon interest rate) and considers the counterparty credit rating. Such items are classified as Level 2 in the fair value hierarchy. Investments in partnerships – U.S. equities, real estate, and bonds – are valued using the net asset value reported by the managers of the funds and as supported by the unit prices of actual purchase and sale transactions. The investments in investment partnerships generally are associated with liquidation restrictions that may range from 91 days to the life of the fund (up to fifteen years) and may require redemption penalties. Commingled investment funds are private funds for institutional investors valued at net asset value. The commingled funds primarily invest in actively traded equity mutual funds, bond mutual funds, and US Treasury STRIPS with daily liquidity and no lockup period.

There were no transfers between levels in fiscal year 2022 or fiscal year 2021.

The following table reflects the weighted average assumptions utilized to determine benefit obligations:

| | <u>2022</u> | <u>2021</u> |
|---|-------------|-------------|
| Discount rate used to determine actuarial present value of the projected benefit obligation | 5.06% | 3.27% |
| Assumed rate of increase in compensation levels | 3.50% | 3.50% |
| Long-term rate of return | 5.50% | 5.50% |

⁵ Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Change in Plan Assets disclosure.

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The following table sets forth the funded status of the plan and amounts recognized in the accompanying Consolidated Balance Sheets as of June 30, 2022 and 2021, utilizing actuarial measurement dates as of June 30, 2022 and 2021.

| | <u>2022</u> | <u>2021</u> |
|---|--------------------|--------------------|
| Change in projected benefit obligation: | | |
| Projected benefit obligation at beginning of year | \$1,583,947 | \$1,533,155 |
| Service cost | 74,571 | 71,800 |
| Interest cost | 50,560 | 49,725 |
| Other actuarial (gain) loss | (450,685) | 33,202 |
| Benefits paid | (113,864) | (103,935) |
| Projected benefit obligation at end of year | <u>\$1,144,529</u> | <u>\$1,583,947</u> |
| Change in plan assets: | | |
| Fair value of plan assets at beginning of year | \$1,755,656 | \$1,454,224 |
| Actual (loss) return on plan assets | (291,220) | 233,567 |
| Employer contributions | 75,000 | 171,800 |
| Benefits paid | (113,864) | (103,935) |
| Fair value of plan assets at end of year | <u>1,425,572</u> | <u>1,755,656</u> |
| Funded status | 281,043 | 171,709 |
| Net accrued pension benefit asset in Consolidated Balance Sheets | <u>\$ 281,043</u> | <u>\$ 171,709</u> |

For the Retirement Plan, the overall actuarial gain in plan obligation of approximately \$451 million is primarily attributable to an increase in the discount rate between June 30, 2021 and June 30, 2022. The discount rate increase of 179 basis points resulted in a decrease in benefit obligation of approximately \$481 million.

In 2022 and 2021, the mortality tables utilized by actuaries to value the pension liability were updated based on current experience. The impact of the change in mortality assumptions is included in other actuarial (gain) loss in fiscal years 2022 and 2021.

Amounts included in Unrestricted Net Assets but not yet recognized in pension cost consist of:

| | <u>2022</u> | <u>2021</u> |
|--------------------------|------------------|------------------|
| Net actuarial loss | \$223,244 | \$317,248 |
| Net prior service credit | (65,290) | (77,041) |
| | <u>\$157,954</u> | <u>\$240,207</u> |

The table below reflects the following weighted average assumptions utilized to determine benefit costs were:

| | <u>2022</u> | <u>2021</u> |
|--|-------------|-------------|
| Discount rate used to determine benefit costs | 3.27% | 3.33% |
| Assumed rate of increase in compensation levels | 3.50% | 3.50% |
| Expected long-term rate of return on plan assets | 5.50% | 5.50% |

The Cincinnati Children's expected long-term rate of return on plan assets is based on the expected average returns based on the portfolio mix of plan assets and is reassessed on an annual basis.

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Net periodic pension cost for 2022 and 2021 related to the defined benefit plan consisted of the following components:

| | <u>2022</u> | <u>2021</u> |
|--------------------------------------|-----------------|-----------------|
| Service cost | \$74,571 | \$71,800 |
| Interest cost | 50,560 | 49,725 |
| Expected return on plan assets | (91,509) | (76,121) |
| Amortization of prior service credit | (11,751) | (11,751) |
| Recognized net actuarial loss | 26,048 | 36,339 |
| Net periodic pension cost | <u>\$47,919</u> | <u>\$69,992</u> |

Based on preliminary estimates, we do not expect any required fiscal year 2022 contributions for the qualified defined benefit plan under the current funding regulations.

The accumulated benefit obligation for the pension plan was \$1,099,257 and \$1,504,250 at June 30, 2022 and 2021, respectively.

Cincinnati Children's estimated benefit payments in each of the next five fiscal years and in aggregate for the five fiscal years thereafter are as follows:

| | |
|-----------|----------|
| 2023 | \$64,063 |
| 2024 | 64,539 |
| 2025 | 66,792 |
| 2026 | 68,368 |
| 2027 | 70,145 |
| 2028-2032 | 382,220 |

All other retirement plans maintained by Cincinnati Children's are defined contribution plans. Cincinnati Children's contributions to these plans are generally based on ten percent of salaries up to established ERISA limits. Total expense, net of forfeitures, related to these other plans was approximately \$29,650 and \$27,581 in fiscal years 2022 and 2021, respectively.

Cincinnati Children's provides individual nonqualified deferred compensation benefits to key employees with varying terms. Accounts are participant-directed, and the amounts are at a substantial risk of forfeiture and revert back to the Cincinnati Children's if the employee does not meet certain criteria as established by the plan. The amount of deferred compensation income and expense resulting from changes in market value of underlying investments are recognized in fiscal years 2022 and 2021 was \$(1,087) and \$1,358, respectively. The current portion of plan accounts are included in Other receivables with a corresponding liability in Accounts payable and accrued expenses on the Consolidated Balance Sheets. The long-term portion of plan accounts are included in Other long-term assets with a corresponding liability in Other long-term liabilities on the Consolidated Balance Sheets.

The following table displays the nonqualified deferred compensation plans assets and liabilities as of June 30, 2022 and 2021:

| | <u>2022</u> | <u>2021</u> |
|------------------------------|-----------------|-----------------|
| Current portion | \$ 919 | \$ 307 |
| Long-term portion | 14,311 | 15,582 |
| Total assets and liabilities | <u>\$15,230</u> | <u>\$15,889</u> |

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(11) Commitments and Contingencies –

- (a) Litigation – Cincinnati Children's is engaged from time to time in a variety of litigation and regulatory compliance matters in addition to professional and general liability matters. Management assesses the probable outcome of unresolved litigation and records estimated reserves consistent with ASC No. 450, "Contingencies." After consultation with legal counsel, management believes that all such currently existing matters will be resolved without material adverse impact to the consolidated financial position or results of operations of Cincinnati Children's.
- (b) Laws and Regulations – The healthcare industry is subject to numerous laws and regulations of federal, state and local governments. These laws and regulations guide the healthcare industry in many domains such as licensure, accreditation, government healthcare program participation requirements, reimbursement for patient service, and Medicare and Medicaid fraud and abuse to name a few. Compliance with these laws and regulations, specifically those relating to the Medicare and Medicaid programs, is complex and can be subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time. Management believes that Cincinnati Children's is in compliance, in all material respects, with fraud and abuse as well as other applicable government laws and regulations. Cincinnati Children's has recorded reserves for routine regulatory compliance issues and believes these reserves are adequate to cover any potential repayment of previously billed and collected revenue from patient service.
- (c) Capital Commitments – Cincinnati Children's has entered into agreements with general contractors for several new construction projects, renovations, equipment, and information system technology projects. Approximately \$592,388 has been spent through June 30, 2022 and approximately \$425,960 is expected to be spent in connection with current active projects. The commitments have expected completion dates ranging from fiscal year 2023 through fiscal year 2026.
- (d) Funding Commitments – The Board of Trustees of Cincinnati Children's approved revocable commitments for up to \$20,000 in non-recourse loans to Uptown Consortium Inc. Cincinnati Children's has provided \$17,867 of funding in relation to these commitments through June 30, 2022. Management does not anticipate any additional funding. These funds are used to invest in commercial and residential projects in the uptown area. During fiscal year 2022, none of the loans were repaid. Cincinnati Children's expects to receive an additional \$4,328 related to the loans.
- (e) Investment Commitments – Cincinnati Children's has made commitments to invest \$30,000 in six limited partnerships that focus on investing in venture capital funds or provide venture capital for companies in the high-growth sectors of the economy, including life sciences, information technology, advanced manufacturing, and healthcare. Cincinnati Children's has made commitments to invest \$12,294 in nine limited liability companies that focus on investing in early-stage venture capital funds regionally and nationally with the goals of making the Cincinnati region the place for entrepreneurs and investors to launch new ideas and driving capital into scalable technology companies in southwest Ohio. Investment values are included in Other Assets in the Consolidated Balance Sheets. Cincinnati Children's occasionally receives distributions from these investments which reduce investment values.

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The following displays the amounts funded and investment values at June 30, 2022 and 2021:

| | 2022 | Funded | Value |
|---|-------------|-----------------|-----------------|
| Investment in Limited Partnerships | | \$21,099 | \$ 10,041 |
| Investments in Limited Liability Corporations | | 10,558 | 19,664 |
| Total | | <u>\$31,657</u> | <u>\$29,705</u> |
| | 2021 | Funded | Value |
| Investment in Limited Partnerships | | \$20,349 | \$ 8,075 |
| Investments in Limited Liability Corporations | | 9,324 | 13,263 |
| Total | | <u>\$29,673</u> | <u>\$21,338</u> |

(12) Leases –

Cincinnati Children's leases certain property and equipment. Cincinnati Children's determines if an arrangement is a lease at inception of a contract.

The following table presents expenses recorded related to lease arrangements for the years ended June 30, 2022 and 2021:

| | 2022 | 2021 |
|---------------------------------------|-----------------|-----------------|
| Operating lease expense | \$ 3,588 | \$ 2,765 |
| Finance leases: | | |
| Amortization of right-of-use assets | 7,116 | 6,698 |
| Interest on finance lease obligations | 1,856 | 1,955 |
| Short-term and variable lease expense | 5,061 | 4,994 |
| Total lease expense | <u>\$17,621</u> | <u>\$16,412</u> |

Other information related to leases for the years ended June 30, 2022 and 2021 is as follows:

Supplemental cash flow information

Cash paid for amounts included in the measurement of lease liabilities:

| | 2022 | 2021 |
|--|-------------|-------------|
| Operating cash flows from operating leases | \$ 2,736 | \$ 2,097 |
| Financing cash flows from finance leases | 6,228 | 5,319 |

Weighted average remaining lease term (in years)

| | 2022 | 2021 |
|------------------|-------------|-------------|
| Operating leases | 7.6 | 7.4 |
| Finance leases | 9.7 | 10.5 |

Weighted average discount rate

| | 2022 | 2021 |
|------------------|-------------|-------------|
| Operating leases | 3.25% | 3.27% |
| Finance leases | 3.27% | 3.34% |

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The aggregate future lease payments for operating and finance leases as of June 30, 2022 are as follows:

| | <u>Operating</u> | <u>Finance</u> |
|---|------------------|-----------------|
| 2023 | \$ 3,295 | \$ 7,784 |
| 2024 | 3,221 | 7,032 |
| 2025 | 2,856 | 7,032 |
| 2026 | 1,903 | 6,530 |
| 2027 | 1,348 | 5,442 |
| Thereafter | 6,498 | 30,374 |
| Total lease payments | <u>19,121</u> | <u>64,194</u> |
| <u>Present values:</u> | | |
| Current lease liabilities | 2,767 | 6,094 |
| Long-term lease liabilities | 14,949 | 48,544 |
| Total lease liabilities | <u>\$17,716</u> | <u>\$54,638</u> |
| Difference between undiscounted cash flows and discounted cash flows | \$ 1,405 | \$ 9,556 |

- (13) Functional Expenses – The cost of providing Cincinnati Children's services are summarized on a functional basis in the following tables. Accordingly, certain costs have been allocated among functions. Such allocations are determined by management on an equitable basis. The expenses that are allocated include the following:

| <u>Expense</u> | <u>Method of Allocation</u> |
|-------------------|-----------------------------|
| Employee benefits | Full Time Equivalent |
| Depreciation | Square footage |
| Utilities | Square footage |

The following presents expenses by both their nature and function for the year ended June 30, 2022:

| | <u>Clinical</u> | <u>Research</u> | <u>Education</u> | <u>Fundraising</u> | <u>Management and General</u> | <u>TOTAL</u> |
|------------------------------|--------------------|------------------|------------------|--------------------|-----------------------------------|--------------------|
| Salaries | \$ 898,559 | \$196,539 | \$62,454 | \$4,215 | \$212,320 | \$1,374,087 |
| Employee benefits | 214,293 | 48,365 | 17,114 | 1,116 | 91,149 | 372,037 |
| Supplies, drugs and other | 402,177 | 39,650 | 3,269 | 491 | 79,961 | 525,548 |
| Purchased services | 90,525 | 49,585 | 2,441 | 917 | 144,253 | 287,721 |
| Depreciation | 92,100 | 29,284 | 152 | 303 | 29,890 | 151,729 |
| Utilities | 12,188 | 3,875 | 20 | 40 | 3,956 | 20,079 |
| Interest | - | - | - | - | 30,926 | 30,926 |
| | <u>\$1,709,842</u> | <u>\$367,298</u> | <u>\$85,450</u> | <u>\$7,082</u> | <u>\$592,455</u> | <u>\$2,762,127</u> |

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The following presents expenses by both their nature and function for the year ended June 30, 2021:

| | <u>Clinical</u> | <u>Research</u> | <u>Education</u> | <u>Fundraising</u> | <u>Management and General</u> | <u>TOTAL</u> |
|---------------------------|--------------------|------------------|------------------|--------------------|-------------------------------|--------------------|
| Salaries | \$ 814,088 | \$186,686 | \$57,395 | \$4,159 | \$196,328 | \$1,258,656 |
| Employee benefits | 204,106 | 51,114 | 11,822 | 1,043 | 79,626 | 347,711 |
| Supplies, drugs and other | 367,962 | 38,150 | 1,936 | 427 | 60,869 | 469,344 |
| Purchased services | 86,164 | 42,605 | 2,258 | 720 | 120,461 | 252,208 |
| Depreciation | 82,628 | 28,282 | 139 | 416 | 27,173 | 138,638 |
| Utilities | 10,967 | 3,754 | 18 | 55 | 3,607 | 18,401 |
| Interest | - | - | - | - | 23,249 | 23,249 |
| | <u>\$1,565,915</u> | <u>\$350,591</u> | <u>\$73,568</u> | <u>\$6,820</u> | <u>\$511,313</u> | <u>\$2,508,207</u> |

(14) Interest Rate Swap Agreement –

In August 2019, Cincinnati Children's entered into a 10-year interest rate swap agreement in which Cincinnati Children's and the counterparty agree to exchange the difference between fixed rate and variable rate interest amounts calculated by reference to specified notational principal amounts during the agreement period. The objective is to manage interest rate risk associated with the variable rate 2018Z and 2018AA bonds. Parties to interest rate swap agreements are subject to market risk for changes in interest rates and risk of credit loss in the event of nonperformance by the counterparty.

The following table summarizes the general terms of Cincinnati Children's fixed payment swap agreement as of June 30, 2022:

| <u>Effective</u> | <u>Expiration</u> | <u>Counterparty</u> | <u>Interest Rate Paid</u> | <u>Interest Rate Received</u> | <u>Notational Amount</u> |
|------------------|-------------------|---------------------|---------------------------|--|--------------------------|
| August 2019 | August 2029 | Fifth Third Bank | 1.38% | USD-SIFMA Municipal Swap Index, 0.91% at June 30 th | \$86,770,000 |

As of June 30, 2022, the swap fair value of \$4,421 was recorded in other long-term assets in the accompanying consolidated balance sheet. As of June 30, 2021, the swap market value of \$(2,956) was recorded in other long-term liabilities in the accompanying consolidated balance sheet.

(15) Subsequent Events –

During August 2022, Cincinnati Children's entered into a private placement bond forward refunding agreement with a bank whereby Cincinnati Children's will refund and retire the outstanding principal of its Series 2014S bonds of \$66,155 through the issuance of hospital facilities bonds through Hamilton County, Ohio at a fixed rate of 2.934%. The closing of the refunding is expected to occur on May 15, 2024.

Management reviewed subsequent events through September 30, 2022, the date the consolidated financial statements were issued, noting no changes are required to the consolidated financial statements or footnotes.

| Agency | Project Name | Agency | Agency | Project ID | Project ID | Start | End | Start | End |
|---------|--|--|--|----------------------|----------------------|---------|-----------|-----------|-----|
| CDC | Training and Clinical Skills Improvement Projds | COVID-19 Enhanced Surv for New Vaccine Prevent | University of Cincinnati | COVID-19 U01IP001059 | 93.185 | 79.204 | 584,973 | 664,177 | |
| CDC | Training and Clinical Skills Improvement Projds | US Enhanced Surveillance Netwo | | U01F001155 | 93.185 | | 841,746 | 841,746 | |
| CDC | Training and Clinical Skills Improvement Projds | COVID-19 US Enhanced Surveillance Netwo | | COVID-19 U01IP001155 | 93.185 | | 335,024 | 335,024 | |
| CDC | Assistance Programs for Chronic Disease Prevention and Control | SEARCH for Diabetes in Youth Registry | | U18DP006134 | 93.045 | | 5,454 | 5,454 | |
| CDC | Birth Defects and Developmental Disabilities - Prevention and Surveillance | Beyond EHDl Benchmarks in Earf | University of South Carolina | U19DD001218 | 93.073 | | 75,944 | 75,944 | |
| CDC | Blood Disorder Program: Prevention, Surveillance and Research | Community Counts: Public Health Surv | Hemophilia Foundation of Michigan | U27DD001155 | 93.080 | | 36,426 | 36,426 | |
| DHHS/OS | Community Programs to Improve Minority Health Grant Program | Sickle Cell Clinical Data Plat | American Society of Hematology | ASH_Lamson_C | 1 SP1MPP201190-01-00 | 93.137 | 412,297 | 412,297 | |
| DHHS/OS | National Biodefense Hospital Preparedness Program | Eastern Great Lakes Pediatric | University Hospital of Cleveland | U3RREP190615-01-00 | 93.889 | | 190,231 | 190,231 | |
| FDA | Food and Drug Administration Research | Safety and Efficacy of Inhaled Tissue Plasm | University of Michigan | SUBK0006758 | 93.103 | | 5,277 | 5,277 | |
| FDA | Food and Drug Administration Research | Quercetin Chemoprevention for | | R01FD006353 | 93.103 | | 531,067 | 531,067 | |
| FDA | Food and Drug Administration Research | Abatacept for the treatment of | | R01FD007267 | 93.103 | | 229,231 | 229,231 | |
| FDA | Food and Drug Administration Research | Sirolimus TSC Epilepsy Prevent | | R01FD007275 | 93.103 | | 259,054 | 273,366 | |
| | | | The University of Alabama at Birmingham | | | 6.165 | | | |
| | | | The University of Texas Science Center | | | 8.147 | | | |
| FDA | Food and Drug Administration Research | Development of the Pediatric P | Children's Hospital of Philadelphia | GRT-00000431 | 93.103 | | 2,189 | 2,189 | |
| FDA | Food and Drug Administration Research | I-ACT for Children, Global Pediatric Clinical | Inst For Adv Clin Trials For Children | CCHMC-01 | U18FD005297 | 93.103 | 47,851 | 47,851 | |
| HRSA | Grants for Training in Primary Care Medicine and Dentistry | Dental Faculty Loan Repayment Program | | D87HP31252 | 93.884 | | 158,520 | 158,520 | |
| HRSA | Maternal and Child Health Federal Consolidated Programs | Region V East Comprehensive Care Ntw | Hemophilia Foundation of Michigan | H30MC24047 | 93.110 | | 20,724 | 20,724 | |
| HRSA | Healthy Start Initiative | HRSA Cradle Cincinnati | | H46MC27823 | 93.926 | | 1,139,667 | 1,139,667 | |
| HRSA | Poison Center Support and Enhancement Grant Program | Cincinnati Drug and Poison Inf | | H46BHS15468 | 93.253 | | 147,318 | 147,318 | |
| HRSA | Affordable Care Act (ACA) Family to Family Health Information Centers | Ohio Family to Family Health I | | H84MC28443 | 93.504 | | 80,820 | 80,820 | |
| HRSA | Maternal and Child Health Federal Consolidated Programs | Severe Combined Immunodeficien | University of California, San Francisco | 13048sc | 93.110 | | 5,569 | 5,569 | |
| HRSA | National Research Service Award in Primary Care Medicine | General Pediatrics Research Fe | | T32HP10027 | 93.186 | | 426,923 | 426,923 | |
| HRSA | Maternal and Child Health Federal Consolidated Programs | Leadership Education in Neurop | University of Cincinnati | 013719-0003 | 93.110 | | 592,662 | 592,662 | |
| HRSA | Emergency Medical Services for Children | Pediatric Emergency Care Appli | | T73MCO0032-30-W | 93.110 | | 465,599 | 611,020 | |
| | | | Medical College of Wisconsin | U03MC22684 | 93.127 | | 55,627 | 55,627 | |
| | | | Washington University | | | 89.834 | | | |
| HRSA | Maternal and Child Health Federal Consolidated Programs | HRSA Central Region Thalassemi | Ann & Robert H Lurie Children's Hospital | 901639-CCHMC | 93.110 | | 14,447 | 14,447 | |
| HRSA | Sickle Cell Treatment Demonstration Program | Sickle Treatment and Outcomes Resear | Children's Hosp & Clinics of Minnesota | U1AMC41738-01-00 | 93.365 | | 450,648 | 687,021 | |
| | | | Five Rivers Health Centers | U1EMC27863 | | 19,068 | | | |
| | | | Indiana Hemophilia & Thrombosis Ctr, Inc | | | 15,766 | | | |
| | | | Medical College of Wisconsin | | | 51,361 | | | |
| | | | Sanford Research | | | 30,295 | | | |
| | | | Sickle Cell Disease Assoc of America | | | 90 | | | |
| | | | University of Illinois at Chicago | | | 38,852 | | | |
| | | | | | | 80,941 | | | |
| HRSA | Maternal and Child Health Federal Consolidated Programs | Center for Pediatric Everyday | University Hospital of Cleveland | U11MC43532-01-00 | 93.110 | | 31,155 | 31,155 | |
| HRSA | Maternal and Child Health Federal Consolidated Programs | Regional Ped Pand Network (ODH) | Ohio State University | GR125125 | 93.110 | 129.057 | 47,848 | 176,905 | |
| HRSA | Maternal and Child Health Federal Consolidated Programs | DBPNet ADHD Node | Children's Hospital of Philadelphia | 3208960819-S1 | 93.110 | | 3,304 | 3,304 | |
| HRSA | Maternal and Child Health Federal Consolidated Programs | Identifying Patient Level Fact | University of Colorado Denver | FY22.608.011 | 93.110 | | 2,181 | 2,181 | |
| HRSA | Autism Collaboration, Accountability, Research, Education and Support | DBPNet ADHD Node CHOP Subin RE | Children's Hospital of Philadelphia | GRT-00001441 | 93.877 | | 8,912 | 8,912 | |
| NH | International Research and Research Training | Reducing the Impact of Rheumat | Makereke Institute of Social Research | MskCHS06042022 | 93.989 | | 2,917 | 2,917 | |
| NH | Allergy, Immunology and Transplantation Research | Immunological Identity redefined by gene | | | 93.855 | 3.844 | 752,840 | 756,884 | |
| NH | Trans-NIH Research Support | Engineering multi-organs in a | | | 93.310 | | 545,882 | 545,882 | |
| NH | Allergy, Immunology and Transplantation Research | Silencer Control of T cell Hom | | | 93.855 | | 4,968 | 4,968 | |
| NH | Diabetes, Digestive, and Kidney Diseases Extramural Research | Identification of the genetic | | | 93.847 | | 31,468 | 31,468 | |
| NH | Blood Diseases and Resources Research | Elucidating the role of dyn9in | | | 93.839 | | 18,880 | 18,880 | |
| NH | Mental Health Research Grants | Contributions of the striatal | | | 93.242 | | 29,694 | 29,694 | |
| NH | Oral Diseases and Disorders Research | Role of the Ciliary Protein C2 | | | 93.121 | | 37,177 | 37,177 | |
| NH | Diabetes, Digestive, and Kidney Diseases Extramural Research | Development and Disease of the | | | 93.847 | | 137 | 137 | |
| NH | Child Health and Human Development Extramural Research | SMPD4: Role of a microcephaly | | | 93.865 | | 7,322 | 7,322 | |
| NH | Cardiovascular Diseases Research | Nr2f1a suppresses bulbous ate | | | 93.837 | | 27,465 | 27,465 | |
| NH | Cardiovascular Diseases Research | Prox1 and oscillatory shear st | | | 93.837 | | 33,339 | 33,339 | |
| NH | Cardiovascular Diseases Research | Nr2f1a promotes atrial mainten | | | 93.837 | | 39,636 | 39,636 | |
| NH | Extramural Res Programs in the Neurosciences & Neurological Disorders | The Role of Raptor in Temporal | | | 93.853 | | 34,517 | 34,517 | |
| NH | Extramural Res Programs in the Neurosciences & Neurological Disorders | Role of dentate granule cell g | | | 93.853 | | 34,777 | 34,777 | |
| NH | Extramural Res Programs in the Neurosciences & Neurological Disorders | The role of macrophages in nei | | | 93.853 | | 34,683 | 34,683 | |
| NH | Allergy, Immunology and Transplantation Research | Maternal microchimerism transf | | | 93.855 | | 32,089 | 32,089 | |
| NH | Allergy, Immunology and Transplantation Research | Epithelial antigen presentatio | | | 93.855 | | 83,014 | 83,014 | |
| NH | Arthritis, Musculoskeletal and Skin Diseases Research | Elucidating the mechanisms of | | | 93.846 | | 6,625 | 6,625 | |
| NH | Blood Diseases and Resources Research | The role of GPR56 in platelet | | | 93.839 | | 82,032 | 82,032 | |
| NH | Cardiovascular Diseases Research | Defining the role of DfHc3 in | | | 93.837 | | 56,782 | 56,782 | |
| NH | Cardiovascular Diseases Research | Tgfb-dependent regulation of e | | | 93.837 | | 68,568 | 68,568 | |
| NH | Cardiovascular Diseases Research | Mechanisms of regulating cardi | | | 93.837 | | 63,336 | 63,336 | |
| NH | Drug Abuse and Addiction Research Programs | Using Administrative and Clinical Data | | | 93.279 | | 100,402 | 100,402 | |
| NH | Diabetes, Digestive, and Kidney Diseases Extramural Research | The Role of DDX41 in Inherited | | | 93.847 | | 149,920 | 149,920 | |
| NH | Diabetes, Digestive, and Kidney Diseases Extramural Research | Glucocorticoid and circadian c | | | 93.847 | | 186,096 | 186,096 | |
| NH | Diabetes, Digestive, and Kidney Diseases Extramural Research | Enterendocrine Regulation of | | | 93.847 | | 90,942 | 90,942 | |
| NH | Cancer Research Manpower | Patient Preferences and Adherence in Ad | | | 93.398 | | 32,240 | 32,240 | |
| NH | Arthritis, Musculoskeletal and Skin Diseases Research | Monocyte and macrophage polarization | | | 93.846 | | 197,422 | 197,422 | |
| NH | Cancer Research Manpower | Targeting MBNL1-mediated alter | | | 93.398 | | 249,243 | 249,243 | |
| NH | Biomedical Research and Research Training | The Role of Olfactomedin 4 in Septic Shock | | | 93.859 | | 73,433 | 73,433 | |
| NH | Cardiovascular Diseases Research | The Role of PPARa in Cardiac Dystrocton | | | 93.837 | | 150,994 | 150,994 | |
| NH | Lung Diseases Research | Mechanistic evaluation of a no | | | 93.838 | | 160,677 | 160,677 | |
| NH | Cardiovascular Diseases Research | A genetic and molecular approa | | | 93.837 | | 146,642 | 146,642 | |
| NH | Lung Diseases Research | Personalized Model Systems to | | | 93.838 | | 168,340 | 168,340 | |
| NH | National Center on Sleep Disorders Research | Circadian Clock Dysregulation | | | 93.233 | | 233,402 | 233,402 | |
| NH | Lung Diseases Research | TGF-Beta Regulates CFTR-Mediat | | | 93.838 | | 143,532 | 143,532 | |
| NH | Child Health and Human Development Extramural Research | Improving vaccine efficacy by | Cornell University | 215518-3 | 93.865 | | 125,773 | 125,773 | |
| NH | Child Health and Human Development Extramural Research | Rational therapeutic targeting | Cornell University | 215518-2 | 93.865 | | 114,650 | 114,650 | |
| NH | Child Health and Human Development Extramural Research | Mechanisms of increased matern | Cornell University | 215518-8 | 93.865 | | 133,441 | 133,441 | |
| NH | Child Health and Human Development Extramural Research | Child Health Research Career Dev Award | | | 93.865 | | 408,310 | 408,310 | |
| NH | Diabetes, Digestive, and Kidney Diseases Extramural Research | Predicting Severity and Improv | | | 93.847 | | 185,009 | 185,009 | |
| NH | Child Health and Human Development Extramural Research | Surviving and Thriving in the | | | 93.865 | | 165,106 | 165,106 | |
| NH | Child Health and Human Development Extramural Research | Electrophysiological Biomarker | | | 93.865 | | 141,203 | 141,203 | |
| NH | Lung Diseases Research | Using technology-assisted sto | | | 93.838 | | 181,332 | 181,332 | |
| NH | Blood Diseases and Resources Research | Sickle Cell Anemia, Splenic Pa | | | 93.839 | 3.250 | 179,440 | 182,690 | |
| NH | Mental Health Research Grants | Anomalous Sensorimotor Physiology in Fia | Bugando Medical Center | K23MH12936 | 93.242 | | 119,739 | 119,739 | |
| NH | Mental Health Research Grants | A Family Navigator Intervento | | | 93.242 | | 184,992 | 184,992 | |
| NH | Nursing Research | Influence of Parent-Nurse Comm | National Institute of Nursing Research | K23NR017396 | 93.361 | | 36,859 | 36,859 | |

| | | | | | | | | | |
|----|--|---|--|--------------------------|-------------------|-------------|---------|---------|---------|
| NH | Child Health and Human Development Extramural Research | Endocannabinoid Signaling du | | | R01HD103475 | 93.865 | - | 425,082 | 425,082 |
| NH | Child Health and Human Development Extramural Research | Integration of spatiotemporal | | | R01HD103623 | 93.865 | - | 239,473 | 239,473 |
| NH | Child Health and Human Development Extramural Research | Automated Risk Assessment for | University of Pittsburgh | | R01HD103630 | 93.865 | 53,140 | 365,629 | 418,769 |
| NH | Child Health and Human Development Extramural Research | Leveraging the electronic heal | | | R01HD103654 | 93.865 | - | 233,314 | 233,314 |
| NH | Child Health and Human Development Extramural Research | Using Dogs to Promote Therapie | Miami University, | | R01HD106416 | 93.865 | 10,961 | 255,357 | 266,338 |
| NH | Human Genome Research | Engaging adolescents in decis | | | R01HG010166 | 93.172 | - | 739,883 | 739,883 |
| NH | Human Genome Research | Virus-driven human gene miseg | Brigham and Women's Hospital | | R01HG010730 | 93.172 | 137,050 | 590,909 | 755,325 |
| NH | Human Genome Research | Epigenome-wide variations and | University of Cincinnati | | R01HG011411 | 93.172 | - | 28,366 | - |
| NH | Cardiovascular Diseases Research | Molecular pathways controlling | | | R01HL060562 | 93.837 | - | 190,913 | 190,913 |
| NH | Cardiovascular Diseases Research | Autophagy and mTORC1 signaling | University of Cincinnati | 011762-002 | R01HL073984 | 93.837 | - | 436,917 | 436,917 |
| NH | Blood Diseases and Resources Research | Role of FA Proteins in Hematopoies | | | R01HL076712 | 93.839 | - | 1,200 | 1,200 |
| NH | Lung Diseases Research | Pathogenesis-Based Diagnosis | | | R01HL085453 | 93.838 | - | 235,105 | 235,105 |
| NH | Cardiovascular Diseases Research | Thrombospondin 4 regulates ada | | | R01HL105924 | 93.837 | - | 423,305 | 423,305 |
| NH | Cardiovascular Diseases Research | Venous Malformations (VM): A M | | | R01HL117652 | 93.837 | - | 634,438 | 634,438 |
| NH | Lung Diseases Research | Pulmonary Macrophage Transplan | University of Washington | R01HL118342 | 93.838 | 86,793 | - | 463,439 | 463,439 |
| NH | Lung Diseases Research | Pediatric Respiratory Illness | Kaiser Foundation Research Institut | RNG2121577-CCHMC | R01HL121067 | 93.838 | - | 285,835 | 285,835 |
| NH | Blood Diseases and Resources Research | Mechanisms of granulocyte home | | | R01HL122661 | 93.839 | - | 11,301 | 11,301 |
| NH | Cardiovascular Diseases Research | Using MRI to visualize regions | Duke University | University of Cincinnati | A034671 | 93.837 | 24,295 | 597,719 | 597,719 |
| NH | National Center on Sleep Disorders Research | Upper Airway Structure and Fun | Albert Einstein College of Medicine | | R01HL130468 | 93.233 | - | 115,507 | 115,507 |
| NH | Lung Diseases Research | UTE MRI to monitor CF lung diseas | | | R01HL131012 | 93.838 | - | 597,719 | 597,719 |
| NH | Cardiovascular Diseases Research | Functional Impact of Col18a1/Endostain | Johns Hopkins School of Medicine | | R01HL132153 | 93.837 | - | 139,802 | 139,802 |
| NH | Cardiovascular Diseases Research | Hippo Signaling in Heart Development and | | | R01HL132211 | 93.837 | - | 724 | 724 |
| NH | Cardiovascular Diseases Research | Unraveling ancestry and environmental exp | | | R01HL132344 | 93.837 | 8,396 | 104,038 | 104,038 |
| NH | Cardiovascular Diseases Research | Molecular examination of mitoc | University of Cincinnati | | R01HL132831 | 93.837 | 207,197 | 210 | 210 |
| NH | Blood Diseases and Resources Research | Chronic thrombus ablation wth | The University of Chicago | | FP066598 | 93.839 | - | 331,461 | 331,461 |
| NH | Cardiovascular Diseases Research | Targeting pathologic G-protein signaling in | | | R01HL133695 | 93.837 | - | 930,980 | 930,980 |
| NH | Lung Diseases Research | WT1 Regulation of Pulmonary Fibrosis | University of Cincinnati | | R01HL134801 | 93.838 | 9,755 | 548,301 | 548,301 |
| NH | Lung Diseases Research | | University of Michigan | | | 93.837 | - | 19,560 | 19,560 |
| NH | Cardiovascular Diseases Research | Regulatory mechanisms of adult cardomyo | | | R01HL135848 | 93.837 | - | 222,753 | 222,753 |
| NH | Blood Diseases and Resources Research | Cellular crosstalk in the hematopoietic | | | R01HL136529 | 93.839 | - | 284,342 | 284,342 |
| NH | Cardiovascular Diseases Research | Molecular mechanisms of atrial develop | | | R01HL137766 | 93.837 | - | 29,149 | 29,149 |
| NH | Cardiovascular Diseases Research | Circadian Rhythms and Inlema | The University of Massachusetts, Amher | 19-010568 A00 | R01HL138551 | 93.837 | - | 155,645 | 155,645 |
| NH | Lung Diseases Research | Transcriptional Regulation of Endothelial | | | R01HL141174 | 93.838 | - | 268,800 | 268,800 |
| NH | Cardiovascular Diseases Research | Retinoic acid-dependent epigenetic and | | | R01HL141196 | 93.837 | - | 160,719 | 160,719 |
| NH | Cardiovascular Diseases Research | Celsr1 in Lung Development and Disease | | | R01HL141229 | 93.837 | - | 139,794 | 139,794 |
| NH | Lung Diseases Research | R01- Mapping environmental con | Erasmus MC | | R01HL141286 | 93.838 | 26,393 | 436,908 | 436,908 |
| NH | Blood Diseases and Resources Research | Normal and Pathological Hematopoietic | | | R01HL141418 | 93.839 | - | 209,878 | 209,878 |
| NH | Cardiovascular Diseases Research | Familial hypercholesterolemia | Columbia University Medical Center | 7(GG012850-01) | R01HL141823 | 93.837 | - | 477,710 | 477,710 |
| NH | Lung Diseases Research | Mechanisms controlling early h | The Lundquist Institute | TBD-7R01HL141856 | R01HL141856 | 93.838 | - | 412,009 | 412,009 |
| NH | Cardiovascular Diseases Research | Predictive Molecular Markers o | | | R01HL142210 | 93.837 | - | 400,526 | 400,526 |
| NH | Cardiovascular Diseases Research | Cardiac fibroblasts in postnat | | | R01HL142217 | 93.837 | - | 45,997 | 45,997 |
| NH | Lung Diseases Research | Development of neonatal inrate | | | R01HL142708 | 93.838 | - | 18,939 | 18,939 |
| NH | Lung Diseases Research | Validating Quantitative Magnet | University of Cincinnati | | R01HL143011 | 93.838 | 7,465 | 183,712 | 183,712 |
| NH | Cardiovascular Diseases Research | Mechanisms of Congenital Heart Valve Ds | | | R01HL143881 | 93.837 | - | 707,861 | 707,861 |
| NH | Cardiovascular Diseases Research | HDL composition/function and ca | University of Washington | | UWSC10977 | 93.837 | - | 379,012 | 379,012 |
| NH | Cardiovascular Diseases Research | Molecular mechanisms underlyin | | | R01HL144558 | 93.837 | - | 699,874 | 699,874 |
| NH | Cardiovascular Diseases Research | Characterizing the formation a | The University of Texas Southwestern | | GMO 190108 PO 000 | R01HL144774 | 93.837 | 323,094 | 323,094 |
| NH | Lung Diseases Research | The role of sex in the life cy | University of Cincinnati | | 012029-002 | 93.838 | - | 58,166 | 58,166 |
| NH | Cardiovascular Diseases Research | MRI Phenotyping of Early BPD a | University of Wisconsin System | | R01HL146689 | 93.837 | 5,121 | 399,108 | 399,108 |
| NH | Lung Diseases Research | Sleep-Disordered Breathing in | University of Michigan | | SUBK00015153 | 93.838 | - | 39,695 | 39,695 |
| NH | Lung Diseases Research | Investigating the Mechanisms o | University of Cincinnati | | R01HL147351 | 93.838 | 1,359 | 64,294 | 64,294 |
| NH | Blood Diseases and Resources Research | Small molecules targeting RhoA | University of Tennessee | | | 93.839 | - | 834,124 | 834,124 |
| NH | Cardiovascular Diseases Research | Impact of Well-Timed vs. Mis-t | Rush University Medical Center | | R01HL147536 | 93.837 | 30,023 | 29,267 | 29,267 |
| NH | Cardiovascular Diseases Research | Novel Methods to Grow the Impa | | | R01HL147957 | 93.837 | - | 14,834 | 14,834 |
| NH | Blood Diseases and Resources Research | Linking Endotypes and Outcomes | Children's Hospital of Philadelphia | 3201710624 | R01HL148054 | 93.839 | - | 468,159 | 468,159 |
| NH | Lung Diseases Research | Bedside Exclusion of Pulmonary | Indiana University | 8492-QMC | R01HL148247 | 93.838 | - | 493,543 | 493,543 |
| NH | Lung Diseases Research | Bedside Exclusion of Pulmonary | Wayne State University | WSU12.2071 | R01HL148247 | 93.838 | - | 544,594 | 544,594 |
| NH | Cardiovascular Diseases Research | Ultrasound-Mediated Controlle | University of Cincinnati | 012288-003 | R01HL148451 | 93.837 | - | 51,005 | 51,005 |
| NH | Lung Diseases Research | Perinatal Dysbiosis, Lung Deve | National Jewish Health | | R01HL149396 | 93.838 | 35,977 | 36,212 | 36,212 |
| NH | Lung Diseases Research | Molecular Mechanisms Regulated | University of Cincinnati | | R01HL149631 | 93.838 | 39,277 | 27,982 | 27,982 |
| NH | Lung Diseases Research | Role of GM-CSF in Alveolar Mac | | | R01HL149743 | 93.838 | - | 81,193 | 81,193 |
| NH | Child Health and Human Development Extramural Research | Endotypes in Children with Sev | University of Michigan | | SUBK0010627 | 93.865 | - | 204,809 | 204,809 |
| NH | Lung Diseases Research | Role of IGF Axis in Pulmonary | Johns Hopkins School of Medicine | 2004833966 | R01HL149910 | 93.838 | - | 4,107 | 4,107 |
| NH | Lung Diseases Research | Imaging and Molecular Phenotyp | | | R01HL150070 | 93.838 | - | 72,102 | 72,102 |
| NH | Cardiovascular Diseases Research | Accelerating research to advan | Brigham and Women's Hospital | | R01HL151604 | 93.837 | 9,899 | 456,282 | 456,282 |
| NH | Blood Diseases and Resources Research | The role of mitochondria in he | Children's Hospital Boston | | | 93.839 | - | 145,176 | 145,176 |
| NH | Lung Diseases Research | A Role For EYA3 in Vascular PE | Vanderbilt University Medical Center | | R01HL151654 | 93.839 | 27,193 | - | - |
| NH | Blood Diseases and Resources Research | The Role of Erythroblastic Id | Johns Hopkins University | | R01HL152099 | 93.839 | 221,409 | 422,572 | 449,765 |
| NH | Cardiovascular Diseases Research | MINDS Imaging Ancillary Study | University of Pittsburgh | AWD00002377 (13459 | R01HL152740 | 93.837 | - | 594,700 | 594,700 |
| NH | Lung Diseases Research | Development of novel therapau | The Feinstein Institute Medical Res | | R01HL152973 | 93.838 | - | 405,847 | 405,847 |
| NH | Lung Diseases Research | Uterine signaling networks in | | | R01HL153045 | 93.838 | 268,004 | 26,465 | 26,465 |
| NH | Blood Diseases and Resources Research | Mechanisms whereby IFN-gamma s | University of Pittsburgh | AWD00003978 | R01HL153106 | 93.839 | - | 586,117 | 586,117 |
| NH | Lung Diseases Research | Penetrating the "Black box". | The Ohio State University | | R01HL153108 | 93.838 | 2,843 | 356,336 | 356,336 |
| NH | Cardiovascular Diseases Research | Spatial control of myeloid df | | | R01HL153229 | 93.837 | - | 39,220 | 39,220 |
| NH | Blood Diseases and Resources Research | MIDAS: Microangiopathy, Endoth | The Ohio State University Research Fnd | 60078812 | R01HL153723 | 93.839 | - | 227,826 | 227,826 |
| NH | Cardiovascular Diseases Research | Mechanisms underlying rymyomato | | | R01HL154522 | 93.837 | - | 145,817 | 145,817 |
| NH | Cardiovascular Diseases Research | Hypertrophic Cardiomyopathy: U | Brigham & Women's Hospital | 2020A015252 | R01HL155568 | 93.837 | - | 348,704 | 348,704 |
| NH | Lung Diseases Research | Tissue niches for LLC3 develop | | | R01HL155611 | 93.838 | - | 7,323 | 7,323 |
| NH | Cardiovascular Diseases Research | Endothelial subpopulations in | | | R01HL156270 | 93.837 | - | 428,749 | 428,749 |
| NH | Cardiovascular Diseases Research | Innate immune response signal | | | R01HL156852 | 93.837 | - | 359,862 | 359,862 |
| NH | Lung Diseases Research | Epigenetic Regulation of the M | | | R01HL156860 | 93.838 | - | 196,300 | 196,300 |
| NH | Cardiovascular Diseases Research | Pathogenesis and Treatment of | | | R01HL156866 | 93.837 | - | 323,245 | 323,245 |
| | | | | | | | - | 208,961 | 208,961 |

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|----|---|--|--|----------------------|--|---------------------------|--------|---|--|-----------|
| NH | Diabetes, Digestive, and Kidney Diseases Extramural Research | Cyst induction and growth in A | | | | R56DK129238 | 93.847 | - | 39,352 | 39,352 |
| NH | Cardiovascular Diseases Research | Mechanisms of Eosinophil-Assoc | University of Cincinnati | 013967-0002 | | R56HL147898 | 93.837 | - | 19,302 | 19,302 |
| NH | Cardiovascular Diseases Research | Chronomechanisms of Cardmetab | | | | R56HL158531 | 93.837 | - | 214,079 | 214,079 |
| NH | Extramural Res Programs in the Neurosciences & Neurological Disorders | Manipulation of microRNA for C | Indiana University | | | R56NS114124 | 93.853 | 15,850 | 274,206 | 290,056 |
| NH | Arthritis, Musculoskeletal and Skin Diseases Research | Improving delivery of therapeu | | | | R61AR076771 | 93.846 | - | 240,901 | 240,901 |
| NH | Arthritis, Musculoskeletal and Skin Diseases Research | Electrical Coupling of Circu | Salk Institute | | | R61AR078060 | 93.846 | 30,606 | 292,984 | 323,590 |
| NH | Child Health and Human Development Extramural Research | Evaluating Assessment and Medi | Univ of Calif-Davis-Mmrc | | | R61HD100934 | 93.865 | 227,909 | 241,924 | 469,833 |
| NH | Trans-NIH Research Support | COVID-19 Network of Networks E | Rutgers | 1813 | | COVID-19 R61HD105619 | 93.310 | - | 18,804 | 18,804 |
| NH | National Center on Sleep Disorders Research | Positive airway pressure for t | Children's Hospital of Philadelphia | 3201930820 | | R61HL151253 | 93.233 | - | 63,344 | 63,344 |
| NH | Lung Diseases Research | Commercial Translation of Biom | | | | R61HL154105 | 93.838 | - | 345,504 | 345,504 |
| NH | Lung Diseases Research | Human gene transfer and macroph | University of South Florida | | | R61HL156888 | 93.838 | 15,759 | 412,802 | 428,561 |
| NH | Extramural Res Programs in the Neurosciences & Neurological Disorders | SPRINT: Signature for Pain Rec | Stanford University Medical Center | R61NS114926 | | R61NS114926 | 93.853 | - | 328,054 | 328,054 |
| NH | Extramural Res Programs in the Neurosciences & Neurological Disorders | Developing novel biomarkers of | Ann & Robert H Lurie Children's Hospital | 901654-CHMC | | R61NS122094 | 93.853 | - | 97,564 | 97,564 |
| NH | Diabetes, Digestive, and Kidney Diseases Extramural Research | A generalizable framework for | University of Pittsburgh Yale University | | | RC2DK122376 | 93.847 | 149,107 237,788 | 609,517 847,305 | 996,392 |
| NH | Diabetes, Digestive, and Kidney Diseases Extramural Research | Systems Biology of Bone Marrow | Children's Hospital Boston | GENFD0001792985 | | RC2DK122533 | 93.847 | - | 12,994 | 12,994 |
| NH | Extramural Res Programs in the Neurosciences & Neurological Disorders | APRISE-Dementia (Assessing Pop | University of Cincinnati | 1 RF1 NS117643-01 | | RF1NS117643 | 93.853 | - | 25,347 | 25,347 |
| NH | Arthritis, Musculoskeletal and Skin Diseases Research | CINCINNATI TRAINING PROGRAM IN | | | | T32AR069512 | 93.846 | - | 187,022 | 187,022 |
| NH | Cancer Research Manpower | Training grant | University of Cincinnati | 1017546 | | T32CA117846 | 93.398 | - | 102,260 | 102,260 |
| NH | Cancer Research Manpower | T32 Training grant | University of Cincinnati | 1017278 | | T32CA236784 | 93.398 | - | 160,220 | 160,220 |
| NH | Diabetes, Digestive, and Kidney Diseases Extramural Research | Research Training in Pediatric | | | | T32DK007695 | 93.847 | - | 167,261 | 167,261 |
| NH | Diabetes, Digestive, and Kidney Diseases Extramural Research | Pediatric Gastroenterology and | | | | T32DK007727 | 93.847 | - | 554,416 | 554,416 |
| NH | Diabetes, Digestive, and Kidney Diseases Extramural Research | Research Training in Child Beh | | | | T32DK063929 | 93.847 | - | 439,651 | 439,651 |
| NH | Environmental Health | Training grant | University of Cincinnati | 1016232 | | T32ES007250 | 93.113 | - | 62,074 | 62,074 |
| NH | Environmental Health | Environmental Carcinogenesis a | University of Cincinnati | 1017372 | | T32ES007250 | 93.113 | - | 54,702 | 54,702 |
| NH | Environmental Health | Training grant | University of Cincinnati | 1016305 | | T32ES010957 | 93.113 | - | 74,327 | 74,327 |
| NH | Biomedical Research and Research Training | Host Response to Trauma Resear | University of Cincinnati | 1017224 | | T32GM847828 | 93.859 | - | 76,048 | 76,048 |
| NH | Child Health and Human Development Extramural Research | Enhancing Pediatric Treatment Adherence | | | | T32HD068223 | 93.865 | - | 330,706 | 330,706 |
| NH | Child Health and Human Development Extramural Research | T32 Cincinnati Pediatric Clni | | | | T32HD069054 | 93.865 | - | 146,902 | 146,902 |
| NH | Lung Diseases Research | Pulmonary Development and De | | | | T32HL007752 | 93.838 | - | 323,896 | 323,896 |
| NH | Cardiovascular Diseases Research | Understanding Cardiovascular D | | | | T32HL125204 | 93.837 | - | 296,527 | 296,527 |
| NH | Extramural Res Programs in the Neurosciences & Neurological Disorders | Cerebrovascular Fellowship Tra | University of Cincinnati | 013104-002 | | T32NS047996 | 93.853 | - | 10,446 | 10,446 |
| NH | Lung Diseases Research | Cincinnati Children's Summer M | | | | T32HL113229 | 93.838 | - | 59,221 | 59,221 |
| NH | Allergy, Immunology and Transplantation Research | Gene therapy for SCID-X1 with | Children's Hospital Boston | GENFD0001865408 | | U01AI126051 | 93.855 | - | 2,807 | 2,807 |
| NH | Allergy, Immunology and Transplantation Research | Controlling and Preventing Asthma Prog | Children's Hospital Boston | GENFD0002045257 | | U01AI126514 | 93.855 | - | 299,841 | 299,841 |
| NH | Allergy, Immunology and Transplantation Research | Gene Regulation as a Foundation for Auto | Stanford University, The Scripps Research Institute University of Colorado University of Nebraska Med Center | | | U01AI130830 | 93.855 | 215,638 168,309 36,480 91,462 | 649,520 817,839 854,319 948,781 | 1,161,400 |
| NH | Allergy, Immunology and Transplantation Research | COVID-19 Exosomes and the Immune Respon | Stanford University | 625023S3-128779 | | COVID-19 U01AI135950-0381 | 93.855 | - | 91,681 | 91,681 |
| NH | Allergy, Immunology and Transplantation Research | Impact of the Initial Influenz | University of Cincinnati | | | U01AI144673 | 93.855 | 373,522 | 2,855,311 | 3,228,833 |
| NH | Allergy, Immunology and Transplantation Research | COVID-19 Epidemiology and Immu | University of Cincinnati | | | COVID-19 U01AI144673-0281 | 93.855 | 96,984 | 3,242,787 | 3,339,771 |
| NH | Allergy, Immunology and Transplantation Research | Dynamic regulatory network mod | Icahn School of Medicine at Mount Sinai | 0255-E053-4609 | | U01AI150748 | 93.855 | - | 351,161 | 351,161 |
| NH | Allergy, Immunology and Transplantation Research | Atopic dermatitis: mechanisms | | | | U01AI152034 | 93.855 | - | 220,694 | 220,694 |
| NH | Allergy, Immunology and Transplantation Research | Genomics of Nephrotic Syndrome | Duke University | 265416 / A034566 | | U01AI152585 | 93.855 | - | 130 | 130 |
| NH | Allergy, Immunology and Transplantation Research | Randomized trial of viral spec | | | | U01AI157620 | 93.855 | - | 497,311 | 497,311 |
| NH | Allergy, Immunology and Transplantation Research | Multi-omics of the Frequent Ex | | | | U01AI159087 | 93.855 | - | 368,268 | 368,268 |
| NH | Allergy, Immunology and Transplantation Research | Advancing Transplantation Outc | Harvard Medical School | GENFD0002098919 | | U01AI163072 | 93.855 | - | 13,856 | 13,856 |
| NH | Allergy, Immunology and Transplantation Research | Itraconazole to reduce lung infl | Duke University | A03-53481/ U01AI1630 | | U01AI163099 | 93.855 | - | 33,308 | 33,308 |
| NH | Research and Training in Complementary and Alternative Medicine | Mind Body Balance for Pediatr | University of Colorado University of Virginia | | | U01AT010132 | 93.213 | 80,330 21,643 | 528,116 549,759 | 630,089 |
| NH | Drug Abuse and Addiction Research Programs | First-In-Human Study of a Huma | University of Cincinnati | 012264-003 | | U01DA048525 | 93.279 | - | 72,714 | 72,714 |
| NH | Drug Abuse and Addiction Research Programs | 4/6 HBGD Prenatal Experiences | | | | U01DA055342 | 93.279 | - | 291,945 | 291,945 |
| NH | Oral Diseases and Disorders Research | Velopharyngeal insufficiency f | Phoenix Children's Hospital | SITZMAN-20-03 | | U01DE029750 | 93.121 | - | 24,983 | 24,983 |
| NH | Diabetes, Digestive, and Kidney Diseases Extramural Research | TODAY2 Phase 2 (TZP2): Long-Term Post | George Washington University | 17-D05 | | U01DK061230 | 93.847 | - | 5,066 | 5,066 |
| NH | Diabetes, Digestive, and Kidney Diseases Extramural Research | Non Alcoholic Steatohepatitis | Cleveland Clin Lerner Col of Med of CW | 1324-SLB | | U01DK061732 | 93.847 | - | 153,037 | 153,037 |
| NH | Diabetes, Digestive, and Kidney Diseases Extramural Research | Clinical Center for Cholestas | | | | U01DK062497 | 93.847 | - | 869,719 | 869,719 |
| NH | Diabetes, Digestive, and Kidney Diseases Extramural Research | CKID IV (patient care and sala | Children's Mercy Hospital | 18-0007 | | U01DK066143 | 93.847 | - | 65,978 | 65,978 |
| NH | Diabetes, Digestive, and Kidney Diseases Extramural Research | CUREGN 2.0 - Midwest Pediatr | Nationwide Children's Hospital | 700198-0620-00 | | U01DK100866 | 93.847 | - | 14,912 | 14,912 |
| NH | Diabetes, Digestive, and Kidney Diseases Extramural Research | Defining the intestinal stem c | | | | U01DK103117 | 93.847 | - | 274,253 | 274,253 |
| NH | Diabetes, Digestive, and Kidney Diseases Extramural Research | Consortium for the Study of Ch | University of Iowa | W001038585 | | U01DK108328 | 93.847 | - | 10,386 | 10,386 |
| NH | Diabetes, Digestive, and Kidney Diseases Extramural Research | Phosphate binder therapy and c | UCLA School of Public Health | 1652 G YAO29 | | U01DK122013 | 93.847 | - | 6,384 | 6,384 |
| NH | Diabetes, Digestive, and Kidney Diseases Extramural Research | Pediatric Acute Liver Failure | Lurie Children's Hospital of Chicago | 901628-CCH | | U01DK127995 | 93.847 | - | 3,264 | 3,264 |
| NH | Environmental Health | Prenatal inflammatory exposures and neo | | | | U01ES029234 | 93.113 | - | 139,000 | 139,000 |
| NH | Human Genome Research | Polygenic Risk Scores for Heal | Children's Hospital Boston University of Cincinnati | | | U01HG011172 | 93.172 | 82,197 312,462 | 789,517 1,101,714 | 1,184,196 |
| NH | Cardiovascular Diseases Research | Vascular Care for Dyslipidemia of Obesity | New England Research Institutes | | | U01HL068270 | 93.837 | - | 299 | 299 |
| NH | Cardiovascular Diseases Research | Impact of Treatment of Mild Sleep-Disorder | Children's Hospital of Philadelphia | U01HL125295 | | U01HL125295 | 93.837 | - | 1,026 | 1,026 |
| NH | Lung Diseases Research | ORBEX: Primary Prevention of Asthma | University of Arizona | Q0438886 | | U01HL130045 | 93.838 | - | 306,067 | 306,067 |
| NH | Cardiovascular Diseases Research | Administrative Coordinating Co | Brigham and Women's Hospital Children's Hospital Boston Children's Hospital Los Angeles Children's Hospital of Philadelphia Columbia University Holland Bloomview Kds Mount Sinai School of Medicine University of Utah | | | U01HL131003 | 93.837 | 83,157 203,264 800 75,000 20,159 75,000 43,720 77,304 | 3,000,374 3,203,638 3,204,438 3,279,438 3,300,597 3,375,597 3,442,901 3,519,901 | 3,578,578 |
| NH | Cardiovascular Diseases Research | Multicenter Interventional Lymphangioblo | University of Cincinnati | 010575-00010 | | U01HL131755 | 93.837 | - | 56,819 | 56,819 |
| NH | Blood Diseases and Resources Research | Realizing Effectiveness Across Continents | Aclaim Baylor College of Medicine, CEFA/Centre Hospitalier Monkole Hospital Pediatric David Bernardino Mbale Regional Referral Hospital The Chancellor, Masters and Scholars The Feinstein Institute Med Research University Health Network | | | U01HL133883 | 93.839 | 8,442 29,074 67,696 110,356 89,369 67,673 15,460 9,437 | 337,334 366,408 433,084 543,443 632,812 700,485 715,945 725,405 | 734,841 |

| | | | | | | | | | |
|----|---|--|--|---|----------------------------|------------------|--|-----------------|-----------------|
| NH | Lung Diseases Research | | Editing Alveolar Progenitor Cells for Corred | Battelle Memorial Institute Boston University Johns Hopkins University National Jewish Health Univ of Pennsylvania Washington University | U01HL134745 | 93.838 | 35,864 353,959 10,500 11,110 527,621 43,963 | 361,685 - | 1,344,702 |
| NH | Blood Diseases and Resources Research | | Darbetaoetin Trial to Improve R | University of Utah | 10053175-02 | 93.839 | - | 29,055 | 29,055 |
| NH | Blood Diseases and Resources Research | | Sickle Cell Improvement, Enhanc | Medical College of Wisconsin | U01HL143477 | 93.839 | - | 7,352 | 7,352 |
| NH | Lung Diseases Research | | | Cedars-Sinai Medical Center Massachusetts General Hospital The Broad Institute Inc. | U01HL148856 | 93.838 | 9,875 103,781 1,254 | 744,427 - | 859,437 |
| NH | Cardiovascular Diseases Research | | LungMap Phase II - Building a Lung Map submission with UC Sa | University of California San Diego | 125063615 | 93.837 | - | 44,226 | 44,226 |
| NH | Blood Diseases and Resources Research | | Sickle Cell Improvement: Enhanc | Medical College of Wisconsin | U01HL159850 | 93.839 | - | 44,335 | 44,335 |
| NH | Lung Diseases Research | | Eliminating Monitor Overuse (E | Children's Hospital of Philadelphia | GRT-00001474 | 93.838 | - | 34,743 | 34,743 |
| NH | Extramural Res Programs in the Neurosciences & Neurological Disorders | | Neuronext NN107 | University of Cincinnati | 009175-018 | 93.853 | - | 5,204 | 5,204 |
| NH | Extramural Res Programs in the Neurosciences & Neurological Disorders | | Preventing Epilepsy Using Vgabatin | University of Alabama-Birmingham | U01NS092595 | 93.853 | - | 13,452 | 13,452 |
| NH | Extramural Res Programs in the Neurosciences & Neurological Disorders | | High-dose Erythropoietin for Asphyxia | University of California | 10018sc | 93.853 | - | 32,669 | 32,669 |
| NH | Extramural Res Programs in the Neurosciences & Neurological Disorders | | Perinatal Arterial Stroke: A M | University of Cincinnati | 011961-136901 | 93.853 | - | 17,395 | 17,395 |
| NH | Extramural Res Programs in the Neurosciences & Neurological Disorders | | Pediatric Dose Optimization B | Baylor College of Medicine | 0001625 | 93.853 | - | 62,777 | 62,777 |
| NH | National Center for Advancing Translational Sciences | | STeroids to REduce Systemic inflammation | Duke University | 203-8371 | 93.350 | - | 6,761 | 6,761 |
| NH | National Center for Advancing Translational Sciences | | Disseminating Curative Biological Theep | Children's Hospital Boston | U01TR001814 | 93.350 | - | 94,640 | 94,640 |
| NH | National Center for Advancing Translational Sciences | | Precision Medicine in the Dag | Tufts Medical Center | 5016131-SERV | 93.350 | - | 127,907 | 127,907 |
| NH | National Center for Advancing Translational Sciences | | Instrumenting the Delivery Sys | Children's Hospital Boston | GENFD0001706578 | 93.350 | - | 208,060 | 208,060 |
| NH | Diabetes, Digestive, and Kidney Diseases Extramural Research | | INSPIRE: A Longitudinal Cohor | University of Iowa | S02042-02 | 93.847 | - | 100,639 | 100,639 |
| NH | Cancer Treatment Research | | Dasqupta COG from PH | Public Health Institute | AR04476 | 93.395 | - | 7,834 | 7,834 |
| NH | Cancer Treatment Research | | COMMITTEE LEADERSHIP: NIH Nafi | Public Health Institute | AR03217 | 93.395 | - | 50,058 | 50,058 |
| NH | Cancer Treatment Research | | O'Brien PHI-COG Study Chair AA | Public Health Institute | AR03402 | 93.395 | - | 31,303 | 31,303 |
| NH | Cancer Treatment Research | | Norris PHI-COG Associate Medic | Public Health Institute | AR03186 | 93.395 | - | 41,731 | 41,731 |
| NH | Cancer Treatment Research | | Study Chair | Public Health Institute | AR03451 | 93.395 | - | 10,435 | 10,435 |
| NH | Cancer Treatment Research | | Study Chair AREN 1721 2021 | Public Health Institute | AR03450 | 93.395 | - | 10,435 | 10,435 |
| NH | Cancer Treatment Research | | COG NCTN Workload Intensity General | Children's Hospital of Philadelphia | 2U10CA180886 | 93.395 | - | 8,614 | 8,614 |
| NH | Cancer Treatment Research | | PHI-COG PCR Work Order 2021 | Public Health Institute | Nomis_R_PHI/NH | 93.395 | - | 4,524 | 4,524 |
| NH | Cancer Treatment Research | | PHI-COG NCTN Work Order 2021 | Public Health Institute | U10CA180886 | 93.395 | - | 36,999 | 36,999 |
| NH | Cancer Treatment Research | | NCTN Renal Committee Retest | Public Health Institute | AR04978 | 93.395 | - | 8,000 | 8,000 |
| NH | Cancer Treatment Research | | AHEP 1531 (PHI managed) | Public Health Institute | AR0454U10CA1808 | 93.395 | - | 29,293 | 29,293 |
| NH | Cancer Treatment Research | | BIOSFPACNS IntegralGU10CA1 | Public Health Institute | AR03753 | 93.395 | - | 137,719 | 137,719 |
| NH | Cancer Treatment Research | | Biomarker, Imaging and Quality | Public Health Institute | AR04810 | 93.395 | - | 8,099 | 8,099 |
| NH | Cancer Treatment Research | | COG NCTN Network Group Operati | Children's Hospital of Philadelphia | 20115662 - RSLB | 93.395 | - | 11,046 | 11,046 |
| NH | Cancer Treatment Research | | COG NCTN Network Group Operati | Children's Hospital of Philadelphia | AR03425 | 93.395 | - | 15,665 | 15,665 |
| NH | Cancer Treatment Research | | COG NCTN Network Group Operati | Children's Hospital of Philadelphia | U10CA180886 renewa | 93.395 | - | 31,982 | 31,982 |
| NH | Cancer Treatment Research | | COG NCTN Network Group Operati | Public Health Institute | AR04579 | 93.395 | - | 11,749 | 11,749 |
| NH | Cancer Treatment Research | | COG NCTN Network Group Operati | Public Health Institute | AR04575 | 93.395 | - | 12,062 | 12,062 |
| NH | Cancer Treatment Research | | COG NCTN Network Group Operati | Public Health Institute | AR03426 | 93.395 | - | 20,869 | 20,869 |
| NH | Cancer Treatment Research | | Study Chair | Public Health Institute | AR03413 | 93.395 | - | 31,302 | 31,302 |
| NH | Cardiovascular Diseases Research | | Phase 1 Trial of Bevacizumab Treatment for Fontan Udenafil Exercise Longitudnal | Jaeb Center for Health Res Fdn., Inc. New England Research Institutes | U10EY011751 U10HL068270 | 93.867 93.837 | 31,221 2,497 | 31,221 2,497 | 31,221 2,497 |
| NH | Allegry, Immunology and Transplantation Research | | Epithelial Genes in Allergic I | | U19AI070235 | 93.855 | - | 1,318,221 | 1,318,221 |
| NH | Allegry, Immunology and Transplantation Research | | COVID-19 Epithelial Genes in Allergic I | | COVID-19 U19AI070235-14S1 | 93.855 | - | 20,880 | 20,880 |
| NH | Allegry, Immunology and Transplantation Research | | Airway Inflammation and airway monitoring | University of California San Diego | 83115022 (PO S90016 | 93.855 | - | 146,159 | 146,159 |
| NH | Cancer Treatment Research | | Childhood Cancer Survivor Study | St. Jude's Children's Hospital | 111287260-7914878 | 93.395 | - | 364,580 | 364,580 |
| NH | Diabetes, Digestive, and Kidney Diseases Extramural Research | | Investigating the role of VPS4 | University of Utah | 10055841-25 | 93.847 | - | 28,158 | 28,158 |
| NH | Child Health and Human Development Extramural Research | | Neonatal Research Network Caplaton | RTI International | NRN- 021632 | 93.865 | - | 476,169 | 476,169 |
| NH | Child Health and Human Development Extramural Research | | dGTEX BPC Participation | The Natl Disease Research Interchange | 1411431U24HD10653 | 93.865 | - | 38,236 | 38,236 |
| NH | Cardiovascular Diseases Research | | Translating gene/pulmonary mac | University of Maryland (Baltimore) | 1701192 | 93.837 | - | 175,648 | 175,648 |
| NH | Cardiovascular Diseases Research | | Fontan Udenafil Exercise Longitudnal | New England Research Institutes | U24HL135691 | 93.837 | - | 8,960 | 8,960 |
| NH | Cardiovascular Diseases Research | | Liver stiffness in Patients w | New England Research Institutes | 0001315 | 93.837 | - | 29,186 | 29,186 |
| NH | Cardiovascular Diseases Research | | Single Institutional Review Bo | New England Research Institutes | NERI, Crota, James | 93.837 | - | 242,867 | 242,867 |
| NH | Cardiovascular Diseases Research | | Dyslipidemia of Obesity Intervention in Teen | New England Research Institutes | U24HL135691 | 93.837 | - | 17,147 | 17,147 |
| NH | Cardiovascular Diseases Research | | Use of Oxandrolone to Promote | New England Research Institutes | U24HL135691 | 93.837 | - | 1,808 | 1,808 |
| NH | Cardiovascular Diseases Research | | COVID-19 PHN COVID/MUSIC Study Subcontr | New England Research Institutes | U24HL135691 | 93.837 | - | 35,875 | 35,875 |
| NH | Lung Diseases Research | | The LungMAP Data Coordination | Research Triangle Institute The Broad Institute Inc. University of California Santa Cruz University of California, San Diego University of Rochester University of Pennsylvania | U24HL148855 | 93.838 | 139,734 284,488 319,038 100,000 100,000 50,000 | 1,169,847 - | 2,163,107 |
| NH | Extramural Res Programs in the Neurosciences & Neurological Disorders | | Electrical Stimulation of Indu | University of Cincinnati | 011609-0009 | 93.853 | - | 182,123 | 182,123 |
| NH | Diabetes, Digestive, and Kidney Diseases Extramural Research | | Obtain healthy reference tissu | University of Cincinnati | 012507-002 | 93.847 | - | 20,166 | 20,166 |
| NH | Trans-NIH Research Support | | Decentralized and Reproducible | Duke, Brookamp | U2C00023375 | 93.310 | - | 15,044 | 15,044 |
| NH | National Center for Advancing Translational Sciences | | Data Management and Coordinati | University of Cincinnati | U2CTR002818 | 93.350 | 1,145 | 5,317,274 | 5,318,419 |
| NH | Diabetes, Digestive, and Kidney Diseases Extramural Research | | Clinical, Imaging, and Mucosal | Connecticut Children's Medical Center | 21-181065-02 | 93.847 | - | 6,416 | 6,416 |
| NH | Allegry, Immunology and Transplantation Research | | PRIMARY IMMUNE DEFICIENCY TREA | The Univ of California, San Francisco | 8404sc | 93.855 | - | 624 | 624 |
| NH | Allegry, Immunology and Transplantation Research | | Consortium of Eosinophilic Gas | Ann & Robert H Lurie Children's Hosp Arkansas Children's Hospital Baylor College of Medicine Children's Hospital of Philadelphia Indiana University Mount Sinai School of Medicine Northwestern University Tufts Medical Center, Inc Univ of Pennsylvania University of CA University of Colorado University of North Carolina-Chapel Hill University of Utah Vanderbilt University Medical Center University of Colorado | U54AI117804 | 93.855 | 64,218 26,705 19,980 65,867 89,304 23,433 80,074 4,145 72,634 28,521 103,726 56,335 64,168 13,987 | 804,751 - | 1,517,848 |
| NH | Allegry, Immunology and Transplantation Research | | COVID-19 Consortium of Eosinophilic Gas | | COVID-19 U54AI117804-06S1 | 93.855 | 55,934 | 34,862 | 90,796 |

| | | | | | | | | | | |
|--|---|---|---|--|-------------------------------|-------------------|---|------------------------|--------------------|--------|
| NH | Diabetes, Digestive, and Kidney Diseases Extramural Research | Cincinnati Cooperative Center | | | US4DK126108 | 93.847 | - | 610,162 | 610,162 | |
| NH | Discovery & Applied Research for Tech Innovations to Improve Human Health | Center for Point-of-Care Techn | Johns Hopkins University | 2004018575 | US4EB007958 | 93.286 | - | 170,131 | 170,131 | |
| NH | Extramural Res Programs in the Neurosciences & Neurological Disorders | Rett Syndrome, MECP2 Duplication, | International Rett Syndrome Foundation | US4HD061222 | US4HD061222 | 93.853 | - | 16,507 | 16,507 | |
| NH | Child Health and Human Development Extramural Research | Translational medicine and me | Univ of Oklahoma Health Sciences Univ of Texas Southwestern University of California, Riverside University of Cincinnati | | US4HD104461 | 93.865 | 11,285 413,771 115,262 121,890 | 736,052 - - - | 1,398,260 | |
| NH | Extramural Res Programs in the Neurosciences & Neurological Disorders | Brain Vascular Malformation Co | UCSF Human Research Program | 11552sc | US4NS065705 | 93.853 | - | 240 | 240 | |
| NH | Extramural Res Programs in the Neurosciences & Neurological Disorders | Developmental Synaptopathies A | Children's Hospital Boston | GENFD001761815 | US4NS092090 | 93.853 | - | 119,667 | 119,667 | |
| NH | Extramural Res Programs in the Neurosciences & Neurological Disorders | Developmental Synaptopathies A | Children's Hospital Boston | 81199_CCHMC01_PTEU | US4NS02090 | 93.853 | - | 57,416 | 57,416 | |
| NH | Cancer Control | Norris PHI-COG NCOORP PCR Work | Public Health Institute | US1CA189855-08 | UG1CA189855 | 93.399 | - | 7,807 | 7,807 | |
| NH | Drug Abuse and Addiction Research Programs | Ohio Valley Node-Network (OVNN) | University of Cincinnati | 013764-0024 | UG1DA013732 | 93.279 | - | 59,036 | 59,036 | |
| NH | Vision Research | Adalimumab in Juvenile Idiopath | The Univ of California, San Francisco | 11309sc_FEX | UG1EY029658 | 93.867 | - | 5,556 | 5,556 | |
| NH | Child Health and Human Development Extramural Research | NICHD Cooperative Multicenter Neonatal | | | UG1HD027853 | 93.865 | - | 264,954 | 264,954 | |
| NH | Cardiovascular Diseases Research | Pediatric Heart Network Prtrialend Cons | New England Research Institutes | Indiana University | UG1HL135678 | 93.837 | 132,307 | 244,540 | 376,847 | |
| NH | Oral Diseases and Disorders Research | Reduction of bloodstream infec | | | UG3DE030401 | 93.121 | - | 243,015 | 243,015 | |
| NH | Lung Diseases Research | Hydrocortisone for BPD Respi | Children's Hospital of Philadelphia | | UG3HL137872 | 93.838 | - | 50,728 | 50,728 | |
| NH | Lung Diseases Research | AZin thromycin Therapy in Presc | University of Arizona | AZ-SWED | UG3HL147016 | 93.838 | - | 19,132 | 19,132 | |
| NH | Cardiovascular Diseases Research | Multicenter Clinical Trial of | University of Maryland (Baltimore) | 901632-CCHMC | UG3HL148318 | 93.837 | - | 15,021 | 15,021 | |
| NH | Trans-NIH Research Support | NYU Pediatric Obesity, Metabolism | NYU Sponsored Programs Administratio | UG30D023305 | UG30D023305 | 93.310 | - | 40,357 | 40,357 | |
| NH | Allergy, Immunology and Transplantation Research | Extension of clinical data s | | | UH2AI145837 | 93.855 | - | 224,586 | 224,586 | |
| NH | Diabetes, Digestive, and Kidney Diseases Extramural Research | Modeling diabetes using an it | Cleveland State University University of Illinois at Chicago | | UH8DK119982 | 93.847 | 291,553 184,652 | 1,021,462 - | 1,497,667 | |
| NH | Trans-NIH Research Support | Airway microbiome and age 6 ya | Massachusetts General Hospital | 233284 | UH30D023253 | 93.310 | - | 255 | 255 | |
| NH | Trans-NIH Research Support | Children's Respiratory Reseach | University of Wisconsin-Madison | UG30D023282 | UH30D023282 | 93.310 | - | 1,050,410 | 1,050,410 | |
| NH | Trans-NIH Research Support | Developmental Impact of NICU E | Albert Einstein College of Medicine | 312044 | UH30D023320 | 93.310 | - | 204,462 | 204,462 | |
| NH | National Center for Advancing Translational Sciences | Preclinical characterization o | | | UH3TR002612 | 93.350 | 1,366 | 120,786 | 122,152 | |
| NH | National Center for Advancing Translational Sciences | Center for Clinical and Tansl | University of Cincinnati | 012847-0008 | UL1TR001425 | 93.350 | - | 2,362,381 | 2,362,381 | |
| NH | Allergy, Immunology and Transplantation Research | Inner City Asthma Consortium 3 | University of Wisconsin-Madison | 839K182 | UM1AI14271 | 93.855 | - | 98,634 | 98,634 | |
| NH | Allergy, Immunology and Transplantation Research | Inner City Asthma Consortium (| Univ of Wisconsin | 000000189 | UM1AI14271 | 93.855 | - | 11,759 | 11,759 | |
| NH | Allergy, Immunology and Transplantation Research | Vaccine and Treatment Evaluati | | | Nationwide Childrens Hospital | 93.855 | 18,212 | 676,520 | 694,732 | |
| NH | Allergy, Immunology and Transplantation Research | COVID-19 A Phase III Randomized, Double | | | COVID-19 UM1AI148372-0151 | 93.855 | - | 2,188,831 | 2,188,831 | |
| NH | Allergy, Immunology and Transplantation Research | COVID-19 A Phase III Randomized, Double | | | COVID-19 UM1AI148372-025203S2 | 93.855 | - | 681,012 | 681,012 | |
| NH | Allergy, Immunology and Transplantation Research | COVID-19 A Phase III Randomized, Double | | | COVID-19 UM1AI148372-025303S3 | 93.855 | - | 618,221 | 618,221 | |
| NH | Allergy, Immunology and Transplantation Research | COVID-19 Phase 1, Open-Label, Randomize | | | COVID-19 UM1AI148372-0351 | 93.855 | - | 345,745 | 345,745 | |
| NH | Allergy, Immunology and Transplantation Research | COVID-19 Phase 1, Open-Label, Randomize | | | COVID-19 UM1AI148372-035402S4 | 93.855 | - | 277,305 | 277,305 | |
| NH | Allergy, Immunology and Transplantation Research | Infectious Diseases Clinical R | Emory University | A414395 | UM1AI148884 | 93.855 | - | 87,016 | 87,016 | |
| NH | Allergy, Immunology and Transplantation Research | Childhood Asthma in Urban Sett | Univ of Wisconsin | 000001464 | UM1AI160040 | 93.855 | - | 431,468 | 431,468 | |
| NH | Cancer Treatment Research | The Pediatric Brain Tumor Cons | St Jude's Children's Hospital | 110066220-798047 | UM1CA081457 | 93.395 | - | 116,777 | 116,777 | |
| NH | Cancer Treatment Research | PEP-CTN institutional support | Children's Hospital of Philadelphia | sub2401 | UM1CA228823 | 93.395 | - | 37,795 | 37,795 | |
| NH | Cancer Treatment Research | Norris PHI-COG PEP-CTN WLI Or | Public Health Institute | AR06748 | UM1CA228823 | 93.395 | - | 16,120 | 16,120 | |
| NH | Diabetes, Digestive, and Kidney Diseases Extramural Research | Teen Longitudinal Assessment of Bariatric | University of Colorado | FY 18.896.002 | UM1DK072493 | 93.847 | - | 76,088 | 76,088 | |
| NH | Diabetes, Digestive, and Kidney Diseases Extramural Research | Teen Longitudinal Assessment of Bariatric | University of Cincinnati | 010577-009 | UM1DK095710 | 93.847 | - | 384,790 | 384,790 | |
| NH | Allergy, Immunology and Transplantation Research | New Horizons in the Prevention | Johns Hopkins University | 2004813187 | UM2AI130836 | 93.855 | 134,403 | 527,060 | 661,463 | |
| SAMHSA | Substance Abuse & Mental Health Svcs Projects of Reg & Nat Significance | Implementation of Screening, B | University of Cincinnati | | H79T084035 | 93.243 | 17,861 | 474,882 | 492,743 | |
| NH | | Mouse and Guinea Pig Models for Cytome | Pennington Biomedical Res Center | | HHSN272201700017I | 93.RD | 114,178 | 622,726 | 736,904 | |
| NH | | Vaccine and Treatment Eval (VTEU) | | | HHSN272201300016I | 93.RD | - | 58,218 | 58,218 | |
| NH | | Vaccine and Treat Eval Units (VTEU) | | | HHSN272201300016I | 93.RD | - | 127,788 | 127,788 | |
| NH | | Vaccine and Treat Eval Units (VTEU) | | | HHSN272201300016I | 93.RD | - | 19,089 | 19,089 | |
| NH | | Vaccine and Treat Eval Units (VTEU) | | | HHSN272201300016I | 93.RD | - | 908,181 | 908,181 | |
| NH | | CISA Clinical Vaccine Safety Eval - | | | 200-2012-63661 | 93.RD | - | 181,524 | 181,524 | |
| NH | | Apnea in Hospitalized Preterm Infants | Emory University | 200-2012-63661 | 93.RD | 26,637 | - | 87,407 | 114,044 | |
| NH | | A Multicenter Prospective Study of Human | Children's Hospital of Philadelphia | HHSN272201600014C | HHSN272201600014C | 93.RD | - | 69,548 | 69,548 | |
| NH | | A Phase II Multi-Center, Prospective, Ran | Northwestern University Medical School | HHSN272201600016C | HHSN272201600016C | 93.RD | - | 247,217 | 247,217 | |
| NH | | Safety of Recombinant Influenz | University of Cincinnati. | 200-2012-63661-0010 | 93.RD | 1,833 | - | 126,141 | 127,974 | |
| NH | | Vaccine and Treatment Evaluati | | | HHSN272201300016I | 93.RD | - | 11,239 | 11,239 | |
| NH | | RTOP FY2020.A1B1C1D10123-HHSN2 | | | HHSN272201300016I | 93.RD | - | 274,971 | 274,971 | |
| NH | | A Prospective Observational St | | | 200-2012-63661 | 93.RD | - | 235,898 | 235,898 | |
| NH | | Safety of Simultaneous versus | | | 200-2012-63661 | 93.RD | - | 164,982 | 164,982 | |
| Dept of Health and Human Serv Total | | | | | | | 19,307,213 | 177,315,653 | 196,622,866 | |
| Dept of Housing and Urban Dev | HJD | Healthy Homes Technical Studies Grants | Role of measured and observed | University of Cincinnati | 011199 | OH#HU0037-17 | 14,906 | - | 3,309 | 3,309 |
| | HJD | Lead Technical Studies Grants | Analysis of Benefits of Abatam | National Center for Healthy Housing, Inc | MDLTS000818 | HUD_NMDLTS0008-18 | 14,902 | - | 21,022 | 21,022 |
| Dept of Housing and Urban Dev Total | | | | | | | - | 24,331 | 24,331 | |

| | | | | | | | | | | | |
|--|--------|--|---|---------------------------------------|----------------------|----------------------------|----------------------|-----------------------|-----------------------|--------------------|--------------------|
| Office of Personnel Management | OPM | Intergovernmental Personnel Act (IPA) Mobility Program | Role of a common leptin receptor | | IPA -Filippi | 27.011 | - | 8,529 | 8,529 | | |
| | OPM | Intergovernmental Personnel Act (IPA) Mobility Program | IPA Chepelev for Kaufman VA Me | | IPA-Chepelev | 27.011 | - | 4,762 | 4,762 | | |
| | OPM | Intergovernmental Personnel Act (IPA) Mobility Program | Mechanisms of liver failure | | IPA-Kapil | 27.011 | - | 73,903 | 73,903 | | |
| | OPM | Intergovernmental Personnel Act (IPA) Mobility Program | VA/IPA - Mechanisms of liver f | | IPA-Polaki | 27.011 | - | 63,543 | 63,543 | | |
| | OPM | Intergovernmental Personnel Act (IPA) Mobility Program | Richards VA Merit Kaufman | | IPA-Richards | 27.011 | - | 61,418 | 61,418 | | |
| | OPM | Intergovernmental Personnel Act (IPA) Mobility Program | Mechanisms of liver failure | | IPA-Sharma | 27.011 | - | 64,028 | 64,028 | | |
| | OPM | Intergovernmental Personnel Act (IPA) Mobility Program | Tripathi VA Merit Kaufman | | IPA-Tipathi | 27.011 | - | 73,108 | 73,108 | | |
| Office of Personnel Management Total | | | | | | | - | - | 349,291 | 349,291 | |
| Research and Development Total | | | | | | | - | - | 19,444,397 | 181,977,806 | 201,422,203 |
| | CMS | Medical Assistance Program | Pediatric Behavioral Health C | Ohio State University | 22050H5ADM | G-2223-05-0063 ODM202211 | 93.778 | - | 33,195 | 33,195 | |
| Medical Assistance Program/Medicaid Cluster Total | | | | | | | - | - | 33,195 | 33,195 | |
| Department of Transportation | NHTSA | National Priority Safety Programs | Occupant Protection Regional C | Ohio Department of Health (ODH) | 03130014BB0118 | | 20.616 | - | 58,300 | 58,300 | |
| Highway Safety Cluster Total | | | | | | | - | - | 58,300 | 58,300 | |
| Dept of Health and Human Sev | CMS | Accountable Health Communities | Greater Cincinnati Accountable Health | The Health Collaborative | 1P1CMS331598-01-00 | 1P1CMS331598 | 93.650 | - | 45,788 | 45,788 | |
| Dept of Health and Human Sev | ODC | Public Health Emergency Preparedness | Poison Center Bioterrorism Pre | Nationwide Children's Hospital | 720441-0620-00 | ODH Prime Contract 34225 | 93.069 | - | 99,459 | 99,459 | |
| Dept of Health and Human Sev | ODC | Environmental Public Health and Emergency Response | Center for Disease Control and | Ohio Department of Health (ODH) | Contract No. 47013 | NUE1EH001385 | 93.070 | - | 20,145 | 20,145 | |
| Dept of Health and Human Sev | ODC | Strengthening Public Health Systems and Services through National Partnershi | COVID-19 The Task Force for Global Heal | The Task Force for Global Health, Inc | Task Force (COVID-19 | COVID-19 NU38OT000316 | 93.421 | - | 16,671 | 16,671 | |
| Dept of Health and Human Sev | ODC | Strengthening Public Health Systems and Services through National Partnershi | COVID-19 Support for Early Childhood St COVID19 | Assoc of Univ Center on Disabilities | 07-128-4913 | COVID-19 NU38OT00280-02-02 | 93.421 | - | 52,352 | 52,352 | |
| Dept of Health and Human Sev | ODC | Strengthening Public Health Systems and Services through National Partnershi | COVID-19 Addressing COVID-19 vaccine ac | Assoc of Univ Center on Disabilities | 05-21-8815 | COVID-19 NU38OT00280-03-05 | 93.421 | - | 18,035 | 18,035 | |
| Dept of Health and Human Sev | ODC | Strengthening Public Health Systems and Services through National Partnershi | COVID-19 Enhance Support for Early Chil COVID19 | Assoc of Univ Center on Disabilities | 29-8814-22 | COVID-19 NU38OT00280-04-02 | 93.421 | - | 46,493 | 46,493 | |
| Dept of Health and Human Sev | ODC | Preventive Health and Health Services Block Grant | Child Injury Prevention Grant | Stark County Combined General Health | 07610014IC0321 | 07610014IC0321 | 93.991 | - | 8,000 | 8,000 | |
| Dept of Health and Human Sev | HRSA | Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution | COVID-19 Provider Relief Fund and American Rescue | | | | | | | | |
| Dept of Health and Human Sev | SAMHSA | Opioid STR | Plan (ARP) Rural Distribution | | | | | | | | |
| Dept of Health and Human Sev | HRSA | Block Grants for Prevention and Treatment of Substance Abuse | Opioid Response Grants | | | | | | | | |
| | | | Substance Abuse Prevention and Treatment | | | | | | | | |
| | | | | | | | | | | | |
| Grand Total | | | | | | | \$ 19,444,397 | \$ 232,805,980 | \$ 252,250,377 | | |

CHILDREN’S HOSPITAL MEDICAL CENTER AND AFFILIATES

NOTES TO SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation — The accompanying Supplemental Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal grant activity of Cincinnati Children’s under programs of the federal government for the year ended June 30, 2022 and is presented on the accrual basis of accounting. This is consistent with the basis of accounting used in the preparation of the basic consolidated financial statements. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Guidance*. Because the Schedule presents only a selected portion of the operations of Cincinnati Children’s, it is not intended to and does not present the financial position, changes in net assets or cash flows of Cincinnati Children’s.

Net Asset Balances — Negative amounts represent grants with deficit balances which were closed during fiscal 2022.

2. DE MINIMIS COST RATE

Cincinnati Children’s did not elect to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

3. SCOPE OF AUDIT

All federal grant operations of Cincinnati Children’s are included in the scope of Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Single audits under the Uniform Guidance are performed in accordance with the provisions of the Office of Management and Budget (OMB)’s Compliance Supplement for Single Audits of Higher Learning Institutions and other Non-Profit Institutions (the “Compliance Supplement”). The Department of Health and Human Services has been designated as Cincinnati Children’s cognizant agency for the Single audit.

4. PROVIDER RELIEF FUND TAX IDENTIFICATION NUMBER

Cincinnati Children’s received COVID-19 Provider Relief funds under the 31-0833936 tax identification number only.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
Children's Hospital Medical Center and Affiliates
Cincinnati, Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Children's Hospital Medical Center and Affiliates (the "Company"), which comprise the Company's consolidated statement of financial position as of June 30, 2022, and the related consolidated statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 30, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Company's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Company's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Deloitte & Touche LLP

September 30, 2022

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Children's Hospital Medical Center and Affiliates
Cincinnati, Ohio

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Children's Hospital Medical Center and Affiliates (the "Company's") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Company's major federal programs for the year ended June 30, 2022. The Company's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Company complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Company's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Company's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Company's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Company's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Company's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Company's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not

identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the Company as of and for the year ended June 30, 2022, and have issued our report thereon dated September 30, 2022, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Deloitte & Touche LLP

November 1, 2022

CHILDREN'S HOSPITAL MEDICAL CENTER AND AFFILIATES

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2022

PART I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

| | | |
|---|-------------------|----------------------------|
| Type of auditor's report issued: | Unmodified | |
| Internal control over financial reporting: | | |
| Material weakness(es) identified? | <u> </u> Yes | <u> X </u> No |
| Significant deficiency(ies) identified? | <u> </u> Yes | <u> X </u> None reported |
| Noncompliance material to financial statements noted? | <u> </u> Yes | <u> X </u> No |

Federal Awards:

| | | |
|--|-------------------|----------------------------|
| Internal control over major programs: | | |
| Material weakness(es) identified? | <u> </u> Yes | <u> X </u> No |
| Significant deficiency(ies) identified? | <u> </u> Yes | <u> X </u> None reported |
| Type of auditor's report issued on compliance for major programs: | Unmodified | |
| Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | <u> </u> Yes | <u> X </u> No |

Identification of Major Programs:

| <u>ALN Number</u> | <u>Name of Federal Program or Cluster</u> |
|-------------------|---|
| Various | Research and Development* |
| 93.498 | COVID-19-Provider Relief Fund And American Rescue Plan (ARP) Rural Distribution |

* Cincinnati Children's has determined that its entire research and development program inclusive of all research and development grant activity should be considered clustered and as such, constitutes one major program.

| | |
|--|--------------|
| Dollar threshold used to distinguish between Type A and Type B programs? | \$ 3,000,000 |
| Research and Development program tested as a single Type A program | |

| | | |
|--|------------------|------------------|
| Auditee qualified as low-risk auditee? | <u> X </u> Yes | <u> </u> No |
|--|------------------|------------------|

CHILDREN'S HOSPITAL MEDICAL CENTER AND AFFILIATES

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022**

PART II. FINDINGS RELATED TO THE FINANCIAL STATEMENTS

None

PART III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None