



Financial Statements

As of the Quarter Ended March 31, 2024
Subject to Audit



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Financial Highlights Review

As of the Quarter Ended March 31, 2024 and 2023

Operating income for the quarter ended March 31, 2024 was \$37.8 million compared to budgeted income of \$13.6 million.

Total quarterly net revenue for March of \$634.1 million was \$17.2 million or 2.6% less than budget. Net patient revenue was \$11.6 million more than budget. Medicaid Supplemental programs were \$39.8 million less than expected primarily due to timing.

Total quarterly expenses of \$596.3 million were \$41.4 million or 6.5% less than budget. Total labor costs were \$9.6 million less than budget due to lower benefit expense; total supplies were \$10.0 million less than planned due to timing; and total services had a favorable variance of \$11.1 million driven mostly by provider vacancies and medical insurance subsidy. Interest expense was \$16.8 million less than planned due to the new bond issuance not going to market in March 2024 as planned.

For the first quarter, total patient days and average daily census increased 3.6% compared to budget. Inpatient case mix index, a measure of patient acuity, was on target with budget with length of stay 4.2% more than budget. Emergency room visits were 8.8% higher than planned for the quarter. Total clinic visits, including telehealth, were 1.2% lower compared to budget. Births were equal to budget for the quarter.

Total cash receipts for the quarter were \$1,213.1 million. The System has \$1,739.3 million in unrestricted cash, cash equivalents and investments, representing 278.6 days cash on hand. Harris Health System has \$183.2 million in net accounts receivable, representing 91.6 days of outstanding patient accounts receivable at March 31, 2024. The March balance sheet reflects a combined net receivable position of \$117.7 million under the various Medicaid Supplemental programs. The current portion of ad valorem taxes receivable is \$32.7 million, which is offset by ad valorem tax collections as received. Deferred ad valorem tax revenue is \$454.5 million, and is released as ad valorem tax revenue is recognized. As of March 31, 2024, \$869.7 million in ad valorem tax collections were received and \$454.5 million in current ad valorem tax revenue was recognized.

Income Statement

As of the Quarter Ended March 31, 2024 and 2023 (in \$ Millions)

	QUARTER-TO-DATE			YEAR-TO-DATE				
	CURRENT YEAR	CURRENT BUDGET	PERCENT VARIANCE	CURRENT YEAR	CURRENT BUDGET	PERCENT VARIANCE	PRIOR YEAR	PERCENT VARIANCE
REVENUE								
Net Patient Revenue	\$ 186.9	\$ 175.3	6.6%	\$ 365.8	\$ 349.5	4.7%	\$ 369.1	-0.9%
Medicaid Supplemental Programs	164.3	204.1	-19.5%	327.9	408.2	-19.7%	341.1	-3.9%
Other Operating Revenue	34.9	31.1	12.4%	66.0	61.1	8.0%	60.6	8.8%
Total Operating Revenue	\$ 386.1	\$ 410.5	-5.9%	\$ 759.7	\$ 818.8	-7.2%	\$ 770.8	-1.4%
Net Ad Valorem Taxes	228.5	224.1	1.9%	452.9	448.3	1.0%	417.0	8.6%
Net Tobacco Settlement Revenue	-	-	0.0%	-	-	0.0%	-	0.0%
Capital Gifts & Grants	-	-	0.0%	-	-	0.0%	9.5	-100.0%
Interest Income & Other	19.4	16.6	17.0%	35.8	33.3	7.7%	34.8	2.8%
Total Nonoperating Revenue	\$ 247.9	\$ 240.8	3.0%	\$ 488.7	\$ 481.5	1.5%	\$ 461.3	5.9%
Total Net Revenue	\$ 634.1	\$ 651.3	-2.6%	\$ 1,248.5	\$ 1,300.3	-4.0%	\$ 1,232.2	1.3%
EXPENSE								
Salaries and Wages	\$ 238.1	\$ 242.0	1.6%	\$ 472.7	\$ 482.5	2.0%	\$ 429.0	-10.2%
Employee Benefits	82.7	88.4	6.5%	165.0	176.9	6.7%	137.9	-19.6%
Total Labor Cost	\$ 320.8	\$ 330.5	2.9%	\$ 637.7	\$ 659.4	3.3%	\$ 566.9	-12.5%
Supply Expenses	69.6	79.6	12.6%	144.2	159.0	9.3%	145.0	0.6%
Physician Services	112.8	111.8	-0.9%	217.0	223.5	2.9%	204.8	-6.0%
Purchased Services	68.3	80.5	15.1%	132.7	160.9	17.5%	123.2	-7.7%
Depreciation & Interest	24.8	35.4	30.0%	50.4	58.0	13.2%	42.9	-17.3%
Total Operating Expense	\$ 596.3	\$ 637.7	6.5%	\$ 1,181.9	\$ 1,260.8	6.3%	\$ 1,082.8	-9.2%
Operating Income (Loss)	\$ 37.8	\$ 13.6		\$ 66.5	\$ 39.5		\$ 149.4	
Total Margin %	6.0%	2.1%		5.3%	3.0%		12.1%	

Balance Sheet

March 31, 2024 and 2023 (in \$ Millions)

	CURRENT YEAR	PRIOR YEAR
<u>CURRENT ASSETS</u>		
Cash, Cash Equivalents and Short Term Investments	\$ 1,739.3	\$ 1,787.7
Net Patient Accounts Receivable	183.2	145.8
Net Ad Valorem Taxes, Current Portion	32.7	23.6
Other Current Assets	217.1	131.4
Total Current Assets	\$ 2,172.3	\$ 2,088.5
<u>CAPITAL ASSETS</u>		
Plant, Property, & Equipment, Net of Accumulated Depreciation	\$ 554.4	\$ 417.0
Construction in Progress	142.9	195.6
Right of Use Assets	40.3	43.1
Total Capital Assets	\$ 737.5	\$ 655.8
<u>ASSETS LIMITED AS TO USE & RESTRICTED ASSETS</u>		
Debt Service & Capital Asset Funds	\$ 38.9	\$ 40.1
LPPF Restricted Cash	26.5	7.5
Capital Gift Proceeds	54.8	46.3
Other - Restricted	1.0	1.0
Total Assets Limited As to Use & Restricted Assets	\$ 121.2	\$ 94.8
Other Assets	51.7	42.9
Deferred Outflows of Resources	234.8	188.5
Total Assets & Deferred Outflows of Resources	\$ 3,317.5	\$ 3,070.5
<u>CURRENT LIABILITIES</u>		
Accounts Payable and Accrued Liabilities	\$ 194.2	\$ 241.6
Employee Compensation & Related Liabilities	140.2	123.2
Deferred Revenue - Ad Valorem	454.5	421.1
Estimated Third-Party Payor Settlements	24.8	15.4
Current Portion Long-Term Debt and Capital Leases	37.3	20.5
Total Current Liabilities	\$ 850.9	\$ 821.8
Long-Term Debt	282.7	316.3
Net Pension & Post Employment Benefits Liability	781.5	595.1
Other Long-Term Liabilities	6.8	7.8
Deferred Inflows of Resources	115.3	218.7
Total Liabilities	\$ 2,037.3	\$ 1,959.7
Total Net Assets	\$ 1,280.2	\$ 1,110.8
Total Liabilities & Net Assets	\$ 3,317.5	\$ 3,070.5

Cash Flow Summary

As of the Quarter Ended March 31, 2024 and 2023 (in \$ Millions)

	QUARTER-TO-QUARTER		YEAR-TO-DATE	
	CURRENT YEAR	PRIOR YEAR	CURRENT YEAR	PRIOR YEAR
<u>CASH RECEIPTS</u>				
Collections on Patient Accounts	\$ 185.0	\$ 194.1	\$ 395.8	\$ 351.0
Medicaid Supplemental Programs	190.9	398.1	603.5	860.1
Net Ad Valorem Taxes	751.9	602.6	866.2	806.6
Tobacco Settlement	-	-	-	-
Other Revenue	85.3	40.8	127.0	107.6
Total Cash Receipts	\$ 1,213.1	\$ 1,235.6	\$ 1,992.5	\$ 2,125.2
<u>CASH DISBURSEMENTS</u>				
Salaries, Wages and Benefits	\$ 340.2	\$ 355.2	\$ 670.2	\$ 668.3
Supplies	78.3	77.4	157.8	151.2
Physician Services	108.4	102.8	208.0	199.2
Purchased Services	67.6	60.2	135.1	112.8
Capital Expenditures	39.3	31.8	80.6	64.3
Debt and Interest Payments	5.1	18.1	5.9	19.0
Other Uses	15.9	(46.0)	8.2	(54.5)
Total Cash Disbursements	\$ 654.8	\$ 599.5	\$ 1,265.8	\$ 1,160.3
Net Change	\$ 558.3	\$ 636.1	\$ 726.7	\$ 964.9
Unrestricted Cash, Cash Equivalents and Investments - Beginning of year			\$ 1,012.6	
Net Change			726.7	
Unrestricted Cash, Cash Equivalents and Investments - End of period			\$ 1,739.3	

Performance Ratios

As of the Quarter Ended March 31, 2024 and 2023 (in \$ Millions)

	QUARTER-TO-DATE		YEAR-TO-DATE		
	CURRENT YEAR	CURRENT BUDGET	CURRENT YEAR	CURRENT BUDGET	PRIOR YEAR
<u>OPERATING HEALTH INDICATORS</u>					
Operating Margin %	6.0%	2.1%	5.3%	3.0%	12.1%
Run Rate per Day (In\$ Millions)	\$ 6.3	\$ 6.8	\$ 6.2	\$ 6.7	\$ 5.7
Salary, Wages & Benefit per APD	\$ 2,427	\$ 2,623	\$ 2,428	\$ 2,633	\$ 2,277
Supply Cost per APD	\$ 526	\$ 632	\$ 549	\$ 635	\$ 583
Physician Services per APD	\$ 853	\$ 887	\$ 826	\$ 892	\$ 823
Total Expense per APD	\$ 4,511	\$ 5,062	\$ 4,500	\$ 5,034	\$ 4,350
Overtime as a % of Total Salaries	3.3%	2.8%	3.3%	2.9%	3.7%
Contract as a % of Total Salaries	4.1%	4.4%	4.5%	4.4%	5.3%
Full-time Equivalent Employees	10,334	10,187	10,334	10,187	9,853
<u>FINANCIAL HEALTH INDICATORS</u>					
Quick Ratio			2.5		2.5
Unrestricted Cash (In \$ Millions)			\$ 1,739.3	\$ 1,366.7	\$ 1,787.7
Days Cash on Hand			278.6	203.4	309.2
Days Revenue in Accounts Receivable			91.6	87.3	71.9
Days in Accounts Payable			42.0		47.5
Capital Expenditures/Depreciation & Amortization			189.7%		173.5%
Average Age of Plant(years)			10.4		11.4

Harris Health System Key Indicators



Statistical Highlights

As of the Quarter Ended March 31, 2024 and 2023

	QUARTER-TO-DATE			YEAR-TO-DATE				
	CURRENT QUARTER	CURRENT BUDGET	PERCENT CHANGE	CURRENT YEAR	CURRENT BUDGET	PERCENT CHANGE	PRIOR YEAR	PERCENT CHANGE
Adjusted Patient Days	132,198	123,232	7.3%	262,659	250,442	4.9%	249,362	5.3%
Outpatient % of Adjusted Volume	62.9%	60.5%	4.0%	62.3%	60.8%	2.5%	60.4%	3.1%
Primary Care Clinic Visits	134,608	135,034	-0.3%	264,504	269,225	-1.8%	265,828	-0.5%
Specialty Clinic Visits	61,340	59,594	2.9%	120,559	119,059	1.3%	121,867	-1.1%
Telehealth Clinic Visits	29,453	33,460	-12.0%	57,558	66,483	-13.4%	65,615	-12.3%
Total Clinic Visits	225,401	228,088	-1.2%	442,621	454,767	-2.7%	453,310	-2.4%
Emergency Room Visits - Outpatient	35,238	32,407	8.7%	68,821	64,761	6.3%	64,916	6.0%
Emergency Room Visits - Admitted	5,555	5,096	9.0%	10,889	9,871	10.3%	10,984	-0.9%
Total Emergency Room Visits	40,793	37,503	8.8%	79,710	74,632	6.8%	75,900	5.0%
Surgery Cases - Outpatient	2,801	2,715	3.2%	5,629	5,180	8.7%	5,496	2.4%
Surgery Cases - Inpatient	2,396	2,630	-8.9%	4,793	5,158	-7.1%	4,831	-0.8%
Total Surgery Cases	5,197	5,345	-2.8%	10,422	10,338	0.8%	10,327	0.9%
Total Outpatient Visits	375,001	371,056	1.1%	729,914	739,960	-1.4%	745,334	-2.1%
Inpatient Cases (Discharges)	7,568	7,829	-3.3%	15,575	15,865	-1.8%	15,945	-2.3%
Outpatient Observation Cases	2,837	2,767	2.5%	5,675	5,482	3.5%	4,813	17.9%
Total Cases Occupying Patient Beds	10,405	10,596	-1.8%	21,250	21,347	-0.5%	20,758	2.4%
Births	1,261	1,261	0.0%	2,578	2,731	-5.6%	2,801	-8.0%
Inpatient Days	49,063	48,730	0.7%	99,096	98,283	0.8%	98,728	0.4%
Outpatient Observation Days	9,840	8,099	21.5%	19,321	15,536	24.4%	15,457	25.0%
Total Patient Days	58,903	56,829	3.6%	118,417	113,819	4.0%	114,185	3.7%
Average Daily Census	647.3	624.5	3.6%	647.1	622.0	4.0%	627.4	3.1%
Average Operating Beds	699	702	-0.4%	698	702	-0.6%	681	2.5%
Bed Occupancy %	92.6%	89.0%	4.1%	92.7%	88.6%	4.6%	92.1%	0.6%
Inpatient Average Length of Stay	6.48	6.22	4.2%	6.36	6.19	2.7%	6.19	2.8%
Inpatient Case Mix Index (CMI)	1.694	1.694	0.0%	1.687	1.694	-0.4%	1.697	-0.6%
Payor Mix (% of Charges)								
Charity & Self Pay	42.1%	44.3%	-4.9%	43.6%	44.3%	-1.5%	45.2%	-3.5%
Medicaid & Medicaid Managed	19.5%	22.7%	-14.1%	19.7%	22.7%	-13.2%	23.5%	-16.2%
Medicare & Medicare Managed	12.0%	11.4%	5.3%	11.9%	11.4%	4.2%	11.2%	6.6%
Commercial & Other	26.5%	21.7%	22.1%	24.9%	21.7%	14.6%	20.2%	22.9%
Total Unduplicated Patients - Rolling 12				247,463			248,593	-0.5%
Total New Patient - Rolling 12				89,075			86,466	3.0%

Harris Health System

Statistical Highlights

As of the Quarter Ended March 31, 2024

Cases Occupying Beds - Q2

Actual	Budget	Prior Year
10,405	10,596	10,047

Cases Occupying Beds - YTD

Actual	Budget	Prior Year
21,250	21,347	20,758

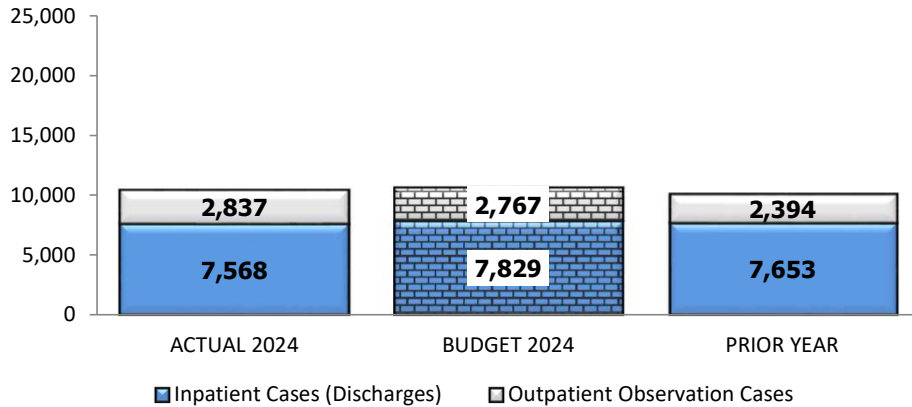
Emergency Visits - Q2

Actual	Budget	Prior Year
40,793	37,503	37,599

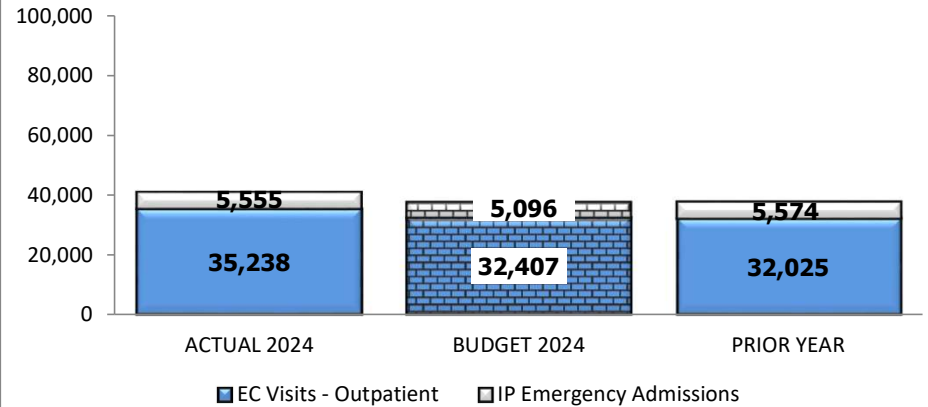
Emergency Visits - YTD

Actual	Budget	Prior Year
79,710	74,632	75,900

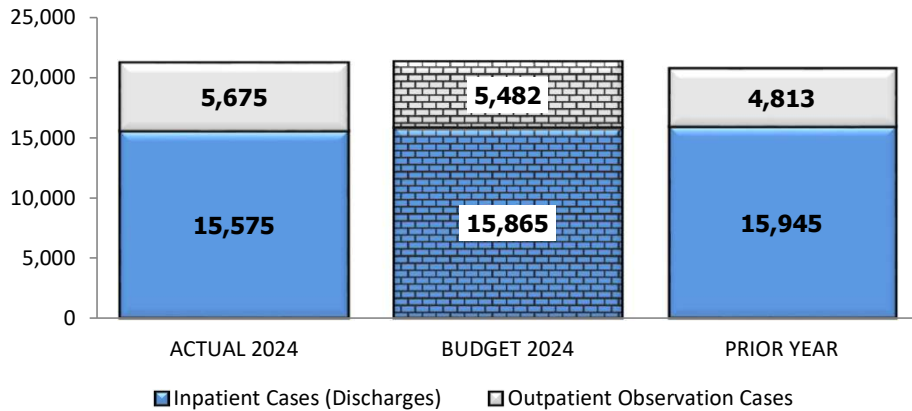
Cases Occupying Beds - Quarter End



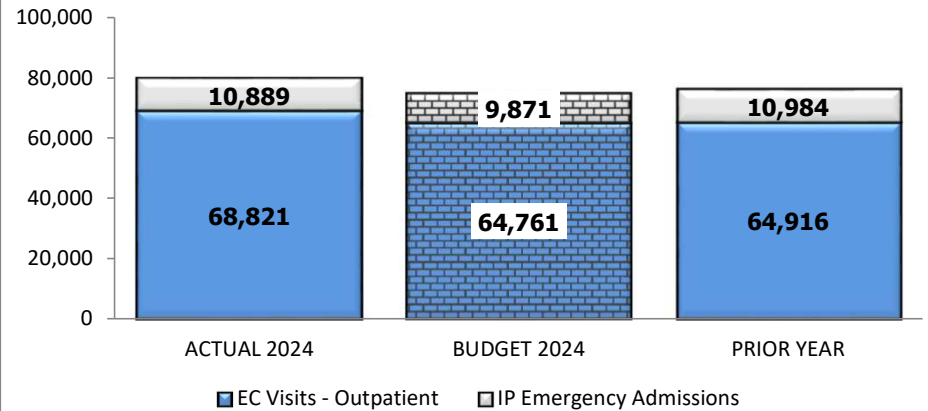
Emergency Visits - Quarter End



Cases Occupying Beds - YTD



Emergency Visits - YTD



Harris Health System

Statistical Highlights

As of the Quarter Ended March 31, 2024

Surgery Cases - Q2

Actual	Budget	Prior Year
5,197	5,345	5,387

Surgery Cases - YTD

Actual	Budget	Prior Year
10,422	10,338	10,327

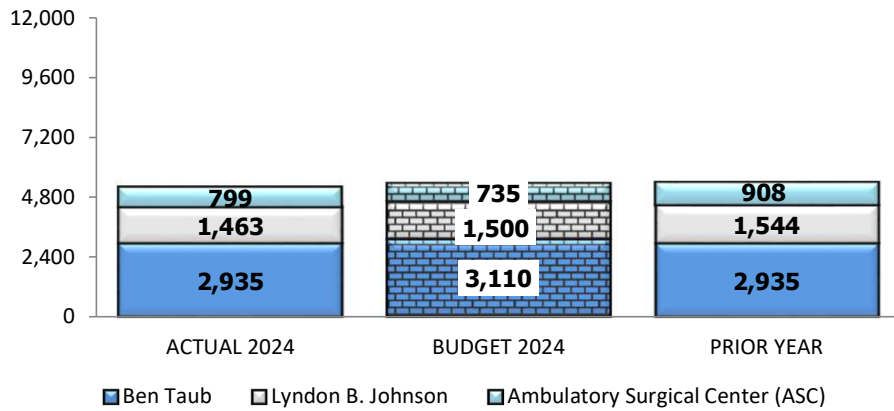
Clinic Visits - Q2

Actual	Budget	Prior Year
225,401	228,088	228,991

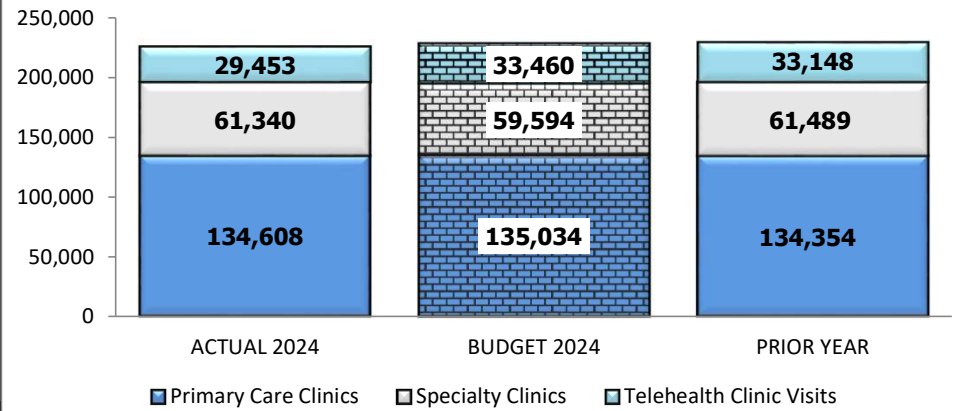
Clinic Visits - YTD

Actual	Budget	Prior Year
442,621	454,767	453,310

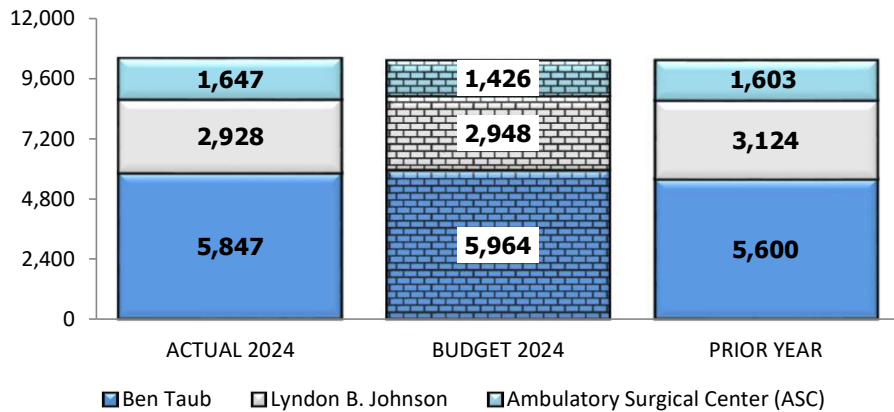
Surgery Cases - Quarter End



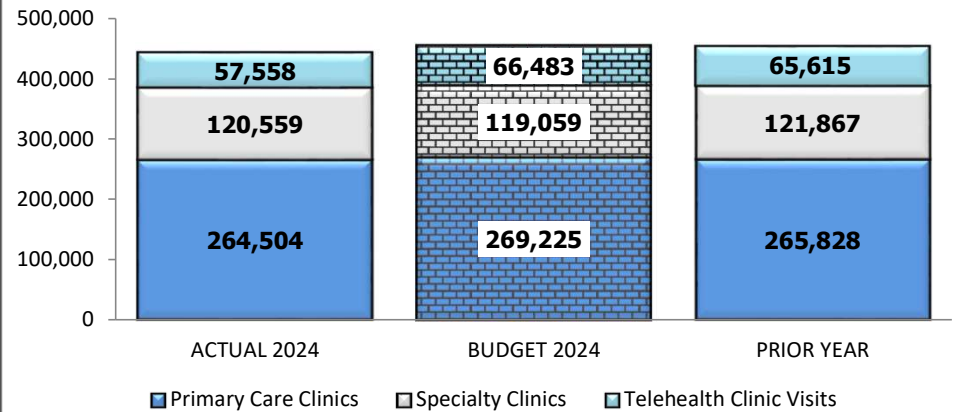
Clinic Visits - Quarter End



Surgery Cases - YTD



Clinic Visits - YTD



Harris Health System

Statistical Highlights

As of the Quarter Ended March 31, 2024

Adjusted Patient Days - Q2

132,198

Adjusted Patient Days - YTD

262,659

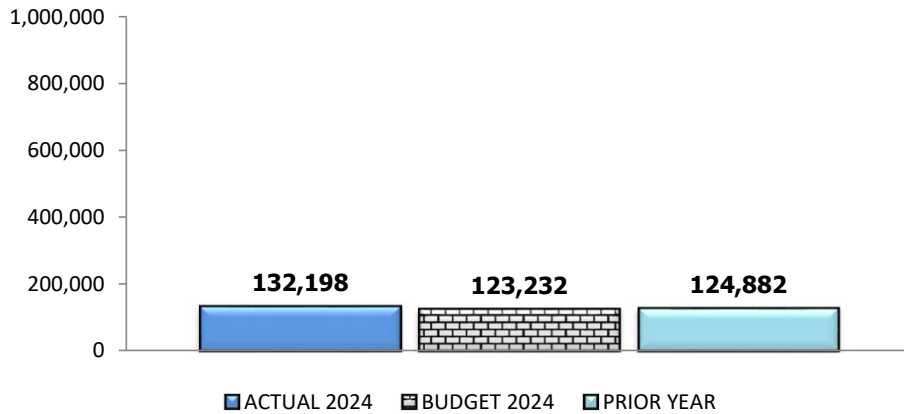
Average Daily Census - Q2

647.3

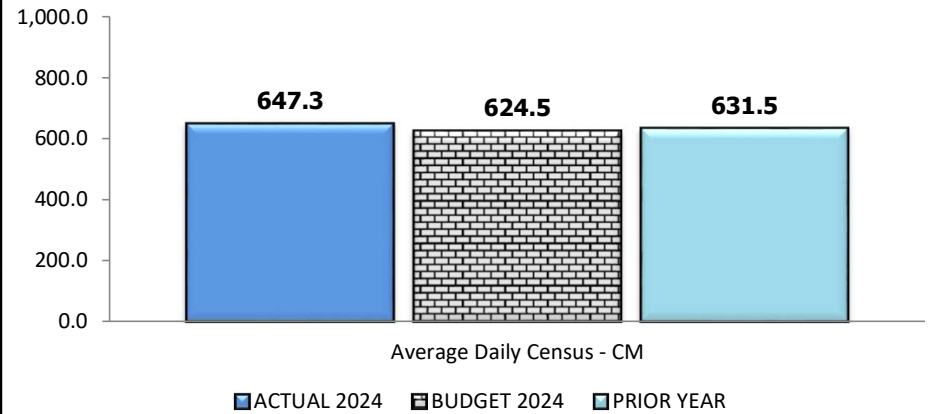
Average Daily Census - YTD

647.1

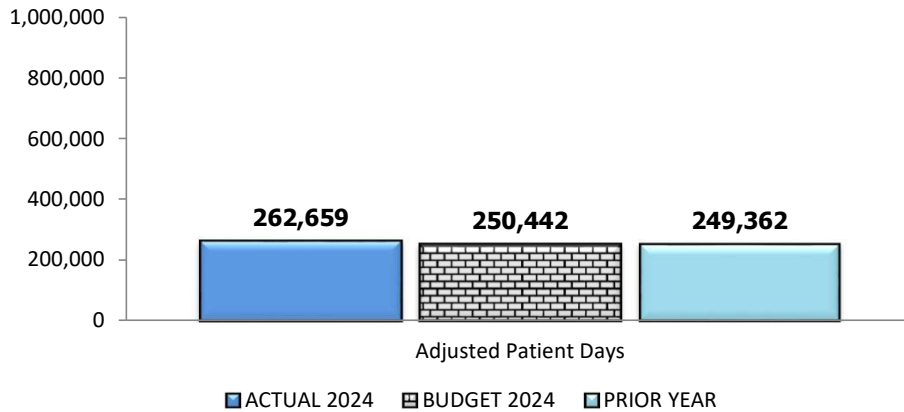
Adjusted Patient Days - Quarter End



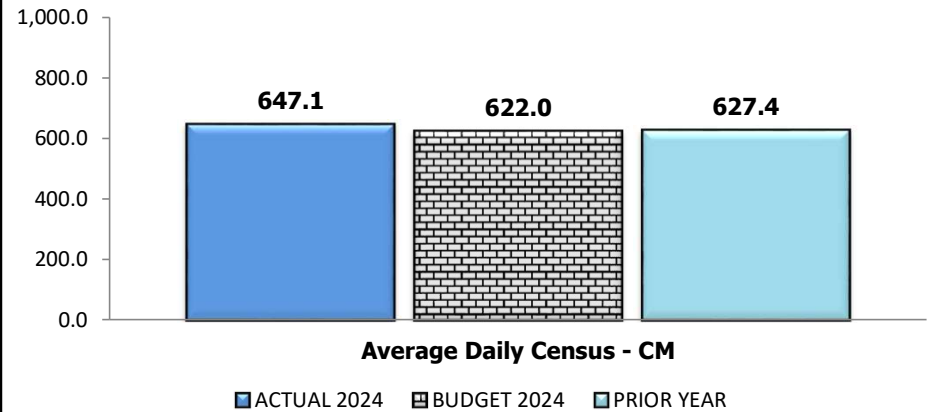
Average Daily Census - Quarter End



Adjusted Patient Days - YTD



Average Daily Census - YTD



Harris Health System

Statistical Highlights

As of the Quarter Ended March 31, 2024

Inpatient ALOS - Q2

6.48

Inpatient ALOS - YTD

6.36

Case Mix Index - Q2

Overall

1.694

Excl. Obstetrics

1.862

Case Mix Index (CMI) - YTD

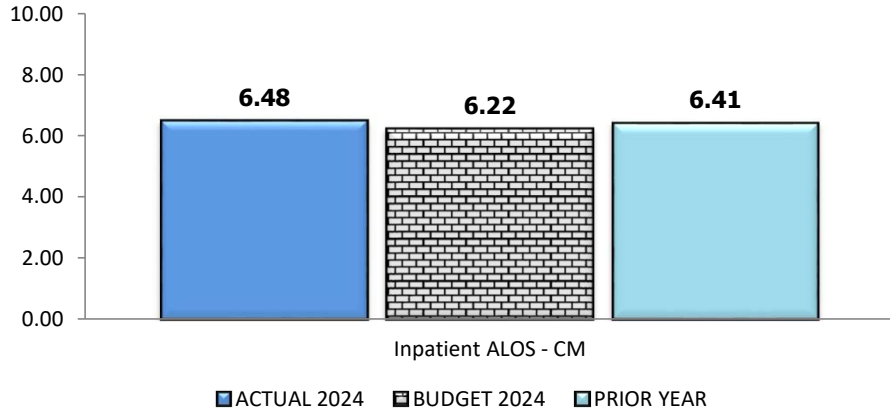
Overall

1.687

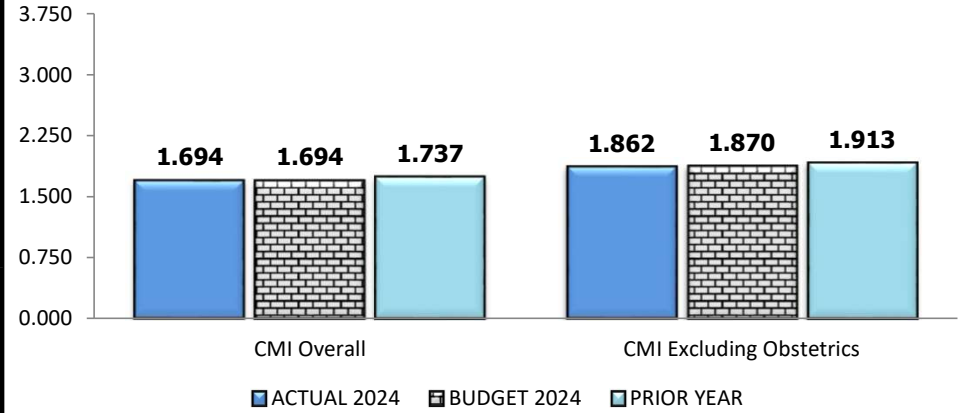
Excl. Obstetrics

1.859

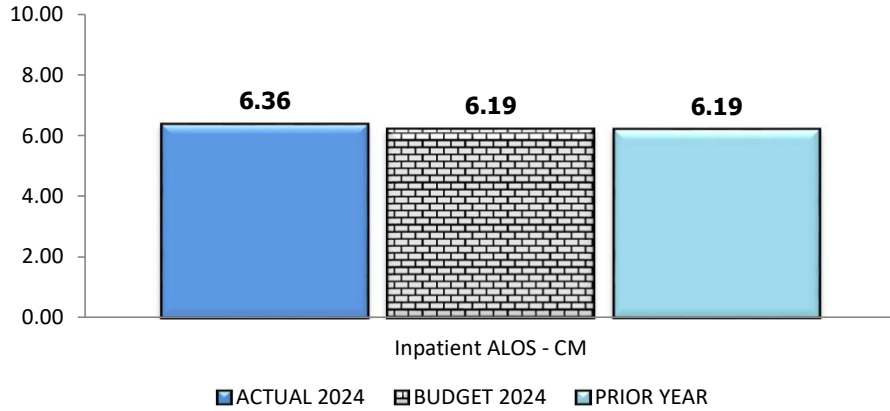
Inpatient ALOS - Quarter End



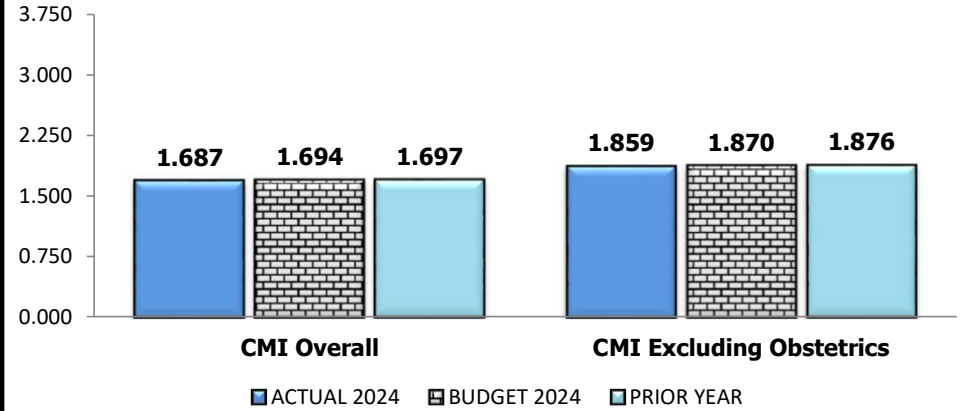
Case Mix Index - Quarter End



Inpatient ALOS - YTD



Case Mix Index - YTD



Harris Health System

Statistical Highlights - Cases Occupying Beds

As of the Quarter Ended March 31, 2024

BT Cases Occupying Beds - Q2

Actual	Budget	Prior Year
6,150	6,325	5,985

BT Cases Occupying Beds - YTD

Actual	Budget	Prior Year
12,627	12,838	12,309

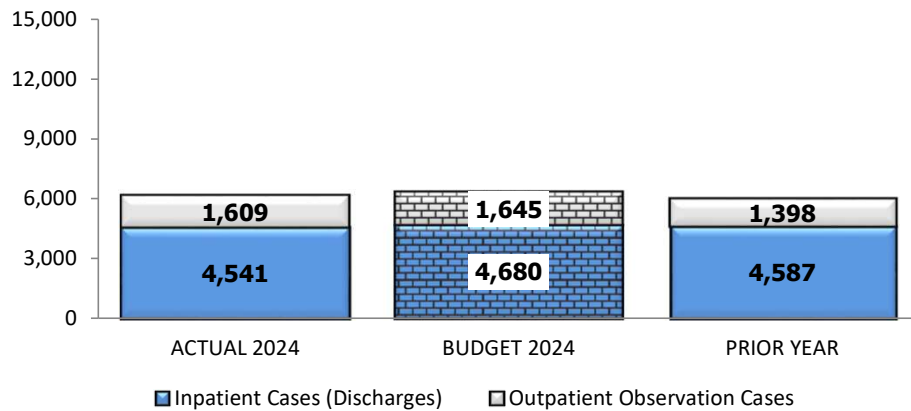
LBJ Cases Occupying Beds - Q2

Actual	Budget	Prior Year
4,251	4,271	4,062

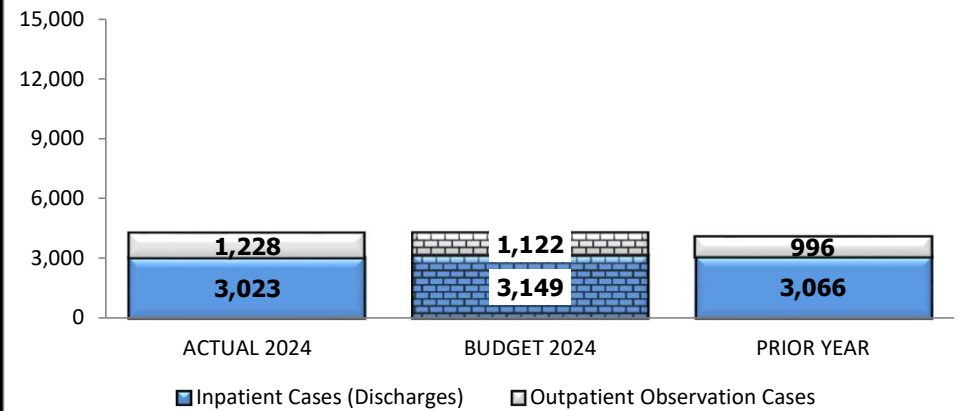
LBJ Cases Occupying Beds - YTD

Actual	Budget	Prior Year
8,619	8,509	8,449

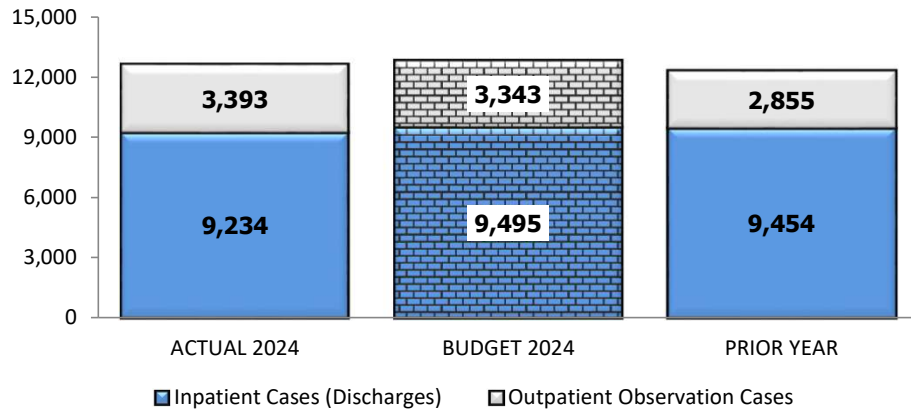
Ben Taub Cases - Quarter End



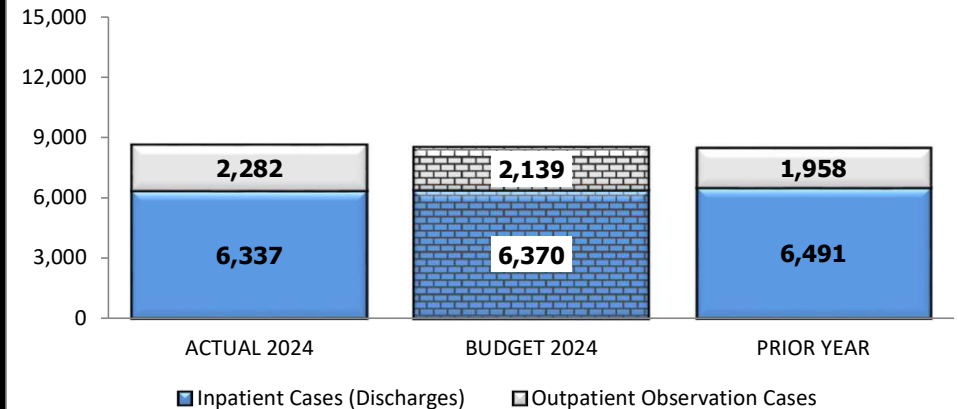
Lyndon B. Johnson Cases - Quarter End



Ben Taub Cases - YTD



Lyndon B. Johnson Cases - YTD



Harris Health System

Statistical Highlights - Surgery Cases

As of the Quarter Ended March 31, 2024

BT Surgery Cases - Q2

Actual	Budget	Prior Year
2,935	3,110	2,935

BT Surgery Cases - YTD

Actual	Budget	Prior Year
5,847	5,964	5,600

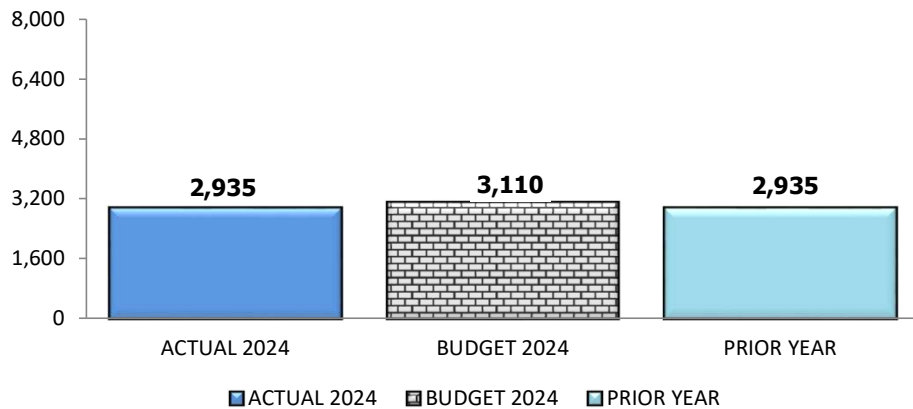
LBJ Surgery Cases - Q2

Actual	Budget	Prior Year
2,262	2,235	2,452

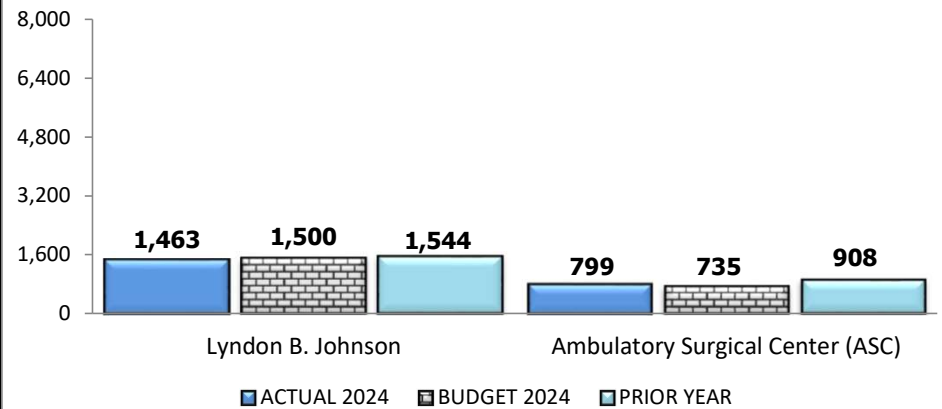
LBJ Surgery Cases - YTD

Actual	Budget	Prior Year
4,575	4,374	4,727

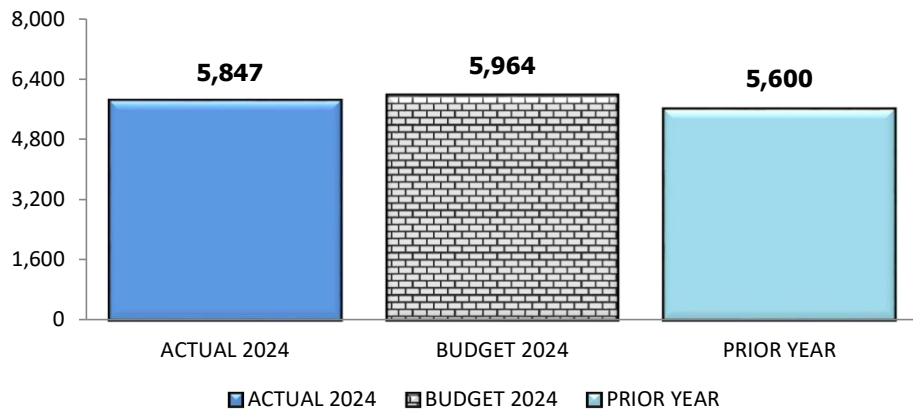
Ben Taub OR Cases - Quarter End



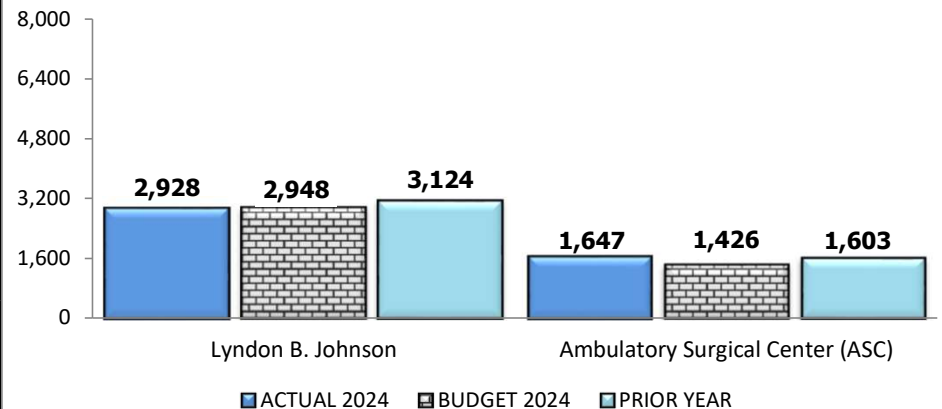
Lyndon B. Johnson OR Cases - Quarter End



Ben Taub OR Cases - YTD



Lyndon B. Johnson OR Cases - YTD



Harris Health System

Statistical Highlights - Emergency Room Visits

As of the Quarter Ended March 31, 2024

BT Emergency Visits - Q2

Actual	Budget	Prior Year
20,352	18,421	18,233

BT Emergency Visits - YTD

Actual	Budget	Prior Year
41,060	36,438	36,695

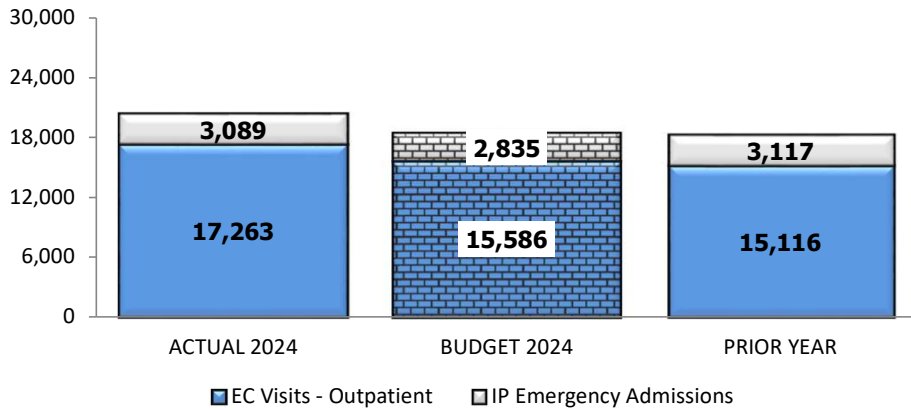
LBJ Emergency Visits - Q2

Actual	Budget	Prior Year
20,441	19,082	19,366

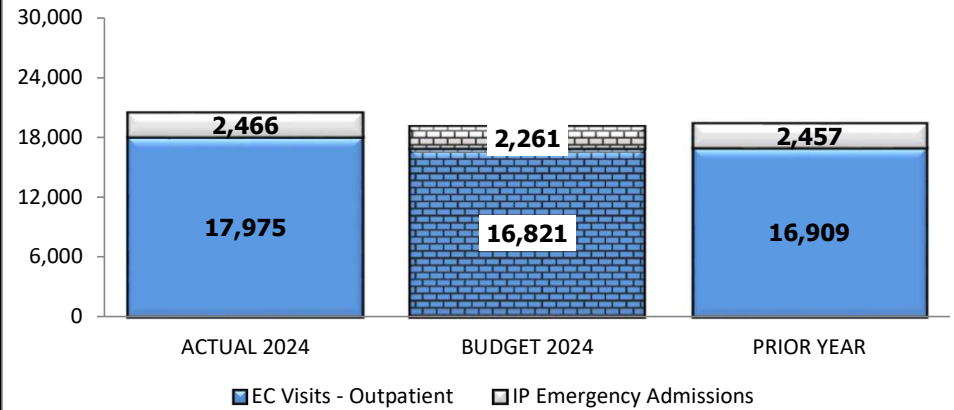
LBJ Emergency Visits - YTD

Actual	Budget	Prior Year
38,650	38,194	39,205

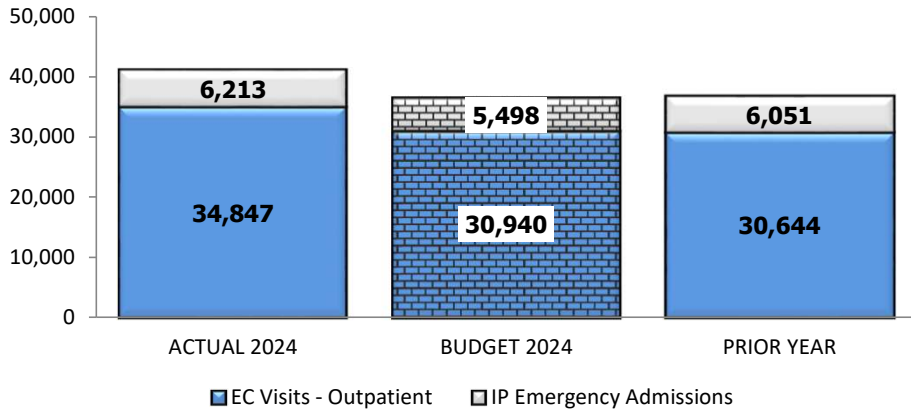
Ben Taub EC Visits - Quarter End



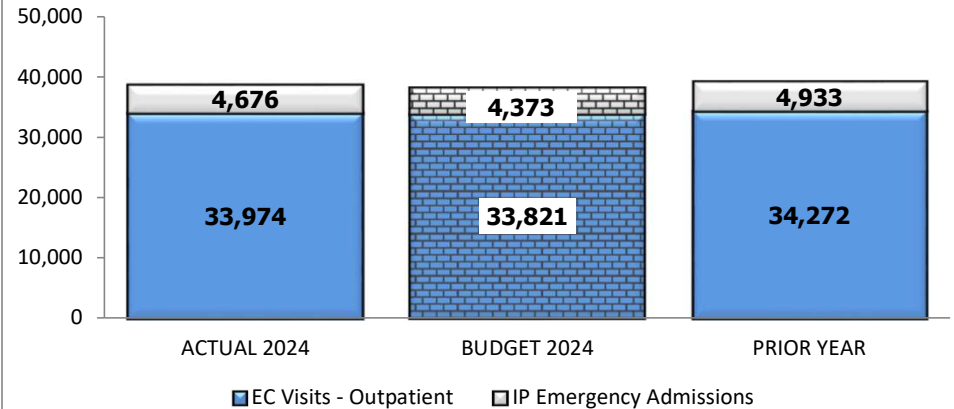
Lyndon B. Johnson EC Visits - Quarter End



Ben Taub EC Visits - YTD



Lyndon B. Johnson EC Visits - YTD



Harris Health System

Statistical Highlights - Births

As of the Quarter Ended March 31, 2024

BT Births - Q2

Actual	Budget	Prior Year
710	726	755

BT Births - YTD

Actual	Budget	Prior Year
1,421	1,608	1,663

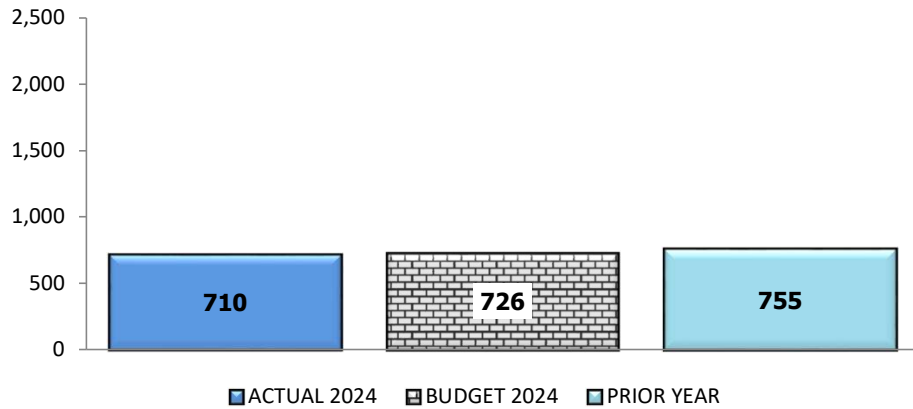
LBJ Births - Q2

Actual	Budget	Prior Year
551	535	539

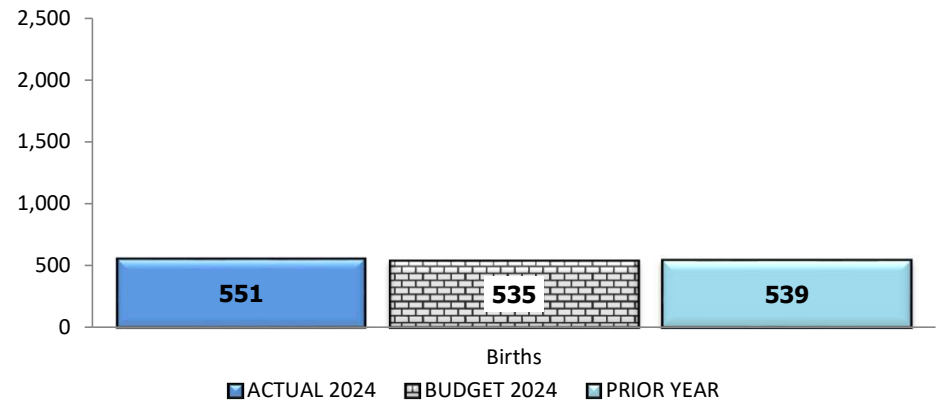
LBJ Births - YTD

Actual	Budget	Prior Year
1,157	1,123	1,138

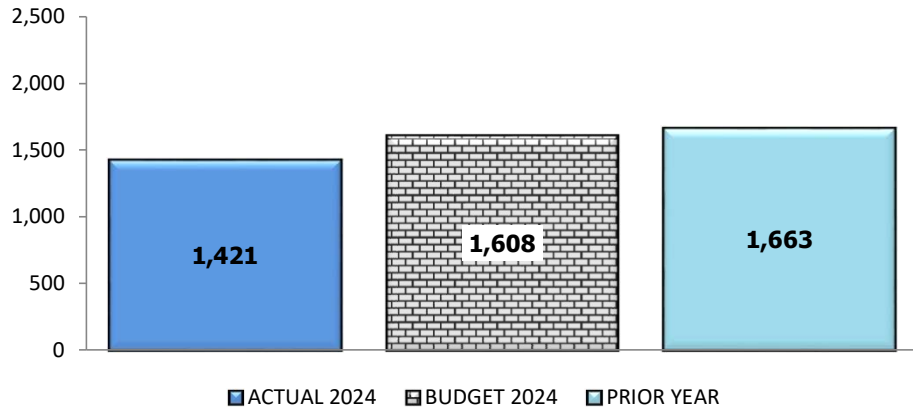
Ben Taub Births - Quarter End



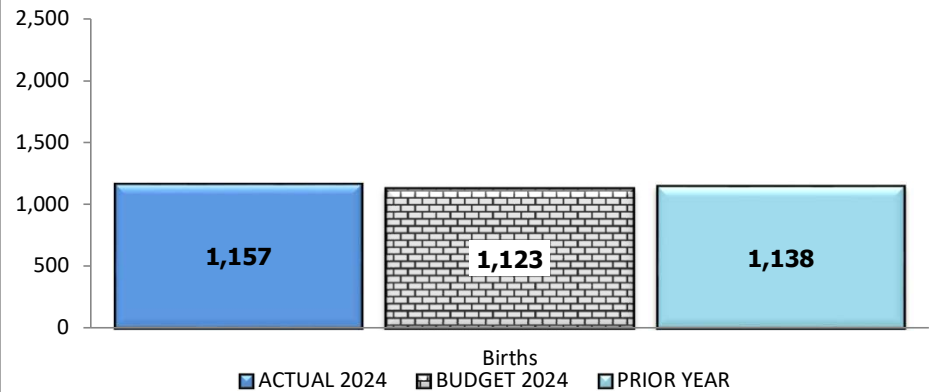
Lyndon B. Johnson Births - Quarter End



Ben Taub Births - YTD



Lyndon B. Johnson Births - YTD



Harris Health System

Statistical Highlights - Adjusted Patient Days

As of the Quarter Ended March 31, 2024

BT Adjusted Patient Days - Q2

66,176

BT Adjusted Patient Days - YTD

130,805

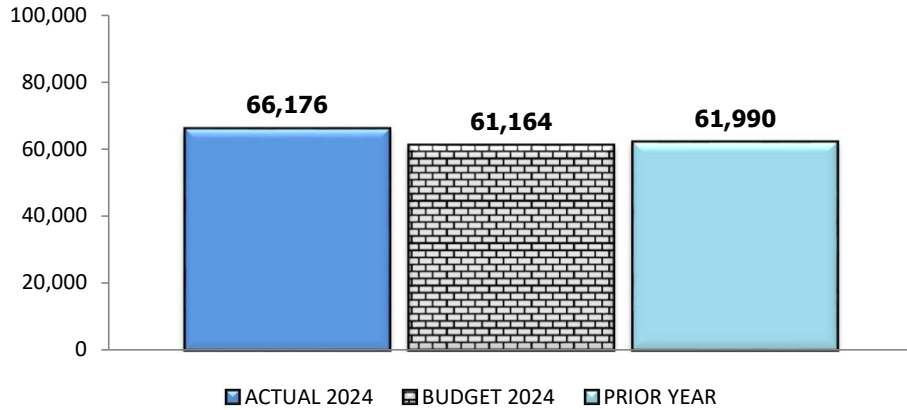
LBJ Adjusted Patient Days - Q2

38,984

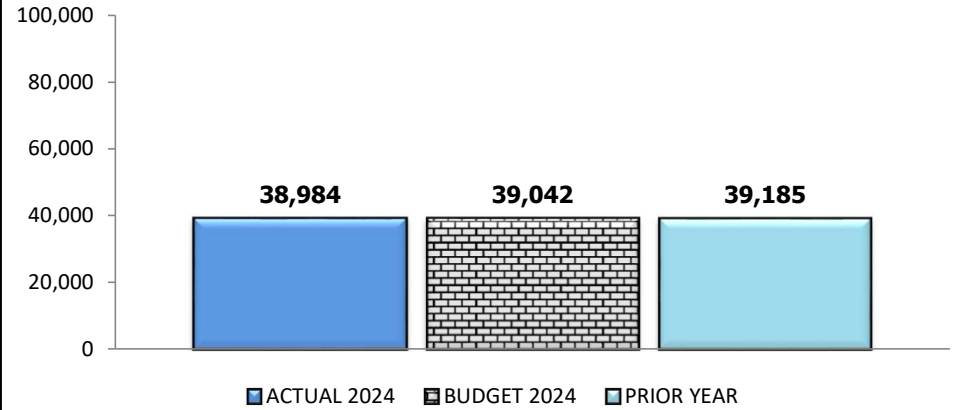
LBJ Adjusted Patient Days - YTD

79,461

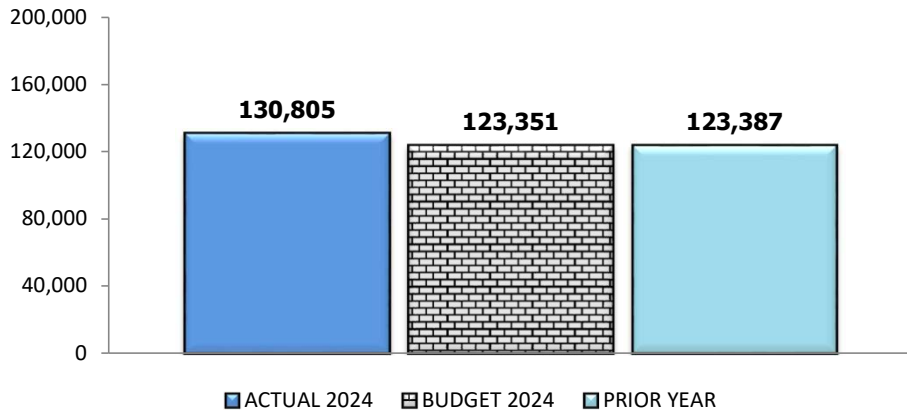
Ben Taub APD - Quarter End



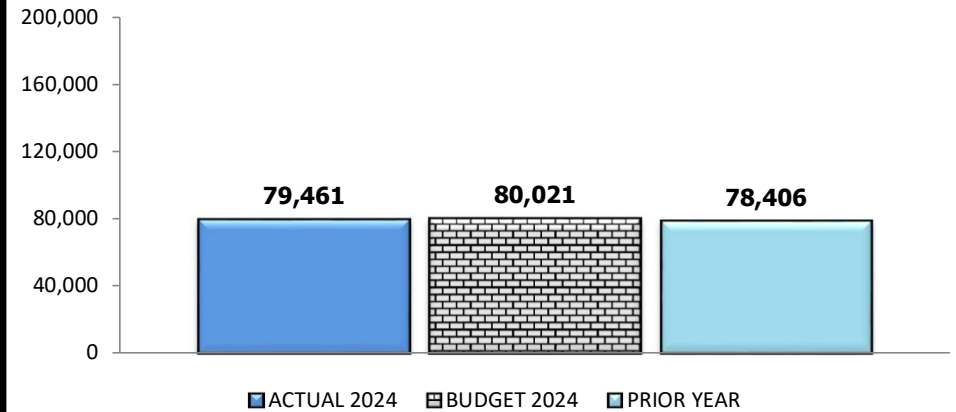
Lyndon B. Johnson APD - Quarter End



Ben Taub APD - YTD



Lyndon B. Johnson APD - YTD



Harris Health System

Statistical Highlights - Average Daily Census (ADC)

As of the Quarter Ended March 31, 2024

BT Average Daily Census - Q2

423.7

BT Average Daily Census - YTD

421.8

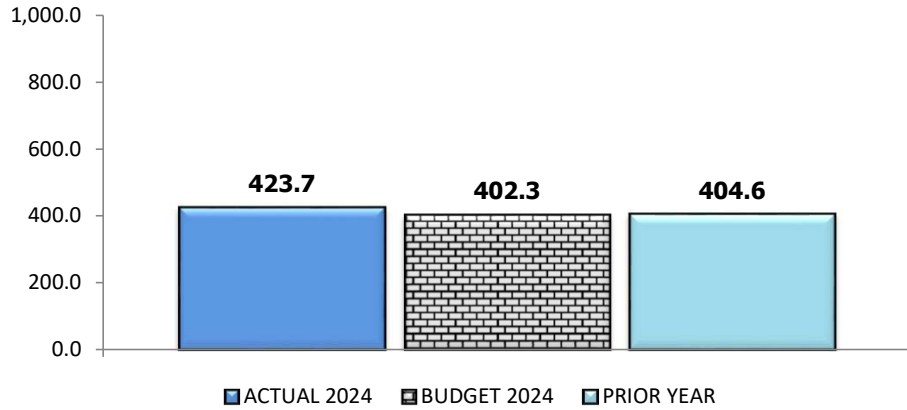
LBJ Average Daily Census - YTD

223.5

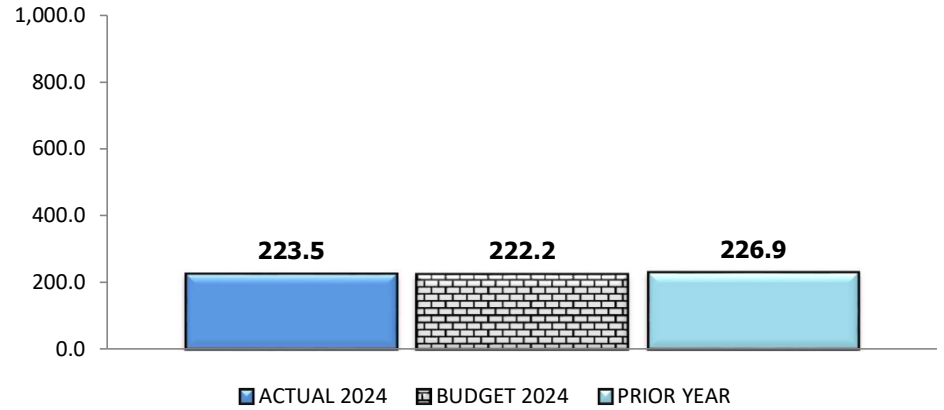
LBJ Average Daily Census - YTD

225.2

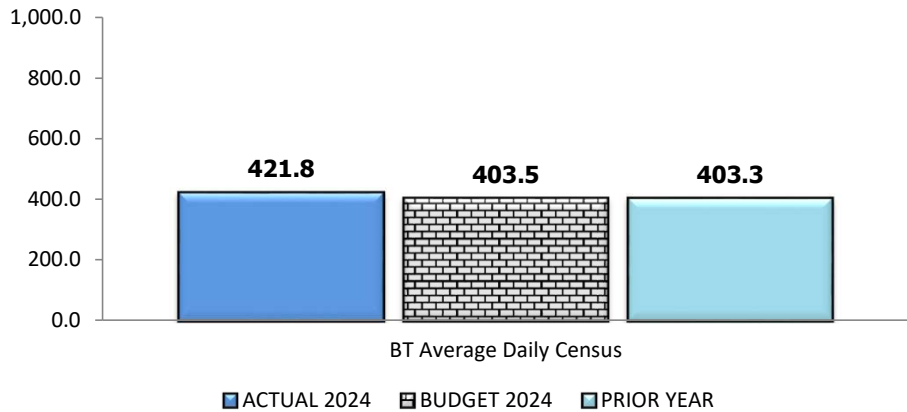
Ben Taub ADC - Quarter End



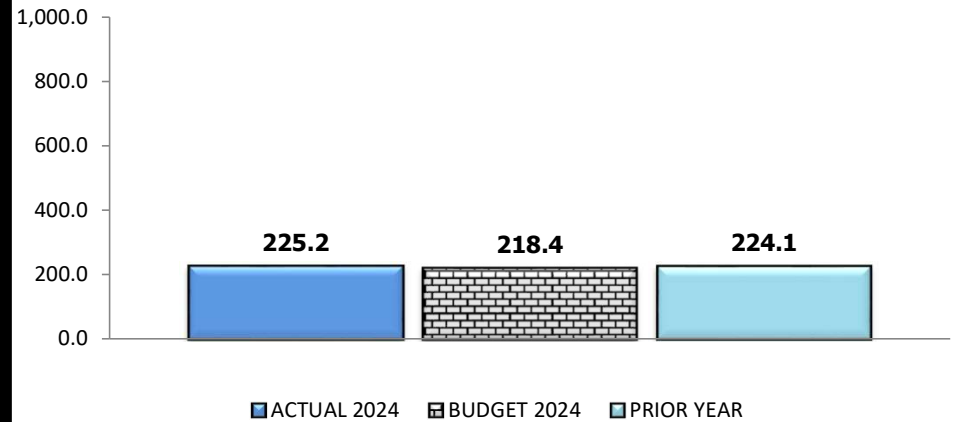
Lyndon B. Johnson ADC - Quarter End



Ben Taub ADC - YTD



Lyndon B. Johnson ADC - YTD



Harris Health System

Statistical Highlights - Inpatient Average Length of Stay (ALOS)

As of the Quarter Ended March 31, 2024

BT Inpatient ALOS - Q2

7.10

BT Inpatient ALOS - YTD

6.99

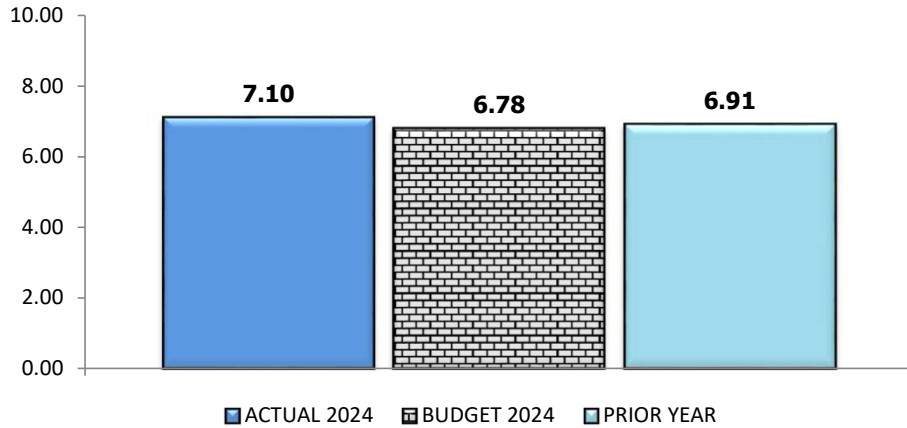
LBJ Inpatient ALOS - Q2

5.57

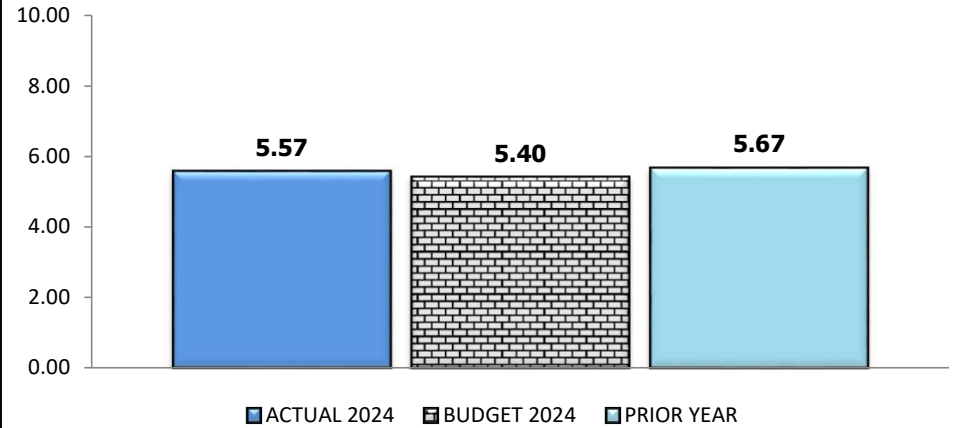
LBJ Inpatient ALOS - YTD

5.45

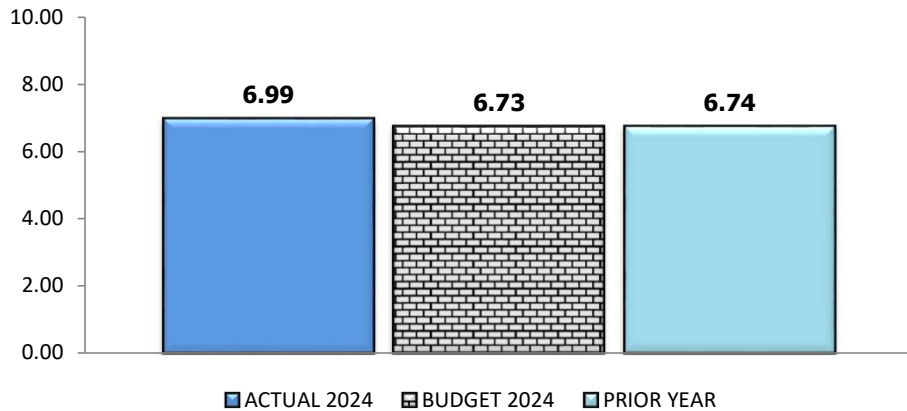
Ben Taub ALOS - Quarter End



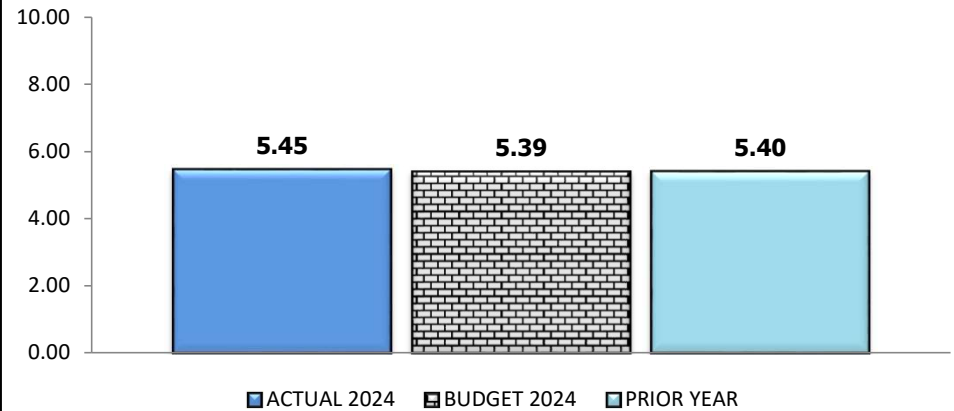
Lyndon B. Johnson ALOS - Quarter End



Ben Taub ALOS - YTD



Lyndon B. Johnson ALOS - YTD



Harris Health System

Statistical Highlights - Case Mix Index (CMI)

As of the Quarter Ended March 31, 2024

BT Case Mix Index (CMI) - Q2

Overall	Excl. Obstetrics
1.816	1.992

BT Case Mix Index (CMI) - YTD

Overall	Excl. Obstetrics
1.799	1.981

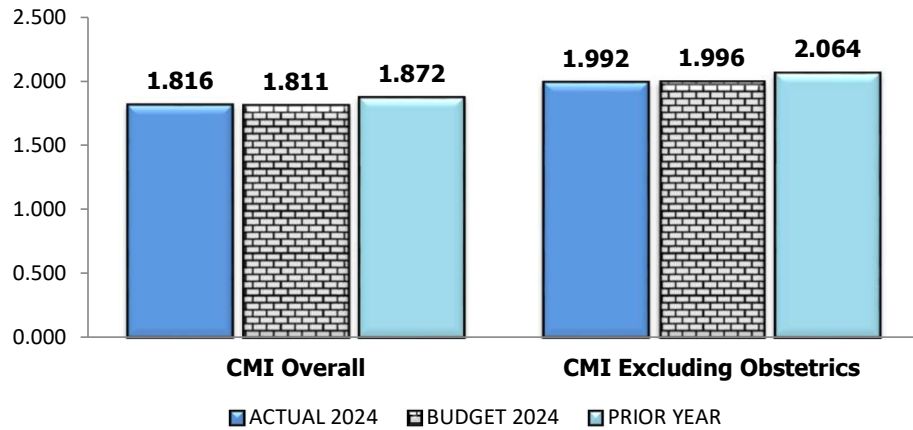
LBJ Case Mix Index (CMI) - Q2

Overall	Excl. Obstetrics
1.511	1.661

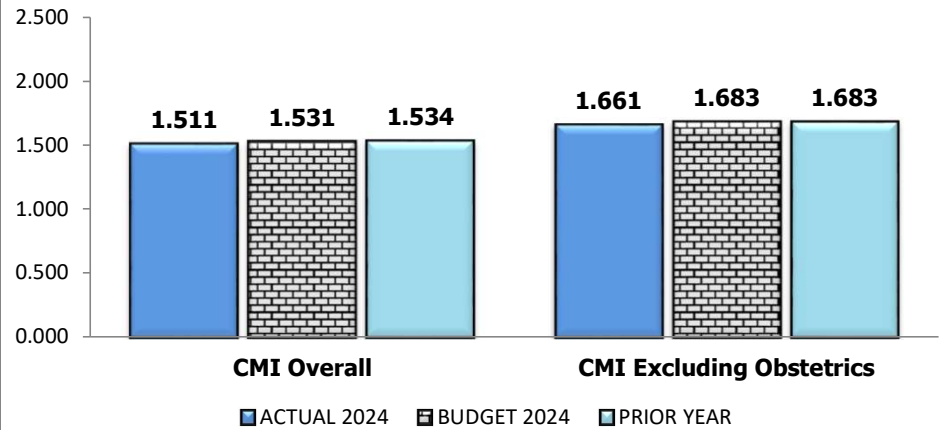
LBJ Case Mix Index (CMI) - YTD

Overall	Excl. Obstetrics
1.524	1.677

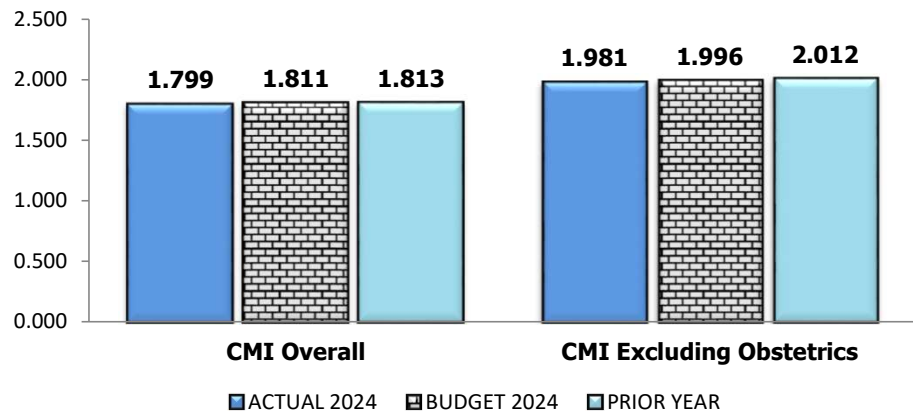
Ben Taub CMI - Quarter End



Lyndon B. Johnson CMI - Quarter End



Ben Taub CMI - YTD



Lyndon B. Johnson CMI - YTD

