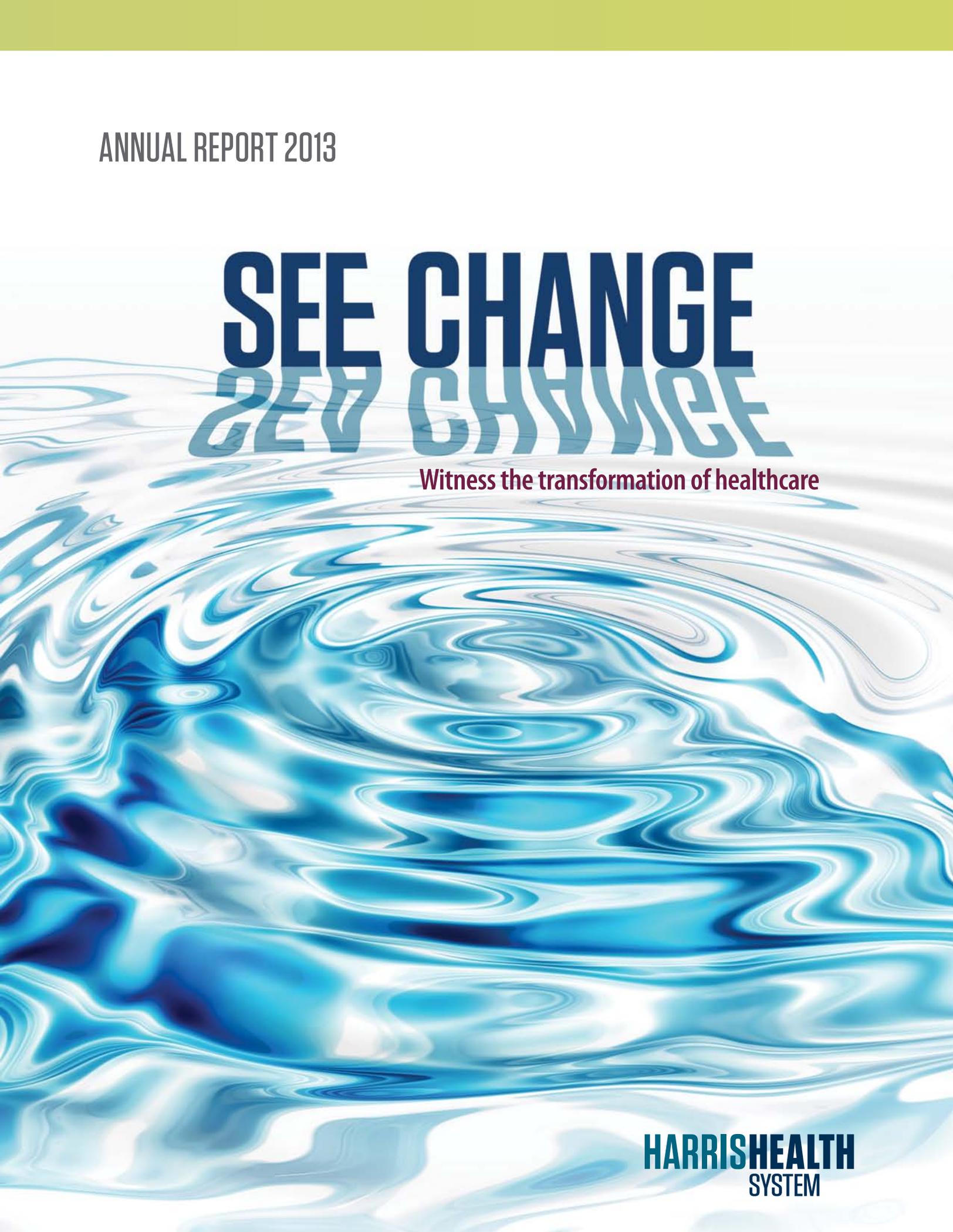


ANNUAL REPORT 2013

# SEE CHANGE

The background of the entire page is a dynamic, abstract image of blue water ripples. The ripples are concentric and overlapping, creating a sense of movement and depth. The colors range from light, almost white blues to deep, dark blues, with highlights that suggest light reflecting off the water's surface. The overall effect is one of fluidity and transformation.

Witness the transformation of healthcare

**HARRISHEALTH**  
SYSTEM

## A message to our community

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*See Change*, Harris Health System's FY2013 Report to Our Community, shares recent accomplishments and successful efforts to lead the sea change, or transformation, of local healthcare in an era of health reform and social and economic uncertainty. Also, it reflects our strategic focus on primary care, prevention and wellness, efforts to improve patient access to healthcare services and ongoing commitment to deliver the highest quality of patient-centered care to the residents of Harris County.

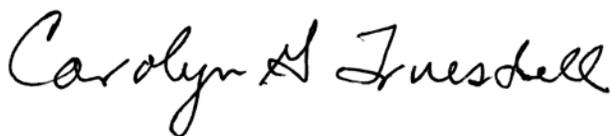
FY2013 was an important year in the history of the Harris County Hospital District, now doing business as Harris Health System, a name that communicates we are more than a district of hospitals. We are a system of care — with Health at the center of all we do.

Physicians from Baylor College of Medicine and The University of Texas Health Science Center at Houston (UTHealth) provide the medical care in all of our facilities. With an emphasis on treating all patients and their families with dignity and respect, the alliance we have forged to address the many and diverse healthcare needs of our community and to educate the next generation of physicians has never been stronger.

In the coming year, we will expand patient access to healthcare services in our community through the planned addition of several same-day clinics and community-based primary care centers, and through collaboration with other healthcare providers.

Appreciation goes to members of our team, including members of Harris County Commissioners Court, the Harris Health System Board of Managers, Harris County Hospital District Foundation Board of Trustees, Baylor College of Medicine and UTHealth medical staff, and the many employees, volunteers and patient council members for their loyalty, compassion and heartfelt dedication to provide excellent care to our patients.

Sincerely,



Carolyn Truesdell  
Chair  
Board of Managers



David S. Lopez  
President and CEO  
Harris Health System

## Meeting our mission as responsible stewards

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We improve our community's health by delivering high-quality healthcare to Harris County residents and by training the next generation of health professionals.

Harris Health is transforming our entire health system to respond to the changing needs of our fast-growing and diverse community. We are building an even greater network of primary and specialty care facilities, helping people remain healthy, active and productive. We expect our healthcare system to serve tens of thousands more patients over the next three years. The decision to focus on primary care was based on the notion that a healthier population requires less hospitalization, meaning valuable resources can touch more lives in a primary care setting.

Average cost of outpatient visit **\$171**

Average cost of inpatient admission **\$11,745**



# Harris Health System is defining the national healthcare model of the future.

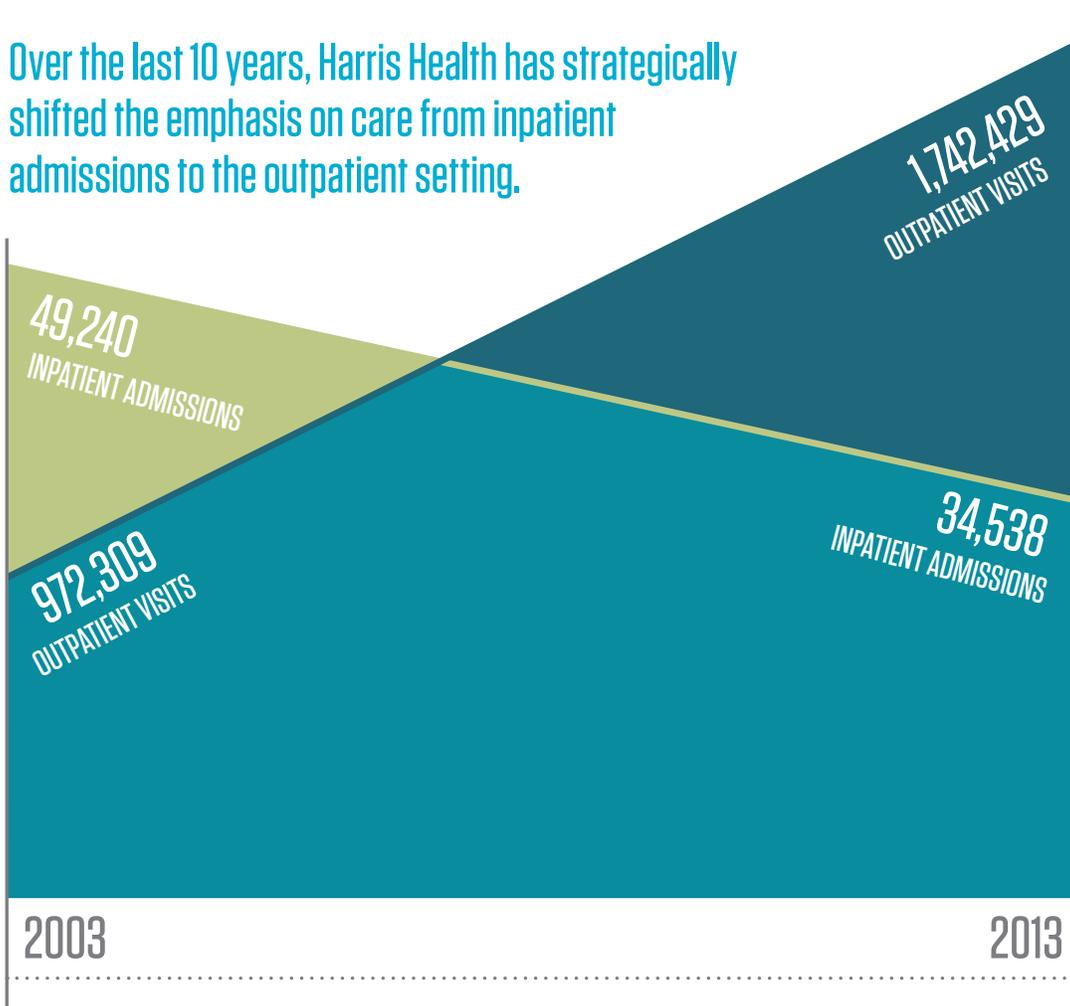
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Across the nation, a sweeping transformation, or sea change, in the delivery of healthcare is happening. A transformation that places an emphasis on primary care, prevention and wellness. As the leader in providing healthcare for the uninsured and underinsured of Harris County, we know that primary care is the most effective approach to keep our community healthy. Our expansion of primary care health centers helps us serve a greater number of people in more affordable and convenient neighborhood settings. By doing so, Harris Health is able to keep our patients healthier and minimize the likelihood of a costly hospital stay.

Wisely, Harris Health System began its own transformation to primary care decades ago, not in response to the latest legislative mandates. As healthcare champions determined to increase patient access to high-quality healthcare services, Harris Health is able to better serve our community more cost effectively than ever.

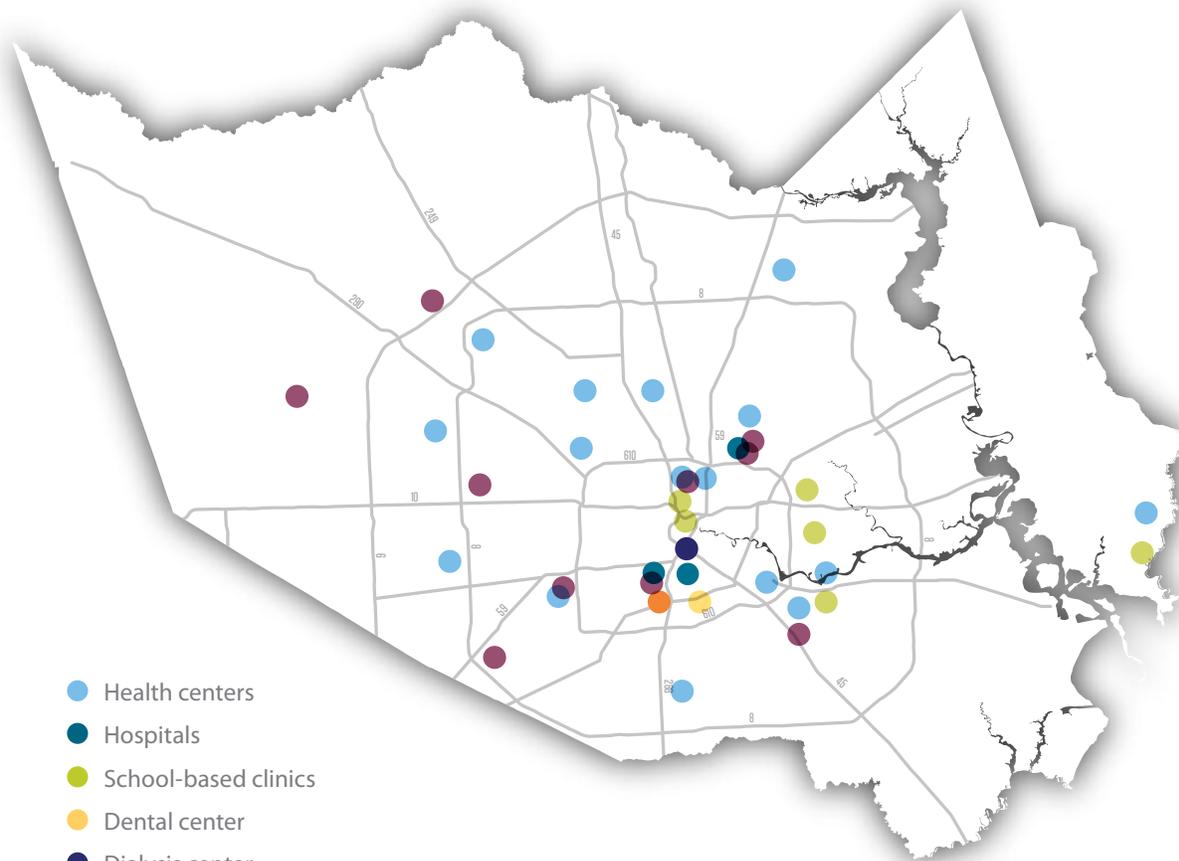
Now the nation is following our progressive lead.

Over the last 10 years, Harris Health has strategically shifted the emphasis on care from inpatient admissions to the outpatient setting.



# Harris Health System Locations

Harris Health leads the way in providing the right care at the right place at the right time. It's widely known that about half of all emergency room visits can be treated in a primary care setting. Knowing this, we plan to add 10 new locations over the next two years, including six same-day clinics, three new primary care centers and one new specialty center.



- Health centers
- Hospitals
- School-based clinics
- Dental center
- Dialysis center
- Specialty clinic
- New facilities planned

**2013**

- 16** COMMUNITY HEALTH CENTERS
- 3** HOSPITALS
- 6** SCHOOL-BASED CLINICS
- 1** DENTAL CENTER
- 1** DIALYSIS CENTER
- 1** MULTI-SPECIALTY CLINIC
- 15** SHELTER-BASED CLINICS

## Medical school affiliations

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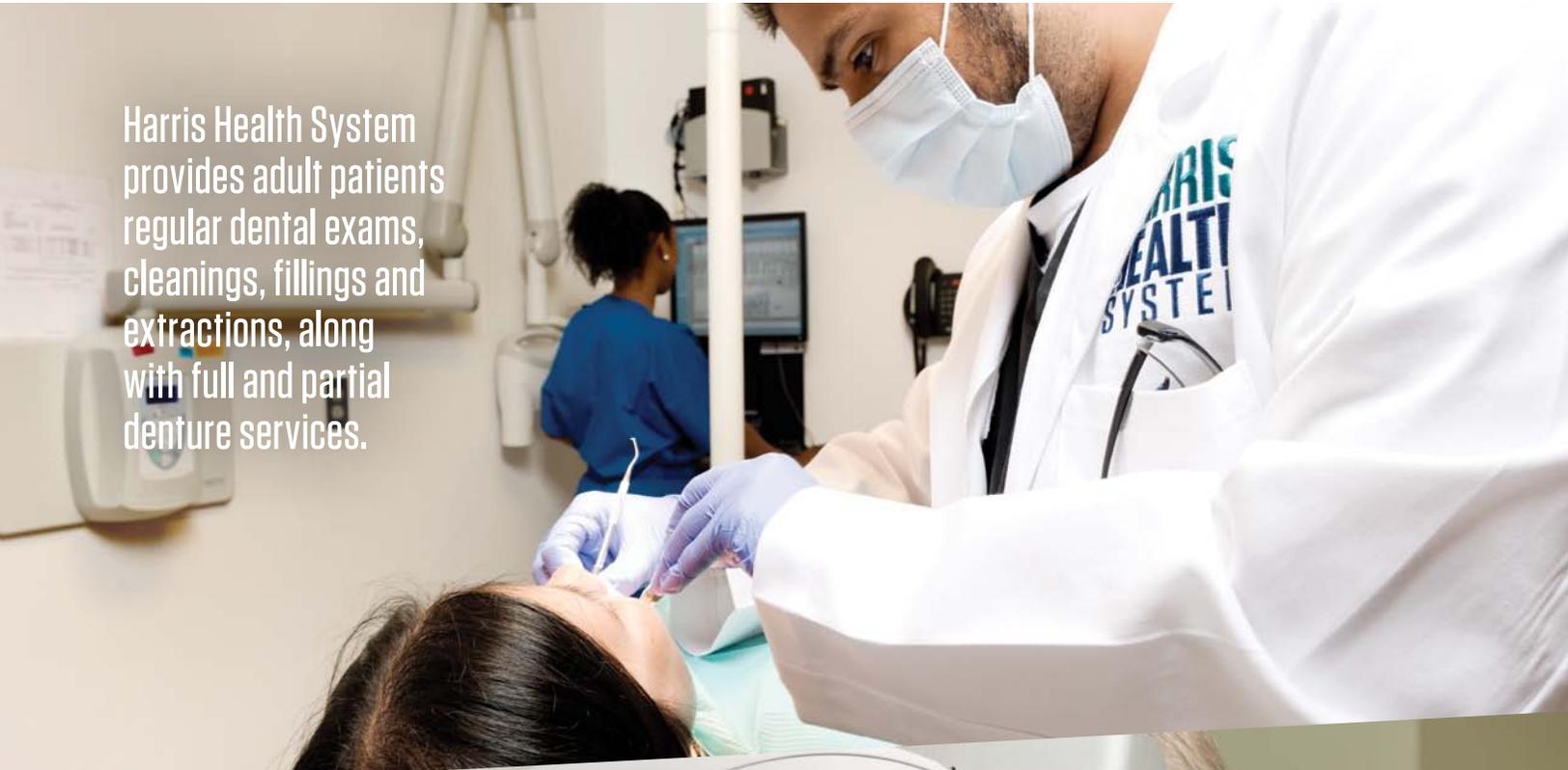
Harris Health is a teaching system for Baylor College of Medicine and The University of Texas Health Science Center at Houston (UTHealth), two of the nation's top medical schools. Physicians from these prestigious institutions, many of them leaders in their chosen field, staff our health centers, specialty clinics and three hospitals.



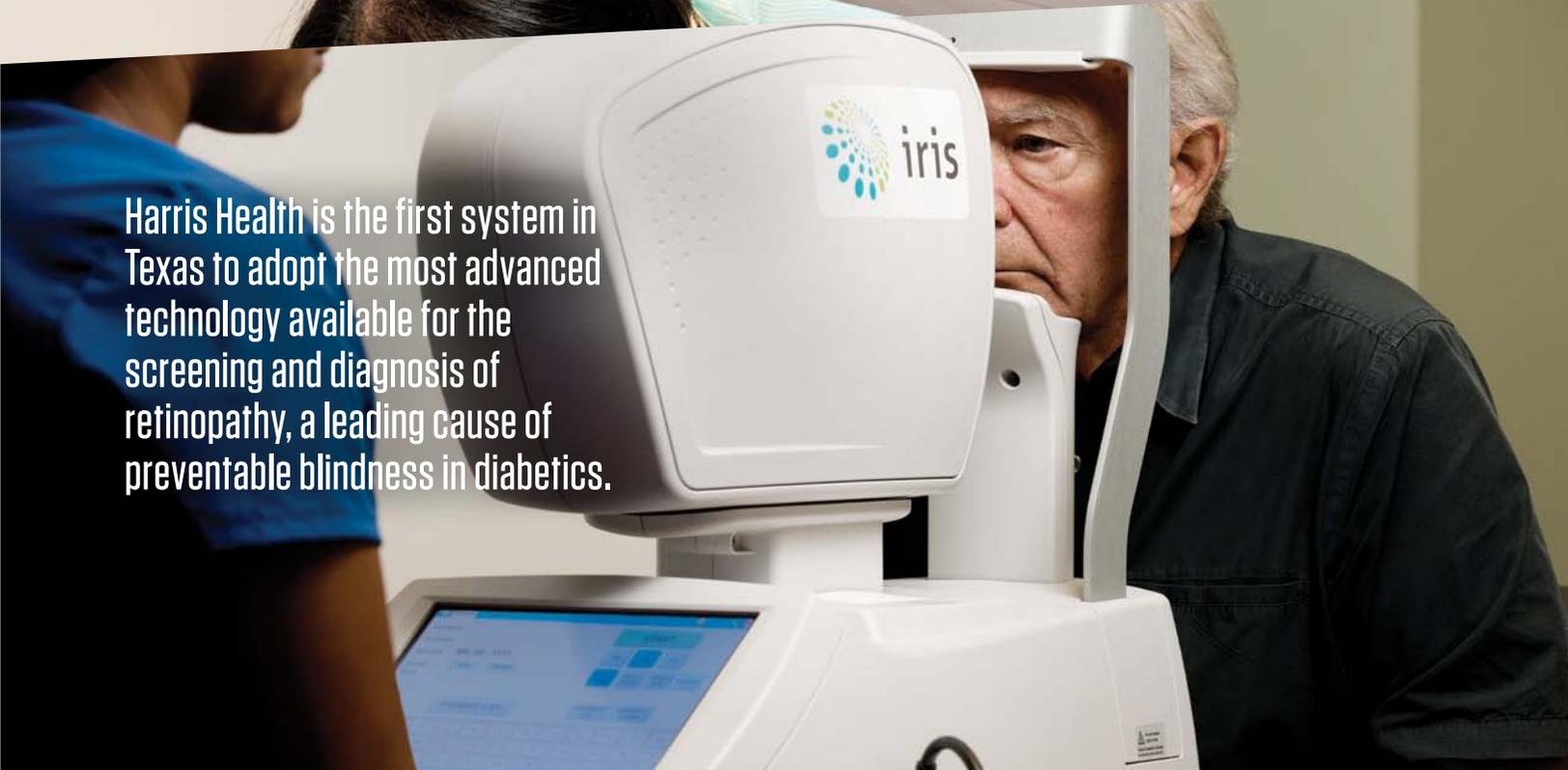
## Holistic health in our community

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To fulfill our mission to improve the community's health, Harris Health System also offers complete dental and vision care in many locations throughout Harris County.



Harris Health System provides adult patients regular dental exams, cleanings, fillings and extractions, along with full and partial denture services.



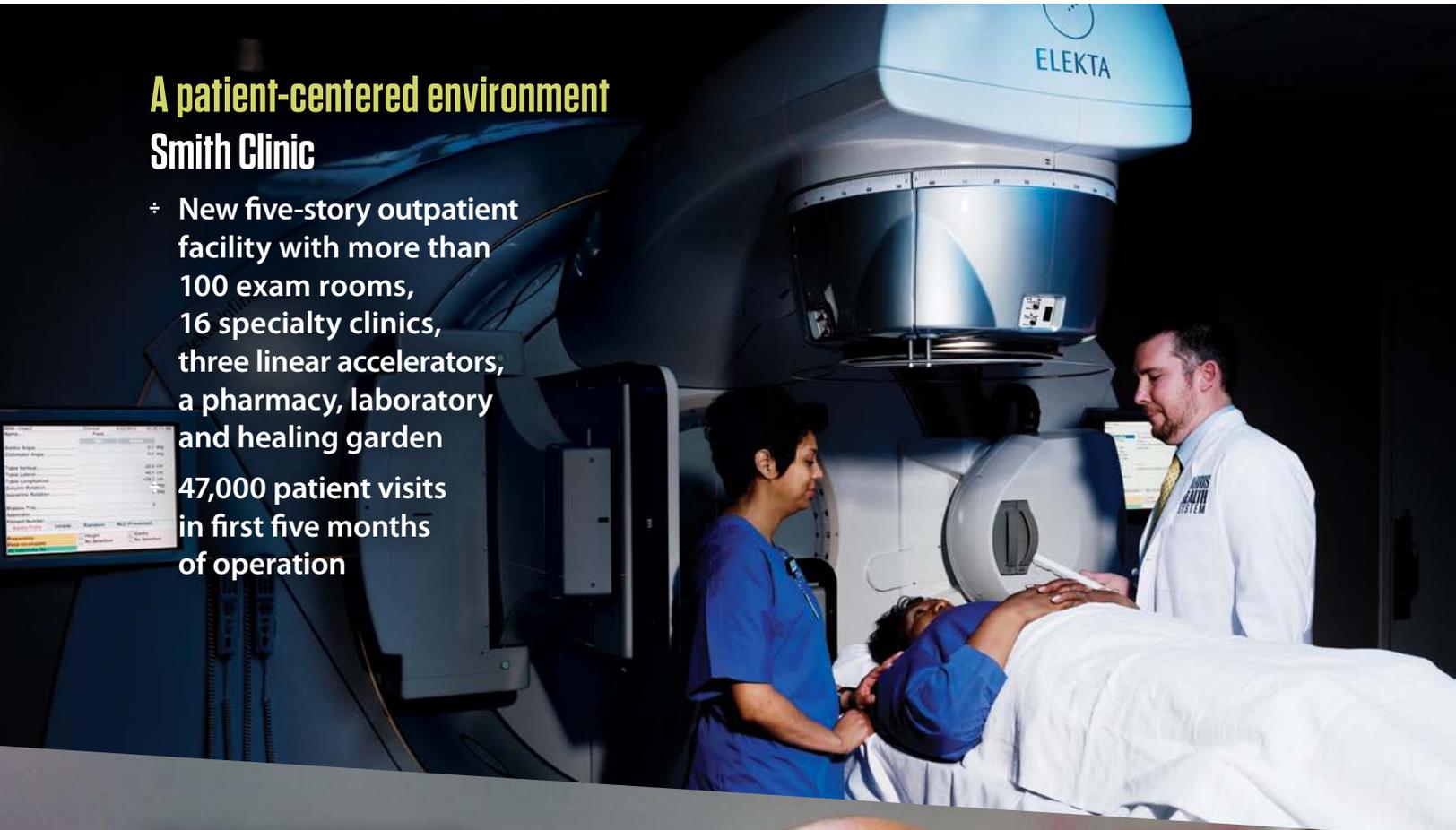
Harris Health is the first system in Texas to adopt the most advanced technology available for the screening and diagnosis of retinopathy, a leading cause of preventable blindness in diabetics.

## Reaching out to a growing population

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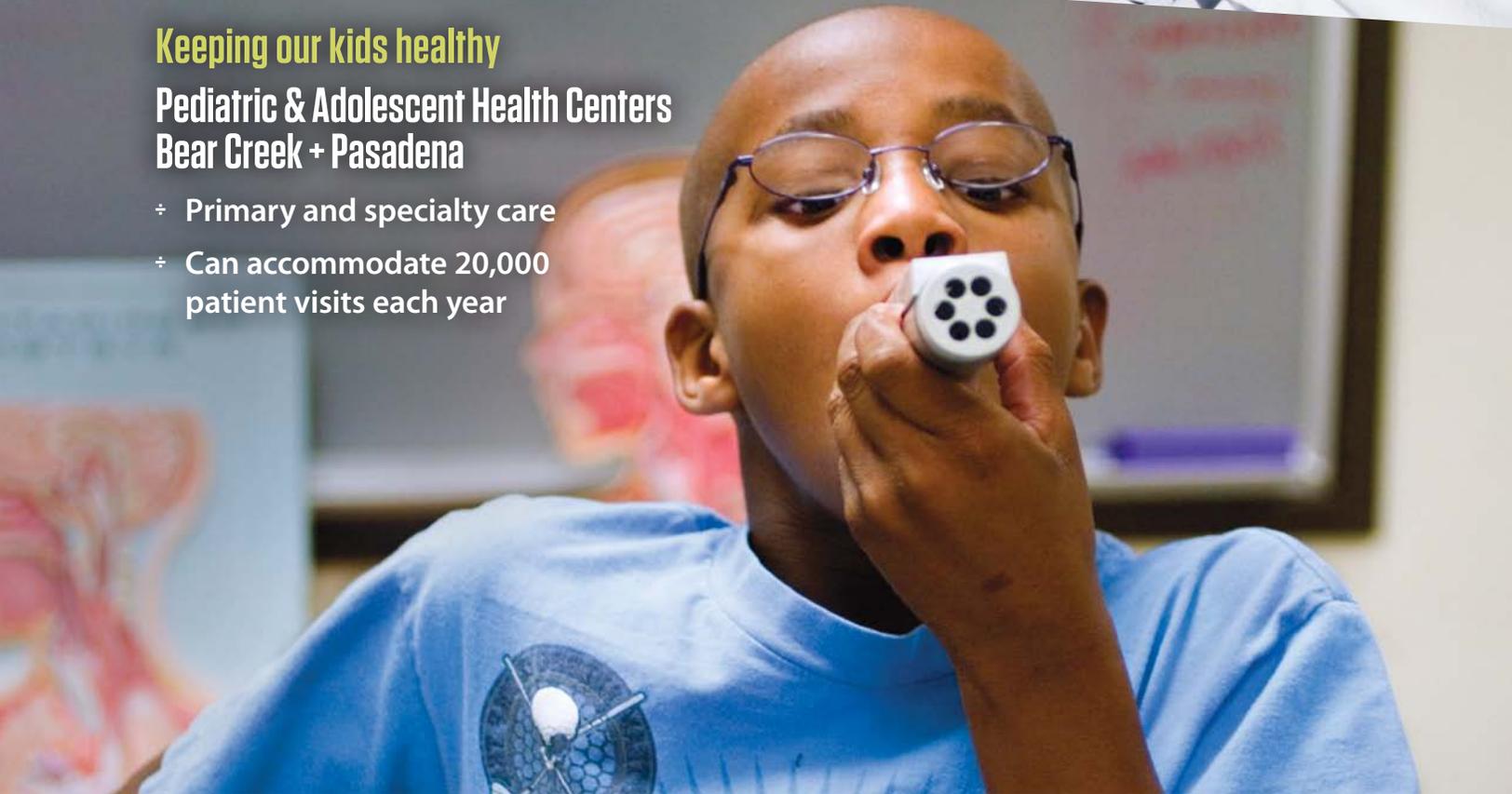
### A patient-centered environment Smith Clinic

- ÷ New five-story outpatient facility with more than 100 exam rooms, 16 specialty clinics, three linear accelerators, a pharmacy, laboratory and healing garden
- 47,000 patient visits in first five months of operation



### Keeping our kids healthy Pediatric & Adolescent Health Centers Bear Creek + Pasadena

- ÷ Primary and specialty care
- ÷ Can accommodate 20,000 patient visits each year





## Semi-private rooms, enhanced patient experience

- ÷ Conversion to semi-private hospital rooms, providing greater privacy and comfort



## Essential medical services, close to home

Adult and pediatric healthcare services, including primary care, OB/GYN, ophthalmology, podiatry and psychiatry

- ÷ On-site pharmacy, laboratory, mammography and x-ray services
- ÷ Health education and counseling, including classroom courses in nutrition, weight management, smoking cessation, and social services

## We connect people to a lifetime of care.

Primary care is essential to preventing illness and maintaining wellness. With one of the largest primary care networks in Texas, we keep patients at the center of care. Our physicians lead a team of highly skilled nurses and other health professionals to help patients achieve and enjoy healthier lives.



### An advanced electronic health record system

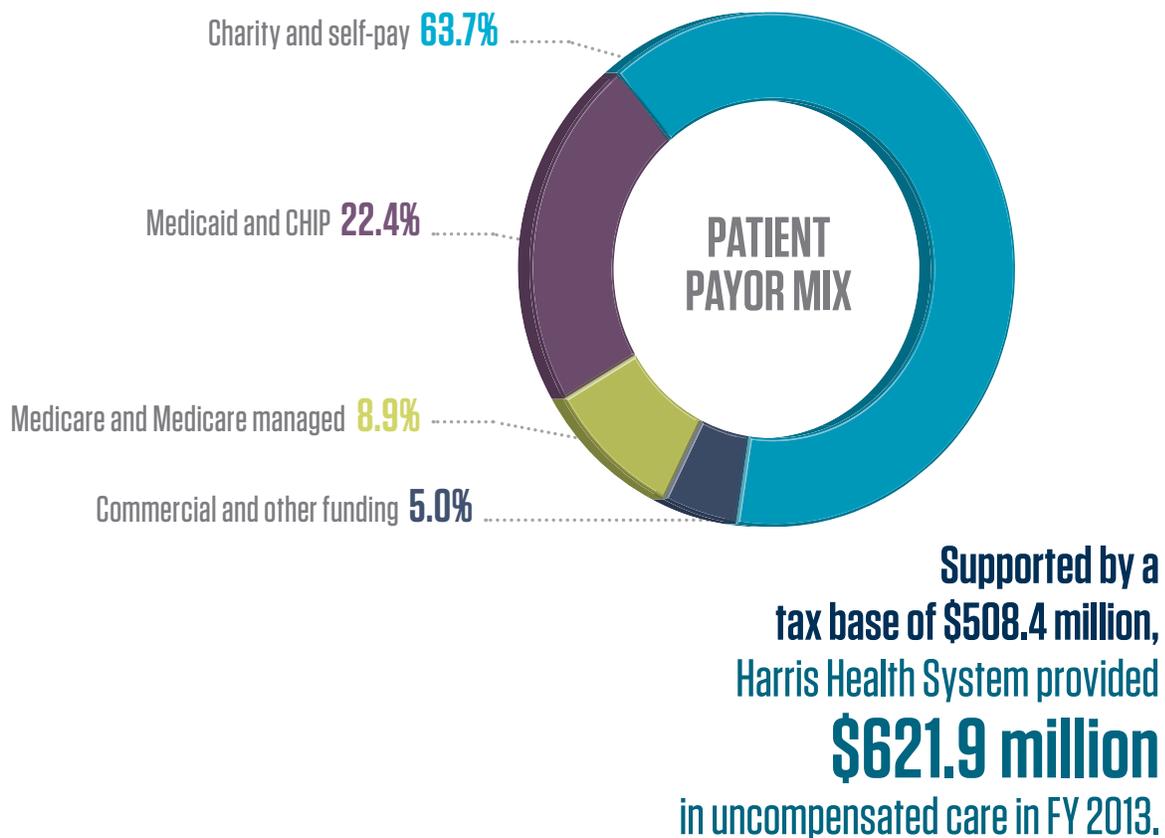
allows our healthcare professionals to access and coordinate all aspects of patient care from a single, comprehensive database. It also provides patients unprecedented access to their own medical history and provides an avenue for secure communication with their healthcare providers.

Recognized as one of America's Most Wired healthcare systems, we were also one of the first to adopt leading-edge information technology.

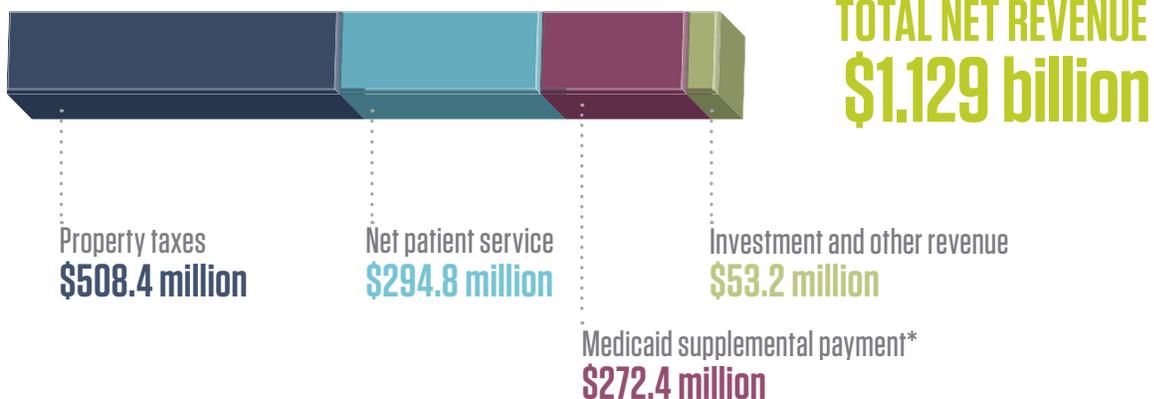
Harris Health was the first healthcare system in Houston to implement a biometric palm-scanning process to ensure patient safety and confidentiality.

## Our financial health

In the last fiscal year, we made tremendous progress in meeting the healthcare needs of our community. Operating with fiscal prudence for many years has permitted us to make significant investments in our health system, which will return great health dividends for decades to come. This resulted in an operating loss of less than 1 percent for fiscal year 2013 (March 1, 2012 - February 28, 2013).



### FY 2013 FINANCES



\*Disproportionate Share (DSH), Uncompensated Care (UC), Medicaid 1115 Waiver

## Statistical Highlights

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Fiscal Year Ended Feb. 28, 2013

Total Outpatient Visits	1,742,429
Major components include:	
Primary Care Visits	786,034
Specialty Clinic Visits	306,163
Outpatient Surgery Cases	10,123
Total Emergency Room Visits	173,651
Total Cases Occupying Patient Beds	48,544
Births	6,676
Total Patient Days	232,525
Average Daily Census *	637
*patients in the hospital	

# Statement of Revenues and Expenses

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Fiscal Year Ended Feb. 28, 2013

(in thousands)

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## Operating Revenues

Net patient service revenue	\$ 294,778
Medicaid supplemental programs revenue	272,445
Other operating revenues	25,360

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Total operating revenues	592,583
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## Operating Expenses

Salaries, wages and benefits	662,389
Pharmaceuticals and supplies	179,690
Physician services	154,136
Other purchased services	105,182
Depreciation and amortization	51,588

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Total operating expenses	1,152,985
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Operating (loss) income	(560,402)
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## Non-operating Revenues (expenses)

Ad valorem tax revenues – net	508,424
Net tobacco settlement revenues	9,719
Other	823

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Total non-operating revenues – net	518,966
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Capital contributions	10,272
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Change in net position	\$ (31,164)
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# Harris County Hospital District Foundation

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Since 1992, the Harris County Hospital District Foundation, a private, charitable organization, has assisted Harris Health System by funding programs and services that advance the mission of providing primary care, prevention and wellness to residents of Harris County.



By combining gifts from individuals, corporations, organizations and other foundations, the Harris County Hospital District Foundation supports patient services, facility improvements and wellness education programs. Special events, like the Silver Tea, Mallets and Medicine and the Texas Med 5K, raise money and awareness for programs, such as cancer care, nursing education and outreach projects. The Foundation also actively solicits support for trauma services and mobile medical services.

We greatly appreciate the steadfast support of our many donors and encourage others to help expand the safety net for the benefit of all Harris County residents.

**713-566-6409**

## Program Income

Cancer Care and Screenings	\$ 447,554
Smith Clinic Capital Campaign	339,977
Other Program Support	214,062
Outreach Programs	131, 873
Nursing Leadership Education	84,866
Trauma Programs	59,390
Employee-Directed Contributions	50,022
<hr/> Total	<hr/> \$ 1,327,744

# Board of Managers

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Carolyn Truesdell / Chair  
Elvin Franklin Jr. / Vice Chair  
Daisy Stiner / Secretary  
Anne Clutterbuck  
Stephen H. DonCarlos  
Lawrence D. Finder  
George D. Santos, MD  
Rene "TJ" Tijerina Jr.  
E. Dale Wortham

David S. Lopez / President and  
Chief Executive Officer



# Awards + Special Recognition

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## Harris Health System

**Physician Practice Connections®**  
**Patient-Centered Medical Home**  
**National Committee for**  
**Quality Assurance**  
The first healthcare system in Houston  
to achieve this designation

**Pathway to Excellence®**  
**American Nurses Credentialing Center**  
Positive environment for nurses to excel

**Gage Award for Improving**  
**Population Health**  
**National Association of**  
**Public Hospitals and Health Systems**  
Healthy Harvest program

**Most Wired Award**  
**American Hospital Association's**  
**Hospitals & Health Networks**  
Excellence in healthcare  
information technology

**Get With The Guidelines® - Stroke**  
**Silver Plus Award**  
**American Heart Association**  
A higher standard of care for  
stroke patients

**Harry H. Mellon Award of Excellence**  
**The Gordian Group**  
The construction industry's  
highest honor

**Leading Edge Element Award**  
**International Facility Management**  
**Association/Houston**  
Advanced technology

**HARRISHEALTH**  
**SYSTEM**

## We promise

To provide high-quality healthcare by knowledgeable and highly trained staff;

To provide prompt, friendly, and courteous service;

To be sensitive and responsive to your needs and concerns as well as those of your family; and

To provide a clean, comfortable and safe environment, in all of our settings.

**HARRISHEALTH**  
**SYSTEM**

713-634-1000  
[harrishealth.org](http://harrishealth.org)