



Financial Statements

As of October 31, 2022



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Financial Highlights Review

As of October 31, 2022

October 2022 Financial Statement Summary Variance Discussion

Operating income for October was \$7.8 million compared to budgeted income of \$4.8 million.

Total net revenue for October of \$191.3 million was \$813 thousand or 0.4% greater than budget. Net patient revenue contributed \$2.8 million and improved investment returns added \$1.9 million to the positive variance. Medicaid Supplemental programs were \$3.9 million lower than expected primarily due to timing.

In October, total expenses of \$183.6 million were \$2.2 million or 1.2% less than budget. Staff costs were \$2.0 million under budget as a result of a reduction in contract labor utilization and decreases in benefits expense.

Also in October, total patient days and average daily census increased 5.8% compared to budget. Inpatient case mix index, a measure of patient acuity, was 5.3% lower while length of stay was 0.4% lower than budget. Emergency room visits were 6.7% higher than planned for the month. Total clinic visits, including telehealth, were 10.2% higher compared to budget. Births were up 26.3%.

Total cash receipts for October were \$511.4 million. The System has \$1,141.6 million in unrestricted cash, cash equivalents and investments, representing 199.1 days cash on hand. The improved cash position in October was due to a late lump-sum annual payment for Hospital Augmented Reimbursement Program (HARP) for non-state government-owned and operated hospitals. On September 1, 2022, the Texas Health and Human Services Commission (HHSC) announced that it received approval from CMS to implement the new program. The approval, and the corresponding payment, is retroactive to October 1, 2021 and covers the entire federal fiscal year 2022 from October 2021 to September 2022.

Harris Health System has \$122.9 million in net accounts receivable, representing 60.2 days of outstanding patient accounts receivable at October 31, 2022. The October balance sheet reflects a combined net receivable position of \$58.6 million under the various Medicaid Supplemental programs.

Income Statement

HARRISHEALTH
SYSTEM

As of October 31, 2022 (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	\$ 63.3	\$ 60.5	4.6%	\$ 63.3	\$ 60.5	4.6%	\$ 81.4	-22.2%
Medicaid Supplemental Programs	47.1	51.0	-7.7%	47.1	51.0	-7.7%	31.3	50.5%
Other Operating Revenue	9.5	9.3	2.3%	9.5	9.3	2.3%	2.4	302.6%
Total Operating Revenue	\$ 119.9	\$ 120.8	-0.7%	\$ 119.9	\$ 120.8	-0.7%	\$ 115.1	4.2%
Net Ad Valorem Taxes	69.3	69.3	0.0%	69.3	69.3	0.0%	65.5	5.8%
Net Tobacco Settlement Revenue	-	-	0.0%	-	-	0.0%	-	0.0%
Capital Gifts & Grants	-	-	0.0%	-	-	0.0%	-	0.0%
Interest Income & Other	2.1	0.4	406.0%	2.1	0.4	406.0%	16.0	-86.8%
Total Nonoperating Revenue	\$ 71.4	\$ 69.7	2.4%	\$ 71.4	\$ 69.7	2.4%	\$ 81.5	-12.4%
Total Net Revenue	\$ 191.3	\$ 190.5	0.4%	\$ 191.3	\$ 190.5	0.4%	\$ 196.6	-2.7%
EXPENSE								
Salaries and Wages	\$ 72.2	\$ 71.9	-0.4%	\$ 72.2	\$ 71.9	-0.4%	\$ 74.4	2.9%
Employee Benefits	22.2	24.4	9.2%	22.2	24.4	9.2%	24.7	10.3%
Total Labor Cost	\$ 94.3	\$ 96.3	2.0%	\$ 94.3	\$ 96.3	2.0%	\$ 99.1	4.8%
Supply Expenses	25.2	23.3	-8.3%	25.2	23.3	-8.3%	22.0	-14.6%
Physician Services	35.3	36.0	1.7%	35.3	36.0	1.7%	30.5	-15.7%
Purchased Services	21.7	22.5	3.6%	21.7	22.5	3.6%	23.1	6.1%
Depreciation & Interest	7.0	7.7	9.4%	7.0	7.7	9.4%	6.1	-14.6%
Total Operating Expense	\$ 183.6	\$ 185.7	1.2%	\$ 183.6	\$ 185.7	1.2%	\$ 180.8	-1.5%
Operating Income (Loss)	\$ 7.8	\$ 4.8		\$ 7.8	\$ 4.8		\$ 15.8	
Total Margin %	4.1%	2.5%		4.1%	2.5%		8.1%	

Balance Sheet

HARRISHEALTH
SYSTEM

October 31, 2022 and 2021 (In \$ Millions)

	CURRENT YEAR	PRIOR YEAR
<u>CURRENT ASSETS</u>		
Cash, Cash Equivalents and Short Term Investments	\$ 1,141.6	\$ 903.9
Net Patient Accounts Receivable	122.9	124.5
Net Ad Valorem Taxes, Current Portion	68.3	520.6
Other Current Assets	184.2	150.6
Total Current Assets	\$ 1,517.1	\$ 1,699.5
<u>CAPITAL ASSETS</u>		
Plant, Property, & Equipment, Net of Accumulated Depreciation	\$ 418.9	\$ 444.5
Construction in Progress	171.0	96.1
Right of Use Assets	45.9	-
Total Capital Assets	\$ 635.8	\$ 540.6
<u>ASSETS LIMITED AS TO USE & RESTRICTED ASSETS</u>		
Debt Service & Capital Asset Funds	\$ 40.0	\$ 50.4
LPPF Restricted Cash	71.2	28.3
Capital Gift Proceeds	45.5	-
Other - Restricted	1.0	1.5
Total Assets Limited As to Use & Restricted Assets	\$ 157.6	\$ 80.2
Other Assets	31.9	7.8
Deferred Outflows of Resources	188.5	179.3
Total Assets & Deferred Outflows of Resources	\$ 2,530.9	\$ 2,507.4
<u>CURRENT LIABILITIES</u>		
Accounts Payable and Accrued Liabilities	\$ 238.4	\$ 181.0
Employee Compensation & Related Liabilities	122.4	115.8
Estimated Third-Party Payor Settlements	13.5	8.6
Current Portion Long-Term Debt and Capital Leases	20.6	12.2
Total Current Liabilities	\$ 395.0	\$ 317.6
Long-Term Debt	332.9	308.0
Net Pension & Post Employment Benefits Liability	605.1	737.4
Other Long-Term Liabilities	8.1	24.3
Deferred Inflows of Resources	218.7	112.4
Total Liabilities	\$ 1,559.7	\$ 1,499.7
Total Net Assets	\$ 971.2	\$ 1,007.7
Total Liabilities & Net Assets	\$ 2,530.9	\$ 2,507.4

Cash Flow Summary

HARRISHEALTH
SYSTEM

As of October 31, 2022 (In \$ Millions)

	MONTH-TO-MONTH		YEAR-TO-DATE	
	CURRENT	PRIOR	CURRENT	PRIOR
	YEAR	YEAR	YEAR	YEAR
<u>CASH RECEIPTS</u>				
Collections on Patient Accounts	\$ 52.3	\$ 64.7	\$ 52.3	\$ 64.7
Medicaid Supplemental Programs	452.7	213.1	452.7	213.1
Net Ad Valorem Taxes	0.0	0.0	0.0	0.0
Tobacco Settlement	-	-	-	-
Other Revenue	6.4	(19.1)	6.4	(19.1)
Total Cash Receipts	\$ 511.4	\$ 258.8	\$ 511.4	\$ 258.8
<u>CASH DISBURSEMENTS</u>				
Salaries, Wages and Benefits	\$ 102.5	\$ 110.6	\$ 102.5	\$ 110.6
Supplies	21.2	24.9	21.2	24.9
Physician Services	34.0	30.0	34.0	30.0
Purchased Services	14.3	21.0	14.3	21.0
Capital Expenditures	12.8	12.1	12.8	12.1
Debt and Interest Payments	0.3	0.3	0.3	0.3
Other Uses	7.6	8.5	7.6	8.5
Total Cash Disbursements	\$ 192.6	\$ 207.4	\$ 192.6	\$ 207.4
Net Change	\$ 318.8	\$ 51.3	\$ 318.8	\$ 51.3

Unrestricted Cash, Cash Equivalents and Investments - February 28, 2022

\$ 822.8

Net Change

318.8

Unrestricted Cash, Cash Equivalents and Investments - October 31, 2022

\$ 1,141.6

Performance Ratios

HARRISHEALTH
SYSTEM

As of October 31, 2022

	MONTH-TO-MONTH		YEAR-TO-DATE		
	CURRENT YEAR	CURRENT BUDGET	CURRENT YEAR	CURRENT BUDGET	PRIOR YEAR
<u>OPERATING HEALTH INDICATORS</u>					
Operating Margin %	4.1%	2.5%	4.1%	2.5%	8.1%
Run Rate per Day (In\$ Millions)	\$ 5.7	\$ 5.8	\$ 5.7	\$ 5.8	\$ 5.7
Salary, Wages & Benefit per APD	\$ 2,228	\$ 2,451	\$ 2,228	\$ 2,451	\$ 2,581
Supply Cost per APD	\$ 596	\$ 593	\$ 596	\$ 593	\$ 573
Physician Services per APD	\$ 835	\$ 915	\$ 835	\$ 915	\$ 796
Total Expense per APD	\$ 4,335	\$ 4,727	\$ 4,335	\$ 4,727	\$ 4,710
Overtime as a % of Total Salaries	3.9%	1.7%	3.9%	1.7%	3.0%
Contract as a % of Total Salaries	6.1%	7.4%	6.1%	7.4%	5.4%
Full-time Equivalent Employees	9,823	9,918	9,823	9,918	9,286
<u>FINANCIAL HEALTH INDICATORS</u>					
Quick Ratio			3.8		5.3
Unrestricted Cash (In \$ Millions)			\$ 1,141.6	\$ 710.4	\$ 903.9
Days Cash on Hand			199.1	127.6	159.4
Days Revenue in Accounts Receivable			60.2	54.8	47.4
Days in Accounts Payable			45.1		38.7
Capital Expenditures/Depreciation & Amortization			213.3%		232.6%
Average Age of Plant(years)			11.3		12.4

Harris Health System

Key Indicators



Statistical Highlights

As of October 31, 2022

	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	42,344	39,292	7.8%	42,344	39,292	7.8%	38,386	10.3%
Outpatient % of Adjusted Volume	61.0%	62.6%	-2.4%	61.0%	62.6%	-2.4%	62.7%	-2.6%
Primary Care Clinic Visits	48,550	41,320	17.5%	48,550	41,320	17.5%	40,296	20.5%
Specialty Clinic Visits	21,467	19,817	8.3%	21,467	19,817	8.3%	19,627	9.4%
Telehealth Clinic Visits	10,890	12,261	-11.2%	10,890	12,261	-11.2%	16,820	-35.3%
Total Clinic Visits	80,907	73,398	10.2%	80,907	73,398	10.2%	76,743	5.4%
Emergency Room Visits - Outpatient	11,977	11,313	5.9%	11,977	11,313	5.9%	10,034	19.4%
Emergency Room Visits - Admitted	1,794	1,589	12.9%	1,794	1,589	12.9%	1,408	27.4%
Total Emergency Room Visits	13,771	12,902	6.7%	13,771	12,902	6.7%	11,442	20.4%
Surgery Cases - Outpatient	835	1,052	-20.6%	835	1,052	-20.6%	734	13.8%
Surgery Cases - Inpatient	790	881	-10.3%	790	881	-10.3%	714	10.6%
Total Surgery Cases	1,625	1,933	-15.9%	1,625	1,933	-15.9%	1,448	12.2%
Total Outpatient Visits	126,812	123,745	2.5%	126,812	123,745	2.5%	139,166	-8.9%
Inpatient Cases (Discharges)	2,851	2,533	12.6%	2,851	2,533	12.6%	2,259	26.2%
Outpatient Observation Cases	940	1,175	-20.0%	940	1,175	-20.0%	1,164	-19.2%
Total Cases Occupying Patient Beds	3,791	3,708	2.2%	3,791	3,708	2.2%	3,423	10.8%
Births	523	414	26.3%	523	414	26.3%	426	22.8%
Inpatient Days	16,496	14,708	12.2%	16,496	14,708	12.2%	14,327	15.1%
Outpatient Observation Days	2,833	3,564	-20.5%	2,833	3,564	-20.5%	3,403	-16.7%
Total Patient Days	19,329	18,272	5.8%	19,329	18,272	5.8%	17,730	9.0%
Average Daily Census	623.5	589.4	5.8%	623.5	589.4	5.8%	571.9	9.0%
Average Operating Beds	681	681	0.0%	681	681	0.0%	681	0.0%
Bed Occupancy %	91.6%	86.6%	5.8%	91.6%	86.6%	5.8%	84.0%	9.0%
Inpatient Average Length of Stay	5.79	5.81	-0.4%	5.79	5.81	-0.4%	6.34	-8.8%
Inpatient Case Mix Index (CMI)	1.616	1.706	-5.3%	1.616	1.706	-5.3%	1.853	-12.8%
Payor Mix (% of Charges)								
Charity & Self Pay	47.8%	46.2%	3.5%	47.8%	46.7%	2.4%	48.2%	-0.7%
Medicaid & Medicaid Managed	22.5%	23.5%	-4.3%	22.5%	22.7%	-1.0%	20.6%	9.2%
Medicare & Medicare Managed	11.0%	11.6%	-4.9%	11.0%	11.0%	0.3%	12.4%	-10.9%
Commercial & Other	18.7%	18.7%	-0.2%	18.7%	19.5%	-4.3%	18.9%	-1.0%
Total Unduplicated Patients - Rolling 12				246,784			259,271	-4.8%
Total New Patient - Rolling 12				84,260			82,689	1.9%

Harris Health System

Statistical Highlights

October FY 2023

Cases Occupying Beds - CM

Actual	Budget	Prior Year
3,791	3,708	3,423

Cases Occupying Beds - YTD

Actual	Budget	Prior Year
3,791	3,708	3,423

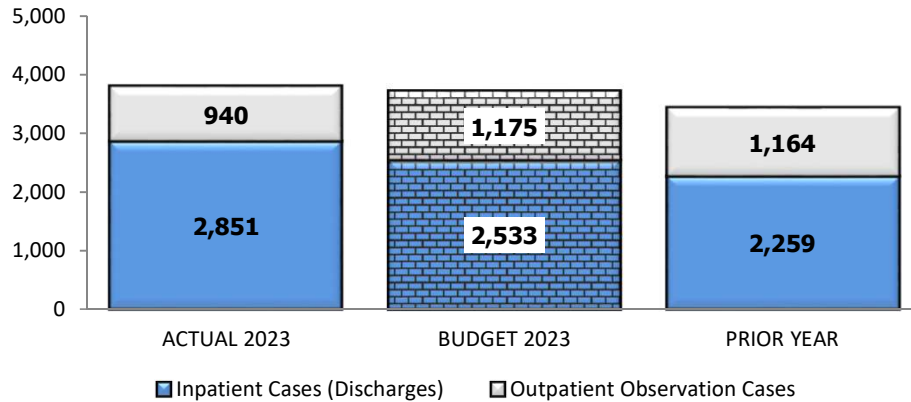
Emergency Visits - CM

Actual	Budget	Prior Year
13,771	12,902	11,442

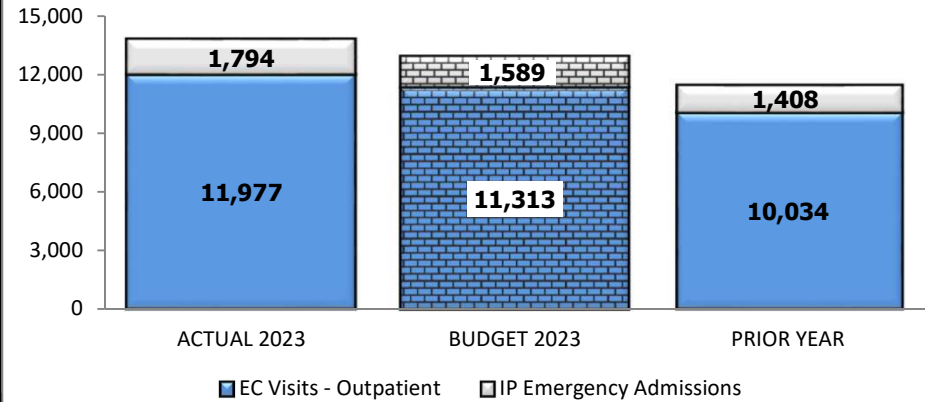
Emergency Visits - YTD

Actual	Budget	Prior Year
13,771	12,902	11,442

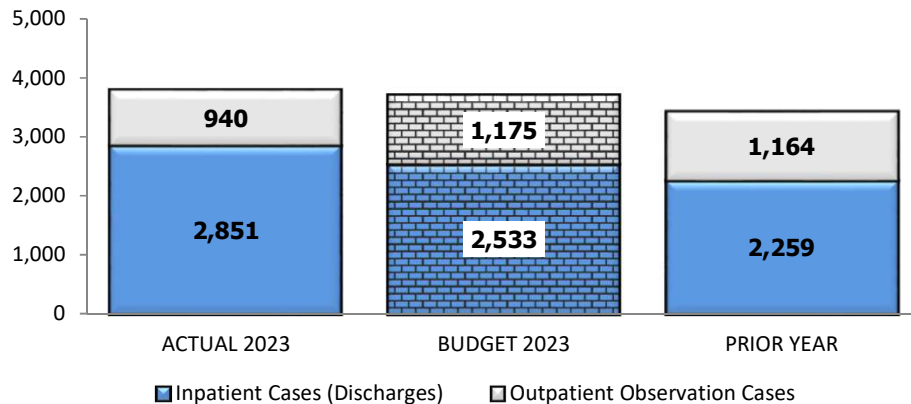
Cases Occupying Beds - Current Month



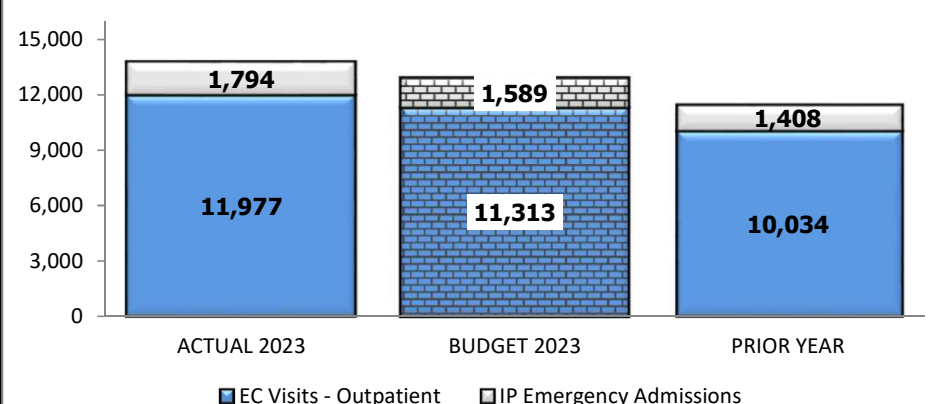
Emergency Visits - Current Month



Cases Occupying Beds - YTD



Emergency Visits - YTD



Harris Health System

Statistical Highlights

October FY 2023

Surgery Cases - CM

Actual	Budget	Prior Year
1,625	1,933	1,448

Surgery Cases - YTD

Actual	Budget	Prior Year
1,625	1,933	1,448

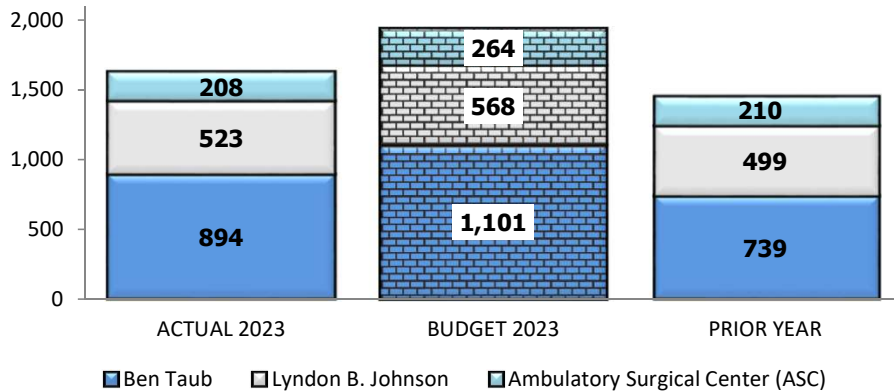
Clinic Visits - CM

Actual	Budget	Prior Year
80,907	73,398	76,743

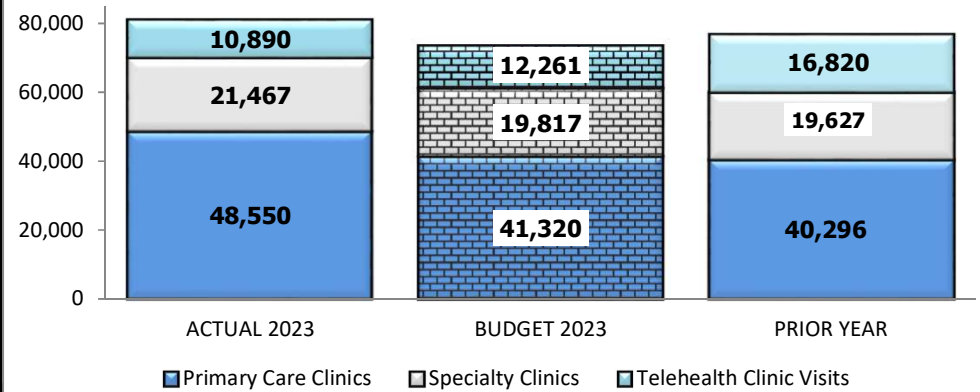
Clinic Visits - YTD

Actual	Budget	Prior Year
80,907	73,398	76,743

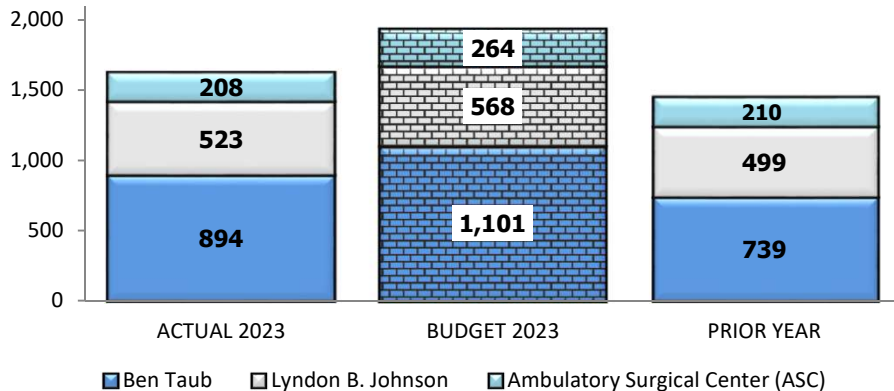
Surgery Cases - Current Month



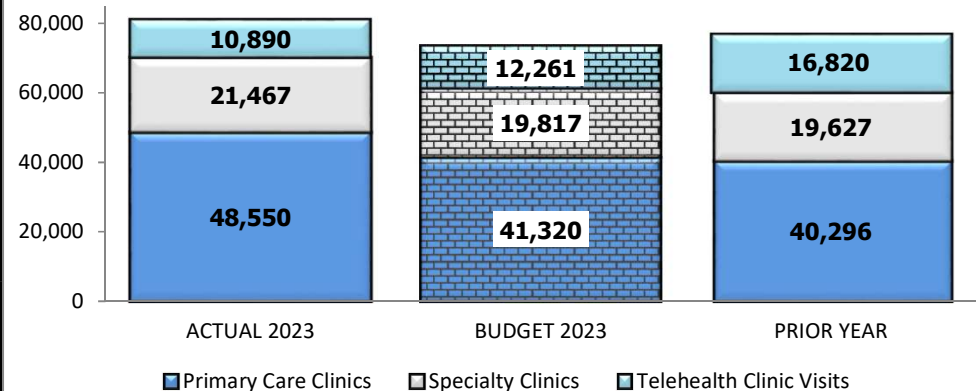
Clinic Visits - Current Month



Surgery Cases - YTD



Clinic Visits - YTD



Harris Health System

Statistical Highlights

October FY 2023

Adjusted Patient Days - CM

42,344

Adjusted Patient Days - YTD

42,344

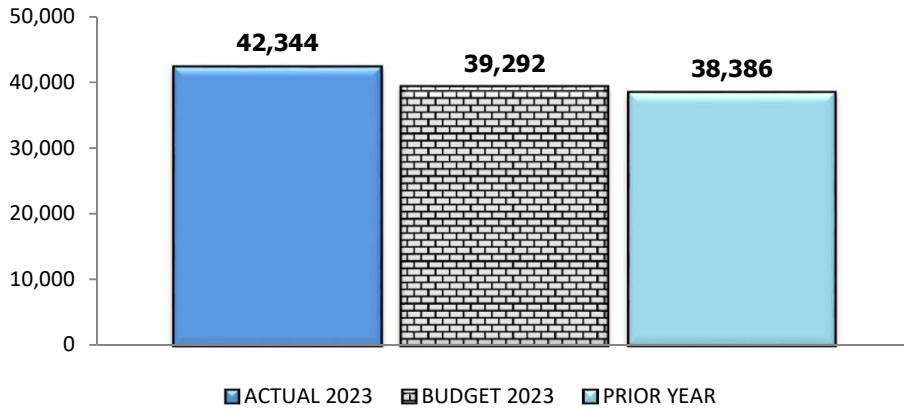
Average Daily Census - CM

623.5

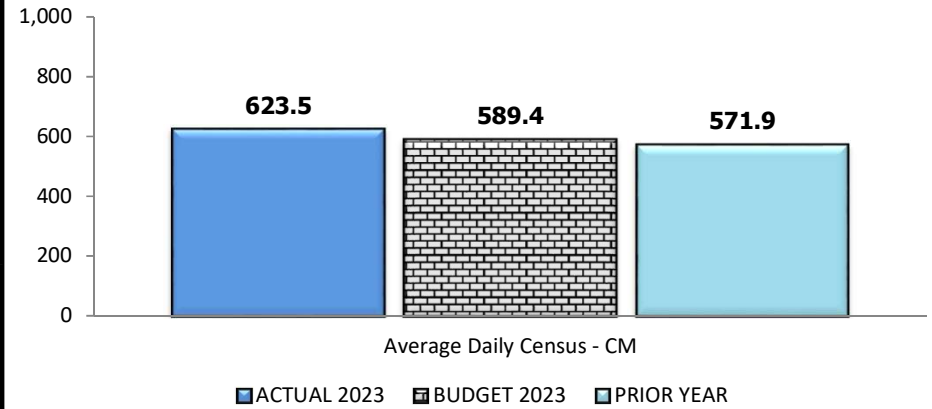
Average Daily Census - YTD

623.5

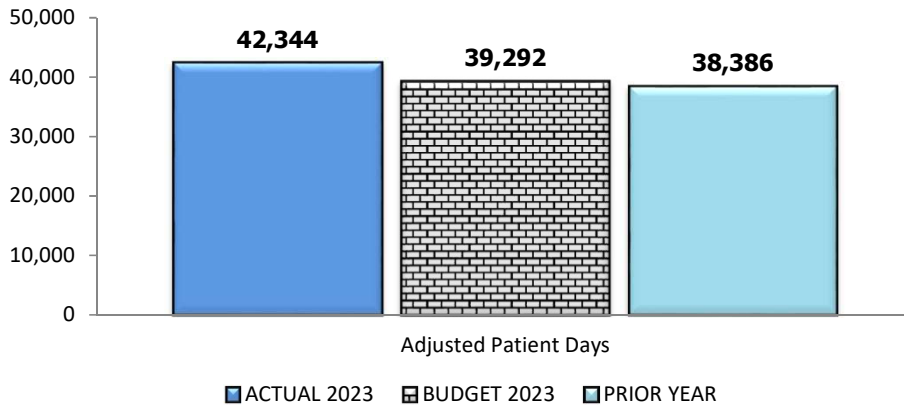
Adjusted Patient Days - Current Month



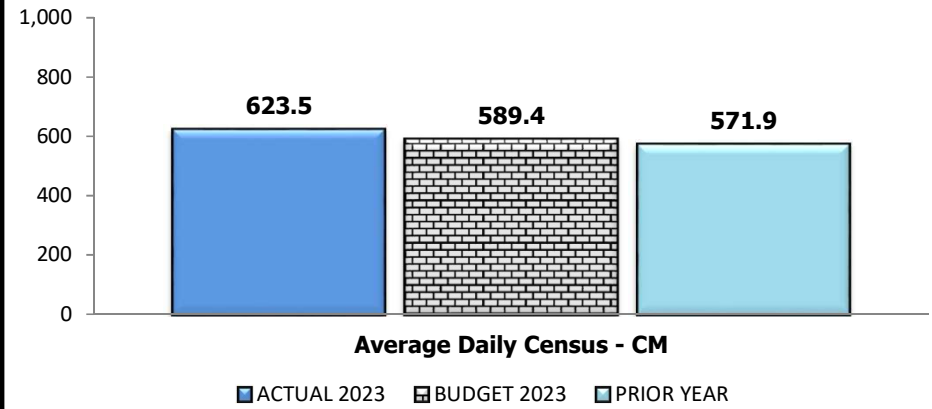
Average Daily Census - Current Month



Adjusted Patient Days - YTD



Average Daily Census - YTD



Harris Health System

Statistical Highlights

October FY 2023

Inpatient ALOS - CM

5.79

Inpatient ALOS - YTD

5.79

Case Mix Index (CMI) - CM

Overall

Excl. Obstetrics

1.616

1.691

Case Mix Index (CMI) - YTD

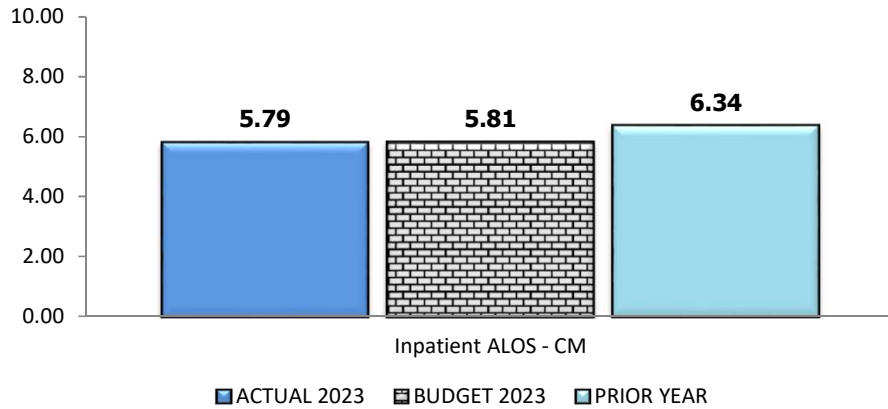
Overall

Excl. Obstetrics

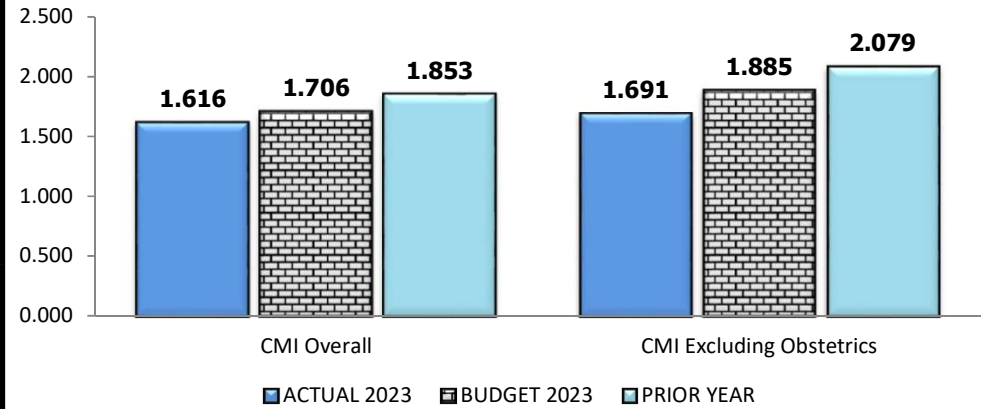
1.616

1.691

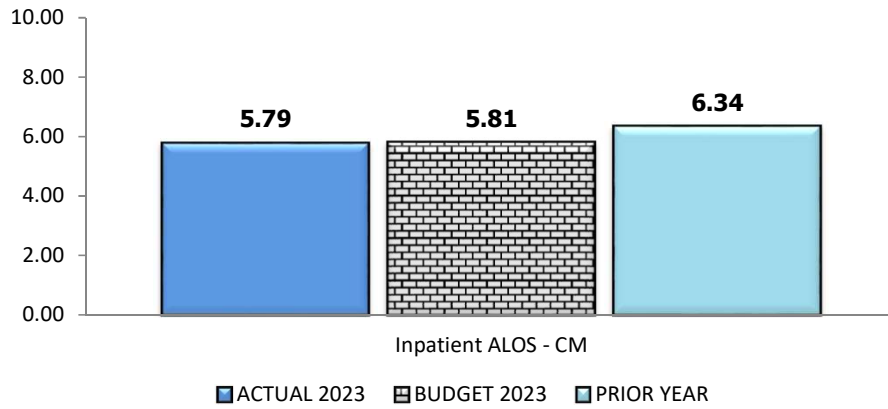
Inpatient ALOS - Current Month



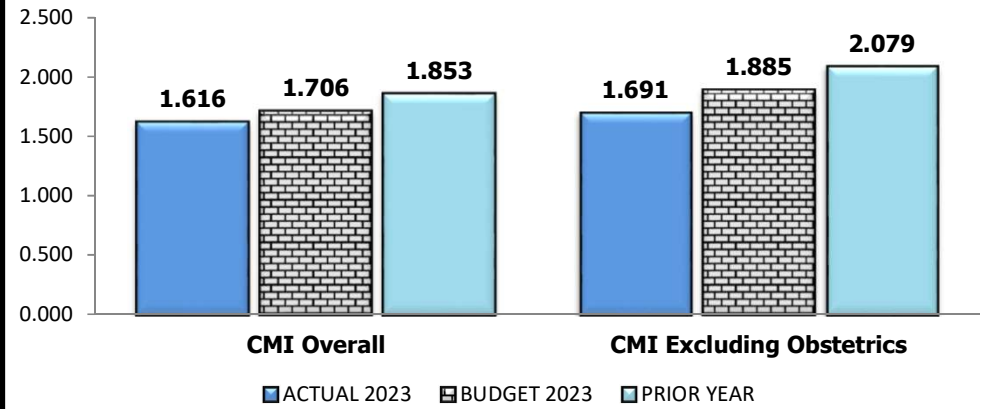
Case Mix Index - Current Month



Inpatient ALOS - YTD



Case Mix Index - YTD



Harris Health System

Statistical Highlights - Cases Occupying Beds

October FY 2023

BT Cases Occupying Beds - CM

Actual	Budget	Prior Year
2,210	2,170	2,091

BT Cases Occupying Beds - YTD

Actual	Budget	Prior Year
2,210	2,170	2,091

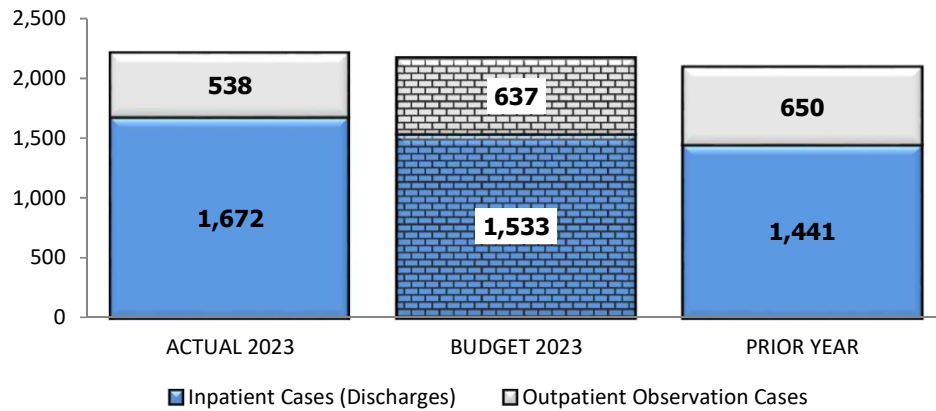
LBJ Cases Occupying Beds - CM

Actual	Budget	Prior Year
1,581	1,538	1,332

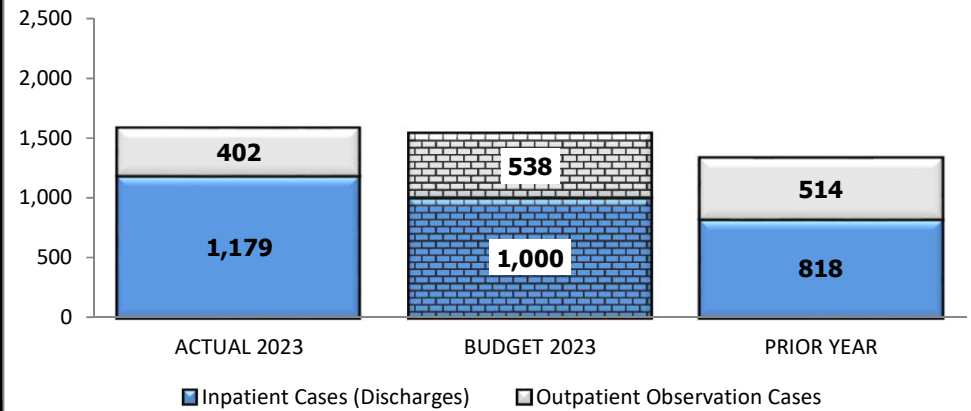
LBJ Cases Occupying Beds - YTD

Actual	Budget	Prior Year
1,581	1,538	1,332

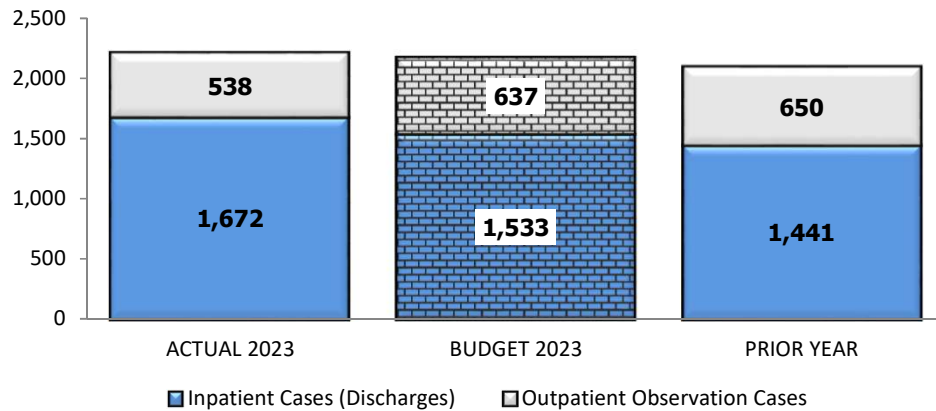
Ben Taub Cases - Current Month



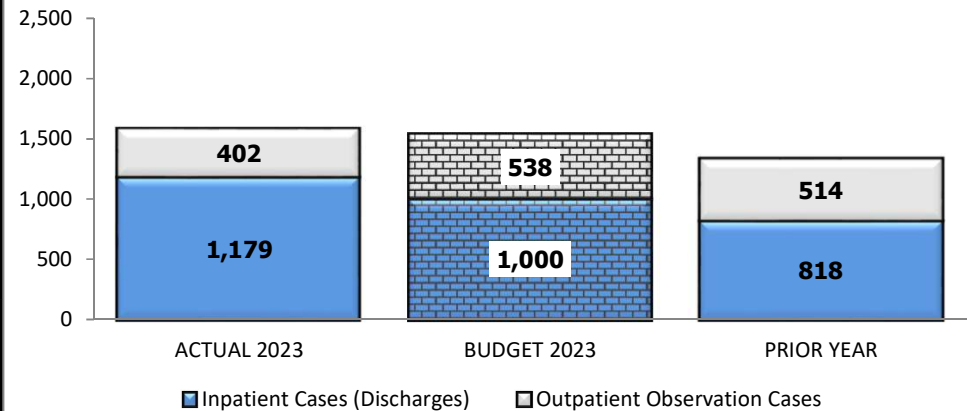
Lyndon B. Johnson Cases - Current Month



Ben Taub Cases - YTD



Lyndon B. Johnson Cases - YTD



Harris Health System

Statistical Highlights - Surgery Cases

October FY 2023

BT Surgery Cases - CM

Actual	Budget	Prior Year
894	1,101	739

BT Surgery Cases - YTD

Actual	Budget	Prior Year
894	1,101	739

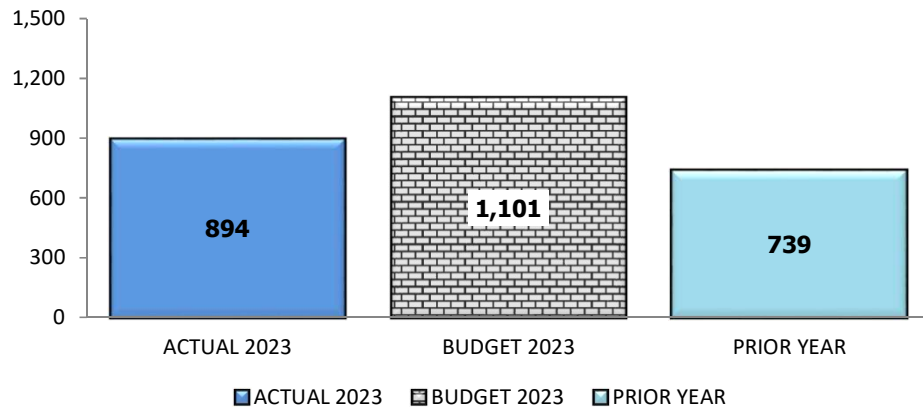
LBJ Surgery Cases - CM

Actual	Budget	Prior Year
731	832	709

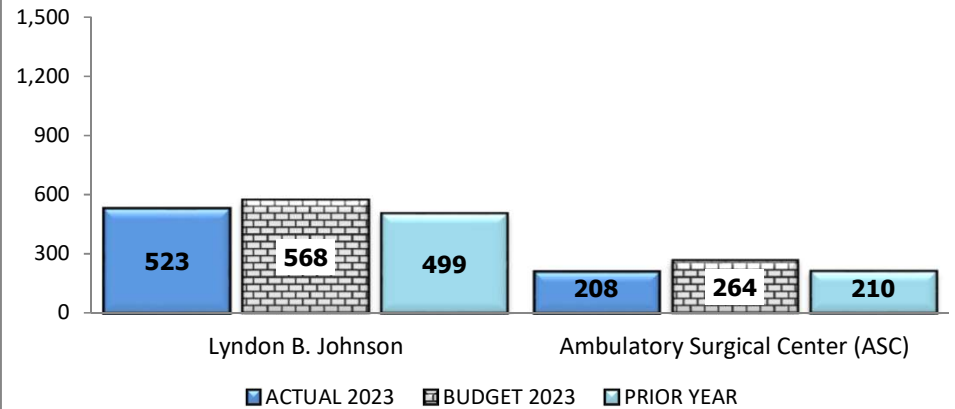
LBJ Surgery Cases - YTD

Actual	Budget	Prior Year
731	832	709

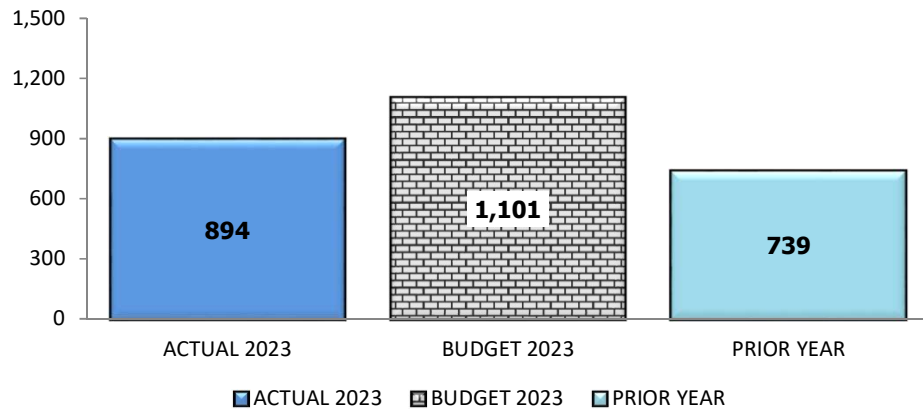
Ben Taub OR Cases - Current Month



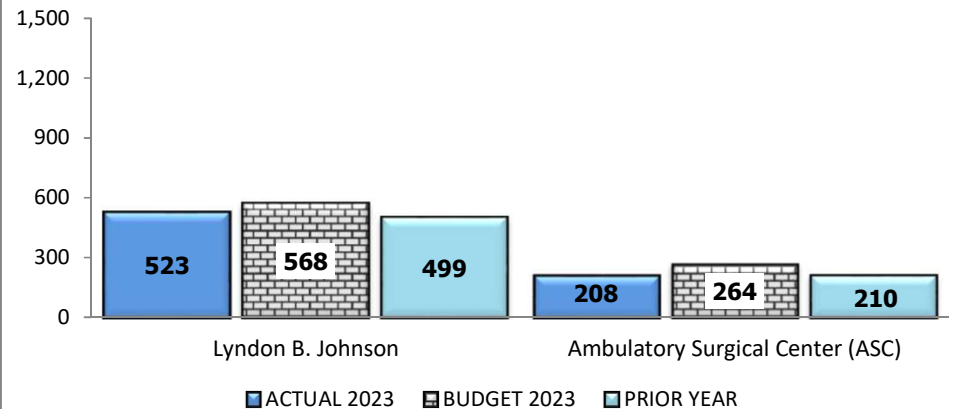
Lyndon B. Johnson OR Cases - Current Month



Ben Taub OR Cases - YTD



Lyndon B. Johnson OR Cases - YTD



Harris Health System

Statistical Highlights - Emergency Room Visits

October FY 2023

BT Emergency Visits - CM

Actual	Budget	Prior Year
6,463	6,426	5,764

BT Emergency Visits - YTD

Actual	Budget	Prior Year
6,463	6,426	5,764

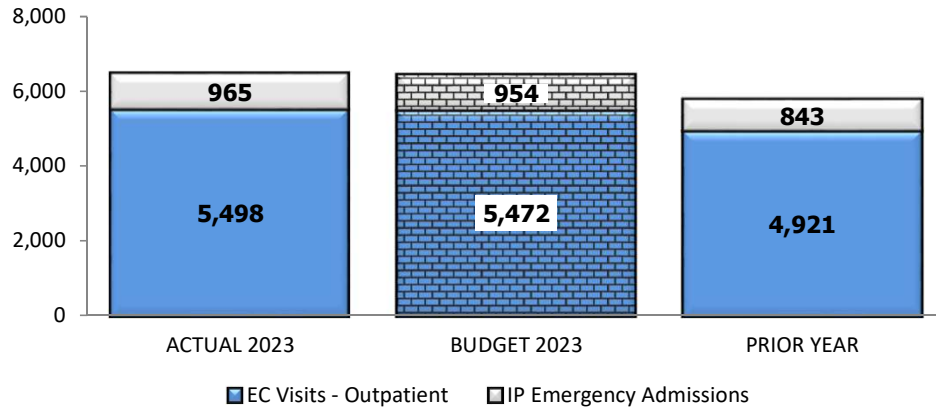
LBJ Emergency Visits - CM

Actual	Budget	Prior Year
7,308	6,476	5,678

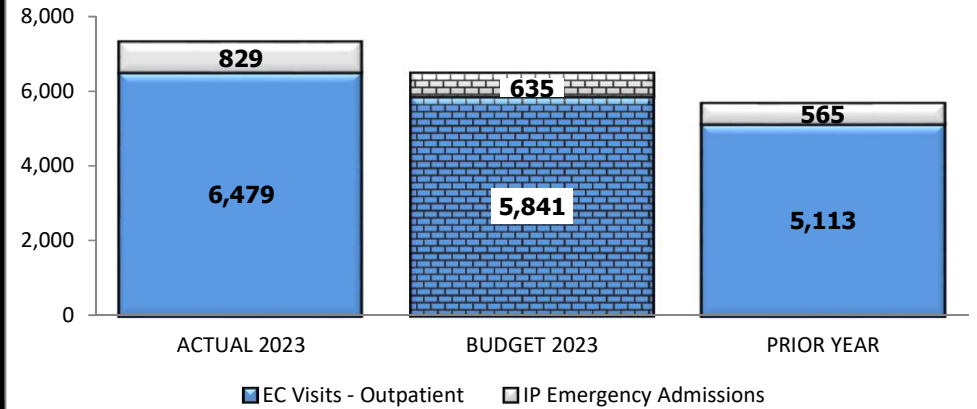
LBJ Emergency Visits - YTD

Actual	Budget	Prior Year
7,308	6,476	5,678

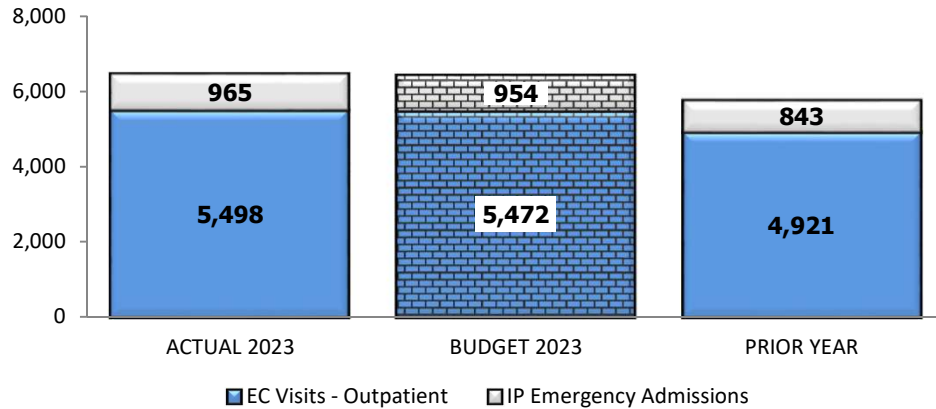
Ben Taub EC Visits - Current Month



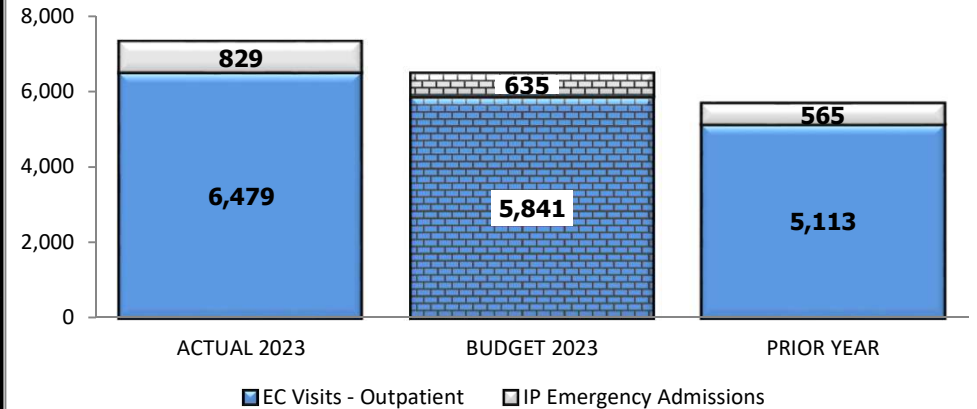
Lyndon B. Johnson EC Visits - Current Month



Ben Taub EC Visits - YTD



Lyndon B. Johnson EC Visits - YTD



Harris Health System

Statistical Highlights - Births

October FY 2023

BT Births - CM

Actual	Budget	Prior Year
317	236	248

BT Births - YTD

Actual	Budget	Prior Year
317	236	248

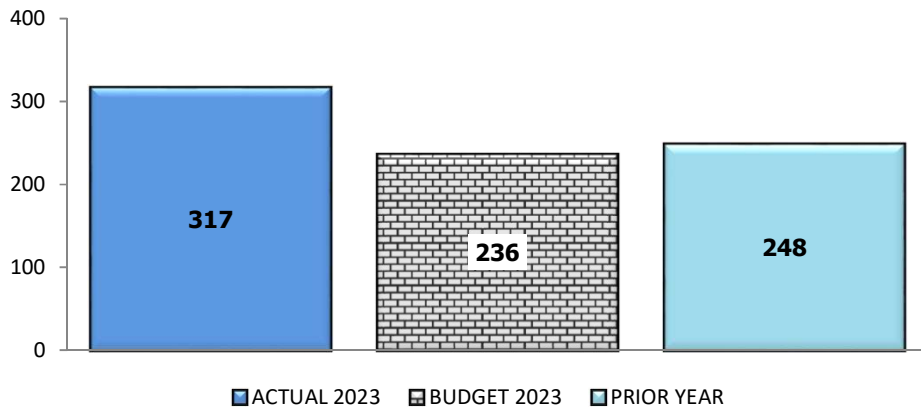
LBJ Births - CM

Actual	Budget	Prior Year
206	178	178

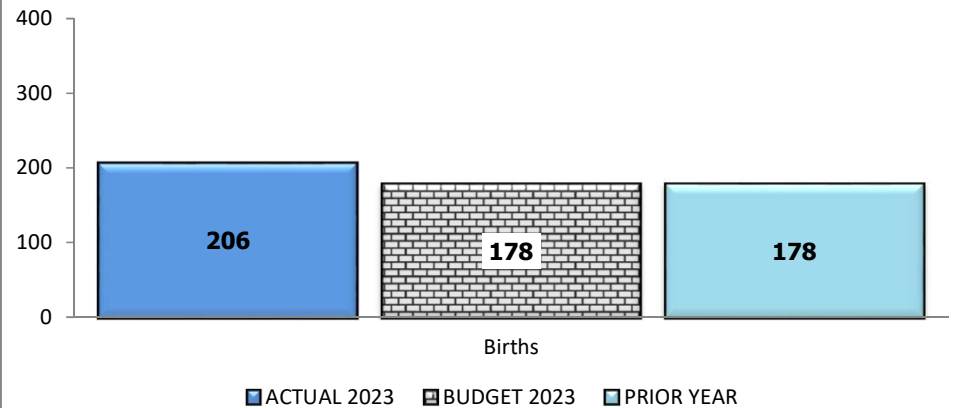
LBJ Births - YTD

Actual	Budget	Prior Year
206	178	178

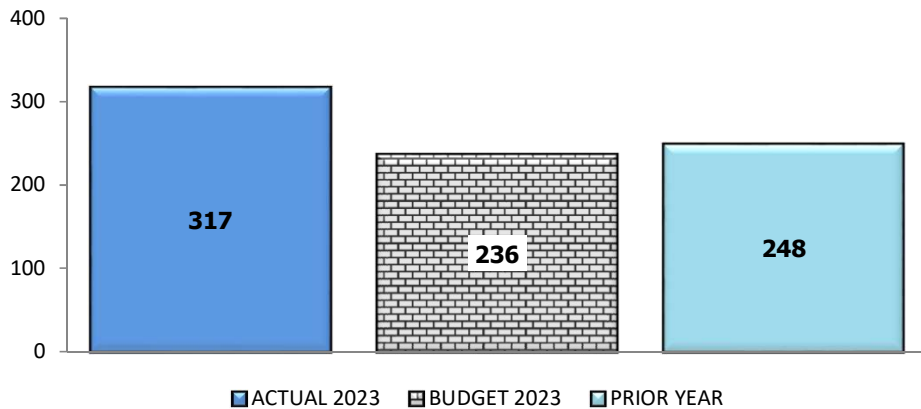
Ben Taub Births - Current Month



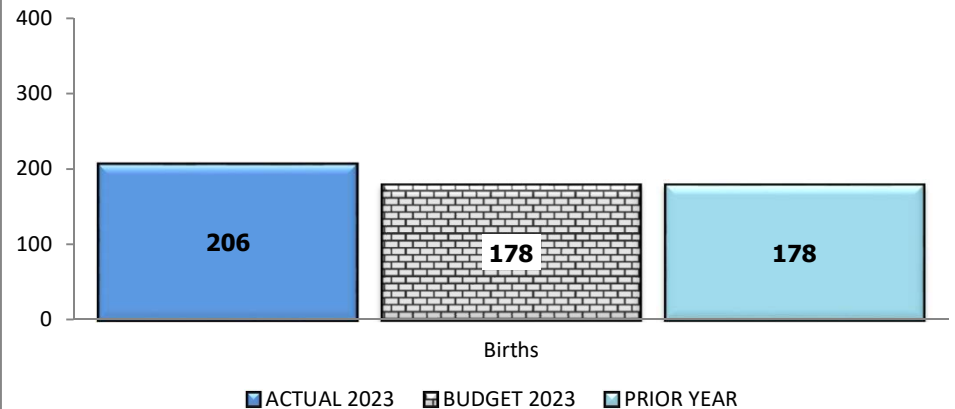
Lyndon B. Johnson Births - Current Month



Ben Taub Births - YTD



Lyndon B. Johnson Births - YTD



Harris Health System

Statistical Highlights - Adjusted Patient Days

October FY 2023

BT Adjusted Patient Days - CM

20,643

BT Adjusted Patient Days - YTD

20,643

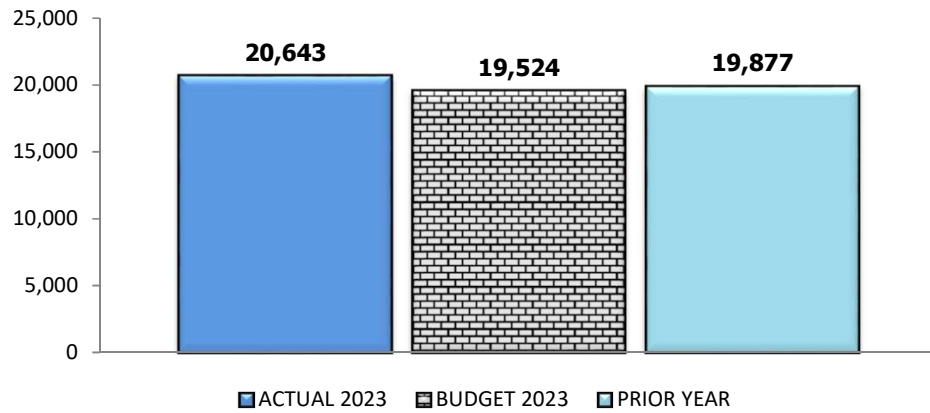
LBJ Adjusted Patient Days - CM

13,309

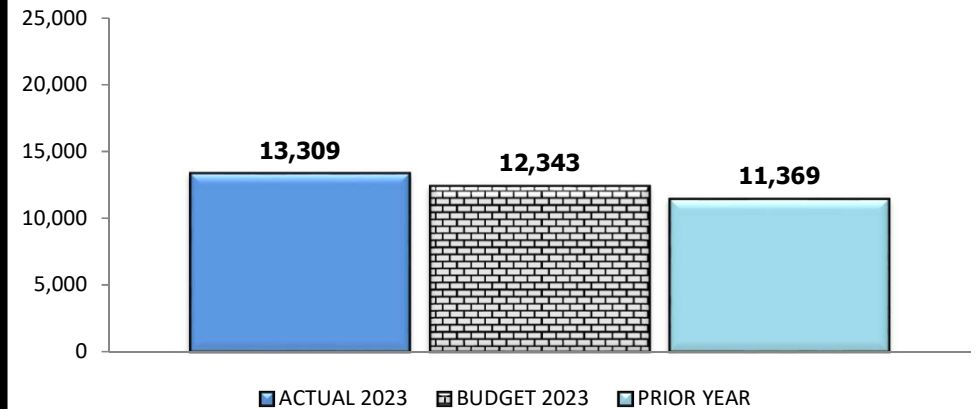
LBJ Adjusted Patient Days - YTD

13,309

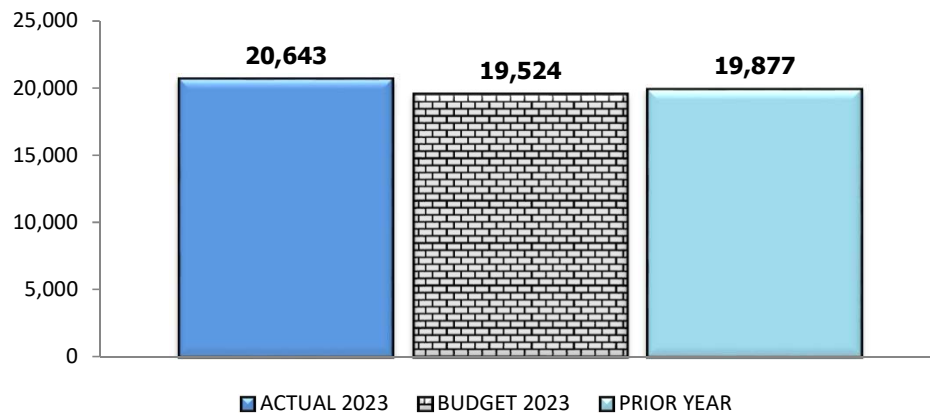
Ben Taub APD - Current Month



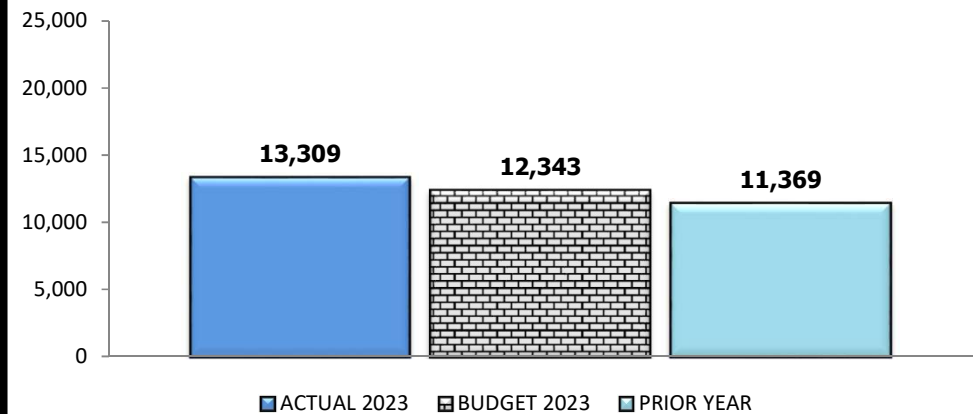
Lyndon B. Johnson APD - Current Month



Ben Taub APD - YTD



Lyndon B. Johnson APD - YTD



Harris Health System

Statistical Highlights - Average Daily Census (ADC)

October FY 2023

BT Average Daily Census - CM

402.9

BT Average Daily Census - YTD

402.9

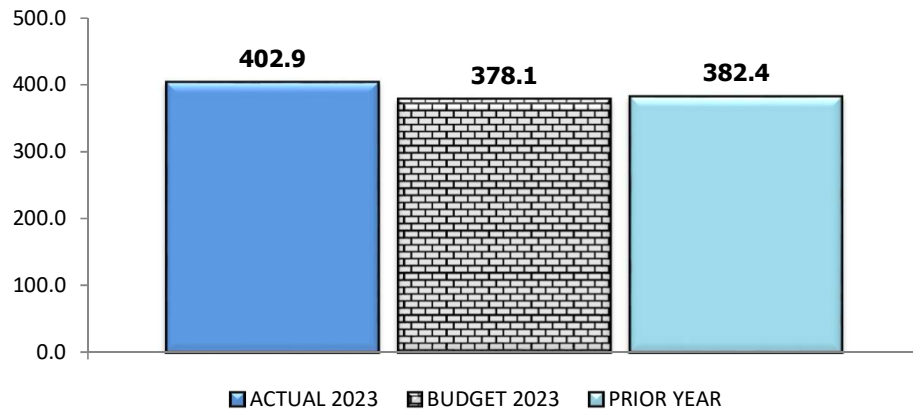
LBJ Average Daily Census - CM

220.6

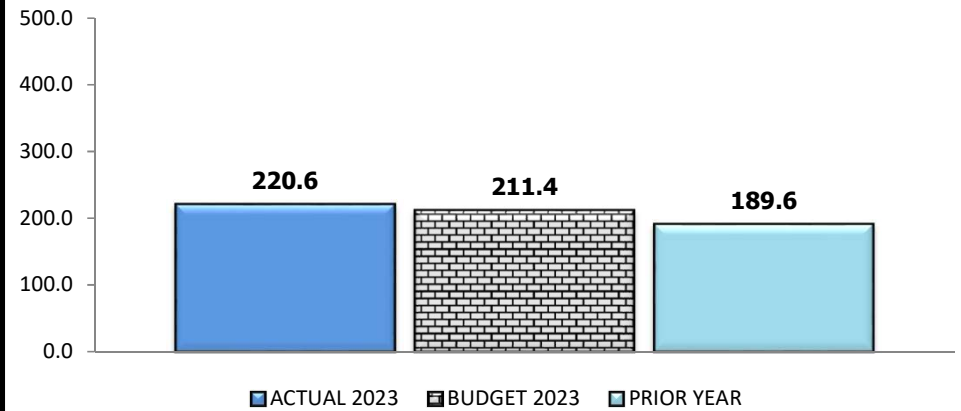
LBJ Average Daily Census - YTD

220.6

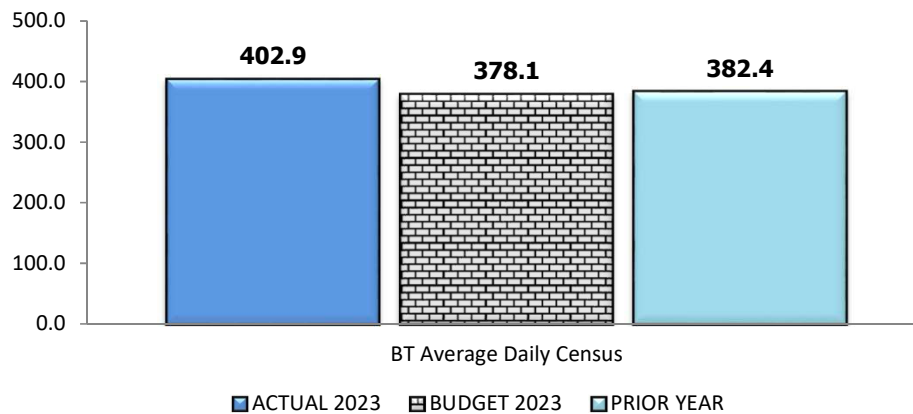
Ben Taub ADC - Current Month



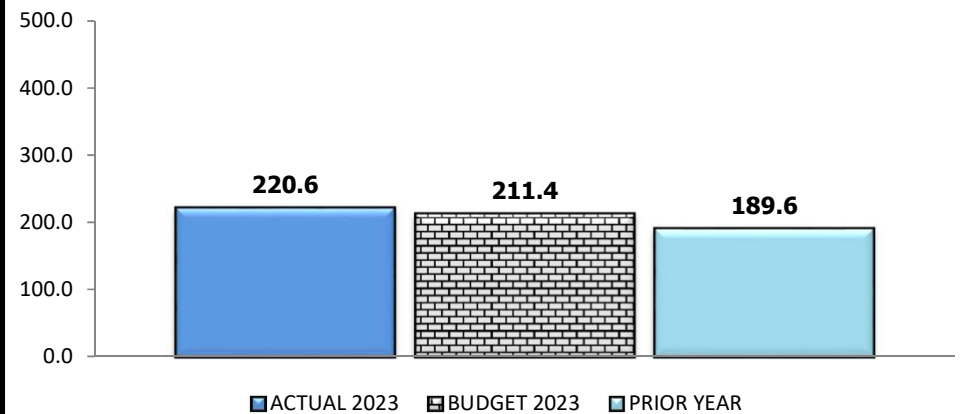
Lyndon B. Johnson ADC - Current Month



Ben Taub ADC - YTD



Lyndon B. Johnson ADC - YTD



Harris Health System

Statistical Highlights - Inpatient Average Length of Stay (ALOS)

October FY 2023

BT Inpatient ALOS - CM

6.40

BT Inpatient ALOS - YTD

6.40

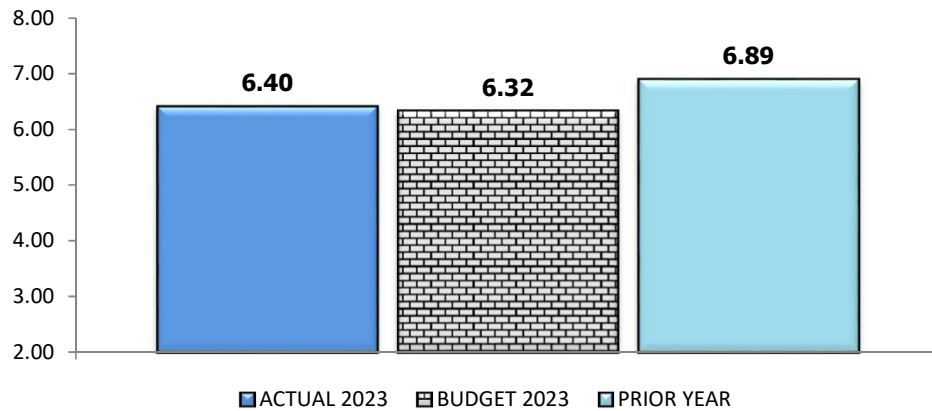
LBJ Inpatient ALOS - CM

4.91

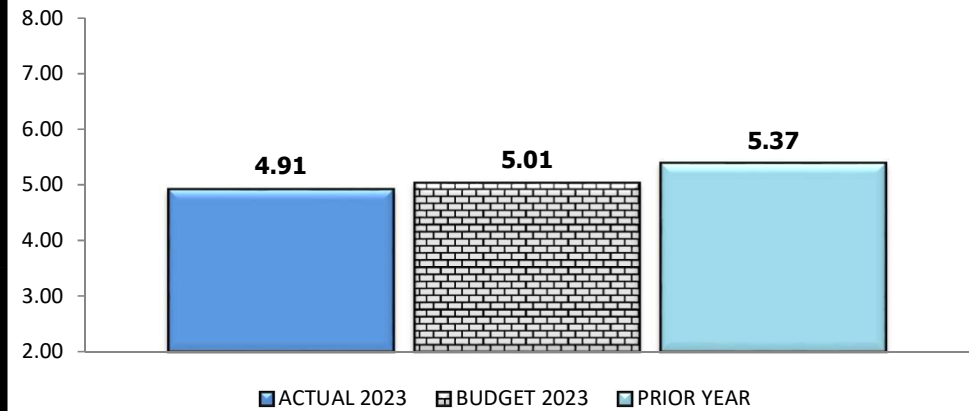
LBJ Inpatient ALOS - YTD

4.91

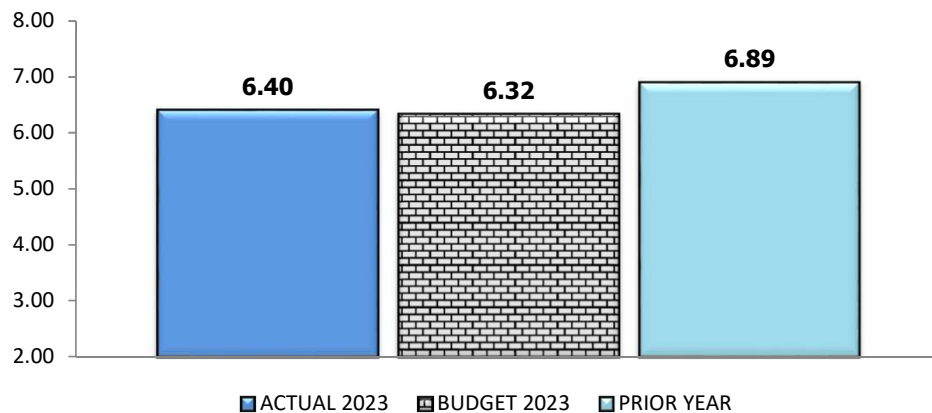
Ben Taub ALOS - Current Month



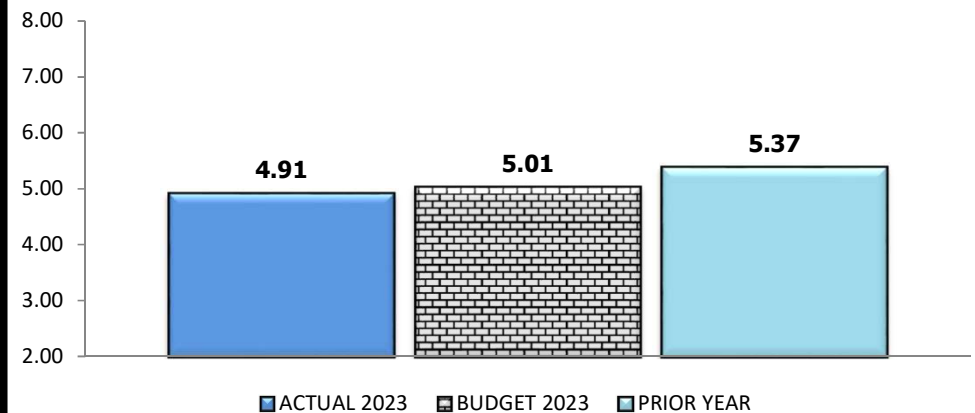
Lyndon B. Johnson ALOS - Current Month



Ben Taub ALOS - YTD



Lyndon B. Johnson ALOS - YTD



Harris Health System

Statistical Highlights - Case Mix Index (CMI)

October FY 2023

BT Case Mix Index (CMI) - CM

Overall	Excl. Obstetrics
1.732	1.919

BT Case Mix Index (CMI) - YTD

Overall	Excl. Obstetrics
1.732	1.919

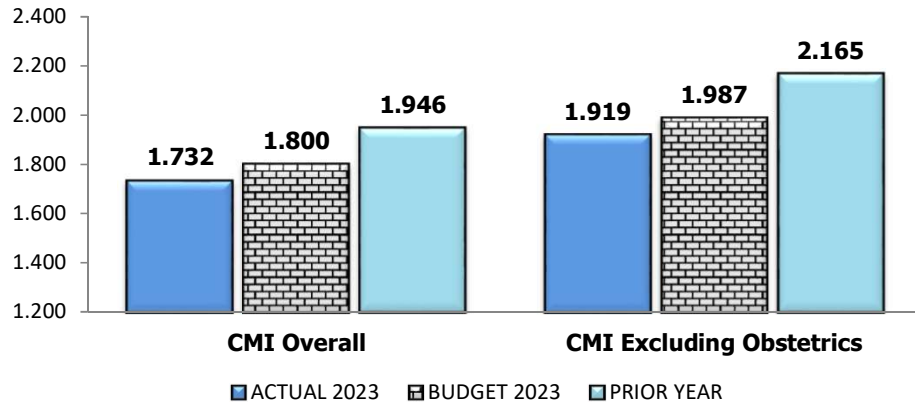
LBJ Case Mix Index (CMI) - CM

Overall	Excl. Obstetrics
1.451	1.374

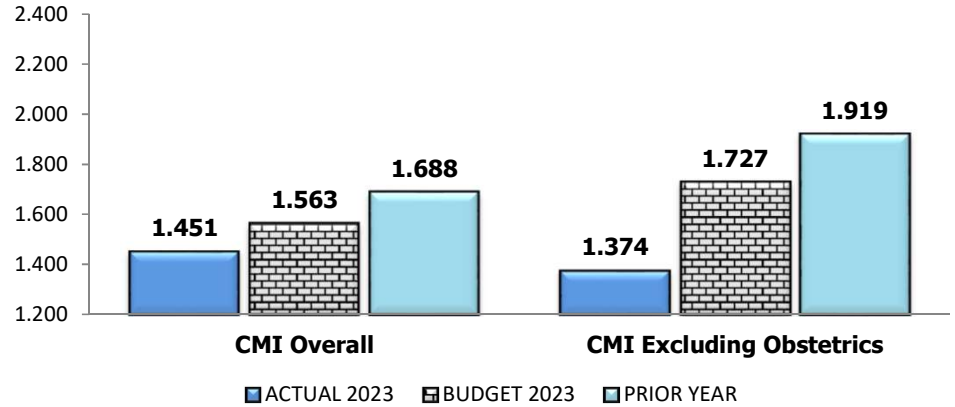
LBJ Case Mix Index (CMI) - YTD

Overall	Excl. Obstetrics
1.451	1.374

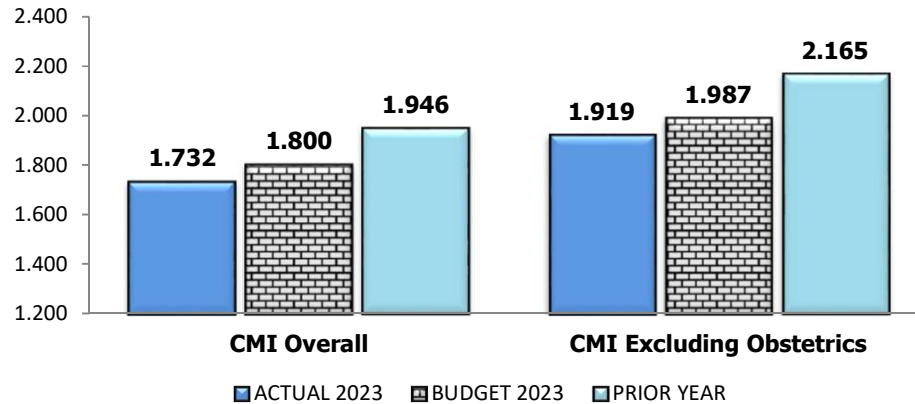
Ben Taub CMI - Current Month



Lyndon B. Johnson CMI - Current Month



Ben Taub CMI - YTD



Lyndon B. Johnson CMI - YTD

