SMITH'S RESEARCH & GRADINGS

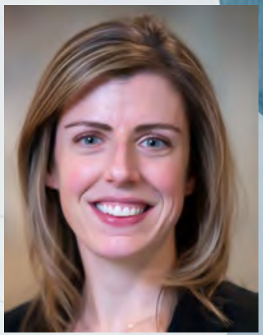
2025 High Yield Municipal Bond Conference

The Evolving Healthcare Credit Landscape

Sean Cannon

Alex Geier

Rich Szalkowski



Erin Ellis

Smith's Conference

Discussion Materials

October 28, 2025

GLC | ADVISORS & COMPANY

Disclaimer

This presentation has been prepared by GLC Advisors & Co., LLC ("GLC") for the exclusive use of the party to whom GLC delivers this presentation, using information provided by the company that is the subject of such presentation (together with its subsidiaries and affiliates, the "Company") and other publicly available information. GLC has not independently verified the information contained herein, nor does GLC make any representation or warranty, either express or implied, as to the accuracy, completeness or reliability of the information contained in this presentation. Any estimates or projections as to events that may occur in the future (including projections of revenue, expense, net income and stock performance) are based upon the best judgment of GLC from the information provided by the Company (including its advisors and representatives) and other publicly available information as of the date of this presentation. There is no guarantee that any of these estimates or projections will be achieved. Actual results will vary from the projections and such variations may be material. Nothing contained herein is, or shall be relied upon as, a promise or representation as to the past or future. GLC is not undertaking to provide any legal, regulatory, accounting, insurance, tax or other similar professional advice in this presentation. Nothing contained herein is, or shall be relied upon as, such advice. GLC and its affiliates expressly disclaim any and all liability relating or resulting from the use of this presentation.

This presentation has been prepared solely for informational purposes and is not to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments. No investment, divestment or other financial decisions or actions should be based solely on the information in this presentation and GLC is not, by making this report available, providing investment, legal, tax, financial, accounting or other advice to you or any other party.

This material must not be copied, reproduced, distributed or passed to others at any time without the prior written consent of GLC.

Evolving Hospital Competitive Environment

Even prior to passage of the OBBBA, excess inpatient capacity in many markets and ongoing pressure to move patients to ambulatory or home settings was driving increased separation between winners and losers

- Disruptive new healthcare service ecosystems, some controlled by major commercial payors, have exacerbated these trends

- Well-capitalized systems with strong balance sheets are increasingly better positioned to:
  - Build out networks and alternate care settings
  - Make necessary investments in IT, including AI
  - Attract and retain clinical talent
  - Absorb operational stresses and value-based experience curves

- Consolidation is expected to continue but with an increased emphasis on geographic and service line diversification

OBBBA Overview

Key provisions of the One Big Beautiful Bill Act ("OBBBA") will reduce projected Federal healthcare spending by over $1Tn through 2034

A primary focus was reducing Federal contributions to Medicaid spending in 2 major buckets:

1 Enrollment Restrictions

- Implementing work requirements ($326Bn impact over 10 years)
- More frequent eligibility redeterminations ($63Bn)
- Eliminating unlawful immigrant coverage ($34Bn)
- Other enrollment restrictions ($147Bn)

2 Limiting Supplemental Funding Practices

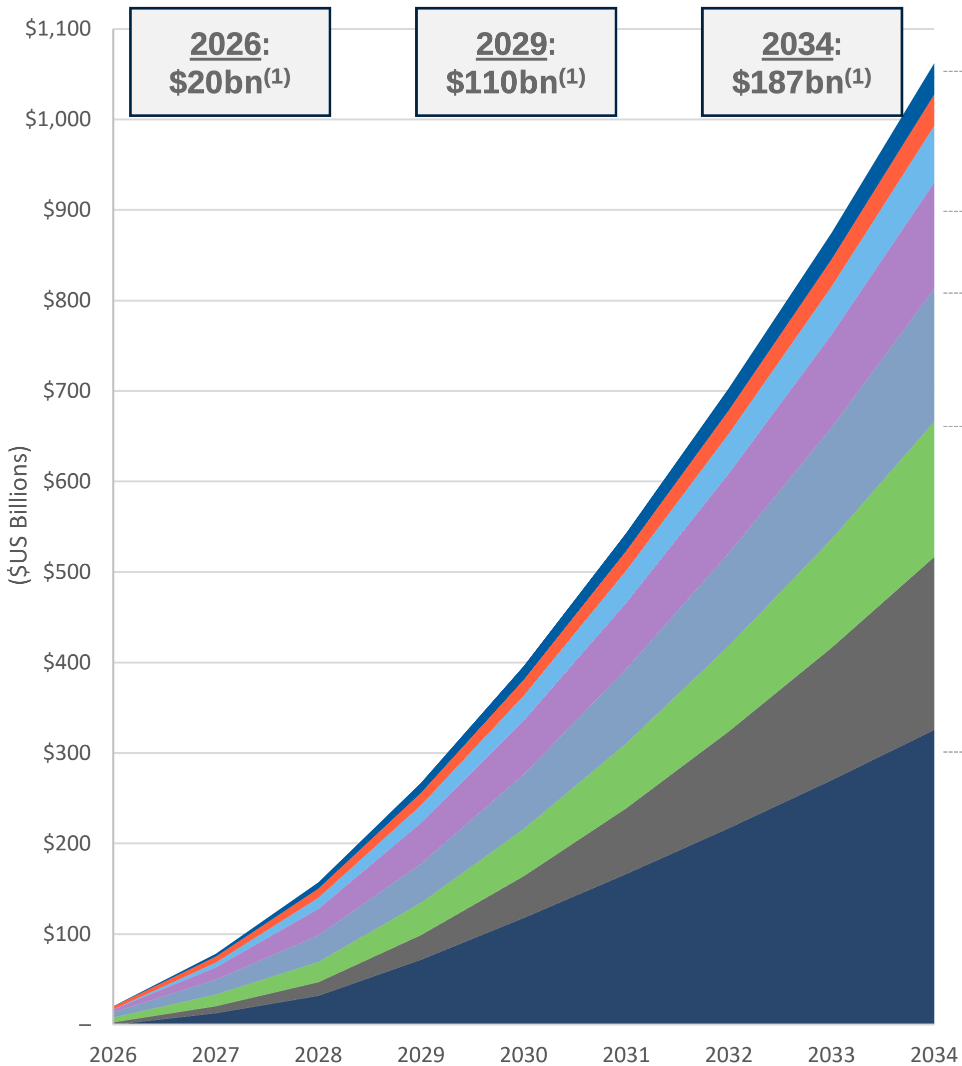
- Provider Taxes ($191Bn)
- State Directed Payments ($149Bn)
- Medicaid MCO Taxes ($35Bn)

The bill also allowed Advanced Premium Tax Credits ("APTCs") for ACA exchange polices to expire at the end of 2025 ($117Bn impact) but did provide $50Bn over the next 5 years for Rural Health Transformation

OBBBA Overview (Cont'd)

Federal healthcare reductions total $1tn+ through 2034 from OBBBA, however phased-in timeline leaves room for mitigation by Congress and adaptation by states

Cumulative OBBBA Federal Budget Estimated Savings: 2026 – 2034



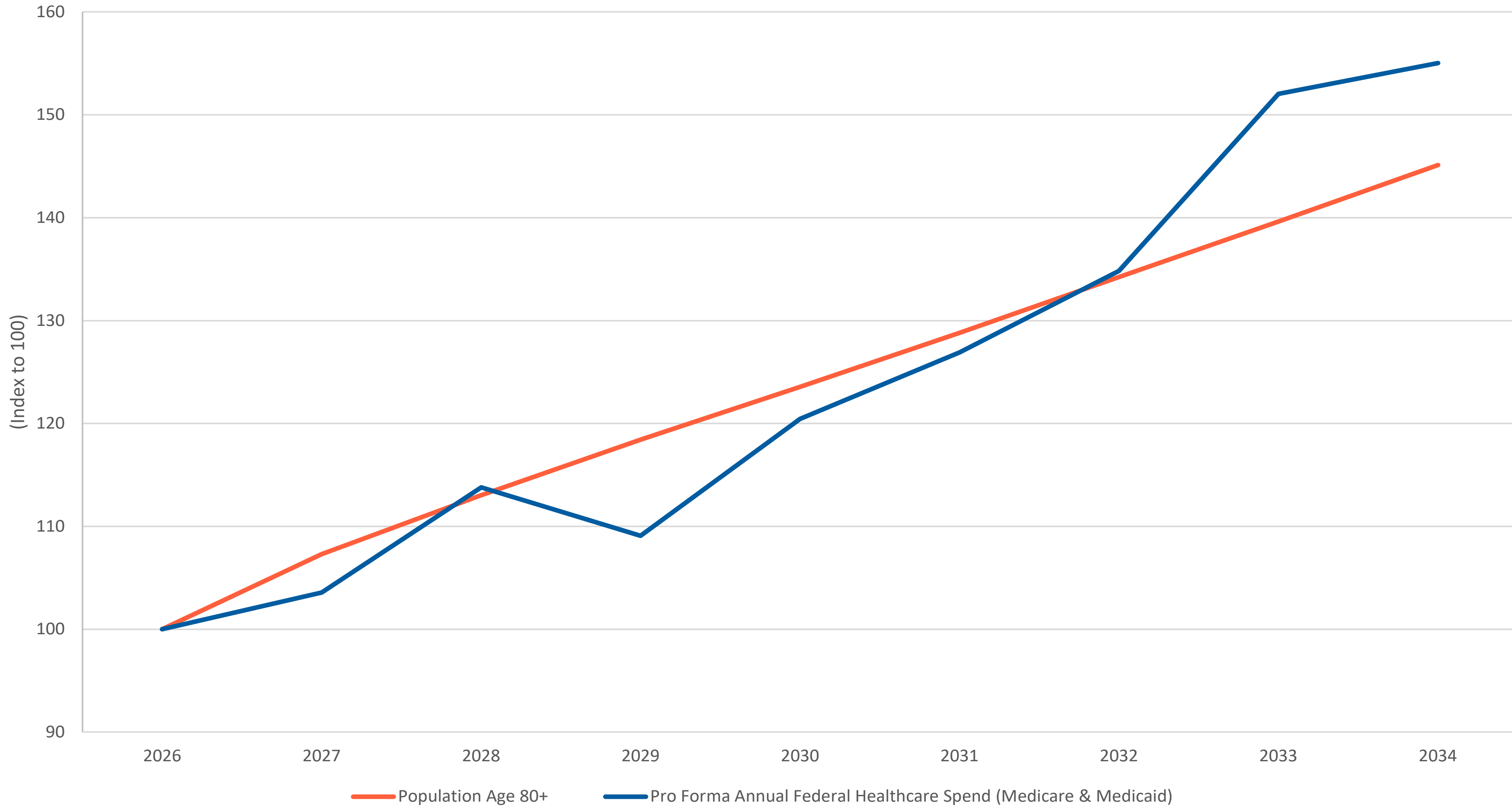
$34	Unlawful Immigrant Coverage	• *Effective 10/1/2026*
$35	Medicaid MCO Taxes	• *Effective 1/1/2027*
$63	Medicaid Eligibility Redeterminations	
$117	Expiration of APTCs for Exchanges	• *Effective 12/31/2025*
$147	Other Enrollment Restrictions	• *Majority effective 1/1/2026* • *Additional effective 1/1/2030*
$149	State Directed Payments	• *Standstill on provider tax increases effective immediately* • *Grandfathering of existing SDPs through 12/31/2027* • *Provider tax reductions phase-in 1/1/2028*
$191	Provider Taxes	
$326	Work Requirements	• *Effective 1/1/2027*

Source: Congressional Budget Office
(1) Reflects annual federal spend reduction, not cumulative.

GLC ADVISORS & COMPANY

OBBBA Materially Reduces Federal Health Funding

OBBBA is projected to reduce federal healthcare expenditures by $1tn+ through 2034, concurrent with the rising aging population of seniors that will require care



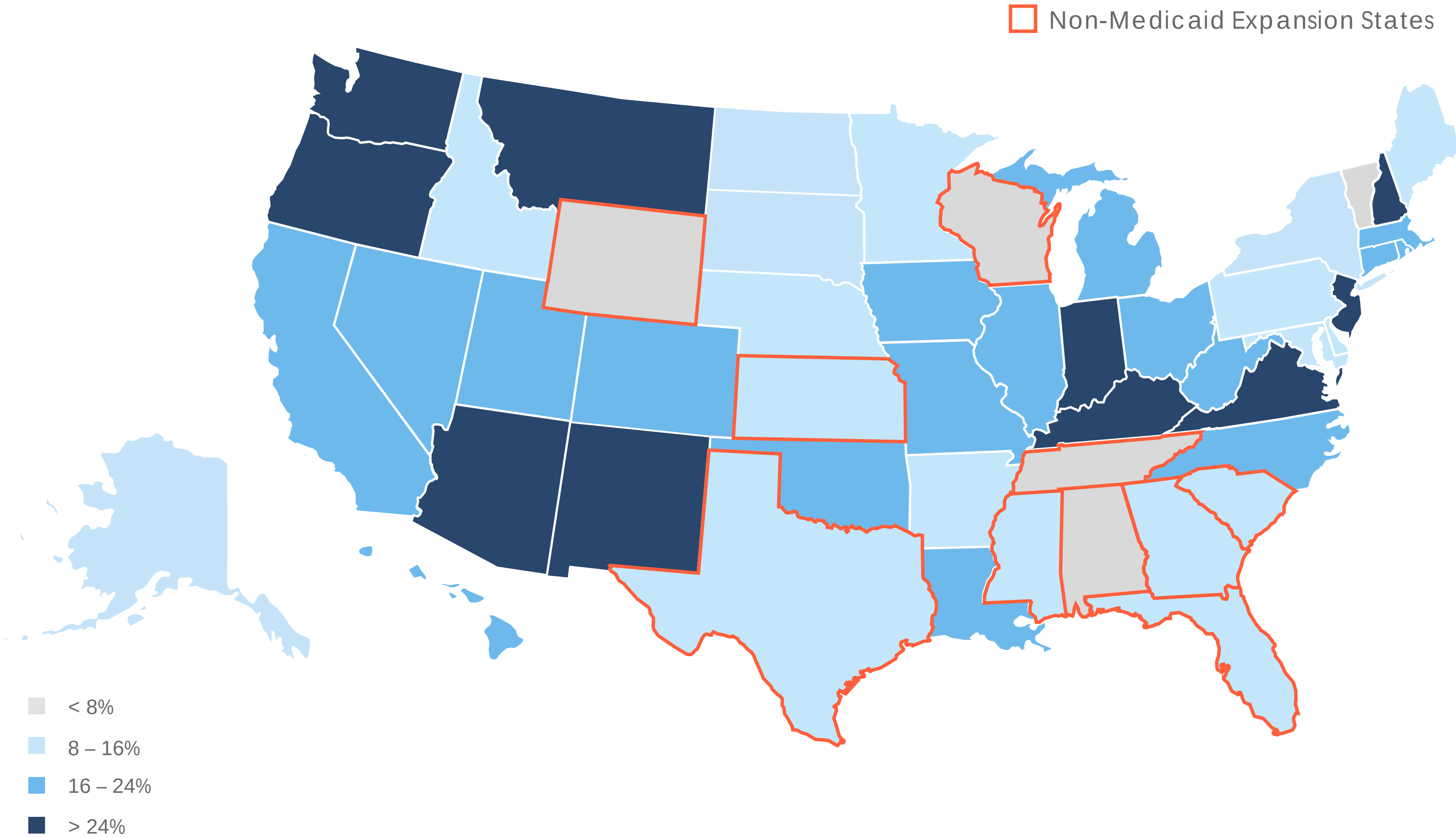
Federal healthcare spend is projected to be generally below the rate of growth of age 80+ persons through 2032

Source: Congressional Budget Office

Medicaid Impact By State

Hospitals are exposed to a potential $665bn reduction (18%) in Medicaid payments over the next decade

Projected Reductions in Medicaid Payments to Hospitals by State (FY25-FY34)

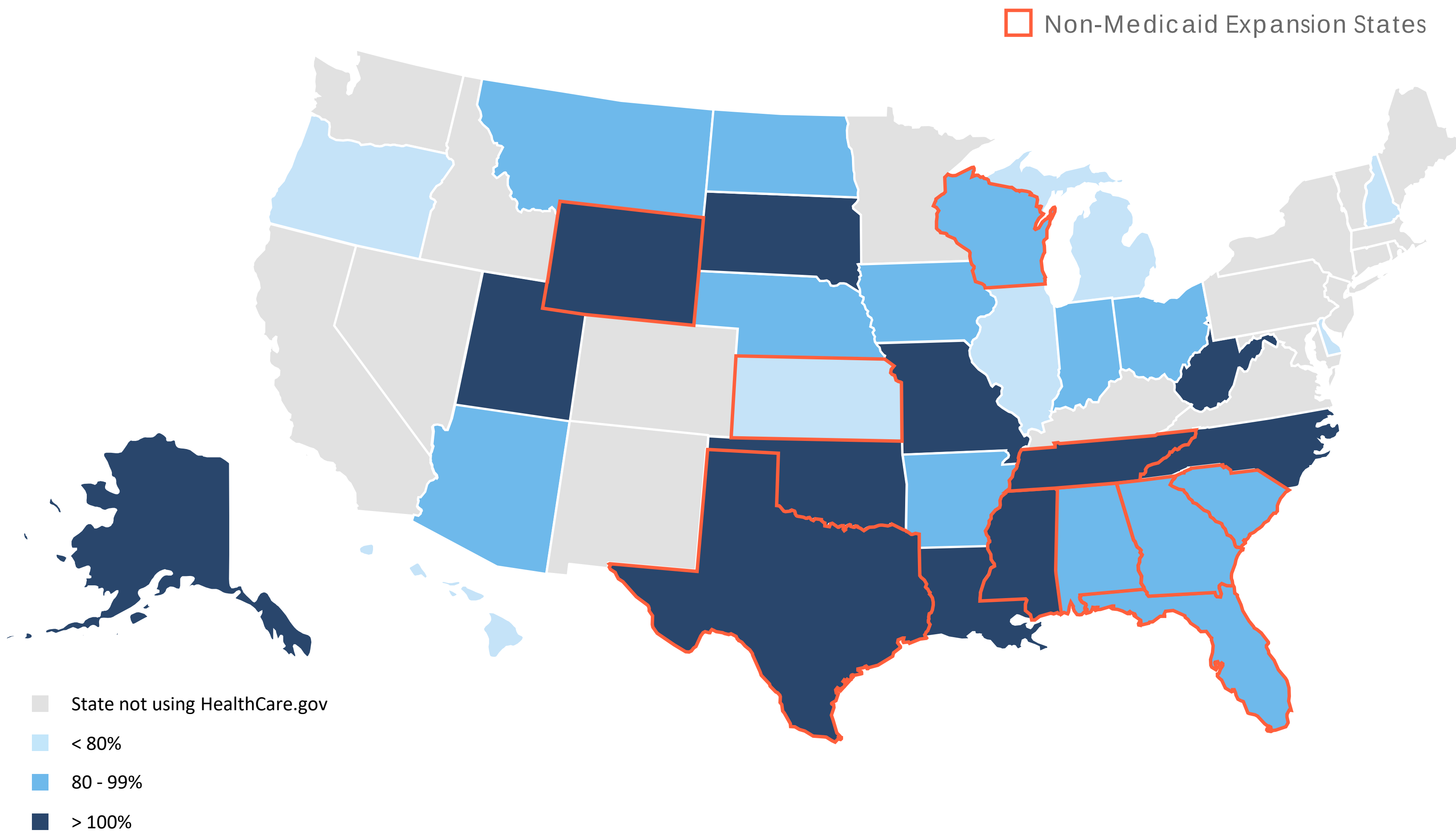


Sources: Wall Street Journal, Manattt Health

ACA Premiums Impact By State

Consumer premiums (out of pocket costs for premiums assuming reduced subsidies) may at least double in 12 states if enhanced subsidies expire at FYE25

Percent Change in Premium Payments Without Subsidies Among HealthCare.gov Consumers Receiving APTC (2024)



Sources: KFF, HealthCare.gov

What May Come Next From Washington?

Mix of near-term and future long-term regulation may continue to materially reshape the landscape

Continuing Resolution Debate

ACA Subsidies

- Enhanced advance premium tax credits are currently due to expire 12/31/2025

Telehealth Waiver Extensions

- Current pandemic-era telehealth waivers expired 9/30/2025
- Potential extension and/or expansion of telehealth could provide continued enhanced population healthcare access, though rural hospitals may be disproportionately harmed

Medicare DSH Cuts

- Potential to modify or reverse DSH payment cuts that have already begun

Medicaid

- Potential to roll back some of the Medicaid eligibility, payment, and coverage changes that were enacted in OBBBA

Potential Other Future Legislation

FMAP Conformation

- Federal FMAPs may be modified in the future to further reduce federal spend

Site Neutrality

- Trump administration previously pushed for site-neutral payment reforms, viewing them as a way to reduce Medicare spending and align payments across different healthcare settings

Inpatient Only List

- First Trump administration planned to eliminate the IPO list over a three-year period starting in FY21, however the Biden administration subsequently reversed this decision

340B Scrutiny

- Concerns around transparency and patient benefit may lead to reforms

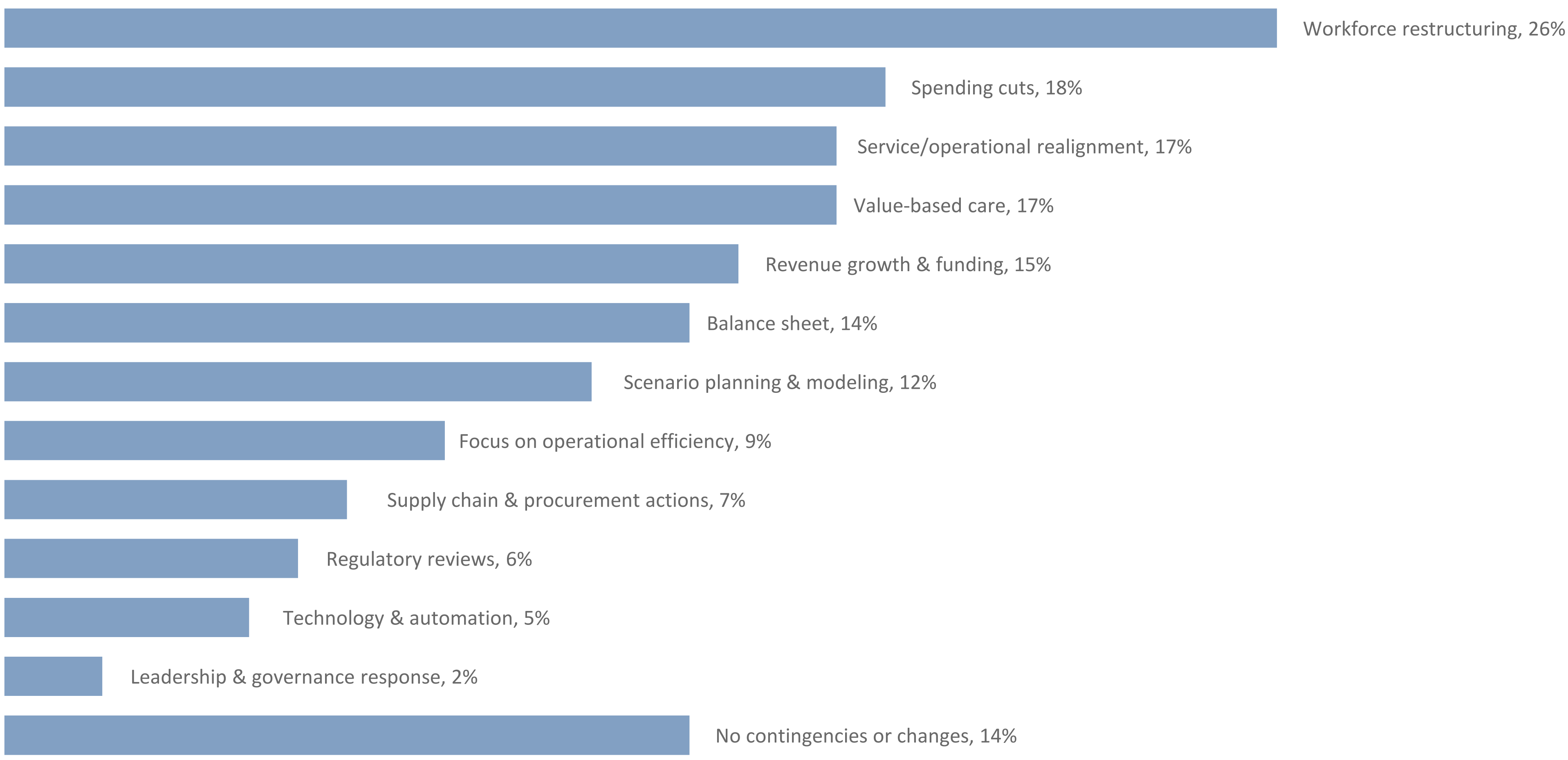
Drug pricing

- Trump administration may pursue MFN and/or direct negotiation pricing strategies

Potential Responses by Providers

Healthcare delivery organizations are putting in place contingency plans to attempt to mitigate the uncompensated care impact expected from OBBBA

Contingencies to combat regulatory shifts (% respondents)



Source: KLAS research

Potential Responses by Providers – Operational Levers

Providers have multiple operational levers to offset revenue and margin stresses, however must balance changes against disruptions to staff and patient care

Labor Cost Mitigation

- Non-clinical headcount
- Clinical staffing ratios and protocols
- Agency utilization
- Outsourcing (clinical and non-clinical)

Productivity Initiatives

- Throughput increases
- Length of stay reductions
- Incentive compensation for physicians
- Automation and virtualization opportunities

Revenue Enhancements

- Payor contracts
- 340B
- Ancillary services
- Capital improvements
- Affiliations/strategic alliances/JV opportunities
- Tuck in acquisitions

Operational Streamlining

- Revenue cycle management
- Supply chain
- Administrative workflows
- Footprint rationalization
  - Sell/close underperforming business units and service lines
  - Divest other non-core assets

Potential Responses by Providers – Financial Levers

Providers have a variety of financial levers to consider in conjunction with operational changes, although they may have important trade-offs and longer-term implications

Drawing Down Existing Credit Facilities	Payor Advances
Utilizing Available Baskets	Government Funding Sources
Issuing Bonds for Capital Improvements (If Permitted)	Issuing Equity Through Conversion To For-Profit Status
Strategic Partnership Investments	Exploring Affiliation or Sale

GLC | ADVISORS & COMPANY

New York

600 Lexington Avenue
9th Floor
New York, NY 10022
212-542-4540

Denver

1125 Seventeenth Street
23rd Floor
Denver, CO 80202
303-479-3840

Los Angeles

1900 Avenue of the Stars
Suite 2410
Los Angeles, CA 90067
213-573-1080

San Francisco

135 Main Street
11th Floor
San Francisco, CA 94105
415-400-2320

glca.com

Smith’s High Yield Municipal Bond Conference

Overview of Municipal Market

10/28/2025

Current market update

This week's calendar:

$13.9B negotiated

$2.03B competitive

$20.6B 30-Day Visible Supply

Key interest rates and prices

	This Week 10/17/2025	Last Week 10/10/2025	Last Month 9/16/2025	Last Year 10/17/2024
Federal Funds Rate	4.25	4.25	4.50	5.00
Prime Rate	7.25	7.25	7.50	8.00
Treasury - 2 yr	3.46	3.50	3.50	3.97
Treasury - 10 yr	4.01	4.03	4.03	4.09
SOFR	4.13	4.15	4.39	4.85
SIFMA	2.31	2.70	2.60	4.02
SIFMA/SOFR %	55.9	65.1	59.2	82.9
B.B. 20 Bond Index[1]	4.78	4.83	4.94	3.92
B.B. Rev. Index[2]	5.07	5.12	5.23	4.21
30-Day Visible Supply[3]	20.6 B	11.9 B	12.5 B	14.2 B
10-Year AAA MMD[4]	2.76	2.86	2.86	2.78
10-Year AAA MMD Ratio to Treasury %	68.8	70.9	71.0	68.0
30-Year Treasury	4.61	4.62	4.65	4.39
30-Year AAA MMD[4]	0.00	4.17	4.21	3.66

[1] Represents an estimation of the yield on a portfolio of 20 general obligation bonds that matures in 20 years with a composite AA rating.

[2] Represents an estimation of the yield that would be offered on 30-yr revenue bonds. The index is comprised of 25 issuers that cover a broad range of type of issues and vary in ratings.

[3] The total dollar volume of municipal securities expected to be offered over the next 30 days.

[4] Represents the benchmark yield for high grade municipal issues, based on a natural "AAA" rated general obligation bond issue. "AAA" MMD is the benchmark for pricing of all tax-exempt municipal issues.

Source: Bloomberg and Thomson Reuters
All data as of 10/17/2025 unless otherwise noted

Municipal long-term issuance

2025 issuance volume YTD is $433.4B and 2025 redemption volume is $255.9B.

Long-term municipal new issue volume was up 34% in 2024 vs. 2023

Long-term municipal new issue volume was up 34% in 2024 vs. 2023

Long-term municipal new issue volume was down 19% in 2022 vs. 2021

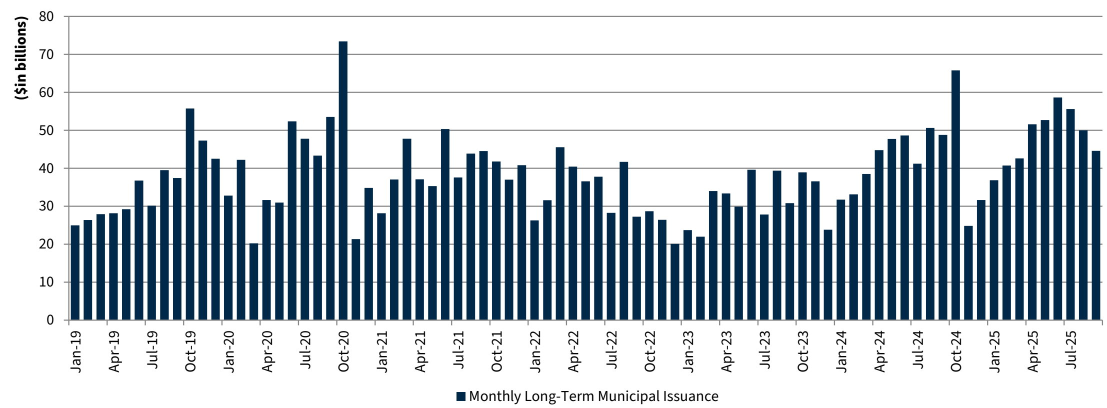
Long-term municipal new issuance was down 0.6% in 2021 vs. 2020

Long-term municipal new issuance was up 14% in 2020 vs. 2019

Monthly issuance

Municipal Long-Term Issuance

$ in billions	2019	2020	2021	2022	2023	2024	2025	YoY %
January	$24.968	$32.793	$28.182	$26.293	$23.733	$31.769	$36.875	16%
February	26.375	42.229	37.052	31.602	22.011	33.168	40.742	23%
March	27.949	20.262	47.763	45.555	34.008	38.517	42.630	11%
April	28.154	31.650	37.105	40.423	33.377	44.800	51.618	15%
May	29.212	30.991	35.342	36.583	29.889	47.713	52.698	10%
June	36.747	52.390	50.364	37.775	39.601	48.666	58.653	21%
July	30.158	47.782	37.601	28.258	27.843	41.193	55.603	35%
August	39.522	43.362	43.885	41.716	39.369	50.653	50.010	-1%
September	37.435	53.513	44.563	27.251	30.822	48.802	44.595	-9%
October	55.775	73.448	41.811	28.724	38.923	65.799		
November	47.312	21.359	37.000	26.415	36.574	24.861		
December	42.517	34.822	40.840	20.121	23.842	31.646		
Total	$426.123	$484.601	$481.508	$390.715	$379.992	$507.585	$433.422	16%



Source: The Bond Buyer

Health Care New Issuance

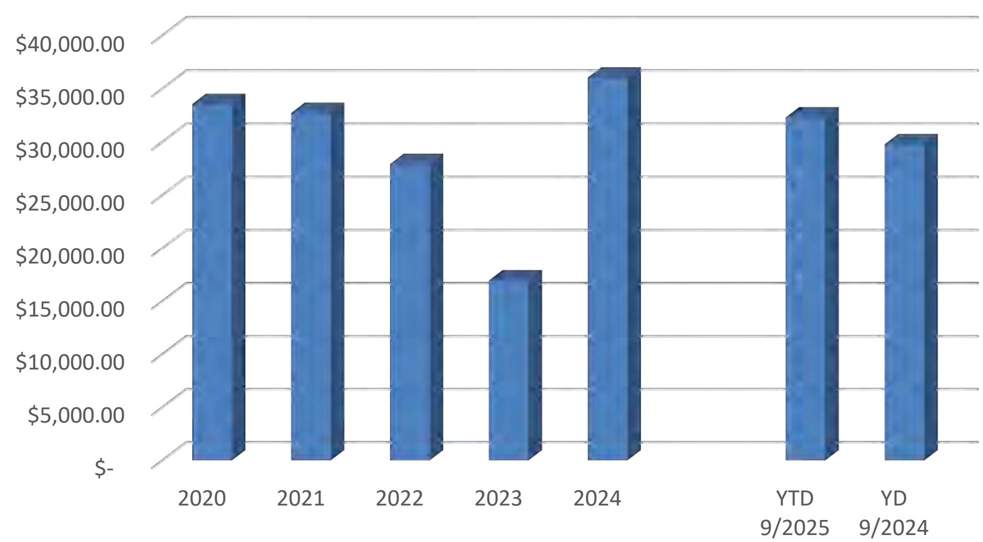
YTD 2025 issuance volume is $32.3B , up 8.5% versus prior year.

Approx. $2.7B of YTD 2025 new issuance was direct placements with broker dealers.

Net new issuance of $29.6n for YTD2025 was slightly lower than 2024 levels .

Yearly issuance

Health Care Long Term Issuance						
2020	2021	2022	2023	2024	YTD 9/2025	YD 9/2024
$33,540.9M	$32,704.7M	$27,905.3M	$16,953.7M	$36,032.4M	$32,285.1M	$29,762.0M



Source: The Bond Buyer

Weekly municipal bond fund flows

Municipal bond funds had estimated inflows of $678.0 million for the week ended Wednesday, October 15th, 2025.

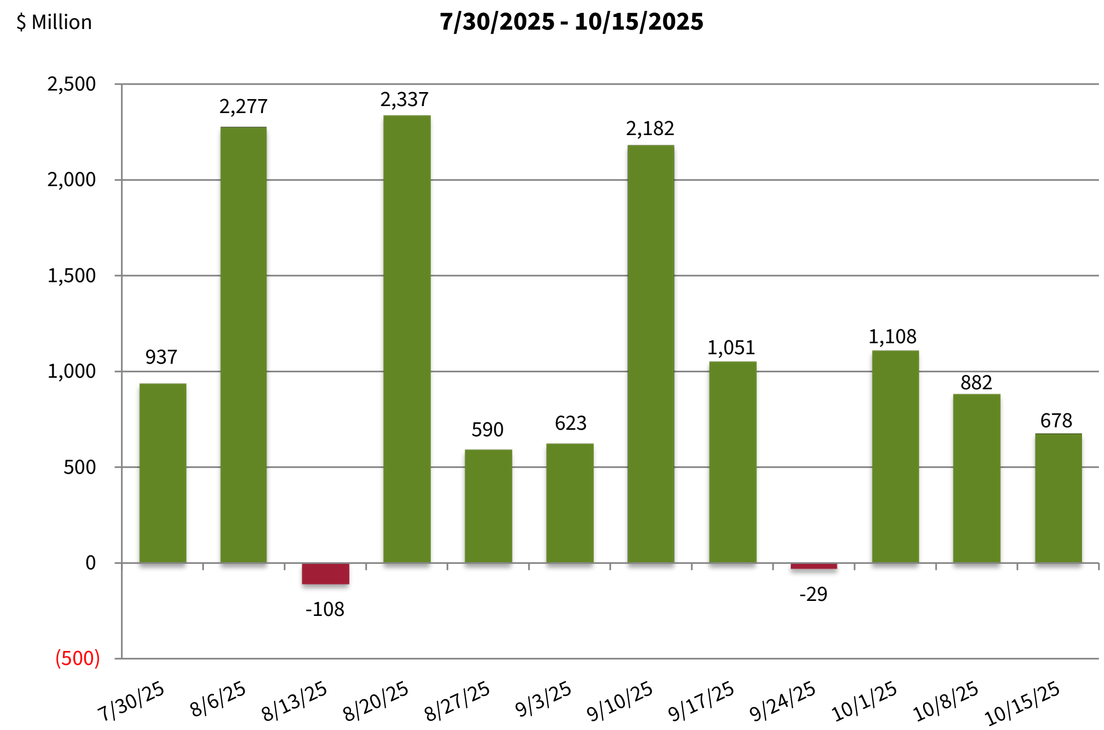
Municipal bond funds gained $4.4 billion for 2018, $64.9 billion in 2019, $21.96 billion in 2020, and $66.5 billion in 2021.

In 2022 and 2023, municipal bond funds lost a total of $81.11 and 15.61 billion in outflows, respectively.

In 2024, municipal bond funds have gained a total of $22.006 billion in inflows.

In 2025 so far, municipal bond funds have gained a total of $20.464 billion in inflows.

Municipal bond fund estimated weekly net flows



Source: Lipper as of 10/15/2025

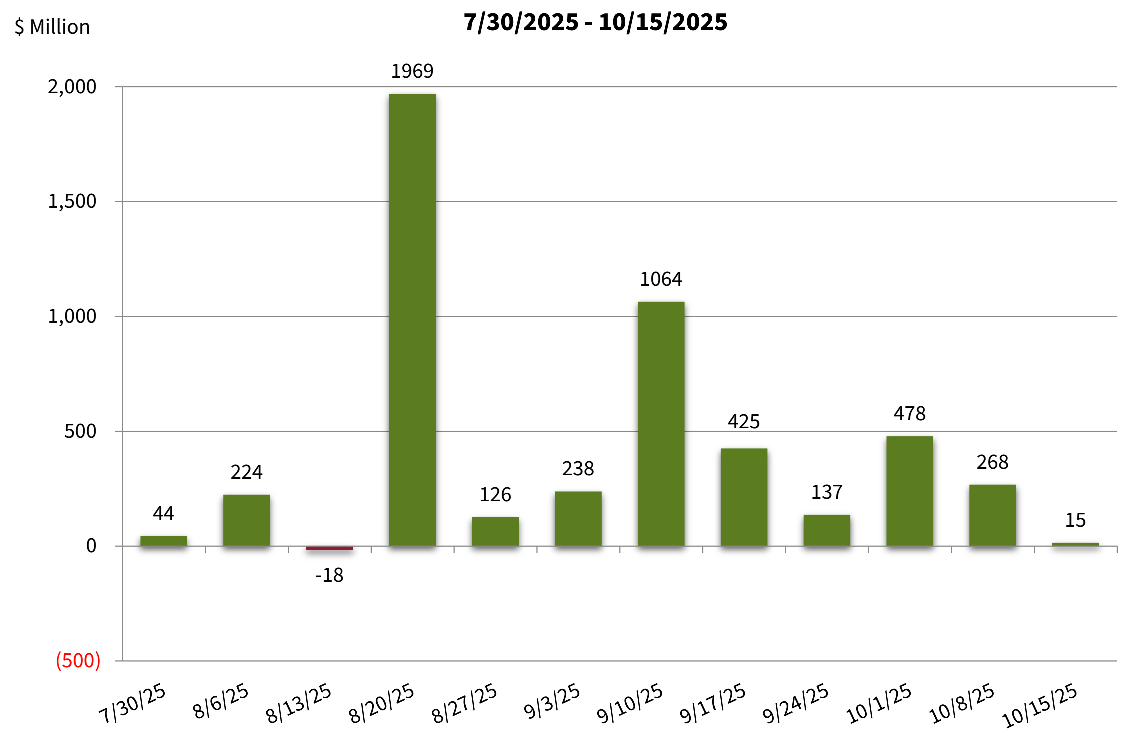
Weekly high yield municipal bond fund flows

High yield municipal bond funds had estimated inflows of $15.0 million for the week ended Wednesday, October 15th, 2025.

In 2024, high yield municipal bond funds have gained a total of $13.225 billion in inflows.

In 2025 so far, high yield municipal bond funds have gained a total of $9.576 billion in inflows.

Municipal high yield bond fund estimated weekly net flows



Source: Lipper as of 10/15/2025

Monthly municipal bond fund flows

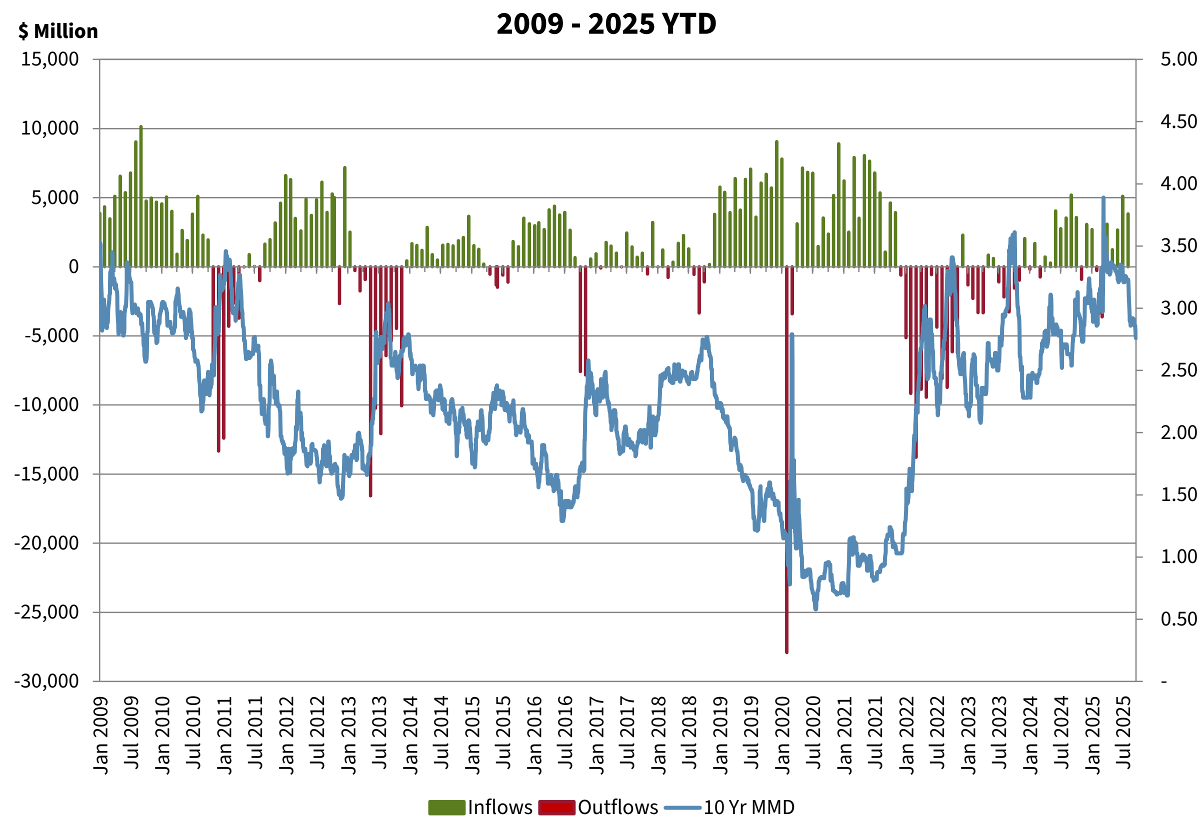
2018 was marked with volatile fund flows throughout the year. The market experienced a see-saw effect of inflows and outflows. In contrast, fund flows were consistently positive for every month in 2019.

In March 2020, municipal bond funds had the largest monthly outflows since 2013.

Municipal bond funds experienced large volumes of outflows starting in 2022 due to a sharp increase in interest rates as a response to rising inflation levels. Bond funds experienced moderate level of outflows in 2023 compared to 2022. In 2024, bond funds experienced large inflows for the first time since 2021.

Municipal bond funds had estimated inflows of $678.0 million for the week ended Wednesday, October 15th, 2025.

Monthly bond fund flows vs. 10YR AAA MMD



Source: Lipper

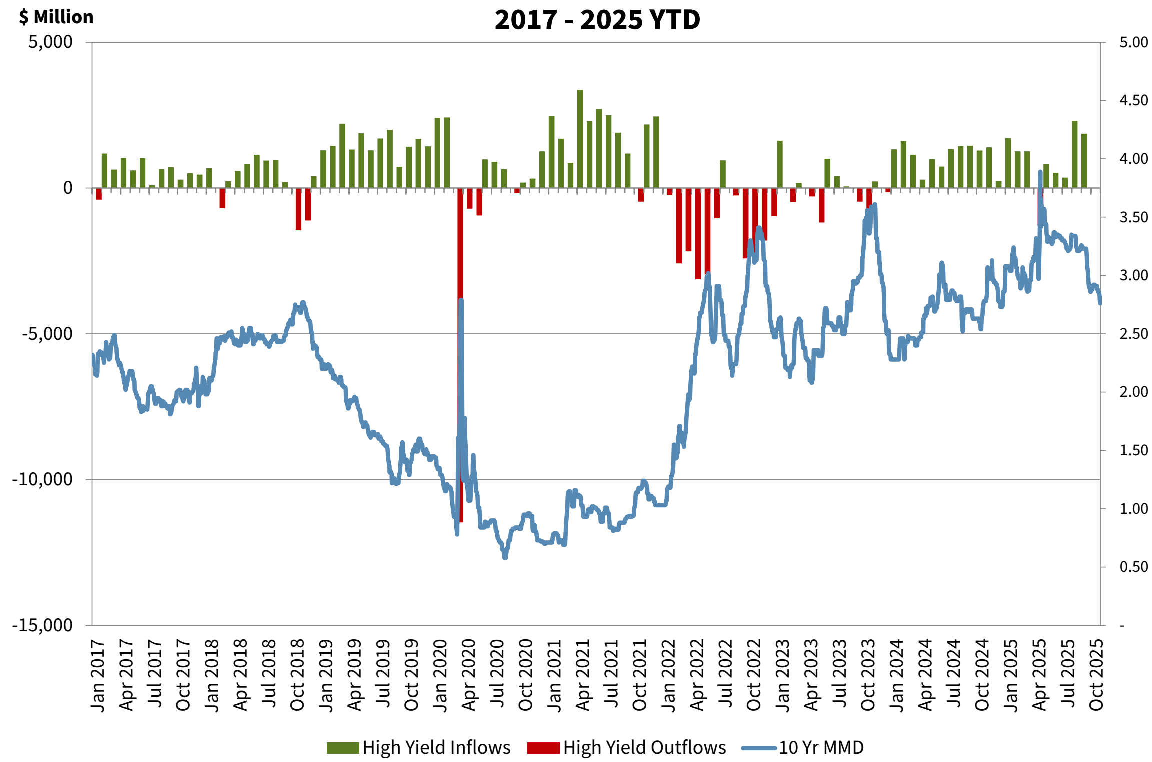
Monthly municipal high yield bond fund flows

In March 2020, high yield municipal bond funds had the largest monthly outflows since 2017.

High yield municipal bond funds experienced large volumes of outflows in 2022 due to a sharp increase in interest rates as a response to rising inflation levels. High yield municipal bond funds experienced moderate level of outflows in 2023 compared to 2022. In 2024, high yield municipal bond funds experienced consistent inflows for the first time since 2021.

Municipal high yield bond funds had estimated inflows of $15.0 million for the week ended Wednesday, October 15th, 2025.

Monthly high yield bond fund flows vs. 10YR AAA MMD



Source: Lipper

Disclaimer

The information contained herein is solely intended to facilitate discussion of potentially applicable financing applications and is not intended to be a specific buy/sell recommendation, nor is it an official confirmation of terms. Any terms discussed herein are preliminary until confirmed in a definitive written agreement. While we believe that the outlined financial structure or marketing strategy is the best approach under the current market conditions, the market conditions at the time any proposed transaction is structured or sold may be different, which may require a different approach.

The analysis or information presented herein is based upon hypothetical projections and/or past performance that have certain limitations. No representation is made that it is accurate or complete or that any results indicated will be achieved. In no way is past performance indicative of future results. Changes to any prices, levels, or assumptions contained herein may have a material impact on results. Any estimates or assumptions contained herein represent our best judgment as of the date indicated and are subject to change without notice. Examples are merely representative and are not meant to be all-inclusive.

Raymond James shall have no liability, contingent or otherwise, to the recipient hereof or to any third party, or any responsibility whatsoever, for the accuracy, correctness, timeliness, reliability or completeness of the data or formulae provided herein or for the performance of or any other aspect of the materials, structures and strategies presented herein. This Presentation is provided to you for the purpose of your consideration of the engagement of Raymond James as an underwriter and not as your financial advisor or Municipal Advisor (as defined in Section 15B of the Exchange Act of 1934, as amended), and we expressly disclaim any intention to act as your fiduciary in connection with the subject matter of this Presentation. The information provided is not intended to be and should not be construed as a recommendation or "advice" within the meaning of Section 15B of the above-referenced Act. Any portion of this Presentation which provides information on municipal financial products or the issuance of municipal securities is only given to provide you with factual information or to demonstrate our experience with respect to municipal markets and products. Municipal Securities Rulemaking Board ("MSRB") Rule G-17 requires that we make the following disclosure to you at the earliest stages of our relationship, as underwriter, with respect to an issue of municipal securities: the underwriter's primary role is to purchase securities with a view to distribution in an arm's-length commercial transaction with the issuer and it has financial and other interests that differ from those of the issuer.

Raymond James does not provide accounting, tax or legal advice; however, you should be aware that any proposed transaction could have accounting, tax, legal or other implications that should be discussed with your advisors and/or legal counsel.

Raymond James and affiliates, and officers, directors and employees thereof, including individuals who may be involved in the preparation or presentation of this material, may from time to time have positions in, and buy or sell, the securities, derivatives (including options) or other financial products of entities mentioned herein. In addition, Raymond James or affiliates thereof may have served as an underwriter or placement agent with respect to a public or private offering of securities by one or more of the entities referenced herein.

This Presentation is not a binding commitment, obligation, or undertaking of Raymond James. No obligation or liability with respect to any issuance or purchase of any Bonds or other securities described herein shall exist, nor shall any representations be deemed made, nor any reliance on any communications regarding the subject matter hereof be reasonable or justified unless and until (1) all necessary Raymond James, rating agency or other third party approvals, as applicable, shall have been obtained, including, without limitation, any required Raymond James senior management and credit committee approvals, (2) all of the terms and conditions of the documents pertaining to the subject transaction are agreed to by the parties thereto as evidenced by the execution and delivery of all such documents by all such parties, and (3) all conditions hereafter established by Raymond James for closing of the transaction have been satisfied in our sole discretion. Until execution and delivery of all such definitive agreements, all parties shall have the absolute right to amend this Presentation and/or terminate all negotiations for any reason without liability therefor. Thomson Reuters Municipal Market Data ("MMD") is a proprietary yield curve which provides the offer-side of AAA rated state general obligation bonds as determined by the MMD analyst team. Raymond James & Associates, Inc., member New York Stock Exchange/SIPC.

INTERNATIONAL HEADQUARTERS: THE RAYMOND JAMES FINANCIAL CENTER
880 CARILLON PARKWAY // ST. PETERSBURG, FL 33716 // 800.248.8863
RAYMONDJAMES.COM