

<p style="text-align: center;">Form 5500</p> <p style="font-size: small;">Department of the Treasury Internal Revenue Service</p> <hr/> <p style="font-size: small;">Department of Labor Employee Benefits Security Administration</p> <hr/> <p style="font-size: x-small;">Pension Benefit Guaranty Corporation</p>	<p>Annual Return/Report of Employee Benefit Plan</p> <p style="font-size: x-small;">This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).</p> <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	<p style="font-size: x-small;">OMB Nos. 1210-0110 1210-0089</p> <hr/> <p style="font-size: large; text-align: center;">2022</p> <hr/> <p style="text-align: center;">This Form is Open to Public Inspection</p>
---	---	---

Part I	Annual Report Identification Information
For calendar plan year 2022 or fiscal plan year beginning <u>01/01/2022</u> and ending <u>12/31/2022</u>	
A	This return/report is for: <input type="checkbox"/> a multiemployer plan <input type="checkbox"/> a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
	<input checked="" type="checkbox"/> a single-employer plan <input type="checkbox"/> a DFE (specify) _____
B	This return/report is: <input type="checkbox"/> the first return/report <input type="checkbox"/> the final return/report
	<input checked="" type="checkbox"/> an amended return/report <input type="checkbox"/> a short plan year return/report (less than 12 months)
C	If the plan is a collectively-bargained plan, check here. <input type="checkbox"/>
D	Check box if filing under: <input checked="" type="checkbox"/> Form 5558 <input type="checkbox"/> automatic extension <input type="checkbox"/> the DFVC program
	<input type="checkbox"/> special extension (enter description)
E	If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. <input type="checkbox"/>

Part II	Basic Plan Information —enter all requested information
1a Name of plan <u>PCSD, INC. MEDICAL GROUP 401(K) PLAN</u>	1b Three-digit plan number (PN) ▶ <u>001</u>
	1c Effective date of plan <u>01/01/1989</u>
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>PSYCHIATRIC CENTERS AT SAN DIEGO, INC.</u>	2b Employer Identification Number (EIN) <u>95-2650593</u>
<u>4542 RUFFNER STREET</u> <u>SUITE 200</u> <u>SAN DIEGO, CA 92111</u>	2c Plan Sponsor's telephone number <u>619-528-4600</u>
	2d Business code (see instructions) <u>621112</u>

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	12/21/2023	JADA A. BRATHWAITE
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	12/21/2023	JADA A. BRATHWAITE
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2022)
v. 220413

3a Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 279
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits c Other retired or separated participants entitled to future benefits..... d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)..... h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6a(1) 163 6a(2) 0 6b 3 6c 2 6d 5 6e 0 6f 5 6g 5 6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2A 2E 2F 2G 2J 2K 2R 2T 3D b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	
9a Plan funding arrangement (check all that apply) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
a Pension Schedules (1) <input checked="" type="checkbox"/> R (Retirement Plan Information) (2) <input type="checkbox"/> MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) <input type="checkbox"/> SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) <input checked="" type="checkbox"/> H (Financial Information) (2) <input type="checkbox"/> I (Financial Information – Small Plan) (3) <input type="checkbox"/> A (Insurance Information) (4) <input checked="" type="checkbox"/> C (Service Provider Information) (5) <input checked="" type="checkbox"/> D (DFE/Participating Plan Information) (6) <input type="checkbox"/> G (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) Yes No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) Yes No

11c Enter the Receipt Confirmation Code for the 2022 Form M-1 annual report. If the plan was not required to file the 2022 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE C (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2022 This Form is Open to Public Inspection.
--	--	---

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022

A Name of plan <u>PCSD, INC. MEDICAL GROUP 401(K) PLAN</u>	B Three-digit plan number (PN) ▶	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>PSYCHIATRIC CENTERS AT SAN DIEGO, INC.</u>	D Employer Identification Number (EIN) <u>95-2650593</u>	

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... Yes No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
THE VANGUARD GROUP, INC.

23-1945930

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

THE VANGUARD GROUP, INC.

23-1945930

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 16 25 37 38 52 99	NONE	58723	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	0	Yes <input type="checkbox"/> No <input type="checkbox"/>

(a) Enter name and EIN or address (see instructions)

DAVIS WRIGHT TREMAINE LLP

91-0839480

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
29	NONE	50827	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

(a) Enter name and EIN or address (see instructions)

UBS FINANCIAL SERVICES INC

13-2638166

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27	NONE	27440	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2022 This Form is Open to Public Inspection.
---	--	---

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan PCSD, INC. MEDICAL GROUP 401(K) PLAN	B Three-digit plan number (PN) ▶	001
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 PSYCHIATRIC CENTERS AT SAN DIEGO, INC.	D Employer Identification Number (EIN) 95-2650593	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
---------------	--

a Name of MTIA, CCT, PSA, or 103-12 IE:	VFTC RETIREMENT SAVINGS TRUST III	
b Name of sponsor of entity listed in (a):	VANGUARD FIDUCIARY TRUST COMPANY	
c EIN-PN 38-7041744-024	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN

d Entity code

e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN

d Entity code

e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN

d Entity code

e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN

d Entity code

e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN

d Entity code

e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN

d Entity code

e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN

d Entity code

e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN

d Entity code

e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN

d Entity code

e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN

d Entity code

e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2022 This Form is Open to Public Inspection
--	--	--

For calendar plan year 2022 or fiscal plan year beginning **01/01/2022** and ending **12/31/2022**

A Name of plan PCSD, INC. MEDICAL GROUP 401(K) PLAN	B Three-digit plan number (PN)	001
C Plan sponsor's name as shown on line 2a of Form 5500 PSYCHIATRIC CENTERS AT SAN DIEGO, INC.	D Employer Identification Number (EIN) 95-2650593	

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets	(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a	
b Receivables (less allowance for doubtful accounts):		
(1) Employer contributions.....	1b(1)	
(2) Participant contributions.....	1b(2)	
(3) Other.....	1b(3)	
c General investments:		
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	
(2) U.S. Government securities.....	1c(2)	
(3) Corporate debt instruments (other than employer securities):		
(A) Preferred.....	1c(3)(A)	
(B) All other.....	1c(3)(B)	
(4) Corporate stocks (other than employer securities):		
(A) Preferred.....	1c(4)(A)	
(B) Common.....	1c(4)(B)	
(5) Partnership/joint venture interests.....	1c(5)	
(6) Real estate (other than employer real property).....	1c(6)	
(7) Loans (other than to participants).....	1c(7)	
(8) Participant loans.....	1c(8)	203684
(9) Value of interest in common/collective trusts.....	1c(9)	210133
(10) Value of interest in pooled separate accounts.....	1c(10)	
(11) Value of interest in master trust investment accounts.....	1c(11)	
(12) Value of interest in 103-12 investment entities.....	1c(12)	
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	32121157 1473114
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	
(15) Other.....	1c(15)	1288623

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	1d(1)		
(2) Employer real property.....	1d(2)		
e Buildings and other property used in plan operation.....	1e		
f Total assets (add all amounts in lines 1a through 1e).....	1f	33823597	1473114

Liabilities

g Benefit claims payable.....	1g		
h Operating payables.....	1h		
i Acquisition indebtedness.....	1i		
j Other liabilities.....	1j		
k Total liabilities (add all amounts in lines 1g through 1j).....	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f).....	1l	33823597	1473114
---	----	----------	---------

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers.....	2a(1)(A)	1271275	
(B) Participants.....	2a(1)(B)	368229	
(C) Others (including rollovers).....	2a(1)(C)		
(2) Noncash contributions.....	2a(2)		
(3) Total contributions. Add lines 2a(1)(A), (B), (C), and line 2a(2).....	2a(3)		1639504
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)		
(B) U.S. Government securities.....	2b(1)(B)		
(C) Corporate debt instruments.....	2b(1)(C)		
(D) Loans (other than to participants).....	2b(1)(D)		
(E) Participant loans.....	2b(1)(E)	5097	
(F) Other.....	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F).....	2b(1)(G)		5097
(2) Dividends:			
(A) Preferred stock.....	2b(2)(A)		
(B) Common stock.....	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)	494712	
(D) Total dividends. Add lines 2b(2)(A), (B), and (C).....	2b(2)(D)		
(3) Rents.....	2b(3)		
(4) Net gain (loss) on sale of assets:			
(A) Aggregate proceeds.....	2b(4)(A)		
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result.....	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets:			
(A) Real estate.....	2b(5)(A)		
(B) Other.....	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B).....	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		7023
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		-5553257
c Other income	2c		-275579
d Total income. Add all income amounts in column (b) and enter total	2d		-3682500
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	28313621	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)	126527	
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		28440148
f Corrective distributions (see instructions)	2f		86727
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	141108	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		141108
j Total expenses. Add all expense amounts in column (b) and enter total	2j		28667983
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d.....	2k		-32350483
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan.....	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) Unmodified (2) Qualified (3) Disclaimer (4) Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) DOL Regulation 2520.103-8 (2) DOL Regulation 2520.103-12(d) (3) neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: WITHUMSMITH BROWN

(2) EIN: 22-2027092

d The opinion of an independent qualified public accountant is **not attached** because:

(1) This form is filed for a CCT, PSA, or MTIA. (2) It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)

	Yes	No	Amount
4a	X		170392

		Yes	No	Amount
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....	4b		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....	4d		X	
e Was this plan covered by a fidelity bond?.....	4e	X		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?.....	4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.).....	4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l Has the plan failed to provide any benefit when due under the plan?	4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?..... Yes No
 If "Yes," enter the amount of any plan assets that reverted to the employer this year 0.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) Yes No Not determined
 If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.

SCHEDULE R (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2022 This Form is Open to Public Inspection.
--	---	---

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022

A Name of plan <u>PCSD, INC. MEDICAL GROUP 401(K) PLAN</u>	B Three-digit plan number (PN) ▶	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>PSYCHIATRIC CENTERS AT SAN DIEGO, INC.</u>	D Employer Identification Number (EIN) <u>95-2650593</u>	

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....

1	
---	--

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):
EIN(s): 23-2186884

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....

3	
---	--

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
----------------	---

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? Yes No N/A
If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____
If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....	6a	
b Enter the amount contributed by the employer to the plan for this plan year.....	6b	
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c	

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? Yes No N/A

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? Yes No N/A

Part III	Amendments
-----------------	-------------------

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... Increase Decrease Both No

Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?..... Yes No

11 a Does the ESOP hold any preferred stock?..... Yes No

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)..... Yes No

12 Does the ESOP hold any stock that is not readily tradable on an established securities market?..... Yes No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that (1) contributed more than 5% of total contributions to the plan during the plan year or (2) was one of the top-ten highest contributors (measured in dollars). See instructions. Complete as many entries as needed to report all applicable employers.

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: Hourly Weekly Unit of production Other (specify): _____

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: Hourly Weekly Unit of production Other (specify): _____

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: Hourly Weekly Unit of production Other (specify): _____

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: Hourly Weekly Unit of production Other (specify): _____

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: Hourly Weekly Unit of production Other (specify): _____

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: Hourly Weekly Unit of production Other (specify): _____

14 Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: <input type="checkbox"/> last contributing employer <input type="checkbox"/> alternative <input type="checkbox"/> reasonable approximation (see instructions for required attachment).....	14a	
b The plan year immediately preceding the current plan year. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	14b	
c The second preceding plan year. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....	14c	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year.....	15a	
b The corresponding number for the second preceding plan year.....	15b	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers.....	16b	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment

19 If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
 0-3 years 3-6 years 6-9 years 9-12 years 12-15 years 15-18 years 18-21 years 21 years or more

c What duration measure was used to calculate line 19(b)?
 Effective duration Macaulay duration Modified duration Other (specify): _____

20 PBGC missed contribution reporting requirements. If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? Yes No

b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

Yes.

No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

No. Other. Provide explanation _____

PCSD, INC. MEDICAL GROUP 401(K) PLAN
Financial Statements
December 31, 2022 and 2021
With Independent Auditor's Report

**PCSD, Inc. Medical Group 401(k) Plan
Table of Contents
December 31, 2022 and 2021**

Independent Auditor's Report	1-3
Financial Statements	
Statements of Net Assets Available for Benefits (In Liquidation)	4
Statement of Changes in Net Assets Available for Benefits (In Liquidation)	5
Notes to Financial Statements (In Liquidation)	6-12
Supplementary Information	
Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year) (In Liquidation)	13
Schedule H, Part IV, Line 4a - Schedule of Delinquent Participant Contributions (In Liquidation)	14

INDEPENDENT AUDITOR'S REPORT

To the Participants and Trustees of
PCSD, Inc. Medical Group 401(k) Plan:

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit

We have performed audits of the financial statements of PCSD, Inc. Medical Group 401(k) Plan, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 ("ERISA"), as permitted by ERISA Section 103(a)(3)(C) ("ERISA Section 103(a)(3)(C) audit"). The financial statements comprise the statements of net assets available for benefits (in liquidation) as of December 31, 2022 and 2021, and the related statement of changes in net assets available for benefits (in liquidation) for the year ended December 31, 2022, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audits of PCSD, Inc. Medical Group 401(k) Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audits need not extend to any statements or information related to assets held for investment of the plan ("investment information") by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA ("qualified institution").

Management has obtained certifications from a qualified institution as of December 31, 2022 and 2021, and for the year ended December 31, 2022, stating that the certified investment information, as described in Note 5 to the financial statements, is complete and accurate.

Opinion

In our opinion, based on our audits and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the Financial Statements section:

- The amounts and disclosures in the accompanying financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- The information in the accompanying financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of PCSD, Inc. Medical Group 401(k) Plan and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about PCSD, Inc. Medical Group 401(k) Plan's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the plan, and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of PCSD, Inc. Medical Group 401(k) Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about PCSD, Inc. Medical Group 401(k) Plan's ability to continue as a going concern for a reasonable period of time.

Our audits did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matter – Supplemental Schedules Required by ERISA

The supplemental schedules, Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year) (In Liquidation) and Schedule H, Part IV, Line 4a - Schedule of Delinquent Participant Contributions (In Liquidation) as of and for the year ended December 31, 2022, are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including its form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental schedules related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).



December 19, 2023

PCSD, Inc. Medical Group 401(k) Plan
Statements of Net Assets Available for Benefits (In Liquidation)
December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Assets		
Investments		
Self-directed brokerage accounts, at fair value	\$ -	\$ 1,288,623
Registered investment companies, at fair value	1,473,114	32,121,157
Guaranteed investment contract, at contract value	<u>-</u>	<u>210,133</u>
Total investments	<u>1,473,114</u>	<u>33,619,913</u>
Receivables		
Notes receivable from participants	-	203,684
Employee contributions	-	66,738
Employer contributions	<u>-</u>	<u>1,022,501</u>
Total receivables	<u>-</u>	<u>1,292,923</u>
Net assets available for benefits (in liquidation)	<u>\$ 1,473,114</u>	<u>\$ 34,912,836</u>

The Notes to Financial Statements are an integral part of these statements.

PCSD, Inc. Medical Group 401(k) Plan
Statement of Changes in Net Assets Available for Benefits (In Liquidation)
Year Ended December 31, 2022

Additions

Additions to net assets (in liquidation) attributed to	
Investment income (loss)	
Interest and dividend income	\$ 494,712
Net depreciation in fair value of investments	<u>(5,546,234)</u>
Total investment loss	<u>(5,051,522)</u>
Interest from notes receivable from participants	<u>5,097</u>
Contributions	
Employer	248,774
Participants	<u>301,491</u>
Total contributions	<u>550,265</u>
Total additions, net	<u>(4,496,160)</u>

Deductions

Deductions from net assets (in liquidation) attributed to	
Benefits paid to participants	28,440,148
Corrective distributions	86,727
Administrative expenses	141,108
Other expense	<u>275,579</u>
Total deductions	<u>28,943,562</u>

Net changes in net assets available for benefits (in liquidation) (33,439,722)

Net assets available for benefits (in liquidation)

Beginning of year	<u>34,912,836</u>
End of year	<u>\$ 1,473,114</u>

The Notes to Financial Statements are an integral part of this statement.

**PCSD, Inc. Medical Group 401(k) Plan
Notes to Financial Statements (In Liquidation)
December 31, 2022 and 2021**

1. DESCRIPTION OF PLAN

The following description of the PCSD, Inc. Medical Group 401(k) Plan (the “Plan”) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan’s provisions.

General

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”). The Plan was established on January 1, 1989, and the provisions of the Plan were restated on January 1, 2021. The Psychiatric Centers of San Diego is the Plan administrator and is responsible for oversight of the Plan.

Plan Termination

In April 2022, the Company elected to terminate the Plan and all participants became fully vested in their account balances as of that date. Participants had the option of receiving a distribution (less applicable penalties and taxes) or rolling over their balance to another eligible retirement plan or IRA. The Company took the appropriate steps to ensure the Plan remained in compliance with the applicable ERISA and Department of Labor requirements. The Plan was frozen as of April 24, 2022, and the majority of Plan assets were distributed during 2022.

Plan Liquidation

As of June 2023, all Plan assets have been distributed and the asset balance reached \$0.

Eligibility

The Plan is a defined contribution plan covering substantially all employees of PCSD, Inc. Medical Group (the “Company”), who are at least 21 years old and enroll semiannually.

Contributions

Contributions are made to the Plan by means of a salary deferral agreement under which the participant is entitled to defer up to the lesser of 75% of their eligible compensation or a fixed amount determined annually by the Internal Revenue Service (“IRS”). The Company, at its option, may elect to match participant contributions. For the year ended December 31, 2022, the Company did not make matching contributions. The Company may also make discretionary contributions under the Plan. The Company made discretionary contributions to the Plan of \$248,774 for the year ended December 31, 2022.

Participant Accounts

Each participant account is credited with the participant’s contribution and an allocation of (a) the Company’s matching contribution, (b) the Company’s discretionary contribution, and (c) Plan net earnings which include an allocation of certain administrative expenses. Allocations of matching contributions are based on participant contributions, as defined. Allocations of discretionary contributions are based on the participant’s compensation. Allocations of Plan earnings and administrative expenses, when applicable, are based on participant account balances. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested interest in their account balance.

Notes Receivable From Participants

Participants may borrow 50% of their vested account balance, from a minimum of \$1,000 up to \$50,000, with payment of principal and interest per annum made through payroll deductions. A general loan will have a term of up to five years, or up to 20 years for a home loan. The loans are secured by the balance in the participant’s account. Notes receivable from participants are stated at the unpaid principal value, which are estimated to approximate fair value.

**PCSD, Inc. Medical Group 401(k) Plan
Notes to Financial Statements (In Liquidation)
December 31, 2022 and 2021**

Investment Options

Each participant directs the allocation of his or her contribution and employer contributions to a variety of investment options and individual brokerage accounts offered by the Plan.

Vesting

Participants are vested on their contributions plus earnings, immediately. Vesting in the Company's matching and discretionary contributions is based on years of service, including prior periods of psychiatric experience with an unrelated employer. A year of vesting service is defined as any year in which a participant completes 1,000 hours in that year. The following schedule describes the vesting percentages for participants. As discussed previously, the Plan was terminated in 2022. Consequently, all active participants with account balances on April 24, 2022, became fully vested.

<u>Years of Service</u>	<u>Vested Benefit Percentage</u>
Less than 2 years	0%
2 years but less than 3	20%
3 years but less than 4	40%
4 years but less than 5	60%
5 years but less than 6	80%
6 years or more	100%

Payment of Benefits

Upon termination of service before the normal retirement age of 65, a participant with benefits of over \$1,000 may elect to defer distribution until normal retirement age or receive a lump sum payment or installment payments equal to the vested share of the participant's account.

Upon termination of service at the normal retirement age of 65, a participant may elect to receive a lump sum payment or installment payments equal to their account. Benefits may also be accessed in the event of disability or death.

The Plan allows participants to make early withdrawals for certain financial hardships. The Plan also allows in-service withdrawals by participants after they reach age 59½. Participants' age 59½ taking in-service withdrawals will be required to pay all applicable taxes on the withdrawals but will not be subject to penalty taxes for early withdrawals.

Forfeitures

Forfeitures of unvested Plan assets can be used to pay Plan expenses or reduce Company contributions, in that order. At December 31, 2022 and 2021, there were unallocated forfeitures of \$0 and \$849, respectively. For the year ended December 31, 2022, forfeitures of \$53,935 were used to pay for Plan expenses and no forfeitures were allocated to reduce 2022 employer contributions. All forfeiture allocations were made in accordance with the Plan document.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared in accordance with generally accepted accounting principles in the United States of America. Administrative and other expenses are recorded as incurred.

PCSD, Inc. Medical Group 401(k) Plan
Notes to Financial Statements (In Liquidation)
December 31, 2022 and 2021

Investment Valuation and Income Recognition

Investments are reported at fair value, except for fully benefit-responsive investment contracts, which are reported at contract value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 3 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net depreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year. In addition, certain investment related expenses have been offset with net investment income and are not readily determinable.

Notes Receivable From Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the Plan document.

Payment of Benefits

Benefits are recorded when paid.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits at the date of the financial statements and the reported amounts of additions to net assets and deductions from net assets during the reporting period, including contingencies. Actual results could differ from those estimates.

Risks and Uncertainties

The Plan provides for various investment options in any combination of investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investments securities, it is at least reasonably possible that changes in risks in the near term would materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits and the statement of changes in net assets available for benefits.

Administrative Expenses

Administrative expenses are paid by the Plan.

Subsequent Events

The Plan evaluated subsequent events through December 19, 2023, the date these financial statements were available to be issued. Except for matters discussed at Note 1, there were no material subsequent events that required recognition or additional disclosure in these financial statements.

3. FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 820, *Fair Value Measurements*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

PCSD, Inc. Medical Group 401(k) Plan
Notes to Financial Statements (In Liquidation)
December 31, 2022 and 2021

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value.

Registered Investment Companies (Mutual Funds): Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value per share ("NAV") and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Self-directed Brokerage Accounts: Accounts primarily consist of mutual funds and common stocks that are valued on the basis of readily determinable market prices.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There have been no changes in the methodologies used at December 31, 2022 and 2021.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31:

	Assets at Fair Value as of December 31, 2022			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Registered investment companies	\$ 1,473,114	\$ -	\$ -	\$ 1,473,114

PCSD, Inc. Medical Group 401(k) Plan
Notes to Financial Statements (In Liquidation)
December 31, 2022 and 2021

	<u>December 31, 2021</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Self-directed brokerage accounts	\$ 1,288,623	\$ -	\$ -	\$ 1,288,623
Registered investment companies	<u>32,121,157</u>	<u>-</u>	<u>-</u>	<u>32,121,157</u>
Total investments at fair value	<u>\$ 33,409,780</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,409,780</u>

4. FULLY BENEFIT-RESPONSIVE INVESTMENT CONTRACT

The Plan holds an investment contract with Vanguard Fiduciary Trust Company. This contract meets the fully benefit-responsive investment contract criteria and therefore is reported at contract value. Contract value is the relevant measure for fully benefit-responsive investment contracts because this is the amount received by participants if they were to initiate permitted transactions under the terms of the Plan. Contract value represents contributions made under each contract, plus earnings, less participant withdrawals, and administrative expenses. The investment contract held by the Plan is summarized as follows:

	<u>2022</u>	<u>2021</u>
Vanguard Retirement Savings Trust III	<u>\$ -</u>	<u>\$ 210,133</u>

The traditional investment contract held by the Plan is a stable value investment contract. The contract issuer is contractually obligated to repay the principal and interest at a specified interest rate that is guaranteed to the Plan. The crediting rate is based on a formula established by the contract issuer but may not be less than 0%. The crediting rate is reviewed on a semi-annual basis for resetting. The contract cannot be terminated before the scheduled maturity date.

The Plan's ability to receive amounts due in accordance with fully benefit-responsive investment contract is dependent on the third-party issuer's ability to meet its financial obligations. The issuer's ability to meet its contractual obligations may be affected by future economic and regulatory developments.

Certain events might limit the ability of the Plan to transact at contract value with the contract issuer. These events may be different under each contract. Examples of such events include the following:

- The Plan's failure to qualify under Section 401(a) of the Internal Revenue Code or the failure of the trust to be tax-exempt under Section 501(a) of the Internal Revenue Code
- Premature termination of the contract
- Plan termination or merger
- Changes to the Plan's prohibition on competing investment options
- Bankruptcy of the plan sponsor or other plan sponsor events (for example, divestitures or spinoffs of a subsidiary) that significantly affect the Plan's normal operations.

No events are probable of occurring that might limit the ability of the Plan to transact at contract value with the contract issuer and that also would limit the ability of the Plan to transact at contract value with the participants.

In addition, certain events allow the issuer to terminate the contract with the Plan and settle at an amount different from contract value. Those events may be different under each contract.

**PCSD, Inc. Medical Group 401(k) Plan
Notes to Financial Statements (In Liquidation)
December 31, 2022 and 2021**

Examples of such events include the following:

- An uncured violation of the Plan's investment guidelines
- A breach of material obligation under the contract
- A material misrepresentation
- A material amendment to the agreements without the consent of the issuer.

5. INFORMATION CERTIFIED BY THE PLAN'S TRUSTEE

No auditing procedures were performed by the independent auditor as permitted by ERISA Section 103(a)(3)(C) with respect to information certified as complete and accurate by Vanguard Fiduciary Trust Company (the "trustee"), except for comparing such information with the information reported in the financial statements. Based on information provided and certified by the trustee, there are no fixed income obligations, leases, or debt instruments in default or deemed uncollectible, as defined by ERISA, as of December 31, 2022 and 2021. Accordingly, the trustee of the Plan's assets has certified to the completeness and accuracy of the following:

- Investments and notes receivable from participants reflected on the accompanying statements of net assets available for benefits as of December 31, 2022 and 2021, as well as the supplemental schedule of assets (held at end of year) as of December 31, 2022.
- Net investment loss from registered investment companies, other interest, and interest income on notes receivable from participants reflected on the accompanying statement of changes in net assets available for benefits for the year ended December 31, 2022.

6. TAX STATUS

The Plan document is a non-standardized pre-approved profit-sharing plan that received a favorable opinion letter from the IRS on June 30, 2020, which stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code ("IRC"). The Plan has been amended since receiving the opinion letter. However, the Plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirement of the IRC.

The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2022 and 2021, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

7. PARTY-IN-INTEREST

Certain Plan investments are shares of mutual funds managed by Vanguard Equity Index Group. Vanguard Equity Index Group is an affiliate of Vanguard Fiduciary Trust Company. Vanguard Fiduciary Trust Company is the trustee as defined by the Plan and therefore, these transactions qualify as party-in-interest transactions.

The Plan pays administrative expenses to parties-in-interest who provide services to the Plan and for whom a statutory exemption exists. Additionally, notes receivable from participants are considered party-in-interest transactions.

**PCSD, Inc. Medical Group 401(k) Plan
Notes to Financial Statements (In Liquidation)
December 31, 2022 and 2021**

8. RECONCILIATION OF FINANCIAL STATEMENTS TO THE FORM 5500

The following is a reconciliation of net assets available for benefits per the Plan's financial statements to the Form 5500 at December 31:

	<u>2022</u>	<u>2021</u>
Net assets available for benefits per the financial statements	\$ 1,473,114	\$ 34,912,836
Less: Current year contributions receivable	<u>-</u>	<u>(1,089,239)</u>
Net assets available for benefits per the Form 5500	<u>\$ 1,473,114</u>	<u>\$ 33,823,597</u>

The following is a reconciliation of the total contributions received per the financial statements to the Form 5500 at December 31, 2022:

Contributions received per the financial statements	\$ 550,265
Add: Prior year contributions receivable	<u>1,089,239</u>
Contributions received per the Form 5500	<u>\$ 1,639,504</u>

9. PROHIBITED TRANSACTIONS

For the Plan year ended December 31, 2021, the Company failed to remit to the Plan certain employee contributions and loan repayments totaling \$398,250 within the period prescribed by Department of Labor regulations. Delays in remitting contributions to the Plan were due to administrative errors. The Company rectified the late remittances lost earnings by paying lost earnings on the employee contributions and loan repayments that were remitted late.

For the Plan year ended December 31, 2022, the Company failed to remit to the Plan certain employee contributions and loan repayments totaling \$170,392 within the period prescribed by Department of Labor regulations. Delays in remitting contributions to the Plan were due to administrative errors.

SUPPLEMENTARY INFORMATION

PCSD, Inc. Medical Group 401(k) Plan
Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year) (In Liquidation)
EIN: #95-2650593, Plan: #001
December 31, 2022

<u>(a)</u>	<u>(b) Identity of Issuer, Borrower, Lessor, or Similar Party</u>	<u>(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value</u>	<u>(d) Cost</u>	<u>(e) Current Value</u>
*	Vanguard	Federal Money Market Fund	N/A	\$ 1,300
*	Vanguard	Institutional Target Retirement 2020 Fund	N/A	1,424,276
*	Vanguard	Inst Target Retirement Income Fund	N/A	<u>47,538</u>
	Total assets held for investment purposes at end of year			<u>\$ 1,473,114</u>

* Party in interest as defined by ERISA for which a statutory exemption exists.
N/A - Information not required for participant directed investments.

See Independent Auditor's Report.

PCSD, Inc. Medical Group 401(k) Plan
Schedule H, Part IV, Line 4a - Schedule of Delinquent Participant Contributions (In
Liquidation)
EIN: #95-2650593, Plan: #001
Year Ended December 31, 2022

<u>Participant Contributions Transferred Late to Plan</u>	<u>Total that Constitutes Nonexempt Prohibited Transactions</u>			<u>Total Fully Corrected Under VFCP and PTE 2002-51</u>
<u>Check Here if Late Participant Loan Repayments are included <input checked="" type="checkbox"/></u>	<u>Contributions Not Corrected</u>	<u>Contributions Corrected Outside VFCP</u>	<u>Contributions Pending Correction in VFCP</u>	
Year Ended December 31, 2021	<u>\$ -</u>	<u>\$ 398,250</u>	<u>\$ -</u>	<u>\$ -</u>
Year Ended December 31, 2022	<u>\$ -</u>	<u>\$ 170,392</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditor's Report.

PCSD, INC. MEDICAL GROUP 401(K) PLAN
Financial Statements
December 31, 2022 and 2021
With Independent Auditor's Report

**PCSD, Inc. Medical Group 401(k) Plan
Table of Contents
December 31, 2022 and 2021**

Independent Auditor's Report	1-3
Financial Statements	
Statements of Net Assets Available for Benefits (In Liquidation)	4
Statement of Changes in Net Assets Available for Benefits (In Liquidation)	5
Notes to Financial Statements (In Liquidation)	6-12
Supplementary Information	
Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year) (In Liquidation)	13
Schedule H, Part IV, Line 4a - Schedule of Delinquent Participant Contributions (In Liquidation)	14

INDEPENDENT AUDITOR'S REPORT

To the Participants and Trustees of
PCSD, Inc. Medical Group 401(k) Plan:

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit

We have performed audits of the financial statements of PCSD, Inc. Medical Group 401(k) Plan, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 ("ERISA"), as permitted by ERISA Section 103(a)(3)(C) ("ERISA Section 103(a)(3)(C) audit"). The financial statements comprise the statements of net assets available for benefits (in liquidation) as of December 31, 2022 and 2021, and the related statement of changes in net assets available for benefits (in liquidation) for the year ended December 31, 2022, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audits of PCSD, Inc. Medical Group 401(k) Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audits need not extend to any statements or information related to assets held for investment of the plan ("investment information") by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA ("qualified institution").

Management has obtained certifications from a qualified institution as of December 31, 2022 and 2021, and for the year ended December 31, 2022, stating that the certified investment information, as described in Note 5 to the financial statements, is complete and accurate.

Opinion

In our opinion, based on our audits and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the Financial Statements section:

- The amounts and disclosures in the accompanying financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- The information in the accompanying financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of PCSD, Inc. Medical Group 401(k) Plan and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about PCSD, Inc. Medical Group 401(k) Plan's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the plan, and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of PCSD, Inc. Medical Group 401(k) Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about PCSD, Inc. Medical Group 401(k) Plan's ability to continue as a going concern for a reasonable period of time.

Our audits did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matter – Supplemental Schedules Required by ERISA

The supplemental schedules, Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year) (In Liquidation) and Schedule H, Part IV, Line 4a - Schedule of Delinquent Participant Contributions (In Liquidation) as of and for the year ended December 31, 2022, are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including its form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental schedules related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).



December 19, 2023

PCSD, Inc. Medical Group 401(k) Plan
Statements of Net Assets Available for Benefits (In Liquidation)
December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Assets		
Investments		
Self-directed brokerage accounts, at fair value	\$ -	\$ 1,288,623
Registered investment companies, at fair value	1,473,114	32,121,157
Guaranteed investment contract, at contract value	<u>-</u>	<u>210,133</u>
Total investments	<u>1,473,114</u>	<u>33,619,913</u>
Receivables		
Notes receivable from participants	-	203,684
Employee contributions	-	66,738
Employer contributions	<u>-</u>	<u>1,022,501</u>
Total receivables	<u>-</u>	<u>1,292,923</u>
Net assets available for benefits (in liquidation)	<u>\$ 1,473,114</u>	<u>\$ 34,912,836</u>

The Notes to Financial Statements are an integral part of these statements.

PCSD, Inc. Medical Group 401(k) Plan
Statement of Changes in Net Assets Available for Benefits (In Liquidation)
Year Ended December 31, 2022

Additions

Additions to net assets (in liquidation) attributed to	
Investment income (loss)	
Interest and dividend income	\$ 494,712
Net depreciation in fair value of investments	<u>(5,546,234)</u>
Total investment loss	<u>(5,051,522)</u>
Interest from notes receivable from participants	<u>5,097</u>
Contributions	
Employer	248,774
Participants	<u>301,491</u>
Total contributions	<u>550,265</u>
Total additions, net	<u>(4,496,160)</u>

Deductions

Deductions from net assets (in liquidation) attributed to	
Benefits paid to participants	28,440,148
Corrective distributions	86,727
Administrative expenses	141,108
Other expense	<u>275,579</u>
Total deductions	<u>28,943,562</u>

Net changes in net assets available for benefits (in liquidation) (33,439,722)

Net assets available for benefits (in liquidation)

Beginning of year	<u>34,912,836</u>
End of year	<u>\$ 1,473,114</u>

The Notes to Financial Statements are an integral part of this statement.

**PCSD, Inc. Medical Group 401(k) Plan
Notes to Financial Statements (In Liquidation)
December 31, 2022 and 2021**

1. DESCRIPTION OF PLAN

The following description of the PCSD, Inc. Medical Group 401(k) Plan (the “Plan”) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan’s provisions.

General

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”). The Plan was established on January 1, 1989, and the provisions of the Plan were restated on January 1, 2021. The Psychiatric Centers of San Diego is the Plan administrator and is responsible for oversight of the Plan.

Plan Termination

In April 2022, the Company elected to terminate the Plan and all participants became fully vested in their account balances as of that date. Participants had the option of receiving a distribution (less applicable penalties and taxes) or rolling over their balance to another eligible retirement plan or IRA. The Company took the appropriate steps to ensure the Plan remained in compliance with the applicable ERISA and Department of Labor requirements. The Plan was frozen as of April 24, 2022, and the majority of Plan assets were distributed during 2022.

Plan Liquidation

As of June 2023, all Plan assets have been distributed and the asset balance reached \$0.

Eligibility

The Plan is a defined contribution plan covering substantially all employees of PCSD, Inc. Medical Group (the “Company”), who are at least 21 years old and enroll semiannually.

Contributions

Contributions are made to the Plan by means of a salary deferral agreement under which the participant is entitled to defer up to the lesser of 75% of their eligible compensation or a fixed amount determined annually by the Internal Revenue Service (“IRS”). The Company, at its option, may elect to match participant contributions. For the year ended December 31, 2022, the Company did not make matching contributions. The Company may also make discretionary contributions under the Plan. The Company made discretionary contributions to the Plan of \$248,774 for the year ended December 31, 2022.

Participant Accounts

Each participant account is credited with the participant’s contribution and an allocation of (a) the Company’s matching contribution, (b) the Company’s discretionary contribution, and (c) Plan net earnings which include an allocation of certain administrative expenses. Allocations of matching contributions are based on participant contributions, as defined. Allocations of discretionary contributions are based on the participant’s compensation. Allocations of Plan earnings and administrative expenses, when applicable, are based on participant account balances. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested interest in their account balance.

Notes Receivable From Participants

Participants may borrow 50% of their vested account balance, from a minimum of \$1,000 up to \$50,000, with payment of principal and interest per annum made through payroll deductions. A general loan will have a term of up to five years, or up to 20 years for a home loan. The loans are secured by the balance in the participant’s account. Notes receivable from participants are stated at the unpaid principal value, which are estimated to approximate fair value.

**PCSD, Inc. Medical Group 401(k) Plan
Notes to Financial Statements (In Liquidation)
December 31, 2022 and 2021**

Investment Options

Each participant directs the allocation of his or her contribution and employer contributions to a variety of investment options and individual brokerage accounts offered by the Plan.

Vesting

Participants are vested on their contributions plus earnings, immediately. Vesting in the Company's matching and discretionary contributions is based on years of service, including prior periods of psychiatric experience with an unrelated employer. A year of vesting service is defined as any year in which a participant completes 1,000 hours in that year. The following schedule describes the vesting percentages for participants. As discussed previously, the Plan was terminated in 2022. Consequently, all active participants with account balances on April 24, 2022, became fully vested.

<u>Years of Service</u>	<u>Vested Benefit Percentage</u>
Less than 2 years	0%
2 years but less than 3	20%
3 years but less than 4	40%
4 years but less than 5	60%
5 years but less than 6	80%
6 years or more	100%

Payment of Benefits

Upon termination of service before the normal retirement age of 65, a participant with benefits of over \$1,000 may elect to defer distribution until normal retirement age or receive a lump sum payment or installment payments equal to the vested share of the participant's account.

Upon termination of service at the normal retirement age of 65, a participant may elect to receive a lump sum payment or installment payments equal to their account. Benefits may also be accessed in the event of disability or death.

The Plan allows participants to make early withdrawals for certain financial hardships. The Plan also allows in-service withdrawals by participants after they reach age 59½. Participants' age 59½ taking in-service withdrawals will be required to pay all applicable taxes on the withdrawals but will not be subject to penalty taxes for early withdrawals.

Forfeitures

Forfeitures of unvested Plan assets can be used to pay Plan expenses or reduce Company contributions, in that order. At December 31, 2022 and 2021, there were unallocated forfeitures of \$0 and \$849, respectively. For the year ended December 31, 2022, forfeitures of \$53,935 were used to pay for Plan expenses and no forfeitures were allocated to reduce 2022 employer contributions. All forfeiture allocations were made in accordance with the Plan document.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared in accordance with generally accepted accounting principles in the United States of America. Administrative and other expenses are recorded as incurred.

PCSD, Inc. Medical Group 401(k) Plan
Notes to Financial Statements (In Liquidation)
December 31, 2022 and 2021

Investment Valuation and Income Recognition

Investments are reported at fair value, except for fully benefit-responsive investment contracts, which are reported at contract value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 3 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net depreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year. In addition, certain investment related expenses have been offset with net investment income and are not readily determinable.

Notes Receivable From Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the Plan document.

Payment of Benefits

Benefits are recorded when paid.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits at the date of the financial statements and the reported amounts of additions to net assets and deductions from net assets during the reporting period, including contingencies. Actual results could differ from those estimates.

Risks and Uncertainties

The Plan provides for various investment options in any combination of investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investments securities, it is at least reasonably possible that changes in risks in the near term would materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits and the statement of changes in net assets available for benefits.

Administrative Expenses

Administrative expenses are paid by the Plan.

Subsequent Events

The Plan evaluated subsequent events through December 19, 2023, the date these financial statements were available to be issued. Except for matters discussed at Note 1, there were no material subsequent events that required recognition or additional disclosure in these financial statements.

3. FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 820, *Fair Value Measurements*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

PCSD, Inc. Medical Group 401(k) Plan
Notes to Financial Statements (In Liquidation)
December 31, 2022 and 2021

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value.

Registered Investment Companies (Mutual Funds): Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value per share ("NAV") and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Self-directed Brokerage Accounts: Accounts primarily consist of mutual funds and common stocks that are valued on the basis of readily determinable market prices.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There have been no changes in the methodologies used at December 31, 2022 and 2021.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31:

	Assets at Fair Value as of December 31, 2022			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Registered investment companies	\$ 1,473,114	\$ -	\$ -	\$ 1,473,114

PCSD, Inc. Medical Group 401(k) Plan
Notes to Financial Statements (In Liquidation)
December 31, 2022 and 2021

	<u>December 31, 2021</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Self-directed brokerage accounts	\$ 1,288,623	\$ -	\$ -	\$ 1,288,623
Registered investment companies	<u>32,121,157</u>	<u>-</u>	<u>-</u>	<u>32,121,157</u>
Total investments at fair value	<u>\$ 33,409,780</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,409,780</u>

4. FULLY BENEFIT-RESPONSIVE INVESTMENT CONTRACT

The Plan holds an investment contract with Vanguard Fiduciary Trust Company. This contract meets the fully benefit-responsive investment contract criteria and therefore is reported at contract value. Contract value is the relevant measure for fully benefit-responsive investment contracts because this is the amount received by participants if they were to initiate permitted transactions under the terms of the Plan. Contract value represents contributions made under each contract, plus earnings, less participant withdrawals, and administrative expenses. The investment contract held by the Plan is summarized as follows:

	<u>2022</u>	<u>2021</u>
Vanguard Retirement Savings Trust III	<u>\$ -</u>	<u>\$ 210,133</u>

The traditional investment contract held by the Plan is a stable value investment contract. The contract issuer is contractually obligated to repay the principal and interest at a specified interest rate that is guaranteed to the Plan. The crediting rate is based on a formula established by the contract issuer but may not be less than 0%. The crediting rate is reviewed on a semi-annual basis for resetting. The contract cannot be terminated before the scheduled maturity date.

The Plan's ability to receive amounts due in accordance with fully benefit-responsive investment contract is dependent on the third-party issuer's ability to meet its financial obligations. The issuer's ability to meet its contractual obligations may be affected by future economic and regulatory developments.

Certain events might limit the ability of the Plan to transact at contract value with the contract issuer. These events may be different under each contract. Examples of such events include the following:

- The Plan's failure to qualify under Section 401(a) of the Internal Revenue Code or the failure of the trust to be tax-exempt under Section 501(a) of the Internal Revenue Code
- Premature termination of the contract
- Plan termination or merger
- Changes to the Plan's prohibition on competing investment options
- Bankruptcy of the plan sponsor or other plan sponsor events (for example, divestitures or spinoffs of a subsidiary) that significantly affect the Plan's normal operations.

No events are probable of occurring that might limit the ability of the Plan to transact at contract value with the contract issuer and that also would limit the ability of the Plan to transact at contract value with the participants.

In addition, certain events allow the issuer to terminate the contract with the Plan and settle at an amount different from contract value. Those events may be different under each contract.

**PCSD, Inc. Medical Group 401(k) Plan
Notes to Financial Statements (In Liquidation)
December 31, 2022 and 2021**

Examples of such events include the following:

- An uncured violation of the Plan's investment guidelines
- A breach of material obligation under the contract
- A material misrepresentation
- A material amendment to the agreements without the consent of the issuer.

5. INFORMATION CERTIFIED BY THE PLAN'S TRUSTEE

No auditing procedures were performed by the independent auditor as permitted by ERISA Section 103(a)(3)(C) with respect to information certified as complete and accurate by Vanguard Fiduciary Trust Company (the "trustee"), except for comparing such information with the information reported in the financial statements. Based on information provided and certified by the trustee, there are no fixed income obligations, leases, or debt instruments in default or deemed uncollectible, as defined by ERISA, as of December 31, 2022 and 2021. Accordingly, the trustee of the Plan's assets has certified to the completeness and accuracy of the following:

- Investments and notes receivable from participants reflected on the accompanying statements of net assets available for benefits as of December 31, 2022 and 2021, as well as the supplemental schedule of assets (held at end of year) as of December 31, 2022.
- Net investment loss from registered investment companies, other interest, and interest income on notes receivable from participants reflected on the accompanying statement of changes in net assets available for benefits for the year ended December 31, 2022.

6. TAX STATUS

The Plan document is a non-standardized pre-approved profit-sharing plan that received a favorable opinion letter from the IRS on June 30, 2020, which stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code ("IRC"). The Plan has been amended since receiving the opinion letter. However, the Plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirement of the IRC.

The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2022 and 2021, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

7. PARTY-IN-INTEREST

Certain Plan investments are shares of mutual funds managed by Vanguard Equity Index Group. Vanguard Equity Index Group is an affiliate of Vanguard Fiduciary Trust Company. Vanguard Fiduciary Trust Company is the trustee as defined by the Plan and therefore, these transactions qualify as party-in-interest transactions.

The Plan pays administrative expenses to parties-in-interest who provide services to the Plan and for whom a statutory exemption exists. Additionally, notes receivable from participants are considered party-in-interest transactions.

**PCSD, Inc. Medical Group 401(k) Plan
Notes to Financial Statements (In Liquidation)
December 31, 2022 and 2021**

8. RECONCILIATION OF FINANCIAL STATEMENTS TO THE FORM 5500

The following is a reconciliation of net assets available for benefits per the Plan's financial statements to the Form 5500 at December 31:

	<u>2022</u>	<u>2021</u>
Net assets available for benefits per the financial statements	\$ 1,473,114	\$ 34,912,836
Less: Current year contributions receivable	<u>-</u>	<u>(1,089,239)</u>
Net assets available for benefits per the Form 5500	<u>\$ 1,473,114</u>	<u>\$ 33,823,597</u>

The following is a reconciliation of the total contributions received per the financial statements to the Form 5500 at December 31, 2022:

Contributions received per the financial statements	\$ 550,265
Add: Prior year contributions receivable	<u>1,089,239</u>
Contributions received per the Form 5500	<u>\$ 1,639,504</u>

9. PROHIBITED TRANSACTIONS

For the Plan year ended December 31, 2021, the Company failed to remit to the Plan certain employee contributions and loan repayments totaling \$398,250 within the period prescribed by Department of Labor regulations. Delays in remitting contributions to the Plan were due to administrative errors. The Company rectified the late remittances lost earnings by paying lost earnings on the employee contributions and loan repayments that were remitted late.

For the Plan year ended December 31, 2022, the Company failed to remit to the Plan certain employee contributions and loan repayments totaling \$170,392 within the period prescribed by Department of Labor regulations. Delays in remitting contributions to the Plan were due to administrative errors.

SUPPLEMENTARY INFORMATION

PCSD, Inc. Medical Group 401(k) Plan
Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year) (In Liquidation)
EIN: #95-2650593, Plan: #001
December 31, 2022

<u>(a)</u>	<u>(b) Identity of Issuer, Borrower, Lessor, or Similar Party</u>	<u>(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value</u>	<u>(d) Cost</u>	<u>(e) Current Value</u>
*	Vanguard	Federal Money Market Fund	N/A	\$ 1,300
*	Vanguard	Institutional Target Retirement 2020 Fund	N/A	1,424,276
*	Vanguard	Inst Target Retirement Income Fund	N/A	<u>47,538</u>
	Total assets held for investment purposes at end of year			<u>\$ 1,473,114</u>

* Party in interest as defined by ERISA for which a statutory exemption exists.
N/A - Information not required for participant directed investments.

See Independent Auditor's Report.

PCSD, Inc. Medical Group 401(k) Plan
Schedule H, Part IV, Line 4a - Schedule of Delinquent Participant Contributions (In
Liquidation)
EIN: #95-2650593, Plan: #001
Year Ended December 31, 2022

<u>Participant Contributions Transferred Late to Plan</u>	<u>Total that Constitutes Nonexempt Prohibited Transactions</u>			<u>Total Fully Corrected Under VFCP and PTE 2002-51</u>
<u>Check Here if Late Participant Loan Repayments are included <input checked="" type="checkbox"/></u>	<u>Contributions Not Corrected</u>	<u>Contributions Corrected Outside VFCP</u>	<u>Contributions Pending Correction in VFCP</u>	
Year Ended December 31, 2021	<u>\$ -</u>	<u>\$ 398,250</u>	<u>\$ -</u>	<u>\$ -</u>
Year Ended December 31, 2022	<u>\$ -</u>	<u>\$ 170,392</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditor's Report.

PCSD, INC. MEDICAL GROUP 401(K) PLAN
Financial Statements
December 31, 2022 and 2021
With Independent Auditor's Report

**PCSD, Inc. Medical Group 401(k) Plan
Table of Contents
December 31, 2022 and 2021**

Independent Auditor's Report	1-3
Financial Statements	
Statements of Net Assets Available for Benefits (In Liquidation)	4
Statement of Changes in Net Assets Available for Benefits (In Liquidation)	5
Notes to Financial Statements (In Liquidation)	6-12
Supplementary Information	
Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year) (In Liquidation)	13
Schedule H, Part IV, Line 4a - Schedule of Delinquent Participant Contributions (In Liquidation)	14

INDEPENDENT AUDITOR'S REPORT

To the Participants and Trustees of
PCSD, Inc. Medical Group 401(k) Plan:

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit

We have performed audits of the financial statements of PCSD, Inc. Medical Group 401(k) Plan, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 ("ERISA"), as permitted by ERISA Section 103(a)(3)(C) ("ERISA Section 103(a)(3)(C) audit"). The financial statements comprise the statements of net assets available for benefits (in liquidation) as of December 31, 2022 and 2021, and the related statement of changes in net assets available for benefits (in liquidation) for the year ended December 31, 2022, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audits of PCSD, Inc. Medical Group 401(k) Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audits need not extend to any statements or information related to assets held for investment of the plan ("investment information") by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA ("qualified institution").

Management has obtained certifications from a qualified institution as of December 31, 2022 and 2021, and for the year ended December 31, 2022, stating that the certified investment information, as described in Note 5 to the financial statements, is complete and accurate.

Opinion

In our opinion, based on our audits and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the Financial Statements section:

- The amounts and disclosures in the accompanying financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- The information in the accompanying financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of PCSD, Inc. Medical Group 401(k) Plan and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about PCSD, Inc. Medical Group 401(k) Plan's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the plan, and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of PCSD, Inc. Medical Group 401(k) Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about PCSD, Inc. Medical Group 401(k) Plan's ability to continue as a going concern for a reasonable period of time.

Our audits did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matter – Supplemental Schedules Required by ERISA

The supplemental schedules, Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year) (In Liquidation) and Schedule H, Part IV, Line 4a - Schedule of Delinquent Participant Contributions (In Liquidation) as of and for the year ended December 31, 2022, are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including its form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental schedules related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).



December 19, 2023

PCSD, Inc. Medical Group 401(k) Plan
Statements of Net Assets Available for Benefits (In Liquidation)
December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Assets		
Investments		
Self-directed brokerage accounts, at fair value	\$ -	\$ 1,288,623
Registered investment companies, at fair value	1,473,114	32,121,157
Guaranteed investment contract, at contract value	<u>-</u>	<u>210,133</u>
Total investments	<u>1,473,114</u>	<u>33,619,913</u>
Receivables		
Notes receivable from participants	-	203,684
Employee contributions	-	66,738
Employer contributions	<u>-</u>	<u>1,022,501</u>
Total receivables	<u>-</u>	<u>1,292,923</u>
Net assets available for benefits (in liquidation)	<u>\$ 1,473,114</u>	<u>\$ 34,912,836</u>

The Notes to Financial Statements are an integral part of these statements.

PCSD, Inc. Medical Group 401(k) Plan
Statement of Changes in Net Assets Available for Benefits (In Liquidation)
Year Ended December 31, 2022

Additions

Additions to net assets (in liquidation) attributed to	
Investment income (loss)	
Interest and dividend income	\$ 494,712
Net depreciation in fair value of investments	<u>(5,546,234)</u>
Total investment loss	<u>(5,051,522)</u>
Interest from notes receivable from participants	<u>5,097</u>
Contributions	
Employer	248,774
Participants	<u>301,491</u>
Total contributions	<u>550,265</u>
Total additions, net	<u>(4,496,160)</u>

Deductions

Deductions from net assets (in liquidation) attributed to	
Benefits paid to participants	28,440,148
Corrective distributions	86,727
Administrative expenses	141,108
Other expense	<u>275,579</u>
Total deductions	<u>28,943,562</u>

Net changes in net assets available for benefits (in liquidation) (33,439,722)

Net assets available for benefits (in liquidation)

Beginning of year	<u>34,912,836</u>
End of year	<u>\$ 1,473,114</u>

The Notes to Financial Statements are an integral part of this statement.

**PCSD, Inc. Medical Group 401(k) Plan
Notes to Financial Statements (In Liquidation)
December 31, 2022 and 2021**

1. DESCRIPTION OF PLAN

The following description of the PCSD, Inc. Medical Group 401(k) Plan (the “Plan”) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan’s provisions.

General

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”). The Plan was established on January 1, 1989, and the provisions of the Plan were restated on January 1, 2021. The Psychiatric Centers of San Diego is the Plan administrator and is responsible for oversight of the Plan.

Plan Termination

In April 2022, the Company elected to terminate the Plan and all participants became fully vested in their account balances as of that date. Participants had the option of receiving a distribution (less applicable penalties and taxes) or rolling over their balance to another eligible retirement plan or IRA. The Company took the appropriate steps to ensure the Plan remained in compliance with the applicable ERISA and Department of Labor requirements. The Plan was frozen as of April 24, 2022, and the majority of Plan assets were distributed during 2022.

Plan Liquidation

As of June 2023, all Plan assets have been distributed and the asset balance reached \$0.

Eligibility

The Plan is a defined contribution plan covering substantially all employees of PCSD, Inc. Medical Group (the “Company”), who are at least 21 years old and enroll semiannually.

Contributions

Contributions are made to the Plan by means of a salary deferral agreement under which the participant is entitled to defer up to the lesser of 75% of their eligible compensation or a fixed amount determined annually by the Internal Revenue Service (“IRS”). The Company, at its option, may elect to match participant contributions. For the year ended December 31, 2022, the Company did not make matching contributions. The Company may also make discretionary contributions under the Plan. The Company made discretionary contributions to the Plan of \$248,774 for the year ended December 31, 2022.

Participant Accounts

Each participant account is credited with the participant’s contribution and an allocation of (a) the Company’s matching contribution, (b) the Company’s discretionary contribution, and (c) Plan net earnings which include an allocation of certain administrative expenses. Allocations of matching contributions are based on participant contributions, as defined. Allocations of discretionary contributions are based on the participant’s compensation. Allocations of Plan earnings and administrative expenses, when applicable, are based on participant account balances. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested interest in their account balance.

Notes Receivable From Participants

Participants may borrow 50% of their vested account balance, from a minimum of \$1,000 up to \$50,000, with payment of principal and interest per annum made through payroll deductions. A general loan will have a term of up to five years, or up to 20 years for a home loan. The loans are secured by the balance in the participant’s account. Notes receivable from participants are stated at the unpaid principal value, which are estimated to approximate fair value.

**PCSD, Inc. Medical Group 401(k) Plan
Notes to Financial Statements (In Liquidation)
December 31, 2022 and 2021**

Investment Options

Each participant directs the allocation of his or her contribution and employer contributions to a variety of investment options and individual brokerage accounts offered by the Plan.

Vesting

Participants are vested on their contributions plus earnings, immediately. Vesting in the Company's matching and discretionary contributions is based on years of service, including prior periods of psychiatric experience with an unrelated employer. A year of vesting service is defined as any year in which a participant completes 1,000 hours in that year. The following schedule describes the vesting percentages for participants. As discussed previously, the Plan was terminated in 2022. Consequently, all active participants with account balances on April 24, 2022, became fully vested.

<u>Years of Service</u>	<u>Vested Benefit Percentage</u>
Less than 2 years	0%
2 years but less than 3	20%
3 years but less than 4	40%
4 years but less than 5	60%
5 years but less than 6	80%
6 years or more	100%

Payment of Benefits

Upon termination of service before the normal retirement age of 65, a participant with benefits of over \$1,000 may elect to defer distribution until normal retirement age or receive a lump sum payment or installment payments equal to the vested share of the participant's account.

Upon termination of service at the normal retirement age of 65, a participant may elect to receive a lump sum payment or installment payments equal to their account. Benefits may also be accessed in the event of disability or death.

The Plan allows participants to make early withdrawals for certain financial hardships. The Plan also allows in-service withdrawals by participants after they reach age 59½. Participants' age 59½ taking in-service withdrawals will be required to pay all applicable taxes on the withdrawals but will not be subject to penalty taxes for early withdrawals.

Forfeitures

Forfeitures of unvested Plan assets can be used to pay Plan expenses or reduce Company contributions, in that order. At December 31, 2022 and 2021, there were unallocated forfeitures of \$0 and \$849, respectively. For the year ended December 31, 2022, forfeitures of \$53,935 were used to pay for Plan expenses and no forfeitures were allocated to reduce 2022 employer contributions. All forfeiture allocations were made in accordance with the Plan document.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared in accordance with generally accepted accounting principles in the United States of America. Administrative and other expenses are recorded as incurred.

PCSD, Inc. Medical Group 401(k) Plan
Notes to Financial Statements (In Liquidation)
December 31, 2022 and 2021

Investment Valuation and Income Recognition

Investments are reported at fair value, except for fully benefit-responsive investment contracts, which are reported at contract value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 3 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net depreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year. In addition, certain investment related expenses have been offset with net investment income and are not readily determinable.

Notes Receivable From Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the Plan document.

Payment of Benefits

Benefits are recorded when paid.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits at the date of the financial statements and the reported amounts of additions to net assets and deductions from net assets during the reporting period, including contingencies. Actual results could differ from those estimates.

Risks and Uncertainties

The Plan provides for various investment options in any combination of investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investments securities, it is at least reasonably possible that changes in risks in the near term would materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits and the statement of changes in net assets available for benefits.

Administrative Expenses

Administrative expenses are paid by the Plan.

Subsequent Events

The Plan evaluated subsequent events through December 19, 2023, the date these financial statements were available to be issued. Except for matters discussed at Note 1, there were no material subsequent events that required recognition or additional disclosure in these financial statements.

3. FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 820, *Fair Value Measurements*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

PCSD, Inc. Medical Group 401(k) Plan
Notes to Financial Statements (In Liquidation)
December 31, 2022 and 2021

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value.

Registered Investment Companies (Mutual Funds): Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value per share ("NAV") and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Self-directed Brokerage Accounts: Accounts primarily consist of mutual funds and common stocks that are valued on the basis of readily determinable market prices.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There have been no changes in the methodologies used at December 31, 2022 and 2021.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31:

	Assets at Fair Value as of December 31, 2022			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Registered investment companies	\$ 1,473,114	\$ -	\$ -	\$ 1,473,114

PCSD, Inc. Medical Group 401(k) Plan
Notes to Financial Statements (In Liquidation)
December 31, 2022 and 2021

	December 31, 2021			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Self-directed brokerage accounts	\$ 1,288,623	\$ -	\$ -	\$ 1,288,623
Registered investment companies	<u>32,121,157</u>	<u>-</u>	<u>-</u>	<u>32,121,157</u>
Total investments at fair value	<u>\$ 33,409,780</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,409,780</u>

4. FULLY BENEFIT-RESPONSIVE INVESTMENT CONTRACT

The Plan holds an investment contract with Vanguard Fiduciary Trust Company. This contract meets the fully benefit-responsive investment contract criteria and therefore is reported at contract value. Contract value is the relevant measure for fully benefit-responsive investment contracts because this is the amount received by participants if they were to initiate permitted transactions under the terms of the Plan. Contract value represents contributions made under each contract, plus earnings, less participant withdrawals, and administrative expenses. The investment contract held by the Plan is summarized as follows:

	<u>2022</u>	<u>2021</u>
Vanguard Retirement Savings Trust III	<u>\$ -</u>	<u>\$ 210,133</u>

The traditional investment contract held by the Plan is a stable value investment contract. The contract issuer is contractually obligated to repay the principal and interest at a specified interest rate that is guaranteed to the Plan. The crediting rate is based on a formula established by the contract issuer but may not be less than 0%. The crediting rate is reviewed on a semi-annual basis for resetting. The contract cannot be terminated before the scheduled maturity date.

The Plan's ability to receive amounts due in accordance with fully benefit-responsive investment contract is dependent on the third-party issuer's ability to meet its financial obligations. The issuer's ability to meet its contractual obligations may be affected by future economic and regulatory developments.

Certain events might limit the ability of the Plan to transact at contract value with the contract issuer. These events may be different under each contract. Examples of such events include the following:

- The Plan's failure to qualify under Section 401(a) of the Internal Revenue Code or the failure of the trust to be tax-exempt under Section 501(a) of the Internal Revenue Code
- Premature termination of the contract
- Plan termination or merger
- Changes to the Plan's prohibition on competing investment options
- Bankruptcy of the plan sponsor or other plan sponsor events (for example, divestitures or spinoffs of a subsidiary) that significantly affect the Plan's normal operations.

No events are probable of occurring that might limit the ability of the Plan to transact at contract value with the contract issuer and that also would limit the ability of the Plan to transact at contract value with the participants.

In addition, certain events allow the issuer to terminate the contract with the Plan and settle at an amount different from contract value. Those events may be different under each contract.

**PCSD, Inc. Medical Group 401(k) Plan
Notes to Financial Statements (In Liquidation)
December 31, 2022 and 2021**

Examples of such events include the following:

- An uncured violation of the Plan's investment guidelines
- A breach of material obligation under the contract
- A material misrepresentation
- A material amendment to the agreements without the consent of the issuer.

5. INFORMATION CERTIFIED BY THE PLAN'S TRUSTEE

No auditing procedures were performed by the independent auditor as permitted by ERISA Section 103(a)(3)(C) with respect to information certified as complete and accurate by Vanguard Fiduciary Trust Company (the "trustee"), except for comparing such information with the information reported in the financial statements. Based on information provided and certified by the trustee, there are no fixed income obligations, leases, or debt instruments in default or deemed uncollectible, as defined by ERISA, as of December 31, 2022 and 2021. Accordingly, the trustee of the Plan's assets has certified to the completeness and accuracy of the following:

- Investments and notes receivable from participants reflected on the accompanying statements of net assets available for benefits as of December 31, 2022 and 2021, as well as the supplemental schedule of assets (held at end of year) as of December 31, 2022.
- Net investment loss from registered investment companies, other interest, and interest income on notes receivable from participants reflected on the accompanying statement of changes in net assets available for benefits for the year ended December 31, 2022.

6. TAX STATUS

The Plan document is a non-standardized pre-approved profit-sharing plan that received a favorable opinion letter from the IRS on June 30, 2020, which stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code ("IRC"). The Plan has been amended since receiving the opinion letter. However, the Plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirement of the IRC.

The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2022 and 2021, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

7. PARTY-IN-INTEREST

Certain Plan investments are shares of mutual funds managed by Vanguard Equity Index Group. Vanguard Equity Index Group is an affiliate of Vanguard Fiduciary Trust Company. Vanguard Fiduciary Trust Company is the trustee as defined by the Plan and therefore, these transactions qualify as party-in-interest transactions.

The Plan pays administrative expenses to parties-in-interest who provide services to the Plan and for whom a statutory exemption exists. Additionally, notes receivable from participants are considered party-in-interest transactions.

**PCSD, Inc. Medical Group 401(k) Plan
Notes to Financial Statements (In Liquidation)
December 31, 2022 and 2021**

8. RECONCILIATION OF FINANCIAL STATEMENTS TO THE FORM 5500

The following is a reconciliation of net assets available for benefits per the Plan's financial statements to the Form 5500 at December 31:

	<u>2022</u>	<u>2021</u>
Net assets available for benefits per the financial statements	\$ 1,473,114	\$ 34,912,836
Less: Current year contributions receivable	<u>-</u>	<u>(1,089,239)</u>
Net assets available for benefits per the Form 5500	<u>\$ 1,473,114</u>	<u>\$ 33,823,597</u>

The following is a reconciliation of the total contributions received per the financial statements to the Form 5500 at December 31, 2022:

Contributions received per the financial statements	\$ 550,265
Add: Prior year contributions receivable	<u>1,089,239</u>
Contributions received per the Form 5500	<u>\$ 1,639,504</u>

9. PROHIBITED TRANSACTIONS

For the Plan year ended December 31, 2021, the Company failed to remit to the Plan certain employee contributions and loan repayments totaling \$398,250 within the period prescribed by Department of Labor regulations. Delays in remitting contributions to the Plan were due to administrative errors. The Company rectified the late remittances lost earnings by paying lost earnings on the employee contributions and loan repayments that were remitted late.

For the Plan year ended December 31, 2022, the Company failed to remit to the Plan certain employee contributions and loan repayments totaling \$170,392 within the period prescribed by Department of Labor regulations. Delays in remitting contributions to the Plan were due to administrative errors.

SUPPLEMENTARY INFORMATION

PCSD, Inc. Medical Group 401(k) Plan
Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year) (In Liquidation)
EIN: #95-2650593, Plan: #001
December 31, 2022

<u>(a)</u>	<u>(b) Identity of Issuer, Borrower, Lessor, or Similar Party</u>	<u>(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value</u>	<u>(d) Cost</u>	<u>(e) Current Value</u>
*	Vanguard	Federal Money Market Fund	N/A	\$ 1,300
*	Vanguard	Institutional Target Retirement 2020 Fund	N/A	1,424,276
*	Vanguard	Inst Target Retirement Income Fund	N/A	<u>47,538</u>
	Total assets held for investment purposes at end of year			<u>\$ 1,473,114</u>

* Party in interest as defined by ERISA for which a statutory exemption exists.
N/A - Information not required for participant directed investments.

See Independent Auditor's Report.

PCSD, Inc. Medical Group 401(k) Plan
Schedule H, Part IV, Line 4a - Schedule of Delinquent Participant Contributions (In
Liquidation)
EIN: #95-2650593, Plan: #001
Year Ended December 31, 2022

<u>Participant Contributions Transferred Late to Plan</u>	<u>Total that Constitutes Nonexempt Prohibited Transactions</u>			<u>Total Fully Corrected Under VFCP and PTE 2002-51</u>
<u>Check Here if Late Participant Loan Repayments are included <input checked="" type="checkbox"/></u>	<u>Contributions Not Corrected</u>	<u>Contributions Corrected Outside VFCP</u>	<u>Contributions Pending Correction in VFCP</u>	
Year Ended December 31, 2021	\$ -	\$ 398,250	\$ -	\$ -
Year Ended December 31, 2022	\$ -	\$ 170,392	\$ -	\$ -

See Independent Auditor's Report.