



Supplemental Financial Disclosures

Q1'22 Earnings Release

Disclosures in this document are intended to supplement the financial information in Tenet's Q1'22 earnings release dated April 20, 2022. A copy of that earnings release (including non-GAAP disclosure information) is available via the Company's Investor Relations website at www.tenethealth.com.

Tenet Healthcare Corporation
Supplemental Financial Disclosures
Q1'22 Earnings Release

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BUSINESS SEGMENTS
Adjusted Net Operating Revenues, Adjusted EBITDA and Adjusted EBITDA Margins
(Unaudited)

<i>\$ in millions</i>	FY 2017 ⁽¹⁾	FY 2018 ⁽¹⁾	FY 2019 ⁽¹⁾	FY 2020	Q1'21	Q2'21	Q3'21	Q4'21	FY 2021	Q1'22
AMBULATORY CARE										
Net operating revenues ⁽²⁾	\$1,940	\$2,085	\$2,158	\$2,072	\$646	\$664	\$666	\$742	\$2,718	\$738
Adjusted EBITDA ⁽³⁾	\$699	\$792	\$895	\$868	\$257	\$295	\$274	\$371	\$1,197	\$282
Adjusted EBITDA margins ⁽³⁾	36.0 %	38.0 %	41.5 %	41.9 %	39.8 %	44.4 %	41.1 %	50.0 %	44.0 %	38.2 %
HOSPITAL OPERATIONS AND OTHER										
Adjusted net operating revenues ⁽²⁾⁽³⁾	\$16,150	\$15,271	\$15,521	\$14,769	\$3,947	\$4,095	\$4,030	\$3,910	\$15,982	\$3,798
Adjusted EBITDA ⁽³⁾	\$1,458	\$1,401	\$1,449	\$1,911	\$434	\$449	\$496	\$552	\$1,931	\$514
Adjusted EBITDA margins ⁽³⁾	9.0 %	9.2 %	9.3 %	12.9 %	11.0 %	11.0 %	12.3 %	14.1 %	12.1 %	13.5 %
CONIFER										
Net operating revenues ⁽²⁾	\$1,597	\$1,533	\$1,372	\$1,306	\$310	\$319	\$314	\$324	\$1,267	\$324
Adjusted EBITDA	\$283	\$357	\$386	\$367	\$86	\$90	\$85	\$94	\$355	\$92
Adjusted EBITDA margins	17.7 %	23.3 %	28.1 %	28.1 %	27.7 %	28.2 %	27.1 %	29.0 %	28.0 %	28.4 %
INTER-SEGMENT ELIMINATIONS										
Less: Inter-segment eliminations from revenue	(618)	\$(590)	\$(573)	\$(528)	\$(122)	\$(124)	\$(116)	\$(120)	\$(482)	\$(115)
CONSOLIDATED										
Adjusted net operating revenues ⁽²⁾⁽³⁾	\$19,069	\$18,299	\$18,478	\$17,619	\$4,781	\$4,954	\$4,894	\$4,856	\$19,485	\$4,745
Adjusted EBITDA ⁽³⁾	\$2,440	\$2,550	\$2,730	\$3,146	\$777	\$834	\$855	\$1,017	\$3,483	\$888
Adjusted EBITDA margins ⁽³⁾	12.8 %	13.9 %	14.8 %	17.9 %	16.3 %	16.8 %	17.5 %	20.9 %	17.9 %	18.7 %

Footnotes:

(1) Originally reported amounts have been recast to reflect the change in accounting adopted by the Company in Q1'20

(2) Net operating revenues after implicit price concessions/bad debt

(3) Health plan revenues and the related Adjusted EBITDA are excluded from Adjusted net operating revenues, Adjusted EBITDA and Adjusted EBITDA margin calculations; For Adjusted EBITDA and Adjusted EBITDA margins, includes grant income earned by Hospital and Ambulatory segments

AMBULATORY CARE SEGMENT Revenues and Volumes

(Unaudited)

	Q1'22	Q1'21
Consolidated		
Surgical facility counts at end of period	261	228
Same-facility surgery cases ⁽¹⁾	301,044	278,921
Same-Facility System-Wide ⁽²⁾		
Revenue change versus the prior-year period	9.3%	6.7%
Change in cases versus the prior-year period	8.0%	1.9%
Revenue per case change versus the prior-year period	1.1%	4.8%

Footnotes:

(1) Same-facility surgical cases reflect those associated with facilities consolidated by USPI, historical cases for facilities acquired and exclude any cases related to facilities deconsolidated or otherwise disposed of during the comparative periods. These statistics are intended as an indicator of growth in procedures at consolidated facilities, including historical cases for facilities acquired, and would not directly correlate to actual revenues for the related periods due to including historical cases for facilities before they were acquired.

(2) Same-facility system-wide includes the results of both consolidated and unconsolidated facilities. Revenue growth and revenue per case growth is presented after implicit price concessions/bad debt expense. Prior-period amounts for acquired facilities are included in analyses of same-facility system-wide growth rates. Q1'21 figures exclude urgent care and imaging center facilities which were included in the Company's Ambulatory segment at that time.

AMBULATORY CARE SEGMENT Changes in Revenues, Adjusted EBITDA and Adjusted EBITDA less NCI

(Unaudited)

<i>(Dollars in millions)</i>	Q1'22	Q1'21
Net operating revenues	\$738	\$646
Growth in net operating revenues	14.2 %	31.8 %
Equity in earnings of unconsolidated affiliates	\$42	\$38
Adjusted EBITDA	\$282	\$257
Growth in Adjusted EBITDA	9.7 %	64.7 %
Adjusted EBITDA margin (including grant income)	38.2 %	39.8 %
Net income available to facility-level noncontrolling interests ⁽¹⁾	\$95	\$88
Adjusted EBITDA less facility-level NCI	\$187	\$169
Growth in Adjusted EBITDA less facility-level NCI	10.7 %	69.0 %
Net income available to Baylor ⁽²⁾	\$4	\$4
Adjusted EBITDA less NCI (after Baylor-related NCI) ⁽²⁾	\$183	\$165
Growth in Adjusted EBITDA less NCI (after Baylor-related NCI) ⁽²⁾	10.9 %	66.7 %

Footnotes:

(1) Represents facility-level noncontrolling interest expense (NCI) prior to Tenet recording additional NCI expense related to the 5% ownership interest in USPI held by Baylor University Medical Center (Baylor).

(2) The amount labeled as net income available to Baylor represents NCI related to Baylor's ownership interest in the USPI joint venture; neither Tenet nor USPI intend to make cash distributions to Baylor.

**AMBULATORY CARE SEGMENT
STATEMENTS OF OPERATIONS
GAAP and Unconsolidated Affiliates**

(Unaudited)

Three Months Ended March 31,

	2022		2021	
	Ambulatory Care as Reported Under GAAP	Unconsolidated Affiliates	Ambulatory Care as Reported Under GAAP	Unconsolidated Affiliates
<i>(Dollars in millions)</i>				
Net operating revenues⁽¹⁾	\$ 738	\$ 769	\$ 646	\$ 634
Grant income	2	1	7	26
Equity in earnings of unconsolidated affiliates⁽²⁾	42	—	38	—
Operating expenses:				
Salaries, wages and benefits	194	192	174	163
Supplies	201	219	157	172
Other operating expenses, net	105	155	103	131
Depreciation and amortization	27	26	25	21
Litigation and investigation costs	—	—	3	—
Impairment and restructuring charges, and acquisition-related costs	3	—	4	—
Operating income	252	178	225	173
Interest expense	(52)	(7)	(33)	(6)
Other non-operating income, net	1	1	—	1
Income from continuing operations, before income taxes	201	172	192	168
Income tax expense	(27)	(3)	(27)	(3)
Net income	174	\$ 169	165	\$ 165
Less: Net income available to noncontrolling interests	99		92	
Net income available to Tenet Healthcare Corporation common shareholders	\$ 75		\$ 73	
Equity in earnings of unconsolidated affiliates		\$ 42		\$ 38

Footnotes:

- (1) On a same-facility system-wide basis, net revenue in Tenet's Ambulatory Care segment increased 9.3% during the three months ended March 31, 2022, with cases increasing 8.0% and revenue per case increasing 1.1%.
- (2) Certain of the Company's Ambulatory segment facilities were not consolidated for the period presented based on the nature of the segment's joint venture relationships with physicians and prominent healthcare systems. Although revenues of the segment's unconsolidated facilities are not recorded as revenues by the Company, equity in earnings of unconsolidated affiliates is nonetheless a significant portion of the Company's overall earnings. To help analyze results of operations, management also uses system-wide operating measures such as system-wide revenue growth, which includes revenues of both consolidated and unconsolidated facilities. We control the remaining facilities and account for these investments as consolidated subsidiaries.

HOSPITAL OPERATIONS AND OTHER SEGMENT
Adjusted EBITDA and Margins; Same-Hospital Changes in Revenues and Volumes;
Same-Hospital Selected Operating Expenses
(Unaudited)

(Dollars in millions)

	Q1'22	Q1'21
Adjusted EBITDA and margins		
Adjusted EBITDA (including grant income)	\$514	\$434
Adjusted EBITDA margin (including grant income)	13.5 %	11.0 %
Changes in Same-Hospital Revenues and Volumes versus Prior-Year Period ⁽¹⁾		
Net Patient Revenue	2.5 %	3.2 %
Revenue Per Adjusted Admission ⁽²⁾	4.0 %	19.1 %
Inpatient Admissions	(4.7)%	(10.6)%
Adjusted Admissions	(1.4)%	(13.4)%
Hospital surgeries ⁽³⁾	(0.2)%	(5.1)%
Outpatient Visits ⁽⁴⁾	1.4 %	(11.4)%
Emergency Room Visits — Inpatient	(3.1)%	(7.0)%
Emergency Room Visits — Outpatient	18.0 %	(29.4)%

	Q1'22	Q1'21
Same-Hospital Selected Operating Expenses		
Salaries, wages and benefits	\$1,812	\$1,742
Supplies	581	603
Other operating expenses	761	843
Total selected operating expenses	\$3,154	\$3,188

Footnotes and other notations:

(1) *Same-hospital revenues and statistical data* include those for hospitals and hospital-affiliated outpatient centers operated by the Company's Hospital segment continuously from January 1, 2020 through March 31, 2022. Amounts associated with physician practices are excluded. Prior-period same-hospital net patient service revenues and volume changes have been recast to reflect only the continuously operated facilities since January 1, 2020.

(2) Revenue per adjusted admission growth after implicit price concessions/bad debt expense

(3) Includes inpatient and outpatient surgeries

(4) Includes emergency room outpatient visits

HOSPITAL OPERATIONS AND OTHER SEGMENT

Same-Hospital Selected Statistics

(Unaudited)

Three Months Ended March 31,

(Dollars in millions except per adjusted admission amounts)

	2022	2021	Change
Admissions and Surgeries⁽¹⁾			
Number of hospitals (at end of period)	60	60	—
Total admissions	127,782	134,120	(4.7)%
Adjusted patient admissions	227,933	231,273	(1.4)%
Admissions through emergency department	97,684	100,847	(3.1)%
Paying admissions as a percentage of total admissions	95.3 %	94.7 %	0.6 %
Charity and uninsured admissions as a percentage of total admissions	4.7 %	5.3 %	(0.6)%
Emergency department admissions as a percentage of total admissions	76.4 %	75.2 %	1.2 %
Surgeries — inpatient	32,908	34,096	(3.5)%
Surgeries — outpatient	51,258	50,275	2.0 %
Total surgeries	84,166	84,371	(0.2)%
Patient days — total	705,623	731,525	(3.5)%
Adjusted patient days	1,224,824	1,225,520	(0.1)%
Average length of stay (days)	5.52	5.45	1.3 %
Licensed beds (at end of period)	15,395	15,403	(0.1)%
Average licensed beds	15,395	15,403	(0.1)%
Utilization of licensed beds	50.9 %	52.8 %	(1.9)%
Outpatient Visits⁽¹⁾			
Total visits (includes Emergency department visits)	1,240,386	1,222,696	1.4 %
Emergency department visits	500,665	424,361	18.0 %
Paying visits as a percentage of total visits	94.0 %	93.9 %	0.1 %
Charity and uninsured visits as a percentage of total visits	6.0 %	6.1 %	(0.1)%
Total Emergency department inpatient admissions and outpatient visits⁽¹⁾	598,349	525,208	13.9 %
Revenues and Operating Expenses			
Net patient service revenues ⁽¹⁾⁽²⁾	\$ 3,478	\$ 3,392	2.5 %
Net patient service revenue ⁽¹⁾⁽²⁾ per adjusted patient admission	\$ 15,259	\$ 14,667	4.0 %
Selected operating expenses ⁽³⁾	\$ 3,154	\$ 3,188	(1.1)%
Selected operating expenses ⁽³⁾ per adjusted patient admission	\$ 13,832	\$ 13,776	0.4 %
Payer mix - net patient service revenues⁽¹⁾⁽²⁾			
Medicare	17.7 %	19.3 %	(1.6)%
Medicaid	5.5 %	7.5 %	(2.0)%
Managed care ⁽⁴⁾	71.1 %	67.1 %	4.0 %
Uninsured	1.0 %	1.1 %	(0.1)%
Indemnity and other	4.7 %	5.0 %	(0.3)%

Footnotes and other notations:

(1) Same-hospital revenues and statistical data include those for hospitals and hospital-affiliated outpatient centers operated by the Company's Hospital segment continuously from January 1, 2020 through March 31, 2022. Amounts associated with physician practices are excluded. Prior-period same-hospital net patient service revenues and volume changes have been recast to reflect only the continuously operated facilities since January 1, 2020.

(2) Less implicit price concessions/bad debt expense.

(3) Selected operating expenses include salaries, wages and benefits, supplies and other operating expenses

(4) Includes commercial managed care as well as managed care Medicare and Medicaid

HOSPITAL OPERATIONS AND OTHER SEGMENT

Total-Hospital Selected Statistics

(Unaudited)

Three Months Ended March 31,

(Dollars in millions except per adjusted admission amounts)

	2022	2021	Change
Admissions and Surgeries⁽¹⁾			
Number of hospitals (at end of period)	60	65	(5)
Total admissions	127,781	147,674	(13.5)%
Adjusted patient admissions	227,933	251,017	(9.2)%
Admissions through emergency department	97,688	112,730	(13.3)%
Paying admissions as a percentage of total admissions	95.3 %	94.0 %	1.3 %
Charity and uninsured admissions as a percentage of total admissions	4.7 %	6.0 %	(1.3)%
Emergency department admissions as a percentage of total admissions	76.4 %	76.3 %	0.1 %
Surgeries — inpatient	32,909	36,787	(10.5)%
Surgeries — outpatient	51,257	53,177	(3.6)%
Total surgeries	84,166	89,964	(6.4)%
Patient days — total	705,627	797,489	(11.5)%
Adjusted patient days	1,224,824	1,321,890	(7.3)%
Average length of stay (days)	5.52	5.40	2.2 %
Licensed beds (at end of period)	15,395	17,178	(10.4)%
Average licensed beds	15,395	17,178	(10.4)%
Utilization of licensed beds	50.9 %	51.6 %	(0.7)%
Outpatient Visits⁽¹⁾			
Total visits (includes Emergency department visits)	1,373,188	1,401,217	(2.0)%
Emergency department visits	500,659	450,830	11.1 %
Paying visits as a percentage of total visits	94.3 %	93.6 %	0.7 %
Charity and uninsured visits as a percentage of total visits	5.7 %	6.4 %	(0.7)%
Total Emergency department inpatient admissions and outpatient visits⁽¹⁾	598,347	563,560	6.2 %
Revenues and Operating Expenses			
Net patient service revenues ⁽¹⁾⁽²⁾	\$ 3,508	\$ 3,650	(3.9)%
Net patient service revenue ⁽¹⁾⁽²⁾ per adjusted patient admission	\$ 15,390	\$ 14,541	5.8 %
Selected operating expenses ⁽³⁾	\$ 3,177	\$ 3,419	(7.1)%
Selected operating expenses ⁽³⁾ per adjusted patient admission	\$ 13,935	\$ 13,614	2.4 %
Payer mix - net patient service revenues⁽¹⁾⁽²⁾			
Medicare	17.6 %	18.8 %	(1.2)%
Medicaid	5.5 %	7.1 %	(1.6)%
Managed care ⁽⁴⁾	71.1 %	68.0 %	3.1 %
Uninsured	1.1 %	1.3 %	(0.2)%
Indemnity and other	4.7 %	4.8 %	(0.1)%

Footnotes and other notations:

(1) Represents the consolidated results of Tenet's acute care hospitals and related outpatient facilities included in the Hospital Operations and other segment. Amounts associated with physician practices are excluded.

(2) Less implicit price concessions/bad debt expense

(3) Selected operating expenses include salaries, wages and benefits, supplies and other operating expenses

(4) Includes commercial managed care as well as managed care Medicare and Medicaid

**CONSOLIDATED
UNCOMPENSATED CARE TRENDS**
(Unaudited)

<i>(Dollars in millions)</i>	Q1'22	Q1'21
Net operating revenues	\$4,745	\$4,781
Bad debt expense and implicit price concessions	\$260	\$309
Charity Care write-offs	\$194	\$173
Uninsured discounts	\$1,053	\$1,267
Uncompensated Care ⁽¹⁾	\$1,507	\$1,749
Net operating revenues excluding Uncompensated Care	\$6,252	\$6,530
Uncompensated Care Percentage ⁽²⁾	24.1 %	26.8 %

Footnotes:

(1) Uncompensated Care equals the sum of: (a) Bad debt and implicit price concessions, (b) Charity Care Write-Offs, and (c) Uninsured Discounts.

(2) The Uncompensated Care Percentage equals uncompensated care as a percentage of net operating revenues excluding uncompensated care.