

UNIVERSITY OF KENTUCKY BOARD OF TRUSTEES

Craig Collins, Senior Vice President, Chief Financial Officer

Timothy Slocum, Senior Vice President, Chief Operations Officer



AN EQUAL OPPORTUNITY UNIVERSITY

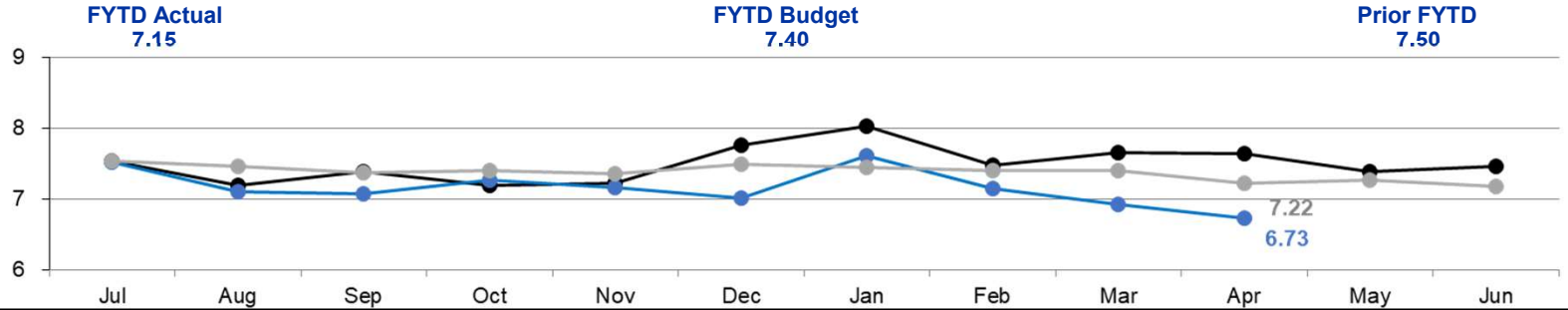
FINANCIAL AND OPERATIONAL UPDATE

KEY STATISTICS: FYTD26 APRIL

AVERAGE LENGTH OF STAY (DAYS)



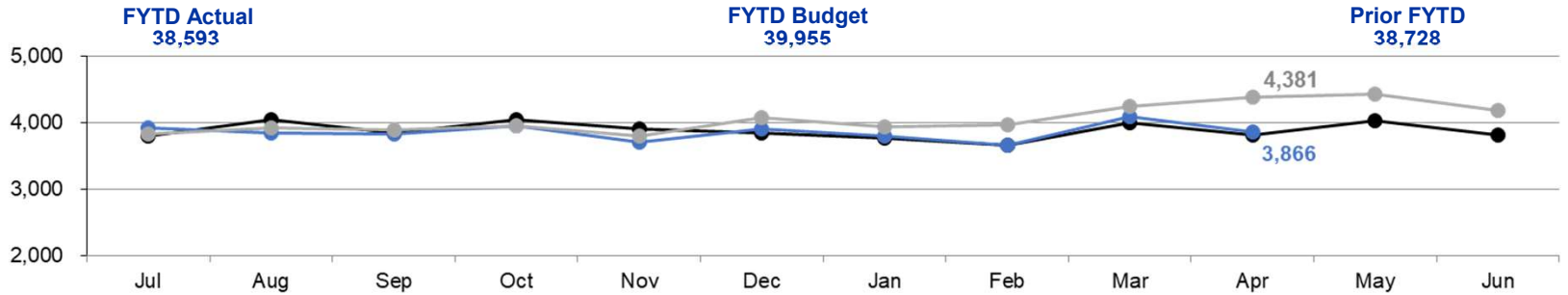
Lower is better



TOTAL DISCHARGES



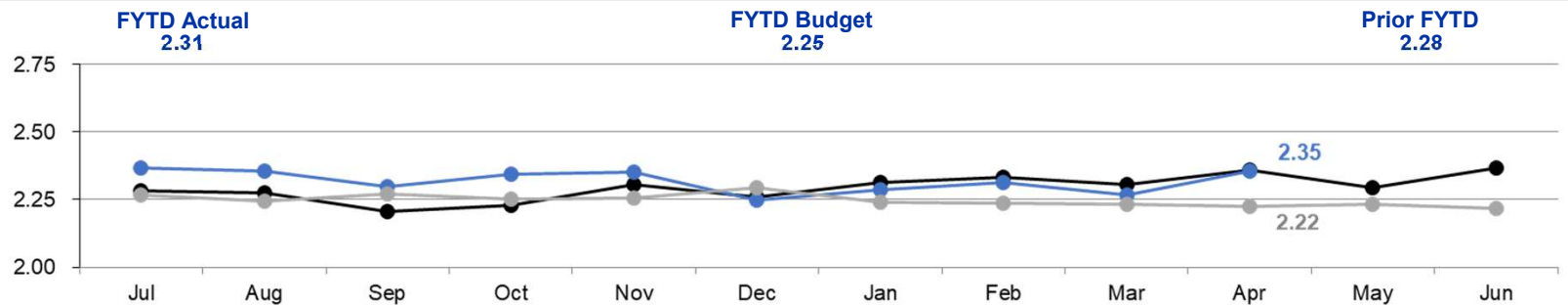
Higher is better



CASE MIX INDEX **PRELIM**



Higher is better



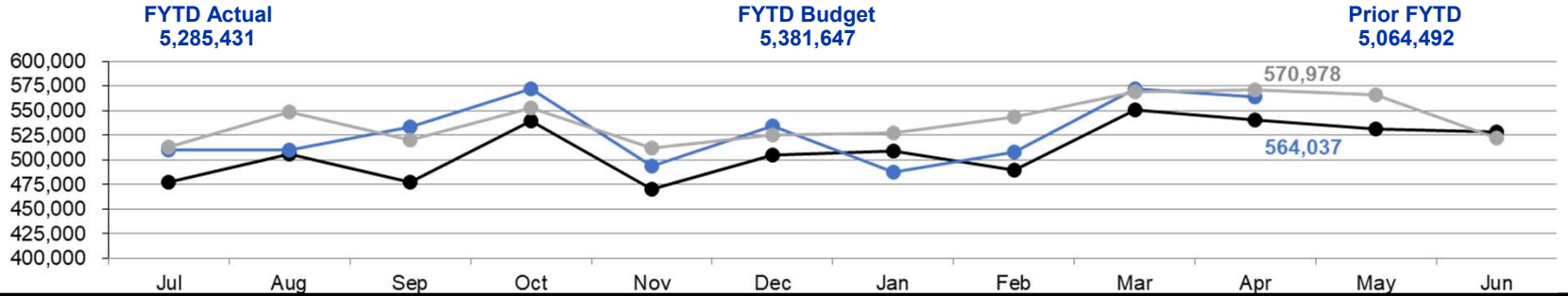
● FY2025 ● FY2026 ● FY2026 Budget

KEY STATISTICS: FYTD26 APRIL

wRVUs



Higher is better

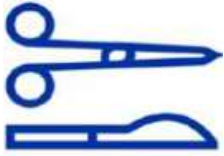


FYTD Actual
5,285,431

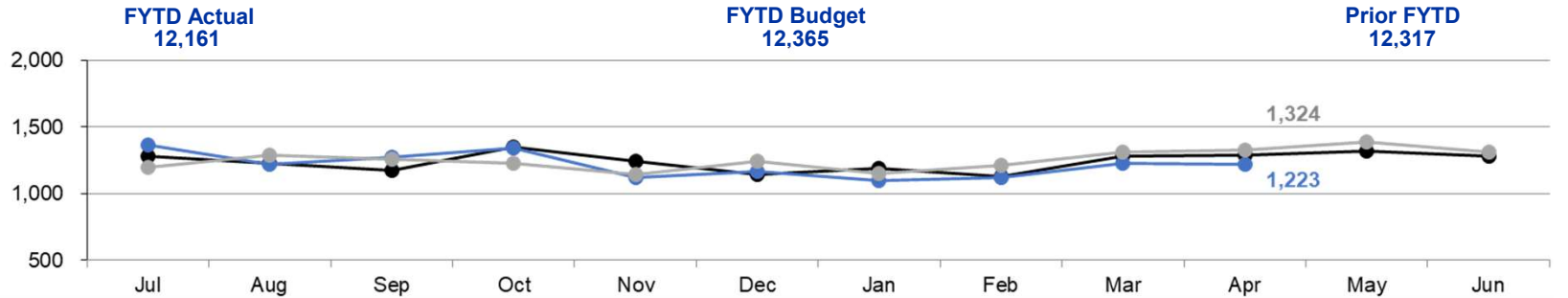
FYTD Budget
5,381,647

Prior FYTD
5,064,492

INPATIENT OR CASES



Higher is better



FYTD Actual
12,161

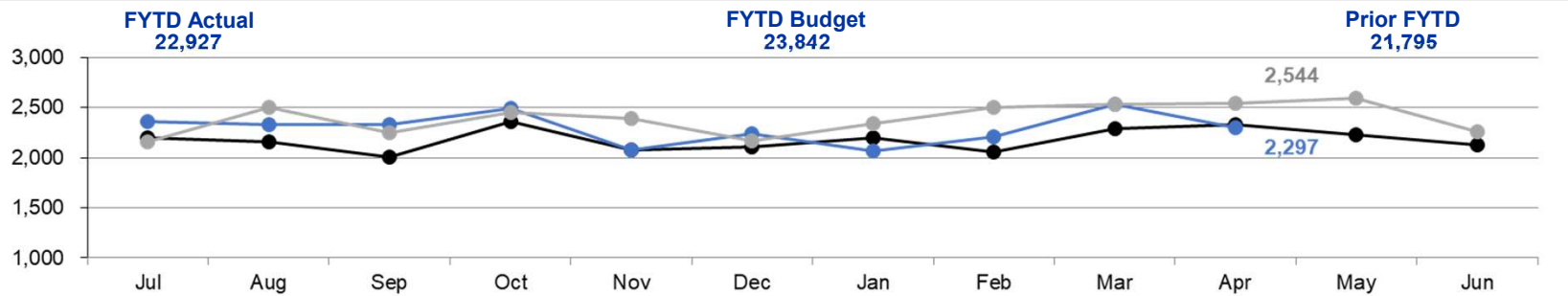
FYTD Budget
12,365

Prior FYTD
12,317

OUTPATIENT OR CASES



Higher is better



FYTD Actual
22,927

FYTD Budget
23,842

Prior FYTD
21,795

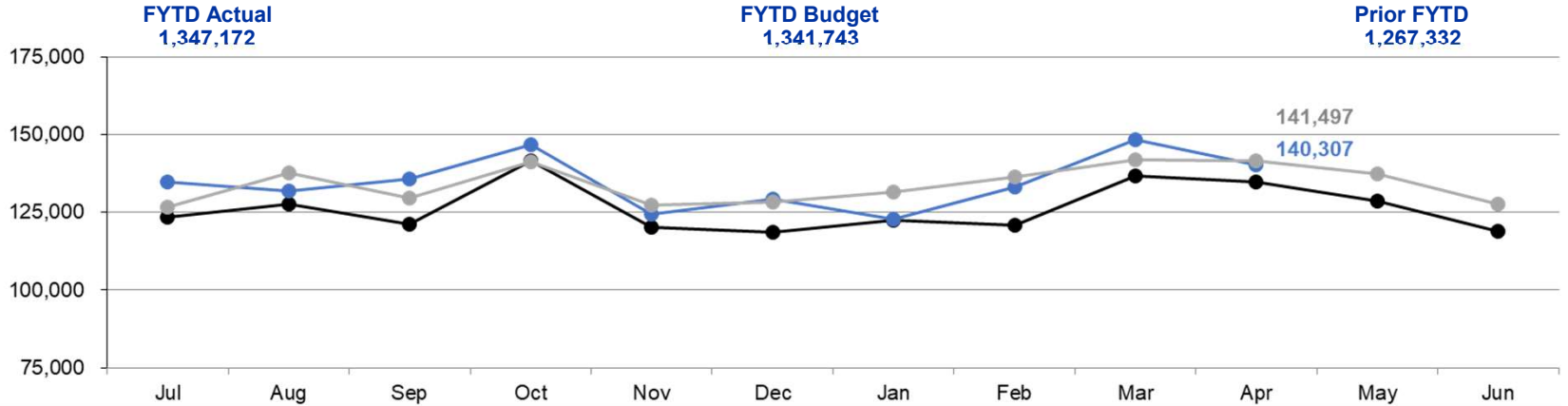
● FY2025 ● FY2026 ● FY2026 Budget

KEY STATISTICS: FYTD26 APRIL

UKHC MEDICAL PRACTICE
GROUP TOTAL SERVICE
VOLUME
(TOTAL AMBULATORY
VOLUME)



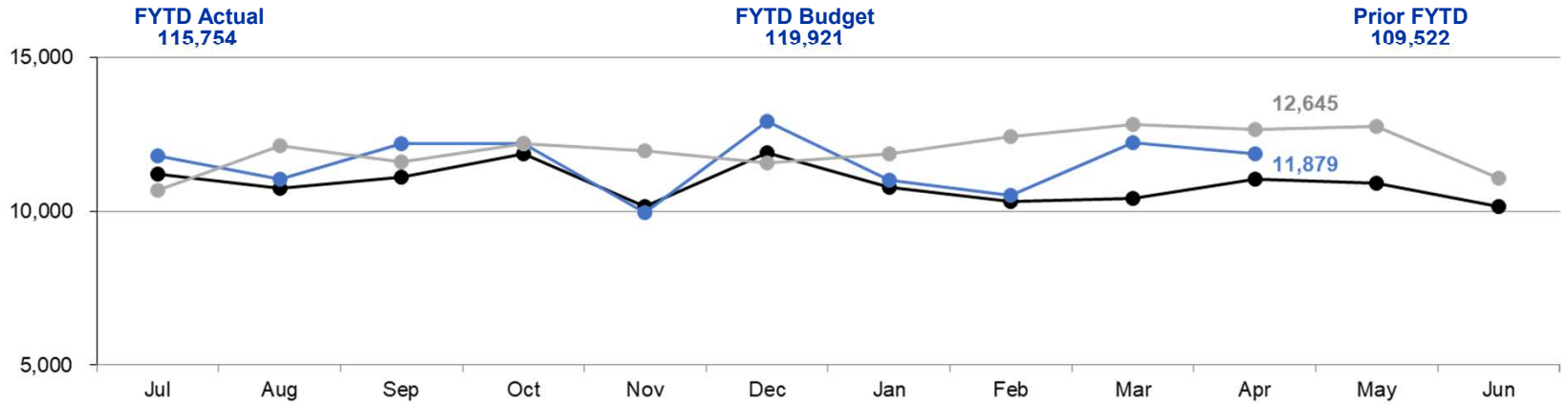
Higher is better



EMERGENCY
DEPARTMENT CASES



Higher is better



● FY2025 ● FY2026 ● FY2026 Budget

YEAR-TO-DATE: APRIL 2026

Values in Thousands

	UK HealthCare			Royal Blue Health			Claire Blue Health			Total HealthCare			
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Prior Year
Net Patient Revenue	3,643,892	3,265,294	378,598	906,631	836,190	70,441	259,792	244,236	15,556	4,810,316	4,345,719	464,596	3,975,662
Other Operating Revenue	149,039	129,059	19,981	130,412	78,000	52,412	43,399	31,322	12,077	322,850	238,381	84,469	188,040
Total Operating Revenue	3,792,931	3,394,352	398,579	1,037,043	914,190	122,853	303,191	275,558	27,633	5,133,166	4,584,100	549,066	4,163,702
Total Operating Expenses	3,265,659	3,181,823	83,836	950,227	890,227	60,000	288,274	267,029	21,245	4,504,160	4,339,079	165,081	3,752,920
Net Income From Continuing Operations	527,273	212,529	314,743	86,816	23,962	62,854	14,917	8,530	6,388	629,006	245,021	383,985	410,782
Operating Margin	13.90%	6.26%	7.64%	8.37%	2.62%	5.75%	4.92%	3.10%	1.82%	12.25%	5.35%	6.91%	9.87%
Non-Operating Revenue (Expense)													
Investment income (loss)/other	86,536	40,490	46,046	57,399	13,794	43,605	1,177	(365)	1,542	145,112	53,919	91,193	117,293
Enabling Transfers	(119,450)	(39,492)	(79,959)	-	-	-	-	-	-	(119,450)	(39,492)	(79,959)	(16,931)
Net Income	494,358	213,528	280,830	144,215	37,756	106,459	16,094	8,165	7,930	654,668	259,449	395,219	511,144
Net Margin	13.03%	6.29%	6.74%	13.91%	4.13%	9.78%	5.31%	2.96%	2.35%	12.75%	5.66%	7.09%	12.28%

FISCAL YEAR 2027 BUDGET



Beyond Blue—Royal Blue Health

- King's Daughters Medical Center
- King's Daughters Medical Center Ohio
- King's Daughters Medical Specialties
- Kingsbrook Lifecare Center
- King's Daughters Medical Transport
- Child Development Center



UK HealthCare

- Chandler
- Good Samaritan
- Golisano Children's at UK
- Ambulatory
- Pharmacy
- Eastern State Hospital (*Management Agreement*)
- Surgery Blue
- University Health Service (*Clinic*)
- Beyond Blue (*Insure Blue*)



Beyond Blue—Claire Blue Health

- St. Claire Medical Center
- St. Claire Real Properties, Inc.

FISCAL YEAR 2027 BUDGET ASSUMPTIONS



- Budget and forecast begin with volume projections
- Revenue assumptions and bad debt assume historical payer/patient mix
- Governmental Payor budgeted based on Federal approved rates
- Merit increase at 3.0% consistent across the University of Kentucky and market pools
- Escalated costs of employee health benefits
- Inflation factors for supplies/pharmaceuticals are based on available external sources (e.g. Vizient and projected tariff impacts)
- Depreciation increase due to capital projects
- Performance improvement initiatives

FY27 BUDGET—KEY STATISTICS

Entity	Statistic	FY26 <i>Projected</i>	FY27 Budget	Percent Change
UK HealthCare	Total Discharges	46,337	46,775	1.0%
	Total Inpatient/Outpatient Surgical Cases	42,129	42,798	1.6%
	Emergency Room Visits	138,981	145,255	4.5%
	work Relative Value Units	6,402,809	6,601,642	3.1%
	Average Length of Stay	7.17	7.17	0.0%
	Case Mix Index	2.32	2.32	0.0%
Royal Blue Health	Total Discharges	20,456	20,538	0.4%
	Total Inpatient/Outpatient Surgical Cases	34,295	36,744	7.1%
	Emergency Room Visits	86,666	91,319	5.4%
	work Relative Value Units	2,956,006	3,165,951	7.1%
	Average Length of Stay	3.95	4.00	1.3%
	Case Mix Index	1.75	1.75	0.0%
Claire Blue Health	Total Discharges	6,925	7,136	3.0%
	Total Inpatient/Outpatient Surgical Cases	5,614	5,894	5.0%
	Emergency Room Visits	30,065	30,967	3.0%
	work Relative Value Units	711,353	736,250	3.5%
	Average Length of Stay	4.13	4.20	1.7%
	Case Mix Index	1.69	1.69	0.0%
Total HealthCare	Total Discharges	73,718	74,449	1.0%
	Total Inpatient/Outpatient Surgical Cases	82,038	85,436	4.1%
	Emergency Room Visits	255,712	267,541	4.6%
	work Relative Value Units	10,070,168	10,503,843	4.3%

FY27 BUDGET

Values in Millions

	UK HealthCare		Royal Blue Health		Claire Blue Health		Total HealthCare	
	FY26 <i>Projection</i>	FY27 Budget	FY26 <i>Projection</i>	FY27 Budget	FY26 <i>Projection</i>	FY27 Budget	FY26 <i>Projection</i>	FY27 Budget
Net Patient Revenue	\$ 4,339	\$ 4,567	\$ 1,054	\$ 1,134	\$ 323	\$ 343	\$ 5,715	\$ 6,044
Other Operating Revenue	191	165	155	176	46	49	391	390
Total Operating Revenue	\$ 4,530	\$ 4,732	\$ 1,208	\$ 1,310	\$ 369	\$ 392	\$ 6,107	\$ 6,434
Total Operating Expenses	\$ 3,945	\$ 4,327	\$ 1,130	\$ 1,210	\$ 356	\$ 369	\$ 5,430	\$ 5,906
Net Income for Continuing Operations	\$ 585	\$ 405	\$ 78	\$ 100	\$ 13	\$ 23	\$ 676	\$ 528
Operating Margin	12.9%	8.6%	6.5%	7.6%	3.6%	5.9%	11.1%	8.2%
Non-Operating Revenue (Expense)								
Investment Income (loss)/other	\$ 148	\$ 105	\$ 76	\$ 46	\$ 2	\$ 1	\$ 225	\$ 153
Enabling Transfers	(257)	(32)	-	-	-	-	(257)	(32)
Net Income	\$ 477	\$ 478	\$ 154	\$ 146	\$ 15	\$ 24	\$ 646	\$ 648
Net Margin	10.5%	10.1%	12.7%	11.2%	3.9%	6.1%	10.6%	10.1%

FINANCIAL FORECAST

\$ Values in Millions

Entity		Actual	Dec BOT Projection	Forecast	Budget	Plan				
		2025	2026	2026	2027	2027	2028	2029	2030	2031
Claire Blue Health	Total Net Income	18	29	14	24	37	34	27	23	16
	Total Margin %	5.9%	8.2%	3.9%	6.1%	10.0%	8.8%	7.1%	5.7%	4.0%
	Year End Cash & Investments	50	70	70	87	100	127	150	168	181
Royal Blue Health	Total Net Income	98	105	154	146	139	146	139	142	131
	Total Margin %	9.1%	9.2%	12.7%	11.2%	11.5%	11.8%	11.2%	11.2%	10.2%
	Year End Cash & Investments	595	669	669	780	768	885	1,005	1,128	1,250
UK HealthCare	Total Net Income	305	400	477	478	478	581	646	584	546
	Total Margin %	7.7%	9.4%	10.5%	10.1%	10.5%	12.1%	12.7%	11.2%	10.1%
	Year End Cash & Investments	2,339	2,185	2,542	2,119	1,937	1,973	2,376	2,847	3,236
Total Healthcare	Total Net Income	421	534	643	648	654	761	812	749	693
	Total Margin %	7.0%	9.4%	12.0%	10.1%	10.5%	12.1%	12.7%	11.2%	10.1%
	Year End Cash & Investments	2,984	2,924	2,924	2,986	2,805	2,985	3,531	4,143	4,667

Key Updates:

- Outperformance on Cash and Investment Income for FY2026
- Chandler Expansion Project Components with more after FY2029
- Supporting Projects and Infrastructure Projects for facilities (Enablers)
- Governmental payor headwinds influence future margins—starting in FY2028
- Total Healthcare Plan assumes margins are maintained in future years based on initiatives and improvements

PROJECT BLUE-CONNECT

QUESTIONS



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