#### Unaudited Consolidated Financial Statements

# June 30, 2024

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### **Consolidated Balance Sheets**

Assets     (In Thousands)       Cash and cash equivalents     \$ 571,286 \$ 539,693       Investments     1,375,037     1,380,460       Patient accounts receivable, net     956,683     904,123       Inventory and other current assets     224,397     218,574       Investments, net of amounts required to meet current obligations     6,444,514     6,088,716       Property and equipment, net     5,895,875     5,653,521       Other assets     311,512     319,605       Liabilities and net assets     5 15,779,304     \$ 15,104,692       Liabilities and net assets     239,552     189,310       Current liabilities     239,552     189,310       Accounts payable and accrued expense     \$ 1,277,4798     2,730,477       Long-term bonds payable     Current liabilities     239,552     189,310       Short-term bonds payable     629,766     829,816     289,603     288,158       Other long-term obligations     Total liabilities     3,894,167     3,848,451       Net assets     10,948,018     10,358,260     937,1119     897,981       Without restrictions     10,948,018			June 30, 2024	December 31, 2023
Current assets     \$ 571,286     \$ 539,693       Investments     1,375,037     1,380,460       Patient accounts receivable, net     956,683     904,123       Inventory and other current assets     224,397     218,574       Investments, net of amounts required to meet current obligations     6,444,514     6,088,716       Property and equipment, net     5,895,875     5,653,521       Other assets     311,512     319,605       Current liabilities     4,6044,514     6,088,716       Accounts payable and accrued expense     \$ 1,257,185     \$ 1,263,106       Estimated third-party settlements     239,552     189,310       Short-term bonds payable     1,278,061     1,278,061       Current liabilities     239,766     829,816       Other long-term obligations     53,894,167     3,848,451       Net assets     Total liabilities     3,894,167     3,848,451       Net assets     10,948,018     10,358,260     937,119     897,981			(In Thousands)	
Cash and cash equivalents   \$ 571,286   \$ 539,693     Investments   Patient accounts receivable, net   1,375,037   1,380,460     Patient accounts receivable, net   956,683   904,123     Inventory and other current assets   224,397   218,574     Total current assets   3,127,403   3,042,850     Investments, net of amounts required to meet current obligations   6,444,514   6,088,716     Property and equipment, net   5,895,875   5,653,521     Other assets   311,512   319,605     Current liabilities   Accounts payable and accrued expense   \$ 1,257,185   \$ 1,263,106     Estimated third-party settlements   Short-term bonds payable   239,552   189,310     Short-term bonds payable   774,798   2,730,477     Long-term bonds payable   829,766   829,816     Other long-term obligations   70tal liabilities   3,894,167   3,848,451     Net assets   Without restrictions   10,948,018   10,358,260     Donor restricted   937,119   897,981				
Investments   1,375,037   1,380,460     Patient accounts receivable, net   956,683   904,123     Inventory and other current assets   224,397   218,574     Total current assets   3,127,403   3,042,850     Investments, net of amounts required to meet current obligations   6,444,514   6,088,716     Property and equipment, net   5,895,875   5,653,521     Other assets   311,512   319,605     Current liabilities   415,104,692     Accounts payable and accrued expense   \$ 1,257,185   \$ 1,263,106     Estimated third-party settlements   239,552   189,310     Short-term bonds payable   1,278,061   1,278,061     Other long-term obligations   829,766   829,816     Total liabilities   3,894,167   3,848,451     Net assets   10,948,018   10,358,260     Without restrictions   10,948,018   10,358,260     Donor restricted   937,119   897,981		\$	571.286	\$ 539.693
Patient accounts receivable, net Inventory and other current assets   956,683   904,123     Inventory and other current assets   224,397   218,574     Total current assets   3,127,403   3,042,850     Investments, net of amounts required to meet current obligations   6,444,514   6,088,716     Property and equipment, net   5,895,875   5,653,521     Other assets   311,512   319,605     Current liabilities   311,512   319,605     Accounts payable and accrued expense   \$ 1,257,185   \$ 1,263,106     Estimated third-party settlements   239,552   189,310     Short-term bonds payable   1,278,061   1,278,061     Other long-term obligations   Total current liabilities   3,829,766   829,816     Net assets   Without restrictions   10,948,018   10,358,260     Donor restricted   937,119   897,981	-	•	,	
Total current assets     3,127,403     3,042,850       Investments, net of amounts required to meet current obligations     6,444,514     6,088,716       Property and equipment, net     5,895,875     5,653,521       Other assets     311,512     319,605       Investments, net of amounts required to meet current obligations     6,444,514     6,088,716       Property and equipment, net     5,895,875     5,653,521       Other assets     311,512     319,605       Liabilities and net assets     5     15,779,304     \$ 15,104,692       Liabilities     Accounts payable and accrued expense Estimated third-party settlements Short-term bonds payable     \$ 1,257,185     \$ 1,263,106       Current liabilities     239,552     189,310     1,278,061     1,278,061       Long-term bonds payable     Total current liabilities     2,774,798     2,730,477       Long-term obligations     Total liabilities     3,894,167     3,848,451       Net assets     10,948,018     10,358,260     937,119     897,981	Patient accounts receivable, net			
Investments, net of amounts required to meet current obligations   6,444,514   6,088,716     Property and equipment, net   5,895,875   5,653,521     Other assets   311,512   319,605 <b>Liabilities and net assets 5 5</b> ,779,304   \$ 15,104,692     Liabilities and net assets <b>Current liabilities</b> \$ 1,257,185   \$ 1,263,106     Accounts payable and accrued expense   \$ 1,257,185   \$ 1,263,106     Estimated third-party settlements   239,552   189,310     Short-term bonds payable   1,278,061   1,278,061     Total current liabilities   2,774,798   2,730,477     Long-term bonds payable   829,766   829,816     Other long-term obligations   289,603   288,158     Total liabilities   3,894,167   3,848,451     Net assets   10,948,018   10,358,260     Without restrictions   10,948,018   10,358,260     Donor restricted   937,119   897,981	Inventory and other current assets		224,397	218,574
meet current obligations     6,444,514     6,088,716       Property and equipment, net     5,895,875     5,653,521       Other assets     311,512     319,605       Total assets     \$ 15,779,304 \$ 15,104,692       Liabilities and net assets     \$ 1,257,185 \$ 1,263,106       Current liabilities     239,552     189,310       Accounts payable and accrued expense     \$ 1,278,061     1,278,061       Estimated third-party settlements     239,552     189,310       Short-term bonds payable     2,774,798     2,730,477       Long-term bonds payable     829,766     829,816       Other long-term obligations     289,603     288,158       Net assets     3,894,167     3,848,451       Net assets     10,948,018     10,358,260       Without restrictions     10,948,018     10,358,260       Donor restricted     10,948,018     10,358,260	Total c	urrent assets	3,127,403	3,042,850
meet current obligations     6,444,514     6,088,716       Property and equipment, net     5,895,875     5,653,521       Other assets     311,512     319,605       Total assets     \$ 15,779,304 \$ 15,104,692       Liabilities and net assets     \$ 1,257,185 \$ 1,263,106       Current liabilities     239,552     189,310       Accounts payable and accrued expense     \$ 1,278,061     1,278,061       Estimated third-party settlements     239,552     189,310       Short-term bonds payable     2,774,798     2,730,477       Long-term bonds payable     829,766     829,816       Other long-term obligations     289,603     288,158       Net assets     3,894,167     3,848,451       Net assets     10,948,018     10,358,260       Without restrictions     10,948,018     10,358,260       Donor restricted     10,948,018     10,358,260	Investments, net of amounts required to			
Other assets     311,512     319,605       Total assets     \$ 15,779,304 \$ 15,104,692       Liabilities and net assets     \$ 1,257,185 \$ 1,263,106       Current liabilities     \$ 1,257,185 \$ 1,263,106       Accounts payable and accrued expense     \$ 1,257,185 \$ 1,263,106       Estimated third-party settlements     \$ 239,552 \$ 189,310       Short-term bonds payable     \$ 2,774,798 \$ 2,730,477       Long-term bonds payable     \$ 829,766 \$ 829,816       Other long-term obligations     \$ 3,894,167 \$ 3,848,451       Net assets     \$ 10,948,018 \$ 10,358,260       Without restrictions     \$ 10,948,018 \$ 10,358,260       Donor restricted     \$ 937,119 \$ 897,981	meet current obligations		6,444,514	6,088,716
Total assets     \$ 15,779,304     \$ 15,104,692       Liabilities and net assets     Current liabilities     \$ 1,257,185     \$ 1,263,106       Accounts payable and accrued expense     \$ 1,257,185     \$ 1,263,106       Estimated third-party settlements     239,552     189,310       Short-term bonds payable     1,278,061     1,278,061       Long-term bonds payable     2,774,798     2,730,477       Long-term obligations     Total liabilities     3,894,167     3,848,451       Net assets     10,948,018     10,358,260     937,119     897,981	Property and equipment, net			
Liabilities and net assets     Current liabilities     Accounts payable and accrued expense     Estimated third-party settlements     Short-term bonds payable     Total current liabilities     2,774,798     Long-term bonds payable     Other long-term obligations     Total liabilities     3,894,167     3,894,167     3,894,167     10,948,018     10,948,018     10,358,260     937,119     897,981	Other assets	_		
Current liabilities     \$ 1,257,185     \$ 1,263,106       Estimated third-party settlements     239,552     189,310       Short-term bonds payable     1,278,061     1,278,061       Total current liabilities     2,774,798     2,730,477       Long-term bonds payable     829,766     829,816       Other long-term obligations     289,603     288,158       Total liabilities     3,894,167     3,848,451       Net assets     10,948,018     10,358,260       Donor restricted     937,119     897,981		Total assets	5 15,779,304	\$ 15,104,692
Estimated third-party settlements Short-term bonds payable     239,552     189,310       Total current liabilities     1,278,061     1,278,061       Long-term bonds payable     2,774,798     2,730,477       Long-term obligations     829,766     829,816       Other long-term obligations     289,603     288,158       Net assets     3,894,167     3,848,451       Net assets     10,948,018     10,358,260       Donor restricted     937,119     897,981	Current liabilities			
Short-term bonds payable     1,278,061     1,278,061       Total current liabilities     2,774,798     2,730,477       Long-term bonds payable     829,766     829,816       Other long-term obligations     289,603     288,158       Total liabilities     3,894,167     3,848,451       Net assets     10,948,018     10,358,260       Donor restricted     937,119     897,981		\$	_,,	
Total current liabilities     2,774,798     2,730,477       Long-term bonds payable     829,766     829,816       Other long-term obligations     289,603     288,158       Total liabilities     3,894,167     3,848,451       Net assets     10,948,018     10,358,260       Donor restricted     937,119     897,981	· ·			
Long-term bonds payable     829,766     829,816       Other long-term obligations     289,603     288,158       Total liabilities     3,894,167     3,848,451       Net assets     10,948,018     10,358,260       Donor restricted     937,119     897,981				
Other long-term obligations     289,603     288,158       Total liabilities     3,894,167     3,848,451       Net assets     10,948,018     10,358,260       Donor restricted     937,119     897,981	lotal curi	ent liabilities	2,774,798	2,730,477
Total liabilities     3,894,167     3,848,451       Net assets     10,948,018     10,358,260       Donor restricted     937,119     897,981	Long-term bonds payable		829,766	829,816
Net assets     10,948,018     10,358,260       Donor restricted     937,119     897,981	Other long-term obligations		289,603	288,158
Without restrictions     10,948,018     10,358,260       Donor restricted     937,119     897,981	Т	otal liabilities	3,894,167	3,848,451
Without restrictions     10,948,018     10,358,260       Donor restricted     937,119     897,981	Net assets			
Donor restricted 937,119 897,981			10.948.018	10.358.260
		al net assets	11,885,137	11,256,241
Total liabilities and net assets \$ 15,779,304 \$ 15,104,692	Total liabilities a	nd net assets	, ,	, ,

# Consolidated Statements of Operations and Changes in Net Assets

		Six Months Ended June 30,	
		2024	2023
		(In The	ousands)
Revenue			
Net patient revenue		\$ 3,873,498	\$ 3,516,588
Other revenue		167,604	139,555
	Total revenue	4,041,102	3,656,143
Expense			
Salaries and related personnel costs		2,159,641	1,947,007
Supplies and pharmaceuticals		777,459	709,221
Services and other expense		545,006	505,449
		3,482,106	3,161,677
Earnings before interest, dep	reciation, and		
	amortization	558,996	494,466
Depreciation and amortization		209,619	196,646
Interest		35,347	32,759
		244,966	229,405
Оре	rating income	314,030	265,061
Investment results and other, net		272,067	366,190
Revenue	over expense	\$ 586,097	\$ 631,251

# Consolidated Statements of Operations and Changes in Net Assets (continued)

	Six Months Ended June 30,			
		2024		2023
	(In Thousands)			nds)
Net assets without restrictions				
Revenue over expense	\$	586,097	\$	631,251
Transfer of matching funds to donor restricted				
net assets		(211)		(195)
Transfer from donor restricted net assets		3,872		547
Increase in net assets without restrictions		589,758		631,603
Donor restricted net assets				
Investment results, net		36,501		45,064
Contributions		20,068		49,241
Transfer from net assets without restrictions		211		195
Other, primarily net assets released from				
restrictions		(17,642)		(11,175)
Increase in donor restricted net assets		39,138		83,325
Increase in net assets		628,896		714,928
Net assets, beginning of year	1	1,256,241		9,849,813
Net assets, June 30	-	1,885,137		0,564,741
Net assets, Julie 30	ΨΤ	1,000,101	ΨΤ	0,00 <del>4</del> ,141

# Consolidated Statements of Cash Flows

	Six Months Ended June 30,		
	2024	2023	
	(In Thou	usands)	
Operating activities			
Cash received from patient services	\$ 3,888,012	\$ 3,597,472	
Other receipts from operations	122,235	121,052	
Interest, dividends, and other income received	139,409	93,088	
Cash paid to or on behalf of employees	(2,194,069)	(1,976,876)	
Cash paid for supplies and services	(1,320,725)	(1,232,286)	
Interest paid	(35,396)	(32,790)	
Net cash provided by operating activities	599,466	569,660	
Investing activities			
Purchases of property and equipment	(465,099)	(482,657)	
Purchases of investments, net	(118,953)	(159,608)	
Net cash used in investing activities	(584,052)	(642,265)	
Financing activities			
Contributions received for perpetual in nature			
restricted net assets	16,179	39,391	
Net cash provided by financing activities	16,179	39,391	
Not decrease in each and each equivalents	24 602	(22.01.4)	
Net decrease in cash and cash equivalents	31,593	(33,214)	
Cash and cash equivalents, beginning of year	539,693	517,284	
Cash and cash equivalents, June 30	\$ 571,286	\$ 484,070	

#### HOUSTON METHODIST

#### **KEY HOSPITAL VOLUME INDICATORS**

	For the Six Months Ended June 30,		
	2024	2023	
Admissions	74,336	70,059	
Equivalent Admissions <sup>(1)</sup>	162,684	149,458	
Inpatient Days	393,221	377,535	
Total Surgeries	56,513	55,660	
Average Length of Stay	5.29	5.39	
Percentage of Occupancy <sup>(2)</sup>	79%	78%	
Operating Beds	2,730	2,659	
Beds Licensed	3,265	3,265	
Outpatient Revenue <sup>(3)</sup>	52%	51%	
Medicare case mix index	2.06	2.10	

<sup>(1)</sup> Expressed as outpatient revenue / inpatient revenue x inpatient admissions + inpatient admissions
<sup>(2)</sup> Percent occupancy computed based on operating beds.
<sup>(3)</sup> Expressed as a percentage of gross patient revenue.

# HOUSTON METHODIST

#### PAYOR MIX SUMMARY

	For the Six Months Ended June 30,		
	2024	2023	
Managed Care and Other	38%	39%	
Medicare	54%	53%	
Medicaid	4%	4%	
Self- Pay	4%	4%	
Total	100%	100%	