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UNITED STATES DEPARTMENT OF JUSTICE OFFICE OF THE UNITED STATES TRUSTEE CENTRAL DISTRICT OF CALIFORNIA	ATTACH TO THE FRONT OF THE MONTHLY OPERATING REPORT AND SUBMIT TO UNITED STATES TRUSTEE
In re:	Case Number: 18-20151-ER (See Below)
VERITY HEALTH SYSTEM OF CALIFORNIA, INC, <i>et al.</i> , Debtors.	MONTHLY OPERATING REPORT DISBURSEMENT SUMMARY MOR NO. 17 FOR MONTH ENDING: January 2020

1. Total number of Debtor in Possession Bank Accounts for all Debtors.	76
2. TOTAL THIRD PARTY DISBURSEMENTS THIS PERIOD FROM ALL DEBTOR IN POSSESSION ACCOUNTS FOR ALL ENTITIES WITH BANK ACCOUNTS	\$94,083,139.27

The Debtors in the these chapter 11 cases, along with their case numbers are: Verity Health System of California, Inc. 18-20151-ER, O'Connor Hospital 18-20168-ER, Saint Louise Regional Hospital 18-20162-ER, St. Francis Medical Center 18-20165-ER, St. Vincent Medical Center 18-20164-ER, Seton Medical Center 18-20167-ER, O'Connor Hospital Foundation 18-20179-ER, Saint Louise Regional Hospital Foundation 18-20172-ER, St. Francis Medical Center of Lynwood Foundation 18-20178-ER, St. Vincent Foundation 18-20180-ER, St. Vincent Dialysis Center, Inc. 18-20171-ER Seton Medical Center Foundation 18-20175-ER, Verity Business Services 18-20173-ER, Verity Medical Foundation 18-20169-ER, Verity Holdings, LLC 18-20163-ER, DePaul Ventures, LLC 18-20176-ER, and DePaul Ventures - San Jose Dialysis, LLC 18-20181-ER.

Effective September 1, 2011

USTLA 16



182015120030200000000010

Verity Bank Account Summary
For the month ending 1/31/2020
\$ in 000's

Debtor	Case #	Beg Balance	Total Receipts	Operating				DIP Inflows ²	DIP Outflows ²	I/C Inflows	I/C Outflows	Ending Bank Balance	Total Transaction Count
				Disbursements	Sweep Inflows	Sweep Outflows							
Verity Health System of California, Inc.	18-20151	\$ 40,968	\$ 8,709	\$ (18,911)	\$ 60,333	\$ (250)	\$ -	\$ -	\$ 50,083	\$ (101,697)	\$ 39,235	576	
O'Connor Hospital	18-20168	686	212	(50)	212	(452)	-	-	55	(50)	613	171	
St. Louise Regional Hospital	18-20162	37,393	412	(8)	389	(811)	-	-	10	(25,050)	12,334	140	
St. Francis Medical Center	18-20165	9,704	24,155	(35,230)	23,887	(49,130)	-	-	54,377	(19,132)	8,631	2,940	
St. Vincent Medical Center	18-20164	5,638	13,000	(18,068)	13,113	(28,204)	-	-	30,591	(11,420)	4,651	2,085	
Salton Medical Center	18-20167	4,588	17,481	(17,927)	17,447	(35,520)	-	-	27,649	(9,711)	4,007	1,862	
O'Connor Hospital Foundation	18-20179	1,596	1	(0)	-	-	-	-	-	-	1,597	1	
St. Louise Regional Hospital Foundation	18-20172	321	0	(0)	-	-	-	-	-	-	322	2	
St. Francis Medical Center of Lynwood Foundation	18-20178	46	474	-	-	-	-	-	-	(498)	23	6	
St. Vincent Medical Center Foundation	18-20180	418	662	-	-	-	-	-	-	-	1,080	2	
St. Vincent Dialysis Center, Inc.	18-20171	2	178	-	-	(128)	-	-	-	-	51	19	
Seton Medical Center Foundation	18-20175	4,855	7	(0)	-	-	-	-	7	-	4,869	6	
Verity Business Services	18-20173	369	-	(2,195)	-	-	-	-	3,453	(1,078)	549	127	
Verity Medical Foundation	18-20169	3,140	241	(955)	-	(644)	-	-	1,302	-	3,084	241	
Verity Holdings, LLC	18-20163	16,102	272	(739)	-	(241)	-	-	1,110	-	16,505	112	
De Paul Ventures – San Jose Dialysis, LLC	18-20181	93	0	-	-	-	-	-	-	-	93	1	
Subtotal		\$ 125,920	\$ 65,805	\$ (94,083)	\$ 115,380	\$ (115,380)	\$ -	\$ -	\$ 168,638	\$ (168,638)	\$ 97,644	8,291	

Notes

1) In our monthly submissions, De Paul Ventures, LLC is not included above because it does not have a bank account.

2) Pursuant to the terms of the DIP loan agreement, which matured and was fully repaid in September 2019, Verity submitted its cash inflows to the Debtors' DIP Lender Ally Bank on a daily basis even when there was no DIP balance outstanding. When this occurred, Ally Bank returned the funds to Verity. Commencing in November 2018, when there was no DIP balance outstanding, funds flowed to Ally Bank from the VHS – DIP Concentration Account and were returned by Ally to the VHS – DIP Loan Proceeds account. Prior to the implementation of this cash management process, funds flowed to/ from Ally Bank through the VHS – AP account and such activity netted to zero to the extent funds were sent to and received from Ally Bank in the same month. The aggregate of the DIP Inflows and DIP Outflows columns above represent cumulative DIP borrowings and DIP repayments, respectively, for the period presented.

3) On September 6, 2019, the Court entered the Final Order (A) Authorizing Continued use of Cash Collateral, (B) Granting Adequate Protection, (C) Modifying Automatic Stay, and (D) Granting Related Relief [Docket No. 3022] (the "Supplemental Cash Collateral Order"). The Supplemental Cash Collateral Order authorized the Debtors to (i) use escrowed cash collateral from the OCH – Santa Clara Sale Proceeds bank account to pay all amounts due and payable in respect of the DIP Obligations (the "Payoff Amount"), and, (ii) use cash collateral, including cash collateral held in Santa Clara Sales Proceeds and the VMF Sale Proceeds accounts as specified in the cash collateral budget. In September 2019, the Debtors paid the Payoff Amount.

Verity Bank Account Summary
For the month ending 1/31/2020
\$ in 000's

Bank Account Name	Bank Account Number	Beg Balance	Total Receipts	Operating Disbursements	Sweep Inflows ¹	Sweep Outflows ¹	DIP Inflows ²	DIP Outflows ²	I/C Inflows	I/C Outflows	Ending Bank Balance	Total Transaction Count
VHS - AP	XXXXXX6440	855	\$ 4	\$ (17,222)	\$ -	\$ (0)	\$ -	\$ -	\$ 22,372	\$ (1,728)	\$ 4,281	266
VHS - Self Insurance	XXXXXX9250	(0)	260	-	-	(250)	-	-	-	-	11	28
VHS - Payroll	XXXXXX1785	382	-	(1,689)	-	-	-	-	1,728	-	421	26
VHS - DIP Concentration Account	XXXXXX2889	0	-	-	-	-	-	-	2	(2)	0	2
VHS - Disbursement Account	XXXXXX4358	8,500	8,416	-	60,333	-	-	-	25,982	(99,968)	3,263	252
VHS - Non Santa Clara Sale Proceeds ⁴	XXXXXX9100	30,504	28	-	-	-	-	-	-	-	30,532	1
VHS - Santa Clara Sale Proceeds ⁴	XXXXXX9087	728	1	-	-	-	-	-	-	-	728	1
OCH - Lockbox	XXXXXX2945	0	212	-	-	(212)	-	-	-	-	1	105
OCH - Gross Revenue	XXXXXX3900	75	-	-	212	(241)	-	-	-	-	46	42
OCH - AP	XXXXXX6389	299	0	(50)	-	-	-	-	55	(50)	254	24
OCH - Payroll	XXXXXX3007	312	-	-	-	-	-	-	-	-	312	-
OCH - FSA	XXXXXX2284	-	-	-	-	-	-	-	-	-	-	-
OCH - Patient Trust	XXXXXX2662	-	-	-	-	-	-	-	-	-	-	-
OCH - Santa Clara Sale Proceeds ⁴	XXXXXX9549	0	-	-	-	-	-	-	-	-	0	-
SLRH - Lockbox	XXXXXX2926	2	387	-	-	(389)	-	-	-	-	0	82
SLRH - Gross Revenue	XXXXXX3905	48	-	-	389	(422)	-	-	-	-	15	41
SLRH - AP	XXXXXX6421	135	-	(8)	-	-	-	-	10	(50)	86	14
SLRH - Payroll	XXXXXX7575	180	-	-	-	-	-	-	-	-	180	-
SLRH - FSA	XXXXXX2307	-	-	-	-	-	-	-	-	-	-	-
SLRH - Santa Clara Sale Proceeds ⁴	XXXXXX9563	37,028	25	-	-	-	-	-	-	(25,000)	12,053	3
SFMC - Lockbox	XXXXXX2940	384	24,121	-	-	(23,887)	-	-	-	-	618	466
SFMC - Gross Revenue	XXXXXX3924	2,101	-	-	23,887	(25,210)	-	-	-	-	777	42
SFMC - AP	XXXXXX6407	2,842	-	(15,781)	-	-	-	-	35,248	(19,132)	3,177	782
SFMC - Payroll	XXXXXX3012	977	-	(13,931)	-	-	-	-	13,805	-	850	401
SFMC - FSA	XXXXXX2487	-	-	-	-	-	-	-	-	-	-	-
SFMC - Cafeteria Deposits	XXXXXX1057	(0)	34	-	-	(32)	-	-	-	-	1	55
SFMC - Capitation (AppleCare)	XXXXXX1371	2,020	-	(3,986)	-	-	-	-	3,745	-	1,779	484
SFMC - Capitation (Conifer)	XXXXXX1357	762	-	(1,052)	-	-	-	-	1,139	-	849	466
SFMC - Capitation AC	XXXXXX1845	25	-	(7)	-	-	-	-	19	-	37	35
SFMC - Capitation HCLA	XXXXXX1840	542	-	(472)	-	-	-	-	422	-	491	207
SFMC - Career College	XXXXXX2162	51	0	-	-	-	-	-	-	-	52	1
SFMC - Sale Proceeds ⁴	XXXXXX0090	0	0	-	-	-	-	-	-	-	0	1
SVMC - Lockbox	XXXXXX2964	205	12,999	-	-	(13,113)	-	-	-	-	91	504
SVMC - Gross Revenue	XXXXXX3929	2,369	-	-	13,113	(15,091)	-	-	-	-	391	42
SVMC - AP	XXXXXX6426	959	-	(7,865)	-	-	-	-	20,051	(11,420)	1,726	570
SVMC - Payroll	XXXXXX3017	129	-	(9,892)	-	-	-	-	10,209	-	446	859
SVMC - FSA	XXXXXX2062	-	-	-	-	-	-	-	-	-	-	-
SVMC - Capitation (CHP)	XXXXXX0553	-	-	-	-	-	-	-	-	-	-	-
SVMC - Capitation (Conifer)	XXXXXX3695	719	-	(311)	-	-	-	-	331	-	739	109
SVMC - Restricted Cash ³	XXXXXX0989	1,256	1	-	-	-	-	-	-	-	1,257	1
SVMC - Sale Proceeds ⁴	XXXXXX0076	0	-	-	-	-	-	-	-	-	0	-
SMC - Lockbox	XXXXXX2902	26	17,203	-	-	(17,176)	-	-	-	-	54	626
SMC - Gross Revenue	XXXXXX3887	1,574	-	-	17,176	(17,782)	-	-	-	-	968	42
SMC - AP	XXXXXX6365	1,292	-	(8,355)	-	-	-	-	18,120	(9,711)	1,346	759
SMC - Payroll	XXXXXX3001	1,491	-	(9,404)	-	-	-	-	9,330	-	1,416	195
SMC - FSA	XXXXXX2289	-	-	-	-	-	-	-	-	-	-	-
SMCC - Lockbox	XXXXXX2907	1	271	-	-	(271)	-	-	-	-	0	86
SMCC - Gross Revenue	XXXXXX3882	65	-	-	271	(292)	-	-	-	-	45	42
SMCC - AP	XXXXXX6384	118	-	(167)	-	-	-	-	200	-	151	102
SMCC - FSA	XXXXXX2302	-	-	-	-	-	-	-	-	-	-	-
SMCC - Patient Trust	XXXXXX12907	22	7	(1)	-	-	-	-	-	-	28	10
OCH Foundation ³	XXXXXX3433	1,352	1	-	-	-	-	-	-	-	1,353	1
OCH Foundation - Investment ³	XXXXXX2-037	243	-	(0)	-	-	-	-	-	-	243	-
SLRH Foundation ³	XXXXXX2521	321	0	(0)	-	-	-	-	-	-	322	2
SFMC of Lynwood Foundation ³	XXXXXX2809	46	474	-	-	-	-	-	-	(498)	23	6
SVMC Foundation ³	XXXXXX3025	418	662	-	-	-	-	-	-	-	1,080	2
SVMC Foundation - EWB ³	XXXXXX1162	-	-	-	-	-	-	-	-	-	-	-
St. Vincent Dialysis Center	XXXXXX8921	2	178	-	-	(128)	-	-	-	-	51	19
SMC Foundation ³	XXXXXX2260	4,431	7	(0)	-	-	-	-	7	-	4,445	5
SMC Foundation - SVCS ³	XXXXXX0089	424	-	-	-	-	-	-	-	-	424	1
VBS - AP	XXXXXX6402	318	-	(1,105)	-	-	-	-	2,375	(1,078)	510	95
VBS - Payroll	XXXXXX2982	51	-	(1,090)	-	-	-	-	1,078	-	39	32
VBS - FSA	XXXXXX3192	-	-	-	-	-	-	-	-	-	-	-
VMF - Checking	XXXXXX9996	869	241	(955)	-	(644)	-	-	1,302	-	813	240
VMF - Payroll ZBA	XXXXXX0010	-	-	-	-	-	-	-	-	-	-	-
VMF - Sale Proceeds ⁴	XXXXXX2810	2,271	0	-	-	-	-	-	-	-	2,271	1
VH - AP	XXXXXX1597	158	-	(739)	-	-	-	-	1,110	-	529	79
VH - MOB	XXXXXX1248	11	258	-	-	(241)	-	-	-	-	28	32
VH - Operating	XXXXXX1970	-	-	-	-	-	-	-	-	-	-	-
VH - Savings	XXXXXX1975	-	-	-	-	-	-	-	-	-	-	-
VH - Santa Clara Sale Proceeds ⁴	XXXXXX9568	15,934	15	-	-	-	-	-	-	-	15,948	1
De Paul Ventures - San Jose Dialysis, LLC	XXXXXX2797	93	0	-	-	-	-	-	-	-	93	1
SMCC - Patient Trust - TCB	XXXXXX3611	-	-	-	-	-	-	-	-	-	-	-
SMC Foundation - TCB ³	XXXXXX8521	-	-	-	-	-	-	-	-	-	-	-
Subtotal		\$ 125,920	\$ 65,805	\$ (94,083)	\$ 115,380	\$ (115,380)	\$ -	\$ -	\$ 168,638	\$ (168,638)	\$ 97,644	8,291

Notes

1) Sweep inflows and outflows reflect sweeps between lockbox, gross revenue and AP accounts of the same debtor and, until September 7, 2019, between lockbox and the VHS - DIP Concentration Account. In addition, VMF - Checking receipts that were swept to the VHS - DIP Concentration Account are reflected in I/C Outflows for the VMF - Checking account. Beginning September 7, 2019, Cash receipts are swept to the VHS Disbursement Account (formerly the VHS DIP Loan Proceeds Account).

2) Pursuant to the terms of the DIP loan agreement, which matured and was fully repaid in September 2019, Verity submitted its cash inflows to the Debtors' DIP Lender Ally Bank on a daily basis even when there was no DIP balance outstanding. When this occurred, Ally Bank returned the funds to Verity. Commencing in November 2018, when there was no DIP balance outstanding, funds flowed to Ally Bank from the VHS - DIP Concentration Account and were returned by Ally to the VHS - DIP Loan Proceeds account. Prior to the implementation of this cash management process, funds flowed to Ally Bank through the VHS - AP account and such activity netted to zero to the extent funds were sent to and received from Ally Bank in the same month. The aggregate of the DIP Inflows and DIP Outflows columns above represent cumulative DIP borrowings and DIP repayments, respectively, for the period presented.

3) This bank account contains certain funds that are donor restricted, and therefore, are not available for the debtor's general operating activities. Please refer to the attached restricted funds schedule for additional restricted funds recorded by the debtors that are not included in the Verity bank account summary as they are not part of the cash management program.

4) The Final DIP Order provided that the Sale Proceeds, including any deposits, shall be held in escrow in one or more deposit accounts subject to a deposit account control agreement in favor of the DIP Agent (the "Escrow Deposit Account"). On September 6, 2019, the Court entered the Final Order (A) Authorizing Continued use of Cash Collateral, (B) Granting Adequate Protection, (C) Modifying Automatic Stay, and (D) Granting Related Relief [Docket No. 3022] (the "Supplemental Cash Collateral Order"). The Supplemental Cash Collateral Order authorized the Debtors to (i) use escrowed cash collateral from the OCH - Santa Clara Sale Proceeds bank account to pay all amounts due and payable in respect of the DIP Obligations (the "Payoff Amount"), and, (ii) use cash collateral, including cash collateral held in Santa Clara Sales Proceeds and the VMF Sale Proceeds accounts as specified in the cash collateral budget. In September 2019, the Debtors paid the Payoff Amount.

5) Pursuant to the Supplemental Cash Collateral Order, the VHS - DIP Loan Proceeds Account was renamed the "VHS Disbursement Account" upon funding of the Payoff Amount pursuant to the Supplemental Cash Collateral Order.

Verity Bank Account Summary

For Seventeen months ending 1/31/2020 (including 8/31/2018 activity)
\$ in 000's

Debtor Name ¹	Debtor Case #	Beg Balance	Total Receipts	Operating Disbursements	Sweep Inflows	Sweep Outflows	DIP Inflows ²	DIP Outflows ²	I/C Inflows	I/C Outflows	Ending Bank Balance	Total Transaction Count
Verity Health System of California, Inc.	18-20151	\$ 7,529	\$ 63,058	\$ (448,084)	\$ 1,019,820	\$ (5,364)	\$ 973,000	\$ (973,000)	\$ 1,140,154	\$ (1,737,878)	\$ 39,235	9,111
O'Connor Hospital	18-20168	8,981	286,282	(114,284)	205,064	(281,980)	-	-	143,170	(246,622)	613	15,820
St. Louise Regional Hospital	18-20162	3,978	114,001	(37,196)	64,984	(90,633)	-	-	47,945	(90,743)	12,334	10,403
St. Francis Medical Center	18-20165	10,077	744,949	(542,784)	604,947	(1,111,277)	-	-	806,770	(504,052)	8,631	40,993
St. Vincent Medical Center	18-20164	9,936	272,678	(288,606)	229,045	(410,142)	-	-	375,680	(183,940)	4,651	23,738
Seton Medical Center	18-20167	5,884	307,606	(277,050)	267,988	(476,538)	-	-	418,783	(242,666)	4,007	28,498
O'Connor Hospital Foundation	18-20179	1,714	107	(0)	-	-	-	-	-	(225)	1,597	68
St. Louise Regional Hospital Foundation	18-20172	720	55	(3)	-	-	-	-	-	(450)	322	55
St. Francis Medical Center of Lynwood Foundation	18-20178	780	5,203	-	-	-	-	-	-	(5,960)	23	116
St. Vincent Medical Center Foundation	18-20180	1,613	2,545	-	-	-	-	-	772	(3,851)	1,080	77
St. Vincent Dialysis Center, Inc.	18-20171	332	7,608	(7)	-	(6,557)	-	-	-	(1,325)	51	383
Seton Medical Center Foundation	18-20175	6,229	221	(109)	-	-	-	-	124	(1,597)	4,869	441
Verity Business Services	18-20173	1,003	8	(44,418)	-	-	-	-	68,591	(24,635)	549	1,824
Verity Medical Foundation	18-20169	4,493	59,319	(98,313)	-	(3,681)	-	-	122,906	(81,640)	3,084	26,916
Verity Holdings, LLC	18-20163	12,778	23,827	(15,112)	-	(5,676)	-	-	21,217	(20,529)	16,505	1,873
De Paul Ventures – San Jose Dialysis, LLC	18-20181	-	93	-	-	-	-	-	-	-	93	11
Subtotal		\$ 76,048	\$ 1,887,560	\$ (1,865,965)	\$ 2,391,847	\$ (2,391,847)	\$ 973,000	\$ (973,000)	\$ 3,146,113	\$ (3,146,113)	\$ 97,644	160,327

Notes

1) In our monthly submissions, De Paul Ventures, LLC is not included above because it does not have a bank account.

2) Pursuant to the terms of the DIP loan agreement, which matured and was fully repaid in September 2019, Verity submitted its cash inflows to the Debtors' DIP Lender Ally Bank on a daily basis even when there was no DIP balance outstanding. When this occurred, Ally Bank returned the funds to Verity. Commencing in November 2018, when there was no DIP balance outstanding, funds flowed to Ally Bank from the VHS – DIP Concentration Account and were returned by Ally to the VHS – DIP Loan Proceeds account. Prior to the implementation of this cash management process, funds flowed to/ from Ally Bank through the VHS – AP account and such activity netted to zero to the extent funds were sent to and received from Ally Bank in the same month. The aggregate of the DIP Inflows and DIP Outflows columns above represent cumulative DIP borrowings and DIP repayments, respectively, for the period presented.

3) On September 6, 2019, the Court entered the Final Order (A) Authorizing Continued use of Cash Collateral, (B) Granting Adequate Protection, (C) Modifying Automatic Stay, and (D) Granting Related Relief [Docket No. 3022] (the "Supplemental Cash Collateral Order"). The Supplemental Cash Collateral Order authorized the Debtors to (i) use escrowed cash collateral from the OCH – Santa Clara Sale Proceeds bank account to pay all amounts due and payable in respect of the DIP Obligations (the "Payoff Amount"), and, (ii) use cash collateral, including cash collateral held in Santa Clara Sales Proceeds and the VMF Sale Proceeds accounts as specified in the cash collateral budget. In September 2019, the Debtors paid the Payoff Amount.

Verity Bank Account Summary

For Seventeen months ending 1/31/2020 (including 8/31/2018 activity)
\$ in 000's

Bank Account Name	Bank Account Number	Beg Balance	Total Receipts	Operating Disbursements	Sweep Inflows ¹	Sweep Outflows ¹	DIP Inflows ²	DIP Outflows ²	I/C Inflows	I/C Outflows	Ending Bank Balance	Total Transaction Count
VHS - AP	XXXXXX6440	\$ 7,083	\$ 1,358	\$ (394,535)	\$ -	\$ (0)	\$ 40,000	\$ (236,134)	\$ 643,241	\$ (56,732)	\$ 4,281	4,967
VHS - Self Insurance	XXXXXX9250	200	6,215	-	-	(5,363)	-	-	-	(1,041)	11	153
VHS - Payroll	XXXXXX1785	246	-	(49,028)	-	-	-	-	49,203	-	421	473
VHS - DIP Concentration Account	XXXXXX2889	-	12,834	(3,998)	717,202	-	(933,172)	210,366	(3,232)	-	(0)	1,949
VHS - Disbursement Account	XXXXXX4358	-	11,392	(523)	302,618	-	933,000	196,306	237,343	(1,676,872)	3,263	1,543
VHS - Non Santa Clara Sale Proceeds ⁴	XXXXXX9100	-	30,532	-	-	-	-	-	-	-	30,532	13
VHS - Santa Clara Sale Proceeds ⁴	XXXXXX9087	-	727	-	-	-	-	-	1	-	728	13
OCH - Lockbox	XXXXXX2945	188	175,106	-	-	(175,293)	-	-	-	-	1	7,373
OCH - Gross Revenue	XXXXXX3900	1,962	-	-	104,763	(106,687)	-	-	7	-	46	368
OCH - AP	XXXXXX6389	6,499	0	(46,151)	100,301	-	-	-	74,705	(135,101)	254	5,213
OCH - Payroll	XXXXXX3007	207	-	(68,133)	-	-	-	-	68,238	-	312	2,828
OCH - FSA	XXXXXX2284	125	-	-	-	-	-	-	-	(125)	0	2
OCH - Patient Trust	XXXXXX2662	-	14	-	-	-	-	-	0	(14)	(0)	22
OCH - Santa Clara Sale Proceeds ⁴	XXXXXX9549	-	111,162	-	-	-	-	-	219	(111,382)	0	14
SLRH - Lockbox	XXXXXX2926	24	56,386	-	-	(56,410)	-	-	-	-	(0)	5,828
SLRH - Gross Revenue	XXXXXX3905	746	-	-	33,493	(34,224)	-	-	-	-	15	361
SLRH - AP	XXXXXX6421	3,047	1	(15,763)	31,491	-	-	-	26,357	(45,046)	86	3,080
SLRH - Payroll	XXXXXX7575	128	-	(21,433)	-	-	-	-	21,485	-	180	1,115
SLRH - FSA	XXXXXX2307	33	-	-	-	-	-	-	-	(33)	0	1
SLRH - Santa Clara Sale Proceeds ⁴	XXXXXX9563	-	57,614	-	-	-	-	-	103	(45,664)	12,053	18
SFMC - Lockbox	XXXXXX2940	357	731,802	-	-	(731,541)	-	-	-	-	618	7,419
SFMC - Gross Revenue	XXXXXX3924	903	-	-	379,206	(379,332)	-	-	-	-	777	361
SFMC - AP	XXXXXX6407	7,314	12	(202,549)	225,741	-	-	-	476,037	(503,378)	3,177	11,889
SFMC - Payroll	XXXXXX3012	589	3	(242,640)	-	-	-	-	242,900	-	850	6,266
SFMC - FSA	XXXXXX2487	198	-	-	-	-	-	-	-	(198)	0	1
SFMC - Cafeteria Deposits	XXXXXX1057	312	569	-	-	(404)	-	-	-	(475)	1	796
SFMC - Capitation (AppleCare)	XXXXXX1371	128	-	(64,770)	-	-	-	-	66,421	-	1,779	5,799
SFMC - Capitation (Conifer)	XXXXXX1357	156	2	(14,419)	-	-	-	-	15,110	-	849	5,816
SFMC - Capitation AC	XXXXXX1845	10	-	(414)	-	-	-	-	441	-	37	396
SFMC - Capitation HCLA	XXXXXX1840	75	33	(5,476)	-	-	-	-	5,860	-	491	2,130
SFMC - Career College	XXXXXX2162	37	18	(3)	-	-	-	-	-	-	52	107
SFMC - Sale Proceeds ⁴	XXXXXX0090	-	12,512	(12,512)	-	-	-	-	-	-	0	13
SVMC - Lockbox	XXXXXX2964	13	265,134	-	-	(265,056)	-	-	-	-	91	8,938
SVMC - Gross Revenue	XXXXXX3929	672	2	-	144,805	(145,087)	-	-	-	-	391	363
SVMC - AP	XXXXXX6426	6,943	1	(155,136)	84,240	-	-	-	249,234	(183,556)	1,726	9,223
SVMC - Payroll	XXXXXX3017	116	0	(119,129)	-	-	-	-	119,459	-	446	3,415
SVMC - FSA	XXXXXX2062	52	-	-	-	-	-	-	-	(52)	(0)	1
SVMC - Capitation (CHP)	XXXXXX0553	493	-	(161)	-	-	-	-	-	(332)	0	21
SVMC - Capitation (Conifer)	XXXXXX3695	417	4	(6,670)	-	-	-	-	6,987	-	739	1,750
SVMC - Restricted Cash ³	XXXXXX0989	1,230	28	-	-	-	-	-	-	-	1,257	17
SVMC - Sale Proceeds ⁴	XXXXXX0076	-	7,509	(7,509)	-	-	-	-	-	-	0	10
SMC - Lockbox	XXXXXX2902	14	303,618	-	-	(303,579)	-	-	-	-	54	10,374
SMC - Gross Revenue	XXXXXX3887	370	-	-	167,356	(166,759)	-	-	-	-	968	361
SMC - AP	XXXXXX6365	2,911	5	(108,275)	97,025	-	-	-	250,172	(240,492)	1,346	10,997
SMC - Payroll	XXXXXX3001	1,212	-	(165,864)	-	-	-	-	167,069	(1,000)	1,416	3,333
SMC - FSA	XXXXXX2289	117	1	-	-	-	-	-	-	(117)	(0)	2
SMCC - Lockbox	XXXXXX2907	2	3,935	-	-	(3,937)	-	-	-	-	0	1,377
SMCC - Gross Revenue	XXXXXX3882	54	-	-	2,255	(2,264)	-	-	-	-	45	361
SMCC - AP	XXXXXX6384	1,160	-	(2,866)	1,352	-	-	-	1,517	(1,013)	151	1,608
SMCC - FSA	XXXXXX2302	19	-	-	-	-	-	-	-	(19)	0	1
SMCC - Patient Trust	XXXXXX12907	-	48	(45)	-	-	-	-	25	-	28	82
OCH Foundation ³	XXXXXX3433	1,473	105	-	-	-	-	-	-	(225)	1,353	43
OCH Foundation - Investment ³	XXXXXX2-037	242	2	(0)	-	-	-	-	-	-	243	25
SLRH Foundation ³	XXXXXX2521	720	55	(3)	-	-	-	-	-	(450)	322	55
SFMC of Lynwood Foundation ³	XXXXXX2809	780	5,203	-	-	-	-	-	-	(5,960)	23	116
SVMC Foundation ³	XXXXXX3025	844	2,542	-	-	-	-	-	772	(3,079)	1,080	66
SVMC Foundation - EWB ³	XXXXXX1162	769	3	-	-	-	-	-	-	(772)	-	11
St. Vincent Dialysis Center	XXXXXX8921	332	7,608	(7)	-	(6,557)	-	-	-	(1,325)	51	383
SMC Foundation ³	XXXXXX2260	5,660	145	(5)	-	-	-	-	124	(1,480)	4,445	74
SMC Foundation - SVCS ³	XXXXXX0089	451	76	(104)	-	-	-	-	-	-	424	364
VBS - AP	XXXXXX6402	962	8	(19,832)	-	-	-	-	43,982	(24,609)	510	1,337
VBS - Payroll	XXXXXX2982	15	-	(24,586)	-	-	-	-	24,610	-	39	486
VBS - FSA	XXXXXX3192	26	-	-	-	-	-	-	-	(26)	0	1
VMF - Checking	XXXXXX8986	4,493	57,052	(98,292)	-	(3,681)	-	-	122,881	(81,640)	813	26,892
VMF - Payroll ZBA	XXXXXX0010	-	21	(21)	-	-	-	-	-	-	-	6
VMF - Sale Proceeds ⁴	XXXXXX2810	-	2,246	-	-	-	-	-	25	-	2,271	18
VH - AP	XXXXXX1597	1,106	1	(14,111)	-	-	-	-	17,538	(4,005)	529	1,311
VH - MOB	XXXXXX1248	1,108	7,902	(10)	-	(5,676)	-	-	8	(3,304)	28	525
VH - Operating	XXXXXX1970	8,321	-	(991)	-	-	-	-	3,645	(10,975)	0	14
VH - Savings	XXXXXX1975	2,243	1	-	-	-	-	-	-	(2,244)	0	10
VH - Santa Clara Sale Proceeds ⁴	XXXXXX9568	-	15,922	-	-	-	-	-	26	-	15,948	13
De Paul Ventures - San Jose Dialysis, LLC	XXXXXX2797	-	93	-	-	-	-	-	-	-	93	11
SMCC - Patient Trust - TCB	XXXXXX3611	24	-	-	-	-	-	-	-	(24)	0	2
SMC Foundation - TCB ³	XXXXXX8521	117	-	-	-	-	-	-	-	(117)	-	3
Subtotal		\$ 76,048	\$ 1,887,560	\$ (1,865,965)	\$ 2,391,847	\$ (2,391,847)	\$ 973,000	\$ (973,000)	\$ 3,146,113	\$ (3,146,113)	\$ 97,644	160,327

Notes

1) Sweep inflows and outflows reflect sweeps between lockbox, gross revenue and AP accounts of the same debtor and, until September 7, 2019, between lockbox and the VHS - DIP Concentration Account. In addition, VMF - Checking receipts that were swept to the VHS - DIP Concentration Account are reflected in I/C Outflows for the VMF - Checking account. Beginning September 7, 2019, Cash receipts are swept to the VHS Disbursement Account (formerly the VHS DIP Loan Proceeds Account).

2) Pursuant to the terms of the DIP loan agreement, which matured and was fully repaid in September 2019, Verity submitted its cash inflows to the Debtors' DIP Lender Ally Bank on a daily basis even when there was no DIP balance outstanding. When this occurred, Ally Bank returned the funds to Verity. Commencing in November 2018, when there was no DIP balance outstanding, funds flowed to Ally Bank from the VHS - DIP Concentration Account and were returned by Ally to the VHS - DIP Loan Proceeds account. Prior to the implementation of this cash management process, funds flowed to/ from Ally Bank through the VHS - AP account and such activity netted to zero to the extent funds were sent to and received from Ally Bank in the same month. The aggregate of the DIP Inflows and DIP Outflows columns above represent cumulative DIP borrowings and DIP repayments, respectively, for the period presented.

3) This bank account contains certain funds that are donor restricted, and therefore, are not available for the debtor's general operating activities. Please refer to the attached restricted funds schedule for additional restricted funds recorded by the debtors that are not included in the Verity bank account summary as they are not part of the cash management program.

4) The Final DIP Order provided that the Sale Proceeds, including any deposits, shall be held in escrow in one or more deposit accounts subject to a deposit account control agreement in favor of the DIP Agent (the "Escrow Deposit Account"). On September 6, 2019, the Court entered the Final Order (A) Authorizing Continued use of Cash Collateral, (B) Granting Adequate Protection, (C) Modifying Automatic Stay, and (D) Granting Related Relief [Docket No. 3022] (the "Supplemental Cash Collateral Order"). The Supplemental Cash Collateral Order authorized the Debtors to (i) use escrowed cash collateral from the OCH - Santa Clara Sale Proceeds bank account to pay all amounts due and payable in respect of the DIP Obligations (the "Payoff Amount"), and, (ii) use cash collateral, including cash collateral held in Santa Clara Sales Proceeds and the VMF Sale Proceeds accounts as specified in the cash collateral budget. In September 2019, the Debtors paid the Payoff Amount.

5) Pursuant to the Supplemental Cash Collateral Order, the VHS - DIP Loan Proceeds Account was renamed the "VHS Disbursement Account" upon funding of the Payoff Amount pursuant to the Supplemental Cash Collateral Order.

Verity Health System of California, Inc.
Bank Reconciliation Summary
January 31, 2020
\$ in 000's

Bank Account No. (last 4 digits)	VHS - AP / Self Insurance	VHS - Payroll	VHS - DIP Concentration Account	VHS - DIP Loan Proceeds	VHS - Santa Clara Sale Proceeds	VHS - Non Santa Clara Sale Proceeds	Debtor Total
	6440 / 9250	1785	2889	4358	9087	9100	
Balance Per Bank	\$ 4,291	\$ 421	\$ -	\$ 3,263	\$ 728	\$ 30,532	\$ 39,235
Additive Items:							
Deposits in Transit							-
Other Additive Items		0					0
Subtractive Items:							
Outstanding Checks	(2,271)	(64)					(2,336)
Other Subtractive Items							-
Reclassifications							
Negative book balance reclassified to AP							-
Petty Cash							-
Adjusted Bank Balance	2,020	356	-	3,263	728	30,532	36,900
GL Balance	\$ 2,020	\$ 356	\$ -	\$ 3,263	\$ 728	\$ 30,532	\$ 36,899
Number of Outstanding Checks	76	11					87

O'Connor Hospital
Bank Reconciliation Summary
January 31, 2020
\$ in 000's

Bank Account No. (last 4 digits)	OCH-Santa Clara Sale						Debtor Total
	OCH - AP	OCH - Payroll	OCH -Lockbox/GR	OCH - Patient Trust	Proceeds	Petty Cash Total	
	6389	3007	2945 / 3900	2662	9549	N/A	
Balance Per Bank	\$ 254	\$ 312	\$ 46	\$ -	\$ 0		\$ 613
Additive Items:							-
Deposits in Transit							-
Other Additive Items							-
Subtractive Items:							-
Outstanding Checks	(205)	(70)					(275)
Other Subtractive Items		20					20
Reclassifications							-
Reconciling item							-
Petty Cash							-
Adjusted Bank Balance	50	262	46	-	0	-	358
GL Balance	\$ 50	\$ 262	\$ 46	\$ -	\$ 0	\$ -	\$ 358
Number of Outstanding Checks	166	72					238

Saint Louise Regional Hospital
Bank Reconciliation Summary
January 31, 2020
\$ in 000's

Bank Account No. (last 4 digits)	SLRH-Santa Clara Sale					Debtor Total
	SLRH - AP	SLRH - Payroll	SLRH - Lockbox/GR	Proceeds	Petty Cash Total	
	6421	7575	2926 / 3905	9563	N/A	
Balance Per Bank	\$ 86	\$ 180	\$ 15	\$ 12,053		\$ 12,334
Additive Items:						-
Deposits in Transit						-
Other Additive Items		4				4
Subtractive Items:						-
Outstanding Checks	(37)	(14)				(51)
Other Subtractive Items						-
Reclassifications						-
Negative book balance reclassified to AP						-
Petty Cash						-
Adjusted Bank Balance	49	170	15	12,053	-	12,288
GL Balance	\$ 49	\$ 170	\$ 15	\$ 12,053	\$ -	\$ 12,288
Number of Outstanding Checks	115	16				131

St. Francis Medical Center
Bank Reconciliation Summary
January 31, 2020
\$ in 000's

Bank Account No. (last 4 digits)	SFMC - AP	SFMC - Payroll	SFMC - Lockbox/GR	SFMC - Capitation (Conifer)	SFMC - Capitation (AppleCare)	SFMC - Capitation HCLA / AC	SFMC - Career College	SFMC- Sale Proceeds	Petty Cash Total	Debtor Total
	6407	3012	2940 / 3924 / 1057	1357	1371	1840 / 1845	2162	0090	N/A	
Balance Per Bank	\$ 3,177	\$ 850	\$ 1,396	\$ 849	\$ 1,779	\$ 529	\$ 52	\$ 0		\$ 8,631
Additive Items:										
Deposits in Transit		7								7
Other Additive Items				3						3
Subtractive Items:										
Outstanding Checks	(1,244)	(267)		(2,035)	(3,560)	(490)				(7,596)
Other Subtractive Items			(660)							(660)
Reclassifications										
Negative book balance reclassified to AP				1,183	1,781					2,964
Petty Cash									3	3
Adjusted Bank Balance	1,932	591	736	(0)	-	38	52	0	3	3,353
GL Balance	\$ 1,932	\$ 591	\$ 736	\$ -	\$ -	\$ 38	\$ 52	\$ 0	\$ 3	\$ 3,353
Number of Outstanding Checks	274	299		900	259	124				1,856

St Vincent Medical Center
Bank Reconciliation Summary
January 31, 2020
\$ in 000's

Bank Account No. (last 4 digits)	SVMC - AP	SVMC - Payroll	SVMC - Lockbox/GR	SVMC - Capitation (Conifer)	SVMC - Capitation (CHP)	SVMC - Restricted Cash	SVMC - Sale Proceeds	Petty Cash Total	Debtor Total
	6426	3017	2964 / 3929	3695	0553	0989	0076	N/A	
Balance Per Bank	\$ 1,726	\$ 446	\$ 483	\$ 739	\$ -	\$ 1,257	\$ 0		\$ 4,651
Additive Items:									
Deposits in Transit									-
Other Additive Items		60							60
Subtractive Items:									
Outstanding Checks	(1,129)	(373)		(212)					(1,714)
Other Subtractive Items		(2)	(61)						(63)
Reclassifications									
Negative book balance reclassified to AP									-
Petty Cash								-	-
Adjusted Bank Balance	597	131	422	527	-	1,257	0	-	2,934
GL Balance	\$ 597	\$ 131	\$ 422	\$ 527	\$ -	\$ 1,257	\$ 0	\$ -	\$ 2,934
Number of Outstanding Checks	223	183		72					478

Seton Medical Center
Bank Reconciliation Summary
January 31, 2020
\$ in 000's

Bank Account No. (last 4 digits)	AP Disbursement	Payroll	Lockbox/GR	SMC- Sale Proceeds	Petty Cash Total	Debtor Total
	6365	3001	2902 / 3887	0071	N/A	
Balance Per Bank	\$ 1,346	\$ 1,416	\$ 1,021	\$ -		\$ 3,783
Additive Items:						-
Deposits in Transit						-
Other Additive Items		19				19
Subtractive Items:						-
Outstanding Checks	(1,027)	(183)				(1,210)
Other Subtractive Items			(56)			(56)
Reclassifications						-
Negative book balance reclassified to AP						-
Petty Cash					4	4
Adjusted Bank Balance	319	1,252	966	-	4	2,540
GL Balance	\$ 319	\$ 1,252	\$ 966	\$ -	\$ 4	\$ 2,540
Number of Outstanding Checks	656	116				772

Seton Medical Center Coastside
Bank Reconciliation Summary
January 31, 2020
\$ in 000's

Bank Account No. (last 4 digits)	SMCC -			Debtor Total
	AP Disbursement	Lockbox/GR	Patient Trust	
	6834	02907 / 3882	12907	
Balance Per Bank	\$ 151	\$ 45	\$ 28	\$ 224
Additive Items:				-
Deposits in Transit		4		4
Other Additive Items				-
Subtractive Items:				-
Outstanding Checks	(49)		(5)	(54)
Other Subtractive Items			(4)	(4)
Reclassifications				-
Negative book balance reclassified to AP				-
Petty Cash				-
Adjusted Bank Balance	102	49	19	170
GL Balance	\$ 102	\$ 49	\$ 19	\$ 170
Number of Outstanding Checks	62		6	68

O'Connor Hospital Foundation
Bank Reconciliation Summary
January 31, 2020
\$ in 000's

	OCH Foundation	OCH Foundation - Investment	Debtor Total
Bank Account No. (last 4 digits)	3433	2-037	
Balance Per Bank	\$ 1,353	\$ 243	\$ 1,597
Additive Items:			-
Deposits in Transit			-
Other Additive Items			-
Subtractive Items:			-
Outstanding Checks			-
Other Subtractive Items	(0)		(0)
Reclassifications			-
Negative book balance reclassified to AP			-
Petty Cash			-
Adjusted Bank Balance	1,353	243	1,596
GL Balance	\$ 1,353	\$ 243	\$ 1,597
Number of Outstanding Checks			-

Saint Louise Regional Hospital Foundation
Bank Reconciliation Summary
January 31, 2020
\$ in 000's

	Debtor Total
Bank Account No. (last 4 digits)	2521
Balance Per Bank	\$ 322
Additive Items:	
Deposits in Transit	
Other Additive Items	
Subtractive Items:	
Outstanding Checks	
Other Subtractive Items	
Reclassifications	
Negative book balance reclassified to AP	
Petty Cash	
Adjusted Bank Balance	322
GL Balance	\$ 322
Number of Outstanding Checks	

St. Francis Medical Center of Lynwood Foundation
Bank Reconciliation Summary
January 31, 2020
\$ in 000's

	Debtor Total
Bank Account No. (last 4 digits)	2809
Balance Per Bank	\$ 23
Additive Items:	
Deposits in Transit	0
Other Additive Items	
Subtractive Items:	
Outstanding Checks	
Other Subtractive Items	(1)
Reclassifications	
Negative book balance reclassified to AP	
Petty Cash	
Adjusted Bank Balance	22
GL Balance	\$ 22
Number of Outstanding Checks	

St Vincent Medical Center Foundation
 Bank Reconciliation Summary
 January 31, 2020
 \$ in 000's

	Debtor Total
Bank Account No. (last 4 digits)	3025
Balance Per Bank	\$ 1,080
Additive Items:	
Deposits in Transit	
Other Additive Items	
Subtractive Items:	
Outstanding Checks	
Other Subtractive Items	
Reclassifications	
Negative book balance reclassified to AP	
Petty Cash	
Adjusted Bank Balance	1,080
GL Balance	\$ 1,080
Number of Outstanding Checks	

St. Vincent Dialysis Center, Inc.
Bank Reconciliation Summary
January 31, 2020
\$ in 000's

	Debtor Total
Bank Account No. (last 4 digits)	8921
Balance Per Bank	\$ 51
Additive Items:	
Deposits in Transit	201
Other Additive Items	
Subtractive Items:	
Outstanding Checks	
Other Subtractive Items	
Reclassifications	
Negative book balance reclassified to AP	
Petty Cash	
Adjusted Bank Balance	252
GL Balance	\$ 252
Number of Outstanding Checks	

Seton Medical Center Foundation
Bank Reconciliation Summary
January 31, 2020
\$ in 000's

Bank Account No. (last 4 digits)	SMC Foundation		Debtor
	2260	SMC Foundation - SVCS 0089	Total
Balance Per Bank	\$ 4,445	\$ 424	\$ 4,869
Additive Items:			
Deposits in Transit			-
Other Additive Items			-
Subtractive Items:			
Outstanding Checks			-
Other Subtractive Items	(5)	(424)	(429)
Reclassifications			
Negative book balance reclassified to AP			-
Petty Cash			-
Adjusted Bank Balance	4,440	-	4,440
GL Balance	\$ 4,440	\$ -	\$ 4,440
Number of Outstanding Checks			-

Verity Business Services
Bank Reconciliation Summary
January 31, 2020
\$ in 000's

Bank Account No. (last 4 digits)	Debtor Total		
	AP Disbursement	Payroll	
	6402	2982	
Balance Per Bank	\$ 510	\$ 39	549
Additive Items:			-
Deposits in Transit			-
Other Additive Items			-
Subtractive Items:			-
Outstanding Checks	(212)	(6)	(217)
Other Subtractive Items			-
Reclassifications			-
Negative book balance reclassified to AP			-
Petty Cash			-
Adjusted Bank Balance	298	34	332
GL Balance	\$ 299	\$ 34	\$ 332
Number of Outstanding Checks	27	6	33

Verity Medical Foundation
Bank Reconciliation Summary
January 31, 2020
\$ in 000's

Bank Account No. (last 4 digits)	VMF - Checking	VMF - Sale Proceeds	Petty Cash	Debtor Total
	9996	2810	Total	Total
Balance Per Bank	\$ 813	\$ 2,271		\$ 3,084
Additive Items:				-
Deposits in Transit				-
Other Additive Items				-
Subtractive Items:				-
Outstanding Checks	(114)			(114)
Other Subtractive Items				-
Reclassifications				-
Negative book balance reclassified to AP				-
Petty Cash				-
Adjusted Bank Balance	699	2,271	-	2,970
GL Balance	\$ 699	\$ 2,271	\$ -	\$ 2,970
Number of Outstanding Checks	168			168

Verity Holdings, LLC
Bank Reconciliation Summary
January 31, 2020
\$ in 000's

Bank Account No. (last 4 digits)	AP Disbursement	MOB	VH- Santa Clara Sale Proceeds	VH-Sale Proceeds	Debtor Total
	1597	1248	9568	0151	
Balance Per Bank	\$ 529	\$ 28	\$ 15,948	\$ -	\$ 16,505
Additive Items:					-
Deposits in Transit					-
Other Additive Items					-
Subtractive Items:					-
Outstanding Checks	(37)				(37)
Other Subtractive Items					-
Reclassifications					-
Negative book balance reclassified to AP					-
Petty Cash					-
Adjusted Bank Balance	492	28	15,948	-	16,468
GL Balance	\$ 492	\$ 28	\$ 15,948	\$ -	\$ 16,468
Number of Outstanding Checks	14				14

De Paul Ventures - San Jose Dialysis, LLC
 Bank Reconciliation Summary
 January 31, 2020
 \$ in 000's

	De Paul Ventures – San Jose Dialysis, LLC
Bank Account No. (last 4 digits)	2797
Balance Per Bank	\$ 93
Additive Items:	
Deposits in Transit	
Other Additive Items	
Subtractive Items:	
Outstanding Checks	
Other Subtractive Items	
Reclassifications	
Negative book balance reclassified to AP	
Petty Cash	
Adjusted Bank Balance	93
GL Balance	\$ 93
Number of Outstanding Checks	

Verity Health System, Inc.
Notes on Bank Reconciliations
January 31, 2020

1. DePaul Ventures, LLC has no bank accounts. Therefore, there is no bank activity reported on the Verity Bank Account Summary or on the Verity Bank Account Cumulative Summary, and accordingly no bank reconciliations.
2. The following bank accounts were closed prior to the beginning of the reporting period and are not reported on the Bank Reconciliation Summary.

Account name	Last four of account #
SMC Foundation - TCB	#XXXXXX8521
SMCC - Patient Trust - TCB	#XXXXXX3611
OCH - FSA	#XXXXX12284
SLRH - FSA	#XXXXX12307
SMC - FSA	#XXXXX12289
SMCC - FSA	#XXXXX12302
SFMC - FSA	#XXXXX12487
SVMC - FSA	#XXXXX12062
VBS - FSA	#XXXXX13192
VH - Operating	#XXXXX11970
VH - Savings	#XXXXX11975
VMF - Payroll ZBA - Wells Fargo	#XXXXX20010
SVMC Foundation - EWB	#XXXXXX1162

3. The following bank accounts have had no activity and therefore bank and book balances were both zero at the end of the reporting period. These accounts are not reported on the Verity Bank Account Summary or on the Verity Bank Account Cumulative Summary.

Account name	Last four of account #
VH – Sale Proceeds	#XXXXXX0151
SMC – Sale Proceeds	#XXXXXX0071

Verity Health System, Inc.
Notes on Bank Reconciliations
January 31, 2020

4. On February 28, 2019 (the “Closing Date”), the Debtors’ asset sale to Santa Clara County (the “Santa Clara Sale Transaction”) closed and Santa Clara County wired the sale proceeds to Chicago Title Insurance Company (“Chicago Title”). As part of that transaction, operating disbursements were made by Chicago Title directly to third parties, on behalf of the Debtors that are party to the Santa Clara Sale Transaction (the “Chicago Title Disbursements”). In order to provide a full accounting of operating disbursements made by or on behalf of the Debtors in this Monthly Operating Report, the Chicago Title Disbursements are added to the operating disbursements reported in the Verity Bank Account Cumulative Summary for the reporting period and shown in the table below (\$ 000):

	Operating Disbursements for the reporting period		
	Chicago Title Disb.	Op. Disb. From page 4	Total
O'Connor Hospital	\$ 21,573	\$ 114,284	\$ 135,857
St. Louise Regional Hospital	5,528	37,196	42,724
Verity Holdings, LLC	269	15,112	15,381
Verity Health System of California, Inc.	88	448,084	448,172

5. Per the Santa Clara County asset purchase agreement (the “APA”) § 1.2 and 1.1.2, \$23.5 million of sale proceeds transferred by Santa Clara County were escrowed with Chicago Title as escrow agent, subject to reductions related to post-closing obligations and damages as described in APA § 15.2 (as reduced in accordance with APA § 15.2 , the “Escrow Amount”) . The APA provides that the Escrow Amount is security for the satisfaction of Sellers’ post-closing obligations and to offset Damages incurred by Santa Clara County as described in Section 15.2 of the APA. The APA provides that the Escrow Agent shall hold the Escrow Amount for a period of twelve months following the Closing Date, and the Escrow Agent shall disburse the same (along with any interest accrued thereon, as further described in the Escrow Agreement) upon the expiration of such twelve month period (subject to valid escrow claims) in accordance with the terms of the Escrow Agreement. The Debtors that are party to the Santa Clara Sales Transaction report the Escrow Amount as a receivable in the Consolidating Balance Sheet – Unaudited as of the end of the reporting period.

Verity Status of Payments to Secured Creditors, Lessors, And Other Parties to Executory Contracts

For the month ending 01/31/2020

\$ in 000's

#	Creditor, Lessor, Etc.	Frequency of Payments (Mo/Qtr)	Amount of Payment	Post-petition Payments Not Made (Number) ^(A)	Total Due Not Paid According to Postpetition Terms
Secured Debt Holders					
1	Wells Fargo - 2005 Bonds	Monthly	1,226	-	-
2	US Bank 2015 Notes	Monthly	1,044	-	-
3	Verity MOB Financing, LLC	Monthly	382	-	-
4	US Bank 2017 Notes	Monthly	254	-	-
	Subtotal		\$2,906	-	-
Top 20 Vendors					
1	Healthnow Administrative Services	Various	\$5,276	-	-
2	Transamerica	Various	5,186	-	-
3	Medline Industries, Inc.	Various	1,426	-	-
4	Cardinal Health	Various	1,140	-	-
5	Rightsourcing Inc	Various	991	-	-
6	Sodexo, Inc & Affiliates	Various	933	-	-
7	Medimpact Healthcare Systems, Inc.	Various	911	-	-
8	Shiftwise	Various	657	-	-
9	Sagewell Healthcare Benefits Trust	Various	562	-	-
10	Traditions Behavioral Health	Various	488	-	-
11	Medtronic USA Inc	Various	481	-	-
12	Boston Scientific Corp	Various	450	-	-
13	Totalmed Staffing, Inc.	Various	409	-	-
14	Nantworks LLC	Various	396	-	-
15	Los Angeles Department of Water and Power	Various	368	-	-
16	Delta Dental CA	Various	367	-	-
17	Eurofins Vrl Los Angeles LLC	Various	355	-	-
18	Kforce Inc and Subsidiaries	Various	329	-	-
19	Sysco Los Angeles Inc	Various	323	-	-
20	Onelegacy	Various	296	-	-
	Subtotal		\$21,344	-	-

Notes

A) See Notes after XI. Questionnaire.

Debtor	Account Used	Aggregate Insider Compensation Paid
Verity Health System of California, Inc.	XXXXXX1785	\$ 179,549
O'Connor Hospital	XXXXXX3007	\$ -
Saint Louise Regional Hospital	XXXXXX7575	\$ -
St. Francis Medical Center	XXXXXX3012	\$ 17,204
St. Vincent Medical Center	XXXXXX3017	\$ 46,140
Seton Medical Center	XXXXXX3001	\$ 51,263
O'Connor Hospital Foundation		-
Saint Louise Regional Hospital Foundation		-
St. Francis Medical Center of Lynwood Foundation		-
St. Vincent Foundation		-
St. Vincent Dialysis Center, Inc.		-
Seton Medical Center Foundation		-
Verity Business Services		-
Verity Medical Foundation	XXXXXX9996	\$ -
Verity Holdings, LLC		-
DePaul Ventures, LLC		-
DePaul Ventures - San Jose Dialysis, LLC		-
		\$ 294,156

VIII SCHEDULE OF OTHER AMOUNTS PAID TO INSIDERS

Debtor	Account Used	Aggregate Insider Other Amounts Paid (a)
Verity Health System of California, Inc.	XXXXXX6440	\$ -
O'Connor Hospital	XXXXXX6389	\$ -
Saint Louise Regional Hospital	XXXXXX6421	\$ -
St. Francis Medical Center	XXXXXX6407	\$ 66,500
St. Vincent Medical Center	XXXXXX6426	\$ 18,015
Seton Medical Center	XXXXXX6365	\$ 20,250
O'Connor Hospital Foundation		\$ -
Saint Louise Regional Hospital Foundation		\$ -
St. Francis Medical Center of Lynwood Foundation		\$ -
St. Vincent Foundation		\$ -
St. Vincent Dialysis Center, Inc.		\$ -
Seton Medical Center Foundation		\$ -
Verity Business Services		\$ -
Verity Medical Foundation		\$ -
Verity Holdings, LLC		\$ -
DePaul Ventures, LLC		\$ -
DePaul Ventures - San Jose Dialysis, LLC		\$ -
		\$ 104,765

(a) For the Hospital Debtors, amounts represent payments made by the Hospitals to physician board members associated with medical directorships and on-call coverage provided. Such payments are not associated with services provided as a board member.

O'Connor Hospital	Saint Louise Regional Hospital	St. Francis Medical Center	St. Vincent Medical Center	Seton Medical Center	Seton Medical Center Coastside (Seton Medical Center)	System Office (Verity Health System of CA, Inc.)	System Elimination - Obligated Group	Obligated Group Subtotal	Non-Debtor A	Verity Business Services	DePaul Ventures (Includes DePaul Ventures - San Jose Dialysis, LLC)	
ASSETS												
Current Assets:												
Cash and cash equivalents	\$ 358	\$ 235	\$ 3,353	\$ 1,677	\$ 2,540	\$ 170	\$ 5,639	\$ -	\$ 13,972	\$ 12,379	\$ 332	\$ 93
Net patient accounts receivable	-	-	60,812	19,380	33,151	4,363	-	-	117,706	-	-	-
Due from government agencies	-	-	1,685	3,697	2,241	-	-	-	7,623	-	-	-
Due from related organizations	13,486	4,922	425,580	16,474	16,584	48.50	561,889	(935,705)	103,278	-	73,783	3,467
Other current assets	28,822	10,666	41,863	20,532	17,298	373	9,753	-	129,307	1,906	377	-
Other restricted assets	-	12,053	-	-	-	-	31,260	-	43,313	-	-	-
Total Current Assets	42,666	27,876	533,293	61,760	71,813	4,954	608,541	(935,705)	415,198	14,285	74,492	3,560
Assets Limited As To Use:												
Other investments	-	-	-	3,160	-	-	20	-	3,180	39,919	-	-
Under bond indenture agreements	-	-	-	-	34,913	-	25,032	-	59,945	-	-	-
Total Assets Limited As To Use	-	-	-	3,160	34,913	-	25,052	-	63,125	39,919	-	-
Property And Equipment, Net	-	-	82,322	43,226	40,568	637	23,769	-	190,522	-	1,373	-
Other Long-Term Assets	-	-	83	-	62	-	772	-	917	-	-	37
Total Assets	\$ 42,666	\$ 27,876	\$ 615,698	\$ 108,146	\$ 147,356	\$ 5,591	\$ 658,134	\$ (935,705)	\$ 669,762	\$ 54,204	\$ 75,865	\$ 3,597
LIABILITIES AND NET (DEFICIT) ASSETS												
Current Liabilities:												
Accounts payable	\$ 14,838	\$ 3,734	\$ 17,819	\$ 23,705	\$ 15,868	\$ 541	\$ 15,886	\$ -	\$ 92,390	\$ 19	\$ 5,760	\$ -
Current portion of long-term debt, net of debt issuance costs	774	469	4,076	867	1,801	-	159,126	-	167,113	-	-	-
Due to government agencies	(365)	(111)	2,477	1,637	307	-	-	-	3,945	-	-	-
Accrued expenses and other current liabilities	18,747	6,629	94,881	24,622	44,850	1,576	167,312	-	358,616	10,844	2,539	-
Due to related organizations	149,679	24,820	18,339	387,267	264,775	29,170	237,762	(935,705)	176,106	-	66,042	2
Total Current Liabilities	183,672	35,541	137,592	438,097	327,601	31,286	580,086	(935,705)	798,169	10,863	74,341	2
Other Liabilities												
Pension and other long-term liabilities	49,672	5,807	96,941	75,942	2,531	27	48,514	-	279,434	34,310	-	-
Total Other Liabilities	49,672	5,807	96,941	75,942	2,531	27	48,514	-	279,434	34,310	-	-
Long-Term Debt, Net Of Current Portion And Debt Issuance Costs												
	47,507	28,776	63,436	53,181	96,158	-	44,028	-	333,086	-	-	-
Total Liabilities	280,851	70,124	297,969	567,220	426,290	31,313	672,628	(935,705)	1,410,690	45,173	74,341	2
NET (DEFICIT) ASSETS:												
Unrestricted	(238,185)	(42,248)	317,729	(462,433)	(278,934)	(25,722)	(14,494)	-	(744,287)	9,031	1,524	3,595
Temporarily restricted	-	-	-	523	-	-	-	-	523	-	-	-
Permanently restricted	-	-	-	2,836	-	-	-	-	2,836	-	-	-
Total Net (Deficit) Assets	(238,185)	(42,248)	317,729	(459,074)	(278,934)	(25,722)	(14,494)	-	(740,928)	9,031	1,524	3,595
Total Liabilities And Net (Deficit) Assets	\$ 42,666	\$ 27,876	\$ 615,698	\$ 108,146	\$ 147,356	\$ 5,591	\$ 658,134	\$ (935,705)	\$ 669,762	\$ 54,204	\$ 75,865	\$ 3,597

	St. Vincent Dialysis Center Inc.	Verity Medical Foundation	O'Connor Hospital Foundation	Seton Medical Center Foundation	St. Francis Medical Center of Lynwood Foundation	Saint Louise Regional Hospital Foundation	St. Vincent Foundation	Verity Holdings, LLC	Non-Debtor B	System Elimination - Non Obligated Group	Verity Total
ASSETS											
Current Assets:											
Cash and cash equivalents	\$ 252	\$ 699	\$ 357	\$ 34	\$ 21	\$ 21	\$ 81	\$ 520	\$ 15	\$ -	\$ 28,776
Net patient accounts receivable	427	-	-	-	-	-	-	-	-	-	118,133
Due from government agencies	-	-	-	-	-	-	-	-	-	-	7,623
Due from related organizations	10,109	3,103	1	7	4	5	12,517	73,110	-	(279,384)	-
Other current assets	15	636	-	-	483	-	971	2,010	-	(1,085)	134,619
Other restricted assets	-	2,271	-	-	-	-	-	15,948	-	-	61,532
Total Current Assets	10,803	6,709	358	41	508	26	13,569	91,588	15	(280,469)	350,682
Assets Limited As To Use:											
Other investments	-	-	1,240	4,406	1	301	3,304	-	-	-	52,350
Under bond indenture agreements	-	-	-	-	-	-	-	-	-	-	59,945
Total Assets Limited As To Use	-	-	1,240	4,406	1	301	3,304	-	-	-	112,295
Property And Equipment, Net	174	203	-	-	-	-	-	13,746	-	-	206,018
Other Long-Term Assets	-	480	-	-	-	-	673	1,015	-	(1,723)	1,398
Total Assets	\$ 10,977	\$ 7,392	\$ 1,598	\$ 4,447	\$ 509	\$ 327	\$ 17,545	\$ 106,349	\$ 15	\$ (282,192)	\$ 670,393
LIABILITIES AND NET (DEFICIT) ASSETS											
Current Liabilities:											
Accounts payable	\$ -	\$ 280	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,028	\$ -	\$ -	\$ 99,477
Current portion of long-term debt, net of debt issuance costs	-	-	-	-	-	-	-	-	-	-	167,113
Due to government agencies	-	-	-	-	-	-	-	-	-	-	3,945
Accrued expenses and other current liabilities	25	5,511	-	3	5	-	5	3,588	-	(2,808)	378,327
Due to related organizations	15,043	-	7,344	733	8,745	5,095	903	(629)	-	(279,384)	-
Total Current Liabilities	15,068	5,791	7,344	736	8,750	5,095	908	3,987	-	(282,192)	648,860
Other Liabilities											
Pension and other long-term liabilities	-	7,800	71	-	-	-	104	20,460	-	-	342,179
Total Other Liabilities	-	7,800	71	-	-	-	104	20,460	-	-	342,179
Long-Term Debt, Net Of Current Portion And Debt Issuance Costs	-	-	-	-	-	-	-	105,848	-	-	438,934
Total Liabilities	15,068	13,590	7,415	736	8,750	5,095	1,012	130,295	-	(282,192)	1,429,973
NET (DEFICIT) ASSETS:											
Unrestricted	(4,091)	(6,199)	(6,966)	(692)	(8,725)	(5,070)	11,416	(23,946)	15	-	(774,396)
Temporarily restricted	-	-	815	1,686	484	302	2,666	-	-	-	6,476
Permanently restricted	-	-	335	2,718	-	-	2,452	-	-	-	8,340
Total Net (Deficit) Assets	(4,091)	(6,199)	(5,817)	3,711	(8,241)	(4,768)	16,534	(23,946)	15	-	(759,580)
Total Liabilities And Net (Deficit) Assets	\$ 10,977	\$ 7,392	\$ 1,598	\$ 4,447	\$ 509	\$ 327	\$ 17,545	\$ 106,349	\$ 15	\$ (282,192)	\$ 670,393

	O'Connor Hospital	Saint Louise Regional Hospital	St. Francis Medical Center	St. Vincent Medical Center	Seton Medical Center	Seton Medical Center Coastside (Seton Medical Center)	System Office (Verity Health System of CA, Inc.)	System Elimination - Obligated Group	Obligated Group Subtotal	Non-Debtor A	Verity Business Services	DePaul Ventures (Includes DePaul Ventures - San Jose Dialysis, LLC)
UNRESTRICTED REVENUES AND OTHER SUPPORT:												
Net patient service revenue	\$ (719)	\$ (3)	\$ 22,890	\$ 3,891	\$ 14,781	\$ 2,028	\$ -	\$ (1,466)	\$ 41,402	\$ -	\$ -	\$ -
Provision for doubtful accounts	931	388	(1,294)	3	(198)	(23)	-	-	(193)	-	-	-
Net patient service revenue less provision for doubtful accounts	212	385	21,596	3,894	14,583	2,005	-	(1,466)	41,209	-	-	-
Premium revenue	-	-	9,934	639	-	-	-	(88)	10,485	-	-	-
Other revenue	5	-	251	16	130	24	9,263	(9,263)	426	427	2,452	-
Contributions	-	-	515	-	(7)	-	-	-	508	-	-	-
Total Unrestricted Revenues And Other Support	217	385	32,296	4,549	14,706	2,029	9,263	(10,817)	52,628	427	2,452	-
EXPENSES:												
Salaries and benefits	695	205	22,067	7,955	13,528	1,577	2,200	(1,466)	46,761	-	1,921	-
Supplies	-	-	3,244	684	1,999	168	4	-	6,099	-	17	-
Purchased services, medical claims and other	24	8	17,672	5,891	4,480	394	2,476	(5,927)	25,018	539	478	-
Depreciation and amortization	-	-	633	417	362	9	43	-	1,464	-	20	-
Interest, net	229	139	322	247	437	-	1,311	-	2,685	-	1	-
Total Expenses	948	352	43,938	15,194	20,806	2,148	6,034	(7,393)	82,027	539	2,437	-
Operating (Loss) Income	(731)	33	(11,642)	(10,645)	(6,100)	(119)	3,229	(3,424)	(29,399)	(112)	15	-
Investment Income (Loss)	72	58	1	-	37	-	196	-	364	37	-	-
Gain (Loss) on Hospital Sales	-	-	-	-	-	-	-	-	-	-	-	-
Reorganization Items	(4)	(4)	1,693	961	951	85	3,425	(3,425)	3,682	-	16	-
Excess (Deficit) Of Revenues Over Expenses	\$ (655)	\$ 95	\$ (13,334)	\$ (11,606)	\$ (7,014)	\$ (204)	\$ -	\$ 1	\$ (32,717)	\$ (75)	\$ (1)	\$ -

	St. Vincent Dialysis Center Inc.	Verity Medical Foundation	O'Connor Hospital Foundation	Seton Medical Center Foundation	St. Francis Medical Center of Lynwood Foundation	Saint Louise Regional Hospital Foundation	St. Vincent Foundation	Verity Holdings, LLC	Non-Debtor B	System Elimination - Non Obligated Group	Verity Total
UNRESTRICTED REVENUES AND OTHER SUPPORT:											
Net patient service revenue	\$ 184	\$ 223	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (36)	\$ 41,773
Provision for doubtful accounts	(10)	-	-	-	-	-	-	-	-	-	(203)
Net patient service revenue less provision for doubtful accounts	174	223	-	-	-	-	-	-	-	(36)	41,570
Premium revenue	-	-	-	-	-	-	-	-	-	-	10,485
Other revenue	-	-	-	-	-	-	-	805	-	(3,532)	578
Contributions	-	-	-	-	(2)	-	35	-	-	-	541
Total Unrestricted Revenues And Other Support	174	223	-	-	(2)	-	35	805	-	(3,568)	53,174
EXPENSES:											
Salaries and benefits	217	83	-	-	-	-	-	-	-	(37)	48,945
Supplies	58	2	-	-	-	-	-	4	-	-	6,180
Purchased services, medical claims and other	44	339	-	-	-	-	5	845	-	(3,515)	23,753
Depreciation and amortization	2	6	-	1	1	-	1	39	-	-	1,534
Interest, net	-	-	-	-	-	-	-	675	-	-	3,361
Total Expenses	321	430	-	1	1	-	6	1,563	-	(3,552)	83,773
Operating (Loss) Income	(147)	(207)	-	(1)	(3)	-	29	(758)	-	(16)	(30,599)
Investment Income (Loss)	-	-	1	2	-	-	2	23	-	-	429
Gain (Loss) on Hospital Sales	-	-	-	-	-	-	-	-	-	-	-
Reorganization Items	-	25	-	-	-	-	-	18	-	(16)	3,725
Excess (Deficit) Of Revenues Over Expenses	\$ (147)	\$ (232)	\$ 1	\$ 1	\$ (3)	\$ -	\$ 31	\$ (753)	\$ -	\$ -	\$ (33,895)

	O'Connor Hospital	Saint Louise Regional Hospital	St. Francis Medical Center	St. Vincent Medical Center	Seton Medical Center	Seton Medical Center Coastside (Seton Medical Center)	System Office (Verity Health System of CA, Inc.)	System Elimination - Obligated Group	Obligated Group Subtotal	Non-Debtor A	Verity Business Services	DePaul Ventures (Includes DePaul Ventures - San Jose Dialysis, LLC)
UNRESTRICTED REVENUES AND OTHER SUPPORT:												
Net patient service revenue	\$ 120,455	\$ 39,070	\$ 537,207	\$ 231,461	\$ 282,949	\$ 30,808	\$ -	\$ (23,051)	\$ 1,218,899	\$ -	\$ -	\$ -
Provision for doubtful accounts	1,656	140	(8,319)	(4,391)	(12,308)	(506)	-	-	(23,728)	-	-	-
Net patient service revenue less provision for doubtful accounts	122,111	39,210	528,888	227,070	270,641	30,302	-	(23,051)	1,195,171	-	-	-
Premium revenue	-	-	150,092	21,483	-	-	-	(1,740)	169,835	-	-	-
Other revenue	2,327	100	4,253	2,818	1,874	700	209,484	(200,753)	20,803	16,634	50,226	-
Contributions	82	31	5,852	1,734	181	-	-	-	7,880	-	-	-
Total Unrestricted Revenues And Other Support	124,520	39,341	689,085	253,105	272,696	31,002	209,484	(225,544)	1,393,689	16,634	50,226	-
EXPENSES:												
Salaries and benefits	89,464	31,342	334,969	159,454	216,269	25,056	61,146	(23,051)	894,649	-	37,106	-
Supplies	18,044	3,851	61,036	54,524	37,822	2,831	145	-	178,253	-	313	-
Purchased services, medical claims and other	50,983	16,579	284,770	131,897	92,983	6,827	49,804	(132,183)	501,660	17,904	11,977	(76)
Depreciation and amortization	3,005	868	11,566	8,269	7,125	178	716	-	31,727	-	381	-
Interest, net	3,673	2,350	5,392	3,944	7,582	-	31,727	-	54,668	-	3	-
Total Expenses	165,169	54,990	697,733	358,088	361,781	34,892	143,538	(155,234)	1,660,957	17,904	49,780	(76)
Operating (Loss) Income	(40,649)	(15,649)	(8,648)	(104,983)	(89,085)	(3,890)	65,946	(70,310)	(267,268)	(1,270)	446	76
Investment Income (Loss)	1,240	884	6	-	579	-	4,364	-	7,073	779	-	-
Gain (Loss) on Hospital Sales	109,700	51,946	-	-	-	-	674	-	162,320	-	-	-
Reorganization Items	5,999	2,057	30,807	18,540	17,301	1,597	70,310	(70,310)	76,301	-	446	1
Excess (Deficit) Of Revenues Over Expenses	\$ 64,292	\$ 35,124	\$ (39,449)	\$ (123,523)	\$ (105,807)	\$ (5,487)	\$ 674	\$ -	\$ (174,176)	\$ (491)	\$ -	\$ 75

	St. Vincent Dialysis Center Inc.	Verity Medical Foundation	O'Connor Hospital Foundation	Seton Medical Center Foundation	St. Francis Medical Center of Lynwood Foundation	Saint Louise Regional Hospital Foundation	St. Vincent Foundation	Verity Holdings, LLC	Non-Debtor B	System Elimination - Non Obligated Group	Verity Total
UNRESTRICTED REVENUES AND OTHER SUPPORT:											
Net patient service revenue	\$ 6,593	\$ 32,115	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,612)	\$ 1,254,995
Provision for doubtful accounts	550	(1,609)	-	-	-	-	-	-	-	-	(24,787)
Net patient service revenue less provision for doubtful accounts	7,143	30,506	-	-	-	-	-	-	-	(2,612)	1,230,208
Premium revenue	-	10,765	-	-	-	-	-	-	-	-	180,600
Other revenue	-	11,581	-	-	-	-	-	18,274	-	(87,073)	30,445
Contributions	-	-	5	125	154	(1)	545	1,800	-	-	10,508
Total Unrestricted Revenues And Other Support	7,143	52,852	5	125	154	(1)	545	20,074	-	(89,685)	1,451,761
EXPENSES:											
Salaries and benefits	4,368	28,539	94	143	417	69	195	(9)	-	(11,217)	954,354
Supplies	2,218	10,618	-	(5)	-	-	-	80	-	-	191,477
Purchased services, medical claims and other	776	64,998	6	(7)	42	28	53	17,652	-	(78,026)	536,987
Depreciation and amortization	34	1,638	-	11	11	-	11	896	-	-	34,709
Interest, net	-	11	-	-	-	-	-	11,844	-	-	66,526
Total Expenses	7,396	105,804	100	142	470	97	259	30,463	-	(89,243)	1,784,053
Operating (Loss) Income	(253)	(52,952)	(95)	(17)	(316)	(98)	286	(10,389)	-	(442)	(332,292)
Investment Income (Loss)	3	-	29	82	13	8	35	748	-	-	8,770
Gain (Loss) on Hospital Sales	-	(129)	-	-	-	-	-	13,203	-	-	175,394
Reorganization Items	-	789	3	4	3	3	3	161	-	(444)	77,270
Excess (Deficit) Of Revenues Over Expenses	\$ (250)	\$ (53,870)	\$ (69)	\$ 61	\$ (306)	\$ (93)	\$ 318	\$ 3,401	\$ -	\$ 2	\$ (225,398)

- | | | |
|--|--------------|---------------|
| | No | Yes |
| 1. Has the debtor-in-possession made any payments on its pre-petition unsecured debt, except as have been authorized by the court? If "Yes", explain below: | <u> x </u> | <u> </u> |
| <hr/> | | |
| | No | Yes |
| 2. Has the debtor-in-possession during this reporting period provided compensation or remuneration to any officers, directors, principals, or other insiders without appropriate authorization? If "Yes", explain below: | <u> x </u> | <u> </u> |
| <hr/> | | |
| 3. State what progress was made during the reporting period toward filing a plan of reorganization: | | |
| <p>Strategic Global Management, Inc. ("SGM") did not close the sale of the Debtors' remaining hospitals on December 5, 2019, notwithstanding the Court's orders [Docket Nos. 3633 & 3724]. On January 3, 2020, the Debtors filed a notice [Docket No. 3899] concerning termination of the SGM asset purchase agreement effective as of December 27, 2019, and initiated an adversary proceeding, Adv. No. 20-1001, (the "Adversary Proceeding") by filing a complaint for recovery of damages from SGM [Docket No. 3901]. On January 6, 2020, the Debtors filed an emergency motion [Docket No. 3906] to close St. Vincent Medical Center and St. Vincent Dialysis Center, Inc., in part, because of the hospital's ongoing economic losses and the Debtors' need to have sufficient cash on hand for the orderly closure of the hospital. On January 9, 2020, the Court entered a memorandum decision [Docket No. 3933] and order [Docket No. 3934] granting the closure motion. The Debtors have since obtained orders [Docket Nos. 4009, 4010, 4011, 4027] authorizing the rejection of certain agreements related to St. Vincent. The Debtors moved [Docket No. 3887] to extend the exclusive deadlines to file a plan to March 2, 2020 and solicit acceptances to April 30, 2020, and obtained an order [Docket No. 3980] extending the deadline to assume or reject unexpired leases to March 23, 2020. On January 31, 2020, the Debtors filed a stipulation [Docket No. 4019] with their prepetition secured creditors to extend consensual use of cash collateral through February 29, 2020. On January 31, 2020, the Court entered a final order [Docket No. 4028] approving the stipulation.</p> | | |
| 4. Describe potential future developments which may have a significant impact on the case: | | |
| <p>The closing of the sale of the Debtors' remaining Hospitals and other assets will have a significant impact on these cases, particularly the Attorney General review of the sale of the remaining Hospitals.</p> | | |
| <hr/> | | |
| 5. Attach copies of all Orders granting relief from the automatic stay that were entered during the reporting period. | | |
| <p><u>Attached</u></p> | | |
| | No | Yes |
| 6. Did you receive any exempt income this month, which is not set forth in the operating report? If "Yes", please set forth the amounts and sources of the income below. | <u> x </u> | <u> </u> |
| <hr/> | | |
| I, Rich Adcock, declare under penalty of perjury that I have fully read and understood the foregoing debtor-in-possession operating report and that the information contained herein is true and complete to the best of my knowledge. | | |



Date

Principal for debtor-in-possession

Notes

Creditor, Lessor, Etc. Not Paid According to Postpetition Terms	Frequency of Payments (Mo/Qtr)	Post-Petition payments not made (Number)	Total Due not paid according to postpetition terms	Explanation
None	n/a	-	-	n/a
TOTAL DUE:			0.00	

VI. UNITED STATES TRUSTEE QUARTERLY FEES
(TOTAL PAYMENTS - 1st QUARTERLY PERIOD)

Quarterly Period Ending (Date)	Debtor	Total Disbursements	Quarterly Fees	Date Paid	Amount Paid	Quarterly Fees Still Owing
		\$ -	\$ -		\$ -	\$ -

#	Insurance Coverage	Carrier	First Named Insured	Policy Period	Policy Number	Limits of Liability	Premium Paid Through (Date)
1	Storage Tank Liability	ACE American Insurance Company (Chubb)	O'Connor Hospital	6/30/2018-2/28/2022	G24668538 010	\$1,000,000 Per Storage Tank Incident \$2,000,000 Aggregate for ASTs \$2,000,000 Aggregate for USTs \$4,000,000 Aggregate Limit of Liability for All Storage Tank Incidents \$2,000,000 Aggregate Limit of Liability for Legal Defense Expenses \$6,000,000 Policy Aggregate	2/28/2022
2	Commercial Property	American Guarantee and Liability Insurance Company (Zurich)	Verity Health System of California, Inc.	7/1/2019-7/1/2020	ZMD7067455-01	\$1,000,000,000 Loss Limit	7/1/2020
3	Workers' Compensation and Employers Liability	State Compensation Insurance Fund	Verity Health System of California, Inc.	1/1/2020-1/1/2021	9266464	Workers' Compensation & Employers Liability \$1,000,000 Bodily Injury by Accident - Each Accident \$1,000,000 Bodily Injury by Disease - Policy Limit \$1,000,000 Bodily Injury by Disease - Each Employee	2/28/2020
4	Storage Tank Liability (Consolidated)	ACE American Insurance Company (Chubb)	St. Vincent Medical Center Seton Medical Center; Verity Holdings, LLC	10/1/2019-10/1/2020	UST G71182654 002	\$1,000,000 Per Storage Tank Incident \$2,000,000 Aggregate Limit of Liability for All Storage Tank Incidents \$1,000,000 Aggregate Limit of Liability for Legal Defense Expenses \$3,000,000 Policy Aggregate	10/1/2020
5	Commercial Automobile	National Union Fire Insurance Company of Pittsburgh, PA (AIG)	Verity Health System of California, Inc.	10/1/2019-10/1/2020	CA 087 15 98	\$1,000,000 Combined Single Limit	10/1/2020
6	Helipad Liability & Non-Owned Aircraft Liability	ACE Property and Casualty Insurance Company (Chubb)	Verity Health System of California, Inc.	10/1/2019-10/1/2020	AAP N17935550 002	\$10,000,000 Each Occurrence \$10,000,000 Products-Completed Operations Aggregate \$10,000,000 Personal Injury and Advertising Injury Aggregate \$10,000,000 Hangarkeepers Any One Occurrence \$10,000,000 Hangarkeepers Any One Aircraft \$10,000,000 Non-Owned Aircraft Liability Any One Occurrence	10/1/2020
7	Sexual Misconduct and Molestation Liability	Lloyds of London (Beazley Syndicates #2623/#623)	St. Francis Medical Center (Children's Counseling Center Agreement)	10/1/2019-10/1/2020	GLOPR1901815	\$2,000,000 Any One Victim and in the Aggregate	10/1/2020
8	D&O Liability, Employment Practices Liability, Fiduciary Liability, Crime Primary Layer	National Union Fire Insurance Company of Pittsburgh, PA (AIG)	Verity Health System of California, Inc.	10/1/2017-10/1/2018 (Extended to 10/1/2019) (Extended to 1/1/2020) (Extended to 2/1/20)	02-359-65-60	\$10,000,000 D&O Liability and EPL (Shared) \$10,000,000 Fiduciary Liability \$10,000,000 Crime \$20,000,000 Policy Aggregate	2/1/2020
9	D&O Liability and Employment Practices Liability 1st Excess Layer	Endurance Risk Solutions Assurance Company	Verity Health System of California, Inc.	10/1/2017-10/1/2018 (Extended to 10/1/2019) (Extended to 1/1/2020) (Extended to 2/1/20)	BLX10008286901	\$10,000,000 Excess of \$10,000,000	2/1/2020
10	D&O Liability Only 2nd Excess Layer	Argonaut Insurance Company (ARGO Group)	Verity Health System of California, Inc.	10/1/2017-10/1/2018 (Extended to 10/1/2019) (Extended to 1/1/2020) (Extended to 2/1/20)	MLX 7602088-01	\$10,000,000 Excess of \$20,000,000 (D&O Liability Only)	2/1/2020
11	Excess Side A D&O Liability	National Union Fire Insurance Company of Pittsburgh, PA	Verity Health System of California, Inc.	10/1/2017-10/1/2018 (Extended to 10/1/2019) (Extended to 1/1/2020) (Extended to 2/1/20)	02-306-61-90	\$2,000,000 Excess of \$30,000,000	2/1/2020

#	Insurance Coverage	Carrier	First Named Insured	Policy Period	Policy Number	Limits of Liability	Premium Paid Through (Date)
12	Punitive Damages Wrap Primary Layer	American International Reinsurance Company, Ltd.	Verity Health System of California, Inc.	10/1/2017-10/1/2018 (Extended to 10/1/2019) (Extended to 1/1/2020) (Extended to 2/1/20)	24542026	\$10,000,000 Each Occurrence \$10,000,000 Aggregate	2/1/2020
13	Punitive Damages Wrap 1st Excess Layer	Magna Carta Insurance, Ltd.	Verity Health System of California, Inc.	10/1/2017-10/1/2018 (Extended to 10/1/2019) (Extended to 1/1/2020) (Extended to 2/1/20)	MCEN204155	\$10,000,000 Excess of \$10,000,000	2/1/2020
14	Storage Tank Liability	Great American Alliance (Great American Insurance Group)	St. Francis Medical Center	12/05/2019-12/05/2020	03-TOP-000008521	\$1,000,000 Remediation Expense (including Defense Expense) \$1,000,000 Bodily Injury, Property Damage and Government=Mandated Clean-Up Costs Resulting from Contamination \$2,000,000 Total Policy Annual Aggregate	12/5/2020
15	Cyber/Network Liability	AXIS Insurance Company	Verity Health System of California, Inc.	2/4/2019-8/4/2020	P-001-000076217-01	\$2,000,000 per claim in excess of \$500,000	8/4/2020
16	General Liability	Chubb	St. Francis Medical Center (Lynwood Parking Agreement)	3/31/2019-3/31/2020	HPL G2181684A 012	\$1,000,000 Each Occurrence \$1,000,000 Personal Injury & Advertising Injury \$1,000,000 Products/Completed Operations Aggregate \$3,000,000 General Aggregate	3/31/2020
Physicians Professional Liability							
17	Professional Liability	NORCAL Mutual Insurance Company	The Contracted Physicians of O'Connor Hospital	1/1/2019-3/1/2019	728814N	Per Scheduled Provider \$1,000,000 Each Claim; \$3,000,000 Aggregate	Perpetuity (tail coverage)
18	Professional Liability	NORCAL Mutual Insurance Company	The Contracted Physicians of St. Francis Medical Center	1/1/2019-1/1/2020	728812N	Per Scheduled Provider \$1,000,000 Each Claim; \$3,000,000 Aggregate \$2,000,000 Each Claim; \$4,000,000 Aggregate	Perpetuity (tail coverage)
Captive							
19	Professional and General Liability	Marillac Insurance Company, Ltd.	Verity Health System of California, Inc.	3/31/2019-3/31/2020	DOC PLGL-26000-019	Professional Liability \$5,000,000 Each Claim and No Aggregate General Liability \$2,000,000 Each Occurrence and No Aggregate	3/31/2020
20	Excess Professional and Umbrella Liability (See Reinsurance Below)	Marillac Insurance Company, Ltd.	Verity Health System of California, Inc.	3/31/2019-3/31/2020	DOC PLGL-26000-019	Excess Professional Liability \$80,000,000 Each Occurrence \$80,000,000 Aggregate All Other Liability \$80,000,000 Each Claim \$80,000,000 Aggregate	3/31/2020
Reinsurance							
21	Lead Excess Layer	ACE American Insurance Company (Chubb)	Verity Health System of California, Inc.	3/31/2019-3/31/2020	RBN G21816838 012	\$15,000,000 Each Professional Liability Loss Event \$15,000,000 Aggregate Professional Liability \$15,000,000 Aggregate General Liability of Ceding Company Limits	3/31/2020

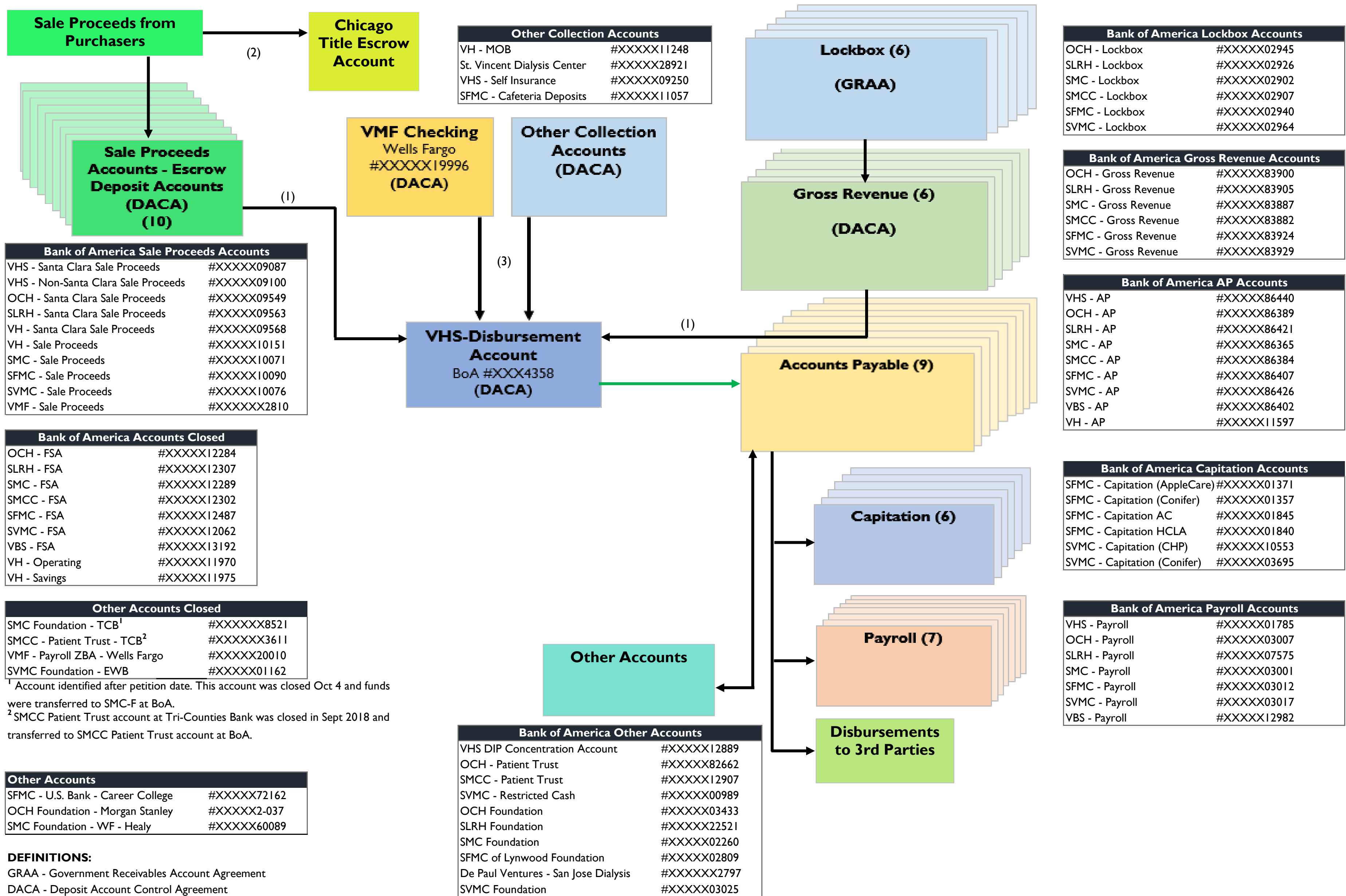
#	Insurance Coverage	Carrier	First Named Insured	Policy Period	Policy Number	Limits of Liability	Premium Paid Through (Date)
22	2nd Excess Layer	Continental Casualty Company (CNA)	Verity Health System of California, Inc.	3/31/2019-3/31/2020	HMU 2097462209-11	\$10,000,000 Each Professional Liability Claim \$10,000,000 Aggregate Professional Liability \$10,000,000 Each General Liability Occurrence \$10,000,000 Aggregate General Liability Excess of Chubb Underlying Above	3/31/2020
23	3rd Excess Layer	Berkshire Hathaway Specialty Insurance Company	Verity Health System of California, Inc.	3/31/2019-3/31/2020	47-RHC-304968-02	\$10,000,000 Each Professional Liability Claim \$10,000,000 Aggregate Professional Liability \$10,000,000 Each General Liability Occurrence \$10,000,000 Aggregate General Liability Excess of Chubb and CNA Underlying Above	3/31/2020
24	4th Excess Layer	Zurich American Insurance Company	Verity Health System of California, Inc.	3/31/2019-3/31/2020	HPC 0239123-01	\$10,000,000 Each Professional Liability Claim \$10,000,000 Aggregate Professional Liability \$10,000,000 Each General Liability Occurrence \$10,000,000 Aggregate General Liability Excess of Chubb, CNA and Berkshire Underlying Above	3/31/2020
25	5th Excess Layer	The Doctors Company Group	Verity Health System of California, Inc.	3/31/2019-3/31/2020	FRX-00015-19-00	\$15,000,000 Each Professional Liability Claim \$15,000,000 Aggregate Professional Liability \$15,000,000 Aggregate General Liability Excess of Chubb, CNA, Berkshire and Zurich Underlying Above	3/31/2020
26	6th Excess Layer	The Medical Protective Company	Verity Health System of California, Inc.	3/31/2019-3/31/2020	XOL2019-018	\$20,000,000 Each Professional Liability Claim \$20,000,000 Aggregate Professional Liability \$20,000,000 Each General Liability Occurrence \$20,000,000 Aggregate General Liability Excess of Chubb, CNA, Berkshire, Zurich and TDC Underlying Above	3/31/2020
Surety Bonds							
27	CA DHS Patient Trust Bond	Hartford Fire Insurance Company	Seton Medical Center Coastside	12/1/2001-12/1/2020	83BSBBF7598	\$75,000 Bond Amount	12/1/2020
28	CA DHS Patient Trust Bond	Hartford Fire Insurance Company	St. Francis Medical Center	12/1/2001-12/1/2020	83BSBBF7621	\$5,000 Bond Amount	12/1/2020
29	CA DHS Patient Trust Bond	Hartford Fire Insurance Company	St. Vincent Medical Center	12/1/2001-12/1/2020	83BSBBF7625	\$2,000 Bond Amount	12/1/2020
30	CA DHS Patient Trust Bond	Hartford Fire Insurance Company	Seton Medical Center	12/1/2001-12/1/2020	83BSBBF7661	\$35,000 Bond Amount	12/1/2020

#	Insurance Coverage	Carrier	First Named Insured	Policy Period	Policy Number	Limits of Liability	Premium Paid Through (Date)	
Provider Capitation Stop Loss (Managed Care Excess Loss)								
31	Provider Capitation Stop Loss (Applicable to -St. Francis Medical Center)	PartnerRe America Insurance Company	Verity Health System of California, Inc.	1/1/2019-1/31/2020	P0312544006	\$1,000,000 Maximum Benefit Per Covered Person 90% Payable in Excess of Specific Deductible if Complete Claim is Received by 2/1/20 50% Payable in Excess of Specific Deductible if Complete Claim is Not Received by 2/1/20 Transplant Services - 50% by a Non-Approved Transplant Network Provider	2/29/2020 (applicable to SFMC only. SVMC coverage ended Jan 2020)	(A)
Self-Insured Medical and Pharmacy Stop Loss								
32	Self-Insured Medical and Pharmacy Stop Loss	Reliastar Life Insurance Company (Voya)	Verity Health System of California, Inc.	1/1/20-12/31/20	70037-1	\$400,000 per Individual Coverage Period - Incurred in 12 months 1/1/20 - 12/31/20 and paid in 24 months 1/1/20 - 12/31/21	1/31/2020	(A)

(A) Premium is paid monthly.

Verity Health System - Debtors' Postpetition Cash Flowchart

Structure as of Jan 31, 2020



FOOTNOTES

NOTE: The Postpetition Cash Flowchart reflects the Debtors' cash management system at Jan 31, 2020.

(1) Upon payoff of the Ally Revolving DIP Loan as described on the previous page, the 'VHS DIP Loan Proceeds Account' was renamed the 'VHS-Disbursement Account'. This account serves as the deposit account into which (i) all Permitted Withdrawals [defined as additional working capital provided to the Debtors from the Escrow Deposit Accounts in accordance with the Cash Collateral Budget], and (ii) all collections on pre and postpetition accounts receivables, including, but not limited, to patient receivables, governmental receivables and lease rents should be deposited, as stated in the Final Order (A) Authorizing Continued use of Cash Collateral, (B) Granting Adequate Protection, (C) Modifying Automatic Stay, and (D) Granting Related Relief [Docket No. 3022] (the "Supplemental Cash Collateral Order").

(2) Per SCC APA § 1.2 and I.1.2, \$23.5 million of sale proceeds was escrowed with Chicago Title Insurance Company as escrow agent, subject to reductions related to post-closing obligations and damages as described in APA § 15.2.

(3) All of the Other Collection accounts are swept automatically to the VHS-Disbursement account. The VMF Checking account at Wells Fargo is swept manually.

**Verity Health System
Debtor Bank Accounts
As of 1/31/20**

Number	Group	Bank Account Name	Company	Financial Institution	Account Number	Authorized Signers	
1	Obligated Group	VHS - Santa Clara Sale Proceeds	Verity Health System of California, Inc.	Bank of America	XXXXXX9087	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	(C)
2	Obligated Group	VHS - Non-Santa Clara Sale Proceeds	Verity Health System of California, Inc.	Bank of America	XXXXXX9100	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	(C)
3	Obligated Group	VHS - AP	Verity Health System of California, Inc.	Bank of America	XXXXXX6440	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
4	Obligated Group	VHS - Self Insurance	Verity Health System of California, Inc.	Bank of America	XXXXXX9250	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
5	Obligated Group	VHS - Payroll	Verity Health System of California, Inc.	Bank of America	XXXXXX1785	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
6	Obligated Group	VHS - DIP Concentration Account (formerly named Construction Escrow)	Verity Health System of California, Inc.	Bank of America	XXXXXX2889	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
7	Obligated Group	VHS - DIP Loan Proceeds	Verity Health System of California, Inc.	Bank of America	XXXXXX4358	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
8	Obligated Group	OCH - Santa Clara Sale Proceeds	O'Connor Hospital	Bank of America	XXXXXX9549	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	(C)
9	Obligated Group	OCH - Lockbox	O'Connor Hospital	Bank of America	XXXXXX2945	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
10	Obligated Group	OCH - Gross Revenue	O'Connor Hospital	Bank of America	XXXXXX3900	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
11	Obligated Group	OCH - AP	O'Connor Hospital	Bank of America	XXXXXX6389	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
12	Obligated Group	OCH - Payroll	O'Connor Hospital	Bank of America	XXXXXX3007	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
13	Obligated Group	OCH - Patient Trust	O'Connor Hospital	Bank of America	XXXXXX2662	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
14	Obligated Group	SLRH - Santa Clara Sale Proceeds	St. Louise Regional Hospital	Bank of America	XXXXXX9563	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	(C)
15	Obligated Group	SLRH - Lockbox	St. Louise Regional Hospital	Bank of America	XXXXXX2926	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
16	Obligated Group	SLRH - Gross Revenue	St. Louise Regional Hospital	Bank of America	XXXXXX3905	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
17	Obligated Group	SLRH - AP	St. Louise Regional Hospital	Bank of America	XXXXXX6421	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
18	Obligated Group	SLRH - Payroll	St. Louise Regional Hospital	Bank of America	XXXXXX7575	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
19	Obligated Group	SFMC - Sale Proceeds	St. Francis Medical Center	Bank of America	XXXXXX0090	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	(C)
20	Obligated Group	SFMC - Lockbox	St. Francis Medical Center	Bank of America	XXXXXX2940	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	

Verity Health System
Debtor Bank Accounts
As of 1/31/20

Number	Group	Bank Account Name	Company	Financial Institution	Account Number	Authorized Signers
21	Obligated Group	SFMC - Gross Revenue	St. Francis Medical Center	Bank of America	XXXXXX3924	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer
22	Obligated Group	SFMC - AP	St. Francis Medical Center	Bank of America	XXXXXX6407	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer
23	Obligated Group	SFMC - Payroll	St. Francis Medical Center	Bank of America	XXXXXX3012	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer
24	Obligated Group	SFMC - Cafeteria Deposits	St. Francis Medical Center	Bank of America	XXXXXX1057	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer
25	Obligated Group	SFMC - Capitation (AppleCare)	St. Francis Medical Center	Bank of America	XXXXXX1371	Rich Adcock, CEO; Tony Armada, COO; Ty Conner, Treasurer; and Eleanor Ramirez, SFMC CEO
26	Obligated Group	SFMC - Capitation (Conifer)	St. Francis Medical Center	Bank of America	XXXXXX1357	Rich Adcock, CEO; Tony Armada, COO; Ty Conner, Treasurer; and Eleanor Ramirez, SFMC CEO
27	Obligated Group	SFMC - Capitation AC	St. Francis Medical Center	Bank of America	XXXXXX1845	Rich Adcock, CEO; Tony Armada, COO; Ty Conner, Treasurer; and Eleanor Ramirez, SFMC CEO
28	Obligated Group	SFMC - Capitation HCLA	St. Francis Medical Center	Bank of America	XXXXXX1840	Rich Adcock, CEO; Tony Armada, COO; Ty Conner, Treasurer; and Eleanor Ramirez, SFMC CEO
29	Obligated Group	SFMC - Career College	St. Francis Medical Center	U S Bank	XXXXXX2162	Ty Conner, Treasurer
30	Obligated Group	SVMC - Sale Proceeds	St. Vincent Medical Center	Bank of America	XXXXXX0076	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer (C)
31	Obligated Group	SVMC - Lockbox	St. Vincent Medical Center	Bank of America	XXXXXX2964	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer
32	Obligated Group	SVMC - Gross Revenue	St. Vincent Medical Center	Bank of America	XXXXXX3929	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer
33	Obligated Group	SVMC - AP	St. Vincent Medical Center	Bank of America	XXXXXX6426	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer
34	Obligated Group	SVMC - Payroll	St. Vincent Medical Center	Bank of America	XXXXXX3017	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer
35	Obligated Group	SVMC - Capitation (CHP)	St. Vincent Medical Center	Bank of America	XXXXXX0553	Rich Adcock, CEO; Tony Armada, COO; Ty Conner, Treasurer; and Margaret Pfeiffer, SVMC COO
36	Obligated Group	SVMC - Capitation (Conifer)	St. Vincent Medical Center	Bank of America	XXXXXX3695	Rich Adcock, CEO; Tony Armada, COO; Ty Conner, Treasurer; and Margaret Pfeiffer, SVMC COO
37	Obligated Group	SVMC - Restricted Cash	St. Vincent Medical Center	Bank of America	XXXXX00989	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer (B)
38	Obligated Group	SMC - Sale Proceeds	Seton Medical Center	Bank of America	XXXXXX0071	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer (C)
39	Obligated Group	SMC - Lockbox	Seton Medical Center	Bank of America	XXXXXX2902	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer
40	Obligated Group	SMC - Gross Revenue	Seton Medical Center	Bank of America	XXXXXX3887	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer

**Verity Health System
Debtor Bank Accounts
As of 1/31/20**

Number	Group	Bank Account Name	Company	Financial Institution	Account Number	Authorized Signers	
41	Obligated Group	SMC - AP	Seton Medical Center	Bank of America	XXXXXX6365	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
42	Obligated Group	SMC - Payroll	Seton Medical Center	Bank of America	XXXXXX3001	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
43	Obligated Group	SMCC - Lockbox	Seton Medical Center	Bank of America	XXXXXX02907	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
44	Obligated Group	SMCC - Gross Revenue	Seton Medical Center	Bank of America	XXXXXX3882	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
45	Obligated Group	SMCC - AP	Seton Medical Center	Bank of America	XXXXXX6384	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
46	Obligated Group	SMCC - Patient Trust	Seton Medical Center	Bank of America	XXXXXX12907	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
47	Charitable Foundation	OCH Foundation	O'Connor Hospital Foundation	Bank of America	XXXXXX3433	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	(B)
48	Charitable Foundation	OCH Foundation - Investment	O'Connor Hospital Foundation	Morgan Stanley	XXXXX2-037	Ty Conner, Treasurer	(B)
49	Charitable Foundation	SLRH Foundation	St. Louise Regional Hospital Foundation	Bank of America	XXXXXX2521	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	(B)
50	Charitable Foundation	SFMC of Lynwood Foundation	St. Francis Medical Center Foundation	Bank of America	XXXXXX2809	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	(B)
51	Charitable Foundation	SVMC Foundation	St. Vincent Medical Center Foundation	Bank of America	XXXXXX3025	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	(B)
52	Non-Obligated Group	St. Vincent Dialysis Center	St. Vincent Dialysis Center	Bank of America	XXXXXX8921	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
53	Charitable Foundation	SMC Foundation	Seton Medical Center Foundation	Bank of America	XXXXXX2260	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	(B)
54	Charitable Foundation	SMC Foundation - SVCS	Healy, James T/U/A	Wells Fargo	XXXXXX60089	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	(B)
55	Non-Obligated Group	VBS - AP	Verity Business Services	Bank of America	XXXXXX6402	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
56	Non-Obligated Group	VBS - Payroll	Verity Business Services	Bank of America	XXXXXX2982	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
57	Physician Foundation	VMF - Checking	Verity Medical Foundation	Wells Fargo	XXXXXX9996	Rich Adcock, CEO; Tony Armada, COO; Peter Chadwick, CFO; and Ty Conner, Treasurer	
58	Physician Foundation	VMF - Sale Proceeds	Verity Medical Foundation	Bank of America	XXXXXX2810	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	(C)
59	Non-Obligated Group	De Paul Ventures - San Jose Dialysis, LLC	De Paul Ventures - San Jose Dialysis, LLC	Bank of America	XXXXXX2797	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
60	Non-Obligated Group	VH - Santa Clara Sale Proceeds	Verity Holdings LLC	Bank of America	XXXXXX9568	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	(C)

**Verity Health System
Debtor Bank Accounts
As of 1/31/20**

Number	Group	Bank Account Name	Company	Financial Institution	Account Number	Authorized Signers	
61	Non-Obligated Group	VH - Sale Proceeds	Verity Holdings LLC	Bank of America	XXXXXX0151	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	(C)
62	Non-Obligated Group	VH - AP	Verity Holdings LLC	Bank of America	XXXXXX1597	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
63	Non-Obligated Group	VH - MOB	Verity Holdings LLC	Bank of America	XXXXXX1248	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
Bank Account Closed Since the Petition Date							
64	Obligated Group	SMCC - Patient Trust - TCB	Seton Medical Center	Tri Counties Bank	XXXXXX3611	Not applicable	
65	Obligated Group	OCH - FSA	O'Connor Hospital	Bank of America	XXXXXX2284	Not applicable	
66	Obligated Group	SLRH - FSA	St. Louise Regional Hospital	Bank of America	XXXXXX2307	Not applicable	
67	Obligated Group	SFMC - FSA	St. Francis Medical Center	Bank of America	XXXXXX2487	Not applicable	
68	Obligated Group	SVMC - FSA	St. Vincent Medical Center	Bank of America	XXXXXX2062	Not applicable	
69	Charitable Foundation	SVMC Foundation - EWB	St. Vincent Medical Center Foundation	EastWest Bank	XXXXXX1162	Not applicable	
70	Obligated Group	SMC - FSA	Seton Medical Center	Bank of America	XXXXXX2289	Not applicable	
71	Obligated Group	SMCC - FSA	Seton Medical Center	Bank of America	XXXXXX2302	Not applicable	
72	Non-Obligated Group	VBS - FSA	Verity Business Services	Bank of America	XXXXXX3192	Not applicable	
73	Non-Obligated Group	VH - Operating	Verity Holdings LLC	Bank of America	XXXXXX1970	Not applicable	
74	Non-Obligated Group	VH - Savings	Verity Holdings LLC	Bank of America	XXXXXX1975	Not applicable	
75	Physician Foundation	VMF - Payroll ZBA	Verity Medical Foundation	Wells Fargo	XXXXXX0010	Not applicable	

**Verity Health System
Debtor Bank Accounts
As of 1/31/20**

<u>Number</u>	<u>Group</u>	<u>Bank Account Name</u>	<u>Company</u>	<u>Financial Institution</u>	<u>Account Number</u>	<u>Authorized Signers</u>
Bank Account Identified After the Petition Date (Closed 10/4/18)						
76		SMC Foundation - TCB	Seton Medical Center Foundation	Tri Counties Bank	XXXXXX8521	Not applicable

(A) Authorized signors are to be updated to current signors on the other Debtor accounts.

(B) This bank account contains certain funds that are donor restricted or restricted per an asset purchase agreement, and therefore, are not available for the Debtor's general operating activities. Please refer to the attached Restricted Funds schedule for additional restricted funds recorded by the Debtors that are not included in this schedule of Debtor Bank Accounts as they are not part of the cash management program.

(C) The Final DIP Order provided that the Sale Proceeds, including any deposits, shall be held in escrow in one or more deposit accounts subject to a deposit account control agreement in favor of the DIP Agent (the "Escrow Deposit Account"). On September 6, 2019, the Court entered the Final Order (A) Authorizing Continued use of Cash Collateral, (B) Granting Adequate Protection, (C) *Modifying Automatic Stay*, and (D) *Granting Related Relief* [Docket No. 3022] (the "Supplemental Cash Collateral Order"). The Supplemental Cash Collateral Order authorized the Debtors to (i) use escrowed cash collateral from the OCH – Santa Clara Sale Proceeds bank account to pay all amounts due and payable in respect of the DIP Obligations (the "Payoff Amount"), and, (ii) use cash collateral, including cash collateral held in Santa Clara Sales Proceeds and the VMF Sale Proceeds accounts as specified in the cash collateral budget. In September 2019, the Debtors paid the Payoff Amount.

Verity Health System, Inc.
Restricted Funds Schedule
At December 31, 2019 and January 31, 2020
\$ in 000's

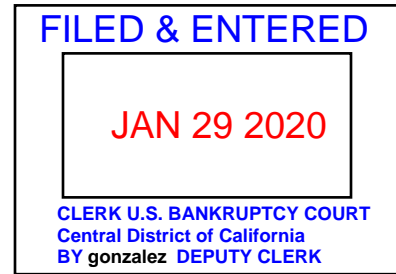
No.	Debtor Name	Institution Name	Type of Account	Last 4 of A/C	12/31/2019 Balance	1/31/2020 Balance	Description of Restrictions	
1R	Verity Health System of California	Wells Fargo	Checking (Restricted Funds)	0300	\$ 2,000	\$ 2,000	Escrow Account - funds held in trust under bond indenture; only trustee can authorize disbursements	
2R	Verity Health System of California	Wells Fargo	Checking (Restricted Funds)	8703	21,308	21,337	Debt Reserve Account - funds held in trust under bond indenture; only trustee can authorize disbursements	
3R	Verity Health System of California	Wells Fargo	Checking (Restricted Funds)	8803	805	806	Debt Reserve Account - funds held in trust under bond indenture; only trustee can authorize disbursements	
4R	Verity Health System of California	Wells Fargo	Checking (Restricted Funds)	8903	888	889	Debt Reserve Account - funds held in trust under bond indenture; only trustee can authorize disbursements	
6R	St. Vincent Foundation	Green Oak Consulting Group	Endowment Fund (Restricted Funds)	a541a	2,615	2,604	Donor restricted funds controlled by third party; Debtor does not control disbursements from this account	
7R	St. Vincent Medical Center	Northern Trust	Endowment Fund (Restricted Funds)	4098	1,923	1,923	Donor restricted funds controlled by third party; Debtor does not control disbursements from this account	(A)
8R	Seton Medical Center	Wilmington Trust	Checking - Restricted	7000	5	5	Escrow Account - funds held in trust under bond indenture; only trustee can authorize disbursements	
9R	Seton Medical Center	Wilmington Trust	Checking - Restricted	7001	-	-	Escrow Account - funds held in trust under bond indenture; only trustee can authorize disbursements	
10R	Seton Medical Center	Wilmington Trust	Checking - Restricted	7002	1	1	Escrow Account - only trustee can authorize disbursements to pay for seismic-related expenditures for Seton Medical Center.	
11R	Seton Medical Center	Wilmington Trust	Checking - Restricted	7003	16,992	17,010	Escrow Account - funds held in trust under bond indenture; only trustee can authorize disbursements to pay for seismic-related expenditures for Seton Medical Center.	
12R	Seton Medical Center	Wilmington Trust	Checking - Restricted	7004	-	-	Escrow Account - only trustee can authorize disbursements to pay for seismic-related expenditures for Seton Medical Center.	
13R	Seton Medical Center	Wilmington Trust	Checking - Restricted	7005	-	-	Escrow Account - only trustee can authorize disbursements to pay for seismic-related expenditures for Seton Medical Center.	
14R	Seton Medical Center	Wilmington Trust	Checking - Restricted	7006	-	-	Escrow Account - only trustee can authorize disbursements to pay for seismic-related expenditures for Seton Medical Center.	
15R	Seton Medical Center	Wilmington Trust	Checking - Restricted	7007	-	-	Escrow Account - only trustee can authorize disbursements to pay for seismic-related expenditures for Seton Medical Center.	
16R	Seton Medical Center	Wilmington Trust	Checking - Restricted	1000	2	2	Escrow Account - funds held in trust under bond indenture; only trustee can authorize disbursements to pay for seismic-related expenditures for Seton Medical Center.	
17R	Seton Medical Center	Wilmington Trust	Checking - Restricted	1001	-	-	Escrow Account - only trustee can authorize disbursements to pay for seismic-related expenditures for Seton Medical Center.	
18R	Seton Medical Center	Wilmington Trust	Checking - Restricted	1002	-	-	Escrow Account - only trustee can authorize disbursements to pay for seismic-related expenditures for Seton Medical Center.	

Verity Health System, Inc.
Restricted Funds Schedule
At December 31, 2019 and January 31, 2020
\$ in 000's

No.	Debtor Name	Institution Name	Type of Account	Last 4 of A/C	12/31/2019 Balance	1/31/2020 Balance	Description of Restrictions
19R	Seton Medical Center	Wilmington Trust	Checking - Restricted	1003	17,875	17,894	Escrow Account - funds held in trust under bond indenture; only trustee can authorize disbursements to pay for seismic-related expenditures for Seton Medical Center.
20R	Seton Medical Center	Wilmington Trust	Checking - Restricted	1004	-	-	Escrow Account - only trustee can authorize disbursements to pay for seismic-related expenditures for Seton Medical Center.
21R	Seton Medical Center	Wilmington Trust	Checking - Restricted	1005	-	-	Escrow Account - only trustee can authorize disbursements to pay for seismic-related expenditures for Seton Medical Center.
22R	Seton Medical Center	Wilmington Trust	Checking - Restricted	1006	-	-	Escrow Account - only trustee can authorize disbursements to pay for seismic-related expenditures for Seton Medical Center.
23R	Seton Medical Center	Wilmington Trust	Checking - Restricted	1007	-	-	Escrow Account - only trustee can authorize disbursements to pay for seismic-related expenditures for Seton Medical Center.

(A) The January 31, 2020 Northern Trust statement has not been received. For purposes of this Monthly Operating Report, the Northern Trust 1/31/2020 Balance reported is the 12/31/2019 Balance.

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6 Attorneys for the Chapter 11 Debtors and
7 Debtors In Possession

8 **UNITED STATES BANKRUPTCY COURT**
9 **CENTRAL DISTRICT OF CALIFORNIA – LOS ANGELES DIVISION**

10 In re
11 VERITY HEALTH SYSTEM OF
CALIFORNIA, INC., *et al.*,
12 Debtors and Debtors In Possession.

Lead Case No. 2:18-bk-20151-ER

Jointly Administered with:
Case No. 2:18-bk-20162-ER
Case No. 2:18-bk-20163-ER
Case No. 2:18-bk-20164-ER
Case No. 2:18-bk-20165-ER
Case No. 2:18-bk-20167-ER
Case No. 2:18-bk-20168-ER
Case No. 2:18-bk-20169-ER
Case No. 2:18-bk-20171-ER
Case No. 2:18-bk-20172-ER
Case No. 2:18-bk-20173-ER
Case No. 2:18-bk-20175-ER
Case No. 2:18-bk-20176-ER
Case No. 2:18-bk-20178-ER
Case No. 2:18-bk-20179-ER
Case No. 2:18-bk-20180-ER
Case No. 2:18-bk-20181-ER

- 13 Affects All Debtors
- 14 Affects Verity Health System of California, Inc.
- 15 Affects O’Connor Hospital
- 16 Affects Saint Louise Regional Hospital
- 17 Affects St. Francis Medical Center
- 18 Affects St. Vincent Medical Center
- 19 Affects Seton Medical Center
- 20 Affects O’Connor Hospital Foundation
- 21 Affects Saint Louise Regional Hospital Foundation
- 22 Affects St. Francis Medical Center of Lynwood Foundation
- 23 Affects St. Vincent Foundation
- 24 Affects St. Vincent Dialysis Center, Inc.
- 25 Affects Seton Medical Center Foundation
- 26 Affects Verity Business Services
- 27 Affects Verity Medical Foundation
- 28 Affects Verity Holdings, LLC
- Affects DePaul Ventures, LLC
- Affects DePaul Ventures - San Jose Dialysis, LLC

Chapter 11 Cases
Hon. Ernest M. Robles

ORDER GRANTING MOTION FOR RELIEF FROM THE AUTOMATIC STAY FILED BY DIEM ANH CAO [Docket No. 3870]

Hearing:
DATE: January 27, 2020
TIME: 10:00 a.m.
PLACE: Courtroom 1568
255 East Temple Street
Los Angeles, California 90012-3300

26 The *Motion For Relief From The Automatic Stay* (the “Motion”) [Docket No. 3870] filed
27 on behalf of Diem Anh Cao was scheduled for hearing at 10:00 a.m. on Monday, January 27, 2020,
28 in Courtroom 1568, Roybal Federal Building, 255 E. Temple Street, Los Angeles, California

DENTONS US LLP
601 SOUTH FIGUEROA STREET, SUITE 2500
LOS ANGELES, CALIFORNIA 90017-5704
(213) 623-9300

1 90012. The parties rested on the Court’s Tentative Ruling issued January 24, 2020, approving the
2 *Stipulation Between Debtors O’Connor Hospital And Diem Anh Cao Giving Diem Anh Cao Relief*
3 *From The Automatic Stay To Proceed With Superior Court Case, Seeking Recovery From*
4 *Insurance Only [Docket No. 3950]* (the “Stipulation”) and the hearing was vacated.

5 Upon consideration of the Motion and the Stipulation, it appearing that proper notice of the
6 Motion and Stipulation had been provided; and for reasons set forth in the Court’s Tentative Ruling
7 on the Motion, which the Court adopts as its filing ruling and which is incorporated herein by
8 reference; and good and sufficient cause having been shown,

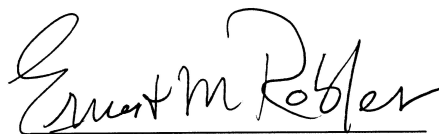
9 IT IS HEREBY ORDERED THAT:

10 1. The Stipulation is approved.
11 2. Pursuant to the terms of the Stipulation, Diem Anh Cao (the “Claimant”), shall have
12 relief from the automatic stay as of March 31, 2020, on the basis that:

- 13 a. The Claimant will seek recovery only from applicable insurance;
14 b. The Claimant will not assert causes of action that are not covered by
15 insurance: and,
16 c. The Claimant waives any deficiency or other claims against St. Francis
17 Medical Center or any of the other debtors or property of the debtors’ bankruptcy states.

18 ###

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24 Date: January 29, 2020


Ernest M. Robles
United States Bankruptcy Judge