



Financial Statements

As of October 31, 2025
Subject to Audit



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Financial Highlights Review **HARRISHEALTH**

As of October 31, 2025

Operating income for the month ended October 31, 2025 was \$22.9 million compared to budgeted income of \$7.7 million.

Total net revenue for the month ended October 31, 2025 of \$242.1 million was \$5.7 million or 2.4% more than budget. Net patient revenue was \$8.8 million more than budget while Medicaid Supplement Programs was \$2.7 million less than budget.

As of October 31, 2025, total expenses of \$219.2 million were \$9.5 million or 4.1% less than budget. Total labor costs were \$6.0 million less than budget driven primarily by the timing of strategic initiatives' implementation.

For the month ended October 31, 2025, total patient days and average daily census decreased 0.3% compared to budget. Inpatient case mix index, a measure of patient acuity, was 2.5% lower than budget while length of stay was 5.7% higher than budget. Emergency room visits were 7.3% less than budget. Total clinic visits, including telehealth, were 5.4% higher compared to budget. Births were down 22.0%.

Total cash receipts for the month were \$159.8 million. The System has \$1,528.3 million in unrestricted cash, cash equivalents and investments, representing 223.3 days cash on hand. Days cash on hand continues to be impacted by reimbursement from the Series 2025 bond totaling \$438.5 million as of October 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 \$150.7 million in net accounts receivable, representing 60.0 days of outstanding patient accounts receivable at October 31, 2025. The October balance sheet reflects a combined net receivable position of \$52.0 million under the various Medicaid Supplemental programs. The current portion of ad valorem taxes receivable is \$1,234.3 million, which is offset by ad valorem tax collections as received. Accounts payable and accrued liabilities include \$1,133.1 million in deferred ad valorem tax revenues that are released as ad valorem tax revenue is recognized. As of October 31, 2025, \$0.1 million in ad valorem tax collections were received and \$101.5 million in current ad valorem tax revenue was recognized.

Income Statement

HARRISHEALTH

As of October 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	\$ 77.9	\$ 69.1	12.7%	\$ 77.9	\$ 69.1	12.7%	\$ 56.2	38.5%
Medicaid Supplemental Programs	51.9	54.6	-4.9%	51.9	54.6	-4.9%	51.4	1.0%
Other Operating Revenue	3.5	4.7	-24.1%	3.5	4.7	-24.1%	11.1	-68.1%
Total Operating Revenue	\$ 133.4	\$ 128.4	3.9%	\$ 133.4	\$ 128.4	3.9%	\$ 118.7	12.3%
Net Ad Valorem Taxes	101.5	101.3	0.2%	101.5	101.3	0.2%	83.1	22.1%
Net Tobacco Settlement Revenue	-	-	0.0%	-	-	0.0%	-	0.0%
Capital Gifts & Grants	-	0.8	0.0%	-	0.8	-100.0%	-	0.0%
Interest Income & Other	7.2	5.9	23.3%	7.2	5.9	23.3%	6.7	8.1%
Total Nonoperating Revenue	\$ 108.7	\$ 108.0	0.6%	\$ 108.7	\$ 108.0	0.6%	\$ 89.8	21.1%
Total Net Revenue	\$ 242.1	\$ 236.4	2.4%	\$ 242.1	\$ 236.4	2.4%	\$ 208.5	16.1%
EXPENSE								
Salaries and Wages	\$ 83.8	\$ 89.1	6.0%	\$ 83.8	\$ 89.1	6.0%	\$ 81.0	-3.5%
Employee Benefits	28.2	28.8	2.3%	28.2	28.8	2.3%	27.6	-2.0%
Total Labor Cost	\$ 112.0	\$ 118.0	5.1%	\$ 112.0	\$ 118.0	5.1%	\$ 108.6	-3.1%
Supply Expenses	28.3	30.3	6.4%	28.3	30.3	6.4%	29.1	2.7%
Physician Services	40.4	39.4	-2.6%	40.4	39.4	-2.6%	37.2	-8.7%
Purchased Services	26.3	28.8	8.7%	26.3	28.8	8.7%	26.9	2.2%
Depreciation & Interest	12.2	12.2	0.5%	12.2	12.2	0.5%	8.8	-39.0%
Total Operating Expense	\$ 219.2	\$ 228.7	4.1%	\$ 219.2	\$ 228.7	4.1%	\$ 210.5	-4.1%
Operating Income (Loss)	\$ 22.9	\$ 7.7		\$ 22.9	\$ 7.7		\$ (2.0)	
Total Margin %	9.4%	3.3%		9.4%	3.3%		-1.0%	

Balance Sheet

HARRISHEALTH

October 2025 and 2024 (in \$ Millions)

	CURRENT YEAR	PRIOR YEAR
<u>CURRENT ASSETS</u>		
Cash, Cash Equivalents and Short Term Investments	\$ 1,528.3	\$ 1,286.7
Net Patient Accounts Receivable	150.7	141.2
Net Ad Valorem Taxes, Current Portion	1,234.3	1,020.8
Other Current Assets	113.5	183.6
Total Current Assets	\$ 3,026.9	\$ 2,632.3
<u>CAPITAL ASSETS</u>		
Plant, Property, & Equipment, Net of Accumulated Depreciation	\$ 596.7	\$ 562.3
Construction in Progress	709.2	232.7
Right of Use Assets	35.9	36.1
Total Capital Assets	\$ 1,341.8	\$ 831.1
<u>ASSETS LIMITED AS TO USE & RESTRICTED ASSETS</u>		
Debt Service & Capital Asset Funds	\$ 442.6	\$ 35.3
LPPF Restricted Cash	129.4	34.1
Capital Gift Proceeds	57.2	53.9
Other - Restricted	6.1	1.0
Total Assets Limited As to Use & Restricted Assets	\$ 635.3	\$ 124.4
Other Assets	37.7	33.1
Deferred Outflows of Resources	138.8	182.3
Total Assets & Deferred Outflows of Resources	\$ 5,180.4	\$ 3,803.2
<u>CURRENT LIABILITIES</u>		
Accounts Payable and Accrued Liabilities	\$ 400.6	\$ 217.4
Employee Compensation & Related Liabilities	170.6	146.3
Deferred Revenue - Ad Valorem	1,133.1	937.4
Estimated Third-Party Payor Settlements	36.2	30.3
Current Portion Long-Term Debt and Capital Leases	36.5	35.3
Total Current Liabilities	\$ 1,777.0	\$ 1,366.7
Long-Term Debt	1,107.4	280.3
Net Pension & Post Employment Benefits Liability	644.8	686.7
Other Long-Term Liabilities	5.8	8.2
Deferred Inflows of Resources	82.2	110.4
Total Liabilities	\$ 3,617.1	\$ 2,452.3
Total Net Assets	\$ 1,563.3	\$ 1,350.9
Total Liabilities & Net Assets	\$ 5,180.4	\$ 3,803.2

Cash Flow Summary

HARRISHEALTH

As of October 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	\$ 73.3	\$ 74.2	\$ 73.3	\$ 74.2
Medicaid Supplemental Programs	33.5	(25.8)	33.5	(25.8)
Net Ad Valorem Taxes	0.1	0.0	0.1	0.0
Tobacco Settlement	-	-	-	-
Other Revenue	53.0	9.2	53.0	9.2
Total Cash Receipts	\$ 159.8	\$ 57.7	\$ 159.8	\$ 57.7
<u>CASH DISBURSEMENTS</u>				
Salaries, Wages and Benefits	\$ 115.8	\$ 103.2	\$ 115.8	\$ 103.2
Supplies	34.3	35.9	34.3	35.9
Physician Services	38.9	35.2	38.9	35.2
Purchased Services	28.3	29.1	28.3	29.1
Capital Expenditures	73.3	29.4	73.3	29.4
Debt and Interest Payments	0.3	0.3	0.3	0.3
Other Uses	(11.6)	1.3	(11.6)	1.3
Total Cash Disbursements	\$ 279.4	\$ 234.4	\$ 279.4	\$ 234.4
Net Change	\$ (119.6)	\$ (176.7)	\$ (119.6)	\$ (176.7)
Unrestricted cash, cash equivalents and investments - Beginning of year			\$ 1,647.8	
Net Change			\$ (119.6)	
Unrestricted cash, cash equivalents and investments - End of period			\$ 1,528.3	

Performance Ratios

HARRISHEALTH

As of October 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 %	9.4%	3.3%	9.4%	3.3%	-1.0%
Run Rate per Day (In\$ Millions)	\$ 6.8	\$ 7.1	\$ 6.8	\$ 7.1	\$ 6.5
Salary, Wages & Benefit per APD	\$ 2,406	\$ 2,586	\$ 2,406	\$ 2,586	\$ 2,348
Supply Cost per APD	\$ 609	\$ 664	\$ 609	\$ 664	\$ 630
Physician Services per APD	\$ 868	\$ 863	\$ 868	\$ 863	\$ 804
Total Expense per APD	\$ 4,710	\$ 5,013	\$ 4,710	\$ 5,013	\$ 4,553
Overtime as a % of Total Salaries	3.1%	2.7%	3.1%	2.7%	3.4%
Contract as a % of Total Salaries	3.2%	2.9%	3.2%	2.9%	3.3%
Full-time Equivalent Employees	10,419	10,695	10,419	10,695	10,429
<u>FINANCIAL HEALTH INDICATORS</u>					
Quick Ratio			1.7		1.9
Unrestricted Cash (In \$ Millions)			\$ 1,528.3	\$ 1,536.2	\$ 1,286.7
Days Cash on Hand			223.3	215.9	196.0
Days Revenue in Accounts Receivable			60.0	67.1	77.8
Days in Accounts Payable			53.8		42.7
Capital Expenditures/Depreciation & Amortization			914.7%		374.5%
Average Age of Plant(years)			10.2		9.7

Harris Health Key Indicators



Statistical Highlights

HARRISHEALTH

As of October 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	46,536	45,617	2.0%	46,536	45,617	2.0%	46,246	0.6%
Outpatient % of Adjusted Volume	62.8%	63.2%	-0.7%	62.8%	63.2%	-0.7%	64.3%	-2.4%
Primary Care Clinic Visits	48,671	45,814	6.2%	48,671	45,814	6.2%	50,654	-3.9%
Specialty Clinic Visits	23,007	22,260	3.4%	23,007	22,260	3.4%	23,589	-2.5%
Telehealth Clinic Visits	11,266	10,644	5.8%	11,266	10,644	5.8%	10,862	3.7%
Total Clinic Visits	82,944	78,718	5.4%	82,944	78,718	5.4%	85,105	-2.5%
Emergency Room Visits - Outpatient	11,772	12,884	-8.6%	11,772	12,884	-8.6%	12,793	-8.0%
Emergency Room Visits - Admitted	1,903	1,863	2.1%	1,903	1,863	2.1%	1,850	2.9%
Total Emergency Room Visits	13,675	14,747	-7.3%	13,675	14,747	-7.3%	14,643	-6.6%
Surgery Cases - Outpatient	1,085	997	8.8%	1,085	997	8.8%	996	8.9%
Surgery Cases - Inpatient	886	993	-10.8%	886	993	-10.8%	1,017	-12.9%
Total Surgery Cases	1,971	1,990	-1.0%	1,971	1,990	-1.0%	2,013	-2.1%
Total Outpatient Visits	136,838	151,339	-9.6%	136,838	151,339	-9.6%	141,107	-3.0%
Inpatient Cases (Discharges)	2,668	2,731	-2.3%	2,668	2,731	-2.3%	2,621	1.8%
Outpatient Observation Cases	911	1,021	-10.8%	911	1,021	-10.8%	1,061	-14.1%
Total Cases Occupying Patient Beds	3,579	3,752	-4.6%	3,579	3,752	-4.6%	3,682	-2.8%
Births	400	513	-22.0%	400	513	-22.0%	503	-20.5%
Inpatient Days	17,321	16,774	3.3%	17,321	16,774	3.3%	16,505	4.9%
Outpatient Observation Days	2,862	3,462	-17.3%	2,862	3,462	-17.3%	3,642	-21.4%
Total Patient Days	20,183	20,236	-0.3%	20,183	20,236	-0.3%	20,147	0.2%
Average Daily Census	651.1	652.8	-0.3%	651.1	652.8	-0.3%	649.9	0.2%
Average Operating Beds	699	704	-0.8%	699	704	-0.8%	702	-0.5%
Bed Occupancy %	93.2%	92.7%	0.5%	93.2%	92.7%	0.5%	92.6%	0.7%
Inpatient Average Length of Stay	6.49	6.14	5.7%	6.49	6.14	5.7%	6.30	3.1%
Inpatient Case Mix Index (CMI)	1.669	1.712	-2.5%	1.669	1.712	-2.5%	1.669	0.0%
Payor Mix (% of Charges)								
Charity & Self Pay	45.9%	45.5%	0.9%	45.9%	45.5%	0.9%	43.4%	5.8%
Medicaid & Medicaid Managed	19.1%	18.8%	1.5%	19.1%	18.8%	1.5%	18.7%	2.2%
Medicare & Medicare Managed	11.6%	10.6%	8.9%	11.6%	10.6%	8.9%	10.7%	8.3%
Commercial & Other	23.4%	25.1%	-6.5%	23.4%	25.1%	-6.5%	27.2%	-14.0%
Total Unduplicated Patients - Rolling 12				242,138			247,828	-2.3%
Total New Patient - Rolling 12				84,574			90,180	-6.2%

Harris Health

Statistical Highlights

October FY 2026

Cases Occupying Beds - CM

Actual	Budget	Prior Year
3,579	3,752	3,682

Cases Occupying Beds - YTD

Actual	Budget	Prior Year
3,579	3,752	3,682

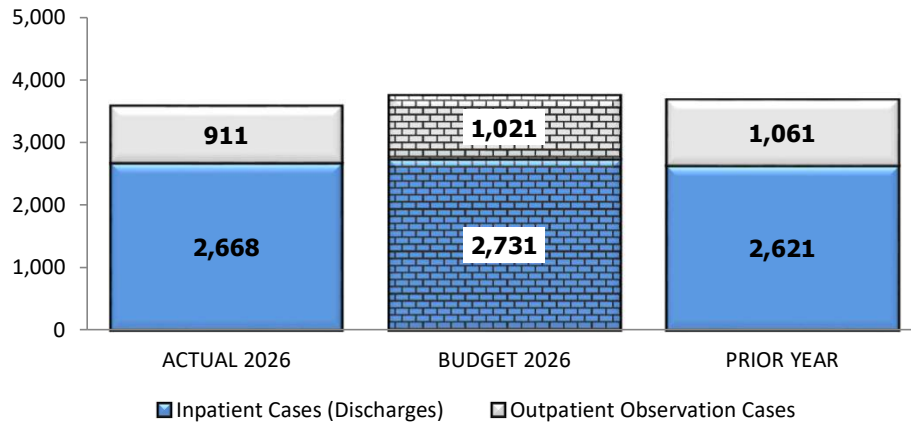
Emergency Visits - CM

Actual	Budget	Prior Year
13,675	14,747	14,643

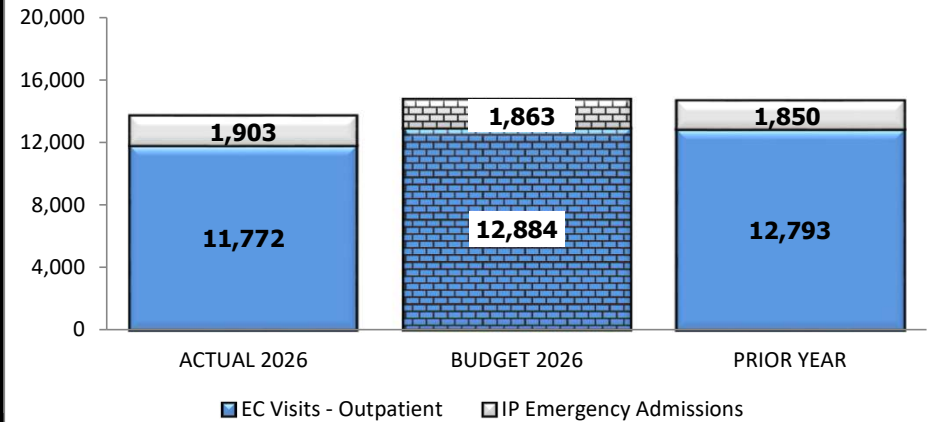
Emergency Visits - YTD

Actual	Budget	Prior Year
13,675	14,747	14,643

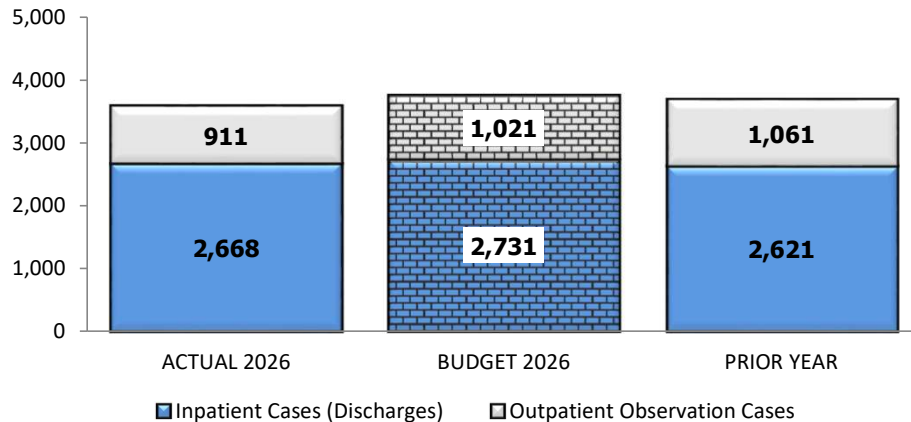
Cases Occupying Beds - Current Month



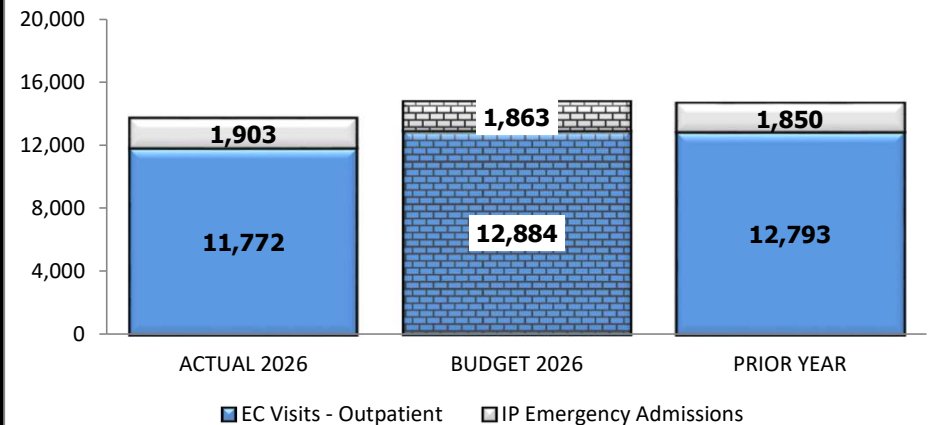
Emergency Visits - Current Month



Cases Occupying Beds - YTD



Emergency Visits - YTD



Harris Health

Statistical Highlights

October FY 2026

Surgery Cases - CM

Actual	Budget	Prior Year
1,971	1,990	2,013

Surgery Cases - YTD

Actual	Budget	Prior Year
1,971	1,990	2,013

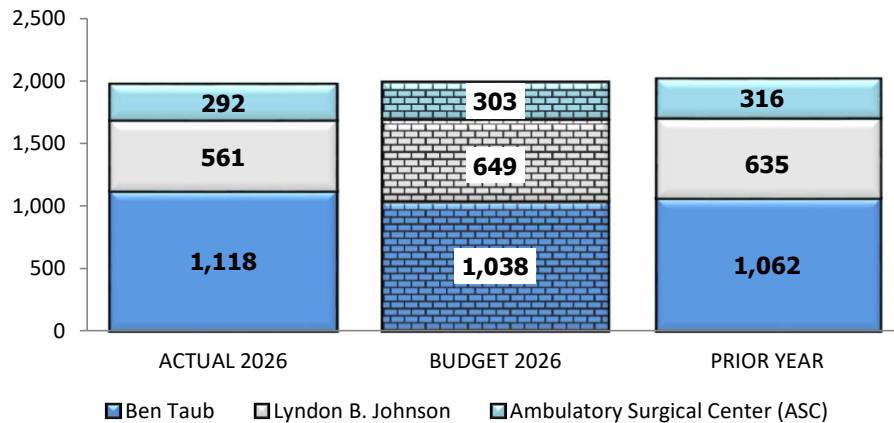
Clinic Visits - CM

Actual	Budget	Prior Year
82,944	78,718	85,105

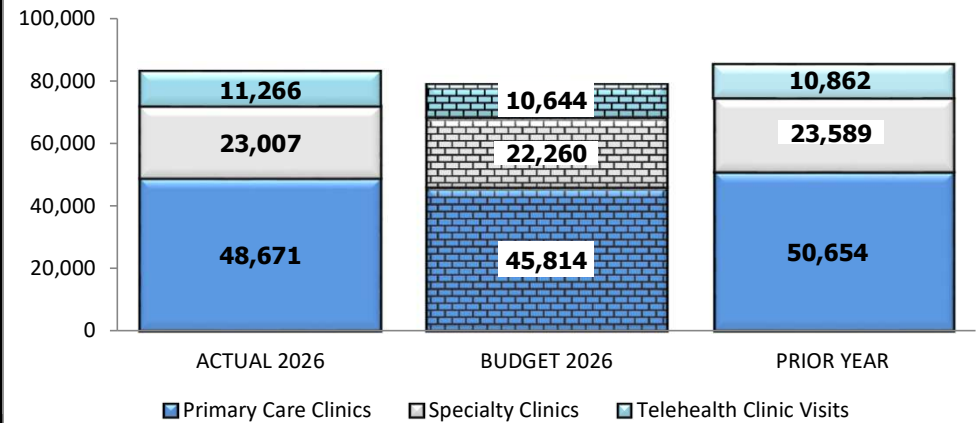
Clinic Visits - YTD

Actual	Budget	Prior Year
82,944	78,718	85,105

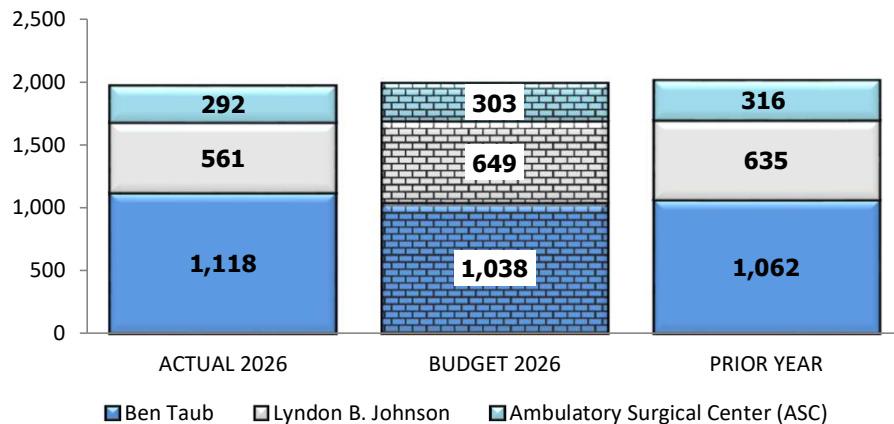
Surgery Cases - Current Month



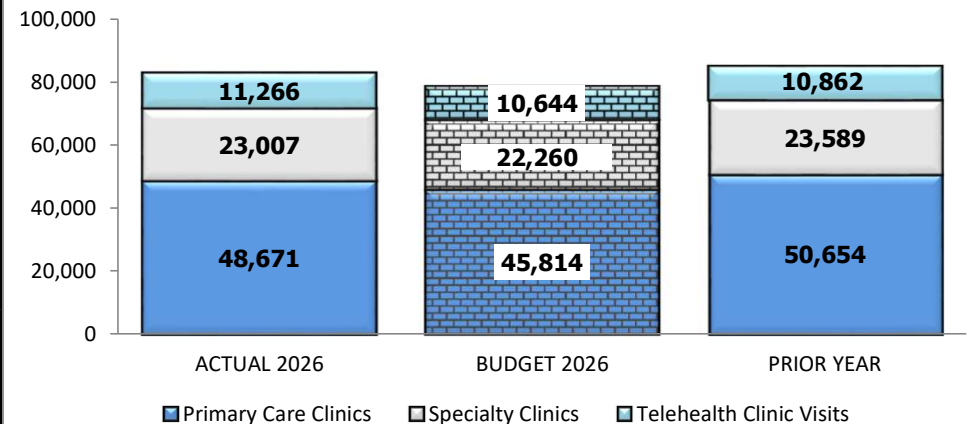
Clinic Visits - Current Month



Surgery Cases - YTD



Clinic Visits - YTD



Harris Health

Statistical Highlights

October FY 2026

Adjusted Patient Days - CM

46,536

Adjusted Patient Days - YTD

46,536

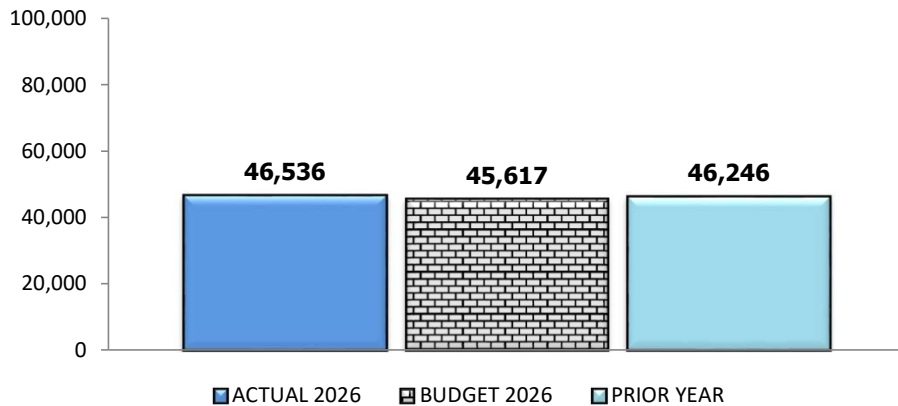
Average Daily Census - CM

651.1

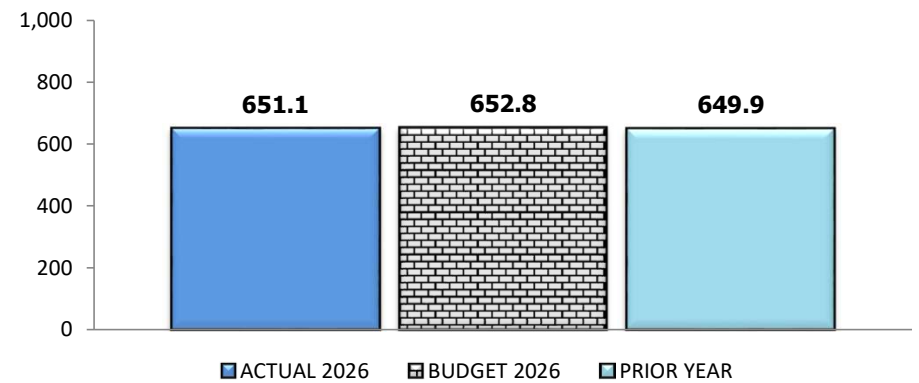
Average Daily Census - YTD

651.1

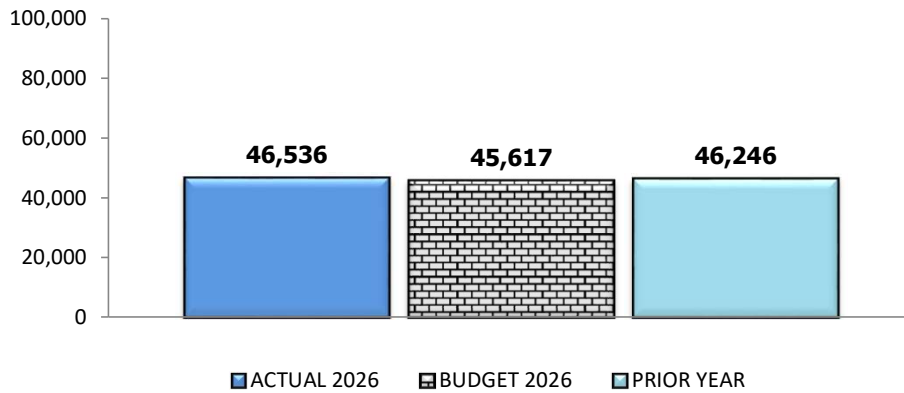
Adjusted Patient Days - Current Month



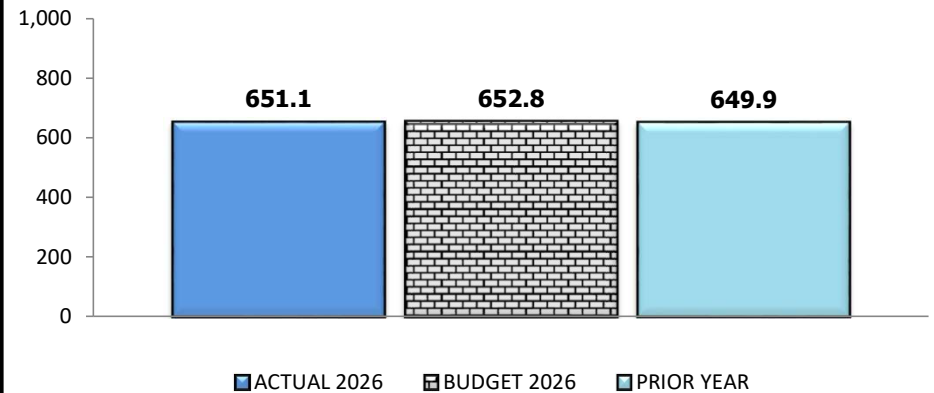
Average Daily Census - Current Month



Adjusted Patient Days - YTD



Average Daily Census - YTD



Harris Health

Statistical Highlights

October FY 2026

Inpatient ALOS - CM

6.49

Inpatient ALOS - YTD

6.49

Case Mix Index (CMI) - CM

Overall

Excl. Obstetrics

1.669

1.804

Case Mix Index (CMI) - YTD

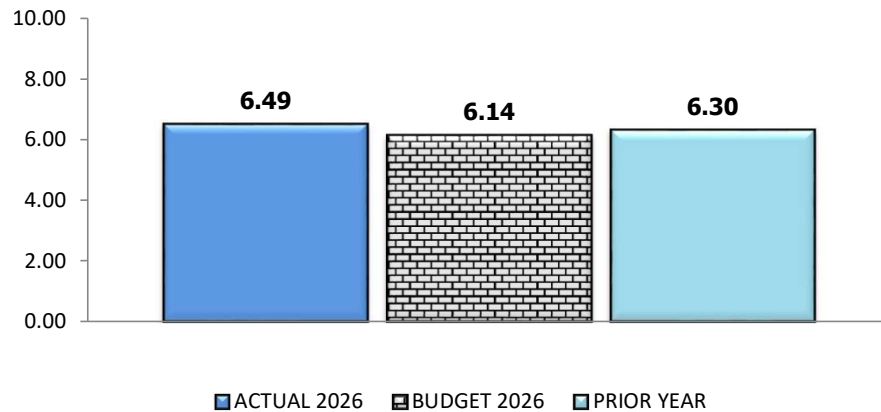
Overall

Excl. Obstetrics

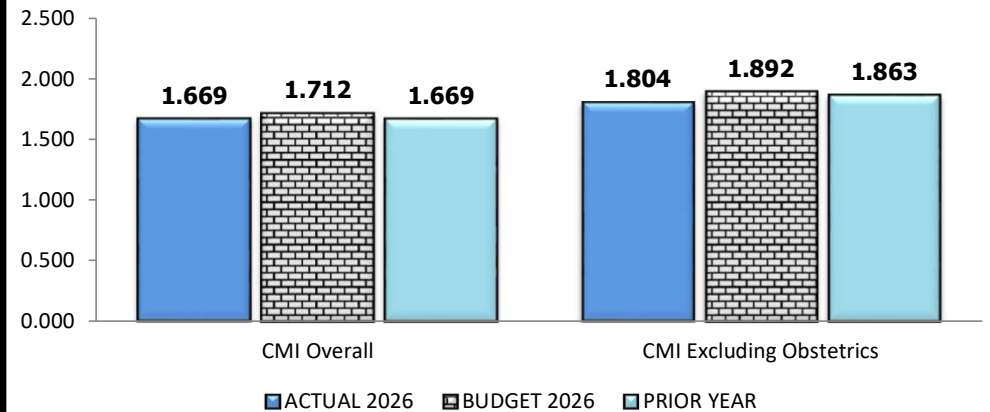
1.669

1.804

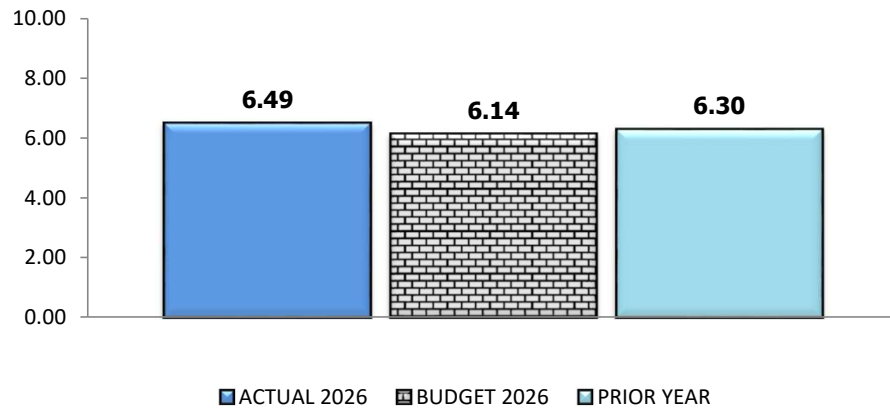
Inpatient ALOS - Current Month



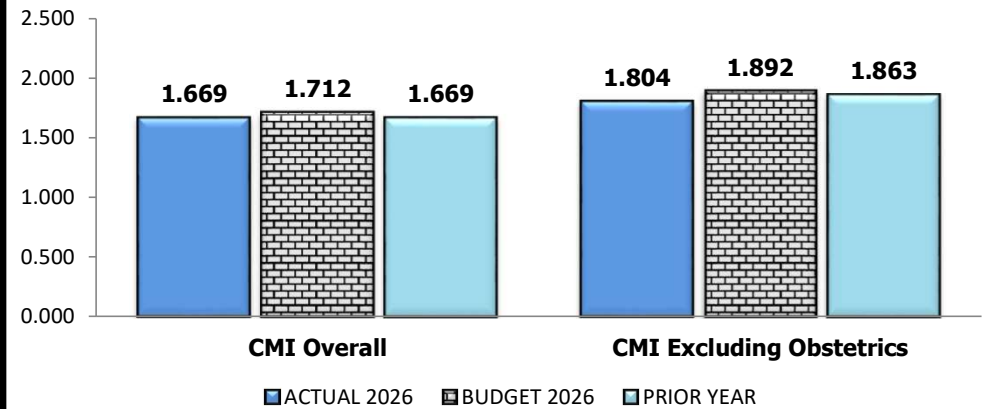
Case Mix Index - Current Month



Inpatient ALOS - YTD



Case Mix Index - YTD



Harris Health

Statistical Highlights - Cases Occupying Beds

October FY 2026

BT Cases Occupying Beds - CM

Actual	Budget	Prior Year
2,133	2,230	2,152

BT Cases Occupying Beds - YTD

Actual	Budget	Prior Year
2,133	2,230	2,152

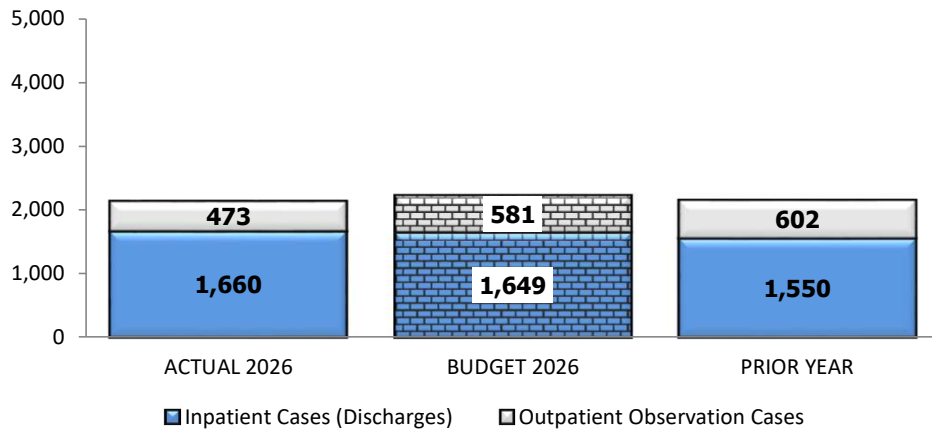
LBJ Cases Occupying Beds - CM

Actual	Budget	Prior Year
1,446	1,481	1,514

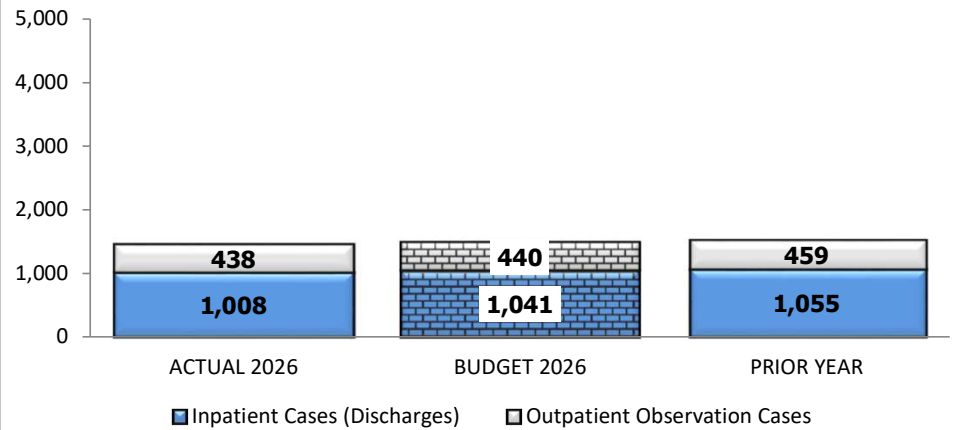
LBJ Cases Occupying Beds - YTD

Actual	Budget	Prior Year
1,446	1,481	1,514

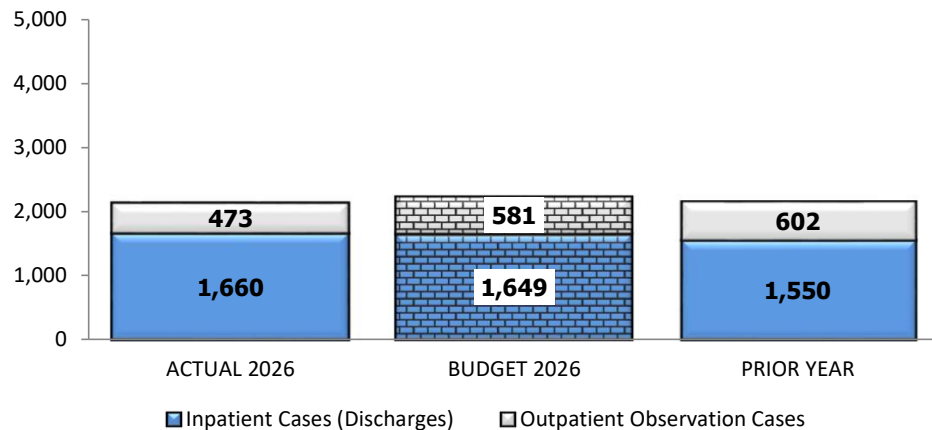
Ben Taub Cases - Current Month



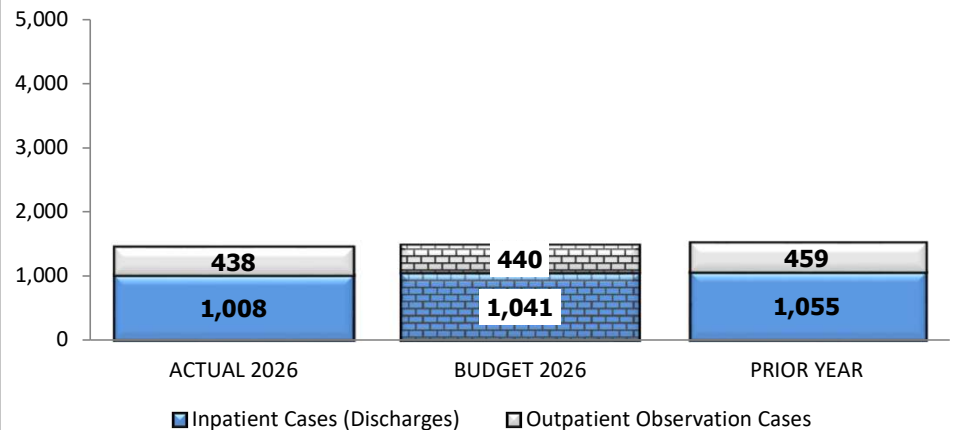
Lyndon B. Johnson Cases - Current Month



Ben Taub Cases - YTD



Lyndon B. Johnson Cases - YTD



Harris Health

Statistical Highlights - Surgery Cases

October FY 2026

BT Surgery Cases - CM

Actual	Budget	Prior Year
1,118	1,038	1,062

BT Surgery Cases - YTD

Actual	Budget	Prior Year
1,118	1,038	1,062

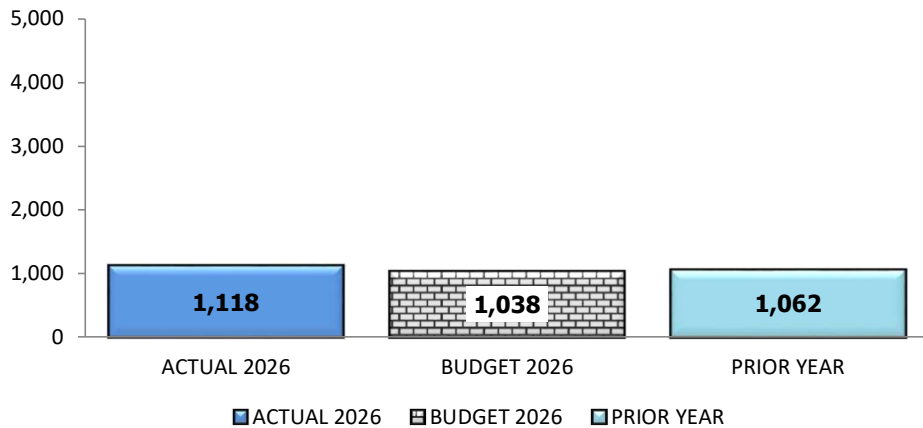
LBJ Surgery Cases - CM

Actual	Budget	Prior Year
853	952	951

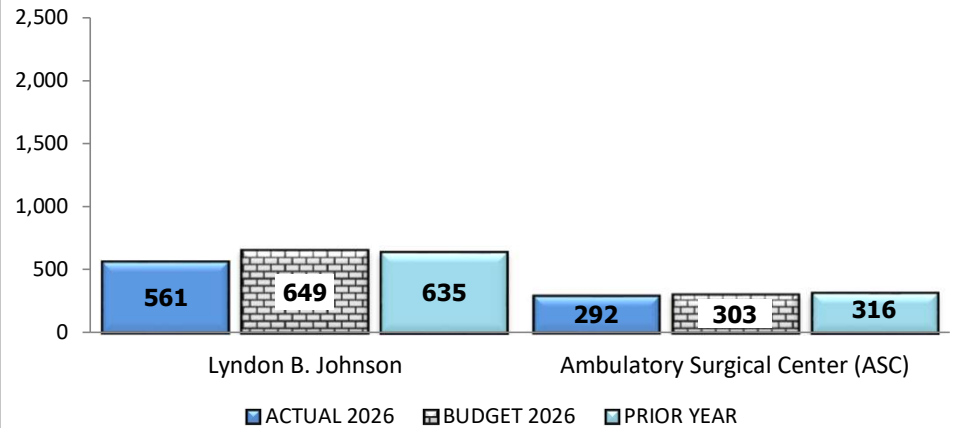
LBJ Surgery Cases - YTD

Actual	Budget	Prior Year
853	952	951

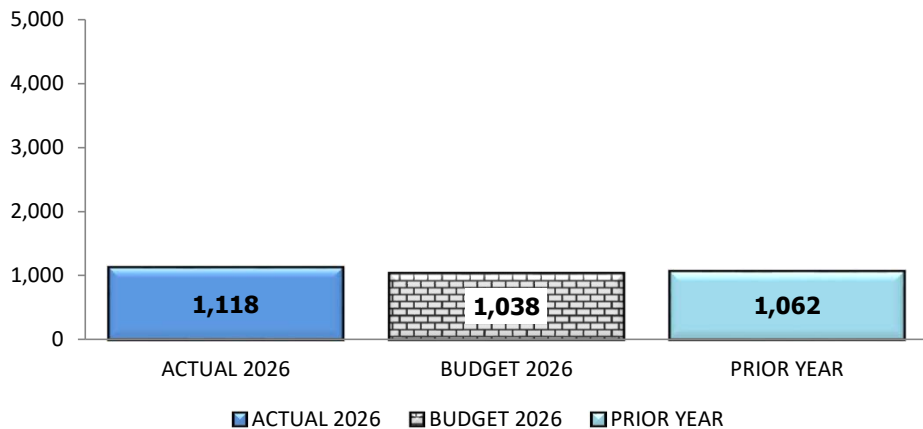
Ben Taub OR Cases - Current Month



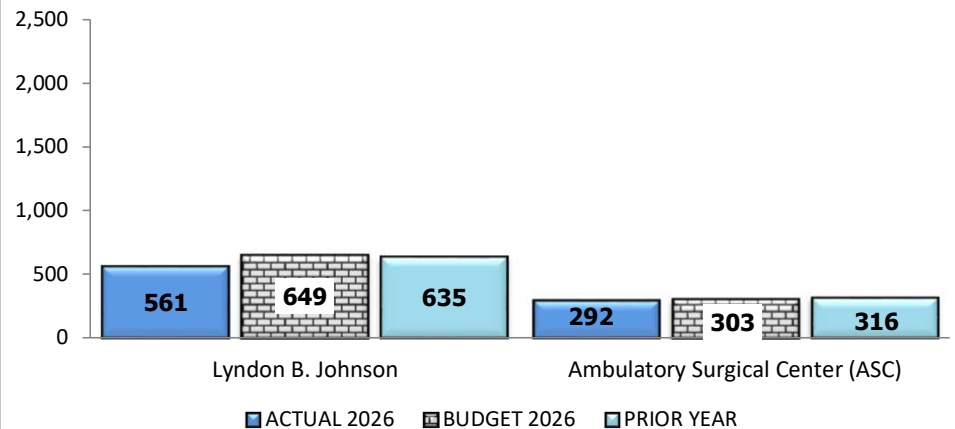
Lyndon B. Johnson OR Cases - Current Month



Ben Taub OR Cases - YTD



Lyndon B. Johnson OR Cases - YTD



Harris Health

Statistical Highlights - Emergency Room Visits

October FY 2026

BT Emergency Visits - CM

Actual	Budget	Prior Year
6,894	7,328	7,219

BT Emergency Visits - YTD

Actual	Budget	Prior Year
6,894	7,328	7,219

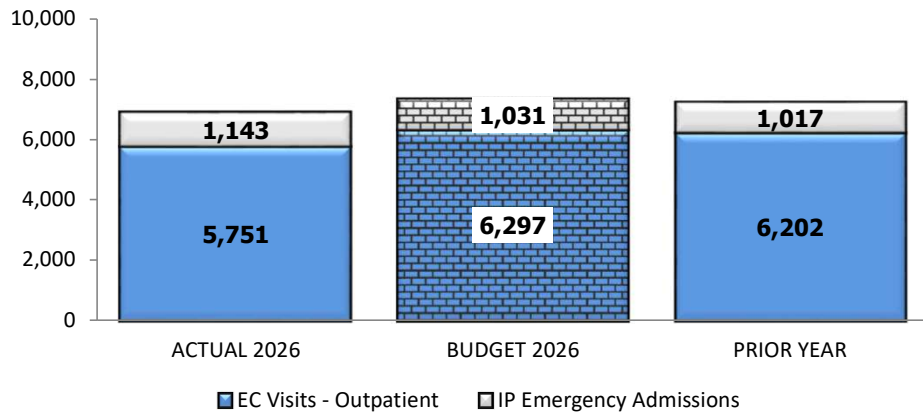
LBJ Emergency Visits - CM

Actual	Budget	Prior Year
6,781	7,419	7,424

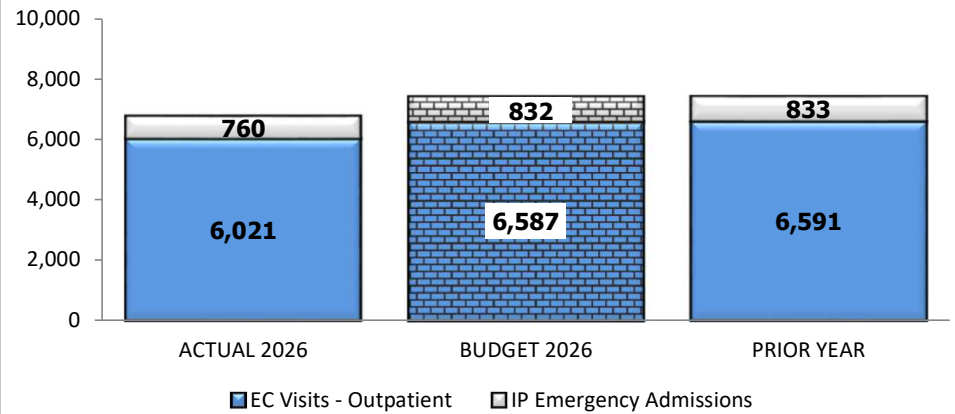
LBJ Emergency Visits - YTD

Actual	Budget	Prior Year
6,781	7,419	7,424

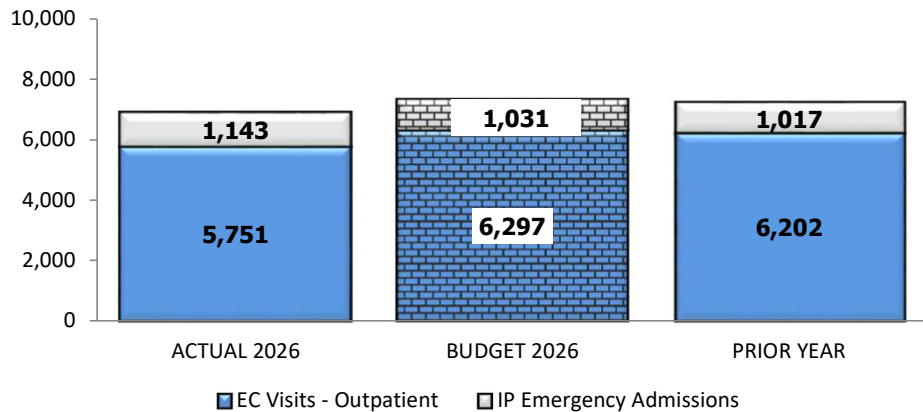
Ben Taub EC Visits - Current Month



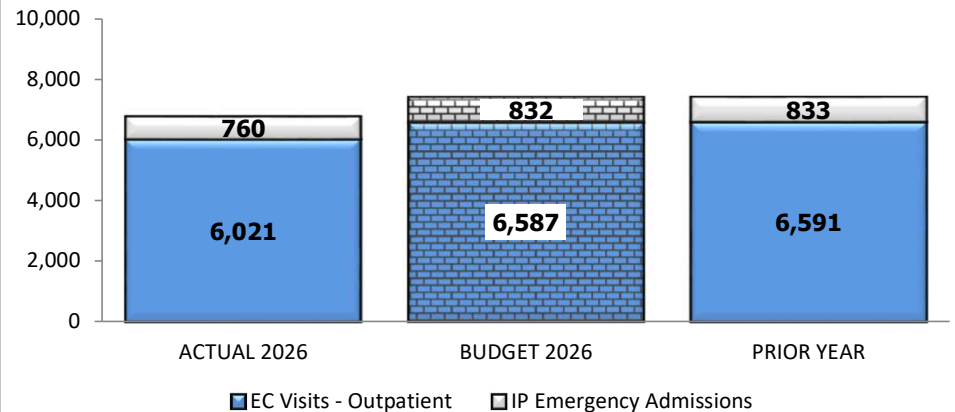
Lyndon B. Johnson EC Visits - Current Month



Ben Taub EC Visits - YTD



Lyndon B. Johnson EC Visits - YTD



Harris Health

Statistical Highlights - Births

October FY 2026

BT Births - CM

Actual	Budget	Prior Year
235	294	282

BT Births - YTD

Actual	Budget	Prior Year
235	294	282

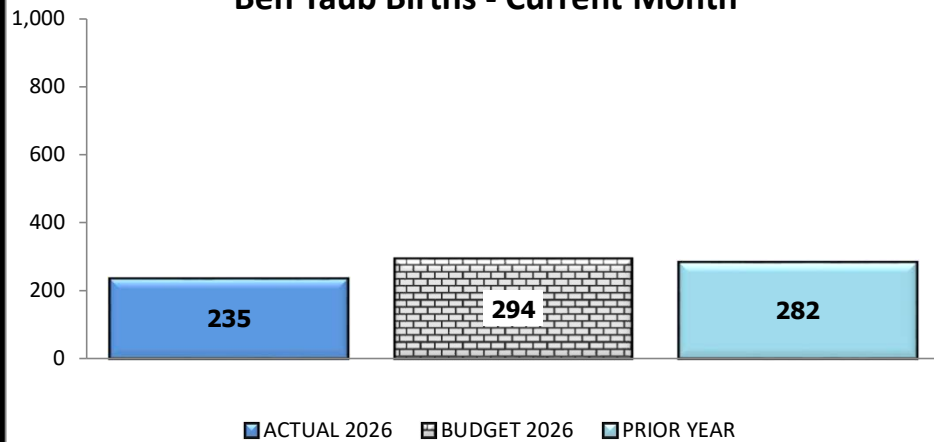
LBJ Births - CM

Actual	Budget	Prior Year
165	219	221

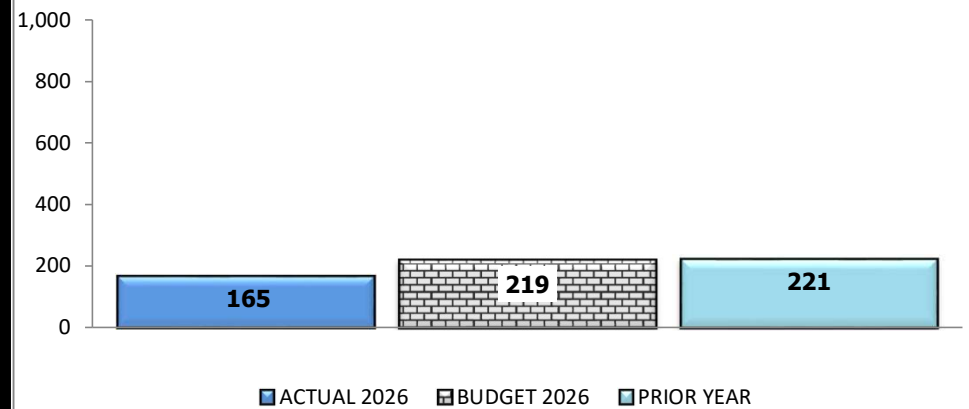
LBJ Births - YTD

Actual	Budget	Prior Year
165	219	221

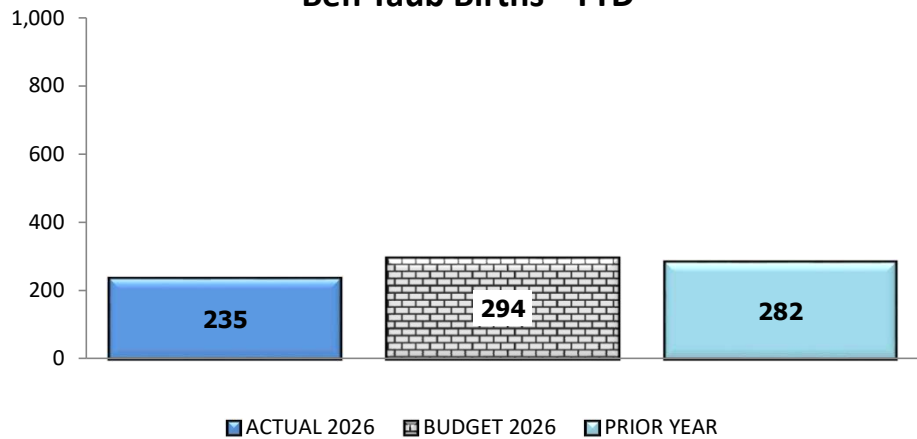
Ben Taub Births - Current Month



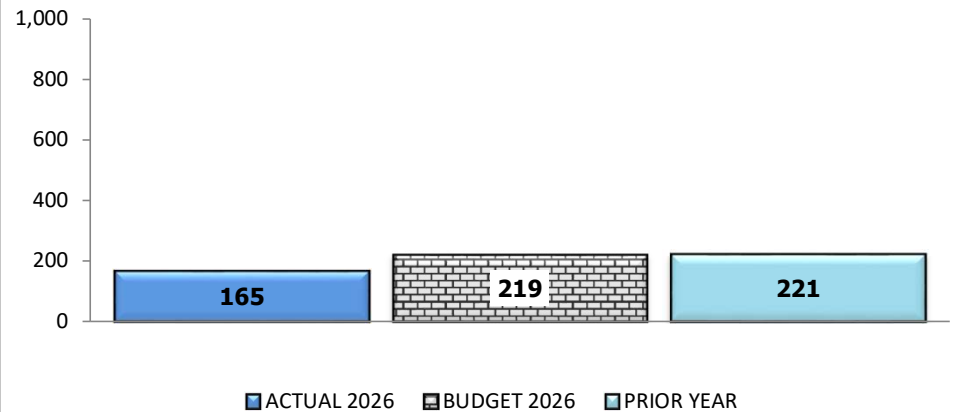
Lyndon B. Johnson Births - Current Month



Ben Taub Births - YTD



Lyndon B. Johnson Births - YTD



Harris Health

Statistical Highlights - Adjusted Patient Days

October FY 2026

BT Adjusted Patient Days - CM

23,040

BT Adjusted Patient Days - YTD

23,040

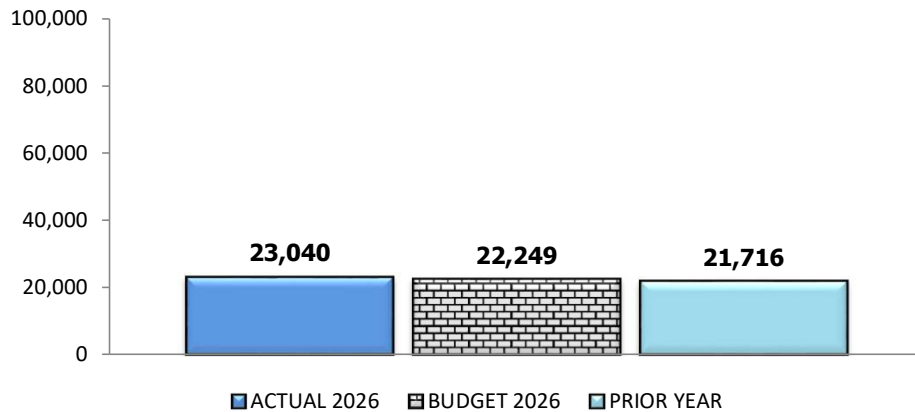
LBJ Adjusted Patient Days - CM

13,648

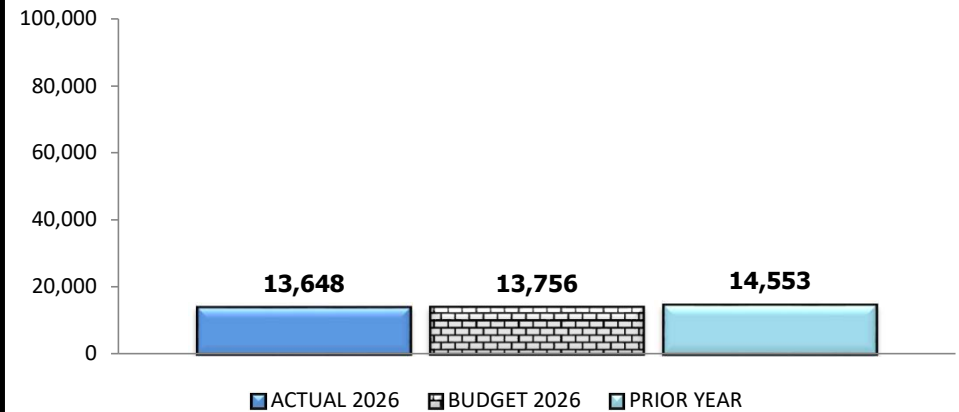
LBJ Adjusted Patient Days - YTD

13,648

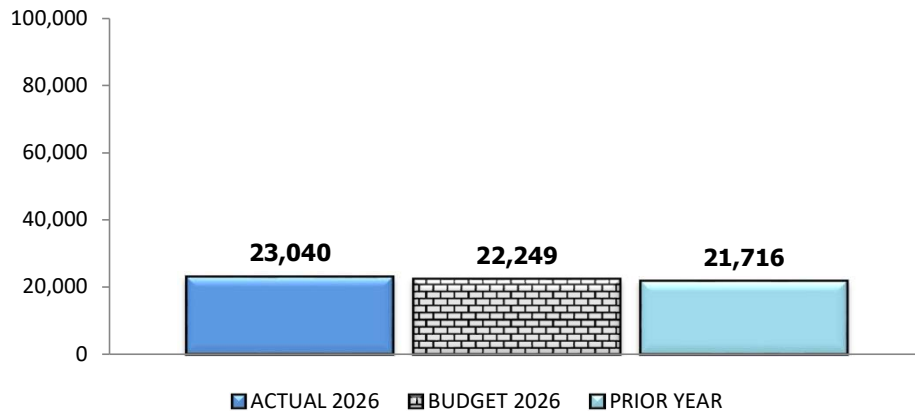
Ben Taub APD - Current Month



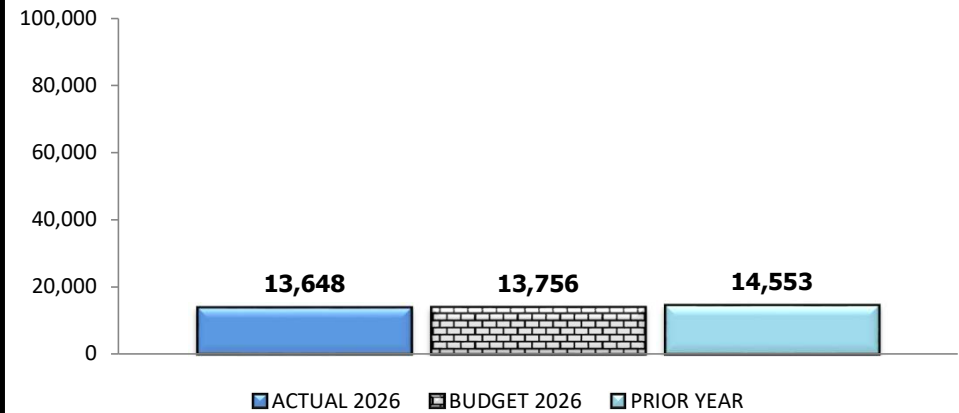
Lyndon B. Johnson APD - Current Month



Ben Taub APD - YTD



Lyndon B. Johnson APD - YTD



Harris Health

Statistical Highlights - Average Daily Census (ADC)

October FY 2026

BT Average Daily Census - CM

428.0

BT Average Daily Census - YTD

428.0

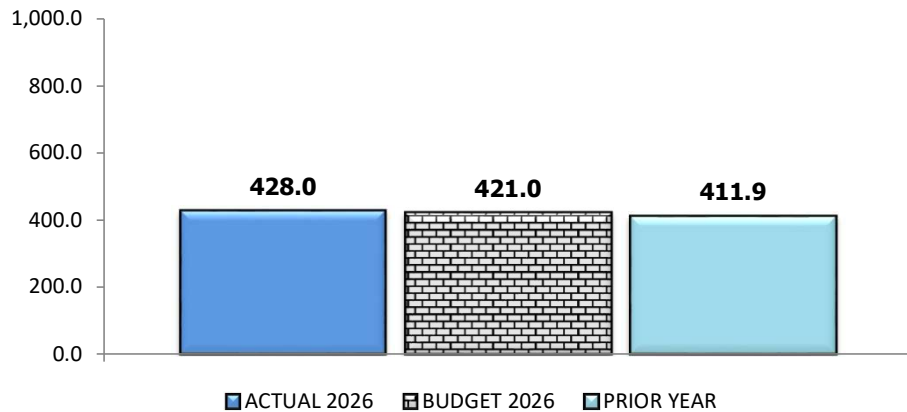
LBJ Average Daily Census - CM

223.0

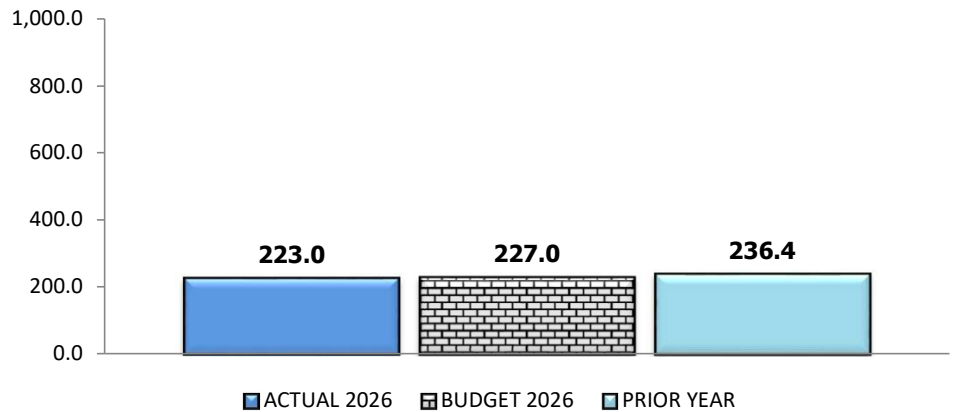
LBJ Average Daily Census - YTD

223.0

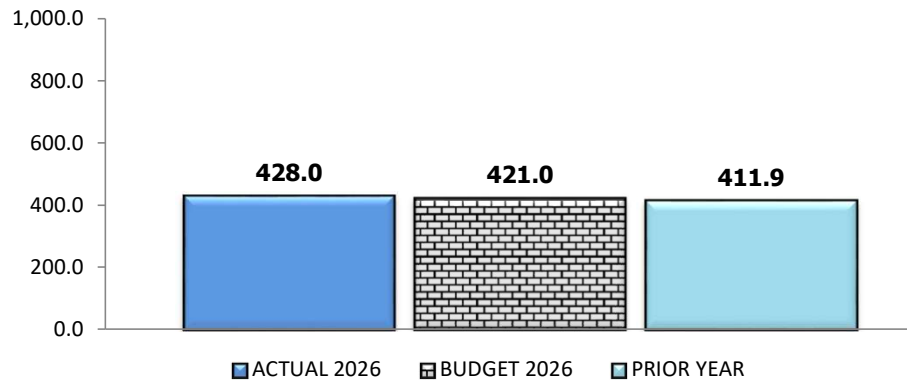
Ben Taub ADC - Current Month



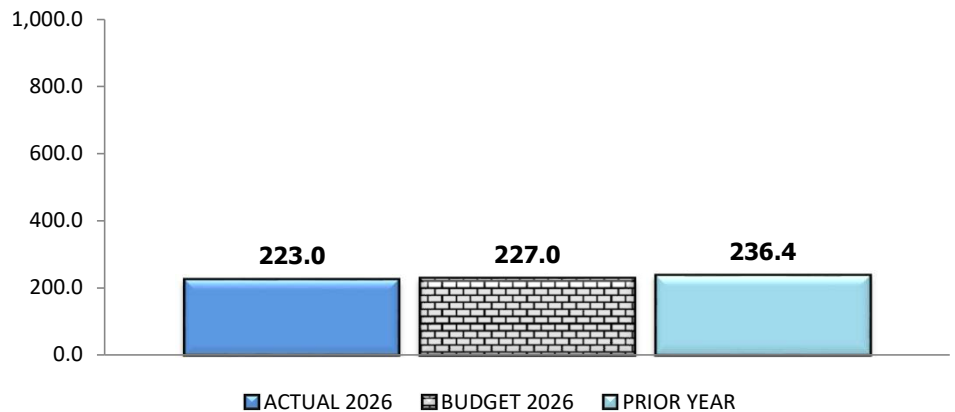
Lyndon B. Johnson ADC - Current Month



Ben Taub ADC - YTD



Lyndon B. Johnson ADC - YTD



Harris Health

Statistical Highlights - Inpatient Average Length of Stay (ALOS)

October FY 2026

BT Inpatient ALOS - CM

7.07

BT Inpatient ALOS - YTD

7.07

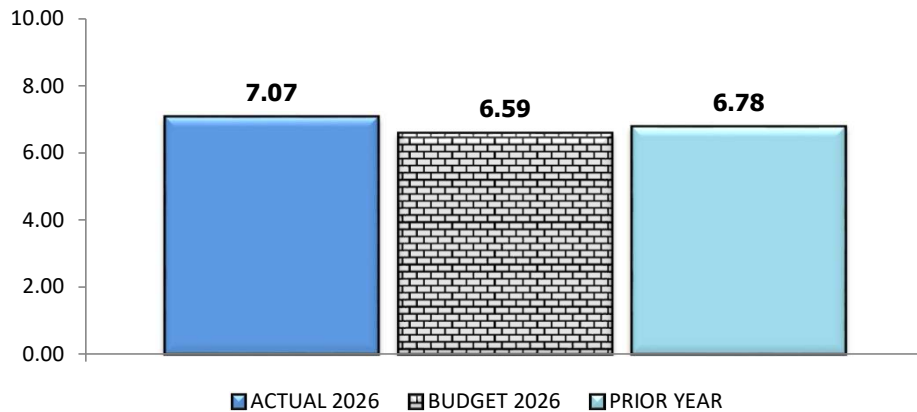
LBJ Inpatient ALOS - CM

5.53

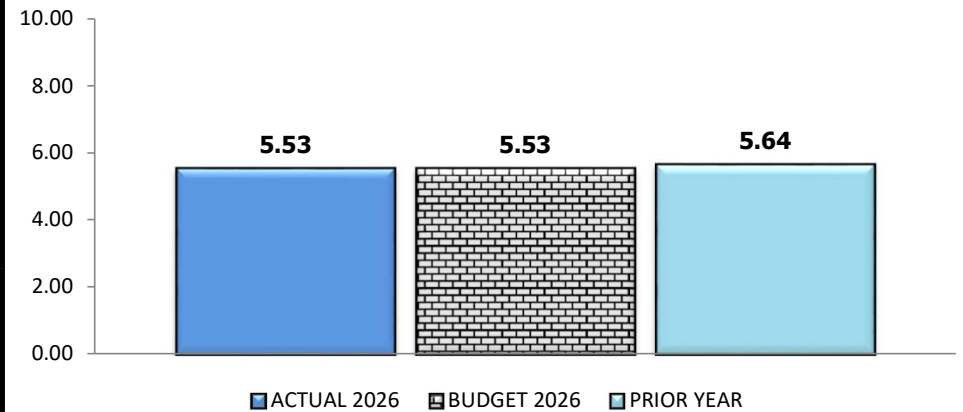
LBJ Inpatient ALOS - YTD

5.53

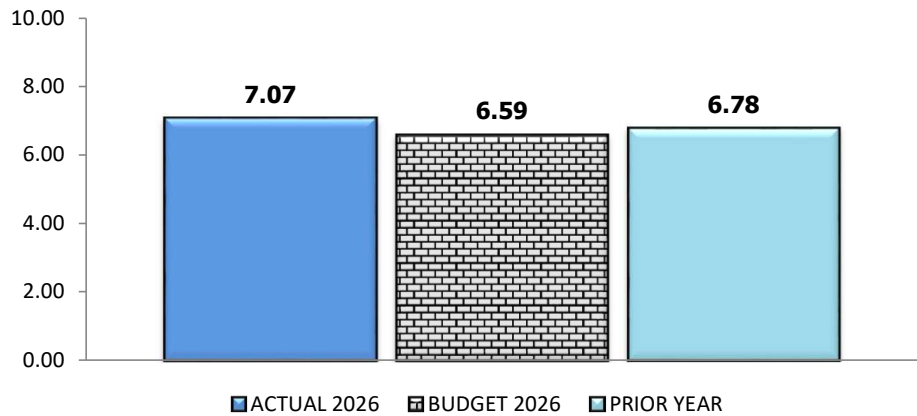
Ben Taub ALOS - Current Month



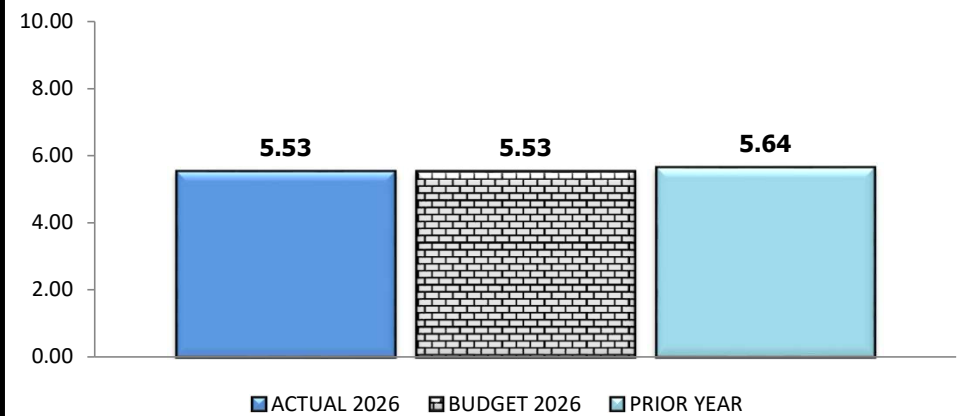
Lyndon B. Johnson ALOS - Current Month



Ben Taub ALOS - YTD



Lyndon B. Johnson ALOS - YTD



Harris Health

Statistical Highlights - Case Mix Index (CMI)

October FY 2026

BT Case Mix Index (CMI) - CM

Overall	Excl. Obstetrics
1.751	1.885

BT Case Mix Index (CMI) - YTD

Overall	Excl. Obstetrics
1.751	1.885

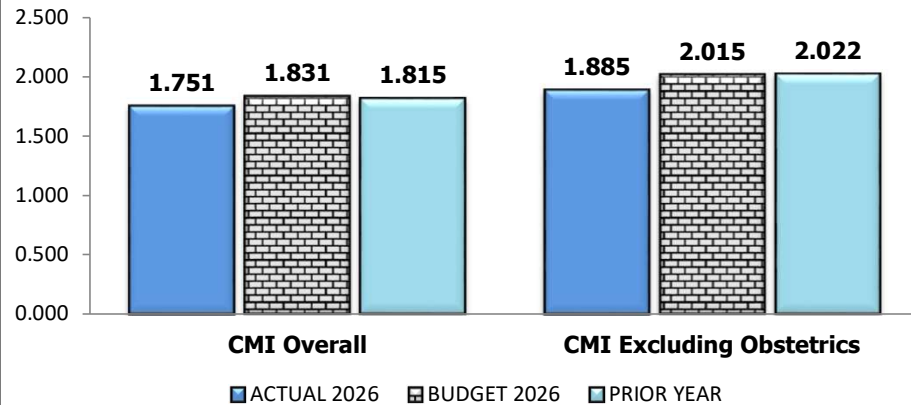
LBJ Case Mix Index (CMI) - CM

Overall	Excl. Obstetrics
1.534	1.666

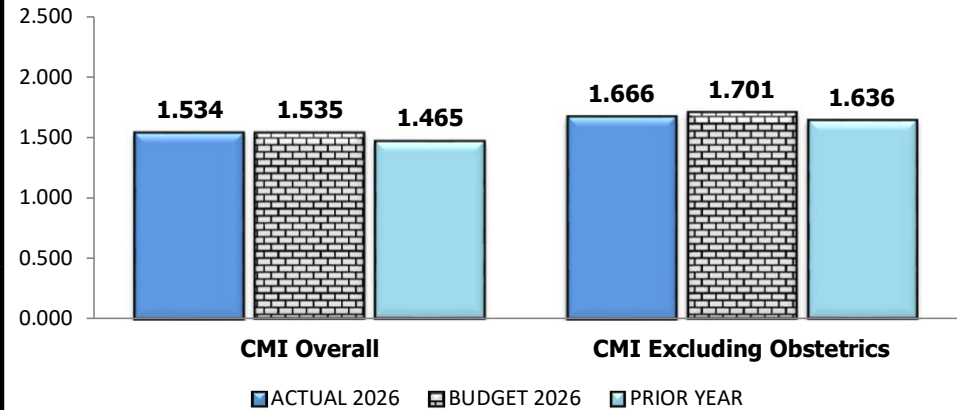
LBJ Case Mix Index (CMI) - YTD

Overall	Excl. Obstetrics
1.534	1.666

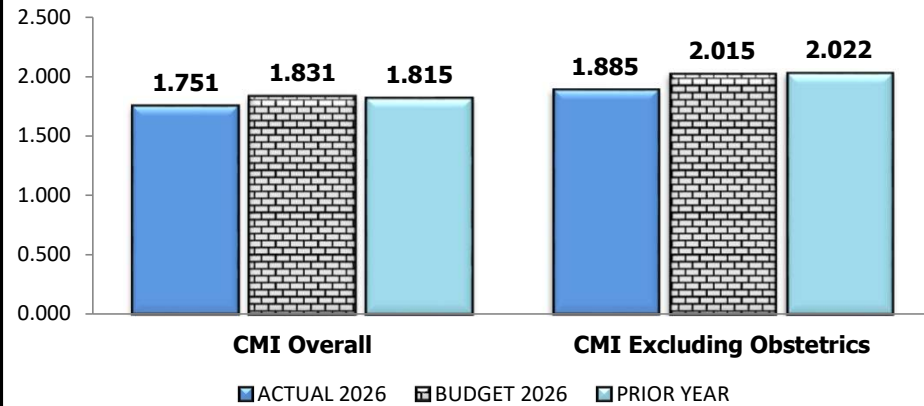
Ben Taub CMI - Current Month



Lyndon B. Johnson CMI - Current Month



Ben Taub CMI - YTD



Lyndon B. Johnson CMI - YTD

