



Financial Statements

As of October 31, 2020



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Financial Highlights Review

As of October 31, 2020

Operating Income for October was \$0.9 million compared to budgeted loss of \$6.1 million.

Overall October net revenue of \$150.0 million was \$14.4 million or 10.6% greater than budget. Income from Medicaid Supplemental programs was \$14.7 million higher than expected. As previously discussed, most of the overage was due to the resizing of the Uncompensated Care program under the Medicaid 1115 Waiver, which began in federal fiscal year 2020.

Total operating expenses of \$149.0 million were \$7.4 million or 5.2% greater than budget. Salaries and benefits were \$1.1 million greater primarily due to increased utilization of premium labor. The \$3.5 million variance in provider cost was due to the updated physician agreements, including the annual inflationary increases effective July 1, 2020. Purchased services were \$1.8 million or 19.4% greater than budget due to increases in outside medical services and marketplace insurance subsidies. Repairs were \$1.8 million or 248.3% greater than planned as a result of repairs at the LBJ campus.

October recorded the highest number of adjusted patient days, the overall measure of patient volume, since the beginning of fiscal year in March. Consistent with the previous trend, in-person clinic visits were 63.4% lower, however, overall clinic visits including telehealth were only 14.2% lower compared to budget. Patient days were down 11.9% in October. Emergency room visits and births were down 20.0% and 16.9%, respectively. The volume adjusted expense per adjusted patient day was \$4,266 compared to the budget of \$3,187 per day and the prior year expense of \$3,425 per adjusted patient day.

Total cash receipts for October were \$74.5 million. The System has \$701.7 million in unrestricted cash, cash equivalents and investments, representing 154.5 days cash on hand. Harris Health System has \$67.8 million in net accounts receivable, representing 48.2 days of outstanding patient accounts receivable at October 31, 2020. The October balance sheet reflects a combined net receivable position of \$24.3 million under the various Medicaid Supplemental programs.

October expenses incurred by Harris Health for Foundation personnel and other costs were \$47,000.

Income Statement

As of October 31, 2020 (In \$ Millions)

	MONTH-TO-MONTH			YEAR-TO-DATE				
	CURRENT YEAR	CURRENT BUDGET	PERCENT VARIANCE	CURRENT YEAR	CURRENT BUDGET	PERCENT VARIANCE	PRIOR YEAR	PERCENT VARIANCE
REVENUE								
Net Patient Revenue	52.3	50.6	3.4%	344.6	406.0	-15.1%	383.0	-10.0%
Medicaid Supplemental Programs	30.8	16.2	90.5%	383.1	163.6	134.2%	148.4	158.2%
Other Operating Revenue	6.8	2.5	166.4%	76.2	20.3	275.8%	22.7	235.4%
Total Operating Revenue	\$ 89.9	\$ 69.3	29.7%	\$ 803.9	\$ 589.8	36.3%	\$ 554.1	45.1%
Net Ad Valorem Taxes	65.2	65.2	0.0%	521.5	521.4	0.0%	506.2	3.0%
Net Tobacco Settlement Revenue	-	-	0.0%	12.9	13.8	-6.3%	13.8	-6.3%
Interest Income & Other	(5.2)	1.0	-623.3%	17.7	8.1	118.2%	10.5	68.8%
Total Nonoperating Revenue	\$ 60.0	\$ 66.2	-9.4%	\$ 552.2	\$ 543.3	1.6%	\$ 530.5	4.1%
Total Net Revenue	\$ 149.9	\$ 135.5	10.6%	\$ 1,356.1	\$ 1,133.1	19.7%	\$ 1,084.6	25.0%
EXPENSE								
Salaries and Wages	56.7	54.9	-3.3%	432.3	424.0	-2.0%	394.7	-9.5%
Employee Benefits	17.4	18.2	4.0%	148.9	145.4	-2.4%	139.8	-6.5%
Total Labor Cost	\$ 74.1	\$ 73.1	-1.5%	\$ 581.2	\$ 569.4	-2.1%	\$ 534.5	-8.7%
Supply Expenses	19.7	20.1	1.8%	147.8	154.8	4.5%	145.7	-1.4%
Physician Services	29.4	26.0	-13.4%	221.2	207.7	-6.5%	181.6	-21.8%
Purchased Services	20.1	15.8	-27.2%	156.5	130.8	-19.6%	128.7	-21.6%
Depreciation & Interest	5.6	6.7	15.9%	45.3	53.4	15.1%	42.1	-7.8%
Total Operating Expense	\$ 149.0	\$ 141.6	-5.2%	\$ 1,152.1	\$ 1,116.1	-3.2%	\$ 1,032.6	-11.6%
Operating Income (Loss)	\$ 0.9	\$ (6.1)		\$ 203.9	\$ 17.1		\$ 51.9	
Total Margin %	0.6%	-4.5%		15.0%	1.5%		4.8%	

Balance Sheet

As of October 31, 2020 and 2019 (In \$ Millions)

	CURRENT YEAR	PRIOR YEAR
<u>CURRENT ASSETS</u>		
Cash, Cash Equivalents and Short Term Investments	701.7	377.8
Net Patient Accounts Receivable	67.8	77.5
Net Ad Valorem Taxes, Current Portion	528.6	509.9
Other Current Assets	133.1	95.8
Total Current Assets	\$ 1,431.2	\$ 1,060.9
<u>CAPITAL ASSETS</u>		
Plant, Property, & Equipment, Net of Accumulated Depreciation	438.9	454.9
Construction in Progress	67.7	29.6
Total Capital Assets	\$ 506.6	\$ 484.5
<u>ASSETS LIMITED AS TO USE & RESTRICTED ASSETS</u>		
Debt Service & Capital Asset Funds	58.6	42.0
LPPF Restricted Cash	220.9	42.3
Other - Restricted	0.9	25.8
Total Assets Limited As to Use & Restricted Assets	\$ 280.4	\$ 110.1
Other Assets	23.1	21.9
Deferred Outflows of Resources	97.8	68.0
Total Assets & Deferred Outflows of Resources	\$ 2,339.2	\$ 1,745.4
<u>CURRENT LIABILITIES</u>		
Accounts Payable and Accrued Liabilities	415.6	143.4
Employee Compensation & Related Liabilities	103.6	98.7
Estimated Third-Party Payor Settlements	7.4	9.6
Current Portion Long-Term Debt and Capital Leases	11.0	8.5
Total Current Liabilities	\$ 537.6	\$ 260.3
Long-Term Debt	320.8	296.8
Net Pension & Post Employment Benefits Liability	701.7	717.2
Other Long-Term Liabilities	28.3	17.8
Deferred Inflows of Resources	55.3	-
Total Liabilities	\$ 1,643.7	\$ 1,292.1
Total Net Assets	\$ 695.5	\$ 453.3
Total Liabilities & Net Assets	\$ 2,339.2	\$ 1,745.4

Cash Flow Summary

As of October 31, 2020 (In \$ Millions)

	MONTH-TO-MONTH		YEAR-TO-DATE	
	CURRENT YEAR	PRIOR YEAR	CURRENT YEAR	PRIOR YEAR
<u>CASH RECEIPTS</u>				
Collections on Patient Accounts	61.7	81.0	419.8	405.7
Medicaid Supplemental Programs	9.8	8.4	386.4	152.7
Net Ad Valorem Taxes	0.1	0.4	25.7	30.4
Tobacco Settlement	0.0	0.0	12.9	13.8
Other Revenue	2.9	5.0	105.6	31.0
Total Cash Receipts	\$ 74.5	\$ 94.7	\$ 950.4	\$ 633.5
<u>CASH DISBURSEMENTS</u>				
Salaries, Wages and Benefits	102.2	68.3	633.8	561.7
Supplies	22.3	16.3	163.8	153.1
Physician Services	29.4	25.2	220.8	93.9
Purchased Services	21.8	19.1	141.0	152.6
Capital Expenditures	8.7	5.0	60.9	40.8
Debt and Interest Payments	0.5	0.3	7.3	6.9
Other Uses	(9.6)	0.8	(73.2)	(12.3)
Total Cash Disbursements	\$ 175.3	\$ 135.1	\$ 1,154.3	\$ 996.7
Net Change	\$ (100.8)	\$ (40.4)	\$ (203.9)	\$ (363.2)
Unrestricted Cash, Cash Equivalents and Investments - February 29, 2020			\$ 905.6	
Net Change			\$ (203.9)	
Unrestricted Cash, Cash Equivalents and Investments - October 31, 2020			\$ 701.7	

Performance Ratios

As of October 31, 2020

	MONTH-TO-MONTH		YEAR-TO-DATE		
	CURRENT YEAR	CURRENT BUDGET	CURRENT YEAR	CURRENT BUDGET	PRIOR YEAR
<u>OPERATING HEALTH INDICATORS</u>					
Operating Margin %	0.6%	-4.5%	15.0%	1.5%	4.8%
Run Rate per Day (In \$ Millions)	\$ 4.7	\$ 4.4	\$ 4.5	\$ 4.4	\$ 4.1
Salary, Wages & Benefit per APD	\$ 2,122	\$ 1,644	\$ 2,359	\$ 1,672	\$ 1,636
Supply Cost per APD	\$ 565	\$ 452	\$ 600	\$ 455	\$ 446
Physician Services Cost per APD	\$ 843	\$ 584	\$ 898	\$ 610	\$ 556
Total Expense per APD	\$ 4,266	\$ 3,187	\$ 4,676	\$ 3,277	\$ 3,161
Overtime as a % of Total Salaries	2.5%	1.4%	2.7%	1.4%	3.1%
Contract as a % of Total Salaries	2.0%	0.4%	1.6%	0.4%	0.8%
Full-time Equivalent Employees	8,845	8,802	8,646	8,729	8,266
<u>FINANCIAL HEALTH INDICATORS</u>					
Quick Ratio			2.6	--	4.0
Unrestricted Cash (In \$ Millions)			\$ 701.7	\$ 369.3	\$ 377.8
Days Cash on Hand			154.5	84.5	92.9
Days Revenue in Accounts Receivable			48.2	48.4	49.5
Days in Accounts Payable			29.5	--	35.3
Capital Expenditures/Depreciation & Amortization			160.0%	--	117.2%
Average Age of Plant (years)			12.8	--	13.6

Harris Health System

Key Indicators



Statistical Highlights

As of October 31, 2020

	MONTH-TO-MONTH			YEAR-TO-DATE				
	CURRENT YEAR	CURRENT BUDGET	PERCENT CHANGE	CURRENT YEAR	CURRENT BUDGET	PERCENT CHANGE	PRIOR YEAR	PERCENT CHANGE
Adjusted Patient Days	34,924	44,425	-21.4%	246,398	340,536	-27.6%	326,721	-24.6%
Outpatient % of Adjusted Volume	63.6%	67.0%	-5.0%	60.9%	66.2%	-8.0%	66.6%	-8.6%
Primary Care Clinic Visits	19,243	70,180	-72.6%	144,316	526,842	-72.6%	498,786	-71.1%
Specialty Clinic Visits	16,815	28,446	-40.9%	102,901	221,980	-53.6%	214,321	-52.0%
Telehealth Clinic Visits	48,593	0	100.0%	326,126	0	100.0%	0	100.0%
Total Clinic Visits	84,651	98,626	-14.2%	573,343	748,822	-23.4%	713,107	-19.6%
Emergency Room Visits - Outpatient	10,609	13,477	-21.3%	77,517	104,681	-25.9%	101,928	-23.9%
Emergency Room Visits - Admitted	1,481	1,639	-9.6%	10,966	12,468	-12.0%	12,187	-10.0%
Total Emergency Room Visits	12,090	15,116	-20.0%	88,483	117,149	-24.5%	114,115	-22.5%
Surgery Cases - Outpatient	1,048	1,264	-17.1%	5,452	9,926	-45.1%	9,124	-40.2%
Surgery Cases - Inpatient	792	936	-15.4%	5,173	7,330	-29.4%	6,535	-20.8%
Total Surgery Cases	1,840	2,200	-16.4%	10,625	17,256	-38.4%	15,659	-32.1%
Total Outpatient Visits	142,631	157,226	-9.3%	902,765	1,205,493	-25.1%	1,152,445	-21.7%
Inpatient Cases (Discharges)	2,270	2,623	-13.5%	16,463	20,698	-20.5%	19,494	-15.5%
Outpatient Observation Cases	1,146	1,382	-17.1%	7,948	10,055	-21.0%	10,233	-22.3%
Total Cases Occupying Patient Beds	3,416	4,005	-14.7%	24,411	30,753	-20.6%	29,727	-17.9%
Births	393	473	-16.9%	2,919	3,686	-20.8%	3,613	-19.2%
Inpatient Days	12,698	14,653	-13.3%	96,399	115,109	-16.3%	109,057	-11.6%
Outpatient Observation Days	3,012	3,170	-5.0%	20,845	23,144	-9.9%	25,131	-17.1%
Total Patient Days	15,710	17,823	-11.9%	117,244	138,253	-15.2%	134,188	-12.6%
Average Daily Census	506.8	574.9	-11.9%	478.5	564.3	-15.2%	547.7	-12.6%
Average Operating Beds	638	671	-4.9%	656	671	-2.2%	673	-2.5%
Bed Occupancy %	79.4%	85.7%	-7.3%	72.9%	84.1%	-13.3%	81.4%	-10.4%
Inpatient Average Length of Stay	5.6	5.6	0.1%	5.9	5.6	5.3%	5.6	4.7%
Inpatient Case Mix Index (CMI)	1.747	1.626	7.4%	1.733	1.626	6.6%	1.615	7.3%
<u>Payor Mix (% of Charges)</u>								
Charity & Self Pay	51.7%	53.4%	-3.2%	51.7%	53.4%	-3.2%	54.1%	-4.3%
Medicaid & Medicaid Managed	22.9%	21.8%	4.9%	22.7%	21.8%	4.2%	21.8%	4.3%
Medicare & Medicare Managed	11.9%	11.7%	1.9%	11.8%	11.7%	0.9%	11.7%	0.9%
Commercial & Other	13.5%	13.1%	3.4%	13.8%	13.1%	5.3%	12.5%	10.5%
Total Unduplicated Patients - Rolling 12				252,559			292,078	-13.5%
Total New Patient - Rolling 12				71,679			91,298	-21.5%

Harris Health System

Statistical Highlights

October FY 2021

Cases Occupying Beds - CM

Actual	Budget	Prior Year
3,416	4,005	3,759

Cases Occupying Beds - YTD

Actual	Budget	Prior Year
24,411	30,753	29,727

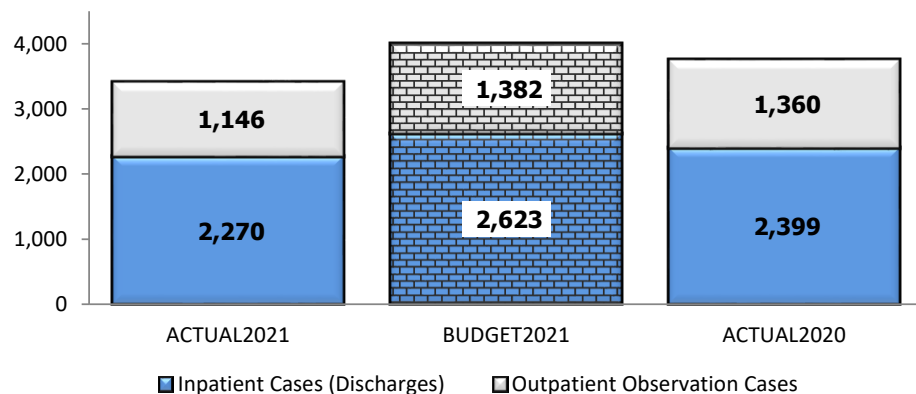
Emergency Visits - CM

Actual	Budget	Prior Year
12,090	15,116	15,031

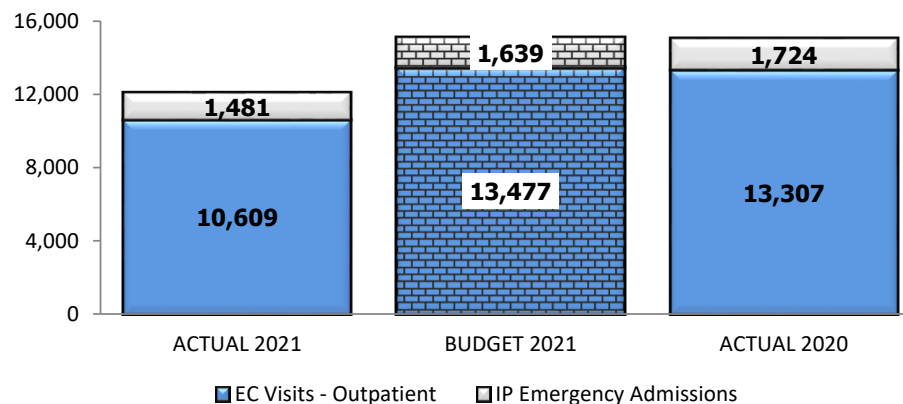
Emergency Visits - YTD

Actual	Budget	Prior Year
88,483	117,149	114,115

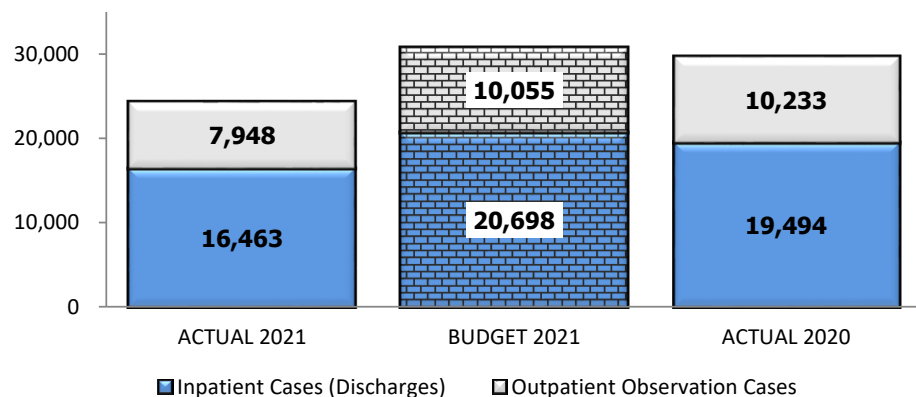
Cases Occupying Beds - Current Month



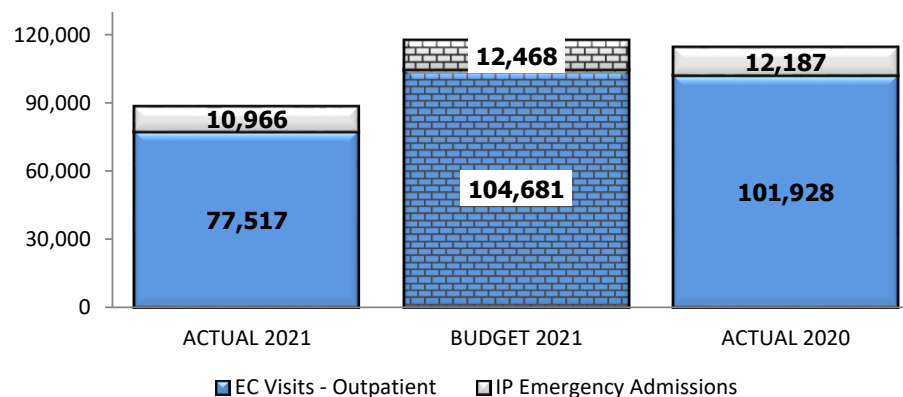
Emergency Visits - Current Month



Cases Occupying Beds - YTD



Emergency Visits - YTD



Harris Health System

Statistical Highlights

October FY 2021

Surgery Cases - CM

Actual	Budget	Prior Year
1,840	2,200	2,085

Surgery Cases - YTD

Actual	Budget	Prior Year
10,625	17,256	15,659

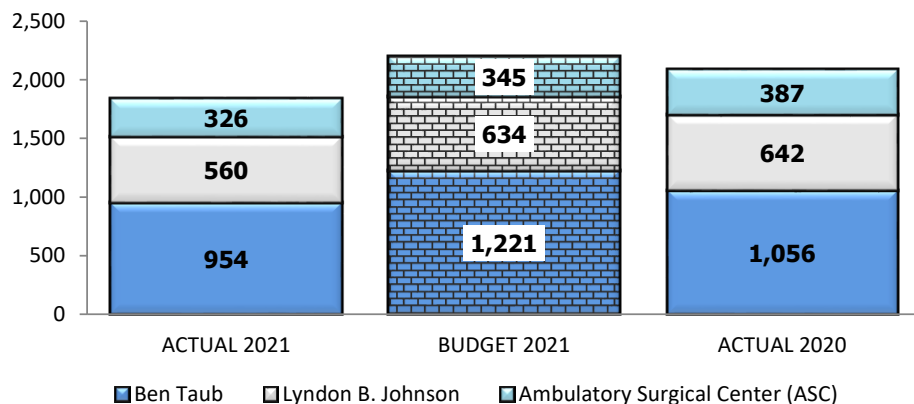
Clinic Visits - CM

Actual	Budget	Prior Year
84,651	98,626	97,574

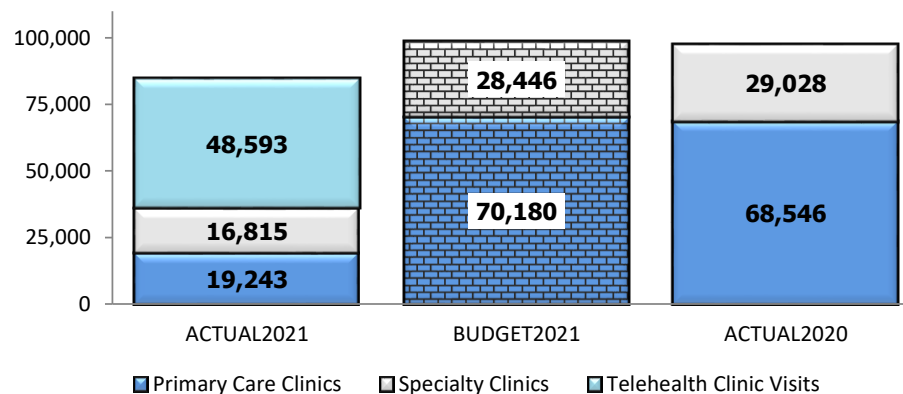
Clinic Visits - YTD

Actual	Budget	Prior Year
573,343	748,821	713,107

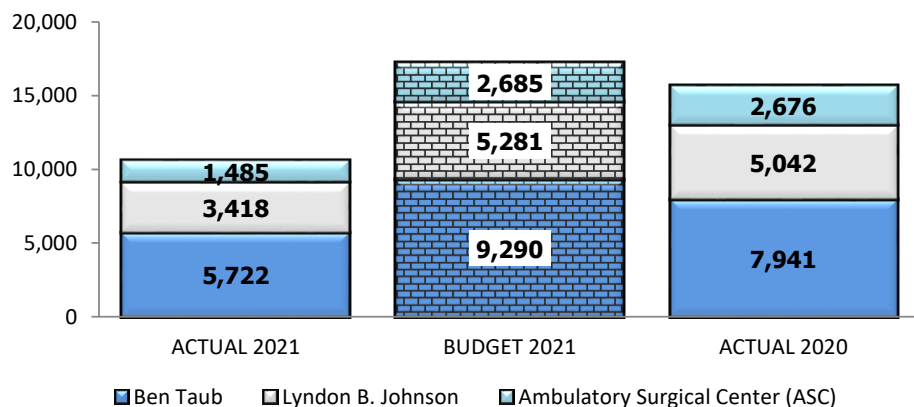
Surgery Cases - Current Month



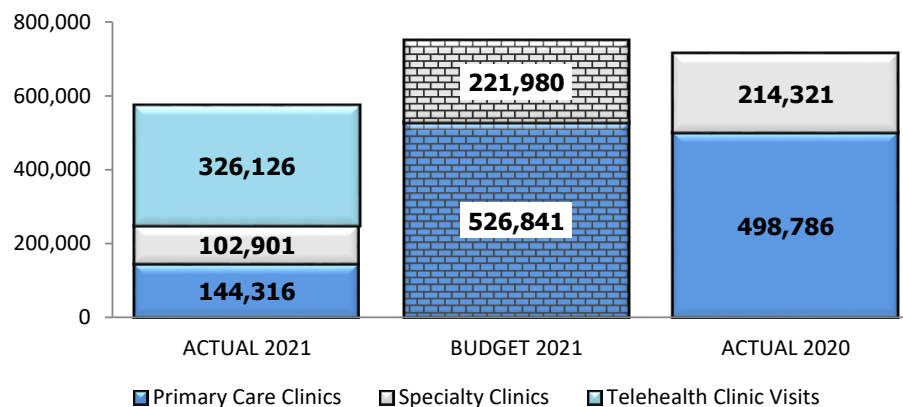
Clinic Visits - Current Month



Surgery Cases - YTD



Clinic Visits - YTD



Harris Health System

Statistical Highlights

October FY 2021

Adjusted Patient Days - CM

34,924

Adjusted Patient Days - YTD

246,398

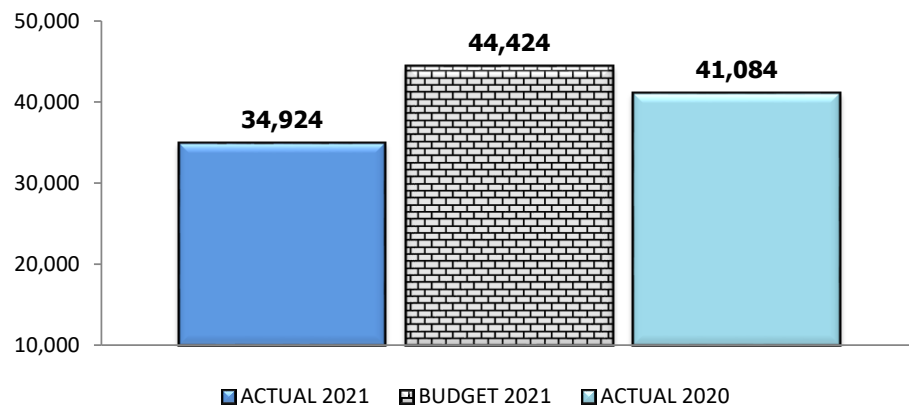
Average Daily Census - CM

506.8

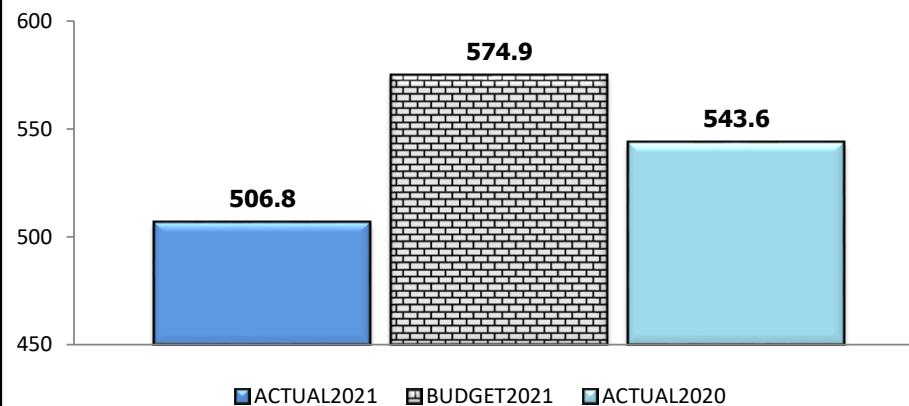
Average Daily Census - YTD

478.5

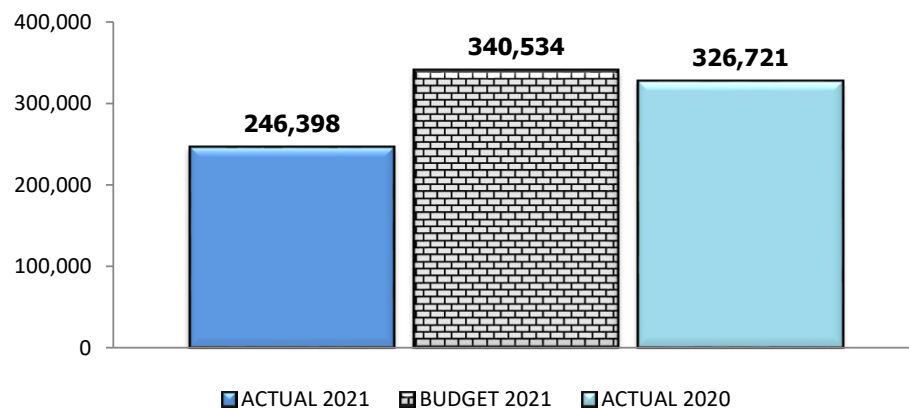
Adjusted Patient Days - Current Month



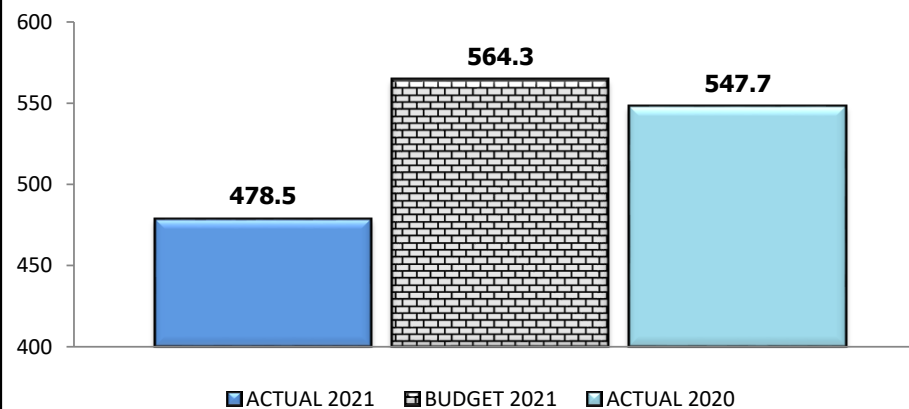
Average Daily Census - Current Month



Adjusted Patient Days - YTD



Average Daily Census - YTD



Harris Health System

Statistical Highlights

October FY 2021

Inpatient ALOS - CM

5.59

Inpatient ALOS - YTD

5.86

Case Mix Index (CMI) - CM

Overall

Excl. Obstetrics

1.747

1.926

Case Mix Index (CMI) - YTD

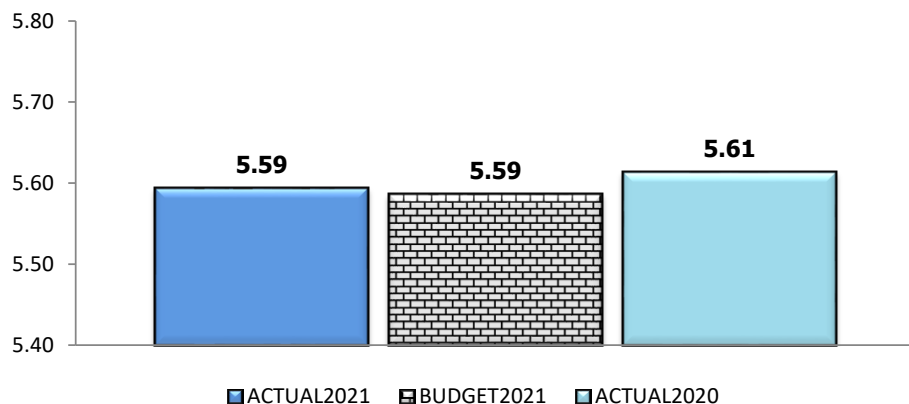
Overall

Excl. Obstetrics

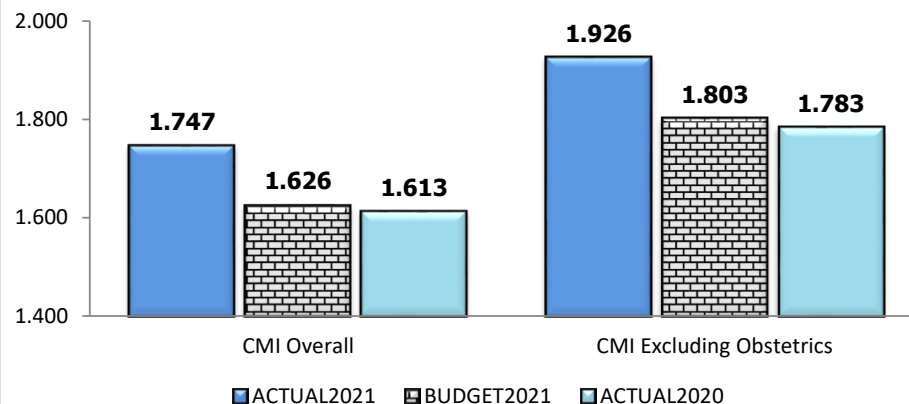
1.733

1.914

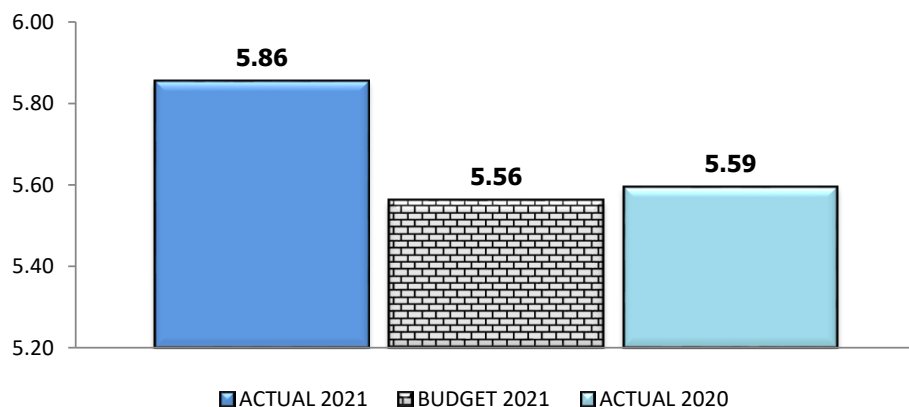
Inpatient ALOS - Current Month



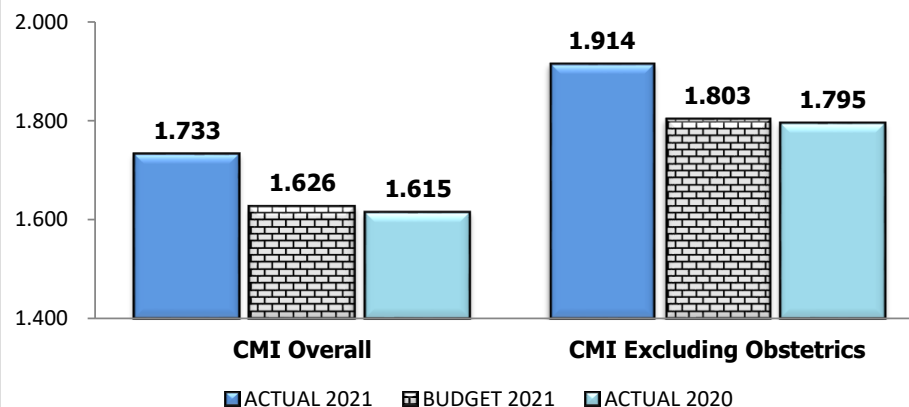
Case Mix Index - Current Month



Inpatient ALOS - YTD



Case Mix Index - YTD



Harris Health System

Statistical Highlights - Cases Occupying Beds

October FY 2021

BT Cases Occupying Beds - CM

Actual	Budget	Prior Year
2,170	2,416	2,290

BT Cases Occupying Beds - YTD

Actual	Budget	Prior Year
15,399	18,533	17,849

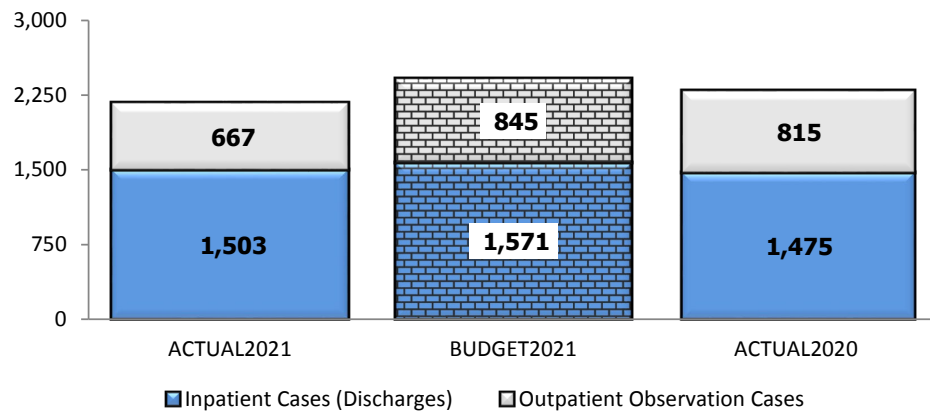
LBJ Cases Occupying Beds - CM

Actual	Budget	Prior Year
1,246	1,589	1,469

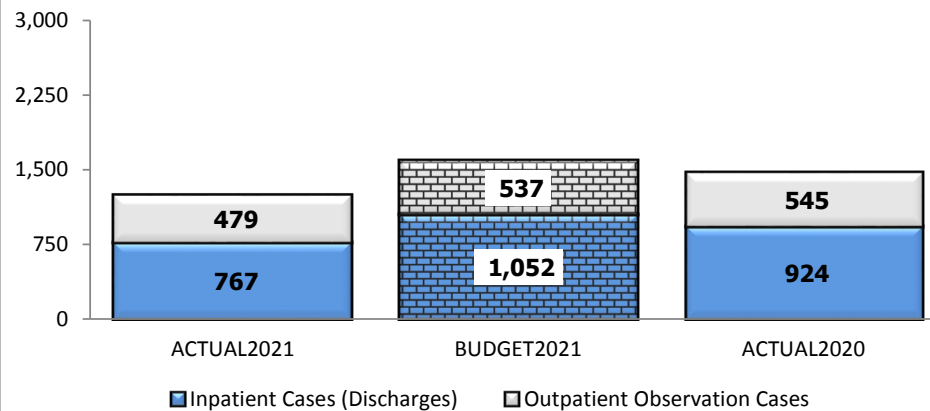
LBJ Cases Occupying Beds - YTD

Actual	Budget	Prior Year
9,012	12,220	11,878

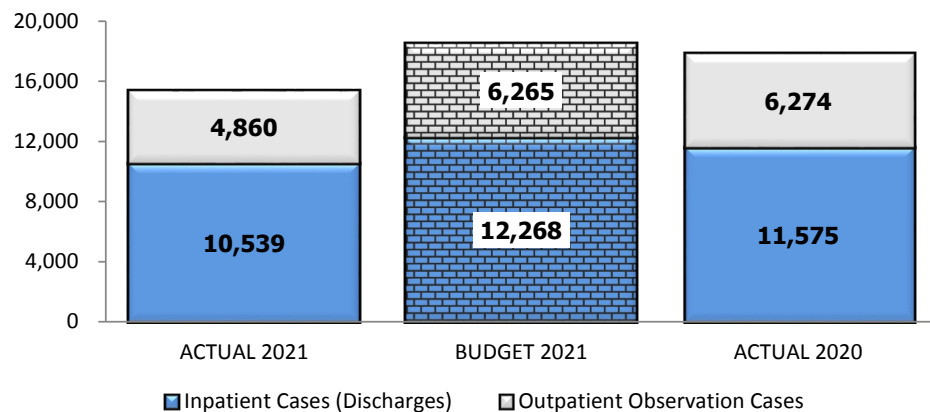
Ben Taub Cases - Current Month



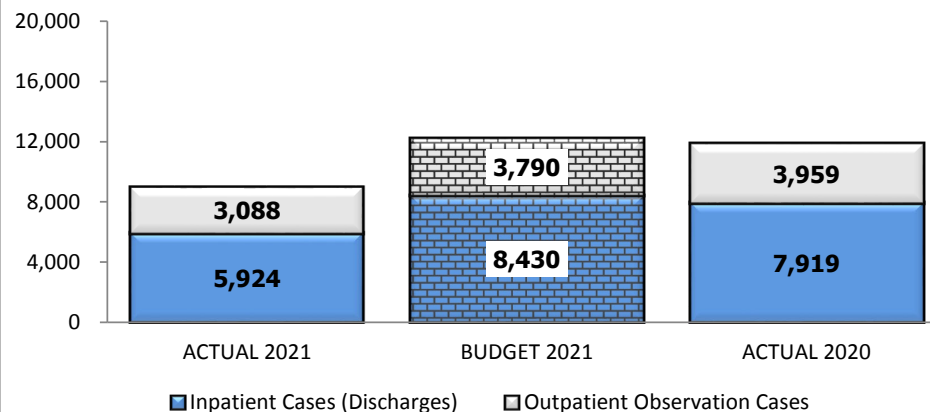
Lyndon B. Johnson Cases - Current Month



Ben Taub Cases - YTD



Lyndon B. Johnson Cases - YTD



Harris Health System

Statistical Highlights - Surgery Cases

October FY 2021

BT Surgery Cases - CM

Actual	Budget	Prior Year
954	1,221	1,056

BT Surgery Cases - YTD

Actual	Budget	Prior Year
5,722	9,290	7,941

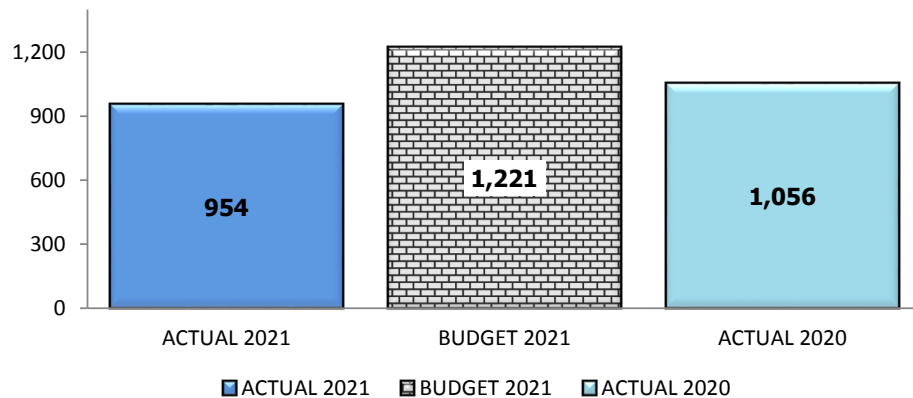
LBJ Surgery Cases - CM

Actual	Budget	Prior Year
886	979	1,029

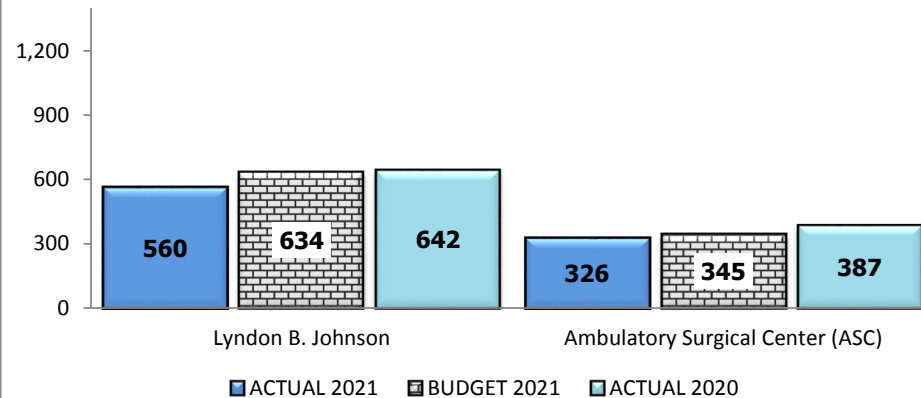
LBJ Surgery Cases - YTD

Actual	Budget	Prior Year
4,903	7,966	7,718

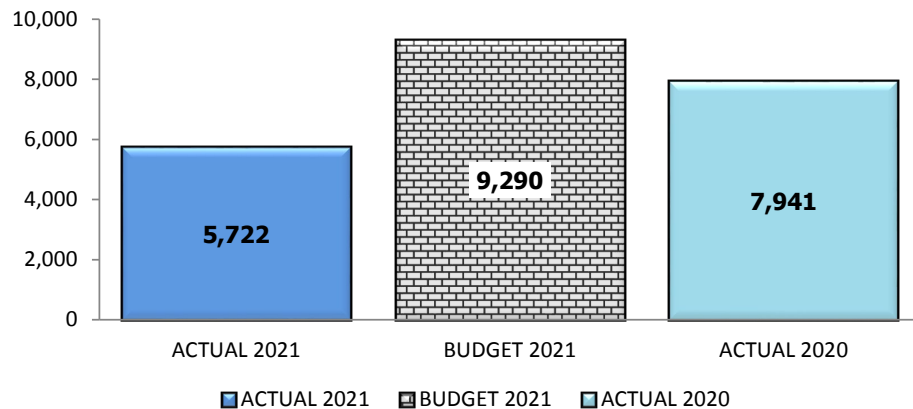
Ben Taub OR Cases - Current Month



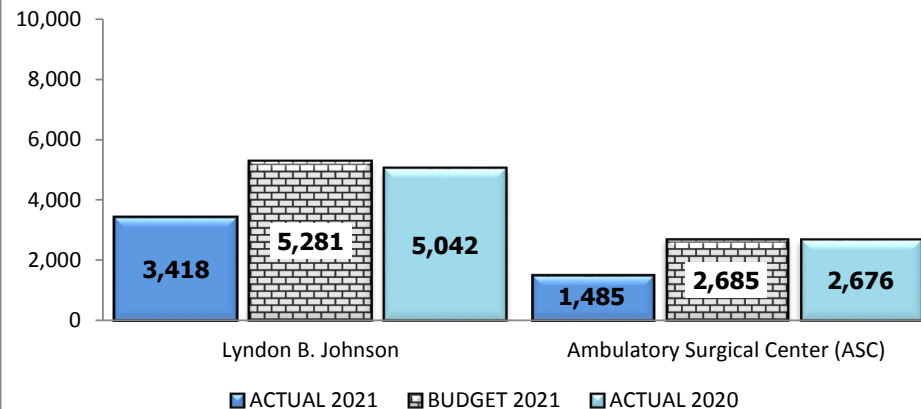
Lyndon B. Johnson OR Cases - Current Month



Ben Taub OR Cases - YTD



Lyndon B. Johnson OR Cases - YTD



Harris Health System

Statistical Highlights - Emergency Room Visits

October FY 2021

BT Emergency Visits - CM

Actual	Budget	Prior Year
6,128	7,225	7,065

BT Emergency Visits - YTD

Actual	Budget	Prior Year
44,009	56,413	54,717

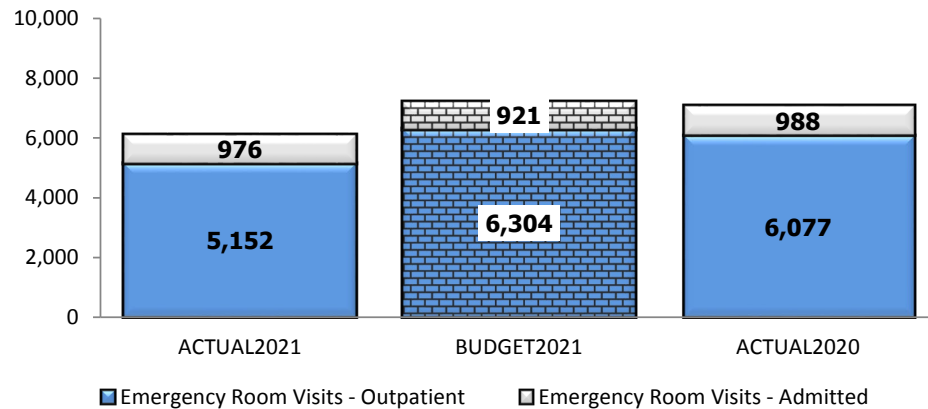
LBJ Emergency Visits - CM

Actual	Budget	Prior Year
5,962	7,891	7,966

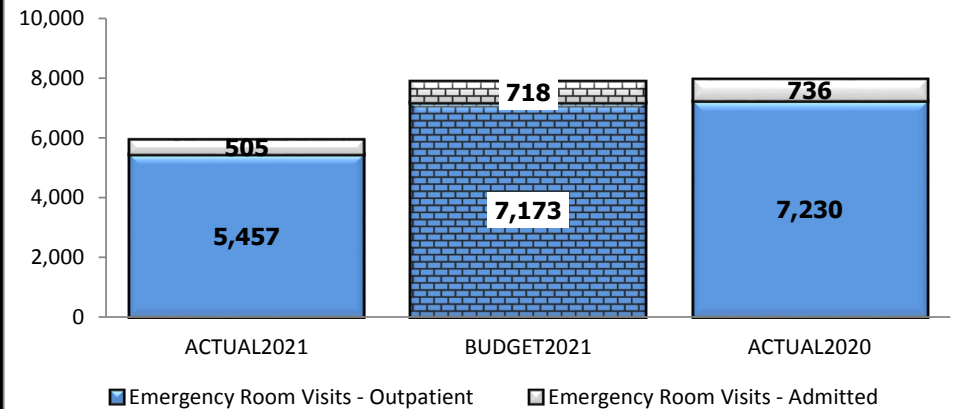
LBJ Emergency Visits - YTD

Actual	Budget	Prior Year
44,474	60,736	59,398

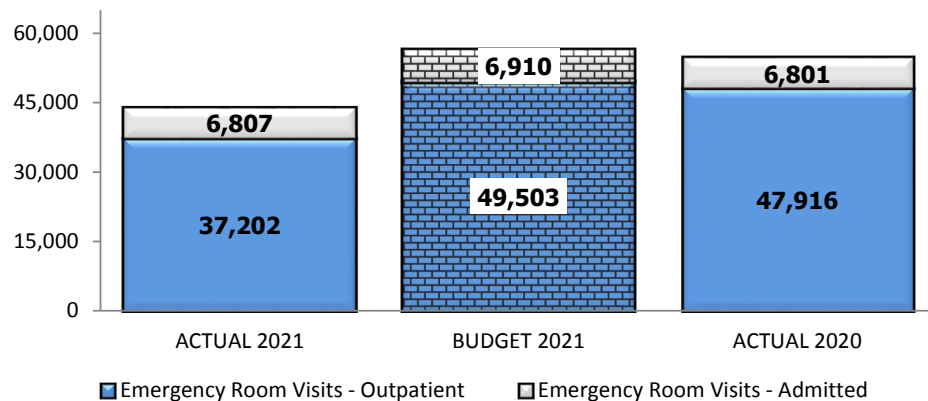
Ben Taub EC Visits - Current Month



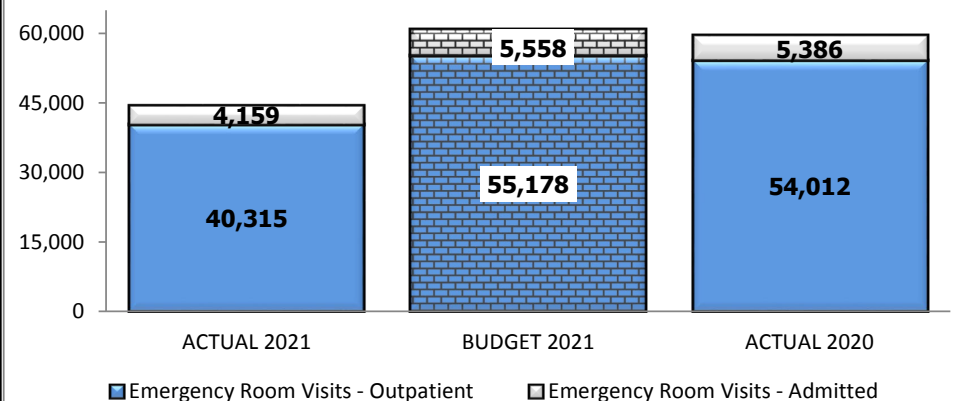
Lyndon B. Johnson EC Visits - Current Month



Ben Taub EC Visits - YTD



Lyndon B. Johnson EC Visits - YTD



Harris Health System

Statistical Highlights - Births

October FY 2021

BT Births - CM

Actual	Budget	Prior Year
230	266	230

BT Births - YTD

Actual	Budget	Prior Year
1,689	2,106	2,034

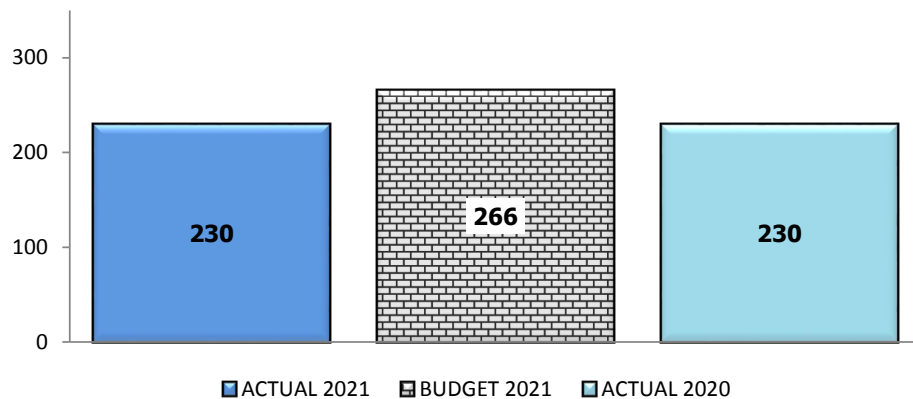
LBJ Births - CM

Actual	Budget	Prior Year
163	207	194

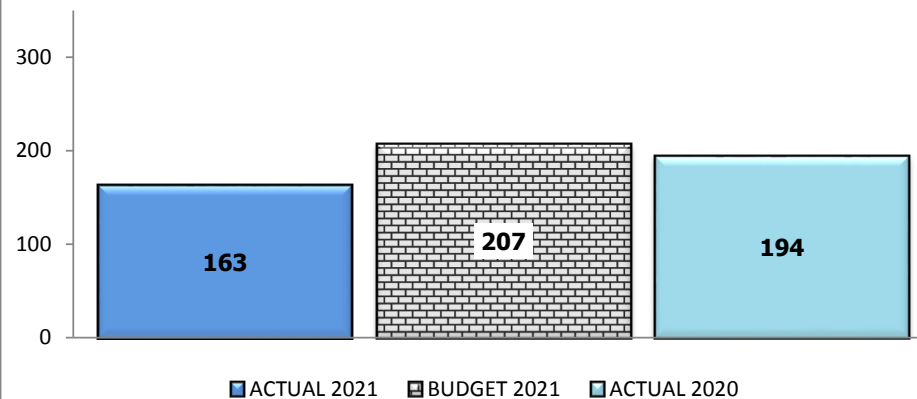
LBJ Births - YTD

Actual	Budget	Prior Year
1,230	1,580	1,579

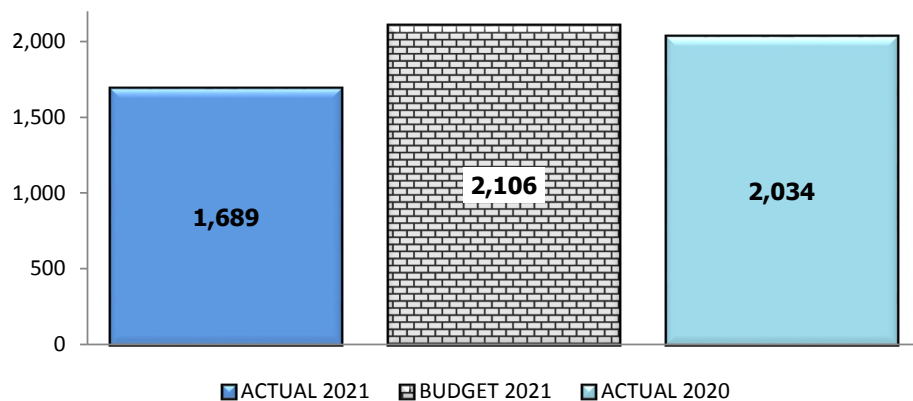
Ben Taub Births - Current Month



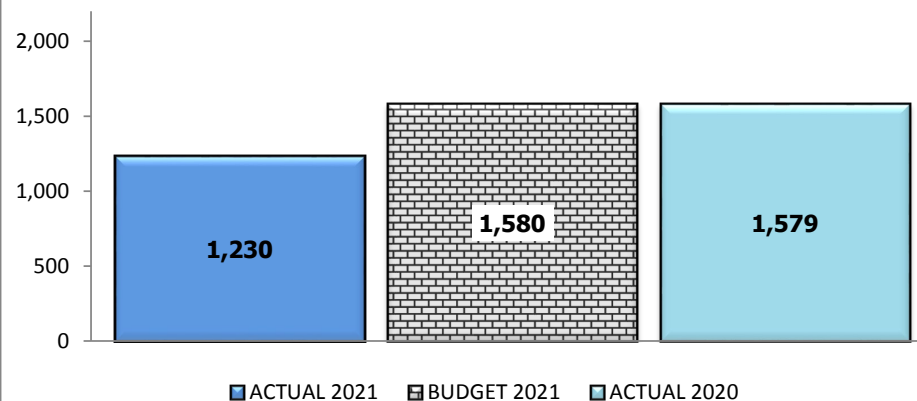
Lyndon B. Johnson Births - Current Month



Ben Taub Births - YTD



Lyndon B. Johnson Births - YTD



Harris Health System

Statistical Highlights - Adjusted Patient Days

October FY 2021

BT Adjusted Patient Days - CM

18,000

BT Adjusted Patient Days - YTD

122,919

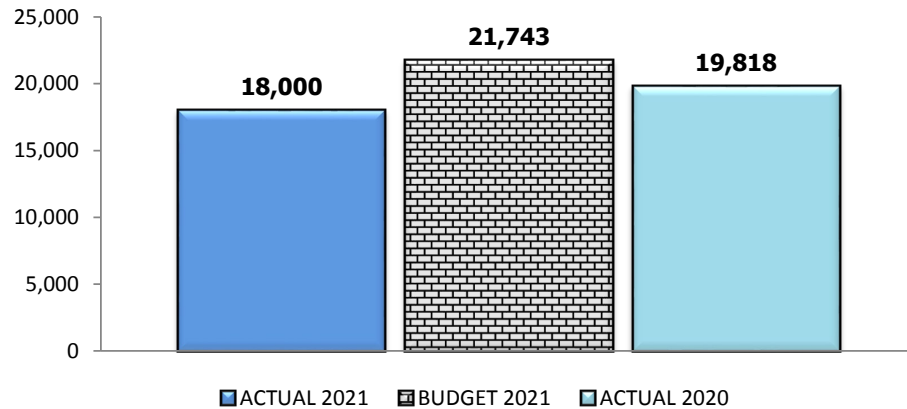
LBJ Adjusted Patient Days - CM

10,757

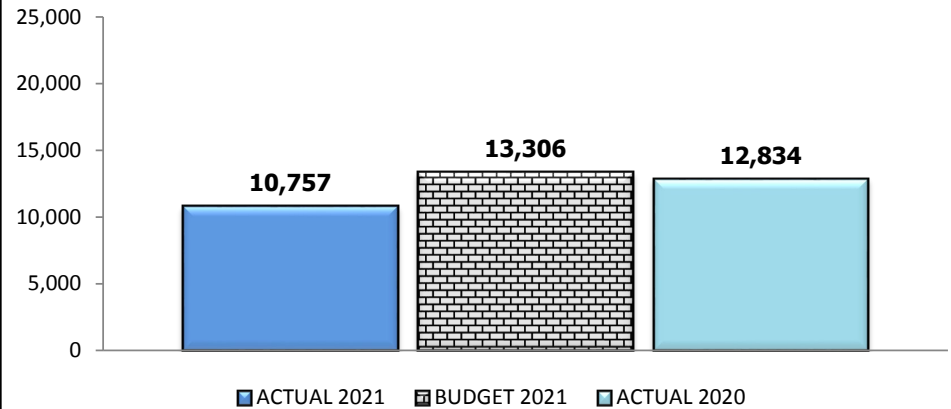
LBJ Adjusted Patient Days - YTD

81,226

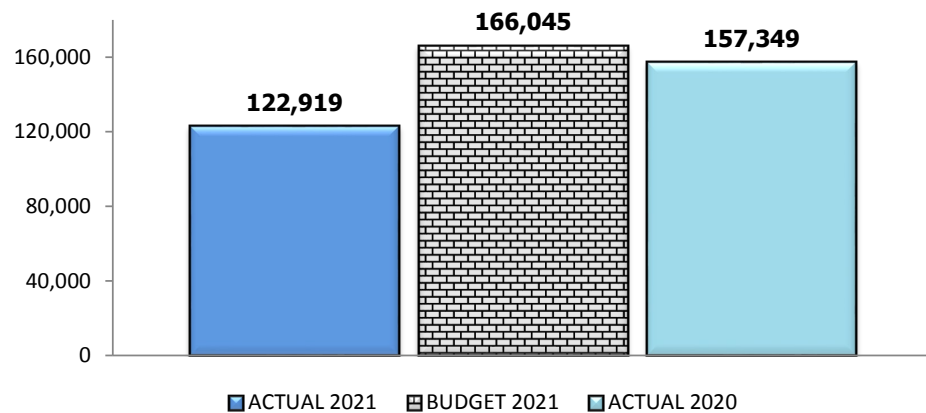
Ben Taub APD - Current Month



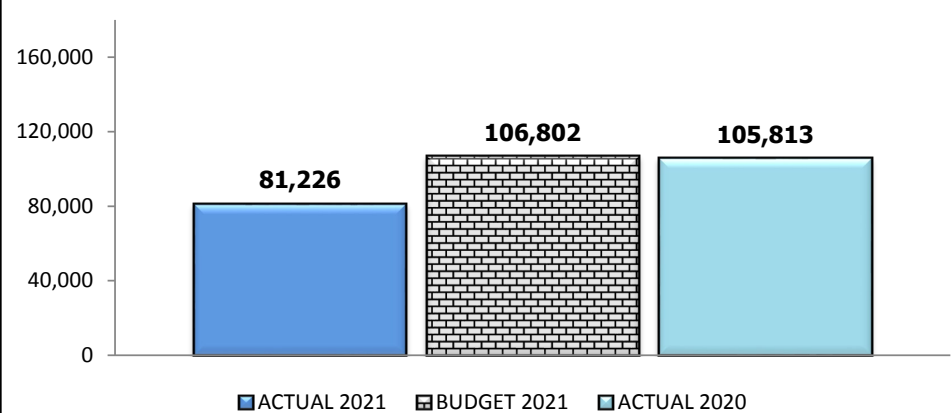
Lyndon B. Johnson APD - Current Month



Ben Taub APD - YTD



Lyndon B. Johnson APD - YTD



Harris Health System

Statistical Highlights - Average Daily Census (ADC)

October FY 2021

BT Average Daily Census - CM

346.7

BT Average Daily Census - YTD

313.2

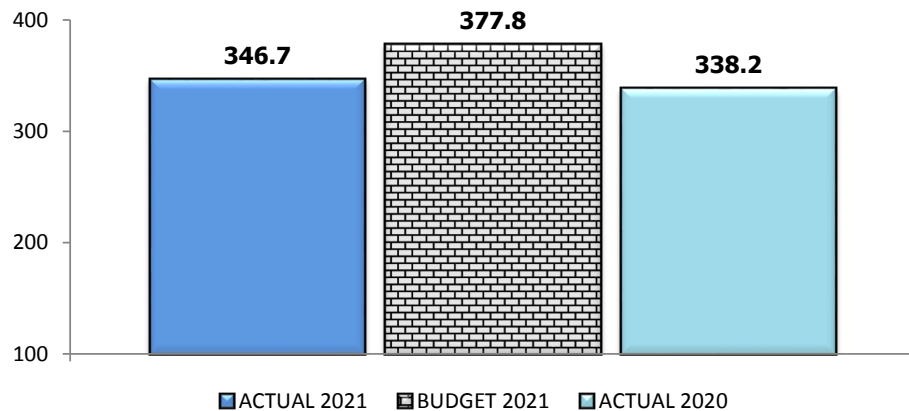
LBJ Average Daily Census - CM

160.1

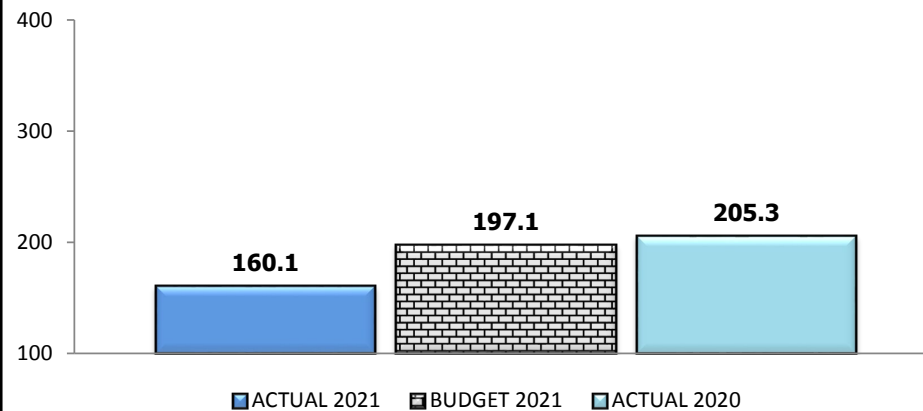
LBJ Average Daily Census - YTD

165.3

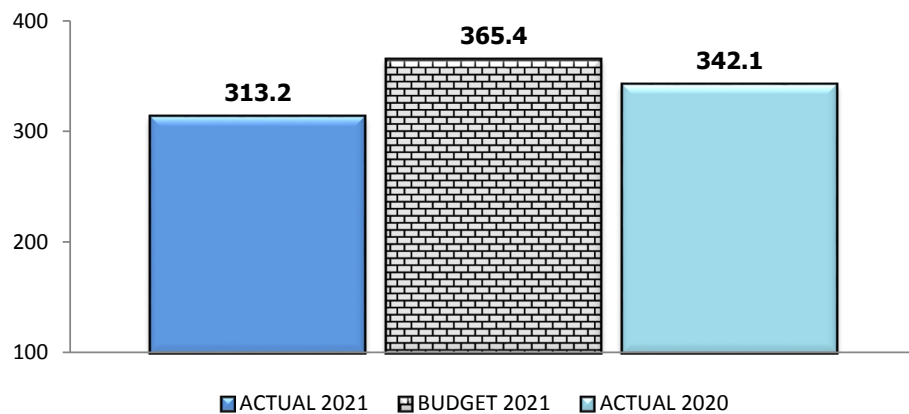
Ben Taub ADC - Current Month



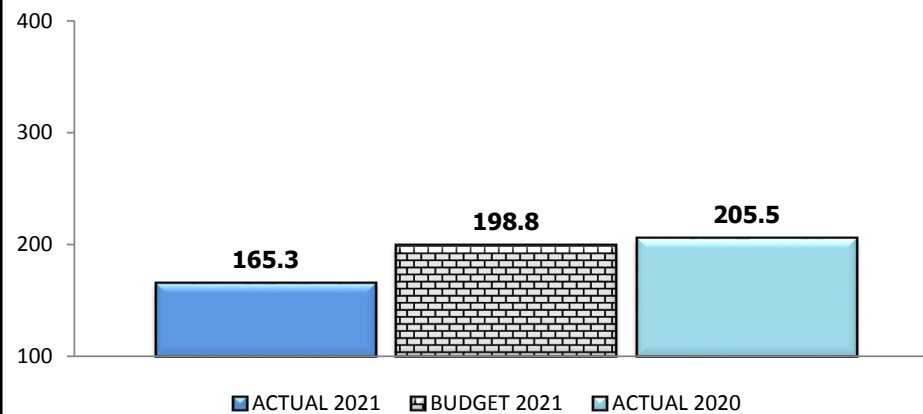
Lyndon B. Johnson ADC - Current Month



Ben Taub ADC - YTD



Lyndon B. Johnson ADC - YTD



Harris Health System

Statistical Highlights - Inpatient Average Length of Stay (ALOS)

October FY 2021

BT Inpatient ALOS - CM

5.91

BT Inpatient ALOS - YTD

6.03

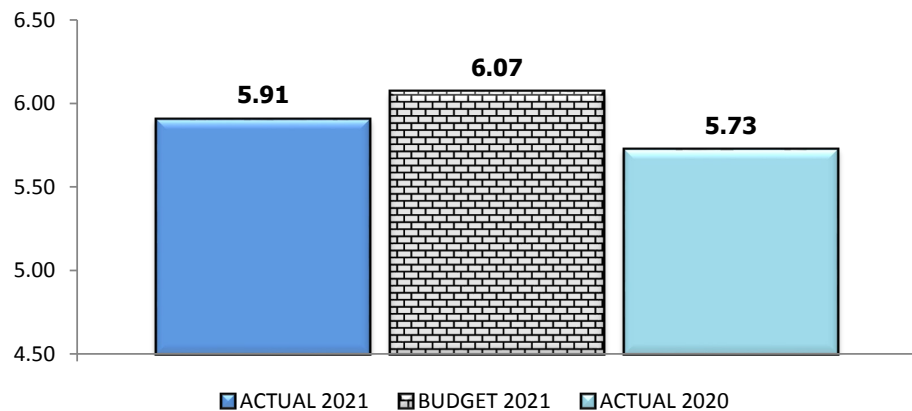
LBJ Inpatient ALOS - CM

4.98

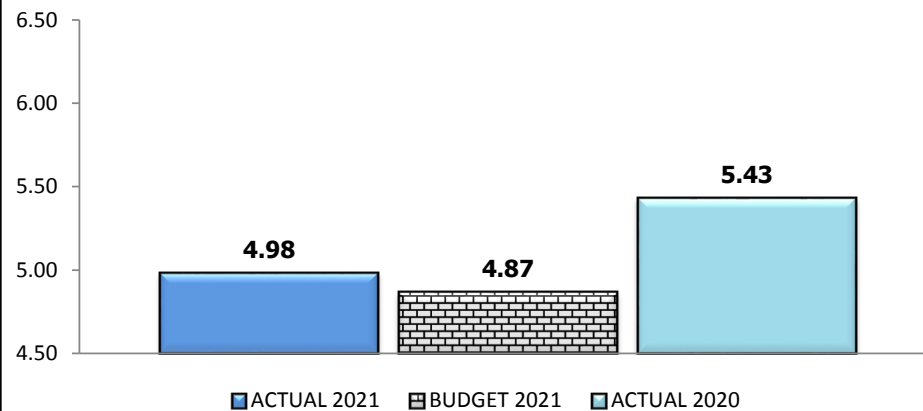
LBJ Inpatient ALOS - YTD

5.54

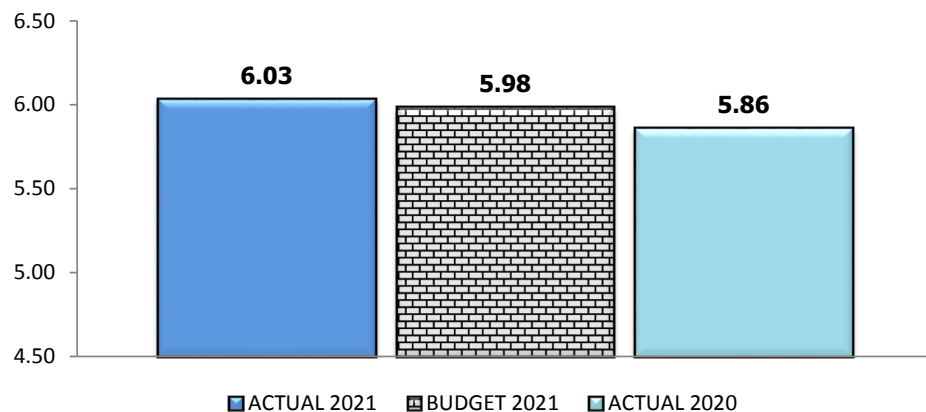
Ben Taub ALOS - Current Month



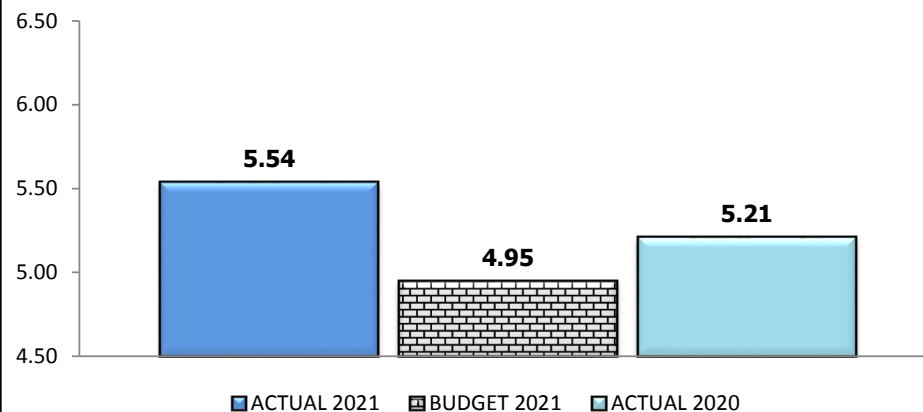
Lyndon B. Johnson ALOS - Current Month



Ben Taub ALOS - YTD



Lyndon B. Johnson ALOS - YTD



Harris Health System

Statistical Highlights - Case Mix Index (CMI)

October FY 2021

BT Case Mix Index (CMI) - CM

Overall	Excl. Obstetrics
1.837	2.002

BT Case Mix Index (CMI) - YTD

Overall	Excl. Obstetrics
1.788	1.951

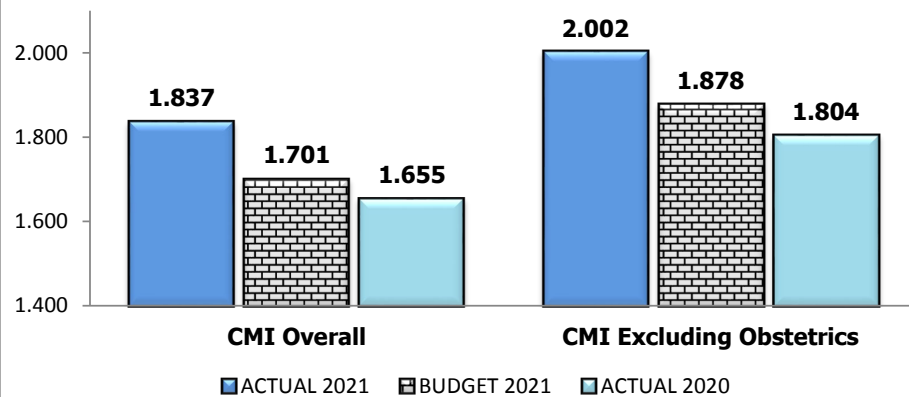
LBJ Case Mix Index (CMI) - CM

Overall	Excl. Obstetrics
1.572	1.767

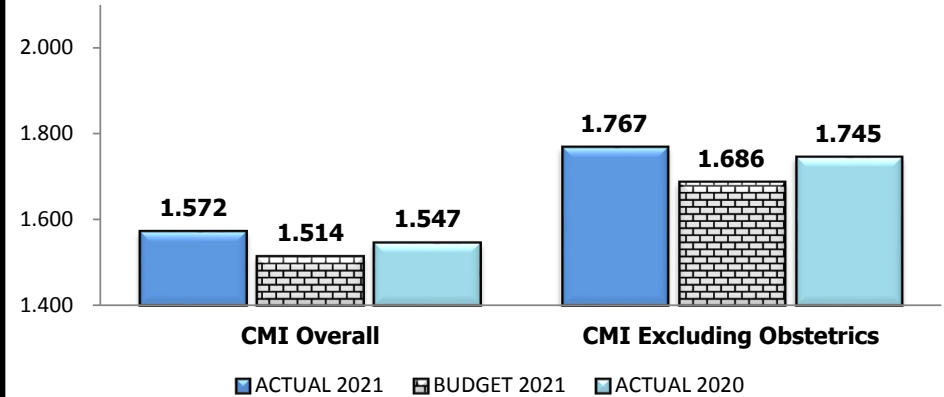
LBJ Case Mix Index (CMI) - YTD

Overall	Excl. Obstetrics
1.637	1.843

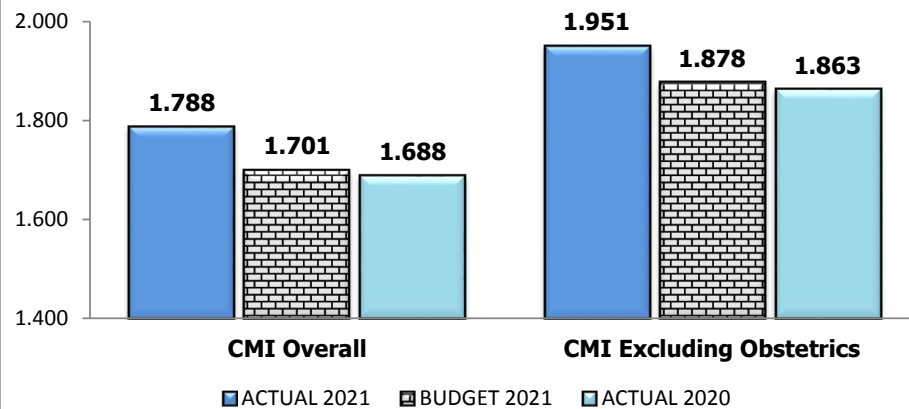
Ben Taub CMI - Current Month



Lyndon B. Johnson CMI - Current Month



Ben Taub CMI - YTD



Lyndon B. Johnson CMI - YTD

