



Financial Statements

As of May 31, 2023



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Financial Highlights Review

As of May 31, 2023

Operating income for May was \$7.0 million compared to budgeted income of \$636 thousand.

Total net revenue for May of \$194.1 million was \$3.9 million or 2.1% more than budget. Net patient revenue was \$2.3 million lower than expected, but was offset by improved investment returns of \$9.9 million. Medicaid Supplemental programs were \$4.4 million higher than budget primarily due to timing. The Foundation contribution of \$9.5 million received in January 2023 was reclassified to deferred revenue.

In May, total expenses of \$187.1 million were \$2.4 million or 1.3% less than budget. Purchased services for medical insurance subsidies decreased \$3.3 million due to the Marketplace plan pricing effective for calendar year 2023. The change in the Community Health Choice plan pricing, and a corresponding decrease in subsidy, was discussed with the Board of Trustees in November 2022.

Also in May, total patient days and average daily census increased 3.3% compared to budget. Inpatient case mix index, a measure of patient acuity, was 3.1% higher than planned with length of stay 10.5% higher than budget. Emergency room visits were 7.7% higher than planned for the month. Total clinic visits, including telehealth, were 4.7% higher compared to budget. Births were up 4.4% for the month and 11.7% higher year-to-date.

Total cash receipts for May were \$74.8 million. The System has \$1,629.9 million in unrestricted cash, cash equivalents and investments, representing 279.4 days cash on hand. Harris Health System has \$140.3 million in net accounts receivable, representing 71.0 days of outstanding patient accounts receivable at May 31, 2023. The May balance sheet reflects a combined net receivable position of \$24.8 million under the various Medicaid Supplemental programs.

Income Statement

As of May 31, 2023 (In \$ Millions)

	MONTH-TO-MONTH			YEAR-TO-DATE				
	CURRENT YEAR	CURRENT BUDGET	PERCENT VARIANCE	CURRENT YEAR	CURRENT BUDGET	PERCENT VARIANCE	PRIOR YEAR	PERCENT VARIANCE
REVENUE								
Net Patient Revenue	\$ 57.8	\$ 60.1	-3.8%	\$ 480.4	\$ 481.8	-0.3%	\$ 512.7	-6.3%
Medicaid Supplemental Programs	55.5	51.0	8.7%	458.1	408.2	12.2%	284.5	61.0%
Other Operating Revenue	10.2	9.4	8.4%	81.0	75.7	7.1%	46.7	73.5%
Total Operating Revenue	\$ 123.5	\$ 120.5	2.5%	\$ 1,019.5	\$ 965.7	5.6%	\$ 843.9	20.8%
Net Ad Valorem Taxes	70.7	69.3	2.2%	557.0	554.1	0.5%	354.5	57.1%
Net Tobacco Settlement Revenue	-	-	0.0%	15.2	13.3	14.2%	16.7	-9.3%
Capital Gifts & Grants	(9.5)	-	0.0%	-	-	0.0%	45.9	-100.0%
Interest Income & Other	9.4	0.4	2152.3%	50.8	4.3	1073.5%	41.9	21.3%
Total Nonoperating Revenue	\$ 70.6	\$ 69.7	1.4%	\$ 623.1	\$ 571.7	9.0%	\$ 459.1	35.7%
Total Net Revenue	\$ 194.1	\$ 190.2	2.1%	\$ 1,642.6	\$ 1,537.4	6.8%	\$ 1,302.9	26.1%
EXPENSE								
Salaries and Wages	\$ 75.8	\$ 74.6	-1.7%	\$ 582.4	\$ 602.6	3.4%	\$ 564.3	-3.2%
Employee Benefits	24.7	24.2	-2.0%	189.9	193.8	2.0%	173.4	-9.5%
Total Labor Cost	\$ 100.6	\$ 98.8	-1.8%	\$ 772.3	\$ 796.4	3.0%	\$ 737.7	-4.7%
Supply Expenses	22.9	23.9	4.0%	190.8	186.5	-2.3%	181.8	-4.9%
Physician Services	35.6	35.8	0.8%	275.7	286.6	3.8%	259.8	-6.1%
Purchased Services	21.1	23.8	11.2%	163.5	185.7	12.0%	179.8	9.0%
Depreciation & Interest	6.9	7.2	4.0%	55.8	60.0	6.9%	51.8	-7.8%
Total Operating Expense	\$ 187.1	\$ 189.5	1.3%	\$ 1,458.1	\$ 1,515.2	3.8%	\$ 1,410.9	-3.3%
Operating Income (Loss)	\$ 7.0	\$ 0.6		\$ 184.4	\$ 22.2		\$ (107.9)	
Total Margin %	3.6%	0.3%		11.2%	1.4%		-8.3%	

Balance Sheet

As of May 31, 2023 and 2022 (in \$ Millions)

	<u>CURRENT</u> <u>YEAR</u>	<u>PRIOR</u> <u>YEAR</u>
<u>CURRENT ASSETS</u>		
Cash, Cash Equivalents and Short Term Investments	\$ 1,629.9	\$ 1,312.1
Net Patient Accounts Receivable	140.3	121.5
Net Ad Valorem Taxes, Current Portion	12.6	4.2
Other Current Assets	160.6	116.7
Total Current Assets	\$ 1,943.5	\$ 1,554.5
<u>CAPITAL ASSETS</u>		
Plant, Property, & Equipment, Net of Accumulated Depreciation	\$ 417.0	\$ 429.5
Construction in Progress	206.1	132.4
Right of Use Assets	44.6	46.1
Total Capital Assets	\$ 667.7	\$ 608.0
<u>ASSETS LIMITED AS TO USE & RESTRICTED ASSETS</u>		
Debt Service & Capital Asset Funds	\$ 40.9	\$ 46.2
LPPF Restricted Cash	7.6	14.6
Capital Gift Proceeds	46.7	45.0
Other - Restricted	1.1	1.3
Total Assets Limited As to Use & Restricted Assets	\$ 96.4	\$ 107.1
Other Assets	41.8	20.5
Deferred Outflows of Resources	188.5	152.7
Total Assets & Deferred Outflows of Resources	\$ 2,937.9	\$ 2,442.7
<u>CURRENT LIABILITIES</u>		
Accounts Payable and Accrued Liabilities	\$ 492.5	\$ 242.1
Employee Compensation & Related Liabilities	128.7	114.6
Estimated Third-Party Payor Settlements	13.9	13.5
Current Portion Long-Term Debt and Capital Leases	20.2	20.0
Total Current Liabilities	\$ 655.3	\$ 390.3
Long-Term Debt	317.5	334.5
Net Pension & Post Employment Benefits Liability	592.8	598.4
Other Long-Term Liabilities	7.7	18.0
Deferred Inflows of Resources	218.7	218.7
Total Liabilities	\$ 1,792.0	\$ 1,559.9
Total Net Assets	\$ 1,145.9	\$ 882.9
Total Liabilities & Net Assets	\$ 2,937.9	\$ 2,442.7

Cash Flow Summary

As of May 31, 2023 (In \$ Millions)

	MONTH-TO-MONTH		YEAR-TO-DATE	
	CURRENT YEAR	PRIOR YEAR	CURRENT YEAR	PRIOR YEAR
CASH RECEIPTS				
Collections on Patient Accounts	\$ 58.4	\$ 65.0	\$ 468.3	\$ 465.3
Medicaid Supplemental Programs	2.9	(8.0)	872.6	517.4
Net Ad Valorem Taxes	3.4	3.8	816.5	801.7
Tobacco Settlement	-	-	15.2	16.7
Other Revenue	10.1	8.9	170.9	103.1
Total Cash Receipts	\$ 74.8	\$ 69.7	\$ 2,343.5	\$ 1,904.3
CASH DISBURSEMENTS				
Salaries, Wages and Benefits	\$ 111.0	\$ 95.5	\$ 875.1	\$ 734.5
Supplies	23.9	21.4	198.5	185.2
Physician Services	34.3	32.8	265.5	249.3
Purchased Services	25.3	18.8	154.6	141.7
Capital Expenditures	11.7	9.8	84.9	67.9
Debt and Interest Payments	0.3	0.3	19.5	19.1
Other Uses	6.4	1.3	(61.6)	47.0
Total Cash Disbursements	\$ 212.8	\$ 179.8	\$ 1,536.5	\$ 1,444.7
Net Change	\$ (138.1)	\$ (110.1)	\$ 807.1	\$ 459.6
Unrestricted cash, cash equivalents and investments - Beginning of year			\$ 822.8	
Net Change			807.1	
Unrestricted cash, cash equivalents and investments - End of period			\$ 1,629.9	

Performance Ratios

As of May 31, 2023

	MONTH-TO-MONTH		YEAR-TO-DATE		
	CURRENT YEAR	CURRENT BUDGET	CURRENT YEAR	CURRENT BUDGET	PRIOR YEAR
<u>OPERATING HEALTH INDICATORS</u>					
Operating Margin %	3.6%	0.3%	11.2%	1.4%	-8.3%
Run Rate per Day (In\$ Millions)	\$ 5.8	\$ 5.9	\$ 5.8	\$ 6.0	\$ 5.6
Salary, Wages & Benefit per APD	\$ 2,417	\$ 2,604	\$ 2,334	\$ 2,658	\$ 2,517
Supply Cost per APD	\$ 551	\$ 629	\$ 577	\$ 622	\$ 620
Physician Services per APD	\$ 855	\$ 944	\$ 833	\$ 956	\$ 886
Total Expense per APD	\$ 4,497	\$ 4,996	\$ 4,408	\$ 5,056	\$ 4,814
Overtime as a % of Total Salaries	3.5%	1.9%	3.6%	1.9%	3.3%
Contract as a % of Total Salaries	5.4%	7.4%	5.2%	7.4%	8.4%
Full-time Equivalent Employees	10,039	9,875	9,894	10,140	9,425
<u>FINANCIAL HEALTH INDICATORS</u>					
Quick Ratio			2.9		3.9
Unrestricted Cash (In \$ Millions)			\$ 1,629.9	\$ 981.7	\$ 1,312.1
Days Cash on Hand			279.4	169.5	233.5
Days Revenue in Accounts Receivable			71.0	53.8	57.6
Days in Accounts Payable			50.5		47.7
Capital Expenditures/Depreciation & Amortization			176.7%		152.7%
Average Age of Plant(years)			11.7		12.2

Harris Health System Key Indicators



Statistical Highlights

As of May 31, 2023

	MONTH-TO-MONTH			YEAR-TO-DATE				
	CURRENT YEAR	CURRENT BUDGET	PERCENT CHANGE	CURRENT YEAR	CURRENT BUDGET	PERCENT CHANGE	PRIOR YEAR	PERCENT CHANGE
Adjusted Patient Days	41,602	37,938	9.7%	331,256	299,660	10.5%	293,061	13.0%
Outpatient % of Adjusted Volume	60.8%	61.4%	-1.0%	60.6%	61.7%	-1.9%	62.4%	-2.9%
Primary Care Clinic Visits	45,026	43,345	3.9%	352,904	325,771	8.3%	317,713	11.1%
Specialty Clinic Visits	21,964	21,306	3.1%	163,864	156,681	4.6%	154,558	6.0%
Telehealth Clinic Visits	11,305	10,135	11.5%	87,042	87,660	-0.7%	111,148	-21.7%
Total Clinic Visits	78,295	74,786	4.7%	603,810	570,112	5.9%	583,419	3.5%
Emergency Room Visits - Outpatient	11,510	10,957	5.0%	86,684	88,663	-2.2%	85,054	1.9%
Emergency Room Visits - Admitted	2,015	1,597	26.2%	14,653	13,119	11.7%	11,825	23.9%
Total Emergency Room Visits	13,525	12,554	7.7%	101,337	101,782	-0.4%	96,879	4.6%
Surgery Cases - Outpatient	988	1,221	-19.1%	7,416	8,654	-14.3%	6,530	13.6%
Surgery Cases - Inpatient	835	1,024	-18.5%	6,371	7,389	-13.8%	5,946	7.1%
Total Surgery Cases	1,823	2,245	-18.8%	13,787	16,043	-14.1%	12,476	10.5%
Total Outpatient Visits	129,357	124,865	3.6%	991,690	970,589	2.2%	1,013,120	-2.1%
Inpatient Cases (Discharges)	2,507	2,487	0.8%	20,969	19,339	8.4%	18,242	14.9%
Outpatient Observation Cases	848	1,252	-32.3%	6,487	9,677	-33.0%	9,237	-29.8%
Total Cases Occupying Patient Beds	3,355	3,739	-10.3%	27,456	29,016	-5.4%	27,479	-0.1%
Births	402	385	4.4%	3,575	3,201	11.7%	3,343	6.9%
Inpatient Days	16,314	14,640	11.4%	130,574	114,643	13.9%	110,266	18.4%
Outpatient Observation Days	2,700	3,762	-28.2%	20,785	29,320	-29.1%	29,224	-28.9%
Total Patient Days	19,014	18,402	3.3%	151,359	143,963	5.1%	139,490	8.5%
Average Daily Census	613.4	593.6	3.3%	622.9	592.4	5.1%	574.0	8.5%
Average Operating Beds	689	681	1.2%	682	681	0.1%	684	-0.3%
Bed Occupancy %	89.0%	87.2%	2.1%	91.3%	87.0%	5.0%	83.9%	8.8%
Inpatient Average Length of Stay	6.51	5.89	10.5%	6.23	5.93	5.0%	6.04	3.0%
Inpatient Case Mix Index (CMI)	1.759	1.706	3.1%	1.707	1.706	0.0%	1.783	-4.3%
Payor Mix (% of Charges)								
Charity & Self Pay	44.1%	46.2%	-4.6%	44.8%	46.7%	-4.1%	46.6%	-3.9%
Medicaid & Medicaid Managed	21.0%	23.5%	-10.4%	23.2%	22.7%	2.0%	21.6%	7.1%
Medicare & Medicare Managed	11.1%	11.6%	-4.0%	11.2%	11.0%	2.2%	11.7%	-4.0%
Commercial & Other	23.8%	18.7%	27.0%	20.8%	19.5%	6.8%	20.1%	3.6%
Total Unduplicated Patients - Rolling 12				248,424			251,972	-1.4%
Total New Patient - Rolling 12				87,002			83,303	4.4%

Harris Health System

Statistical Highlights

May FY 2023

Cases Occupying Beds - CM

Actual	Budget	Prior Year
3,355	3,739	3,609

Cases Occupying Beds - YTD

Actual	Budget	Prior Year
27,456	29,016	27,479

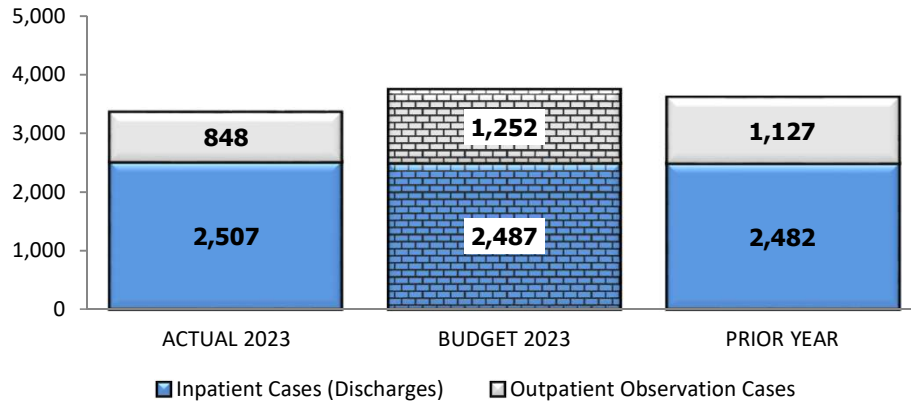
Emergency Visits - CM

Actual	Budget	Prior Year
13,525	12,554	12,689

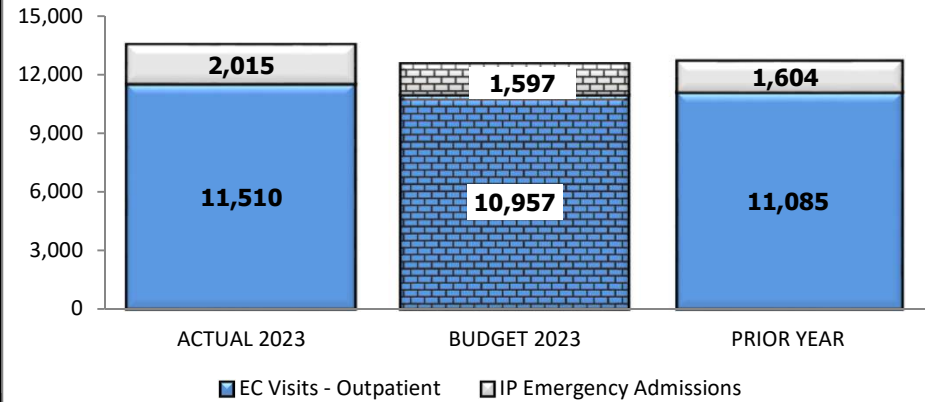
Emergency Visits - YTD

Actual	Budget	Prior Year
101,337	101,782	96,879

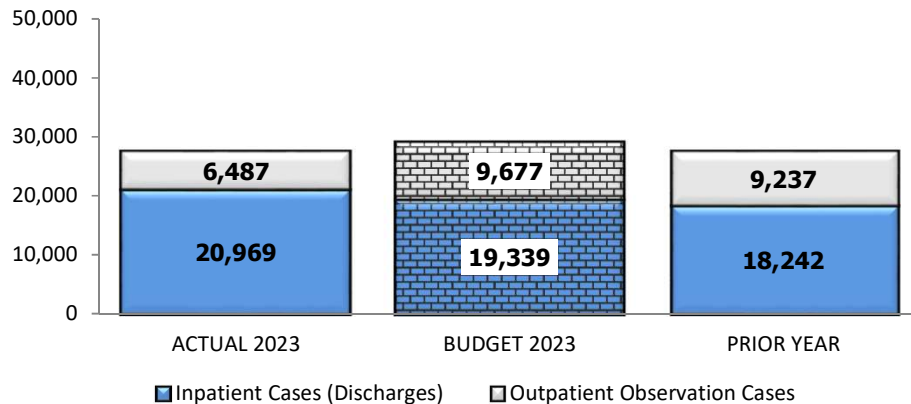
Cases Occupying Beds - Current Month



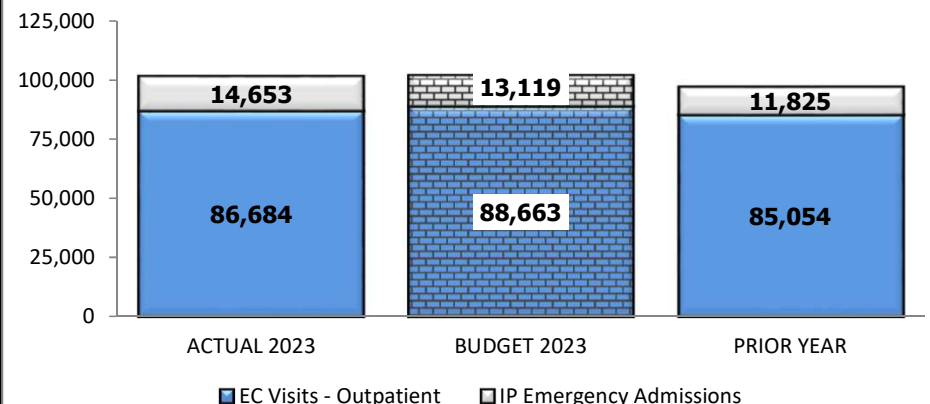
Emergency Visits - Current Month



Cases Occupying Beds - YTD



Emergency Visits - YTD



Harris Health System

Statistical Highlights

May FY 2023

Surgery Cases - CM

Actual	Budget	Prior Year
1,823	2,245	1,721

Surgery Cases - YTD

Actual	Budget	Prior Year
13,787	16,043	12,476

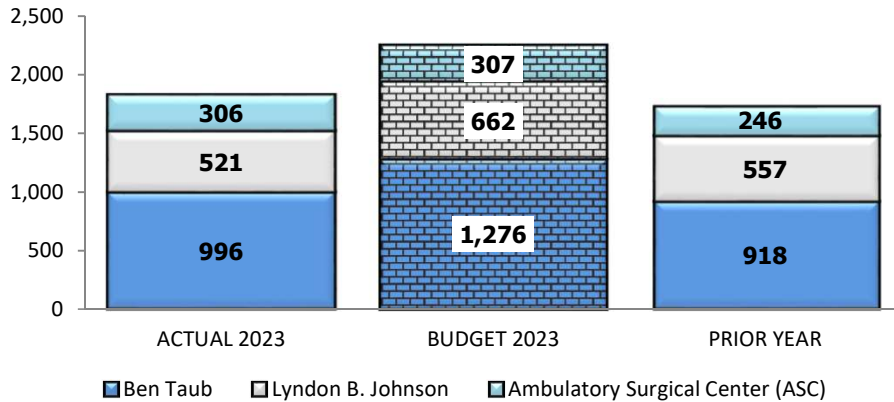
Clinic Visits - CM

Actual	Budget	Prior Year
78,295	74,786	80,019

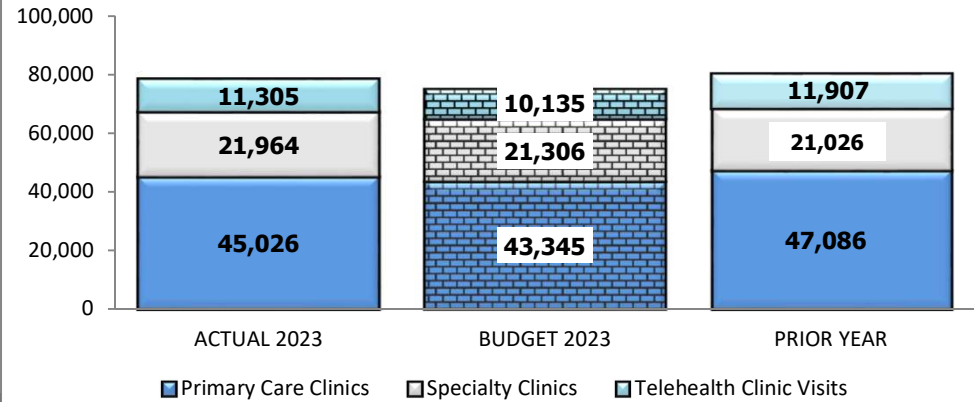
Clinic Visits - YTD

Actual	Budget	Prior Year
603,810	570,112	583,419

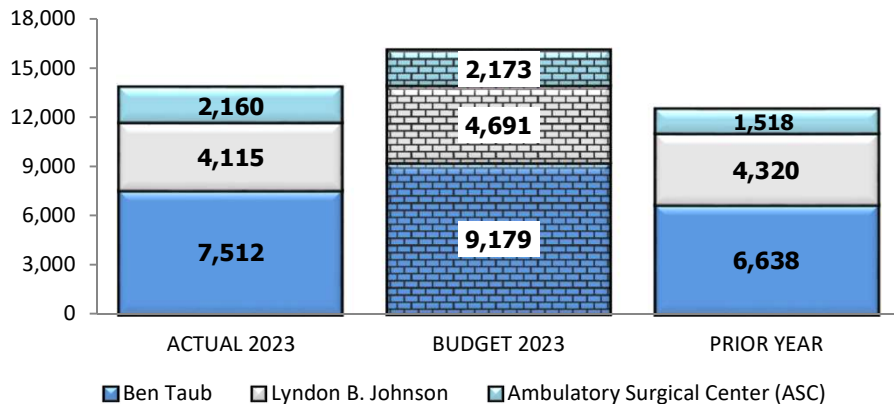
Surgery Cases - Current Month



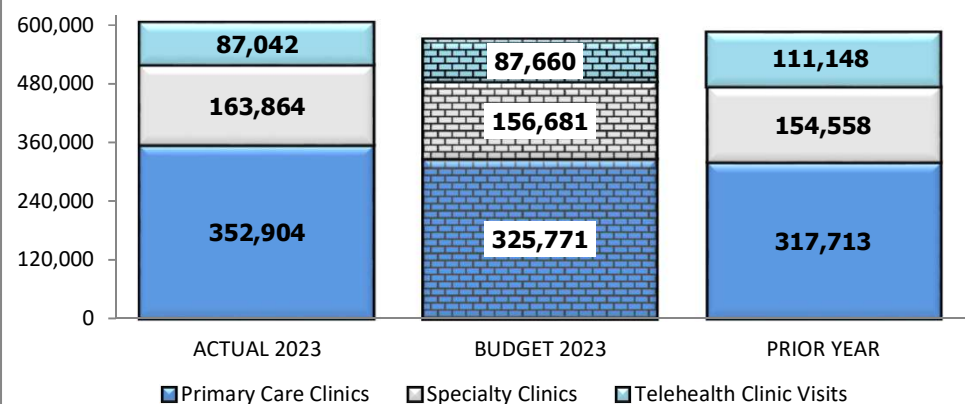
Clinic Visits - Current Month



Surgery Cases - YTD



Clinic Visits - YTD



Harris Health System

Statistical Highlights

May FY 2023

Adjusted Patient Days - CM

41,602

Adjusted Patient Days - YTD

331,256

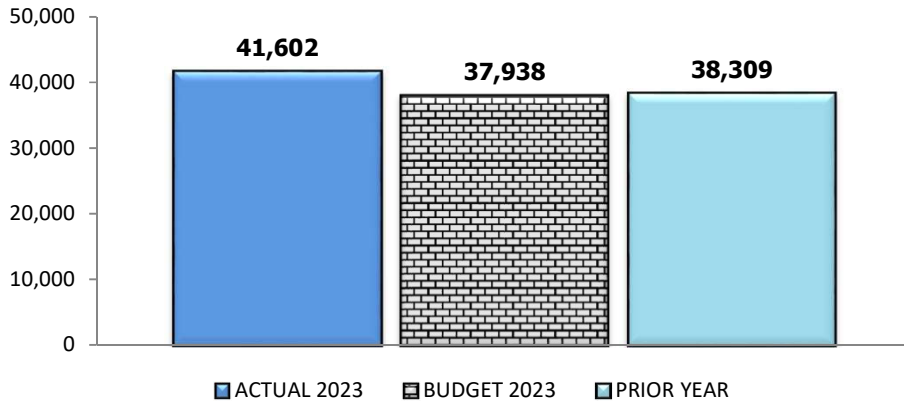
Average Daily Census - CM

613.4

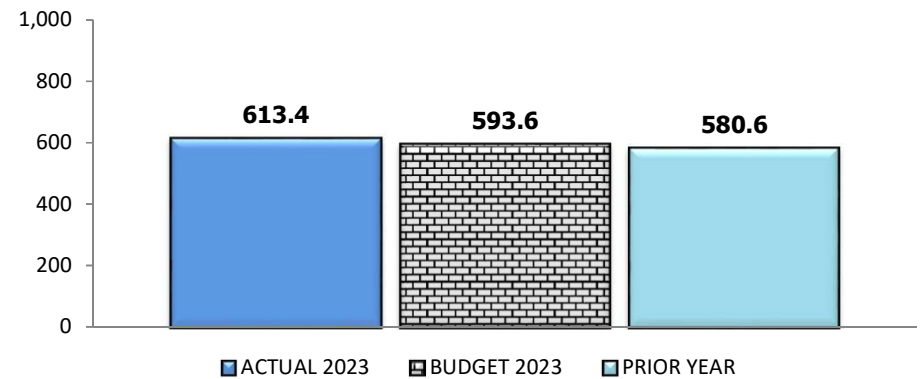
Average Daily Census - YTD

622.9

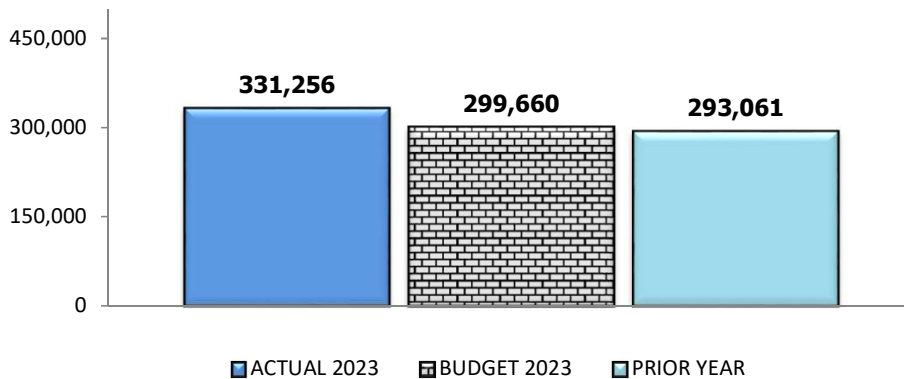
Adjusted Patient Days - Current Month



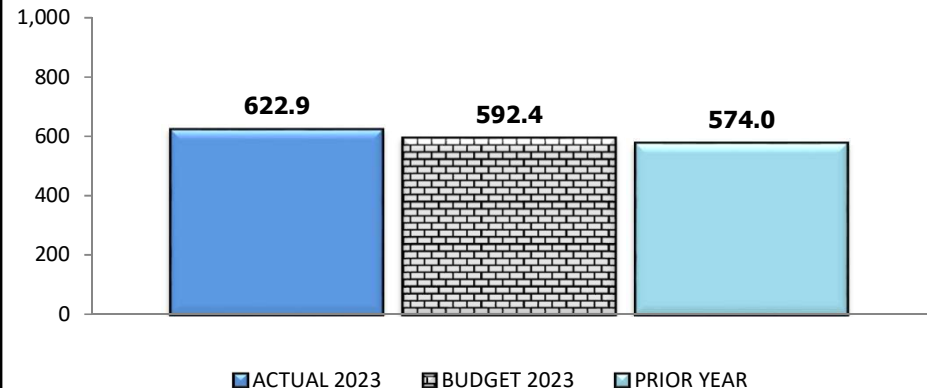
Average Daily Census - Current Month



Adjusted Patient Days - YTD



Average Daily Census - YTD



Harris Health System

Statistical Highlights

May FY 2023

Inpatient ALOS - CM

6.51

Inpatient ALOS - YTD

6.23

Case Mix Index (CMI) - CM

Overall

Excl. Obstetrics

1.759

1.926

Case Mix Index (CMI) - YTD

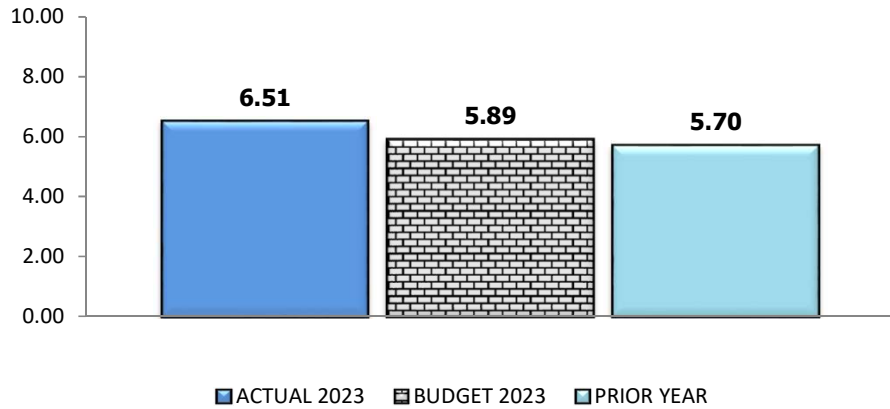
Overall

Excl. Obstetrics

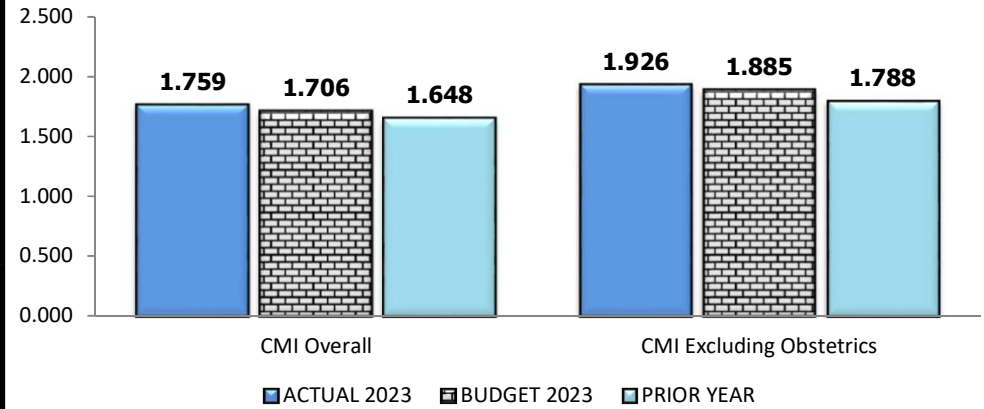
1.707

1.880

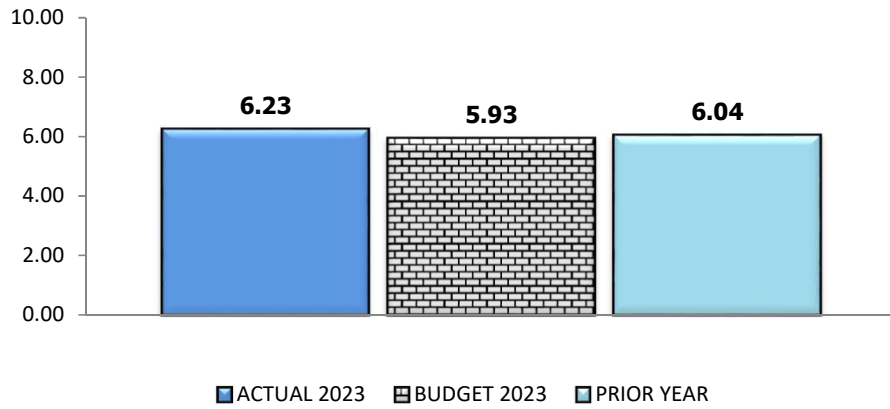
Inpatient ALOS - Current Month



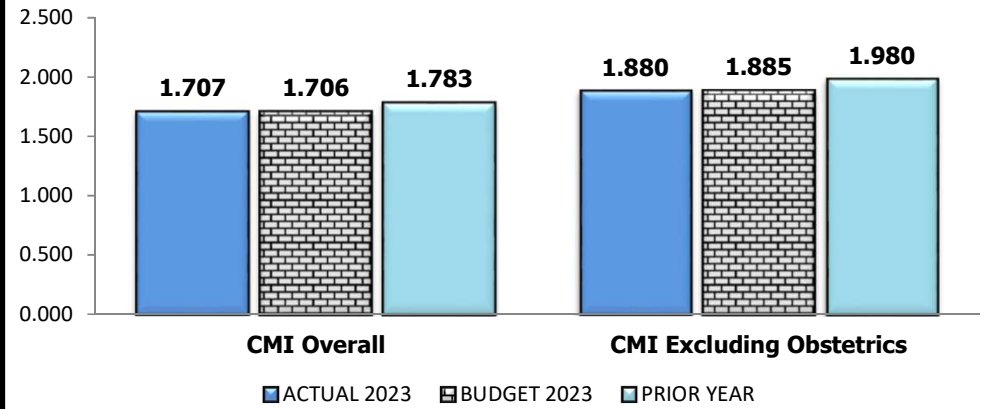
Case Mix Index - Current Month



Inpatient ALOS - YTD



Case Mix Index - YTD



Harris Health System

Statistical Highlights - Cases Occupying Beds

May FY 2023

BT Cases Occupying Beds - CM

Actual	Budget	Prior Year
1,991	2,167	2,116

BT Cases Occupying Beds - YTD

Actual	Budget	Prior Year
16,306	17,008	16,322

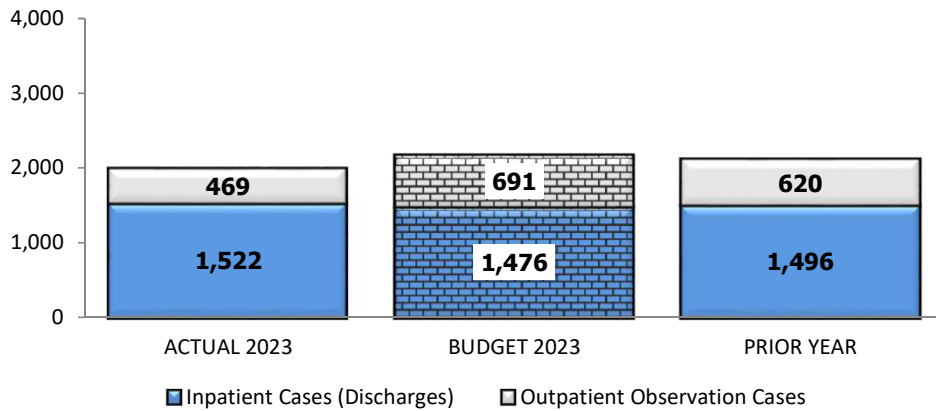
LBJ Cases Occupying Beds - CM

Actual	Budget	Prior Year
1,364	1,572	1,493

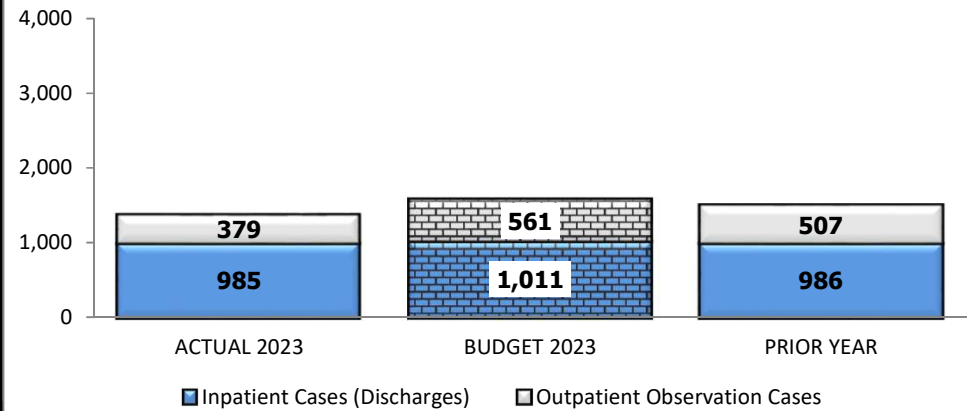
LBJ Cases Occupying Beds - YTD

Actual	Budget	Prior Year
11,150	12,008	11,157

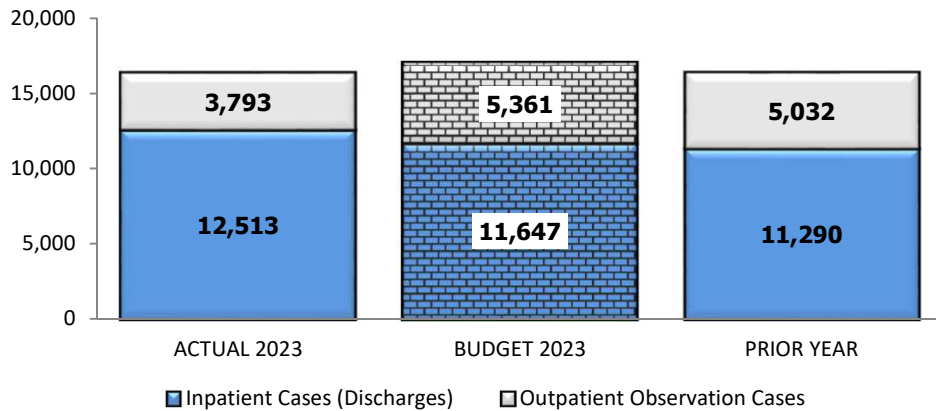
Ben Taub Cases - Current Month



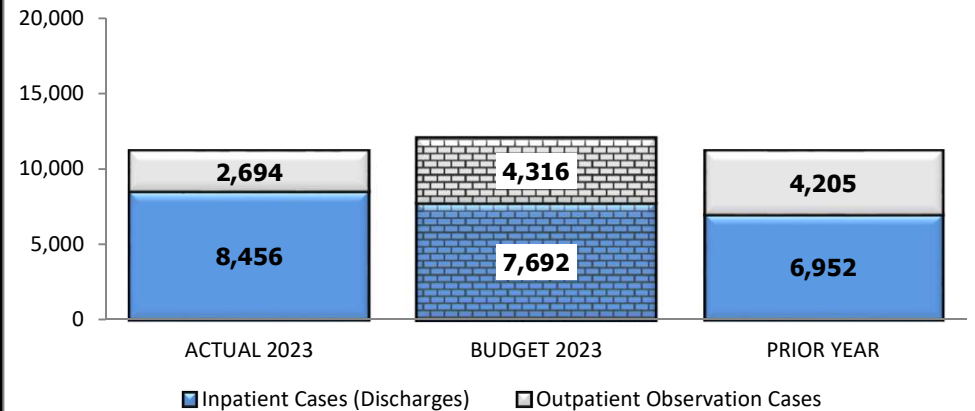
Lyndon B. Johnson Cases - Current Month



Ben Taub Cases - YTD



Lyndon B. Johnson Cases - YTD



Harris Health System

Statistical Highlights - Surgery Cases

May FY 2023

BT Surgery Cases - CM

Actual	Budget	Prior Year
996	1,276	918

BT Surgery Cases - YTD

Actual	Budget	Prior Year
7,512	9,179	6,638

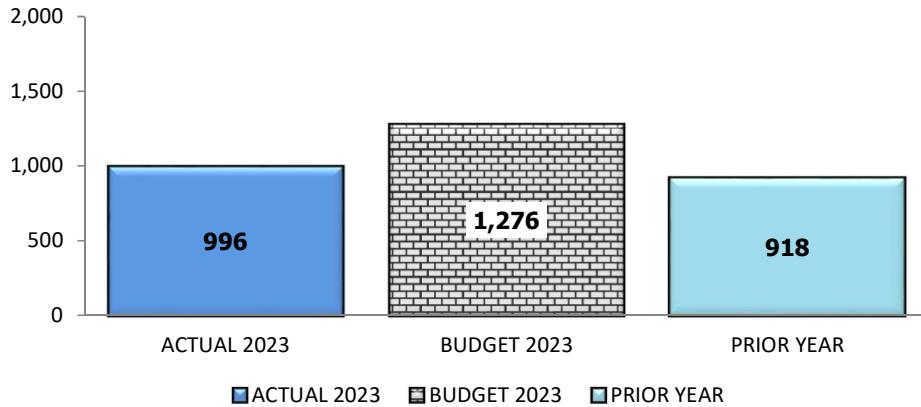
LBJ Surgery Cases - CM

Actual	Budget	Prior Year
827	969	803

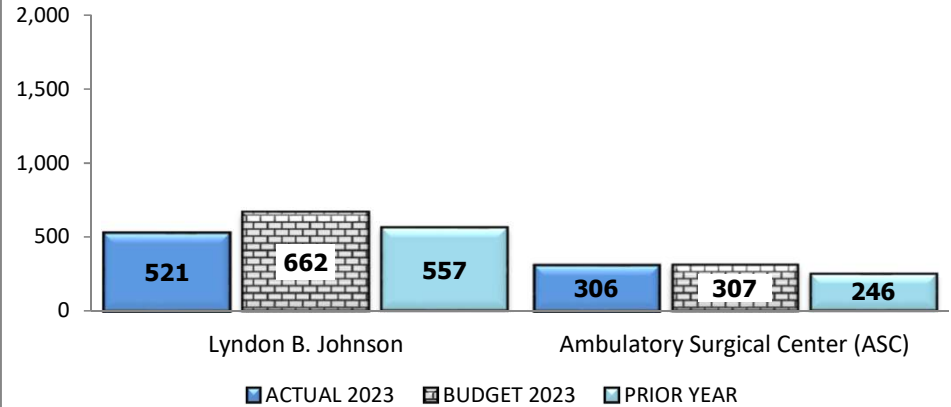
LBJ Surgery Cases - YTD

Actual	Budget	Prior Year
6,275	6,864	5,838

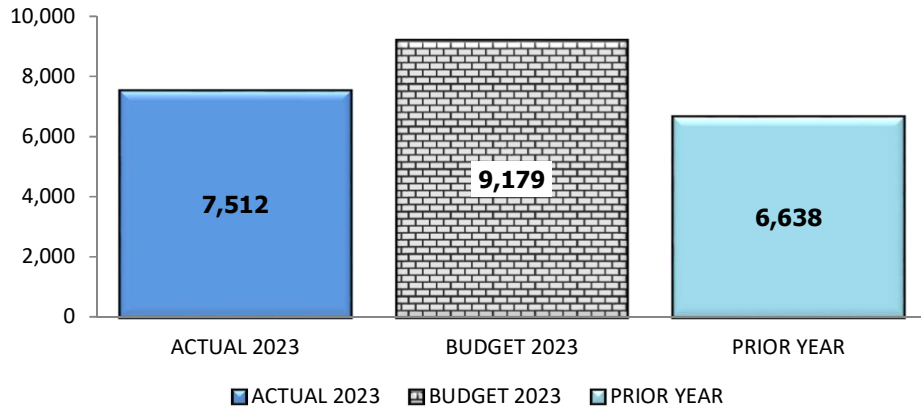
Ben Taub OR Cases - Current Month



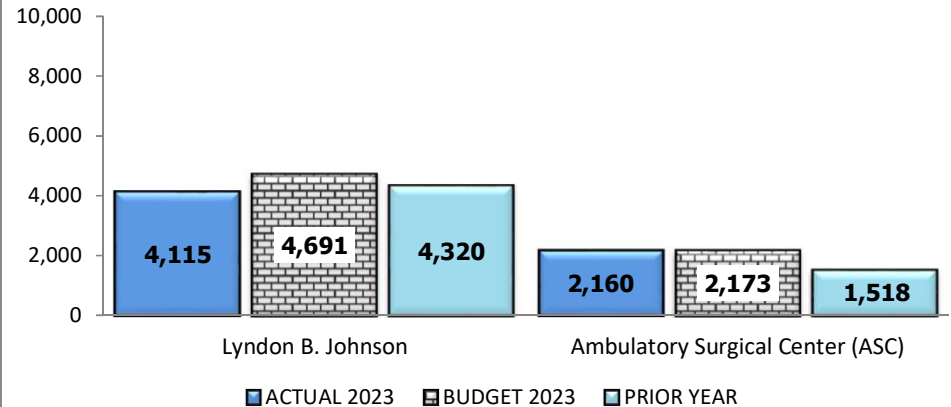
Lyndon B. Johnson OR Cases - Current Month



Ben Taub OR Cases - YTD



Lyndon B. Johnson OR Cases - YTD



Harris Health System

Statistical Highlights - Emergency Room Visits

May FY 2023

BT Emergency Visits - CM

Actual	Budget	Prior Year
6,768	6,080	6,155

BT Emergency Visits - YTD

Actual	Budget	Prior Year
49,444	50,149	48,337

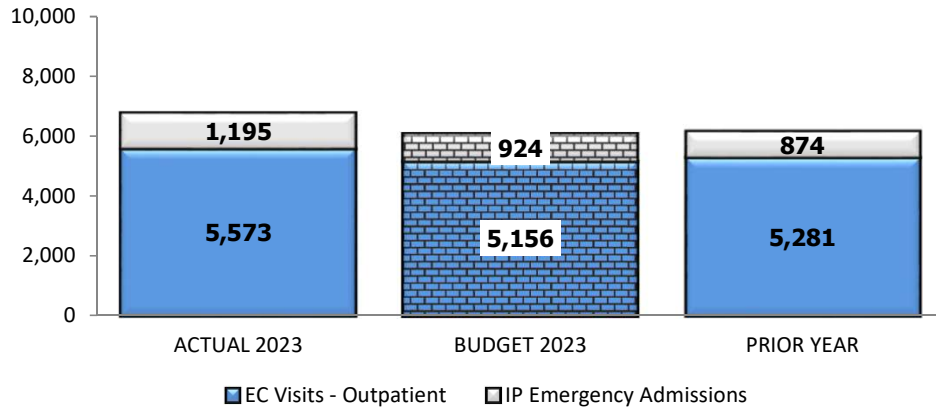
LBJ Emergency Visits - CM

Actual	Budget	Prior Year
6,757	6,474	6,534

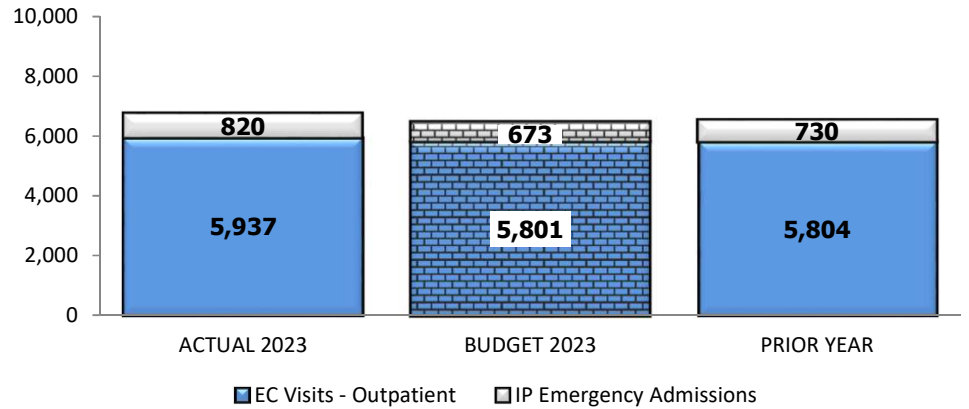
LBJ Emergency Visits - YTD

Actual	Budget	Prior Year
51,893	51,633	48,542

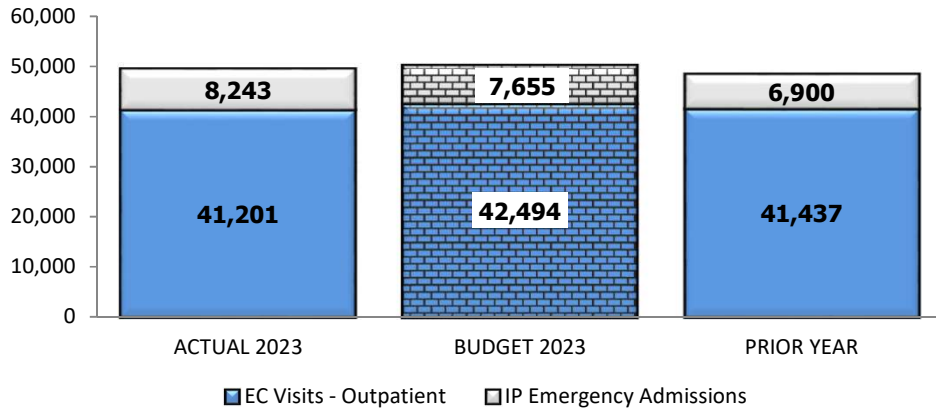
Ben Taub EC Visits - Current Month



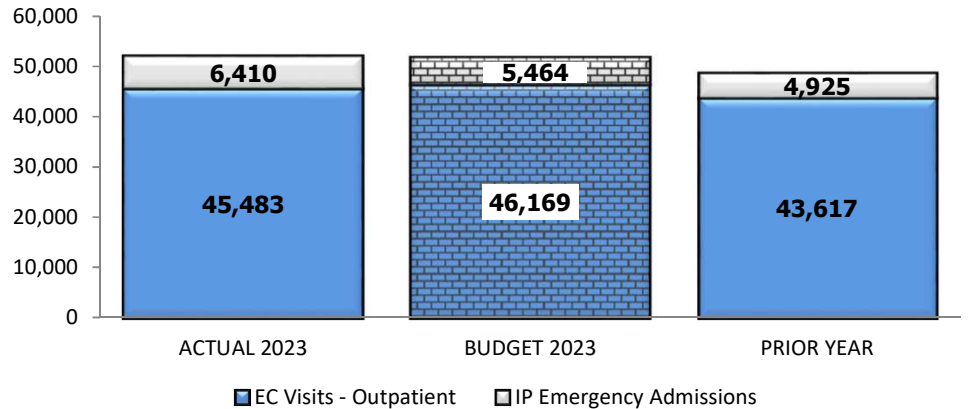
Lyndon B. Johnson EC Visits - Current Month



Ben Taub EC Visits - YTD



Lyndon B. Johnson EC Visits - YTD



Harris Health System

Statistical Highlights - Births

May FY 2023

BT Births - CM

Actual	Budget	Prior Year
249	217	240

BT Births - YTD

Actual	Budget	Prior Year
2,126	1,862	1,919

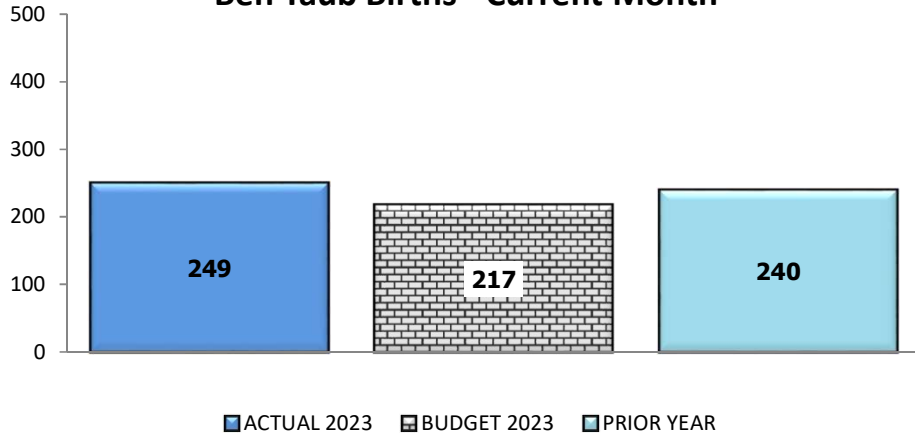
LBJ Births - CM

Actual	Budget	Prior Year
153	168	155

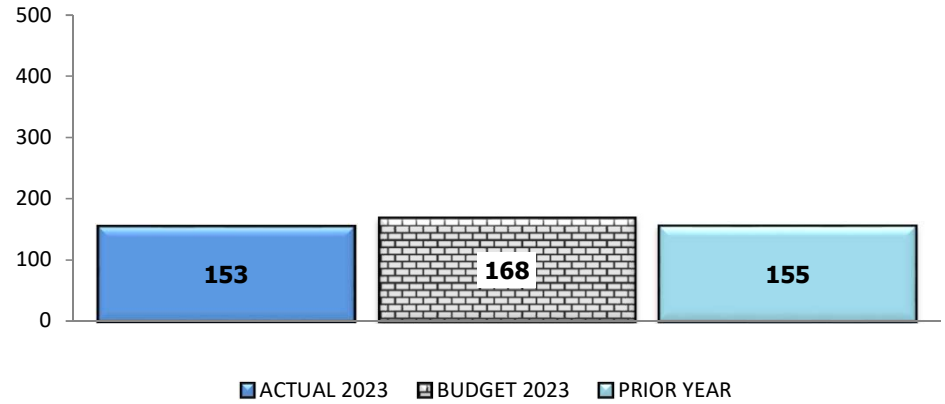
LBJ Births - YTD

Actual	Budget	Prior Year
1,449	1,339	1,424

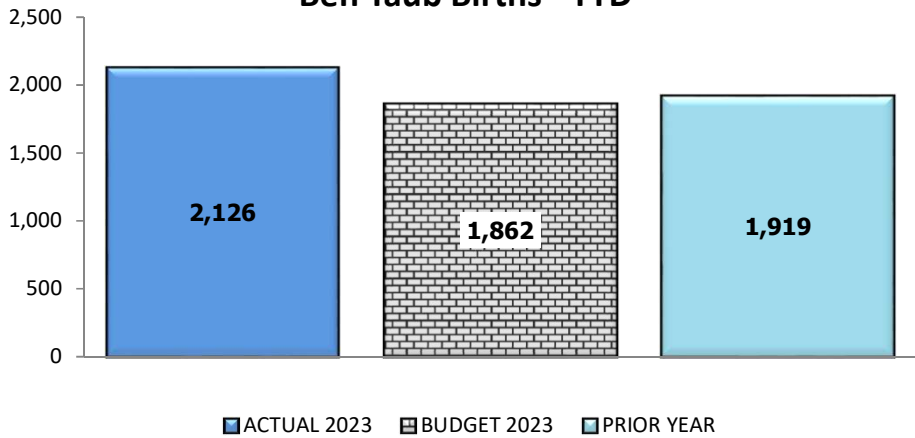
Ben Taub Births - Current Month



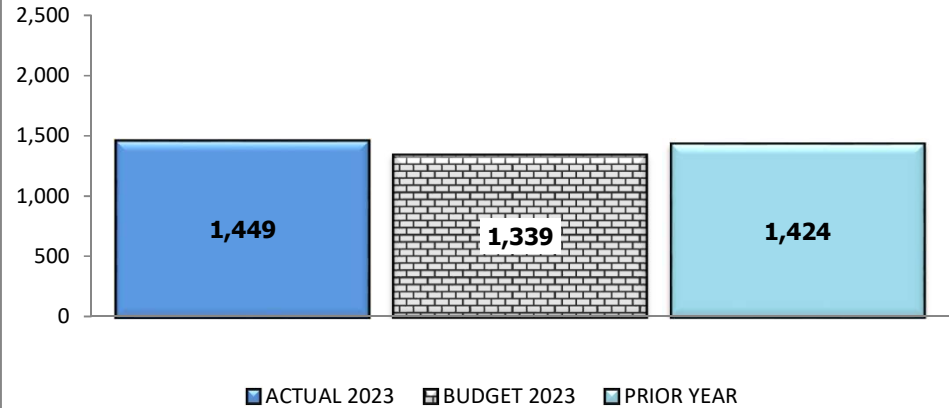
Lyndon B. Johnson Births - Current Month



Ben Taub Births - YTD



Lyndon B. Johnson Births - YTD



Harris Health System

Statistical Highlights - Adjusted Patient Days

May FY 2023

BT Adjusted Patient Days - CM

20,629

BT Adjusted Patient Days - YTD

163,996

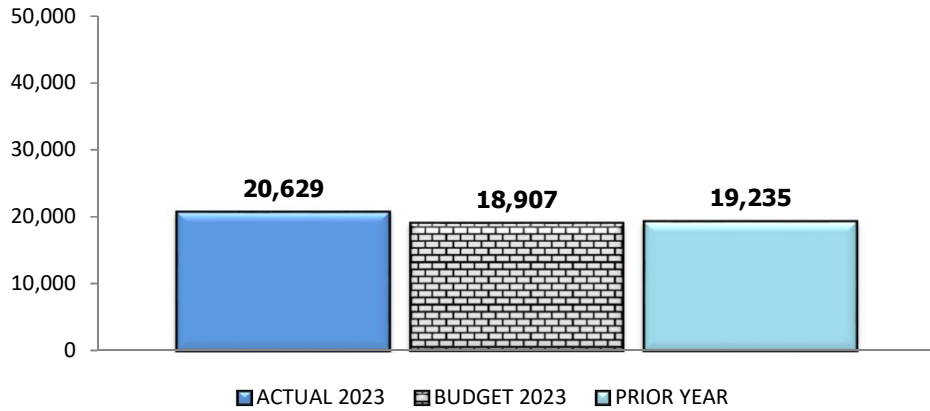
LBJ Adjusted Patient Days - CM

13,192

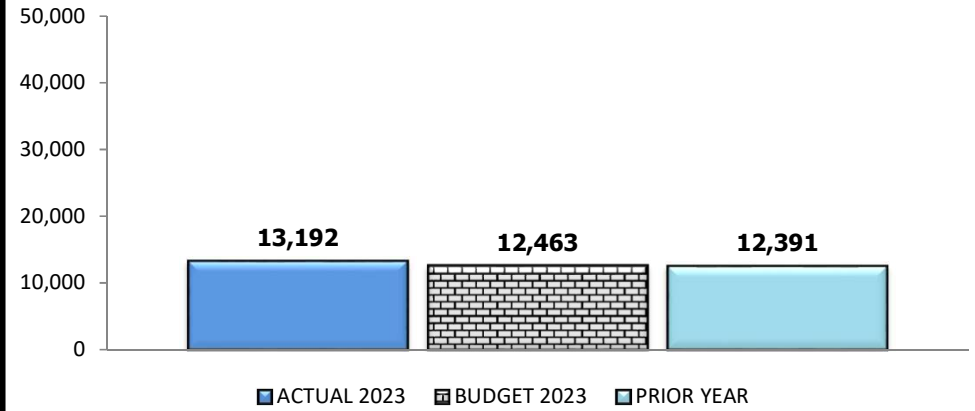
LBJ Adjusted Patient Days - YTD

104,293

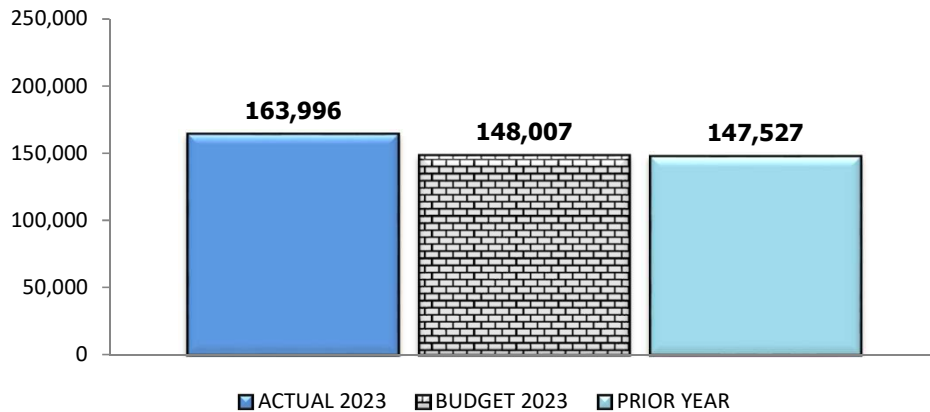
Ben Taub APD - Current Month



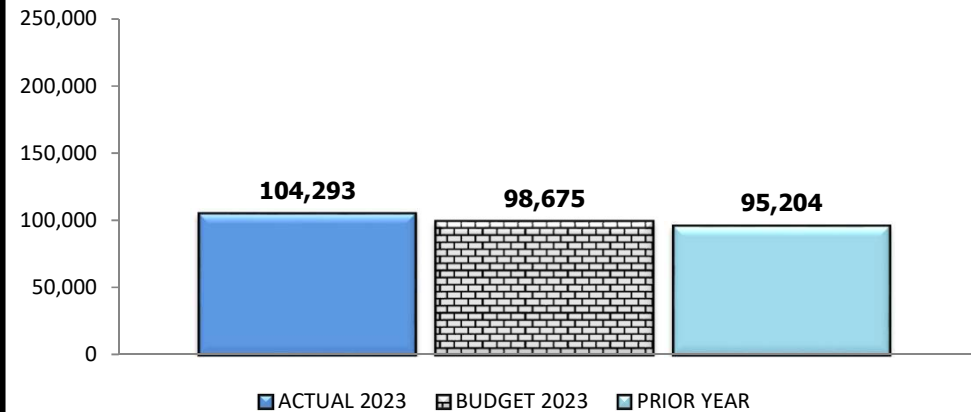
Lyndon B. Johnson APD - Current Month



Ben Taub APD - YTD



Lyndon B. Johnson APD - YTD



Harris Health System

Statistical Highlights - Average Daily Census (ADC)

May FY 2023

BT Average Daily Census - CM

393.4

BT Average Daily Census - YTD

400.6

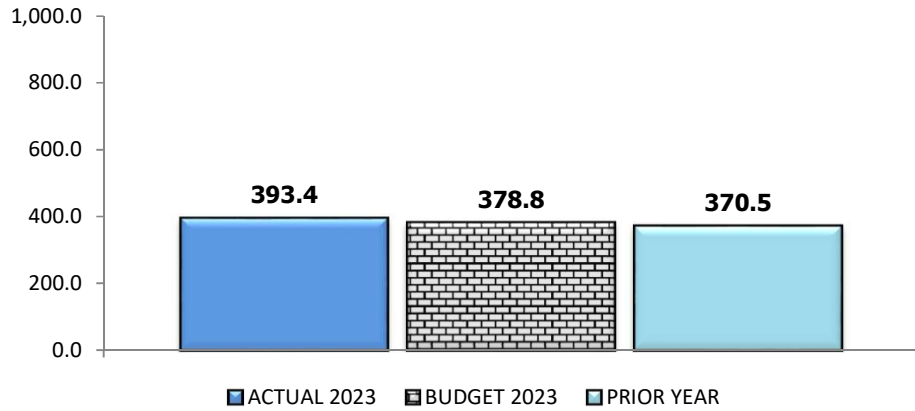
LBJ Average Daily Census - CM

219.9

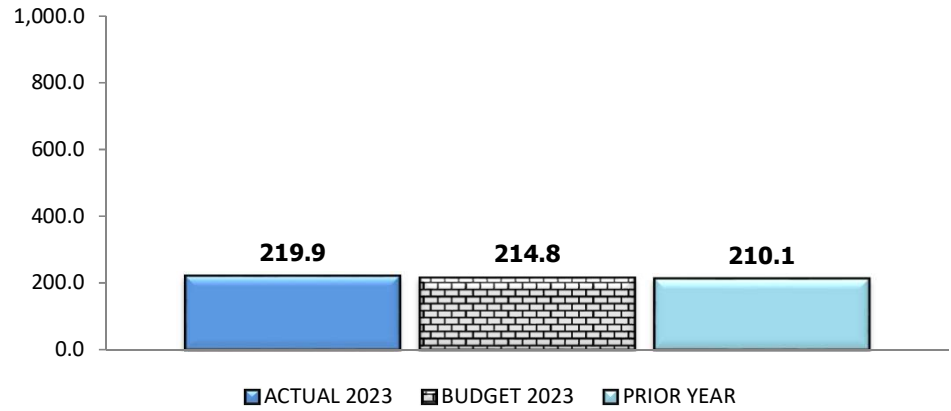
LBJ Average Daily Census - YTD

222.3

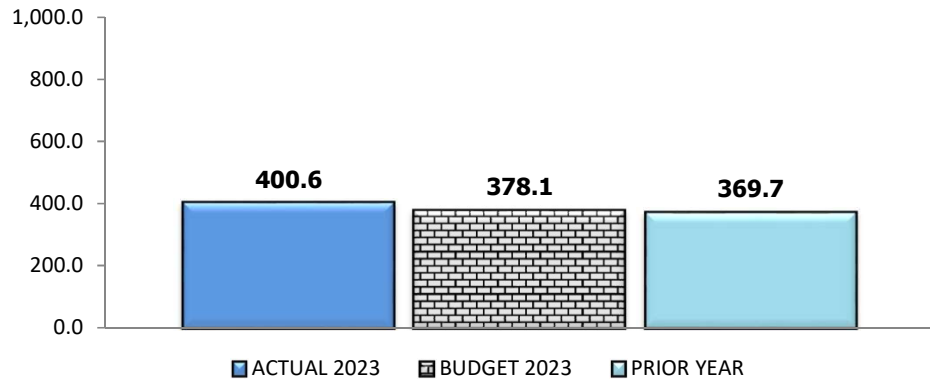
Ben Taub ADC - Current Month



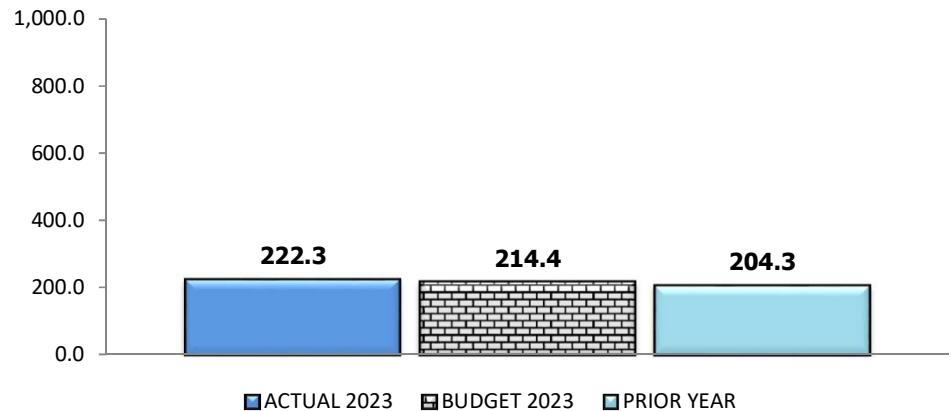
Lyndon B. Johnson ADC - Current Month



Ben Taub ADC - YTD



Lyndon B. Johnson ADC - YTD



Harris Health System

Statistical Highlights - Inpatient Average Length of Stay (ALOS)

May FY 2023

BT Inpatient ALOS - CM

6.94

BT Inpatient ALOS - YTD

6.74

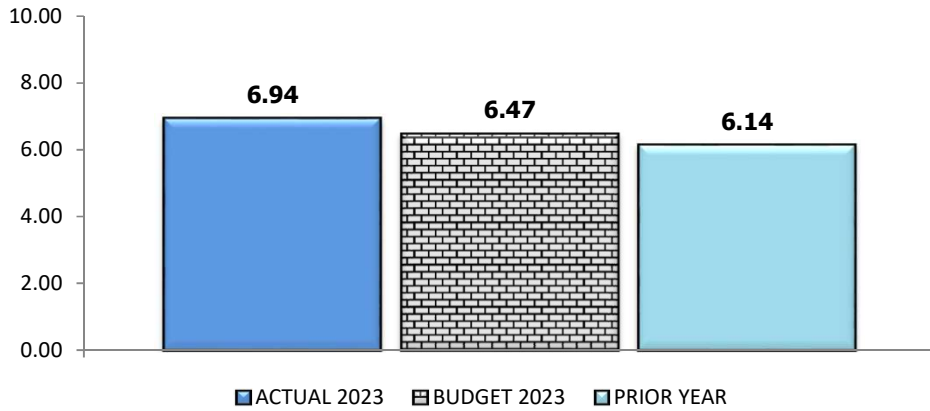
LBJ Inpatient ALOS - CM

5.84

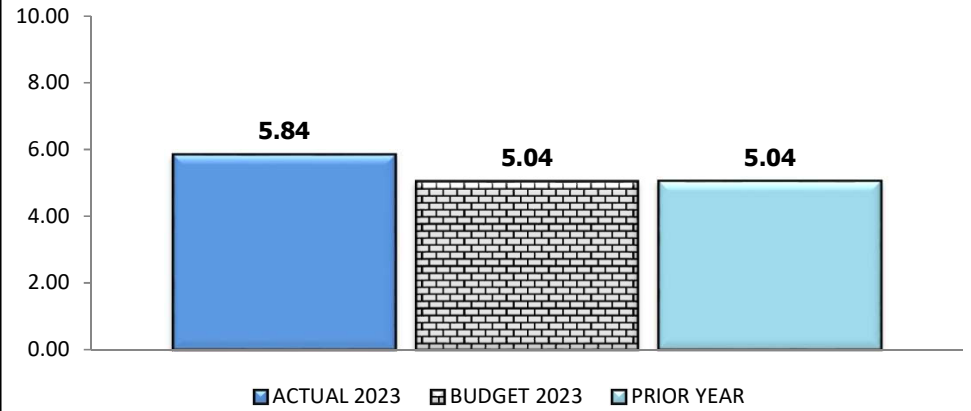
LBJ Inpatient ALOS - YTD

5.46

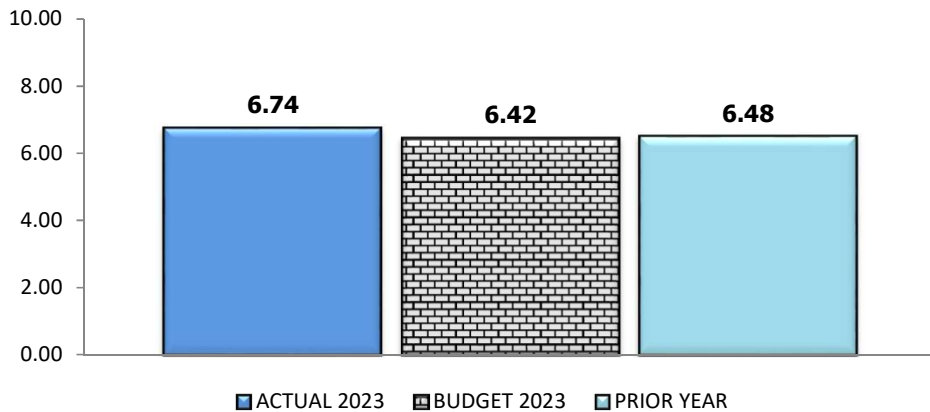
Ben Taub ALOS - Current Month



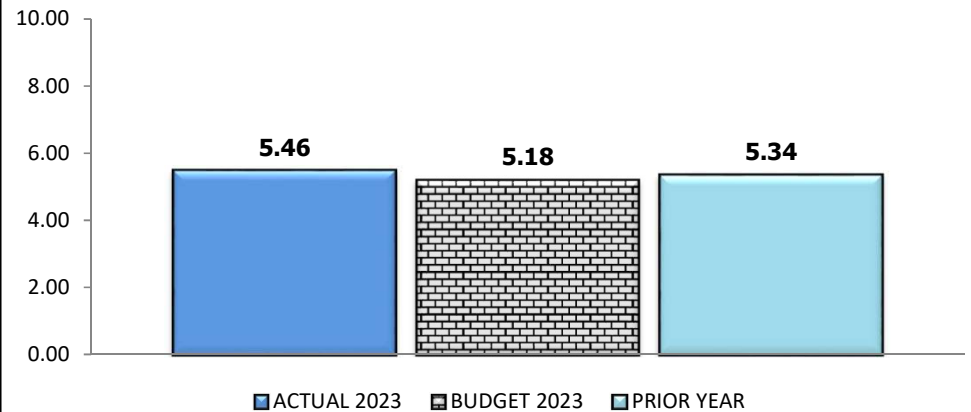
Lyndon B. Johnson ALOS - Current Month



Ben Taub ALOS - YTD



Lyndon B. Johnson ALOS - YTD



Harris Health System

Statistical Highlights - Case Mix Index (CMI)

May FY 2023

BT Case Mix Index (CMI) - CM

Overall	Excl. Obstetrics
1.850	2.035

BT Case Mix Index (CMI) - YTD

Overall	Excl. Obstetrics
1.827	2.018

LBJ Case Mix Index (CMI) - CM

Overall	Excl. Obstetrics
1.617	1.758

LBJ Case Mix Index (CMI) - YTD

Overall	Excl. Obstetrics
1.531	1.676

