
A Detailed Applicant Background

Montage Health Overview

Montage Health is a California nonprofit public benefit corporation that is the sole corporate member or “parent” of various organizations that directly or indirectly, through one or more intermediaries, are controlled by Montage Health. Montage Health and its related organizations comprise the Montage Health system, a nonprofit network of medical and wellness services, locations, and healthcare providers in Monterey County, California. As of March 31, 2026, the Montage Health system was licensed for 258 acute care beds (232 of which were staffed), had approximately 450 physicians on medical staff and in affiliated medical groups, and employed approximately 3,000 people.

Montage Health is the sole corporate member of Community Hospital of the Monterey Peninsula (“CHOMP”), a California nonprofit public benefit corporation. CHOMP owns and operates a 258 licensed-bed acute care hospital (the “Hospital”) located in the Carmel Hill area of the Monterey Peninsula. CHOMP also owns and operates a 28-bed skilled nursing and hospice facility, named Westland House, located in the City of Monterey. The Montage Health System is the primary provider of acute care services on the Monterey Peninsula, having approximately 80% inpatient market share.

Facilities and Services

The Montage Health system provides a comprehensive range of generalized and specialized healthcare services, including intensive and acute care services, newborn care services, chemical dependency detoxification and rehabilitation services, psychiatric services, obstetric services, surgery services, laboratory services, diagnostic imaging services, diagnostic/therapeutic services, renal dialysis, clinical services, ambulatory services, community outreach and educational programs, social work services and emergency services.

The Montage Health system also provides outpatient healthcare services, including basic emergency, lithotripsy, respiratory care, radiation therapy, physical therapy and nuclear medicine at various outpatient service clinics throughout Monterey County, and is licensed to provide skilled nursing and inpatient and outpatient hospice services through the Westland House.

The Hospital has been at its present site since 1962 and has undergone several expansion projects over the years, increasing its bed capacity from 100 to 258 beds. In late 2011, CHOMP completed the final phase of the largest renovation project to the Hospital in its history, the Pavilions Project, which broke ground in 2002 and encompassed the construction of four buildings in five phases. CHOMP has completed all seismic retrofits required by California seismic upgrade regulations. The Hospital’s buildings provide for compliance through 2030.

The following table presents selected utilization statistics for Montage Health for the three month periods ended March 31, 2026 and 2025.

Utilization Statistics

	Three Month Period Ended March 31,	
	2026	2025
Licensed beds	258	258
Available Beds	232	232
Admissions	3,470	3,513
Patient Days	16,501	16,942
Average Length of Stay	4.72	4.79
Average Occupancy Percentage	79.0	81.1
Emergency Room Visits	15,150	15,553
Outpatient Visits	134,733	125,765

B Description of Project for Each Facility to be Financed

Montage Health 2026 Financing	
Project Type	Purpose
Refunding of CHOMP's 2016A Bonds	The bonds were originally issued to finance and refinance certain capital expenditures at the health care and related facilities of CHOMP and certain of its affiliates, refund the CSCDA's Series 2011A Bonds and pay certain of the costs of issuance of the Series 2016A Bonds.
Reimbursement of costs for new construction	Reimbursement for the construction of a new 2-story 44,000 square foot facility (Building E) owned and operated by Montage Health and located at 2 Upper Ragsdale Dr., Monterey, California 93940. Specialties housed in this new space will include: urology, cardiology, general surgery and other services for the Monterey County community. Construction was completed and building was opened in the spring of 2026.
Reimbursement for healthcare facility related capital improvements	Reimbursement for capital improvements of healthcare facilities located at 23625 Hollman Highway, Monterey, California 93940

C Summary of Project's Public Benefit

Montage Health Benefit Commitment

Montage Health is a nonprofit, integrated healthcare delivery system serving the residents of the Monterey Peninsula and surrounding communities. The Hospital, established in 1934, is an active, caring member of the community that provides compassionate, high quality healthcare services at a competitive cost. Montage Health's board approved mission statement gives emphasis to commitment to the community and its vulnerable populations. Montage Health's guiding principles and vision statement also emphasize commitment to community service by stressing community collaboration, hospital leadership, and quality

healthcare services. Montage Health's mission, vision, and guiding principles are the basis for all its community benefit program decisions.

Services for the indigent and benefits to the broader community (in thousands)		
	2025	2024
<i>Benefits for the Indigent</i>		
Traditional Charity Care, at cost	\$3,691	\$4,472
Unpaid costs of Medi-Cal program	54,635	55,859
Total quantifiable benefits for the indigent	\$58,326	\$60,331
<i>Benefits for the Broader Community</i>		
Unpaid costs of Medicare program	\$69,695	\$72,458
Unpaid costs of other government programs	8,945	9,704
Negative margin services	78,637	66,186
Education and wellness programs	6,185	5,338
Other community benefits	6,416	4,365
Total quantifiable benefits for the broader community	\$169,878	\$158,051
Total quantifiable community benefits	\$228,204	\$218,382

Benefits for the indigent include services provided to persons who cannot afford healthcare because of inadequate resources or who are uninsured. This includes traditional charity care, at cost, and the unpaid costs of treating Medi-Cal beneficiaries in excess of government payments.

Benefits for the broader community include services provided to other needy populations that may not qualify as indigent but that need special services and support. This also includes the unpaid cost of treating Medicare beneficiaries in excess of government payments. Examples include the elderly, substance abusers, victims of child abuse, cancer patients, and persons with AIDS.

Negative margin services represent the net loss as a result of providing substance abuse, HIV/AIDS care, behavioral medicine services, hospice, skilled nursing, and cardio-pulmonary wellness services. In addition, CHOMP provides family counseling, group therapy, and free educational lectures for the community.

Education and wellness programs include the unpaid cost of training health professionals, such as radiology technology and rehabilitation therapy students, firefighters, paramedics, and emergency medical training students. Also included are the costs of educational classes and support groups provided to the community at no charge or for a nominal fee. Educational subjects include Alzheimer's, arthritis, bereavement, cancer, chronic pain, diabetes, mood management, smoking cessation, substance abuse and weight loss surgery. The costs of an educational publication and a community benefit plan study are also included.

Other community benefits include financial support to other health care organizations such as the Seaside Family Health Center and the Monterey County Health Clinic at Marina.

Community benefit cost would equate to approximately 25% and 26% of CHOMP's total operating expenses for the years ended December 31, 2025 and 2024, respectively.

D List of Outstanding Tax-Exempt Debt

Community Hospital of the Monterey Peninsula Outstanding Debt List (As of June 12, 2026)		
Issuer	Series	Outstanding Par (\$MM)
California Statewide Communities Development Authority	2016A*	15.080
California Statewide Communities Development Authority	2021A	102.955
TOTAL		\$118.035

*To be redeemed with proceeds of the 2026 financing

E Project Costs (Estimated Sources and Uses)

Sources:	Series 2026A Bonds
Bond Proceeds:	
Par	30,480,000
Amount	
	\$30,480,000

Uses:	Series 2026A Bonds
Reimbursement of Project Costs:	15,000,000
Refunding of Series 2016A Bonds:	15,080,000
Costs of Issuance	400,000
	\$30,480,000

F Distribution List (Interest Parties)

Please refer to the Distribution List attached.

G Project Photographs / Drawings

N/A