



Financial Statements

As of the Year Ended September 30, 2024
Subject to Audit



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Financial Highlights Review **HARRISHEALTH**

As of September 30, 2024

Operating income for the year ended September 30, 2024 was \$129.2 million compared to budgeted income of \$59.7 million.

Total net revenue for the year ended September 30, 2024 of \$2,529.3 million was \$96.3 million or 3.67.% less than budget. Net patient service revenue and improved investment returns were \$39.9 million and \$10.3 million, respectively, more than budget. Net ad valorem tax revenue was \$22.4 million lower than budgeted due to State property tax reform and tax payer appeals which lead to lower property tax collections. Medicaid Supplemental programs were \$123.2 million less than expected due to programmatic changes made by HHSC to the Hospital Augmented Reimbursement Program (HARP) and the Uncompensated Care High Impecunious Charge Hospital (HICH) pool.

As of September 30, 2024, total expenses of \$2,400.1 million were \$165.8 million or 6.5% lower than budget. Staff costs were \$81.7 million less than budget due to the actuarially calculated adjustment attributed to a decrease in pension expense which impacts both FY 2024 and FY 2025, and decreases in health insurance claims, of \$50.5 and \$15.8 million, respectively. Total services had a favorable variance of \$51.0 million driven mostly by lower physician services, purchased services non-clinical, and lower medical insurance subsidies. Depreciation and interest expense was \$34.2 million less than planned mainly due to the timing of the new bond issuance shifting to FY 2025.

Through the year ended September 30, 2024, total patient days and average daily census increased 5.1% compared to budget. Inpatient case mix index, a measure of patient acuity, and length of stay were 1.1% and 8.0% higher, respectively, than budget. Emergency room visits were 7.2% higher than planned for the year. Total clinic visits, including telehealth, were 4.8% lower compared to budget. Births were down 2.4%.

Total cash receipts for the year were \$3,025.0 million. At September 30, 2024, the system has \$1,463.4 million in unrestricted cash, cash equivalents and investments, representing 230.8 days cash on hand. Harris Health has \$157.8 million in net accounts receivable, representing 77.1 days of outstanding patient accounts receivable. The September balance sheet reflects a combined net receivable position of \$25.69 million under the various Medicaid Supplemental programs. As of September 30, 2024, \$878.9 million ad valorem tax collections were received and \$897.3 million in current ad valorem tax revenue was recognized.

Income Statement

HARRISHEALTH

As of the Year Ended September 30, 2024 and 2023 (in \$ Millions)

	QUARTER-TO-DATE			YEAR-TO-DATE				
	CURRENT YEAR	CURRENT BUDGET	PERCENT VARIANCE	CURRENT YEAR	CURRENT BUDGET	PERCENT VARIANCE	PRIOR YEAR	PERCENT VARIANCE
REVENUE								
Net Patient Revenue	\$ 190.6	\$ 182.7	4.3%	\$ 748.5	\$ 708.5	5.6%	\$ 753.6	-0.7%
Medicaid Supplemental Programs	186.9	204.1	-8.4%	693.2	816.5	-15.1%	719.3	-3.6%
Other Operating Revenue	23.8	31.3	-24.0%	120.5	122.4	-1.6%	133.6	-9.8%
Total Operating Revenue	\$ 401.2	\$ 418.0	-4.0%	\$ 1,562.2	\$ 1,647.4	-5.2%	\$ 1,606.5	-2.8%
Net Ad Valorem Taxes	196.0	224.1	-12.6%	874.2	896.5	-2.5%	822.8	6.2%
Net Tobacco Settlement Revenue	-	-	0.0%	15.2	15.2	0.2%	15.2	0.2%
Capital Gifts & Grants	-	-	0.0%	-	-	0.0%	9.5	-100.0%
Interest Income & Other	18.9	16.6	13.6%	77.8	66.5	16.9%	77.4	0.4%
Total Nonoperating Revenue	\$ 214.9	\$ 240.8	-10.7%	\$ 967.1	\$ 978.2	-1.1%	\$ 924.9	4.6%
Total Net Revenue	\$ 616.1	\$ 658.8	-6.5%	\$ 2,529.3	\$ 2,625.6	-3.7%	\$ 2,531.4	-0.1%
EXPENSE								
Salaries and Wages	\$ 247.3	\$ 252.8	2.2%	\$ 955.1	\$ 974.3	2.0%	\$ 893.7	-6.9%
Employee Benefits	67.2	88.4	24.0%	291.3	353.8	17.7%	330.0	11.7%
Total Labor Cost	\$ 314.5	\$ 341.2	7.8%	\$ 1,246.4	\$ 1,328.1	6.1%	\$ 1,223.6	-1.9%
Supply Expenses	98.7	81.7	-20.8%	322.3	321.2	-0.3%	293.4	-9.8%
Physician Services	109.6	111.8	1.9%	448.9	458.1	2.0%	419.5	-7.0%
Purchased Services	76.2	81.1	6.0%	281.0	322.9	13.0%	253.5	-10.9%
Depreciation & Interest	25.5	38.8	34.1%	101.3	135.5	25.2%	89.3	-13.5%
Total Operating Expense	\$ 624.6	\$ 654.5	4.6%	\$ 2,400.0	\$ 2,565.8	6.5%	\$ 2,279.3	-5.3%
Operating Income (Loss)	\$ (8.5)	\$ 4.3		\$ 129.3	\$ 59.8		\$ 252.1	
Total Margin %	-1.4%	0.7%		5.1%	2.3%		10.0%	

Balance Sheet

HARRISHEALTH

September 30, 2024 and 2023 (in \$ Millions)

	CURRENT YEAR	PRIOR YEAR
<u>CURRENT ASSETS</u>		
Cash, Cash Equivalents and Short Term Investments	\$ 1,463.4	\$ 1,013.8
Net Patient Accounts Receivable	157.8	181.5
Net Ad Valorem Taxes, Current Portion	-	-
Other Current Assets	90.0	501.3
Total Current Assets	\$ 1,711.2	\$ 1,696.7
<u>CAPITAL ASSETS</u>		
Plant, Property, & Equipment, Net of Accumulated Depreciation	\$ 552.9	\$ 519.8
Construction in Progress	239.3	150.6
Right of Use Assets	36.6	42.5
Total Capital Assets	\$ 828.9	\$ 712.8
<u>ASSETS LIMITED AS TO USE & RESTRICTED ASSETS</u>		
Debt Service & Capital Asset Funds	\$ 33.9	\$ 39.6
LPPF Restricted Cash	59.1	31.5
Capital Gift Proceeds	55.0	54.9
Other - Restricted	1.0	1.0
Total Assets Limited As to Use & Restricted Assets	\$ 149.1	\$ 127.0
Other Assets	31.6	29.7
Deferred Outflows of Resources	182.3	234.8
Total Assets & Deferred Outflows of Resources	\$ 2,903.1	\$ 2,801.0
<u>CURRENT LIABILITIES</u>		
Accounts Payable and Accrued Liabilities	\$ 268.3	\$ 193.7
Employee Compensation & Related Liabilities	138.4	142.5
Deferred Revenue - Ad Valorem	-	-
Estimated Third-Party Payor Settlements	30.3	16.9
Current Portion Long-Term Debt and Capital Leases	36.6	36.5
Total Current Liabilities	\$ 473.7	\$ 389.6
Long-Term Debt	279.7	299.1
Net Pension & Post Employment Benefits Liability	688.5	776.4
Other Long-Term Liabilities	8.3	7.2
Deferred Inflows of Resources	110.4	115.3
Total Liabilities	\$ 1,560.5	\$ 1,587.6
Total Net Assets	\$ 1,342.6	\$ 1,213.4
Total Liabilities & Net Assets	\$ 2,903.1	\$ 2,801.0

Cash Flow Summary

HARRISHEALTH

As of the Year Ended September 30, 2024 and 2023 (in \$ Millions)

	QUARTER-TO-QUARTER		YEAR-TO-DATE	
	CURRENT YEAR	PRIOR YEAR	CURRENT YEAR	PRIOR YEAR
<u>CASH RECEIPTS</u>				
Collections on Patient Accounts	\$ 199.1	\$ 188.8	\$ 820.8	\$ 709.4
Medicaid Supplemental Programs	381.8	(130.6)	1,052.1	729.1
Net Ad Valorem Taxes	1.5	6.0	878.9	826.2
Tobacco Settlement	-	-	15.2	15.2
Other Revenue	65.7	85.6	258.1	267.0
Total Cash Receipts	\$ 648.0	\$ 149.8	\$ 3,025.0	\$ 2,546.9
<u>CASH DISBURSEMENTS</u>				
Salaries, Wages and Benefits	\$ 372.0	\$ 326.7	\$ 1,367.8	\$ 1,303.6
Supplies	86.4	77.8	325.9	307.0
Physician Services	118.8	112.7	434.5	410.2
Purchased Services	73.2	58.5	276.9	238.3
Capital Expenditures	53.4	41.3	180.7	142.4
Debt and Interest Payments	4.9	3.9	11.6	23.7
Other Uses	(26.8)	2.6	(23.1)	(68.1)
Total Cash Disbursements	\$ 681.8	\$ 623.5	\$ 2,574.3	\$ 2,357.1
Net Change	\$ (33.8)	\$ (473.7)	\$ 450.8	\$ 189.8
Unrestricted Cash, Cash Equivalents and Investments - Beginning of year			\$ 1,012.6	
Net Change			450.8	
Unrestricted Cash, Cash Equivalents and Investments - End of period			\$ 1,463.4	

Performance Ratios

HARRISHEALTH

As of the Year Ended September 30, 2024 and 2023 (in \$ Millions)

	QUARTER-TO-DATE		YEAR-TO-DATE		
	CURRENT YEAR	CURRENT BUDGET	CURRENT YEAR	CURRENT BUDGET	PRIOR YEAR
<u>OPERATING HEALTH INDICATORS</u>					
Operating Margin %	-1.4%	0.6%	5.1%	2.3%	10.0%
Run Rate per Day (In\$ Millions)	\$ 6.5	\$ 6.9	\$ 6.3	\$ 6.8	\$ 6.0
Salary, Wages & Benefit per APD	\$ 2,339	\$ 2,725	\$ 2,349	\$ 2,651	\$ 2,429
Supply Cost per APD	\$ 734	\$ 652	\$ 607	\$ 641	\$ 582
Physician Services per APD	\$ 815	\$ 892	\$ 846	\$ 914	\$ 833
Total Expense per APD	\$ 4,646	\$ 5,227	\$ 4,523	\$ 5,122	\$ 4,524
Overtime as a % of Total Salaries	4.0%	2.8%	3.5%	2.8%	3.4%
Contract as a % of Total Salaries	3.9%	4.3%	4.2%	4.4%	5.3%
Full-time Equivalent Employees	10,533	10,175	10,405	10,185	9,992
<u>FINANCIAL HEALTH INDICATORS</u>					
Quick Ratio			3.5		4.3
Unrestricted Cash (In \$ Millions)			\$ 1,463.4	\$ 890.7	\$ 1,013.8
Days Cash on Hand			230.8	130.2	167.1
Days Revenue in Accounts Receivable			77.1	88.6	87.9
Days in Accounts Payable			52.8		50.4
Capital Expenditures/Depreciation & Amortization			205.9%		191.4%
Average Age of Plant (years)			10.4		11.6

Harris Health Key Indicators



Statistical Highlights

HARRISHEALTH

As of the Year Ended September 30, 2024 and 2023

	QUARTER-TO-DATE			YEAR-TO-DATE				
	CURRENT QUARTER	CURRENT BUDGET	PERCENT CHANGE	CURRENT YEAR	CURRENT BUDGET	PERCENT CHANGE	PRIOR YEAR	PERCENT CHANGE
Adjusted Patient Days	134,446	125,143	7.4%	530,692	497,779	6.6%	504,246	5.2%
Outpatient % of Adjusted Volume	61.6%	60.9%	1.2%	62.3%	60.9%	2.2%	61.0%	2.1%
Primary Care Clinic Visits	130,393	145,036	-10.1%	523,759	552,743	-5.2%	529,096	-1.0%
Specialty Clinic Visits	60,789	63,061	-3.6%	244,782	245,109	-0.1%	244,898	0.0%
Telehealth Clinic Visits	28,874	31,136	-7.3%	113,881	129,151	-11.8%	127,125	-10.4%
Total Clinic Visits	220,056	239,233	-8.0%	882,422	927,003	-4.8%	901,119	-2.1%
Emergency Room Visits - Outpatient	37,734	35,491	6.3%	144,047	134,113	7.4%	133,579	7.8%
Emergency Room Visits - Admitted	5,325	5,270	1.0%	21,479	20,270	6.0%	21,991	-2.3%
Total Emergency Room Visits	43,059	40,761	5.6%	165,526	154,383	7.2%	155,570	6.4%
Surgery Cases - Outpatient	2,953	2,774	6.5%	11,523	10,864	6.1%	11,059	4.2%
Surgery Cases - Inpatient	2,868	2,722	5.4%	10,499	10,478	0.2%	9,645	8.9%
Total Surgery Cases	5,821	5,496	5.9%	22,022	21,342	3.2%	20,704	6.4%
Total Outpatient Visits	392,596	392,920	-0.1%	1,499,714	1,515,285	-1.0%	1,488,884	0.7%
Inpatient Cases (Discharges)	7,872	8,337	-5.6%	30,757	32,273	-4.7%	31,530	-2.5%
Outpatient Observation Cases	2,789	3,115	-10.5%	11,476	11,452	0.2%	10,074	13.9%
Total Cases Occupying Patient Beds	10,661	11,452	-6.9%	42,233	43,725	-3.4%	41,604	1.5%
Births	1,469	1,486	-1.1%	5,316	5,446	-2.4%	5,494	-3.2%
Inpatient Days	51,579	48,919	5.4%	200,128	194,512	2.9%	196,734	1.7%
Outpatient Observation Days	9,998	9,375	6.6%	39,683	33,599	18.1%	33,085	19.9%
Total Patient Days	61,577	58,294	5.6%	239,811	228,111	5.1%	229,819	4.3%
Average Daily Census	669.3	633.6	5.6%	655.2	623.3	5.1%	629.6	4.1%
Average Operating Beds	709	702	1.0%	705	702	0.4%	686	2.8%
Bed Occupancy %	94.4%	90.3%	4.6%	92.9%	88.8%	4.7%	91.8%	1.3%
Inpatient Average Length of Stay	6.55	5.87	11.7%	6.51	6.03	8.0%	6.24	4.3%
Inpatient Case Mix Index (CMI)	1.733	1.694	2.3%	1.712	1.694	1.1%	1.694	1.1%
Payor Mix (% of Charges)								
Charity & Self Pay	42.6%	44.3%	-3.7%	43.4%	44.3%	-2.0%	44.3%	-2.0%
Medicaid & Medicaid Managed	19.7%	22.7%	-13.1%	19.4%	22.7%	-14.3%	22.7%	-14.3%
Medicare & Medicare Managed	11.0%	11.4%	-3.4%	11.4%	11.4%	0.3%	11.4%	0.3%
Commercial & Other	26.7%	21.7%	23.1%	25.8%	21.7%	18.9%	21.7%	18.9%
Total Unduplicated Patients - Rolling 12				247,174			249,336	-0.9%
Total New Patient - Rolling 12				89,617			88,155	1.7%

Harris Health

Statistical Highlights

As of the Year Ended September 30, 2024

Cases Occupying Beds - Q4

Actual	Budget	Prior Year
10,661	11,452	10,713

Cases Occupying Beds - YTD

Actual	Budget	Prior Year
42,233	43,725	41,604

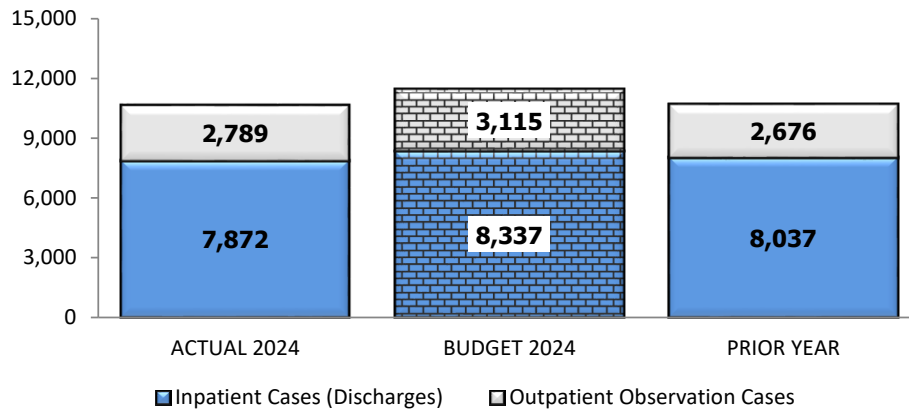
Emergency Visits - Q4

Actual	Budget	Prior Year
43,059	40,761	40,715

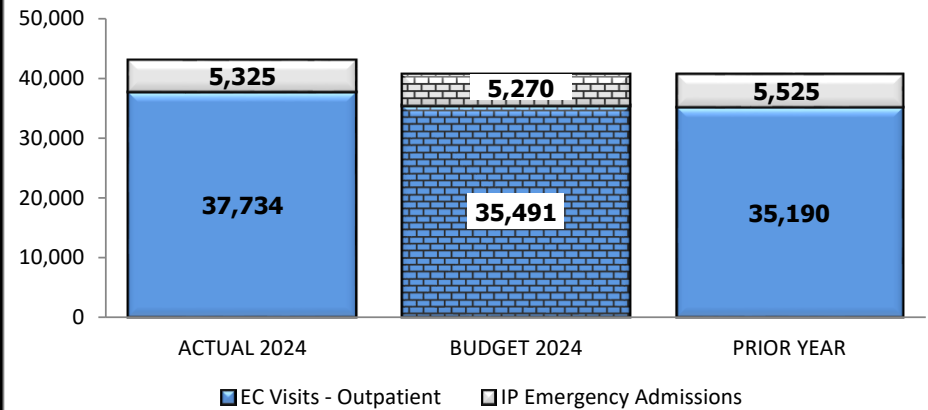
Emergency Visits - YTD

Actual	Budget	Prior Year
165,526	154,383	155,570

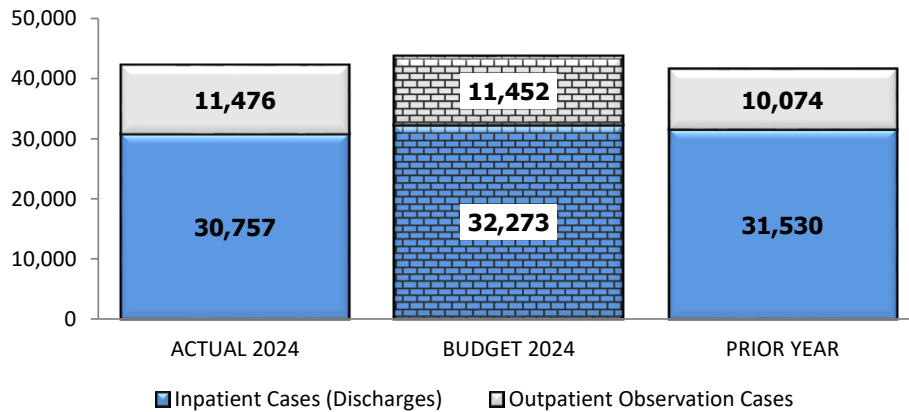
Cases Occupying Beds - Quarter End



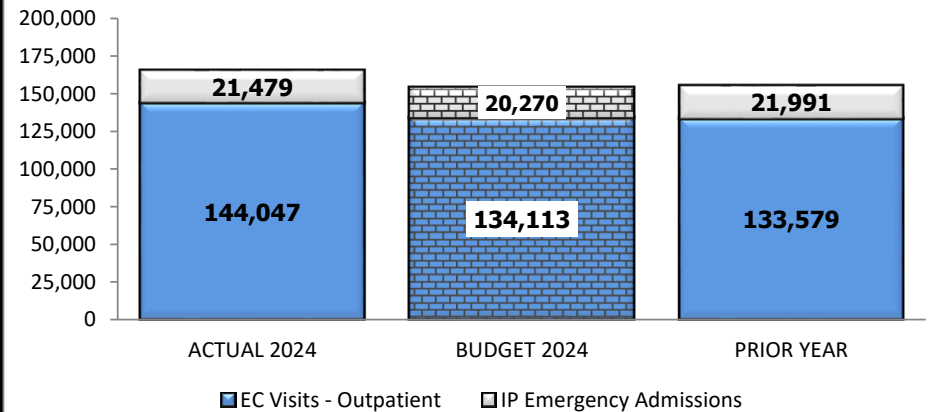
Emergency Visits - Quarter End



Cases Occupying Beds - YTD



Emergency Visits - YTD



Harris Health

Statistical Highlights

As of the Year Ended September 30, 2024

Surgery Cases - Q4

Actual	Budget	Prior Year
5,821	5,496	5,153

Surgery Cases - YTD

Actual	Budget	Prior Year
22,022	21,342	20,704

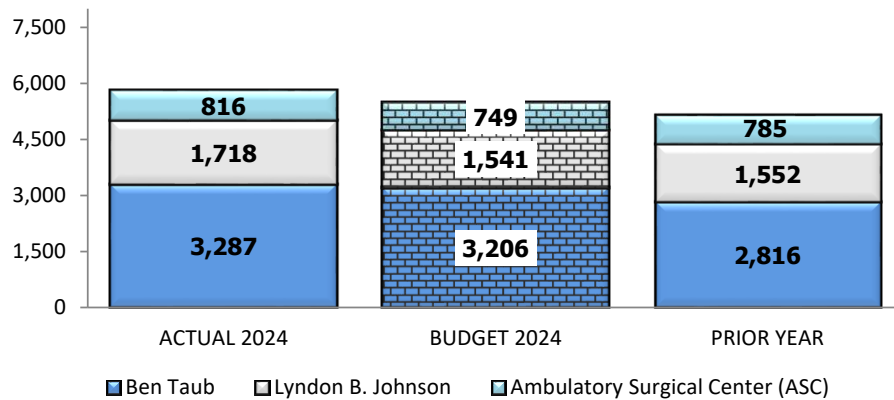
Clinic Visits - Q4

Actual	Budget	Prior Year
220,056	239,234	225,034

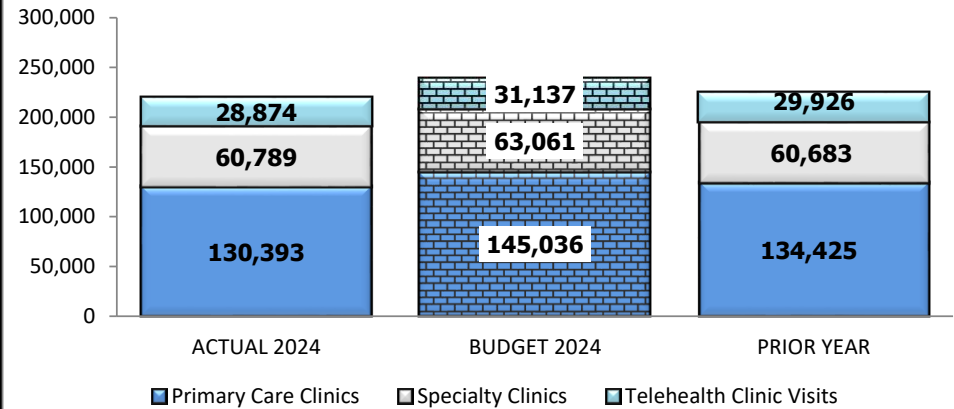
Clinic Visits - YTD

Actual	Budget	Prior Year
882,422	927,004	901,146

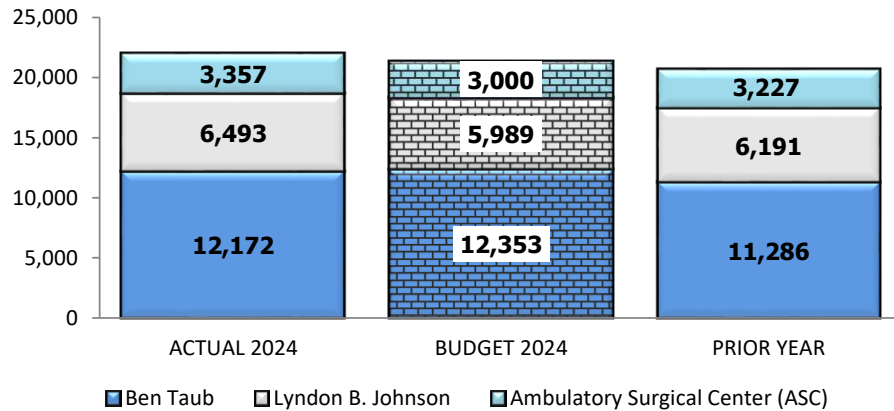
Surgery Cases - Quarter End



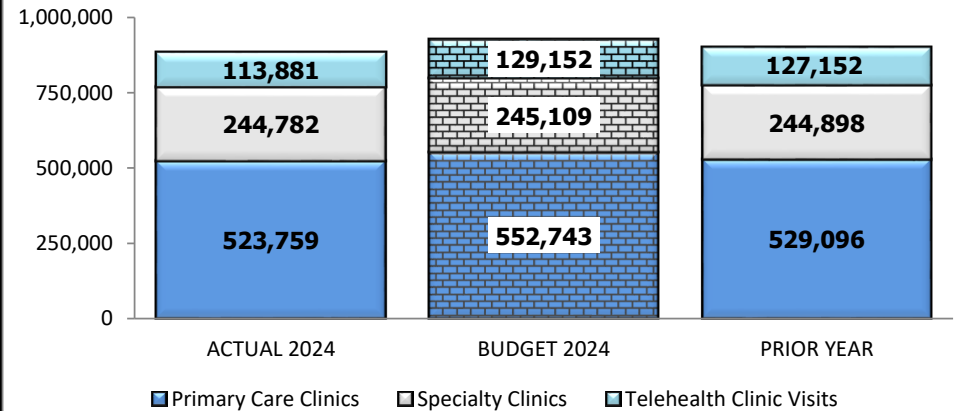
Clinic Visits - Quarter End



Surgery Cases - YTD



Clinic Visits - YTD



Harris Health

Statistical Highlights

As of the Year Ended September 30, 2024

Adjusted Patient Days - Q4

134,446

Adjusted Patient Days - YTD

530,692

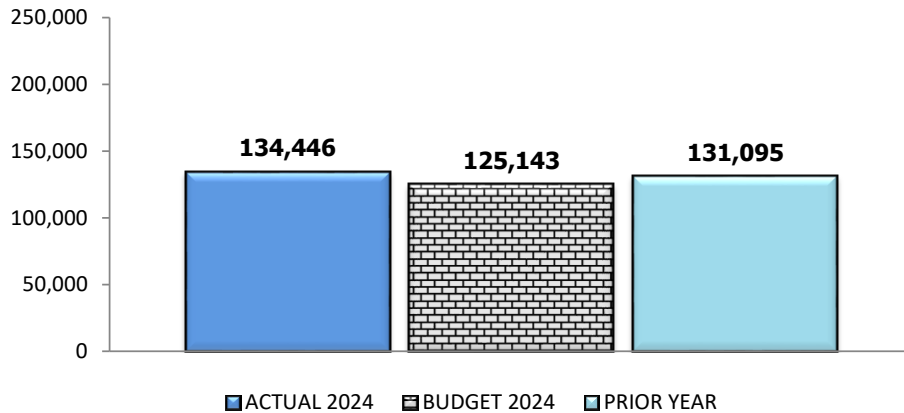
Average Daily Census - Q4

669.3

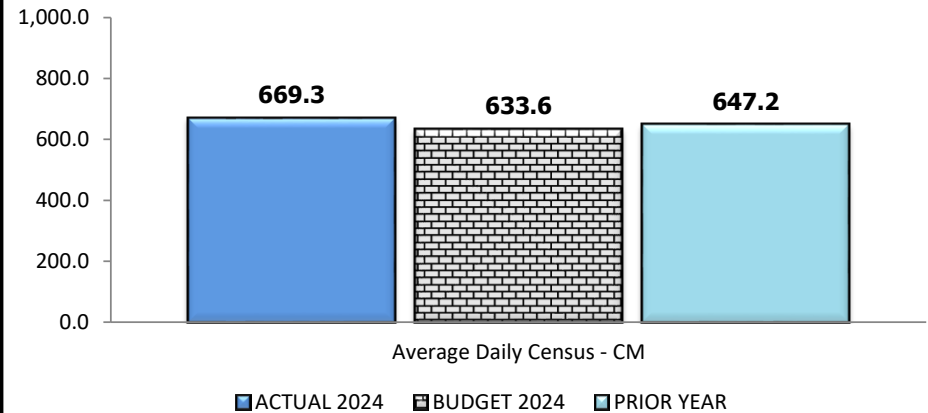
Average Daily Census - YTD

655.2

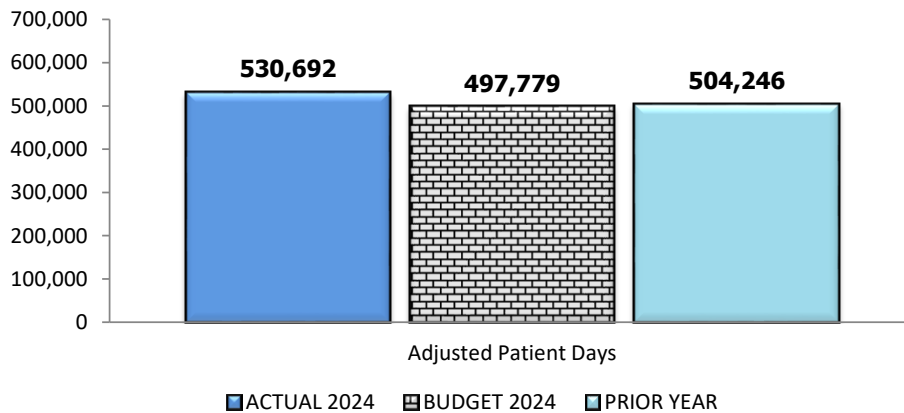
Adjusted Patient Days - Quarter End



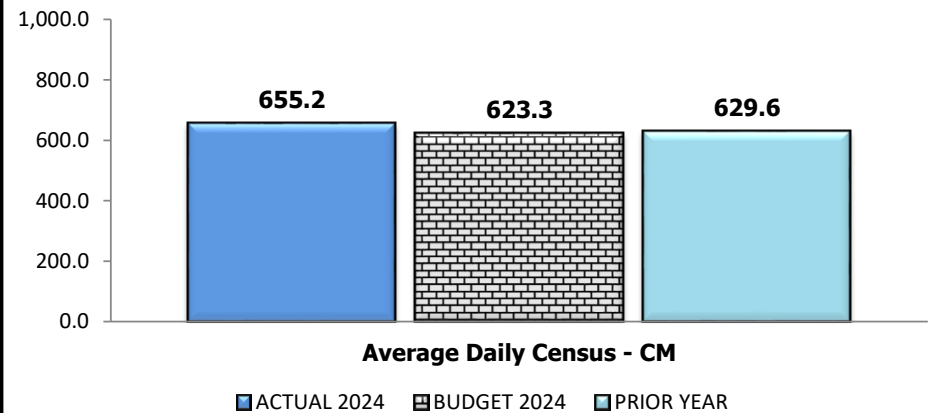
Average Daily Census - Quarter End



Adjusted Patient Days - YTD



Average Daily Census - YTD



Harris Health

Statistical Highlights

As of the Year Ended September 30, 2024

Inpatient ALOS - Q4

6.55

Inpatient ALOS - YTD

6.51

Case Mix Index - Q4

Overall

1.733

Excl. Obstetrics

1.930

Case Mix Index (CMI) - YTD

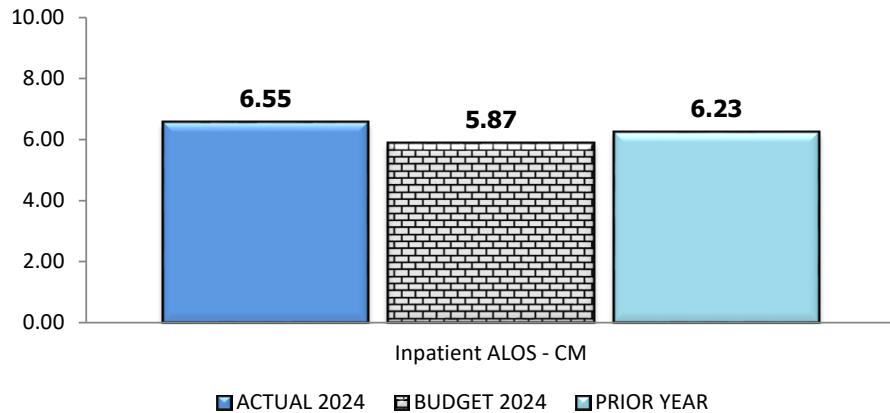
Overall

1.712

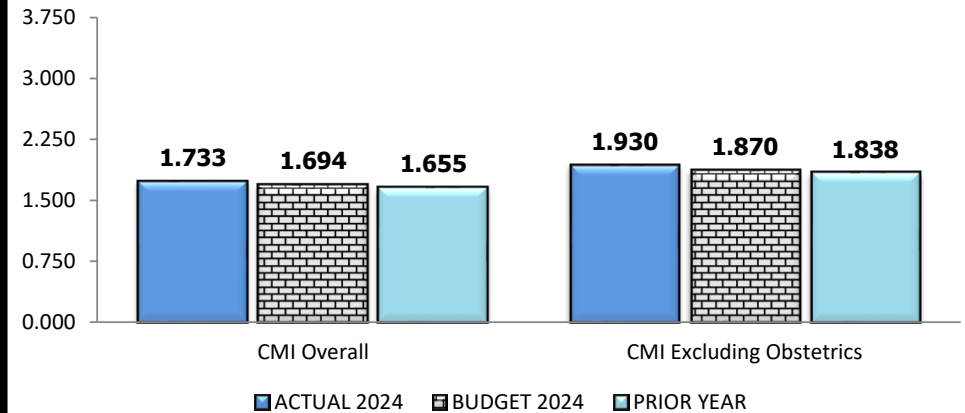
Excl. Obstetrics

1.892

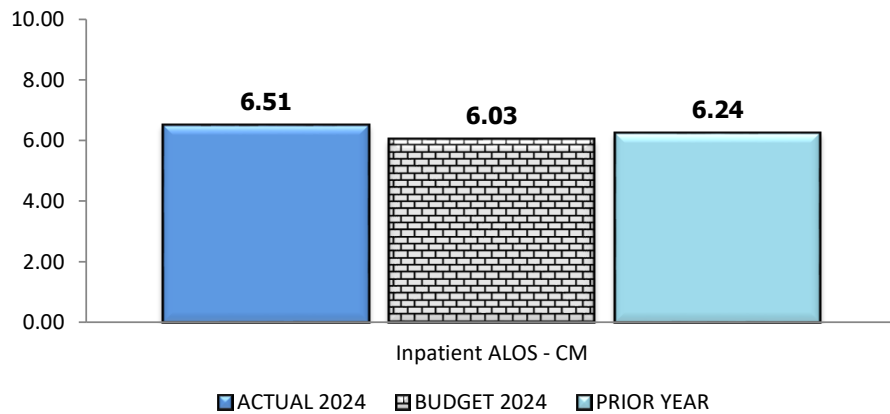
Inpatient ALOS - Quarter End



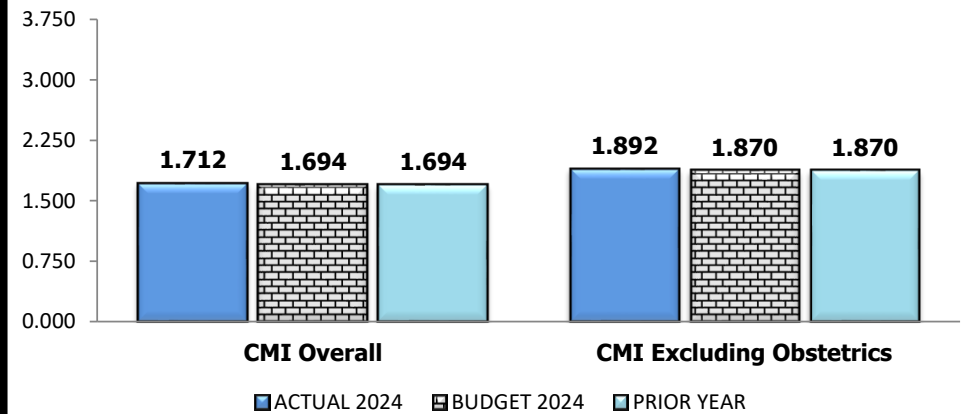
Case Mix Index - Quarter End



Inpatient ALOS - YTD



Case Mix Index - YTD



Harris Health

Statistical Highlights - Cases Occupying Beds

As of the Year Ended September 30, 2024

BT Cases Occupying Beds - Q4

Actual	Budget	Prior Year
6,263	6,873	6,462

BT Cases Occupying Beds - YTD

Actual	Budget	Prior Year
25,014	26,243	24,831

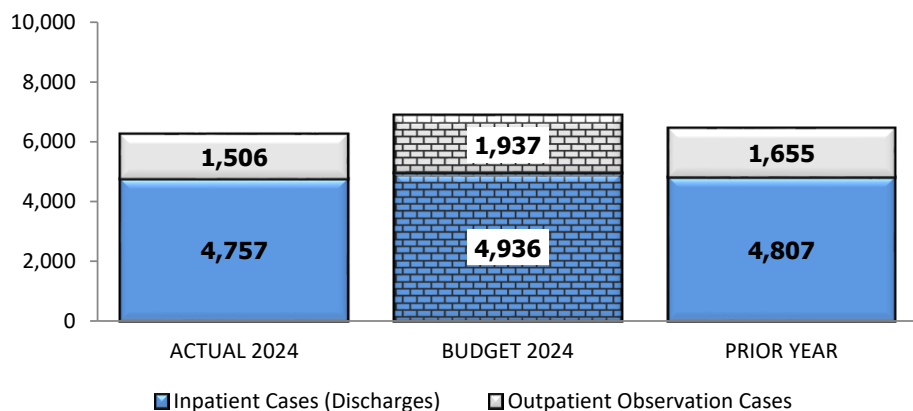
LBJ Cases Occupying Beds - Q4

Actual	Budget	Prior Year
4,361	4,579	4,251

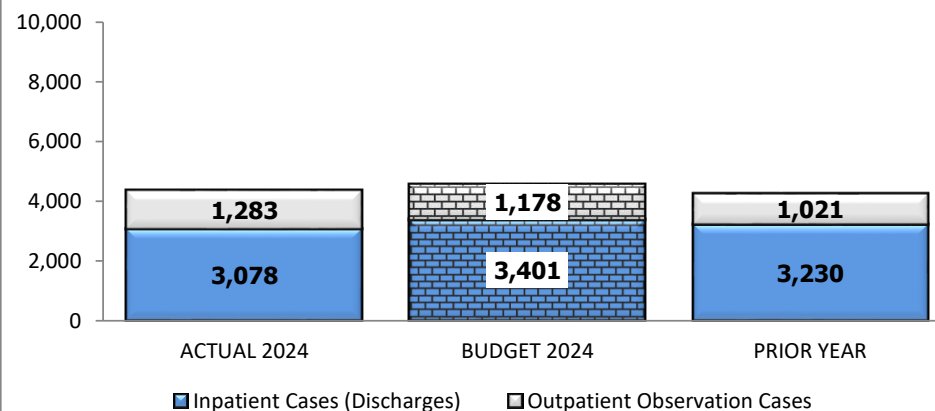
LBJ Cases Occupying Beds - YTD

Actual	Budget	Prior Year
17,167	17,482	16,773

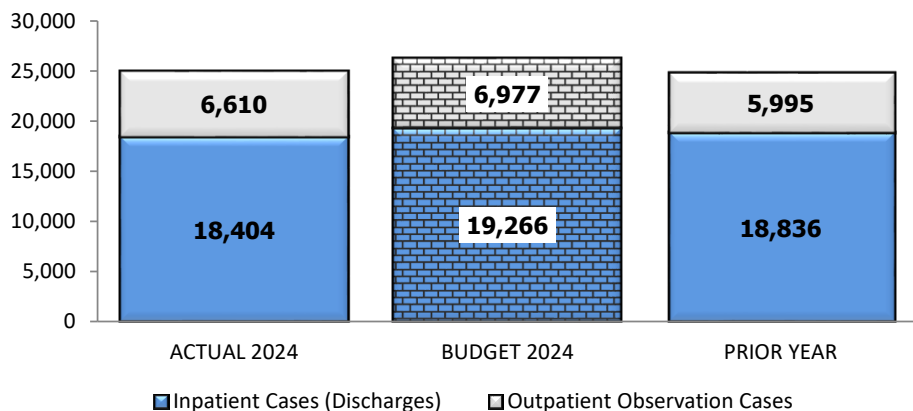
Ben Taub Cases - Quarter End



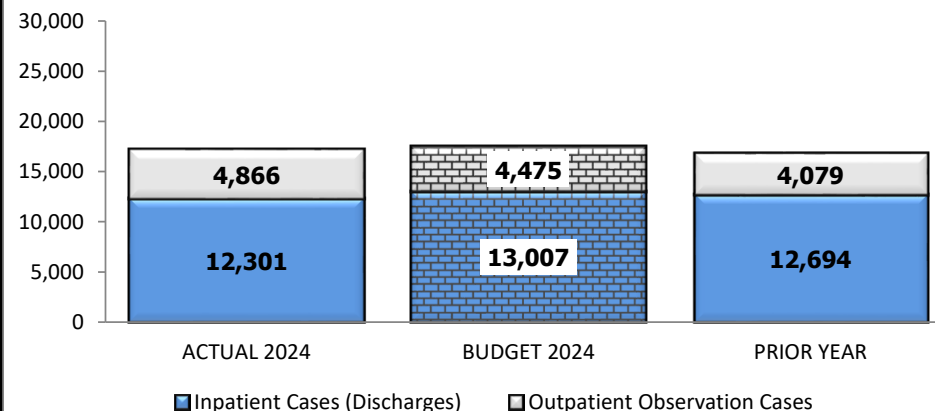
Lyndon B. Johnson Cases - Quarter End



Ben Taub Cases - YTD



Lyndon B. Johnson Cases - YTD



Harris Health

Statistical Highlights - Surgery Cases

As of the Year Ended September 30, 2024

BT Surgery Cases - Q4

Actual	Budget	Prior Year
3,287	3,206	2,816

BT Surgery Cases - YTD

Actual	Budget	Prior Year
12,172	12,353	11,286

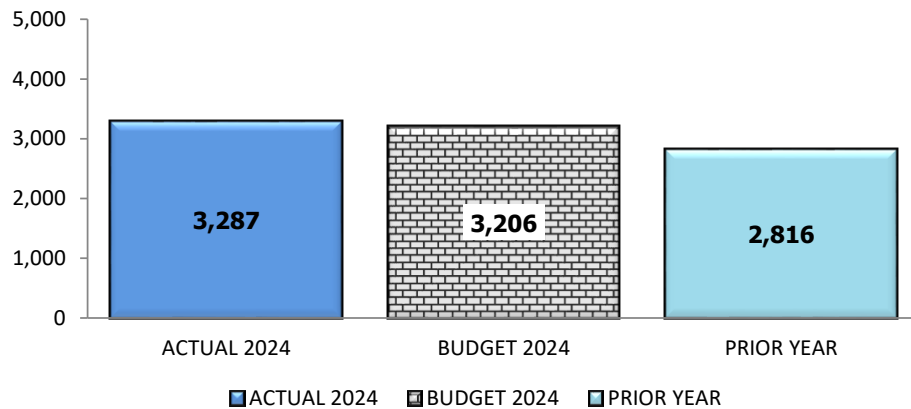
LBJ Surgery Cases - Q4

Actual	Budget	Prior Year
2,534	2,290	2,337

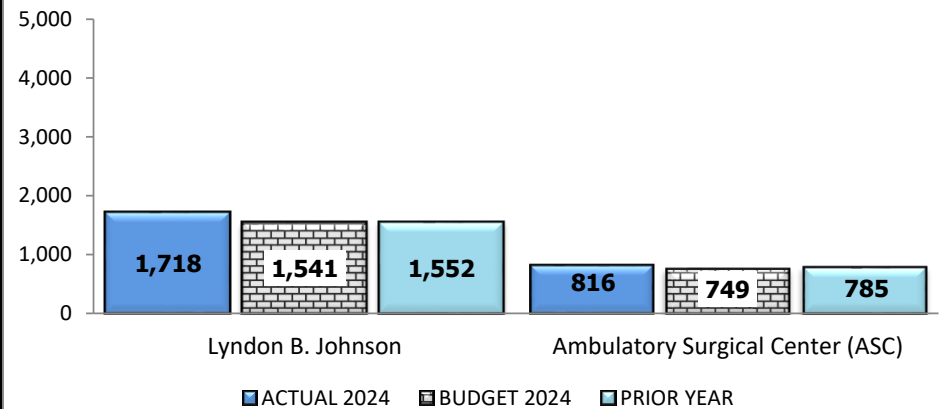
LBJ Surgery Cases - YTD

Actual	Budget	Prior Year
9,850	8,989	9,418

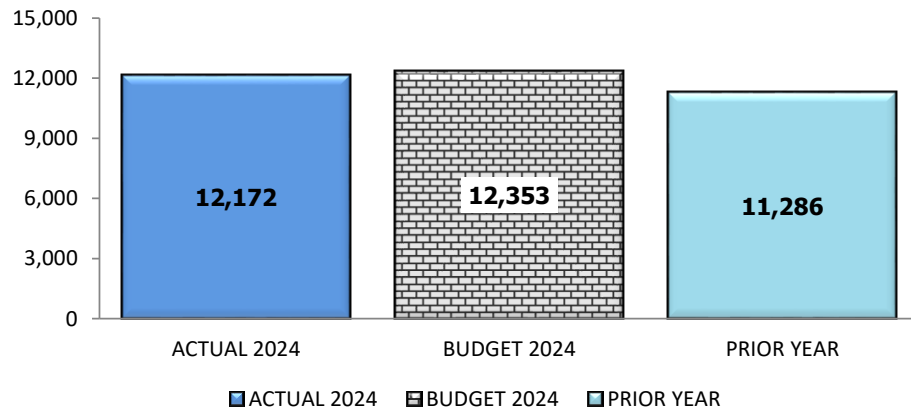
Ben Taub OR Cases - Quarter End



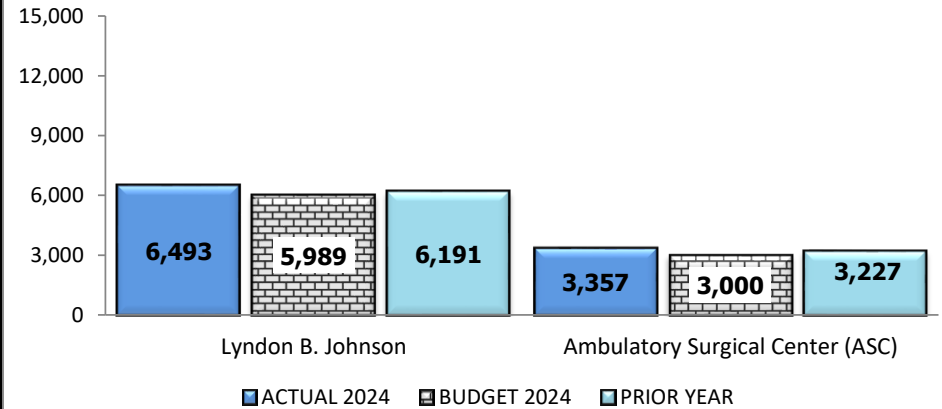
Lyndon B. Johnson OR Cases - Quarter End



Ben Taub OR Cases - YTD



Lyndon B. Johnson OR Cases - YTD



Harris Health

Statistical Highlights - Emergency Room Visits

As of the Year Ended September 30, 2024

BT Emergency Visits - Q4

Actual	Budget	Prior Year
22,310	20,110	20,640

BT Emergency Visits - YTD

Actual	Budget	Prior Year
84,701	75,375	76,693

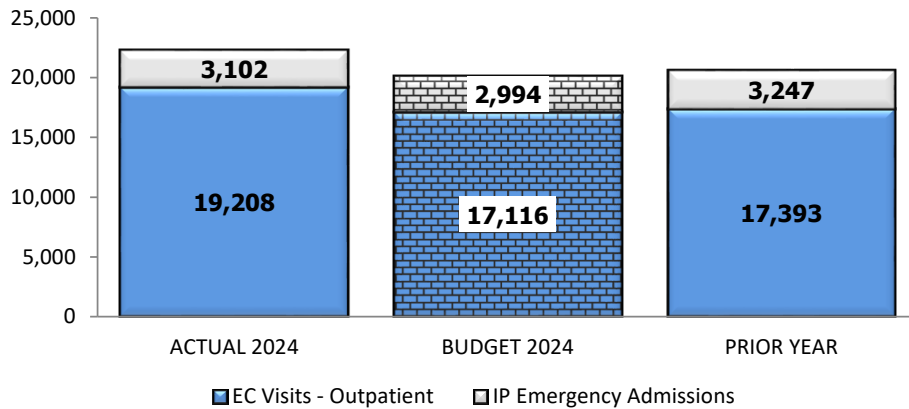
LBJ Emergency Visits - Q4

Actual	Budget	Prior Year
20,749	20,651	20,075

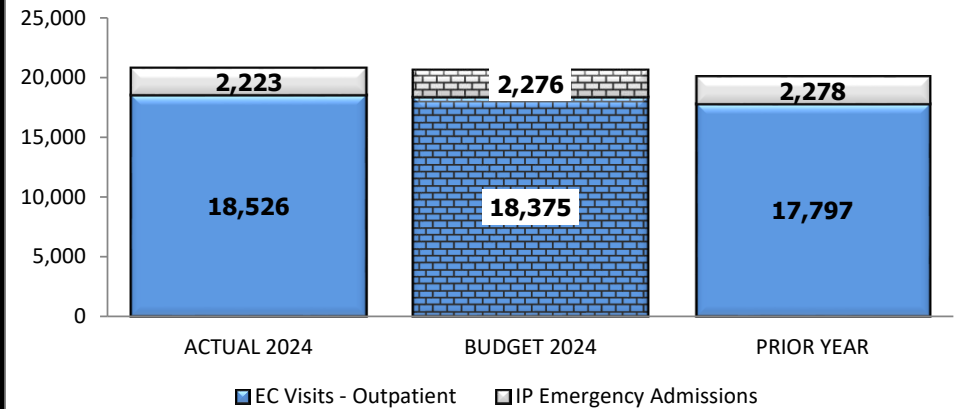
LBJ Emergency Visits - YTD

Actual	Budget	Prior Year
80,825	79,008	78,877

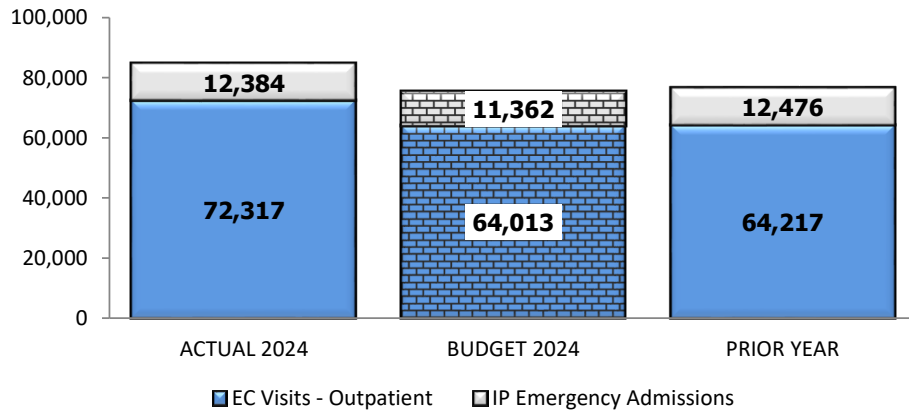
Ben Taub EC Visits - Quarter End



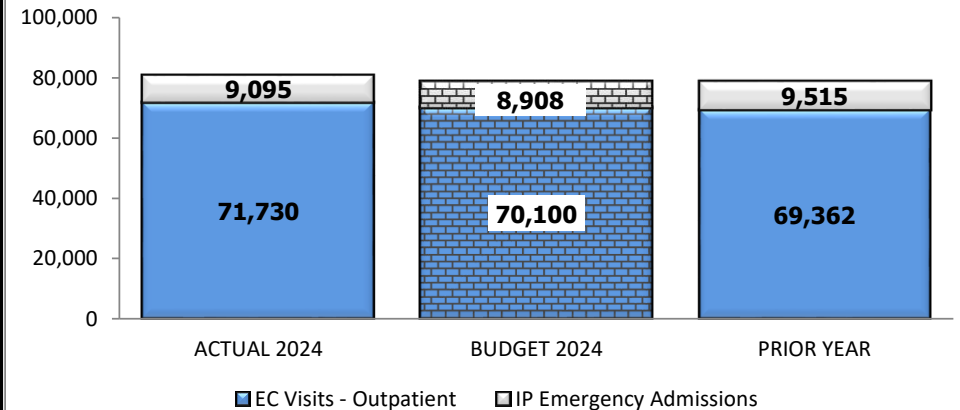
Lyndon B. Johnson EC Visits - Quarter End



Ben Taub EC Visits - YTD



Lyndon B. Johnson EC Visits - YTD



Harris Health

Statistical Highlights - Births

As of the Year Ended September 30, 2024

BT Births - Q4

Actual	Budget	Prior Year
826	876	826

BT Births - YTD

Actual	Budget	Prior Year
2,932	3,207	3,195

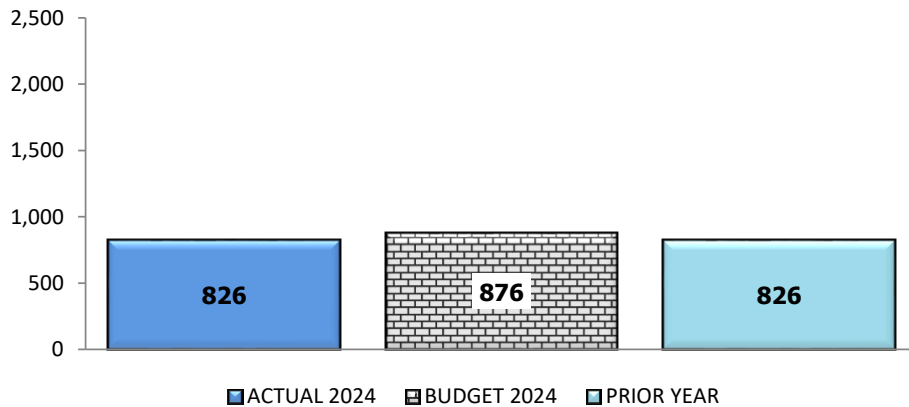
LBJ Births - Q4

Actual	Budget	Prior Year
643	610	667

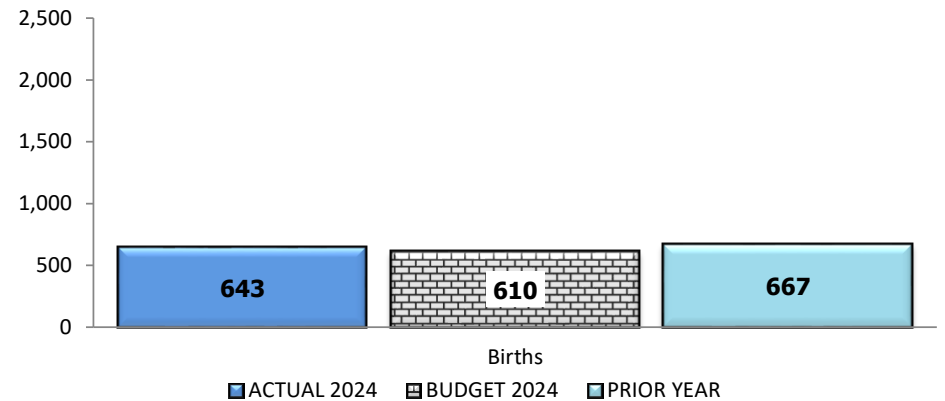
LBJ Births - YTD

Actual	Budget	Prior Year
2,384	2,239	2,299

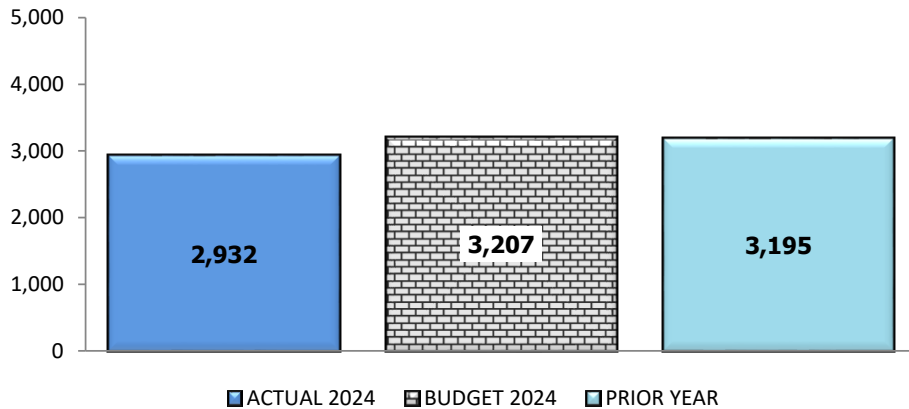
Ben Taub Births - Quarter End



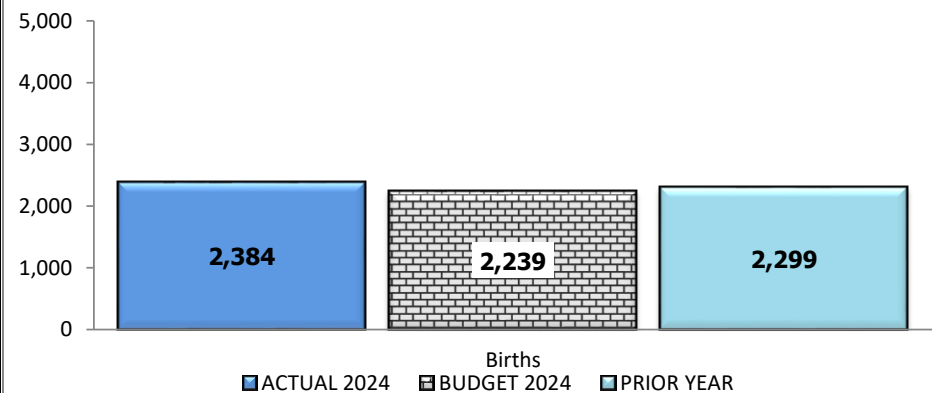
Lyndon B. Johnson Births - Quarter End



Ben Taub Births - YTD



Lyndon B. Johnson Births - YTD



Harris Health

Statistical Highlights - Adjusted Patient Days

As of the Year Ended September 30, 2024

BT Adjusted Patient Days - Q4

67,025

BT Adjusted Patient Days - YTD

264,317

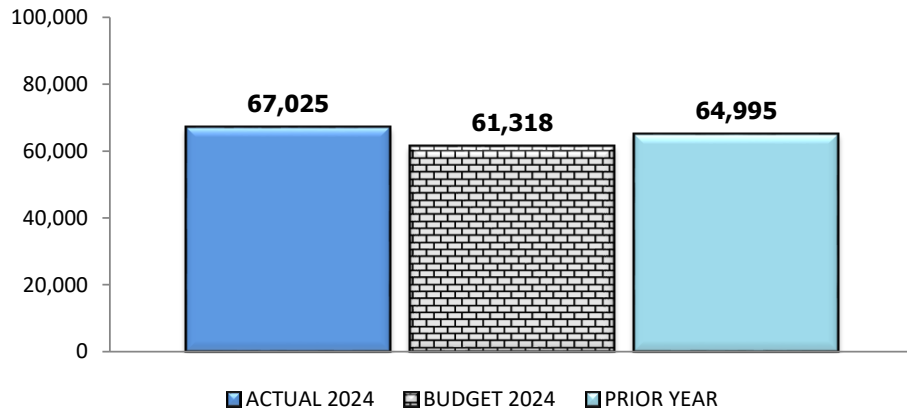
LBJ Adjusted Patient Days - Q4

41,126

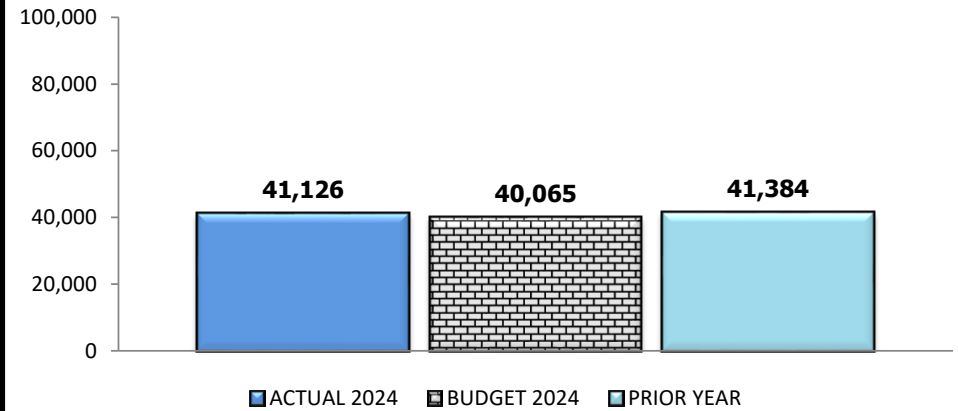
LBJ Adjusted Patient Days - YTD

160,880

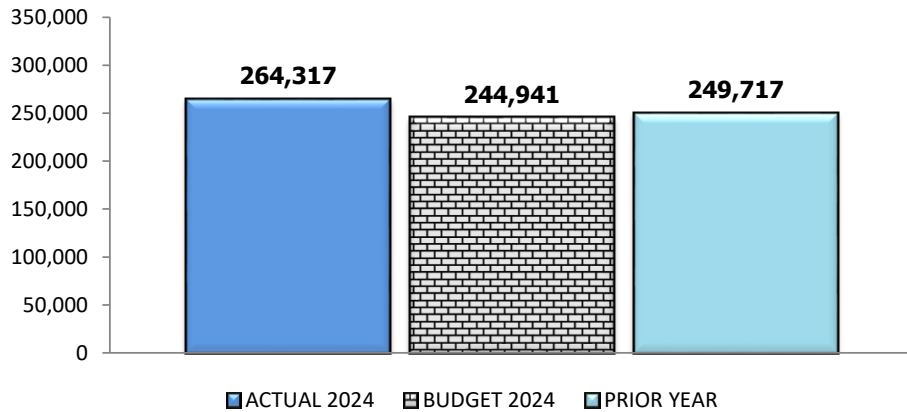
Ben Taub APD - Quarter End



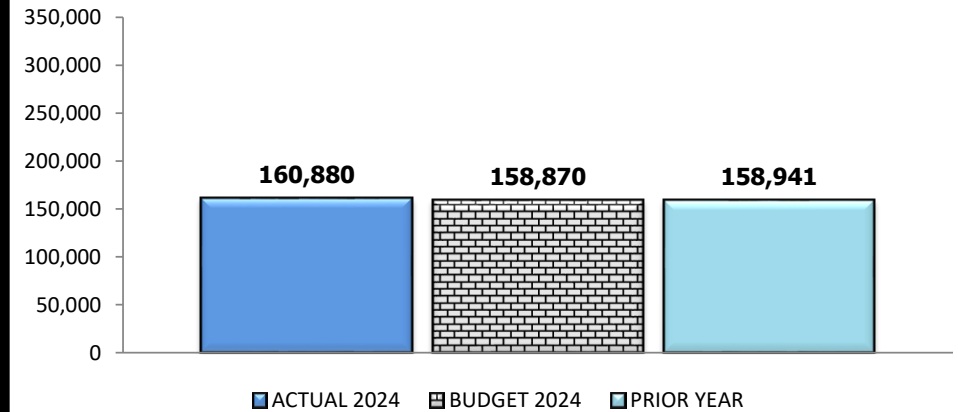
Lyndon B. Johnson APD - Quarter End



Ben Taub APD - YTD



Lyndon B. Johnson APD - YTD



Harris Health

Statistical Highlights - Average Daily Census (ADC)

As of the Year Ended September 30, 2024

BT Average Daily Census - Q4

437.0

BT Average Daily Census - YTD

427.1

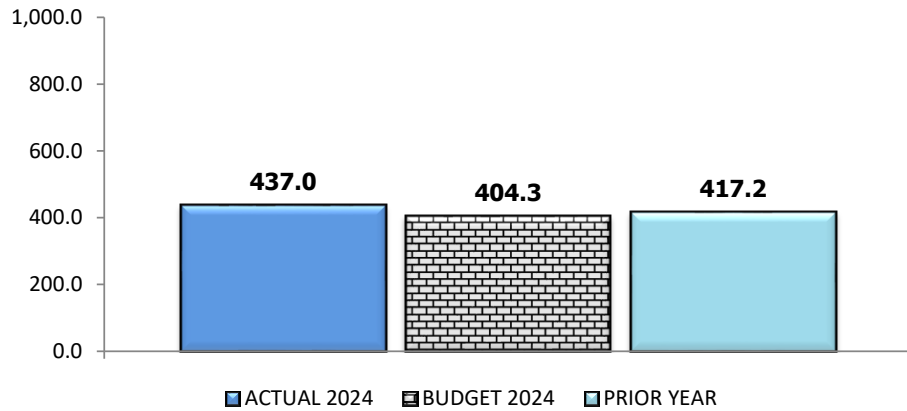
LBJ Average Daily Census - YTD

231.1

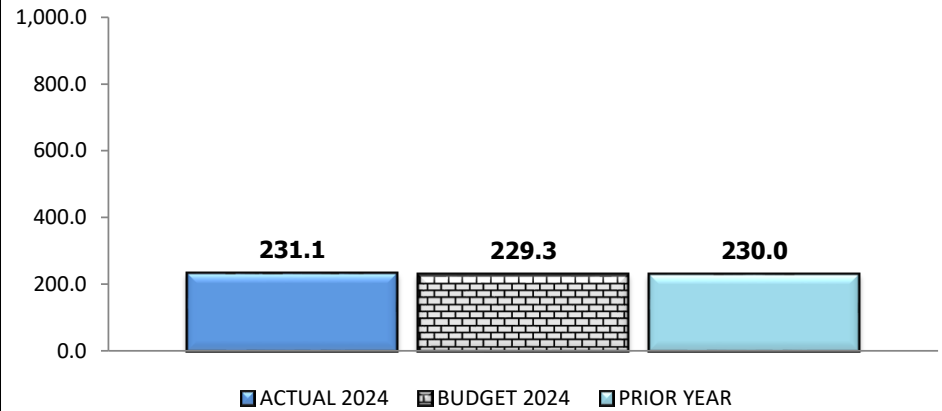
LBJ Average Daily Census - YTD

227.6

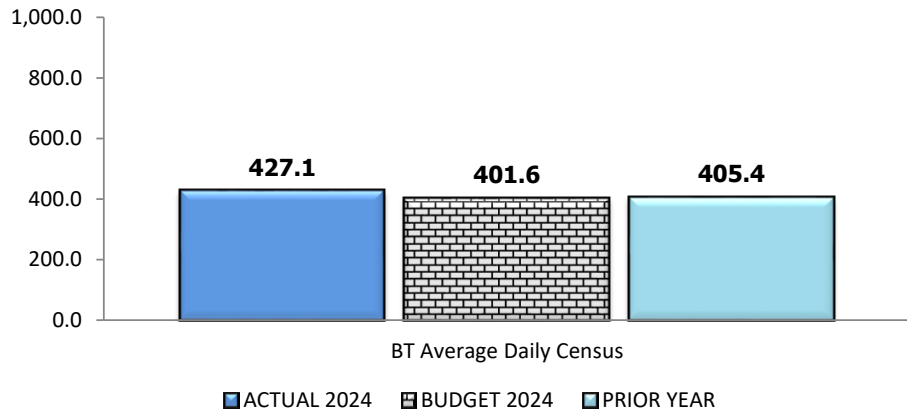
Ben Taub ADC - Quarter End



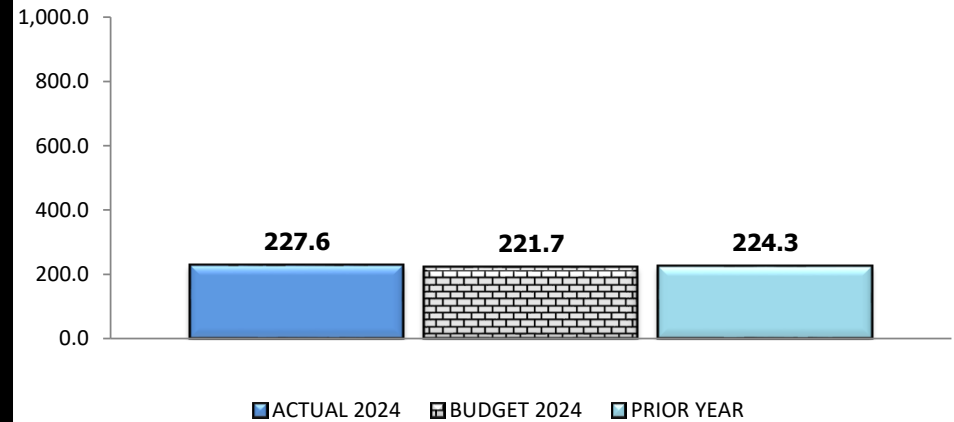
Lyndon B. Johnson ADC - Quarter End



Ben Taub ADC - YTD



Lyndon B. Johnson ADC - YTD



Harris Health

Statistical Highlights - Inpatient Average Length of Stay (ALOS)

As of the Year Ended September 30, 2024

BT Inpatient ALOS - Q4

7.19

BT Inpatient ALOS - YTD

7.13

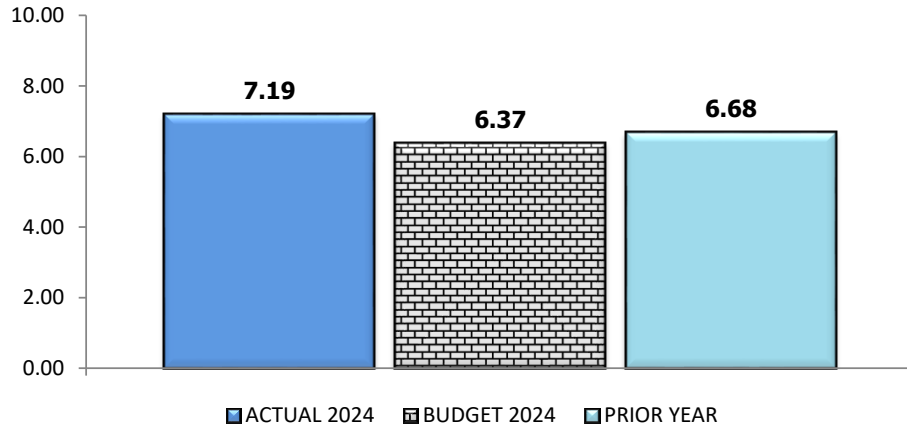
LBJ Inpatient ALOS - Q4

5.61

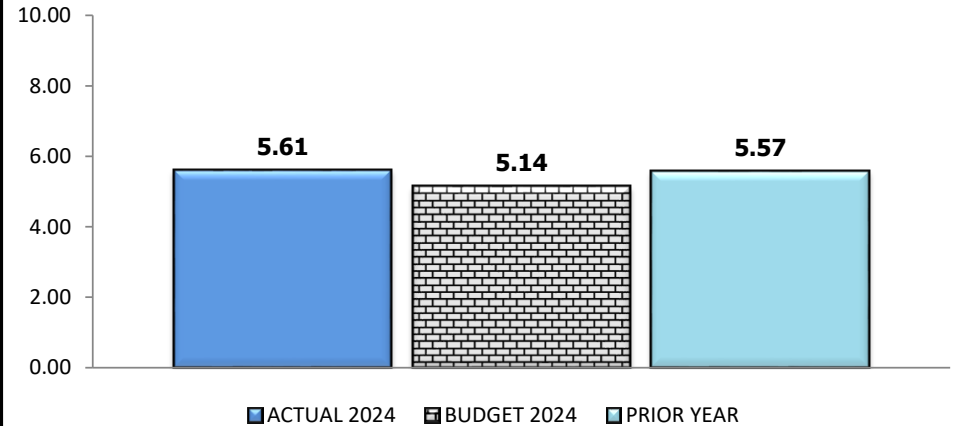
LBJ Inpatient ALOS - YTD

5.58

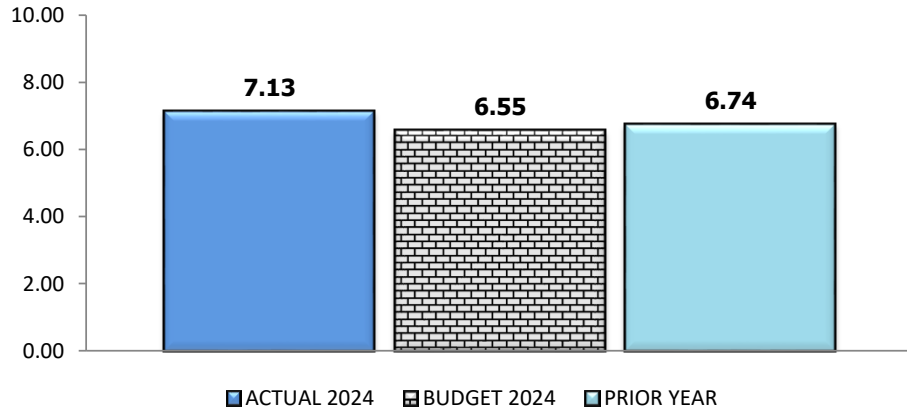
Ben Taub ALOS - Quarter End



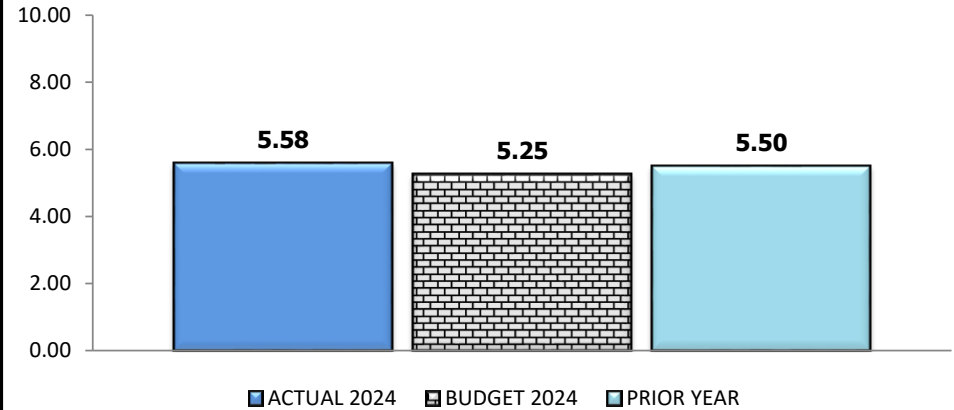
Lyndon B. Johnson ALOS - Quarter End



Ben Taub ALOS - YTD



Lyndon B. Johnson ALOS - YTD



Harris Health

Statistical Highlights - Case Mix Index (CMI)

As of the Year Ended September 30, 2024

BT Case Mix Index (CMI) - Q4

Overall	Excl. Obstetrics
1.872	2.075

BT Case Mix Index (CMI) - YTD

Overall	Excl. Obstetrics
1.831	2.015

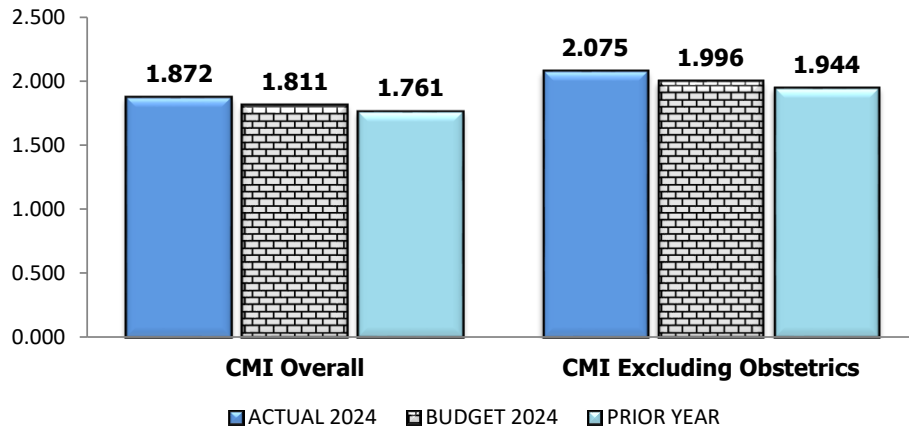
LBJ Case Mix Index (CMI) - Q4

Overall	Excl. Obstetrics
1.519	1.696

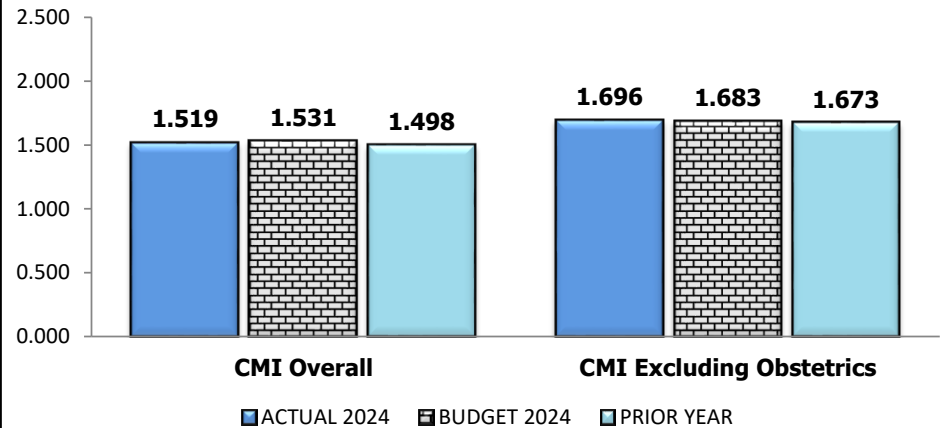
LBJ Case Mix Index (CMI) - YTD

Overall	Excl. Obstetrics
1.535	1.701

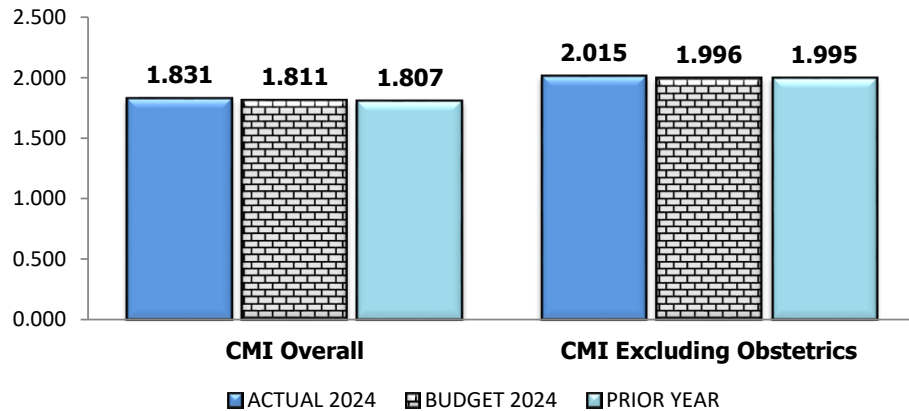
Ben Taub CMI - Quarter End



Lyndon B. Johnson CMI - Quarter End



Ben Taub CMI - YTD



Lyndon B. Johnson CMI - YTD

