

## CommonSpirit Health, Colorado

CommonSpirit's fiscal 2026 audited results (June 30, 2026) present a mixed picture relative to Fitch Ratings' expectations as of our last review (October 2025). On the positive side, CommonSpirit's operating EBITDA margin continued to improve (to 4.5% from 3.7%), unrestricted liquidity grew to \$18.0 billion and management has articulated a credible, multi-phase framework (Project ImpACT) targeting an 8% EBITDA margin by fiscal 2029.

Execution to date on technology consolidation — an electronic health record (EHR) platform reduction to nine systems from 19, with an endpoint of one instance of Epic, and an enterprise resource planning (ERP) platform reduction to one system from 13 — indicates that management retains the operational discipline needed to execute complex, multi-year transformation initiatives. Additionally, CommonSpirit improved on six of seven system goals (e.g., clinical quality, team member engagement, patient experience).

Three material developments since our last review have contributed to a more complex outlook. First, fiscal 2026's margin performance fell short of management's internal target, underscoring that the path to sustained profitability, while intact, continues to be uneven and dependent on the successful and timely execution of overlapping initiatives (the ERP/EHR rollout, a revenue cycle transition and Project ImpACT), with all three initiatives collectively pressuring near-term financial results before more positive operational outcomes can begin to accrue. Second, while management expects positive margin contribution beginning in FY29, a \$1.36 billion deferred settlement payment requirement (2027–2029) tied to the revenue cycle transition represents a new, material call on future liquidity that was not contemplated as of Fitch's prior review. While an associated \$540 million equity redemption partially offsets the settled termination agreement of \$1.9 billion, Fitch has incorporated the remaining installment obligations into CommonSpirit's forward leverage metrics. Finally, planned capital spending, based on EBITDA improvements, is now deemed more aggressive, well above annual depreciation, at more than \$3.0 billion per year on average over the next five years, although the amounts will be smaller in the early years, such as \$2.0 billion in fiscal 2026, before rising to about \$3.7 billion in later years.

Even with CommonSpirit's size/scale and new operational trajectory, planned capital spending, anticipated borrowing and the need to fund various improvement initiatives will limit balance sheet accretion over the near to intermediate term, with planned capex of approximately \$16 billion over the next five years. CommonSpirit will also need to successfully execute on all its initiatives, in a timely manner and at the levels articulated, in order to fund capital spending and overcome expected industry headwinds. Building on recent improvements in accordance with management's articulated timing will be the key component in maintaining the current rating.

### Security

The bonds are joint and several obligations under CommonSpirit's master trust indenture and secured by a gross revenue pledge of the obligated group.

### Credit Strengths

- CommonSpirit's operating EBITDA margin continued to improve (to 4.5% from 3.7%) in fiscal 2026, with an articulated and credible, multi-phase framework (Project ImpACT) targeting an 8% EBITDA margin by fiscal 2029.
- Unrestricted liquidity grew to \$18.0 billion, equal to 159 days' cash on hand.
- Significant size and scale with revenue supported by diversification across services and markets. Break-even operating income would result in an operating EBITDA margin of approximately 6% and operating EBITDA cash flow of about \$2.5 billion.

### Credit Challenges

- Operational improvement in fiscal 2026 includes a large, one-time FEMA grant recognized in the fourth quarter and an additional positive one-time impact reflecting California provider fee timing (18 months' worth of provider fee revenue recognized within the 12-month fiscal year).
- Planned capital spending is more aggressive than in the past, with planned capex of approximately \$16 billion over the next five years, which will limit balance sheet accretion over the near to intermediate term and require near flawless implementation of Project ImpACT.

## Key Rating Drivers

### Revenue Defensibility - 'bbb'

CommonSpirit's revenue defensibility is assessed as midrange, the highest assessment possible absent significant taxing authority to support bond repayment or operations. Revenue defensibility is supported by CommonSpirit's broad revenue composition, ranging across services and multiple markets. Notably, break-even operating income would result in an operating EBITDA margin of approximately 6% and operating EBITDA cash flow of about \$2.5 billion, demonstrating CommonSpirit's significant size and scale.

The system has a combined payor mix of 22.3% of gross revenues derived from combined Medicaid and self-pay, which is factored into the midrange revenue defensibility assessment. CommonSpirit has not experienced a significant shift in payor mix but, like most entities in the sector, continues to focus on rate increases from commercial payors given higher staffing costs and overall expense increases.

CommonSpirit garners a leading or near-leading market share in many of its key markets, most of which are competitive, with strong regional providers. The system has experienced growth and expansion in Colorado, Arizona and the Pacific Northwest in recent years, and remains focused on stabilizing its Texas (south) operations. CommonSpirit recently announced further refinements of its geographical regions to simplify its "service area" model, and Fitch expects that system assets will continue to be evaluated on their long-term potential contribution to each market in the context of CommonSpirit's mission.

Fitch does not expect any material asset divestitures over the near term.

### Operating Risk - 'bbb'

CommonSpirit continued to experience operational pressures but improved financial results in fiscal 2026, with an operating margin of -1.0% and an operating EBITDA margin of 4.5% (as calculated by Fitch), up from -1.8% and 3.7%, respectively, in fiscal 2025.

While an improvement, CommonSpirit's fiscal 2026 results fell short of management's internal 5.1% target for the year, reflecting, among other things, the early-stage costs of the system's revenue cycle transition, technology enhancement initiatives and Project ImpACT implementation. Fitch notes that the \$430 million full-year operating loss, which is an improvement from last year, includes a \$402million one-time FEMA grant recognized in the fourth quarter, and an additional positive impact reflecting California provider fee timing (18 months' worth of provider fee revenue recognized within the 12-month fiscal year).

CommonSpirit is intensely engaged in labor standardization, organizational design changes and other value capture initiatives in its revenue cycle, supply chain and ancillary services, which Fitch expects to result in operational improvements over the next two years, with break-even results now occurring in fiscal 2028.

Capital spending averaged \$1.8 billion over the past three fiscal years, with more significant amounts spent in fiscal 2025 and fiscal 2026. Fitch projects capital spending to be north of \$3.0 billion on average over the next five years, with notably higher levels expected in the later years as operational performance improves.

### Financial Profile - 'bbb'

Unrestricted cash and investments increased to \$18.0 billion as of audited FYE26, while debt stood at \$23.4 billion, inclusive of short- and long-term debt as well as short- and long-term lease liabilities, resulting in cash to debt of 77% (as calculated by Fitch), down slightly from the prior year. Days' cash on hand remained sound, at 159.3 days as of FYE26, consistent with FYE25.

Unrestricted liquidity growth over the next five years is expected to remain relatively flat, at just over 80% cash to debt. Even with the expectation of improved operating margins, the use of future bond proceeds to fund large portions of capital and CommonSpirit's impressive philanthropic efforts, articulated capital spending, the initial cost of improvement initiatives and the expectation of significant industry headwinds are combining to limit material improvement in key leverage metrics, even if Project ImpACT and other transformative initiatives are perfectly executed.

Notably, CommonSpirit is focused on building on its annual philanthropy and fundraising (achieving \$351 million in fiscal 2026 and \$316 million in fiscal 2025).

Capital-related ratios remain stable, but flat, even in a forward-looking base case scenario, with cash to debt not falling below 75% and approaching 82% by year five.

### Asymmetric Additional Risk Considerations

No additional asymmetric risk considerations were factored into this rating.

## Rating Sensitivities

### Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

- Inability to adhere to articulated improvement initiatives and missing key financial milestones in fiscal years 2027 and 2028;
- Cash-to-debt levels not sustained above 80%.

### Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

- Sustained operating EBITDA of 8% or above;
- Sustained cash to total debt closer to 100% while maintaining a midrange (or better) operating risk assessment.

## Credit Profile

CommonSpirit is the largest Catholic healthcare system in the U.S. The integrated system operates 157 hospitals, including 20 hospitals through unconsolidated joint ventures, with approximately 2,600 care sites across 24 states. It has over 25,000 affiliated physicians and advanced practitioners, and recorded 30 million annual patient encounters in FY26.

In fiscal 2026, the system had combined revenue of approximately \$42.4 billion and delivered \$5.2 billion in community benefits.

### Revenue Defensibility

CommonSpirit's revenue defensibility is assessed as midrange, which is the highest assessment possible absent significant taxing authority to support bond repayment or operations. Revenue defensibility is supported by a broad revenue composition ranging across services and multiple markets. CommonSpirit has not experienced a significant shift in payor mix but, like most entities in the sector, continues to focus on rate increases from commercial payors given the sector trajectory of higher staffing costs (albeit CommonSpirit has made great progress in this area and has reduced personal cost-to-total revenue to below 50%, compared to a high of almost 54% in 2022).

CommonSpirit garners a leading or near-leading market share in many of its key markets, most of which are competitive, with strong regional providers. The system has experienced growth and expansion in Colorado, Arizona and the Pacific Northwest in recent years, and remains focused on stabilizing its Texas (south) operations.

CommonSpirit recently announced further refinement of its geographic regions to simplify its "service area" model, and Fitch expects that system assets will continue to be evaluated on their long-term potential contribution to each market. Markets deemed to have a limited path to financial sustainability may, in the context of CommonSpirit's mission, need to be considered for alternate models or partnerships to improve operating results while still honoring community needs. Notably, CommonSpirit's net community benefit expense totaled \$4.6 billion in fiscal 2026 (including the unpaid cost of Medicare).

Service area characteristics, based on available economic and demographic data, are consistent with a midrange assessment, and given CommonSpirit's size and presence in 24 states broadly mimics that of the U.S. in general. Many of CommonSpirit's markets show five-year population growth favorable to many comparator markets in which the system does not participate. The same can be said for median household income levels and uninsured rates in many of CommonSpirit's markets. A larger percentage of residents that hold a bachelor's degree typically indicates a more skilled workforce and stable commercial payor base. Taken together, these demographic indicators support a midrange service area assessment, with income and unemployment metrics providing modest support, tempered by population growth that lags that of some of the strongest comparator markets.

Fitch believes that CommonSpirit should be able to leverage its higher-performing assets and find a sustainable balance between profitability and supporting its mission. New geographies and capabilities have been added to an already extensive list of pre- and post-acute service offerings.

## Payor Mix

| Gross Revenues; Fiscal Years Ended June 30 (%) | 2021  | 2022  | 2023  | 2024  | 2025  | 2026  |
|------------------------------------------------|-------|-------|-------|-------|-------|-------|
| Medicare                                       | 44.0  | 44.6  | 45.7  | 46.0  | 46.6  | 47.4  |
| Medicaid                                       | 21.0  | 21.2  | 21.2  | 20.2  | 19.7  | 19.5  |
| Commercial and Managed Care                    | 28.0  | 27.5  | 27.0  | 27.5  | 27.3  | 26.7  |
| Self Pay                                       | 3.0   | 3.0   | 2.6   | 2.7   | 2.8   | 2.8   |
| Other                                          | 4.0   | 3.7   | 3.5   | 3.6   | 3.6   | 3.6   |
| Total                                          | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

Source: Fitch Ratings, Fitch Solutions, CommonSpirit Health

## Utilization Data

| Fiscal Years Ended June 30                         | 2021       | 2022       | 2023       | 2024       | 2025       | 2026       |
|----------------------------------------------------|------------|------------|------------|------------|------------|------------|
| Operated Beds                                      | 17,614     | 17,578     | 17,088     | 17,147     | 17,303     | 17,547     |
| Acute Adult Admissions/Discharges                  | 780,437    | 787,225    | 777,623    | 827,522    | 856,528    | 891,869    |
| Acute Adult Patient Days                           | 3,903,919  | 4,061,688  | 3,844,256  | 3,940,302  | 4,026,814  | 4,110,717  |
| Average Length of Stay (Days)                      | 5.0        | 5.2        | 4.9        | 4.8        | 4.7        | 4.6        |
| Average Daily Census                               | 10,696     | 11,128     | 10,532     | 10,795     | 11,032     | 11,262     |
| Occupancy (%)                                      | 60.7       | 63.3       | 61.6       | 63.0       | 63.8       | 64.2       |
| Observation Cases                                  | 172,485    | 301,205    | 345,630    | 295,554    | 226,689    | 253,419    |
| Hospital Stays (Admissions plus Observation Cases) | 952,922    | 1,088,430  | 1,123,253  | 1,123,076  | 1,083,217  | 1,145,288  |
| Births                                             | 82,592     | 85,841     | 82,226     | 79,295     | 79,425     | 79,997     |
| Inpatient Surgeries                                | 203,375    | 199,560    | 201,395    | 207,235    | 209,131    | 212,436    |
| Outpatient Surgeries                               | 333,314    | 350,234    | 341,631    | 350,814    | 348,279    | 348,316    |
| Emergency Department Visits, Net of Admissions     | 2,866,858  | 3,354,229  | 3,370,562  | 3,482,355  | 3,487,014  | 3,463,405  |
| Outpatient/Clinic Visits                           | 26,432,061 | 24,779,606 | 22,872,546 | 24,571,509 | 25,888,994 | 26,376,046 |
| Medicare Casemix Index                             | 2.00       | 2.02       | 2.00       | 1.98       | 1.95       | 1.94       |

Source: Fitch Ratings, Fitch Solutions, CommonSpirit Health

## Operating Risk

CommonSpirit experienced operational pressures but improved financial results in fiscal 2026, with an operating margin of -1.0% and an operating EBITDA margin of 4.5% (as calculated by Fitch), up from -1.8% and 3.7%, respectively, in fiscal 2025.

CommonSpirit's fiscal 2026 results continued the positive operating trajectory noted in Fitch's October 2025 report, with the operating EBITDA margin improving. However, results fell short of management's internal 5.1% target for the year, reflecting continued drag from major infrastructure investment and the early-stage costs of the revenue cycle transition initiative.

Fitch notes that there was a sharp improvement from CommonSpirit's \$1.2 billion third-quarter operating loss, compared to the \$430 million full-year 2026 operating loss, implying a roughly a \$779 million operating profit in the fourth quarter of fiscal 2026 alone. This significant increase stems from a \$402 million one-time FEMA grant recognized in the fourth quarter and an additional positive impact reflecting a California provider fee revenue catch-up (18 months' worth of fee revenue recognized within the 12-month fiscal year). Looking at the two quarters separately, the improvement is accurate, but a meaningful portion is driven by one-time/unusual items and revenue timing that landed in the fourth quarter (April–June 2026).

CommonSpirit is simultaneously undertaking a material multi-year technology installation and engaging in transformational spending—including on EHR/Epic, ERP/Workday, Project ImpACT, branding, revenue cycle transition and governance — for a total of \$252 million of expenses in FY26 and \$675 million in FY27, which will pressure near-term EBITDA. While ultimately expected to be generously accretive, these up-front expenses directly contribute to the FY26 operational results and signal continued pressure into FY27 before benefits are realized.

Management is now targeting an 8% EBITDA margin by FY29 through Project ImpACT, with a cumulative benefit ramp of \$1.57 billion (FY27) to \$6.0 billion (FY31). This is generally more aggressive than Fitch's prior expectation of around 6% margins over the next one to two years. Fitch notes this gap is a material point for monitoring — management's targets, if achieved, would be a credit positive, but Fitch's base case scenario analysis remains more conservative given the multi-year, multi-phase nature of the initiative (Phase 0 through Phase 3, extending into FY29).

CommonSpirit's decision to transition revenue cycle operations at 39 hospitals via exiting its prior outsourcing arrangement generated a \$2.3 billion special charge in fiscal 2026 and will produce a near-term EBITDA headwind through fiscal 2027, with break-even expected in fiscal 2028 and a projected \$571 million EBITDA margin (solely from the internal revenue cycle transition) by fiscal 2031. The associated settlement agreement requires \$1.36 billion in cash payments across three installments from January 2027 through 2029. Fitch views this as a debt-like obligation and has incorporated it into forward leverage and liquidity modeling, and will monitor whether it materially affects the cash-to-debt trajectory relative to Fitch's prior base case, which did not contemplate this obligation.

Capital spending has averaged \$1.8 billion over the past three fiscal years. Fitch projects capital spending to be north of \$3.0 billion on average for the next five years as margins improve and CommonSpirit invests in both growth opportunities and strategic capital spending (routine, strategic and some of the backlog of previously postponed spending). Fitch expects that capital spending will occur at lower levels over the next two to three years, then ramp up as operations improve. Total capital spending is currently articulated at around \$16 billion for the next five years.

Fitch considers CommonSpirit's intended capital spending as generally aggressive compared to the past five years, while unrestricted liquidity growth over the next five years is expected to remain relatively flat. Even considering the expectation of improved operating margins, the use of future bond proceeds to fund large portions of capital and CommonSpirit's impressive philanthropic efforts, the system's articulated capital spending, the initial cost of improvement initiatives and the expectation of significant industry headwinds are combining to limit material improvement in key leverage metrics, even if Project ImpACT and other transformative initiatives are perfectly executed.

CommonSpirit's planned spending is aggressive and would likely occur at a slower pace if operational improvements are delayed, though Fitch also believes that if operational improvements/margins are better than expected, capital spending could increase from initially articulated results.

## Financial Summary

| Audited Fiscal Years Ended June 30 (000s)     | 2021       | 2022        | 2023        | 2024       | 2025       | 2026        |
|-----------------------------------------------|------------|-------------|-------------|------------|------------|-------------|
| <b>Balance Sheet Data</b>                     |            |             |             |            |            |             |
| Unrestricted Cash and Investments             | 17,747,000 | 15,454,000  | 15,456,000  | 15,550,000 | 16,755,000 | 18,030,000  |
| Total Assets                                  | 54,876,000 | 50,314,000  | 51,872,000  | 54,734,000 | 57,260,000 | 59,666,000  |
| Total Debt (Including Current Portion)        | 17,561,000 | 17,316,000  | 20,210,000  | 20,654,000 | 21,488,000 | 23,423,000  |
| Adjusted Debt                                 | 17,990,200 | 17,316,000  | 20,210,000  | 20,654,000 | 21,488,000 | 23,423,000  |
| Net Adjusted Debt                             | 243,200    | 1,862,000   | 4,754,000   | 5,104,000  | 4,733,000  | 5,393,000   |
| Unrestricted Net Assets                       | 20,833,000 | 19,887,000  | 20,022,000  | 21,055,000 | 22,429,000 | 22,336,000  |
| <b>Income and Cash Flow Data</b>              |            |             |             |            |            |             |
| Net Patient Revenue                           | 28,996,000 | 30,490,000  | 30,866,000  | 33,960,000 | 34,575,000 | 38,080,000  |
| Other Revenue                                 | 4,193,000  | 3,417,000   | 3,640,000   | 3,557,000  | 4,541,000  | 4,344,000   |
| Total Revenues                                | 33,189,000 | 33,907,000  | 34,506,000  | 37,517,000 | 39,116,000 | 42,424,000  |
| Depreciation and Amortization                 | 1,487,000  | 1,463,000   | 1,438,000   | 1,458,000  | 1,403,000  | 1,552,000   |
| Interest Expense                              | 451,000    | 459,000     | 573,000     | 696,000    | 728,000    | 801,000     |
| Total Expenses                                | 32,255,000 | 35,203,000  | 35,904,000  | 38,098,000 | 39,803,000 | 42,854,000  |
| Income from Operations                        | 934,000    | (1,296,000) | (1,398,000) | (581,000)  | (687,000)  | (430,000)   |
| Operating EBITDA                              | 2,872,000  | 626,000     | 613,000     | 1,573,000  | 1,444,000  | 1,923,000   |
| Non-Operating Gains (Losses)                  | 2,143,000  | 1,263,000   | 423,000     | 497,000    | 1,054,000  | (1,287,000) |
| Excess (Deficiency) of Revenues over Expenses | 3,077,000  | (33,000)    | (975,000)   | (84,000)   | 367,000    | (1,717,000) |
| EBITDA                                        | 5,015,000  | 1,889,000   | 1,036,000   | 2,070,000  | 2,498,000  | 636,000     |
| Total Pension Expense                         | 310,000    | 82,000      | 252,000     | 436,000    | 150,000    | 124,000     |

|                                    |           |             |           |           |           |           |
|------------------------------------|-----------|-------------|-----------|-----------|-----------|-----------|
| Adjusted EBITDA                    | 5,325,000 | 1,971,000   | 1,288,000 | 2,506,000 | 2,648,000 | 760,000   |
| Net Unrealized Gains (Losses)      | 2,046,000 | (2,052,000) | 637,000   | 841,000   | 778,000   | 1,046,000 |
| Capital Expenditures               | 1,497,000 | 1,486,000   | 1,288,000 | 1,270,000 | 2,140,000 | 2,011,000 |
| Maximum Annual Debt Service (MADS) | 1,102,844 | 1,102,844   | 1,166,058 | 1,166,058 | 1,166,058 | 1,821,118 |

Source: Fitch Ratings, Fitch Solutions, CommonSpirit Health

## Financial Profile

Unrestricted cash and investments improved to \$18.0 billion as of fiscal 2026. Debt as of FYE26 was \$23.4 billion, including short- and long-term debt as well as short- and long-term lease liabilities, resulting in cash to debt of 77.0% (as calculated by Fitch), which is consistent with the prior year level. Days' cash on hand remained sound at 159 days as of FYE26, the same as of FYE25.

Unrestricted liquidity growth over the next five years is expected to remain relatively flat, at just over 80% cash to debt. Even with the expectation of improved operating margins, the use of future bond proceeds to fund large portions of capital and CommonSpirit's impressive philanthropic efforts, articulated capital spending, the initial cost of improvement initiatives and the expectation of significant industry headwinds are combining to limit material improvement in key leverage metrics, even if Project ImpACT and other transformative initiatives are perfectly executed.

Capital-related ratios remain stable, but flat, even in a forward-looking base case scenario analysis, with cash to debt not falling below 75% and approaching 82% by year five.

Notably, CommonSpirit is focused on building on its annual philanthropy and fundraising (achieving \$351 million in fiscal 2026 and \$316 million in fiscal 2025).

CommonSpirit's pension funding continues to increase, and now stands at a total funding level of 94% on a PBO basis. Fitch includes as a debt equivalent only the portion of a defined benefit pension that is less than 80% funded. As a result, cash to debt and cash to adjusted debt are the same ratio.

Fitch has incorporated planned debt issuances in calendar year 2027 and again in calendar year 2029 and has also taken into consideration the remaining \$1.36 billion to be paid in equal installments in calendar years 2027 through 2029 as a result of the separation from, and insourcing of, CommonSpirit's revenue cycle practices.

## Key Ratios

|                                                   | 2021  | 2022  | 2023  | 2024  | 2025  | 2026  |
|---------------------------------------------------|-------|-------|-------|-------|-------|-------|
| Days' Cash on Hand                                | 210.5 | 167.2 | 163.7 | 154.9 | 159.3 | 159.3 |
| Days in Accounts Receivable                       | 54.4  | 53.5  | 57.9  | 58.1  | 55.7  | 49.2  |
| Cushion Ratio (x)                                 | 16.1  | 14.0  | 13.3  | 13.3  | 14.4  | 9.9   |
| MADS Coverage EBITDA (x)                          | 4.6   | 1.7   | 0.9   | 1.8   | 2.1   | 0.3   |
| MADS Coverage Operating EBITDA (x)                | 2.6   | 0.6   | 0.5   | 1.4   | 1.2   | 1.1   |
| MADS/Total Revenue (%)                            | 3.3   | 3.3   | 3.4   | 3.1   | 3.0   | 4.3   |
| <b>Profitability &amp; Operational Ratios (%)</b> |       |       |       |       |       |       |
| Operating Margin                                  | 2.8   | (3.8) | (4.1) | (1.6) | (1.8) | (1.0) |
| Operating EBITDA Margin                           | 8.7   | 1.9   | 1.8   | 4.2   | 3.7   | 4.5   |
| EBITDA Margin                                     | 14.2  | 5.4   | 3.0   | 5.5   | 6.2   | 1.5   |
| <b>Capital Related Ratios</b>                     |       |       |       |       |       |       |
| Cash/Debt (%)                                     | 101.1 | 89.3  | 76.5  | 75.3  | 78.0  | 77.0  |
| Cash/Adjusted Debt (%)                            | 98.7  | 89.3  | 76.5  | 75.3  | 78.0  | 77.0  |
| Net Adjusted Debt/Adjusted EBITDA                 | 0.1   | 0.9   | 3.7   | 2.0   | 1.8   | 7.1   |
| Average Age of Plant (Years)                      | 7.2   | 7.9   | 9.1   | 9.8   | 11.1  | 10.7  |
| Capital Expenditures/Depreciation (%)             | 100.7 | 101.6 | 89.6  | 87.1  | 152.5 | 129.6 |

Source: Fitch Ratings, Fitch Solutions, CommonSpirit Health

Climate Vulnerability Considerations

Fitch uses Climate Vulnerability Signals (Climate.VS) as a screening tool to identify sectors and Fitch-rated issuers that are potentially most exposed to climate-related risks. If Fitch identifies an entity as higher risk (i.e. its Climate.VS in 2035 is 50 or higher), the entity receives additional analysis and consideration in rating reviews. Climate.VS range from 0 (lowest risk) to 100 (highest risk). For more information on Climate.VS, see Fitch's "U.S. Public Finance Local Government Rating Criteria."

The results of our Climate.VS screener did not indicate an elevated risk for CommonSpirit Health, CO.

ESG Considerations

The highest level of ESG credit relevance is a score of '3', unless otherwise disclosed in this section. A score of '3' means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation on the relevance and materiality of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores, visit <https://www.fitchratings.com/topics/esg/products#esg-relevance-scores>.

Ratings

|               |          |
|---------------|----------|
| Long-Term IDR | A-       |
| Outlooks      |          |
| Long-Term IDR | Negative |

Outstanding Debt

Issuer Ratings Information

Key Metrics (FY 2026)

|                                                                   |       |
|-------------------------------------------------------------------|-------|
| Total Revenue (\$ Billions)                                       | 42.4  |
| Cash to Debt (%)                                                  | 77.0  |
| Days' Cash on Hand                                                | 159.3 |
| MADS Coverage (x)                                                 | 0.3   |
| Operating EBITDA (%)                                              | 4.5   |
| Sources: Fitch Ratings, Fitch Solutions, CommonSpirit Health (CO) |       |

## Applicable Criteria

U.S. Not-For-Profit Hospitals and Health Systems Rating Criteria (November 2024)

U.S. Public Sector, Revenue-Supported Entities Rating Criteria (May 2026)

## Related Research

Fitch Revises CommonSpirit's Outlook to Negative; Affirms Ratings at 'A-' (September 2026)

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