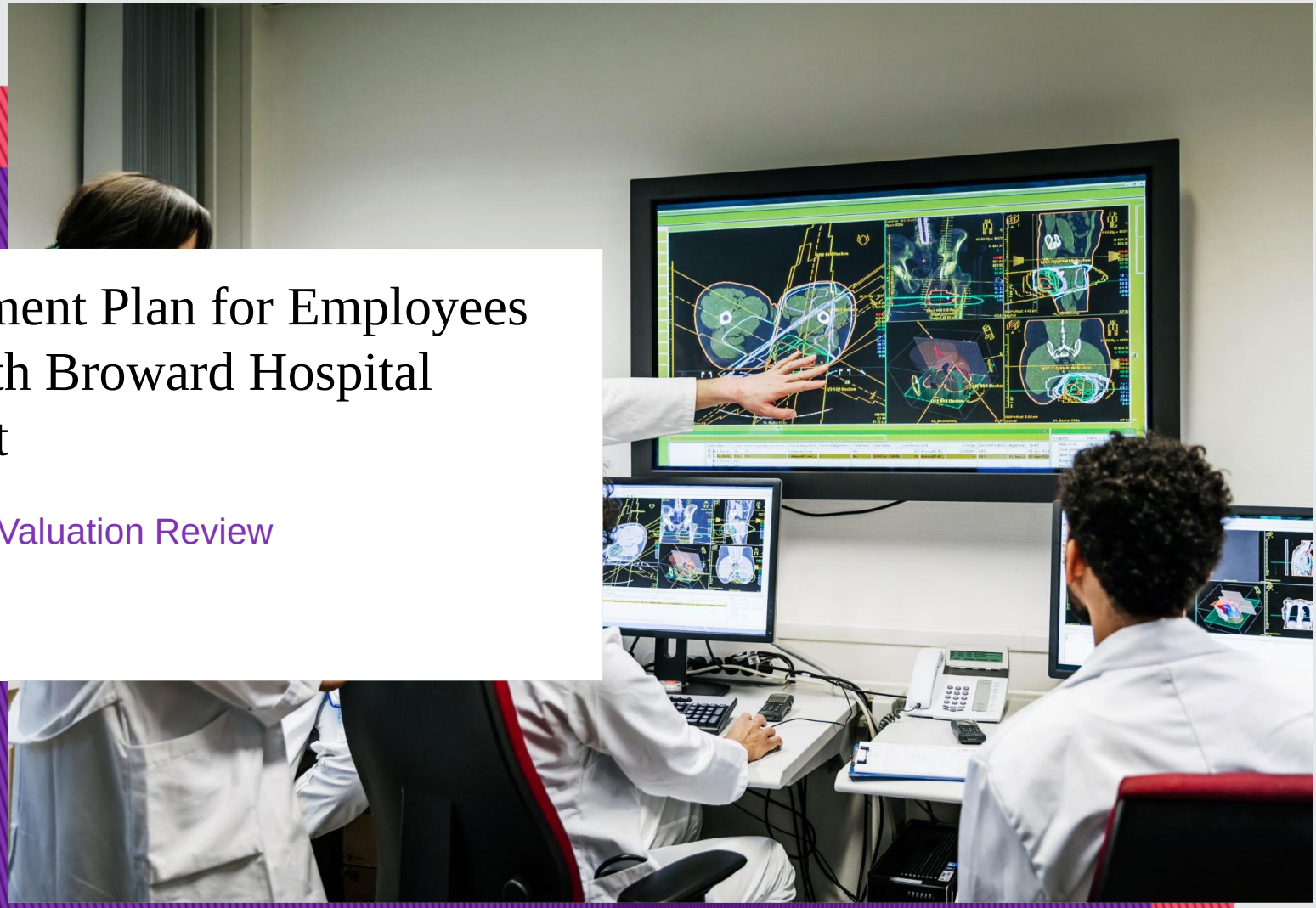
Retirement Plan for Employees of South Broward Hospital District

Actuarial Valuation Review

April 2025



Agenda

Purpose of today's meeting: Review the assumption experience study, funding and GASB valuation results

Action: Finance Committee approval of the May 1, 2024 funding valuation in advance of April Board of Commissioners meeting

Agenda

- Introduction and executive summary
- Funding
- Financial reporting

Denise Miller, EA
Lead Actuary

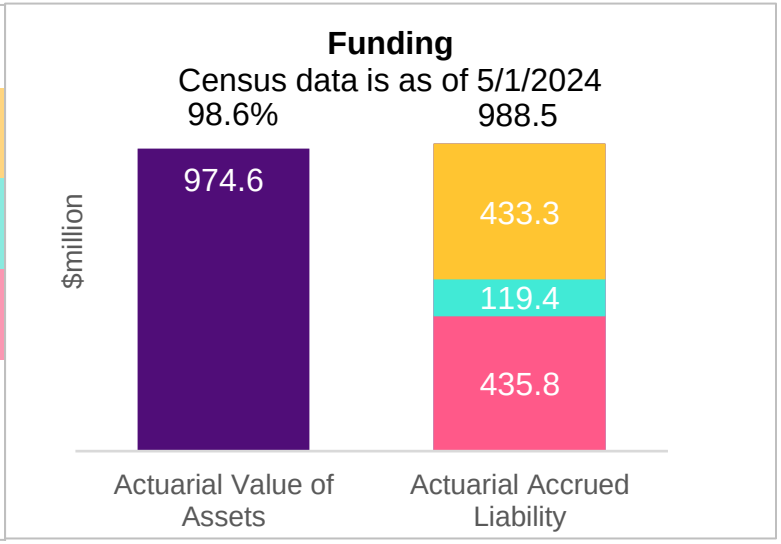
Jason Naddell, FSA, EA
Senior Support

Introduction and Executive Summary

Pension Plan Overview

- Plan is closed to new employees hired or rehired after 10/31/2011
- Payment forms include monthly annuities and unlimited lump sums (effective 8/1/2024)
- Reduction in number of active participants and total participants
- Higher than expected increase in average plan eligible compensation

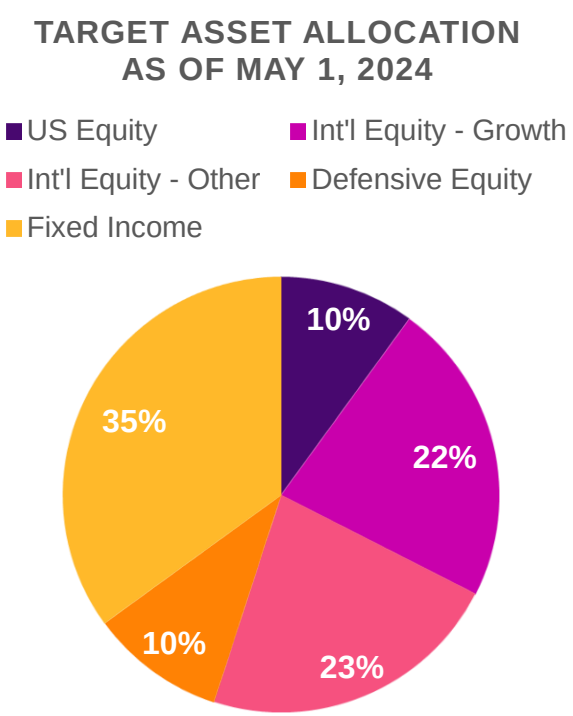
Participant statistics as of May 1	2023	2024	Change
Active	2,937	2,675	-8.9%
Deferred	2,234	2,179	-2.5%
In Payment	2,961	3,158	+6.7%
Total	8,132	8,012	-1.5%
Average active compensation	$100,800	$107,400	+6.5%



Notes

- Actuarial Accrued Liability (AAL) is the benefit obligation for funding valuation purposes and was measured with a 7.0% valuation interest rate
- Actuarial Value of Assets (AVA) is used for funding valuation purposes and phases in investment gains and losses over 5 years

Assets



$000s	April 30, 2023	April 30, 2024
Beginning fair value of assets	**$855,992**	**$889,120**
Contributions	39,894	43,650
Investment return	32,548	100,505
Benefit payments – annuities	(36,865)	(41,153)
Benefit payments – lump sums	(2,345)	(2,190)
Administrative expenses	(105)	(111)
Net change	33,128	100,701
Investment manager fee accrual	N/A	(1,151)
Ending fair value of assets (FVA)	**$889,120**	**$988,670**
Investment return	3.8%	11.2%
Actuarial value of assets (AVA)	$910,783	$974,644
AVA / FVA	102.4%	98.6%

- Actuarial value of assets incorporates a smoothing of investment gains and losses over 5 years

Assumption Experience Study

- An assumption experience study was performed in late 2024 to review the plan's experience compared to the assumptions over the past five years for the following:
  - Salary increase
  - Termination rates
  - Retirement rates
- Salary increases were about 2% higher than assumed resulting in losses
- Actual terminations were about 20% less than assumed resulting in losses
- Actual retirements were about 25% lower than assumed and generally later than assumed resulting in gains
- Proposed assumption changes to better reflect past and anticipated future experience resulted in the following impacts:
  - +2.6M increase in minimum required contribution
  - +3.3M increase in GASB expense

Cash Contributions

$ millions	Plan Year Contributions			
	2023/2024	2024/2025		Est'd 2025/2026
Valuation interest rate	6.6%	7.0%	Change	7.0%
Minimum Required	$36.7	$25.7	($11.0)	$19.4
Actual/Assumed	$43.7	$47.5	$3.8	TBD

- $11.0M decrease in minimum required contribution under Florida State Statutes from 2023/2024 plan year to 2024/2025 mainly attributable to:
  - Increase in valuation interest rate
  - Partially offset by the net impact of new demographic and salary increase assumptions

- Estimated plan year 2025/2026 contribution is $6.3M lower than 2024/2025 mainly attributable to:
  - Estimated assets exceed obligations which extinguishes all past amortization bases leaving only the normal cost and assumed administrative expenses
  - Unlimited lump sum option plan change effective 8/1/2024 and first recognized in 5/1/2025 valuation is about $1.2M of the decrease
  - Assumes adoption of new FRS mortality at May 1, 2025 (~$0.1M)

The plan is estimated to be overfunded for 2025/2026 resulting in a lower required cash contribution

GASB 68 Expense/(Income)

Operating Expense

$ millions	Fiscal Year Ending April 30						
	2024	2025		Est'd 2026		Est'd 2026	
Discount rate	6.6%	7.0%		7.0%		7.0%	
Demographic assumptions	Old	Old		Old		New	
Lump sum plan change	No	No	Change	No	Change	Yes	Change
Expense/(Income)	$39.0	$28.1	($10.9)	$9.4	($18.7)	($12.8)	($22.2)

- FYE 2024 to FYE 2025: $10.9M decrease
  - Attributable to increase in discount rate from 6.6% to 7.0% and asset gains
- FYE 2025 to estimated FYE 2026 before new assumptions: $18.7M decrease
  - Reduction mainly attributable to completed recognition of a FYE 2021 investment loss base
- Estimated FYE 2026 to FYE 2026 with unlimited lump sum plan change and new assumptions: $22.2M decrease
  - Net $6.1M increase from assumption changes
    - $2.8M of $6.1M is due to an assumed additional 2% merit increase for 2025
  - Liability changes from plan amendments are not amortized under GASB
    - $28M estimated liability and GASB expense reduction
  - Propose to review and possibly update lump sum election assumption of 50% for April 30, 2025 measurement date
    - If revised assumption is ½ of assumed rate, impact on expense would be reduced accordingly

Funding

Cash Contributions

Required minimum contribution under State of Florida Statutes

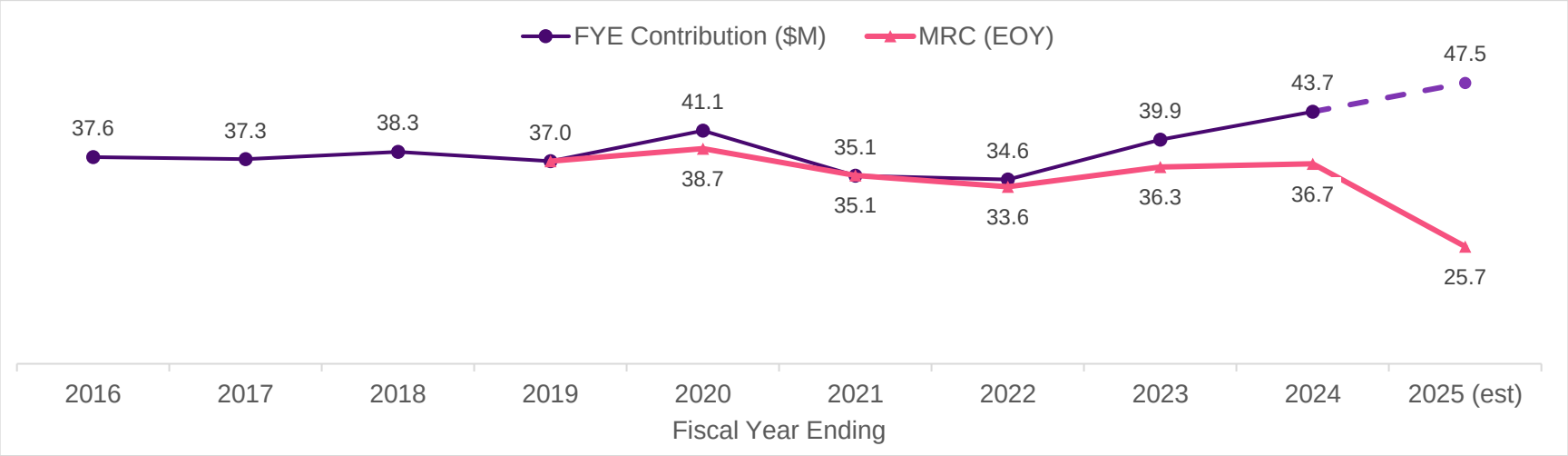
$000s	Contribution for Plan Year 2023/2024	2024/2025
Valuation interest rate	6.60%	7.00%
Required contribution		
a. Normal cost (including expected expenses)	$19,997	$19,630
b. Amortization of unfunded actuarial accrued liability [1]	14,416	4,344
c. Interest	2,271	1,679
d. Total	**$36,684**	**$25,653**
Actual (or assumed) benefit payments	$43,344	$46,619
Actual (or assumed) contribution funded	$43,650	$47,500

1. Amortization based on average future working life expectancy; currently 9 years using new assumptions

Primary reasons for the lower contribution requirement for 2024/2025:

- $45.4M liability gain due to increase in valuation interest rate from 6.60% to 7.00%; offset by
- Net $10.0M liability loss due to new salary scale, retirement and termination rate assumptions

Contribution History



Factors contributing to increasing costs and/or higher volatility

- Closed and aging population
- Change in valuation interest rate
  - 7.50% to 7.00% on 5/1/2015
  - 6.75% on 5/1/2020
  - 6.60% on 5/1/2021
  - 7.00% on 5/1/2024
- Unlimited lump sum plan change

$000s	Actual FYE 2025	Projected FYE 2026
Valuation Interest Rate	7.00%	7.00%
Market Value of Assets (MVA)	988,670	1,059,200
Actuarial Value of Assets (AVA)	974,644	1,061,100
Actuarial Accrued Liability (AAL)	988,504	1,004,200
Unfunded AAL (AAL – AVA)	13,860	(56,900)
Funded % (AVA/AAL)	**98.6%**	**105.7%**

Next Steps

- WTW to attend SBHD Board of Commissioners meeting in April
- WTW to file the May 1, 2024 valuation report with the State along with the Required State of Florida disclosures
- MHS to post final valuation report on MHS website
- Recommend review of funding strategy given plan’s emergence into a surplus position

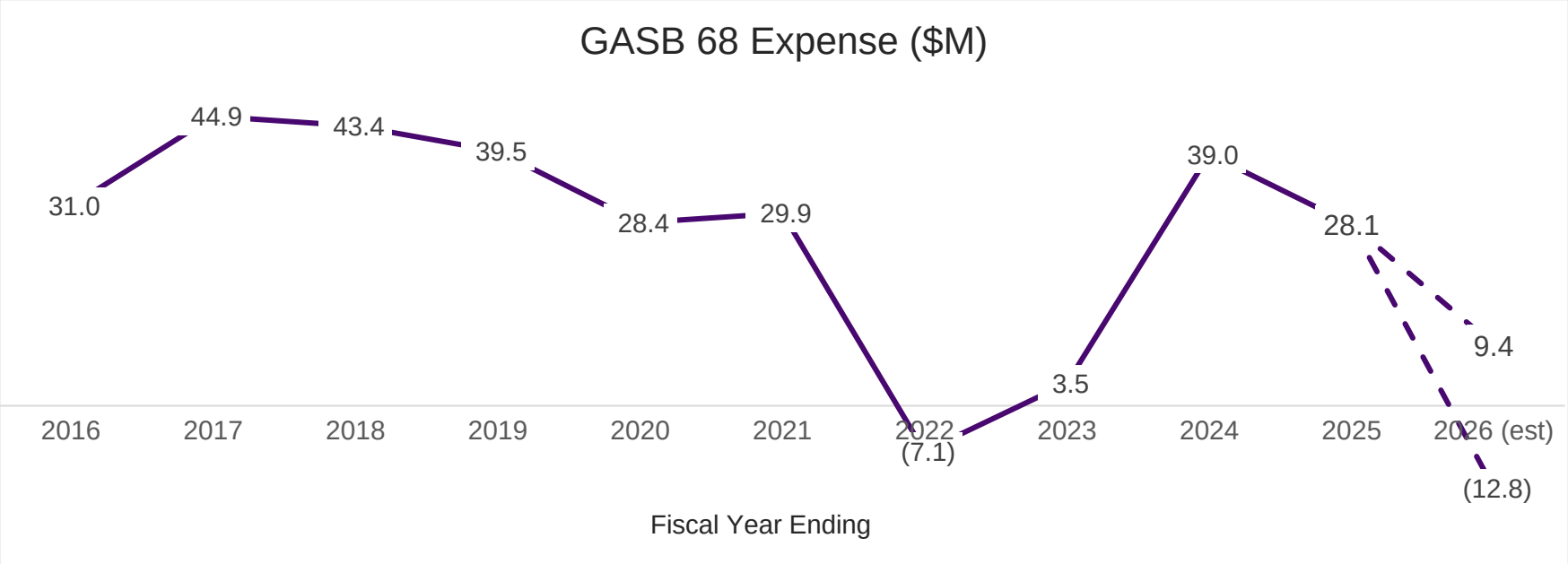
Financial Reporting

GASB 68 Financial Position and Expense

$000s	Fiscal Year Ended 4/30/2024	4/30/2025
Discount Rate/Assumed Asset Return	6.60%/6.60%	6.60%/7.00%
Valuation/Census Date	5/1/2022	5/1/2023
Measurement Period	5/1/2022 – 4/30/2023	5/1/2023 – 4/30/2024
Investment return during measurement period	3.8%	11.2%
Fiduciary Net Position (FNP)	889,120	988,670
Total Pension Liability (TPL)	1,017,249	1,030,614
Net Pension Liability (TPL – FNP)	128,129	41,945
Funded Percentage (FNP / TPL)	87.4%	95.9%
GASB 68 Pension Expense	**$39,022**	**$28,148**

- Increase in discount rate from 6.6% to 7.0% and higher than assumed investment return resulted in a reduction in GASB expense
- Due to required actuarial cost method for GASB, the GASB funded status is less than the funded status under the State of Florida funding rules

GASB Expense History



- Projected liability assumes extra 2% merit pay increase effective in 2025 to align with MHS retention efforts
- Projected 2026 expense assumes 0.5% return on assets for the period from 1/1/2025 to 4/30/2025
- Final assets (with accrued investment offset) as of April 30, 2025 will determine pension expense/(income) for FYE 2026
- Unlimited lump sum plan change estimated to reduce expense by $28.3M and is fully recognized in FYE 2026
  - Estimate assumes a 50% take rate, a lower election rate will increase expense

$M	Actual	Projected
FYE	2025	2026
Discount Rate	7.00%	7.00%
Fiduciary Net Position	988.7	965.1
Total Pension Liability	1,030.6	1,071.3
Funded Percentage	95.9%	98.9%
Pension Expense/(Income)	**28.1**	**(12.8)**

Next Steps

- May 2025: MHS provides final April 30, 2025 asset information
- May 2025: MHS provides update on actual lump sum election experience and WTW to work with MHS to determine ongoing lump sum election rate assumption
- June 2025: WTW to provide GASB 67/68 report

Appendix

Actuarial Certification

The results included in this presentation are based upon census data, asset data and plan provisions provided by South Broward Hospital District for the May 1, 2023 and May 1, 2024 valuations. We have reviewed this information for overall reasonableness and consistency, but have neither audited nor independently verified this information. The accuracy of the results in this presentation is dependent upon the accuracy and completeness of the underlying information.

Actuarial assumptions and methods were selected by South Broward Hospital District with the concurrence of WTW. More detailed valuation results, summaries of actuarial assumptions, methods and models, summaries of plan provisions and description of data sources used in developing these results can be found in the May 1, 2024 valuation report dated March 2025. Therefore, such information, and the reliances and limitations of the valuation report and its use, should be considered part of this presentation.

The consulting actuaries meet their "General Qualification Standard for Prescribed Statements of Actuarial Opinion" relating to pension plans. Our objectivity is not impaired by any relationship between the plan sponsor and our employer, Willis Towers Watson US LLC ("WTW"). This presentation is provided subject to the terms set out herein and in our engagement letter signed February 14, 2025 and any accompanying or referenced terms and conditions.

This presentation was developed for the internal use of South Broward Hospital District in connection with its May 1, 2024 funding valuation and 2025/2026 funding and GASB expense projections. It is not intended nor necessarily suitable for other purposes. Further distribution or use of all or part of this material is prohibited without prior written consent. If this presentation is shared with a third party (with or without our permission), such third party recipient is deemed to have agreed that this report contains confidential and proprietary work product of WTW, which owns all related intellectual property rights, the recipient will not have the right to reference or distribute this report to any other party, and the recipient will not place any reliance on this report that would result in the creation of any duty or liability by WTW to such recipient.

Denise Miller, EA
Director, Retirement

Jason Naddell, FSA, EA
Senior Director, Retirement

April 2025

Valuation Purposes and Measurement Periods

	Funding Valuation	GASB 67 Plan Accounting	GASB 68 MHS Accounting
Description	Required cash funding for the plan year	Plan financial statements included within MHS' financial report	MHS financial statements included within MHS' financial report
Rules	Part VII, Chapter 112 of Florida Statutes	GASB 67	GASB 68
Year Ending	April 30, 2025	April 30, 2025	April 30, 2026
Measurement Date *	May 1, 2024	April 30, 2025	April 30, 2025
Measurement Period	May 1, 2024 – April 30, 2025	May 1, 2024 – April 30, 2025	May 1, 2024 – April 30, 2025
Liability Valuation Date	May 1, 2024	May 1, 2024	May 1, 2024
Census Date	May 1, 2024	May 1, 2024	May 1, 2024

***Note**: Benefit liabilities for GASB 67 and 68 are projected from the valuation date to the measurement date by adjusting for benefit payments, expected growth in benefit obligations, changes in key assumptions and plan provisions, and for any significant changes in plan demographics that occurred during the measurement period.

May 1, 2024 Participant Data Summary

	May 1, 2024	May 1, 2023	Change
Total membership			
Active Employees	2,675	2,937	(8.9%)
Retirees and Beneficiaries	3,158	2,961	6.7%
Terminated Vested	2,179	2,234	(2.5%)
Total	8,012	8,132	(1.5%)
Covered Payroll ($M)	$287.4	$296.1	(2.9%)
Active participant statistics			
Average Compensation	$107,428	$100,822	6.6%
Average Age	57	56	+1 yr
Average Service	20.4	19.6	+0.8 yr
Average monthly benefit for inactive participants			
Retirees & Beneficiaries	$1,146	$1,091	5.0%
Terminated Vested Participants	$678	$669	1.3%

Observations

- Total participant count decreased 1.5% but active participant count decreased 9%
- Average compensation increased 6.6%
  - Versus ~4.8% expected increase including additional 2% merit increase
- $2.2M lump sum payments in 2023/2024
  - $43.3M in total benefit payments

Total Demographic Experience Gains/(Losses)

Salary experience was a major driver of loss experience

Plan Year	Total G/(L)	Total G/(L) as % of funding obligation	Salary G/(L)	Salary G/(L) as % of funding obligation	Non-Salary G/(L)	Non-Salary G/(L) as % of funding obligation
2023 / 2024	($22.8)	(2.2%)	($11.7)	(1.1%)	($11.1)	(1.1%)
2022 / 2023	(21.2)	(2.3%)	(12.7)	(1.4%)	(8.5)	(0.9%)
2021 / 2022	(28.1)	(3.1%)	(20.0)	(2.2%)	(8.1)	(0.9%)
2020 / 2021	(5.9)	(0.7%)	1.4	0.2%	(7.3)	(0.9%)
2019 / 2020	5.0	0.6%	3.5	0.4%	1.5	0.2%

Dollar amounts in millions

- Non-salary experience generally resulted in losses
  - About half was associated with mortality
- Funding mortality is prescribed by Florida statute
- GASB mortality is selected by MHS/actuary

Salary Increase Assumption

Even without extra 2% temporary merit adjustments, salary progression exceeded assumption

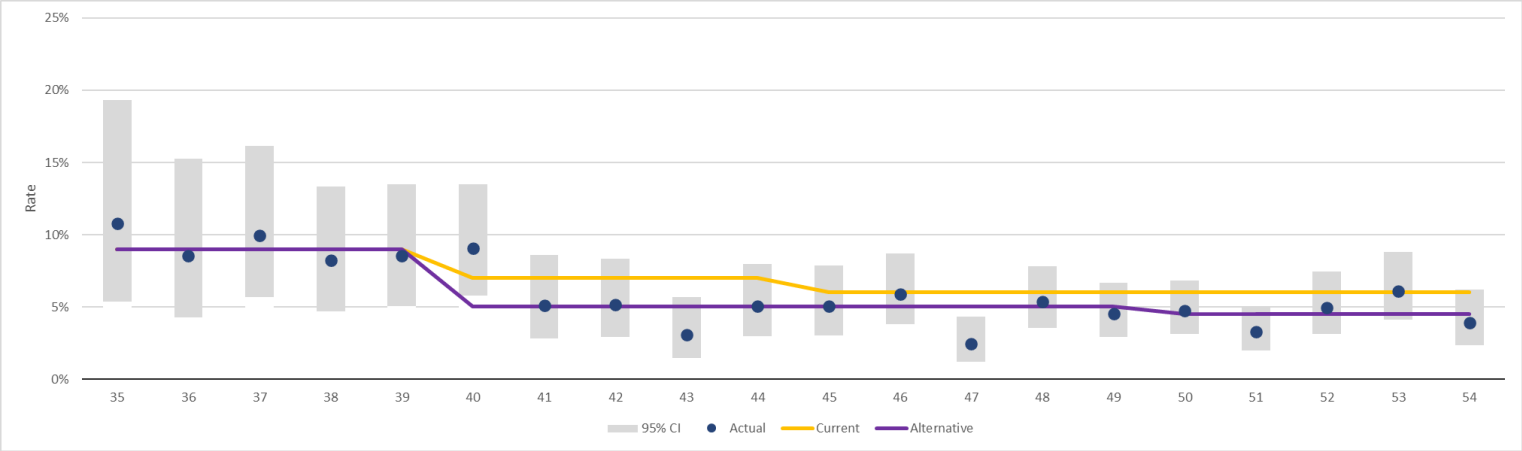
Age	5/1/2024 Count	5/1/2024 Pay ($M)	Current Assumption	Actual *	Alternative
Under 35	6	$0.4	6.00%	6.00%	6.00%
35 - 39	67	6.1	5.25%	5.50%	5.25%
40 - 44	216	20.7	4.00%	6.10%	**5.00%**
45 - 49	318	38.1	3.50%	5.50%	**4.50%**
50 - 54	512	58.6	3.00%	5.00%	**4.00%**
55 - 59	663	70.5	2.50%	4.70%	**3.50%**
60+	893	93.0	2.25%	4.20%	**3.25%**
Total	2,675	$287.4			

* Reflects increase in base pay **excluding** the additional 2% merit increase in effect starting in 2022

- Experience supports increasing salary increase rates
- Alternative rates reflect MHS perspective that recent increases were higher than future long-term expectations

Active Termination Assumption

Propose adjustments to reduce non-retirement termination rates

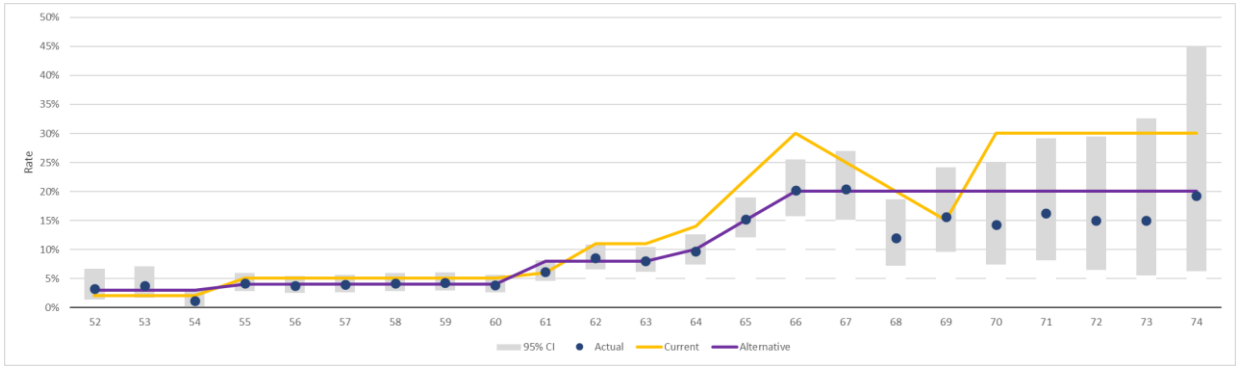


- Actual terminations about 20% lower than expected
- Experience during COVID years was not significantly different
- Termination rates only applicable below age 55 since retirements are assumed to apply from age 55
  - All participants have 10 or more years of service as of 5/1/2024
- Alternative assumption
  - $5M increase in funding liability
  - $0.4M increase in funding normal cost

Non-retirement termination					
Age	Actual	Expected	Current Assump.	Alt.	Expected Alt.
35 - 39	72	72	9%	9%	72
40 - 44	82	107	7%	5%	76
45 - 49	107	139	6%	5%	116
50 - 54	118	156	6%	4.5%	117
Total	**379**	**474**			**381**

Active Retirement Assumption

Propose to reflect 5-year experience in new assumption as compromise between Covid and post-Covid years



Age	Actual	Current Rates	Alt. Rates	Expected under Alt.
52 - 54	19	2%	3%	22
55 - 60	181	5%	4%	179
61	49	6%	8%	64
62 - 63	123	11%	8%	118
64	58	14%	10%	60
65	79	22%	15%	78
66	70	30%	20%	69
67	49	25%	20%	48
68	19	20%	20%	32
69	20	15%	20%	26
70 - 74	42	30%	20%	54
Total	**709**			**750**

- Experience for the five-year period supports lower assumed retirement rates at ages 62 and older and minor adjustments below age 62
- Alternative assumption
  - $19M decrease in funding liability
  - $0.7M decrease in funding normal cost

Impact on 5/1/2024 Funding Liabilities and Costs

$M	Experience	Alt. Termination[1]	Alt. Retirement	Salary
Actuarial Accrued Liability (AAL)	$978.4	$983.5	$964.2	$988.5
***Cumulative** AAL changes*	*N/A*	*$5.1* *0.5%*	*($14.2)* *(1.5%)*	*$10.1* *1.0%*
Amortization period for new bases	7 yrs	8 yrs	9 yrs	9 yrs
Normal Cost (NC) (beginning of year)	$18.6	$19.0	$18.3	$19.5
***Cumulative** NC changes*	*N/A*	*$0.4* *2.2%*	*($0.3)* *(1.6%)*	*$0.9* *4.8%*

Valuation Interest Rate / Expected Return on Assets: 7.00%
[1] Includes impact of removal of disability decrement
Projected Unit Credit actuarial cost method

- Propose to implement changes with May 1, 2024 funding valuation
- Change in AAL is amortized over average future working lifetime (9-years)

Impact on 5/1/2024 GASB 67/68 Liabilities

Propose to implement for the measurement period ending April 30, 2025

$M	Experience	Alt. Termination [1]	Alt. Retirement	Salary
Total Pension Liability (TPL)	$1,041.5	$1,038.9	$1,021.2	$1,046.2
***Cumulative** impact of TPL changes*	*N/A*	*($2.6)* *(0.2%)*	*($20.3)* *(1.9%)*	*$4.7* *0.5%*
Service Cost (SC)	$9.6	$10.9	$10.6	$12.3
***Cumulative** impact of SC changes*	*N/A*	*$1.3* *13.8%*	*$1.0* *10.4%*	*$2.7* *28.1%*
Amortization period for experience gain/losses and assumption changes	2.40 yrs	2.63 yrs	2.90 yrs	2.90 yrs
Est. expense impact for measurement period ending 4/30/2025 (amortization only)				$1.6
Est. expense impact for measurement period ending 4/30/2026 (SC and amortization)[2]				$4.5

[1] Includes impact of removal of disability decrement
[2] Ignores interest cost impact
Valuation Interest Rate / Expected Return on Assets: 7.00%
Entry Age Normal actuarial cost method

- Straight-line recognition of change in TPL in year of measurement
- Service cost change impacts year following adoption measurement period

Historical Return on Plan Assets

Period	Actual Return		Assumed Return
	Market Value	Actuarial Value	
2014/2015	4.6%	7.2%	7.5%
2015/2016	(2.0%)	4.4%	7.0%
2016/2017	10.7%	5.7%	7.0%
2017/2018	8.5%	6.0%	7.0%
2018/2019	7.7%	6.2%	7.0%
2019/2020	(1.3%)	5.0%	7.0%
2020/2021	28.9%	9.9%	6.75%
2021/2022	(3.1%)	7.9%	6.6%
2022/2023	3.8%	6.3%	6.6%
2023/2024	11.2%	7.0%	6.6%

- 10-yr average market value return is 6.6% and is 6.6% on an actuarial value basis
- Market value return average over last 5 years is 7.3%

Historical Salary Increases

Period	Actual	Assumed
2014/2015	2.9%	3.1%
2015/2016	4.3%	3.3%
2016/2017	3.3%	3.5%
2017/2018	2.7%	3.7%
2018/2019	3.3%	4.0%
2019/2020	3.3%	4.2%
2020/2021	2.9%	2.9%
2021/2022	8.4%	2.9%
2022/2023	6.5%	2.8%
2023/2024	5.9%	2.8%

- Salary increase assumption for 2023/2024 is based on age-graded rates from 6.00% to 2.25% with an assumed average of 2.8%

Overview of Pension Plan Provisions

Coverage	Full-time employees hired or rehired before November 1, 2011
Benefit Accrual Rate* – Participants under Prior Plan – Participants under New Plan	{1% of first $84,520 of final 5-year average pay (F5) plus 1.5% of F5 in excess of $84,520 but not more than $203,290 plus 3% of F5 over $203,290} times years of service {0.75% of F5 up to ½ monthly Social Security Taxable Wage Base* (SSTWB) plus 1.25% of F5 in excess of ½ SSTWB but not more than SSTWB plus 1.75% of F5 in excess of SSTWB} times years of service
Compensation	Excludes overtime, bonuses or other special compensation
Normal Retirement Age (NRA)	Age 65 & 5 years of service Prior plan participants: age 62 & 20 years of service, or age 55 & 30 years of service, if earlier
Normal Payment Form	Single life annuity. Optional forms available.
Vesting	100% after 5 years of service
Early Retirement Factors (ERFs)	Age 55 & 10 years of service. For Prior Plan participants age 52 & 20 years of service, if earlier. Accrued benefit reduced by 7.2%/year for first 5 years, then 3.6% per year for next 5 years preceding NRA - e.g., 46% or 56.8% for Prior Plan participants at age 55 depending on years of service (46% for New Plan participants).
Death Benefits	Pre-retirement death benefit of 50% survivor annuity payable to spouse if participant was employed and age 55 & 10 years of service, or had 20 years of service at death
Disability Benefits	Accrued benefit (automatic 100% vesting) payable at disability (total and permanent). Subject to reduction if payments begin prior to NRA.

* The $84,520 and $203,290 integration levels apply for the 2024/2025 plan year and increase by 3% per year. Effective for new hires as of 5/1/2010, the accrual rate changed to the New Plan formula shown above. SSTWB for 2024/2025 plan year is $168,600.

Memorial Healthcare System

FINANCIAL ASSISTANCE POLICY

Revised April ~~2024~~2025

I. FINANCIAL ASSISTANCE POLICY

Any Patient may ask for financial assistance. Anyone else who is responsible for paying for the patient's care may also ask for financial assistance. All emergency and medically necessary care are covered under the financial assistance policy. Memorial Healthcare System (MHS) provides screening for and treatment of emergency medical conditions in accord with the Standard Practice titled "Transfer/Access to Emergency Care", attached to this policy. In cases where this Standard Practice does not apply, requests to schedule Memorial Healthcare services in advance are reviewed for financial assistance on a case by case basis. Patients seeking Emergency Care will be treated without regard for whether they are eligible for Financial Assistance under this policy.

This policy applies to all South Broward Healthcare District facilities. Note that Memorial Ambulatory Surgery Centers are not included because they are either not owned or operated by the South Broward Hospital District.

This Financial Assistance Policy will help you understand when financial assistance will be given.

Financial Assistance may mean charity care (as defined by either the State of Florida or District policies) or certain uninsured discounts, as explained further below.

For charity care, the patient or responsible party must not be able to pay for the patient's medical care. The ability to pay is determined by using the Federal Poverty Guidelines (FPG), patient or guarantor income, and family size. The federal government updates these guidelines annually. The ability to pay is also determined by examining assets and, if required, liabilities and potential litigation results for pending third party liability claims.

When asked, MHS will determine if the patient or responsible party has the ability to pay. This examination, or screening, for financial assistance is free of charge. The amount of the requested financial assistance must be more than $500, for all accounts combined.

Patients may elect not to provide financial documentation but instead be provided financial assistance in the form of discounted self-pay rates. These are available for Emergency Department visits as well as most outpatient procedures and inpatient stays.

Financial assistance will not be granted to any uninsured non-resident of the South Broward Hospital District for non-emergent, medically necessary care that can be provided by their local safety net facility. If no safety net provider exists for that patient, financial assistance will be determined on a case by case basis.

The rest of this Financial Assistance Policy provides more information about how you may ask for financial assistance. It tells you when you will be considered eligible to get financial assistance. It tells you how much financial assistance you will get when you meet the requirements of this Financial Assistance Policy.

II. ELIGIBILITY CRITERIA AND DISCOUNT AMOUNTS

A. ~~MHS will perform credit and asset checks to determine the patient's or responsible party's ability to pay.~~ MHS will gather information about a patient's or other responsible party's income and ~~assets~~ family size and, if ~~required~~needed, their assets, expenses and liabilities. The result will determine their eligibility for financial assistance, the amount of the discount they will receive and the amount they will be required to pay.

B. MHS will provide Financial Assistance counseling upon request, without additional charge, before or after the patient receives services.

C. Inpatient admissions may be screened for Medicaid eligibility. If screening criteria indicate potential eligibility, the patient/responsible party may be required to submit an application to Medicaid prior to approval for Financial Assistance.

D. A Patient or responsible party may request financial assistance for any debt greater than $500. This means all uninsured patient responsibility amounts as well as insured patient balances after insurance payment. This includes deductibles, coinsurance, copayments, and non-covered charges. The following criteria is used when MHS considers the request:

i. Patient or responsible party may qualify for 100% discount if the following applies:

1. The Patient or responsible party must complete a signed Financial Evaluation Form.
2. The Patient or responsible party has a total household income of less than or equal to 200% of the FPG (Per the ~~2024~~ 2025 FPG a family of four which makes $~~62,400~~64,300 per year is at 200% of the FPG), as described in Table A; and
3. The Patient or responsible party has household liquid assets less than $10~~5~~,000. Liquid assets include cash, checking account balances, savings account balances, vehicles, boats, marketable personal property, stocks, bonds, or other negotiable instruments, and real property other than homestead. Liquid assets do not include primary residence, first vehicle or retirement funds not accessible without incurring a penalty; or

4. The Patient or responsible party has a balance due which exceeds 25% of their annual household income, but only if the annual household income is less than 4 times the FPG for a family of 4; or
5. The Patient is unidentified after 6 months. During the 6 months MHS will exhaust all efforts to identify the patient including working with local, state, and federal law enforcement agencies.

ii. Patient or responsible party may qualify for a sliding scale discount if the following applies:
    1. Patient or responsible party has a total household income of between 201% and 400% (Per the ~~2024~~ 2025 FPG a family of four which makes $~~124,800~~128,600 is at 400%) of the FPG;
    2. The amount of discount depends on the income of the Patient or responsible party and the facility. (See Table A for guidance); or
    3. At no point will a patient who qualifies for financial assistance be responsible for more than 10% of their annual total household income.

iii. Patients may be presumptively screened for financial assistance without a signed financial assistance application. This screening uses the FinThrive community based proprietary model. MHS will also consider prior accounts incurred within the prior twelve months or twelve months after last insurance payment.
    1. Patient or responsible party has a total household income of less than or equal to 200% of the FPG will qualify for the 100% discount.
    2. Patient or responsible party with a total household income of between 201% and 400% will qualify for the sliding scale discount.
    3. At no point will a patient who qualifies for financial assistance be responsible for more than 10% of their annual total household income.

iv. Other financial assistance may be provided under the abbreviated Financial Assistance approval process described below:
    1. Medicaid exhausted days or outpatient benefits
    2. Involuntary treatment under the Baker Act
    3. The patient is deceased, no estate has been filed with the court of the patient's county of residence after ~~one year~~six months from the date

of death. When this criterion has been verified by MHS, the outstanding balances will be discounted by 100%.

4. Patients who have a valid financial assistance approval from the North Broward Hospital District will not have to reapply for South Broward Hospital District financial assistance for emergent services.

E. ~~Income and asset~~Financial ~~-~~information for residents of the South Broward Hospital District who qualify for financial assistance will be ~~accepted~~ valid for one year, unless MHS has reason to question it. When MHS approves financial assistance for a Patient or responsible party, MHS will also consider accounts incurred within the prior twelve months. For purposes of the Financial Assistance Policy, a Resident is: one who makes his or her home in the geographic boundaries of the South Broward Hospital District, where he or she dwells permanently or for an extended period of time and not as a visitor, tourist, or for some other temporary purpose or temporary convenience, and not acting a sham of dwelling in residence.

F. Patients or responsible parties can apply for financial assistance for up to one year after the date of service or twelve months after last insurance payment.

G. Residents of the South Broward Hospital District who have been accepted into membership in the Memorial Primary Care will have co-payments for:

   i. Outpatient Pharmacy services

   ii. Primary Care Clinic visits

   iii. Hospital outpatient services

   iv. Emergency Department visits

H. Patients or responsible parties who qualify for financial assistance and do not reside in the South Broward Hospital District will be approved only for each date of service.

I. Upon request from the patient or responsible party, MHS will send a written statement that they qualify for financial assistance.

J. This Financial Assistance Policy only applies to services provided by MHS at its facilities and services provided by MHS employed physicians. A listing of the medical

staff reflecting their adherence to this Financial Assistance Policy may be found here: https://www.mhs.net/-/media/mhs/files/patients-and-visitors/financial-assistance/en/providers.pdf?la=en

III. BASIS FOR CALCULATING AMOUNTS CHARGED TO PATIENTS

Once MHS determines that a Patient or responsible party is eligible to receive financial assistance under this Financial Assistance Policy, he or she will not be charged more than the Amounts Generally Billed (AGB). At MHS the AGB is determined through the "Look-back method" which is calculated as follows:

MHS reviews *all* past claims that have been paid in a twelve month period. This includes claims for Medicare, commercial and managed care plans over a 12-month period. This amount does include patient co-insurance; copayments and deductibles. Medicaid replacement plans are not included in these calculations. This amount is the *sum of expected payments*.

The AGB percentage is calculated by dividing the sum of the payments by the sum of total charges billed. This percentage is then multiplied by the total charges for each patient encounter to arrive at the AGB for that encounter. MHS calculated the AGB for each facility and adopted the lowest rate for each MHS facility. Patients may request in writing the current AGB for each facility and/or how the uninsured discount compares to insurance discounts.

IV. FINANCIAL ASSISTANCE APPLICATION PROCESS

The patient or responsible party may ask for an appointment with Patient Financial Services by calling (954)276-5501 or the Eligibility Department by calling (954)276-5760. The patient may also ask in person at any of the MHS acute care facilities Admitting/Registration departments or the Eligibility Department at 2900 Corporate Way in Miramar. These requests must be made between the hours of 8:00 am – 4:30 pm Monday – Friday. MHS will provide information or assistance in the eligibility process when any patient or responsible party states they are not able to pay their balance or requests an application for financial assistance. The statement must be made to the MHS Eligibility Department, or MHS Patient Financial Services, or Accounts Receivable department.

A. In order to qualify for a 100% charity discount, the patient or responsible parties are required to complete a Financial Evaluation Form, which can be found in Table C. ~~All p~~Patients will be required to ~~must~~ provide ~~all requested~~

documentation as described in Table D, ~~as soon as possible~~when applying for primary care services or waiver of Medicare patient responsibility. Extraordinary collection activity will be placed on hold up to 120 days from the date of request for assistance, while patient or responsible parties are in the Financial Assistance Policy application process. This hold on the collection activity allows a reasonable time to receive all required documents to determine eligibility. The Eligibility department staff will notify the patient in writing or by phone call of missing or incomplete documentation.

B. MHS may supplement or confirm information given by the Patient or responsible party by using any of the following:

   i. LexisNexis – provides access to public records

   ii. FinThrive – provides credit information

   iii. Experian – provides credit information

   iv. MapQuest – provides address information

   v. Various websites providing public record information as noted in Table E

C. All applications will receive equal consideration and have a determination made based on the FPG and the patient's ability to pay.

V. APPEAL OF ELIGIBILITY DETERMINATION

Any patient or responsible party can request an appeal when MHS denies financial assistance. The request must be made in writing. The amount of the total denied accounts must exceed $5,000.00. The appeal process is outlined in a separate policy attached to this policy.

VI. ACTIONS THAT MAY BE TAKEN IN THE EVENT OF NON PAYMENT

A. The following steps will be taken to collect patient balances if no financial assistance is requested or otherwise applied under the above policies, or after financial assistance has been denied:

   i. An initial bill is sent to the Patient or responsible party after discharge.

ii. A statement is sent 30 days after the initial bill, with further statements every 30 days over the next 90 days. If a partial payment is received, the statement series will be restarted and continue for 120 days.

iii. Calls may be placed during this time period.

iv. 120 days after discharge, if no one has requested financial assistance, or if no payment plan has been put into place, and no partial payment received, the account may be placed with a primary debt collection agency.

v. After 1 year the account may be placed with a secondary debt collection agency.

B. In the case of a Public Health Emergency (PHE) MHS may determine that no patient statements will be sent and no patient collection actions taken until such time as the PHE impact has been reduced in South Broward County. This determination will be made by the Vice President of Revenue Cycle and the Chief Financial Officer of MHS.

C. During the first 120 days from the date the first post-discharge billing statement is provided, MHS will not begin any of the collection actions stated below in this section. Further, MHS will notify the Patient or responsible party 30 days in advance of beginning any of the collection actions stated below in this section.

i. filing any lawsuit

ii. filing for a judgment

~~iii. reporting to one or more credit bureau(s)~~

~~iv.~~iii. Defer or deny care after an Emergency Medical Condition has been determined not to exist by the patient's physician if the Patient or responsible party has outstanding balances placed with bad debt agencies until adequate payment arrangements have been made for their bad debt balances.

VII. EFFORTS TO WIDELY PUBLICIZE THE FINANCIAL ASSISTANCE POLICY

A. MHS will make the Financial Assistance Policy, the Financial Evaluation Form and a plain language summary of the Financial Assistance Policy available on its website, www.mhs.net/financialaid, in all languages required by Section 501(r) regulations. These documents can also be requested in person at any MHS hospital facility or by calling the Patient Financial Services Department at (954) 276-5501.

B. Public notices will be clearly and conspicuously posted in locations visible to the public including all registration areas. These notices will explain that MHS offers a Financial Assistance Program to individuals who are uninsured or underinsured.

Notification of this policy, which shall include contact information, shall be distributed by MHS by various means, including notices attached to patient statements and notices attached to the patient admission forms in admitting and registration areas and through other public places as MHS may elect. The Financial Assistance Policy, Financial Assistance Program Application Form and the Plain Language Summary will be made available in English, Spanish, French, French Creole, Portuguese, Vietnamese and Russian. Questions regarding this policy can be made during business hours at (954) 276-5501.

Memorial Healthcare System

FINANCIAL ASSISTANCE POLICY

Revised April 2026

I. FINANCIAL ASSISTANCE POLICY

Any Patient may ask for financial assistance. Anyone else who is responsible for paying for the patient's care may also ask for financial assistance. All emergency and medically necessary care are covered under the financial assistance policy. Memorial Healthcare System (MHS) provides screening for and treatment of emergency medical conditions in accord with the Standard Practice titled "Transfer/Access to Emergency Care", attached to this policy. In cases where this Standard Practice does not apply, requests to schedule Memorial Healthcare services in advance are reviewed for financial assistance on a case by case basis. Patients seeking Emergency Care will be treated without regard for whether they are eligible for Financial Assistance under this policy.

This policy applies to all South Broward Healthcare District facilities. Note that Memorial Ambulatory Surgery Centers are not included because they are either not owned or operated by the South Broward Hospital District.

This Financial Assistance Policy will help you understand when financial assistance will be given.

Financial Assistance may mean charity care (as defined by either the State of Florida or District policies) or certain uninsured discounts, as explained further below.

For charity care, the patient or responsible party must not be able to pay for the patient's medical care. The ability to pay is determined by using the Federal Poverty Guidelines (FPG), patient or guarantor income, and family size. The federal government updates these guidelines annually. The ability to pay is also determined by examining assets and, if required, liabilities and potential litigation results for pending third party liability claims.

When asked, MHS will determine if the patient or responsible party has the ability to pay. This examination, or screening, for financial assistance is free of charge. The amount of the requested financial assistance must be more than $500, for all accounts combined.

Patients may elect not to provide financial documentation but instead be provided financial assistance in the form of discounted self-pay rates. These are available for Emergency Department visits as well as most outpatient procedures and inpatient stays.

Financial assistance will not be granted to any uninsured non-resident of the South Broward Hospital District for non-emergent, medically necessary care that can be provided by their local safety net facility. If no safety net provider exists for that patient, financial assistance will be determined on a case by case basis.

The rest of this Financial Assistance Policy provides more information about how you may ask for financial assistance. It tells you when you will be considered eligible to get financial assistance. It tells you how much financial assistance you will get when you meet the requirements of this Financial Assistance Policy.

II. ELIGIBILITY CRITERIA AND DISCOUNT AMOUNTS

A. MHS will gather information about a patient's or other responsible party's income and family size and, if needed, their assets, expenses and liabilities. The result will determine their eligibility for financial assistance, the amount of the discount they will receive and the amount they will be required to pay.

B. MHS will provide Financial Assistance counseling upon request, without additional charge, before or after the patient receives services.

C. Inpatient admissions may be screened for Medicaid eligibility. If screening criteria indicate potential eligibility, the patient/responsible party may be required to submit an application to Medicaid prior to approval for Financial Assistance.

D. A Patient or responsible party may request financial assistance for any debt greater than $500. This means all uninsured patient responsibility amounts as well as insured patient balances after insurance payment. This includes deductibles, coinsurance, copayments, and non-covered charges. The following criteria is used when MHS considers the request:

   i. <u>Patient or responsible party may qualify for 100% discount if the following applies:</u>
      1. The Patient or responsible party must complete a signed Financial Evaluation Form.
      2. The Patient or responsible party has a total household income of less than or equal to 200% of the FPG (Per the 2025 FPG a family of four which makes $64,300 per year is at 200% of the FPG), as described in Table A; and
      3. The Patient or responsible party has household liquid assets less than $10,000. Liquid assets include cash, checking account balances, savings account balances, vehicles, boats, marketable personal property, stocks, bonds, or other negotiable instruments, and real property other than homestead. Liquid assets do not include primary residence, first vehicle or retirement funds not accessible without incurring a penalty; or
      4. The Patient or responsible party has a balance due which exceeds 25% of their annual household income, but only if the annual household income is less than 4 times the FPG for a family of 4; or

5. The Patient is unidentified after 6 months. During the 6 months MHS will exhaust all efforts to identify the patient including working with local, state, and federal law enforcement agencies.

ii. Patient or responsible party may qualify for a sliding scale discount if the following applies:
    1. Patient or responsible party has a total household income of between 201% and 400% (Per the 2025 FPG a family of four which makes $128,600 is at 400%) of the FPG;
    2. The amount of discount depends on the income of the Patient or responsible party and the facility. (See Table A for guidance); or
    3. At no point will a patient who qualifies for financial assistance be responsible for more than 10% of their annual total household income.

iii. Patients may be presumptively screened for financial assistance without a signed financial assistance application. This screening uses the FinThrive community based proprietary model. MHS will also consider prior accounts incurred within the prior twelve months or twelve months after last insurance payment.
    1. Patient or responsible party has a total household income of less than or equal to 200% of the FPG will qualify for the 100% discount.
    2. Patient or responsible party with a total household income of between 201% and 400% will qualify for the sliding scale discount.
    3. At no point will a patient who qualifies for financial assistance be responsible for more than 10% of their annual total household income.

iv. Other financial assistance may be provided under the abbreviated Financial Assistance approval process described below:
    1. Medicaid exhausted days or outpatient benefits
    2. Involuntary treatment under the Baker Act
    3. The patient is deceased, no estate has been filed with the court of the patient's county of residence after six months from the date of death. When this criterion has been verified by MHS, the outstanding balances will be discounted by 100%.

4. Patients who have a valid financial assistance approval from the North Broward Hospital District will not have to reapply for South Broward Hospital District financial assistance for emergent services.

E. Financial information for residents of the South Broward Hospital District who qualify for financial assistance will be valid for one year, unless MHS has reason to question it. When MHS approves financial assistance for a Patient or responsible party, MHS will also consider accounts incurred within the prior twelve months. For purposes of the Financial Assistance Policy, a Resident is: one who makes his or her home in the geographic boundaries of the South Broward Hospital District, where he or she dwells permanently or for an extended period of time and not as a visitor, tourist, or for some other temporary purpose or temporary convenience, and not acting a sham of dwelling in residence.

F. Patients or responsible parties can apply for financial assistance for up to one year after the date of service or twelve months after last insurance payment.

G. Residents of the South Broward Hospital District who have been accepted into membership in the Memorial Primary Care will have co-payments for:

   i. Outpatient Pharmacy services

   ii. Primary Care Clinic visits

   iii. Hospital outpatient services

   iv. Emergency Department visits

H. Patients or responsible parties who qualify for financial assistance and do not reside in the South Broward Hospital District will be approved only for each date of service.

I. Upon request from the patient or responsible party, MHS will send a written statement that they qualify for financial assistance.

J. This Financial Assistance Policy only applies to services provided by MHS at its facilities and services provided by MHS employed physicians. A listing of the medical staff reflecting their adherence to this Financial Assistance Policy may be found here:

https://www.mhs.net/-/media/mhs/files/patients-and-visitors/financial-assistance/en/providers.pdf?la=en

III. BASIS FOR CALCULATING AMOUNTS CHARGED TO PATIENTS

Once MHS determines that a Patient or responsible party is eligible to receive financial assistance under this Financial Assistance Policy, he or she will not be charged more than the Amounts Generally Billed (AGB). At MHS the AGB is determined through the "Look-back method" which is calculated as follows:

MHS reviews *all* past claims that have been paid in a twelve month period. This includes claims for Medicare, commercial and managed care plans over a 12-month period. This amount does include patient co-insurance; copayments and deductibles. Medicaid replacement plans are not included in these calculations. This amount is the *sum of expected payments*.

The AGB percentage is calculated by dividing the sum of the payments by the sum of total charges billed. This percentage is then multiplied by the total charges for each patient encounter to arrive at the AGB for that encounter. MHS calculated the AGB for each facility and adopted the lowest rate for each MHS facility. Patients may request in writing the current AGB for each facility and/or how the uninsured discount compares to insurance discounts.

IV. FINANCIAL ASSISTANCE APPLICATION PROCESS

The patient or responsible party may ask for an appointment with Patient Financial Services by calling (954)276-5501 or the Eligibility Department by calling (954)276-5760. The patient may also ask in person at any of the MHS acute care facilities Admitting/Registration departments or the Eligibility Department at 2900 Corporate Way in Miramar. These requests must be made between the hours of 8:00 am – 4:30 pm Monday – Friday. MHS will provide information or assistance in the eligibility process when any patient or responsible party states they are not able to pay their balance or requests an application for financial assistance. The statement must be made to the MHS Eligibility Department, or MHS Patient Financial Services, or Accounts Receivable department.

A. In order to qualify for a 100% charity discount, the patient or responsible parties are required to complete a Financial Evaluation Form, which can be found in Table C. Patients will be required to provide documentation as described in Table D, when applying for primary care services or waiver of Medicare patient

responsibility. Extraordinary collection activity will be placed on hold up to 120 days from the date of request for assistance, while patient or responsible parties are in the Financial Assistance Policy application process. This hold on the collection activity allows a reasonable time to receive all required documents to determine eligibility. The Eligibility department staff will notify the patient in writing or by phone call of missing or incomplete documentation.

B. MHS may supplement or confirm information given by the Patient or responsible party by using any of the following:

   i. LexisNexis – provides access to public records

   ii. FinThrive – provides credit information

   iii. Experian – provides credit information

   iv. MapQuest – provides address information

   v. Various websites providing public record information as noted in Table E

C. All applications will receive equal consideration and have a determination made based on the FPG and the patient's ability to pay.

V. APPEAL OF ELIGIBILITY DETERMINATION

Any patient or responsible party can request an appeal when MHS denies financial assistance. The request must be made in writing. The amount of the total denied accounts must exceed $5,000.00. The appeal process is outlined in a separate policy attached to this policy.

VI. ACTIONS THAT MAY BE TAKEN IN THE EVENT OF NON PAYMENT

A. The following steps will be taken to collect patient balances if no financial assistance is requested or otherwise applied under the above policies, or after financial assistance has been denied:

   i. An initial bill is sent to the Patient or responsible party after discharge.

ii. A statement is sent 30 days after the initial bill, with further statements every 30 days over the next 90 days. If a partial payment is received, the statement series will be restarted and continue for 120 days.

iii. Calls may be placed during this time period.

iv. 120 days after discharge, if no one has requested financial assistance, or if no payment plan has been put into place, and no partial payment received, the account may be placed with a primary debt collection agency.

v. After 1 year the account may be placed with a secondary debt collection agency.

B. In the case of a Public Health Emergency (PHE) MHS may determine that no patient statements will be sent and no patient collection actions taken until such time as the PHE impact has been reduced in South Broward County. This determination will be made by the Vice President of Revenue Cycle and the Chief Financial Officer of MHS.

C. During the first 120 days from the date the first post-discharge billing statement is provided, MHS will not begin any of the collection actions stated below in this section. Further, MHS will notify the Patient or responsible party 30 days in advance of beginning any of the collection actions stated below in this section.

i. filing any lawsuit

ii. filing for a judgment

iii. Defer or deny care after an Emergency Medical Condition has been determined not to exist by the patient's physician if the Patient or responsible party has outstanding balances placed with bad debt agencies until adequate payment arrangements have been made for their bad debt balances.

VII. EFFORTS TO WIDELY PUBLICIZE THE FINANCIAL ASSISTANCE POLICY

A. MHS will make the Financial Assistance Policy, the Financial Evaluation Form and a plain language summary of the Financial Assistance Policy available on its website, www.mhs.net/financialaid, in all languages required by Section 501(r) regulations. These documents can also be requested in person at any MHS hospital facility or by calling the Patient Financial Services Department at (954) 276-5501.

B. Public notices will be clearly and conspicuously posted in locations visible to the public including all registration areas. These notices will explain that MHS offers a Financial Assistance Program to individuals who are uninsured or underinsured.

Notification of this policy, which shall include contact information, shall be distributed by MHS by various means, including notices attached to patient statements and notices attached to the patient admission forms in admitting and registration areas and through other public places as MHS may elect. The Financial Assistance Policy, Financial Assistance Program Application Form and the Plain Language Summary will be made available in English, Spanish, French, French Creole, Portuguese, Vietnamese and Russian. Questions regarding this policy can be made during business hours at (954) 276-5501.

MEMORIAL HEALTHCARE SYSTEM

STANDARD PRACTICE

Date: March 1992

Date Reviewed: March 1999; August 2002; September 2002; April 2004; May 2005; November, 2010; January 2011; November 2013; September 2014; October 2018; October 2021

Date Revised: March 1999; August 2002; September 2002; April 2004; May 2005; November 2010; November 2013; September 2014; April 2016; March 2017; October 2021

Title: **TRANSFER/ACCESS TO EMERGENCY CARE**

I. In no event shall the provision of emergency services, the acceptance of a medically necessary transfer or the return of a patient pursuant to Section III.(B) below, be based upon, or affected by, the person's race, ethnicity, religious/national origin, citizenship, age, gender, pre-existing medical condition, physical or mental handicap, insurance/economic status, or sexual preference.

II. 42 U.S.C. 1395 dd (sometimes referred to as Emergency Medical Treatment Active Labor Act or "EMTALA") and regulations promulgated thereunder at 42 CFR Section 489 et. Seq., and Ch. 395.1041, Fla Stat. create certain obligations on the part of hospitals with emergency departments and on the part of physicians providing emergency services and care.

III. In compliance with applicable law, Memorial Healthcare System ("MHS") hospitals shall provide emergency services and care for any emergency medical condition when:

A. Any person requests either personally or through an authorized individual (such as a healthcare surrogate or proxy) emergency services and care; or
B. Emergency services and care are requested on behalf of a person by:
    1. An emergency medical services provider who is rendering care or transporting the person; or
    2. Another hospital, when such hospital is seeking medically necessary transfer.

IV. The term "emergency medical condition" means:
A. A medical condition manifesting itself by acute symptoms of sufficient severity (which may include severe pain) such that the absence of immediate medical attention could reasonably be expected to result in any of the following:
    1. Serious jeopardy to patient health, including a pregnant woman or fetus;
    2. Serious impairment to bodily functions; or

3. Serious dysfunction of any bodily organ or part.

B. With respect to a pregnant woman:
   1. That there is inadequate time to effect safe transfer to another hospital prior to delivery;
   2. That a transfer may pose a threat to the health and safety of the patient or fetus; or
   3. That there is evidence of labor, which means the process of childbirth beginning with the latent or early phase of labor or there is onset and persistence of uterine contractions or there is rupture of the membranes and continuing through the delivery of the placenta.

NOTE: For purposes of this Standard Practice, a patient experiencing contractions should be considered to be in true labor unless a physician certifies that after a reasonable time of observation the patient is in false labor.

V. The term "emergency services and care" means:

A. An appropriate medical screening examination within the capabilities of the Hospital's Emergency Department including ancillary services available to the Emergency Department, to determine if an emergency medical condition exists. The examinations must be conducted by persons determined by the Hospital as qualified to conduct such examinations.

B. Examination and evaluation by a physician or to the extent permitted by applicable law by other appropriate personnel under the supervision of a physician, who determine if an emergency medical condition exists.

C. If an emergency medical condition does exist, the care, treatment or surgery by a physician necessary to stabilize the emergency medical condition, within the service capability of the facility.

"Stabilize or stabilized" means that no material deterioration of the patient's condition is likely, within reasonable medical probability, to result from or occur during the transfer.

VI. Under the law, neither the hospital nor its employees, nor any physician, dentist, or podiatrist shall be liable in any action arising out of a refusal to render emergency services or care if the refusal is made after screening, examining and evaluating the patient and is based on the determination that the person is either not suffering from an emergency medical condition, that the hospital does not have the service capability, or is at service capacity and unable to render those services.

Procedure:

I. <u>Access to Care</u>

Emergency services and care and appropriate screening to determine the existence or absence of an emergency medical condition shall not be delayed in order to

ascertain the ability to pay for such emergency services and care. Inquiries may be made regarding ability to pay if those inquiries do not cause a delay in medical screening or treatment. Each MHS Hospital accepting a person in need of emergency services and care via transfer from another hospital shall not require the transferring hospital, or any person or entity, to guarantee payment as a condition of receiving the transferred patient. The Hospital shall not require any contractual agreement, any type of pre-planned transfer agreement, or any other arrangement to be made prior to or at the time of transfer as a condition of receiving a transferred patient.

II. Posting of Notice

Notice in English, Spanish and Creole, specifying the patient's rights to emergency services and care and the service capability of the hospital shall at all times be conspicuously posted in the Emergency Departments.

III. Transfer Arrangements

A. Medically necessary transfers shall be made to the geographically closest hospital able to provide the needed service, unless the geographically closest hospital is either at service capacity or unless a prior arrangement between hospitals is in place.

B. When the condition of the patient improves, and the service capability of the receiving hospital is no longer required, the receiving hospital may transfer the patient to another hospital and the transferring hospital shall receive the patient within its service capability.

IV. Transfer of Patients from a Memorial Healthcare System Hospital

A. A patient suffering from an emergency medical condition may not be transferred from the hospital to another hospital unless:

1. The patient or a person who is legally responsible for the patient and acting on the patient's behalf, after being informed of the hospital's obligation under this section and of the risk of transfer, requests the transfer. The hospital will seek to obtain this request in writing, indicating the reasons for the request as well as the risks and benefits of the transfer; or

2. A physician has signed a certification that based upon the reasonable risks and benefits to the patient and based upon the information available at the time of transfer, the medical benefits reasonably expected from the provision of appropriate medical treatment at another hospital, outweigh potential increased risks to the patient's medical condition; or

3. If a physician is not physically present in the emergency services area at the time an individual is transferred, a qualified medical person may sign a certification that a physician with staff privileges, and after appropriate consultation, has determined that the medical benefits, reasonably expected from the provision of appropriate medical treatment at another medical facility, outweigh the potential increased risks to the individual's medical condition. The certification shall summarize the basis for such determination. The consulting physician must subsequently sign the certification.

B. Each MHS Hospital will not transfer a patient unless the patient has been accepted for transfer by the facility for which transfer is sought.

C. If the medical benefits of transfer do not outweigh the risks, patients who are not stable will be discouraged from requesting transfer and shall be advised of risks. If the patient or the legally responsible person acting on the patient's behalf persists in the transfer request, the request shall be made in writing, signed by the person making the request and the transfer shall be considered Against Medical Advice. The attached form (see Attachment #1) may be used to document the request.

D. In medical emergencies, when a transfer must be made due to the hospital's inability to provide treatment as described above**,** such transfer must be approved by the Administrator-on-Call. The Nursing Director or Administrative Officer can approve the transfers to Memorial Regional Hospital if the need is of the above specified nature and a log of the patient's name, transferring and receiving physician, as well as the appropriate reason for transfer must be maintained.

E. **All** air ambulance transfers, regardless of the receiving facility, must be approved by the Administrator-on-Call. For local (South Florida) air ambulance transfer of emergencies, contact the appropriate agency listed on Attachment #2.

F. Nursing Director/Administrative Officer will complete transfer request form attached (see Attachment #3) and coordinate transport.

G. Indigent Patients

When for medical reasons an indigent patient requires transfer to another hospital, transportation must be arranged either through a public agency or at the hospital's expense, with Administration's approval.

1. When transferring to the Veterans Administration Hospital ("VAH"), the attending physician should contact the VAH admitting physician, request and receive authorization for VAH transportation.

2. When transferring to Jackson Memorial Hospital ("JMH") or another institution outside Broward County, a 24-hour advance notice should be provided to the Clinical Effectiveness Department; this will allow adequate time to secure transportation or approval for payment from the appropriate public agency, (i.e., Health and Rehabilitative Services ("HRS"), Broward County Primary Care, U.S. Public Health Department.

   If the transfer to JMH is an emergency and the patient is an active Medicaid recipient, the ambulance company is provided the Medicaid number for billing purposes and the Clinical Effectiveness Department is notified of the transfer as soon as possible for follow-up with HRS.

3. If payment for transportation cannot be obtained from any other source, or if possibility of assistance from a public agency cannot be determined, the transfer may be billed to the hospital, with Administration approval. The Clinical Effectiveness Department should be contacted to investigate possible retroactive reimbursement.

V. Transfer of Patients to Memorial Healthcare System Hospitals

A. Subject to appropriate bed availability, staffing and other resources needed in the provision of care, patients in other hospitals having no insurance or other financial means of payment for services rendered, will receive approval for transfer if **all** of the following conditions are met:

1. The patient requires emergency treatment (which includes patients in active labor); and

2. The hospital seeking transfer does not have the service available to prevent deterioration of the patient's condition; and

3. An agreement exists between both the referring and accepting ER physicians concerning the stability of the patient's condition for transfer.

IN SUCH CIRCUMSTANCES, THE MEMORIAL HEALTHCARE SYSTEM HOSPITAL WILL NOT ASK QUESTIONS ABOUT THE PATIENT'S ABILITY TO PAY UNLESS THE TRANSFER IS APPROVED.

B. Subject to the above requirements and the availability of appropriate bed space, staffing, and other resources needed for the care of specific patients, MHS may approve requests for transfer of the following patients:

1. Patients requiring or preferring services at a MHS Hospital who have adequate insurance or other financial resources to pay for hospitalization, shall receive approval for transfer. The Accounts Receivable Management Office will verify that insurance is in force and

the nature of the benefits. Nothing in this section limits the Memorial Healthcare System's right to receive payment for services rendered to such patient or Memorial Healthcare System's right to seek transfer of the patient to any facility, including the original referring facility once the patient's condition is stabilized.

2. Telephone calls may be received at any time of the day or night from administrators, nurses, social workers and doctors representing hospitals in and out of the South Broward Hospital District when seeking consent from an MHS representative, for a patient's acceptance to an MHS Hospital.

3. Transfers within MHS Facilities:
The requirements specified in this Standard Practice apply equally to transfers between MHS facilities, including, without limitation, transfers between Memorial Regional Hospital, Memorial Regional Hospital South, Memorial Hospital West, Memorial Hospital Miramar and Memorial Hospital Pembroke. For transfers to MHP between MHS Facilities, the Administrator On-Call's Designee is the receiving Hospital's Admitting/Bed Control Department. For difficult and/or complicated cases needing transfer to the respiratory care floor, prior approval must be obtained by the Director and/or Administrator as appropriate.

"Decanted" patients will be considered those patients in a MHS ED that require admission but can be transferred to an appropriate MHS facility due to capacity concerns at the present facility. "Decanting" as it relates to patients, is a process to relieve the pressure in an ED that is approaching capacity and level patient volumes across MHS.

"Decanting" is driven by the patient's diagnosis and initiated by a physician decision that the patient is medically appropriate to transfer. After the patient/Healthcare Surrogate gives consent to transfer, the patient is transferred to a MHS hospital unit.

4. Medical Condition:

The following information should be obtained by the receiving physician (accepting physician/ER physician if emergent) concerning the patient's medical condition:

a. Does the patient's condition warrant emergency or elective care?

b. Does the patient have a condition, illness, injury or disease which cannot be treated at the requesting facility?

5. ***Except in situations involving patients who require emergency treatment***,
the following information must be obtained prior to the transfer request being evaluated by the Administrator-on-Call:

   a. Residency: The residency of the patient in the South Broward Hospital District should be verified by reference to the local telephone directory, current cross reference directory and through communication when required, with the patient, family members or friends. A resident of the South Broward Hospital District shall be defined as "any person" making his/her home or place of abode within the geographical boundaries of the hospital district and with no present intention of moving outside of the district.

   b. Financial Data: The Accounts Receivable Management Office will verify insurance coverage and/or financial resources including eligibility for government assistance programs and district charity to pay for hospitalization.

   c. Stable for Transfer: The patient transfer shall not be approved unless both the referring and receiving physician confer and reach a unanimous decision that the patient is in stable condition for transfer.

6. Treating Physicians: All transfer patients must be admitted by a member of MHS' medical staff. A physician may then be assigned when appropriate, in accordance with the Medical Staff By-laws and policies concerning assignment of patients.

7. Clinical Effectiveness Department: A Case Manager will evaluate the appropriateness of the transfer, based on MHS' criteria used for services to be rendered.

8. Medical Records: All transfers require any copies of pertinent portions of inpatients' and/or outpatients' medical records which include at a minimum, lab results, x-ray reports, EKG report, History & Physical and consultative reports, which are not contained in the electronic medical record.

9. Hospital In-Patient Transfer Procedure from non-MHS Hospitals.

For Memorial Hospital West:

a. Day (8:00 a.m. – 6:30 p.m., Monday – Friday; 7:00 a.m. – 3:30 p.m., Saturday and Sunday): Calls should be routed to Bed Control. Bed Control will complete the Inter-Hospital Transfer Request form.

b. Bed Control will verify the patient's insurance and obtain transfer and admission authority action, when necessary.

c. The Nursing Director or the Administrative Officer when appropriate, will be notified of Transfer Request and will contact the Administrator-on-Call for approval.

For Memorial Hospital Pembroke:

a. Weekdays (7:00 am to 4:00 pm): Calls should be routed to Admissions: Patient Financial Representative will contact the administrator on call for approval/disapproval;

   i. Admitting will notify the referring hospital of the approval/disapproval;
   ii. Admitting will complete the Inter-Hospital Transfer Request form; original will remain with the patient chart, yellow copy to be forwarded to the nursing office.

b. Weekends, evenings, nights (4:00 pm to 7:00 am) and holidays: Calls should be routed to the Administrative Officer who will consult with the Patient Financial Representative and obtain approval for the transfer from the Administrator-On-Call.

   i. Administrative Officer will notify the referring hospital of approval/disapproval.
   ii. Administrative Officer will ensure that the Inter-Hospital Transfer Request form is completed. Original will remain with the patient chart, yellow copy to be forwarded to the nursing office.

For Memorial Hospital Miramar:

a. Weekdays (8:00 am to 4:00 pm): Calls should be routed to the Clinical Effectiveness Department. The CE Director or designee will contact Bed Control to review demographics, reason for transfer, referring physician service availability and for verification of insurance coverage and authorization. The CE Director or designee will then contact the Administrator on Call for approval.

   i. If approved, Bed Control will complete the Inter-Hospital Transfer Request form and the CE Director or designee will notify the originating facility; the original form will remain with the patient chart, yellow copy to be forwarded to the nursing office.

b. Weekends, evenings, nights (4:00 pm to 8:00 am) and holidays: Calls should be routed to the Administrative Officer who will contact the Clinical Effectiveness Director or designee to obtain approval for the transfer from the Administrator-On-Call.

i. Administrative Officer will notify the referring hospital of approval/disapproval.
ii. Administrative Officer will ensure that the Inter-Hospital Transfer Request form is completed.
Original will remain with the patient chart, yellow copy to be forwarded to the nursing office.

For Memorial Regional Hospital/ Memorial Regional Hospital South/Joe DiMaggio Children's Hospital:

a. Calls should be routed to the Call Center/Transfer Center 24/7. The Transfer Center RN or Bed Control Representative will complete the Inter-Hospital Transfer Request form, for all transfers other than ED to ED.

i. Inter-Hospital Transfer Request form will be forwarded to Patient Financial Service Representatives/Bed Control for insurance verification.
ii. Patient Financial Service Representative recommends approval/disapproval of insurance and forwards Inter-Hospital Transfer Request form to Transfer Center RN.
iii. Transfer Center RN/ Director of MHS Transfer Center/ Administrative Director of Patient Financial Services or designee approves/disapproves transfer request.
iv. Bed Control will be notified of approval/disapproval in a timely manner.
v. The Transfer Center RN or Bed Control will notify the referring hospital of approval/disapproval. After business hours, the Transfer Center RN will notify the Administrative Officer for approval/disapproval. The Administrator-On-Call is notified at the discretion of the Administrative Officer.

b. Requests for all Behavioral Health patient transfers, whether from an inpatient or emergency department setting, will be routed through the Call Center/Transfer Center.

Joe DiMaggio Children's Hospital Transport Team

When a request is made for transportation using the services of the Neonatal/Pediatric Transport Team for the Joe DiMaggio Children's Hospital, the following procedure should be followed:

a. The request will be evaluated by the Transport Team and the Neonatologist or Pediatric Intensivist on duty at the Joe DiMaggio Children's Hospital. If the transport or transfer request is accepted by the Transport Team, in conjunction with the Transfer Center RN and the Neonatologist or Pediatric Intensivist, approval by the Administrator-on-Call is not required, except for International patients.

b. All transfer requests are routed via the Transfer Center, (954) 986-6330 and the transfer nurse will facilitate Physician to Physician communication via a recorded line for quality assurance purposes. Once the patient has been accepted by the JDCH Physician, the transfer nurse will notify the appropriate transport team. The transport nurse will call to obtain patient report from the referral facility.

c. If the request for transport or transfer is not accepted by the Transport Team, the request for transfer shall be forwarded to the Nurse Manager/Supervisor and the procedure applicable to all other transfer requests shall be followed.

Memorial Regional Transport Team

When a request is made for transportation using the services of the Adult Transport Team (Cardiovascular, Maternal Fetal or Neuro Science Transport Team) the following procedure should be followed:

a. All transfer requests are routed via the Transfer Center, (954) 265-6338 and the transfer nurse will facilitate Physician to Physician communication via a recorded line for quality assurance purposes. Once the patient has been accepted by the MRH Physician, the transfer nurse will notify the appropriate transport team. The transport nurse will call to obtain patient report from the referral facility.

10. ED to ED Transfers: Calls will be routed to the Call Center/Transfer Center 24/7 and the patient will be approved based on physician to physician report.

11. Maintenance of Records and Logs
Each MHS Hospital shall maintain records of each transfer made or received for a period of ten years. These records shall be included in a transfer log, as well as in the permanent medical record of any patient being transferred or received. Each MHS Hospital shall maintain a record log of all patients who request emergency care and services, or persons on whose behalf emergency care and services are requested, for a period of ten years.

VI. Emergency Response on Hospital Property
Hospital property means the entire main hospital campus, including the parking lot, sidewalk and driveway, but excluding other areas or structures that are located within 250 yards of the hospital's main building and are not part of the hospital, such as physician offices, restaurants, shops, or other non-medical facilities. It also includes medical facilities of MHS that function as departments of a MHS hospital, including those located off the hospital campus.

If any person on hospital property requires or reasonably appears to need examination or treatment for an emergency medical condition, staff shall respond to the extent of

available staff and equipment and when necessary and appropriate, arrange for transportation of the person to the hospital's emergency department.

When necessary and appropriate to arrange for treatment and/or transportation, staff may dial 911 and obtain EMS services. Treatment if required, shall be provided to the extent of available staff and resources and should continue while awaiting EMS response.

VII. Transportation of a Patient from an Off-Campus Hospital Department

A. Department personnel shall:

1. Arrange for transportation of the patient unless refused by the patient or guardian or healthcare surrogate or proxy.

2. Transportation shall be the closest and most appropriate facility necessary to prevent injury to the patient.

3. Whenever possible, consistent with (1.) and (2.) above, arrange for transportation to the closest MHS Hospital with appropriate facilities to provide emergency services and care to the patient. Transportation shall be by EMS unless refused by the patient or determined not to be necessary by a physician.

4. Contact the destination Emergency Department to prepare for the patient's arrival.

FOR PATIENTS UNDER THE BAKER ACT, REFER TO THE MHS STANDARD PRACTICES TITLED "INVOLUNTARY COMMITMENT, BAKER ACT" AND "TRANSFER REQUEST—BAKER ACT."

Aurelio M. Fernandez, III, FACHE
President and Chief Executive Officer

ATTACHMENT #1

REQUEST FOR TRANSFER AGAINST MEDICAL ADVICE

READ THIS FORM CAREFULLY AND COMPLETELY BEFORE SIGNING

I have been advised that my medical condition is considered "unstable" and the physician caring for me strongly recommends against transfer. The risks of transfer include the following:

_____
_____
_____
_____

I understand that there may be additional risks and it is not possible to list every complication that may result from transfer.

I understand that this transfer is considered against medical advice, and I willingly and knowingly assume all risks associated with the transfer.

I have read and fully understand the above form and I am requesting to be transferred to:

_____
_____
_____
_____

Signature of Patient Date
Time

Signature of Legal Representative Witness

ATTACHMENT #2

Air Ambulance Agencies

Administrator-On-Call approval is needed prior to contact.

Local Emergency Transfer (Orlando and South)

1. Broward Sheriff's Department
   305-765-4321 Dispatch
   305-772-3670 Airport Station

2. Metro Dade
   305-596-8571 Dispatch
   305-233-5000 Special Detail Office

3. Coast Guard Air Station
   305-536-5611 Rescue Coordination Center
   Agencies to Contact (Fixed Wings)
   Long Distance (North of Orlando)

Air Force (Mast) Assistance/Coast Guard (Miami):

To be used as last resort in the event that no commercial carrier is available, or medical intervention of immediate nature is needed;
Contact Coast Guard Rescue Coordination Center at **305-536-5611.**

Commercial Air Ambulances.

Aero Ambulance Int'l.	800-749-2376
Air Ambulance America	800-262-8526
Air Ambulance Professional	800-752-4195
Air Care Int'l	800-762-7060
Air Medical Services	800-443-0013
Air Trek, Inc.	800-633-5387
Airborne Medical Service	800-241-1234
Care Flight	800-282-6878
Corporate Angels (Indgt)	914-328-1313
Eastern Air Charter	800-370-8680
Federal Air Ambulance	800-336-4586
Lifeguard Air Ambulance	800-262-4688
Lifeguard Air Rescue	800-446-7142

Table A: Financial Assistance Discount Matrix

Memorial Regional Hospital

BALANCES DUE FROM PATIENT	
INCOME	**AMOUNT OF DISCOUNT**
Up to 200% of FPG	100% Discount
201% - 250% of FPG	90% Discount
251% - 300% of FPG	85% Discount
301% - 350% of FPG	~~82% Discount~~ 83% Discount
351% - 400% of FPG	~~82% Discount~~ 83% Discount

Memorial Regional Hospital South

BALANCES DUE FROM PATIENT	
INCOME	**AMOUNT OF DISCOUNT**
Up to 200% of FPG	100% Discount
201% - 250% of FPG	90% Discount
251% - 300% of FPG	85% Discount
301% - 350% of FPG	~~82% Discount~~ 83% Discount
351% - 400% of FPG	~~82% Discount~~ 83% Discount

Joe DiMaggio Hospital

BALANCES DUE FROM PATIENT	
INCOME	**AMOUNT OF DISCOUNT**
Up to 200% of FPG	100% Discount
201% - 250% of FPG	90% Discount
251% - 300% of FPG	85% Discount
301% - 350% of FPG	~~82% Discount~~ 83% Discount
351% - 400% of FPG	~~82% Discount~~ 83% Discount

Memorial Hospital West

BALANCES DUE FROM PATIENT	
INCOME	**AMOUNT OF DISCOUNT**
Up to 200% of FPG	100% Discount
201% - 250% of FPG	90% Discount
251% - 300% of FPG	85% Discount
301% - 350% of FPG	85% Discount
351% - 400% of FPG	85% Discount

Memorial Hospital Pembroke

BALANCES DUE FROM PATIENT	
INCOME	**AMOUNT OF DISCOUNT**
Up to 200% of FPG	100% Discount
201% - 250% of FPG	90% Discount
251% - 300% of FPG	85% Discount
301% - 350% of FPG	~~82% Discount~~ 83% Discount
351% - 400% of FPG	~~82% Discount~~ 83% Discount

Memorial Employed Physician Group/Urgent Care/Specialty Pharmacy

BALANCES DUE FROM PATIENT	
INCOME	**AMOUNT OF DISCOUNT**
Up to 200% of FPG	100% Discount
201% - 250% of FPG	90% Discount
251% - 300% of FPG	85% Discount
301% - 350% of FPG	80% Discount
351% - 400% of FPG	75% Discount

0

Memorial Hospital Miramar

BALANCES DUE FROM PATIENT	
INCOME	**AMOUNT OF DISCOUNT**
Up to 200% of FPG	100% Discount
201% - 250% of FPG	90% Discount
251% - 300% of FPG	85% Discount
301% - 350% of FPG	80% Discount
351% - 400% of FPG	79% Discount

Memorial Primary Care Centers and Outpatient Behavioral Health

BALANCES DUE FROM PATIENT	
INCOME	**AMOUNT OF DISCOUNT**
Up to 200% of FPG	100% Discount
201% - 250% of FPG	90% Discount
251% - 300% of FPG	85% Discount
301% - 350% of FPG	~~82% Discount~~ 83% Discount
351% - 400% of FPG	~~82% Discount~~ 83% Discount

Memorial Healthcare System

APRIL 2025 MATERIALS

MEMORIAL HEALTHCARE SYSTEM

APRIL 2025

Dave Moore, ARM, CEBS, CPCU, Partner
Gary Wyniemko, CFA, Partner
Deirdre Robert, CFA, CAIA, Partner

NEPC

TABLE OF CONTENTS

POST TARIFF MARKET UPDATE

NEPC MARKET OUTLOOK

Recession risks are high should the effective tariff rate on imported goods remain above 20%, but we expect rates to be negotiated lower

Brace for volatility as tariff policy uncertainty and additional announcements are likely to continue buffeting equity markets

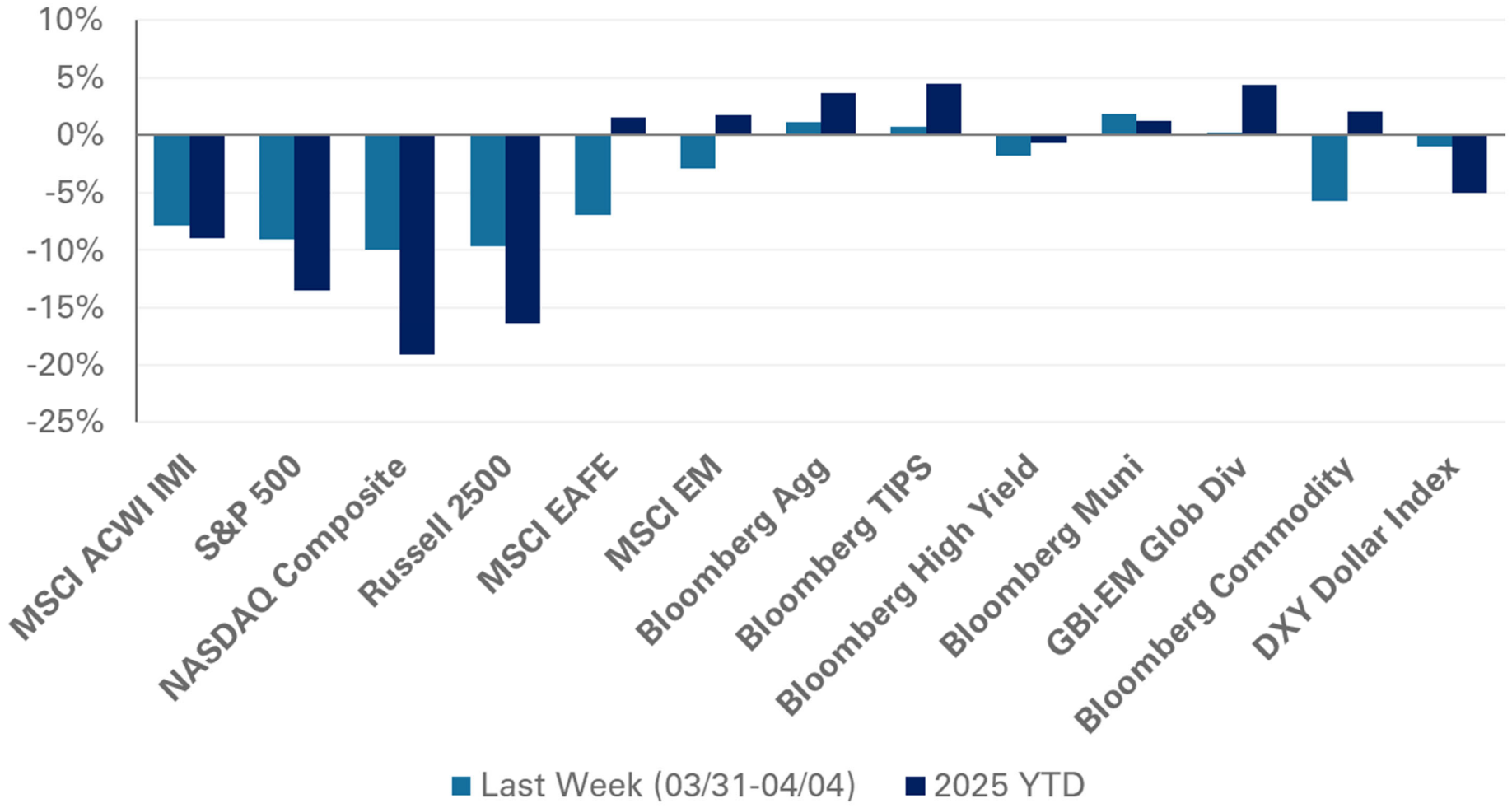
Periods of heightened market fear offer elevated long-term returns and we encourage rebalancing back into the S&P 500

We recommend investors to ensure they have appropriate safe-haven fixed-income exposure and sufficient liquidity for cash flow needs

We urge investors to stay the course and not pull away from markets when panic takes hold; look for opportunities should the rout deepen

TARIFF AND RECESSION FEARS HIT MARKETS

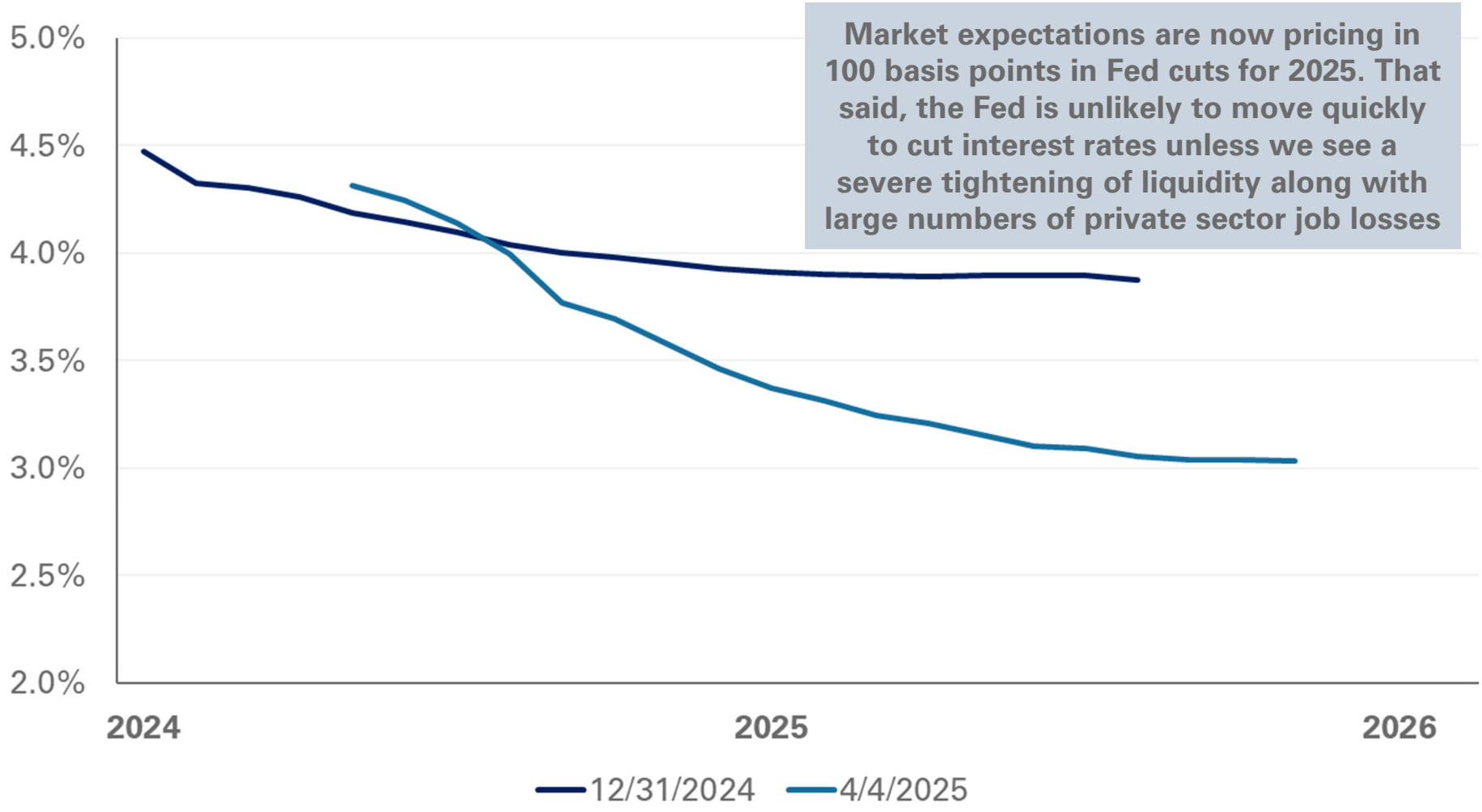
TOTAL RETURNS FOR THE WEEK OF MARCH 31ST AND 2025



Note: Chart reflects data through April 4, 2025
Sources: S&P, Russell, MSCI, JPM, Bloomberg, FactSet

MARKETS ARE HOPING FOR MORE FED RATE CUTS

FED FUNDS FUTURES EXPECTATIONS

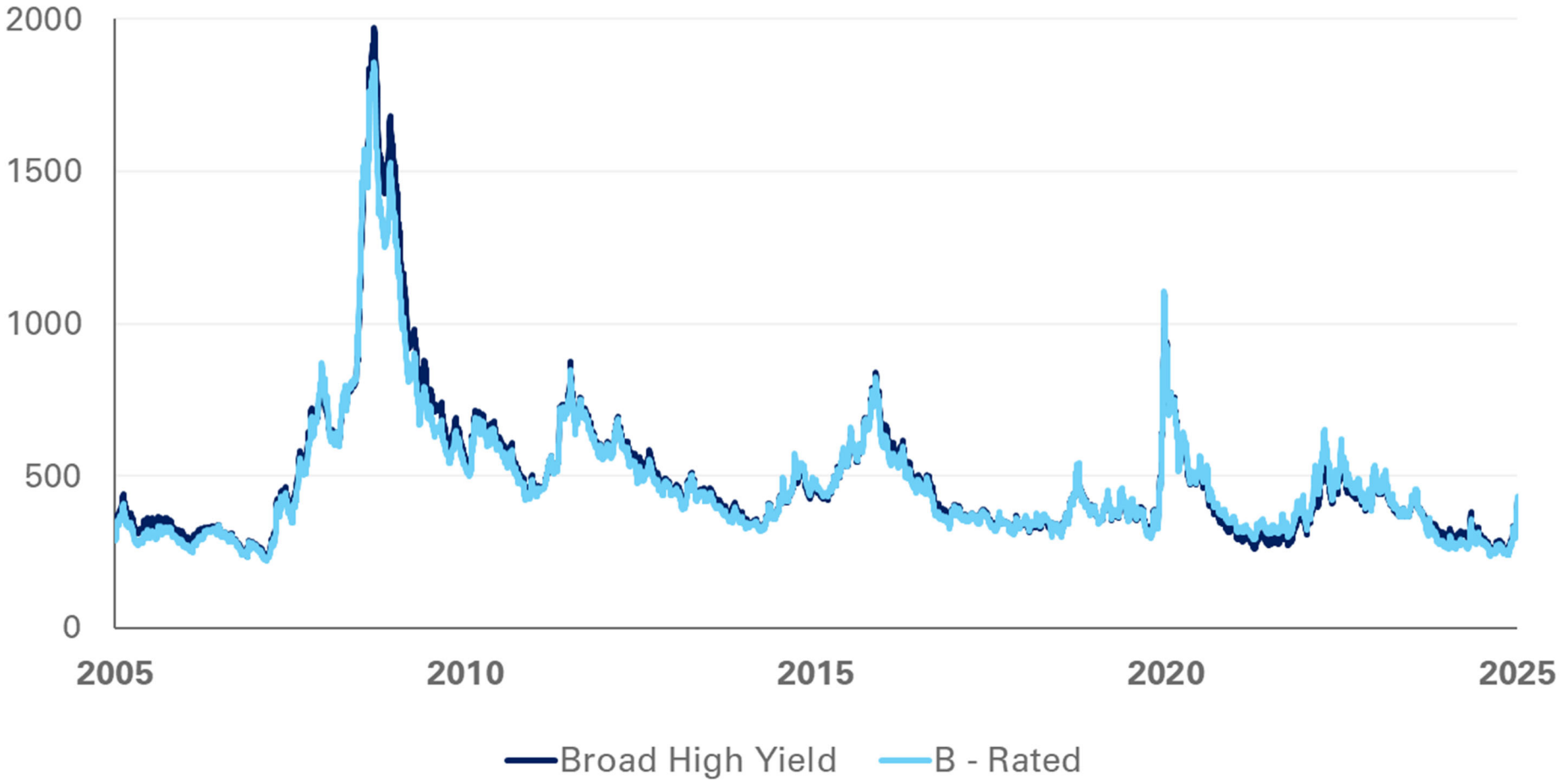


Market expectations are now pricing in 100 basis points in Fed cuts for 2025. That said, the Fed is unlikely to move quickly to cut interest rates unless we see a severe tightening of liquidity along with large numbers of private sector job losses

Source: FactSet

CREDIT IS NOT BLARING RECESSION ALARMS YET

U.S. HIGH YIELD OPTION-ADJUSTED SPREADS



Sources: Bloomberg, FactSet

MARCH 2025 CAPITAL MARKET UPDATE

TRAILING ANNUAL INDEX PERFORMANCE

Equity						
	Mar-25	YTD	1 YR	3 YR	5 YR	10 YR
MSCI ACWI	-4.0%	-1.3%	7.2%	6.9%	15.2%	8.8%
S&P 500	-5.6%	-4.3%	8.3%	9.1%	18.6%	12.5%
Russell 1000	-5.8%	-4.5%	7.8%	8.7%	18.5%	12.2%
Russell 2000	-6.8%	-9.5%	-4.0%	0.5%	13.3%	6.3%
Russell 2500	-6.3%	-7.5%	-3.1%	1.8%	14.9%	7.5%
MSCI EAFE	-0.4%	6.9%	4.9%	6.1%	11.8%	5.4%
MSCI EM	0.6%	2.9%	8.1%	1.4%	7.9%	3.7%

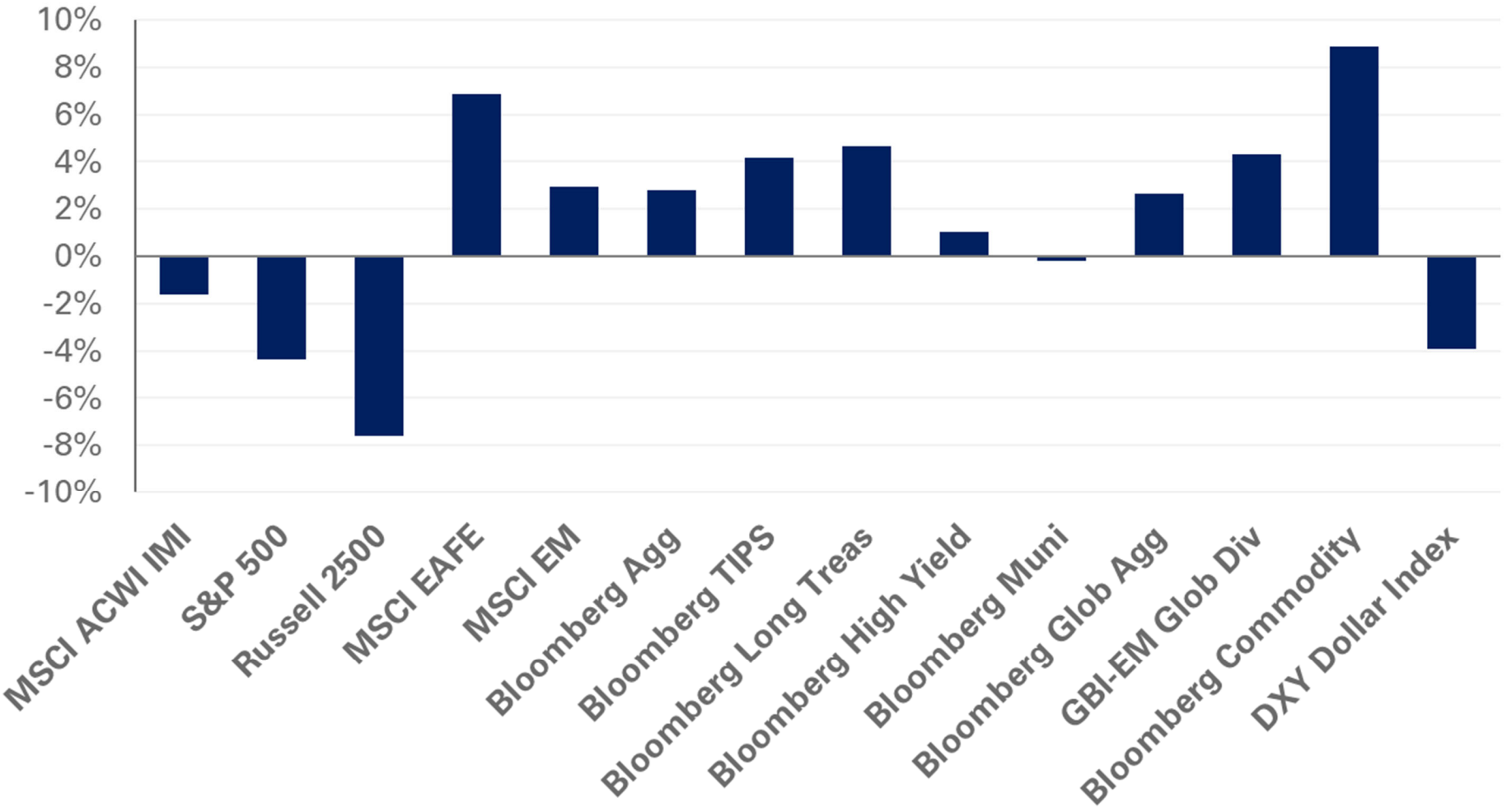
Credit						
	Mar-25	YTD	1 YR	3 YR	5 YR	10 YR
BBG Global Agg	0.6%	2.6%	3.0%	-1.6%	-1.4%	0.6%
BBG US Agg	0.0%	2.8%	4.9%	0.5%	-0.4%	1.5%
BBG Credit	-0.2%	2.4%	4.9%	1.1%	1.3%	2.3%
BBG US HY	-1.0%	1.0%	7.7%	5.0%	7.3%	5.0%
BBG Muni	-1.7%	-0.2%	1.2%	1.5%	1.1%	2.1%
BBG Muni HY	-1.2%	0.8%	5.6%	2.9%	4.3%	4.3%
BBG TIPS	0.6%	4.2%	6.2%	0.1%	2.4%	2.5%
BBG 20+ STRIPS	-2.7%	4.8%	-3.9%	-13.8%	-13.0%	-2.3%
BBG Long Treasuries	-0.9%	4.7%	1.3%	-7.2%	-7.9%	-0.6%
BBG Long Credit	-1.4%	2.5%	2.1%	-2.2%	-0.5%	2.1%
BBG Govt/Credit 1-3 Yr	0.5%	1.6%	5.6%	3.1%	1.6%	1.7%
JPM EMBI Glob Div	-0.8%	2.2%	6.8%	3.4%	3.5%	3.2%
JPM GBI-EM Glob Div	1.5%	4.3%	4.0%	2.7%	2.3%	1.3%

Real Assets						
	Mar-25	YTD	1 YR	3 YR	5 YR	10 YR
BBG Commodity	3.9%	8.9%	12.3%	-0.8%	14.5%	2.8%
Alerian Midstream Index	1.8%	6.3%	39.5%	19.8%	33.6%	7.4%
NAREIT Composite Index	-2.4%	2.9%	9.2%	-1.7%	9.7%	5.6%

Source: S&P, MSCI, Russell, Bloomberg, JPM, Alerian, FTSE, FactSet

RISK-OFF U.S. POSTURE PERMEATED MARKETS

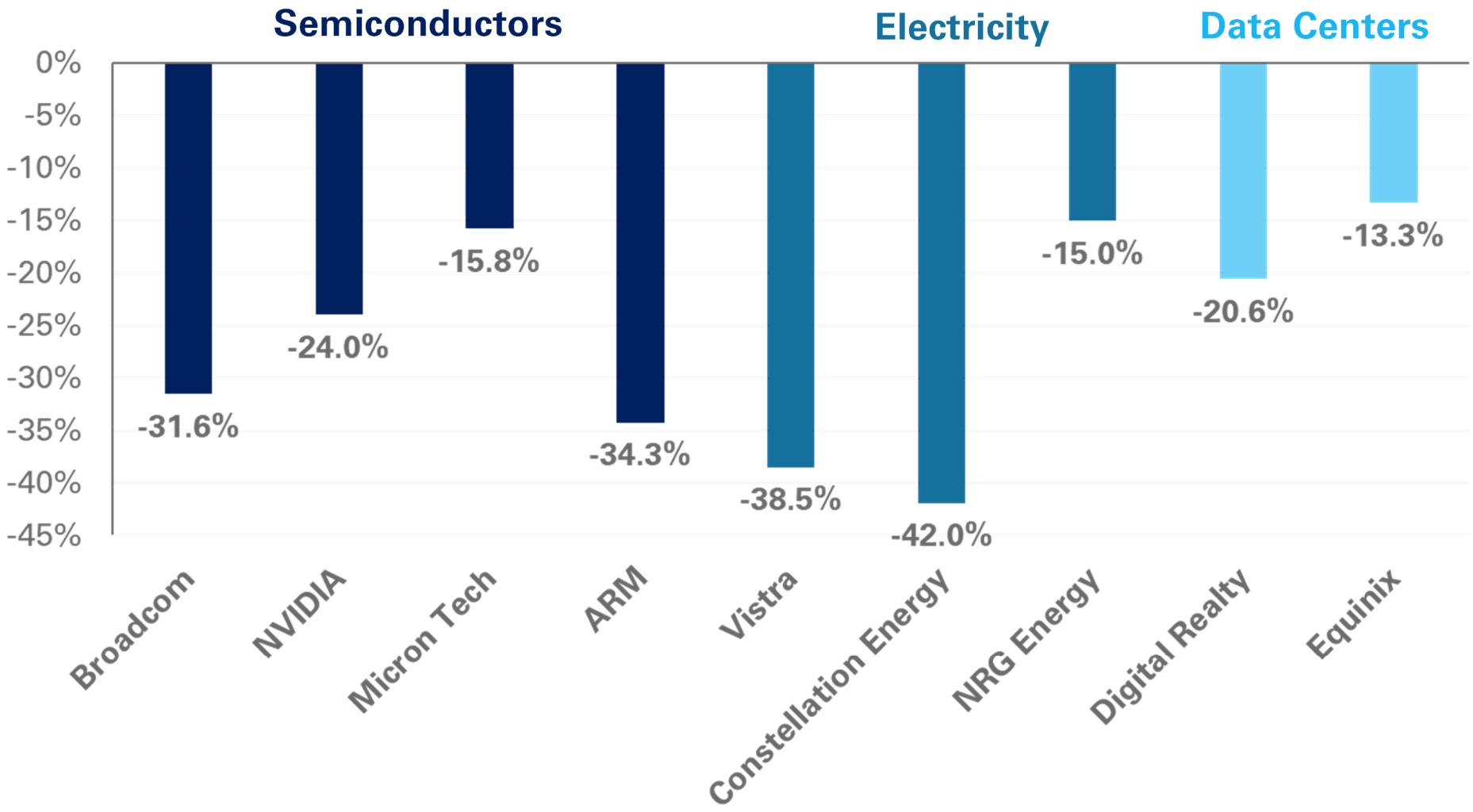
QUARTERLY TOTAL RETURNS



Sources: S&P, Russell, MSCI, JPM, Bloomberg, FactSet

DEEPSEEK NEWS DISRUPTED THE A.I. NARRATIVE

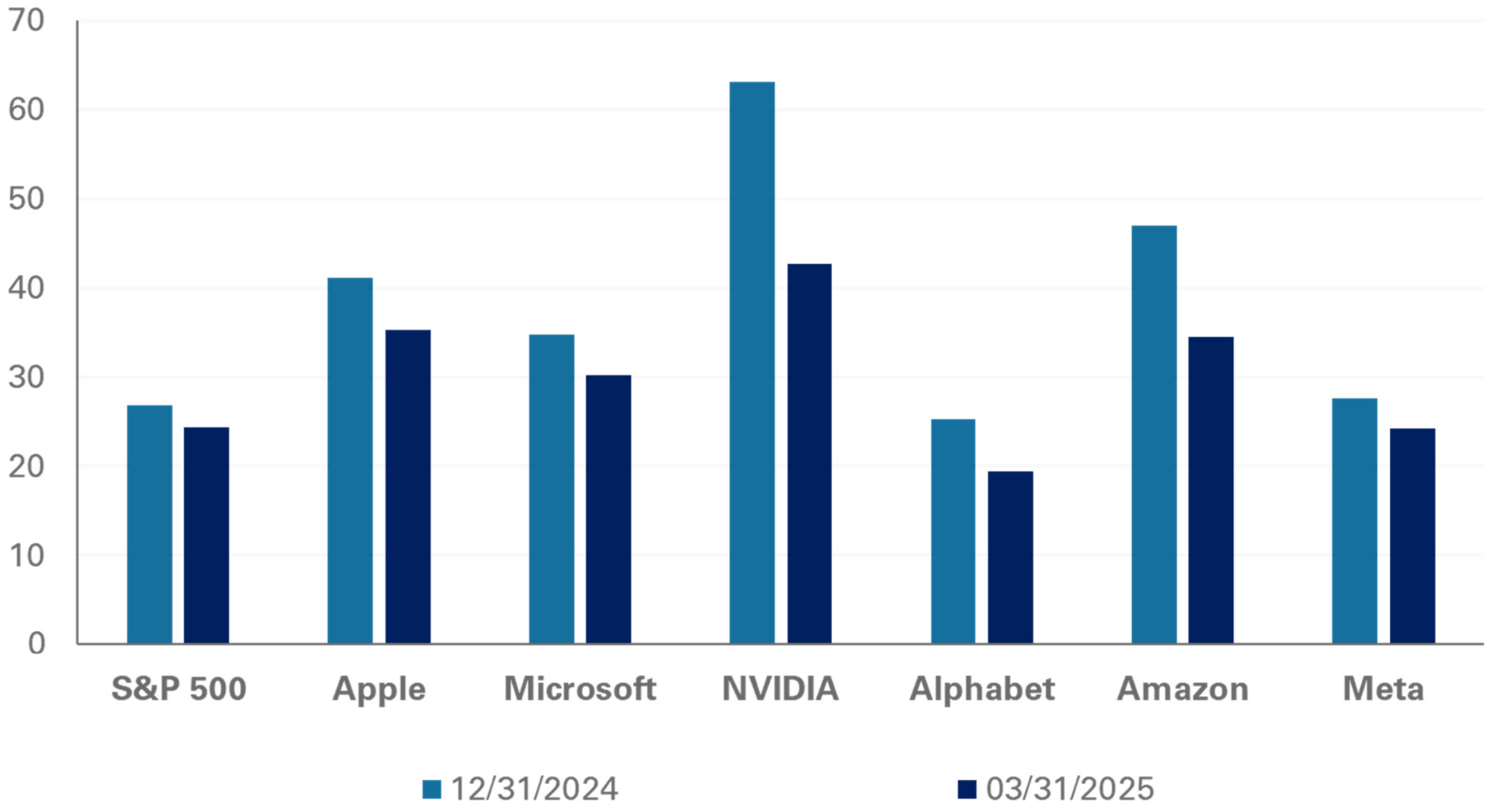
QUARTERLY PRICE MOVES FOLLOWING JANUARY DEEPSEEK NEWS



Note: Reflects returns 1/24/2025 to 3/31/2025
Source: FactSet

VALUATIONS COMPRESSED ACROSS TOP NAMES

CHANGE IN U.S. PRICE TO EARNINGS RATIOS



Sources: S&P, FactSet

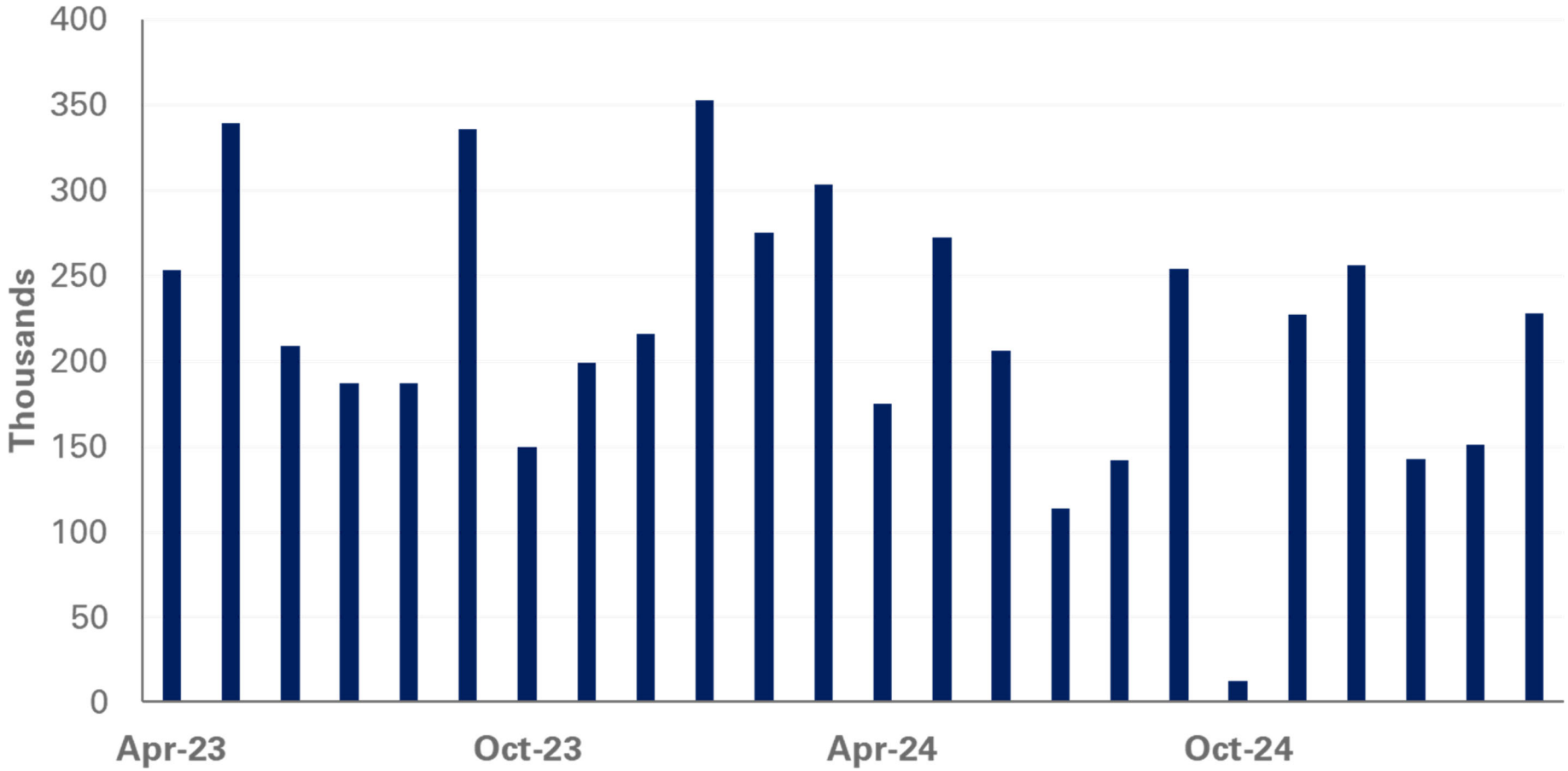
NON-U.S. RETURNS BOLSTERED BY WEAKER USD

DXY INDEX

Source: FactSet

FEDERAL CUTS HAVE YET TO IMPACT JOBS DATA

U.S. NONFARM PAYROLLS: MONTHLY JOBS ADDED



Sources: U.S. Bureau of Labor Statistics, FactSet

PERFORMANCE UPDATE

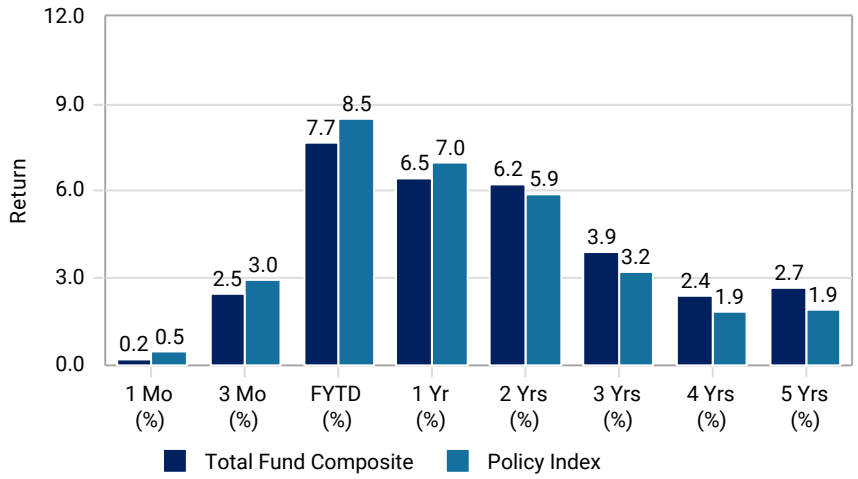
March 31, 2025

SOUTH BROWARD HOSPITAL DISTRICT – OPERATING FUNDS

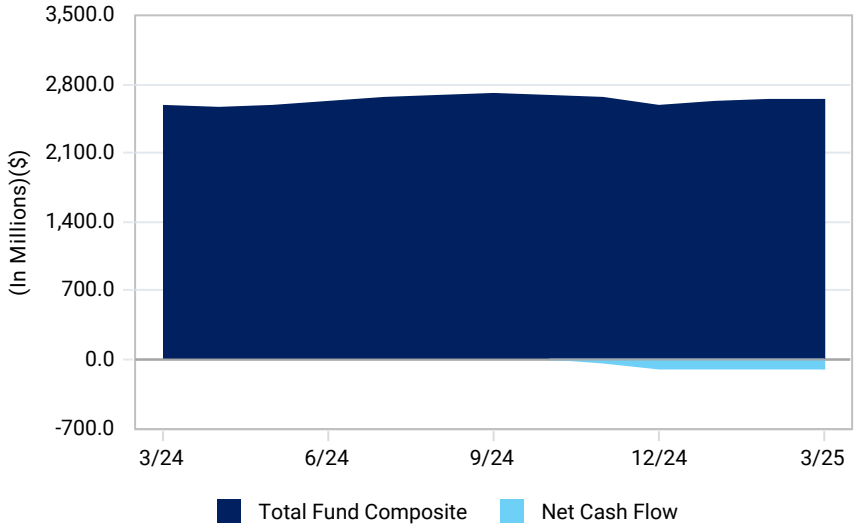
March 31, 2025

EXECUTIVE SUMMARY

Return Summary
Ending March 31, 2025

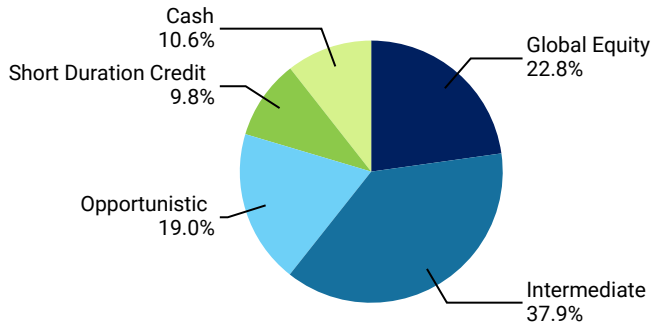


Market Value History
1 Year Ending March 31, 2025



	Current ($)	Current (%)	Policy (%)	Differences (%)
Global Equity	607,184,533	22.8	20.0	2.8
Intermediate	1,010,482,841	37.9	35.0	2.9
Opportunistic	506,156,932	19.0	20.0	-1.0
Short Duration Credit	261,812,514	9.8	10.0	-0.2
Cash	281,691,423	10.6	15.0	-4.4
Total	**2,667,328,244**	**100.0**	**100.0**	**0.0**

Current Allocation



Summary of Cash Flows

	1 Month	FYTD	1 Year	5 Years
Beginning Market Value	2,662,083,841	2,571,092,637	2,601,159,732	2,203,237,124
Net Cash Flow		-100,045,068	-100,045,068	128,707,196
Net Investment Change	5,244,403	196,280,675	166,213,581	335,383,924
Ending Market Value	**2,667,328,244**	**2,667,328,244**	**2,667,328,244**	**2,667,328,244**

TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)							
	Market Value ($)	% of Portfolio	1 Mo (%)	3 Mo (%)	FYTD (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	4 Yrs (%)	5 Yrs (%)
Total Fund Composite	**2,667,328,244**	**100.0**	**0.2**	**2.5**	**7.7**	**6.5**	**6.2**	**3.9**	**2.4**	**2.7**
Policy Index			*0.5*	*3.0*	*8.5*	*7.0*	*5.9*	*3.2*	*1.9*	*1.9*
Fixed Income Composite	**1,778,452,288**	**66.7**	**0.4**	**2.5**	**7.2**	**5.9**	**4.6**	**2.6**	**0.8**	**1.0**
Short Term Composite	**261,812,514**	**9.8**	**0.5**	**2.1**	**6.6**	**5.9**	**4.6**	**3.1**	**1.2**	**1.2**
Blmbg. 1-5 Year Gov/Credit			*0.5*	*2.0*	*6.5*	*5.7*	*4.4*	*2.8*	*1.1*	*1.3*
Lord Abbett Short Duration	131,731,674	4.9	0.5	2.1	6.6	5.9	4.7	3.1		
Blmbg. 1-5 Year Gov/Credit			*0.5*	*2.0*	*6.5*	*5.7*	*4.4*	*2.8*		
Loop Capital Asset Management	130,080,840	4.9	0.5	2.1	6.6	6.0	4.6	3.0	1.2	1.2
Blmbg. 1-5 Year Gov/Credit			*0.5*	*2.0*	*6.5*	*5.7*	*4.4*	*2.8*	*1.1*	*1.3*
Intermediate Term Composite	**1,010,482,841**	**37.9**	**0.4**	**2.4**	**7.2**	**5.9**	**4.6**	**2.6**	**0.8**	**1.0**
Blmbg. Intermed. U.S. Government/Credit			*0.4*	*2.4*	*7.1*	*5.7*	*4.2*	*2.2*	*0.6*	*0.9*
Galliard Intermediate Government	245,687,168	9.2	0.3	2.5	7.7	6.2	4.9	2.7	1.0	1.1
Blmbg. Intermed. U.S. Government/Credit			*0.4*	*2.4*	*7.1*	*5.7*	*4.2*	*2.2*	*0.6*	*0.9*
Merganser Intermediate Bond	238,178,961	8.9	0.4	2.6	7.2	6.0	4.7	2.6	0.8	1.0
Blmbg. Intermed. U.S. Government/Credit			*0.4*	*2.4*	*7.1*	*5.7*	*4.2*	*2.2*	*0.6*	*0.9*
Fort Washington Intermediate Bond	203,748,834	7.6	0.3	2.4	7.0	5.7	4.4	2.4		
Blmbg. Intermed. U.S. Government/Credit			*0.4*	*2.4*	*7.1*	*5.7*	*4.2*	*2.2*		
Lord Abbett Intermediate Bond	234,522,732	8.8	0.4	2.4	7.2	5.8	4.4	2.4		
Blmbg. Intermed. U.S. Government/Credit			*0.4*	*2.4*	*7.1*	*5.7*	*4.2*	*2.2*		
PFM - Self Insurance Fund	48,995,266	1.8	0.5	2.0	6.6	5.9	4.7	3.0	1.3	1.4
ICE BofA 1-5 Yr Treasury & Agency			*0.5*	*2.0*	*6.3*	*5.5*	*4.0*	*2.5*	*0.9*	*0.7*
PFM - Disability Fund	21,688,156	0.8	0.5	2.0	6.6	5.9	4.6	3.0	1.3	1.4
ICE BofA 1-5 Yr Treasury & Agency			*0.5*	*2.0*	*6.3*	*5.5*	*4.0*	*2.5*	*0.9*	*0.7*
PFM - Workmen's Compensation Fund	11,846,315	0.4	0.4	1.5	5.7	5.5	4.7	3.3	1.9	1.6
ICE BofA U.S. Agencies, 1-3yr			*0.4*	*1.4*	*5.5*	*5.3*	*4.4*	*3.0*	*1.5*	*1.4*
PFM - Health & Dental Fund	5,815,410	0.2	0.4	1.5	5.7	5.6	4.7	3.3	1.8	1.6
ICE BofA U.S. Agencies, 1-3yr			*0.4*	*1.4*	*5.5*	*5.3*	*4.4*	*3.0*	*1.5*	*1.4*

TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)							
	Market Value ($)	% of Portfolio	1 Mo (%)	3 Mo (%)	FYTD (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	4 Yrs (%)	5 Yrs (%)
Opportunistic Composite	**506,156,932**	**19.0**	**0.3**	**2.7**	**7.6**	**6.0**	**4.5**	**2.3**	**0.7**	**0.8**
Blmbg. U.S. Intermediate Aggregate			*0.3*	*2.6*	*7.6*	*5.6*	*3.9*	*1.6*	*0.1*	*0.4*
Galliard Opportunistic	156,505,971	5.9	0.3	2.8	8.1	6.2	4.6	2.2	0.6	0.8
Blmbg. U.S. Intermediate Aggregate			*0.3*	*2.6*	*7.6*	*5.6*	*3.9*	*1.6*	*0.1*	*0.4*
Merganser Opportunistic	156,374,383	5.9	0.4	2.8	7.4	6.0	4.5	2.4	0.8	0.8
Blmbg. U.S. Intermediate Aggregate			*0.3*	*2.6*	*7.6*	*5.6*	*3.9*	*1.6*	*0.1*	*0.4*
Fort Washington Active Fixed Income	193,276,578	7.2	0.3	2.6	7.3	5.7	4.5	2.4		
Blmbg. U.S. Intermediate Aggregate			*0.3*	*2.6*	*7.6*	*5.6*	*3.9*	*1.6*		
Global Equity Composite	**607,184,533**	**22.8**	**-0.4**	**3.0**	**11.1**	**8.8**	**12.0**	**7.7**	**7.3**	**11.0**
MSCI AC World Minimum Volatility Index (Net)			*1.0*	*6.2*	*16.0*	*12.9*	*12.0*	*5.6*	*6.4*	*9.7*
Vanguard Global Minimum Volatility Equity	291,960,746	10.9	0.8	6.1	13.9	10.7	13.2	8.6	7.8	11.1
MSCI AC World Minimum Volatility Index (Net)			*1.0*	*6.2*	*16.0*	*12.9*	*12.0*	*5.6*	*6.4*	*9.7*
Parametric Global Defensive Equity	315,223,787	11.8	-1.6	0.4	8.7	7.1	11.0	7.0	6.8	10.8
50% MSCI ACWI / 50% 90 Day T-Bill			*-1.8*	*-0.1*	*7.7*	*6.2*	*10.1*	*5.9*	*5.4*	*9.0*
Cash Composite	**281,691,423**	**10.6**	**0.4**	**1.1**	**4.7**	**5.1**	**5.2**	**4.3**	**3.2**	**2.6**
90 Day U.S. Treasury Bill			*0.3*	*1.0*	*4.5*	*5.0*	*5.1*	*4.2*	*3.2*	*2.6*
PNC Treasury Management	281,687,139	10.6	0.4	1.1	4.7	5.1	5.2	4.3	3.2	2.6
90 Day U.S. Treasury Bill			*0.3*	*1.0*	*4.5*	*5.0*	*5.1*	*4.2*	*3.2*	*2.6*
U.S. Bank Cash	4,285	0.0								
90 Day U.S. Treasury Bill			*0.3*	*1.0*	*4.5*	*5.0*	*5.1*	*4.2*	*3.2*	*2.6*

* All data prior to 5/2023 was received from Marquette Associates.
* Policy Index consist of 35% Bloomberg Intermediate U.S. Gov/Credit, 20% Bloomberg U.S. Intermediate Aggregate, 10% Bloomberg 1-5 Year Gov/Credit, 20% MSCI AC World Minimum Volatility Index (Net), and 15% 90 Day U.S. T-Bills.

TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)								
	Market Value ($)	% of Portfolio	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Fund Composite	**2,667,328,244**	**100.0**	5.7	6.7	-5.9	1.1	3.9	5.3	1.2	1.3	1.1
Policy Index			*5.0*	*5.7*	*-7.1*	*1.0*	*3.9*	*5.7*	*1.2*	*0.8*	*0.9*
Short Term Composite	**261,812,514**	**9.8**	4.2	5.1	-5.2	-1.0	3.2	3.5	1.6	0.7	0.8
Blmbg. 1-5 Year Gov/Credit			*3.8*	*4.9*	*-5.5*	*-1.0*	*4.7*	*5.0*	*1.4*	*1.3*	*1.6*
Lord Abbett Short Duration	131,731,674	4.9	4.1	5.1	-4.9						
Blmbg. 1-5 Year Gov/Credit			*3.8*	*4.9*	*-5.5*						
Loop Capital Asset Management	130,080,840	4.9	4.2	5.1	-5.6	-0.9	3.2	3.5	1.6	0.7	1.0
Blmbg. 1-5 Year Gov/Credit			*3.8*	*4.9*	*-5.5*	*-1.0*	*4.7*	*5.0*	*1.4*	*1.3*	*1.6*
Intermediate Term Composite	**1,010,482,841**	**37.9**	3.6	5.5	-7.5	-1.0	4.8	4.6	1.5	1.3	1.2
Blmbg. Intermed. U.S. Government/Credit			*3.0*	*5.2*	*-8.2*	*-1.4*	*6.4*	*6.8*	*0.9*	*2.1*	*2.1*
Galliard Intermediate Government	245,687,168	9.2	3.9	5.8	-8.1	-0.6	5.1	4.6	1.5	1.4	1.3
Blmbg. Intermed. U.S. Government/Credit			*3.0*	*5.2*	*-8.2*	*-1.4*	*6.4*	*6.8*	*0.9*	*2.1*	*2.1*
Merganser Intermediate Bond	238,178,961	8.9	3.5	5.5	-7.6	-1.0	4.6	4.6	1.5	1.3	1.2
Blmbg. Intermed. U.S. Government/Credit			*3.0*	*5.2*	*-8.2*	*-1.4*	*6.4*	*6.8*	*0.9*	*2.1*	*2.1*
Fort Washington Intermediate Bond	203,748,834	7.6	3.2	5.6	-7.9						
Blmbg. Intermed. U.S. Government/Credit			*3.0*	*5.2*	*-8.2*						
Lord Abbett Intermediate Bond	234,522,732	8.8	3.3	5.5	-7.7						
Blmbg. Intermed. U.S. Government/Credit			*3.0*	*5.2*	*-8.2*						
PFM - Self Insurance Fund	48,995,266	1.8	4.1	5.0	-5.0	-0.9	4.6	4.6	1.4	1.1	1.3
ICE BofA 1-5 Yr Treasury & Agency			*3.4*	*4.3*	*-5.2*	*-1.1*	*4.2*	*4.2*	*1.5*	*0.7*	*1.1*
PFM - Disability Fund	21,688,156	0.8	4.0	5.0	-5.1	-0.9	4.6	4.6	1.3	1.1	1.3
ICE BofA 1-5 Yr Treasury & Agency			*3.4*	*4.3*	*-5.2*	*-1.1*	*4.2*	*4.2*	*1.5*	*0.7*	*1.1*
PFM - Workmen's Compensation Fund	11,846,315	0.4	4.5	5.1	-3.0	-0.5	2.8	3.5	1.6	0.7	1.0
ICE BofA U.S. Agencies, 1-3yr			*4.3*	*4.7*	*-3.7*	*-0.4*	*2.7*	*3.5*	*1.8*	*0.7*	*1.0*
PFM - Health & Dental Fund	5,815,410	0.2	4.6	5.0	-3.1	-0.5	2.8	3.5	1.7	0.7	1.0
ICE BofA U.S. Agencies, 1-3yr			*4.3*	*4.7*	*-3.7*	*-0.4*	*2.7*	*3.5*	*1.8*	*0.7*	*1.0*

TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)								
	Market Value ($)	% of Portfolio	2024	2023	2022	2021	2020	2019	2018	2017	2016
Opportunistic Composite	**506,156,932**	**19.0**	**3.1**	**5.7**	**-8.5**	**-1.4**	**6.3**	**5.9**	**1.3**	**2.0**	**1.6**
Blmbg. U.S. Intermediate Aggregate			*2.5*	*5.2*	*-9.5*	*-1.3*	*5.6*	*6.7*	*0.9*	*2.3*	*2.0*
Galliard Opportunistic	156,505,971	5.9	3.3	5.7	-9.2	-1.1	6.6	5.9	1.3	2.2	1.6
Blmbg. U.S. Intermediate Aggregate			*2.5*	*5.2*	*-9.5*	*-1.3*	*5.6*	*6.7*	*0.9*	*2.3*	*2.0*
Merganser Opportunistic	156,374,383	5.9	3.1	5.6	-8.3	-1.4	5.9	5.8	1.4	1.7	1.6
Blmbg. U.S. Intermediate Aggregate			*2.5*	*5.2*	*-9.5*	*-1.3*	*5.6*	*6.7*	*0.9*	*2.3*	*2.0*
Fort Washington Active Fixed Income	193,276,578	7.2	3.0	5.8	-8.2						
Blmbg. U.S. Intermediate Aggregate			*2.5*	*5.2*	*-9.5*						
Global Equity Composite	**607,184,533**	**22.8**	**13.0**	**11.2**	**-6.0**	**12.7**	**1.4**	**17.0**			
MSCI AC World Minimum Volatility Index (Net)			*11.4*	*7.7*	*-10.3*	*13.9*	*2.7*	*21.1*			
Vanguard Global Minimum Volatility Equity	291,960,746	10.9	13.5	8.0	-4.5	12.0	-3.9	22.7			
MSCI AC World Minimum Volatility Index (Net)			*11.4*	*7.7*	*-10.3*	*13.9*	*2.7*	*21.1*			
Parametric Global Defensive Equity	315,223,787	11.8	12.7	14.6	-7.5	13.1	2.6	14.1			
50% MSCI ACWI / 50% 90 Day T-Bill			*11.3*	*13.6*	*-8.5*	*9.0*	*9.1*	*14.1*			
Cash Composite	**281,691,423**	**10.6**	**5.3**	**5.1**	**1.3**	**0.1**	**0.8**	**2.4**	**1.9**	**0.9**	**0.5**
PNC Treasury Management	281,687,139	10.6	5.3	5.1	1.3	0.1	0.8	2.4	1.9	0.9	0.5
90 Day U.S. Treasury Bill			*5.3*	*5.0*	*1.5*	*0.0*	*0.7*	*2.3*	*1.9*	*0.9*	*0.3*
U.S. Bank Cash	4,285	0.0									
90 Day U.S. Treasury Bill			*5.3*	*5.0*	*1.5*	*0.0*	*0.7*	*2.3*			

* All data prior to 5/2023 was received from Marquette Associates.
* Policy Index consist of 35% Bloomberg Intermediate U.S. Gov/Credit, 20% Bloomberg U.S. Intermediate Aggregate, 10% Bloomberg 1-5 Year Gov/Credit, 20% MSCI AC World Minimum Volatility Index (Net), and 15% 90 Day U.S. T-Bills.

CASH FLOW SUMMARY BY MANAGER

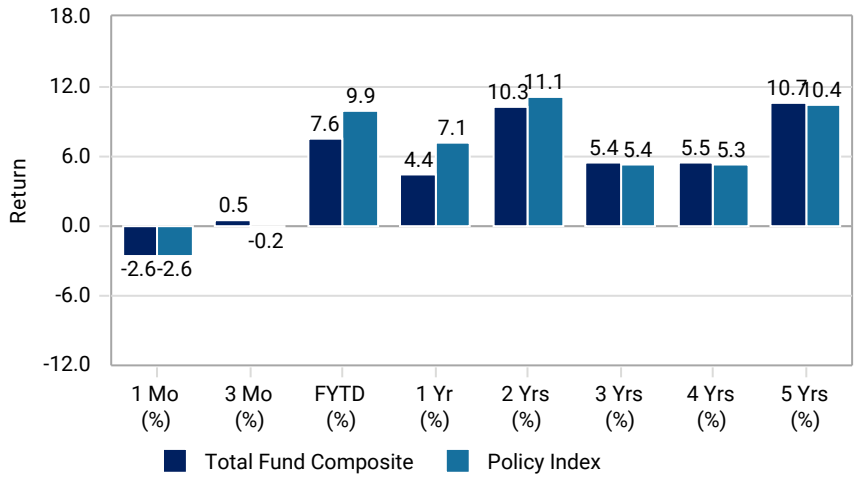
	1 Month Ending March 31, 2025					
	Beginning Market Value	Contributions	Withdrawals	Net Cash Flows	Gain/Loss	Ending Market Value
Lord Abbett Short Duration	$131,024,738	-	-	-	$706,936	$131,731,674
Loop Capital Asset Management	$129,445,504	-	-	-	$635,336	$130,080,840
Galliard Intermediate Government	$244,844,070	-	-	-	$843,098	$245,687,168
Merganser Intermediate Bond	$237,145,425	-	-	-	$1,033,535	$238,178,961
Fort Washington Intermediate Bond	$203,064,352	-	-	-	$684,482	$203,748,834
Lord Abbett Intermediate Bond	$233,473,479	-	-	-	$1,049,253	$234,522,732
PFM - Self Insurance Fund	$48,761,718	-	-	-	$233,548	$48,995,266
PFM - Disability Fund	$21,583,784	-	-	-	$104,371	$21,688,156
PFM - Workmen's Compensation Fund	$11,793,805	-	-	-	$52,510	$11,846,315
PFM - Health & Dental Fund	$5,789,628	-	-	-	$25,782	$5,815,410
Galliard Opportunistic	$156,025,122	-	-	-	$480,849	$156,505,971
Merganser Opportunistic	$155,743,528	-	-	-	$630,855	$156,374,383
Fort Washington Active Fixed Income	$192,781,767	-	-	-	$494,810	$193,276,578
Vanguard Global Minimum Volatility Equity	$289,725,212	-	-	-	$2,235,534	$291,960,746
Parametric Global Defensive Equity	$320,195,334	-	-	-	-$4,971,547	$315,223,787
PNC Treasury Management	$280,682,102	-	-	-	$1,005,036	$281,687,139
U.S. Bank Cash	$4,271	-	-	-	$14	$4,285
Total	**$2,662,083,841**	**-**	**-**	**-**	**$5,244,403**	**$2,667,328,244**

SOUTH BROWARD HOSPITAL DISTRICT – RETIREMENT PLAN

March 31, 2025

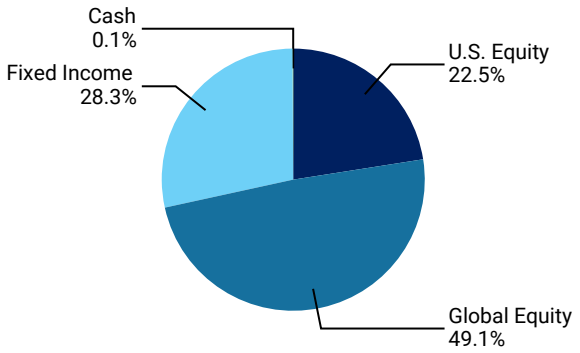
EXECUTIVE SUMMARY

Return Summary
Ending March 31, 2025

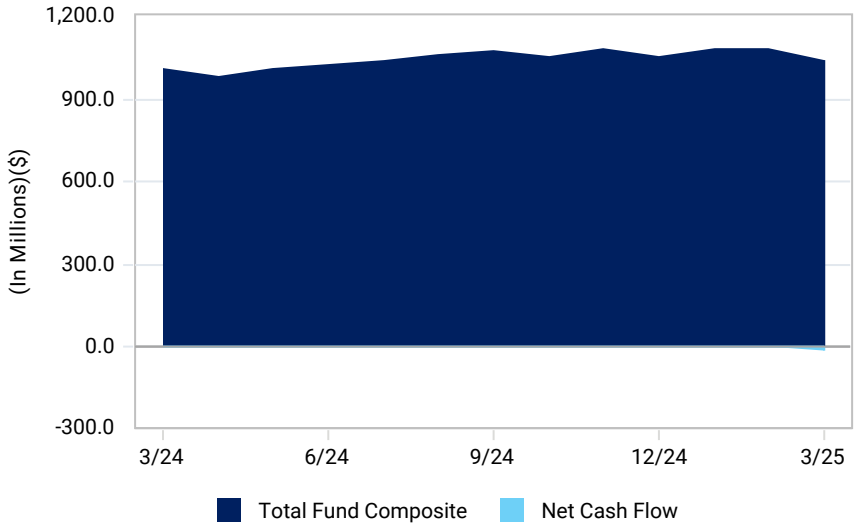


	Current ($)	Current (%)	Policy (%)	Differences (%)
U.S. Equity	234,827,626	22.5	20.0	2.5
Global Equity	511,650,132	49.1	45.0	4.1
Fixed Income	295,458,414	28.3	35.0	-6.7
Cash	1,079,720	0.1	0.0	0.1
Total	**1,043,015,892**	**100.0**	**100.0**	**0.0**

Current Allocation



Market Value History
1 Year Ending March 31, 2025



Summary of Cash Flows

	1 Month	FYTD	1 Year	5 Years
Beginning Market Value	1,085,319,881	987,517,133	1,015,375,773	639,811,720
Net Cash Flow	-14,784,897	-19,683,863	-17,642,088	-27,710,664
Net Investment Change	-27,519,093	75,182,623	45,282,207	430,914,835
Ending Market Value	**1,043,015,892**	**1,043,015,892**	**1,043,015,892**	**1,043,015,892**

TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)							
	Market Value ($)	% of Portfolio	1 Mo (%)	3 Mo (%)	FYTD (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	4 Yrs (%)	5 Yrs (%)
Total Fund Composite	**1,043,015,892**	**100.0**	**-2.6**	**0.5**	**7.6**	**4.4**	**10.3**	**5.4**	**5.5**	**10.7**
Policy Index			*-2.6*	*-0.2*	*9.9*	*7.1*	*11.1*	*5.4*	*5.3*	*10.4*
Fixed Income Composite	**295,458,414**	**28.3**	**-0.1**	**2.2**	**7.3**	**5.4**	**5.3**	**2.5**	**1.2**	**2.1**
Custom Index			*0.0*	*2.3*	*7.3*	*5.5*	*4.8*	*2.2*	*1.0*	*1.8*
C.S. McKee Aggregate Fixed Income	192,844,226	18.5	0.0	2.7	7.9	5.0	3.8	0.8	-0.5	0.1
Blmbg. U.S. Aggregate Index			*0.0*	*2.8*	*7.6*	*4.9*	*3.3*	*0.5*	*-0.7*	*-0.4*
Chartwell High Yield	46,599,392	4.5	0.0	1.5	6.6	6.3	7.2	5.1	3.5	5.2
ICE BofA U.S. High Yield Cash Pay BB 1-3 Year			*-0.1*	*1.4*	*6.8*	*6.7*	*7.3*	*5.5*	*4.0*	*6.1*
Aristotle Floating Rate Income	56,011,405	5.4	-0.4	0.4	5.0	5.5	8.9	6.8	5.9	7.6
S&P UBS Leveraged Loan Index			*-0.3*	*0.6*	*6.3*	*7.0*	*9.7*	*7.1*	*6.1*	*8.9*
Wellington LCP Legacy Portfolio	3,391	0.0								
U.S. Equity Composite	**234,827,626**	**22.5**	**-4.4**	**-3.2**	**10.7**	**7.3**	**14.9**	**7.6**	**8.6**	**15.5**
CRSP U.S. Total Market TR Index			*-5.9*	*-4.8*	*12.0*	*7.1*	*17.7*	*8.1*	*9.0*	*18.1*
Vanguard Total Stock Market Fund	117,587,820	11.3	-5.8	-4.8	12.0	7.2	17.7	8.1	9.0	18.1
CRSP U.S. Total Market TR Index			*-5.9*	*-4.8*	*12.0*	*7.1*	*17.7*	*8.1*	*9.0*	*18.1*
Parametric Defensive Equity	117,239,806	11.2	-2.9	-1.5	9.4	7.4	12.5	7.3	8.3	12.5
50% S&P 500/50% 90 Day T-Bill			*-2.7*	*-1.6*	*8.8*	*6.8*	*11.9*	*7.0*	*7.2*	*10.7*
Global Equity Composite	**511,650,132**	**49.1**	**-3.1**	**1.4**	**6.4**	**2.6**	**11.5**	**6.3**	**6.9**	**14.7**
MSCI AC World Index (Net)			*-4.0*	*-1.3*	*10.8*	*7.2*	*14.9*	*6.9*	*7.0*	*15.2*
Dodge & Cox	214,036,679	20.5	-1.2	6.1	8.1	5.5	13.0	7.3	8.1	18.6
MSCI AC World Index Value (Net)			*-1.0*	*4.8*	*12.0*	*8.6*	*13.2*	*6.6*	*7.1*	*14.4*
Walter Scott & Partners	238,633,206	22.9	-5.6	-3.5	3.3	-1.7	9.9	4.9	5.6	12.3
MSCI World Growth (Net)			*-7.5*	*-7.8*	*9.8*	*5.4*	*17.6*	*7.6*	*8.0*	*16.6*
Vanguard Global Minimum Volatility	58,980,246	5.7	0.8	6.1	13.9	10.7	13.2	8.5	7.8	11.1
MSCI AC World Minimum Volatility Index (Net)			*1.0*	*6.2*	*16.0*	*12.9*	*12.0*	*5.6*	*6.4*	*9.7*
Cash Composite	**1,079,720**	**0.1**	**0.3**	**1.1**	**4.4**	**4.8**	**5.0**	**3.7**	**2.8**	**2.2**
90 Day U.S. Treasury Bill			*0.3*	*1.0*	*4.5*	*5.0*	*5.1*	*4.2*	*3.2*	*2.6*

- All data is preliminary. Chartwell February value is rolled, March statement not available yet.
- Memorial Health Systems' Fiscal Year ends in April.
- All data prior to 5/2023 was received from Marquette Associates.
- Policy Index consist of 40% MSCI ACWI, 5% MSCI ACWI Minimum Volatility, 25% Bloomberg U.S. Aggregate, 10% CRSP US Total Market Index, 10% CBOE Put Write Index, 5% BofAML 1 -3 Year High Yield BB, and 5% Credit Suisse Leveraged Loan Index.
- Custom Index consist of 71.4% Bloomberg U.S. Aggregate,14.3% BofA Merrill Lynch 1-3 Yrs High Yield BB, and 14.3% Credit Suisse Leveraged Loan Index.

TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)				
	Market Value ($)	% of Portfolio	2024	2023	2022	2021	2020
Total Fund Composite	**1,043,015,892**	**100.0**	**9.4**	**16.3**	**-11.9**	**13.4**	**11.0**
Policy Index			*12.7*	*15.7*	*-13.9*	*12.6*	*11.7*
Fixed Income Composite	**295,458,414**	**28.3**	**3.7**	**7.5**	**-9.5**	**-0.2**	**6.3**
Custom Index			*3.1*	*7.1*	*-10.0*	*0.1*	*6.7*
C.S. McKee Aggregate Fixed Income	192,844,226	18.5	1.9	5.9	-12.9	-1.8	7.6
Blmbg. U.S. Aggregate Index			*1.3*	*5.5*	*-13.0*	*-1.5*	*7.5*
Chartwell High Yield	46,599,392	4.5	6.2	8.1	-3.0	2.3	4.2
ICE BofA U.S. High Yield Cash Pay BB 1-3 Year			*6.7*	*8.9*	*-3.1*	*3.2*	*5.4*
Aristotle Floating Rate Income	56,011,405	5.4	7.8	13.4	-0.8	4.6	1.6
S&P UBS Leveraged Loan Index			*9.1*	*13.0*	*-1.1*	*5.4*	*2.8*
Wellington LCP Legacy Portfolio	3,391	0.0					
U.S. Equity Composite	**234,827,626**	**22.5**	**19.8**	**21.0**	**-13.8**	**21.8**	**13.6**
CRSP U.S. Total Market TR Index			*23.8*	*26.0*	*-19.5*	*25.7*	*21.0*
Vanguard Total Stock Market Fund	117,587,820	11.3	23.8	26.0	-19.5	25.7	21.0
CRSP U.S. Total Market TR Index			*23.8*	*26.0*	*-19.5*	*25.7*	*21.0*
Parametric Defensive Equity	117,239,806	11.2	16.0	16.9	-7.7	17.2	5.0
50% S&P 500/50% 90 Day T-Bill			*14.9*	*15.5*	*-8.2*	*13.7*	*10.1*
Global Equity Composite	**511,650,132**	**49.1**	**8.4**	**20.2**	**-12.8**	**19.0**	**12.4**
MSCI AC World Index (Net)			*17.5*	*22.2*	*-18.4*	*18.5*	*16.3*
Dodge & Cox	214,036,679	20.5	5.1	20.3	-5.8	20.8	6.0
MSCI AC World Index Value (Net)			*10.8*	*11.8*	*-7.5*	*19.6*	*-0.3*
Walter Scott & Partners	238,633,206	22.9	10.1	23.1	-19.6	18.7	18.9
MSCI World Growth (Net)			*25.9*	*37.0*	*-29.2*	*21.2*	*33.8*
Vanguard Global Minimum Volatility	58,980,246	5.7	13.5	8.0	-4.5	12.0	-3.9
MSCI AC World Minimum Volatility Index (Net)			*11.4*	*7.7*	*-10.3*	*13.9*	*2.7*
Cash Composite	**1,079,720**	**0.1**	**5.1**	**4.2**	**0.7**	**0.0**	**0.4**
90 Day U.S. Treasury Bill			*5.3*	*5.0*	*1.5*	*0.0*	*0.7*

- All data is preliminary. Chartwell February value is rolled, March statement not available yet.
- Memorial Health Systems' Fiscal Year ends in April.
- All data prior to 5/2023 was received from Marquette Associates.
- Policy Index consist of 40% MSCI ACWI, 5% MSCI ACWI Minimum Volatility, 25% Bloomberg U.S. Aggregate, 10% CRSP US Total Market Index, 10% CBOE Put Write Index, 5% BofAML 1-3 Year High Yield BB, and 5% Credit Suisse Leveraged Loan Index.
- Custom Index consist of 71.4% Bloomberg U.S. Aggregate,14.3% BofA Merrill Lynch 1-3 Yrs High Yield BB, and 14.3% Credit Suisse Leveraged Loan Index.

CASH FLOW SUMMARY BY MANAGER

	1 Month Ending March 31, 2025					
	Beginning Market Value	Contributions	Withdrawals	Net Cash Flows	Gain/ Loss	Ending Market Value
C.S. McKee Aggregate Fixed Income	$194,422,859	-	-$1,500,000	-$1,500,000	-$78,633	$192,844,226
Chartwell High Yield	$49,504,392	-	-$2,905,000	-$2,905,000	-	$46,599,392
Aristotle Floating Rate Income	$56,190,429	-	-	-	-$179,024	$56,011,405
Wellington LCP Legacy Portfolio	$3,377	-	-	-	$14	$3,391
Vanguard Total Stock Market Fund	$125,340,299	-	-$421,595	-$421,595	-$7,330,884	$117,587,820
Parametric Defensive Equity	$122,565,810	-	-$1,750,000	-$1,750,000	-$3,576,005	$117,239,806
Dodge & Cox	$216,537,451	-	-	-	-$2,500,772	$214,036,679
Walter Scott & Partners	$255,697,209	-	-$2,750,000	-$2,750,000	-$14,314,003	$238,633,206
Vanguard Global Minimum Volatility	$58,528,637	-	-	-	$451,610	$58,980,246
Money Market	$433,382	$9,326,595	-$8,908,856	$417,739	$2,671	$853,792
Vanguard Treasury Money Market	$6,096,036	$3,694,364	-$9,570,405	-$5,876,041	$5,933	$225,928
Total	**$1,085,319,881**	**$13,020,959**	**-$27,805,856**	**-$14,784,897**	**-$27,519,093**	**$1,043,015,892**

MEMORIAL HEALTHCARE SYSTEM DEFINED CONTRIBUTION PLANS

March 31, 2025

ASSET ALLOCATION VS. POLICY

Current Allocation

	Current ($)	Current (%)
JPMorgan Target Date Funds	1,071,699,134	62.5
Transamerica Stable Value	973,159	0.1
Transamerica Guaranteed Investment Option	152,102,176	8.9
Dodge & Cox Income X (DOXIX)	33,322,487	1.9
Fidelity US Bond Index (FXNAX)	8,005,164	0.5
Fidelity Inflation Protected Bond Index (FIPDX)	20,855,120	1.2
American Beacon Large Cap Value Fund (AALRX)	29,137,639	1.7
Fidelity Spartan 500 Index (FXAIX)	130,855,335	7.6
Fidelity Large Cap Growth Index (FSPGX)	96,363,373	5.6
Fidelity Extended Market Index (FSMAX)	42,854,606	2.5
Dimensional US Targeted Value Strategy (DFFVX)	17,667,538	1.0
T. Rowe Price New Horizons (PRJIX)	31,920,277	1.9
Vanguard International-Growth (VWILX)	36,631,932	2.1
Fidelity Global ex US Index (FSGGX)	19,055,044	1.1
Charles Schwab Personal Choice	23,473,792	1.4
Total Fund Composite	**1,714,916,776**	**100.0**

MULTI PERIOD ASSET ALLOCATION

	Total Fund	
	$	%
Total Fund Composite	**1,411,587,491**	**100.0**
JP Morgan Target Date Funds	**868,332,116**	**61.5**
JPMorgan SmartRetirement Blend Income (JIYBX)	36,174,545	2.6
JPMorgan SmartRetirement Blend 2020 (JSYRX)	60,857,021	4.3
JPMorgan SmartRetirement Blend 2025 (JBYSX)	130,188,305	9.2
JPMorgan SmartRetirement Blend 2030 (JRBYX)	148,647,100	10.5
JPMorgan SmartRetirement Blend 2035 (JPYRX)	133,865,837	9.5
JPMorgan SmartRetirement Blend 2040 (JOBYX)	105,627,720	7.5
JPMorgan SmartRetirement Blend 2045 (JMYAX)	92,605,649	6.6
JPMorgan SmartRetirement Blend 2050 (JNYAX)	83,339,148	5.9
JPMorgan SmartRetirement Blend 2055 (JTYBX)	45,772,495	3.2
JPMorgan SmartRetirement Blend 2060 (JAAYX)	26,338,538	1.9
JPMorgan SmartRetirement Blend 2065 (JSBYX)	4,915,760	0.3
Core Funds	**524,148,605**	**37.1**
Transamerica Stable Value	716,170	0.1
Transamerica Guaranteed Investment Option	139,092,504	9.9
Dodge & Cox Income X (DOXIX)	27,381,859	1.9
Fidelity US Bond Index (FXNAX)	7,158,220	0.5
Fidelity Inflation Protected Bond Index (FIPDX)	16,529,979	1.2
American Beacon Large Cap Value Fund (AALRX)	25,509,298	1.8
Fidelity Spartan 500 Index (FXAIX)	106,169,938	7.5
Fidelity Large Cap Growth Index (FSPGX)	77,235,901	5.5
Fidelity Extended Market Index (FSMAX)	35,930,289	2.5
Dimensional US Targeted Value Strategy (DFFVX)	14,795,581	1.0
T. Rowe Price New Horizons (PRJIX)	26,477,395	1.9
Vanguard International-Growth (VWILX)	30,538,173	2.2
Fidelity Global ex US Index (FSGGX)	16,613,297	1.2
Brokerage	**19,106,770**	**1.4**
Charles Schwab Personal Choice	19,106,770	1.4

MULTI PERIOD ASSET ALLOCATION

	Total Fund	
	$	%
Total Fund Composite	**129,638,962**	**100.0**
JPMorgan Target Date Funds	**109,157,279**	**84.2**
JPMorgan SmartRetirement Blend Income (JIYBX)	1,081,949	0.8
JPMorgan SmartRetirement Blend 2020 (JSYRX)	2,712,876	2.1
JPMorgan SmartRetirement Blend 2025 (JBYSX)	7,323,701	5.6
JPMorgan SmartRetirement Blend 2030 (JRBYX)	10,109,265	7.8
JPMorgan SmartRetirement Blend 2035 (JPYRX)	13,717,860	10.6
JPMorgan SmartRetirement Blend 2040 (JOBYX)	14,124,857	10.9
JPMorgan SmartRetirement Blend 2045 (JMYAX)	17,279,408	13.3
JPMorgan SmartRetirement Blend 2050 (JNYAX)	18,629,017	14.4
JPMorgan SmartRetirement Blend 2055 (JTYBX)	14,248,033	11.0
JPMorgan SmartRetirement Blend 2060 (JAAYX)	8,107,399	6.3
JPMorgan SmartRetirement Blend 2065 (JSBYX)	1,822,915	1.4
Core Funds	**20,347,274**	**15.7**
Transamerica Stable Value	166,109	0.1
Transamerica Guaranteed Investment Option	1,609,361	1.2
Dodge & Cox Income X (DOXIX)	583,364	0.4
Fidelity US Bond Index (FXNAX)	678,607	0.5
Fidelity Inflation Protected Bond Index (FIPDX)	780,958	0.6
American Beacon Large Cap Value Fund (AALRX)	1,358,902	1.0
Fidelity Spartan 500 Index (FXAIX)	5,190,679	4.0
Fidelity Large Cap Growth Index (FSPGX)	4,015,829	3.1
Fidelity Extended Market Index (FSMAX)	1,279,184	1.0
Dimensional US Targeted Value Strategy (DFFVX)	876,925	0.7
T. Rowe Price New Horizons (PRJIX)	846,312	0.7
Vanguard International-Growth (VWILX)	1,055,721	0.8
Fidelity Global ex US Index (FSGGX)	1,905,324	1.5
Brokerage	**134,409**	**0.1**
Charles Schwab Personal Choice	134,409	0.1

MULTI PERIOD ASSET ALLOCATION

	Total Fund	
	$	%
Total Fund Composite	**151,929,413**	**100.0**
JPMorgan Target Date Funds	**75,480,546**	**49.7**
JPMorgan SmartRetirement Blend Income (JIYBX)	3,244,760	2.1
JPMorgan SmartRetirement Blend 2020 (JSYRX)	5,588,101	3.7
JPMorgan SmartRetirement Blend 2025 (JBYSX)	12,169,342	8.0
JPMorgan SmartRetirement Blend 2030 (JRBYX)	13,279,826	8.7
JPMorgan SmartRetirement Blend 2035 (JPYRX)	11,421,495	7.5
JPMorgan SmartRetirement Blend 2040 (JOBYX)	9,590,051	6.3
JPMorgan SmartRetirement Blend 2045 (JMYAX)	9,338,637	6.1
JPMorgan SmartRetirement Blend 2050 (JNYAX)	7,380,663	4.9
JPMorgan SmartRetirement Blend 2055 (JTYBX)	2,331,800	1.5
JPMorgan SmartRetirement Blend 2060 (JAAYX)	1,007,088	0.7
JPMorgan SmartRetirement Blend 2065 (JSBYX)	128,784	0.1
Core Funds	**72,216,255**	**47.5**
Transamerica Stable Value	2,292	0.0
Transamerica Guaranteed Investment Option	11,267,819	7.4
Dodge & Cox Income X (DOXIX) - 457(b) Retirement Plan	4,465,365	2.9
Fidelity US Bond Index (FXNAX) - 457(b) Plan	168,337	0.1
Fidelity Inflation Protected Bond Index (FIPDX)	2,639,260	1.7
American Beacon Large Cap Value Fund (AALRX)	2,264,458	1.5
Fidelity Spartan 500 Index (FXAIX)	19,272,913	12.7
Fidelity Large Cap Growth Index (FSPGX)	14,732,160	9.7
Fidelity Extended Market Index (FSMAX)	5,536,744	3.6
Dimensional US Targeted Value Strategy (DFFVX)	1,995,032	1.3
T. Rowe Price New Horizons (PRJIX)	4,362,105	2.9
Vanguard International-Growth (VWILX)	4,973,348	3.3
Fidelity Global ex US Index (FSGGX)	536,423	0.4
Brokerage	**4,232,613**	**2.8**
Charles Schwab Personal Choice	4,232,613	2.8

MULTI PERIOD ASSET ALLOCATION

	Total Fund	
	$	%
Total Fund Composite	**21,760,909**	**100.0**
JPMorgan Target Date Funds	**18,729,193**	**86.1**
JPMorgan SmartRetirement Blend Income (JIYBX)	1,219,776	5.6
JPMorgan SmartRetirement Blend 2020 (JSYRX)	8,800	0.0
JPMorgan SmartRetirement Blend 2025 (JBYSX)	4,320,009	19.9
JPMorgan SmartRetirement Blend 2030 (JRBYX)	7,403,126	34.0
JPMorgan SmartRetirement Blend 2035 (JPYRX)	3,575,449	16.4
JPMorgan SmartRetirement Blend 2040 (JOBYX)	1,950,455	9.0
JPMorgan SmartRetirement Blend 2045 (JMYAX)	211,659	1.0
JPMorgan SmartRetirement Blend 2050 (JNYAX)	39,920	0.2
JPMorgan SmartRetirement Blend 2055 (JTYBX)		0.0
JPMorgan SmartRetirement Blend 2060 (JAAYX)		0.0
JPMorgan SmartRetirement Blend 2065 (JSBYX)		0.0
Core Funds	**3,031,716**	**13.9**
Transamerica Stable Value	88,587	0.4
Transamerica Guaranteed Investment Option	132,493	0.6
Dodge & Cox Income X (DOXIX)	891,899	4.1
Fidelity US Bond Index (FXNAX)		0.0
Fidelity Inflation Protected Bond Index (FIPDX)	904,923	4.2
American Beacon Large Cap Value Fund (AALRX)	4,981	0.0
Fidelity Spartan 500 Index (FXAIX)	221,806	1.0
Fidelity Large Cap Growth Index (FSPGX)	379,484	1.7
Fidelity Extended Market Index (FSMAX)	108,389	0.5
Dimensional US Targeted Value Strategy (DFFVX)		0.0
T. Rowe Price New Horizons (PRJIX)	234,465	1.1
Vanguard International-Growth (VWILX)	64,690	0.3
Fidelity Global ex US Index (FSGGX)		0.0
Brokerage		**0.0**
Charles Schwab Personal Choice		0.0

PERFORMANCE DETAIL

	Allocation		Performance (%)						
	Market Value ($)	% of Portfolio	1 Mo (%)	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)
Total Fund Composite	**1,714,916,776**	**100.0**							
JPMorgan Target Date Funds	**1,071,699,134**	**62.5**							
JPMorgan SmartRetirement Blend Income (JIYBX)	41,721,030	2.4	-1.5	1.2	6.4	3.8	6.4	4.5	4.5
S&P Target Date Retirement Income Index			*-0.9*	*1.6*	*5.8*	*3.6*	*5.4*	*4.4*	*4.1*
JPMorgan SmartRetirement Blend 2020 (JSYRX)	69,166,798	4.0	-1.5	1.2	6.4	3.9	6.7	4.7	4.9
S&P Target Date 2020 Index			*-1.4*	*1.1*	*5.8*	*3.9*	*7.5*	*5.4*	*5.4*
JPMorgan SmartRetirement Blend 2025 (JBYSX)	154,001,356	9.0	-1.7	1.1	6.4	4.0	8.1	5.4	5.6
S&P Target Date 2025 Index			*-1.5*	*0.9*	*5.8*	*4.1*	*8.7*	*6.0*	*6.0*
JPMorgan SmartRetirement Blend 2030 (JRBYX)	179,439,317	10.5	-2.1	0.7	6.5	4.6	9.7	6.2	6.4
S&P Target Date 2030 Index			*-1.9*	*0.5*	*5.9*	*4.7*	*10.2*	*6.7*	*6.6*
JPMorgan SmartRetirement Blend 2035 (JPYRX)	162,580,640	9.5	-2.5	0.2	6.5	5.2	11.4	7.0	7.1
S&P Target Date 2035 Index			*-2.3*	*0.1*	*6.0*	*5.2*	*11.7*	*7.4*	*7.3*
JPMorgan SmartRetirement Blend 2040 (JOBYX)	131,293,083	7.7	-2.9	-0.1	6.6	5.7	12.7	7.6	7.7
S&P Target Date 2040 Index			*-2.7*	*-0.3*	*6.1*	*5.7*	*12.9*	*8.0*	*7.9*
JPMorgan SmartRetirement Blend 2045 (JMYAX)	119,435,352	7.0	-3.2	-0.4	6.6	6.1	13.7	8.1	8.0
S&P Target Date 2045 Index			*-2.9*	*-0.4*	*6.1*	*6.1*	*13.7*	*8.3*	*8.2*
JPMorgan SmartRetirement Blend 2050 (JNYAX)	109,388,749	6.4	-3.3	-0.5	6.6	6.2	13.8	8.2	8.1
S&P Target Date 2050 Index			*-3.1*	*-0.8*	*6.2*	*6.3*	*14.0*	*8.5*	*8.4*
JPMorgan SmartRetirement Blend 2055 (JTYBX)	62,352,327	3.6	-3.3	-0.5	6.6	6.3	13.8	8.2	8.1
S&P Target Date 2055 Index			*-3.1*	*-0.8*	*6.2*	*6.3*	*14.2*	*8.5*	*8.4*
JPMorgan SmartRetirement Blend 2060 (JAAYX)	35,453,025	2.1	-3.3	-0.5	6.6	6.3			
S&P Target Date 2060 Index			*-3.2*	*-0.9*	*6.2*	*6.3*			
JPMorgan SmartRetirement Blend 2065 (JSBYX)	6,867,458	0.4	-3.3	-0.5	6.3				
S&P Target Date 2065+ Index			*-3.3*	*-1.0*	*6.3*				

PERFORMANCE DETAIL

	Allocation		Performance (%)						
	Market Value ($)	% of Portfolio	1 Mo (%)	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)
Core Funds	**600,688,806**	**35.0**							
Transamerica Stable Value	973,159	0.1	0.2	0.6	2.6	2.4	1.8	1.7	1.5
90 Day U.S. Treasury Bill			*0.3*	*1.0*	*5.0*	*4.2*	*2.6*	*2.5*	*1.9*
Transamerica Guaranteed Investment Option	152,102,176	8.9	0.2	0.6	2.6	2.5	2.3	2.1	1.8
90 Day U.S. Treasury Bill			*0.3*	*1.0*	*5.0*	*4.2*	*2.6*	*2.5*	*1.9*
Dodge & Cox Income X (DOXIX)	33,322,487	1.9	-0.1	2.9	5.6	2.2	2.0	2.8	2.7
Blmbg. U.S. Aggregate Index			*0.0*	*2.8*	*4.9*	*0.5*	*-0.4*	*1.6*	*1.5*
Fidelity US Bond Index (FXNAX)	8,005,164	0.5	0.0	2.8	4.9	0.5	-0.5	1.6	1.4
Blmbg. U.S. Aggregate Index			*0.0*	*2.8*	*4.9*	*0.5*	*-0.4*	*1.6*	*1.5*
Fidelity Inflation Protected Bond Index (FIPDX)	20,855,120	1.2	0.7	4.2	6.3	0.0	2.3	3.0	2.4
Blmbg. U.S. TIPS			*0.6*	*4.2*	*6.2*	*0.1*	*2.4*	*3.0*	*2.5*
American Beacon Large Cap Value Fund (AALRX)	29,137,639	1.7	-3.1	1.4	6.3	8.1	18.9	10.0	9.2
Russell 1000 Value Index			*-2.8*	*2.1*	*7.2*	*6.6*	*16.1*	*9.2*	*8.8*
Fidelity Spartan 500 Index (FXAIX)	130,855,335	7.6	-5.6	-4.3	8.2	9.1	18.6	13.2	12.5
S&P 500 Index			*-5.6*	*-4.3*	*8.3*	*9.1*	*18.6*	*13.2*	*12.5*
Fidelity Large Cap Growth Index (FSPGX)	96,363,373	5.6	-8.4	-10.0	7.7	10.1	20.0	16.0	
Russell 1000 Growth Index			*-8.4*	*-10.0*	*7.8*	*10.1*	*20.1*	*16.1*	
Fidelity Extended Market Index (FSMAX)	42,854,606	2.5	-7.9	-8.9	-0.4	2.7	15.2	7.8	7.9
Dow Jones U.S. Completion Total Stock Market Indx			*-7.9*	*-8.9*	*-0.5*	*2.5*	*15.0*	*7.7*	*7.7*
Dimensional US Targeted Value Strategy (DFFVX)	17,667,538	1.0	-5.6	-7.1	-2.9	5.0	22.3	8.3	8.0
Russell 2000 Value Index			*-6.0*	*-7.7*	*-3.1*	*0.0*	*15.3*	*5.3*	*6.1*
T. Rowe Price New Horizons (PRJIX)	31,920,277	1.9	-8.9	-11.1	-12.9	-4.3	7.0	7.5	9.4
Russell 2000 Growth Index			*-7.6*	*-11.1*	*-4.9*	*0.8*	*10.8*	*5.0*	*6.1*
Vanguard International-Growth (VWILX)	36,631,932	2.1	-5.5	1.4	5.5	1.8	10.6	6.5	8.3
MSCI AC World ex USA (Net)			*-0.2*	*5.2*	*6.1*	*4.5*	*10.9*	*4.5*	*5.0*
Fidelity Global ex US Index (FSGGX)	19,055,044	1.1	0.1	6.2	6.8	5.1	11.2	4.5	5.1
MSCI AC World ex USA (Net)			*-0.2*	*5.2*	*6.1*	*4.5*	*10.9*	*4.5*	*5.0*
Brokerage	**23,473,792**	**1.4**							
Charles Schwab Personal Choice	23,473,792	1.4							

- All data prior to 5/2023 was received from Marquette Associate
- Transamerica Stable Value Fund is not an open option for plan participants
- Assets include: Memorial Healthcare System RSP Gold 403(b) Plan, Memorial Healthcare System 401(a) Plan, Memorial Healthcare System 457(b) Plan, Memorial Healthcare System SERP 457(Plan
- Performance is net of fees and is annualized for periods longer than one year. Performance is ranked within PARis's style-specific universes, where "1" refers to the top percentile and "100" th bottom percentile.

TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)								
	Market Value ($)	% of Portfolio	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Fund Composite	**1,714,916,776**										
JPMorgan SmartRetirement Blend Income (JIYBX)	**41,721,030**		**8.4**	**11.8**	**-13.7**	**6.3**	**9.6**	**14.1**	**-3.8**	**10.7**	**5.8**
S&P Target Date Retirement Income Index			*6.5*	*10.3*	*-11.2*	*5.1*	*8.8*	*13.3*	*-2.5*	*8.5*	*5.0*
JPMorgan SmartRetirement Blend 2020 (JSYRX)	**69,166,798**		**8.4**	**12.0**	**-13.7**	**6.4**	**10.1**	**15.5**	**-4.5**	**13.4**	**6.8**
S&P Target Date 2020 Index			*8.1*	*12.3*	*-12.8*	*8.8*	*10.2*	*16.5*	*-4.2*	*12.8*	*7.2*
JPMorgan SmartRetirement Blend 2025 (JBYSX)	**154,001,356**		**9.0**	**13.4**	**-15.2**	**9.1**	**11.3**	**18.3**	**-5.7**	**15.6**	**7.2**
S&P Target Date 2025 Index			*8.4*	*13.0*	*-13.1*	*10.7*	*11.2*	*18.4*	*-5.0*	*14.6*	*7.8*
JPMorgan SmartRetirement Blend 2030 (JRBYX)	**179,439,317**		**10.5**	**15.3**	**-16.1**	**11.3**	**12.2**	**20.4**	**-6.6**	**17.4**	**7.9**
S&P Target Date 2030 Index			*9.9*	*14.8*	*-14.0*	*12.6*	*11.9*	*20.4*	*-6.0*	*16.2*	*8.3*
JPMorgan SmartRetirement Blend 2035 (JPYRX)	**162,580,640**		**12.1**	**17.1**	**-16.7**	**14.1**	**12.6**	**22.3**	**-7.4**	**18.9**	**8.3**
S&P Target Date 2035 Index			*11.4*	*16.6*	*-15.0*	*14.9*	*12.8*	*22.2*	*-6.9*	*17.8*	*8.9*
JPMorgan SmartRetirement Blend 2040 (JOBYX)	**131,293,083**		**13.3**	**18.4**	**-17.2**	**15.9**	**13.0**	**23.8**	**-8.0**	**20.3**	**8.8**
S&P Target Date 2040 Index			*12.9*	*18.2*	*-15.6*	*16.5*	*13.4*	*23.4*	*-7.4*	*18.9*	*9.2*
JPMorgan SmartRetirement Blend 2045 (JMYAX)	**119,435,352**		**14.2**	**19.5**	**-17.6**	**17.7**	**13.1**	**24.6**	**-8.3**	**20.5**	**8.8**
S&P Target Date 2045 Index			*13.6*	*19.1*	*-15.8*	*17.5*	*13.7*	*24.0*	*-7.7*	*19.6*	*9.5*
JPMorgan SmartRetirement Blend 2050 (JNYAX)	**109,388,749**		**14.7**	**19.8**	**-17.6**	**17.8**	**13.4**	**24.6**	**-8.3**	**20.5**	**8.8**
S&P Target Date 2050 Index			*14.3*	*19.6*	*-16.0*	*18.0*	*13.9*	*24.4*	*-7.9*	*20.2*	*9.7*
JPMorgan SmartRetirement Blend 2055 (JTYBX)	**62,352,327**		**14.7**	**19.7**	**-17.6**	**17.8**	**13.2**	**24.7**	**-8.4**	**20.4**	**8.8**
S&P Target Date 2055 Index			*14.3*	*19.6*	*-16.0*	*18.2*	*13.9*	*24.5*	*-8.0*	*20.5*	*9.9*
JPMorgan SmartRetirement Blend 2060 (JAAYX)	**35,453,025**		**14.7**	**19.7**	**-17.4**	**17.8**					
S&P Target Date 2060 Index			*14.4*	*19.7*	*-16.0*	*18.0*					
JPMorgan SmartRetirement Blend 2065 (JSBYX)	**6,867,458**		**14.6**	**19.1**							
S&P Target Date 2065+ Index			*14.8*	*19.8*							
Transamerica Stable Value	**973,159**		**2.6**	**2.5**	**1.6**	**1.0**	**1.2**	**1.8**	**1.3**	**1.0**	**1.0**
90 Day U.S. Treasury Bill			*5.3*	*5.0*	*1.5*	*0.0*	*0.7*	*2.3*	*1.9*	*0.9*	*0.3*
Transamerica Guaranteed Investment Option	**152,102,176**		**2.6**	**2.5**	**2.2**	**2.3**	**1.6**	**1.8**	**1.3**	**1.0**	**1.0**
90 Day U.S. Treasury Bill			*5.3*	*5.0*	*1.5*	*0.0*	*0.7*	*2.3*	*1.9*	*0.9*	*0.3*

TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)								
	Market Value ($)	% of Portfolio	2024	2023	2022	2021	2020	2019	2018	2017	2016
Dodge & Cox Income X (DOXIX)	**33,322,487**		2.3	7.8	-10.8	-0.9	9.5	9.7	-0.3	4.4	5.6
Blmbg. U.S. Aggregate Index			*1.3*	*5.5*	*-13.0*	*-1.5*	*7.5*	*8.7*	*0.0*	*3.5*	*2.6*
Fidelity US Bond Index (FXNAX)	**8,005,164**		**1.3**	**5.5**	**-13.0**	**-1.8**	**7.8**	**8.5**	**0.0**	**3.5**	**2.5**
Blmbg. U.S. Aggregate Index			*1.3*	*5.5*	*-13.0*	*-1.5*	*7.5*	*8.7*	*0.0*	*3.5*	*2.6*
Fidelity Inflation Protected Bond Index (FIPDX)	**20,855,120**		2.0	3.8	-12.0	5.9	10.9	8.3	-1.4	3.0	4.9
Blmbg. U.S. TIPS			*1.8*	*3.9*	*-11.8*	*6.0*	*11.0*	*8.4*	*-1.3*	*3.0*	*4.7*
American Beacon Large Cap Value Fund (AALRX)	**29,137,639**		15.2	13.5	-5.2	28.0	3.4	29.7	-12.0	17.1	16.0
Russell 1000 Value Index			*14.4*	*11.5*	*-7.5*	*25.2*	*2.8*	*26.5*	*-8.3*	*13.7*	*17.3*
Fidelity Spartan 500 Index (FXAIX)	**130,855,335**		**25.0**	**26.3**	**-18.1**	**28.7**	**18.4**	**31.5**	**-4.4**	**21.8**	**12.0**
S&P 500 Index			*25.0*	*26.3*	*-18.1*	*28.7*	*18.4*	*31.5*	*-4.4*	*21.8*	*12.0*
Fidelity Large Cap Growth Index (FSPGX)	**96,363,373**		33.3	42.8	-29.2	27.6	38.4	36.4	-1.6	30.1	
Russell 1000 Growth Index			*33.4*	*42.7*	*-29.1*	*27.6*	*38.5*	*36.4*	*-1.5*	*30.2*	
Fidelity Extended Market Index (FSMAX)	**42,854,606**		17.0	25.4	-26.4	12.4	32.2	28.0	-9.4	18.2	16.1
Dow Jones U.S. Completion Total Stock Market Indx			*16.9*	*25.0*	*-26.5*	*12.4*	*32.2*	*27.9*	*-9.6*	*18.1*	*15.7*
Dimensional US Targeted Value Strategy (DFFVX)	**17,667,538**		9.3	19.3	-4.6	38.8	3.8	21.5	-15.8	9.6	26.9
Russell 2000 Value Index			*8.1*	*14.6*	*-14.5*	*28.3*	*4.6*	*22.4*	*-12.9*	*7.8*	*31.7*
T. Rowe Price New Horizons (PRJIX)	**31,920,277**		4.0	21.5	-36.9	9.8	57.9	37.8	4.2	31.7	7.9
Russell 2000 Growth Index			*15.2*	*18.7*	*-26.4*	*2.8*	*34.6*	*28.5*	*-9.3*	*22.2*	*11.3*
Vanguard International-Growth (VWILX)	**36,631,932**		9.5	14.8	-30.8	-0.7	59.7	31.5	-12.6	43.2	1.8
MSCI AC World ex USA (Net)			*5.5*	*15.6*	*-16.0*	*7.8*	*10.7*	*21.5*	*-14.2*	*27.2*	*4.5*
Fidelity Global ex US Index (FSGGX)	**19,055,044**		5.3	15.6	-15.7	7.8	10.7	21.3	-13.9	27.4	4.6
MSCI AC World ex USA (Net)			*5.5*	*15.6*	*-16.0*	*7.8*	*10.7*	*21.5*	*-14.2*	*27.2*	*4.5*
Charles Schwab Personal Choice	**23,473,792**										

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- Transamerica Stable Value Fund is not an open option for plan participants
- Assets include: Memorial Healthcare System RSP Gold 403(b) Plan, Memorial Healthcare System 401(a) Plan, Memorial Healthcare System 457(b) Plan, Memorial Healthcare System SERP 457(f Plan
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OPERATING PLAN – ASSET ALLOCATION REVIEW

APRIL 2025

MHS ASSET ALLOCATION – OPERATING PLAN

- **At the March 2025 meeting, the Finance Committee requested NEPC to model additional exposure to equity risk to the Operating portfolio, including Enterprise Risk Management (ERM) analytics**

  - Incorporating additional risk into the portfolio can enhance long term performance, improve diversification, and strengthen resilience in evolving market conditions

  - A well-balanced allocation across the portfolio will allow the portfolio to capture growth opportunities across equities, credit markets, illiquidity premiums in private investments, and generate attractive risk-adjusted returns

  - By embracing a more dynamic and strategic risk framework, the Finance Committee can ensure a more robust and forward-looking investment strategy

  - The proposed discussion, detailed on the following slides, is an approach that gradually heightens risk by increasing the Global Equity allocation and introduces exposure to asset classes such as Diversified Credit, Global Multi-Sector Fixed Income, Private Equity and Private Credit

MHS OPERATING ASSET ALLOCATION

	Current Policy	30% Equity	Alternative Mix
Cash	15.0%	15%	15.0%
Total Cash	**15.0%**	**15%**	**15.0%**
Global Equity	20.0%	30%	35.0%
Total Equity	**20.0%**	**30%**	**35.0%**
Diversified Credit	0.0%	0%	6.0%
Global Multi-Sector Fixed Income	0.0%	0%	7.0%
US Short-Term Fixed Income	10.0%	10.0%	10.0%
US Intermediate-Term Fixed Income	55.0%	45.0%	27.0%
Total Fixed Income	**65.0%**	**55%**	**50.0%**
Private Equity	0.0%	0%	0.0%
Private Debt	0.0%	0%	0.0%
Total Alternatives	**0.0%**	**0%**	**0.0%**

Expected Return 10 yrs	**5.5%**	**5.6%**	**5.8%**
Expected Return 30 yrs	**5.9%**	**6.1%**	**6.3%**
Standard Dev	**5.4%**	**6.5%**	**7.7%**
Sharpe Ratio (10 years)	**0.25**	**0.23**	**0.22**

- **Alternative Mix increases Global Equity exposure to 35% to enhance long-term growth potential**
  - At the March 2025 Finance Committee Meeting, NEPC illustrated the opportunity cost of a lower equity allocation
  - For reference, NEPC noted if the Operating Plan had 10% more in equities over the trailing ten-year period, it would have resulted in an additional gain of over **$550M**
- **The Alternative Mix also introduces Diversified Credit and Global Multi-Sector Fixed Income**
  - Diversified Credit will invest across the credit spectrum based on market opportunity
  - Global Multi-Sector will incorporate broad fixed income sector exposure and will invest across global markets

Expected return and risk based on NEPC capital market assumptions as of 12/31/2024

FORWARD LOOKING ANALYSIS

	30% Equity	Alternative Mix	Broward Health Policy	Healthcare Operating Universe	MHS Retirement Portfolio
Cash	15%	15%	0%	5%	0%
Total Cash	**15%**	**15%**	**0%**	**5%**	**0%**
US Large-Cap Equity	0%	0%	0%	0%	20%
Global Equity	30%	35%	36%	44%	45%
Total Equity	**30%**	**35%**	**36%**	**44%**	**65%**
US Opportunistic	0%	6%	30%	40%	35%
Global Multi Sector Fixed Income	0%	7%	0%	0%	0%
Short Term Pool	10%	10%	0%	0%	0%
Intermediate Pool	45%	27%	0%	0%	0%
Total Fixed Income	**55%**	**50%**	**30%**	**40%**	**35%**
Real Estate - Core	0%	0%	12%	3%	0%
Private Real Assets - Infrastructure	0%	0%	5%	0%	0%
Total Real Assets	**0%**	**0%**	**17%**	**3%**	**0%**
Hedge Fund	0%	0%	10%	4%	0%
Private Equity	0%	0%	8%	4%	0%
Total Multi Asset	**0%**	**0%**	**18%**	**8%**	**0%**
Expected Return 10 yrs	**5.64%**	**5.80%**	**6.43%**	**6.04%**	**6.07%**
Expected Return 30 yrs	**6.12%**	**6.35%**	**7.35%**	**6.87%**	**7.13%**
Standard Dev	**6.5%**	**7.7%**	**11.3%**	**10.0%**	**12.4%**
Sharpe Ratio (10 years)	**0.23**	**0.22**	**0.20**	**0.19**	**0.15**

- **As we evaluate the MHS Operating portfolio, forward looking risk and return expectations can provide a pathway forward**
- **Incrementally increasing the equity allocation drives up the expected return**
  - As US markets have seen a significant drawdown over the recent weeks, the market could present an attractive buying opportunity
  - With this said, the Operating portfolio is built on the basis of achieving long-term growth
- **NEPC maintains the view that MHS is in a prudent financial position to increase risk**
- **Broward Health, the Healthcare Operating Universe, and the MHS Retirement Portfolio are utilized in this analysis as a source of comparison**

Information is based on MHS investment policy, Broward Health investment policy, and InvestmentMetrics Healthcare Operating Peer Universe

SCENARIO ANALYSIS: REGIME DEFINITIONS

- **NEPC scenario analysis highlights the impact of shifting economic and market regimes on the portfolio and potential asset allocation mixes**
  - Asset returns are informed by changes in real growth, inflation, and credit spreads experienced across market regimes
  - Scenario returns are sensitive to current market pricing

Expansion

A high growth—low inflation regime with declining interest rates and declining inflation. Equity valuations expand, earnings growth above expectations, and tightening credit spreads,

Stagflation

A low growth—high inflation regime with rising interest rates and rising inflation. Equity valuations contract, negative real earnings growth, and widening credit spreads

Depression

A negative growth—deflation regime with negative interest rates and deflation. All-time low equity valuations, negative earnings growth, and all-time high credit spreads

Recession

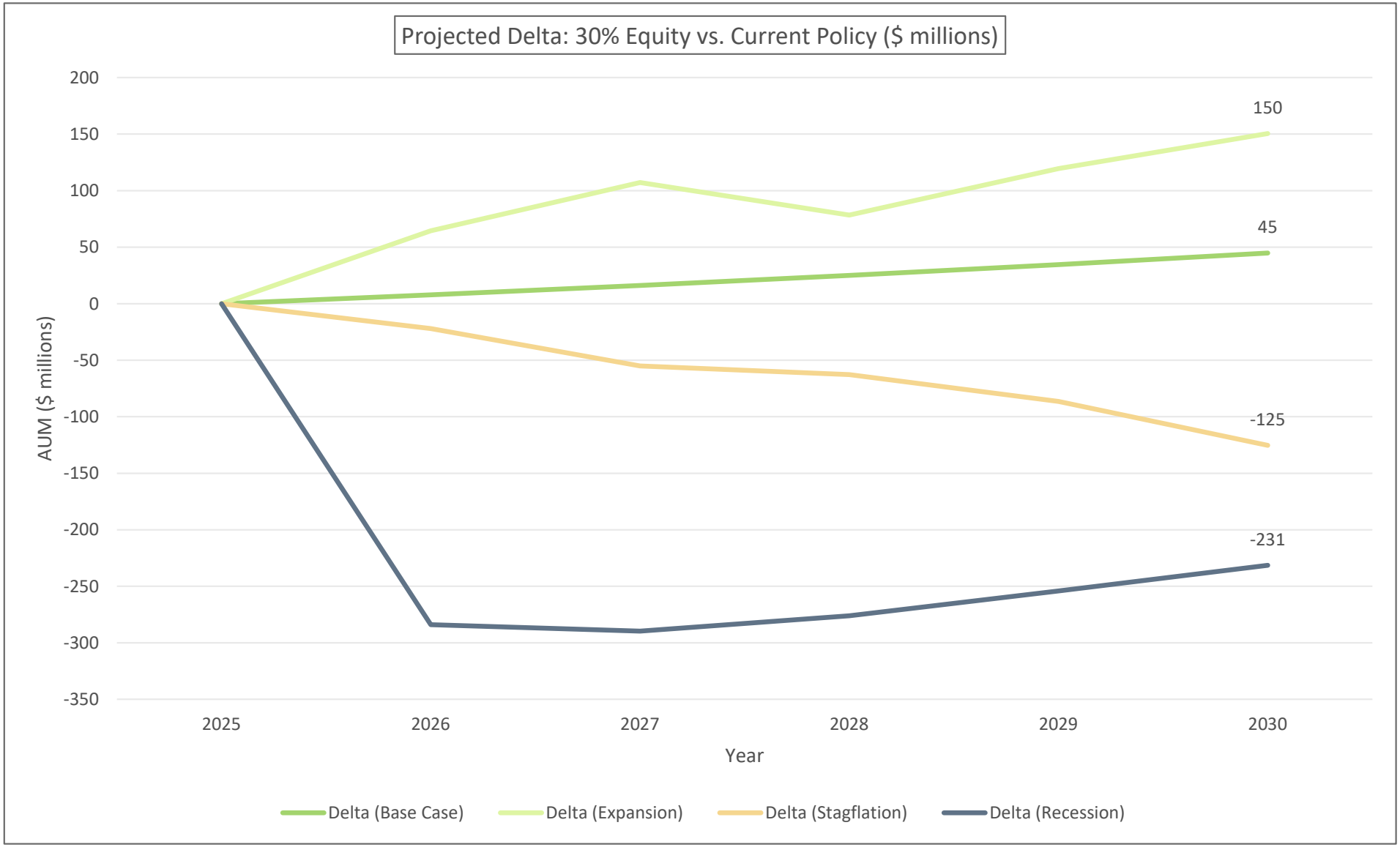
A low growth—low inflation regime with declining interest rates and declining inflation. Equity valuations contract, earnings growth below expectations, and widening credit spreads

Overextension

A high growth—high inflation regime with rising interest rates and rising inflation. Equity valuations contract, negative real earnings growth, and tightening credit spreads

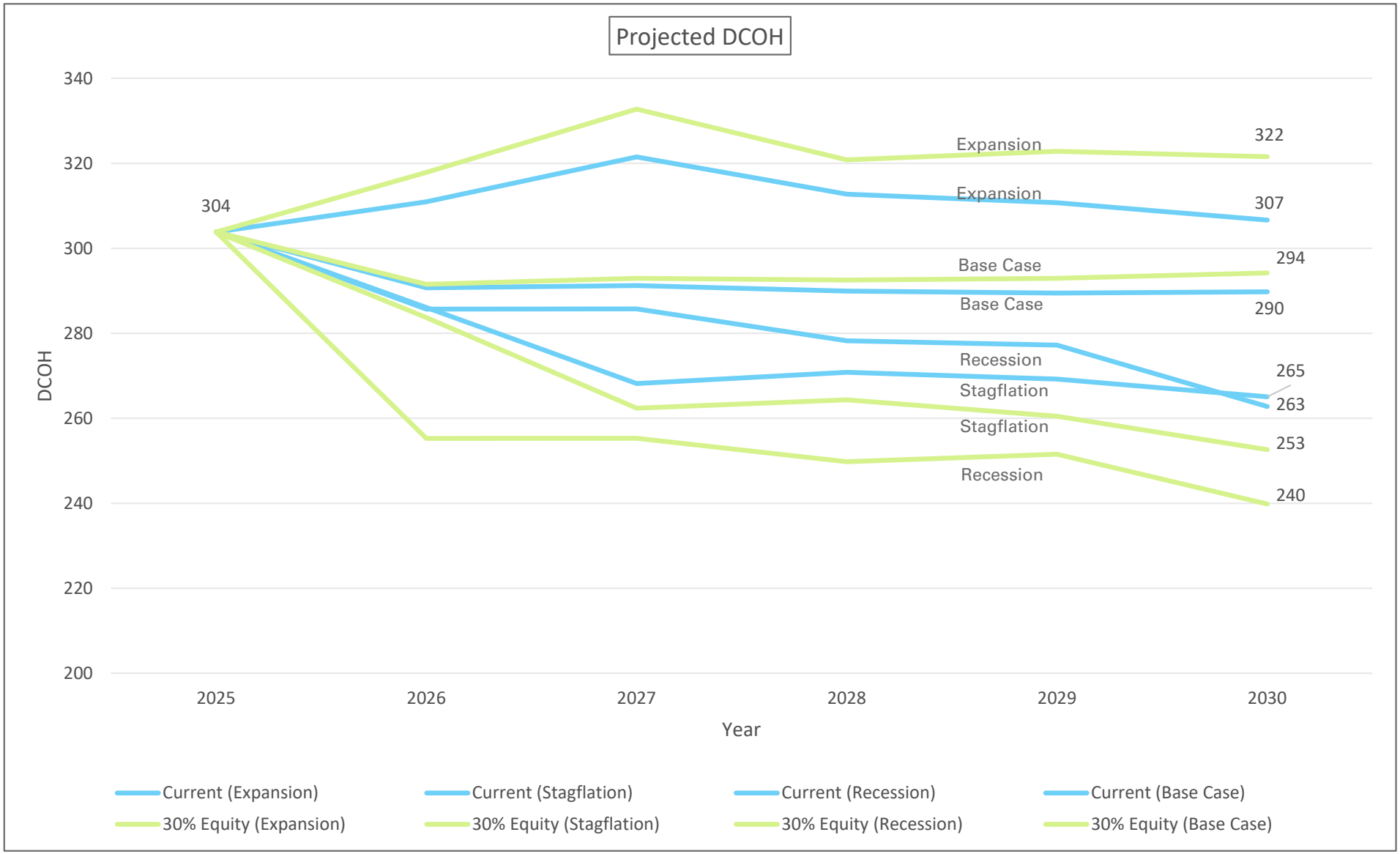
30% EQUITY MIX SCENARIO ANALYSIS

OVERVIEW OF SCENARIOS



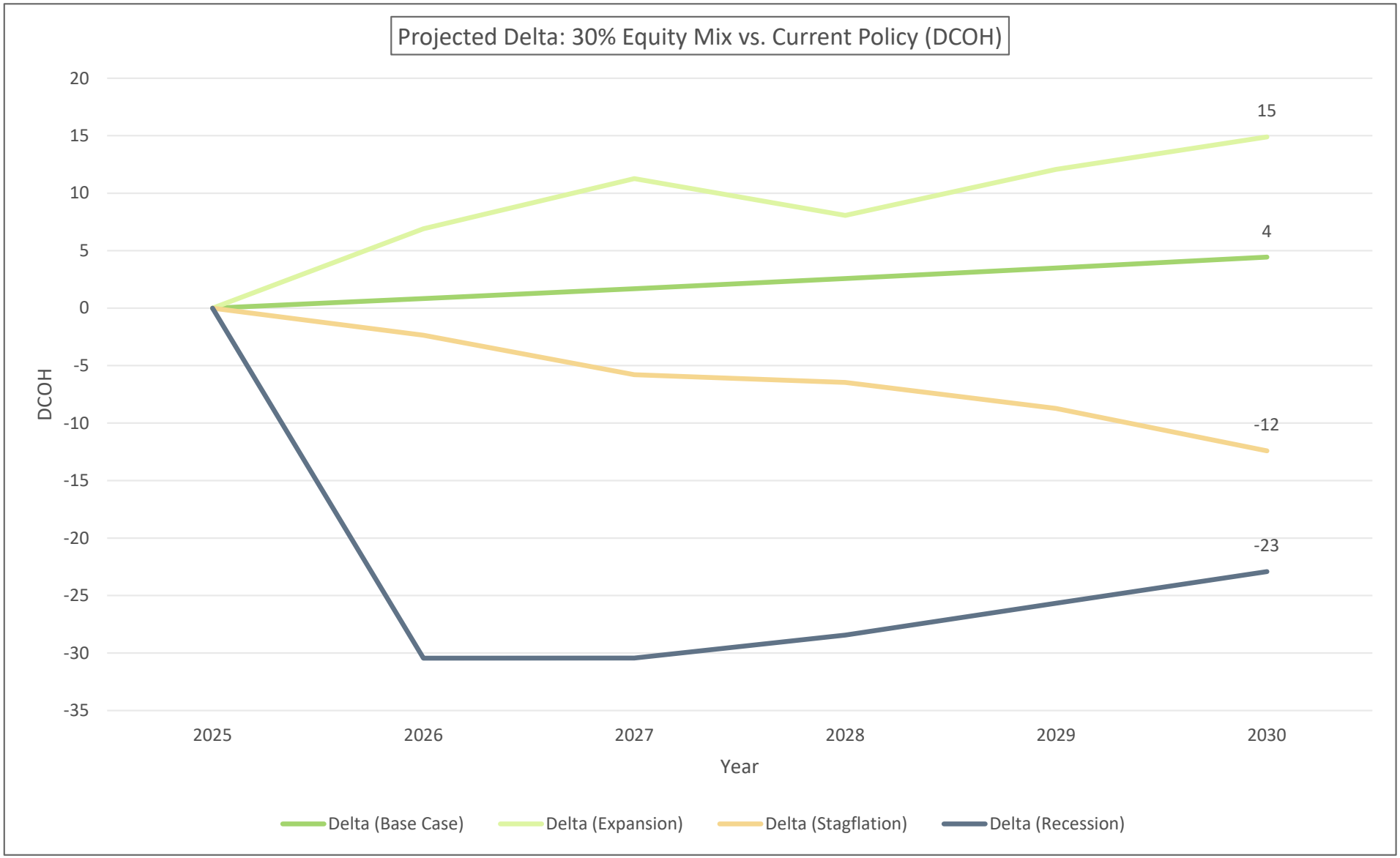
Expected return and risk based on NEPC capital market assumptions as of 12/31/2024

OVERVIEW OF SCENARIOS



Expected return and risk based on NEPC capital market assumptions as of 12/31/2024

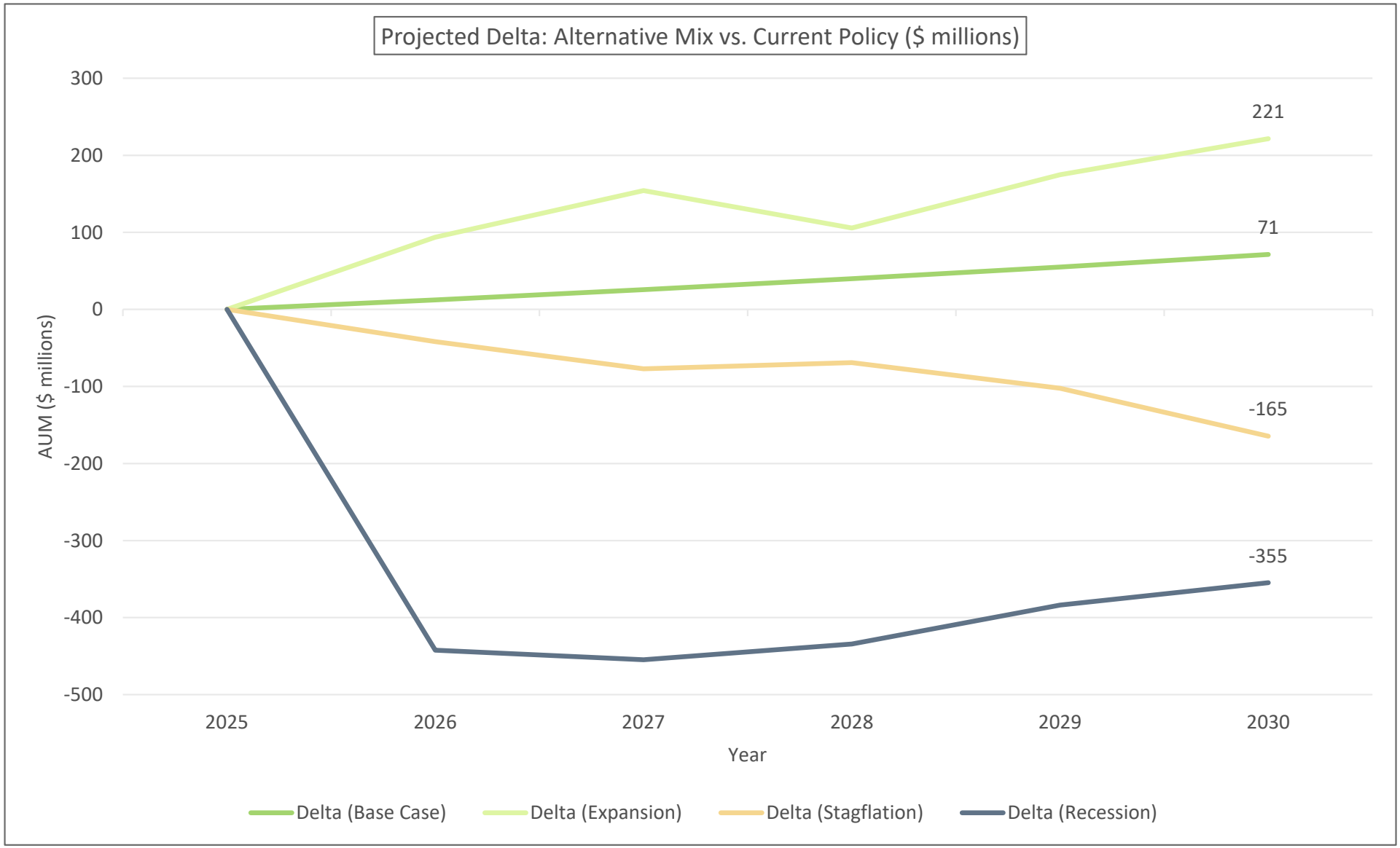
OVERVIEW OF SCENARIOS



Expected return and risk based on NEPC capital market assumptions as of 12/31/2024

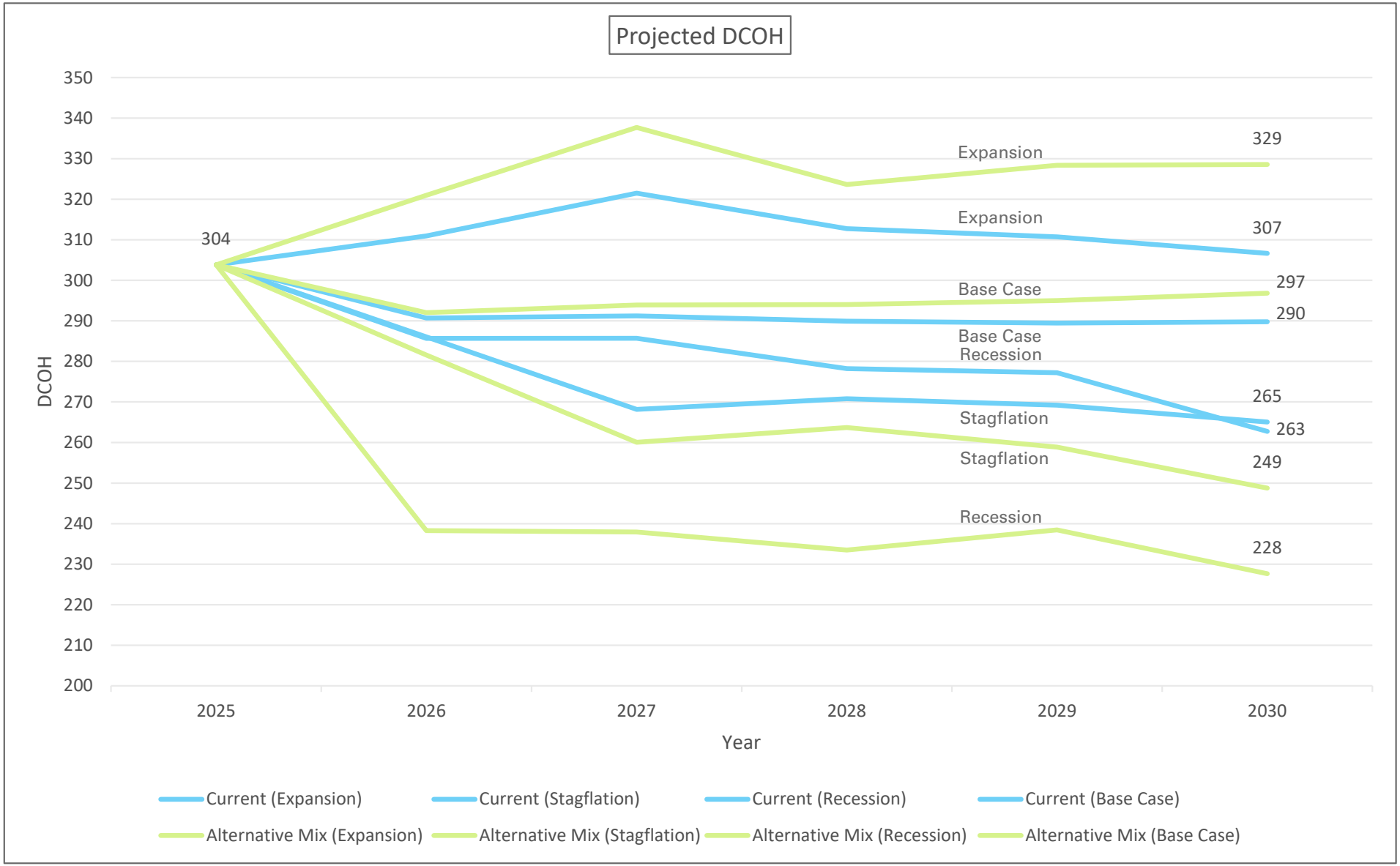
ALTERNATIVE MIX SCENARIO ANALYSIS

OVERVIEW OF SCENARIOS



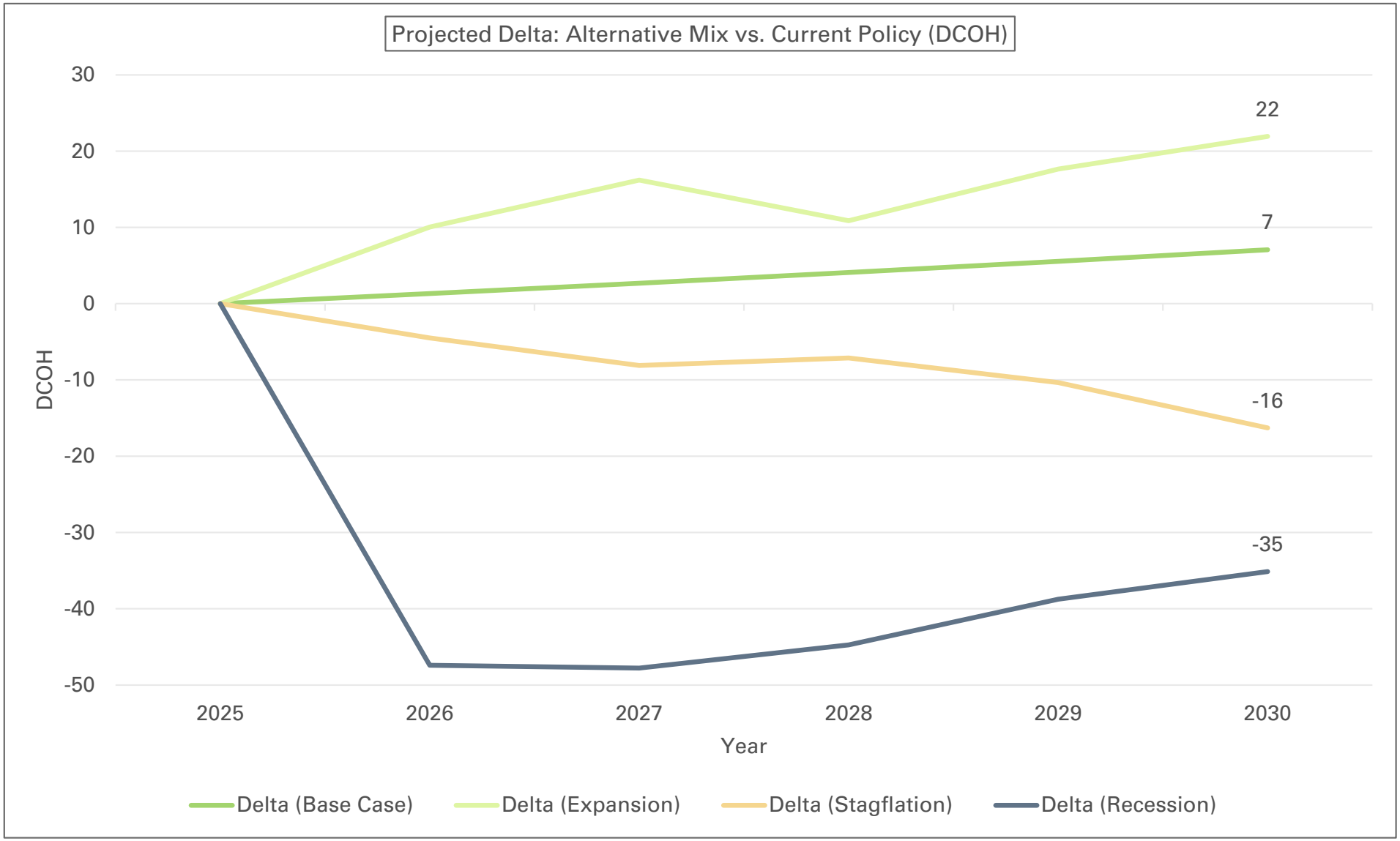
Expected return and risk based on NEPC capital market assumptions as of 12/31/2024

OVERVIEW OF SCENARIOS



Expected return and risk based on NEPC capital market assumptions as of 12/31/2024

OVERVIEW OF SCENARIOS



Expected return and risk based on NEPC capital market assumptions as of 12/31/2024

OTHER OPERATING ASSET ALLOCATIONS

MHS OTHER OPERATING ASSET ALLOCATIONS FOR DISCUSSION

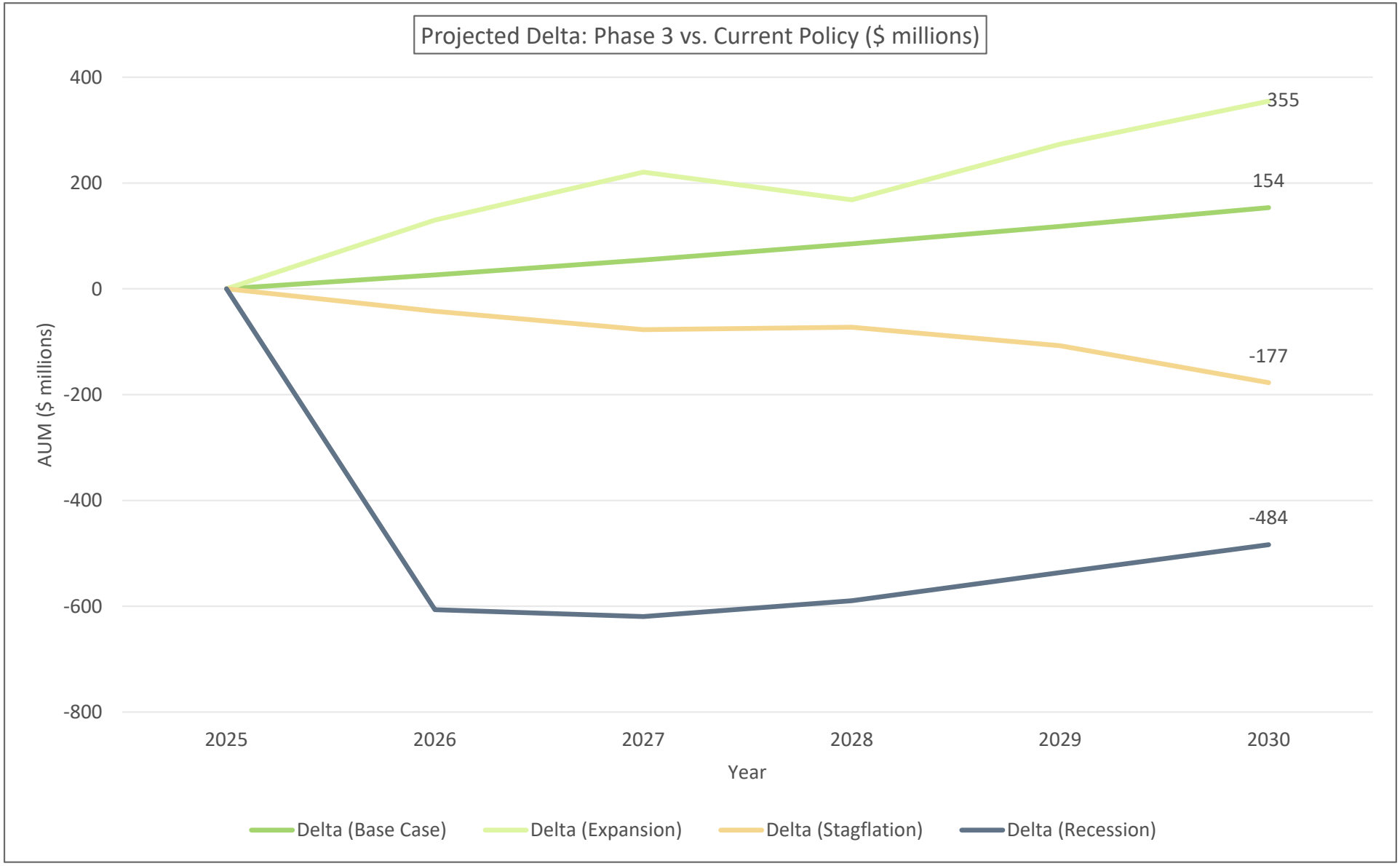
	Current Policy	Phase 1 Alternative Mix	Phase 2	Phase 3
Cash	15.0%	15.0%	15.0%	15.0%
Total Cash	**15.0%**	**15.0%**	**15.0%**	**15.0%**
Global Equity	20.0%	35.0%	35.0%	35.0%
Total Equity	**20.0%**	**35.0%**	**35.0%**	**35.0%**
Diversified Credit	0.0%	6.0%	5.0%	5.0%
Global Multi-Sector Fixed Income	0.0%	7.0%	5.0%	5.0%
US Short-Term Fixed Income	10.0%	10.0%	10.0%	10.0%
US Intermediate-Term Fixed Income	55.0%	27.0%	20.0%	15.0%
Total Fixed Income	**65.0%**	**50.0%**	**40.0%**	**35.0%**
Private Equity	0.0%	0.0%	5.0%	10.0%
Private Debt	0.0%	0.0%	5.0%	5.0%
Total Alternatives	**0.0%**	**0.0%**	**10.0%**	**15.0%**

Expected Return 10 yrs	**5.5%**	**5.8%**	**6.1%**	**6.3%**
Expected Return 30 yrs	**5.9%**	**6.3%**	**6.8%**	**7.1%**
Standard Dev	**5.4%**	**7.7%**	**8.9%**	**10.1%**
Sharpe Ratio (10 years)	**0.25**	**0.22**	**0.22**	**0.22**

- **NEPC is utilizing a stepwise approach to evolve the MHS Operating portfolio given the appetite for additional risk**
- **Phase 2 introduces allocations to Private Equity and Private Debt and includes the fixed income diversification that was set forth in the Alternative Mix**
- **Phase 3 is NEPC's goal asset allocation, which would increase private markets exposure at the expense of fixed income**
  - The private markets target allocation would be 15% of the total portfolio
  - Note, building a private markets program to targets will take time due to the long-term nature of the asset class
- **As we look to expand the portfolio into private markets, we recognize the importance of providing foundational education on these asset classes to ensure alignment and informed decision making across the Committee**

Expected return and risk based on NEPC capital market assumptions as of 12/31/2024

OVERVIEW OF SCENARIOS

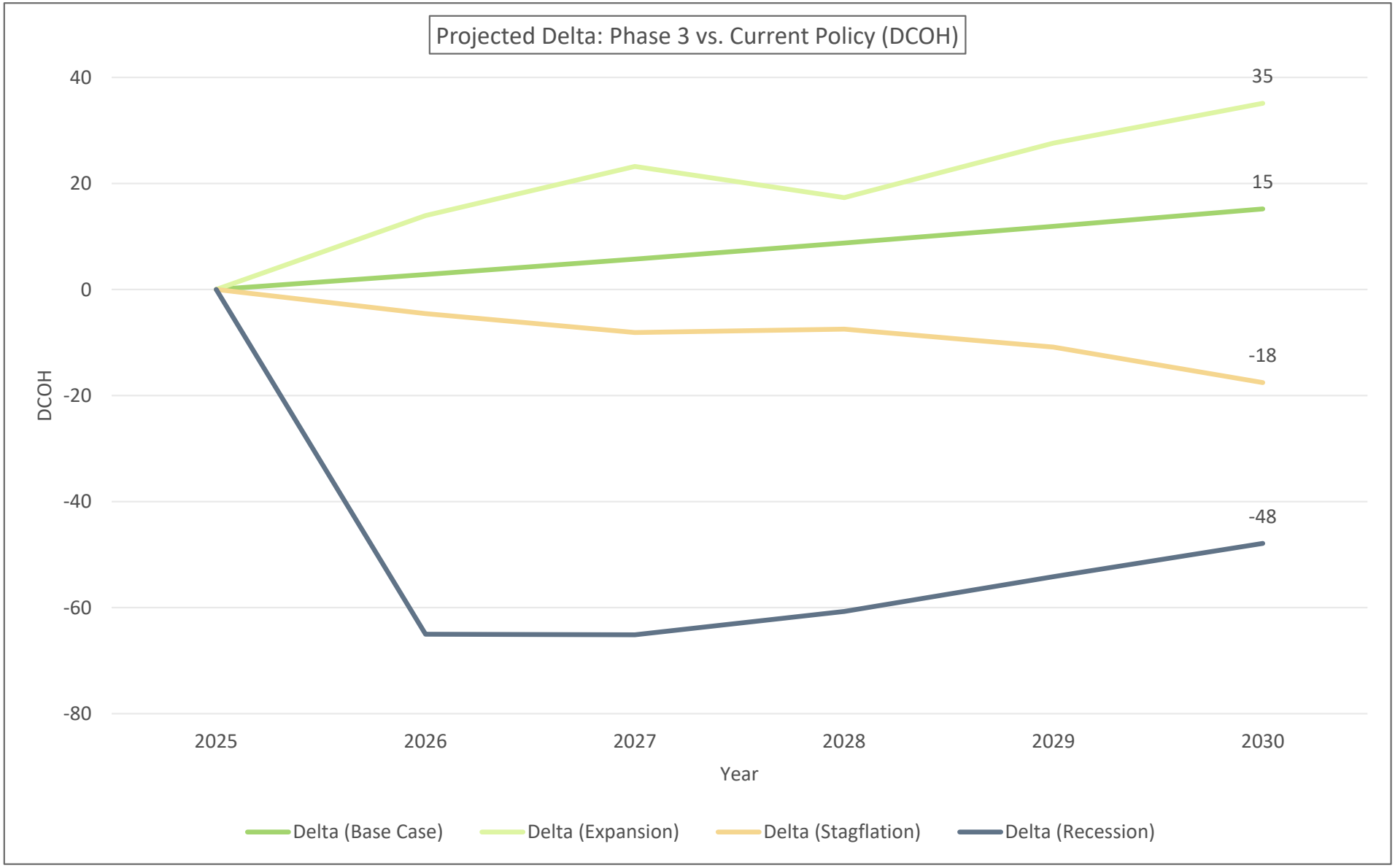


Expected return and risk based on NEPC capital market assumptions as of 12/31/2024

OVERVIEW OF SCENARIOS

Expected return and risk based on NEPC capital market assumptions as of 12/31/2024

OVERVIEW OF SCENARIOS



Expected return and risk based on NEPC capital market assumptions as of 12/31/2024

SUMMARY

MHS OPERATING PLAN ASSET ALLOCATION

- **Based on Committee feedback, approval of preferred mix**
  - 30% Equity Mix
  - Alternative Mix – 35% Equity, Fixed Income diversification

- **NEPC will work with MHS Staff to provide private markets education to the Finance Committee, particularly in Private Equity and Private Debt**
  - NEPC will seek the Committee's approval for Phase 2 and Phase 3 at a later date following better understanding of private asset classes

ASSET CLASS EDUCATION OVERVIEW

NEPC INVESTMENT TEAM

$1.8T
AUA/AUM[1]

$106M
Negotiated Client Fee Savings[2]

WE ARE INVESTORS FIRST

71 Investment Professionals[3]

14 YEARS Average Experience

- 22 Partners and Principals, 21 Years of Average Experience
- **LP Experience:** Endowments, Family Offices, Pension Funds
- **GP Experience:** Buyouts, Real Estate, Hedge Funds, Asset Managers

OUR EDGE

Proprietary investment framework, overcoming bias, and Second-Level Thinking[4]

PROVEN RESULTS[5]

Marketable securities: net outperformance of 0.8%
Private markets: net outperformance vs. public markets of 4% - 7%

Buyout	Venture	Private Debt	Real Assets
Advent International	ACCEL PARTNERS	ARBOURLANE	Dalfen INDUSTRIAL
BainCapital PRIVATE EQUITY	Bessemer Venture Partners	BLUE TORCH CAPITAL	GRAIN MANAGEMENT
Coral Tree Partners	INDUSTRY VENTURES	FP FRANCISCO PARTNERS / KENNEDY LEWIS INVESTMENT MANAGEMENT	IPI
EMK Capital	MERITECH	MCCP	KAYNE ANDERSON
KPS CAPITAL PARTNERS, LP	NEA	SIXTH STREET	OAKTREE
THOMABRAVO	SPARK CAPITAL	VWH CAPITAL	SINGERMAN REAL ESTATE
WARREN EQUITY PARTNERS		WHITEHORSE LIQUIDITY PARTNERS	VISION RIDGE PARTNERS

[1]As of 1/1/2025 [2]As of 12/31/2024, annual savings. Reflects only asset-based management fee vehicles with active exposure by NEPC's clients; includes both OCIO and advisory client managers. Past performance is no guarantee of future results. Not all funds are suitable for all clients and some funds may be closed to new investment. [3]As of 1/1/2025 [4]https://www.oaktreecapital.com/docs/default-source/memos/2015-09-09-its-not-easy.pdf [5]Marketable securities annualized 10-year returns are as of 6/30/24 and are net of investment manager fees and net of estimated NEPC advisory fee of 10 bps. Average net return of NEPC's Focused Placement Lists (FPLs). FPL performance represents a weighted average net return of all 1- and 2-rated FPL strategies across current and former NEPC clients tracked through InvestorForce and PARis. Private markets returns are as of 12/31/23 and depict the pooled net IRR of NEPC's FPLs. Public Market Proxy Return is calculated as follows: average of annualized index returns from 2013-2023, 2014-2023, 2015-2023, 2016-2023, 2017-2023, 2018-2023, 2019-2023, 2020-2023, 221-2023, 2022-2023. Buyouts are compared to the S&P 500 Index, Venture is compared the Russell 2000 Index, Private Debt is compared to an index composed of 50% Bank of America Merrill Lynch US High Yield Index/50% S&P/LSTA Leveraged Loan Index, Private Real Estate is compared to the FTSE EPRA/NAREIT Developed Index. Does not include accounts NEPC does not advise on. Hypothetical performance is shown for illustrative and informational purposes only and does not reflect returns that any investor actually attained. There is no guarantee that the hypothetical performance will be achieved in the future or than an investment will not result in losses.

PRIVATE EQUITY AND PRIVATE CREDIT

OVERVIEW

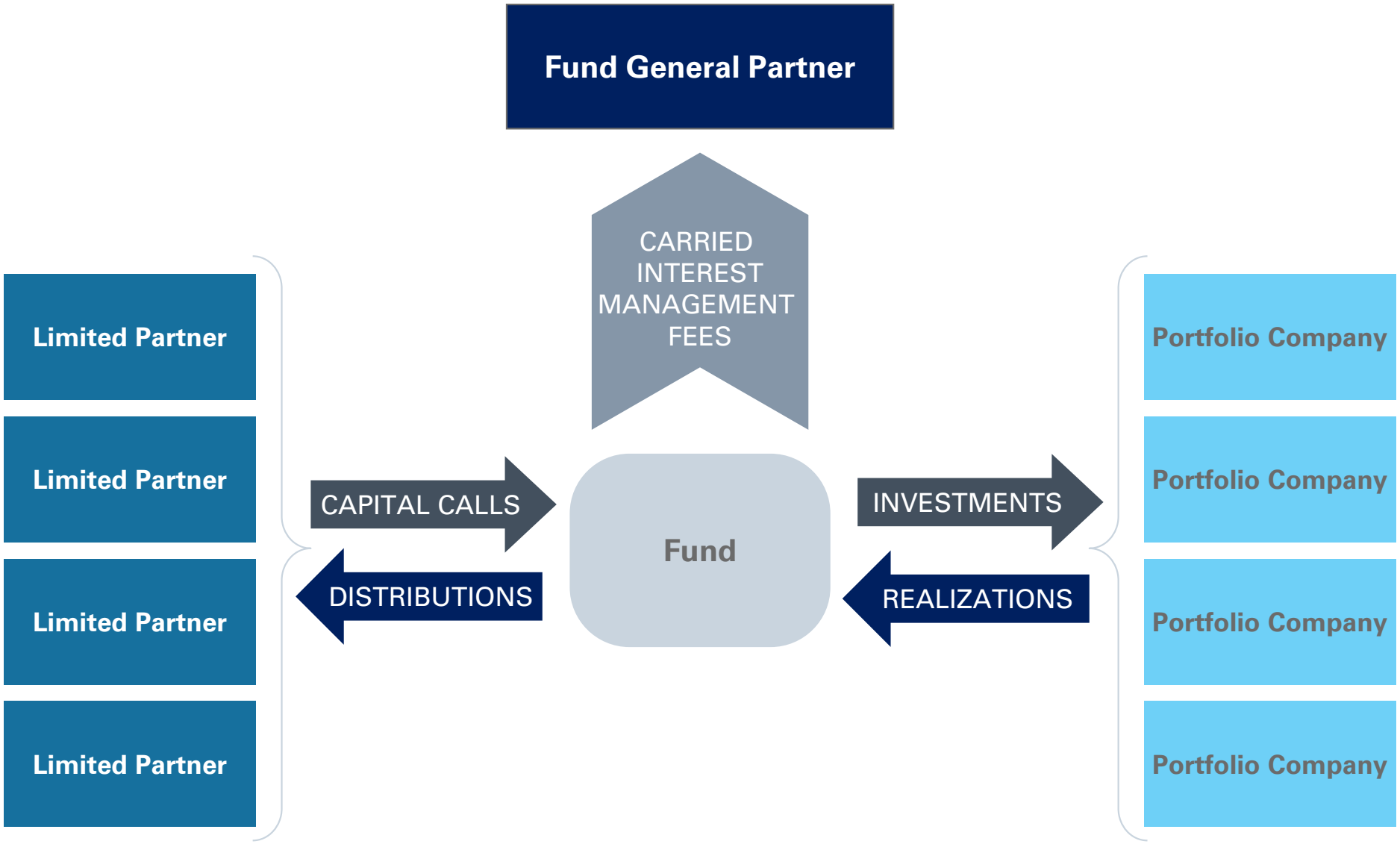
- **Private Equity and Private Credit are sources of investment capital provided by institutions and high net worth individuals for the purposes of acquiring interests in companies and/or products**
- **The role in a portfolio is as a return enhancer, with the premium earned over other investment options serving to compensate for the liquidity risk**
- **Large investable universe**
  - Over $400 billion raised annually across strategies in each of the last six years
  - Approximately $3.8 trillion in assets under management, including portfolio value and un-invested capital
- **Two components of private equity/private debt return:**
  - Capital Appreciation: Derived from an increase in the value of an asset between acquisition and sale
  - Current Income: Derived from portfolio company operations, loans and leases
- **Investment diversification**
  - Not fully correlated with public equities
  - Access to smaller companies and wider range of strategies

Source: Preqin. Fundraising and market size data as of December 31, 2019

HOW PRIVATE EQUITY IS DIFFERENT FROM PUBLIC EQUITY

PUBLIC EQUITY	PRIVATE EQUITY
Daily liquidity	Illiquid, 10+ year funds
Invested immediately	Invested over time
Daily valuations	Quarterly valuations
Market pricing	Estimated fair value
Fees as a % of NAV	Fees as % of commitment
Regulated reporting	Transparency varies
Benchmark managed	Managed for alpha
Some activism	Active value creation

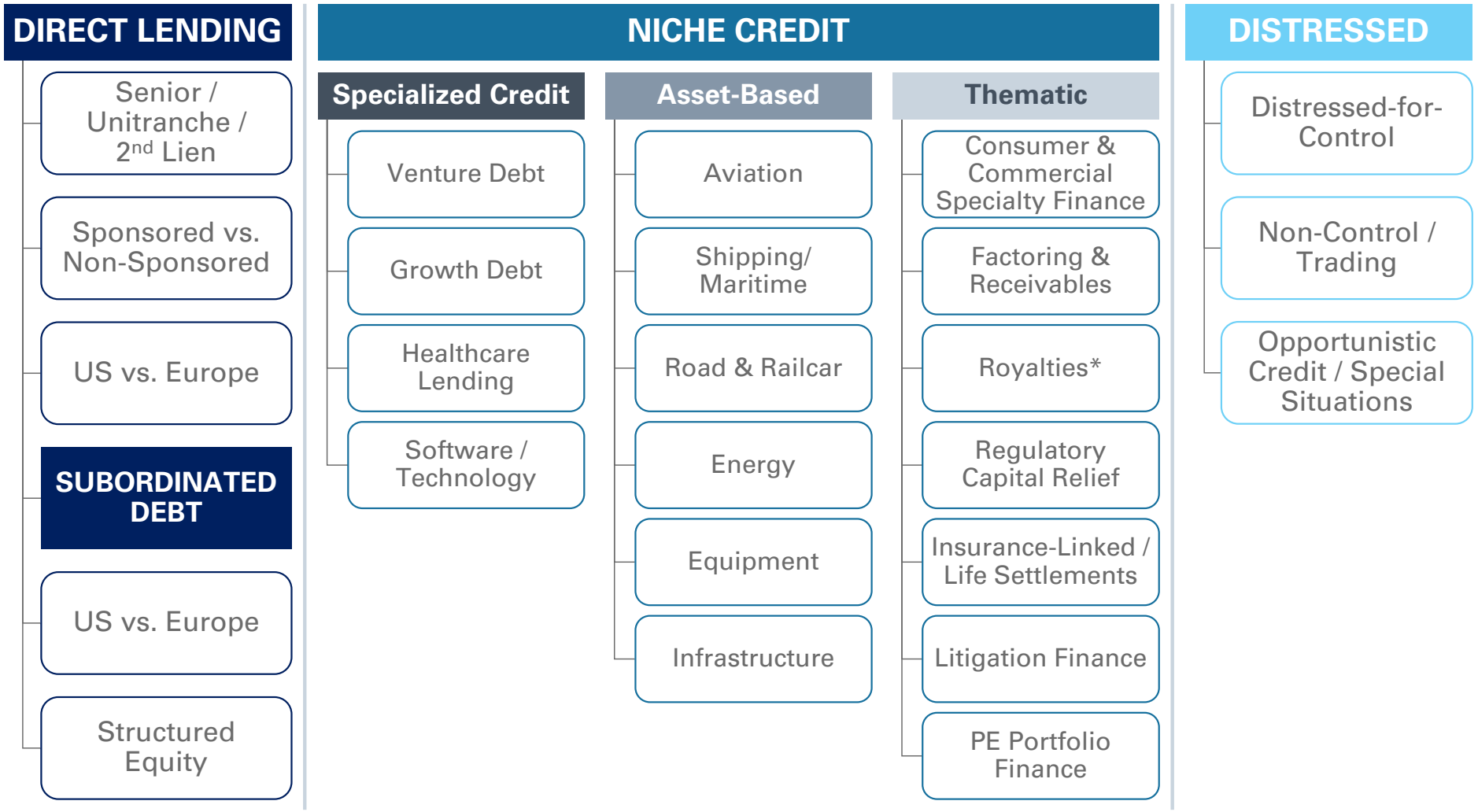
MECHANICS OF INVESTING IN A PRIVATE EQUITY FUND



HOW PRIVATE DEBT IS DIFFERENT FROM PUBLIC DEBT

PUBLIC DEBT	PRIVATE DEBT
Daily liquidity	Illiquid, 7-10 year funds
Invested immediately	Invested over time
Daily valuations	Quarterly valuations
Market pricing	Estimated fair value
Fees as a % of NAV	Fees as % of commitment
Regulated reporting	Transparency varies
Benchmark managed	Managed for alpha
Some activism	Active value creation

NEPC PRIVATE DEBT TAXONOMY



Yield-Oriented/Capital Preservation/ Lower Outcome Dispersion ← → **Maximized Return/Capital Appreciation/ Higher Outcome Dispersion**

*Healthcare/Music/Film/Media/Energy & Minerals royalties

APPENDIX

GLOSSARY OF TERMS

Alpha - Measures the relationship between the fund performance and the performance of another fund or benchmark index and equals the excess return while the other fund or benchmark index is zero.

Alpha Jensen - The average return on a portfolio over and above that predicted by the capital asset pricing model (CAPM), given the portfolio's beta and the average market return. Also known as the abnormal return or the risk adjusted excess return.

Annualized Excess Return over Benchmark - Annualized fund return minus the annualized benchmark return for the calculated return.

Annualized Return - A statistical technique whereby returns covering periods greater than one year are converted to cover a 12 month time span.

Beta - Measures the volatility or systematic risk and is equal to the change in the fund's performance in relation to the change in the assigned index's performance.

Information Ratio - A measure of the risk adjusted return of a financial security, asset, or portfolio.

Formula:
(Annualized Return of Portfolio - Annualized Return of Benchmark)/Annualized Standard Deviation(Period Portfolio Return – Period Benchmark Return). To annualize standard deviation, multiply the deviation by the square root of the number of periods per year where monthly returns per year equals 12 and quarterly returns is four periods per year.

R-Squared – Represents the percentage of a fund's movements that can be explained by movements in an index. R-Squared values range from 0 to 100. An R-Squared of 100 denotes that all movements of a fund are completely explained by movements in the index.

Sharpe Ratio - A measure of the excess return or risk premium per unit of risk in an investment asset or trading strategy.

Sortino Ratio - A method to differentiate between good and bad volatility in the Sharpe Ratio. The differentiation of up and down volatility allows the calculation to provide a risk adjusted measure of a security or fund's performance without upward price change penalties.

Formula:
*Calculation Average (X-Y)/Downside Deviation (X-Y) * 2*
Where X=Return Series X Y = Return Series Y which is the risk free return (91 day T-bills)

Standard Deviation - The standard deviation is a statistical term that describes the distribution of results. It is a commonly used measure of volatility of returns of a portfolio, asset class, or security. The higher the standard deviation the more volatile the returns are.

Formula:
(Annualized Return of Portfolio – Annualized Return of Risk Free) / Annualized Standard Deviation (Portfolio Returns)

Tracking Error - Tracking error, also known as residual risk, is a measure of the degree to which a portfolio tracks its benchmark. It is also a measure of consistency of excess returns. Tracking error is computed as the annualized standard deviation of the difference between a portfolio's return and that of its benchmark.

Formula:
*Tracking Error = Standard Deviation (X-Y) * √(# of periods per year)*
Where X = periods portfolio return and Y = the period's benchmark return
For monthly returns, the periods per year = 12
For quarterly returns, the periods per year = 4

Treynor Ratio - A risk-adjusted measure of return based on systematic risk. Similar to the Sharpe ratio with the difference being the Treynor ratio uses beta as the measurement of volatility.

Formula:
(Portfolio Average Return - Average Return of Risk-Free Rate)/Portfolio Beta

Up/Down Capture Ratio - A measure of what percentage of a market's returns is "captured" by a portfolio. For example, if the market declines 10% over some period, and the manager declines only 9%, then his or her capture ratio is 90%. In down markets, it is advantageous for a manager to have as low a capture ratio as possible. For up markets, the higher the capture ratio the better. Looking at capture ratios can provide insight into how a manager achieves excess returns. A value manager might typically have a lower capture ratio in both up and down markets, achieving excess returns by protecting on the downside, whereas a growth manager might fall more than the overall market in down markets, but achieve above-market returns in a rising market.

UpsideCapture = TotalReturn(FundReturns)/TotalReturns(BMReturn) when Period Benchmark Return is > = 0

DownsideCapture = TotalReturn(FundReturns)/TotalReturns(BMReturn) when Benchmark <0

INFORMATION DISCLAIMER

Past performance is no guarantee of future results.

The goal of this report is to provide a basis for monitoring financial markets. The opinions presented herein represent the good faith views of NEPC as of the date of this report and are subject to change at any time.

Information on market indices was provided by sources external to NEPC. While NEPC has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of all source information contained within.

All investments carry some level of risk. Diversification and other asset allocation techniques do not ensure profit or protect against losses.