



Financial Statements

As of August 31, 2025
Subject to Audit



Table of Contents



Financial Highlights Review.....3

FINANCIAL STATEMENTS

Income Statement.....4

Balance Sheet.....5

Cash Flow Summary.....6

Performance Ratios.....7

KEY STATISTICAL INDICATORS

Statistical Highlights.....9

Statistical Highlights Graphs.....10 – 21

Financial Highlights Review **HARRISHEALTH**

As of August 31, 2025

Operating income for the month ended August 31, 2025 was \$26.2 million compared to budgeted loss of \$0.5 million.

Total net revenue for the month ended August 31, 2025 of \$240.8 million was \$19.3 million or 8.7% more than budget. Net patient revenue was \$6.0 million less than budget while Medicaid Supplemental Programs was \$22.9 million greater than budget, primarily driven by timing and refunds from the State for prior fiscal periods.

As of August 31, 2025, total expenses of \$214.6 million were \$7.5 million or 3.4% less than budget. Total labor costs were \$6.7 million less than budget driven primarily by the timing of strategic initiatives' implementation compared to plan. Additionally, benefits expense was less than anticipated driven by the pension expense adjustment based on the recently issued actuarial report.

For the month ended August 31, 2025, total patient days and average daily census decreased 5.0% compared to budget. Inpatient case mix index, a measure of patient acuity, was 0.7% higher than budget while length of stay was 8.4% lower than budget. Emergency room visits were 3.6% more than budget. Total clinic visits, including telehealth, were 3.9% lower compared to budget. Births were up 2.1%.

Total cash receipts for the month were \$162.5 million. The System has \$1,663.3 million in unrestricted cash, cash equivalents and investments, representing 249.6 days cash on hand. Increase in days cash of hand is due to reimbursement from the Series 2025 bond totaling \$352.2 million as of August 31, 2025, for capital expenditures tied to the Strategic Capital Plan. The remainder of the \$840 million issuance is recorded as an asset limited as to use within the balance sheet. The corresponding debt is shown within the long-term debt portion of the balance sheet.

Harris Health has \$136.2 million in net accounts receivable, representing 65.6 days of outstanding patient accounts receivable at August 31, 2025. The August balance sheet reflects a combined net receivable position of \$123.4 million under the various Medicaid Supplemental programs. The current portion of ad valorem taxes receivable is \$4.7 million, which is offset by ad valorem tax collections as received. Accounts payable and accrued liabilities include \$88.0 million in deferred ad valorem tax revenues that are released as ad valorem tax revenue is recognized. As of August 31, 2025, \$1,030.3 million in ad valorem tax collections were received and \$86.3 million in current ad valorem tax revenue was recognized.

Income Statement

HARRISHEALTH

As of August 31, 2025 and 2024 (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	\$ 57.2	\$ 63.2	-9.5%	\$ 696.0	\$ 689.7	0.9%	\$ 687.6	1.2%
Medicaid Supplemental Programs	76.9	53.9	42.5%	653.3	593.3	10.1%	640.6	2.0%
Other Operating Revenue	11.7	12.0	-3.0%	136.1	132.8	2.5%	116.8	16.5%
Total Operating Revenue	\$ 145.7	\$ 129.1	12.9%	\$ 1,485.4	\$ 1,415.7	4.9%	\$ 1,445.0	2.8%
Net Ad Valorem Taxes	86.3	85.1	1.5%	942.6	935.8	0.7%	827.9	13.9%
Net Tobacco Settlement Revenue	-	-	0.0%	19.0	15.2	24.7%	15.2	24.8%
Capital Gifts & Grants	-	0.8	0.0%	4.0	9.2	-56.4%	-	0.0%
Interest Income & Other	8.8	6.5	35.6%	67.2	71.1	-5.6%	72.3	-7.1%
Total Nonoperating Revenue	\$ 95.1	\$ 92.4	2.9%	\$ 1,032.7	\$ 1,031.3	0.1%	\$ 915.4	12.8%
Total Net Revenue	\$ 240.8	\$ 221.5	8.7%	\$ 2,518.1	\$ 2,447.0	2.9%	\$ 2,360.5	6.7%
EXPENSE								
Salaries and Wages	\$ 83.1	\$ 87.0	4.5%	\$ 894.5	\$ 937.0	4.5%	\$ 870.5	-2.8%
Employee Benefits	24.9	27.7	10.0%	286.3	304.3	5.9%	265.5	-7.8%
Total Labor Cost	\$ 108.0	\$ 114.7	5.9%	\$ 1,180.8	\$ 1,241.3	4.9%	\$ 1,136.0	-3.9%
Supply Expenses	25.7	29.8	13.9%	297.0	322.6	7.9%	277.2	-7.1%
Physician Services	41.3	38.7	-6.7%	442.1	437.5	-1.1%	409.5	-8.0%
Purchased Services	27.3	26.8	-1.9%	282.6	302.7	6.6%	255.2	-10.7%
Depreciation & Interest	12.3	12.0	-2.4%	111.3	93.9	-18.5%	92.3	-20.6%
Total Operating Expense	\$ 214.6	\$ 222.1	3.4%	\$ 2,313.8	\$ 2,398.0	3.5%	\$ 2,170.3	-6.6%
Operating Income (Loss)	\$ 26.2	\$ (0.6)		\$ 204.3	\$ 49.0		\$ 190.2	
Total Margin %	10.9%	-0.3%		8.1%	2.0%		8.1%	

Balance Sheet

HARRISHEALTH

August 2025 and 2024 (in \$ Millions)

	CURRENT YEAR	PRIOR YEAR
<u>CURRENT ASSETS</u>		
Cash, Cash Equivalents and Short Term Investments	\$ 1,663.3	\$ 1,125.1
Net Patient Accounts Receivable	136.2	157.4
Net Ad Valorem Taxes, Current Portion	4.7	16.1
Other Current Assets	231.1	562.3
Total Current Assets	\$ 2,035.2	\$ 1,860.9
<u>CAPITAL ASSETS</u>		
Plant, Property, & Equipment, Net of Accumulated Depreciation	\$ 581.6	\$ 550.9
Construction in Progress	558.2	204.1
Right of Use Assets	36.8	37.5
Total Capital Assets	\$ 1,176.7	\$ 792.5
<u>ASSETS LIMITED AS TO USE & RESTRICTED ASSETS</u>		
Debt Service & Capital Asset Funds	\$ 526.6	\$ 37.5
LPPF Restricted Cash	239.1	69.9
Capital Gift Proceeds	59.4	54.8
Other - Restricted	1.1	1.0
Total Assets Limited As to Use & Restricted Assets	\$ 826.2	\$ 163.2
Other Assets	39.5	47.8
Deferred Outflows of Resources	159.0	175.5
Total Assets & Deferred Outflows of Resources	\$ 4,236.5	\$ 3,040.0
<u>CURRENT LIABILITIES</u>		
Accounts Payable and Accrued Liabilities	\$ 512.7	\$ 273.0
Employee Compensation & Related Liabilities	144.1	135.2
Deferred Revenue - Ad Valorem	88.0	75.8
Estimated Third-Party Payor Settlements	33.6	28.4
Current Portion Long-Term Debt and Capital Leases	36.6	37.5
Total Current Liabilities	\$ 815.1	\$ 549.9
Long-Term Debt	1,109.3	279.6
Net Pension & Post Employment Benefits Liability	637.1	685.9
Other Long-Term Liabilities	7.5	6.6
Deferred Inflows of Resources	110.4	114.3
Total Liabilities	\$ 2,679.2	\$ 1,636.3
Total Net Assets	\$ 1,557.2	\$ 1,403.7
Total Liabilities & Net Assets	\$ 4,236.5	\$ 3,040.0

Cash Flow Summary

HARRISHEALTH

As of August 31, 2025 and 2024 (in \$ Millions)

	MONTH-TO-MONTH		YEAR-TO-DATE	
	CURRENT YEAR	PRIOR YEAR	CURRENT YEAR	PRIOR YEAR
<u>CASH RECEIPTS</u>				
Collections on Patient Accounts	\$ 72.7	\$ 71.9	\$ 768.8	\$ 754.6
Medicaid Supplemental Programs	12.3	(152.3)	526.8	586.2
Net Ad Valorem Taxes	0.6	1.4	1,030.3	878.8
Tobacco Settlement	-	-	19.0	15.2
Other Revenue	76.8	27.1	560.3	228.5
Total Cash Receipts	\$ 162.5	\$ (51.9)	\$ 2,905.2	\$ 2,463.4
<u>CASH DISBURSEMENTS</u>				
Salaries, Wages and Benefits	\$ 146.9	\$ 143.8	\$ 1,258.1	\$ 1,243.9
Supplies	31.8	30.0	330.7	297.4
Physician Services	51.1	33.8	426.3	384.7
Purchased Services	30.6	25.8	277.7	253.5
Capital Expenditures	44.0	13.1	405.8	169.2
Debt and Interest Payments	12.7	4.4	33.1	11.3
Other Uses	(5.6)	(8.2)	(26.4)	(9.2)
Total Cash Disbursements	\$ 311.4	\$ 242.6	\$ 2,705.3	\$ 2,350.9
Net Change	\$ (148.9)	\$ (294.4)	\$ 199.9	\$ 112.5

Unrestricted cash, cash equivalents and investments - Beginning of year

Net Change

Unrestricted cash, cash equivalents and investments - End of period

\$ 1,463.4

\$ 199.9

\$ 1,663.3

Performance Ratios

HARRISHEALTH

As of August 31, 2025 and 2024 (in \$ Millions)

	MONTH-TO-MONTH		YEAR-TO-DATE		
	CURRENT YEAR	CURRENT BUDGET	CURRENT YEAR	CURRENT BUDGET	PRIOR YEAR
<u>OPERATING HEALTH INDICATORS</u>					
Operating Margin %	10.9%	-0.3%	8.1%	2.0%	8.1%
Run Rate per Day (In\$ Millions)	\$ 6.7	\$ 7.0	\$ 6.6	\$ 7.0	\$ 6.2
Salary, Wages & Benefit per APD	\$ 2,389	\$ 2,505	\$ 2,402	\$ 2,542	\$ 2,338
Supply Cost per APD	\$ 568	\$ 651	\$ 604	\$ 661	\$ 571
Physician Services per APD	\$ 914	\$ 846	\$ 899	\$ 896	\$ 843
Total Expense per APD	\$ 4,748	\$ 4,850	\$ 4,706	\$ 4,911	\$ 4,467
Overtime as a % of Total Salaries	3.0%	3.0%	3.3%	3.0%	3.5%
Contract as a % of Total Salaries	3.2%	2.8%	3.2%	2.8%	4.2%
Full-time Equivalent Employees	10,326	10,555	10,416	10,653	10,398
<u>FINANCIAL HEALTH INDICATORS</u>					
Quick Ratio			2.4		3.3
Unrestricted Cash (In \$ Millions)			\$ 1,663.3	\$ 1,227.9	\$ 1,125.1
Days Cash on Hand			249.6	176.9	180.2
Days Revenue in Accounts Receivable			65.6	75.2	76.9
Days in Accounts Payable			48.3		47.4
Capital Expenditures/Depreciation & Amortization			462.5%		212.3%
Average Age of Plant(years)			10.1		10.5

Harris Health Key Indicators



Statistical Highlights

HARRISHEALTH

As of August 31, 2025 and 2024

	MONTH-TO-MONTH			YEAR-TO-DATE				
	CURRENT QUARTER	CURRENT BUDGET	PERCENT CHANGE	CURRENT YEAR	CURRENT BUDGET	PERCENT CHANGE	PRIOR YEAR	PERCENT CHANGE
Adjusted Patient Days	45,203	45,669	-1.0%	491,666	488,365	0.7%	485,894	1.2%
Outpatient % of Adjusted Volume	63.5%	62.3%	1.9%	63.2%	62.3%	1.5%	62.3%	1.4%
Primary Care Clinic Visits	47,126	49,676	-5.1%	500,192	491,678	1.7%	477,369	4.8%
Specialty Clinic Visits	21,455	21,750	-1.4%	231,033	223,932	3.2%	223,953	3.2%
Telehealth Clinic Visits	10,613	10,943	-3.0%	113,613	108,734	4.5%	103,923	9.3%
Total Clinic Visits	79,194	82,369	-3.9%	844,838	824,344	2.5%	805,245	4.9%
Emergency Room Visits - Outpatient	11,780	11,276	4.5%	129,375	127,446	1.5%	131,696	-1.8%
Emergency Room Visits - Admitted	1,845	1,874	-1.5%	19,416	20,280	-4.3%	19,632	-1.1%
Total Emergency Room Visits	13,625	13,150	3.6%	148,791	147,726	0.7%	151,328	-1.7%
Surgery Cases - Outpatient	993	1,006	-1.3%	11,406	10,626	7.3%	10,534	8.3%
Surgery Cases - Inpatient	899	872	3.1%	9,808	9,264	5.9%	9,496	3.3%
Total Surgery Cases	1,892	1,878	0.7%	21,214	19,890	6.7%	20,030	5.9%
Total Outpatient Visits	127,130	133,868	-5.0%	1,440,502	1,358,778	6.0%	1,367,681	5.3%
Inpatient Cases (Discharges)	2,679	2,562	4.6%	27,669	29,281	-5.5%	28,210	-1.9%
Outpatient Observation Cases	932	937	-0.5%	11,371	10,308	10.3%	10,555	7.7%
Total Cases Occupying Patient Beds	3,611	3,499	3.2%	39,040	39,589	-1.4%	38,765	0.7%
Births	447	438	2.1%	4,749	4,936	-3.8%	4,854	-2.2%
Inpatient Days	16,499	17,217	-4.2%	180,946	184,278	-1.8%	183,158	-1.2%
Outpatient Observation Days	2,928	3,233	-9.4%	39,735	33,566	18.4%	36,548	8.7%
Total Patient Days	19,427	20,450	-5.0%	220,681	217,844	1.3%	219,706	0.4%
Average Daily Census	626.7	659.7	-5.0%	658.7	650.3	1.3%	653.9	0.7%
Average Operating Beds	701	700	0.1%	701	700	0.1%	704	-0.4%
Bed Occupancy %	89.4%	94.2%	-5.1%	94.0%	92.9%	1.2%	92.9%	1.2%
Inpatient Average Length of Stay	6.16	6.72	-8.4%	6.54	6.29	3.9%	6.49	0.7%
Inpatient Case Mix Index (CMI)	1.725	1.712	0.7%	1.729	1.712	1.0%	1.715	0.8%
Payor Mix (% of Charges)								
Charity & Self Pay	45.8%	43.4%	5.5%	45.4%	43.4%	4.7%	43.5%	4.5%
Medicaid & Medicaid Managed	20.7%	19.4%	6.5%	18.9%	19.4%	-2.9%	19.5%	-3.1%
Medicare & Medicare Managed	10.6%	11.4%	-7.7%	10.7%	11.4%	-6.7%	11.5%	-6.9%
Commercial & Other	23.0%	25.8%	-10.7%	25.1%	25.8%	-2.7%	25.6%	-2.2%
Total Unduplicated Patients - Rolling 12				242,952			246,917	-1.6%
Total New Patient - Rolling 12				86,200			89,446	-3.6%

Harris Health

Statistical Highlights

August FY 2025

Cases Occupying Beds - CM

Actual	Budget	Prior Year
3,611	3,499	3,639

Cases Occupying Beds - YTD

Actual	Budget	Prior Year
39,040	39,589	38,765

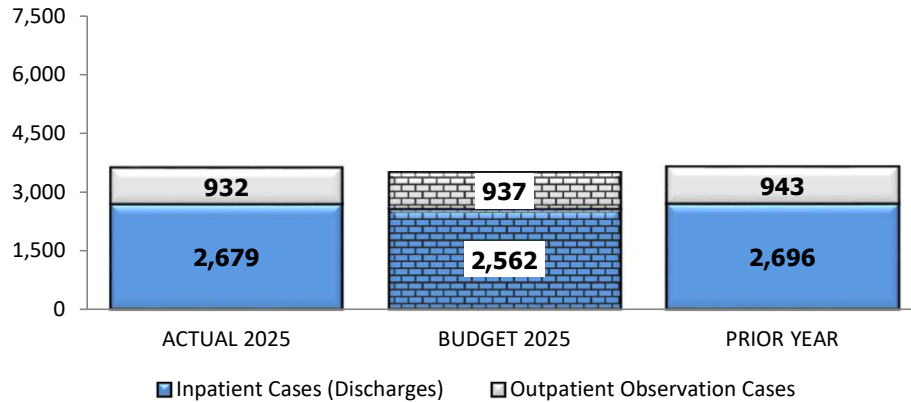
Emergency Visits - CM

Actual	Budget	Prior Year
13,625	13,150	14,003

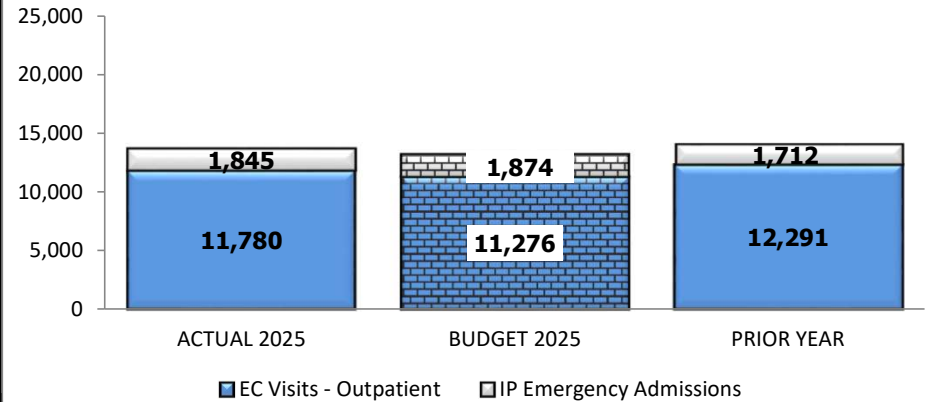
Emergency Visits - YTD

Actual	Budget	Prior Year
148,791	147,726	151,328

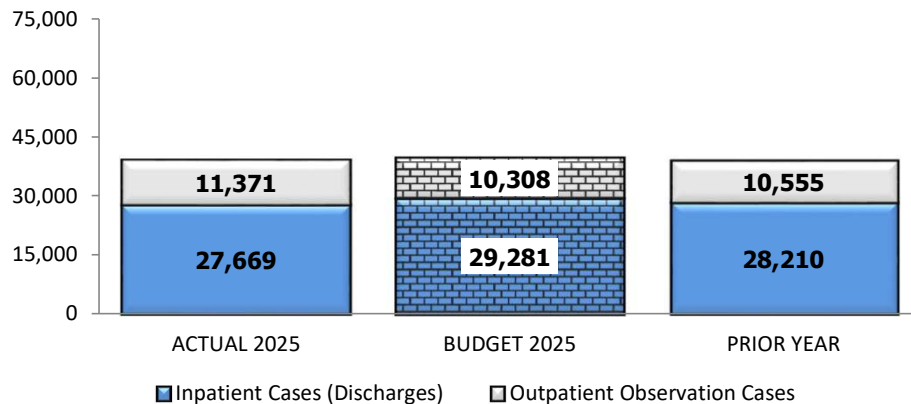
Cases Occupying Beds - Current Month



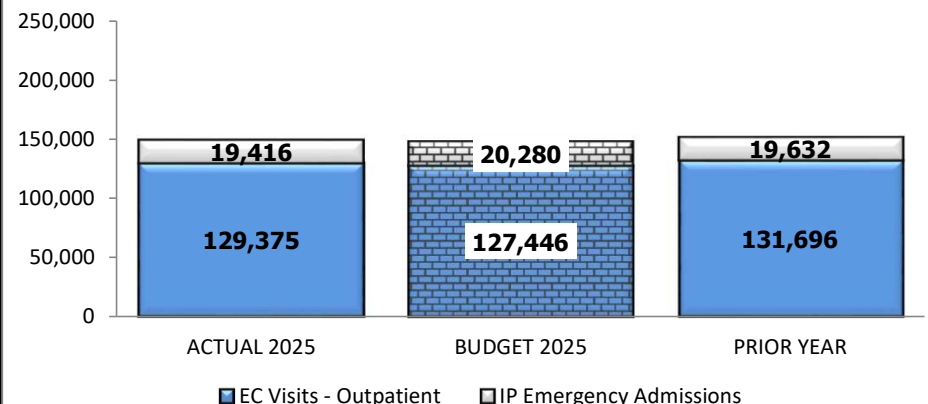
Emergency Visits - Current Month



Cases Occupying Beds - YTD



Emergency Visits - YTD



Harris Health

Statistical Highlights

August FY 2025

Surgery Cases - CM

Actual	Budget	Prior Year
1,892	1,878	2,061

Surgery Cases - YTD

Actual	Budget	Prior Year
21,214	19,890	20,030

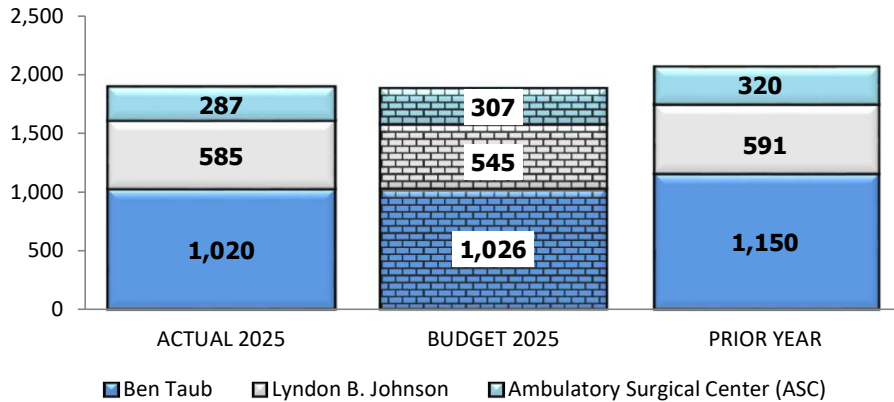
Clinic Visits - CM

Actual	Budget	Prior Year
79,194	82,369	82,680

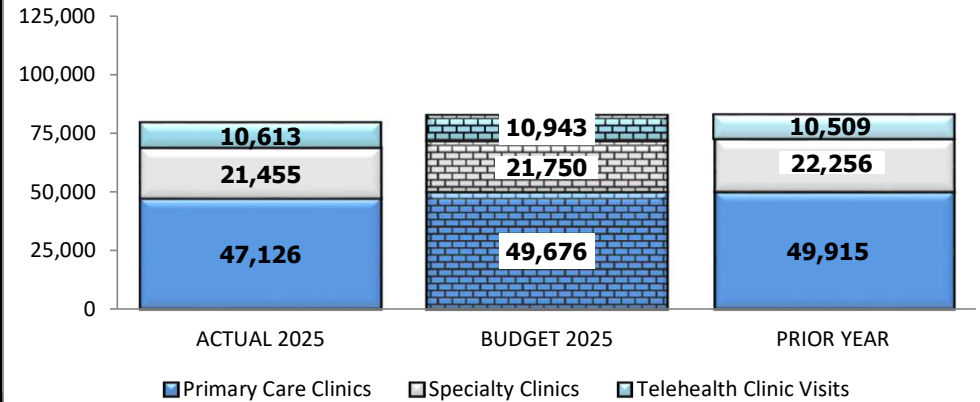
Clinic Visits - YTD

Actual	Budget	Prior Year
844,838	824,344	805,245

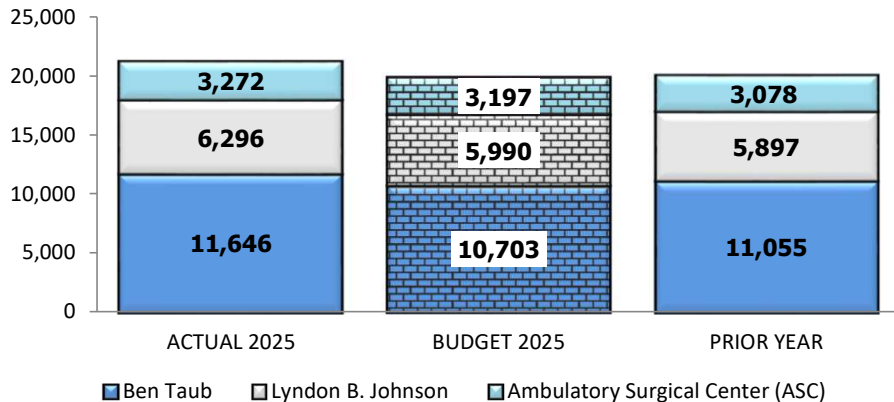
Surgery Cases - Current Month



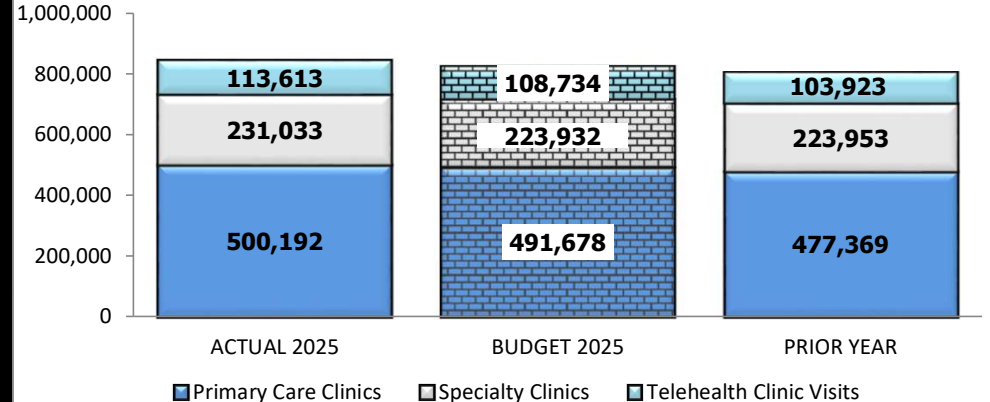
Clinic Visits - Current Month



Surgery Cases - YTD



Clinic Visits - YTD



Harris Health

Statistical Highlights

August FY 2025

Adjusted Patient Days - CM

45,203

Adjusted Patient Days - YTD

491,666

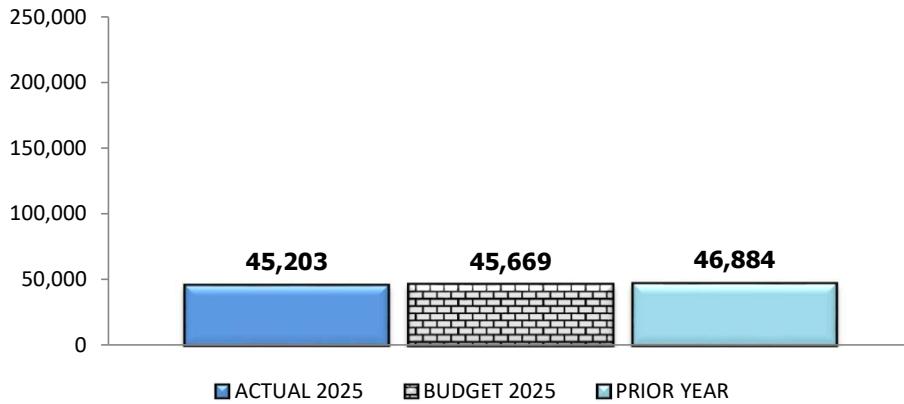
Average Daily Census - CM

626.7

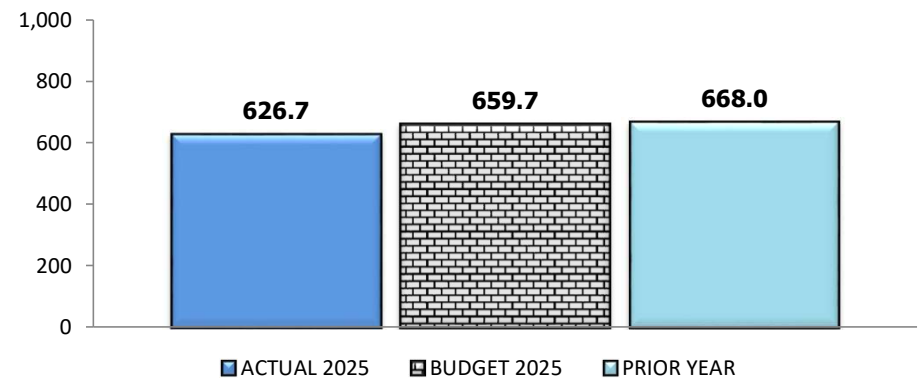
Average Daily Census - YTD

658.7

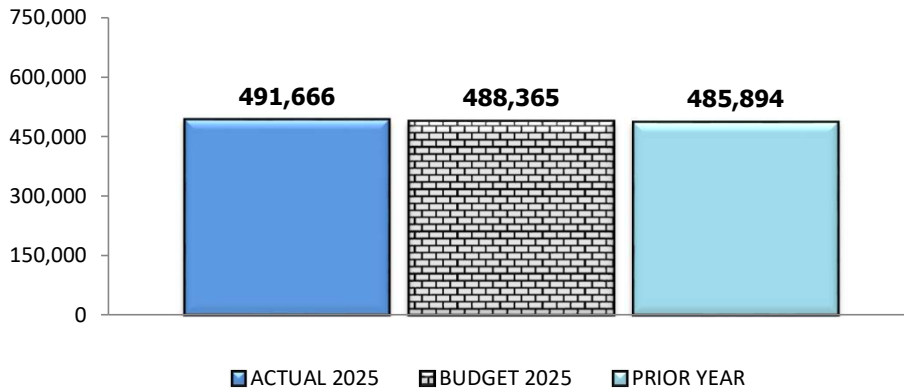
Adjusted Patient Days - Current Month



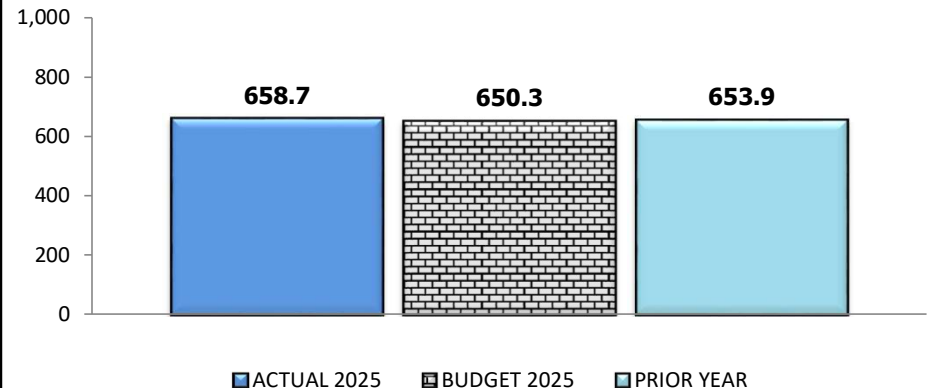
Average Daily Census - Current Month



Adjusted Patient Days - YTD



Average Daily Census - YTD



Harris Health

Statistical Highlights

August FY 2025

Inpatient ALOS - CM

6.16

Inpatient ALOS - YTD

6.54

Case Mix Index (CMI) - CM

Overall

Excl. Obstetrics

1.725

1.892

Case Mix Index (CMI) - YTD

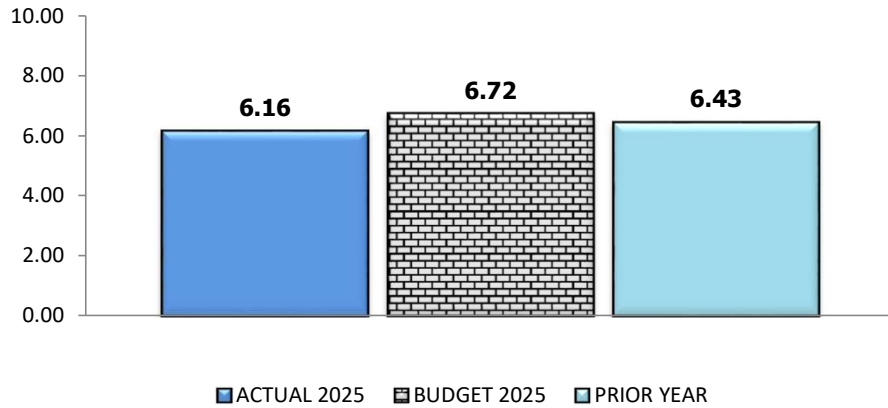
Overall

Excl. Obstetrics

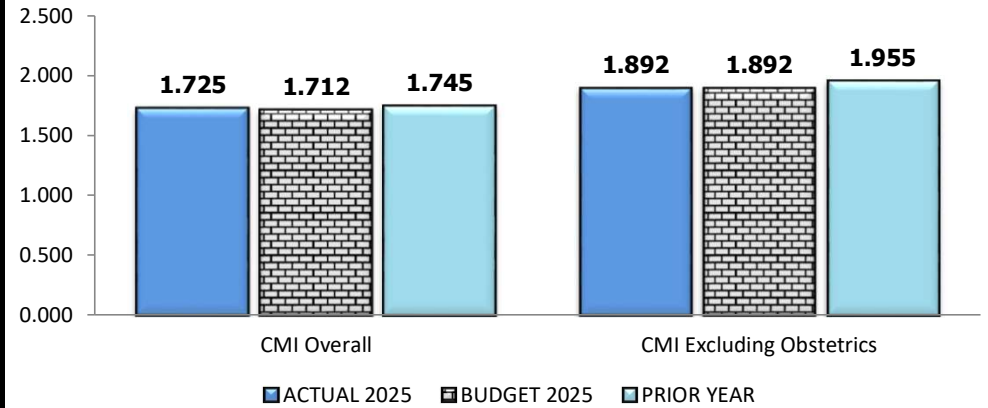
1.729

1.906

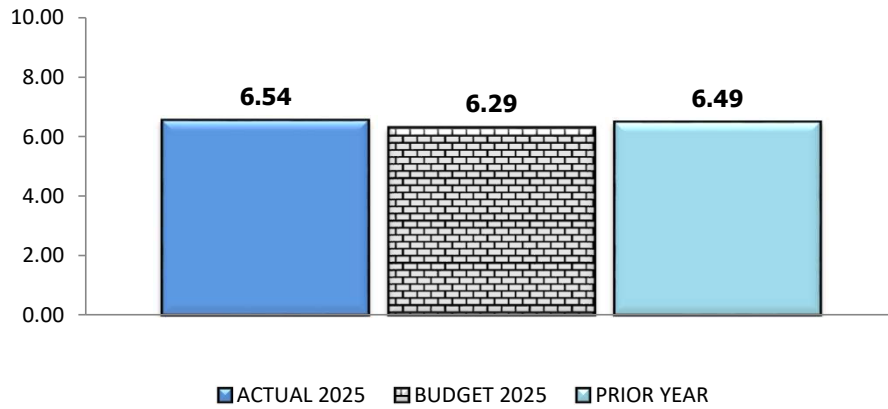
Inpatient ALOS - Current Month



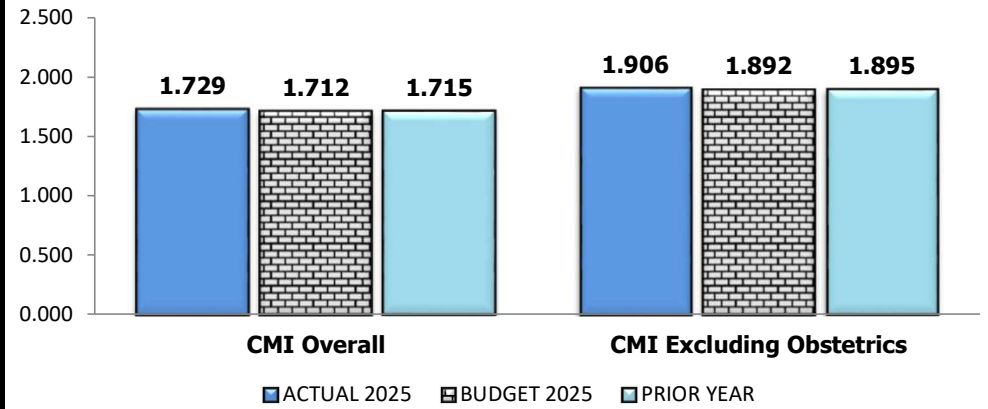
Case Mix Index - Current Month



Inpatient ALOS - YTD



Case Mix Index - YTD



Harris Health

Statistical Highlights - Cases Occupying Beds

August FY 2025

BT Cases Occupying Beds - CM

Actual	Budget	Prior Year
2,168	2,033	2,122

BT Cases Occupying Beds - YTD

Actual	Budget	Prior Year
22,527	23,635	23,038

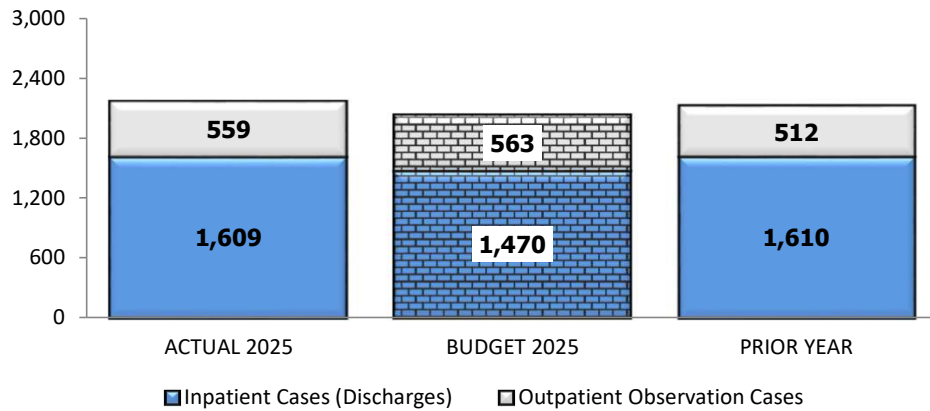
LBJ Cases Occupying Beds - CM

Actual	Budget	Prior Year
1,418	1,443	1,502

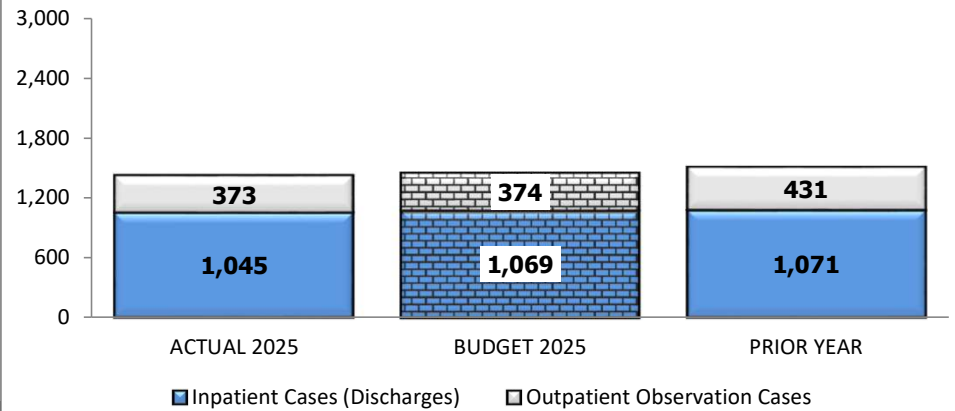
LBJ Cases Occupying Beds - YTD

Actual	Budget	Prior Year
16,303	15,745	15,687

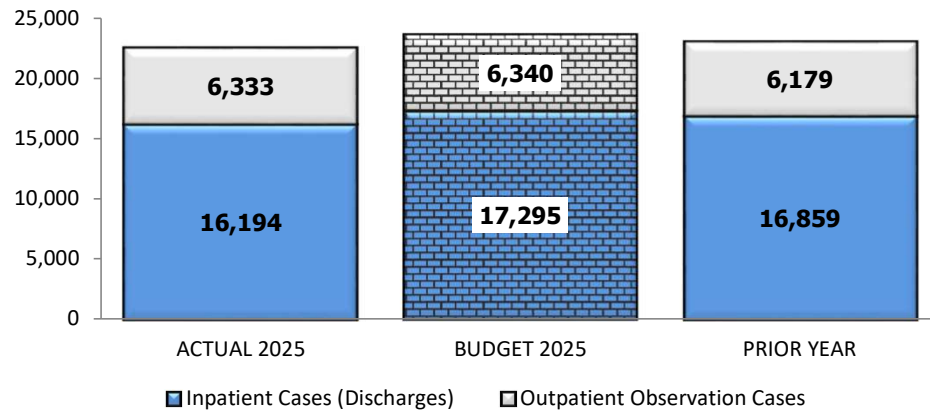
Ben Taub Cases - Current Month



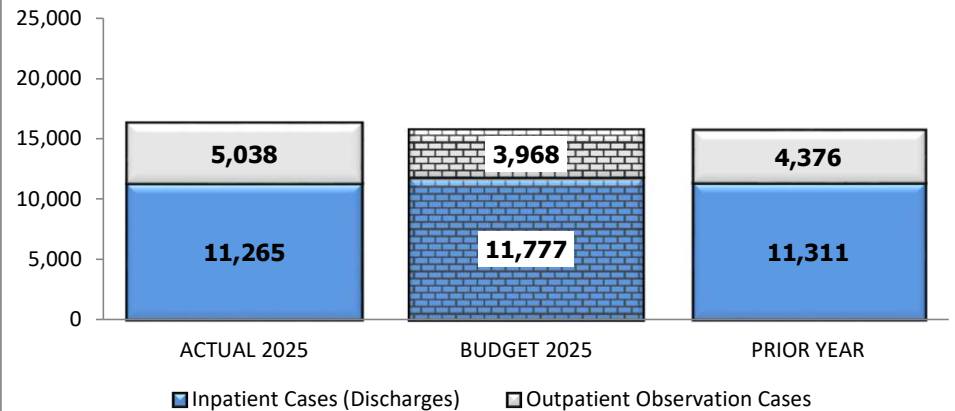
Lyndon B. Johnson Cases - Current Month



Ben Taub Cases - YTD



Lyndon B. Johnson Cases - YTD



Harris Health

Statistical Highlights - Surgery Cases

August FY 2025

BT Surgery Cases - CM

Actual	Budget	Prior Year
1,020	1,026	1,150

BT Surgery Cases - YTD

Actual	Budget	Prior Year
11,646	10,703	11,055

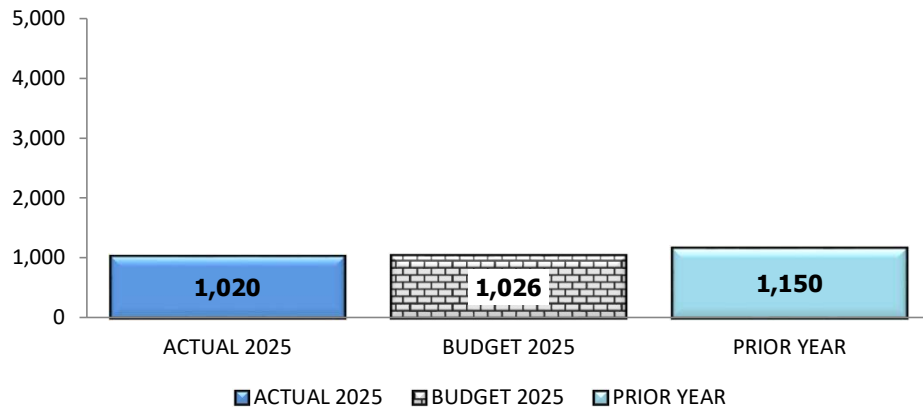
LBJ Surgery Cases - CM

Actual	Budget	Prior Year
872	852	911

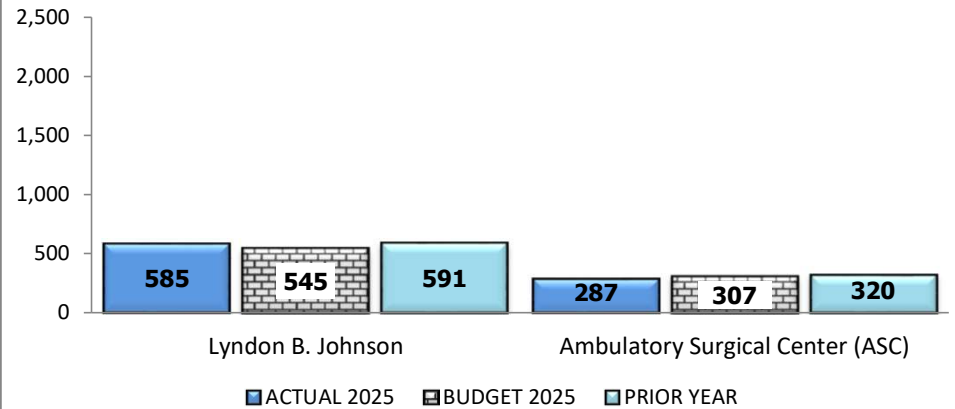
LBJ Surgery Cases - YTD

Actual	Budget	Prior Year
9,568	9,187	8,975

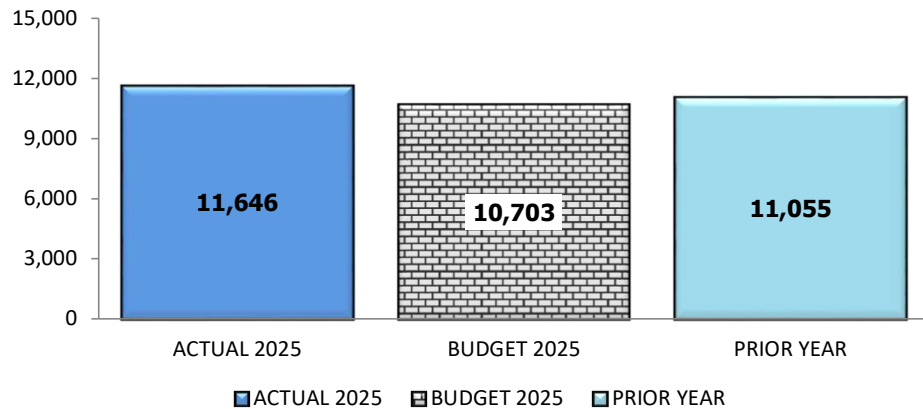
Ben Taub OR Cases - Current Month



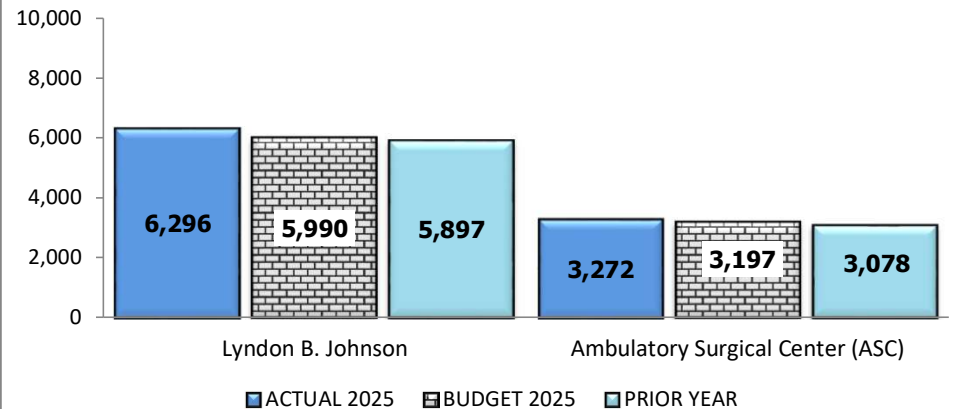
Lyndon B. Johnson OR Cases - Current Month



Ben Taub OR Cases - YTD



Lyndon B. Johnson OR Cases - YTD



Harris Health

Statistical Highlights - Emergency Room Visits

August FY 2025

BT Emergency Visits - CM

Actual	Budget	Prior Year
7,144	6,545	7,450

BT Emergency Visits - YTD

Actual	Budget	Prior Year
76,140	75,805	77,488

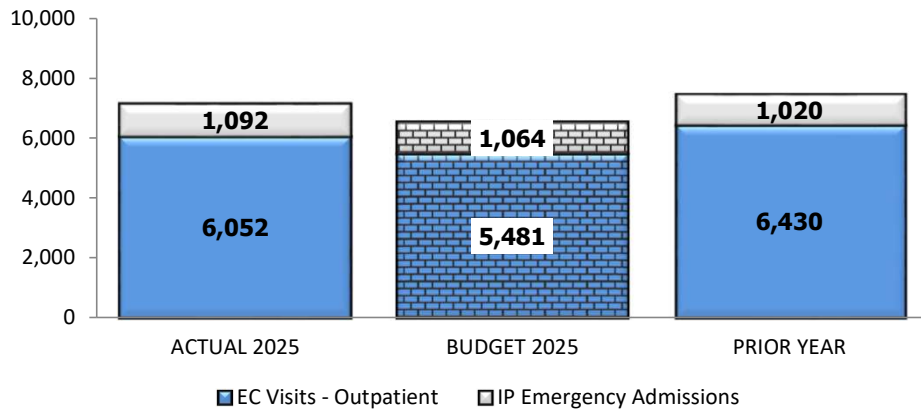
LBJ Emergency Visits - CM

Actual	Budget	Prior Year
6,481	6,605	6,553

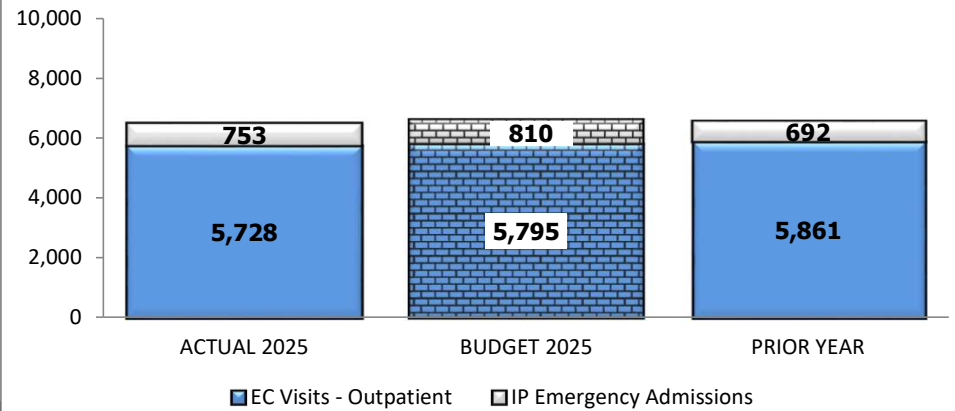
LBJ Emergency Visits - YTD

Actual	Budget	Prior Year
72,651	71,921	73,840

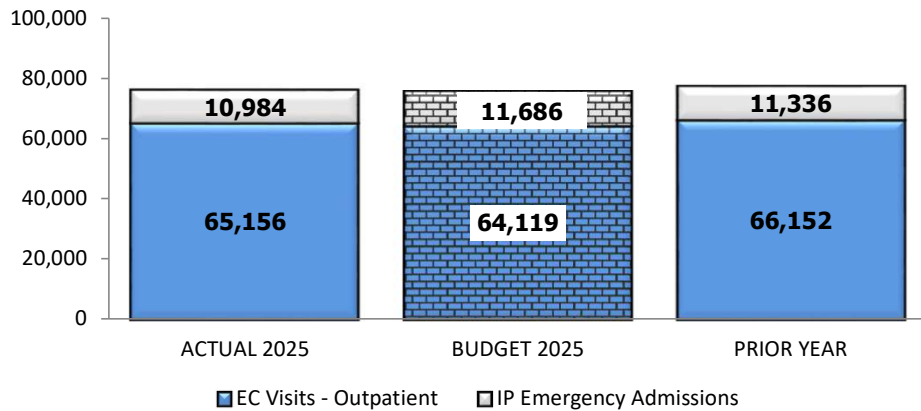
Ben Taub EC Visits - Current Month



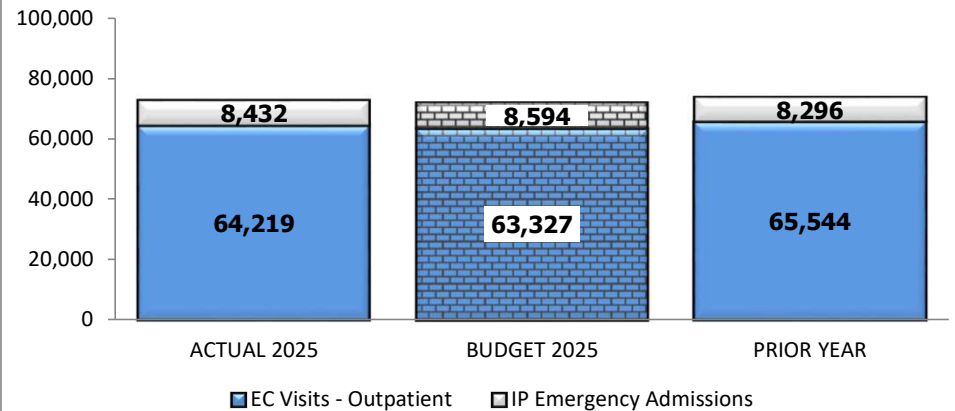
Lyndon B. Johnson EC Visits - Current Month



Ben Taub EC Visits - YTD



Lyndon B. Johnson EC Visits - YTD



Harris Health

Statistical Highlights - Births

August FY 2025

BT Births - CM

Actual	Budget	Prior Year
253	224	303

BT Births - YTD

Actual	Budget	Prior Year
2,673	2,780	2,679

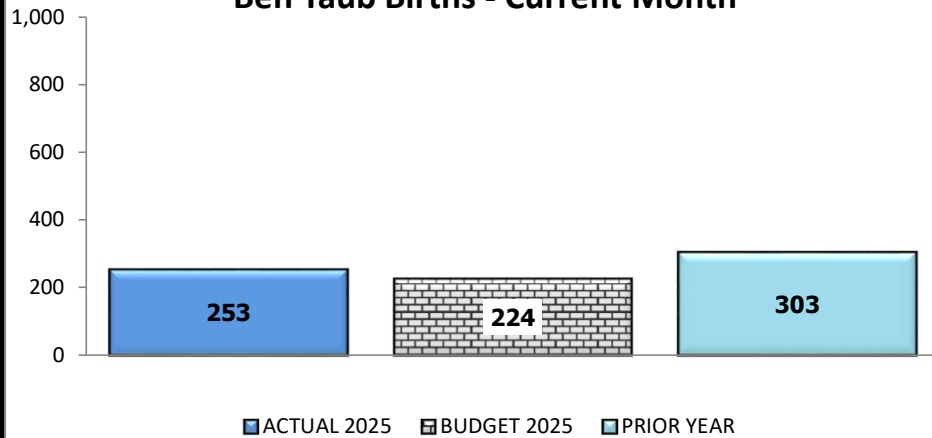
LBJ Births - CM

Actual	Budget	Prior Year
194	214	225

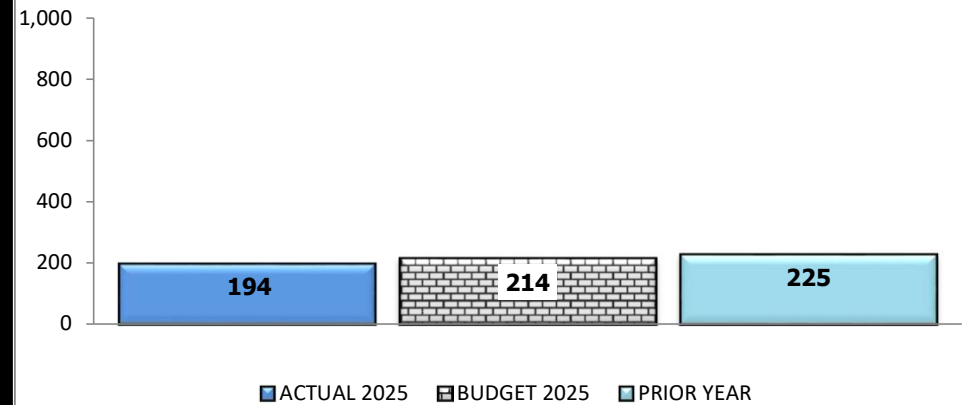
LBJ Births - YTD

Actual	Budget	Prior Year
2,076	2,156	2,175

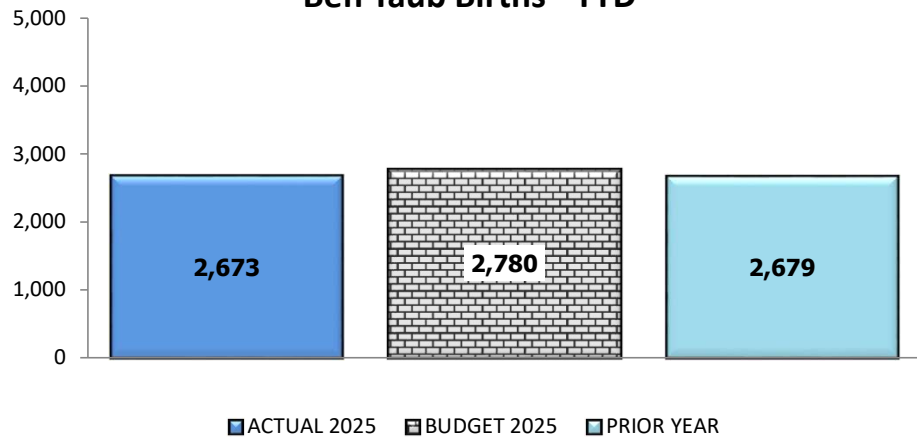
Ben Taub Births - Current Month



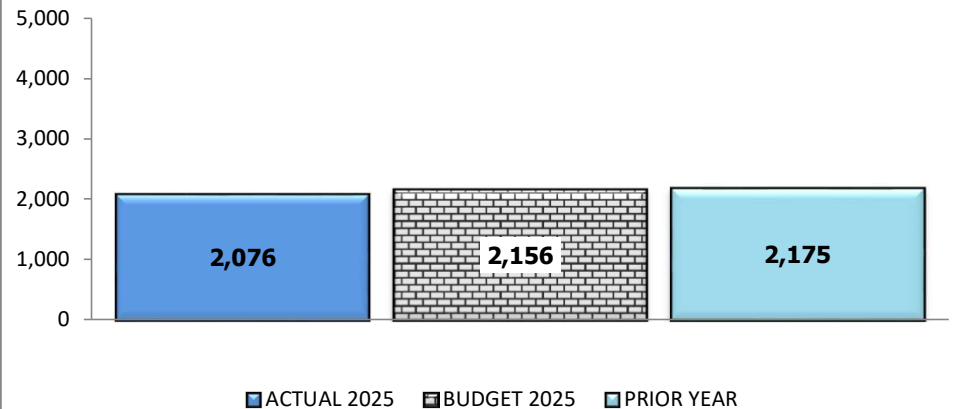
Lyndon B. Johnson Births - Current Month



Ben Taub Births - YTD



Lyndon B. Johnson Births - YTD



Harris Health

Statistical Highlights - Adjusted Patient Days

August FY 2025

BT Adjusted Patient Days - CM

22,087

BT Adjusted Patient Days - YTD

238,315

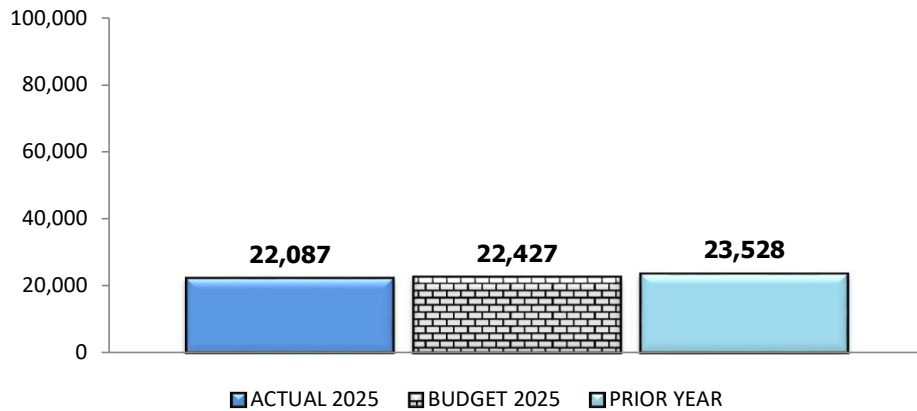
LBJ Adjusted Patient Days - CM

13,605

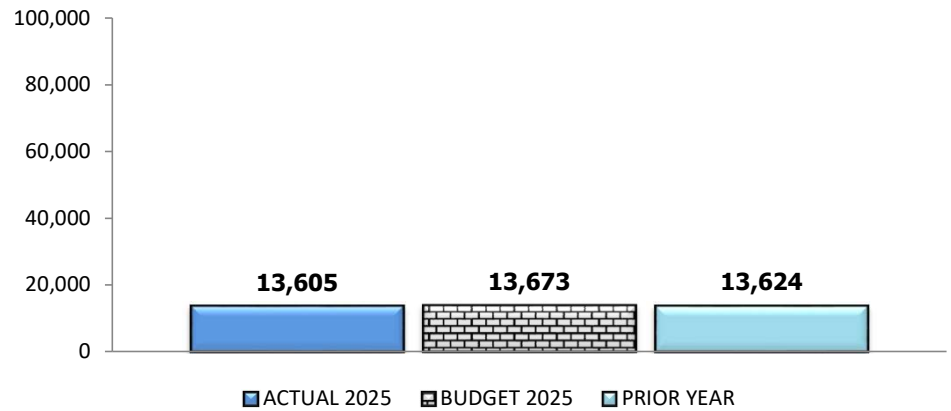
LBJ Adjusted Patient Days - YTD

150,264

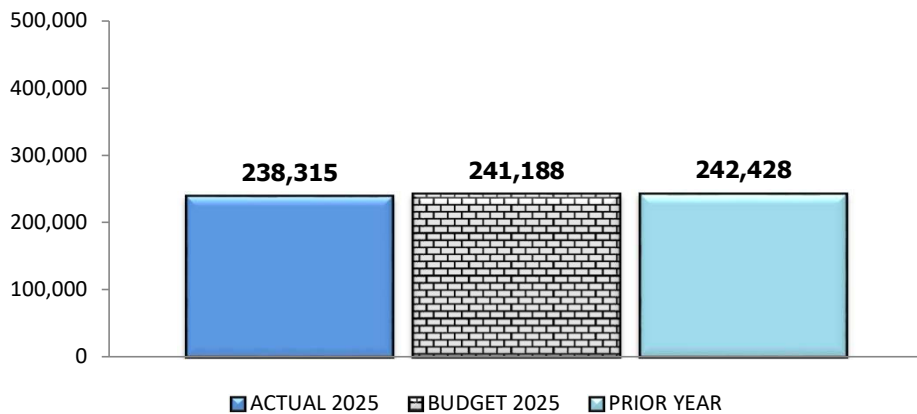
Ben Taub APD - Current Month



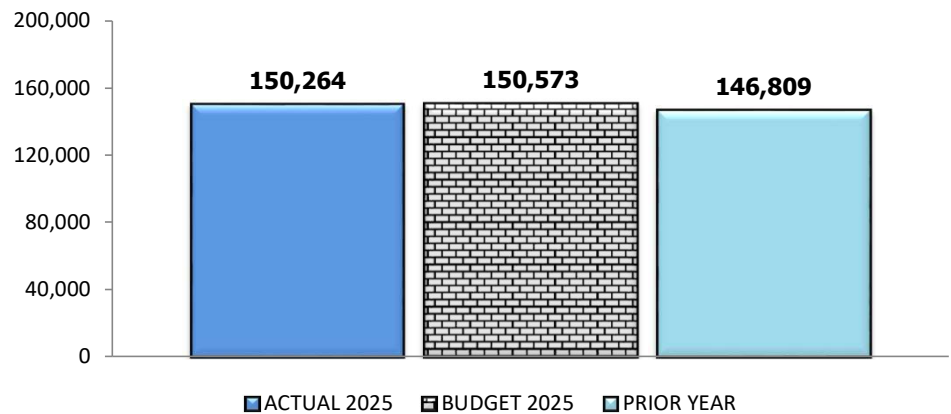
Lyndon B. Johnson APD - Current Month



Ben Taub APD - YTD



Lyndon B. Johnson APD - YTD



Harris Health

Statistical Highlights - Average Daily Census (ADC)

August FY 2025

BT Average Daily Census - CM

412.3

BT Average Daily Census - YTD

426.8

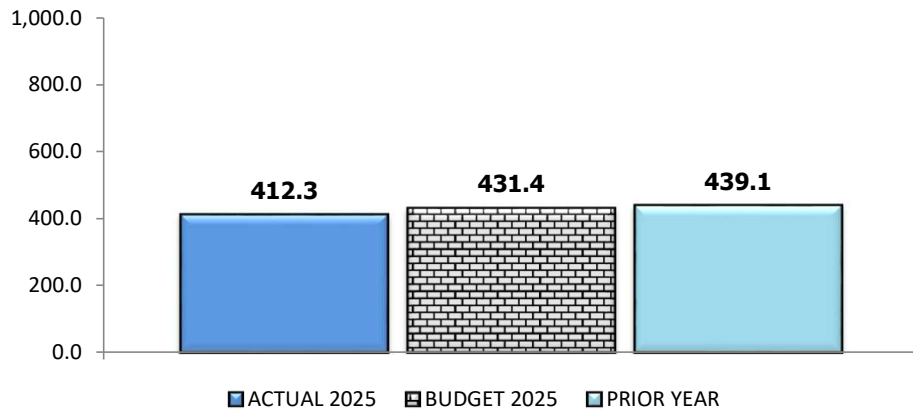
LBJ Average Daily Census - CM

210.9

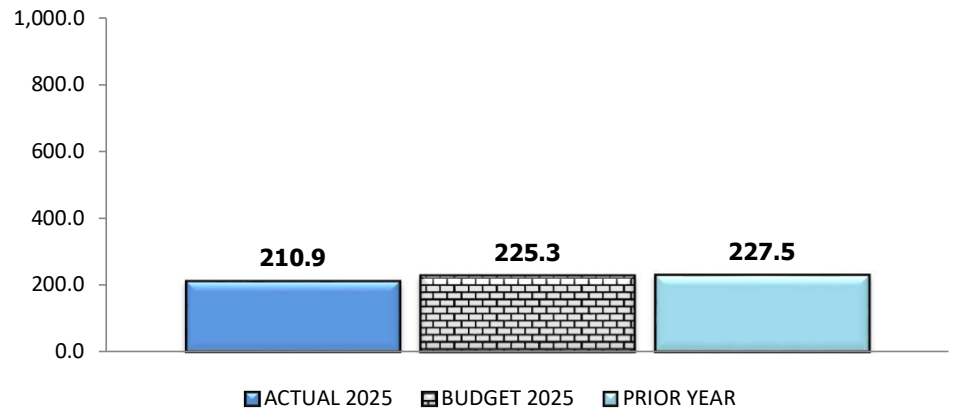
LBJ Average Daily Census - YTD

229.7

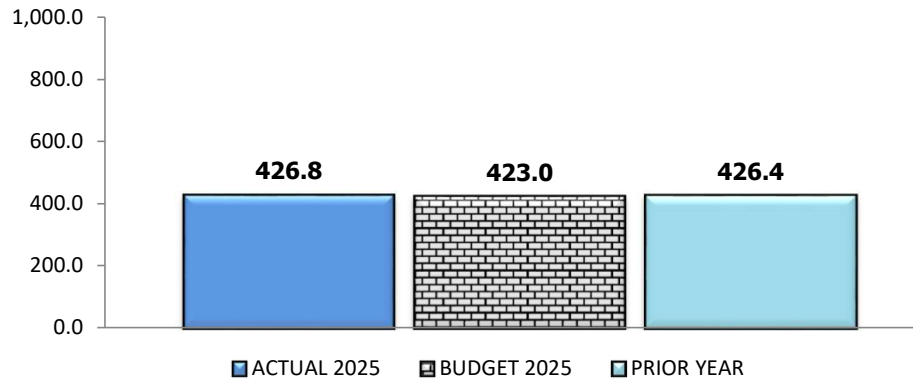
Ben Taub ADC - Current Month



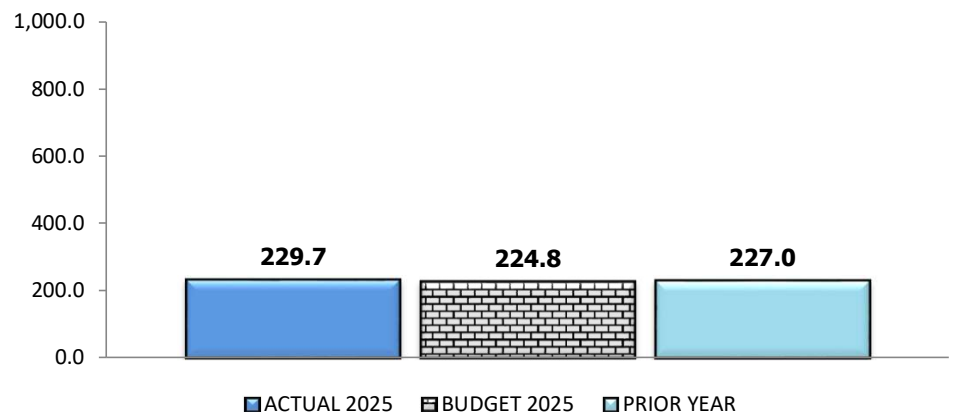
Lyndon B. Johnson ADC - Current Month



Ben Taub ADC - YTD



Lyndon B. Johnson ADC - YTD



Harris Health

Statistical Highlights - Inpatient Average Length of Stay (ALOS)

August FY 2025

BT Inpatient ALOS - CM

6.72

BT Inpatient ALOS - YTD

7.28

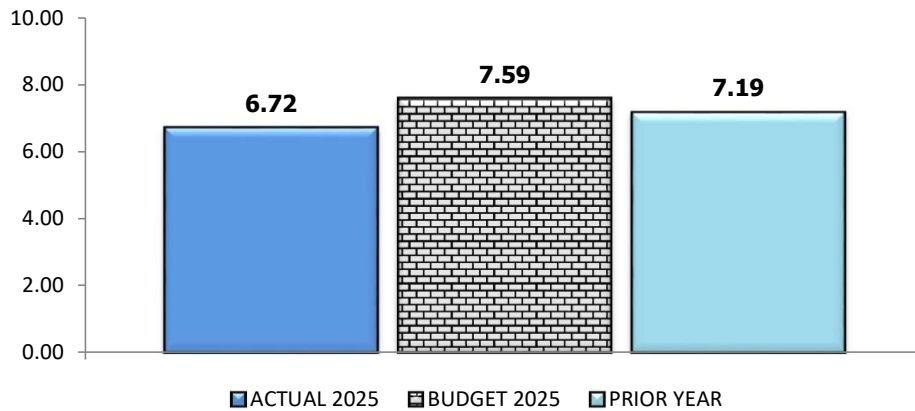
LBJ Inpatient ALOS - CM

5.34

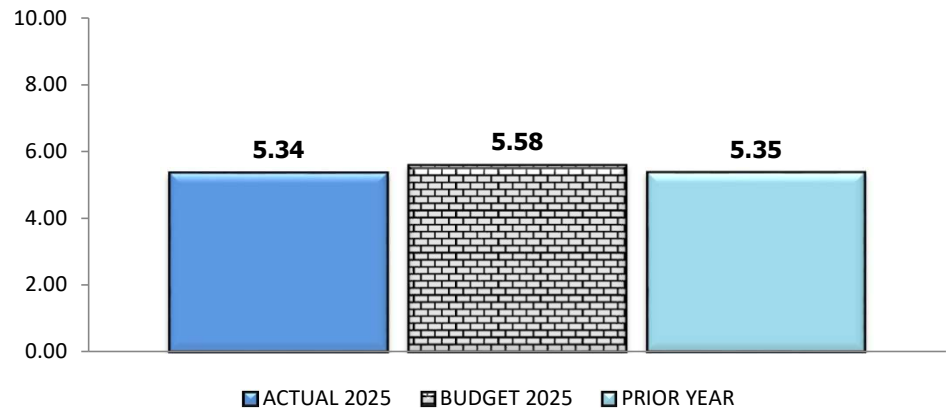
LBJ Inpatient ALOS - YTD

5.53

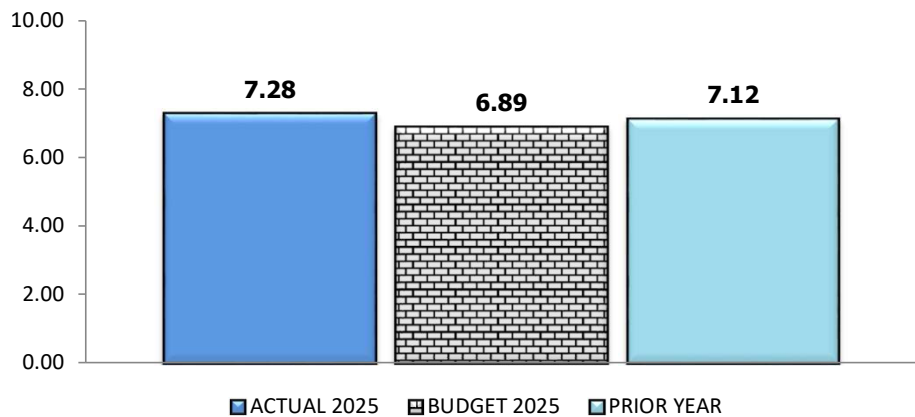
Ben Taub ALOS - Current Month



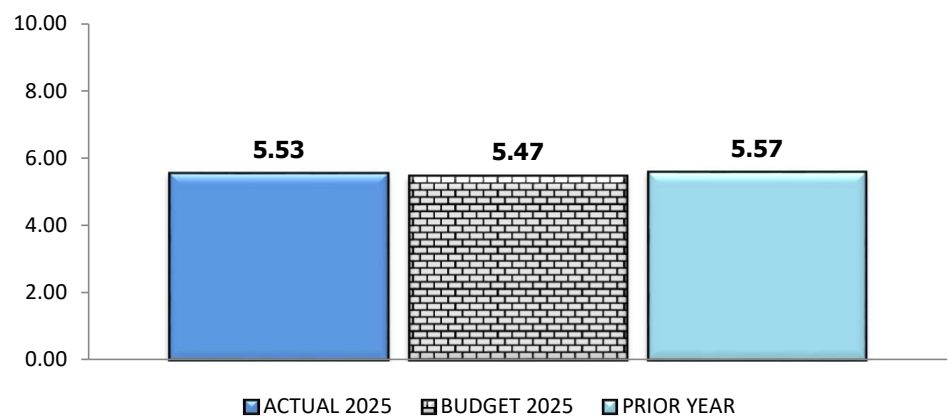
Lyndon B. Johnson ALOS - Current Month



Ben Taub ALOS - YTD



Lyndon B. Johnson ALOS - YTD



Harris Health

Statistical Highlights - Case Mix Index (CMI)

August FY 2025

BT Case Mix Index (CMI) - CM

Overall	Excl. Obstetrics
1.859	2.034

BT Case Mix Index (CMI) - YTD

Overall	Excl. Obstetrics
1.873	2.066

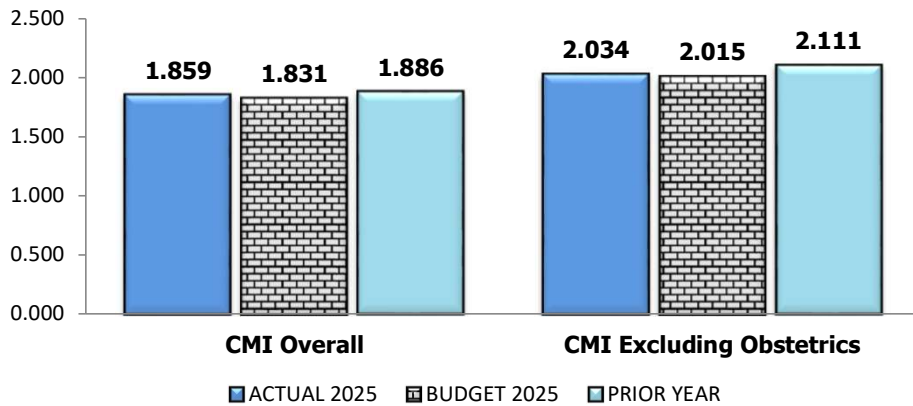
LBJ Case Mix Index (CMI) - CM

Overall	Excl. Obstetrics
1.533	1.688

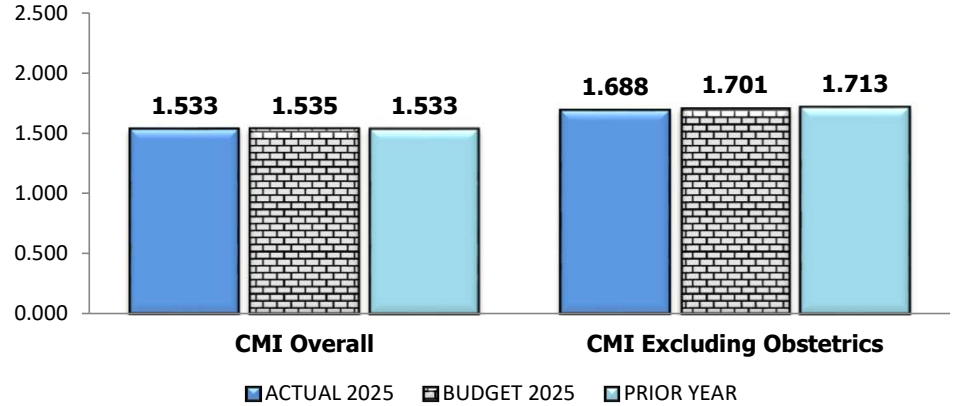
LBJ Case Mix Index (CMI) - YTD

Overall	Excl. Obstetrics
1.532	1.686

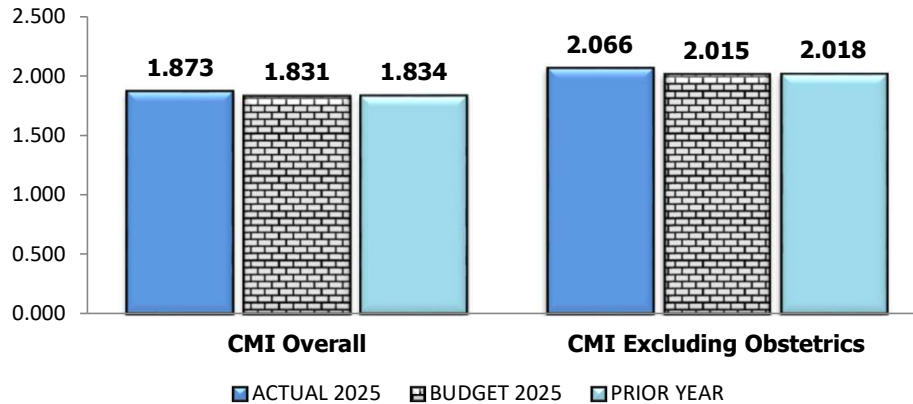
Ben Taub CMI - Current Month



Lyndon B. Johnson CMI - Current Month



Ben Taub CMI - YTD



Lyndon B. Johnson CMI - YTD

