

This section converts Roswell Park Comprehensive Cancer Center's full accrual basis budget into a modified accrual basis for reporting to various State Agencies. As required by NYS, this Modified Accrual Report is for the public benefit corporation only (excludes Health Research, Inc.)

# Roswell Park Comprehensive Cancer Center

## Section 203 Budget Filing

### Fiscal Year 2026 - 2027

#### FINAL



**March 31, 2026**

## **Roswell Park Comprehensive Cancer Center**

The institute was founded in 1898 and became a State Institute in 1911. In 1971, it was one of the first three institutions certified as a comprehensive cancer center by the National Cancer Institute. As such, it is committed to combat cancer through basic research, clinical research and treatment, and professional and public education. Presently, there are 57 such centers designated in the United States. The institute is a 157 licensed bed facility and an ambulatory care center containing 15 multidisciplinary care centers with a staff of over 4,000 members, including clinical staff physicians, residents, fellows, and research staff. The primary physical plant covers several city blocks in downtown Buffalo.

The operation of the Institute transferred from the New York Department of Health to the RPCI Corporation on January 1, 1999. In order to meet the demands of the changing health care marketplace and to promote the strengths and capabilities of the Institute, Chapter 5 of the Laws of 1997 added a new Title 4 to Article 10-c of the Public Authorities Law authorizing the RPCI Corporation. This legislative authorization was intended to change the Institute's governance structure to afford it market and managerial flexibility. Among the special powers granted by the legislation to the Corporation were the powers to contract with the State to operate, manage, superintend and control the Institute, and to establish, collect, and adjust fees, rental and other charges in connection with the operation of the Institute.

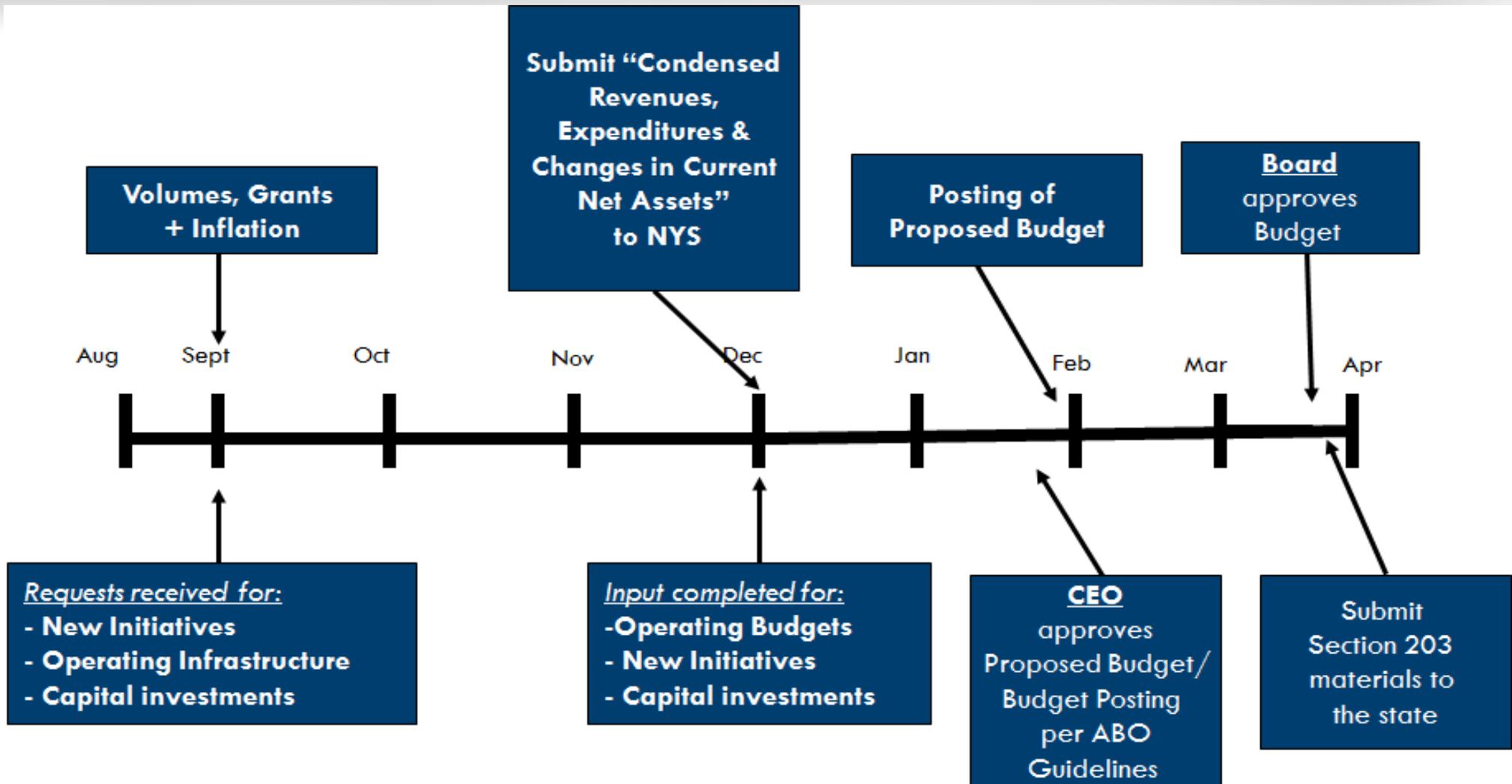
Pursuant to subdivision 2 of Section 403 of the Public Health Law, added by such chapter, the Department of Health, acting on behalf of the State, entered into an Operating Agreement with RPCI Corporation pursuant to which operating responsibility for the Institute was transferred to RPCI Corporation effective January 1, 1999, and giving RPCI Corporation substantial independence operating the Institute, including the power to establish operating budgets, to establish and implement strategic business plans, to create subsidiary and affiliated entities, to enter into affiliations and alliances with other health care providers and to establish, collect and adjust fees, rentals and other charges in connection with the operation of the Institute. Revenues generated by the Corporation as a result of operating the Institute are considered to be revenues of the State for the purpose of its bond payment, and are required to be deposited into the Roswell Park Cancer Institute Debt Service Account of the Health Income Fund for payment of debt service on the Bonds. The Department of Health retains responsibility for paying debt service on the Bonds. After allowing for accumulation of a debt service reserve for the Institute, the remaining revenues are transferred to Roswell Park Cancer Institute Income Account of the Health Income Fund. After allowing for a balance for refunds these revenues are, in turn, transferred to RPCI Corporation.

RPCI Corporation's responsibility is to ensure the fiscal and programmatic integrity of the facility. To achieve this objective, the Corporation has updated the strategic plan for the Institute which includes major programmatic and scientific, as well as, fiscal goals. Some of the key goals include the recruitment of top tier clinical and scientific talent; developing a methodology to monitor the effectiveness of programs and faculty; enhancing financial viability through revenue and expense controls; building a strong and profitable biotechnology transfer program in collaboration with peer facilities; emphasis on clinical and translational research; as well as developing and implementing new clinical trials and establishing a cancer disease management and clinical outcomes program.

The Institute is a formally designated unit of the Graduate School of the University of New York at Buffalo and has numerous affiliation agreements with other educational institutions and hospitals. Training provided by the Institute under these arrangements includes medical, nursing and medical research.

# Roswell Park Budget Process Timeline

203.6(b)



- Revenue assumptions:
  - Base volumes
    - Admits 8.8%
    - Days 9.2%
    - Outpatient Visits 5.5%
  - Rate assumptions
    - Payer rates as negotiated
    - Governmental payer rates per regulations
  
- Sources of revenues:
  - Includes private and governmental contracts, grants and donations, and funding from New York State
  
- Staffing:
  - At current levels, adjusted for productivity standards, new initiatives, strategic research initiatives and infrastructure
  
- Future collective bargaining costs:
  - Bargaining unit increases for FY27 include Step and COLA per negotiated contracts

- Inflation:
  - Salaries – Steps and COLA factored in as previously noted
  - Fringe Benefits – increased consistent with salaries
  - Pharmaceuticals (inflation, utilization, new therapies) = 9%
  - Medical supplies, blood supplies, office supplies, purchased services = 3.0%
  
- Programmatic Goals:
  - Continued expansion of local community presence
  - Implementation of Roswell Park's strategic plan, including
    - Expand adoptive cellular therapy as new treatments options become available for patients
    - Expand access to Roswell Park through WNY and statewide collaborative opportunities
    - Structure an innovative cancer program to deliver transformational science, including Immunotherapy and personalized medicine
  - Implementation of strategic research initiatives
  - Expand capabilities for commercializing Roswell Park innovations
  - Significant capital investment to upgrade existing IT systems, expand capacity and maintain currency for clinical technology

- Labor/Workforce Instability
  - Recruitment and retention
  - Rising employment costs
- Durable/Sustained Inflation
- Drug Reimbursement
- Continued Uncertainty of Federal Budget
  - NCI Funding
  - Medicare & Medicaid reimbursement
  - DSH funding
- Managed Care
  - Increasing role of national insurance companies for commercial and Medicare Advantage plans
  - Increasing use of limited and tiered networks and ACO's
  - Benefit designs continue to require higher cost share (copays/coinsurance/deductible) for patients for certain services

# Budgeted Revenues, Expenditures and Changes in Current Net Assets (in 000's)

203.6(e)/203.6(g)

	Last Year (Actual) FY25	Current Year (Estimated) FY26	Proposed Budget FY27	Proposed FY28	Proposed FY29	Proposed FY30
<b>REVENUE &amp; FUNDING SOURCES</b>						
<i>Operating Revenues</i>						
Charges for Services	\$ 1,139,748	\$ 1,221,705	\$ 1,410,328	\$ 1,647,237	\$ 1,767,573	\$ 1,883,572
Other Operating revenues	29,707	34,310	32,176	33,169	33,084	33,092
<i>Non-operating Revenues</i>						
Investment earnings	22,847	18,822	12,304	15,620	19,220	19,038
State subsidies/grants	110,767	106,767	106,767	106,767	106,767	106,767
<i>Proceeds from the issuance of debt</i>	—	160,481	15,125	75,000	25,000	—
<b>Total Revenues and Funding Sources</b>	<b>\$ 1,303,069</b>	<b>\$ 1,542,086</b>	<b>\$ 1,576,700</b>	<b>\$ 1,877,793</b>	<b>\$ 1,951,644</b>	<b>\$ 2,042,469</b>
<b>EXPENDITURES</b>						
<i>Operating expenditures</i>						
Salaries and Wages	\$ 449,863	\$ 495,155	\$ 561,417	\$ 618,105	\$ 651,336	\$ 686,204
Other Employee Benefits	140,339	163,201	196,126	224,304	245,804	268,594
Professional Services and Contracts	161,618	166,750	173,390	194,319	195,505	207,207
Supplies and Materials	533,886	567,068	628,330	703,302	748,798	791,131
Other operating expenditures	7,970	11,766	12,571	13,742	15,196	16,179
<i>Non-operating expenditures</i>						
Payment of principal on bonds and financing arrangements	15,234	93,904	—	—	—	—
Interest and other fiscal charges on debt	4,775	7,346	10,798	12,342	15,358	15,570
Capital asset outlay	56,410	61,839	102,584	55,627	50,542	47,107
<b>Total Expenditures</b>	<b>\$ 1,370,095</b>	<b>\$ 1,567,029</b>	<b>\$ 1,685,216</b>	<b>\$ 1,821,741</b>	<b>\$ 1,922,539</b>	<b>\$ 2,031,992</b>
Capital Contributions	7,250	13,278	41,579	560	250	—
"Excess (deficiency) of revenues and capital contributions over expenditures"	<b>\$ (59,776)</b>	<b>\$ (11,665)</b>	<b>\$ (66,937)</b>	<b>\$ 56,612</b>	<b>\$ 29,355</b>	<b>\$ 10,477</b>

# Cash Flow Projections

(in millions)

203.5(h)

	Projected FY26	Budgeted FY27	Budgeted FY28	Budgeted FY29	Budgeted FY30
Excess/(Deficiency) of revenues and capital contributions over expenditures	\$ (11.7)	\$ (66.9)	\$ 56.6	\$ 29.4	\$ 10.5
Other Changes in Unrestricted Cash	(42.9)	(7.5)	(13.1)	(13.2)	(32.0)
<b>Cash Impact from Operations</b>	<b>\$ (54.6)</b>	<b>\$ (74.4)</b>	<b>\$ 43.5</b>	<b>\$ 16.2</b>	<b>\$ (21.5)</b>

# Projected Operating Revenues -- Net Patient Service Revenue (Charges for Services) (in 000's)

203.5(d)

	FY26 Projected	FY27 Budget	FY28 Budget	FY29 Budget	FY30 Budget
<b><u>Volume Statistics</u></b>					
Admits	5,548	6,038	6,380	6,542	6,738
Days	42,403	46,298	49,300	50,772	52,295
Visits	336,300	354,786	382,130	391,935	403,693
<b><u>Direct Patient Service Revenue</u></b>					
RPCI IP Revenue	\$ 286,933	\$ 319,368	\$ 350,890	\$ 374,954	\$ 401,003
RPCI OP Revenue	783,566	854,130	979,099	1,064,258	1,143,419
Other	96,779	101,233	104,268	106,586	108,855
<b>RPCI Total</b>	<b>\$ 1,167,278</b>	<b>\$ 1,274,731</b>	<b>\$ 1,434,257</b>	<b>\$ 1,545,798</b>	<b>\$ 1,653,277</b>
CPP IP Revenue	\$ 19,991	\$ 22,307	\$ 24,355	\$ 25,737	\$ 27,179
CPP OP Revenue	71,740	78,045	86,730	91,664	97,359
<b>CPP Total</b>	<b>\$ 91,731</b>	<b>\$ 100,352</b>	<b>\$ 111,085</b>	<b>\$ 117,401</b>	<b>\$ 124,539</b>
<b>Total Direct Patient Service Revenue</b>	<b>\$ 1,259,009</b>	<b>\$ 1,375,083</b>	<b>\$ 1,545,342</b>	<b>\$ 1,663,199</b>	<b>\$ 1,777,816</b>
Other RPCI Patient Service Revenue	\$ 4,426	\$ 5,178	\$ 5,053	\$ 4,175	\$ 4,045
Other CPP Patient Service Revenue	670	670	670	670	670
<b>Total Other Patient Service Revenue</b>	<b>\$ 5,096</b>	<b>\$ 5,848</b>	<b>\$ 5,723</b>	<b>\$ 4,845</b>	<b>\$ 4,715</b>
<b>Total Net Patient Service Revenue</b>	<b>\$ 1,264,105</b>	<b>\$ 1,380,931</b>	<b>\$ 1,551,065</b>	<b>\$ 1,668,044</b>	<b>\$ 1,782,531</b>
RPCI Provision for Bad Debts	\$ 49,034	\$ 24,889	\$ 25,015	\$ 24,214	\$ 25,741
CPP Provision for Bad Debts	9,178	2,509	2,222	2,113	2,242
<b>Total Provision for Bad Debts</b>	<b>\$ 58,212</b>	<b>\$ 27,398</b>	<b>\$ 27,237</b>	<b>\$ 26,327</b>	<b>\$ 27,983</b>
<b>Total Net Patient Service Revenue Net of Provision for Bad Debt</b>	<b>\$ 1,205,893</b>	<b>\$ 1,353,533</b>	<b>\$ 1,523,828</b>	<b>\$ 1,641,717</b>	<b>\$ 1,754,548</b>
Grants and Contracts	15,813	56,796	123,409	125,856	129,023
<b>Total Charges for Services</b>	<b>\$ 1,221,705</b>	<b>\$ 1,410,328</b>	<b>\$ 1,647,237</b>	<b>\$ 1,767,573</b>	<b>\$ 1,883,572</b>

# Projected Operating Revenues — Other Operating Revenue (in 000's)

203.5(d)

<u>(in thousands)</u>	<b>FY26</b>	<b>FY27</b>	<b>FY28</b>	<b>FY29</b>	<b>FY30</b>
	<b>Projected</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>
Cafeteria	\$ 1,891	\$ 1,948	\$ 1,967	\$ 1,986	\$ 2,006
Parking	2,890	2,940	2,969	2,999	3,029
Rebates (VHA)	3,750	3,750	3,784	3,817	3,852
Other Operating Revenues (PC's/JV's)	13,227	10,769	10,819	10,869	10,919
Network Affiliations, Agreements & Partnerships	4,055	2,268	1,934	1,956	1,979
LSB - UB Reimbursement	1,667	1,900	1,919	1,938	1,958
New Programs funded through Alliance	2,406	2,540	2,182	1,961	1,658
WNY Partnership/Rest of NY Initiatives	3,250	3,250	3,283	3,315	3,348
State Funding (ESD)	—	1,986	2,085	2,189	2,298
All Other	1,176	825	2,228	2,052	2,045
<b>Projected Operating Revenues</b>	<b>\$ 34,310</b>	<b>\$ 32,176</b>	<b>\$ 33,169</b>	<b>\$ 33,084</b>	<b>\$ 33,092</b>

# Salary & Fringe and Non Personnel Service Operating Expense (in 000's)

203.5(e)/203.5(f)

	FY26 Projected	FY27 Budget	FY28 Budget	FY29 Budget	FY30 Budget
<b>Salaries</b>					
Salaries and Wage Costs	\$ 495,155	\$ 561,417	\$ 618,105	\$ 651,336	\$ 686,204
<b>TOTAL Personnel Service Expense</b>	<b>\$ 495,155</b>	<b>\$ 561,417</b>	<b>\$ 618,105</b>	<b>\$ 651,336</b>	<b>\$ 686,204</b>
<b>Fringe</b>					
NYS Pension Expense & TIAA CREF	\$ 45,157	\$ 52,868	\$ 57,750	\$ 63,068	\$ 68,419
Health Insurance: Active	45,644	52,648	60,545	69,627	80,071
Health Insurance: OPEB Payments	19,427	20,981	22,660	24,473	26,430
Other Fringe	52,973	69,629	83,348	88,636	93,673
<b>TOTAL Fringe Expense</b>	<b>\$ 163,201</b>	<b>\$ 196,126</b>	<b>\$ 224,304</b>	<b>\$ 245,804</b>	<b>\$ 268,594</b>
<b>Non Personnel Service Operating Expense</b>					
<b>Professional Services &amp; Contracts</b>	<b>\$ 166,750</b>	<b>\$ 173,390</b>	<b>\$ 194,319</b>	<b>\$ 195,505</b>	<b>\$ 207,207</b>
Pharmaceuticals	\$ 458,878	\$ 501,925	\$ 555,642	\$ 593,015	\$ 627,907
Medical, Blood, Other Supplies	108,190	126,405	147,660	155,783	163,224
<b>Supplies &amp; Materials</b>	<b>\$ 567,068</b>	<b>\$ 628,330</b>	<b>\$ 703,302</b>	<b>\$ 748,798</b>	<b>\$ 791,131</b>
<b>Other Operating Expenditures</b>	<b>\$ 11,766</b>	<b>\$ 12,571</b>	<b>\$ 13,742</b>	<b>\$ 15,196</b>	<b>\$ 16,179</b>
<b>TOTAL Non Personnel Service Expense</b>	<b>\$ 745,584</b>	<b>\$ 814,291</b>	<b>\$ 911,363</b>	<b>\$ 959,499</b>	<b>\$ 1,014,517</b>

Note: The fringe expense includes the cash payments for NYS Pension & OPEB, but does not include the accrued cost.

# Reconciliation FY26 Budget to FY26 Projected (in millions)

203.6(f)

	<u>(in millions)</u>
<b>Excess (Deficiency) Revenues over Expenses (FY26 Budget)</b>	<b>\$ 96.8</b>
Clinical Margin (volume driven)	(10.6)
Rev Cycle (Increased Bad Debt)	(29.3)
Third Party Revenue (Medicare ICR Settlement/HCRA)	7.3
Margin Optimization Initiatives	11.6
Proceeds from Issuance of Debt	(88.7)
Timing of Capital & Strategic Investments	(2.7)
All Other	3.9
<b>Excess (Deficiency) Revenues over Expenses (FY26 Projected)</b>	<b>\$ (11.7)</b>

# FY 2027 Budgeted # of FTE's and # of Employees

203.6(h)

<b><u>Functional Classification</u></b>	<b>Total # Employees</b>	<b>Total # Full Time</b>	<b>Total # FTE's</b>
Clinical / Clinical Research / Academic	2,879	2,517	2,665
Scientific / Academic	232	205	216
Administrative and Other	875	772	812
<b>Total All Functional Areas</b>	<b>3,986</b>	<b>3,493</b>	<b>3,693</b>

## **Sources of Funding:**

The Source of funding for the projected workforce is:  
Patient Service Revenues - Government and Private Payers  
Grants and Contracts  
Donations  
New York State Funding

As part of the Institute's long range strategic plan, investments are being made in clinical operations. These investments are critical to meeting the projected demand for oncology services and expanding access to Roswell Park's services.

## Revenue Enhancements and Cost Reduction Initiatives:

	(\$ in Millions)
Clinical Growth	\$14.2M
Margin Optimization Initiatives	\$14.0M

The Institute is projecting non-recurring capital contribution revenues of approximately \$13.3M in FY26, \$41.6M in FY27, \$0.6M in FY28, \$0.3M in FY29 and \$0.0M in FY30. These contributions are expected to assist in funding the continued growth at Roswell Park.

# FY27 Material Shift in Resources Between Years

203.6(k)

Capital Projects and Strategic Investments can span multiple years. These projects are approved prior to initiation, and due to the magnitude of certain projects there can be an approved balance to carry forward to the next fiscal year. Carry over balances are determined and approved by executive leadership as part of the planning process for the next fiscal year.

# Borrowed Debt Outstanding

(in millions)

203.5(g)/203.6(l)

		in Millions			
		Proposed			
		Budget	Projection	Projection	Projection
		FY27	FY28	FY29	FY30
<b>Borrowed Debt Outstanding</b>					
1	DASNY Debt issuance 8/20/25				
	<b>Debt outstanding at March 31st year end</b>	<b>\$ 175.1</b>	<b>\$ 175.1</b>	<b>\$ 175.1</b>	<b>\$ 175.1</b>

1 On August 20, 2025, DASNY issued debt in the amount of \$175,140,000. Under the terms of issuance interest ranges from 4.8% to 5.5% per annum with interest and principal payments due through 2055. The bond proceeds were used to refinance the Scott Bieler Amherst Center Mortgage and reimbursement of capital spend.

		in 000's	
		Bonds	
<b>Scheduled Debt Service Payment</b>		Principal	Interest
<i>For the Year ending March 31</i>			
2026		—	3,309
2027		—	9,094
2028		—	9,094
2029		—	9,094
2030		—	9,094
2031-2035		57,620	38,920
Thereafter		117,520	79,425
		<b>\$175,140</b>	<b>\$158,032</b>

\*All debt is issued. There is currently no proposed debt.

# Capital Summary

(in 000's)

203.6(m)

	<b>FY27 Budget</b>
Facilities and Infrastructure	\$ 67,673
Clinical, Scientific & Administrative Equipment	18,104
Information Technology	16,807
<b>Total Capital Expenditures</b>	<b>\$ 102,584</b>

# Changes from Proposed Budget posted on 1/31/26

203.9

<b>Schedule</b>	<b>Change Description</b>
203.6e,g	Changes to financials in all years, with the most significant being: <ul style="list-style-type: none"><li>&gt; changes to volume projections based on most recent trends</li><li>&gt; changes in capital spending due to timing of major projects and changes in estimated costs</li></ul>
203.5h	Updated Cash Projections based on changes to Net Income and Unrestricted Cash (noted above)
203.5d	Updated to reflect change in Financials (noted above)
203.5e,f	Updated to reflect change in Financials (noted above)
203.6f	Updated to reflect change in Financials (noted above)
203.6i	Changes in estimates to Clinical Growth & Strategic Plan Initiatives
203.6m	Change in estimated timing and amount of Total Capital Expenditures
Note:	Changes made since posting on 1/31/26 reflect the most up-to-date and accurate information available prior to the Board approval on 3/25/26.

## **CERTIFICATION**

By checking this box, I certify that the OSC Budget Request (Part 203) submission is complete and to the best of my knowledge and belief after reasonable inquiry, the information provided in this submission is accurate and correct. This information has been presented to and accepted by the authority's board.

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Chief Financial Officer  
Roswell Park Cancer Institute Corporation

Presented to The Roswell Park Board of Directors on March 25, 2026  
Approved by the Board of Director's on March 25, 2026