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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. 13 FOR MONTH ENDING: September 2019

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	<div style="border: 1px solid black; padding: 5px; display: inline-block;">\$87,568,992.49</div>

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



182015119103100000000009

Verity Bank Account Summary

For the month ending 9/30/2019

\$ in 000's

	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	\$ 66,608	\$ 2,073	\$ (21,084)	\$ 17,861	\$ (536)	\$ -	\$ (95,773)	\$ 255,213	\$ (176,355)	\$ 48,007	579
O'Connor Hospital	18-20168	112,567	2,457	(457)	3,992	(4,404)	-	-	350	(103,971)	10,534	289
St. Louise Regional Hospital	18-20162	57,947	566	(78)	660	(838)	-	-	130	(309)	58,078	240
St. Francis Medical Center	18-20165	7,690	27,033	(30,534)	41,571	(47,799)	-	-	48,871	(39,001)	7,832	2,863
St. Vincent Medical Center	18-20164	7,695	13,896	(15,722)	20,510	(24,190)	-	-	22,853	(16,324)	8,717	1,465
Seton Medical Center	18-20167	3,415	16,125	(14,756)	22,300	(27,269)	-	-	24,171	(19,685)	4,302	1,836
O'Connor Hospital Foundation	18-20179	1,589	2	-	-	-	-	-	-	-	1,591	1
St. Louise Regional Hospital Foundation	18-20172	321	0	(0)	-	-	-	-	-	-	321	2
St. Francis Medical Center of Lynwood Foundation	18-20178	180	455	-	-	-	-	-	-	(586)	49	11
St. Vincent Medical Center Foundation	18-20180	1,937	13	-	-	-	-	-	-	(324)	1,627	6
St. Vincent Dialysis Center, Inc.	18-20171	51	726	-	-	(776)	-	-	-	-	-	18
Seton Medical Center Foundation	18-20175	5,332	4	(0)	-	-	-	-	-	(143)	5,193	3
Verity Business Services	18-20173	531	-	(2,466)	-	-	-	-	3,821	(1,181)	704	131
Verity Medical Foundation	18-20169	4,011	711	(1,641)	-	(711)	-	-	1,629	-	3,999	355
Verity Holdings, LLC	18-20163	16,245	460	(831)	-	(371)	-	-	840	-	16,343	115
De Paul Ventures – San Jose Dialysis, LLC	18-20181	87	0	-	-	-	-	-	-	-	87	1
Subtotal		\$ 286,207	\$ 64,520	\$ (87,569)	\$ 106,894	\$ (106,894)	\$ -	\$ (95,773)	\$ 357,878	\$ (357,878)	\$ 167,385	7,915

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 9/30/2019

\$ 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	\$ 3,588	\$ 3	\$ (18,170)	\$ -	\$ -	\$ -	\$ (86,009)	\$ 107,235	\$ (2,229)	\$ 4,418	304
VHS - Self Insurance	XXXXXX9250	-	536	-	-	(536)	-	-	-	-	(0)	11
VHS - Payroll	XXXXXX1785	353	-	(2,214)	-	-	-	-	2,229	-	368	12
VHS - DIP Concentration Account	XXXXXX2889	2,283	1,492	(700)	12,552	-	-	(13,276)	-	(2,351)	0	92
VHS - Disbursement Account	XXXXXX4358	29,300	-	-	5,309	-	-	3,512	145,748	(171,775)	12,093	158
VHS - Non Santa Clara Sale Proceeds ⁴	XXXXXX9100	30,360	41	-	-	-	-	-	-	-	30,402	1
VHS - Santa Clara Sale Proceeds ⁴	XXXXXX9087	724	1	-	-	-	-	-	-	-	725	1
OCH - Lockbox	XXXXXX2945	46	2,405	-	-	(2,411)	-	-	-	-	40	194
OCH - Gross Revenue	XXXXXX3900	45	-	-	2,066	(1,993)	-	-	-	-	118	25
OCH - AP	XXXXXX6389	851	-	(457)	1,925	-	-	-	350	(1,925)	744	66
OCH - Payroll	XXXXXX3007	312	-	(0)	-	-	-	-	-	-	312	1
OCH - FSA	XXXXXX2284	-	-	-	-	-	-	-	-	-	-	-
OCH - Patient Trust	XXXXXX2662	2	-	-	-	-	-	-	-	-	2	-
OCH - Santa Clara Sale Proceeds ⁴	XXXXXX9549	111,311	52	-	-	-	-	-	-	(102,045)	9,318	3
SLRH - Lockbox	XXXXXX2926	31	488	-	-	(491)	-	-	-	-	29	154
SLRH - Gross Revenue	XXXXXX3905	15	-	-	351	(347)	-	-	-	-	19	25
SLRH - AP	XXXXXX6421	288	-	(78)	309	-	-	-	130	(309)	340	60
SLRH - Payroll	XXXXXX7575	180	-	-	-	-	-	-	-	-	180	-
SLRH - FSA	XXXXXX2307	-	-	-	-	-	-	-	-	-	-	-
SLRH - Santa Clara Sale Proceeds ⁴	XXXXXX9563	57,433	78	-	-	-	-	-	-	-	57,511	1
SFMC - Lockbox	XXXXXX2940	492	27,000	-	-	(26,711)	-	-	-	-	781	456
SFMC - Gross Revenue	XXXXXX3924	60	-	-	21,929	(21,058)	-	-	-	-	932	25
SFMC - AP	XXXXXX6407	3,593	-	(10,389)	19,642	-	-	-	29,516	(39,001)	3,361	837
SFMC - Payroll	XXXXXX3012	879	-	(13,787)	-	-	-	-	13,788	-	880	381
SFMC - FSA	XXXXXX2487	-	-	-	-	-	-	-	-	-	-	-
SFMC - Cafeteria Deposits	XXXXXX1057	-	30	-	-	(30)	-	-	-	-	(0)	46
SFMC - Capitation (AppleCare)	XXXXXX1371	1,259	-	(4,500)	-	-	-	-	3,826	-	584	420
SFMC - Capitation (Conifer)	XXXXXX1357	536	-	(1,179)	-	-	-	-	1,464	-	822	461
SFMC - Capitation AC	XXXXXX1845	57	-	(79)	-	-	-	-	45	-	24	58
SFMC - Capitation HCLA	XXXXXX1840	766	0	(599)	-	-	-	-	232	-	399	178
SFMC - Career College	XXXXXX2162	48	2	(1)	-	-	-	-	-	-	49	-
SFMC - Sale Proceeds ⁴	XXXXXX0090	0	0	-	-	-	-	-	-	-	0	1
SVMC - Lockbox	XXXXXX2964	174	13,894	-	-	(13,748)	-	-	-	-	320	543
SVMC - Gross Revenue	XXXXXX3929	35	-	-	11,125	(10,442)	-	-	-	-	718	25
SVMC - AP	XXXXXX6426	5,129	-	(8,926)	9,385	-	-	-	15,914	(16,324)	5,176	615
SVMC - Payroll	XXXXXX3017	93	-	(6,374)	-	-	-	-	6,370	-	89	155
SVMC - FSA	XXXXXX2062	-	-	-	-	-	-	-	-	-	-	-
SVMC - Capitation (CHP)	XXXXXX0553	332	-	-	-	-	-	-	-	-	332	-
SVMC - Capitation (Conifer)	XXXXXX3695	682	-	(421)	-	-	-	-	569	-	830	125
SVMC - Restricted Cash ³	XXXXXX0989	1,250	2	-	-	-	-	-	-	-	1,252	1
SVMC - Sale Proceeds ⁴	XXXXXX0076	0	0	-	-	-	-	-	-	-	0	1
SMC - Lockbox	XXXXXX2902	13	15,897	-	-	(15,428)	-	-	-	-	482	612
SMC - Gross Revenue	XXXXXX3887	5	-	-	12,012	(11,429)	-	-	-	-	588	25
SMC - AP	XXXXXX6365	1,763	-	(5,295)	9,916	-	-	-	14,663	(19,510)	1,537	750
SMC - Payroll	XXXXXX3001	1,417	-	(9,268)	-	-	-	-	9,218	-	1,368	231
SMC - FSA	XXXXXX2289	-	-	-	-	-	-	-	-	-	-	-
SMCC - Lockbox	XXXXXX02907	5	227	-	-	(221)	-	-	-	-	12	77
SMCC - Gross Revenue	XXXXXX3882	40	-	-	197	(191)	-	-	-	-	46	23
SMCC - AP	XXXXXX6384	143	-	(191)	175	-	-	-	290	(175)	243	117
SMCC - FSA	XXXXXX2302	-	-	-	-	-	-	-	-	-	-	-
SMCC - Patient Trust	XXXXXX12907	29	-	(2)	-	-	-	-	-	-	27	1
OCH Foundation ³	XXXXXX3433	1,346	2	-	-	-	-	-	-	-	1,348	1
OCH Foundation - Investment ³	XXXXXX2-037	243	-	-	-	-	-	-	-	-	243	-
SLRH Foundation ³	XXXXXX2521	321	0	(0)	-	-	-	-	-	-	321	2
SFMC of Lynwood Foundation ³	XXXXXX2809	180	455	-	-	-	-	-	-	(586)	49	11
SVMC Foundation ³	XXXXXX3025	1,937	13	-	-	-	-	-	-	(324)	1,627	6
SVMC Foundation - EWB ³	XXXXXX1162	-	-	-	-	-	-	-	-	-	-	-
St. Vincent Dialysis Center	XXXXXX8921	51	726	-	-	(776)	-	-	-	-	-	18
SMC Foundation ³	XXXXXX2260	4,907	4	(0)	-	-	-	-	-	(143)	4,768	3
SMC Foundation - SVCS ³	XXXXXX0089	425	-	-	-	-	-	-	-	-	425	-
VBS - AP	XXXXXX6402	520	-	(1,318)	-	-	-	-	2,640	(1,181)	661	101
VBS - Payroll	XXXXXX2982	11	-	(1,148)	-	-	-	-	1,181	-	43	30
VBS - FSA	XXXXXX3192	-	-	-	-	-	-	-	-	-	-	-
VMF - Checking	XXXXXX9996	1,742	711	(1,641)	-	(711)	-	-	1,629	-	1,730	354
VMF - Payroll ZBA	XXXXXX0010	-	-	-	-	-	-	-	-	-	-	-
VMF - Sale Proceeds ⁴	XXXXXX2810	2,269	0	-	-	-	-	-	-	-	2,269	1
VH - AP	XXXXXX1597	329	-	(831)	-	-	-	-	840	-	338	80
VH - MOB	XXXXXX1248	57	438	-	-	(371)	-	-	-	-	125	34
VH - Operating	XXXXXX1970	-	-	-	-	-	-	-	-	-	-	-
VH - Savings	XXXXXX1975	-	-	-	-	-	-	-	-	-	-	-
VH - Santa Clara Sale Proceeds ⁴	XXXXXX9568	15,859	22	-	-	-	-	-	-	-	15,880	1
De Paul Ventures - San Jose Dialysis, LLC	XXXXXX2797	87	0	-	-	-	-	-	-	-	87	1
SMCC - Patient Trust - TCB	XXXXXX3611	-	-	-	-	-	-	-	-	-	-	-
SMC Foundation - TCB ³	XXXXXX8521	-	-	-	-	-	-	-	-	-	-	-
Subtotal		\$ 286,207	\$ 64,520	\$ (87,569)	\$ 106,894	\$ (106,894)	\$ -	\$ (95,773)	\$ 357,878	\$ (357,878)	\$ 167,385	7,915

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 Bank Account Summary

For Thirteen months ending 9/30/2019 (including 8/31/2018 activity)

\$ in 000's

Debtor Name ¹	Debtor Case #	Beg Balance	Total Receipts	Operating		Sweep		DIP Inflows ²	DIP Outflows ²	I/C Inflows	I/C Outflows	Ending Bank Balance	Total Transaction Count
				Disbursements	Sweep Inflows	Outflows							
Verity Health System of California, Inc.	18-20151	\$ 7,529	\$ 49,360	\$ (355,367)	\$ 722,512	\$ (4,139)	\$ 973,000	\$ (973,000)	\$ 976,117	\$ (1,348,004)	\$ 48,007	7,420	
O'Connor Hospital	18-20168	8,981	280,058	(113,183)	198,820	(269,418)	-	-	142,234	(236,958)	10,534	15,267	
St. Louise Regional Hospital	18-20162	3,978	111,133	(37,049)	62,293	(85,248)	-	-	45,959	(42,987)	58,078	9,949	
St. Francis Medical Center	18-20165	10,077	592,933	(409,014)	452,925	(806,936)	-	-	584,422	(416,577)	7,832	32,620	
St. Vincent Medical Center	18-20164	9,936	213,437	(223,453)	169,582	(290,890)	-	-	279,663	(149,558)	8,717	18,712	
Seton Medical Center	18-20167	5,884	238,536	(208,886)	198,493	(337,927)	-	-	306,789	(198,587)	4,302	22,962	
O'Connor Hospital Foundation	18-20179	1,714	101	-	-	-	-	-	-	(225)	1,591	64	
St. Louise Regional Hospital Foundation	18-20172	720	54	(3)	-	-	-	-	-	(450)	321	49	
St. Francis Medical Center of Lynwood Foundation	18-20178	780	3,783	-	-	-	-	-	-	(4,514)	49	94	
St. Vincent Medical Center Foundation	18-20180	1,613	1,846	-	-	-	-	-	772	(2,605)	1,627	70	
St. Vincent Dialysis Center, Inc.	18-20171	332	6,193	(7)	-	(5,193)	-	-	-	(1,325)	0	310	
Seton Medical Center Foundation	18-20175	6,229	200	(107)	-	-	-	-	117	(1,247)	5,193	428	
Verity Business Services	18-20173	1,003	4	(35,134)	-	-	-	-	54,291	(19,461)	704	1,453	
Verity Medical Foundation	18-20169	4,493	57,582	(92,972)	-	(711)	-	-	117,247	(81,640)	3,999	26,199	
Verity Holdings, LLC	18-20163	12,778	22,342	(11,138)	-	(4,162)	-	-	17,052	(20,529)	16,343	1,507	
De Paul Ventures – San Jose Dialysis, LLC	18-20181	-	87	-	-	-	-	-	-	-	87	7	
Subtotal		\$ 76,048	\$ 1,577,649	\$ (1,486,312)	\$ 1,804,625	\$ (1,804,625)	\$ 973,000	\$ (973,000)	\$ 2,524,665	\$ (2,524,665)	\$ 167,385	\$ 137,111	

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 Thirteen months ending 9/30/2019 (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	\$ 1,165	\$ (310,672)	\$ -	\$ -	\$ 40,000	\$ (236,134)	\$ 550,206	\$ (47,231)	\$ 4,418	4,213
VHS - Self Insurance	XXXXXX9250	200	4,980	-	-	(4,139)	-	-	-	(1,041)	0	103
VHS - Payroll	XXXXXX1785	246	-	(40,474)	-	-	-	-	40,597	-	368	357
VHS - DIP Concentration Account	XXXXXX2889	-	12,089	(3,998)	717,202	-	-	(933,172)	210,364	(2,486)	(0)	2,031
VHS - Disbursement Account ⁵	XXXXXX4358	-	-	(223)	5,309	-	933,000	196,306	174,948	(1,297,246)	12,093	696
VHS - Non Santa Clara Sale Proceeds ⁴	XXXXXX9100	-	30,402	-	-	-	-	-	-	-	30,402	10
VHS - Santa Clara Sale Proceeds ⁴	XXXXXX9087	-	724	-	-	-	-	-	1	-	725	10
OCH - Lockbox	XXXXXX2945	188	168,901	-	-	(169,049)	-	-	-	-	40	7,043
OCH - Gross Revenue	XXXXXX3900	1,962	-	-	98,518	(100,369)	-	-	7	-	118	227
OCH - AP	XXXXXX6389	6,499	-	(45,076)	100,301	-	-	-	73,795	(134,775)	744	5,136
OCH - Payroll	XXXXXX3007	207	-	(68,107)	-	-	-	-	68,213	-	312	2,827
OCH - FSA	XXXXXX2284	125	-	-	-	-	-	-	-	(125)	0	2
OCH - Patient Trust	XXXXXX2662	-	14	-	-	-	-	-	-	(12)	2	20
OCH - Santa Clara Sale Proceeds ⁴	XXXXXX9549	-	111,144	-	-	-	-	-	219	(102,045)	9,318	12
SLRH - Lockbox	XXXXXX2926	24	53,724	-	-	(53,719)	-	-	-	-	29	5,561
SLRH - Gross Revenue	XXXXXX3905	746	-	-	30,802	(31,529)	-	-	-	-	19	221
SLRH - AP	XXXXXX6421	3,047	1	(15,628)	31,491	-	-	-	24,383	(42,954)	340	3,043
SLRH - Payroll	XXXXXX7575	128	-	(21,421)	-	-	-	-	21,473	-	180	1,113
SLRH - FSA	XXXXXX2307	33	-	-	-	-	-	-	-	(33)	0	1
SLRH - Santa Clara Sale Proceeds ⁴	XXXXXX9563	-	57,408	-	-	-	-	-	103	-	57,511	10
SFMC - Lockbox	XXXXXX2940	357	579,943	-	-	(579,519)	-	-	-	-	781	5,958
SFMC - Gross Revenue	XXXXXX3924	903	-	-	227,185	(227,156)	-	-	-	-	932	220
SFMC - AP	XXXXXX6407	7,314	4	(153,146)	225,741	-	-	-	339,352	(415,904)	3,361	9,593
SFMC - Payroll	XXXXXX3012	589	-	(182,543)	-	-	-	-	182,834	-	880	5,173
SFMC - FSA	XXXXXX2487	198	-	-	-	-	-	-	-	(198)	0	1
SFMC - Cafeteria Deposits	XXXXXX1057	312	424	-	-	(261)	-	-	-	(475)	(0)	634
SFMC - Capitation (AppleCare)	XXXXXX1371	128	-	(46,759)	-	-	-	-	47,215	-	584	4,543
SFMC - Capitation (Conifer)	XXXXXX1357	156	2	(9,833)	-	-	-	-	10,497	-	822	4,496
SFMC - Capitation AC	XXXXXX1845	10	-	(312)	-	-	-	-	325	-	24	300
SFMC - Capitation HCLA	XXXXXX1840	75	32	(3,906)	-	-	-	-	4,198	-	399	1,588
SFMC - Career College	XXXXXX2162	37	15	(3)	-	-	-	-	-	-	49	104
SFMC - Sale Proceeds ⁴	XXXXXX0090	-	12,512	(12,512)	-	-	-	-	-	-	0	10
SVMC - Lockbox	XXXXXX2964	13	205,900	-	-	(205,592)	-	-	-	-	320	7,377
SVMC - Gross Revenue	XXXXXX3929	672	2	-	85,342	(85,297)	-	-	-	-	718	222
SVMC - AP	XXXXXX6426	6,943	-	(122,768)	84,240	-	-	-	186,267	(149,505)	5,176	7,441
SVMC - Payroll	XXXXXX3017	116	-	(88,140)	-	-	-	-	88,113	-	89	2,212
SVMC - FSA	XXXXXX2062	52	-	-	-	-	-	-	-	(52)	(0)	1
SVMC - Capitation (CHP)	XXXXXX0553	493	-	(161)	-	-	-	-	-	-	332	20
SVMC - Capitation (Conifer)	XXXXXX3695	417	4	(4,875)	-	-	-	-	5,283	-	830	1,415
SVMC - Restricted Cash ³	XXXXXX0989	1,230	22	-	-	-	-	-	-	-	1,252	14
SVMC - Sale Proceeds ⁴	XXXXXX0076	-	7,509	(7,509)	-	-	-	-	-	-	0	10
SMC - Lockbox	XXXXXX2902	14	235,446	-	-	(234,979)	-	-	-	-	482	8,490
SMC - Gross Revenue	XXXXXX3887	370	-	-	98,756	(98,538)	-	-	-	-	588	220
SMC - AP	XXXXXX6365	2,911	-	(83,287)	97,025	-	-	-	181,452	(196,564)	1,537	8,817
SMC - Payroll	XXXXXX3001	1,212	-	(123,488)	-	-	-	-	124,644	(1,000)	1,368	2,703
SMC - FSA	XXXXXX2289	117	1	-	-	-	-	-	-	(117)	(0)	2
SMCC - Lockbox	XXXXXX02907	2	3,052	-	-	(3,043)	-	-	-	-	12	1,125
SMCC - Gross Revenue	XXXXXX3882	54	-	-	1,360	(1,368)	-	-	-	-	46	218
SMCC - AP	XXXXXX6384	1,160	-	(2,076)	1,352	-	-	-	669	(863)	243	1,330
SMCC - FSA	XXXXXX2302	19	-	-	-	-	-	-	-	(19)	0	1
SMCC - Patient Trust	XXXXXX12907	-	38	(35)	-	-	-	-	25	-	27	54
OCH Foundation ³	XXXXXX3433	1,473	100	-	-	-	-	-	-	(225)	1,348	40
OCH Foundation - Investment ³	XXXXXX2-037	242	2	-	-	-	-	-	-	-	243	24
SLRH Foundation ³	XXXXXX2521	720	54	(3)	-	-	-	-	-	(450)	321	49
SFMC of Lynwood Foundation ³	XXXXXX2809	780	3,783	-	-	-	-	-	-	(4,514)	49	94
SVMC Foundation ³	XXXXXX3025	844	1,843	-	-	-	-	-	772	(1,833)	1,627	59
SVMC Foundation - EWB ³	XXXXXX1162	769	3	-	-	-	-	-	-	(772)	-	11
St. Vincent Dialysis Center	XXXXXX8921	332	6,193	(7)	-	(5,193)	-	-	-	(1,325)	0	310
SMC Foundation ³	XXXXXX2260	5,660	124	(4)	-	-	-	-	117	(1,130)	4,768	63
SMC Foundation - SVCS ³	XXXXXX0089	451	76	(102)	-	-	-	-	-	-	425	362
VBS - AP	XXXXXX6402	962	4	(15,726)	-	-	-	-	34,856	(19,435)	661	1,064
VBS - Payroll	XXXXXX2982	15	-	(19,407)	-	-	-	-	19,435	-	43	388
VBS - FSA	XXXXXX3192	26	-	-	-	-	-	-	-	(26)	0	1
VMF - Checking	XXXXXX9996	4,493	55,317	(92,951)	-	(711)	-	-	117,222	(81,640)	1,730	26,178
VMF - Payroll ZBA	XXXXXX0010	-	21	(21)	-	-	-	-	-	-	-	6
VMF - Sale Proceeds ⁴	XXXXXX2810	-	2,244	-	-	-	-	-	25	-	2,269	15
VH - AP	XXXXXX1597	1,106	1	(10,137)	-	-	-	-	13,373	(4,005)	338	1,047
VH - MOB	XXXXXX1248	1,108	6,485	(10)	-	(4,162)	-	-	8	(3,304)	125	426
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	-	15,854	-	-	-	-	-	26	-	15,880	10
De Paul Ventures - San Jose Dialysis, LLC	XXXXXX2797	-	87	-	-	-	-	-	-	-	87	7
SMCC - Patient Trust - TCB	XXXXXX3611	24	-	-	-	-	-	-	-	(24)	0	2
SMC Foundation - TCB ³	XXXXXX8521	117	-	-	-	-	-	-	-	(117)	-	3
Subtotal		\$ 76,048	\$ 1,577,649	\$ (1,486,312)	\$ 1,804,625	\$ (1,804,625)	\$ 973,000	\$ (973,000)	\$ 2,524,665	\$ (2,524,665)	\$ 167,385	137,111

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
September 30, 2019
\$ 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	\$ 4,418	\$ 368	\$ -	\$ 12,093	\$ 725	\$ 30,402	\$ 48,007
Additive Items:							-
Deposits in Transit							-
Other Additive Items							-
Subtractive Items:							-
Outstanding Checks	(2,468)	(55)					(2,523)
Other Subtractive Items							-
Reclassifications							-
Negative book balance reclassified to AP							-
Petty Cash							-
Adjusted Bank Balance	1,950	313	-	12,093	725	30,402	45,483
GL Balance	\$ 1,950	\$ 313	\$ -	\$ 12,093	\$ 725	\$ 30,402	\$ 45,483
Number of Outstanding Checks	67	6					73

O'Connor Hospital
Bank Reconciliation Summary
September 30, 2019
\$ 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	\$ 744	\$ 312	\$ 158	\$ 2	\$ 9,318		\$ 10,534
Additive Items:							-
Deposits in Transit							-
Other Additive Items							-
Subtractive Items:							-
Outstanding Checks	(449)	(70)					(519)
Other Subtractive Items		20					20
Reclassifications							-
Reconciling item							-
Petty Cash							-
Adjusted Bank Balance	295	262	158	2	9,318	-	10,035
GL Balance	\$ 295	\$ 262	\$ 158	\$ 2	\$ 9,318	\$ -	\$ 10,035
Number of Outstanding Checks	184	72					256

Saint Louise Regional Hospital
Bank Reconciliation Summary
September 30, 2019
\$ 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	\$ 340	\$ 180	\$ 48	\$ 57,511		\$ 58,078
Additive Items:						-
Deposits in Transit		8				8
Other Additive Items		4				4
Subtractive Items:						-
Outstanding Checks	(39)	(14)				(53)
Other Subtractive Items						-
Reclassifications						-
Negative book balance reclassified to AP						-
Petty Cash						-
Adjusted Bank Balance	301	179	48	57,511	-	58,038
GL Balance	\$ 301	\$ 179	\$ 48	\$ 57,511	\$ -	\$ 58,038
Number of Outstanding Checks	128	16				144

St. Francis Medical Center
Bank Reconciliation Summary
September 30, 2019
\$ 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	\$ 3,361	\$ 880	\$ 1,713	\$ 822	\$ 584	\$ 422	\$ 49	\$ 0		\$ 7,832
Additive Items:										
Deposits in Transit										-
Other Additive Items				3	17					20
Subtractive Items:										
Outstanding Checks	(1,097)	(279)		(1,920)	(2,369)	(385)				(6,049)
Other Subtractive Items		(4)	(66)			(21)	(0)			(91)
Reclassifications										
Negative book balance reclassified to AP				1,095	1,768					2,863
Petty Cash									3	3
Adjusted Bank Balance	2,265	598	1,646	(0)	(0)	17	49	0	3	4,578
GL Balance	\$ 2,265	\$ 598	\$ 1,646	\$ -	\$ -	\$ 17	\$ 49	\$ 0	\$ 3	\$ 4,578
Number of Outstanding Checks	219	975		803	192	86				2,275

St Vincent Medical Center
Bank Reconciliation Summary
September 30, 2019
\$ 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	\$ 5,176	\$ 89	\$ 1,038	\$ 830	\$ 332	\$ 1,252	\$ 0		\$ 8,717
Additive Items:									
Deposits in Transit									-
Other Additive Items			0						0
Subtractive Items:									
Outstanding Checks	(1,006)	(46)		(279)	(186)				(1,518)
Other Subtractive Items									-
Reclassifications									
Negative book balance reclassified to AP									-
Petty Cash								4	4
Adjusted Bank Balance	4,170	43	1,038	550	146	1,252	0	4	7,203
GL Balance	\$ 4,170	\$ 43	\$ 1,038	\$ 550	\$ 146	\$ 1,252	\$ 0	\$ 4	\$ 7,203
Number of Outstanding Checks	239	42		58	68				407

Seton Medical Center
Bank Reconciliation Summary
September 30, 2019
\$ 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	\$ 1,537	\$ 1,368	\$ 1,070	\$ -		\$ 3,975
Additive Items:						-
Deposits in Transit		8				8
Other Additive Items			52			52
Subtractive Items:						-
Outstanding Checks	(762)	(140)				(902)
Other Subtractive Items						-
Reclassifications						-
Negative book balance reclassified to AP						-
Petty Cash					4	4
Adjusted Bank Balance	775	1,236	1,122	-	4	3,137
GL Balance	\$ 775	\$ 1,236	\$ 1,122	\$ -	\$ 4	\$ 3,137
Number of Outstanding Checks	417	100				517

Seton Medical Center Coastside
Bank Reconciliation Summary
September 30, 2019
\$ 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	\$ 243	\$ 58	\$ 27	\$ 327
Additive Items:				-
Deposits in Transit		23		23
Other Additive Items				-
Subtractive Items:				-
Outstanding Checks	(37)		(5)	(42)
Other Subtractive Items			(1)	(1)
Reclassifications				-
Negative book balance reclassified to AP				-
Petty Cash				-
Adjusted Bank Balance	205	81	21	307
GL Balance	\$ 205	\$ 81	\$ 21	\$ 307
Number of Outstanding Checks	51		13	64

O'Connor Hospital Foundation
Bank Reconciliation Summary
September 30, 2019
\$ in 000's

Bank Account No. (last 4 digits)	OCH Foundation	OCH Foundation - Investment	Debtor Total
	3433	2-037	
Balance Per Bank	\$ 1,348	\$ 243	\$ 1,591
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	1,347	243	1,591
GL Balance	\$ 1,347	\$ 244	\$ 1,591
Number of Outstanding Checks			-

Saint Louise Regional Hospital Foundation
Bank Reconciliation Summary
September 30, 2019
\$ in 000's

	Debtor Total
Bank Account No. (last 4 digits)	2521
Balance Per Bank	\$ 321
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	321
GL Balance	\$ 321
Number of Outstanding Checks	

St. Francis Medical Center of Lynwood Foundation
Bank Reconciliation Summary
September 30, 2019
\$ in 000's

	Debtor Total
Bank Account No. (last 4 digits)	2809
Balance Per Bank	\$ 49
Additive Items:	
Deposits in Transit	86
Other Additive Items	
Subtractive Items:	
Outstanding Checks	
Other Subtractive Items	
Reclassifications	
Negative book balance reclassified to AP	
Petty Cash	
Adjusted Bank Balance	135
GL Balance	\$ 135
Number of Outstanding Checks	

St Vincent Medical Center Foundation
Bank Reconciliation Summary
September 30, 2019
\$ in 000's

	Debtor Total
Bank Account No. (last 4 digits)	3025
Balance Per Bank	\$ 1,627
Additive Items:	
Deposits in Transit	
Other Additive Items	
Subtractive Items:	
Outstanding Checks	
Other Subtractive Items	(2)
Reclassifications	
Negative book balance reclassified to AP	
Petty Cash	
Adjusted Bank Balance	1,625
GL Balance	\$ 1,625
Number of Outstanding Checks	

St. Vincent Dialysis Center, Inc.
Bank Reconciliation Summary
September 30, 2019
\$ in 000's

	Debtor Total
Bank Account No. (last 4 digits)	8921
Balance Per Bank	\$ -
Additive Items:	
Deposits in Transit	82
Other Additive Items	
Subtractive Items:	
Outstanding Checks	
Other Subtractive Items	
Reclassifications	
Negative book balance reclassified to AP	
Petty Cash	
Adjusted Bank Balance	82
GL Balance	\$ 82
Number of Outstanding Checks	

Seton Medical Center Foundation
Bank Reconciliation Summary
September 30, 2019
\$ in 000's

Bank Account No. (last 4 digits)	SMC Foundation		Debtor
	2260	SMC Foundation - SVCS 0089	Total
Balance Per Bank	\$ 4,768	\$ 425	\$ 5,193
Additive Items:			
Deposits in Transit			-
Other Additive Items			-
Subtractive Items:			
Outstanding Checks			-
Other Subtractive Items		(425)	(425)
Reclassifications			
Negative book balance reclassified to AP			-
Petty Cash			-
Adjusted Bank Balance	4,768	-	4,768
GL Balance	\$ 4,768	\$ -	\$ 4,768
Number of Outstanding Checks			-

Verity Business Services
Bank Reconciliation Summary
September 30, 2019
\$ in 000's

Bank Account No. (last 4 digits)	AP Disbursement		Payroll		Debtor Total	
	6402		2982			
Balance Per Bank	\$ 661		\$ 43		\$ 704	-
Additive Items:						-
Deposits in Transit						-
Other Additive Items						-
Subtractive Items:						-
Outstanding Checks	(156)		(5)		(161)	-
Other Subtractive Items						-
Reclassifications						-
Negative book balance reclassified to AP						-
Petty Cash						-
Adjusted Bank Balance	505		38		543	
GL Balance	\$ 505		\$ 38		\$ 543	
Number of Outstanding Checks	16		4		20	

Verity Medical Foundation
Bank Reconciliation Summary
September 30, 2019
\$ 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	\$ 1,730	\$ 2,269		\$ 3,999
Additive Items:				-
Deposits in Transit				-
Other Additive Items	65			65
Subtractive Items:				-
Outstanding Checks	(259)			(259)
Other Subtractive Items				-
Reclassifications				-
Negative book balance reclassified to AP				-
Petty Cash				-
Adjusted Bank Balance	1,536	2,269	-	3,805
GL Balance	\$ 1,532	\$ 2,269	\$ -	\$ 3,801
Number of Outstanding Checks	643			643

Verity Holdings, LLC
Bank Reconciliation Summary
September 30, 2019
\$ 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	\$ 338	\$ 125	\$ 15,880	\$ -	\$ 16,343
Additive Items:					-
Deposits in Transit					-
Other Additive Items		2			2
Subtractive Items:					-
Outstanding Checks	(33)				(33)
Other Subtractive Items					-
Reclassifications					-
Negative book balance reclassified to AP					-
Petty Cash					-
Adjusted Bank Balance	305	127	15,880	-	16,313
GL Balance	\$ 305	\$ 127	\$ 15,880	\$ -	\$ 16,313
Number of Outstanding Checks	7				7

De Paul Ventures - San Jose Dialysis, LLC
Bank Reconciliation Summary
September 30, 2019
\$ in 000's

	De Paul Ventures – San Jose Dialysis, LLC
Bank Account No. (last 4 digits)	2797
Balance Per Bank	\$ 87
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	87
GL Balance	\$ 87
Number of Outstanding Checks	

Verity Health System, Inc.
Notes on Bank Reconciliations
September 30, 2019

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	#XXXXXX12284
SLRH - FSA	#XXXXXX12307
SMC - FSA	#XXXXXX12289
SMCC - FSA	#XXXXXX12302
SFMC - FSA	#XXXXXX12487
SVMC - FSA	#XXXXXX12062
VBS - FSA	#XXXXXX13192
VH - Operating	#XXXXXX11970
VH - Savings	#XXXXXX11975
VMF - Payroll ZBA - Wells Fargo	#XXXXXX20010
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
September 30, 2019

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	\$ 113,184	\$ 134,757
St. Louise Regional Hospital	5,528	37,049	42,577
Verity Holdings, LLC	269	11,138	11,407
Verity Health System of California, Inc.	88	355,366	355,454

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 09/30/2019

\$ 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	Ally Bank ^(B)	Various	\$99,985	-	-
2	Wells Fargo - 2005 Bonds	Monthly	1,226	-	-
3	US Bank 2015 Notes	Monthly	1,044	-	-
4	Verity MOB Financing, LLC	Monthly	405	-	-
5	US Bank 2017 Notes	Monthly	254	-	-
	Subtotal		\$102,913	-	-
Top 20 Vendors					
1	Healthnow Administrative Services	Various	\$8,902	-	-
2	Transamerica	Various	3,303	-	-
3	Cardinal Health	Various	1,867	-	-
4	Marillac Insurance Company, Ltd.	Various	1,532	-	-
5	Medline Industries, Inc.	Various	1,204	-	-
6	Sodexo, Inc & Affiliates	Various	886	-	-
7	Verity Medical Group	Various	872	-	-
8	Los Angeles Department Of Water And Powe	Various	475	-	-
9	Jeffer Mangels Butler And Mitchell Llp	Various	475	-	-
10	Totalmed Staffing, Inc.	Various	435	-	-
11	Nantworks LLC	Various	420	-	-
12	Rightsourcing Inc	Various	401	-	-
13	Boston Scientific Corp	Various	385	-	-
14	Onelegacy	Various	385	-	-
15	Thermal Control	Various	373	-	-
16	Constellation Newenergy Inc	Various	366	-	-
17	Kforce Inc And Subsidiaries Formerly Kfo	Various	330	-	-
18	4-Hni Medical Services Of Ca P.C.	Various	322	-	-
19	Delta Dental CA	Various	309	-	-
20	Medtronic USA Inc	Various	298	-	-
	Subtotal		\$23,540	-	-

Notes

A) See Notes after XI. Questionnaire.

B) Pursuant to the terms of the DIP loan agreement (which matured and was fully repaid in September 2019) and in addition to the above payments to Ally Bank, 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. To the extent funds were sent to and received from Ally Bank in the same month in the case of a zero DIP balance, the transfers netted out to zero.

Debtor	Account Used	Aggregate Insider Compensation Paid
Verity Health System of California, Inc.	XXXXXX1785	\$ 259,613
O'Connor Hospital	XXXXXX3007	\$ -
Saint Louise Regional Hospital	XXXXXX7575	\$ -
St. Francis Medical Center	XXXXXX3012	\$ 13,503
St. Vincent Medical Center	XXXXXX3017	\$ 66,364
Seton Medical Center	XXXXXX3001	\$ 37,329
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		-
		\$ 376,809

VIII SCHEDULE OF OTHER AMOUNTS PAID TO INSIDERS

Debtor	Account Used	Aggregate Insider Other Amounts Paid (a)
Verity Health System of California, Inc.	XXXXXX6440	\$ 120,625
O'Connor Hospital	XXXXXX6389	\$ -
Saint Louise Regional Hospital	XXXXXX6421	\$ -
St. Francis Medical Center	XXXXXX6407	\$ 29,875
St. Vincent Medical Center	XXXXXX6426	\$ 15,615
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		\$ -
		\$ 186,365

(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	\$ 718	\$ 527	\$ 4,578	\$ 5,951	\$ 3,137	\$ 307	\$ 14,359	\$ -	\$ 29,577	\$ 11,388	\$ 543	\$ 87
Net patient accounts receivable	4,514	1,551	61,723	28,062	33,707	3,996	-	-	133,553	-	-	-
Due from government agencies	1,074	179	9,195	5,039	2,059	-	-	-	17,546	-	-	-
Due from related organizations	13,435	4,833	444,306	14,953	16,712	48	568,251	(971,653)	90,885	-	63,564	3,474
Other current assets	29,479	10,591	38,278	21,588	13,687	344	10,381	-	124,348	4,699	247	-
Other restricted assets	9,318	57,511	-	-	-	-	31,127	-	97,956	-	-	-
Total Current Assets	58,538	75,192	558,080	75,593	69,302	4,695	624,118	(971,653)	493,865	16,087	64,354	3,561
Assets Limited As To Use:												
Other investments	-	-	-	3,111	-	-	20	-	3,131	39,763	-	-
Under bond indenture agreements	-	-	-	-	34,750	-	24,899	-	59,649	-	-	-
Total Assets Limited As To Use	-	-	-	3,111	34,750	-	24,919	-	62,780	39,763	-	-
Property And Equipment, Net	-	-	84,716	43,999	41,094	649	23,948	-	194,406	-	1,457	-
Other Long-Term Assets	-	-	224	1	63	-	2,331	-	2,619	-	-	36
Total Assets	\$ 58,538	\$ 75,192	\$ 643,020	\$ 122,704	\$ 145,209	\$ 5,344	\$ 675,316	\$ (971,653)	\$ 753,670	\$ 55,850	\$ 65,811	\$ 3,597
LIABILITIES AND NET (DEFICIT) ASSETS												
Current Liabilities:												
Accounts payable	\$ 15,660	\$ 3,803	\$ 20,282	\$ 25,493	\$ 15,341	\$ 462	\$ 16,626	\$ -	\$ 97,667	\$ 24	\$ 5,776	\$ -
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	708	69	3,065	1,210	307	-	-	-	5,359	-	-	-
Accrued expenses and other current liabilities	15,529	5,267	92,012	31,514	43,086	1,905	160,449	-	349,762	13,909	3,278	1
Due to related organizations	164,139	72,793	13,754	363,603	237,251	27,545	259,562	(971,653)	166,994	-	55,114	2
Total Current Liabilities	196,810	82,401	133,189	422,687	297,786	29,912	595,763	(971,653)	786,895	13,933	64,168	3
Other Liabilities												
Pension and other long-term liabilities	49,083	5,728	96,302	74,711	2,541	27	48,750	-	277,142	32,027	-	-
Total Other Liabilities	49,083	5,728	96,302	74,711	2,541	27	48,750	-	277,142	32,027	-	-
Long-Term Debt, Net Of Current Portion And Debt Issuance Costs	47,507	28,776	63,436	53,181	96,143	-	44,026	-	333,069	-	-	-
Total Liabilities	293,400	116,905	292,927	550,579	396,470	29,939	688,539	(971,653)	1,397,106	45,960	64,168	3
NET (DEFICIT) ASSETS:												
Unrestricted	(234,862)	(41,713)	350,093	(431,190)	(251,261)	(24,595)	(13,223)	-	(646,751)	9,890	1,643	3,594
Temporarily restricted	-	-	-	523	-	-	-	-	523	-	-	-
Permanently restricted	-	-	-	2,792	-	-	-	-	2,792	-	-	-
Total Net (Deficit) Assets	(234,862)	(41,713)	350,093	(427,875)	(251,261)	(24,595)	(13,223)	-	(643,436)	9,890	1,643	3,594
Total Liabilities And Net (Deficit) Assets	\$ 58,538	\$ 75,192	\$ 643,020	\$ 122,704	\$ 145,209	\$ 5,344	\$ 675,316	\$ (971,653)	\$ 753,670	\$ 55,850	\$ 65,811	\$ 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	\$ 82	\$ 1,532	\$ 351	\$ 106	\$ 71	\$ 20	\$ 379	\$ 433	\$ 15	\$ -	\$ 44,584
Net patient accounts receivable	534	548	-	-	-	-	-	-	-	-	134,635
Due from government agencies	-	-	-	-	-	-	-	-	-	-	17,546
Due from related organizations	8,748	3,438	1	7	4	5	12,518	75,234	-	(257,878)	-
Other current assets	66	2,892	-	59	812	-	959	2,053	-	(4,789)	131,346
Other restricted assets	-	2,269	-	-	-	-	-	15,880	-	-	116,105
Total Current Assets	9,430	10,679	352	172	887	25	13,856	93,600	15	(262,667)	444,216
Assets Limited As To Use:											
Other investments	-	-	1,240	4,662	64	300	3,470	-	-	-	52,630
Under bond indenture agreements	-	-	-	-	-	-	-	-	-	-	59,649
Total Assets Limited As To Use	-	-	1,240	4,662	64	300	3,470	-	-	-	112,279
Property And Equipment, Net	183	434	-	-	-	-	-	13,650	-	-	210,130
Other Long-Term Assets	-	602	-	-	-	-	673	950	-	(1,600)	3,280
Total Assets	\$ 9,613	\$ 11,715	\$ 1,592	\$ 4,834	\$ 951	\$ 325	\$ 17,999	\$ 108,200	\$ 15	\$ (264,267)	\$ 769,905
LIABILITIES AND NET (DEFICIT) ASSETS											
Current Liabilities:											
Accounts payable	\$ -	\$ 343	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,014	\$ -	\$ -	\$ 104,824
Current portion of long-term debt, net of debt issuance costs	-	-	-	-	-	-	-	-	-	-	167,113
Due to government agencies	-	-	-	-	-	-	-	-	-	-	5,359
Accrued expenses and other current liabilities	50	9,263	-	4	5	-	8	1,588	-	(6,389)	371,479
Due to related organizations	13,522	-	7,343	790	8,747	5,094	901	(629)	-	(257,878)	-
Total Current Liabilities	13,572	9,606	7,343	794	8,752	5,094	909	1,973	-	(264,267)	648,775
Other Liabilities											
Pension and other long-term liabilities	-	7,800	71	-	-	-	104	19,379	-	-	336,523
Total Other Liabilities	-	7,800	71	-	-	-	104	19,379	-	-	336,523
Long-Term Debt, Net Of Current Portion And Debt Issuance Costs	-	-	-	-	-	-	-	105,718	-	-	438,787
Total Liabilities	13,572	17,406	7,414	794	8,752	5,094	1,013	127,070	-	(264,267)	1,424,085
NET (DEFICIT) ASSETS:											
Unrestricted	(3,959)	(5,691)	(6,972)	(622)	(8,677)	(5,071)	11,778	(18,870)	15	-	(669,693)
Temporarily restricted	-	-	815	1,944	876	302	2,765	-	-	-	7,225
Permanently restricted	-	-	335	2,718	-	-	2,443	-	-	-	8,288
Total Net (Deficit) Assets	(3,959)	(5,691)	(5,822)	4,040	(7,801)	(4,769)	16,986	(18,870)	15	-	(654,180)
Total Liabilities And Net (Deficit) Assets	\$ 9,613	\$ 11,715	\$ 1,592	\$ 4,834	\$ 951	\$ 325	\$ 17,999	\$ 108,200	\$ 15	\$ (264,267)	\$ 769,905

	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	\$ (1,242)	\$ (281)	\$ 19,270	\$ 12,505	\$ 14,497	\$ 1,575	\$ -	\$ (1,113)	\$ 45,211	\$ -	\$ -	\$ -
Provision for doubtful accounts	528	228	788	(874)	(779)	50	-	-	(59)	-	-	-
Net patient service revenue less provision for doubtful accounts	(714)	(53)	20,058	11,631	13,718	1,625	-	(1,113)	45,152	-	-	-
Premium revenue	-	-	8,551	1,040	-	-	-	(71)	9,520	-	-	-
Other revenue	3	-	184	41	95	41	13,399	(12,282)	1,481	913	2,733	-
Contributions	20	-	748	43	10	-	-	-	821	-	-	-
Total Unrestricted Revenues And Other Support	(691)	(53)	29,541	12,755	13,823	1,666	13,399	(13,466)	56,974	913	2,733	-
EXPENSES:												
Salaries and benefits	754	(2)	20,243	9,432	12,811	1,448	3,343	(1,113)	46,916	-	1,962	-
Supplies	(133)	39	3,728	3,186	2,064	168	7	-	9,059	-	13	-
Purchased services, medical claims and other	178	34	14,337	7,831	5,382	468	3,947	(7,983)	24,194	1,637	710	-
Depreciation and amortization	-	-	669	489	428	11	45	-	1,642	-	22	-
Interest, net	229	139	318	245	440	-	1,507	-	2,878	-	1	-
Total Expenses	1,028	210	39,295	21,183	21,125	2,095	8,849	(9,096)	84,689	1,637	2,708	-
Operating (Loss) Income	(1,719)	(263)	(9,754)	(8,428)	(7,302)	(429)	4,550	(4,370)	(27,715)	(724)	25	-
Investment Income (Loss)	52	78	1	-	52	-	(180)	-	3	49	-	-
Gain (Loss) on Hospital Sales	6	(2)	-	-	-	-	-	-	4	-	-	-
Reorganization Items	13	2	2,140	1,205	1,192	109	4,370	(4,370)	4,661	-	25	-
Excess (Deficit) Of Revenues Over Expenses	\$ (1,674)	\$ (189)	\$ (11,893)	\$ (9,633)	\$ (8,442)	\$ (538)	\$ -	\$ -	\$ (32,369)	\$ (675)	\$ -	\$ -

	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	\$ 706	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,025)	\$ 44,892
Provision for doubtful accounts	(9)	-	-	-	-	-	-	-	-	-	(68)
Net patient service revenue less provision for doubtful accounts	697	-	-	-	-	-	-	-	-	(1,025)	44,824
Premium revenue	-	-	-	-	-	-	-	-	-	-	9,520
Other revenue	-	378	-	-	-	-	-	1,123	-	(4,665)	1,963
Contributions	-	-	-	-	5	-	-	-	-	-	826
Total Unrestricted Revenues And Other Support	697	378	-	-	5	-	-	1,123	-	(5,690)	57,133
EXPENSES:											
Salaries and benefits	266	474	-	2	20	-	3	-	-	(1,541)	48,102
Supplies	216	10	-	-	-	-	-	7	-	-	9,305
Purchased services, medical claims and other	57	1,636	-	-	-	-	-	770	-	(4,124)	24,880
Depreciation and amortization	2	17	-	1	1	-	1	37	-	-	1,723
Interest, net	-	-	-	-	-	-	-	651	-	-	3,530
Total Expenses	541	2,137	-	3	21	-	4	1,465	-	(5,665)	87,540
Operating (Loss) Income	156	(1,759)	-	(3)	(16)	-	(4)	(342)	-	(25)	(30,407)
Investment Income (Loss)	-	-	2	4	1	-	3	22	-	-	84
Gain (Loss) on Hospital Sales	-	-	-	-	-	-	-	-	-	-	4
Reorganization Items	-	12	-	-	-	-	-	10	-	(25)	4,683
Excess (Deficit) Of Revenues Over Expenses	\$ 156	\$ (1,771)	\$ 2	\$ 1	\$ (15)	\$ -	\$ (1)	\$ (330)	\$ -	\$ -	(35,002)

	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	\$ 123,985	\$ 39,199	\$ 431,865	\$ 188,343	\$ 222,176	\$ 22,999	\$ -	\$ (18,433)	\$ 1,010,134	\$ -	\$ -	\$ -
Provision for doubtful accounts	(3,769)	(1,354)	(3,374)	(2,492)	(11,705)	(322)	-	-	(23,016)	-	-	-
Net patient service revenue less provision for doubtful accounts	120,216	37,845	428,491	185,851	210,471	22,677	-	(18,433)	987,118	-	-	-
Premium revenue	-	-	112,633	17,211	-	-	-	(1,273)	128,571	-	-	-
Other revenue	2,287	99	2,072	1,381	1,224	559	166,750	(158,354)	16,018	13,408	39,755	-
Contributions	82	31	4,655	1,098	122	-	-	-	5,988	-	-	-
Total Unrestricted Revenues And Other Support	122,585	37,975	547,851	205,541	211,817	23,236	166,750	(178,060)	1,137,695	13,408	39,755	-
EXPENSES:												
Salaries and benefits	86,708	30,626	252,659	124,475	164,211	19,013	51,388	(18,433)	710,647	-	29,132	-
Supplies	18,216	3,953	46,919	44,390	29,253	2,114	102	-	144,947	-	222	-
Purchased services, medical claims and other	48,546	15,300	220,326	104,976	72,963	5,189	38,900	(107,575)	398,625	13,660	9,754	(75)
Depreciation and amortization	3,005	868	8,958	6,376	5,491	136	538	-	25,372	-	295	-
Interest, net	2,757	1,794	4,106	2,950	5,828	-	26,485	-	43,920	-	2	-
Total Expenses	159,232	52,541	532,968	283,167	277,746	26,452	117,413	(126,008)	1,323,511	13,660	39,405	(75)
Operating (Loss) Income	(36,647)	(14,566)	14,883	(77,626)	(65,929)	(3,216)	49,337	(52,052)	(185,816)	(252)	350	75
Investment Income (Loss)	1,149	645	2	-	416	-	2,715	-	4,927	622	-	-
Gain (Loss) on Hospital Sales	109,118	51,636	-	-	-	-	674	-	161,428	-	-	-
Reorganization Items	6,006	2,056	21,888	13,523	12,339	1,142	52,052	(52,052)	56,954	-	350	1
Excess (Deficit) Of Revenues Over Expenses	\$ 67,614	\$ 35,659	\$ (7,003)	\$ (91,149)	\$ (77,852)	\$ (4,358)	\$ 674	\$ -	\$ (76,415)	\$ 370	\$ -	\$ 74

	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	\$ 5,956	\$ 31,663	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,456)	\$ 1,045,297
Provision for doubtful accounts	(242)	(1,609)	-	-	-	-	-	-	-	-	(24,867)
Net patient service revenue less provision for doubtful accounts	5,714	30,054	-	-	-	-	-	-	-	(2,456)	1,020,430
Premium revenue	-	10,765	-	-	-	-	-	-	-	-	139,336
Other revenue	-	10,149	-	-	-	-	-	14,559	-	(69,518)	24,371
Contributions	-	-	5	107	147	(1)	448	1,800	-	-	8,494
Total Unrestricted Revenues And Other Support	5,714	50,968	5	107	147	(1)	448	16,359	-	(71,974)	1,192,631
EXPENSES:											
Salaries and benefits	3,431	27,395	94	144	422	69	197	(9)	-	(9,512)	762,010
Supplies	1,798	10,616	-	(5)	-	-	-	63	-	-	157,641
Purchased services, medical claims and other	583	62,455	6	(7)	41	28	43	11,689	-	(62,117)	434,685
Depreciation and amortization	26	1,584	-	7	7	-	7	716	-	-	28,014
Interest, net	-	11	-	-	-	-	-	9,142	-	-	53,075
Total Expenses	5,838	102,061	100	139	470	97	247	21,601	-	(71,629)	1,435,425
Operating (Loss) Income	(124)	(51,093)	(95)	(32)	(323)	(98)	201	(5,242)	-	(345)	(242,794)
Investment Income (Loss)	3	-	23	70	13	8	29	672	-	-	6,367
Gain (Loss) on Hospital Sales	-	(252)	-	-	-	-	-	13,170	-	-	174,346
Reorganization Items	-	625	3	4	3	3	3	122	-	(345)	57,723
Excess (Deficit) Of Revenues Over Expenses	\$ (121)	\$ (51,970)	\$ (75)	\$ 34	\$ (313)	\$ (93)	\$ 227	\$ 8,478	\$ -	\$ -	\$ (119,804)

- | | 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/> | | |
| 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
On September 3, 2019, the Debtors filed their plan of liquidation and related disclosure statement [Docket No. 2994]. In connection with the Court approved sale [Docket No. 2306] of the Debtors' remaining hospitals to Strategic Global Management, Inc. ["SGM"], the Debtors and SGM continued to work together on numerous matters related to the sale, including (i) working with counterparties to executory contracts and unexpired leases with respect to the resolution of cure costs and other issues, (ii) meeting with the Attorney General, and (iii) meeting regularly regarding operational transition plans. | | |
| <hr/> | | |
| 4. Describe potential future developments which may have a significant impact on the case:
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. | | |
| <hr/> | | |
| 5. Attach copies of all Orders granting relief from the automatic stay that were entered during the reporting period.
Attached. | | |
| <hr/> | | |
| 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	Old Republic Insurance Company	Verity Health System of California, Inc.	7/1/2019-1/1/2020	MWC 313800-19	Workers' Compensation - Statutory Employers Liability - \$1,000,000 BI Each Accident \$1,000,000 BI Disease Each Employee \$1,000,000 BI Disease Policy Limit	1/1/2020
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)	10/1/2018-10/1/2019	GLOPR1801815	\$2,000,000 Any One Victim and in the Aggregate	10/1/2019
8	D&O Liability, Employment Practices Liability, Fiduciary Liability, Crime <i>Primary Layer</i>	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)	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	10/1/2019
9	D&O Liability and Employment Practices Liability <i>1st Excess Layer</i>	Endurance Risk Solutions Assurance Company	Verity Health System of California, Inc.	10/1/2017-10/1/2018 (Extended to 10/1/2019)	BLX10008286901	\$10,000,000 Excess of \$10,000,000	10/1/2019
10	D&O Liability Only <i>2nd Excess Layer</i>	Argonaut Insurance Company (ARGO Group)	Verity Health System of California, Inc.	10/1/2017-10/1/2018 (Extended to 10/1/2019)	MLX 7602088-01	\$10,000,000 Excess of \$20,000,000 (D&O Liability Only)	10/1/2019
11	Excess Side A D&O Liability	National Union Fire Insurance Company of Pittsburgh, PA	Verity Health System of California, Inc.	10/1/2018-10/1/2019	02-306-61-90	\$2,000,000 Excess of \$30,000,000	10/1/2019

#	Insurance Coverage	Carrier	First Named Insured	Policy Period	Policy Number	Limits of Liability	Premium Paid Through (Date)
12	Punitive Damages Wrap <i>Primary Layer</i>	American International Reinsurance Company, Ltd.	Verity Health System of California, Inc.	10/1/2017-10/1/2018 (Extended to 10/1/2019)	24542026	\$10,000,000 Each Occurrence \$10,000,000 Aggregate	10/1/2019
13	Punitive Damages Wrap <i>1st Excess Layer</i>	Magna Carta Insurance, Ltd.	Verity Health System of California, Inc.	10/1/2017-10/1/2018 (Extended to 10/1/2019)	MCEN204155	\$10,000,000 Excess of \$10,000,000	10/1/2019
14	Storage Tank Liability	Tokio Marine Specialty Insurance Company (Philadelphia)	St. Francis Medical Center	12/05/2018-12/05/2019	STEP011394-01	\$1,000,000 Remediation Expense \$1,000,000 Bodily Injury and Property Damage Resulting from Contamination \$1,000,000 Defense Expense \$1,000,000 Defense Expense Aggregate \$2,000,000 Total Policy Aggregate	12/5/2019
15	Cyber/Network Liability	AXIS Insurance Company	Verity Health System of California, Inc.	2/4/2019-2/4/2020	P-001-000076217-01	\$2,000,000 per claim in excess of \$500,000	2/4/2020
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 (tail coverage obtained for claims reported after 3/1/19)	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	1/1/2020
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	10/31/2019
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
21	Workers Compensation Deductible Liability Protection	Marillac Insurance Company, Ltd.	Verity Health System of California, Inc.	7/1/2019-1/1/2020	DED.WC-07.01.19-20	Workers' Compensation \$500,000 Each Occurrence Employers Liability \$500,000 Each Occurrence	1/1/2020
Reinsurance							
22	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

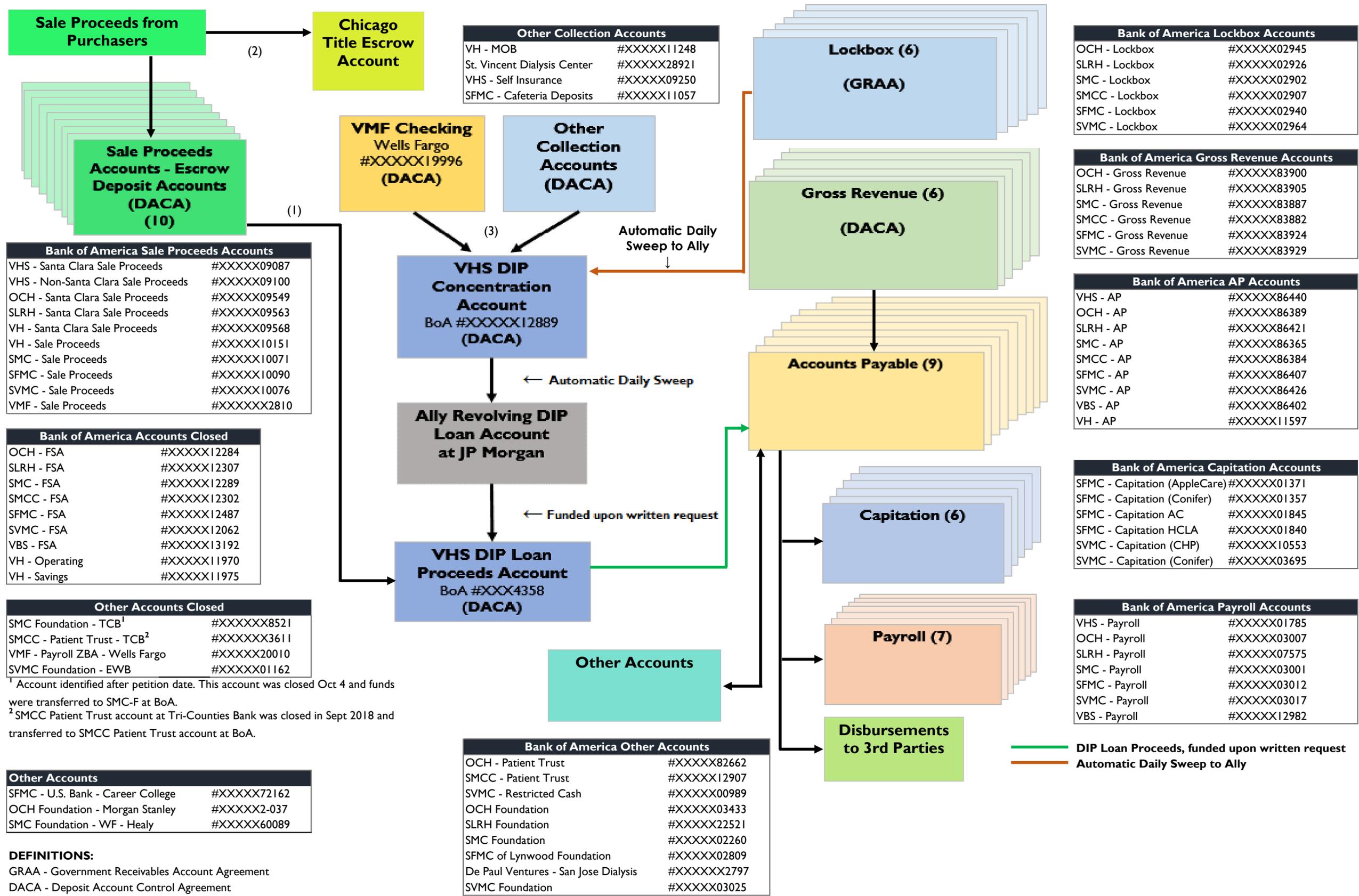
#	Insurance Coverage	Carrier	First Named Insured	Policy Period	Policy Number	Limits of Liability	Premium Paid Through (Date)
23	2nd Excess Layer	Continental Casualty Company (CNA)	Verity Health System of California, Inc.	3/31/2019-3/31/2020	HMU 2097462209-11	\$10,000,000 Each Professional Liability Claim \$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
24	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
25	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
26	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
27	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						
28	CA DHS Patient Trust Bond	Hartford Fire Insurance Company	Seton Medical Center Coastside	12/1/2001-12/1/2019	83BSBBF7598	\$75,000 Bond Amount	12/1/2019
29	CA DHS Patient Trust Bond	Hartford Fire Insurance Company	St. Francis Medical Center	12/1/2001-12/1/2019	83BSBBF7621	\$5,000 Bond Amount	12/1/2019
30	CA DHS Patient Trust Bond	Hartford Fire Insurance Company	St. Vincent Medical Center	12/1/2001-12/1/2019	83BSBBF7625	\$2,000 Bond Amount	12/1/2019
31	CA DHS Patient Trust Bond	Hartford Fire Insurance Company	Seton Medical Center	12/1/2001-12/1/2019	83BSBBF7661	\$35,000 Bond Amount	12/1/2019

#	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)								
32	Provider Capitation Stop Loss (Applicable to St. Vincent Medical Center and St. Francis Medical Center)	PartnerRe America Insurance Company	Verity Health System of California, Inc.	1/1/2019-1/1/2020	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	10/31/2019	(A)
Self-Insured Medical and Pharmacy Stop Loss								
33	Self-Insured Medical and Pharmacy Stop Loss	Reliastar Life Insurance Company (Voya)	Verity Health System of California, Inc.	1/1/19-12/31/19	70037-7	\$375,000 per Individual Coverage Period - Incurred in 12 months 1/1/19 - 12/31/19 and paid in 24 months 1/1/19 - 12/31/20	10/1/2019	(A)

(A) Premium is paid monthly.

Verity Health System - Debtors' Postpetition Cash Flowchart

Structure as of Sep 7, 2019



FOOTNOTES

NOTE: The Postpetition Cash Flowchart reflects the Debtors' cash management system through Sep 7, 2019.

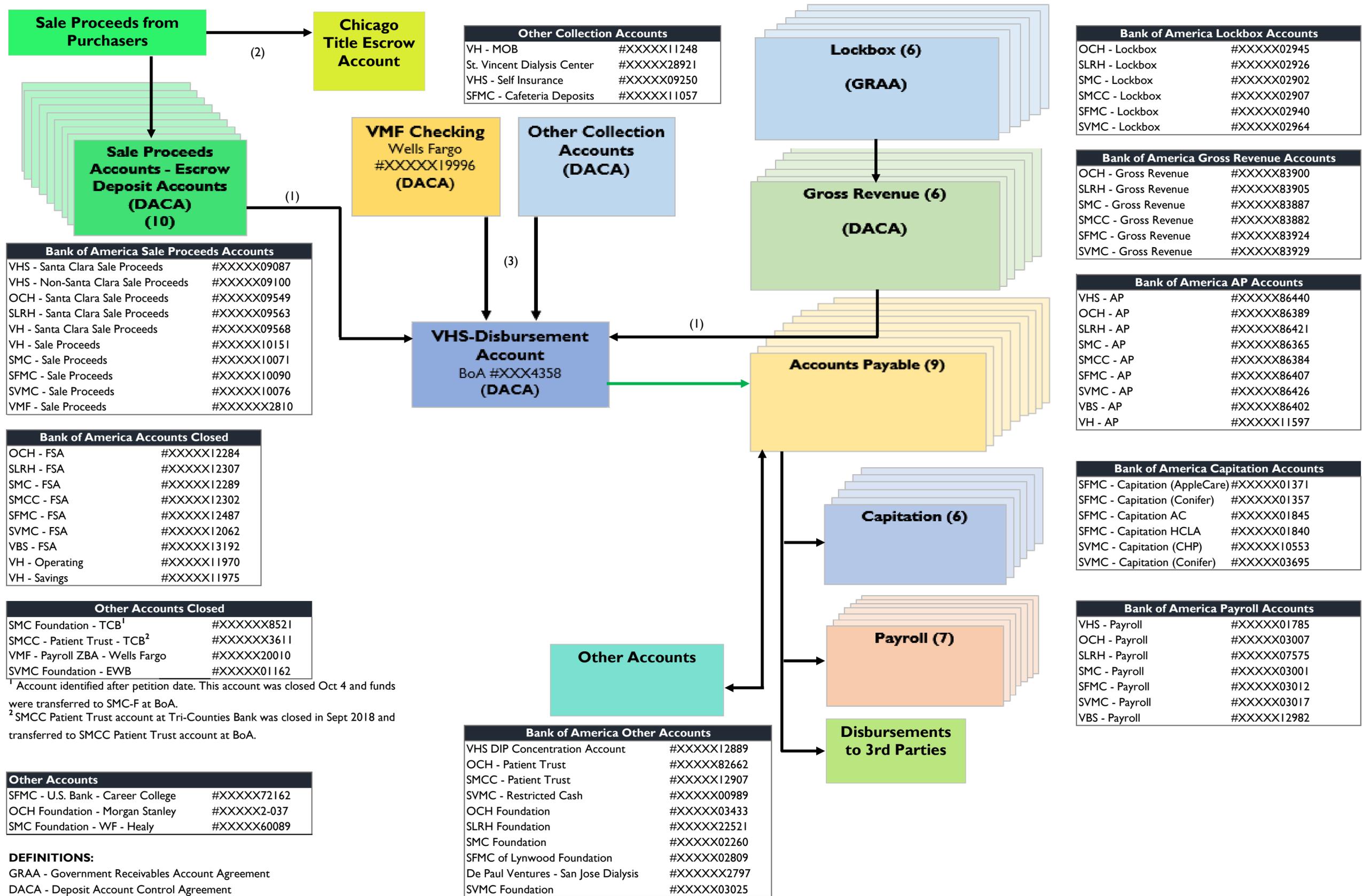
(1) The Final DIP Order provided that the Sale Proceeds, including any deposits, shall be held in escrow in one or more deposit accounts subject to a deposit account control agreement in favor of the DIP Agent (the "Escrow Deposit Account"). On September 6, 2019, the Court entered the Final Order (A) 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.

(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 DIP Concentration account. The VMF Checking account at Wells Fargo is swept manually.

Verity Health System - Debtors' Postpetition Cash Flowchart

Structure as of Sep 30, 2019



DEFINITIONS:
 GRAA - Government Receivables Account Agreement
 DACA - Deposit Account Control Agreement

FOOTNOTES

NOTE: The Postpetition Cash Flowchart reflects the Debtors' cash management system at Sep 30, 2019.

(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 1.1.2, \$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 09/30/19**

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; Anita Chou, CFO; 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; Anita Chou, CFO; 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; Anita Chou, CFO; 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; Anita Chou, CFO; 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; Anita Chou, CFO; 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; Anita Chou, CFO; 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; Anita Chou, CFO; 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; Anita Chou, CFO; and Ty Conner, Treasurer	(C)
9	Obligated Group	OCH - Lockbox	O'Connor Hospital	Bank of America	XXXXXX2945	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer	
10	Obligated Group	OCH - Gross Revenue	O'Connor Hospital	Bank of America	XXXXXX3900	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer	
11	Obligated Group	OCH - AP	O'Connor Hospital	Bank of America	XXXXXX6389	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer	
12	Obligated Group	OCH - Payroll	O'Connor Hospital	Bank of America	XXXXXX3007	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer	
13	Obligated Group	OCH - Patient Trust	O'Connor Hospital	Bank of America	XXXXXX2662	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer	

**Verity Health System
Debtor Bank Accounts
As of 09/30/19**

Number	Group	Bank Account Name	Company	Financial Institution	Account Number	Authorized Signers	
14	Obligated Group	SLRH - Santa Clara Sale Proceeds	St. Louise Regional Hospital	Bank of America	XXXXXX9563	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer	(C)
15	Obligated Group	SLRH - Lockbox	St. Louise Regional Hospital	Bank of America	XXXXXX2926	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer	
16	Obligated Group	SLRH - Gross Revenue	St. Louise Regional Hospital	Bank of America	XXXXXX3905	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer	
17	Obligated Group	SLRH - AP	St. Louise Regional Hospital	Bank of America	XXXXXX6421	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer	
18	Obligated Group	SLRH - Payroll	St. Louise Regional Hospital	Bank of America	XXXXXX7575	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer	
19	Obligated Group	SFMC - Sale Proceeds	St. Francis Medical Center	Bank of America	XXXXXX0090	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer	(C)
20	Obligated Group	SFMC - Lockbox	St. Francis Medical Center	Bank of America	XXXXXX2940	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer	
21	Obligated Group	SFMC - Gross Revenue	St. Francis Medical Center	Bank of America	XXXXXX3924	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer	
22	Obligated Group	SFMC - AP	St. Francis Medical Center	Bank of America	XXXXXX6407	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer	
23	Obligated Group	SFMC - Payroll	St. Francis Medical Center	Bank of America	XXXXXX3012	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer	
24	Obligated Group	SFMC - Cafeteria Deposits	St. Francis Medical Center	Bank of America	XXXXXX1057	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer	
25	Obligated Group	SFMC - Capitation (AppleCare)	St. Francis Medical Center	Bank of America	XXXXXX1371	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer; Eleanor Ramirez, SFMC CEO	
26	Obligated Group	SFMC - Capitation (Conifer)	St. Francis Medical Center	Bank of America	XXXXXX1357	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer; Eleanor Ramirez, SFMC CEO	

Verity Health System
Debtor Bank Accounts
As of 09/30/19

Number	Group	Bank Account Name	Company	Financial Institution	Account Number	Authorized Signers	
27	Obligated Group	SFMC - Capitation AC	St. Francis Medical Center	Bank of America	XXXXXX1845	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer; Eleanor Ramirez, SFMC CEO	
28	Obligated Group	SFMC - Capitation HCLA	St. Francis Medical Center	Bank of America	XXXXXX1840	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer; Eleanor Ramirez, SFMC CEO	
29	Obligated Group	SFMC - Career College	St. Francis Medical Center	U S Bank	XXXXXX2162	Anita Chou, CFO; and Ty Conner, Treasurer	
30	Obligated Group	SVMC - Sale Proceeds	St. Vincent Medical Center	Bank of America	XXXXXX0076	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer	(C)
31	Obligated Group	SVMC - Lockbox	St. Vincent Medical Center	Bank of America	XXXXXX2964	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer	
32	Obligated Group	SVMC - Gross Revenue	St. Vincent Medical Center	Bank of America	XXXXXX3929	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer	
33	Obligated Group	SVMC - AP	St. Vincent Medical Center	Bank of America	XXXXXX6426	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer	
34	Obligated Group	SVMC - Payroll	St. Vincent Medical Center	Bank of America	XXXXXX3017	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer	
35	Obligated Group	SVMC - Capitation (CHP)	St. Vincent Medical Center	Bank of America	XXXXXX0553	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer, Margaret Pfeiffer, SVMC COO	
36	Obligated Group	SVMC - Capitation (Conifer)	St. Vincent Medical Center	Bank of America	XXXXXX3695	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer, Margaret Pfeiffer, SVMC COO	
37	Obligated Group	SVMC - Restricted Cash	St. Vincent Medical Center	Bank of America	XXXXXX00989	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer	(B)
38	Obligated Group	SMC - Sale Proceeds	Seton Medical Center	Bank of America	XXXXXX0071	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer	(C)
39	Obligated Group	SMC - Lockbox	Seton Medical Center	Bank of America	XXXXXX2902	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer	

**Verity Health System
Debtor Bank Accounts
As of 09/30/19**

Number	Group	Bank Account Name	Company	Financial Institution	Account Number	Authorized Signers	
40	Obligated Group	SMC - Gross Revenue	Seton Medical Center	Bank of America	XXXXXX3887	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer	
41	Obligated Group	SMC - AP	Seton Medical Center	Bank of America	XXXXXX6365	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer	
42	Obligated Group	SMC - Payroll	Seton Medical Center	Bank of America	XXXXXX3001	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer	
43	Obligated Group	SMCC - Lockbox	Seton Medical Center	Bank of America	XXXXX02907	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer	
44	Obligated Group	SMCC - Gross Revenue	Seton Medical Center	Bank of America	XXXXXX3882	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer	
45	Obligated Group	SMCC - AP	Seton Medical Center	Bank of America	XXXXXX6384	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer	
46	Obligated Group	SMCC - Patient Trust	Seton Medical Center	Bank of America	XXXXX12907	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer	
47	Charitable Foundation	OCH Foundation	O'Connor Hospital Foundation	Bank of America	XXXXXX3433	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; 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; Anita Chou, CFO; 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; Anita Chou, CFO; 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; Anita Chou, CFO; 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; Anita Chou, CFO; and Ty Conner, Treasurer	
53	Charitable Foundation	SMC Foundation	Seton Medical Center Foundation	Bank of America	XXXXXX2260	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer	(B)

**Verity Health System
Debtor Bank Accounts
As of 09/30/19**

Number	Group	Bank Account Name	Company	Financial Institution	Account Number	Authorized Signers	(A) (B)
54	Charitable Foundation	SMC Foundation - SVCS	Healy, James T/U/A	Wells Fargo	XXXXX60089	Need to Update Signers	(A) (B)
55	Non-Obligated Group	VBS - AP	Verity Business Services	Bank of America	XXXXXX6402	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer	
56	Non-Obligated Group	VBS - Payroll	Verity Business Services	Bank of America	XXXXXX2982	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer	
57	Physician Foundation	VMF - Checking	Verity Medical Foundation	Wells Fargo	XXXXXX9996	Steve Campbell, CEO; Randall Roisman, CFO; and Fariba Shahbazi, Tony Armada	
58	Physician Foundation	VMF - Sale Proceeds	Verity Medical Foundation	Bank of America	XXXXXX2810	Steve Campbell, CEO; Randall Roisman, CFO; and Fariba Shahbazi, Tony Armada	(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; Anita Chou, CFO; 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; Anita Chou, CFO; and Ty Conner, Treasurer	(C)
61	Non-Obligated Group	VH - Sale Proceeds	Verity Holdings LLC	Bank of America	XXXXXX0151	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer	(C)
62	Non-Obligated Group	VH - AP	Verity Holdings LLC	Bank of America	XXXXXX1597	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; and Ty Conner, Treasurer	
63	Non-Obligated Group	VH - MOB	Verity Holdings LLC	Bank of America	XXXXXX1248	Rich Adcock, CEO; Tony Armada, COO; Anita Chou, CFO; 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	

**Verity Health System
Debtor Bank Accounts
As of 09/30/19**

Number	Group	Bank Account Name	Company	Financial Institution	Account Number	Authorized Signers
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

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
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(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 August 31, 2019 and September 30, 2019
\$ in 000's

No.	Debtor Name	Institution Name	Type of Account	Last 4 of A/C	8/31/2019 Balance	9/30/2019 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	21,179	21,215	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	801	802	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	883	884	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	2,480	2,511	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	1,836	1,859	Donor restricted funds controlled by third party; Debtor does not control disbursements from this account
8R	Seton Medical Center	Wilmington Trust	Checking - Restricted	7000	489	5	Escrow Account - funds held in trust under bond indenture; only trustee can authorize disbursements
9R	Seton Medical Center	Wilmington Trust	Checking - Restricted	7001	251	-	Escrow Account - funds held in trust under bond indenture; only trustee can authorize disbursements
10R	Seton Medical Center	Wilmington Trust	Checking - Restricted	7002	-	-	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	16,908	16,933	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	885	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 August 31, 2019 and September 30, 2019
 \$ in 000's

No.	Debtor Name	Institution Name	Type of Account	Last 4 of A/C	8/31/2019 Balance	9/30/2019 Balance	Description of Restrictions
19R	Seton Medical Center	Wilmington Trust	Checking - Restricted	1003	17,786	17,812	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.

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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 AUTOMATIC STAY FILED BY
THEODOR PARADA, M.D.
[DOCKET NOS. 2864 & 2892]**

Hearing:

DATE: September 3, 2019
TIME: 10:00 a.m.
PLACE: Roybal Federal Building
255 East Temple Street, Courtroom 1568
Los Angeles, California 90012

27 The Amended *Motion For Relief From The Automatic Stay* [Docket No. 2892] (the
28 "Motion"), filed on behalf of Theodore Parada M.D., was scheduled to come on regularly for

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1 hearing at 10:00 a.m. on Tuesday, September 3, 2019, in Courtroom 1658 at the Roybal Federal
2 Building, 255 East Temple Street, Los Angeles, California. Pursuant to the *Stipulation Between*
3 *Debtors Varity Health System Of California, Inc., Seton Medical Center And Theodore Parada,*
4 *M.D. Granting Motion From Relief From The Automatic Stay* [Docket No. 2920], the Court issued
5 a tentative ruling, granting the Motion and taking the hearing off calendar.

6 Having considered the Motion and the Stipulation, no objection having been filed to the
7 Motion, it appearing that proper notice of the Motion was provided and for the reasons set forth in
8 the Court's tentative ruling on the Motion, which tentative ruling is adopted as this Court's final
9 ruling and incorporated herein by reference, and good and sufficient cause having been shown,

10 **IT IS HEREBY ORDERED that:**

- 11 1. The Motion is granted;
- 12 2. In accordance with the Stipulation, relief from the automatic stay is granted effective
13 as of September 15, 2019 on the basis that (1) the movant will seek recovery from applicable
14 insurances only, (2) the movant will not assert causes of action that are not covered by insurance,
15 and (3) the movant waives any deficiency claim against the debtor or property of the debtors'
16 bankruptcy estates.

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24 Date: September 10, 2019

25 
Ernest M. Robles
United States Bankruptcy Judge

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