



Financial Statements

As of July 31, 2025
Subject to Audit



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Financial Highlights Review **HARRISHEALTH**

As of July 31, 2025

Operating income for the month ended July 31, 2025 was \$12.6 million compared to budgeted loss of \$4.3 million.

Total net revenue for the month ended July 31, 2025 of \$228.3 million was \$5.1 million or 2.3% more than budget. Net patient revenue was \$2.8 million more than budget while other operating revenue was \$2.1 million greater than budget due to receipt of trauma funds.

As of July 31, 2025, total expenses of \$215.7 million were \$11.7 million or 5.1% less than budget. Total labor costs were \$11.7 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 July 31, 2025, total patient days and average daily census increased 0.4% compared to budget. Inpatient case mix index, a measure of patient acuity, and length of stay were 0.7% and 6.8% lower, respectively, than budget. Emergency room visits were 2.7% more than budget. Total clinic visits, including telehealth, were 17.8% higher compared to budget. Births were down 9.3%.

Total cash receipts for the month were \$303.6 million. The System has \$1,812.2 million in unrestricted cash, cash equivalents and investments, representing 272.2 days cash on hand. Increase in days cash on hand is due to reimbursement from the Series 2025 bond totaling \$310.6 million as of July 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 \$138.8 million in net accounts receivable, representing 66.1 days of outstanding patient accounts receivable at July 31, 2025. The July balance sheet reflects a combined net receivable position of \$72.4 million under the various Medicaid Supplemental programs. The current portion of ad valorem taxes receivable is \$6.5 million, which is offset by ad valorem tax collections as received. Accounts payable and accrued liabilities include \$176.0 million in deferred ad valorem tax revenues that are released as ad valorem tax revenue is recognized. As of July 31, 2025, \$1,030.0 million in ad valorem tax collections were received and \$85.8 million in current ad valorem tax revenue was recognized.

Income Statement

HARRISHEALTH

As of July 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	\$ 67.3	\$ 64.5	4.4%	\$ 638.8	\$ 626.5	2.0%	\$ 619.0	3.2%
Medicaid Supplemental Programs	53.8	53.9	-0.2%	576.4	539.3	6.9%	579.0	-0.4%
Other Operating Revenue	14.5	12.3	17.4%	124.4	120.8	3.0%	106.9	16.4%
Total Operating Revenue	\$ 135.6	\$ 130.7	3.7%	\$ 1,339.6	\$ 1,286.6	4.1%	\$ 1,304.8	2.7%
Net Ad Valorem Taxes	85.8	85.1	0.8%	856.3	850.7	0.7%	752.8	13.8%
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	8.3	-52.0%	-	0.0%
Interest Income & Other	6.9	6.5	6.5%	58.4	64.7	-9.7%	65.5	-10.9%
Total Nonoperating Revenue	\$ 92.7	\$ 92.4	0.3%	\$ 937.6	\$ 938.9	-0.1%	\$ 833.5	12.5%
Total Net Revenue	\$ 228.3	\$ 223.1	2.3%	\$ 2,277.3	\$ 2,225.5	2.3%	\$ 2,138.3	6.5%
EXPENSE								
Salaries and Wages	\$ 81.0	\$ 89.7	9.8%	\$ 811.4	\$ 849.9	4.5%	\$ 788.2	-3.0%
Employee Benefits	24.7	27.7	10.7%	261.4	276.6	5.5%	244.2	-7.1%
Total Labor Cost	\$ 105.7	\$ 117.4	10.0%	\$ 1,072.9	\$ 1,126.6	4.8%	\$ 1,032.3	-3.9%
Supply Expenses	29.5	29.5	-0.2%	271.3	292.8	7.3%	249.0	-9.0%
Physician Services	41.3	38.7	-6.5%	400.8	398.8	-0.5%	372.2	-7.7%
Purchased Services	27.6	26.9	-2.6%	255.2	275.9	7.5%	230.5	-10.7%
Depreciation & Interest	11.6	14.9	22.0%	99.0	81.9	-20.9%	84.4	-17.2%
Total Operating Expense	\$ 215.7	\$ 227.4	5.1%	\$ 2,099.2	\$ 2,175.9	3.5%	\$ 1,968.5	-6.6%
Operating Income (Loss)	\$ 12.6	\$ (4.3)		\$ 178.1	\$ 49.6		\$ 169.8	
Total Margin %	5.5%	-1.9%		7.8%	2.2%		7.9%	

Balance Sheet

HARRISHEALTH

July 2025 and 2024 (in \$ Millions)

	CURRENT YEAR	PRIOR YEAR
<u>CURRENT ASSETS</u>		
Cash, Cash Equivalents and Short Term Investments	\$ 1,812.2	\$ 1,419.6
Net Patient Accounts Receivable	138.8	157.8
Net Ad Valorem Taxes, Current Portion	6.5	17.2
Other Current Assets	246.7	382.5
Total Current Assets	\$ 2,204.2	\$ 1,977.0
<u>CAPITAL ASSETS</u>		
Plant, Property, & Equipment, Net of Accumulated Depreciation	\$ 574.2	\$ 551.1
Construction in Progress	512.1	193.0
Right of Use Assets	33.6	38.1
Total Capital Assets	\$ 1,119.9	\$ 782.2
<u>ASSETS LIMITED AS TO USE & RESTRICTED ASSETS</u>		
Debt Service & Capital Asset Funds	\$ 566.5	\$ 37.2
LPPF Restricted Cash	19.1	14.6
Capital Gift Proceeds	59.2	54.5
Other - Restricted	1.1	1.0
Total Assets Limited As to Use & Restricted Assets	\$ 645.9	\$ 107.3
Other Assets	43.6	52.9
Deferred Outflows of Resources	164.8	187.4
Total Assets & Deferred Outflows of Resources	\$ 4,178.4	\$ 3,106.9
<u>CURRENT LIABILITIES</u>		
Accounts Payable and Accrued Liabilities	\$ 361.5	\$ 241.7
Employee Compensation & Related Liabilities	168.3	158.1
Deferred Revenue - Ad Valorem	176.0	151.5
Estimated Third-Party Payor Settlements	33.5	28.4
Current Portion Long-Term Debt and Capital Leases	36.4	37.6
Total Current Liabilities	\$ 775.7	\$ 617.3
Long-Term Debt	1,106.4	280.2
Net Pension & Post Employment Benefits Liability	647.4	705.0
Other Long-Term Liabilities	7.5	6.6
Deferred Inflows of Resources	110.4	114.5
Total Liabilities	\$ 2,647.4	\$ 1,723.7
Total Net Assets	\$ 1,531.0	\$ 1,383.3
Total Liabilities & Net Assets	\$ 4,178.4	\$ 3,106.9

Cash Flow Summary

HARRISHEALTH

As of July 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	\$ 66.0	\$ 61.0	\$ 696.1	\$ 682.7
Medicaid Supplemental Programs	187.0	68.2	514.4	738.5
Net Ad Valorem Taxes	1.7	0.0	1,029.7	877.4
Tobacco Settlement	-	-	19.0	15.2
Other Revenue	48.9	9.0	483.5	201.4
Total Cash Receipts	\$ 303.6	\$ 138.2	\$ 2,742.7	\$ 2,515.3
<u>CASH DISBURSEMENTS</u>				
Salaries, Wages and Benefits	\$ 114.6	\$ 104.3	\$ 1,111.3	\$ 1,100.2
Supplies	26.9	28.0	298.9	267.5
Physician Services	39.1	35.2	375.3	350.9
Purchased Services	19.6	24.1	247.1	227.7
Capital Expenditures	50.7	28.8	361.8	156.1
Debt and Interest Payments	0.3	0.2	20.4	7.0
Other Uses	(10.0)	(4.7)	(20.8)	(1.0)
Total Cash Disbursements	\$ 241.0	\$ 215.9	\$ 2,394.0	\$ 2,108.3
Net Change	\$ 62.6	\$ (77.7)	\$ 348.8	\$ 406.9
Unrestricted cash, cash equivalents and investments - Beginning of year			\$ 1,463.4	
Net Change			\$ 348.8	
Unrestricted cash, cash equivalents and investments - End of period			\$ 1,812.2	

Performance Ratios

HARRISHEALTH

As of July 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 %	5.5%	-1.9%	7.8%	2.2%	7.9%
Run Rate per Day (In\$ Millions)	\$ 6.7	\$ 7.1	\$ 6.6	\$ 6.9	\$ 6.2
Salary, Wages & Benefit per APD	\$ 2,285	\$ 2,646	\$ 2,403	\$ 2,546	\$ 2,351
Supply Cost per APD	\$ 638	\$ 664	\$ 608	\$ 662	\$ 567
Physician Services per APD	\$ 892	\$ 873	\$ 898	\$ 901	\$ 848
Total Expense per APD	\$ 4,663	\$ 5,126	\$ 4,702	\$ 4,918	\$ 4,484
Overtime as a % of Total Salaries	3.1%	3.0%	3.4%	3.0%	3.5%
Contract as a % of Total Salaries	3.3%	2.7%	3.2%	2.8%	4.2%
Full-time Equivalent Employees	10,346	10,896	10,425	10,663	10,388
<u>FINANCIAL HEALTH INDICATORS</u>					
Quick Ratio			2.8		3.1
Unrestricted Cash (In \$ Millions)			\$ 1,812.2	\$ 1,372.2	\$ 1,419.6
Days Cash on Hand			272.2	197.7	227.6
Days Revenue in Accounts Receivable			66.1	75.7	77.7
Days in Accounts Payable			51.4		45.6
Capital Expenditures/Depreciation & Amortization			456.3%		214.6%
Average Age of Plant(years)			10.1		10.4

Harris Health Key Indicators



Statistical Highlights

HARRISHEALTH

As of July 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	46,261	44,251	4.5%	446,463	442,696	0.9%	439,010	1.7%
Outpatient % of Adjusted Volume	62.5%	60.8%	2.9%	63.2%	62.3%	1.5%	62.2%	1.5%
Primary Care Clinic Visits	46,679	39,724	17.5%	453,066	442,002	2.5%	427,454	6.0%
Specialty Clinic Visits	21,757	18,279	19.0%	209,578	202,182	3.7%	201,697	3.9%
Telehealth Clinic Visits	10,924	9,351	16.8%	103,000	97,791	5.3%	93,414	10.3%
Total Clinic Visits	79,360	67,354	17.8%	765,644	741,975	3.2%	722,565	6.0%
Emergency Room Visits - Outpatient	11,761	11,556	1.8%	117,595	116,170	1.2%	119,405	-1.5%
Emergency Room Visits - Admitted	1,999	1,846	8.3%	17,571	18,406	-4.5%	17,920	-1.9%
Total Emergency Room Visits	13,760	13,402	2.7%	135,166	134,576	0.4%	137,325	-1.6%
Surgery Cases - Outpatient	1,093	921	18.7%	10,413	9,620	8.2%	9,452	10.2%
Surgery Cases - Inpatient	937	870	7.7%	8,909	8,392	6.2%	8,517	4.6%
Total Surgery Cases	2,030	1,791	13.3%	19,322	18,012	7.3%	17,969	7.5%
Total Outpatient Visits	127,849	111,516	14.6%	1,313,372	1,224,910	7.2%	1,234,103	6.4%
Inpatient Cases (Discharges)	2,745	2,563	7.1%	24,990	26,719	-6.5%	25,514	-2.1%
Outpatient Observation Cases	912	902	1.1%	10,439	9,371	11.4%	9,612	8.6%
Total Cases Occupying Patient Beds	3,657	3,465	5.5%	35,429	36,090	-1.8%	35,126	0.9%
Births	402	443	-9.3%	4,302	4,498	-4.4%	4,326	-0.6%
Inpatient Days	17,329	17,365	-0.2%	164,447	167,061	-1.6%	165,813	-0.8%
Outpatient Observation Days	3,373	3,249	3.8%	36,806	30,333	21.3%	33,186	10.9%
Total Patient Days	20,702	20,614	0.4%	201,253	197,394	2.0%	198,999	1.1%
Average Daily Census	667.8	665.0	0.4%	662.0	649.3	2.0%	652.5	1.5%
Average Operating Beds	702	700	0.2%	701	700	0.1%	704	-0.4%
Bed Occupancy %	95.2%	95.0%	0.2%	94.4%	92.8%	1.8%	92.7%	1.9%
Inpatient Average Length of Stay	6.31	6.78	-6.8%	6.58	6.25	5.2%	6.50	1.3%
Inpatient Case Mix Index (CMI)	1.700	1.712	-0.7%	1.730	1.712	1.0%	1.712	1.1%
Payor Mix (% of Charges)								
Charity & Self Pay	44.0%	43.4%	1.4%	45.1%	43.4%	4.1%	43.5%	3.8%
Medicaid & Medicaid Managed	21.0%	19.4%	8.4%	18.7%	19.4%	-3.4%	19.5%	-3.6%
Medicare & Medicare Managed	10.6%	11.4%	-7.8%	10.7%	11.4%	-6.2%	11.5%	-6.8%
Commercial & Other	24.4%	25.8%	-5.3%	25.4%	25.8%	-1.6%	25.5%	-0.6%
Total Unduplicated Patients - Rolling 12				244,106			246,614	-1.0%
Total New Patient - Rolling 12				87,411			88,974	-1.8%

Harris Health

Statistical Highlights

July FY 2025

Cases Occupying Beds - CM

Actual	Budget	Prior Year
3,657	3,465	3,554

Cases Occupying Beds - YTD

Actual	Budget	Prior Year
35,429	36,090	35,126

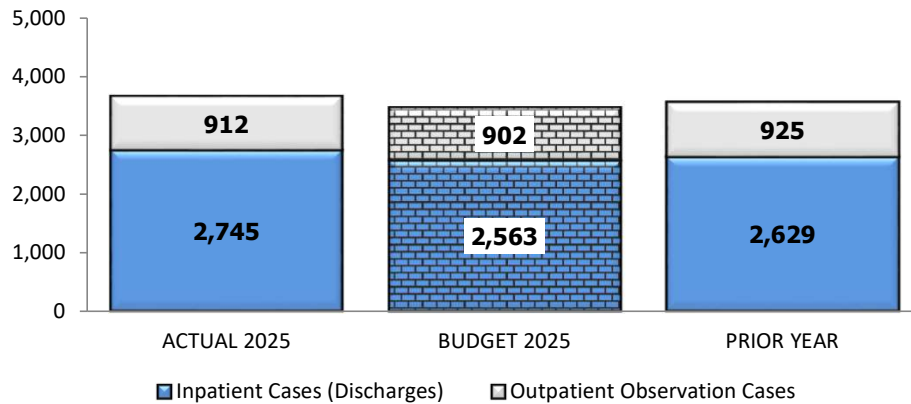
Emergency Visits - CM

Actual	Budget	Prior Year
13,760	13,402	14,858

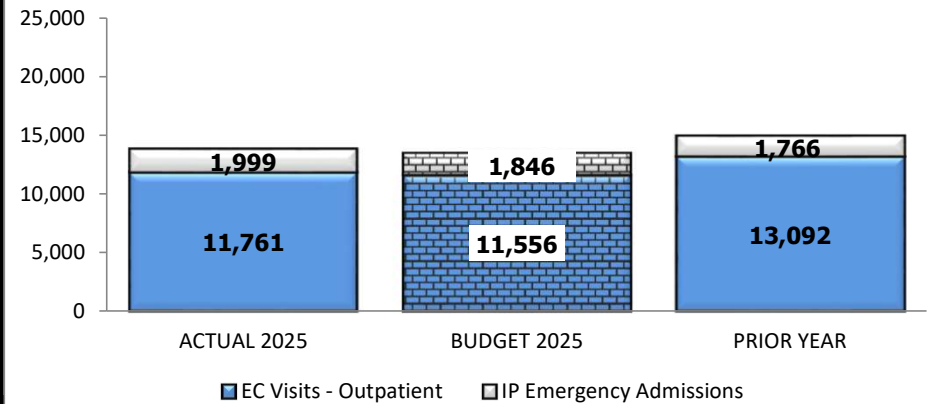
Emergency Visits - YTD

Actual	Budget	Prior Year
135,166	134,576	137,325

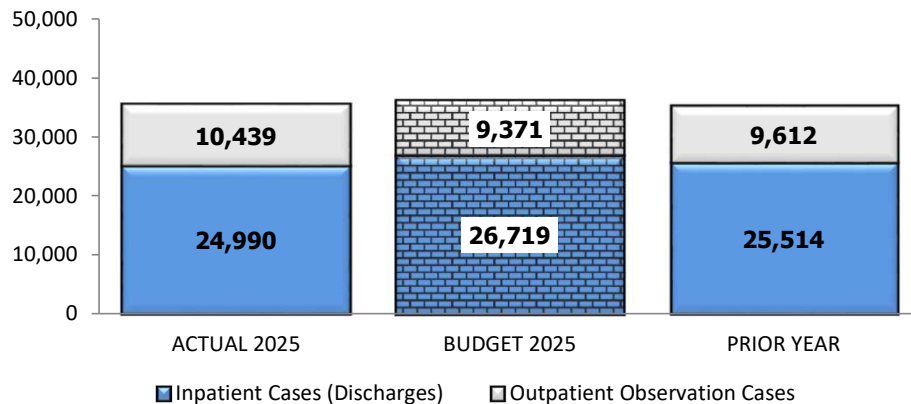
Cases Occupying Beds - Current Month



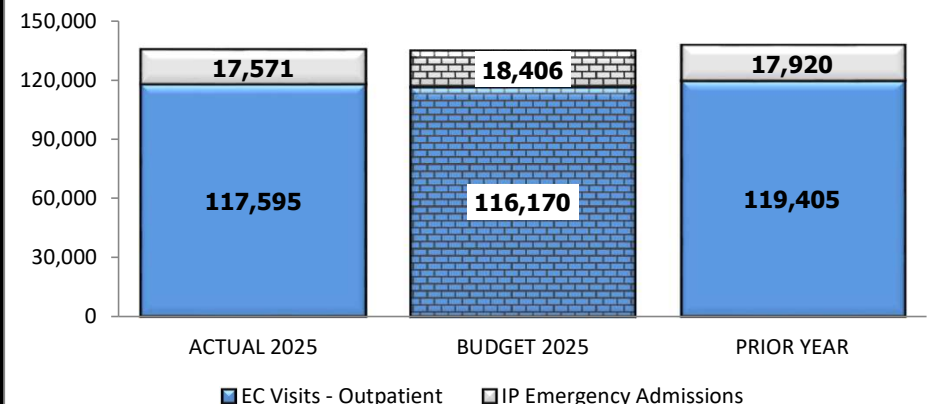
Emergency Visits - Current Month



Cases Occupying Beds - YTD



Emergency Visits - YTD



Harris Health

Statistical Highlights

July FY 2025

Surgery Cases - CM

Actual	Budget	Prior Year
2,030	1,791	1,768

Surgery Cases - YTD

Actual	Budget	Prior Year
19,322	18,012	17,969

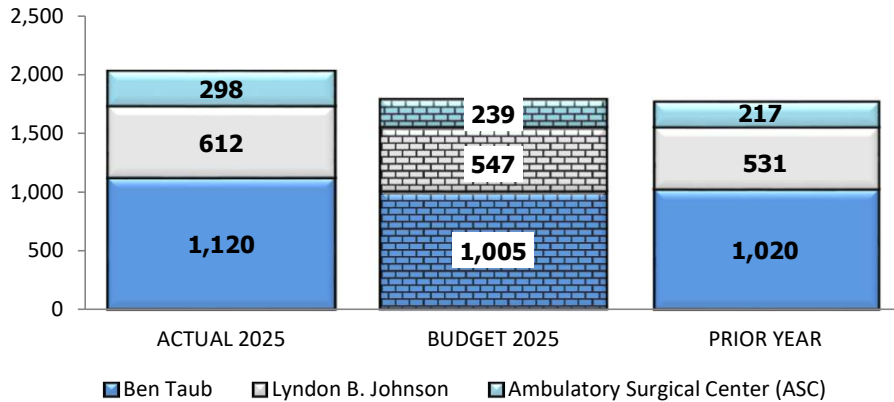
Clinic Visits - CM

Actual	Budget	Prior Year
79,360	67,354	60,199

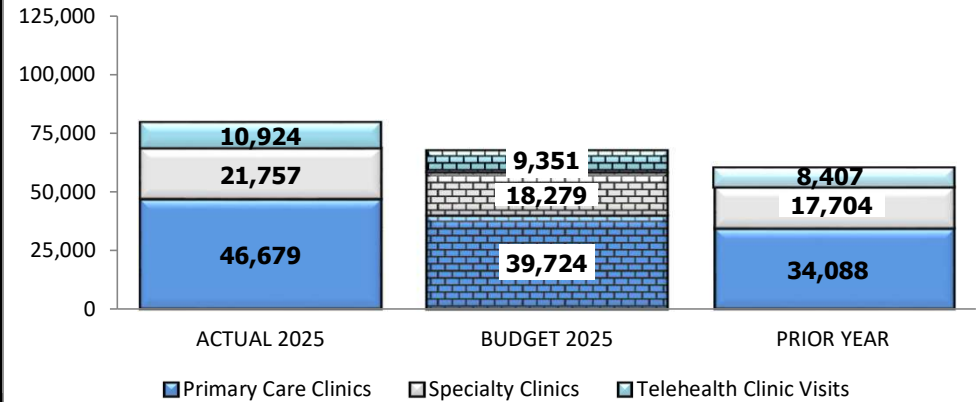
Clinic Visits - YTD

Actual	Budget	Prior Year
765,644	741,975	722,565

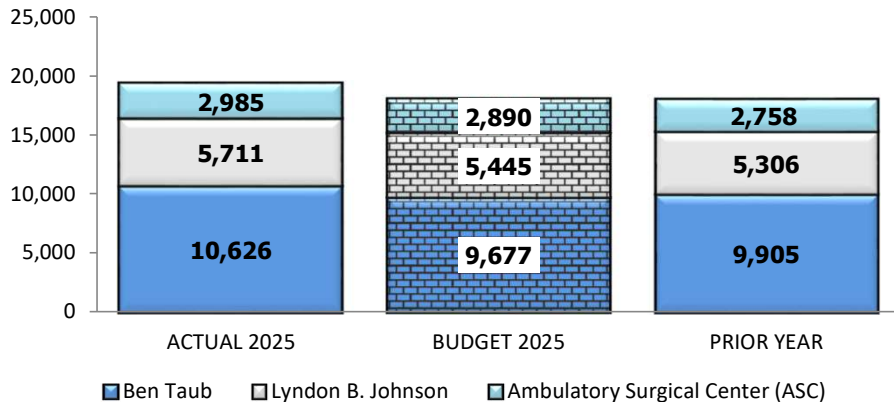
Surgery Cases - Current Month



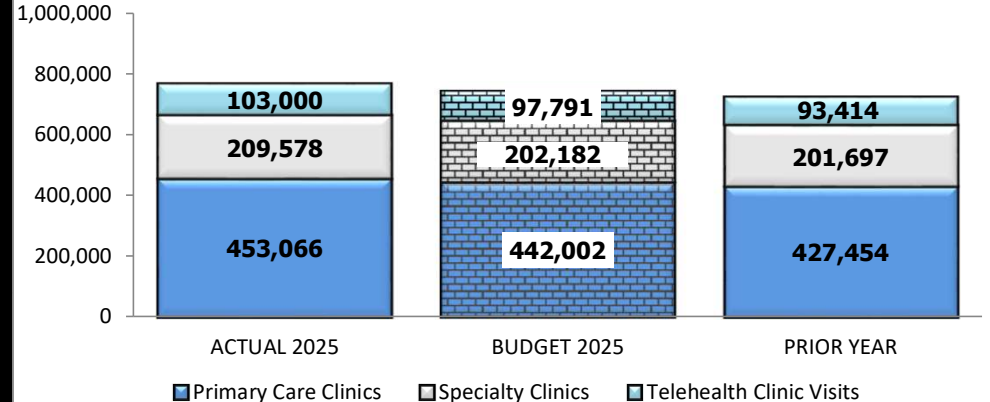
Clinic Visits - Current Month



Surgery Cases - YTD



Clinic Visits - YTD



Harris Health

Statistical Highlights

July FY 2025

Adjusted Patient Days - CM

46,261

Adjusted Patient Days - YTD

446,463

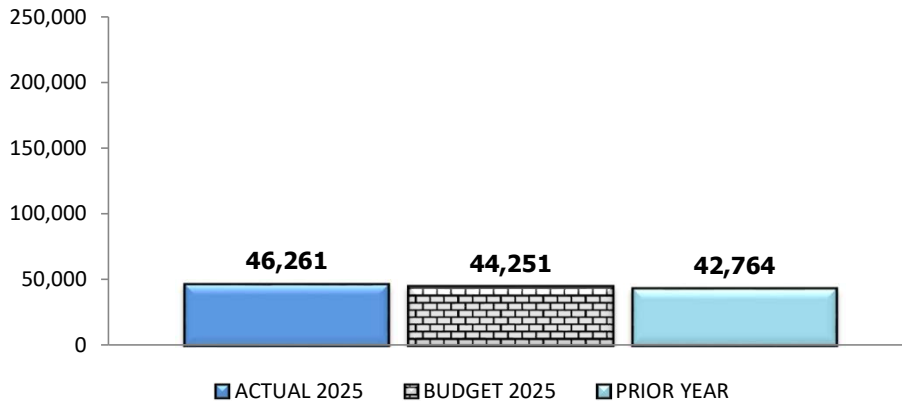
Average Daily Census - CM

667.8

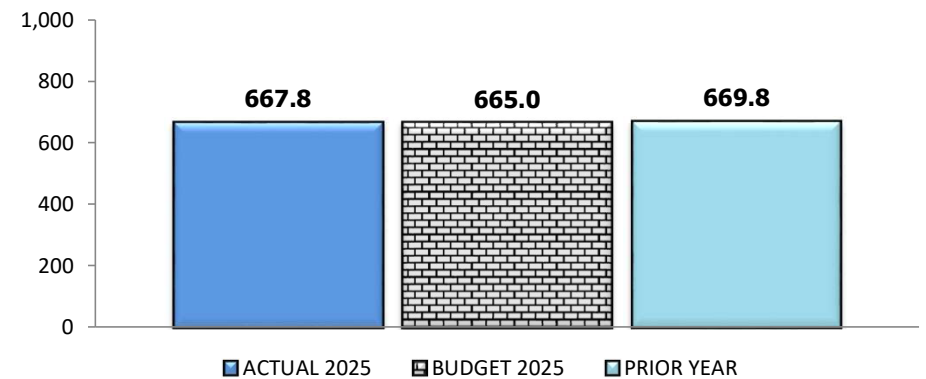
Average Daily Census - YTD

662.0

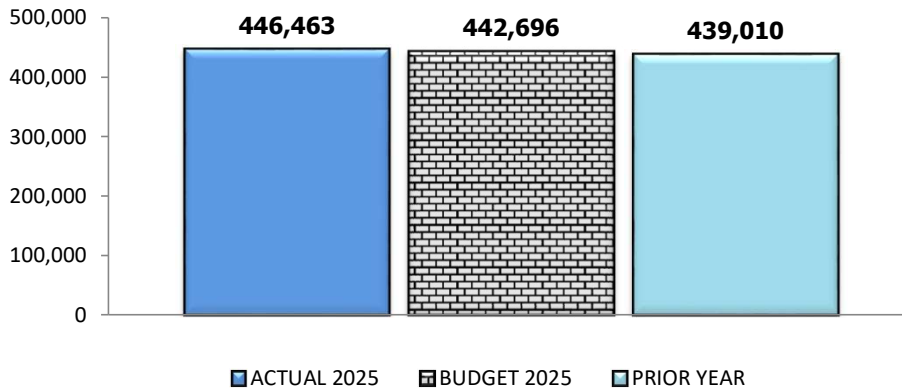
Adjusted Patient Days - Current Month



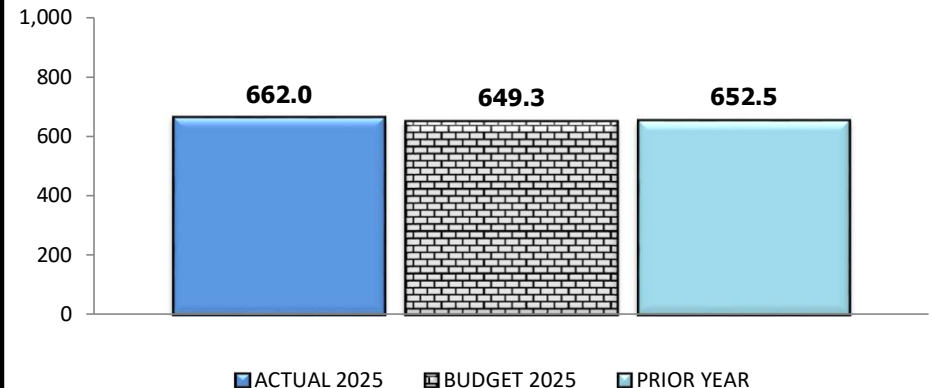
Average Daily Census - Current Month



Adjusted Patient Days - YTD



Average Daily Census - YTD



Harris Health

Statistical Highlights

July FY 2025

Inpatient ALOS - CM

6.31

Inpatient ALOS - YTD

6.58

Case Mix Index (CMI) - CM

Overall

Excl. Obstetrics

1.700

1.836

Case Mix Index (CMI) - YTD

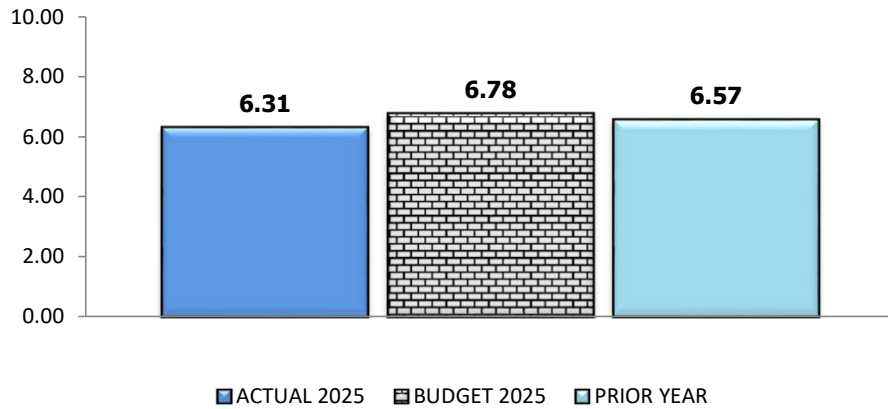
Overall

Excl. Obstetrics

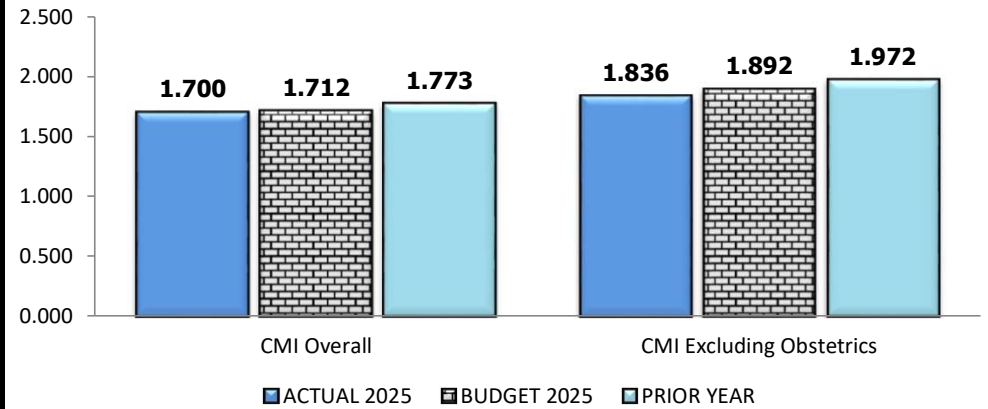
1.730

1.907

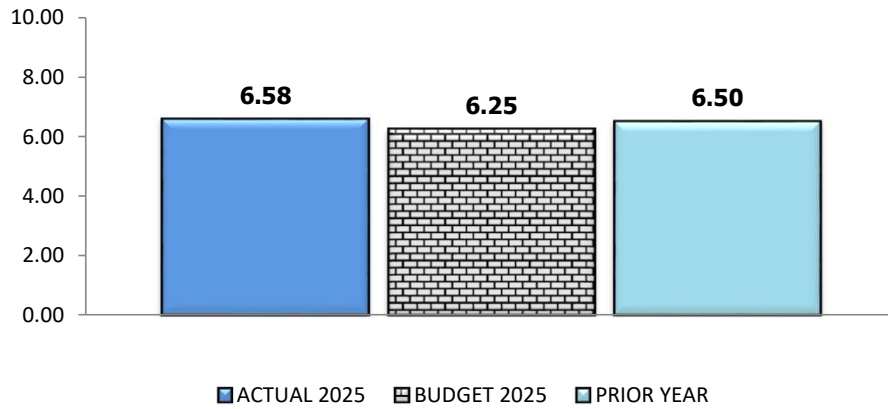
Inpatient ALOS - Current Month



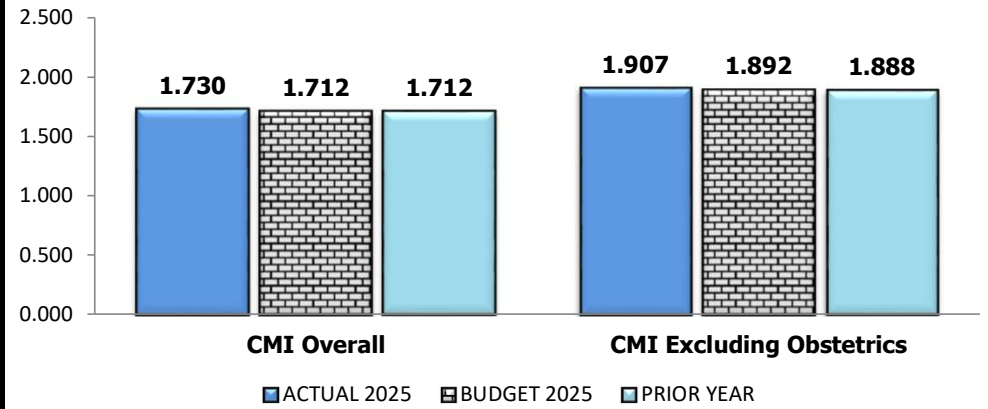
Case Mix Index - Current Month



Inpatient ALOS - YTD



Case Mix Index - YTD



Harris Health

Statistical Highlights - Cases Occupying Beds

July FY 2025

BT Cases Occupying Beds - CM

Actual	Budget	Prior Year
2,057	2,032	2,165

BT Cases Occupying Beds - YTD

Actual	Budget	Prior Year
20,359	21,602	20,916

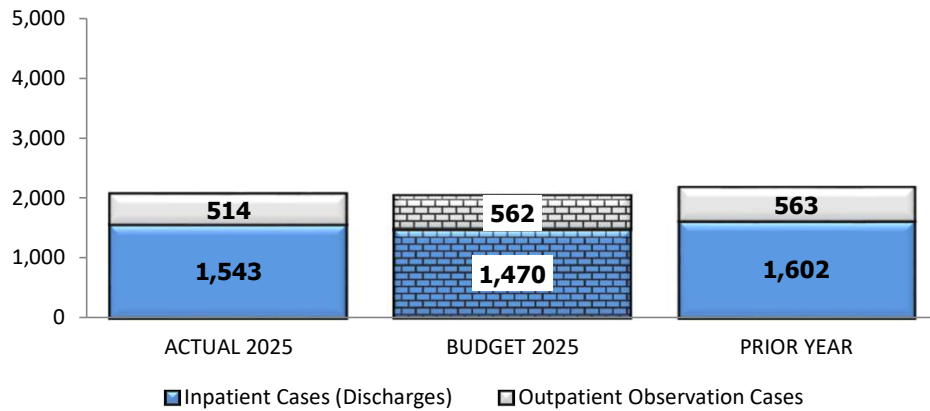
LBJ Cases Occupying Beds - CM

Actual	Budget	Prior Year
1,571	1,410	1,379

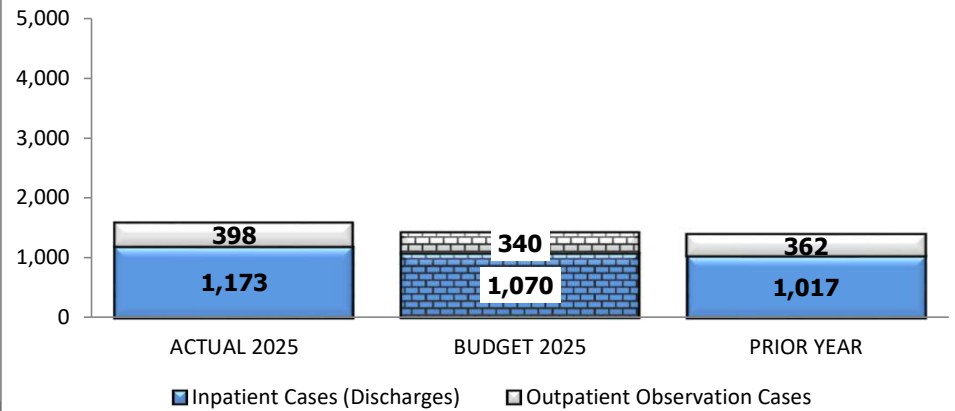
LBJ Cases Occupying Beds - YTD

Actual	Budget	Prior Year
14,885	14,302	14,185

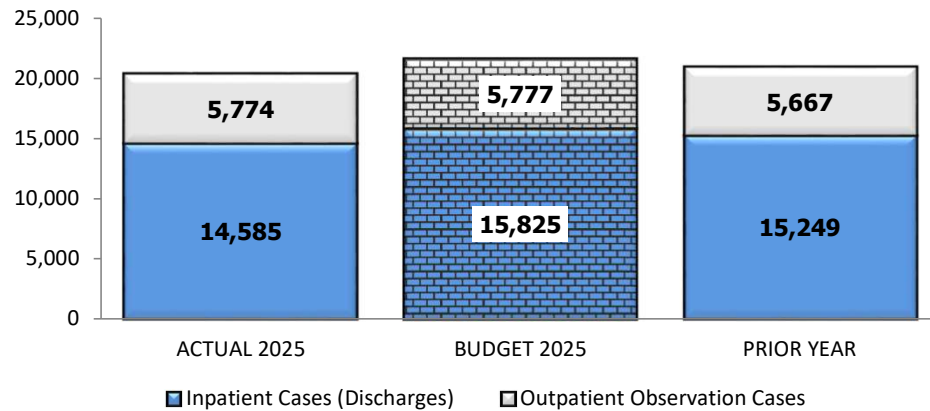
Ben Taub Cases - Current Month



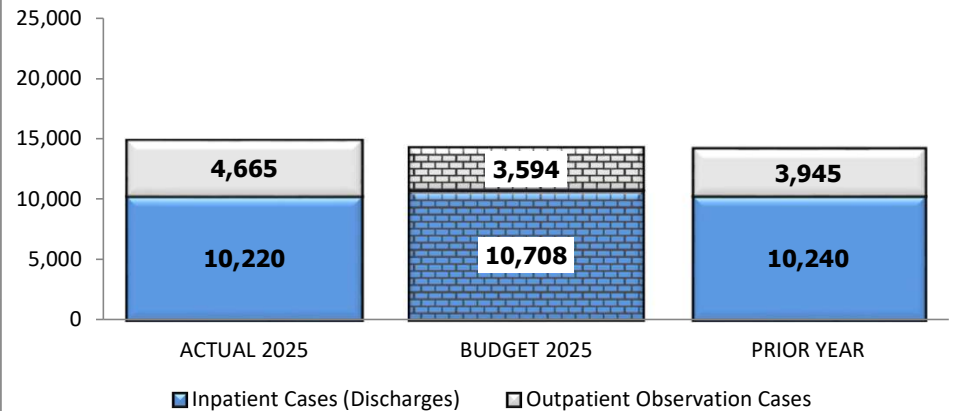
Lyndon B. Johnson Cases - Current Month



Ben Taub Cases - YTD



Lyndon B. Johnson Cases - YTD



Harris Health

Statistical Highlights - Surgery Cases

July FY 2025

BT Surgery Cases - CM

Actual	Budget	Prior Year
1,120	1,005	1,020

BT Surgery Cases - YTD

Actual	Budget	Prior Year
10,626	9,677	9,905

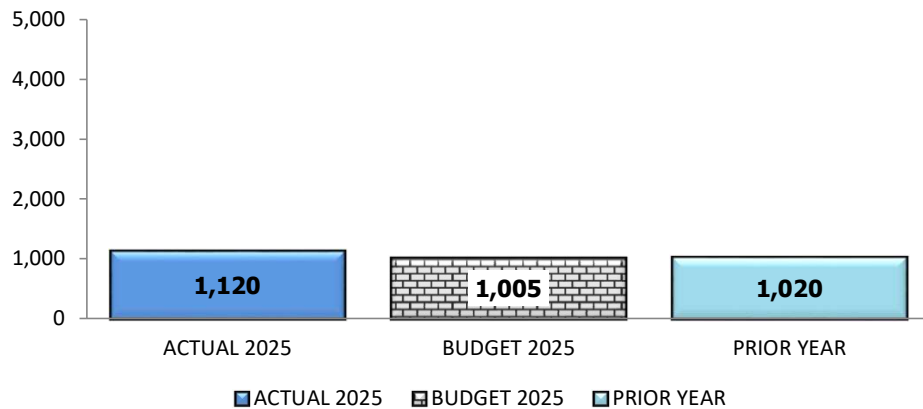
LBJ Surgery Cases - CM

Actual	Budget	Prior Year
910	786	748

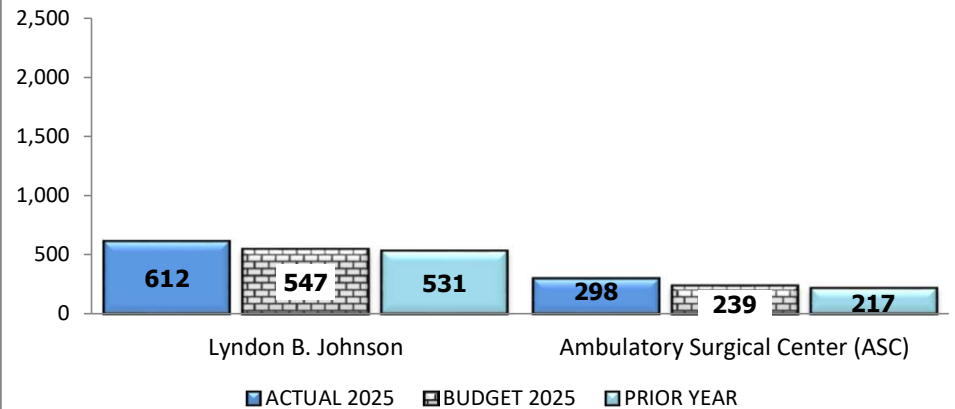
LBJ Surgery Cases - YTD

Actual	Budget	Prior Year
8,696	8,335	8,064

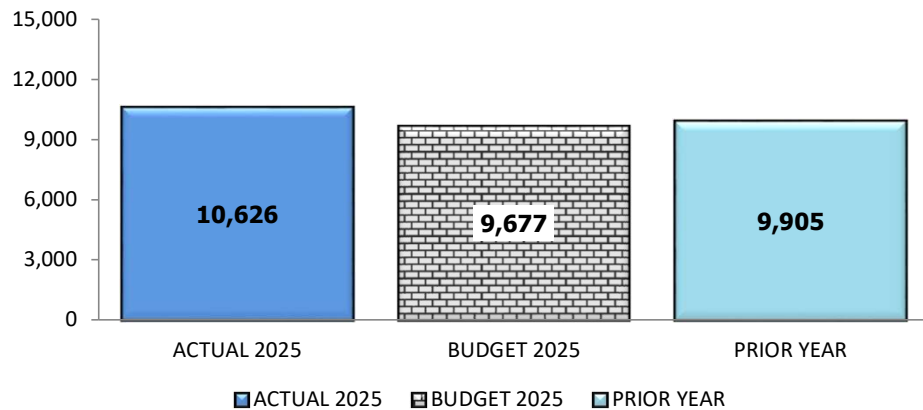
Ben Taub OR Cases - Current Month



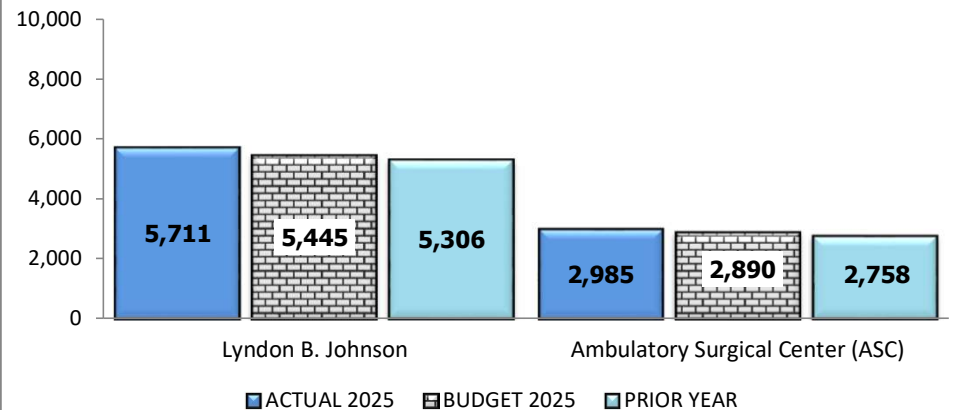
Lyndon B. Johnson OR Cases - Current Month



Ben Taub OR Cases - YTD



Lyndon B. Johnson OR Cases - YTD



Harris Health

Statistical Highlights - Emergency Room Visits

July FY 2025

BT Emergency Visits - CM

Actual	Budget	Prior Year
7,150	6,545	7,647

BT Emergency Visits - YTD

Actual	Budget	Prior Year
68,996	69,260	70,038

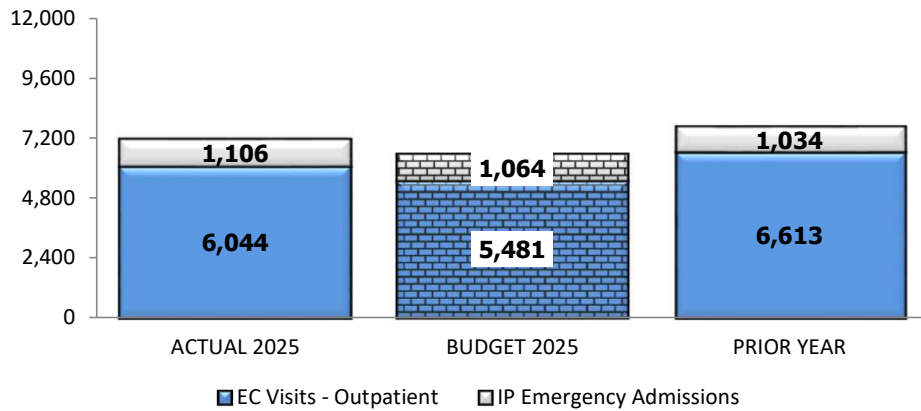
LBJ Emergency Visits - CM

Actual	Budget	Prior Year
6,610	6,857	7,211

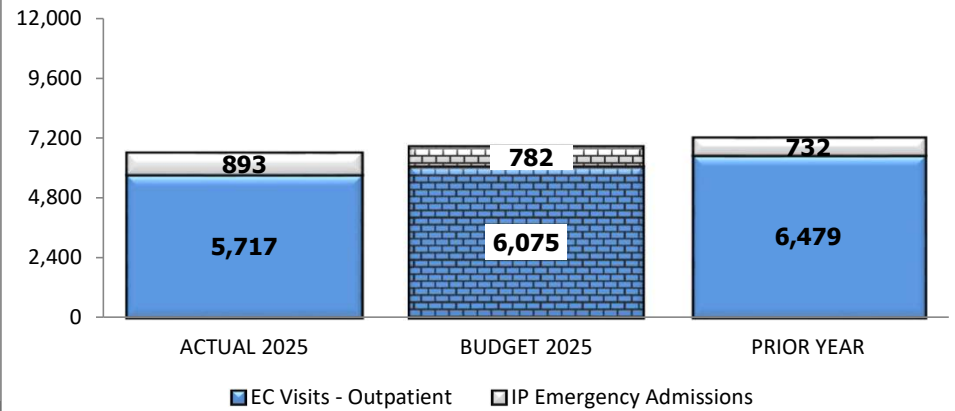
LBJ Emergency Visits - YTD

Actual	Budget	Prior Year
66,170	65,316	67,287

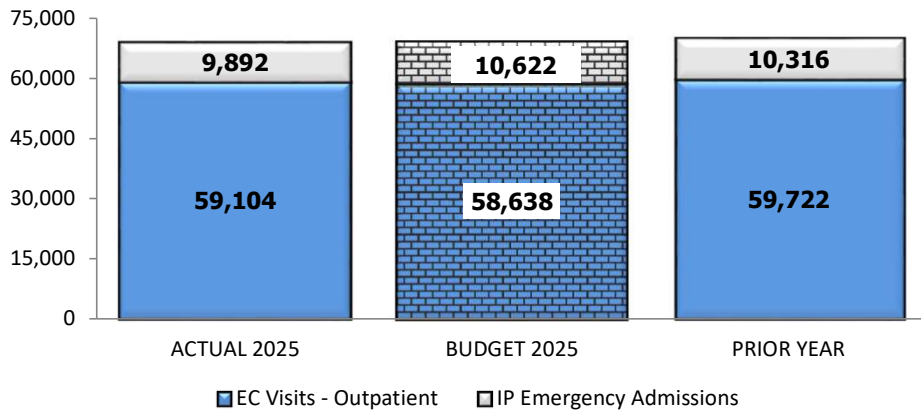
Ben Taub EC Visits - Current Month



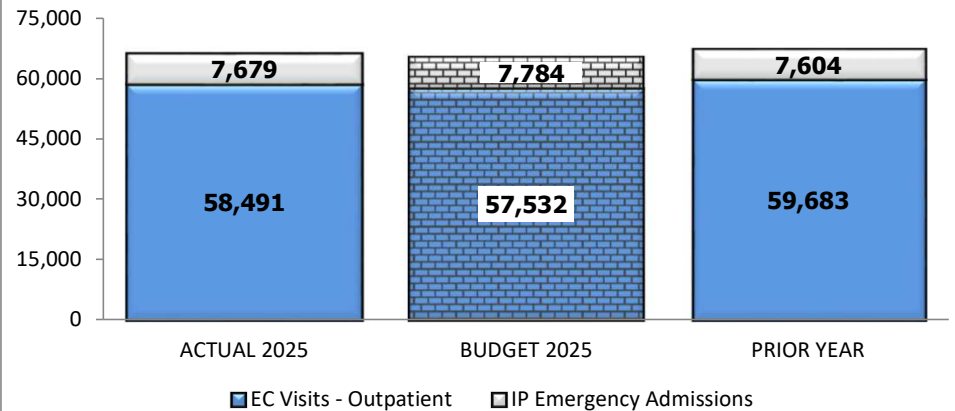
Lyndon B. Johnson EC Visits - Current Month



Ben Taub EC Visits - YTD



Lyndon B. Johnson EC Visits - YTD



Harris Health

Statistical Highlights - Births

July FY 2025

BT Births - CM

Actual	Budget	Prior Year
216	224	270

BT Births - YTD

Actual	Budget	Prior Year
2,420	2,556	2,376

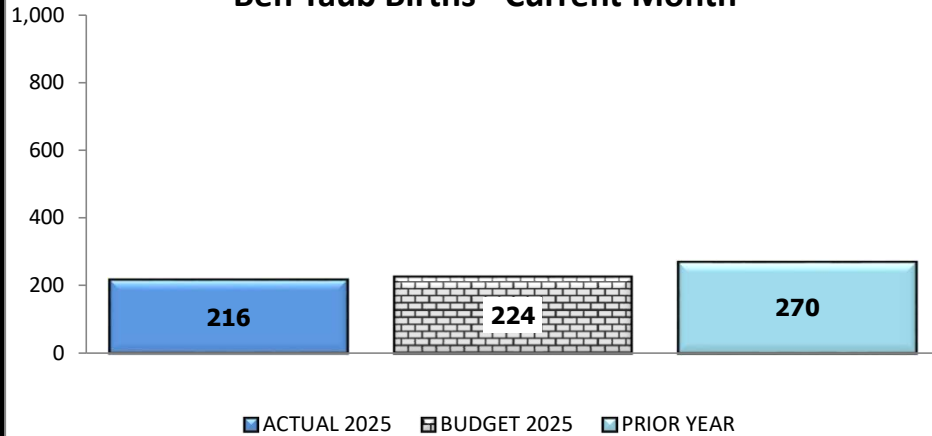
LBJ Births - CM

Actual	Budget	Prior Year
186	219	209

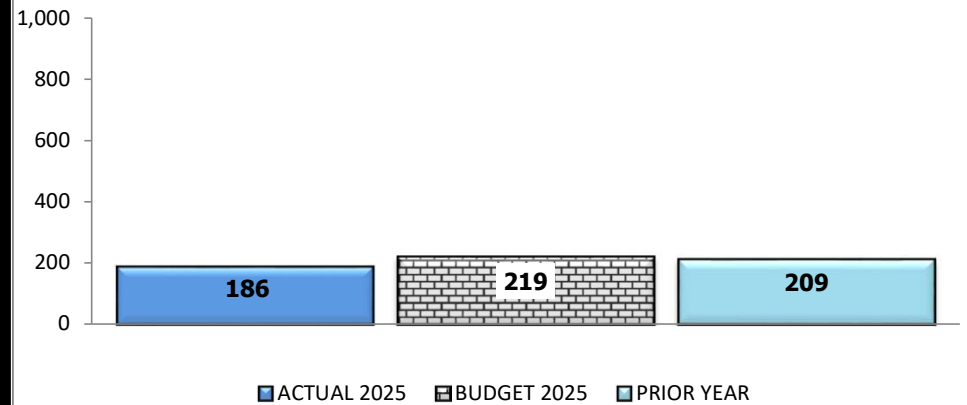
LBJ Births - YTD

Actual	Budget	Prior Year
1,882	1,942	1,950

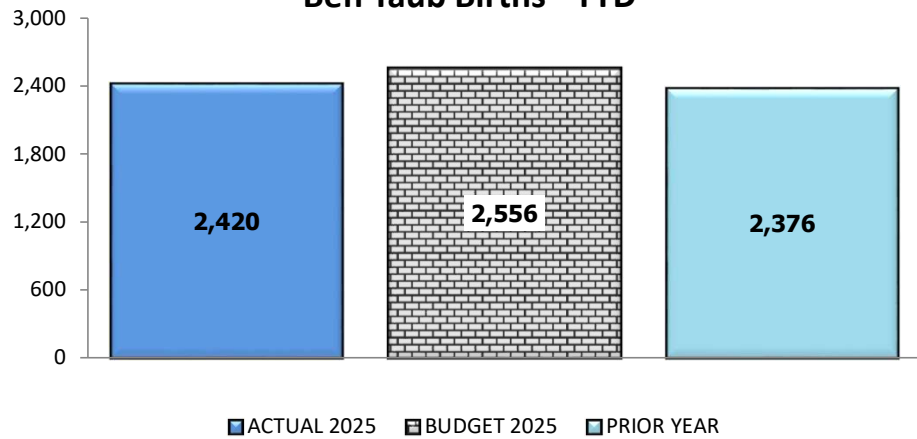
Ben Taub Births - Current Month



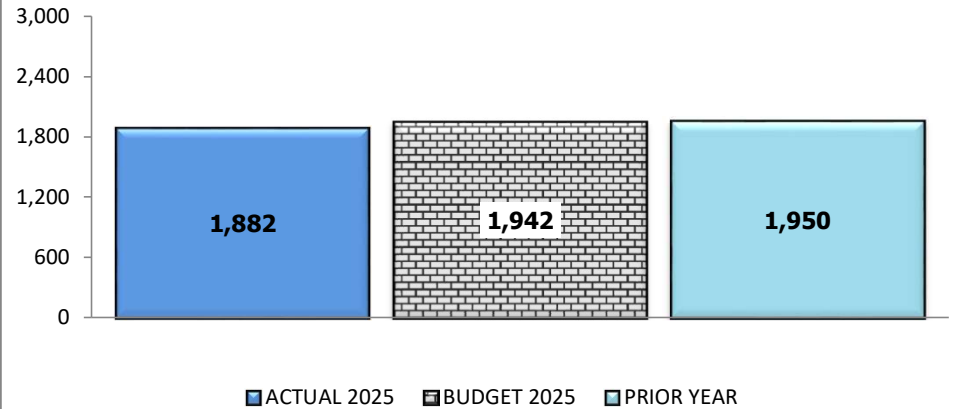
Lyndon B. Johnson Births - Current Month



Ben Taub Births - YTD



Lyndon B. Johnson Births - YTD



Harris Health

Statistical Highlights - Adjusted Patient Days

July FY 2025

BT Adjusted Patient Days - CM

22,150

BT Adjusted Patient Days - YTD

216,228

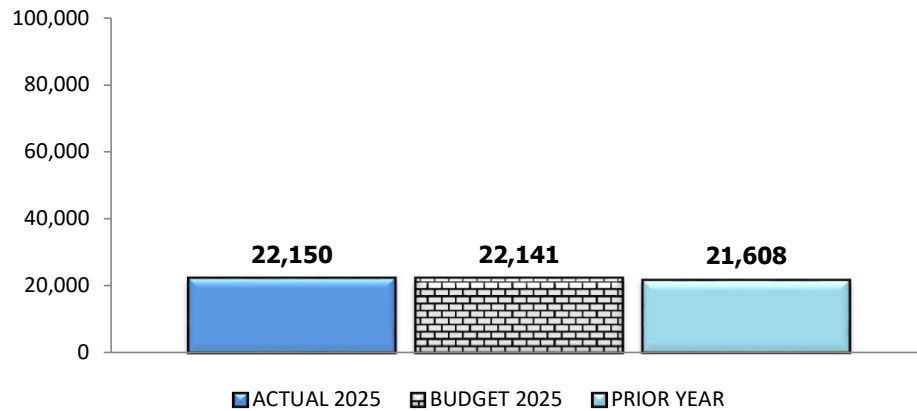
LBJ Adjusted Patient Days - CM

14,282

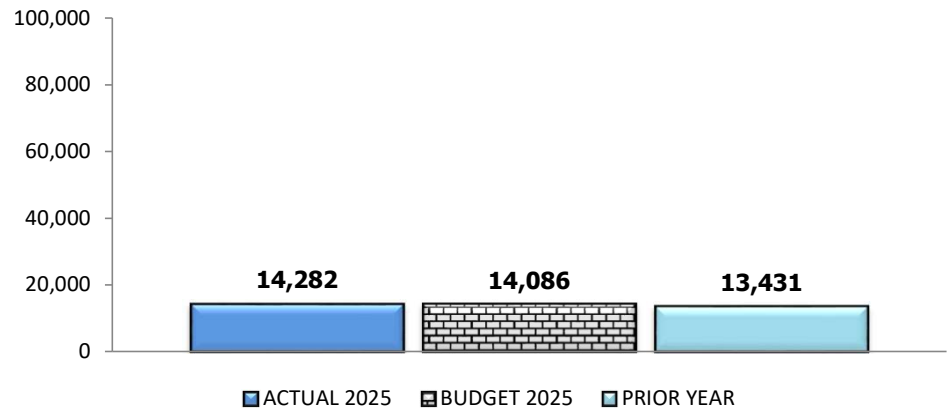
LBJ Adjusted Patient Days - YTD

136,659

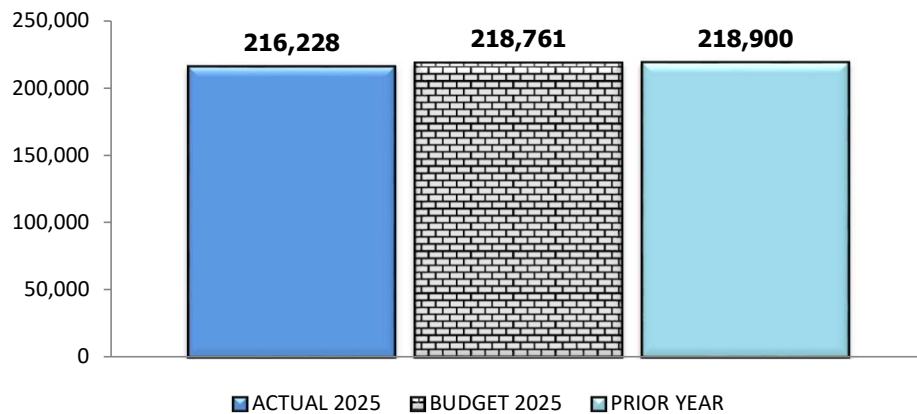
Ben Taub APD - Current Month



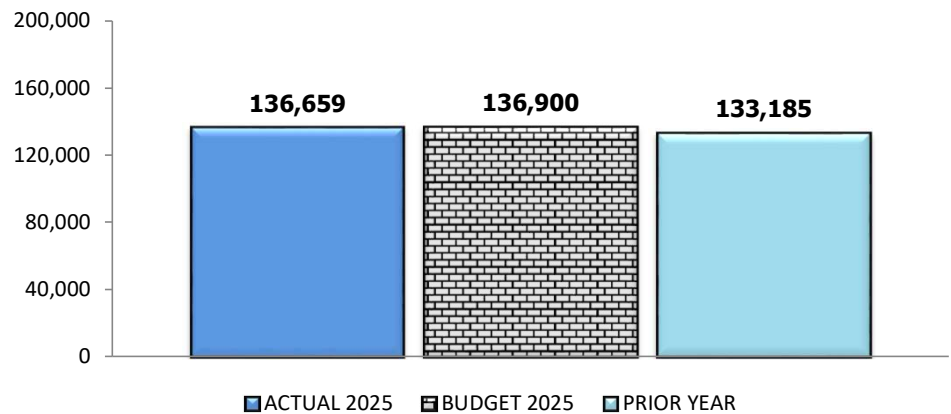
Lyndon B. Johnson APD - Current Month



Ben Taub APD - YTD



Lyndon B. Johnson APD - YTD



Harris Health

Statistical Highlights - Average Daily Census (ADC)

July FY 2025

BT Average Daily Census - CM

421.5

BT Average Daily Census - YTD

428.3

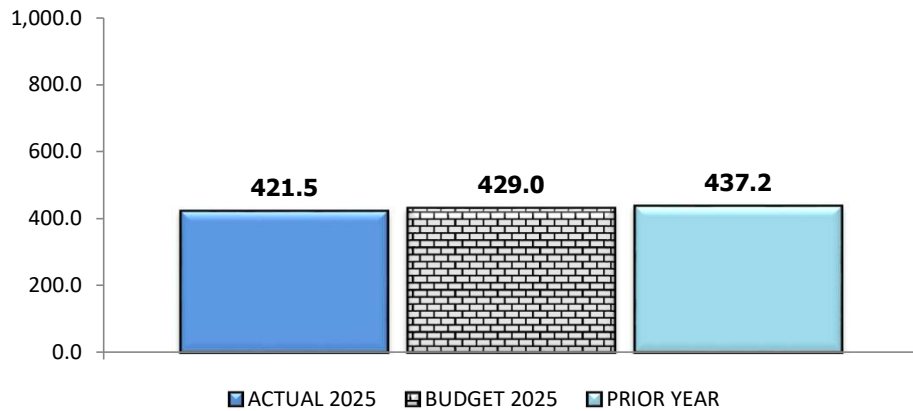
LBJ Average Daily Census - CM

242.8

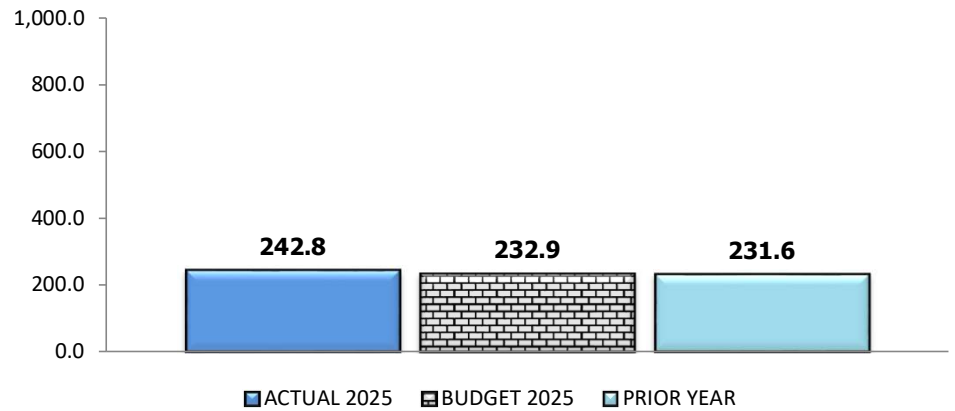
LBJ Average Daily Census - YTD

231.6

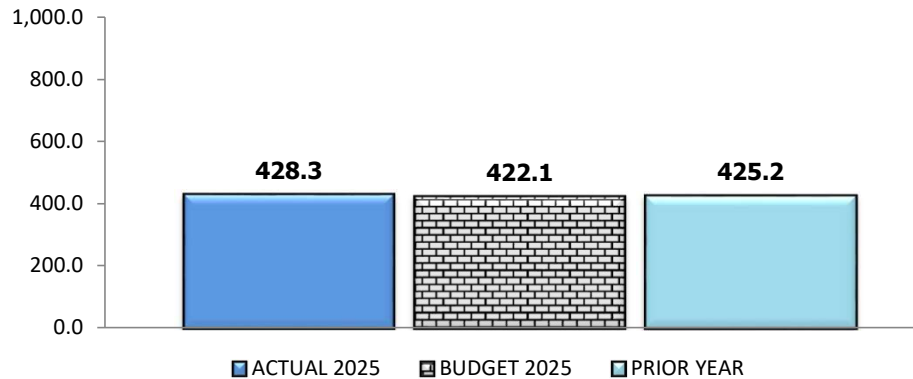
Ben Taub ADC - Current Month



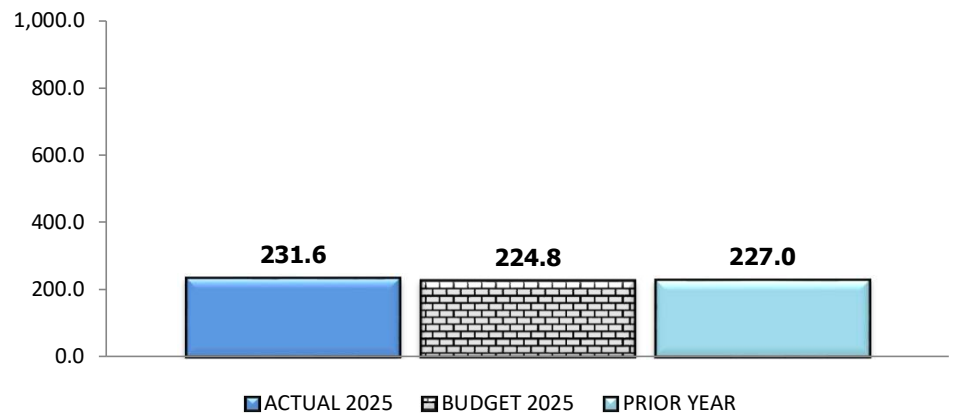
Lyndon B. Johnson ADC - Current Month



Ben Taub ADC - YTD



Lyndon B. Johnson ADC - YTD



Harris Health

Statistical Highlights - Inpatient Average Length of Stay (ALOS)

July FY 2025

BT Inpatient ALOS - CM

7.08

BT Inpatient ALOS - YTD

7.34

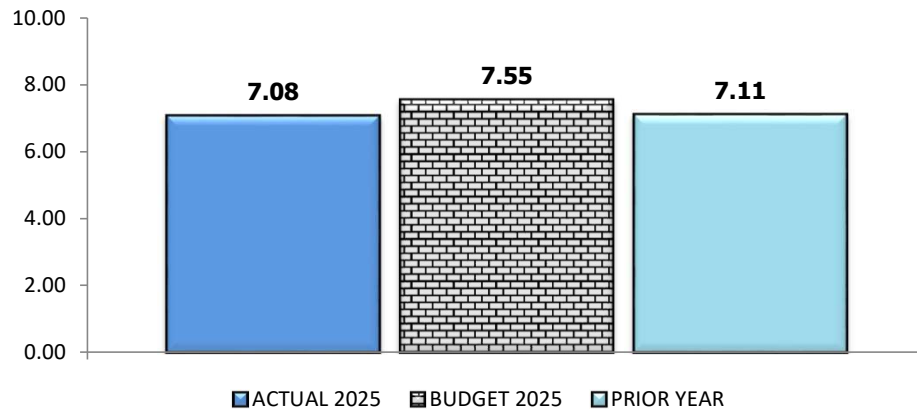
LBJ Inpatient ALOS - CM

5.37

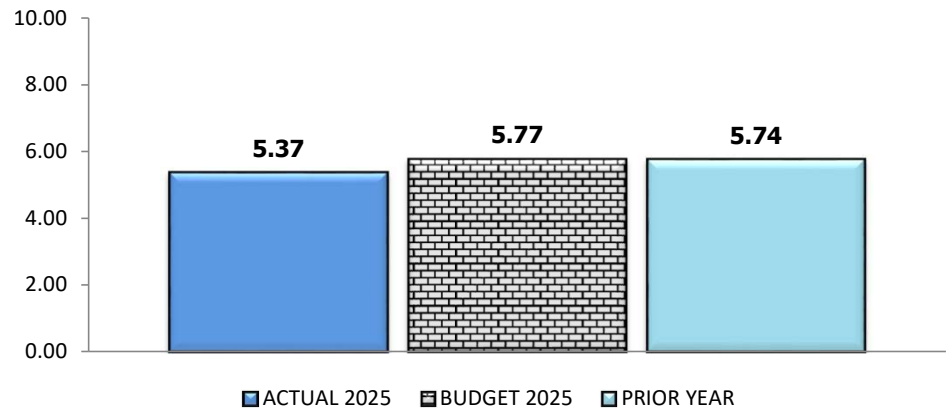
LBJ Inpatient ALOS - YTD

5.55

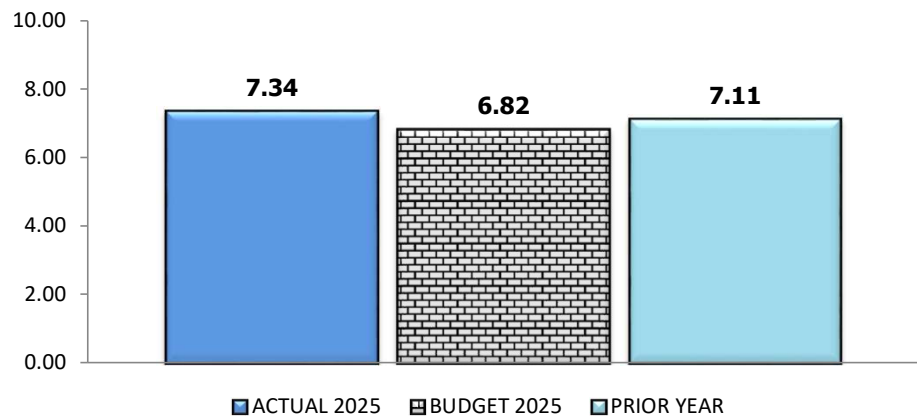
Ben Taub ALOS - Current Month



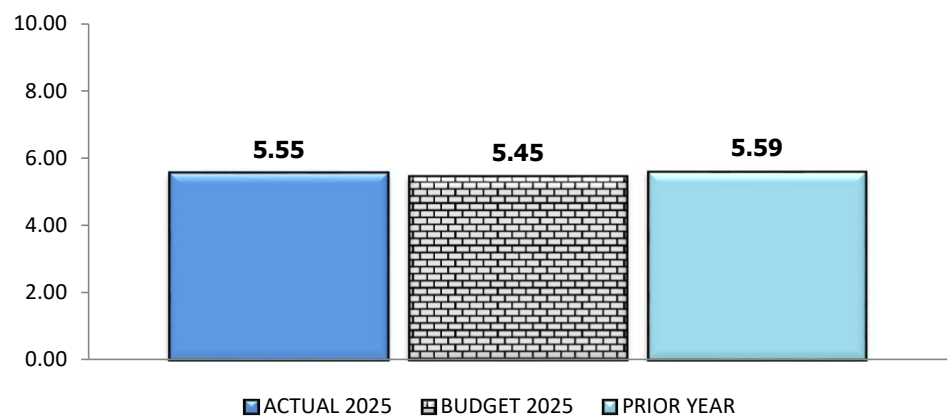
Lyndon B. Johnson ALOS - Current Month



Ben Taub ALOS - YTD



Lyndon B. Johnson ALOS - YTD



Harris Health

Statistical Highlights - Case Mix Index (CMI)

July FY 2025

BT Case Mix Index (CMI) - CM

Overall	Excl. Obstetrics
1.842	1.987

BT Case Mix Index (CMI) - YTD

Overall	Excl. Obstetrics
1.876	2.070

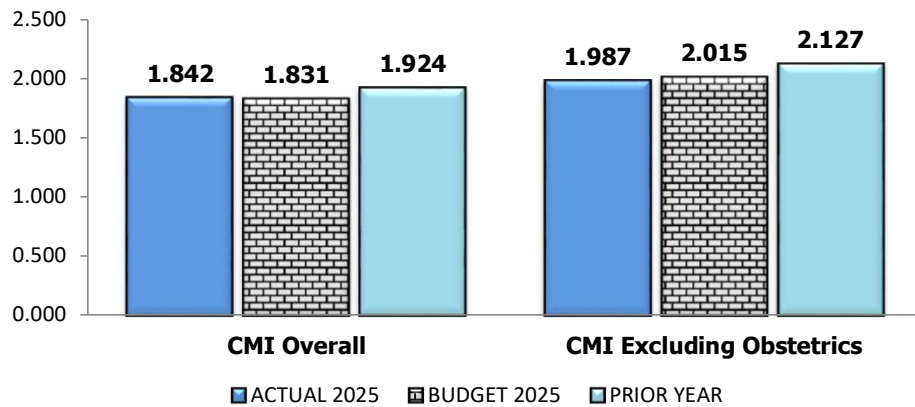
LBJ Case Mix Index (CMI) - CM

Overall	Excl. Obstetrics
1.528	1.655

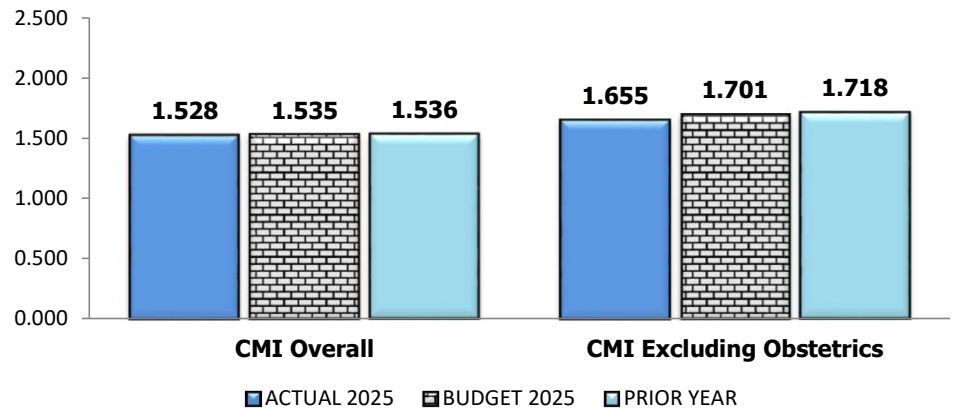
LBJ Case Mix Index (CMI) - YTD

Overall	Excl. Obstetrics
1.532	1.686

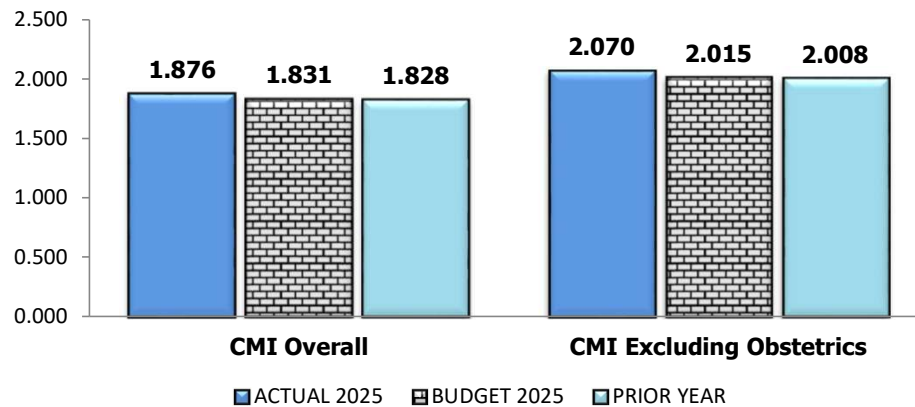
Ben Taub CMI - Current Month



Lyndon B. Johnson CMI - Current Month



Ben Taub CMI - YTD



Lyndon B. Johnson CMI - YTD

