



**University**  
HOSPITAL

Newark, NJ

Healthcare Finance

# Financial Statements December 31, 2020



**UNIVERSITY HOSPITAL**  
(A Component Unit of the State of New Jersey)

Statement of Net Position

(In thousands)

|   | <b>UH</b>         | <b>UH</b>         |
|---|-------------------|-------------------|
| <b>Assets</b>   | <b>31-Dec-20</b>  | <b>30-Jun-20</b>  |
| Current assets:   |                   |                   |
| Cash (note 3)   | \$ 129,621        | \$ 139,260        |
| Restricted investments (note 6)   | 6,032             | 6,032             |
| Patient accounts receivable, net (note 5)                               | 80,741            | 80,012            |
| Due from State of New Jersey  | 25,162            | 22,061            |
| Supplies  | 22,227            | 21,276            |
| Grants receivable   | 6,559             | 8,330             |
| Other current assets  | <u>20,069</u>     | <u>18,048</u>     |
| Total current assets  | <u>290,411</u>    | <u>295,019</u>    |
| Noncurrent assets:  |                   |                   |
| Restricted investments, (notes 6)                                       | 70,615            | 65,138            |
| Prepaid bond insurance  | 14,675            | 14,969            |
| Capital assets, net   | <u>239,533</u>    | <u>224,685</u>    |
| Total noncurrent assets   | <u>324,823</u>    | <u>304,792</u>    |
| Total assets  | 615,234           | 599,811           |
| <b>Deferred Outflows of Resources</b>                                   |                   |                   |
| Change in pension plan assumptions and deferred contributions (note 8)  | <u>177,531</u>    | <u>211,497</u>    |
|   | <u>792,765</u>    | <u>811,308</u>    |
| <b>Liabilities</b>  |                   |                   |
| Current liabilities:  |                   |                   |
| Accounts payable and accrued expenses                                   | 37,116            | 47,980            |
| Accrued salaries and related payroll taxes                              | 20,508            | 21,029            |
| Accrued vacation and sick pay   | 14,156            | 13,980            |
| Due to Rutgers University   | 54,737            | 53,009            |
| Current portion of accrued claims liability (note 9)                    | 5,187             | 5,187             |
| Estimated third-party payor settlements, net (note 9)                   | 8,314             | 6,056             |
| Current portion of long-term debt and capital lease obligation (note 7) | 198               | 366               |
| Other current liabilities   | <u>43,993</u>     | <u>52,657</u>     |
| Total current liabilities   | <u>184,209</u>    | <u>200,264</u>    |
| Noncurrent liabilities:   |                   |                   |
| Accrued claims liability, net of current portion (note 9)               | 17,485            | 17,485            |
| Long-term debt and capital leases, net of current portion               | 349,248           | 343,863           |
| Pension liability (note 8)  | <u>636,819</u>    | <u>613,047</u>    |
| Total noncurrent liabilities  | <u>1,003,552</u>  | <u>974,395</u>    |
| Total liabilities   | <u>1,187,761</u>  | <u>1,174,659</u>  |
| <b>Deferred Inflows of Resources</b>                                    |                   |                   |
| Deffered inflows of resources (note 8)                                  | <u>105,598</u>    | <u>127,336</u>    |
| <b>Total liabilities and deferred inflows of resources</b>              | <u>1,293,359</u>  | <u>1,301,995</u>  |
| <b>Net Position</b>   |                   |                   |
| Net investment in capital assets  | 21,552            | 6,704             |
| Unrestricted  | <u>(522,146)</u>  | <u>(497,391)</u>  |
| Total net position  | <u>(500,594)</u>  | <u>(490,687)</u>  |
| Total liabilities and net position                                      | <u>\$ 792,765</u> | <u>\$ 811,308</u> |

See accompanying notes to financial statements.

**UNIVERSITY HOSPITAL**

(A Component Unit of the State of New Jersey)

Statement of Revenue, Expenses and Changes in Net Position

(In thousands)

|   | <u>Fiscal Year Ending</u><br><u>December 31, 2020</u> | <u>Fiscal Year Ending</u><br><u>December 31, 2019</u> | <u>Increase/(Decrease)</u> |
|---|---|---|----------------------------|
| <b>Operating revenues:</b>                            |   |   |                            |
| Net patient service revenue                           | \$ 276,478  | 277,212   | (734)                      |
| Grants revenue  | 4,123   | 3,574   | 549                        |
| Other revenue   | 11,825  | 12,502  | (677)                      |
| <b>Total operating revenue</b>                        | <u>292,426</u>  | <u>293,288</u>  | <u>(862)</u>               |
| <b>Operating expenses:</b>                            |   |   |                            |
| Personal services                                     | 143,342   | 139,747   | 3,595                      |
| Contracted physicians and resident fees               | 43,148  | 44,285  | (1,137)                    |
| Finges benefit  | 52,992  | 54,874  | (1,882)                    |
| Other postretirement benefits                         | 18,204  | 12,819  | 5,385                      |
| Pension   | 36,000  | 30,000  | 6,000                      |
| Supplies and other                                    | 121,284   | 117,194   | 4,090                      |
| Depreciation  | 9,342   | 12,204  | (2,862)                    |
| <b>Total operating expenses</b>                       | <u>424,312</u>  | <u>411,123</u>  | <u>13,189</u>              |
| <b>Operating loss</b>                                 | <u>(131,886)</u>                                      | <u>(117,835)</u>                                      | <u>(14,051)</u>            |
| <b>Nonoperating income (expense)</b>                  |   |   |                            |
| Appropriations from the State of New Jersey           | 75,741  | 73,217  | 2,524                      |
| Other postemployment benefits paid by the State of NJ | 18,204  | 12,819  | 5,385                      |
| Federal Stimulus Funds - CARES Act                    | 20,325  | 0   | 20,325                     |
| Interest income                                       | 139   | 657   | (518)                      |
| Interest expense                                      | (7,852)   | (7,808)   | (44)                       |
| <b>Loss before other changes in net position</b>      | <u>(25,329)</u>                                       | <u>(38,950)</u>                                       | <u>13,621</u>              |
| <b>Other changes in net position:</b>                 |   |   |                            |
| Capital contributions funded by grantors and donors   | 15,421  | 6,207   | 9,214                      |
| <b>Decrease in net position</b>                       | <u>(9,908)</u>  | <u>(32,743)</u>                                       | <u>22,835</u>              |
| Net position at beginning of year                     | <u>(490,686)</u>                                      | <u>(444,447)</u>                                      | <u>(46,239)</u>            |
| <b>Net position at end of year</b>                    | <u><u>\$ (500,594)</u></u>                            | <u><u>(477,190)</u></u>                               | <u><u>(23,404)</u></u>     |