

HARRIS COUNTY HOSPITAL DISTRICT

dba HARRIS HEALTH SYSTEM

FINANCIAL STATEMENTS

As of July 31, 2015

HARRIS HEALTH SYSTEM

FINANCIAL STATEMENTS

As of July 31, 2015

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HARRIS HEALTH SYSTEM
FINANCIAL STATEMENT HIGHLIGHTS
As of June 30, 2015

| | Month | | | Year-to-Date | | |
|---|----------|----------|----------|--------------|----------|----------|
| | Actual | Budget | Variance | Actual | Budget | Variance |
| 1. Adjusted Patient Days | 53,988 | 55,457 | -2.6% | 256,103 | 283,037 | -9.5% |
| 2. Total Clinic Visits | 106,210 | 113,476 | -6.4% | 526,147 | 558,008 | -5.7% |
| 3. Total Emergency Room Visits | 14,649 | 15,619 | -6.2% | 74,872 | 76,913 | -2.7% |
| 4. Total Patient Days | 20,035 | 19,999 | 0.2% | 96,499 | 100,154 | -3.6% |
| 5. Unfunded Payor Mix (% of Charges) | 61.0% | 63.1% | -3.3% | 63.4% | 63.1% | 0.5% |
| <u>Revenues (\$ in millions):</u> | | | | | | |
| 6. Ad Valorem Taxes | \$ 52.0 | \$ 51.8 | 0.3% | \$ 259.8 | \$ 259.0 | 0.3% |
| 7. Net Patient Revenue | 30.7 | 31.4 | -2.1% | 152.9 | 152.9 | 0.0% |
| 8. DSH and UC Revenue | 18.2 | 18.2 | 0.0% | 90.8 | 90.8 | 0.0% |
| 9. DSRIP - 1115 Waiver Revenue | 21.4 | 22.7 | -5.6% | 21.7 | 22.7 | -4.5% |
| 10. Other Revenue | 2.8 | 1.9 | 48.5% | 23.9 | 21.2 | 12.9% |
| 11. Total Revenue | 125.1 | 125.9 | -0.7% | 549.2 | 546.6 | 0.5% |
| <u>Expenses (\$ in millions):</u> | | | | | | |
| 12. Salaries and Wages | 42.1 | 44.4 | 5.3% | 211.9 | 219.5 | 3.5% |
| 13. Employee Benefit Costs | 15.2 | 15.6 | 2.4% | 80.2 | 78.0 | -2.8% |
| 14. Supply Expenses | 18.2 | 17.8 | -2.5% | 86.4 | 87.6 | 1.3% |
| 15. Physician & Purchased Services | 27.2 | 26.6 | -2.5% | 134.1 | 130.4 | -2.9% |
| 16. Depreciation & Interest | 6.0 | 6.1 | 2.5% | 29.7 | 30.6 | 3.0% |
| 17. Total Expenses | 108.7 | 110.5 | 1.6% | 542.4 | 546.1 | 0.7% |
| 18. Operating Income (Loss) | \$ 16.4 | \$ 15.4 | | \$ 6.8 | \$ 0.5 | |
| 19. Margin % | 13.1% | 12.3% | | 1.2% | 0.1% | |
| 20. Total Expense / Adj Patient Day | \$ 2,014 | \$ 1,993 | -1.1% | \$ 2,118 | \$ 1,930 | -9.8% |
| 21. Full-time Equivalent Employees | 8,016 | 8,234 | 2.6% | 8,048 | 8,243 | 2.4% |
| 22. Unrestricted Cash (\$ in millions) | | | | \$ 374.7 | \$ 337.1 | 11.2% |
| 23. Days Cash on Hand | | | | 110.5 | 98.8 | 11.8% |
| 24. Days Revenue in Accounts Receivable | | | | 68.4 | 71.1 | 3.8% |

HARRISHEALTH SYSTEM

July 2015 Financial Statement Summary Variance Discussion

Operating Income for July was \$16.4 million compared to budgeted income of \$15.4 million; a favorable variance of \$1.0 million. The July year-to-date Operating Income is \$6.8 million, a favorable variance of \$6.4 million.

Total July Revenue of \$125.1 million was \$0.8 million or 0.7% less than budget. Year-to-date, Total Revenue for the first five months of Fiscal Year 2016 is \$2.6 million or 0.5% favorable to budget. Notable variances from expected revenue for the month were a \$0.5 million favorable variance in Foundation donations, and a \$1.3 million unfavorable variance in DSRIP funding. The Foundation funds were budgeted for October, at \$0.5 million, so the July variance is simply a timing difference. Approximately 60% of the \$1.3 million unfavorable variance in DSRIP funding was received in August, so the July shortfall is primarily a timing difference also.

Total July expenses of \$108.7 million were \$1.8 million less than the budget of \$110.5 million. Year-to-date, Total Expenses are \$3.7 million or 0.7% favorable to budget. There were no significant unfavorable expense variances in July. Salary costs and FTEs were favorable to budget for the month by \$2.3 million due to the lower than expected volumes.

Adjusted patient days were 2.6% less than budget for the month as clinic visits were below budget by 6.4%. Emergency room visits were 6.2% less than target; total surgery cases were 3.1% less than budget, and both inpatient and outpatient utilization (revenue) were less than planned. Year-to-date adjusted patient days are 9.5% less than budgeted, and 4.7% less than prior year. As a result, the volume adjusted expense per adjusted patient day for the first five months of Fiscal Year 2016 was \$2,117 per day compared to the budget of \$1,929 per day, and the prior year expense of \$1,991 per adjusted patient day.

Fiscal year-to-date cash receipts totaled \$379.6 million compared to the budget of \$366.1 million. The System has \$374.7 million in unrestricted cash, cash equivalents and investments, representing 111 days cash on hand compared to budgeted cash of \$337.1 million and budgeted days cash on hand of 99. Harris Health System has \$68.4 million in net accounts receivable, representing 68 days of outstanding patient accounts receivable at July 31. In July IGT's were made for the Disproportionate Share and DSRIP programs. The System received \$12.4 million in Disproportionate Share funds and \$20.7 million in DSRIP funds during the month of July. Harris Health System's July 31, 2015 balance sheet reflects estimated receivables of \$179.3 million under the Section 1115 Supplemental Medicaid Programs and a \$65.9 million liability related to the Harris regional collaborative program.

HARRIS HEALTH SYSTEM
STATISTICAL HIGHLIGHTS
As Of July 31, 2015

| | MONTH-TO-MONTH | | | YEAR-TO-DATE | | | | |
|--|----------------|----------------|----------------|--------------|----------------|----------------|------------|----------------|
| | CURRENT YEAR | CURRENT BUDGET | PERCENT CHANGE | CURRENT YEAR | CURRENT BUDGET | PERCENT CHANGE | PRIOR YEAR | PERCENT CHANGE |
| HEALTH SYSTEM FACILITIES | | | | | | | | |
| 1. Adjusted Patient Days | 53,988 | 55,457 | -2.6% | 256,103 | 283,037 | -9.5% | 268,695 | -4.7% |
| 2. Outpatient % of Adjusted Volume | 67.7% | 68.6% | -1.3% | 67.2% | 69.1% | -2.9% | 67.9% | -1.1% |
| 3. Primary Care Clinic Visits | 76,014 | 82,551 | -7.9% | 380,473 | 402,863 | -5.6% | 363,105 | 4.8% |
| 4. Specialty Clinic Visits | 30,196 | 30,925 | -2.4% | 145,674 | 155,145 | -6.1% | 147,998 | -1.6% |
| 5. Total Clinic Visits | 106,210 | 113,476 | -6.4% | 526,147 | 558,008 | -5.7% | 511,103 | 2.9% |
| 6. % Primary Care Visits | 71.6% | 72.7% | -1.6% | 72.3% | 72.2% | 0.2% | 71.0% | 1.8% |
| 7. Emergency Room Visits - Outpatient | 12,142 | 12,711 | -4.5% | 61,795 | 62,633 | -1.3% | 61,726 | 0.1% |
| 8. Emergency Room Visits - Observation | 949 | 1,038 | -8.6% | 4,474 | 5,105 | -12.4% | 5,298 | -15.6% |
| 9. Emergency Room Visits - Admitted | 1,558 | 1,870 | -16.7% | 8,603 | 9,175 | -6.2% | 9,091 | -5.4% |
| 10. Total Emergency Room Visits | 14,649 | 15,619 | -6.2% | 74,872 | 76,913 | -2.7% | 76,115 | -1.6% |
| 11. Surgery Cases - Outpatient | 1,022 | 1,161 | -12.0% | 5,031 | 5,685 | -11.5% | 4,365 | 15.3% |
| 12. Surgery Cases - Inpatient | 1,070 | 997 | 7.3% | 5,202 | 4,601 | 13.1% | 4,392 | 18.4% |
| 13. Total Surgery Cases | 2,092 | 2,158 | -3.1% | 10,233 | 10,286 | -0.5% | 8,757 | 16.9% |
| 14. % Outpatient Cases | 48.9% | 53.8% | -9.2% | 49.2% | 55.3% | -11.0% | 49.8% | -1.4% |
| 15. Total Outpatient Visits | 164,455 | 178,428 | -7.8% | 814,152 | 879,072 | -7.4% | 808,696 | 0.7% |
| 16. Inpatient Cases (Discharges) | 3,135 | 3,120 | 0.5% | 15,625 | 15,702 | -0.5% | 15,801 | -1.1% |
| 17. Outpatient Observation Cases | 1,376 | 1,361 | 1.1% | 6,672 | 6,777 | -1.5% | 7,172 | -7.0% |
| 18. Total Cases Occupying Patient Beds | 4,511 | 4,481 | 0.7% | 22,297 | 22,479 | -0.8% | 22,973 | -2.9% |
| 19. % of Total Cases from Emergency Roo | 55.6% | 64.9% | -14.4% | 58.6% | 63.5% | -7.7% | 62.6% | -6.4% |
| 20. % of Outpatient Cases | 30.5% | 30.4% | 0.4% | 29.9% | 30.1% | -0.7% | 31.2% | -4.2% |
| 21. Births | 610 | 603 | 1.2% | 2,664 | 2,642 | 0.8% | 2,580 | 3.3% |
| 22. Inpatient Days | 17,456 | 17,430 | 0.1% | 84,096 | 87,357 | -3.7% | 86,233 | -2.5% |
| 23. Outpatient Observation Days | 2,579 | 2,569 | 0.4% | 12,403 | 12,797 | -3.1% | 13,490 | -8.1% |
| 24. Total Patient Days | 20,035 | 19,999 | 0.2% | 96,499 | 100,154 | -3.6% | 99,723 | -3.2% |
| 25. % of Outpatient Days | 12.9% | 12.8% | 0.2% | 12.9% | 12.8% | 0.6% | 13.5% | -5.0% |
| 26. Average Daily Census | 646.29 | 645.13 | 0.2% | 630.71 | 654.60 | -3.6% | 651.79 | -3.2% |
| 27. Average Operating Beds | 778 | 778 | 0.0% | 790 | 792 | -0.3% | 787 | 0.4% |
| 28. Bed Occupancy % | 83.1% | 82.9% | 0.2% | 79.8% | 82.7% | -3.4% | 82.8% | -3.6% |
| 29. Inpatient Average Length of Stay | 5.57 | 5.59 | -0.3% | 5.38 | 5.56 | -3.3% | 5.46 | -1.4% |
| 30. Inpatient Case Mix Index (CMI) | 1.464 | 1.427 | 2.6% | 1.438 | 1.427 | 0.8% | 1.436 | 0.1% |
| Payor Mix (% of Charges) | | | | | | | | |
| 31. Charity & Self Pay | 61.0% | 63.1% | -3.3% | 63.4% | 63.1% | 0.5% | 64.2% | -1.2% |
| 32. Medicaid & Medicaid Managed | 21.1% | 20.8% | 1.4% | 19.6% | 20.8% | -5.8% | 20.2% | -3.0% |
| 33. Medicare & Medicare Managed | 10.0% | 9.4% | 6.4% | 9.7% | 9.4% | 3.2% | 9.4% | 3.2% |
| 34. Commercial & Other | 7.9% | 6.7% | 17.9% | 7.3% | 6.7% | 9.0% | 6.2% | 17.7% |
| NETWORK REFERRAL SERVICES | | | | | | | | |
| 35. Primary Care | 159 | 305 | -47.9% | 644 | 1,483 | -56.6% | 4,236 | -84.8% |
| 36. Specialty Care Visits | 0 | 67 | -100.0% | 0 | 329 | -100.0% | 605 | -100.0% |
| 37. Surgery Cases | 0 | 16 | -100.0% | 286 | 78 | 266.7% | 813 | -64.8% |
| 38. GI Procedures | 0 | 15 | -100.0% | 0 | 74 | -100.0% | 768 | -100.0% |
| 39. Hemodialysis Treatments | 237 | 618 | -61.7% | 1,882 | 3,034 | -38.0% | 2,688 | -30.0% |
| HEALTH SYSTEM TOTALS | | | | | | | | |
| 40. Primary Care | 76,173 | 82,856 | -8.1% | 381,117 | 404,346 | -5.7% | 367,341 | 3.8% |
| 41. Specialty Care Visits | 30,196 | 30,992 | -2.6% | 145,674 | 155,474 | -6.3% | 148,603 | -2.0% |
| 42. Surgery Cases | 2,092 | 2,174 | -3.8% | 10,519 | 10,364 | 1.5% | 9,570 | 9.9% |
| 43. Total Unduplicated Patients - Rolling 12 | | | | 324,090 | | | 317,146 | 2.2% |
| 44. Total New Patient - Rolling 12 | | | | 111,358 | | | 110,437 | 0.8% |

**HARRIS HEALTH SYSTEM
OPERATING STATEMENT
As Of July 31, 2015
(In Thousands)**

| | MONTH-TO-MONTH | | | YEAR-TO-DATE | | | | |
|--|------------------|-------------------|-------------------|--------------------|--------------------|-------------------|--------------------|-------------------|
| | CURRENT YEAR | CURRENT BUDGET | PERCENT CHANGE | CURRENT YEAR | CURRENT BUDGET | PERCENT CHANGE | PRIOR YEAR | PERCENT CHANGE |
| PATIENT REVENUES: | | | | | | | | |
| 1. Routine Services | 19,048 | 19,050 | 0.0% | 90,980 | 94,750 | -4.0% | 93,256 | -2.4% |
| 2. Inpatient Ancillary | 67,736 | 68,529 | -1.2% | 340,192 | 330,046 | 3.1% | 330,117 | 3.1% |
| 3. Outpatient Ancillary | 179,324 | 188,361 | -4.8% | 870,509 | 940,527 | -7.4% | 884,439 | -1.6% |
| 4. Physician Services | 2,294 | 2,497 | -8.1% | 11,377 | 12,217 | -6.9% | 11,443 | -0.6% |
| 5. Gross Patient Charges | 268,402 | 278,436 | -3.6% | 1,313,057 | 1,377,540 | -4.7% | 1,319,255 | -0.5% |
| REVENUE DEDUCTIONS: | | | | | | | | |
| 6. Charity Care | (150,654) | (135,133) | -11.5% | (664,961) | (669,809) | 0.7% | (662,695) | -0.3% |
| 7. Contractual Allowance/Other Discounts | (78,982) | (99,634) | 20.7% | (448,301) | (493,851) | 9.2% | (451,515) | 0.7% |
| 8. Provision for Bad Debt Expense | (8,044) | (12,303) | 34.6% | (46,856) | (60,983) | 23.2% | (55,744) | 15.9% |
| 9. Total Patient Revenue Deductions | (237,680) | (247,070) | 3.8% | (1,160,118) | (1,224,642) | 5.3% | (1,169,954) | 0.8% |
| 10. Net Patient Service Revenue | 30,722 | 31,366 | -2.1% | 152,940 | 152,898 | 0.0% | 149,301 | 2.4% |
| OTHER OPERATING REVENUE: | | | | | | | | |
| 11. DSH/UPL/1115 Waiver | 18,159 | 18,159 | 0.0% | 90,797 | 90,797 | 0.0% | 106,526 | -14.8% |
| 12. Other Operating Revenue | 2,145 | 1,718 | 24.8% | 11,617 | 10,546 | 10.2% | 11,026 | 5.4% |
| 13. Total Other Operating Revenue | 20,305 | 19,878 | 2.1% | 102,415 | 101,344 | 1.1% | 117,552 | -12.9% |
| 14. Total Operating Revenue | 51,026 | 51,243 | -0.4% | 255,354 | 254,241 | 0.4% | 266,853 | -4.3% |
| NONOPERATING REVENUE: | | | | | | | | |
| 15. Net Ad Valorem Tax Revenue | 51,962 | 51,799 | 0.3% | 259,840 | 258,995 | 0.3% | 235,018 | 10.6% |
| 16. DSRIP | 21,447 | 22,725 | -5.6% | 21,713 | 22,725 | -4.5% | 21,190 | 2.5% |
| 17. Net Tobacco Settlement Revenue | 0 | 0 | 0.0% | 10,944 | 9,512 | 15.1% | 9,512 | 15.1% |
| 18. Interest Income | 176 | 186 | -5.5% | 851 | 1,109 | -23.2% | 2,015 | -57.8% |
| 19. Other | 511 | 0 | 0.0% | 502 | 0 | 0.0% | 450 | -11.6% |
| 20. Total Nonoperating Revenue | 74,096 | 74,710 | -0.8% | 293,850 | 292,341 | 0.5% | 268,184 | 9.6% |
| 21. Capital Contributions | 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% |
| 23. Total Net Revenue | 125,122 | 125,953 | -0.7% | 549,204 | 546,582 | 0.5% | 535,038 | 2.6% |
| SALARIES, WAGES, AND BENEFITS: | | | | | | | | |
| 24. Regular Salaries | 34,664 | 36,667 | 5.5% | 175,669 | 181,119 | 3.0% | 180,365 | 2.6% |
| 25. PTO & Secondday Sick Leave | 5,103 | 4,998 | -2.1% | 24,690 | 24,602 | -0.4% | 24,937 | 1.0% |
| 26. Contract Salaries | 343 | 673 | 49.0% | 1,853 | 3,409 | 45.6% | 5,277 | 64.9% |
| 27. Registry Salaries | 1,951 | 2,088 | 6.5% | 9,720 | 10,400 | 6.5% | 12,094 | 19.6% |
| 28. FICA and Benefits | 15,240 | 15,608 | 2.4% | 80,179 | 78,002 | -2.8% | 78,969 | -1.5% |
| 29. Total Salaries, Wages, and Benefits | 57,301 | 60,035 | 4.6% | 292,111 | 297,532 | 1.8% | 301,642 | 3.2% |
| 30. Supplies | 18,214 | 17,770 | -2.5% | 86,422 | 87,586 | 1.3% | 87,235 | 0.9% |
| SERVICES: | | | | | | | | |
| 31. Physician Services | 17,525 | 16,929 | -3.5% | 87,409 | 84,270 | -3.7% | 69,817 | -25.2% |
| 32. Other Purchased Services | 9,702 | 9,645 | -0.6% | 46,735 | 46,132 | -1.3% | 46,177 | -1.2% |
| 33. Depreciation and Amortization | 4,755 | 4,886 | 2.7% | 23,665 | 24,432 | 3.1% | 23,532 | -0.6% |
| 34. Interest | 1,216 | 1,239 | 1.8% | 6,054 | 6,194 | 2.3% | 6,141 | 1.4% |
| 35. Total Services | 33,198 | 32,699 | -1.5% | 163,863 | 161,028 | -1.8% | 145,666 | -12.5% |
| 36. Total Operating Expenses | 108,713 | 110,504 | 1.6% | 542,396 | 546,146 | 0.7% | 534,543 | -1.5% |
| 37. Operating Income (Loss) | 16,409 | 15,449 | 6.2% | 6,808 | 436 | 1460.3% | 495 | 1276.2% |

HARRIS HEALTH SYSTEM
BALANCE SHEET
As Of July 31, 2015
(In Thousands)

| | ACTUAL | PRIOR YEAR |
|---|------------------|-------------------|
| <u>ASSETS</u> | | |
| CURRENT ASSETS: | | |
| 1. Cash, Cash Equivalents and Short Term Investments | 245,007 | 662 |
| 2. Net Patient Accounts Receivable | 68,363 | 83,391 |
| 3. Net Ad Valorem Taxes, Current Portion | 260,745 | 233,308 |
| 4. Prepaid Expenses, Inventories, and Other Current Assets | 204,056 | 245,263 |
| 5. Total Current Assets | 778,170 | 562,624 |
| ASSETS LIMITED AS TO USE OR RESTRICTED, CURRENT PORTION: | | |
| 6. Debt Service and Bond Covenants - Restricted | 10,035 | 9,529 |
| 7. Board Designated for Future Expansion | 0 | 3,702 |
| 8. Phase 1 Project Fund | 0 | 0 |
| 9. Board Designated for Legal Reserves | 0 | 4,031 |
| 10. Board Designated for Self-Insured Programs | 0 | 25,822 |
| 11. Total Assets Limited as to Use or Restricted, Current Portion | 10,035 | 43,084 |
| PLANT, PROPERTY AND EQUIPMENT: | | |
| 12. Plant, Property, & Equipment, Net of Accumulated Depreciation | 416,464 | 432,644 |
| 13. Construction in Progress | 23,183 | 29,893 |
| 14. Total Plant, Property and Equipment | 439,648 | 462,536 |
| ASSETS LIMITED AS TO USE OR RESTRICTED, NET OF CURRENT PORTION: | | |
| 15. Debt Service and Bond Covenants - Restricted | 20,693 | 21,699 |
| 16. Board Designated for Future Expansion | 0 | 94,934 |
| 17. Phase 1 Project Fund | 0 | 0 |
| 18. Board Designated for Self-Insured Programs | 0 | 186,347 |
| 19. Other - Restricted | 820 | 863 |
| 20. Total Assets Limited as to Use or Restricted, Net of Current Portion | 21,513 | 303,843 |
| OTHER ASSETS: | | |
| 21. Net Ad Valorem Taxes, Delinquent | 0 | 1,676 |
| 22. Net Deferred Bond Issue Costs | 1,427 | 1,514 |
| 23. Net Pension Asset | 9,706 | 10,464 |
| 24. Long-Term Investments | 129,698 | 0 |
| 25. Security Deposit | 70 | 70 |
| 26. Derivative Asset | 0 | 0 |
| 27. Deferred Outflow - Derivative Financial Instrument | 13,040 | 271 |
| 28. Total Other Assets | 153,940 | 13,994 |
| 29. Due to/from CHCI | 1,705 | 5,352 |
| 30. TOTAL ASSETS | 1,405,011 | 1,391,434 |
| <u>LIABILITIES AND NET ASSETS</u> | | |
| CURRENT LIABILITIES: | | |
| 31. Accounts Payable and Accrued Liabilities | 101,732 | 98,631 |
| 32. Interest Payable | 4,620 | 4,679 |
| 33. Employee Compensation & Related Benefit Liabilities | 40,654 | 48,016 |
| 34. Compensated Absences | 36,843 | 41,306 |
| 35. Estimated Third-Party Payor Settlements | 9,417 | 5,374 |
| 36. Current Portion Long-Term Debt and Capital Leases | 5,415 | 5,417 |
| 37. Total Current Liabilities | 198,681 | 203,424 |
| OTHER LONG-TERM LIABILITIES: | | |
| 38. Post Employment Health Benefit Liability | 207,524 | 186,347 |
| 39. Borrowing Payable | 13,224 | 14,062 |
| 40. Derivative Liability | 13,040 | 271 |
| 41. Arbitrage Rebate Liability | 151 | 151 |
| 42. Total Other Long-Term Liabilities | 233,939 | 200,831 |
| LONG-TERM DEBT: | | |
| 43. Series 2007 Revenue Bonds, Including Premium & Deferred Loss | 181,320 | 184,655 |
| 44. Series 2010 Revenue Bonds, Including Deferred Loss | 81,169 | 81,512 |
| 45. Other Long-Term Obligation | 0 | 359 |
| 46. Total Long-Term Debt | 262,489 | 266,527 |
| TOTAL LIABILITIES | 695,109 | 670,781 |
| NET ASSETS: | | |
| 47. Invested in Capital Assets, Net of Related Debt | 158,520 | 180,484 |
| 48. Restricted Net Assets | 31,548 | 32,090 |
| 49. Unrestricted Net Assets | 519,833 | 508,078 |
| 50. Total Net Assets | 709,902 | 720,652 |
| 51. TOTAL LIABILITIES & NET ASSETS | 1,405,011 | 1,391,434 |

**HARRIS HEALTH SYSTEM
CASH FLOW SUMMARY
As of July 31, 2015
(In Thousands)**

| <u>CASH RECEIPTS:</u> | CURRENT MONTH | PRIOR YEAR MONTH | FISCAL YTD | PRIOR FISCAL YTD |
|--|--------------------------|-----------------------------|-----------------------|-----------------------------|
| 1. Ad Valorem Taxes | \$ 2,343 | 2,729 | \$ 27,790 | \$ 27,032 |
| 2. Collections on Patient Accounts | 32,651 | 31,017 | 162,885 | 146,451 |
| 3. DSH & UC - 1115 Waiver | 12,434 | 0 | 131,332 | 133,278 |
| 3a DSRIP - 1115 Waiver | 20,651 | 17,692 | 20,916 | 17,692 |
| 4. Tobacco Settlement | 0 | 0 | 10,944 | 10,984 |
| 5. Trauma Fund | 1,554 | 0 | 3,108 | 1,648 |
| 6. Other Sources (Includes Cost Reimbursement) | 3,511 | 3,532 | 22,652 | 22,383 |
| 7. Total Cash Receipts | \$ 73,144 | \$ 54,970 | \$ 379,627 | \$ 359,468 |
| <u>CASH DISBURSEMENTS:</u> | | | | |
| 8. Salaries and Wages | \$ 41,139 | \$ 29,187 | \$ 153,642 | \$ 144,666 |
| 9. Benefits and Employee Deductions | 29,351 | 26,670 | 163,258 | 158,462 |
| 10. Drugs and Supplies | 20,730 | 15,942 | 91,760 | 86,779 |
| 11. Physician Services | 1,711 | 812 | 97,297 | 118,461 |
| 12. Purchased Services | 15,785 | 9,840 | 62,119 | 57,192 |
| 13. Capital Expenditures | 3,860 | 4,753 | 16,280 | 31,358 |
| 14. Debt and Interest Payments | 331 | 444 | 1,767 | 2,562 |
| 15. Other Uses | (10,418) | (5,819) | (29,557) | (22,420) |
| 16. Total Cash Disbursements | \$ 102,489 | \$ 81,829 | \$ 556,566 | \$ 577,060 |
| 17. Net Change | \$ (29,345) | \$ (26,859) | \$ (176,939) | \$ (217,592) |

| | |
|---|--------------------------|
| Unrestricted Cash, Cash Equivalents and Investments - February 28, 2015 | \$ 551,643 |
| Net Change | (176,939) |
| Unrestricted Cash, Cash Equivalents and Investments - July 31, 2015 | <u>\$ 374,705</u> |

**HARRIS HEALTH SYSTEM
ANALYSIS OF CASH RECEIPTS
July 31, 2015**

| | MONTH TO MONTH | | | YEAR TO DATE | | | | |
|---|----------------|----------|----------|--------------|-----------|-----------|----------|--------|
| | ACTUAL | | BUDGET | CURRENT | ACTUAL | | BUDGET | |
| | CURRENT | PRIOR | CURRENT | | PRIOR | YTD | VAR | VAR % |
| PATIENT REVENUE: | | | | | | | | |
| 1. Medicare | \$5,946 | \$6,861 | \$6,975 | \$32,985 | \$33,276 | \$32,391 | \$594 | 1.8 |
| 2. Medicaid | 8,716 | 8,296 | 8,738 | 41,131 | 40,688 | 40,578 | 553 | 1.4 |
| 3. Texas vendor drug/Medicare Part D | 2,593 | 3,229 | 3,200 | 13,335 | 13,786 | 14,860 | (1,525) | (10.3) |
| 4. Managed Care - Medicaid | 7,937 | 7,305 | 7,775 | 40,203 | 32,519 | 36,108 | 4,095 | 11.3 |
| 5. Commercial insurance | 2,969 | 1,686 | 2,365 | 13,548 | 9,278 | 10,983 | 2,565 | 23.4 |
| 6. Liens | 7 | 584 | 294 | 1,212 | 1,545 | 1,365 | (153) | (11.2) |
| 7. Patient pay | 2,330 | 1,598 | 1,676 | 11,512 | 9,222 | 7,784 | 3,728 | 47.9 |
| 8. Business office | 332 | 346 | 1,005 | 1,706 | 1,666 | 4,668 | (2,962) | (63.5) |
| 9. Other governmental projects/grants | 1,822 | 1,112 | 1,438 | 7,253 | 4,468 | 6,972 | 281 | 4.0 |
| 10. SUBTOTAL | 32,652 | 31,017 | 33,467 | 162,885 | 146,448 | 155,710 | 7,175 | 4.6 |
| 11a. Cost Reimbursements | 439 | 1,156 | 555 | 4,278 | 3,503 | 2,774 | 1,504 | 54.2 |
| 11b. Recoupments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 |
| 12. Net Patient Revenue Receipts | 33,091 | 32,173 | 34,022 | 167,163 | 149,951 | 158,484 | 8,679 | 5.5 |
| 13. DSH & UC - 1115 Waiver | 12,434 | 0 | 0 | 131,332 | 133,278 | 131,467 | (135) | (0.1) |
| 13a. DSRIP - 1115 Waiver | 20,651 | 17,692 | 22,725 | 20,916 | 17,692 | 22,725 | (1,809) | (8.0) |
| 14. Tobacco Settlement | 0 | 0 | 0 | 10,944 | 10,984 | 9,512 | 1,432 | 15.1 |
| 14a Trauma Fund | 1,554 | 0 | 0 | 3,108 | 1,648 | 1,600 | 1,508 | 94.3 |
| 15. Total Patient Revenue Receipts | 67,730 | 49,865 | 56,747 | 333,463 | 313,553 | 323,788 | 9,675 | 3.0 |
| NON-PATIENT OPERATING REVENUE: | | | | | | | | |
| 16. Parking | 389 | 229 | 235 | 1,607 | 1,145 | 1,176 | 431 | 36.7 |
| 17. Cafeteria | 303 | 288 | 262 | 1,520 | 1,154 | 1,312 | 208 | 15.8 |
| 18. Grants | 1,028 | 628 | 681 | 4,969 | 2,709 | 3,403 | 1,566 | 46.0 |
| 19. Miscellaneous | 1,270 | 1,229 | 1,382 | 9,690 | 13,257 | 6,909 | 2,781 | 40.2 |
| 20. Total Non-Patient Operating | 2,990 | 2,374 | 2,560 | 17,786 | 18,265 | 12,800 | 4,986 | 39.0 |
| 21. Interest income | 81 | 1 | 68 | 587 | 615 | 342 | 245 | 71.8 |
| 22. Total Non-Tax Receipts | 70,801 | 52,240 | 59,375 | 351,836 | 332,433 | 336,929 | 14,907 | 4.4 |
| 23. Ad valorem tax receipts/note | 2,343 | 2,729 | 2,940 | 27,790 | 27,032 | 29,122 | (1,332) | (4.6) |
| 24. Commercial Paper Proceeds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 |
| 25. Total Receipts | \$73,144 | \$54,969 | \$62,315 | \$379,626 | \$359,465 | \$366,051 | \$13,575 | 3.7 |