

FINANCIAL RESULTS AND SYSTEM HIGHLIGHTS

2021 FIRST SIX MONTHS

AUGUST 26, 2021

UPMC
LIFE CHANGING MEDICINE

SUMMARY

- UPMC thriving as the region's **most preferred provider** and **most preferred insurer** best serving the needs of patients, members, businesses, and our communities throughout challenging times
- The largest medical insurer in western PA totaling **more than 4 million members**, with among the lowest-cost products in the nation
- Continuing **substantial reinvestment** in the region and beyond
 - **\$374 million** in capital expenditures to enhance facilities and ensure continued quality of care
 - **\$1.7 billion** in IRS-defined charitable contributions and community benefits

RESULTS IN BRIEF:

\$605M operating income / \$1.1B net income / \$10.4B investment reserve portfolio

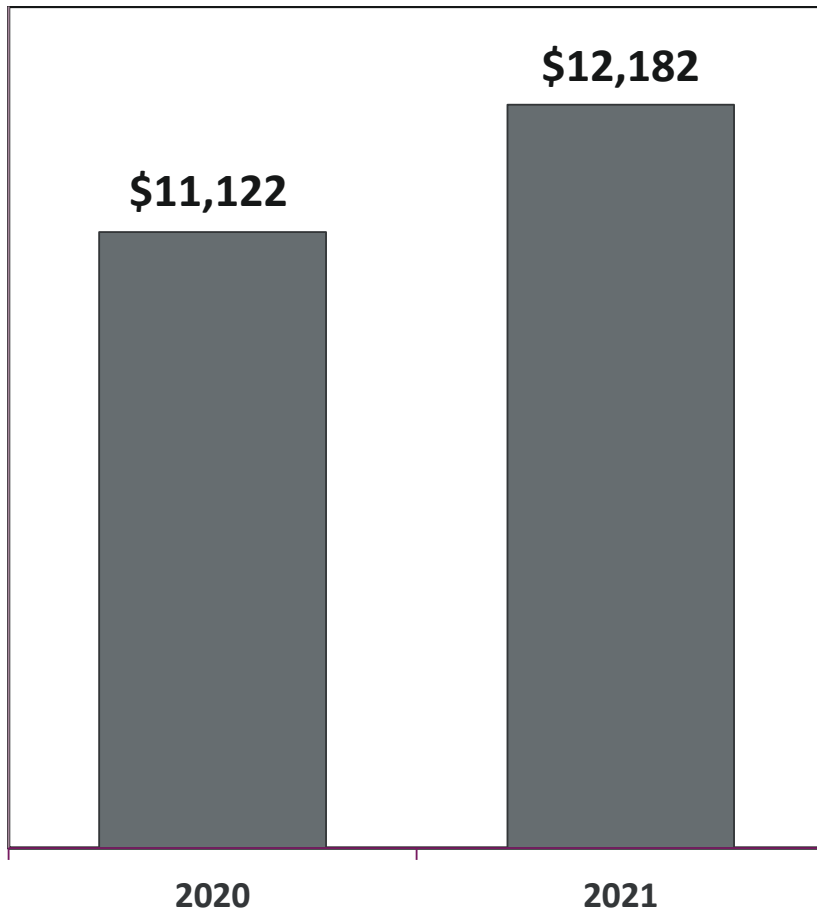
UPMC OVERVIEW

- Operating income of **\$605 million** needed to run operations, fund capital expenditures and create new programs
 - UPMC Health Plan membership **↑5%**
 - Outpatient revenue **↑21%**
 - Physician revenue **↑20%**
 - Admissions and observations **↑8%**
- **\$10.4 billion** cash and investments provides for long-term sustainability
 - Value rises and falls based on market conditions
 - Investment portfolio calendar year-to-date return **↑6.7%**

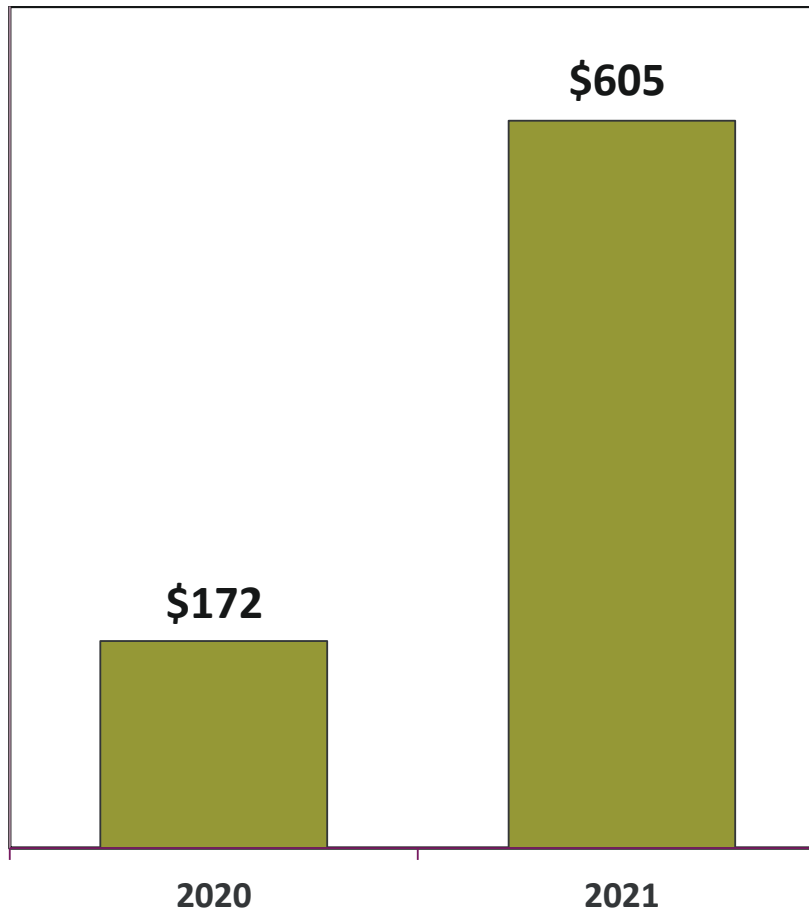
UPMC OPERATING RESULTS

First Six Months Ended June 30 (Dollars in Millions)

OPERATING REVENUE



OPERATING INCOME



OPERATING EBIDA



UNIQUE POSITION OF EXCELLENCE IN EVERY HEALTH CARE SECTOR

Highly Evolved Integrated Delivery & Finance System (IDFS)

Top Quality Clinical Care Provider

- UPMC Presbyterian Shadyside nationally ranked in 10 specialties; UPMC Children's on Honor Roll of nation's Best Children's Hospitals



Cutting-Edge Academic Medical Center

- #7 in NIH grants with nearly \$600M for research with Pitt
- Fourth largest program in U.S. with 1,800 residents and fellows



Expanding Insurance Services

- 2nd largest provider-owned Health Plan nationally
- Largest medical insurer in western PA
 - More than 4 million members
 - Only insurer in PA ranked by U.S. News & World Report - Best Medicare Advantage Plans
- State-wide Community HealthChoices initiative
- NCQA "Excellent" rating



Unmatched International Expertise

- Offering patients high-quality health care close to home
 - More than 20 years managing international hospitals and cancer centers
 - Clinical operations and collaborations in Italy, Ireland, China and Kazakhstan

Entrepreneurial & Business Enterprises

- TRANSLATIONAL SCIENCES
 - Accelerate application of scientific discoveries to deliver new models of care, narrowing the gap between bench and bedside
- DIGITAL SOLUTIONS
 - Connect entire health system with technology empowering clinicians and payers to provide patient-centered, high-quality, compassionate care at the lowest cost



CARING FOR OUR UPMC EMPLOYEES



PRESERVING JOBS AND ENSURING FINANCIAL PROTECTION



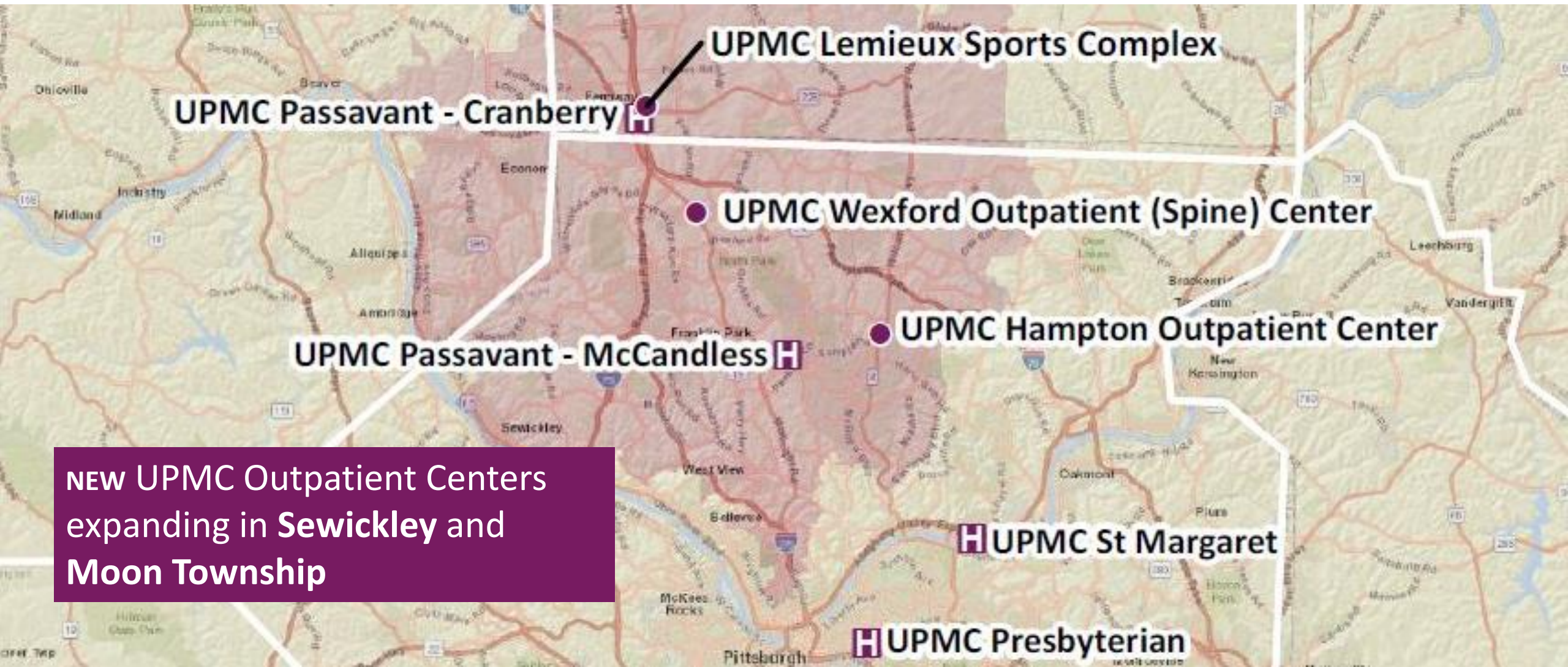
ENSURING SAFETY AND WELL-BEING



PROVIDING INFORMATION AND SUPPORT

UPMC'S SPECIALTY CARE HUB FOR PITTSBURGH'S NORTHERN REGION

northern Allegheny, Butler, Beaver and surrounding counties



**NEW UPMC Outpatient Centers
expanding in Sewickley and
Moon Township**



UPMC Passavant is proud
to be recognized by
U.S. News & World Report.



\$52M invested past 3 years;
\$386M past 10 years

\$22.5M community benefits
\$753M economic impact



Heart and Stroke

- WATCHMAN™
- Transcatheter aortic valve replacement (TAVR)

Cancer Care

- Robotic bronchoscopy
early lung cancer
diagnosis
- New LINAC with
stereotactic capabilities

Women's Health

- UPMC Outpatient Center in
Hampton Township
- UPMC Passavant–Cranberry
- UPMC Passavant–McCandless
- UPMC Lemieux Sports Complex

UPMC | **HEART AND
VASCULAR INSTITUTE**

UPMC | **HILLMAN
CANCER CENTER**

UPMC | **MAGEE-WOMENS
HOSPITAL**

UPMC Magee-Womens and UPMC Children's Hospital of Pittsburgh Services



What We Said We Were Going to Do ...

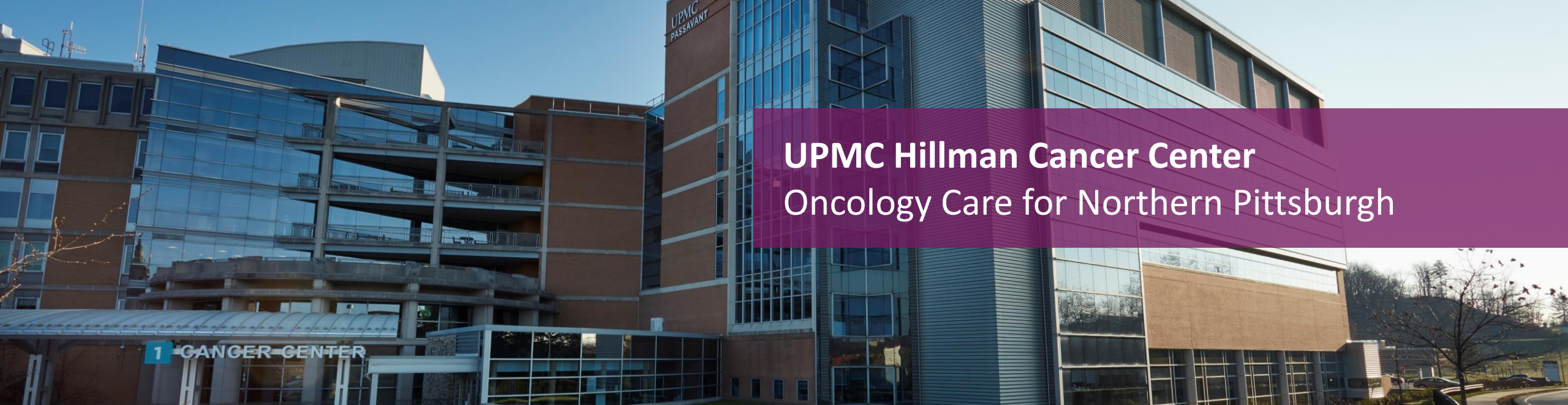
UPMC Magee-Womens Imaging Center
at UPMC Passavant-McCandless

Mammography program
at UPMC Outpatient Center in Hampton Township

**UPMC Magee-Womens Specialty Services and
UPMC Children's Express Care**
at UPMC Lemieux Sports Complex

And Even More ...

**UPMC Magee-Womens Specialty Services
urogynecology clinic**
at UPMC Passavant-McCandless



UPMC Hillman Cancer Center Oncology Care for Northern Pittsburgh

What We Said We Were Going to Do ...

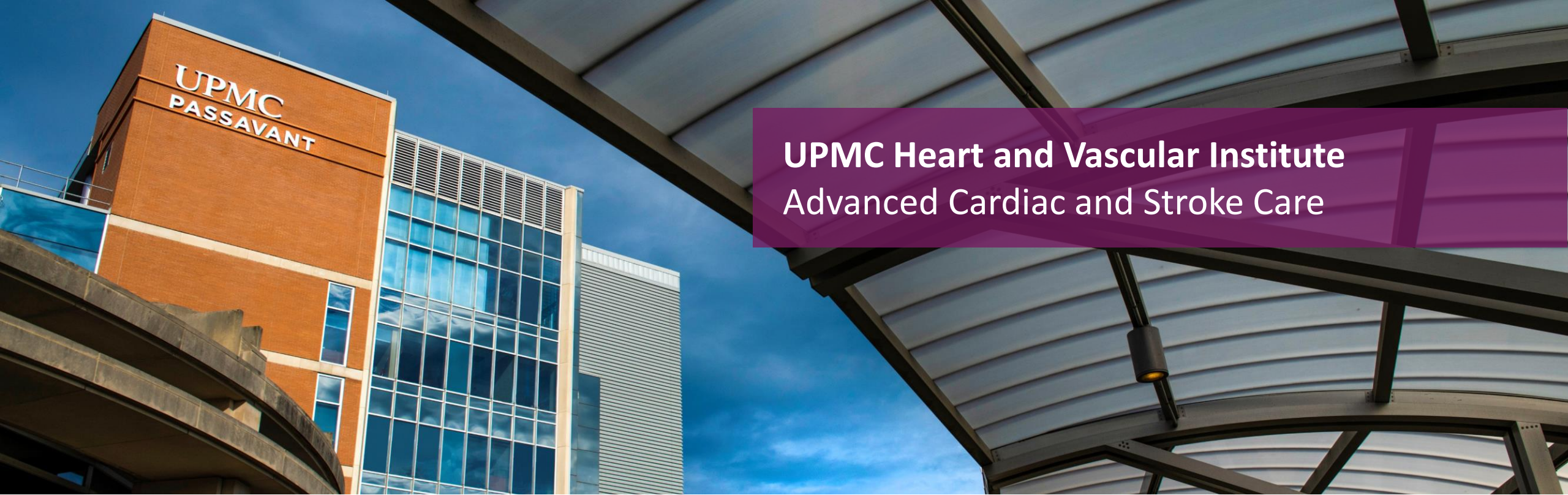
Robotic bronchoscopy technology
at UPMC Passavant-McCandless

Advanced linear accelerator (LINAC)
at UPMC Passavant-McCandless

And Even More ...

Expanded UPMC Hillman Cancer Center
at UPMC Passavant-Cranberry

Robotic surgery to target liver tumors
at UPMC Passavant-McCandless



UPMC Heart and Vascular Institute Advanced Cardiac and Stroke Care

**What We Said We
Were Going to Do ...**

WATCHMAN™

**Transcatheter aortic
valve replacement (TAVR)**

And Even More ...

Cardiology outpatient services at
UPMC Outpatient Center in Moon
Township and Sewickley

Preventive Cardiology Clinic at
UPMC Passavant-McCandless

Magee-Womens Heart Program at
UPMC Passavant

Robotic valve replacement surgery
at UPMC Passavant-McCandless

Impella Hemodynamic Support
at UPMC Passavant-McCandless



Pediatric Emergency Care, Mobile Emergency Unit and COVID-19 Response

Even More ...

UPMC Children's Hospital of Pittsburgh Emergency Department affiliation program at UPMC Passavant-McCandless and UPMC Passavant-Cranberry

Advanced Mobile Emergency Response Unit (ARU) based at UPMC Passavant-Cranberry

Monoclonal antibody treatment for COVID-19 at UPMC Passavant Emergency Departments and infusion center

Robust COVID-19 community vaccination program across UPMC Passavant



And Even More to Come ...

UPMC Heart and Vascular Institute at
UPMC Passavant-McCandless entrance and lobby space

Outpatient retail pharmacy opening at
UPMC Passavant-McCandless

UPMC Outpatient Center in Moon Township
will open this December

UPMC Outpatient Center in Sewickley
expanding this year