



FINANCIAL STATEMENTS
As of April 30, 2013

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FINANCIAL STATEMENTS HIGHLIGHTS

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April 2013 Financial Statement Highlights

Presented for your review, discussion and acceptance are the financial statements for the month ended April 30, 2013.

Statistics

Adjusted patient days were 2.2% ^(Pg1:ln1) greater than budget with approximately 66.6% of the volume representing outpatient care.

Clinic visits ^(Pg1:ln6) of 101,868 were 5.6% greater than the budget of 96,422. Primary care clinic visits ^(Pg1:ln4) were 3.9% greater than the month's budget and total specialty clinic visits were 10.3% greater than the April budget ^(Pg1:ln5).

April Emergency Center visits ^(Pg1:ln10) are reported at 14,766 and were 5.6% greater than budget.

System wide, surgery cases were 0.5% less than budget expectations ^(Pg2:ln14).

Deliveries of 436 were 4.8% less than the budget of 458.

Inpatient admissions were driven 61.7% from the Emergency Room, 15.7% from deliveries and 22.6% - other ^(Pg1:ln22,23,&24). Inpatient utilization System wide was less than budget by 3.0% ^(Pg2:ln3). Inpatient length of stay ^(Pg2:ln8) was 0.9% less than budget and the inpatient case mix index ^(Pg2:ln9) was 0.6% greater than budget.

Charity and Self Pay payor mix of 64.9% compared unfavorably to the budget of 63.8% ^(Pg2:ln11). Medicaid represented 20.7% of total patients and compared unfavorably to the budget of 22.5%. Medicare represented 9.1% of all patients and compared favorably with the budget of 8.9%. Commercial Insurance and Other represented 5.3% of all patients and compared favorably to the budget of 4.9%.

The Unduplicated Patient count of 134,893 is greater than the budget of 134,883 by less than 0.1% ^(Pg2:ln16).

Revenue

Total Net Revenue of \$107.9 million ^(Pg3:ln23) was \$1.6 million less than budget. Patient volumes, measured as adjusted patient days ^(Pg8:ln14), were 2.2% greater than budget. April's estimated reimbursement per adjusted patient day ^(Pg8:ln1) was 2.3% less than budget. The resulting Net Patient Service Revenue for April of \$26.7 million ^(Pg3:ln10) was \$0.1 million less than budget. Estimated DSH/Uncompensated Care Program Revenues ^(Pg3:ln11) for the 2013 federal fiscal year are based on the most current data available. Ad valorem tax revenues, net of related expenses, have been reflected in accordance with budget.

Expenses

Total expenses ^(Pg4:ln13) of \$100.8 million were \$3.3 million greater than the budget of \$97.5 million. Salaries and wages were \$0.5 million greater than budget. Total FTE's ^(Pg8:ln17) were 2.3% greater than budget; however, as adjusted for volume were in line with the budgeted staffing level. Expenses for benefits were over budget \$0.9 million due to higher than expected employee medical expenses and pension expense. As a result of changes in actuarial assumptions and a lower than expected return on the actuarial value of assets, the required pension contribution for fiscal 2014 increased \$6.5 million over prior year. Supplies expenses were \$1.9 million or 12.9% over budget and when adjusted for volume ^(Pg8:ln7) were 10.7% greater than the budget plan. The month's unfavorable supplies variance was related primarily to pharmaceuticals. Total Services ^(Pg4:ln12) of \$26.5 million were \$0.1 million or 0.3% less than budget. Total expenses adjusted for volume ^(Pg8:ln12) were \$2,084 per day compared to the budget of \$2,059 per day, an unfavorable variance of \$25 per day or 1.2%.

Operating Income

Operating Income ^(Pg4:ln14) for April is a gain of \$7.1 million compared to a budgeted gain of \$12.1 million. Page 10 of the report analyzes operating performance and reflects an unfavorable operating run rate as compared to budget due to unfavorable expense variances.

Cash Receipts/Disbursements/Balance Sheet

April cash receipts ^(Pg9:ln24) totaled \$44.1 million compared to a budget of \$23.9 million. The favorable receipt variance results from timing differences in the IGT made for the settlement payment for the federal 2012 Section 1115 Waiver program. April receipts included \$9.8 million in tobacco settlement funds and \$1.7 million in trauma funds. Including board designated funds, the System has \$521.4 million in unrestricted cash, cash equivalents and investments ^(Pg6:ln1,7,9,10,16,18,24), representing 163 days cash on hand compared to the prior year's cash of \$645.6 million and days cash on hand of 216. Harris Health System has ^(Pg6:ln2) \$63.2 million in net accounts receivable, representing 70 days of outstanding accounts receivable. At April 30, 2013 Harris Health System's balance sheet reflects an estimated receivable of \$265.1 million under the Section 1115 Supplemental Medicaid Programs and a related \$91.6 million liability for the Harris regional collaborative program. The financial dashboard indicator report graphs related to these statistics are attached.

HARRIS HEALTH SYSTEM
STATISTICAL HIGHLIGHTS
As Of April 30, 2013

	MONTH-TO-MONTH			YEAR-TO-DATE				
	CURRENT YEAR	CURRENT BUDGET	PERCENT CHANGE	CURRENT YEAR	CURRENT BUDGET	PERCENT CHANGE	PRIOR YEAR	PERCENT CHANGE
<u>HEALTH SYSTEM TOTAL</u>								
1. Adjusted Patient Days	48,396	47,335	2.2%	100,776	95,547	5.5%	93,779	7.5%
2. Adjusted Discharges	8,322	8,675	-4.1%	17,177	17,194	-0.1%	16,494	4.1%
3. Outpatient % of Adjusted Volume	66.6%	65.5%	1.7%	66.5%	65.3%	1.7%	65.2%	2.0%
4. Primary Care Clinic Visits	72,725	69,992	3.9%	138,430	137,523	0.7%	129,607	6.8%
5. Specialty Clinic Visits	29,143	26,430	10.3%	55,746	52,393	6.4%	50,777	9.8%
6. Total Clinic Visits	101,868	96,422	5.6%	194,176	189,916	2.2%	180,384	7.6%
7. % Primary Care Visits	71.4%	72.6%	-1.7%	71.3%	72.4%	-1.5%	71.9%	-0.8%
8. Emergency Room Visits - Outpatient	13,053	12,439	4.9%	25,922	25,292	2.5%	26,201	-1.1%
9. Emergency Room Visits - Admitted	1,713	1,550	10.5%	3,374	3,152	7.0%	3,236	4.3%
10. Total Emergency Room Visits	14,766	13,989	5.6%	29,296	28,444	3.0%	29,437	-0.5%
11. % ER Visits Admitted	11.6%	11.1%	4.7%	11.5%	11.1%	3.9%	11.0%	4.8%
12. Surgery Cases - Outpatient	877	891	-1.6%	1,739	1,785	-2.6%	1,810	-3.9%
13. Surgery Cases - Inpatient	958	954	0.4%	1,835	1,889	-2.9%	1,811	1.3%
14. Total Surgery Cases	1,835	1,845	-0.5%	3,574	3,674	-2.7%	3,621	-1.3%
15. % Outpatient Cases	47.8%	48.3%	-1.0%	48.7%	48.6%	0.1%	50.0%	-2.7%
16. Total Outpatient Visits	159,278	152,343	4.6%	304,351	301,084	1.1%	288,822	5.4%
17. Inpatient Cases (Discharges)	2,777	2,778	0.0%	5,761	5,854	-1.6%	5,746	0.3%
18. Outpatient Observation Cases	1,125	1,158	-2.8%	2,400	2,353	2.0%	2,413	-0.5%
19. Total Cases Occupying Patient Beds	3,902	3,936	-0.9%	8,161	8,207	-0.6%	8,159	0.0%
20. % of Outpatient Cases	28.8%	29.4%	-2.0%	29.4%	28.7%	2.6%	29.6%	-0.6%
21. Births	436	458	-4.8%	941	993	-5.2%	1,005	-6.4%
22. % of IP Admissions from ER	61.7%	55.8%	10.6%	58.6%	53.8%	8.8%	56.3%	4.0%
23. % of IP Admissions from Deliveries	15.7%	16.5%	-4.8%	16.3%	17.0%	-3.7%	17.5%	-6.6%
24. % of IP Admissions - Other	22.6%	27.7%	-18.4%	25.1%	29.2%	-14.0%	26.2%	-4.2%

HARRIS HEALTH SYSTEM
 STATISTICAL HIGHLIGHTS
 As Of April 30, 2013

	MONTH-TO-MONTH			YEAR-TO-DATE				
	CURRENT YEAR	CURRENT BUDGET	PERCENT CHANGE	CURRENT YEAR	CURRENT BUDGET	PERCENT CHANGE	PRIOR YEAR	PERCENT CHANGE
<u>HEALTH SYSTEM TOTAL</u>								
1. Inpatient Days	16,149	16,309	-1.0%	33,801	33,126	2.0%	32,669	3.5%
2. Outpatient Observation Days	2,687	3,108	-13.6%	5,685	6,357	-10.6%	6,271	-9.3%
3. Total Patient Days	18,836	19,417	-3.0%	39,486	39,483	0.0%	38,940	1.4%
4. % of Outpatient Days	14.3%	16.0%	-10.9%	14.4%	16.1%	-10.6%	16.1%	-10.6%
5. Average Daily Census	627.85	647.23	-3.0%	647.31	647.26	0.0%	638.36	1.4%
6. Average Operating Beds	802	802	0.0%	800	802	-0.2%	814	-1.7%
7. Bed Occupancy %	78.3%	80.7%	-3.0%	80.9%	80.7%	0.3%	78.4%	3.2%
8. Inpatient Average Length of Stay	5.82	5.87	-0.9%	5.87	5.66	3.7%	5.69	3.2%
9. Inpatient Case Mix Index (CMI)	1.440	1.432	0.6%	1.470	1.432	2.7%	1.440	2.1%
Payor Mix (% of Charges)								
10. Charity & Self Pay	64.9%	63.8%	1.8%	64.3%	63.7%	1.0%	63.5%	1.3%
11. Medicaid & Medicaid Managed	20.7%	22.5%	-8.0%	21.5%	22.5%	-4.6%	23.6%	-8.9%
12. Medicare & Medicare Managed	9.1%	8.9%	2.5%	8.8%	8.9%	-1.0%	8.2%	7.3%
13. Commercial & Other	5.3%	4.9%	8.6%	5.4%	4.9%	10.4%	4.7%	14.9%
15. Total Unduplicated Patients				134,893	134,883	0.0%	127,808	5.5%

**HARRIS HEALTH SYSTEM
OPERATING STATEMENT
As Of April 30, 2013
(In Thousands)**

	MONTH-TO-MONTH					YEAR-TO-DATE				
	CURRENT YEAR	CURRENT BUDGET	PERCENT CHANGE	PRIOR YEAR	PERCENT CHANGE	CURRENT YEAR	CURRENT BUDGET	PERCENT CHANGE	PRIOR YEAR	PERCENT CHANGE
PATIENT REVENUES:										
1. Routine Services	17,779	18,537	-4.1%	17,931	-0.8%	37,129	37,670	-1.4%	36,324	2.2%
2. Inpatient Ancillary	64,898	63,475	2.2%	60,803	6.7%	128,865	126,755	1.7%	123,327	4.5%
3. Outpatient Ancillary	162,347	153,000	6.1%	140,969	15.2%	323,643	303,949	6.5%	293,089	10.4%
4. Physician Services	2,745	3,020	-9.1%	2,760	-0.5%	5,366	5,925	-9.4%	5,550	-3.3%
5. Gross Patient Charges	247,769	238,032	4.1%	222,463	11.4%	495,003	474,299	4.4%	458,290	8.0%
REVENUE DEDUCTIONS:										
6. Charity Care	(129,328)	(111,860)	-15.6%	(104,307)	-24.0%	(247,851)	(222,619)	-11.3%	(227,069)	-9.2%
7. Contractual Allowance/Other Discounts	(80,760)	(86,306)	6.4%	(78,163)	-3.3%	(170,273)	(172,120)	1.1%	(131,957)	-29.0%
8. Provision for Bad Debt Expense	(10,991)	(13,112)	16.2%	(15,918)	31.0%	(20,859)	(26,120)	20.1%	(48,081)	56.6%
9. Total Patient Revenue Deductions	(221,079)	(211,278)	-4.6%	(198,388)	-11.4%	(438,983)	(420,859)	-4.3%	(407,107)	-7.8%
10. Net Patient Service Revenue	26,690	26,754	-0.2%	24,075	10.9%	56,020	53,440	4.8%	51,183	9.5%
OTHER OPERATING REVENUE:										
11. DSH/UPL/1115 Waiver	24,908	24,799	0.4%	21,237	17.3%	49,816	49,597	0.4%	42,482	17.3%
12. DSRIP	0	0	0.0%	0	0.0%	0	0	0.0%	0	0.0%
13. Other Operating Revenue	3,374	2,227	51.5%	319	957.7%	4,976	3,955	25.8%	8,612	-42.2%
14. Total Other Operating Revenue	28,282	27,026	4.6%	21,556	31.2%	54,792	53,552	2.3%	51,094	7.2%
15. Total Operating Revenue	54,972	53,780	2.2%	45,631	20.5%	110,812	106,992	3.6%	102,277	8.3%
NONOPERATING REVENUE:										
16. Net Ad Valorem Tax Revenue	42,935	42,917	0.0%	42,100	2.0%	85,845	85,833	0.0%	84,196	2.0%
17. Net Tobacco Settlement Revenue	9,774	12,210	-20.0%	10,126	-3.5%	9,774	12,210	-20.0%	10,126	-3.5%
18. Interest Income	245	663	-63.0%	527	-53.5%	507	1,376	-63.2%	1,055	-51.9%
19. Other	(9)	0	0.0%	(114)	-92.1%	2	0	0.0%	(130)	101.5%
20. Total Nonoperating Revenue	52,945	55,790	-5.1%	52,639	0.6%	96,128	99,419	-3.3%	95,247	0.9%
21. Capital Contributions	0	0	0.0%	0	0.0%	0	0	0.0%	0	0.0%
22. Total Capital Contributions	0	0	0.0%	0	0.0%	0	0	0.0%	0	0.0%
23. Total District Net Revenue	107,917	109,570	-1.5%	98,270	9.8%	206,940	206,411	0.3%	197,524	4.8%

**HARRIS HEALTH SYSTEM
OPERATING STATEMENT**
As Of April 30, 2013
(In Thousands)

	MONTH-TO-MONTH					YEAR-TO-DATE				
	CURRENT YEAR	CURRENT BUDGET	PERCENT CHANGE	PRIOR YEAR	PERCENT CHANGE	CURRENT YEAR	CURRENT BUDGET	PERCENT CHANGE	PRIOR YEAR	PERCENT CHANGE
SALARIES, WAGES, AND BENEFITS:										
1. Regular Salaries	34,851	34,332	-1.5%	32,821	-6.2%	70,090	68,608	-2.2%	65,789	-6.5%
2. PTO & Secondary Sick Leave	3,981	4,505	11.6%	3,835	-3.8%	8,772	9,131	3.9%	8,449	-3.8%
3. Contract Salaries	847	632	-34.0%	956	11.4%	1,629	1,224	-33.1%	1,741	6.4%
4. Registry Salaries	2,235	1,905	-17.3%	2,111	-5.9%	4,517	3,877	-16.5%	4,240	-6.5%
5. FICA and Benefits	15,425	14,540	-6.1%	15,315	-0.7%	31,123	28,596	-8.8%	30,152	-3.2%
6. Total Salaries, Wages, and Benefits	57,339	55,914	-2.5%	55,038	-4.2%	116,131	111,436	-4.2%	110,371	-5.2%
7. Supplies	17,016	15,071	-12.9%	13,965	-21.8%	32,390	30,095	-7.6%	28,418	-14.0%
SERVICES:										
8. Physician Services	13,146	12,793	-2.8%	11,974	-9.8%	26,292	25,587	-2.8%	23,948	-9.8%
9. Other Purchased Services	8,239	8,671	5.0%	8,150	-1.1%	15,664	17,587	10.9%	16,221	3.4%
10. Depreciation and Amortization	4,589	4,584	-0.1%	4,000	-14.7%	9,212	9,169	-0.5%	7,935	-16.1%
11. Interest	488	487	-0.1%	505	3.4%	965	991	2.6%	999	3.4%
12. Total Services	26,462	26,535	0.3%	24,629	-7.4%	52,133	53,334	2.3%	49,103	-6.2%
13. Total Operating Expenses	100,817	97,520	-3.4%	93,632	-7.7%	200,654	194,865	-3.0%	187,892	-6.8%
14. HCHD Operating Income (Loss)	7,100	12,050	-41.1%	4,638	53.1%	6,286	11,546	-45.6%	9,632	-34.7%

**HARRIS COUNTY HOSPITAL DISTRICT
CASH FLOW SUMMARY**

As of April 30, 2013

(In Thousands)

<u>CASH RECEIPTS:</u>	CURRENT MONTH	PRIOR YEAR MONTH	FISCAL YTD	PRIOR FISCAL YTD
1. Ad Valorem Taxes	\$ 5,615	5,023	\$ 13,965	\$ 18,335
2. Collections on Patient Accounts	25,331	25,272	52,001	53,644
3. Disproportionate Share III/UPL/1115 Waiver	0	4,799	-	64,300
4. Tobacco Settlement	9,774	10,126	9,774	10,126
5. Trauma Fund	1,665	0	1,665	0
6. Other Sources (Includes Cost Reimbursement)	1,666	2,095	4,702	4,428
7. Total Cash Receipts	\$ 44,051	\$ 47,315	\$ 82,107	\$ 150,833
<u>CASH DISBURSEMENTS:</u>				
8. Salaries and Wages	\$ 26,742	\$ 26,076	\$ 66,925	\$ 65,483
9. Benefits and Employee Deductions	26,359	23,935	67,489	59,432
10. Drugs and Supplies	14,942	12,875	34,061	30,865
11. Physician Services	125	128	244	186
12. Purchased Services	8,487	8,609	19,692	20,144
13. Capital Expenditures	4,841	13,304	13,476	23,703
14. Debt and Interest Payments	89	552	570	994
15. Other Uses	(2,713)	(8,783)	(6,005)	(13,951)
16. Total Cash Disbursements	\$ 78,872	\$ 76,696	\$ 196,452	\$ 186,856
17. Net Change	\$ (34,821)	\$ (29,381)	\$ (114,345)	\$ (36,023)

Unrestricted Cash, Cash Equivalents and Investments - February 28, 2013	\$ 635,769
Net Change	(114,345)
Unrestricted Cash, Cash Equivalents and Investments - April 30, 2013	\$ 521,424

**HARRIS HEALTH SYSTEM
BALANCE SHEET
As Of April 30, 2013
(In Thousands)**

<u>ASSETS</u>	<u>ACTUAL</u>	<u>PRIOR YEAR</u>
CURRENT ASSETS:		
1. Cash, Cash Equivalents and Short Term Investments	194,977	196,125
2. Net Patient Accounts Receivable	63,194	78,459
3. Net Ad Valorem Taxes, Current Portion	95,703	96,098
4. Prepaid Expenses, Inventories, and Other Current Assets	286,730	97,836
5. Total Current Assets	640,604	468,518
ASSETS LIMITED AS TO USE OR RESTRICTED, CURRENT PORTION:		
6. Debt Service and Bond Covenants - Restricted	7,256	7,056
7. Board Designated for Future Expansion	243	84
8. Phase 1 Project Fund	0	3,778
9. Board Designated for Legal Reserves	2,324	2,192
10. Board Designated for Self-Insured Programs	23,021	17,533
11. Total Assets Limited as to Use or Restricted, Current Portion	32,844	30,643
PLANT, PROPERTY AND EQUIPMENT:		
12. Plant, Property, & Equipment, Net of Accumulated Depreciation	357,423	285,320
13. Construction in Progress	65,310	80,508
14. Total Plant, Property and Equipment	422,732	365,828
ASSETS LIMITED AS TO USE OR RESTRICTED, NET OF CURRENT PORTION:		
15. Debt Service and Bond Covenants - Restricted	23,632	18,176
16. Board Designated for Future Expansion	140,753	181,691
17. Phase 1 Project Fund	0	26,367
18. Board Designated for Self-Insured Programs	160,106	142,781
19. Other - Restricted	878	880
20. Total Assets Limited as to Use or Restricted, Net of Current Portion	325,369	369,897
OTHER ASSETS:		
21. Net Ad Valorem Taxes, Delinquent	0	371
22. Net Deferred Bond Issue Costs	3,777	3,989
23. Net Pension Asset	6,615	6,745
24. Long-Term Investments	0	105,161
25. Security Deposit	24	24
26. Derivative Asset	0	0
27. Deferred Outflow - Derivative Financial Instrument	10,057	10,904
28. Total Other Assets	20,474	127,194
29. Due to/from CHCI	4,009	2,881
30. TOTAL ASSETS	1,446,033	1,364,961

**HARRIS HEALTH SYSTEM
BALANCE SHEET
As Of April 30, 2013
(In Thousands)**

	ACTUAL	PRIOR YEAR
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES:		
1. Accounts Payable and Accrued Liabilities	129,958	58,753
2. Interest Payable	2,279	2,282
3. Employee Compensation & Related Benefit Liabilities	38,380	31,384
4. Compensated Absences	42,245	40,821
5. Estimated Third-Party Payor Settlements	(3,785)	(3,782)
6. Current Portion Long-Term Debt and Capital Leases	5,963	6,508
7. Total Current Liabilities	215,041	135,965
 OTHER LONG-TERM LIABILITIES:		
8. Pension Payable	0	0
9. Post Employment Health Benefit Liability	160,106	142,781
10. Borrowing Payable	15,136	16,012
11. Derivative Liability	10,057	10,904
12. Arbitrage Rebate Liability	141	0
13. Total Other Long-Term Liabilities	185,440	169,697
 LONG-TERM DEBT:		
14. Series 2007 Revenue Bonds, Including Premium & Deferred Loss	187,830	190,855
15. Series 2010 Revenue Bonds, Including Deferred Loss	81,288	81,012
16. Other Long-Term Obligation	126	1,903
17. Total Long-Term Debt	269,244	273,769
 TOTAL LIABILITIES	669,724	579,432
 NET ASSETS:		
18. Invested in Capital Assets, Net of Related Debt	132,389	105,264
19. Restricted Net Assets	32,644	27,711
20. Unrestricted Net Assets	611,276	652,554
21. Total Net Assets	776,309	785,529
 22. TOTAL LIABILITIES & NET ASSETS	1,446,033	1,364,961

HARRIS HEALTH SYSTEM
OPERATING PERFORMANCE PER ADJUSTED PATIENT DAY
As of April 30, 2013

	MONTH-TO-MONTH					YEAR-TO-DATE				
	CURRENT YEAR	CURRENT BUDGET	PERCENT CHANGE	PRIOR YEAR	PERCENT CHANGE	CURRENT YEAR	CURRENT BUDGET	PERCENT CHANGE	PRIOR YEAR	PERCENT CHANGE
1. Net Patient Service Revenue	\$ 552	\$ 565	-2.3%	\$ 527	4.7%	\$ 556	\$ 559	-0.5%	\$ 546	1.8%
2. Other Operating Revenue	584	571	2.3%	472	23.7%	544	560	-2.9%	545	-0.2%
3. Nonoperating Revenue	1,094	1,179	-7.2%	1,152	-5.0%	954	1,041	-8.4%	1,016	-6.1%
4. Capital Contribution	0	0	0.0%	0	0.0%	0	0	0.0%	0	0.0%
5. Total District Net Revenue	2,230	2,315	-3.7%	2,151	3.7%	2,054	2,160	-4.9%	2,107	-2.5%
6. Salaries, Wages, and Benefits	1,185	1,181	-0.3%	1,205	1.7%	1,152	1,166	1.2%	1,177	2.1%
7. Supplies	352	318	-10.7%	306	-15.0%	321	315	-1.9%	303	-5.9%
8. Physician Services	272	270	-0.7%	262	-3.8%	261	268	2.6%	255	-2.4%
9. Other Purchased Services	170	183	7.1%	178	4.5%	155	184	15.8%	173	10.4%
10. Depreciation and Amortization	95	97	2.1%	88	-8.0%	91	96	5.2%	85	-7.1%
11. Interest	10	10	0.0%	11	9.1%	10	10	0.0%	11	9.1%
12. Total Operating Expenses	2,084	2,059	-1.2%	2,050	-1.7%	1,990	2,039	2.4%	2,004	0.7%
13. HCHD Operating Income(Loss)	\$ 146	\$ 256	-43.0%	\$ 101	44.6%	\$ 64	\$ 121	-47.1%	\$ 103	-37.9%
14. Adjusted Patient Days	48,396	47,335	2.2%	45,685	5.9%	100,776	95,547	5.5%	93,779	7.5%
15. Average Daily Census	538.3	543.6	-1.0%	538.9	-0.1%	554.1	543.1	2.0%	535.6	3.5%
16. FTE's(Employee/Contract) per AOB	5.0	5.0	0.0%	5.1	2.0%	4.8	4.9	2.0%	5.0	4.0%
17. FTE's(Employee/Contract) - Total	7,993	7,812	-2.3%	7,692	-3.9%	7,968	7,704	-3.4%	7,667	-3.9%
18. FTE's(Employee/Contract) - Productive	7,190	6,895	-4.3%	6,895	-4.3%	7,100	6,791	-4.5%	6,804	-4.3%

**HARRIS HEALTH SYSTEM
ANALYSIS OF CASH RECEIPTS
April 30, 2013**

	MONTH TO MONTH			YEAR TO DATE						
	ACTUAL		BUDGET	ACTUAL				BUDGET		
	CURRENT	PRIOR	CURRENT	CURRENT	PRIOR	VAR	VAR %	YTD	VAR	VAR %
PATIENT REVENUE:										
1. Medicare	\$4,502	\$3,836	\$4,239	\$8,861	\$8,119	\$742	9.1	\$8,472	\$389	4.6
2. Medicaid	8,032	8,725	8,142	16,578	19,748	(3,170)	(16.1)	18,319	(1,741)	(9.5)
3. Texas vendor drug/Medicare Part D	2,418	2,367	2,562	4,975	4,056	919	22.7	5,089	(114)	(2.2)
4. Managed Care - Medicaid	5,607	4,540	5,344	11,688	10,449	1,239	11.9	10,662	1,026	9.6
5. Commercial insurance	1,378	831	1,285	2,538	1,604	934	58.2	2,569	(31)	(1.2)
6. Liens	33	241	194	534	454	80	17.6	386	148	38.4
7. Patient pay	2,234	2,736	2,237	4,488	5,825	(1,337)	(23.0)	4,450	38	0.9
8. Business office	445	421	395	814	858	(44)	(5.1)	786	28	3.6
9. Other governmental projects/grants	682	1,575	1,100	1,525	2,531	(1,006)	(39.7)	2,216	(691)	(31.2)
10. SUBTOTAL	25,331	25,272	25,496	52,001	53,644	(1,643)	(3.1)	52,947	(946)	(1.8)
11a. Cost Reimbursements	603	337	314	2,170	505	1,665	329.7	628	1,542	245.5
11b. Recoupments	0	0	0	0	0	0	0.0	0	0	0.0
12. Net Patient Revenue Receipts	25,934	25,609	25,811	54,171	54,149	22	0.0	53,576	595	1.1
13. DSH/UPL/1115 Waiver	0	4,799	(25,478)	0	64,300	(64,300)	(100.0)	(25,478)	25,478	100.0
14. Tobacco Settlement	9,774	10,126	12,210	9,774	10,126	(352)	(3.5)	12,210	(2,436)	(20.0)
14a. Trauma Fund	1,665	0	0	1,665	0	1,665	0.0	0	1,665	0.0
15. Total Patient Revenue Receipts	37,373	40,534	12,543	65,610	128,575	(62,965)	(49.0)	40,308	25,302	62.8
NON-PATIENT OPERATING REVENUE:										
16. Parking	239	156	297	486	402	84	20.9	594	(108)	(18.2)
17. Grants	164	965	683	427	1,357	(930)	(68.5)	1,367	(940)	(68.8)
18. Miscellaneous	631	175	756	1,093	1,049	44	4.2	1,504	(411)	(27.3)
19. Total Non-Patient Operating	1,034	1,296	1,736	2,006	2,808	(802)	(28.6)	3,465	(1,459)	(42.1)
20. Interest income	29	462	663	526	1,115	(589)	(52.8)	1,376	(850)	(61.8)
21. Total Non-Tax Receipts	38,436	42,292	14,942	68,142	132,498	(64,356)	(48.6)	45,149	22,993	50.9
22. Ad valorem tax receipts/note	5,615	5,023	8,924	13,965	18,335	(4,370)	(23.8)	23,527	(9,562)	(40.6)
23. Commercial Paper Proceeds	0	0	0	0	0	0	0.0	0	0	0.0
24. Total Receipts	\$44,051	\$47,315	\$23,866	\$82,107	\$150,833	(\$68,726)	(45.6)	\$68,676	\$13,431	19.6

**HARRIS HEALTH SYSTEM
OPERATING PERFORMANCE
AS OF APRIL 30, 2013
(IN MILLIONS)**

	<u>MONTH</u>	<u>YTD</u>
Total Operating Income (Loss) as Reported	\$ 7.1	\$ 6.3
Favorable Adjustments:		
Trauma Funds	\$ 1.6	\$ 1.6
Medicaid EHR Incentive Program	\$ (0.4)	\$ -
Subtotal of Favorable Adjustments	\$ 1.2	\$ 1.6
Unfavorable Adjustments:		
Donations-CHCI	\$ (0.3)	\$ (0.6)
Pension Expense Based on Actuarial Review	\$ (0.3)	\$ (0.8)
Tobacco Revenue	\$ (2.4)	\$ (2.4)
Subtotal of Unfavorable Adjustments	\$ (3.0)	\$ (3.8)
Harris Health System Operating Run Rate as of April	\$ 8.9	\$ 8.5
Harris Health System 2014 Budget	\$ 12.0	\$ 11.5
Favorable (Unfavorable) Run Rate	\$ (3.1)	\$ (3.0)
Attributable Factors:		
Favorable (Unfavorable) Revenue Variance	\$ (0.1)	\$ 2.0
Favorable (Unfavorable) Expense Variance	\$ (3.0)	\$ (5.0)
Net of Attributable Factors	\$ (3.1)	\$ (3.0)

HARRIS HEALTH SYSTEM
SUPPLEMENTAL INFORMATION - STATISTICAL HIGHLIGHTS - MONTHLY TREND
As Of April 30, 2013

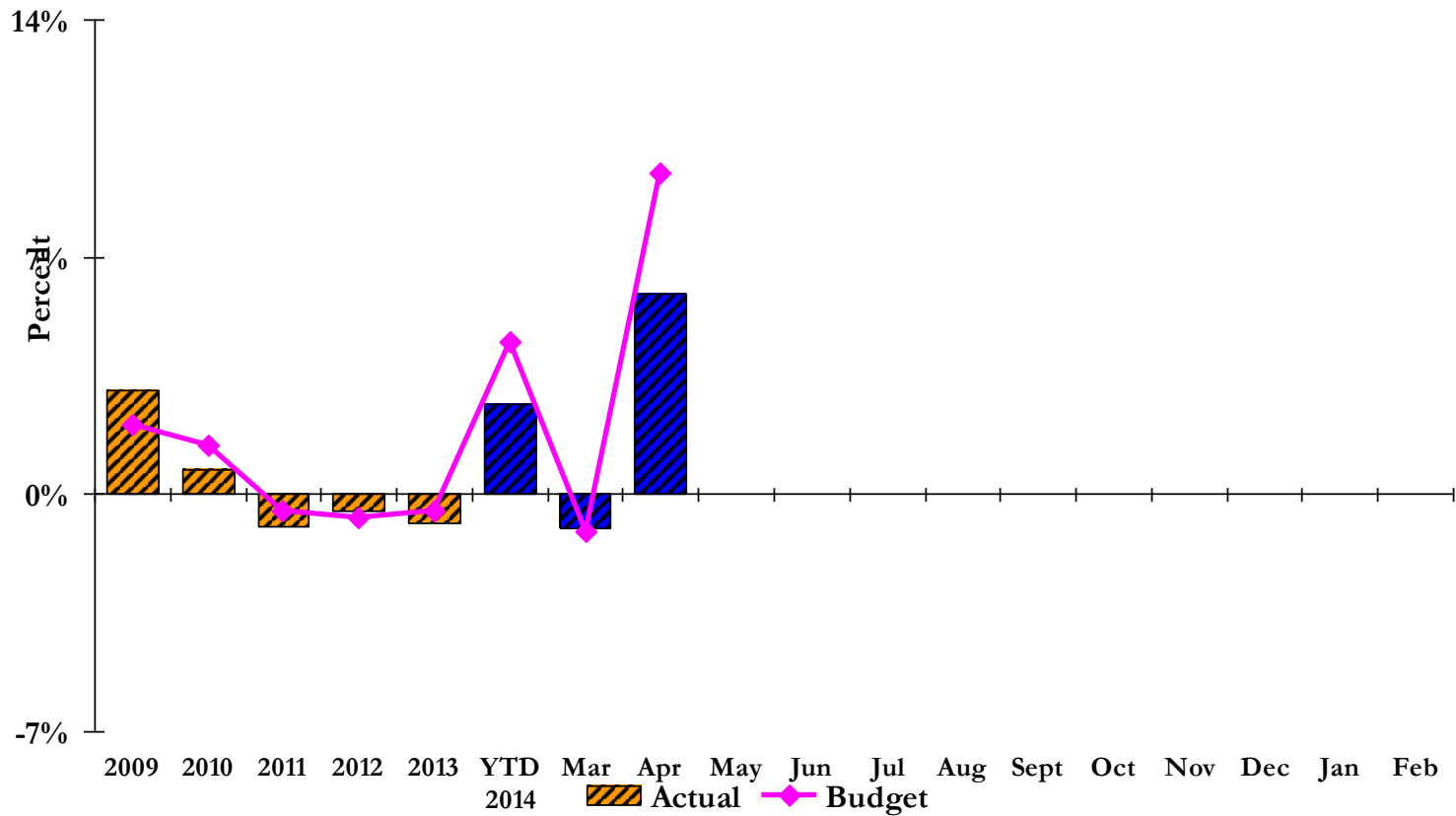
							MONTHLY AVERAGE			
	November	December	January	February	March	April	FY 2012 YTD April	FY 2013 YTD April	FY 2014 YTD April	% Change 14 vs 13
1. ADMISSIONS(A&P)	2,784	2,824	2,785	2,675	2,984	2,777	2,928	2,873	2,881	0.3%
2. PATIENT DAYS(A&P)	16,129	16,161	17,587	15,596	17,652	16,149	15,786	16,335	16,901	3.5%
3. AVERAGE LOS	5.79	5.72	6.31	5.83	5.92	5.82	5.39	5.69	5.87	3.2%
4. AVERAGE LOS, Overall CMI Adjusted	4.10	4.05	4.28	4.04	3.95	4.04	3.86	3.95	3.99	1.1%
5. HCHD PERCENT OCCUPANCY	66.2%	64.2%	70.9%	68.9%	71.3%	67.1%	63.7%	65.8%	69.3%	5.3%
CASE MIX INDEX (CMI)										
6. CMI - Excluding Obstetrics Cases	1.571	1.584	1.635	1.595	1.649	1.565	1.550	1.588	1.608	1.3%
7. CMI - Overall	1.412	1.413	1.475	1.444	1.498	1.440	1.397	1.440	1.470	2.1%
8. BIRTHS	541	587	567	489	505	436	540	503	471	-6.4%
9. OPERATING ROOM CASES	1,680	1,659	1,799	1,655	1,739	1,835	1,834	1,811	1,787	-1.3%
10. Inpatient	870	935	956	850	877	958	985	906	918	1.3%
11. Outpatient	810	724	843	805	862	877	850	905	870	-3.9%
12. EMERGENCY VISITS	14,094	14,320	14,867	13,330	14,530	14,766	14,072	14,719	14,648	-0.5%
13. Admitted to Inpatient	1,560	1,525	1,594	1,565	1,661	1,713	1,686	1,618	1,687	4.3%
14. Outpatient Emergency	12,534	12,795	13,273	11,765	12,869	13,053	12,386	13,101	12,961	-1.1%
15. CLINIC VISITS	89,603	82,061	95,885	90,676	92,308	101,868	90,362	90,192	97,088	7.6%
16. Primary Care Clinic Visits	64,296	59,687	69,460	65,381	65,705	72,725	64,606	64,804	69,215	6.8%
17. Specialty Clinic Visits	25,307	22,374	26,425	25,295	26,603	29,143	25,757	25,389	27,873	9.8%
PAYOR MIX										
18. Charity & Self Pay	62.1%	67.9%	64.6%	62.7%	63.6%	64.9%	60.7%	63.5%	64.3%	1.3%
19. Medicaid & Medicaid Managed	23.1%	21.5%	20.4%	23.2%	22.3%	20.7%	24.7%	23.6%	21.5%	-8.9%
20. Medicare & Medicare Managed	9.6%	9.5%	8.9%	9.3%	8.5%	9.1%	7.9%	8.2%	8.8%	7.3%
21. Commercial & Other	5.2%	1.1%	6.1%	4.8%	5.6%	5.3%	6.6%	4.7%	5.4%	14.9%

HARRIS HEALTH SYSTEM
SUPPLEMENTAL INFORMATION - OPERATING STATEMENT - MONTHLY TREND
As Of April 30, 2013
(In Thousands)

							MONTHLY AVERAGE			
	November	December	January	February	March	April	FY 2012 YTD April	FY 2013 YTD April	FY 2014 YTD April	% Change 14 vs 13
1. Gross Patient Charges	\$ 225,012	\$ 217,515	\$ 243,699	\$ 229,157	\$ 247,233	\$ 247,770	217,865	229,145	247,502	8.0%
2. Total Patient Revenue Deductions	(201,350)	(193,565)	(225,347)	(203,192)	(217,904)	(221,078)	(190,826)	(203,553)	(219,491)	7.8%
3. Net Patient Service Revenue	23,662	23,950	18,352	25,965	29,330	26,692	27,039	25,592	28,011	9.5%
4. Net Revenue % of Gross Charges	10.5%	11.0%	7.5%	11.3%	11.9%	10.8%	12.4%	11.2%	11.3%	1.3%
5. DSH/UPL Program Revenue	25,903	29,858	29,858	29,858	24,908	24,908	16,510	21,241	24,908	17.3%
6. DSRIP	0	0	0	0	0	0	0	0	0	0.0%
7. Other Operating Revenue	1,375	1,445	1,245	1,136	1,602	3,374	1,246	4,306	2,488	-42.2%
8. Total Other Operating Revenue	27,278	31,303	31,103	30,994	26,510	28,282	17,756	25,547	27,396	7.2%
9. Net Ad Valorem Tax Revenue	40,559	40,559	43,416	50,677	42,910	42,935	41,687	42,098	42,923	2.0%
10. Net Tobacco Settlement Revenue	0	1	0	0	0	9,774	5,377	5,063	4,887	-3.5%
11. Interest Income and Other	1,295	161	249	(8,324)	273	236	930	463	255	-44.9%
12. Total Nonoperating Revenue	41,853	40,720	43,666	42,353	43,183	52,945	47,993	47,624	48,064	0.9%
13. Capital Contributions	0	0	0	10,272	0	0	0	0	0	0.0%
14. Total District Net Revenue	92,793	95,973	93,120	109,584	99,023	107,919	92,788	98,763	103,471	4.8%
15. Salaries and Wages	40,892	39,542	41,718	39,882	43,094	41,914	38,411	40,110	42,504	6.0%
16. FICA and Benefits	14,135	15,433	16,023	16,494	15,697	15,425	13,885	15,076	15,561	3.2%
17. Total Salaries, Wages, and Benefits	55,027	54,975	57,741	56,376	58,792	57,339	52,296	55,186	58,065	5.2%
18. Supplies	15,616	13,920	16,114	15,405	15,374	17,016	13,071	14,209	16,195	14.0%
19. Physician Services	12,729	14,671	14,671	14,671	13,146	13,146	10,123	11,974	13,146	9.8%
20. Other Purchased Services	9,505	8,810	8,586	9,060	7,425	8,239	8,630	8,111	7,832	-3.4%
21. Depreciation and Amortization	4,705	4,732	4,870	4,708	4,623	4,589	3,955	3,967	4,606	16.1%
22. Interest	609	567	567	799	477	488	562	499	482	-3.4%
23. Total Expenses	98,192	97,676	102,548	101,019	99,837	100,817	88,637	93,946	100,327	6.8%
24. HCHD Total Income (Loss)	\$ (5,399)	\$ (1,703)	\$ (9,428)	\$ 8,565	\$ (814)	\$ 7,102	\$ 4,151	\$ 4,817	\$ 3,144	-34.7%
25. Total Margin	-5.8%	-1.8%	-10.1%	7.8%	-0.8%	6.6%	4.5%	4.9%	3.0%	-37.7%
26. Full-Time Equivalent Employees	7,887	7,361	7,713	8,103	7,944	7,993	7,449	7,667	7,968	3.9%
27. Average Salary per FTE	\$63,078	\$63,247	\$63,681	\$64,162	\$63,872	\$63,797	\$61,713	\$62,603	\$63,834	2.0%
28. Adjusted Patient Days	46,303	45,387	51,039	46,322	52,380	48,396	42,548	46,890	50,388	7.5%

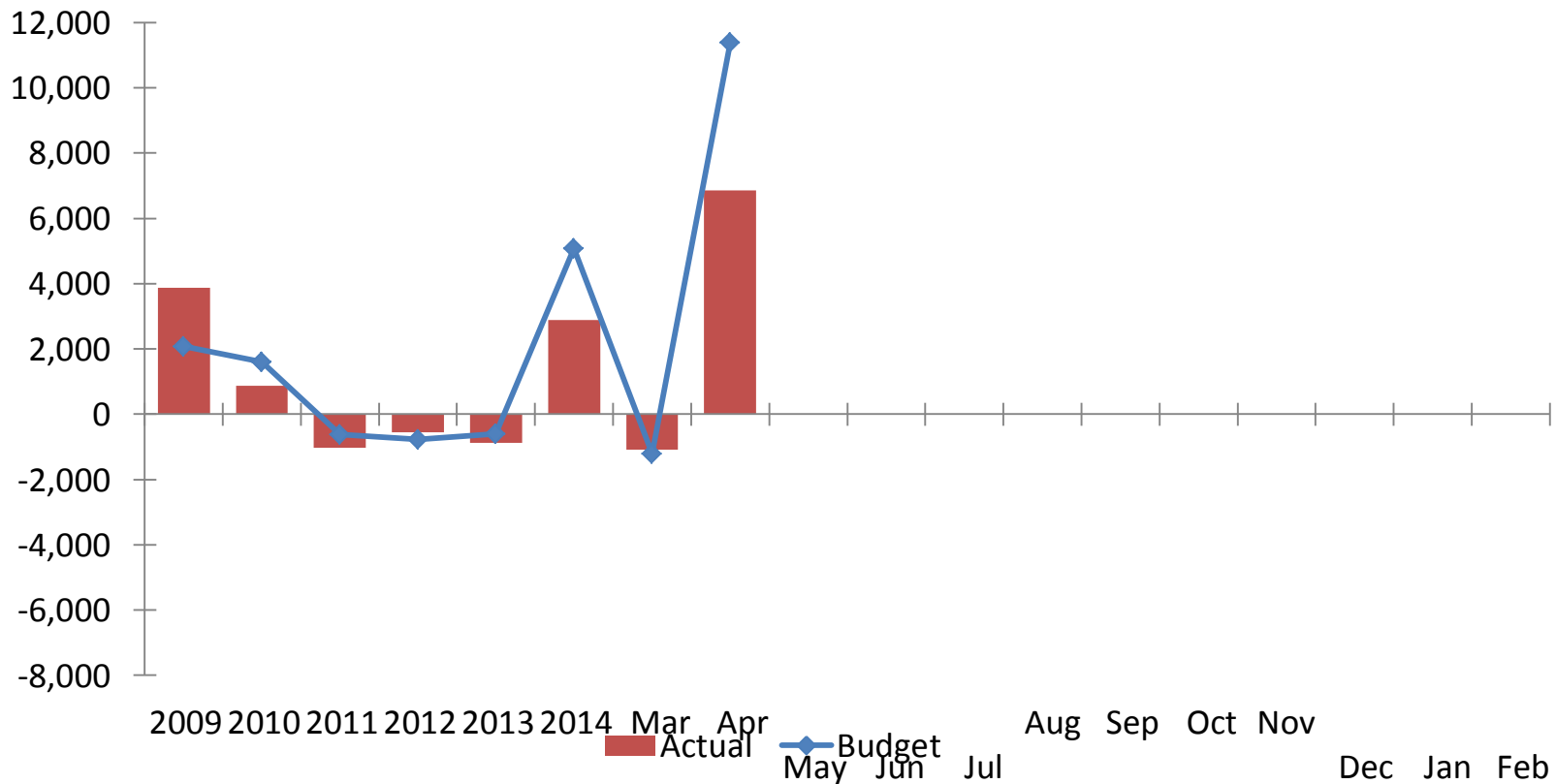
Operating Margin

A measure of hospital profitability with respect to patient care services. Positive values are favorable.



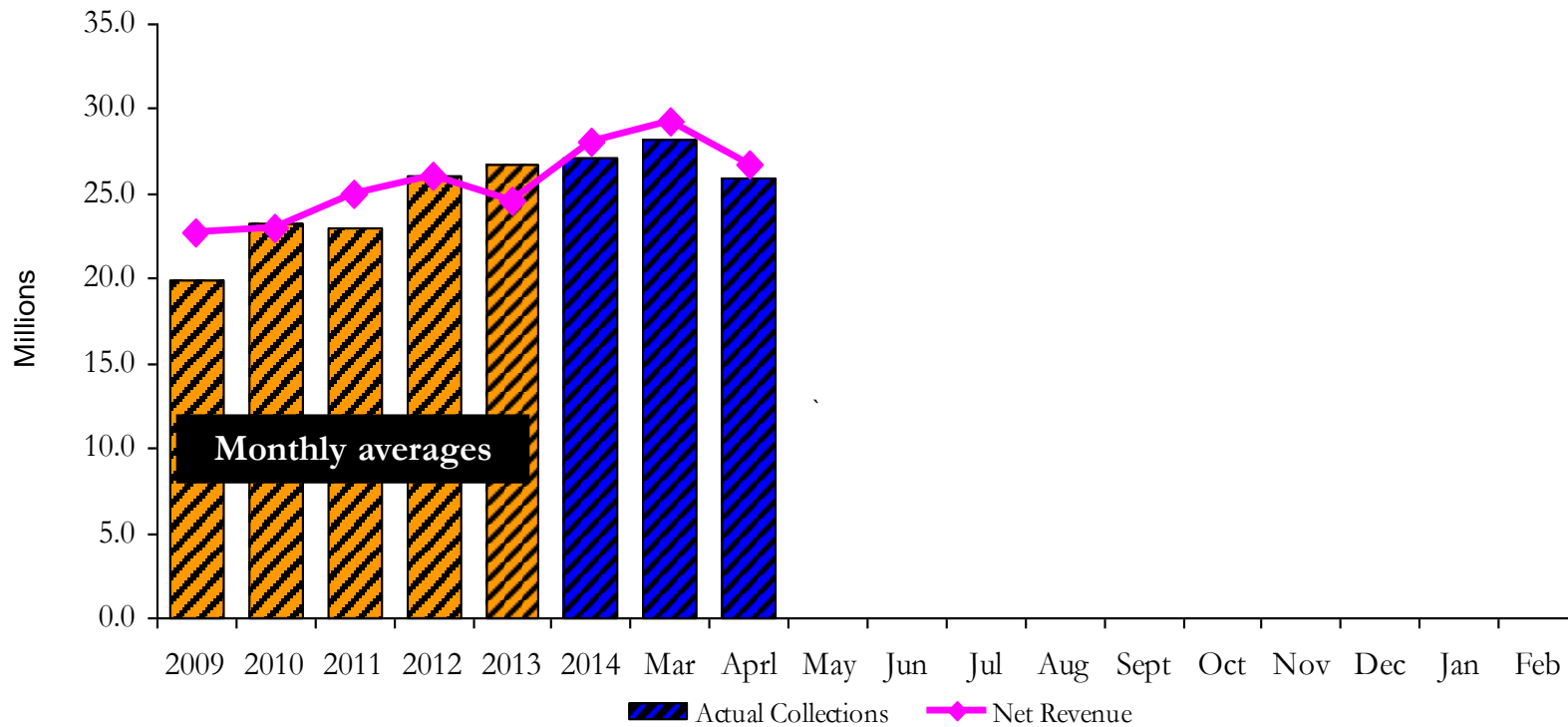
Operating Income

A measure of hospital profitability with respect to patient care services. Positive values are favorable. Values are monthly averages.



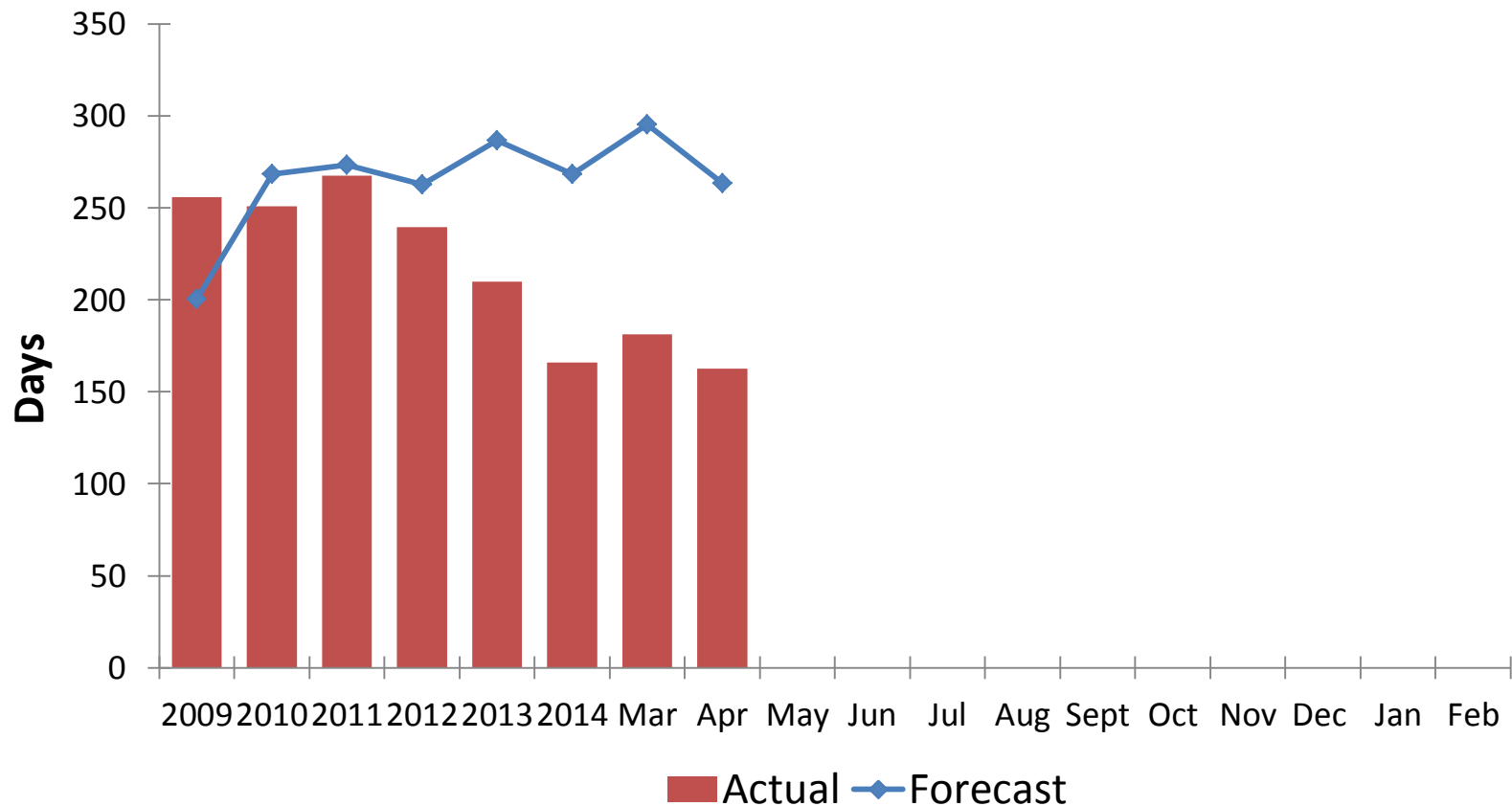
Cash Collections

An absolute value of cash collections. When measured against net revenue, indicates projected strength or weakness in collections. Goal is to equal or exceed net revenue.



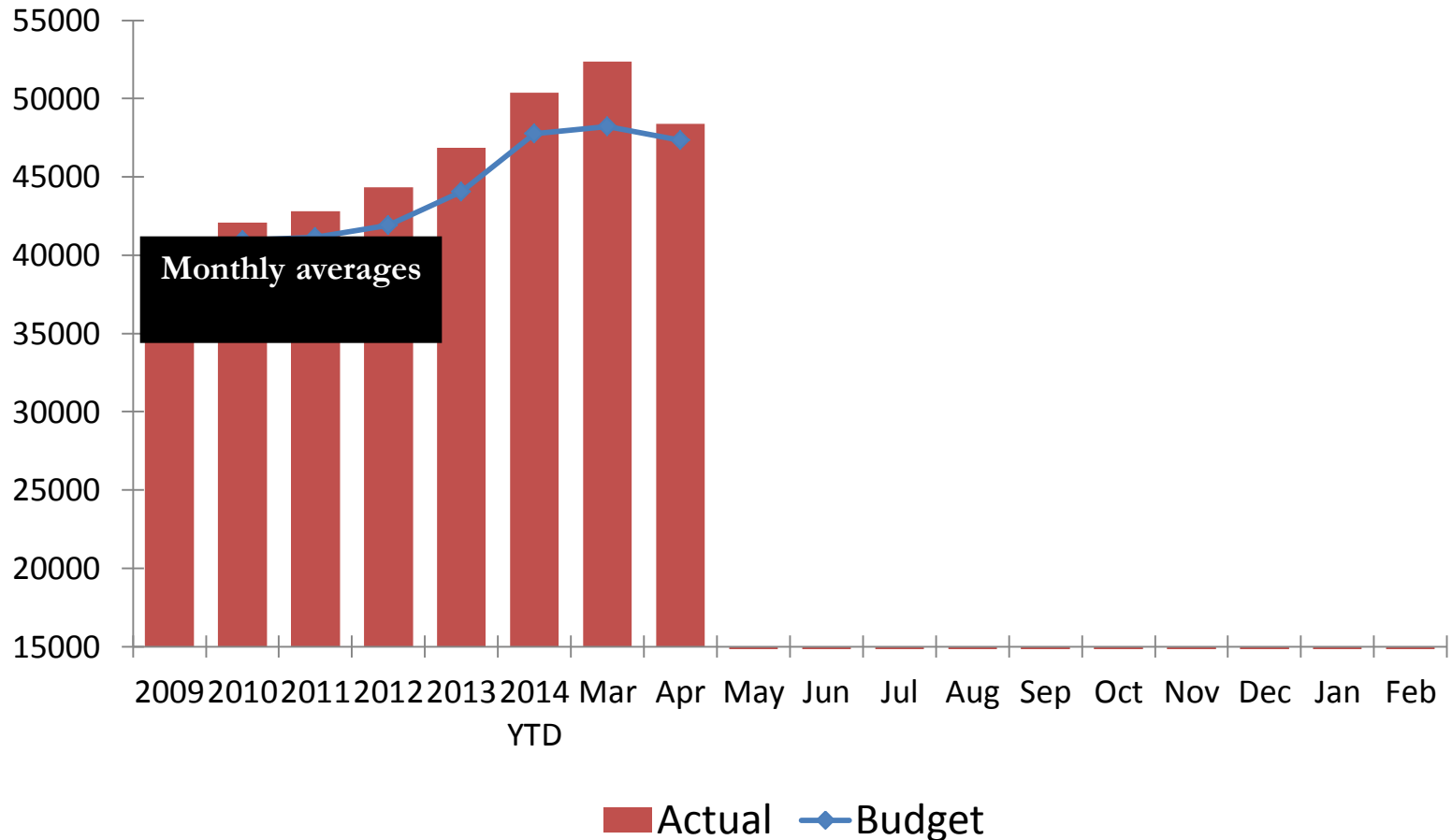
Unrestricted Days Cash on Hand

The number of days the Harris Health System could operate if no further patient revenues were received. Harris Health System's goal is to reach a year-end figure of 180 to 210 days.



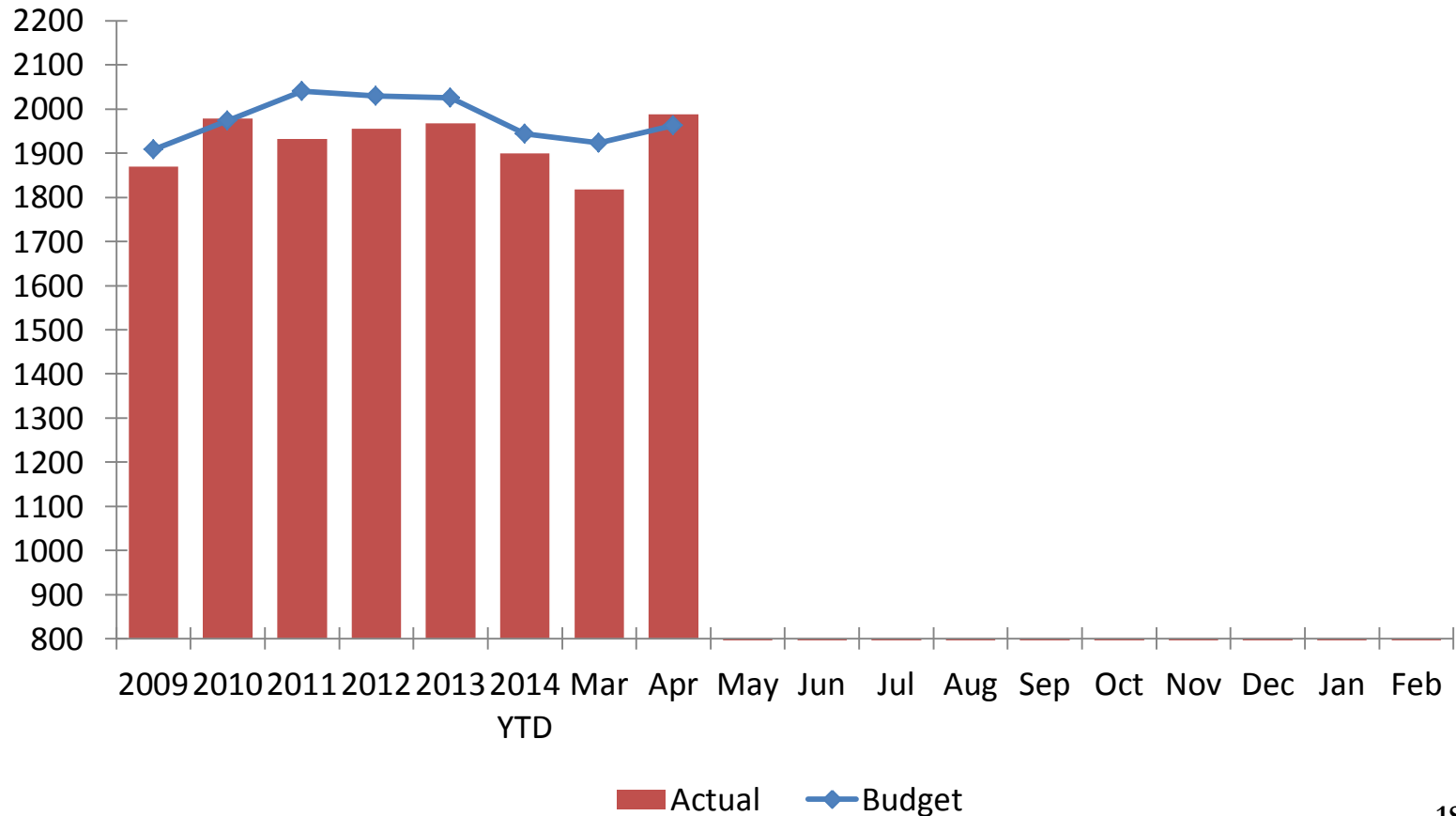
Adjusted Patient Days

A measure of overall volume in the Harris Health System. A denominator of hospital activity.



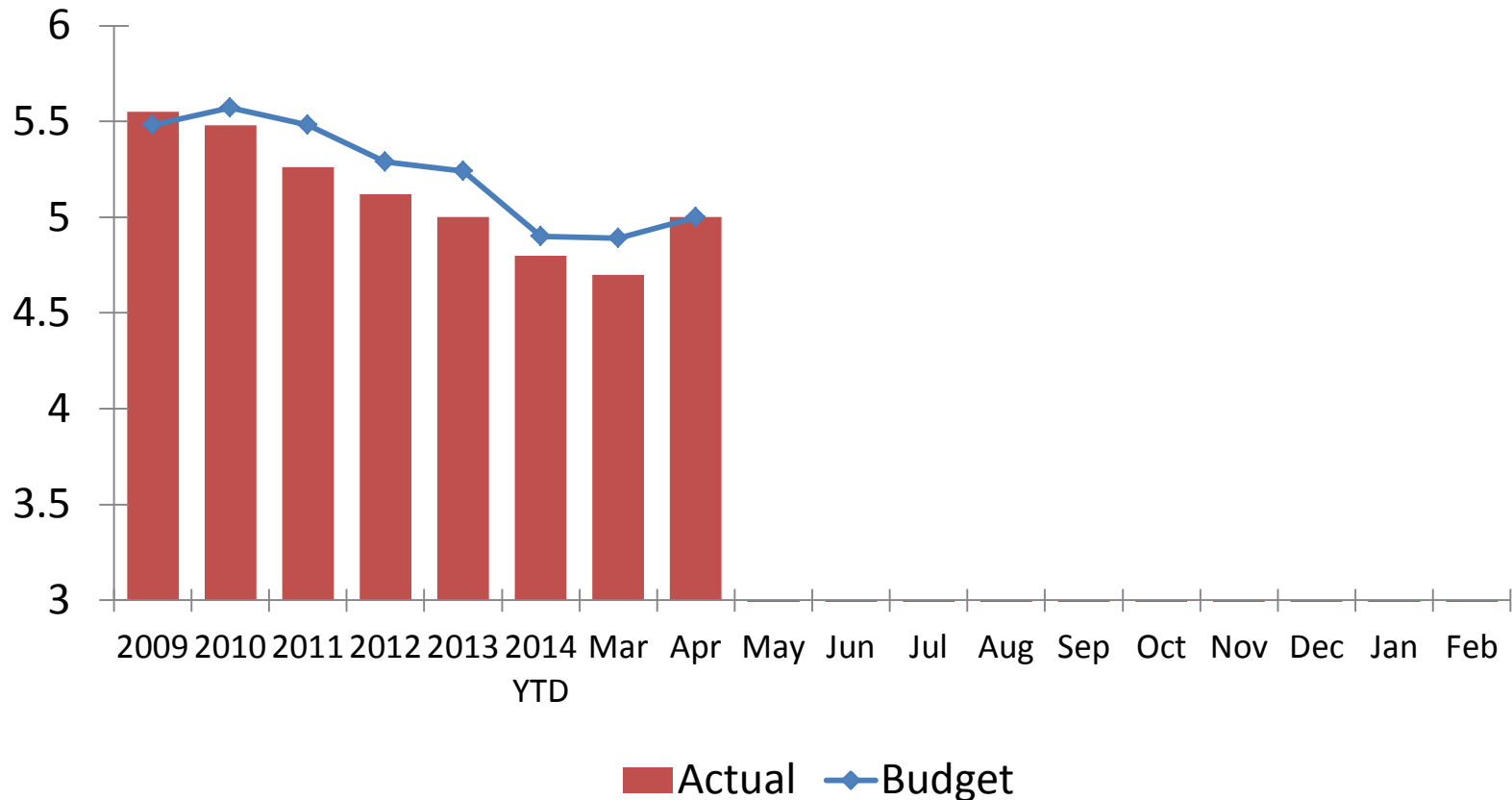
Operating Cost Per Adj. Patient Day

Measures the average cost of delivering care per equivalent inpatient day.
Favorable values are below the budget.



FTEs Per Adj. Occupied Bed

Number of average full-time equivalent personnel divided by the adjusted average daily census. Favorable values are below budget. Goal is 5.24.



Days in Accounts Receivable

The number of days of patient revenue that is due from patient billings after all deductions. Lower numbers are favorable.

