

Attachment 10
CPA Certification

**Analysis of the Reasonableness of
Assumptions Used For and
Feasibility of Projected Financials of:**

Dana-Farber Cancer Institute, Inc.
For the Years Ending September 30, 2023
Through September 30, 2036

October 23, 2023

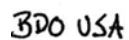
Elizabeth Hanlon
Vice President of Finance
Dana-Farber Cancer Institute, Inc.
450 Brookline Avenue
Boston, MA 02215

**RE: Analysis of the Reasonableness of Assumptions and Projections Used to Support
the Financial Feasibility of the Proposed Project**

Dear Ms. Hanlon:

Enclosed is a copy of our report on the reasonableness of assumptions used for and feasibility of the financial projections for Dana-Farber Cancer Institute, Inc. Please contact me to discuss this report once you have had an opportunity to review.

Sincerely,



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October 23, 2023

Elizabeth Hanlon
Vice President of Finance
Dana-Farber Cancer Institute, Inc.
450 Brookline Avenue Boston, MA 02215

RE: Project Financial Feasibility Services Associated with DPH DoN Factor 4

Dear Ms. Hanlon:

We have performed an analysis related to the reasonableness and feasibility of the financial projections (the “Projections”) of Dana-Farber Cancer Institute, Inc. (“Dana-Farber”, “DFCI” or the “Applicant”) related to its Determination of Need (“DoN”) filing which is related to the substantial capital expenditure for a site acquisition and development for the Applicant (the “Proposed Project”), described further below. This report details our analysis and findings with regard to the reasonableness of assumptions used in the preparation of the Projections and feasibility of the projected financial results prepared by the management of DFCI (“Management”). This report is to be used by DFCI in connection with its DoN Application - Factor 4(a) and should not be distributed or relied upon for any other purpose.

I. EXECUTIVE SUMMARY

The scope of our review was limited to an analysis of the consolidated Dana-Farber’s fourteen-year financial projections for the fiscal years ending September 30, 2023, through 2036 prepared by Management and the supporting documentation to render an opinion as to

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the reasonableness of assumptions used in the preparation and feasibility of the Projections. The Applicant's fiscal year is defined as October 1 through September 30 throughout the entirety of this memo. Based upon our review of the relevant documents and analysis of the Projections, we determined that the anticipated operating EBIDA¹ surplus is a reasonable expectation and is based upon feasible financial assumptions. Accordingly, we determined that the Projections are reasonable and feasible, and not likely to have a negative impact on the Applicant's patient panel or result in a liquidation of DFCI's assets. A detailed explanation regarding the basis for our determination of reasonableness and feasibility is contained within this report.

II. RELEVANT BACKGROUND INFORMATION

Dana-Farber Cancer Institute, Inc. is an internationally renowned acute care hospital and research institute in Boston, Massachusetts. The Applicant currently has two main campuses located in (1) Boston's Longwood Medical Center, providing care for adult and pediatric cancer patients, and (2) a location in Chestnut Hill providing care for adult cancer patients. Currently, the Applicant is permitted 30 medical/surgical beds on its hospital license issued by the Massachusetts Department of Public Health ("DPH"). These beds are located within space leased from Brigham and Women's Hospital ("BWH"), alongside beds licensed to BWH. The Applicant has been affiliated with BWH for over 25 years, providing professional medical oncology services.

¹ EBIDA ("Earnings before Interest, Depreciation, and Amortization")

The Applicant proposes a substantial capital expenditure project to acquire a new site through lease. The objective is to construct, fit-out, and equip an advanced inpatient hospital facility spanning approximately 688,100 square feet. This facility will be located at 1 Joslin Place, Boston, Massachusetts 02215. The envisioned facility will comprise multiple inpatient medical/surgical beds, an inpatient imaging department equipped with two magnetic resonance imaging (“MRI”) machines, two computed topography (“CT”) machines, two CT simulator machines (collectively referred to as the “Inpatient Imaging Equipment”), and three linear accelerators (“LINACs”) (known as the “New LINACs”), as well as three additional LINACs via lease agreement with corresponding space in the Beth Israel Deaconess Medical Center (“BIDMC”) campus, with whom the Applicant is pursuing a new clinical collaboration. Out of the total inpatient medical-surgical beds, 30 beds will be transferred from a current complementary space at 75 Francis Street, Boston, Massachusetts, while an additional 270 beds will be newly dedicated to inpatient cancer care.

Per the Applicant, the Facility’s construction will address multiple requirements needed to maintain a world-class cancer center. The Proposed Project aligns with the Commonwealth of Massachusetts’ goals for cost containment, timely care, and reduced mortality and morbidity translating to better patient outcomes.

III. SCOPE OF REPORT

The scope of this report is limited to an analysis of the fourteen-year Projections for the fiscal years ending September 30, 2023 through 2036, prepared by Management (the “Projection Period”), and the supporting documentation to render an opinion as to the reasonableness of assumptions used in the preparation and feasibility of the Projections. Reasonableness is defined within the context of this report as supportable and proper, given the underlying information. Feasibility is defined as based on the assumptions used, the Proposed Project is not likely to result in a liquidation of the underlying assets or the need for reorganization.

This report is based on prospective financial information provided to us by Management. BDO understands the prospective financial information was developed as of October 13, 2023 and is representative of Management’s expectations as of the drafting of this report. BDO has not audited or performed any other form of attestation services on the projected financial information related to the operations of DFCI.

If BDO had audited the underlying data, matters may have come to our attention that would have resulted in our using amounts that differ from those provided. Accordingly, we do not express an opinion or any other assurances on the underlying data or projections presented or relied upon in this report. We do not provide assurance on the achievability of the results forecasted by the Applicant because events and circumstances frequently do not occur as expected, and the achievement of the forecasted results is dependent on the actions, plans, and assumptions of Management. We reserve the right to update our analysis in the event that we are provided with additional information.

IV. SOURCES OF INFORMATION UTILIZED

In formulating our conclusions contained in this report, we reviewed documents produced by Management as well as third party industry data sources. The documents and information upon which we relied are identified below or are otherwise referenced in this report:

1. Projected Financial Model for DFCI for the periods ending September 30, 2023, through September 30, 2036;
2. Draft Dana-Farber Cancer Institute, Inc. Application Form for DoN Application as of October 13, 2023;
3. Audited Financial Statements for Dana-Farber Cancer Institute, Inc. and Subsidiaries for Fiscal Years Ended September 30, 2020 through 2022;
4. Unaudited Comparative Statement of Revenues and Expenses for Dana-Farber Cancer Institute Inc. for the period ended June 30, 2023;
5. Manager's Discussion and Analysis of Financial Condition and Operating Results for the Third Quarter ended June 30, 2023 as of September 8, 2023;
6. Capital Cost Breakout Presentation as of April 24, 2023;
7. September 12, 2023 Joint Meeting of the Executive Committee and Finance Committee of the Board of Trustees of the Dana-Farber Cancer Institute, Inc. Meeting Minutes;
8. September 13, 2023 Joint Meeting of the Executive Committee and Finance Committee of the Board of Trustees of the Dana-Farber Cancer Institute, Inc. Meeting Minutes;

9. Project Silver: Programming & Building Cost Update presented April 25, 2023;
10. Project Silver Development Schedule developed April 14, 2023;
11. Annotated Project Silver Total Project Cost estimate developed October 12, 2023;
12. Silver Project Monthly Cash Flow: July 2023 - December 2031 provided September 6, 2023;
13. Dana-Farber Cancer Institute, Inc. Research Policy and Procedure Manual Section 5: Protection of Intellectual Property effective June 2017;
14. Agreement to Lease for Air Rights of One Joslin Place, Boston MA between Joslin Diabetes Center, Inc. as Landlord and Dana-Farber Cancer Institute, Inc. as Tenant executed September 2023;
15. EPIC Asset Depreciation estimate provided on September 27, 2023;
16. DFCI Goldman Sachs Engagement Letter signed October 13, 2023;
17. Max Capital Expenditure Reconciliation Model dated October 10, 2023;
18. Excerpt of the Final DFCI-BMS-Ono Settlement Agreement dated April 4, 2023;
19. Project Silver Ground Lease Present Value calculations provided on October 13, 2023;
20. Definitive Healthcare data;
21. Data obtained from Integra Information, A Division of Microbilt Corporation as of August 4, 2023; and,
22. IBISWorld Industry Report 62211: Hospitals in the US, dated January 2023.

V. REVIEW OF THE PROJECTIONS

This section of our report summarizes our review of the reasonableness of the assumptions used and feasibility of the Projections.

The following tables present the Key Metrics, as defined below, which compare the operating results of the Projections to market information from Integra Reports (“Integra”), IBISWorld, and Definitive Healthcare as well as the Applicant’s historical performance, to assess the reasonableness of the projections.

Projected Key Financial Metrics and Ratios

Dana-Farber Cancer Institute, Inc.	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Profitability: Operating Margin (%)	3.5%	1.9%	1.8%	1.7%	1.3%	1.1%	1.0%	0.6%	1.2%	1.4%	1.5%	1.6%	1.7%	1.8%
Profitability: Excess Margin (%)	10.7%	3.9%	3.6%	3.1%	0.9%	2.9%	2.9%	2.5%	2.9%	3.0%	3.1%	3.2%	3.3%	3.4%
Profitability: Debt Service Coverage Ratio (x)	10.2x	7.9x	8.9x	9.8x	10.0x	10.5x	11.2x	11.1x	3.6x	3.8x	4.0x	4.2x	4.4x	4.6x
Liquidity: Days Available Cash and Investments on Hand (#)	233	229	226	224	214	213	213	213	191	190	189	190	190	190
Liquidity: Operating Cash Flow (%)	6.9%	5.3%	5.3%	5.1%	4.9%	4.8%	4.8%	4.4%	5.6%	5.6%	5.4%	5.3%	5.1%	5.0%
Solvency: Current Ratio (x)	1.2x	1.2x	1.1x	1.1x	1.1x	1.1x	1.1x	1.1x	1.2x	1.2x	1.2x	1.2x	1.3x	1.3x
Solvency: Ratio of Long-Term Debt to Total Capitalization (%)	14.3%	12.9%	11.7%	35.3%	33.7%	31.6%	29.4%	27.1%	24.8%	22.6%	20.6%	18.6%	16.8%	15.0%
Solvency: Ratio of Cash Flow to Long Term Debt (%)	37.0%	30.9%	33.7%	7.8%	7.9%	8.3%	8.9%	8.9%	14.0%	15.5%	16.3%	17.7%	19.1%	20.8%
Solvency: Unrestricted Net Assets (\$ in million)	\$1,675	\$1,811	\$1,940	\$2,056	\$2,094	\$2,218	\$2,352	\$2,473	\$2,639	\$2,826	\$3,034	\$3,264	\$3,515	\$3,795
Solvency: Total Net Assets (\$ in million)	\$3,289	\$3,630	\$3,985	\$4,346	\$4,649	\$5,102	\$5,598	\$6,119	\$6,726	\$7,397	\$8,137	\$8,952	\$9,848	\$10,835

Historical Data and Industry Data Key Financial Metrics and Ratios

Dana-Farber Cancer Institute, Inc.	2019	2020	2021	2022	Integra - General Medical and Surgical Hospitals	IBIS - Hospitals in the US	Definitive Healthcare
Profitability: Operating Margin (%)	1.6%	-0.9%	2.0%	2.5%	1.6%	0.8%	-20.5%
Profitability: Excess Margin (%)	NA	NA	12.7%	-0.3%	0.2%	NA	-1.0%
Profitability: Debt Service Coverage Ratio (x)	6.7x	5.6x	10.1x	10.8x	1.4x	2.5x	NA
Liquidity: Days Available Cash and Investments on Hand (#)	NA	NA	251	207	NA	NA	NA
Liquidity: Operating Cash Flow (%)	NA	NA	6.3%	6.4%	3.6%	38.4%	NA
Solvency: Current Ratio (x)	NA	NA	1.1x	1.1x	2.5x	0.9x	1.4x

Dana-Farber Cancer Institute, Inc.	2019	2020	2021	2022	Integra - General Medical and Surgical Hospitals	IBIS - Hospitals in the US	Definitive Healthcare
Solvency: Ratio of Long-Term Debt to Total Capitalization (%)	NA	NA	16.4%	16.9%	43.3%	NA	38.0%
Solvency: Ratio of Cash Flow to Long Term Debt (%)	NA	NA	25.1%	29.7%	13.1%	NA	NA
Solvency: Unrestricted Net Assets (\$ in million)	NA	NA	\$1,311	\$1,320	NA	NA	NA
Solvency: Total Net Assets (\$ in million)	NA	NA	\$2,900	\$2,759	NA	NA	NA

Footnote:

- Industry data ratios based on each data source's respective definitions and may differ from the ratio definitions listed below.
- Net income margin from Integra and Definitive Healthcare data treated as an equivalent to excess margin.

The Key Metrics fall into three primary categories: profitability, liquidity, and solvency. Profitability metrics are used to assist in the evaluation of management performance in how efficiently resources are utilized. Liquidity metrics, including common ratios such as “days of available cash and investments on hand”, measure the quality and adequacy of assets to meet current obligations as they come due. Solvency metrics measure the company’s ability to take on and service debt obligations. Additionally, certain metrics can be applicable to multiple categories. The table below shows how each of the Key Metrics are calculated.

Ratio Definitions for Key Financial Metrics and Ratios

Ratio	Definitions
Profitability: Operating Margin (%)	Operating Surplus Divided by Total Operating Revenue
Profitability: Excess Margin (%)	Excess of Revenue over Expenses Divided by (Total Operating Revenue + Total Nonoperating Gains)
Profitability: Debt Service Coverage Ratio (x)	(Operating Surplus + Depreciation and Amortization + Interest) Divided by Interest
Liquidity: Days Available Cash and Investments on Hand (#)	(Net Assets without Donor Restrictions + Cash and Cash Equivalents) Multiplied by 365 Divided by (Total Operating Expenses Less Depreciation and Amortization)
Liquidity: Operating Cash Flow (%)	(Operating Surplus Plus Depreciation and Amortization) Divided by Total Operating Revenue
Solvency: Current Ratio (x)	Current Assets Divided by Current Liabilities
Solvency: Ratio of Long-Term Debt to Total Capitalization (%)	Long Term Debt Divided by Total Capitalization (Long Term Debt and Total Net Assets)
Solvency: Ratio of Cash Flow to Long Term Debt (%)	(Operating Surplus Plus Depreciation and Amortization,) Divided by Long Term Debt
Solvency: Unrestricted Net Assets (\$ in million)	Total Unrestricted Net Assets
Solvency: Total Net Assets (\$ in million)	Total Net Assets

1. Revenue

We analyzed the revenue forecast within the Projections. Revenue streams include net patient service revenue (“NPSR”), research revenues derived from direct grants & contracts and gift related research revenue, indirect grants & contracts, unrestricted gifts, and other operating revenues. Approximately 78.0 percent of revenue on average is derived from net patient service revenue. NPSR is projected to grow between 5.0 percent and 16.1 percent annually from FY 2023 to FY 2036 over the projection period, with the exception of the growth in FY 2031 of 26.2 percent. The historical growth in NPSR for FY 2018 to FY 2022 ranged from 0.2 percent to 20.5 percent.

	Historical Annual Growth 2018 - 2022	2023 Growth	Future Annual Growth 2024 - 2036	Average % of Total Operating Revenue
Net Patient Service Revenue	0.2% to 20.5%	16.1%	9.3% to 26.2%	78.0%
Direct Research Revenues	-8.2% to 19.9%	0.5%	5.8% to 7.0%	14.5%
Indirect Grants and Contracts	0.9% to 13.7%	5.4%	3.8% to 6.8%	3.8%
Unrestricted Gifts	-1.7% to 7.0%	6.4%	4.0% on average	2.6%

As illustrated in the table above, the projected annual growth from FY 2023 to FY 2033 for Direct Research Revenues, Indirect Grants and Contracts, and Unrestricted Gifts is consistent with historical annual growth from FY 2018 to FY 2022. These revenue streams make up an average of 20.9 percent of total operating revenue over the projection period.

Regarding NPSR, the future annual growth from FY 2023 to FY 2036 is consistent with historical annual growth from FY 2018 and FY 2022. The higher NPSR growth for FY 2023 of 16.1 percent is attributed to the opening of the new Foxborough cancer treatment center located at 22 Patriot Place, Foxborough, Massachusetts 02035. Management is confident that the Applicant will achieve the expected NPSR growth for FY 2023. According to the data provided by Management, the year-to-date NPSR ended June 30, 2023, is tracking the FY 2023 budget by 99.8 percent. Apart from FY 2023, the Applicant's NPSR growth in FY 2031 is also

expected to be higher at 26.2 percent. This is primarily due to the start of operations of the Proposed Project.

In order to determine the reasonableness of the projected revenue, we reviewed the underlying assumptions upon which Management relied. Based upon our review, Management relied upon the historical operations and anticipated market movements. The fourteen-year compounded annual growth rate (“CAGR”) from FY 2022 to FY 2036 for total operating revenue in the Projections of 8.3 percent falls within the range of DFCI’s revenue growth rates from FY 2018 to FY 2022 between 0.2 percent to 20.5 percent. Based upon the foregoing, it is our opinion that the revenue growth projected by Management is based on reasonable assumptions and is feasible for the combined operations of DFCI.

2. Operating Expenses

We analyzed each of the categorized operating expenses for reasonableness and feasibility related to the Projections. The operating expenses in the analysis are broken out into three categories: patient service, research, and general & administrative. Patient Service expenses include direct patient care, depreciation & amortization, and interest. Research expenses include direct research/restricted gifts, institute supported research, depreciation & amortization, and interest. General & Administrative expenses include general, administrative, & plant, depreciation & amortization, and interest.

The Projections indicate that total operating expense growth from FY 2023 to FY 2036 is estimated to range from 5.5 percent to 20.5 percent, with an average annual growth rate of

7.5 percent (excluding the highest year of 20.5 percent). The primary drivers of these higher expenses are increased drug costs, as indicated by Management, with their pharmacy being the main contributor to expense growth. However, Management expects the drivers of expense growth to gradually moderate over time, with a decline to 5.5 percent by FY 2030. The following table indicates the projected increase in operating expenses from FY 2023 to FY 2036 falls within the range of historical annual growth from FY 2018 to FY 2022.

	Annual Growth Range (2018 - 2022)	CAGR (2018 - 2022)	Annual Growth Range (2023 - 2036)
Expense Projection	2.3% - 14.7%	10.5%	5.5% - 11.9%

As illustrated above, the projected annual growth in operating expense from FY 2023 to FY 2036 is consistent with the historical annual growth range, with exception to FY 2031 where growth was projected to be 20.5 percent which is directly related to the projected added revenue generated from the operations of the Proposed Project. Based upon the foregoing, it is our opinion that the operating expenses within the Projections reflect reasonable estimation of future expenses of the Applicant. We note that the projected total expenses as a percentage of total revenue range from 96.5 percent to 99.4 percent from FY 2023 to FY 2036. We further note that this level of total operating expenses is consistent with the historical total expenses as a percentage of total revenue which ranged from 97.5 percent to 98.4 percent from FY 2018 to FY 2022, apart from FY 2020 which was approximately 100.9 percent of total revenue.

3. Capital Expenditures and Proposed Project Financing

We reviewed the project costs within the Draft DoN Application Form related to the Proposed Projects of which \$1.68 billion are classified as maximum capital expenditures (“MCE”) per the DoN regulations. The total project cost budget was developed jointly by DFCI and Leggat McCall Properties (the Applicant’s project representative) and is based on: (1) an initial construction estimate by the Proposed Project’s construction manager and (2) historic cost data from both DFCI and Leggat McCall. Leggat McCall Properties has completed more than 10 significant, ground up, hospital or healthcare projects in and around Boston in the last 20 years. We note that construction cost is approximately 93.7 percent of the total project cost. We reviewed supporting documentation building up the total MCE including an estimate from Leggat McCall Properties related to the total construction cost. Please see the following for a breakdown of maximum capital expenditure by proposed project:

Maximum Capital Expenditure Breakdown:	
Total Land Costs	\$ 93,061,472
Total Construction Costs	\$ 1,570,561,818
Total Financing Costs	\$ 12,087,990
Total Project Cost	\$ 1,675,711,279

In addition to capital expenditures, we also reviewed the proposed financing of the project. To finance the aforementioned project costs of \$1.68 billion related to the DoN application, the Projections detailed a mix of debt financing and various types of contributions. Debt financing accounts for approximately 77.6 percent of the estimated capital expenditures, while the remaining funds will be sourced from Beth Israel Deaconess Medical Center and surplus funds drawn from the President’s Initiative Fund of the Applicant. We reviewed the minutes of a Joint Meeting between the Executive and Finance Committees of the Board of Trustees that took place on September 12, 2023 and September 13, 2023, and confirm that

the Executive and Finance Committees of the Board authorized and approved all actions, commitments, agreements, and authorizations necessary to accomplish the Proposed Project, including the debt financing.

Specifically, DFCI plans to raise up to approximately \$1.8 billion through debt financing for the Proposed Project, with \$1.3 billion of that amount allocated to the DoN. We have reviewed the debt credit rating analysis conducted by Goldman Sachs & Co. LLC ("Goldman Sachs"), who was engaged to assist the Applicant with the debt raising initiative. We note the initial analysis was performed in February 2023 and was based on market assumptions at that time, which also reflected a lower financing amount of \$1.5 billion instead of \$1.8 billion for the Proposed Project and a more favorable construction timeline. According to Goldman Sachs' analysis in February 2023, there was a high probability that DFCI would secure access to capital (\$1.5 billion) for the project, but with a potentially lower credit rating of Baa1 compared to the current A1 rating issued by Moody's Corporation ("Moody's"). The Applicant indicated that a potential downgrade could range between one and three notches, as the credit rating agency is ultimately responsible for the decision. This potential downgrade is primarily due to the additional debt incurred. Goldman Sachs indicated that the debt raise would likely reduce financial flexibility and could result in a credit rating downgrade potentially down three notches to Baa1 by Moody's and two notches to BBB+ by Standard and Poor's ("S&P"). During the anticipated construction period, DFCI's financial metrics, such as days cash on hand, cash to debt, maximum annual debt service ("MADS") coverage, debt to cash flow, and debt to capitalization, are expected to underperform the weakest quartile of Moody's Baa1-rated credit metrics. This potential credit rating downgrade will impact DFCI's

current and future borrowing costs, potentially affecting any future lines of credit or short-term borrowings required during periods of cash flow shortfall, operational challenges, and unexpected costs.

However, Goldman Sachs also highlighted that DFCI's qualitative strengths would help mitigate the financial and strategic risks associated with the Proposed Project. They emphasized DFCI's 75-year legacy in treatment development, strong brand recognition, and its position as an essential provider of cancer care in the market. Additionally, Goldman Sachs noted that DFCI had previously experienced a similar financial stress in FY 2015 and FY 2016 when acquiring the Longwood facility, which required converting operating leases to debt. This indicates that DFCI has prior experience in navigating financial and strategic risks posed by the Proposed Project and similar situations.

In addition to the comprehensive report from February 2023, we have also reviewed a partially updated analysis, which includes the updated maximum debt balance of \$1.8 billion and the latest estimated construction timeline. In this updated analysis, Goldman Sachs presented financial metrics indicating that DFCI would face higher financial risks during the construction period. However, Goldman Sachs also indicated that by FY 2033, similar financial metrics are expected to improve significantly. These metrics are projected to exceed the median Baa1 Moody's credit rating metrics. This suggests that DFCI is on track to recover from the risks and financial stressors associated with the construction period by the time the new hospital is expected to be operational.

To further test the financial flexibility of the Applicant, we conducted a sensitivity analysis on the Projections using the current interest rate corresponding to a BB credit rating, which is one notch below what Goldman Sachs indicated and what the Applicant anticipates. Our analysis indicates that even under this scenario, the Applicant would still generate a positive operating surplus and maintain a positive net asset balance throughout the Projection Period. This suggests that DFCI has a strong financial position, and is well-equipped to handle potential financial stressors.

In addition to the debt financing, it is our understanding that Beth Israel Deaconess Medical Center has made a commitment to contribute \$185.3 million towards the costs associated with the MCE. This commitment is outlined in the Collaboration Agreement between DFCI and BIDMC, solidifying their partnership and financial support for the Proposed Project.

The remaining financing amount of \$189.6 million will be funded by the President's Initiative Fund of DFCI. As per our understanding, the Applicant has already allocated the required funds within the President's Initiative Fund.

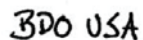
VI. FEASIBILITY

We analyzed the Projections and Key Metrics for the Proposed Project. In preparing our analysis we considered multiple sources of information including industry metrics, historical results, and Management expectations. It is important to note that the Projections do not account for certain anticipated changes in accounting standards. These standards, which may

have a material impact on individual future years, are not anticipated to have a material impact on the aggregate Projections.

Within the projected financial information, the Projections exhibit a cumulative operating EBIDA surplus of approximately 6.4 percent of cumulative projected total revenue for the fourteen years from FY 2023 through FY 2036. Based upon our review of the relevant documents and analysis of the Projections, we determined the anticipated EBIDA surplus is a reasonable expectation and is based upon feasible financial assumptions. Accordingly, we determined that the Projections are reasonable and feasible, and are not likely to have a negative impact on the patient panel or result in a liquidation of assets of DFCI.

Respectively submitted,

BDO USA

Erik Lynch
Partner, BDO USA