



Financial Statements

As of Quarter Ended June 30, 2025
Subject to Audit



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Financial Highlights Review **HARRISHEALTH**

As of June 30, 2025

Operating income for the quarter ended June 30, 2025 was \$53.2 million compared to budgeted income of \$18.4 million.

Total quarterly net revenue for June 30, 2025 of \$697.7 million was \$19.5 million or 2.9% more than budget. Net patient revenue was \$13.6 million less than budget and tax revenue was \$2.8 million higher than budget. Medicaid Supplemental programs were \$25.9 million more than expected primarily due to prior years' post audit redistributions received from the State.

Total quarterly expenses of \$644.5 million were \$15.3 million or 2.3% less than budget. Total labor costs were \$20.2 million lower than anticipated while supplies and purchased services were \$8.9 million lower than anticipated. The favorable variances were driven primarily by the timing of strategic projects' implementation compared to plan resulting in a delay in the onboarding of incremental FTEs, as well as supplies and outside services required to meet project demands. Additionally, benefits expense was less than anticipated driven by the pension expense adjustment based on the recently issued actuarial report.

Through the quarter ended June 30, 2025, total patient days and average daily census increased 0.8% compared to budget. Inpatient case mix index, a measure of patient acuity, and length of stay were 3.3% and 6.3.% higher, respectively, than budget. Emergency room visits were 0.4% higher than planned for the quarter. Total clinic visits, including telehealth, were 3.4% higher compared to budget. Births were down 13.9%.

Total cash receipts for the quarter were \$706 million. The System has \$1,749.6 million in unrestricted cash, cash equivalents and investments, representing 263.2 days cash on hand. Harris Health has \$132.2 million in net accounts receivable, representing 63.1 days of outstanding patient accounts receivable at June 30, 2025. The June balance sheet reflects a combined net receivable position of \$209.2 million under the various Medicaid Supplemental programs. The current portion of ad valorem taxes receivable is \$9.7 million, which is offset by ad valorem tax collections as received. Accrued liabilities include \$264.0 million in deferred ad valorem tax revenues that are released as ad valorem tax revenue is recognized. As of June 30, 2025, \$1,028.0 million in ad valorem tax collections were received and \$783.6 million in current ad valorem tax revenue was recognized.

Income Statement

HARRISHEALTH

As of the Quarter Ended June 30, 2025 and 2024 (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	\$ 174.2	\$ 187.8	-7.3%	\$ 571.5	\$ 562.0	1.7%	\$ 557.9	2.4%
Medicaid Supplemental Programs	187.7	161.8	16.0%	522.6	485.4	7.7%	506.4	3.2%
Other Operating Revenue	35.1	36.2	-3.0%	109.9	108.4	1.4%	96.7	13.7%
Total Operating Revenue	\$ 397.1	\$ 385.8	2.9%	\$ 1,204.0	\$ 1,155.8	4.2%	\$ 1,161.0	3.7%
Net Ad Valorem Taxes	258.0	255.2	1.1%	770.5	765.6	0.6%	678.2	13.6%
Net Tobacco Settlement Revenue	19.0	15.2	24.7%	19.0	15.2	24.7%	15.2	24.8%
Capital Gifts & Grants	2.0	2.5	0.0%	4.0	7.5	-46.7%	-	0.0%
Interest Income & Other	21.6	19.4	11.2%	51.5	58.2	-11.5%	58.9	-12.5%
Total Nonoperating Revenue	\$ 300.6	\$ 292.3	2.8%	\$ 845.0	\$ 846.5	-0.2%	\$ 752.2	12.3%
Total Net Revenue	\$ 697.7	\$ 678.2	2.9%	\$ 2,049.0	\$ 2,002.4	2.3%	\$ 1,913.2	7.1%
EXPENSE								
Salaries and Wages	\$ 241.5	\$ 257.9	6.4%	\$ 730.4	\$ 760.2	3.9%	\$ 707.8	-3.2%
Employee Benefits	79.3	83.0	4.5%	236.7	249.0	4.9%	224.1	-5.6%
Total Labor Cost	\$ 320.7	\$ 340.9	5.9%	\$ 967.2	\$ 1,009.2	4.2%	\$ 931.9	-3.8%
Supply Expenses	82.8	88.3	6.2%	241.8	263.4	8.2%	223.6	-8.2%
Physician Services	129.4	127.5	-1.5%	359.5	360.0	0.1%	339.3	-6.0%
Purchased Services	76.9	80.3	4.2%	227.7	249.0	8.6%	204.8	-11.1%
Depreciation & Interest	34.7	22.7	-52.5%	87.3	67.0	-30.4%	75.9	-15.1%
Total Operating Expense	\$ 644.5	\$ 659.7	2.3%	\$ 1,883.5	\$ 1,948.5	3.3%	\$ 1,775.5	-6.1%
Operating Income (Loss)	\$ 53.2	\$ 18.4		\$ 165.5	\$ 53.8		\$ 137.7	
Total Margin %	7.6%	2.7%		8.1%	2.7%		7.2%	

Balance Sheet

HARRISHEALTH

June 2025 and 2024 (in \$ Millions)

	CURRENT YEAR	PRIOR YEAR
<u>CURRENT ASSETS</u>		
Cash, Cash Equivalents and Short Term Investments	\$ 1,749.6	\$ 1,497.2
Net Patient Accounts Receivable	132.2	154.7
Net Ad Valorem Taxes, Current Portion	9.7	18.6
Other Current Assets	315.3	350.2
Total Current Assets	\$ 2,206.8	\$ 2,020.7
<u>CAPITAL ASSETS</u>		
Plant, Property, & Equipment, Net of Accumulated Depreciation	\$ 575.4	\$ 555.3
Construction in Progress	472.6	171.0
Right of Use Assets	34.4	38.8
Total Capital Assets	\$ 1,082.3	\$ 765.0
<u>ASSETS LIMITED AS TO USE & RESTRICTED ASSETS</u>		
Debt Service & Capital Asset Funds	\$ 597.4	\$ 37.0
LPPF Restricted Cash	7.7	23.5
Capital Gift Proceeds	59.0	54.3
Other - Restricted	1.1	1.0
Total Assets Limited As to Use & Restricted Assets	\$ 665.2	\$ 115.9
Other Assets	44.6	48.1
Deferred Outflows of Resources	170.7	199.4
Total Assets & Deferred Outflows of Resources	\$ 4,169.6	\$ 3,149.2
<u>CURRENT LIABILITIES</u>		
Accounts Payable and Accrued Liabilities	\$ 271.2	\$ 227.7
Employee Compensation & Related Liabilities	163.6	150.0
Deferred Revenue - Ad Valorem	264.0	227.3
Estimated Third-Party Payor Settlements	32.0	29.1
Current Portion Long-Term Debt and Capital Leases	36.6	37.6
Total Current Liabilities	\$ 767.3	\$ 671.6
Long-Term Debt	1,107.6	280.9
Net Pension & Post Employment Benefits Liability	658.4	724.0
Other Long-Term Liabilities	7.6	6.7
Deferred Inflows of Resources	110.4	114.7
Total Liabilities	\$ 2,651.1	\$ 1,798.0
Total Net Assets	\$ 1,518.5	\$ 1,351.2
Total Liabilities & Net Assets	\$ 4,169.6	\$ 3,149.2

Cash Flow Summary

HARRISHEALTH

As of the Quarter Ended June 30, 2025 and 2024 (in \$ Millions)

	QUARTER-TO-QUARTER		YEAR-TO-DATE	
	CURRENT YEAR	PRIOR YEAR	CURRENT YEAR	PRIOR YEAR
<u>CASH RECEIPTS</u>				
Collections on Patient Accounts	\$ 206.1	\$ 225.9	\$ 630.1	\$ 621.7
Medicaid Supplemental Programs	76.3	66.9	327.5	670.3
Net Ad Valorem Taxes	20.0	11.2	1,027.9	877.4
Tobacco Settlement	19.0	15.2	19.0	15.2
Other Revenue	384.2	65.3	434.6	192.3
Total Cash Receipts	\$ 705.6	\$ 384.6	\$ 2,439.1	\$ 2,377.0
<u>CASH DISBURSEMENTS</u>				
Salaries, Wages and Benefits	\$ 336.6	\$ 325.7	\$ 996.7	\$ 995.9
Supplies	92.9	81.7	272.1	239.5
Physician Services	120.0	107.8	336.1	315.8
Purchased Services	72.1	68.5	227.6	203.6
Capital Expenditures	105.4	46.7	311.1	127.3
Debt and Interest Payments	0.7	0.8	20.1	6.7
Other Uses	(7.9)	(4.5)	(10.8)	3.7
Total Cash Disbursements	\$ 719.9	\$ 626.7	\$ 2,152.9	\$ 1,892.5
Net Change	\$ (14.3)	\$ (242.1)	\$ 286.2	\$ 484.6
Unrestricted cash, cash equivalents and investments - Beginning of year			\$ 1,463.4	
Net Change			\$ 286.2	
Unrestricted cash, cash equivalents and investments - End of period			\$ 1,749.6	

Performance Ratios

HARRISHEALTH

As of the Quarter Ended June 30, 2025 and 2024 (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 %	7.6%	2.7%	8.1%	2.7%	7.2%
Run Rate per Day (In\$ Millions)	\$ 6.8	\$ 7.0	\$ 6.6	\$ 6.9	\$ 6.2
Salary, Wages & Benefit per APD	\$ 2,416	\$ 2,527	\$ 2,417	\$ 2,535	\$ 2,352
Supply Cost per APD	\$ 623	\$ 654	\$ 604	\$ 662	\$ 564
Physician Services per APD	\$ 975	\$ 945	\$ 898	\$ 904	\$ 856
Total Expense per APD	\$ 4,854	\$ 4,891	\$ 4,706	\$ 4,894	\$ 4,481
Overtime as a % of Total Salaries	3.1%	3.0%	3.4%	3.0%	3.4%
Contract as a % of Total Salaries	3.0%	2.8%	3.2%	2.8%	4.3%
Full-time Equivalent Employees	10,376	10,631	10,434	10,637	10,362
<u>FINANCIAL HEALTH INDICATORS</u>					
Quick Ratio			2.8		3.0
Unrestricted Cash (In \$ Millions)			\$ 1,749.6	\$ 1,462.5	\$ 1,497.2
Days Cash on Hand			263.2	211.4	239.1
Days Revenue in Accounts Receivable			63.1	75.3	76.0
Days in Accounts Payable			50.5		46.3
Capital Expenditures/Depreciation & Amortization			435.2%		195.5%
Average Age of Plant(years)			10.1		10.3

Harris Health Key Indicators



Statistical Highlights

HARRISHEALTH

As of the Quarter Ended June 30, 2025 and 2024

	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	132,775	134,530	-1.3%	400,202	398,445	0.4%	396,246	1.0%
Outpatient % of Adjusted Volume	63.8%	63.0%	1.3%	63.2%	62.4%	1.3%	62.5%	1.2%
Primary Care Clinic Visits	135,668	132,027	2.8%	406,387	402,278	1.0%	393,366	3.3%
Specialty Clinic Visits	64,248	62,652	2.5%	187,821	183,903	2.1%	183,993	2.1%
Telehealth Clinic Visits	31,415	29,103	7.9%	92,076	88,440	4.1%	85,007	8.3%
Total Clinic Visits	231,331	223,782	3.4%	686,284	674,621	1.7%	662,366	3.6%
Emergency Room Visits - Outpatient	35,702	35,247	1.3%	105,834	104,614	1.2%	106,313	-0.5%
Emergency Room Visits - Admitted	5,155	5,440	-5.2%	15,572	16,560	-6.0%	16,154	-3.6%
Total Emergency Room Visits	40,857	40,687	0.4%	121,406	121,174	0.2%	122,467	-0.9%
Surgery Cases - Outpatient	3,379	2,927	15.4%	9,320	8,699	7.1%	8,570	8.8%
Surgery Cases - Inpatient	2,668	2,440	9.3%	7,972	7,522	6.0%	7,631	4.5%
Total Surgery Cases	6,047	5,367	12.7%	17,292	16,221	6.6%	16,201	6.7%
Total Outpatient Visits	419,850	369,496	13.6%	1,185,523	1,113,394	6.5%	1,107,118	7.1%
Inpatient Cases (Discharges)	7,222	7,951	-9.2%	22,245	24,156	-7.9%	22,885	-2.8%
Outpatient Observation Cases	3,419	3,036	12.6%	9,527	8,469	12.5%	8,687	9.7%
Total Cases Occupying Patient Beds	10,641	10,987	-3.1%	31,772	32,625	-2.6%	31,572	0.6%
Births	1,129	1,311	-13.9%	3,900	4,055	-3.8%	3,847	1.4%
Inpatient Days	48,094	49,800	-3.4%	147,118	149,696	-1.7%	148,549	-1.0%
Outpatient Observation Days	11,575	9,370	23.5%	33,434	27,084	23.4%	29,685	12.6%
Total Patient Days	59,669	59,170	0.8%	180,552	176,780	2.1%	178,234	1.3%
Average Daily Census	655.7	650.2	0.8%	661.4	647.5	2.1%	650.5	1.7%
Average Operating Beds	700	700	0.0%	701	700	0.1%	702	-0.2%
Bed Occupancy %	93.7%	92.9%	0.8%	94.4%	92.5%	2.0%	92.7%	1.8%
Inpatient Average Length of Stay	6.66	6.26	6.3%	6.61	6.20	6.7%	6.49	1.9%
Inpatient Case Mix Index (CMI)	1.769	1.712	3.3%	1.733	1.712	1.2%	1.705	1.6%
Payor Mix (% of Charges)								
Charity & Self Pay	44.9%	43.4%	3.4%	45.0%	43.4%	3.9%	43.6%	3.2%
Medicaid & Medicaid Managed	18.9%	19.4%	-2.6%	18.6%	19.4%	-4.3%	19.3%	-3.9%
Medicare & Medicare Managed	11.2%	11.4%	-2.1%	10.8%	11.4%	-5.6%	11.6%	-6.8%
Commercial & Other	25.1%	25.8%	-2.8%	25.6%	25.8%	-0.7%	25.5%	0.5%
Total Unduplicated Patients - Rolling 12				243,581			247,386	-1.5%
Total New Patient - Rolling 12				87,264			89,510	-2.5%

Harris Health

Statistical Highlights

As of the Quarter Ended June 30, 2025

Cases Occupying Beds - Q3

Actual	Budget	Prior Year
10,641	10,987	10,322

Cases Occupying Beds - YTD

Actual	Budget	Prior Year
31,772	32,625	31,572

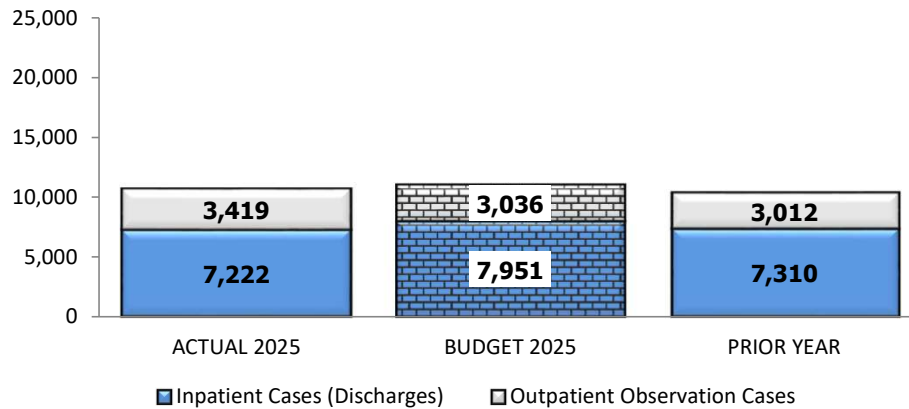
Emergency Visits - Q3

Actual	Budget	Prior Year
40,857	40,687	42,757

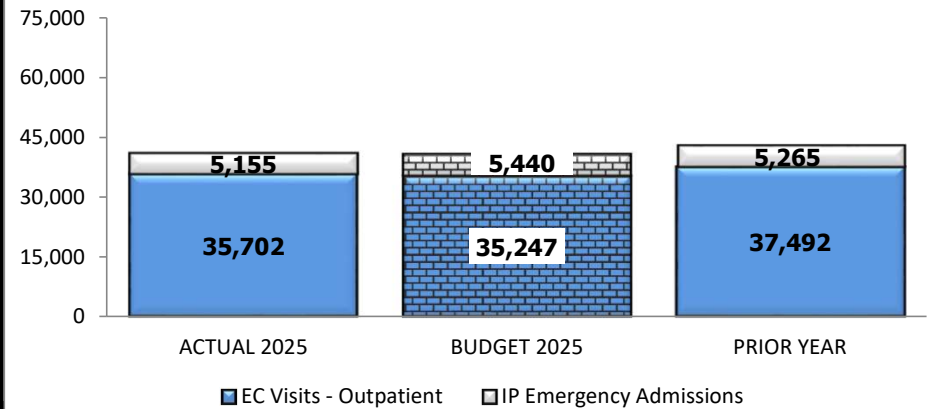
Emergency Visits - YTD

Actual	Budget	Prior Year
121,406	121,174	122,467

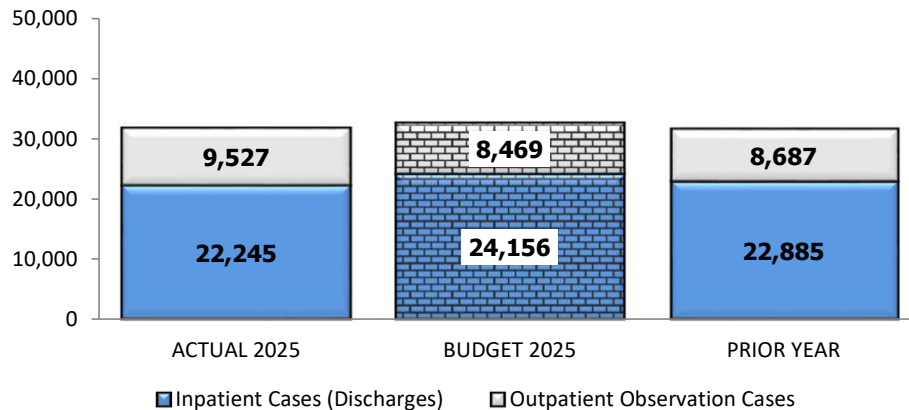
Cases Occupying Beds - Quarter End



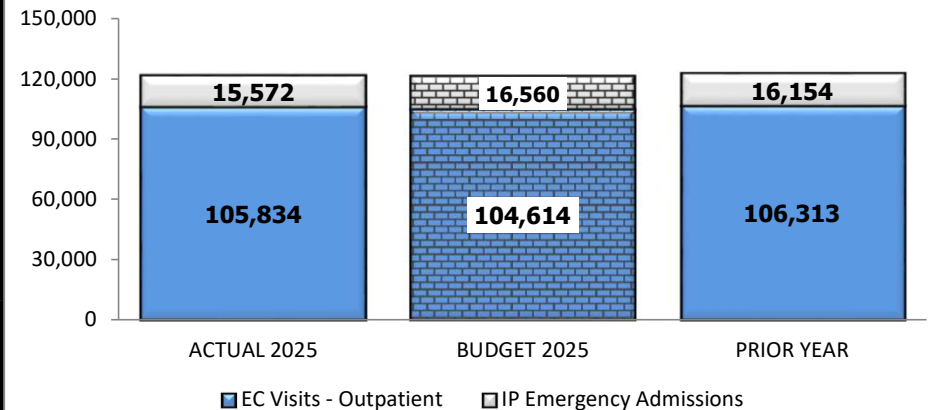
Emergency Visits - Quarter End



Cases Occupying Beds - YTD



Emergency Visits - YTD



Harris Health

Statistical Highlights

As of the Quarter Ended June 30, 2025

Surgery Cases - Q3

Actual	Budget	Prior Year
6,047	5,367	5,779

Surgery Cases - YTD

Actual	Budget	Prior Year
17,292	16,221	16,201

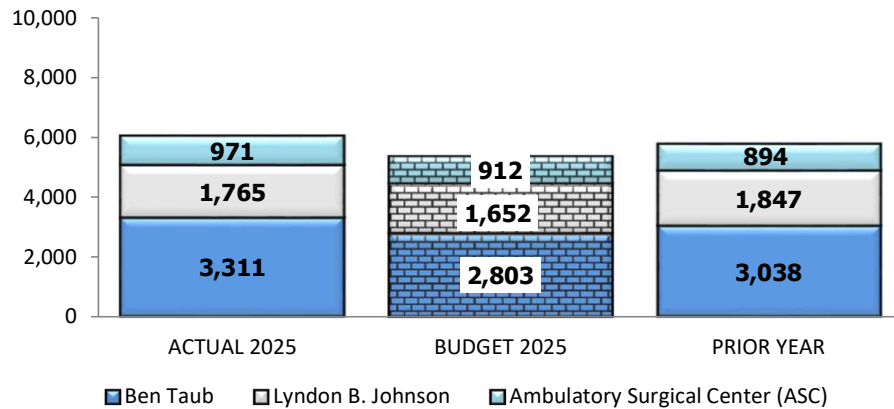
Clinic Visits - Q3

Actual	Budget	Prior Year
231,331	223,782	219,745

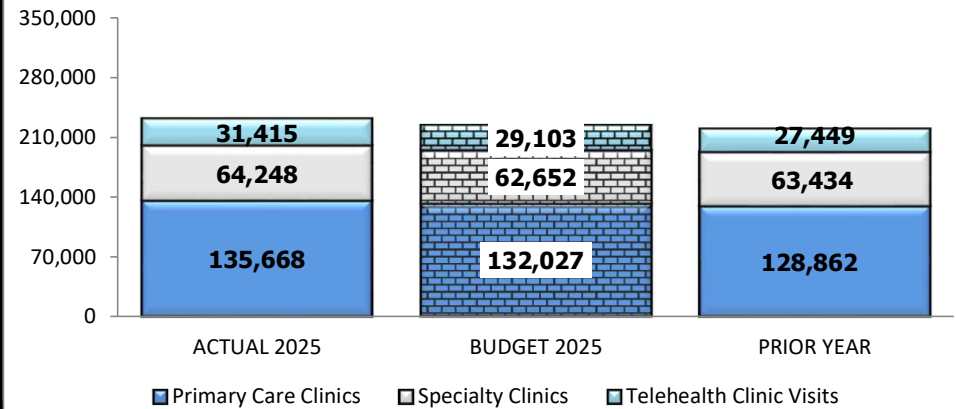
Clinic Visits - YTD

Actual	Budget	Prior Year
686,284	674,621	662,366

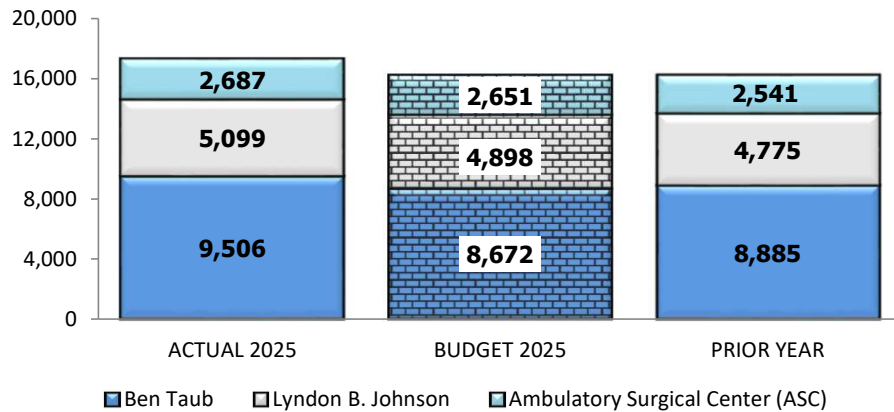
Surgery Cases - Quarter End



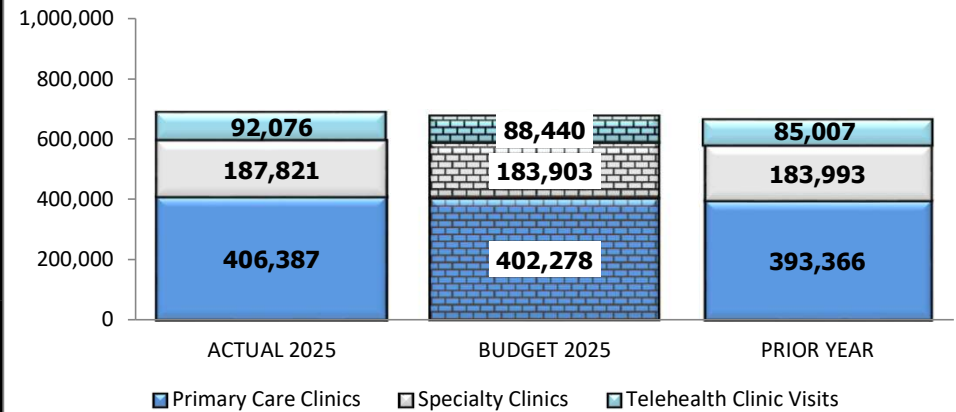
Clinic Visits - Quarter End



Surgery Cases - YTD



Clinic Visits - YTD



Harris Health

Statistical Highlights

As of the Quarter Ended June 30, 2025

Adjusted Patient Days - Q3

132,775

Adjusted Patient Days - YTD

400,202

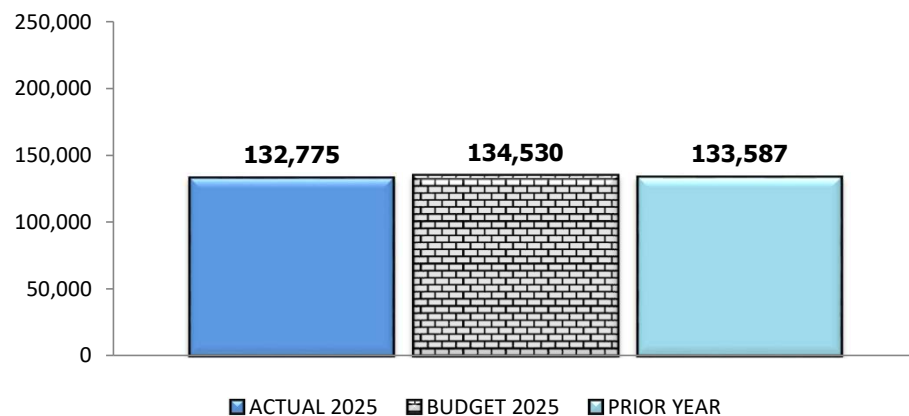
Average Daily Census - Q3

655.7

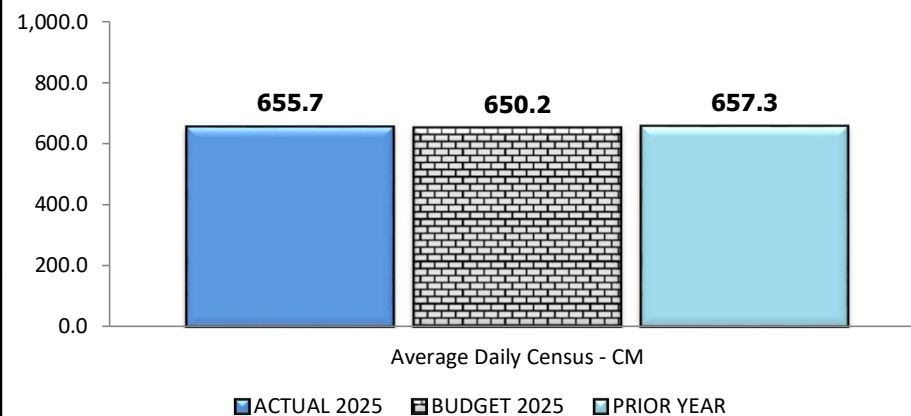
Average Daily Census - YTD

661.4

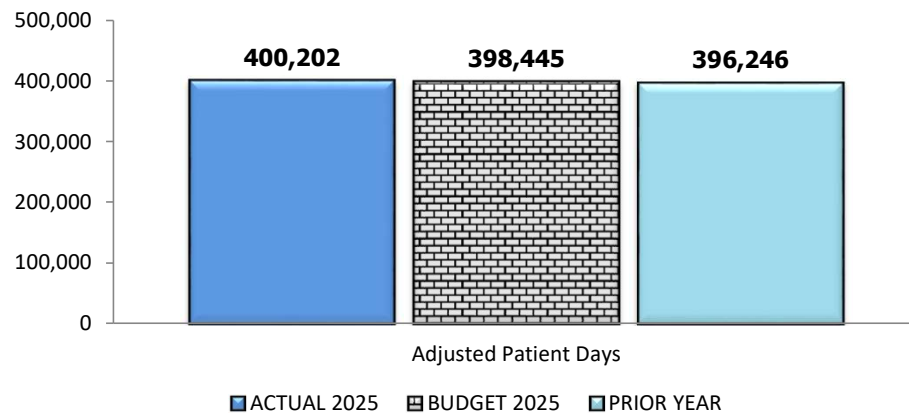
Adjusted Patient Days - Quarter End



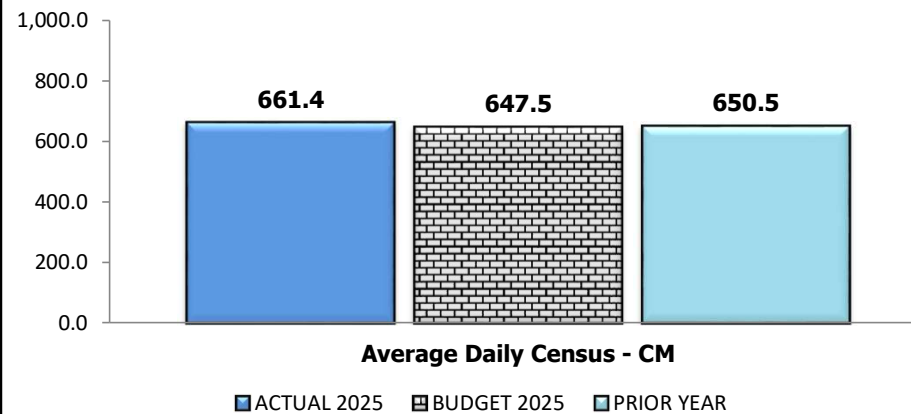
Average Daily Census - Quarter End



Adjusted Patient Days - YTD



Average Daily Census - YTD



Harris Health

Statistical Highlights

As of the Quarter Ended June 30, 2025

Inpatient ALOS - Q3

6.66

Inpatient ALOS - YTD

6.61

Case Mix Index - Q3

Overall

1.769

Excl. Obstetrics

1.930

Case Mix Index (CMI) - YTD

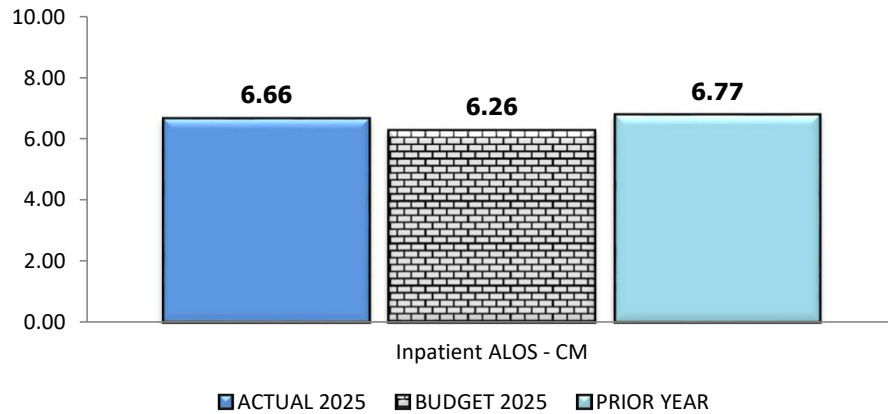
Overall

1.733

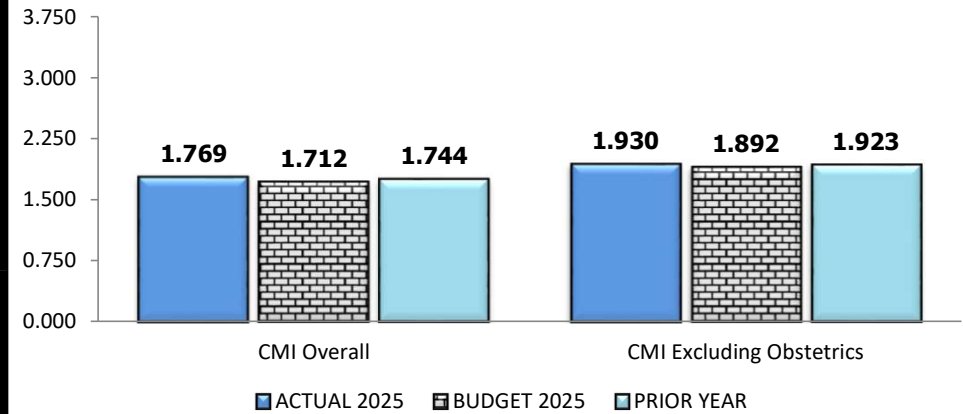
Excl. Obstetrics

1.916

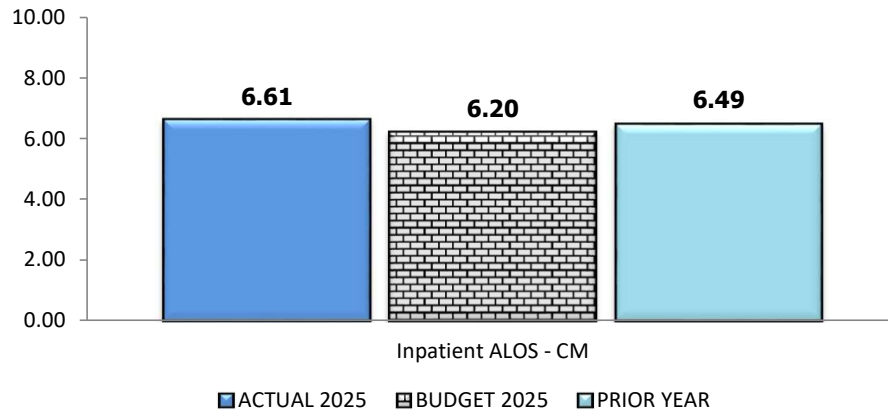
Inpatient ALOS - Quarter End



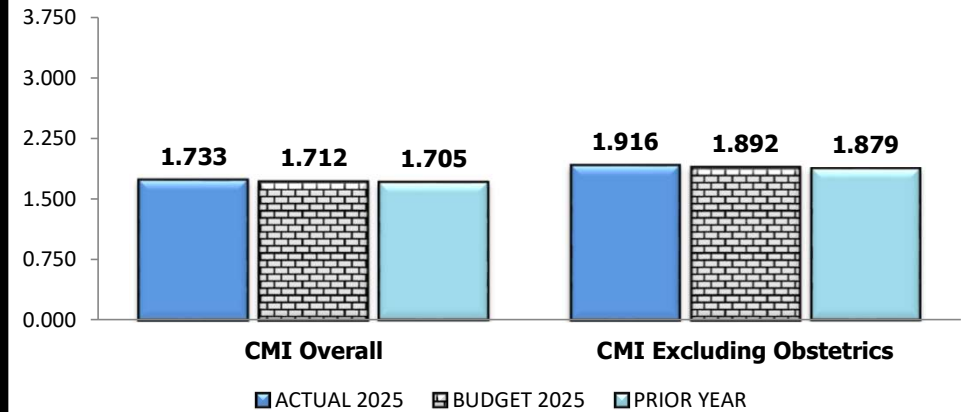
Case Mix Index - Quarter End



Inpatient ALOS - YTD



Case Mix Index - YTD



Harris Health

Statistical Highlights - Cases Occupying Beds

As of the Quarter Ended June 30, 2025

BT Cases Occupying Beds - Q3

Actual	Budget	Prior Year
6,006	6,584	6,124

BT Cases Occupying Beds - YTD

Actual	Budget	Prior Year
18,302	19,570	18,751

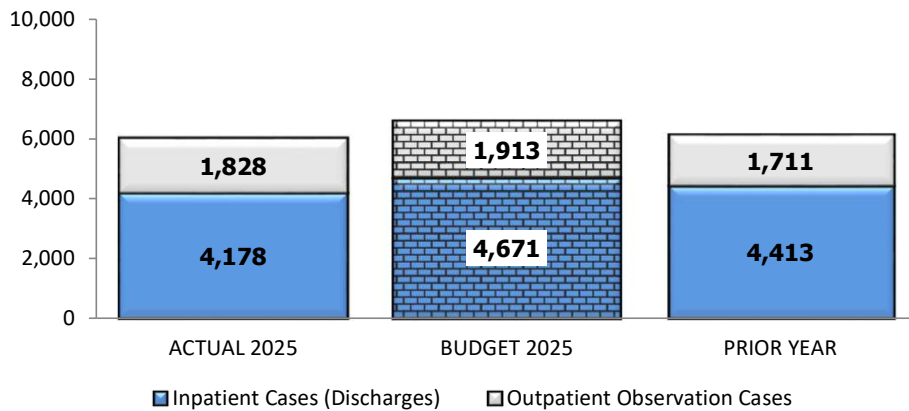
LBJ Cases Occupying Beds - Q3

Actual	Budget	Prior Year
4,568	4,334	4,187

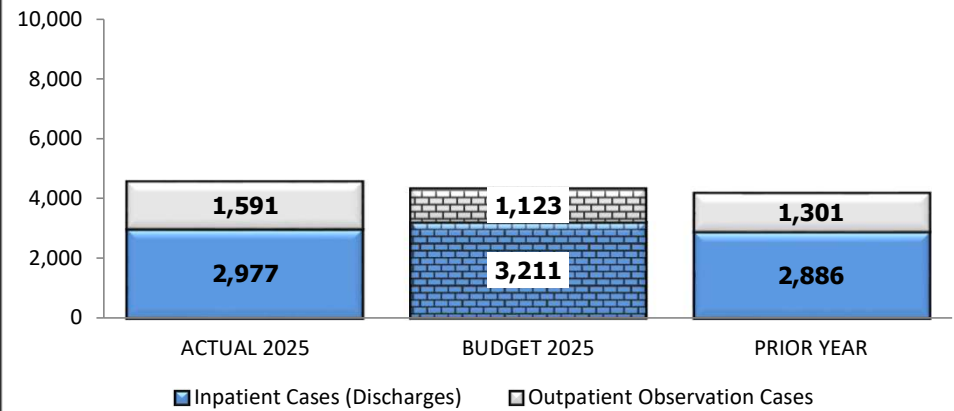
LBJ Cases Occupying Beds - YTD

Actual	Budget	Prior Year
13,314	12,892	12,806

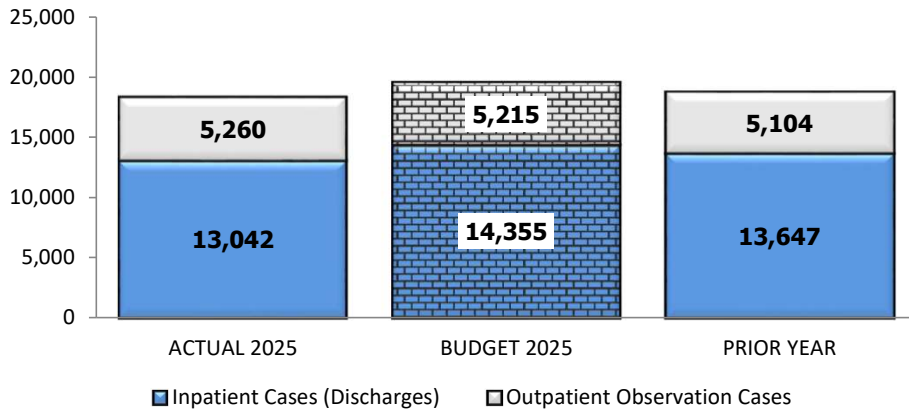
Ben Taub Cases - Quarter End



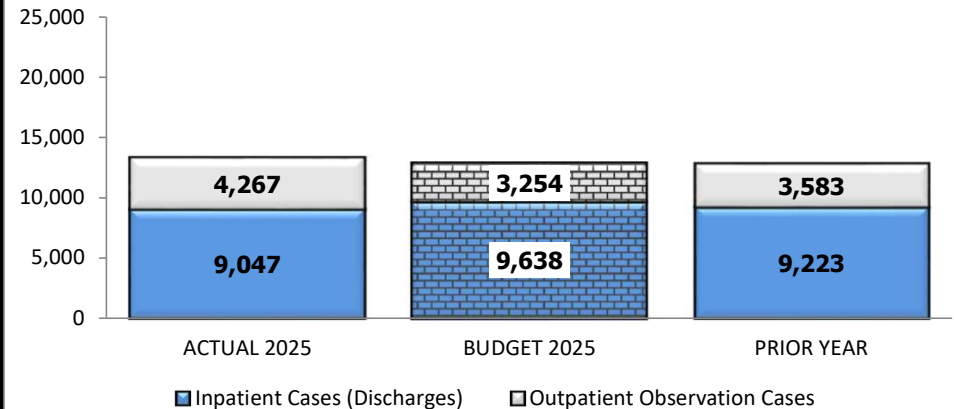
Lyndon B. Johnson Cases - Quarter End



Ben Taub Cases - YTD



Lyndon B. Johnson Cases - YTD



Harris Health

Statistical Highlights - Surgery Cases

As of the Quarter Ended June 30, 2025

BT Surgery Cases - Q3

Actual	Budget	Prior Year
3,311	2,803	3,038

BT Surgery Cases - YTD

Actual	Budget	Prior Year
9,506	8,672	8,885

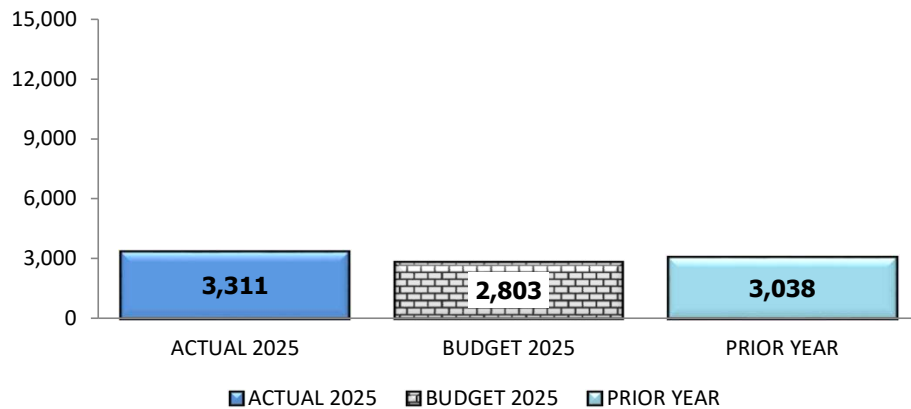
LBJ Surgery Cases - Q3

Actual	Budget	Prior Year
2,736	2,564	2,741

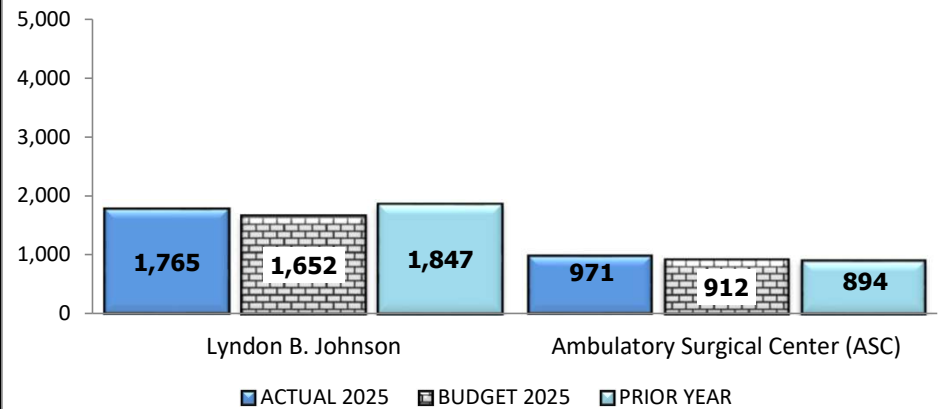
LBJ Surgery Cases - YTD

Actual	Budget	Prior Year
7,786	7,549	7,316

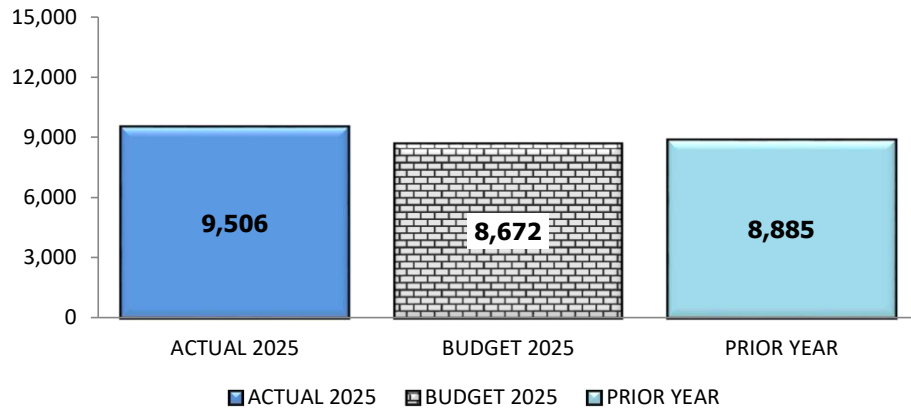
Ben Taub OR Cases - Quarter End



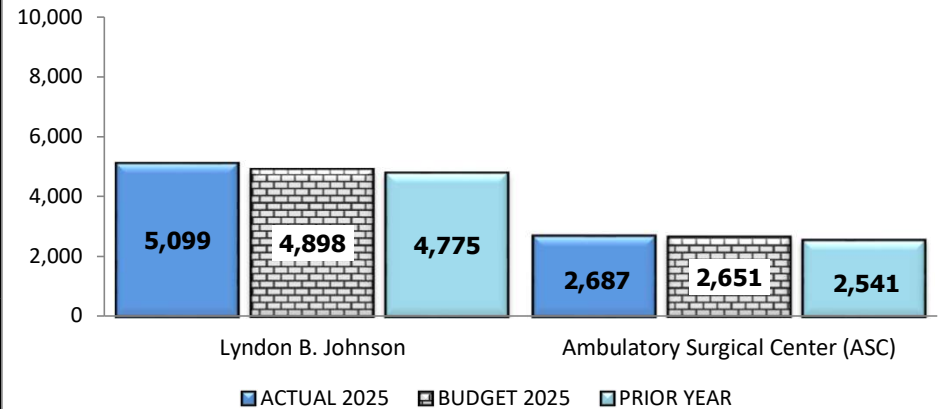
Lyndon B. Johnson OR Cases - Quarter End



Ben Taub OR Cases - YTD



Lyndon B. Johnson OR Cases - YTD



Harris Health

Statistical Highlights - Emergency Room Visits

As of the Quarter Ended June 30, 2025

BT Emergency Visits - Q3

Actual	Budget	Prior Year
20,621	20,556	21,331

BT Emergency Visits - YTD

Actual	Budget	Prior Year
61,846	62,715	62,391

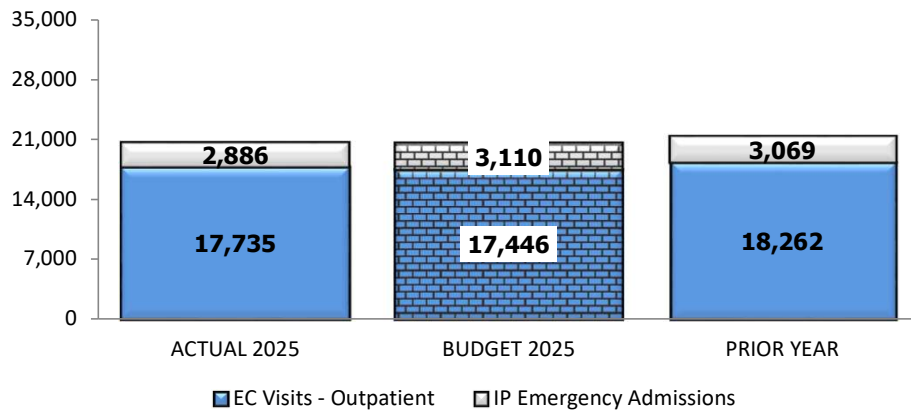
LBJ Emergency Visits - Q3

Actual	Budget	Prior Year
20,236	20,131	21,426

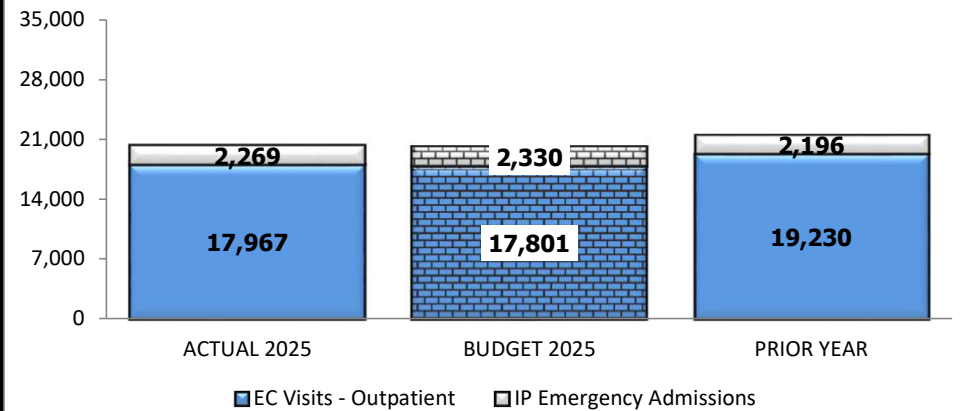
LBJ Emergency Visits - YTD

Actual	Budget	Prior Year
59,560	58,459	60,076

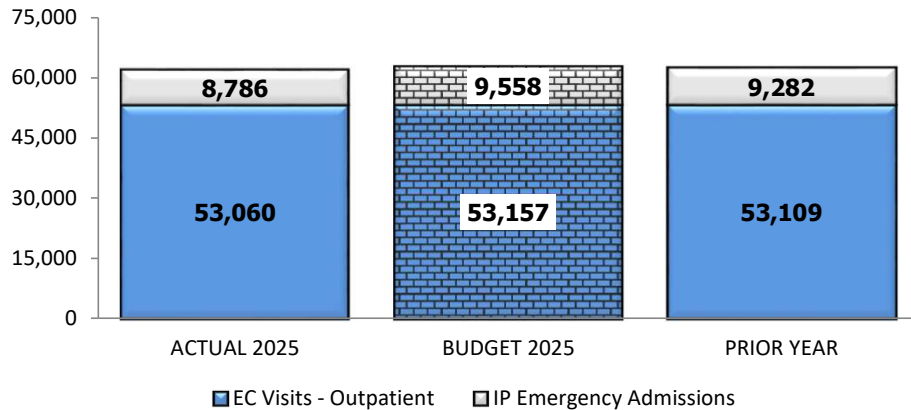
Ben Taub EC Visits - Quarter End



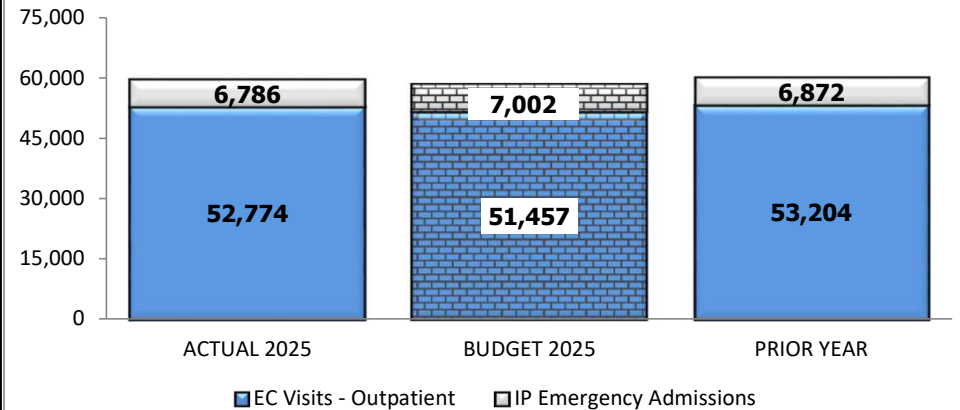
Lyndon B. Johnson EC Visits - Quarter End



Ben Taub EC Visits - YTD



Lyndon B. Johnson EC Visits - YTD



Harris Health

Statistical Highlights - Births

As of the Quarter Ended June 30, 2025

BT Births - Q3

Actual	Budget	Prior Year
631	767	685

BT Births - YTD

Actual	Budget	Prior Year
2,204	2,332	2,106

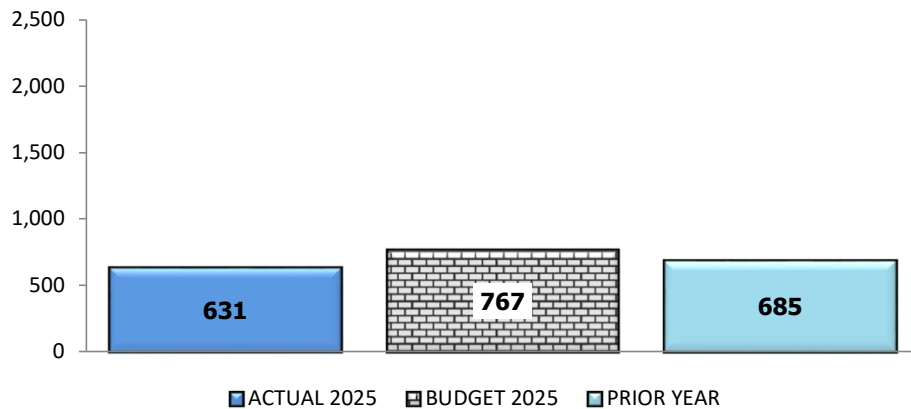
LBJ Births - Q3

Actual	Budget	Prior Year
498	544	584

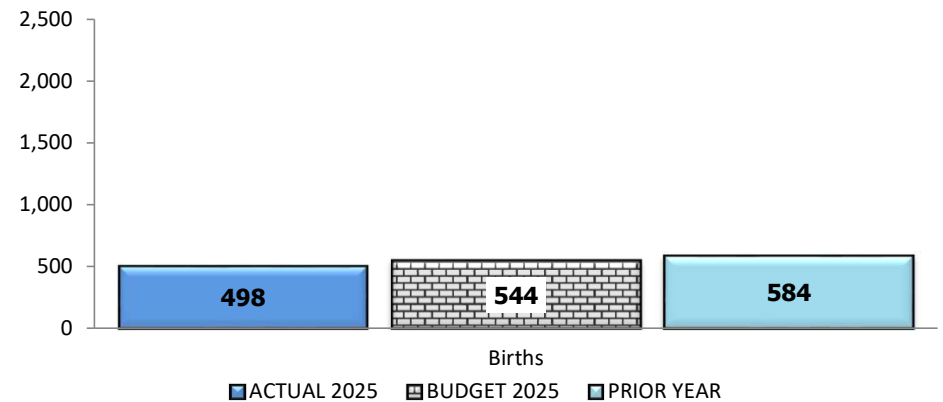
LBJ Births - YTD

Actual	Budget	Prior Year
1,696	1,723	1,741

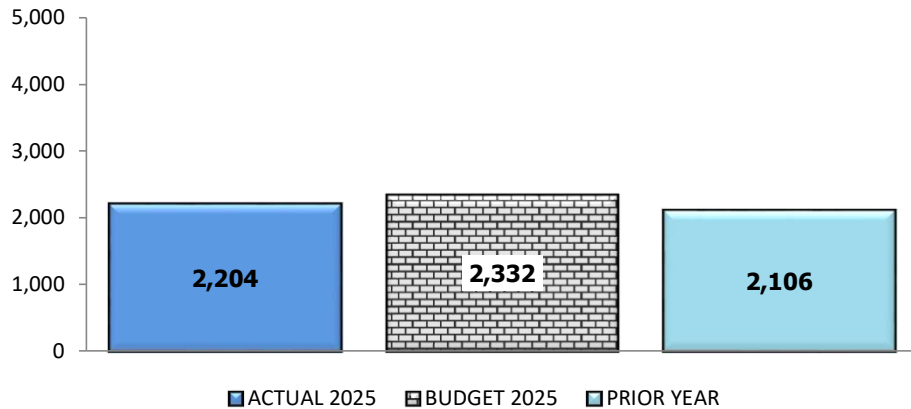
Ben Taub Births - Quarter End



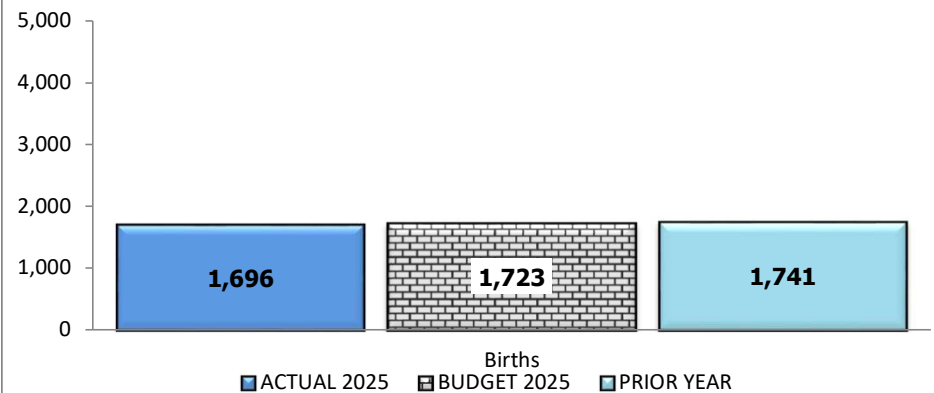
Lyndon B. Johnson Births - Quarter End



Ben Taub Births - YTD



Lyndon B. Johnson Births - YTD



Harris Health

Statistical Highlights - Adjusted Patient Days

As of the Quarter Ended June 30, 2025

BT Adjusted Patient Days - Q3

64,561

BT Adjusted Patient Days - YTD

194,078

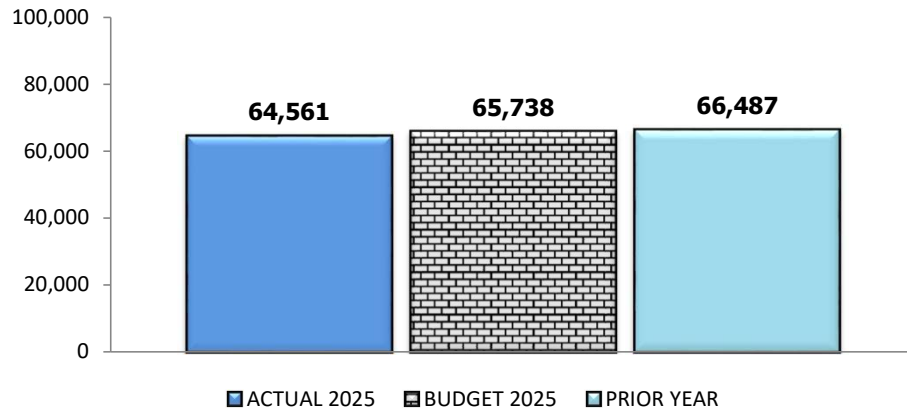
LBJ Adjusted Patient Days - Q3

40,310

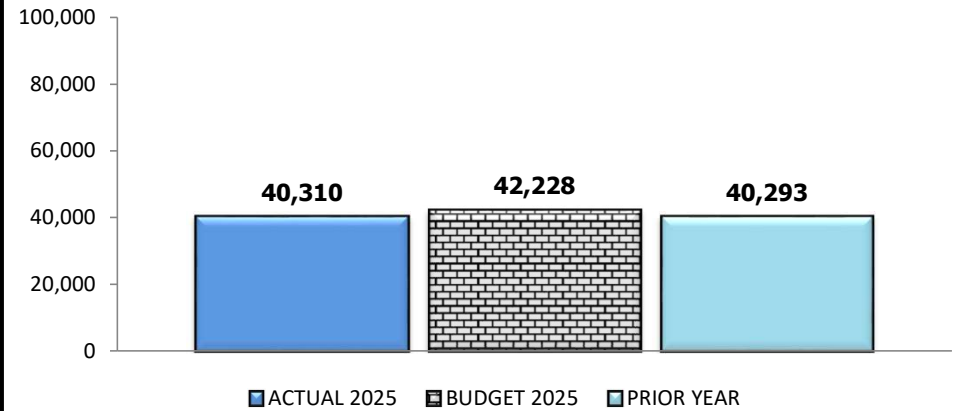
LBJ Adjusted Patient Days - YTD

122,377

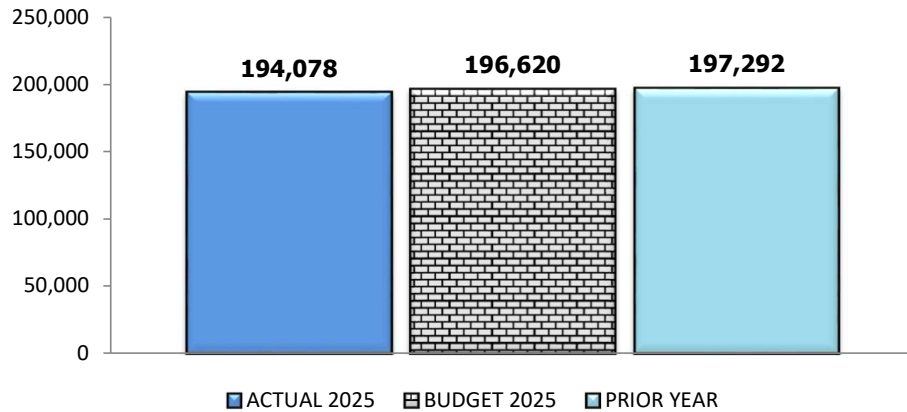
Ben Taub APD - Quarter End



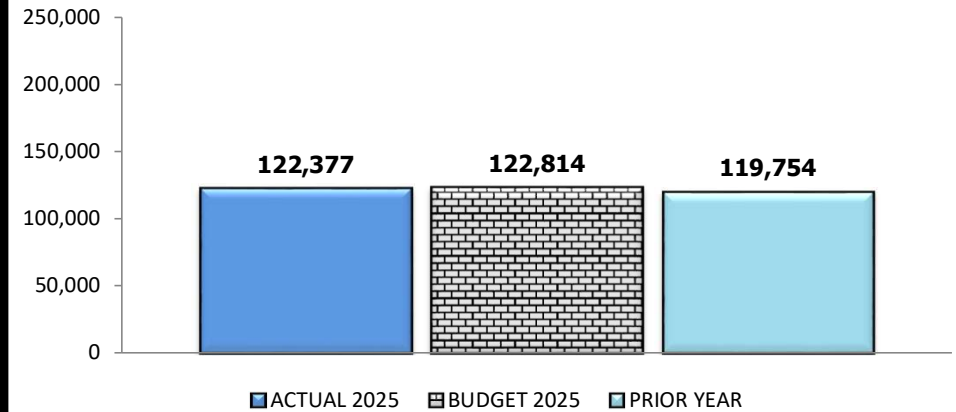
Lyndon B. Johnson APD - Quarter End



Ben Taub APD - YTD



Lyndon B. Johnson APD - YTD



Harris Health

Statistical Highlights - Average Daily Census (ADC)

As of the Quarter Ended June 30, 2025

BT Average Daily Census - Q3

425.5

BT Average Daily Census - YTD

429.1

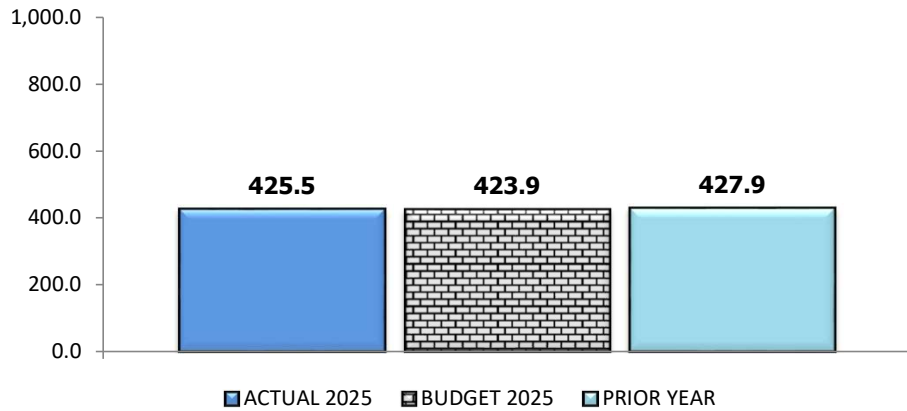
LBJ Average Daily Census - YTD

227.5

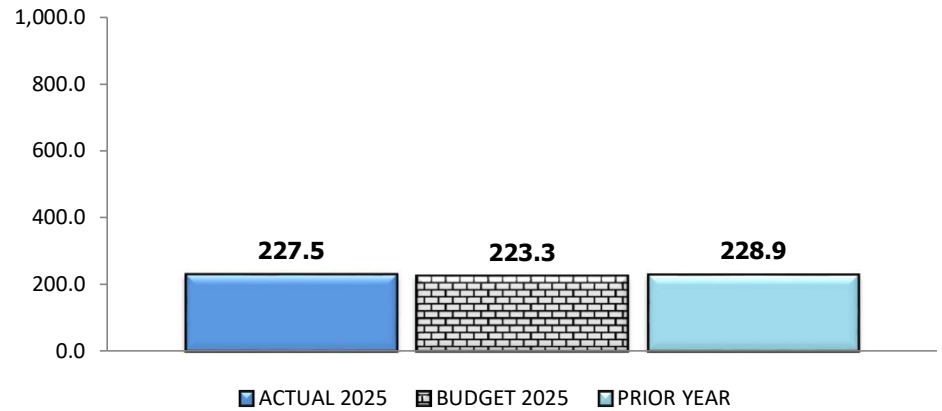
LBJ Average Daily Census - YTD

230.3

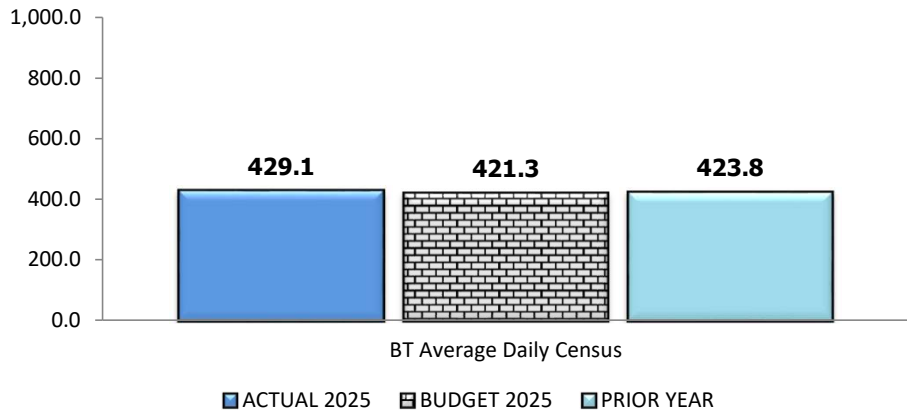
Ben Taub ADC - Quarter End



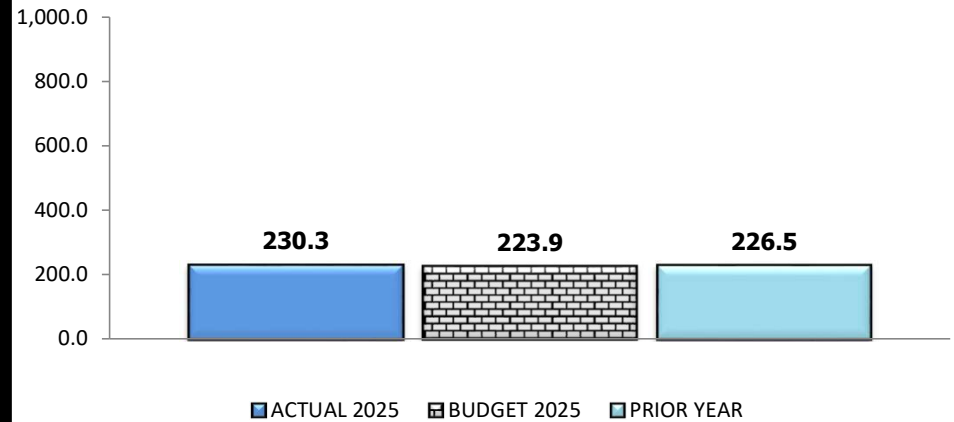
Lyndon B. Johnson ADC - Quarter End



Ben Taub ADC - YTD



Lyndon B. Johnson ADC - YTD



Harris Health

Statistical Highlights - Inpatient Average Length of Stay (ALOS)

As of the Quarter Ended June 30, 2025

BT Inpatient ALOS - Q3

7.58

BT Inpatient ALOS - YTD

7.37

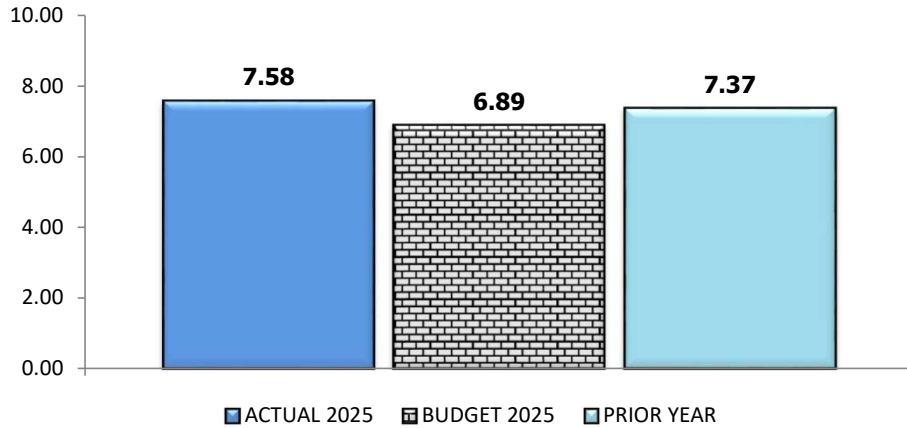
LBJ Inpatient ALOS - Q3

5.43

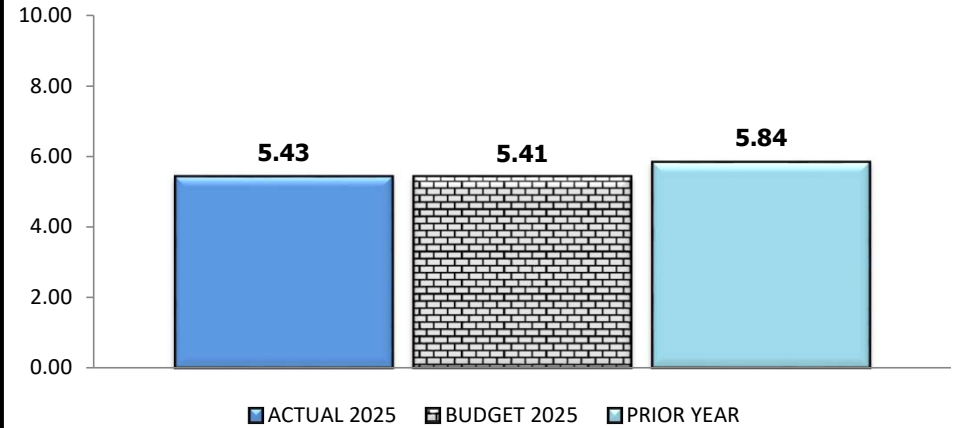
LBJ Inpatient ALOS - YTD

5.57

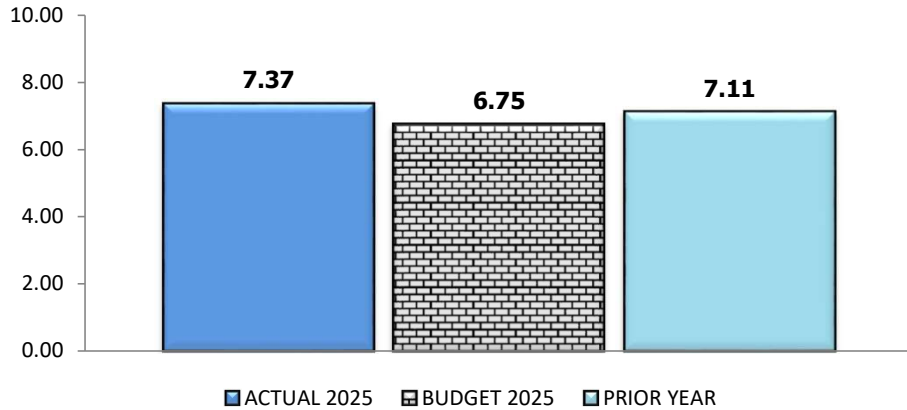
Ben Taub ALOS - Quarter End



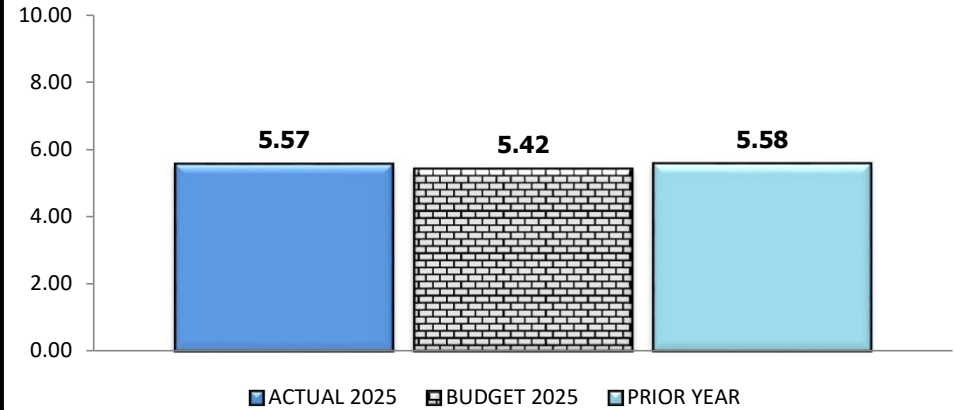
Lyndon B. Johnson ALOS - Quarter End



Ben Taub ALOS - YTD



Lyndon B. Johnson ALOS - YTD



Harris Health

Statistical Highlights - Case Mix Index (CMI)

As of the Quarter Ended June 30, 2025

BT Case Mix Index (CMI) - Q3

Overall	Excl. Obstetrics
1.949	2.131

BT Case Mix Index (CMI) - YTD

Overall	Excl. Obstetrics
1.880	2.080

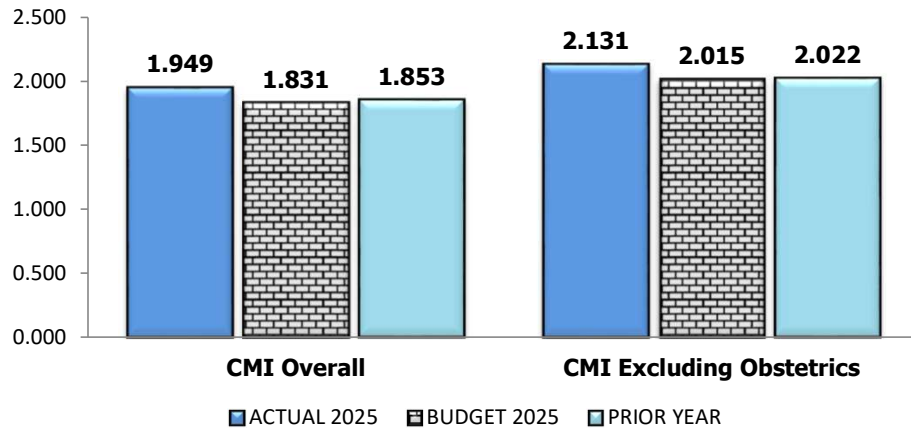
LBJ Case Mix Index (CMI) - Q3

Overall	Excl. Obstetrics
1.528	1.660

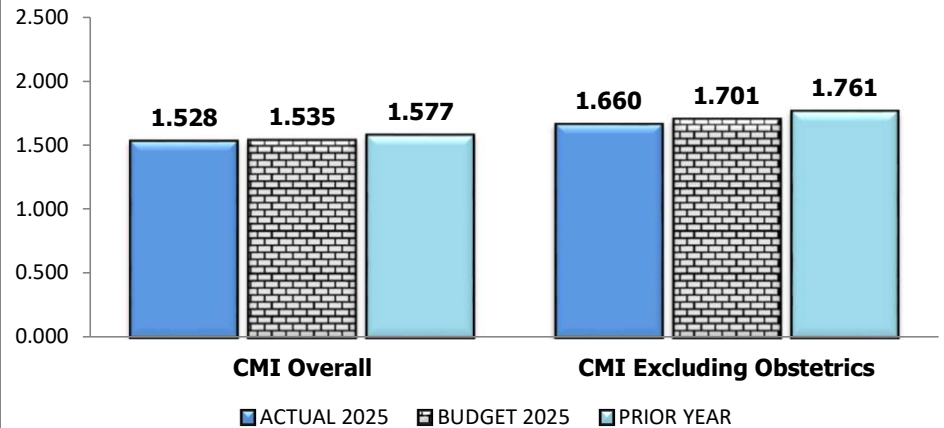
LBJ Case Mix Index (CMI) - YTD

Overall	Excl. Obstetrics
1.532	1.690

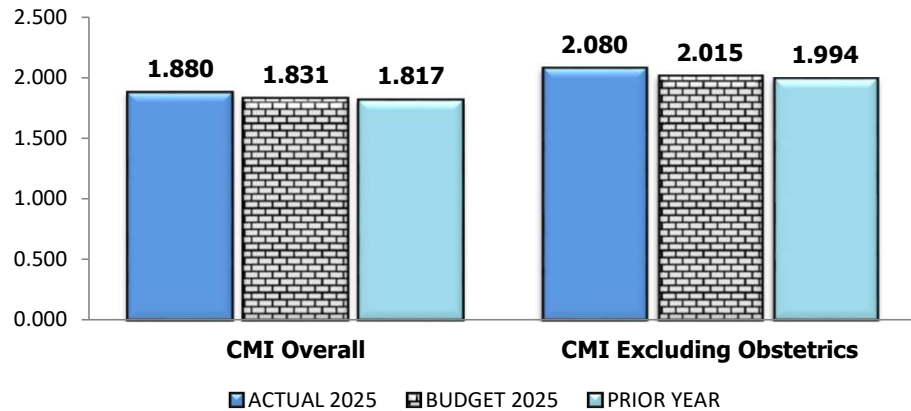
Ben Taub CMI - Quarter End



Lyndon B. Johnson CMI - Quarter End



Ben Taub CMI - YTD



Lyndon B. Johnson CMI - YTD

