



Valleywise Health Federally Qualified Health Center Clinics

Fiscal Year 2026 Operating and Capital Budget;
Including Governing Council Budget



Mission

Provide exceptional care, without exception, every patient, every time.



Vision

Be nationally recognized for transforming care to improve community health.



Values

They guide how we treat each other, our patients, families and visitors.

Accountability • Compassion • Excellence • Safety

Valleywise Community Health Centers Governing Council

Expenses

- Budgeted labor and expenses increasing by 3.0% compared to FY 2025 projection.
- Budgeted Organizational Memberships for AACHC and NACHC increased by 62.3% for FY 2026.

Valleywise Community Health Centers Governing Council

	FY 2026 Budget												FY 2025 Projection	FY 2026 Budget
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUN YTD	JUN YTD
Salaries	\$ 6,333	\$ 6,340	\$ 6,128	\$ 6,333	\$ 6,128	\$ 6,333	\$ 6,515	\$ 5,891	\$ 6,523	\$ 6,319	\$ 6,530	\$ 6,312	\$ 73,326	\$ 75,685
Benefits	2,493	2,494	2,412	2,493	2,412	2,493	2,528	2,285	2,530	2,449	2,531	2,448	28,888	29,567
Sub-Total Salaries and Benefits	8,825	8,834	8,540	8,825	8,540	8,825	9,043	8,176	9,052	8,769	9,061	8,760	102,214	105,252
FOOD - CATERING & SPECIAL FUNCTIONS	-	-	-	-	-	-	-	-	-	-	-	-	32	-
OFFICE SUPPLIES	17	17	17	17	17	17	17	17	17	17	17	17	154	209
PRINTING SUPPLIES/RICOH	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OTHER SUPPLIES	-	-	-	-	200	-	-	-	-	-	-	-	32	200
Sub-Total Supplies	17	17	17	17	217	17	17	17	17	17	17	17	219	409
OTHER PROFESSIONAL SERVICES	-	-	-	-	-	-	-	-	-	-	-	-	21,000	-
AIRLINE	-	-	-	-	-	-	-	-	-	-	-	1,000	-	1,000
TRAVEL REIMBURSEMENT	-	2,900	1,312	-	-	-	-	-	-	-	-	-	715	4,212
MILEAGE ALLOWANCE	43	43	43	43	43	43	43	43	43	43	43	43	-	511
ORG MEMBERSHIPS/CERT/LICENSE	200	-	-	-	-	25,000	-	-	-	-	20,000	20,000	40,175	65,200
SEMINAR FEES	3,500	-	-	-	45	-	-	2,450	45	-	-	-	4,240	6,040
EMPLOYEE RECOGNITION REWARDS	3	3	3	3	3	3	3	3	3	3	3	3	-	30
OTHER MISCELLANEOUS EXPENSES	17	17	17	17	17	17	17	17	17	17	17	17	35	200
Sub-Total Other Operating Expenses	3,762	2,962	1,374	62	107	25,062	62	2,512	107	62	20,062	21,062	66,165	77,193
Grand Total	\$ 12,604	\$ 11,813	\$ 9,932	\$ 8,904	\$ 8,865	\$ 33,904	\$ 9,123	\$ 10,705	\$ 9,176	\$ 8,848	\$ 29,140	\$ 29,839	\$ 168,598	\$ 182,854

Major operational focus areas

- Major operational focus areas
 - Continued focus on Expenses
- New services
 - Continued expansion of Outpatient Behavioral Health
 - Dental Residency

DMG Providers

COST CENTER and DESCRIPTION			FYE 2024	FYE 2025	FYE 2026
416601	FQHC CLINIC - SOUTH CENTRAL PHOENIX		4.77	5.98	4.24
416603	FQHC CLINIC - AVONDALE		4.40	5.64	6.02
416608	FQHC CLINIC - CHANDLER		6.14	6.63	7.05
416609	FQHC CLINIC - GUADALUPE		2.47	2.16	2.15
416613	FQHC CLINIC - MCDOWELL		8.20	8.25	9.61
416701	FQHC CLINIC - SOUTH PHOENIX LAVERN		4.45	6.14	6.91
416704	FQHC CLINIC - WEST MARYVALE		4.41	6.31	8.28
416707	FQHC CLINIC - MESA		6.50	5.81	6.70
416711	FQHC CLINIC - NORTH PHOENIX		5.36	7.41	8.68
476707	FQHC MCDOWELL SERVICES - MESA		0.44	0.43	0.00
476101	FQHC WOMENS CARE - PHOENIX		6.59	6.79	7.20
476105	FQHC PEDIATRIC CLINIC - PHOENIX		5.07	5.33	5.82
476106	FQHC MEDICINE CLINIC - PHOENIX		5.82	5.61	5.51
576101	FQHC PRIMARY CARE - PEORIA		8.12	9.88	11.71
416750	FQHC CLINIC - MOBILE HEALTH UNIT		0.00	0.50	0.90
TOTAL			72.74	82.87	90.78

Dental Staff

Dental FTEs by Location

Location	FYE 2024	FYE 2025	FYE 2026
	Actuals	Actuals	Budget
FQHC DENTAL - PHOENIX	13.6	14.7	17.0
FQHC DENTAL - CHANDLER	4.5	4.8	5.0
FQHC DENTAL - AVONDALE	3.9	4.0	4.5
FQHC DENTAL - MCDOWELL	5.7	5.9	6.1
FQHC DENTAL - PEORIA	7.5	8.2	9.3
TOTAL	35.3	37.7	42.0

Behavioral Health Providers

BH Providers by Location

Location	FYE 2024 Actuals	FYE 2025 Actuals	FYE 2026 Budget
BH FQHC - PSYCHIATRY *DMG	2.3	3.1	2.5
BH FQHC - SOUTH CENTRAL PHOENIX	3.3	3.6	4.0
BH FQHC - AVONDALE	3.7	3.0	4.0
BH FQHC - CHANDLER	2.3	2.5	3.0
BH FQHC - GUADALUPE	1.7	2.1	3.0
BH FQHC - MCDOWELL	-	-	2.0
BH FQHC - PEORIA	3.8	4.4	5.0
BH FQHC - SOUTH PHOENIX LAVERN	2.0	1.9	4.0
BH FQHC - WEST MARYVALE	2.4	3.0	3.0
BH FQHC - MESA	5.1	4.7	5.0
BH FQHC - NORTH PHOENIX	2.3	2.9	4.0
BH FQHC - PHOENIX	2.8	4.2	5.0
TOTAL	31.8	35.4	44.5

Visits

VCHC Clinics

FQHC CLINIC - SOUTH CENTRAL PHOENIX
 FQHC CLINIC - SOUTH PHOENIX LAVERN
 FQHC CLINIC - AVONDALE
 FQHC CLINIC - CHANDLER
 FQHC CLINIC - GUADALUPE
 FQHC CLINIC - NORTH PHOENIX
 FQHC CLINIC - MCDOWELL
 FQHC CLINIC - WEST MARYVALE
 FQHC CLINIC - MESA
 FQHC CLINIC - MOBILE HEALTH UNIT
 FQHC MCDOWELL SERVICES - MESA

Total

% Change compared to Prior Year

	FY 2023	FY 2024	FY 2025	FY 2025 Budget	
	Actual	Actual	Projection	Budget	Variance from Budget (Projection)
FQHC CLINIC - SOUTH CENTRAL PHOENIX	25,704	21,957	24,276	21,978	10.5%
FQHC CLINIC - SOUTH PHOENIX LAVERN	16,558	15,047	17,839	18,273	(2.4%)
FQHC CLINIC - AVONDALE	20,528	18,506	18,959	22,416	(15.4%)
FQHC CLINIC - CHANDLER	20,561	20,681	20,939	19,041	10.0%
FQHC CLINIC - GUADALUPE	7,912	7,267	7,721	7,503	2.9%
FQHC CLINIC - NORTH PHOENIX	21,331	20,175	22,711	22,008	3.2%
FQHC CLINIC - MCDOWELL	19,891	19,293	17,079	18,406	(7.2%)
FQHC CLINIC - WEST MARYVALE	18,106	18,249	19,400	20,145	(3.7%)
FQHC CLINIC - MESA	17,996	19,478	18,084	19,448	(7.0%)
FQHC CLINIC - MOBILE HEALTH UNIT	-	-	844	1,000	(15.6%)
FQHC MCDOWELL SERVICES - MESA	1,165	1,065	1,013	1,157	(12.4%)
Total	169,752	161,718	168,865	171,375	(1.5%)

4.4%

Budget Information

FY 2026

Proposed Budget	Variance from Projection	Variance %	Variance from FY2025 Budget	Variance %
19,409	(4,867)	(20.0%)	(2,569)	(11.7%)
22,530	4,691	26.3%	4,257	23.3%
19,829	870	4.6%	(2,587)	(11.5%)
23,100	2,161	10.3%	4,059	21.3%
7,409	(312)	(4.0%)	(94)	(1.3%)
28,564	5,853	25.8%	6,556	29.8%
18,471	1,392	8.2%	65	0.4%
28,222	8,822	45.5%	8,077	40.1%
22,250	4,166	23.0%	2,802	14.4%
92	(752)	(89.1%)	(908)	(90.8%)
-	(1,013)	(100.0%)	(1,157)	(100.0%)
189,876	21,011	12.4%	18,501	10.8%

Visits

OP BH Clinics

	FY 2023	FY 2024	FY 2025	FY 2025 Budget	
	Actual	Actual	Projection	Budget	Variance from Budget (Projection)
BH FQHC - SOUTH CENTRAL PHOENIX	3,855	2,772	3,315	3,216	3.1%
BH FQHC - SOUTH PHOENIX LAVERN	1,157	2,038	1,751	2,468	(29.1%)
BH FQHC - AVONDALE	2,858	3,750	2,788	3,791	(26.5%)
BH FQHC - CHANDLER	1,431	2,327	2,515	2,170	15.9%
BH FQHC - GUADALUPE	1,746	1,677	1,495	1,357	10.2%
BH FQHC - NORTH PHOENIX	1,223	2,359	2,436	2,179	11.8%
BH FQHC - PEORIA	4,343	4,008	4,515	3,327	35.7%
BH FQHC - MESA	3,471	4,843	4,592	3,772	21.7%
BH FQHC - WEST MARYVALE	1,762	2,032	3,068	2,780	10.4%
BH FQHC - PSYCHIATRY	3,217	4,523	5,767	4,612	25.1%
BH FQHC - PHOENIX	36	1,527	2,899	2,998	(3.3%)
BH FQHC - MCDOWELL	-	-	-	-	0.0%
Total	25,099	31,856	35,141	32,671	7.6%

% Change compared to Prior Year

10.3%

Comprehensive Health Center-Peoria

	FY 2023	FY 2024	FY 2025	FY 2025 Budget	
	Actual	Actual	Projection	Budget	Variance from Budget (Projection)
FQHC PRIMARY CARE - PEORIA	27,328	26,611	28,415	28,416	(0.0%)
Total	27,328	26,611	28,415	28,416	(0.0%)

% Change compared to Prior Year

6.8%

Budget Information

FY 2026

Proposed Budget	Variance from Projection	Variance %	Variance from FY2025 Budget	Variance %
3,440	125	3.8%	224	7.0%
1,806	55	3.1%	(662)	(26.8%)
3,564	776	27.8%	(227)	(6.0%)
2,521	6	0.2%	351	16.2%
2,435	940	62.9%	1,078	79.4%
3,487	1,051	43.1%	1,308	60.0%
4,202	(313)	(6.9%)	875	26.3%
4,588	(4)	(0.1%)	816	21.6%
2,814	(254)	(8.3%)	34	1.2%
4,403	(1,364)	(23.7%)	(209)	(4.5%)
3,689	790	27.3%	691	23.0%
1,945	1,945	100.0%	1,945	0.0%
38,894	3,753	10.7%	6,223	19.0%

Budget Information

FY 2026

Proposed Budget	Variance from Projection	Variance %	Variance from FY2025 Budget	Variance %
38,152	9,737	34.3%	9,736	34.3%
38,152	9,737	34.3%	9,736	34.3%

Visits

VCHC - Phoenix Clinics

	FY 2023	FY 2024	FY 2025	FY 2025 Budget	
	Actual	Actual	Projection	Budget	Variance from Budget (Projection)
FQHC WOMENS CARE - PHOENIX	20,716	20,951	21,768	22,468	(3.1%)
FQHC ANTEPARTUM TESTING - PHOENIX	9,452	10,859	11,047	9,502	16.3%
FQHC DIABETES CARE - PHOENIX	1,581	1,370	959	1,505	(36.3%)
FQHC PEDIATRIC CLINIC - PHOENIX	18,381	17,525	18,112	16,650	8.8%
FQHC MEDICINE CLINIC - PHOENIX	18,960	19,319	19,216	19,074	0.7%
Total	69,090	70,024	71,102	69,199	2.8%
% Change compared to Prior Year			1.5%		

Dental Clinics

	FY 2023	FY 2024	FY 2025	FY 2025 Budget	
	Actual	Actual	Projection	Budget	Variance from Budget (Projection)
FQHC DENTAL - PHOENIX	9,932	10,173	11,115	9,727	14.3%
FQHC DENTAL - CHANDLER	2,520	3,125	3,156	3,063	3.0%
FQHC DENTAL - AVONDALE	2,681	2,906	2,777	2,875	(3.4%)
FQHC DENTAL - MCDOWELL	3,804	3,284	3,444	3,500	(1.6%)
FQHC DENTAL - PEORIA	5,019	5,360	5,808	5,200	11.7%
Total	23,956	24,848	26,300	24,365	7.9%
% Change compared to Prior Year			5.8%		

Grand Totals

% Change compared to Prior Year 4.7%

Budget Information

FY 2026

Proposed Budget	Variance from Projection	Variance %	Variance from FY2025 Budget	Variance %
25,351	3,583	16.5%	2,883	12.8%
11,295	248	2.2%	1,793	18.9%
1,505	546	56.9%	-	0.0%
21,478	3,366	18.6%	4,828	29.0%
18,962	(254)	(1.3%)	(112)	(0.6%)
78,591	7,489	10.5%	9,392	13.6%

Budget Information

FY 2026

Proposed Budget	Variance from Projection	Variance %	Variance from FY2025 Budget	Variance %
11,169	54	0.5%	1,442	14.8%
3,186	30	1.0%	123	4.0%
2,877	100	3.6%	2	0.1%
3,390	(54)	(1.6%)	(110)	(3.1%)
5,781	(27)	(0.5%)	581	11.2%
26,403	103	0.4%	2,038	8.4%

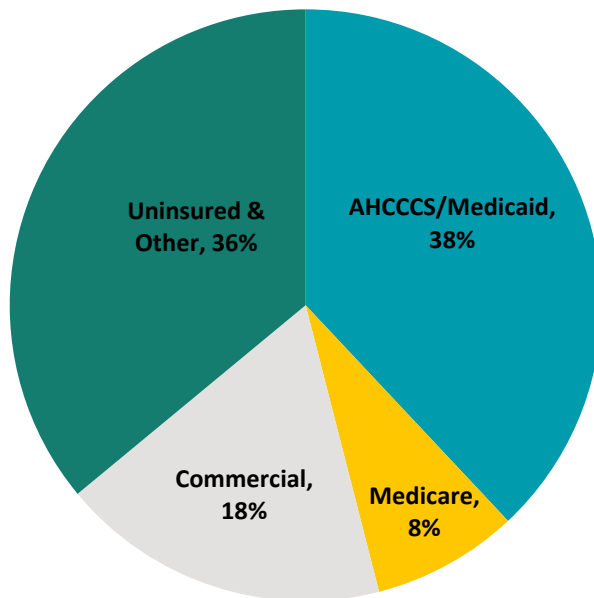
371,916 42,093 12.8% 45,890 14.1%

Revenue

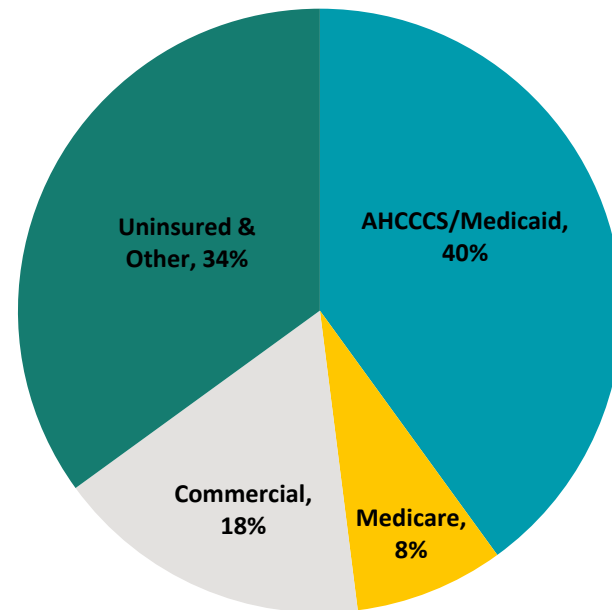
- FQHC AHCCCS Reimbursement
 - Rate = \$344.07 or 1.5% increase
- AHCCCS/Medicaid reflects a 2% increase
- Major areas of Other Revenue are based on funding from the following sources:
 - Service Area Competition Grant
 - SAMHSA (Substance Abuse and Mental Health Services Administration)
 - Ryan White

Payor Mix

Actual April YTD



Budget FY26



Expenses

- Budgeted expenses increased 12% compared to the FY 2025 projection due to higher volume and increasing of costs.
- Labor costs (salaries, contract labor, and benefits) increased due to higher volume.
 - A vacancy factor applied – approximately 18.2 FTEs
 - Merit has been included at 3% in January.
- Medical Service Fees increased due to contract changes and increased providers.

Expenses

- Other expenses projected at current year run rate plus inflation. Examples include:

Pharmacy - 5.2%

Other Supplies - 3.7%

Medical Supplies - 3.3%

Utilities (Electric) - 2.9%

Office Supplies - 4.7%

Utilities (Water) - 5.1%

Income Statement

**Valleywise Health
FQHC
FY2025 Projection vs FY2026 Budget
With Ancillary Services**

	VCHC			OP BEHAVIORAL HEALTH		
	JUN Month to Date			JUN Month to Date		
	FY25 Projection	FY26 Budget	%	FY25 Projection	FY26 Budget	%
Visits	168,021	189,784	13%	35,143	38,894	11%
Operating Revenues						
Net patient service revenue	\$ 39,390,156	\$ 45,243,337	15%	\$ 8,219,786	\$ 9,933,376	21%
Other Operating Revenue	2,132,946	1,396,130	(35%)	734,466	748,088	2%
Total operating revenues	\$ 41,523,102	\$ 46,639,467	12%	\$ 8,954,251	\$ 10,681,464	19%
Operating Expenses						
Salaries and wages	16,011,206	16,968,030	(6%)	4,571,641	5,608,283	(23%)
Contract labor	1	-	100%	-	-	
Employee benefits	4,976,928	5,447,106	(9%)	1,438,167	1,787,168	(24%)
Medical service fees	15,990,989	17,655,885	(10%)	1,261,864	1,090,187	14%
Supplies	2,866,460	3,297,524	(15%)	16,677	18,435	(11%)
Purchased services	120,178	120,118	0%	282,575	295,047	(4%)
Other expenses	1,140,594	1,139,069	0%	48,667	56,221	(16%)
Allocated ancillary expense	10,700,365	12,587,071	(18%)	-	-	
Total operating expenses	\$ 51,806,756	\$ 57,214,803	(10%)	\$ 7,619,591	\$ 8,855,341	(16%)
Margin (before overhead allocation)	\$ (10,283,653)	\$ (10,575,336)	(3%)	\$ 1,334,661	\$ 1,826,123	37%
Percent Margin	(25%)	(23%)		15%	17%	
<i>Overhead Allocation</i>	18,162,333	20,796,847	(15%)	2,175,330	2,993,263	(38%)
Margin (after overhead allocation)	\$ (28,445,986)	\$ (31,372,183)	(10%)	\$ (840,669)	\$ (1,167,140)	(39%)
Percent Margin	(69%)	(67%)		(9%)	(11%)	

Income Statement

Valleywise Health
FQHC
FY2025 Projection vs FY2026 Budget
With Ancillary Services

	VCHC - PHOENIX			VCHC - PEORIA		
	JUN Month to Date			JUN Month to Date		
	FY25 Projection	FY26 Budget	%	FY25 Projection	FY26 Budget	%
Visits	71,099	78,591	11%	28,416	38,152	34%
Operating Revenues						
Net patient service revenue	\$ 12,573,846	\$ 14,442,385	15%	\$ 5,140,956	\$ 7,061,323	37%
Other Operating Revenue	348,967	344,257	(1%)	141,852	164,446	16%
Total operating revenues	\$ 12,922,814	\$ 14,786,641	14%	\$ 5,282,808	\$ 7,225,769	37%
Operating Expenses						
Salaries and wages	6,997,061	7,678,738	(10%)	2,693,903	3,354,812	(25%)
Contract labor	0	-	100%	0	-	100%
Employee benefits	2,180,878	2,567,816	(18%)	841,581	1,124,893	(34%)
Medical service fees	6,078,849	6,644,490	(9%)	2,707,178	3,112,589	(15%)
Supplies	630,496	741,657	(18%)	193,293	255,303	(32%)
Purchased services	88,698	84,659	5%	19,232	21,428	(11%)
Other expenses	43,907	62,497	(42%)	12,835	23,533	(83%)
Allocated ancillary expense	1,532,033	1,751,284	(14%)	750,539	1,082,917	(44%)
Total operating expenses	\$ 17,551,921	\$ 19,531,141	(11%)	\$ 7,218,561	\$ 8,975,475	(24%)
Margin (before overhead allocation)	\$ (4,629,108)	\$ (4,744,499)	(2%)	\$ (1,935,753)	\$ (1,749,707)	10%
Percent Margin	(36%)	(32%)		(37%)	(24%)	
<i>Overhead Allocation</i>	5,332,129	6,297,074	(18%)	2,431,256	3,439,342	(41%)
Margin (after overhead allocation)	\$ (9,961,237)	\$ (11,041,573)	(11%)	\$ (4,367,009)	\$ (5,189,049)	(19%)
Percent Margin	(77%)	(75%)		(83%)	(72%)	

Income Statement

Valleywise Health
FQHC
FY2025 Projection vs FY2026 Budget
With Ancillary Services

	DENTAL			MOBILE HEALTH UNIT		
	JUN Month to Date			JUN Month to Date		
	FY25 Projection	FY26 Budget	%	FY25 Projection	FY26 Budget	%
Visits	26,297	26,403	0%	843	92	(89%)
Operating Revenues						
Net patient service revenue	\$ 3,102,932	\$ 4,889,674	58%	\$ 163,453	\$ 15,516	(91%)
Other Operating Revenue	150,610	105,322	(30%)	83,567	-	(100%)
Total operating revenues	\$ 3,253,541	\$ 4,994,996	54%	\$ 247,019	\$ 15,516	(94%)
Operating Expenses						
Salaries and wages	4,771,056	5,140,103	(8%)	199,918	21,933	89%
Contract labor	0	-	100%	-	-	
Employee benefits	1,439,301	1,618,815	(12%)	57,781	6,397	89%
Medical service fees	-	-		73,770	14,504	80%
Supplies	410,935	425,776	(4%)	10,465	1,604	85%
Purchased services	215,805	222,904	(3%)	83	-	100%
Other expenses	65,453	71,115	(9%)	4,940	336	93%
Allocated ancillary expense	-	-		40,502	4,050	90%
Total operating expenses	\$ 6,902,550	\$ 7,478,714	(8%)	\$ 387,460	\$ 48,824	87%
Margin (before overhead allocation)	\$ (3,649,009)	\$ (2,483,718)	32%	\$ (140,440)	\$ (33,309)	76%
Percent Margin	(112%)	(50%)		(57%)	(215%)	
<i>Overhead Allocation</i>	2,730,197	2,767,982	(1%)	116,238	14,647	87%
Margin (after overhead allocation)	\$ (6,379,206)	\$ (5,251,699)	18%	\$ (256,678)	\$ (47,956)	81%
Percent Margin	(196%)	(105%)		(104%)	(309%)	

Income Statement

Valleywise Health
FQHC
FY2025 Projection vs FY2026 Budget
With Ancillary Services

ALL CLINICS COMBINED

JUN Month to Date

	FY25 Projection	FY26 Budget	Variance Favorable (Unfavorable)	%
Visits	329,819	371,916	42,097	13%
Operating Revenues				
Net patient service revenue	\$ 68,591,129	\$ 81,585,609	\$ 12,994,480	19%
Other Operating Revenue	3,592,407	2,758,242	(834,165)	(23%)
Total operating revenues	\$ 72,183,536	\$ 84,343,852	\$ 12,160,315	17%
Operating Expenses				
Salaries and wages	35,244,785	38,771,900	(3,527,115)	(10%)
Contract labor	1	-	1	100%
Employee benefits	10,934,636	12,552,196	(1,617,561)	(15%)
Medical service fees	26,112,651	28,517,654	(2,405,003)	(9%)
Supplies	4,128,326	4,740,300	(611,974)	(15%)
Purchased services	726,571	744,157	(17,586)	(2%)
Other expenses	1,316,396	1,352,770	(36,375)	(3%)
Allocated ancillary expense	13,023,439	15,425,322	(2,401,883)	(18%)
Total operating expenses	\$ 91,486,839	\$ 102,104,298	\$ (10,617,460)	(12%)
Margin (before overhead allocation)	\$ (19,303,302)	\$ (17,760,447)	\$ 1,542,856	8%
Percent Margin	(27%)	(21%)		
Overhead Allocation	30,947,483	36,309,154	(5,361,671)	(17%)
Margin (after overhead allocation)	\$ (50,250,786)	\$ (54,069,601)	\$ (3,818,816)	(8%)
Percent Margin	(70%)	(64%)		

Capital

FQHC Contingency Capital

\$100,000