



Financial Statements

As of Quarter Ended March 31, 2025
Subject to Audit



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Financial Highlights Review **HARRISHEALTH**

As of March 31, 2025

Operating income for the quarter ended March 31, 2025 was \$91.4 million compared to budgeted income of \$21.1 million.

Total quarterly net revenue for March 31, 2025 of \$714.0 million was \$51.7 million or 7.8% more than budget. Net patient revenue and ad valorem taxes were \$26.8 million and \$7.9 million, respectively, higher than budget. Medicaid Supplemental programs were \$18.7 million more than expected primarily due to prior years' DSH refunds received from the State.

Total quarterly expenses of \$622.6 million were \$18.6 million or 2.9% less than budget. Total labor costs were \$8.9 million lower than anticipated while supplies and purchased services were \$15.0 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.

Through the quarter ended March 31, 2025, total patient days and average daily census increased 3.4% compared to budget. Inpatient case mix index, a measure of patient acuity, and length of stay were 1.6% and 14.7% higher, respectively, than budget. Emergency room visits were 1.5% lower than planned for the quarter. Total clinic visits, including telehealth, were 1.8% lower compared to budget. Births were down 6.8%.

Total cash receipts for the quarter were \$1,393 million. The System has \$1,763.9 million in unrestricted cash, cash equivalents and investments, representing 268.7 days cash on hand. Harris Health has \$136.8 million in net accounts receivable, representing 62.7 days of outstanding patient accounts receivable at March 31, 2025. The March balance sheet reflects a combined net receivable position of \$100.0 million under the various Medicaid Supplemental programs. The current portion of ad valorem taxes receivable is \$31.5 million, which is offset by ad valorem tax collections as received. Accrued liabilities include \$527.9 million in deferred ad valorem tax revenues that are released as ad valorem tax revenue is recognized. As of March 31, 2025, \$1,008.0 million in ad valorem tax collections were received and \$519.6 million in current ad valorem tax revenue was recognized.

Income Statement

HARRISHEALTH

As of the Quarter Ended March 31, 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	\$ 214.2	\$ 187.4	14.3%	\$ 397.3	\$ 374.2	6.2%	\$ 365.8	8.6%
Medicaid Supplemental Programs	180.5	161.8	11.5%	334.8	323.6	3.5%	327.9	2.1%
Other Operating Revenue	40.0	36.0	11.2%	74.8	72.2	3.6%	66.0	13.4%
Total Operating Revenue	\$ 434.7	\$ 385.2	12.9%	\$ 807.0	\$ 770.0	4.8%	\$ 759.7	6.2%
Net Ad Valorem Taxes	263.1	255.2	3.1%	512.5	510.4	0.4%	452.9	13.1%
Net Tobacco Settlement Revenue	-	-	0.0%	-	-	0.0%	-	0.0%
Capital Gifts & Grants	2.0	2.5	0.0%	2.0	5.0	-60.0%	-	0.0%
Interest Income & Other	14.2	19.4	-27.0%	29.9	38.8	-22.8%	35.8	-16.4%
Total Nonoperating Revenue	\$ 279.3	\$ 277.1	0.8%	\$ 544.4	\$ 554.2	-1.8%	\$ 488.7	11.4%
Total Net Revenue	\$ 714.0	\$ 662.3	7.8%	\$ 1,351.3	\$ 1,324.2	2.0%	\$ 1,248.5	8.2%
EXPENSE								
Salaries and Wages	\$ 244.6	\$ 252.2	3.0%	\$ 488.9	\$ 502.3	2.7%	\$ 472.7	-3.4%
Employee Benefits	81.6	83.0	1.7%	157.5	166.0	5.1%	165.0	4.5%
Total Labor Cost	\$ 326.2	\$ 335.2	2.7%	\$ 646.4	\$ 668.2	3.3%	\$ 637.7	-1.4%
Supply Expenses	78.5	88.1	10.9%	159.0	175.1	9.2%	144.2	-10.3%
Physician Services	117.1	116.2	-0.7%	230.1	232.5	1.0%	217.0	-6.0%
Purchased Services	74.6	80.0	6.7%	150.8	168.7	10.6%	132.7	-13.6%
Depreciation & Interest	26.3	21.8	-20.5%	52.7	44.2	-19.0%	50.4	-4.5%
Total Operating Expense	\$ 622.6	\$ 641.3	2.9%	\$ 1,239.0	\$ 1,288.8	3.9%	\$ 1,182.0	-4.8%
Operating Income (Loss)	\$ 91.4	\$ 21.1		\$ 112.3	\$ 35.4		\$ 66.5	
Total Margin %	12.8%	3.2%		8.3%	2.7%		5.3%	

Balance Sheet

HARRISHEALTH

March 2025 and 2024 (in \$ Millions)

	CURRENT YEAR	PRIOR YEAR
<u>CURRENT ASSETS</u>		
Cash, Cash Equivalents and Short Term Investments	\$ 1,763.9	\$ 1,739.3
Net Patient Accounts Receivable	136.8	183.2
Net Ad Valorem Taxes, Current Portion	31.5	32.7
Other Current Assets	206.0	217.1
Total Current Assets	\$ 2,138.3	\$ 2,172.3
<u>CAPITAL ASSETS</u>		
Plant, Property, & Equipment, Net of Accumulated Depreciation	\$ 577.3	\$ 554.4
Construction in Progress	344.7	142.9
Right of Use Assets	34.5	40.3
Total Capital Assets	\$ 956.5	\$ 737.5
<u>ASSETS LIMITED AS TO USE & RESTRICTED ASSETS</u>		
Debt Service & Capital Asset Funds	\$ 37.6	\$ 38.9
LPPF Restricted Cash	0.0	26.5
Capital Gift Proceeds	54.9	54.8
Other - Restricted	1.1	1.0
Total Assets Limited As to Use & Restricted Assets	\$ 93.6	\$ 121.2
Other Assets	50.4	51.7
Deferred Outflows of Resources	182.3	234.8
Total Assets & Deferred Outflows of Resources	\$ 3,421.2	\$ 3,317.5
<u>CURRENT LIABILITIES</u>		
Accounts Payable and Accrued Liabilities	\$ 154.7	\$ 194.2
Employee Compensation & Related Liabilities	143.6	140.5
Deferred Revenue - Ad Valorem	527.9	454.5
Estimated Third-Party Payor Settlements	30.7	24.8
Current Portion Long-Term Debt and Capital Leases	36.7	37.3
Total Current Liabilities	\$ 893.6	\$ 851.3
Long-Term Debt	263.4	282.7
Net Pension & Post Employment Benefits Liability	680.6	781.5
Other Long-Term Liabilities	8.0	6.8
Deferred Inflows of Resources	110.4	115.3
Total Liabilities	\$ 1,955.9	\$ 2,037.6
Total Net Assets	\$ 1,465.3	\$ 1,279.9
Total Liabilities & Net Assets	\$ 3,421.2	\$ 3,317.5

Cash Flow Summary

HARRISHEALTH

As of the Quarter Ended March 31, 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	\$ 218.4	\$ 185.0	\$ 424.0	\$ 395.8
Medicaid Supplemental Programs	241.8	190.9	251.1	603.5
Net Ad Valorem Taxes	912.1	751.9	1,008.0	866.2
Tobacco Settlement	-	-	-	-
Other Revenue	20.6	85.3	50.4	127.0
Total Cash Receipts	\$ 1,393.0	\$ 1,213.1	\$ 1,733.6	\$ 1,992.5
<u>CASH DISBURSEMENTS</u>				
Salaries, Wages and Benefits	\$ 359.4	\$ 340.2	\$ 660.1	\$ 670.2
Supplies	82.9	78.3	179.2	157.8
Physician Services	110.5	108.4	216.2	208.0
Purchased Services	81.6	67.6	155.5	135.1
Capital Expenditures	116.5	39.3	205.7	80.6
Debt and Interest Payments	18.6	5.1	19.4	5.9
Other Uses	(2.6)	15.9	(2.9)	8.2
Total Cash Disbursements	\$ 766.8	\$ 654.8	\$ 1,433.1	\$ 1,265.8
Net Change	\$ 626.2	\$ 558.3	\$ 300.5	\$ 726.7
Unrestricted cash, cash equivalents and investments - Beginning of year			\$ 1,463.4	
Net Change			\$ 300.5	
Unrestricted cash, cash equivalents and investments - End of period			\$ 1,763.9	

Performance Ratios

HARRISHEALTH

As of the Quarter Ended March 31, 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 %	12.8%	3.2%	8.3%	2.7%	5.3%
Run Rate per Day (In\$ Millions)	\$ 6.7	\$ 6.9	\$ 6.5	\$ 6.9	\$ 6.2
Salary, Wages & Benefit per APD	\$ 2,455	\$ 2,547	\$ 2,417	\$ 2,539	\$ 2,428
Supply Cost per APD	\$ 591	\$ 670	\$ 595	\$ 665	\$ 549
Physician Services per APD	\$ 881	\$ 883	\$ 860	\$ 883	\$ 826
Total Expense per APD	\$ 4,686	\$ 4,873	\$ 4,633	\$ 4,896	\$ 4,500
Overtime as a % of Total Salaries	3.8%	3.0%	3.5%	3.0%	3.3%
Contract as a % of Total Salaries	3.2%	2.8%	3.3%	2.8%	4.5%
Full-time Equivalent Employees	10,478	10,594	10,463	10,639	10,334
<u>FINANCIAL HEALTH INDICATORS</u>					
Quick Ratio			2.3		2.5
Unrestricted Cash (In \$ Millions)			\$ 1,763.9	\$ 1,827.3	\$ 1,739.3
Days Cash on Hand			268.3	266.4	278.6
Days Revenue in Accounts Receivable			62.7	74.5	91.6
Days in Accounts Payable			39.7		42.0
Capital Expenditures/Depreciation & Amortization			430.3%		189.7%
Average Age of Plant(years)			9.8		10.4

Harris Health Key Indicators



Statistical Highlights

HARRISHEALTH

As of the Quarter Ended March 31, 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	132,884	131,192	1.3%	267,427	263,915	1.3%	262,659	1.8%
Outpatient % of Adjusted Volume	62.8%	62.6%	0.4%	63.0%	62.1%	1.3%	62.3%	1.1%
Primary Care Clinic Visits	133,501	137,224	-2.7%	270,719	270,251	0.2%	264,504	2.3%
Specialty Clinic Visits	60,259	61,504	-2.0%	123,573	121,251	1.9%	120,559	2.5%
Telehealth Clinic Visits	30,756	29,827	3.1%	60,661	59,337	2.2%	57,558	5.4%
Total Clinic Visits	224,516	228,555	-1.8%	454,953	450,839	0.9%	442,621	2.8%
Emergency Room Visits - Outpatient	34,619	34,759	-0.4%	70,132	69,367	1.1%	68,821	1.9%
Emergency Room Visits - Admitted	5,151	5,625	-8.4%	10,417	11,120	-6.3%	10,889	-4.3%
Total Emergency Room Visits	39,770	40,384	-1.5%	80,549	80,487	0.1%	79,710	1.1%
Surgery Cases - Outpatient	3,000	2,986	0.5%	5,941	5,772	2.9%	5,629	5.5%
Surgery Cases - Inpatient	2,549	2,553	-0.2%	5,304	5,082	4.4%	4,793	10.7%
Total Surgery Cases	5,549	5,539	0.2%	11,245	10,854	3.6%	10,422	7.9%
Total Outpatient Visits	378,553	377,927	0.2%	765,673	743,898	2.9%	729,914	4.9%
Inpatient Cases (Discharges)	7,171	8,173	-12.3%	15,023	16,205	-7.3%	15,575	-3.5%
Outpatient Observation Cases	3,102	2,843	9.1%	6,108	5,433	12.4%	5,675	7.6%
Total Cases Occupying Patient Beds	10,273	11,016	-6.7%	21,131	21,638	-2.3%	21,250	-0.6%
Births	1,292	1,387	-6.8%	2,771	2,744	1.0%	2,578	7.5%
Inpatient Days	49,384	49,053	0.7%	99,024	99,896	-0.9%	99,096	-0.1%
Outpatient Observation Days	10,884	9,237	17.8%	21,858	17,714	23.4%	19,321	13.1%
Total Patient Days	60,268	58,290	3.4%	120,882	117,610	2.8%	118,417	2.1%
Average Daily Census	669.6	647.7	3.4%	664.2	646.2	2.8%	647.1	2.6%
Average Operating Beds	701	700	0.1%	700	700	0.0%	698	0.3%
Bed Occupancy %	95.5%	92.5%	3.3%	94.9%	92.3%	2.8%	92.7%	2.3%
Inpatient Average Length of Stay	6.89	6.00	14.7%	6.59	6.16	6.9%	6.36	3.6%
Inpatient Case Mix Index (CMI)	1.739	1.712	1.6%	1.716	1.712	0.2%	1.687	1.7%
Payor Mix (% of Charges)								
Charity & Self Pay	41.0%	43.4%	-5.5%	41.5%	43.4%	-4.3%	43.6%	-4.8%
Medicaid & Medicaid Managed	19.4%	19.4%	0.1%	19.6%	19.4%	1.1%	19.7%	-0.2%
Medicare & Medicare Managed	11.6%	11.4%	1.5%	11.3%	11.4%	-1.4%	11.9%	-5.0%
Commercial & Other	28.0%	25.8%	8.6%	27.6%	25.8%	6.9%	24.9%	10.9%
Total Unduplicated Patients - Rolling 12				245,602			247,463	-0.8%
Total New Patient - Rolling 12				88,862			89,075	-0.2%

Harris Health

Statistical Highlights

As of the Quarter Ended March 31, 2025

Cases Occupying Beds - Q2

Actual	Budget	Prior Year
10,273	11,016	10,405

Cases Occupying Beds - YTD

Actual	Budget	Prior Year
21,131	21,638	21,250

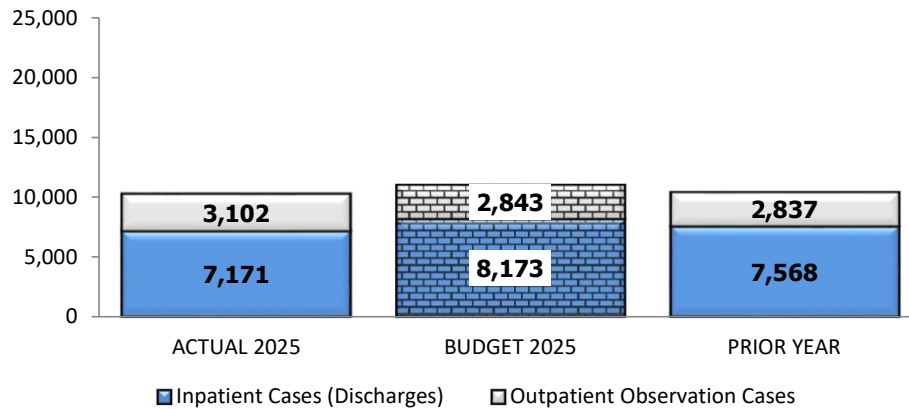
Emergency Visits - Q2

Actual	Budget	Prior Year
39,770	40,384	40,793

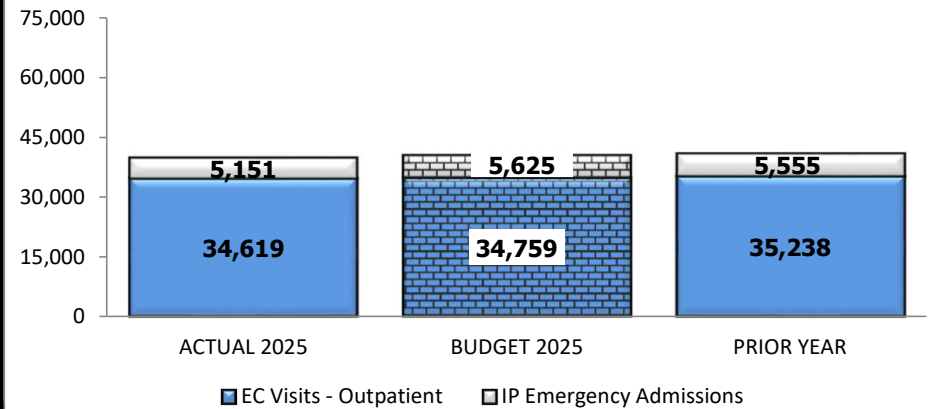
Emergency Visits - YTD

Actual	Budget	Prior Year
80,549	80,487	79,710

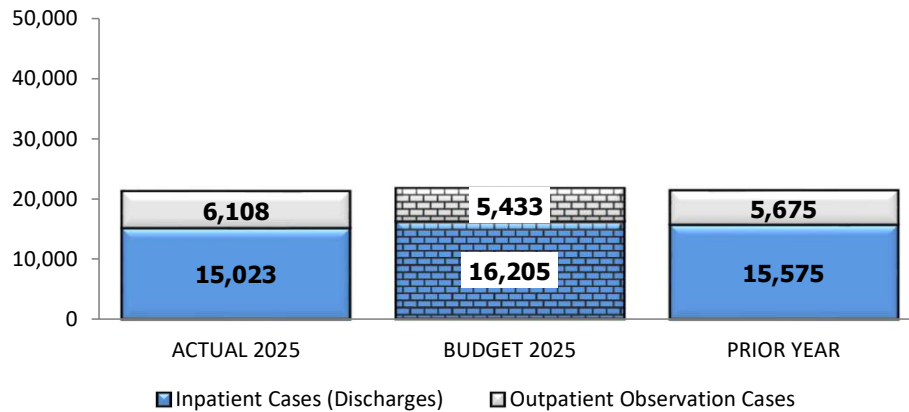
Cases Occupying Beds - Quarter End



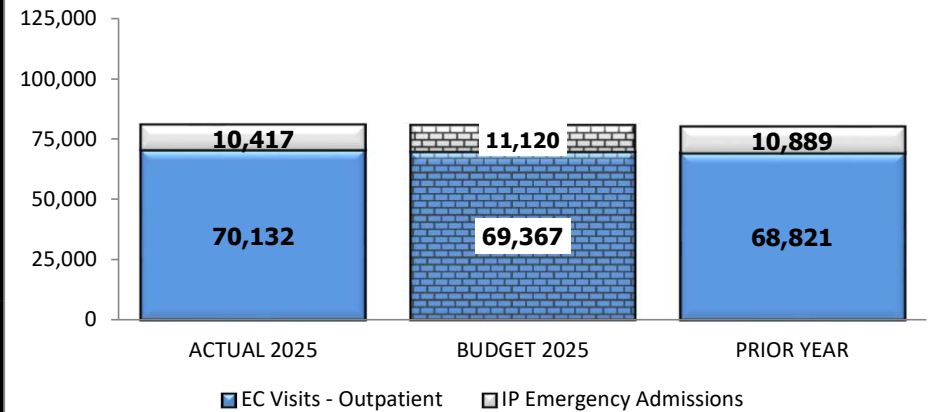
Emergency Visits - Quarter End



Cases Occupying Beds - YTD



Emergency Visits - YTD



Harris Health

Statistical Highlights

As of the Quarter Ended March 31, 2025

Surgery Cases - Q2

Actual	Budget	Prior Year
5,549	5,539	5,197

Surgery Cases - YTD

Actual	Budget	Prior Year
11,245	10,854	10,422

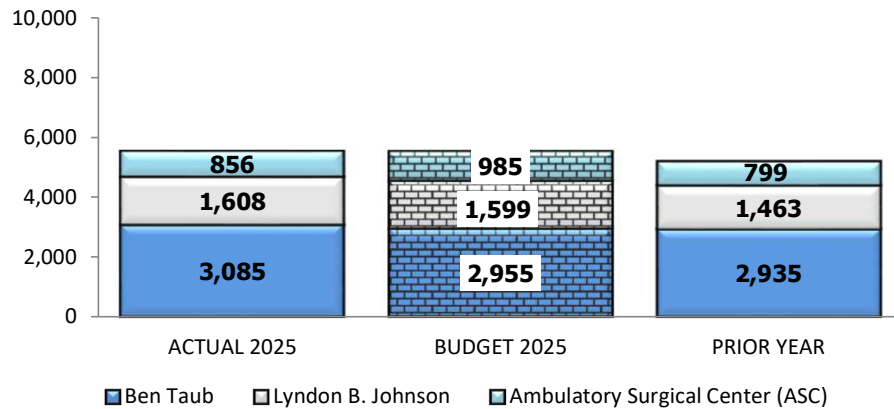
Clinic Visits - Q2

Actual	Budget	Prior Year
224,516	228,555	225,401

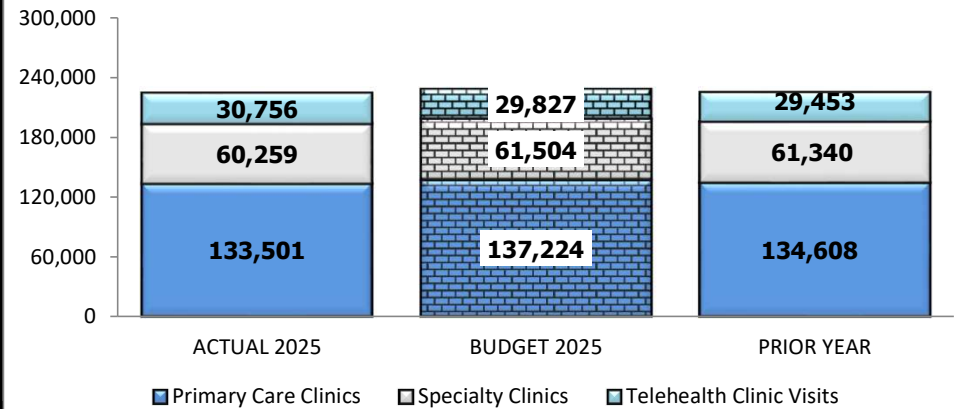
Clinic Visits - YTD

Actual	Budget	Prior Year
454,953	450,839	442,621

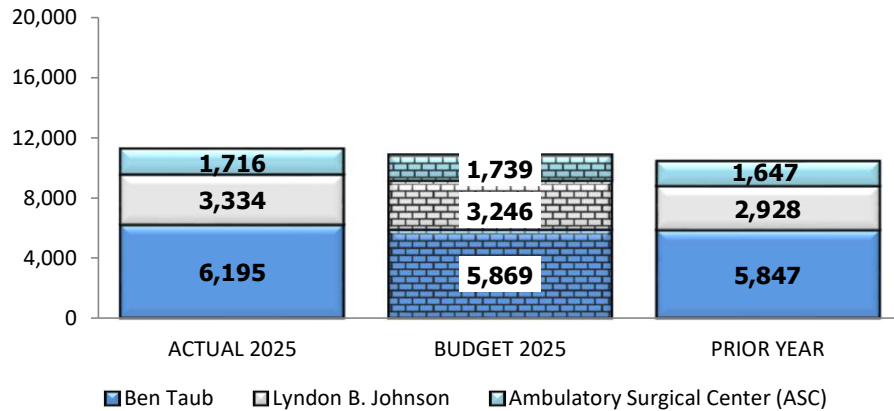
Surgery Cases - Quarter End



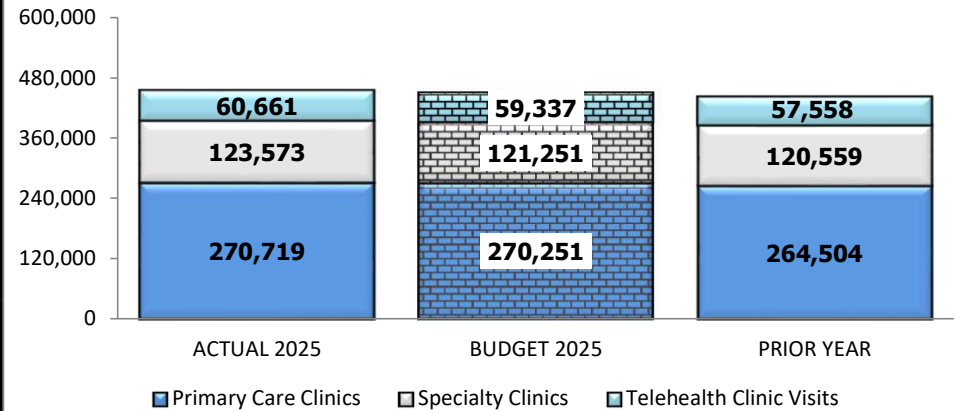
Clinic Visits - Quarter End



Surgery Cases - YTD



Clinic Visits - YTD



Harris Health

Statistical Highlights

As of the Quarter Ended March 31, 2025

Adjusted Patient Days - Q2

132,884

Adjusted Patient Days - YTD

267,427

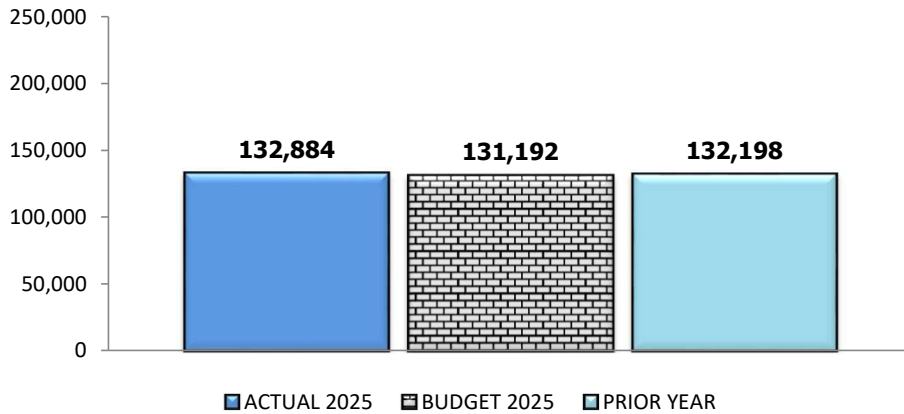
Average Daily Census - Q2

669.6

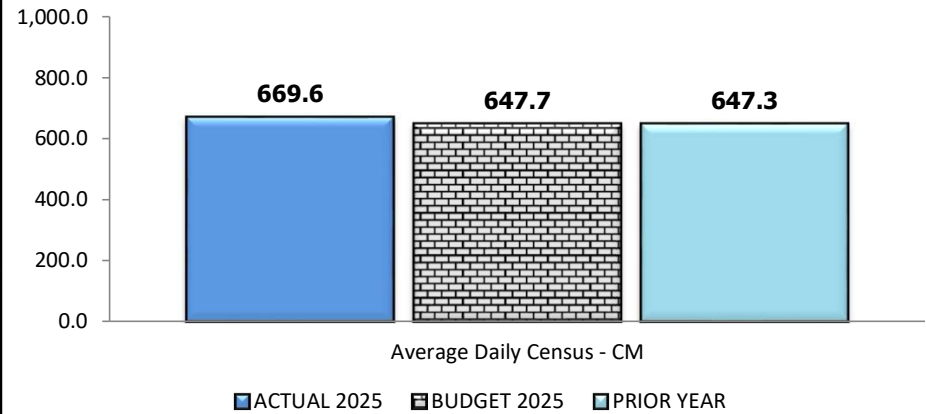
Average Daily Census - YTD

664.2

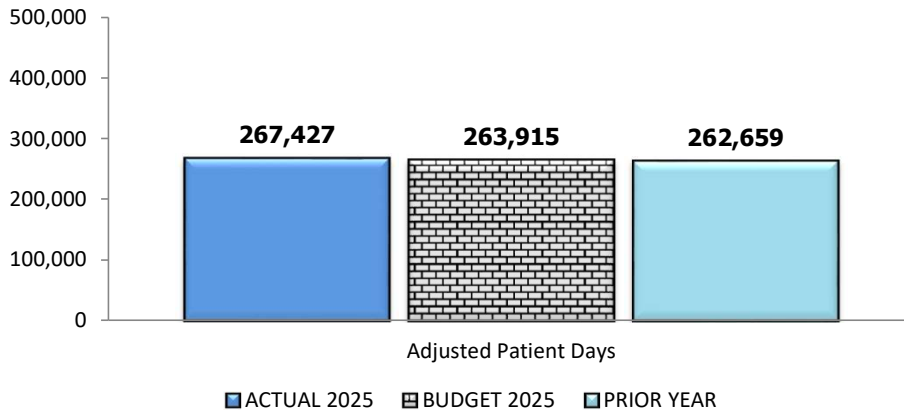
Adjusted Patient Days - Quarter End



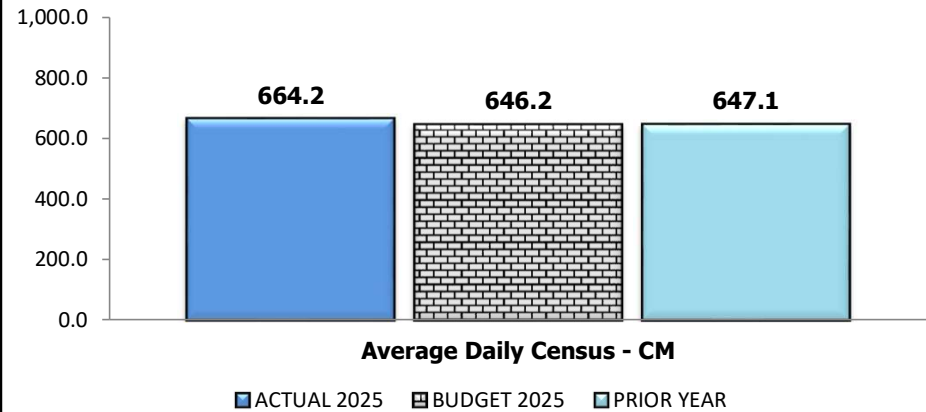
Average Daily Census - Quarter End



Adjusted Patient Days - YTD



Average Daily Census - YTD



Harris Health

Statistical Highlights

As of the Quarter Ended March 31, 2025

Inpatient ALOS - Q2

6.89

Inpatient ALOS - YTD

6.59

Case Mix Index - Q2

Overall

1.739

Excl. Obstetrics

1.926

Case Mix Index (CMI) - YTD

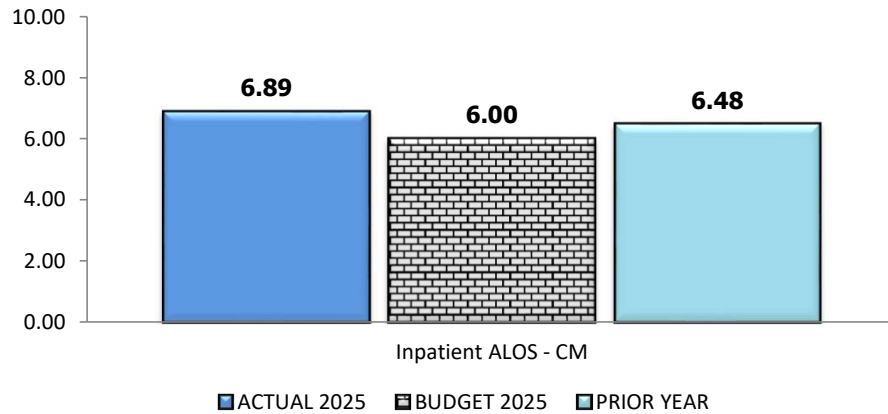
Overall

1.716

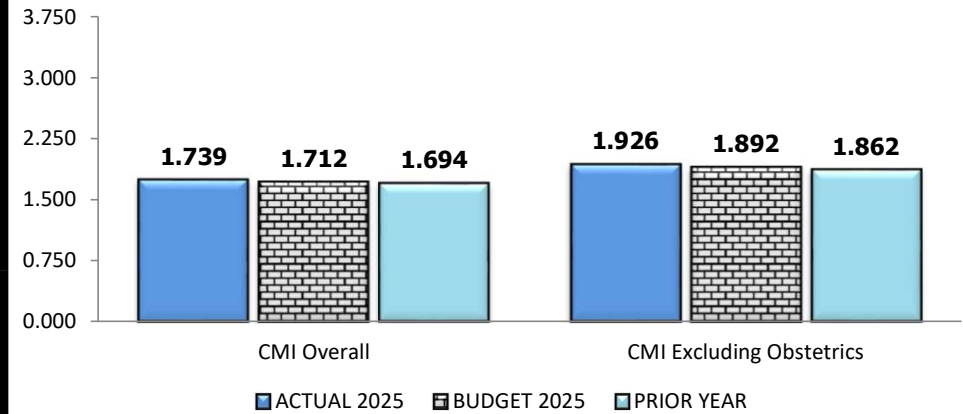
Excl. Obstetrics

1.909

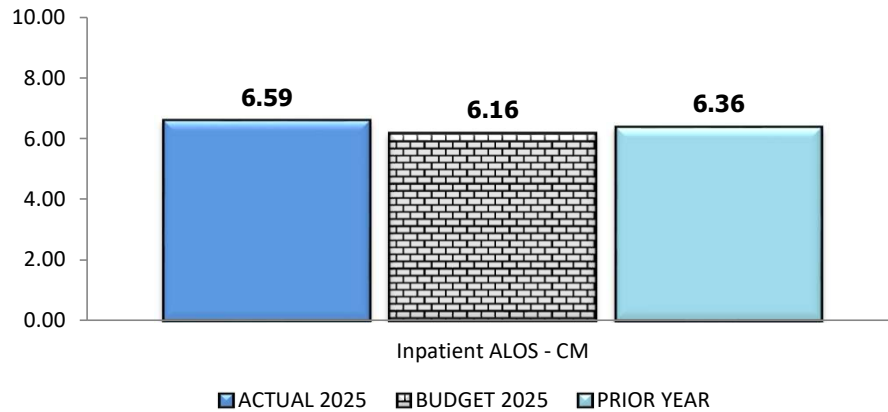
Inpatient ALOS - Quarter End



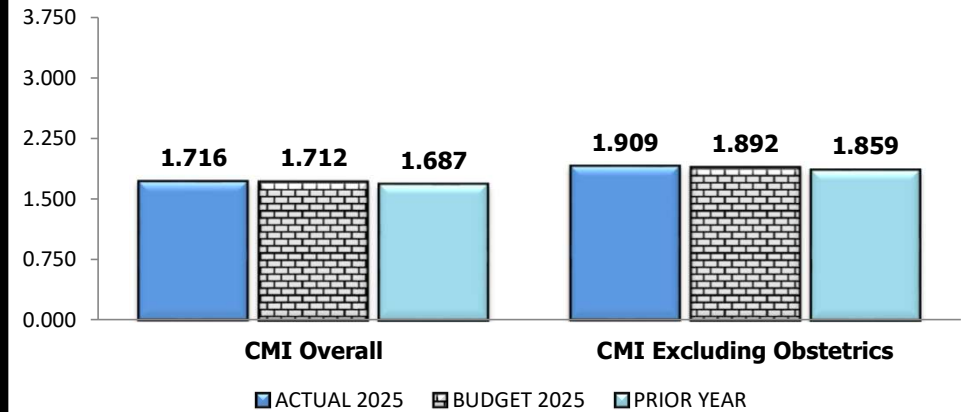
Case Mix Index - Quarter End



Inpatient ALOS - YTD



Case Mix Index - YTD



Harris Health

Statistical Highlights - Cases Occupying Beds

As of the Quarter Ended March 31, 2025

BT Cases Occupying Beds - Q2

Actual	Budget	Prior Year
5,963	6,673	6,150

BT Cases Occupying Beds - YTD

Actual	Budget	Prior Year
12,296	12,986	12,627

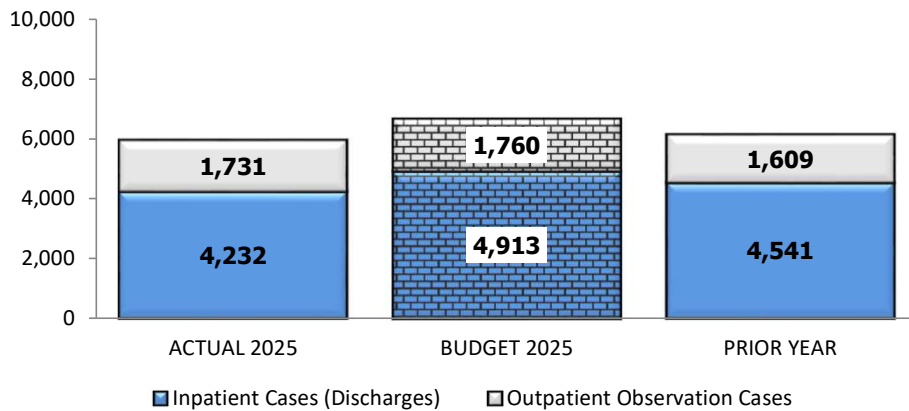
LBJ Cases Occupying Beds - Q2

Actual	Budget	Prior Year
4,266	4,296	4,251

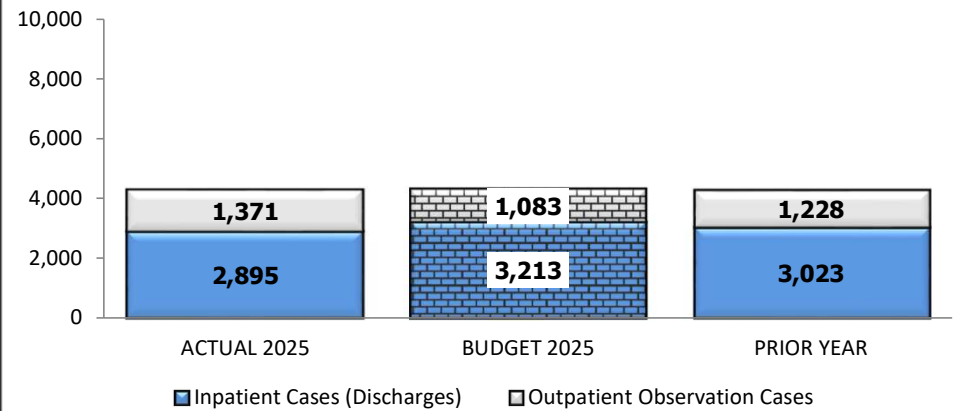
LBJ Cases Occupying Beds - YTD

Actual	Budget	Prior Year
8,746	8,558	8,619

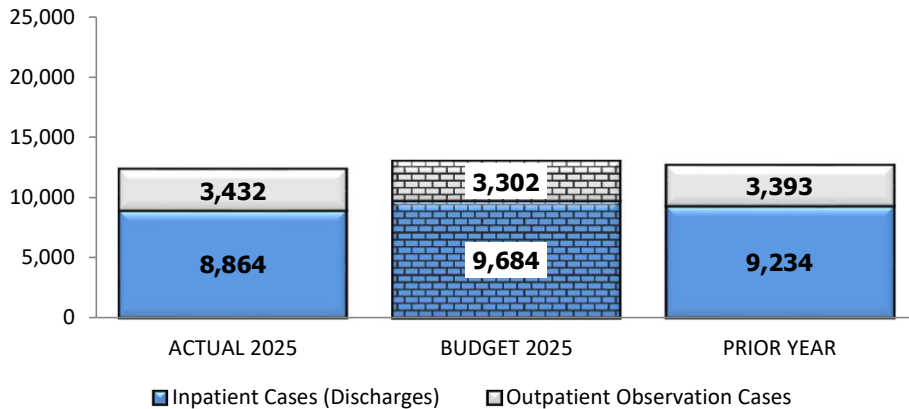
Ben Taub Cases - Quarter End



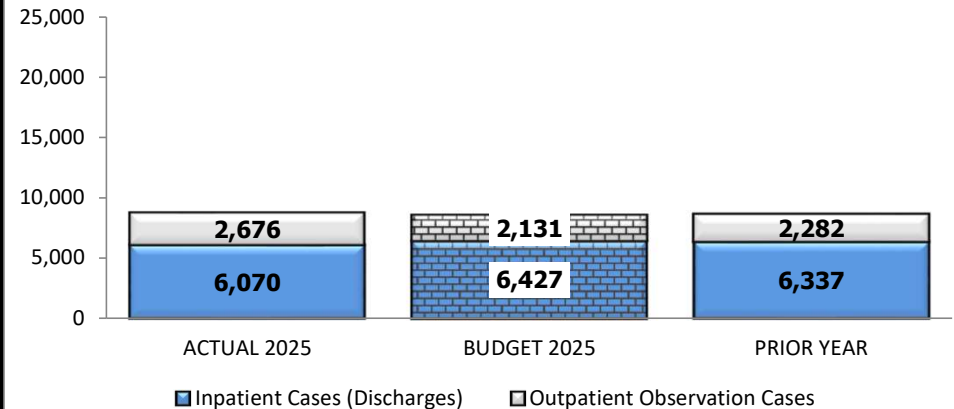
Lyndon B. Johnson Cases - Quarter End



Ben Taub Cases - YTD



Lyndon B. Johnson Cases - YTD



Harris Health

Statistical Highlights - Surgery Cases

As of the Quarter Ended March 31, 2025

BT Surgery Cases - Q2

Actual	Budget	Prior Year
3,085	2,955	2,935

BT Surgery Cases - YTD

Actual	Budget	Prior Year
6,195	5,869	5,847

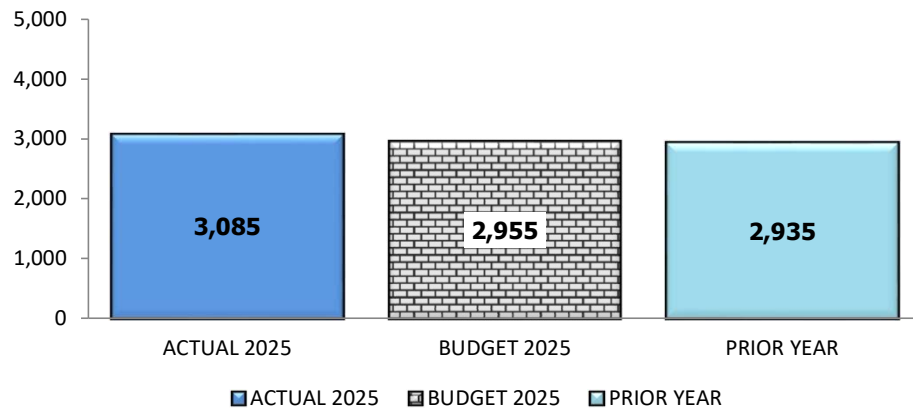
LBJ Surgery Cases - Q2

Actual	Budget	Prior Year
2,464	2,584	2,262

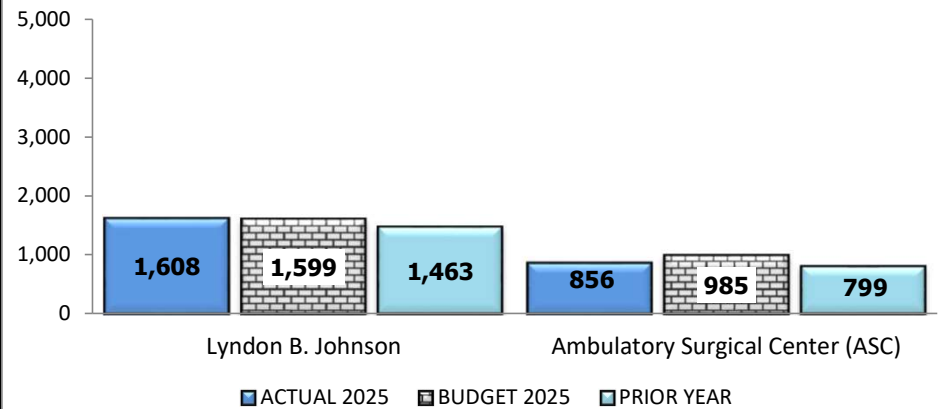
LBJ Surgery Cases - YTD

Actual	Budget	Prior Year
5,050	4,985	4,575

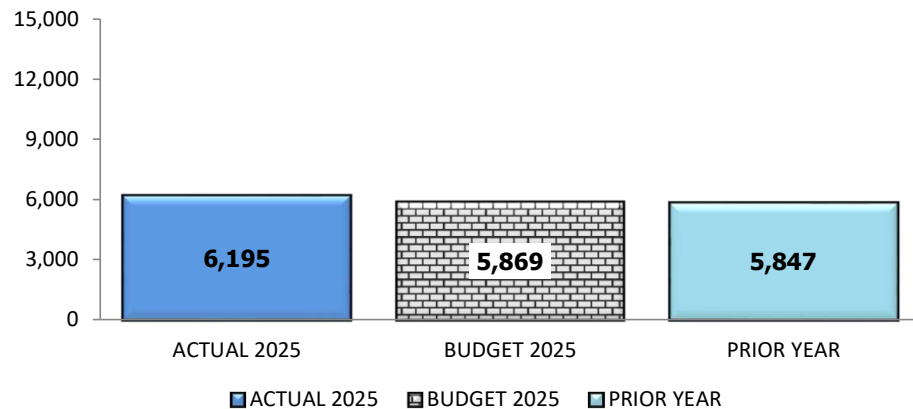
Ben Taub OR Cases - Quarter End



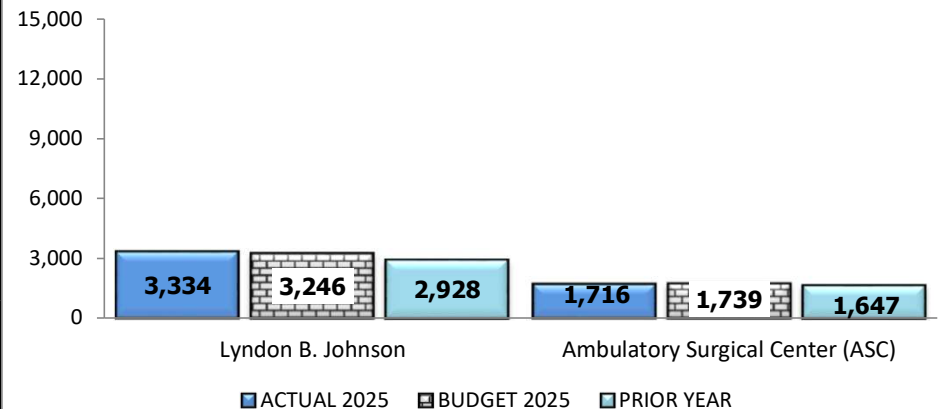
Lyndon B. Johnson OR Cases - Quarter End



Ben Taub OR Cases - YTD



Lyndon B. Johnson OR Cases - YTD



Harris Health

Statistical Highlights - Emergency Room Visits

As of the Quarter Ended March 31, 2025

BT Emergency Visits - Q2

Actual	Budget	Prior Year
20,586	21,178	20,352

BT Emergency Visits - YTD

Actual	Budget	Prior Year
41,225	42,159	41,060

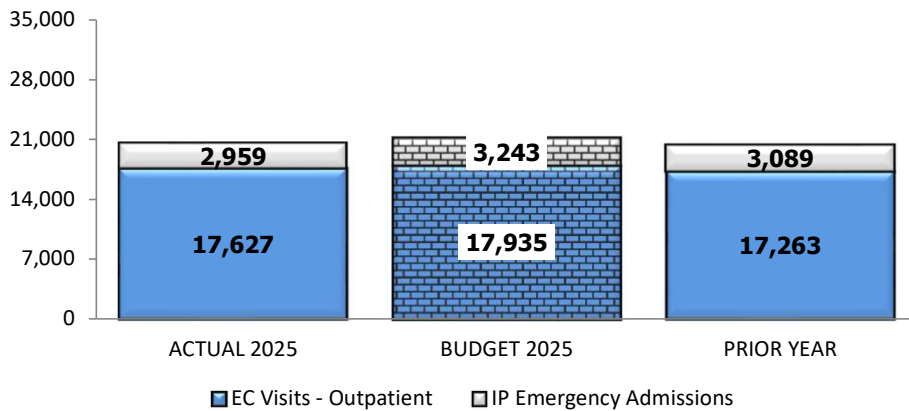
LBJ Emergency Visits - Q2

Actual	Budget	Prior Year
19,184	19,206	20,441

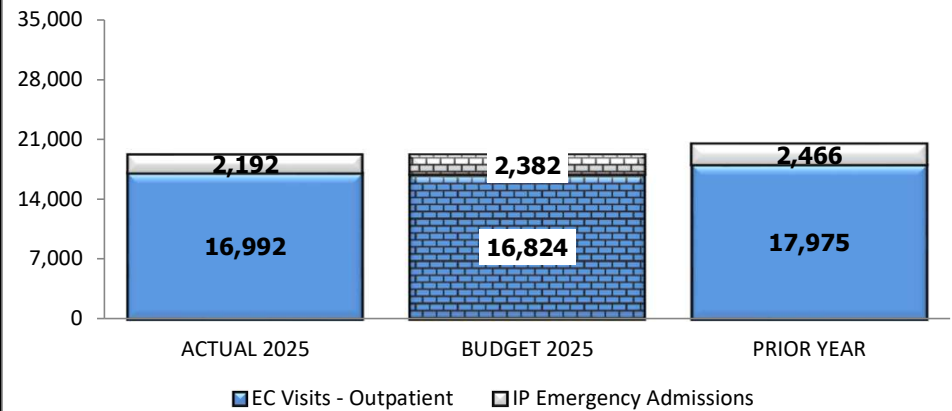
LBJ Emergency Visits - YTD

Actual	Budget	Prior Year
39,324	38,328	38,650

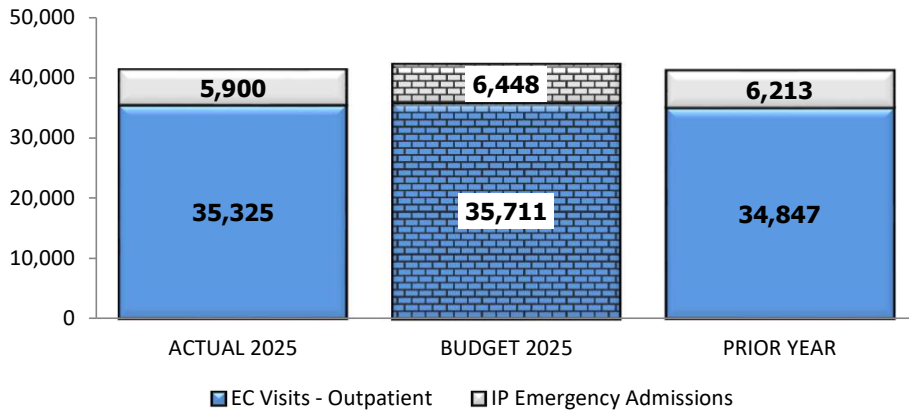
Ben Taub EC Visits - Quarter End



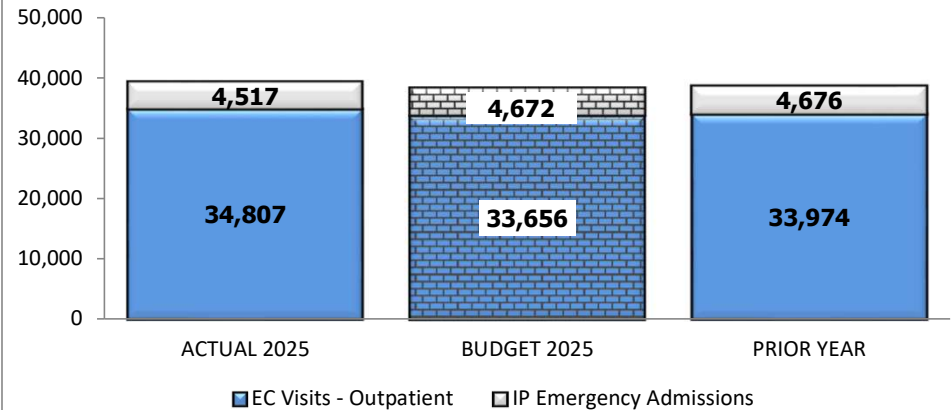
Lyndon B. Johnson EC Visits - Quarter End



Ben Taub EC Visits - YTD



Lyndon B. Johnson EC Visits - YTD



Harris Health

Statistical Highlights - Births

As of the Quarter Ended March 31, 2025

BT Births - Q2

Actual	Budget	Prior Year
740	829	710

BT Births - YTD

Actual	Budget	Prior Year
1,573	1,565	1,421

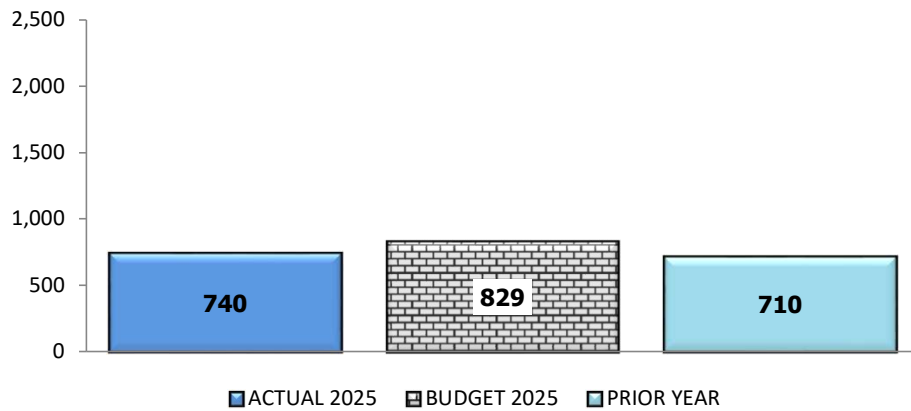
LBJ Births - Q2

Actual	Budget	Prior Year
552	558	551

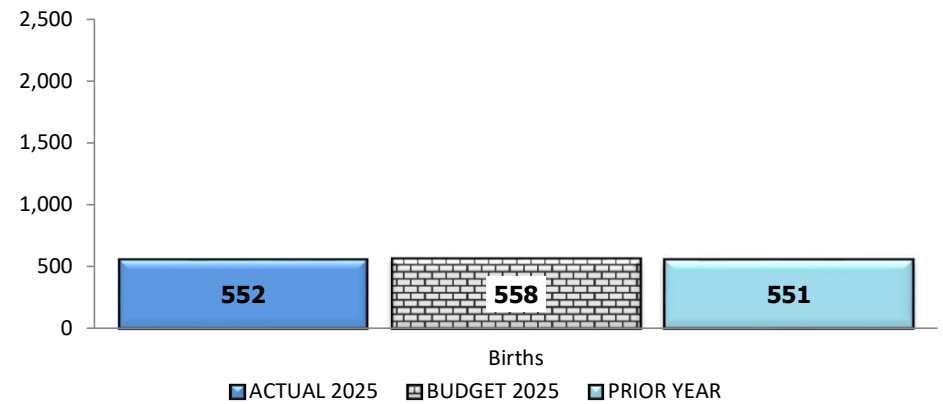
LBJ Births - YTD

Actual	Budget	Prior Year
1,198	1,179	1,157

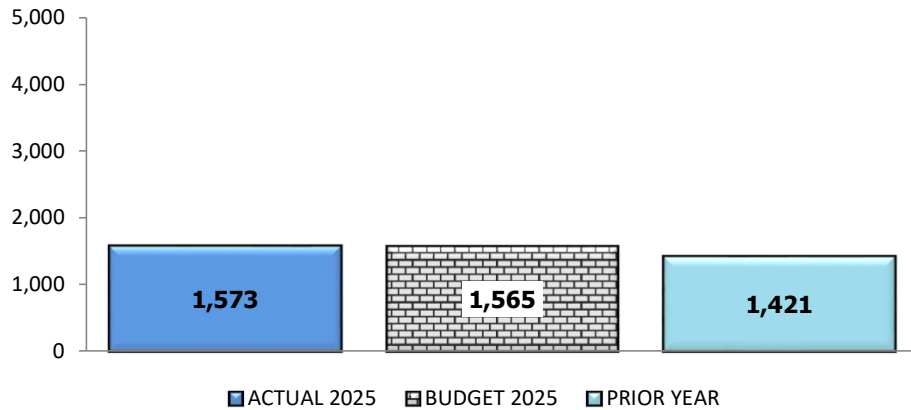
Ben Taub Births - Quarter End



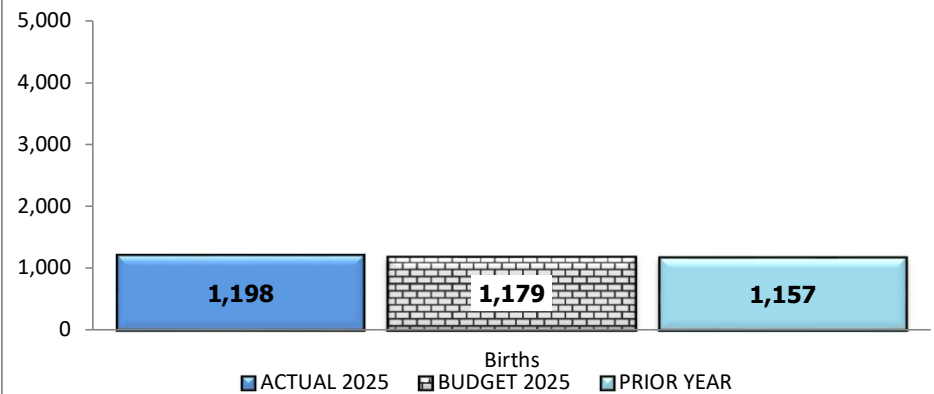
Lyndon B. Johnson Births - Quarter End



Ben Taub Births - YTD



Lyndon B. Johnson Births - YTD



Harris Health

Statistical Highlights - Adjusted Patient Days

As of the Quarter Ended March 31, 2025

BT Adjusted Patient Days - Q2

64,855

BT Adjusted Patient Days - YTD

129,517

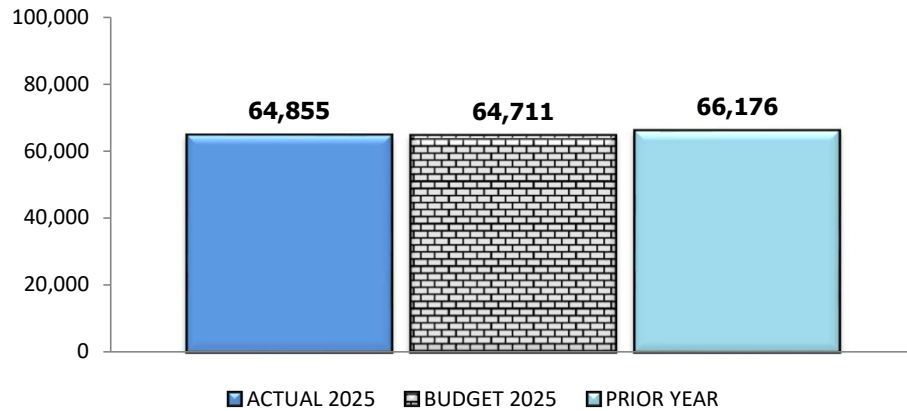
LBJ Adjusted Patient Days - Q2

40,418

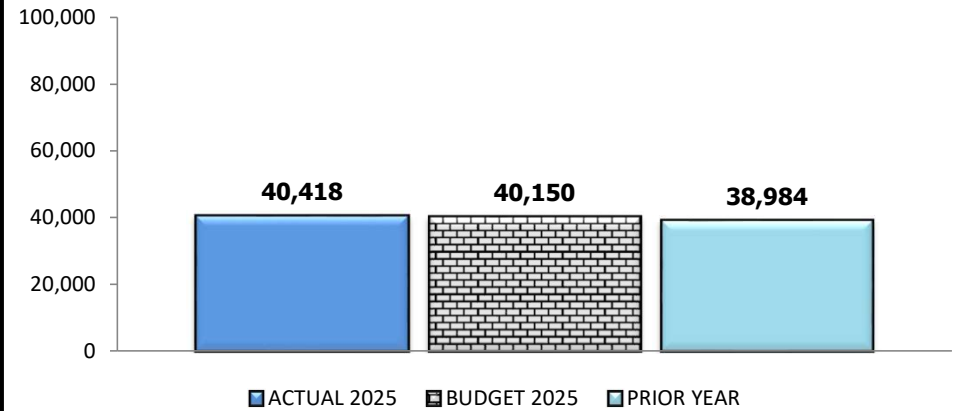
LBJ Adjusted Patient Days - YTD

82,067

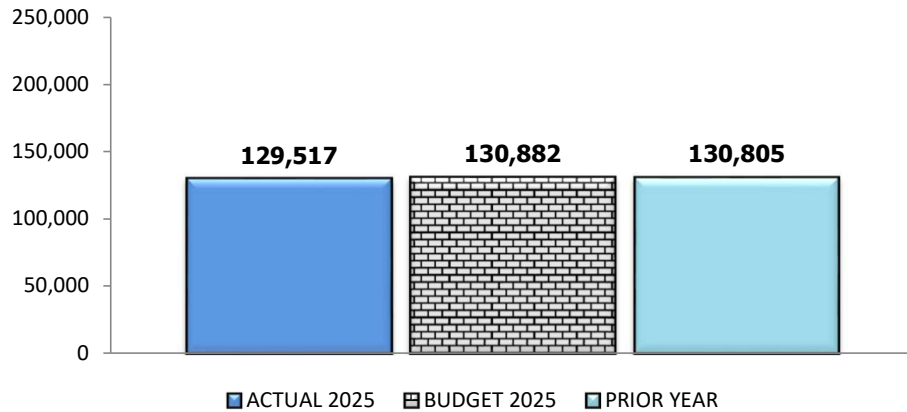
Ben Taub APD - Quarter End



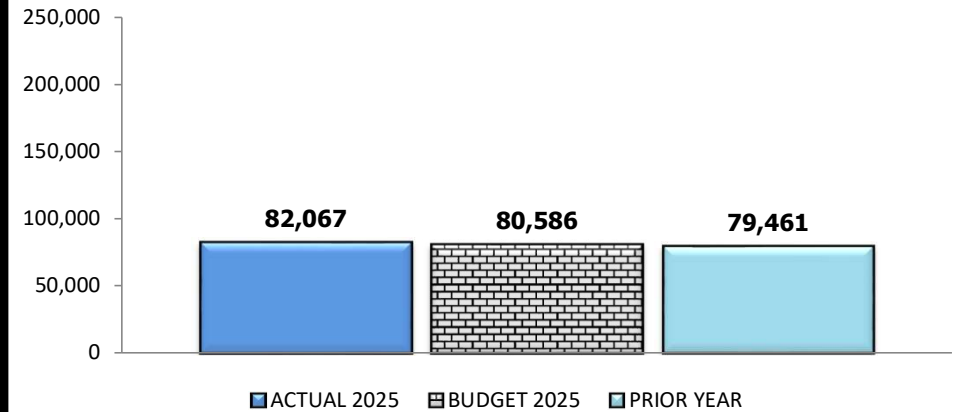
Lyndon B. Johnson APD - Quarter End



Ben Taub APD - YTD



Lyndon B. Johnson APD - YTD



Harris Health

Statistical Highlights - Average Daily Census (ADC)

As of the Quarter Ended March 31, 2025

BT Average Daily Census - Q2

438.1

BT Average Daily Census - YTD

430.8

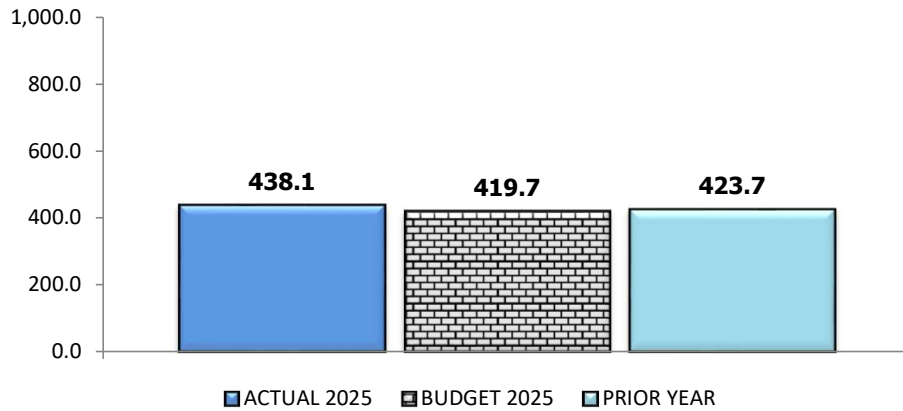
LBJ Average Daily Census - YTD

229.9

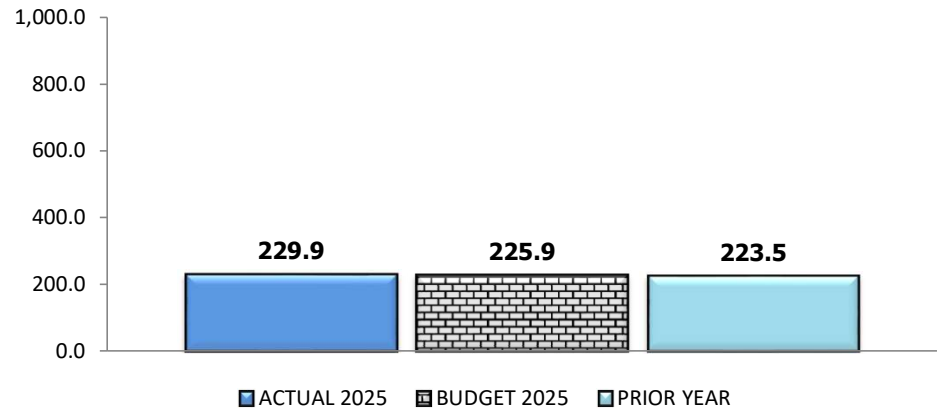
LBJ Average Daily Census - YTD

231.7

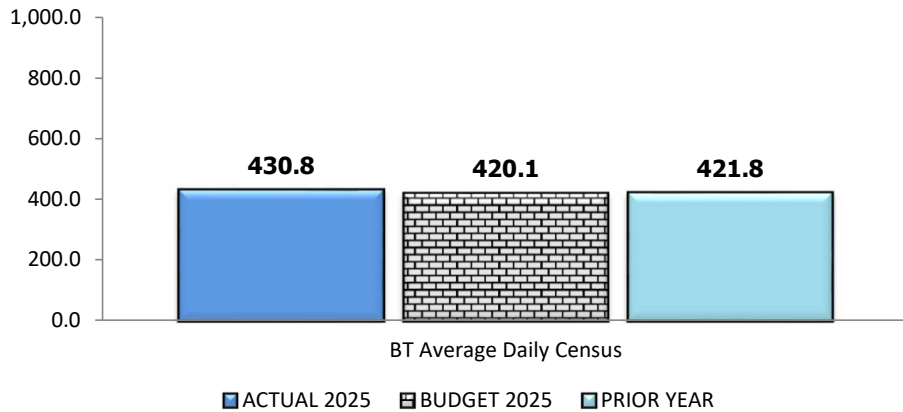
Ben Taub ADC - Quarter End



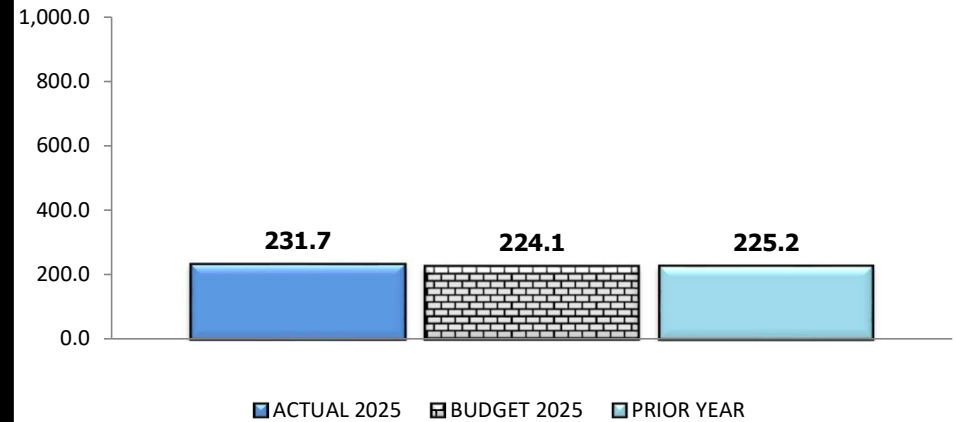
Lyndon B. Johnson ADC - Quarter End



Ben Taub ADC - YTD



Lyndon B. Johnson ADC - YTD



Harris Health

Statistical Highlights - Inpatient Average Length of Stay (ALOS)

As of the Quarter Ended March 31, 2025

BT Inpatient ALOS - Q2

7.66

BT Inpatient ALOS - YTD

7.27

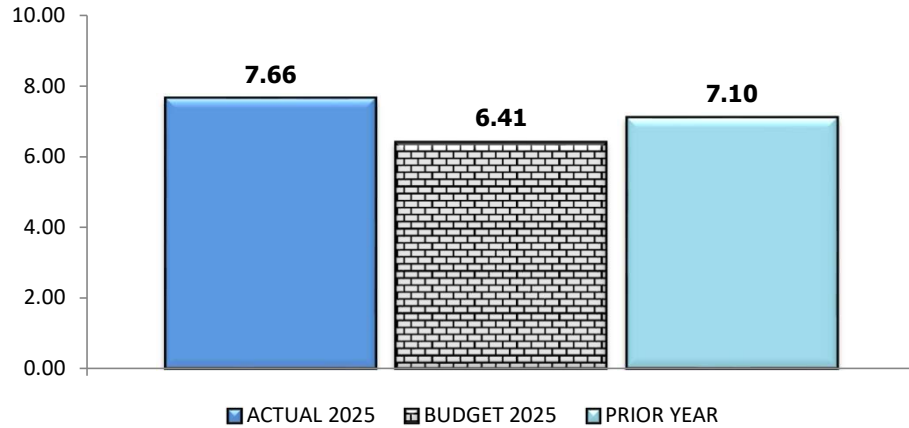
LBJ Inpatient ALOS - Q2

5.82

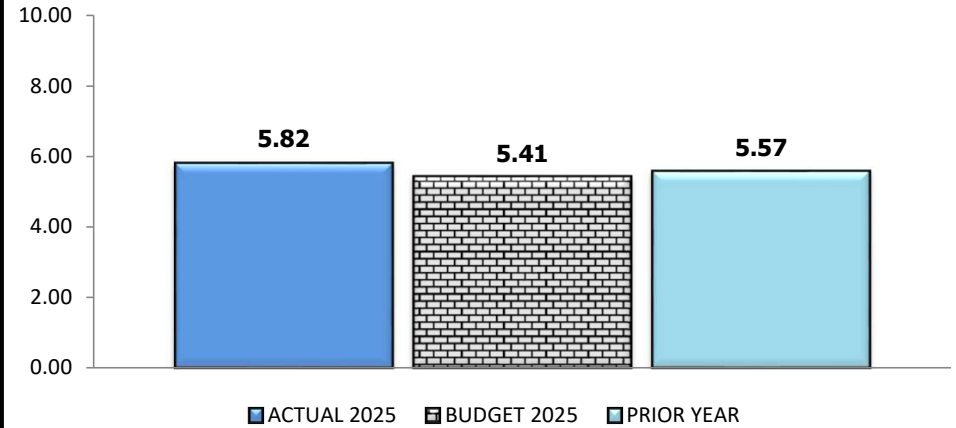
LBJ Inpatient ALOS - YTD

5.64

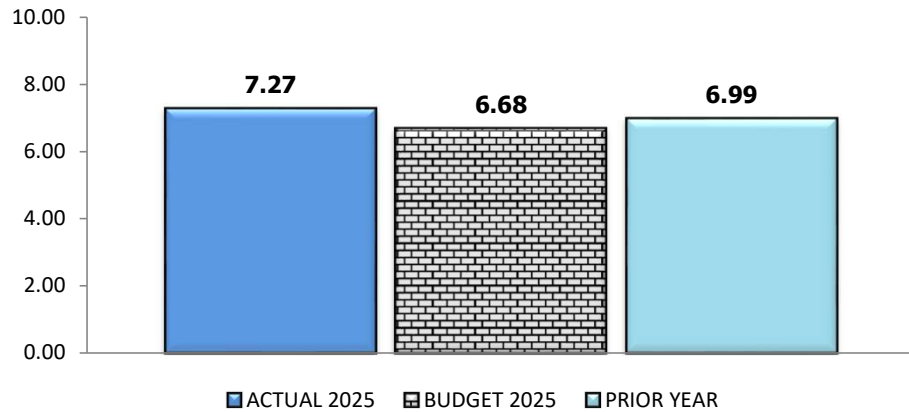
Ben Taub ALOS - Quarter End



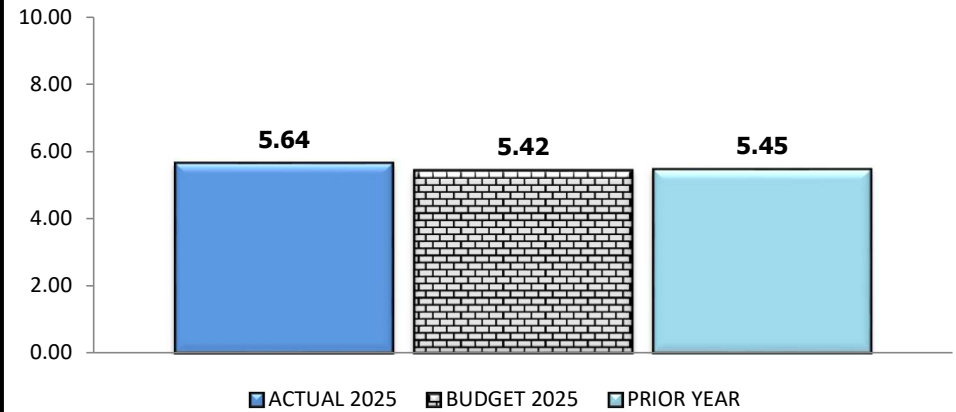
Lyndon B. Johnson ALOS - Quarter End



Ben Taub ALOS - YTD



Lyndon B. Johnson ALOS - YTD



Harris Health

Statistical Highlights - Case Mix Index (CMI)

As of the Quarter Ended March 31, 2025

BT Case Mix Index (CMI) - Q2

Overall	Excl. Obstetrics
1.868	2.070

BT Case Mix Index (CMI) - YTD

Overall	Excl. Obstetrics
1.847	2.055

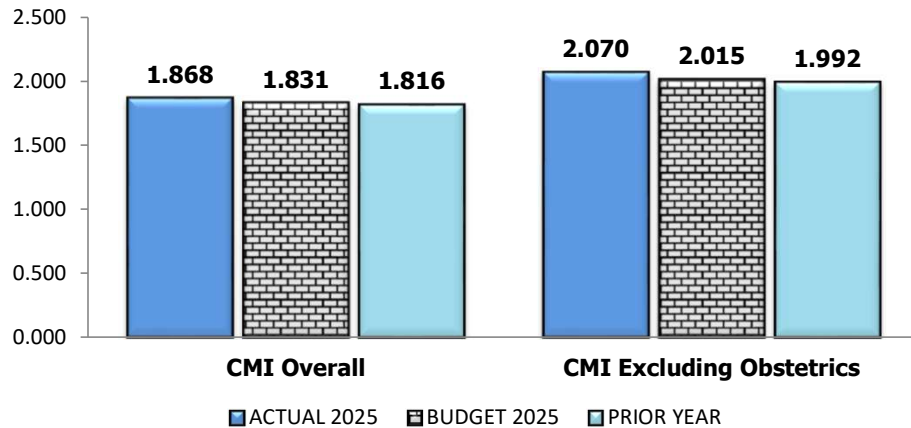
LBJ Case Mix Index (CMI) - Q2

Overall	Excl. Obstetrics
1.560	1.726

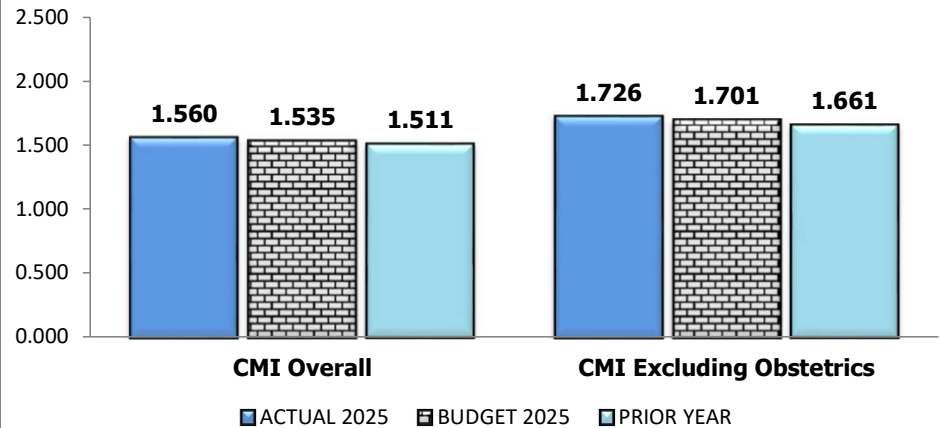
LBJ Case Mix Index (CMI) - YTD

Overall	Excl. Obstetrics
1.534	1.705

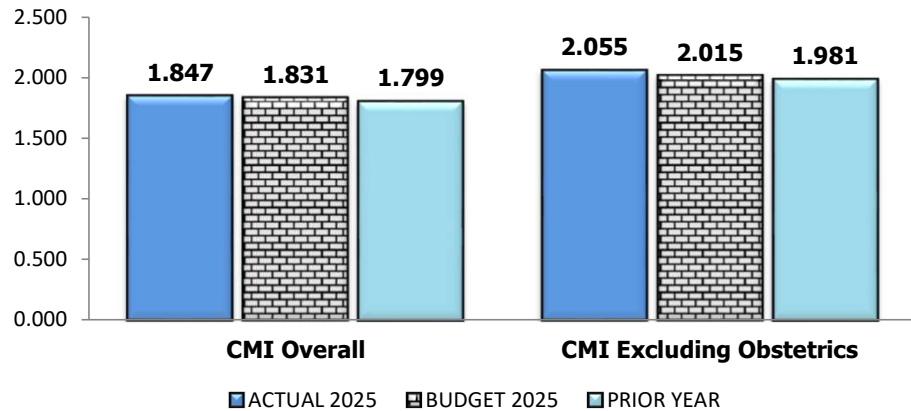
Ben Taub CMI - Quarter End



Lyndon B. Johnson CMI - Quarter End



Ben Taub CMI - YTD



Lyndon B. Johnson CMI - YTD

