

**THE TRUSTEES OF THE UNIVERSITY OF PENNSYLVANIA**  
**ANNUAL FINANCIAL INFORMATION**  
**For the Fiscal Year Ended June 30, 2024**  
**Continuing Disclosure Agreement**

**Undergraduate Student Applications and Enrollment**

The following table sets forth certain information regarding undergraduate applicants, acceptances and matriculants for the academic years indicated:

Applicants, Acceptances and Matriculants					
Academic Year	Applicants	Acceptances	Acceptance Percentage	Matriculants	Matriculation Percentage
2020-2021	42,205	3,789	9.0%	2,321	61.3%
2021-2022	56,332	3,304	5.9%	2,418	73.2%
2022-2023	54,588	3,549	6.5%	2,409	67.9%
2023-2024	59,465	3,489	5.9%	2,416	69.2%
2024-2025	65,236	3,523	5.4%	2,395	68.0%

The following is a five-year analysis of the mean college entrance examination scores achieved by entering first-year students. The University has been test optional since the 2020-21 admissions cycle:

Academic Year	SAT 1 Critical Reading	SAT 1 Math
2020-2021	735	765
2021-2022	741	771
2022-2023	749	777
2023-2024	751	780
2024-2025	753	780

Mean ACT Scores	
Academic Year	ACT Score
2020-2021	34
2021-2022	34
2022-2023	34
2023-2024	34
2024-2025	35

The full-time equivalent enrollment at the University for the academic years indicated is as follows:

Full-Time Equivalent Enrollment					
Academic Year	Undergraduate	Graduate	Professional	Full-Time Equivalent Enrollment	Total Degrees Awarded
2020-2021	10,358	3,528	9,488	23,374	8,633
2021-2022	10,501	3,496	10,702	24,699	8,985
2022-2023	10,691	3,573	10,842	25,106	10,032
2023-2024	10,944	3,732	10,860	25,536	10,391
2024-2025	10,811	3,814	11,224	25,849	N/A

Notes:

1. Graduate students are all non-undergraduate students pursuing degrees in Research Masters (AM, MS), PhD, or dual degree PhD (PhD and MD/VMD/DMD/JD), and Professional students are all non-undergraduate students pursuing degrees other than Research Masters, PhD, or dual degree PhD.
2. Standard Part-time = 1/3 FTE is applied.

## Tuition and Fees

The cost of education at the University is covered by tuition and fees, gifts, grants, income derived from investments and other sources. The University believes that its tuition, fees and other related student expenses are competitive with other major private institutions.

The University's total undergraduate tuition and fees and the standard undergraduate room and board charges are set forth in the table below. Graduate and professional schools set their own tuition rates and fees annually. Tuition and fees for full-time programs range from \$47,844 to \$120,072 per year. The University offers substantial financial assistance to both residential and non-residential students.

Undergraduate Tuition, Fees, and Other Charges		
	2023-24 Academic Year	2024-25 Academic Year
Academic Year Tuition & Fees for a Full-Time Undergraduate (excluding room & board)	\$ 66,104	\$ 68,686
Academic Year Room & Board Charges	<u>18,496</u>	<u>19,174</u>
Total	\$ <u>84,600</u>	\$ <u>87,860</u>

## Student Financial Aid

Student financial aid, shown as a reduction to tuition and fees revenue under GAAP reporting, consists of financial aid granted to undergraduate, graduate and professional students from institutional, federal, state and private sources. The aggregate dollar amount of financial aid grants for the years listed below was as follows:

Student Financial Aid (\$ in thousands)	
Fiscal Year Ended June 30,	Total
2020	360,863
2021	349,592
2022	375,596
2023	401,396
2024	446,713

## Contributions

Contributions, defined as new gifts and pledges in GAAP reporting, for the years listed below were as follows:

Contributions (\$ in thousands)				
Fiscal Year Ended June 30,	Endowment	Facilities	Operations	Total
2020	244,795	91,584	215,434	551,812
2021	202,657	91,371	248,257	542,285
2022	318,229	98,331	251,538	668,098
2023	197,816	93,101	244,071	534,988
2024	213,731	58,710	225,833	498,274

### Sponsored Research

The aggregate dollar amount of grants and contracts awarded to the University for sponsored research and training from governmental and private agencies during the years listed below were as follows (in thousands):

Research Grants and Contracts ( <i>\$ in thousands</i> )	
<u>Fiscal Year Ended June 30,</u>	<u>Total Grants and Contracts Awarded</u>
2020	1,297,732
2021	1,347,515
2022	1,463,113
2023	1,335,567
2024	1,355,373

### Endowment

At June 30, 2024, the aggregate market value of the University's endowment funds was approximately \$22.2 billion.

Endowment Funds of University ( <i>\$ in millions</i> )	
<u>As of June 30,</u>	<u>Market Value</u>
2020	14,877
2021	20,524
2022	20,724
2023	20,963
2024	22,348

### Endowment Spending Policy

In 1981, the University Trustees adopted an endowment spending policy governing the expenditure of funds invested in the University's Associated Investments Fund ("AIF"). The spending policy is designed: (i) to smooth the impact of short-term market moves that may affect the endowment's value; (ii) to make endowment distributions more predictable for purposes of managing and planning the University's operating budget; and (iii) to protect the real value of the endowment over time.

Under the current spending policy, the distribution for Fiscal Year 2024 is the sum of: (i) 70% of the prior fiscal year distribution adjusted by an inflation factor; and (ii) 30% of the prior fiscal year-end fair value of the AIF, lagged one year, multiplied by 5.0%.

## Investment Policy

The objectives of the endowment are to provide both stable and perpetual support for the mission and programs of the University. Penn's well-designed spending rule provides for stability of endowment spending, and its equity-oriented investment strategy provides long-term returns high enough to ensure original purchasing power is maintained after spending. The vast majority of the University's endowment funds are invested in the AIF, an open-ended, pooled investment vehicle that had a market value of approximately \$22.2 billion as of June 30, 2024. The AIF asset allocation as of June 30, 2024 is shown below.

Associated Investment Fund Asset Allocation As of June 30, 2024	
Domestic Equity	6.6%
International Equity	8.4%
Emerging Market Equity	6.8%
Private Equity	38.6%
Real Assets	12.9%
Absolute Return	22.0%
Fixed Income/Cash	4.7%
Total	<u>100.0%</u>

## Investment Performance

For FY24, the AIF return was 7.1%. Longer measurement periods and comparisons with certain indices are reflected in the chart below.

Annualized Returns for Period ending June 30, 2024*				
	<u>1-year</u>	<u>3-year</u>	<u>5-year</u>	<u>10-year</u>
AIF (University Investment Pool)	7.1%	2.7%	9.6%	8.7%
Composite Benchmark**	6.6%	2.6%	8.5%	7.0%

\* The investment returns shown above do not include expenses related to operating the Penn Office of Investments. Expenses related to the Penn Office of Investments are netted from returns on investments in the University's consolidated financial statements.

\*\* The Composite Benchmark is a weighted average of the individual asset classes in the AIF, where the weights are set forth in accordance with AIF's strategic asset allocation.

Detail on the Consolidated University's debt as of June 30, 2024 is located in the footnotes of the Annual Financial Statements for FY24.

**UNIVERSITY OF PENNSYLVANIA HEALTH SERVICES**  
**ANNUAL FINANCIAL INFORMATION**  
**For the Fiscal Year Ended June 30, 2024**  
**Continuing Disclosure Agreement**

*Attached is a copy of the Health System's annual financial statements prepared in accordance with generally accepted accounting principles and audited by a certified public accountant.*

**1. BUSINESS OF THE HEALTH SYSTEM:**

▪ **Hospital Facilities**

The following table sets forth the licensed and staffed bed complements of the hospitals of the Health System as of June 30, 2024:

	<b>HUP</b>	<b>PAH</b>	<b>PPMC</b>	<b>TCCHHS</b>	<b>LGH</b>	<b>Princeton</b>	<b>Total</b>
Adult Medical/Surgical <sup>(1)</sup>	1,133	375	272	315	591	266	2,952
Psychiatric	31	42				123	196
Rehabilitation	58	-				17	75
Detoxification and Skilled Nursing	16	-	19			15	50
Intensive Care/Intermediate Care Nurseries	38	50	68	14	29	14	213
Total Adult and Neo-Natal	1,276	467	359	329	620	435	3,486
Newborn Bassinets	32	50	-	32	48	24	186
Total Licensed Beds	1,308	517	359	361	668	459	3,672
Total Staffed Beds	1,050	467	347	314	568	360	3,106

<sup>1</sup> Includes obstetrics, surgical intensive care unit, medical intensive care unit and critical unit.

▪ **Historical Utilization Statistics**

The following table summarizes certain historical utilization statistics of the Health System for the five fiscal years ended June 30, 2024:

	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Adult and Neonatal Staffed Beds	3,106	3,125	3,057	2,895	2,744
Newborn Bassinets	186	186	186	186	169
Adult and Neonatal Admissions	139,583	137,129	135,122	129,722	129,016
Newborn Admissions	16,527	17,436	17,899	16,820	17,247
Adult and Neonatal Patient Days	859,504	852,603	844,763	772,312	746,996
Newborn Patient Days	35,974	38,135	39,877	35,964	41,148
Adult and Neonatal Average Length of Stay (Days)	6.16	6.22	6.25	5.95	5.79
Newborn Average Length of Stay (Days)	2.18	2.19	2.23	2.14	2.39
Adult and Neonatal Staffed Beds Occupancy	75.6%	74.8%	75.7%	73.1%	75.9%
Inpatient Surgical Procedures	42,426	41,434	40,431	43,250	43,538
Day Surgery Procedures	89,008	87,679	83,260	76,952	64,908
Emergency Room Visits	436,958	427,596	413,721	337,284	337,712
Outpatient Visits	5,338,592	5,052,530	4,918,666	4,598,959	4,113,704
Observation Visits	30,788	30,106	30,432	26,102	26,242

*Source: Health System records.*

▪ Service Area and Market Share

The University of Pennsylvania Health System includes 27 counties in its service area. The extended metropolitan service area of the Health System includes 12 counties in Southeastern Pennsylvania (Philadelphia, Bucks, Chester, Delaware, Montgomery, Berks, Lancaster, Lehigh, Lebanon, Northampton, Dauphin, York), 13 counties in Southern New Jersey (Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Hunterdon, Mercer, Middlesex, Monmouth, Ocean, Salem, Somerset), and 2 counties in Delaware (Kent, New Castle). The area is home to 12.5 million people with projections showing a 2.2% increase in population between 2025 and 2030. The area accounted for 96% of all hospital admissions of the Health System in fiscal year 2023.

<u>Market Area</u>	<u>Percent of Discharges<sup>1</sup></u>
City of Philadelphia	28.98%
PA Suburbs (Bucks, Chester, Delaware, Montgomery Counties)	25.64%
External PA Counties (Berks, Lancaster, Lehigh, Northampton Counties)	20.11%
<u>All Other Counties in Pennsylvania</u>	<u>2.72%</u>
<b>Total Pennsylvania</b>	<b><u>77.45%</u></b>
Southern New Jersey (Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean, Salem Counties)	7.49%
Princeton Area (Mercer, Middlesex, Somerset)	10.49%
<u>All Other Counties in New Jersey</u>	<u>1.13%</u>
<b>Total New Jersey</b>	<b><u>19.11%</u></b>
Delaware	1.97%
Maryland	0.32%
New York	0.27%
<u>All Other Areas</u>	<u>0.88%</u>
<b>Total Other</b>	<b><u>3.44%</u></b>
<b>Total</b>	<b><u>100%</u></b>

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<sup>1</sup> Includes fiscal year 2024 inpatient discharges at HUP, PAH, PPMC, LGH, CCH, and PHCS; excludes normal newborns and neonates.

The primary community service area (“PCSA”) of the Health System’s Philadelphia hospitals (i.e. HUP, Presbyterian and Pennsylvania Hospital) includes four sections in the City of Philadelphia: West Philadelphia, Southwest Philadelphia, South Philadelphia, and Center City Philadelphia. This area has a total population of approximately 522,357 and represents 32% of the City of Philadelphia’s population. The Health System also counts portions of Chester and Lancaster Counties in PA and Mercer, Middlesex and Somerset counties in NJ as part of its PCSA, which has a total population of 796,822. The PCSA, an important market for the regional hospitals and physicians in the Health System, accounted for approximately 54% of admissions in fiscal year 2024.

The tertiary and quaternary services of the Health System attract patients from throughout the Middle Atlantic region and across the United States. In fiscal year 2024, the Health System treated patients from almost every county in a four state region that includes Pennsylvania, New Jersey, Delaware and Maryland as well as 50 states, the District of Columbia, Puerto Rico, and the Virgin Islands. The Health System competes with tertiary providers in New York City and Baltimore as well as other academic medical centers throughout the country.

The Medicare Case Mix Index (“CMI”) provides an indication of the average complexity of the Medicare inpatients treated at a healthcare facility, the greater the CMI the more complex the patient care. The following table indicates the average CMI for hospitals in the Health System as compared to both hospitals identified by the Health

System as principal competitors within the general Philadelphia Region, and to certain peer institutions also recognized as “Honor Roll” hospitals by the *U.S. News & World Report*, in each case, excluding specialty hospitals.

<i>Regional Competitors</i>		<i>Nationally Recognized Peer Institutions</i>	
<b>Hospital</b>	<b>Medicare CMI</b>	<b>Hospital</b>	<b>Medicare CMI</b>
<b>HUP*</b>	<b>2.8916</b>	Cleveland Clinic	3.1558
<b>PPMC</b>	<b>2.6288</b>	UCSF Medical Center	3.0618
Thomas Jefferson Univ Hospital	2.4392	<b>HUP</b>	<b>2.8916</b>
Cooper Univ Medical Center	2.4062	Mt Sinai Hospital	2.7223
Our Lady Of Lourdes Med Center	2.3841	Brigham And Women's Hospital	2.6919
Robert Wood Johnson Univ Hosp	2.3590	Mayo Clinic - St Mary's/Rochester Methodist	2.6700
Main Line Hospitals- Lankenau	2.3227	Stanford Hospital	2.6038
Temple University Hospital	2.2652	PPMC	2.6288
Jersey Shore Medical Center	2.2219	UCSD Med Ctr	2.6722
Milton S Hershey Medical Center	2.2061	UCLA Ronald Reagan	2.7410
York Hospital-Pa	2.1943	Vanderbilt University Med Ctr	2.5522
St Lukes Hospital Of Bethlehem	2.0782	Cedars-Sinai Medical Center	2.5437
<b>PAH</b>	<b>2.0435</b>	Barnes Jewish Hospital	2.6116
Albert Einstein Medical Center	2.0139	Massachusetts General Hospital	2.6207
Crozer Chester Medical Center	1.9863	Northwestern Memorial Hospital	2.7024
Pinnacle Health Systems	1.9785	Houston Methodist Hospital	2.5557
Bayhealth Medical Center	1.9406	UT Southwestern	2.4809
Lehigh Valley Hospital	1.9389	University Of Michigan	2.4870
<b>LGH</b>	<b>1.9229</b>	Johns Hopkins Hospital	2.3772
John F Kennedy Medical Center	1.8656	Rush-Presby-St Lukes Med Ctr	2.4048
Capital Health Regional Medical Center	1.8516	NY Presbyterian	2.3197
<b>Princeton</b>	<b>1.5932</b>	NYU Med Center-Univ Hospital	2.2208
<b>CCH</b>	<b>1.5908</b>	North Shore University Hospital	2.0632
		<b>PAH</b>	<b>2.0435</b>
		<b>LGH</b>	<b>1.9229</b>
		<b>Princeton</b>	<b>1.5932</b>
		<b>CCH</b>	<b>1.5908</b>

*\*Hospitals marked in bold indicate Health System facilities*

Excludes specialty hospitals

Source: Centers for Medicare & Medicaid Services, Case Mix Index, fiscal year 2025 Final Rule Data`

## ***Inpatient Market Share for the 27-County Region***

*General Market Share.* The following table indicates the aggregate market share of the hospitals in the Health System, and their principal competitors in Pennsylvania (excluding specialty hospitals) by CMI level for calendar year 2021. This includes patients in the 27 county regional market that go to hospitals in Pennsylvania and New Jersey. The below data represents the most current available data for the combined markets and there are no indications of any significant change in market share data.

Health System/Hospital	# Hospitals Included*	Overall Share	Case Mix Index Level					
			<=2.0	>2.0	>2.5	>3.0	>3.5	>4.0
Jefferson	13	13.64%	13.33%	14.99%	14.91%	15.23%	15.31%	15.41%
UPHS	6	11.31%	10.71%	13.94%	14.39%	14.48%	14.80%	14.72%
Hackensack Meridian	12	8.15%	8.18%	8.03%	8.13%	8.35%	8.33%	8.27%
RWJBarnabas Health	11	7.66%	7.76%	7.19%	7.46%	7.44%	7.46%	7.64%
Tower Health	6	5.30%	5.54%	4.24%	3.93%	3.82%	3.68%	3.61%
Main Line Health	4	5.22%	5.18%	5.41%	5.33%	5.45%	5.34%	5.20%
Virtua	5	5.07%	5.35%	3.85%	3.85%	3.76%	3.59%	3.60%
Lehigh Valley Health Network	10	4.05%	4.10%	3.84%	3.76%	3.80%	3.87%	3.90%
St. Luke's University Health Network	8	3.83%	3.95%	3.31%	3.14%	3.02%	3.01%	3.05%
Temple	3	3.62%	3.51%	4.09%	4.18%	3.95%	4.01%	4.14%

Source: PHC4(PA) NJHSS(NJ) data January 2021 through December 2020 for PA and NJ hospitals only and patients that originate in 27county area;  
excludes all newborns as well as psych, rehab, substance abuse, and some other patient types; excludes all children's, psych, and rehab hospitals.

Crozer Keystone: Crozer-Chester Medical Center; Delaware County Memorial Hospital; Springfield Hospital; Taylor Hospital;

Hackensack Meridian: Bayshore Community Hospital; Hackensack University Medical Center; Jersey Shore University Medical Center; John Fitzgerald Kennedy Medical Center; Medical Center of Ocean County - Brick Hospital; Mountainside Hospital; Palisades Medical Center of New York Presbyterian Healthcare; Pascack Valley Hospital; Raritan Bay Medical Center - Old Bridge; Raritan Bay Medical Center - Perth Amboy Division; Riverview Medical Center; Southern Ocean County Hospital

Jefferson Health System: Jefferson University Hospitals (Thomas Jefferson University Hospital; Methodist Hospital; Wills Eye Hospital; Abington Memorial; Abington Lansdale; Aria Health; Kennedy Health); Albert Einstein Medical Center, Einstein Medical Center Montgomery

Lehigh Valley Health Network: Hazleton General Hospital; Lehigh Valley Hospital; Lehigh Valley Hospital – Cedar Crest; Lehigh Valley – Hecktown Oaks; Lehigh Valley Hospital – Muhlenberg; Pocono Medical Center; Pottsville Hospital and Warne Clinic; Coordinated Health Orthopaedic Hospital; Surgical Specialty Hospital at Coordinated Health

Main Line Health: Lankenau Hospital; Bryn Mawr; Paoli Memorial Hospital; Riddle Memorial Hospital

RWJ Barnabas: Clara Maass Medical Center; Community Medical Center; Jersey City Medical Center; Kimball Medical Center; Monmouth Medical Center; Newark Beth Israel Medical Center; Robert Wood Johnson University Hospital; Robert Wood Johnson University Hospital at Hamilton; RWJ Univ Hosp at Rahway; Cooperman Barnabas Medical Center; Somerset Medical Center; **Trinitas Regional Medical Center – Williamson Street Campus**

St. Luke's Health Network: Gnaden Huetten Memorial Hospital; Sacred Heart Hospital; St. Luke's Hospital; St. Luke's Hosp-Anderson; St. Luke's Hospital-Monroe; St. Luke's Miners Memorial Med Ctr; St. Luke's-Quakertown; Warren Hospital

Temple Health System: Temple University Hospital; Jeanes Hospital; Fox Chase Cancer Center;

Tower Health: Brandywine Hospital (closed); Chestnut Hill Hospital (now part of Temple); Jennersville Regional Hospital (closed); Phoenixville Hospital; Pottstown Memorial Medical Center; Reading Hospital

Virtua Health: Lourdes Medical Center of Burlington County; Our Lady of Lourdes Medical Center; Virtua Marlton; Virtua Memorial; Virtua Voorhees; Virtua Mount Holly

UPHS: HUP, PAH, PMC, LG HEALTH, TCHHS, PHCS



*Market Share by Service Line.* The following table reflects the market share of the Health System's hospitals by service line within the 27-county market for patients that go to a hospital in Pennsylvania or New Jersey. Market Share is based upon the most recently available data

**Inpatient Market Share by Strategic Service Line**  
**27-County Market, CY21**

	HUP	PAH	PMC	CCH	LG	MCP
Oncology/Hematology	8.92%	3.03%	1.48%	1.09%	2.13%	0.98%
Women's Health	3.33%	4.28%	0.10%	2.48%	3.33%	1.60%
Musculoskeletal & Rheumatology	0.76%	1.69%	3.97%	1.23%	2.66%	1.28%
Neuroscience	2.92%	1.49%	1.63%	0.99%	2.78%	1.16%
Cardiovascular	3.09%	0.82%	2.19%	1.45%	2.66%	0.83%
Gastroenterology and General Surgery	3.09%	1.12%	1.36%	1.41%	2.25%	1.08%
Surgery	2.33%	0.96%	2.32%	1.09%	2.50%	0.93%
General Medicine	2.33%	0.94%	1.18%	1.45%	2.56%	0.96%
Behavioral Health	2.32%	1.19%	1.96%	0.75%	1.97%	0.47%

Sources: PHC4(PA), NJDHSS (NJ) data January 2021 through December 2021 for PA and NJ hospitals only  
*Excludes all pediatric, psychiatric and rehabilitation hospitals, as well as newborn, psychiatric, rehabilitation and certain other patient discharges.*

**2. CERTAIN FINANCIAL INFORMATION:**

▪ **Sources of Revenue**

**The following is a percentage breakdown of payer mix based on total adult patient discharges for the five fiscal years ended June 30, 2024:**

	<b>Fiscal Year Ended June 30,</b>				
	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Medicare	26%	27%	27%	27%	29%
Managed Care <sup>1</sup>	57%	57%	55%	55%	52%
Blue Cross <sup>2</sup>	7%	8%	8%	8%	8%
Commercial Insurance	5%	5%	6%	6%	6%
Medicaid	3%	2%	2%	2%	3%
Self Pay and Other	2%	1%	2%	2%	2%
	100%	100%	100%	100%	100%

<sup>1</sup> Includes all managed care programs including Medicaid and Medicare managed care programs.

<sup>2</sup> Includes only traditional indemnity coverage and Personal Choice® plans.

Source: Health System records.