

**SCHEDULE J
(Form 990)**

Compensation Information

OMB No. 1545-0047

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
 ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.
 ▶ Attach to Form 990.
 ▶ Go to www.irs.gov/Form990 for instructions and the latest information.

2019

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization

FRANCISCAN HEALTH SYSTEM

Employer identification number

91-0564491

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|--|--|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (such as maid, chauffeur, chef) |

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked on line 1a?

3 Indicate which, if any, of the following the organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

- | | |
|--|--|
| <input type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input type="checkbox"/> Independent compensation consultant | <input type="checkbox"/> Compensation survey or study |
| <input type="checkbox"/> Form 990 of other organizations | <input type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment?
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?
- c** Participate in, or receive payment from, an equity-based compensation arrangement?
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.

5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization?
- b** Any related organization?
- If "Yes" on line 5a or 5b, describe in Part III.

6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization?
- b** Any related organization?
- If "Yes" on line 6a or 6b, describe in Part III.

7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described on lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

| | Yes | No |
|-----------|-----|----|
| 1a | | |
| 1b | | |
| 2 | | |
| 3 | | |
| 4a | X | |
| 4b | X | |
| 4c | | X |
| 5a | | X |
| 5b | | X |
| 6a | | X |
| 6b | | X |
| 7 | X | |
| 8 | | X |
| 9 | | |

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2019

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that aren't listed on Form 990, Part VII.

Note: The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

| (A) Name and Title | | (B) Breakdown of W-2 and/or 1099-MISC compensation | | | (C) Retirement and other deferred compensation | (D) Nontaxable benefits | (E) Total of columns (B)(i)-(D) | (F) Compensation in column (B) reported as deferred on prior Form 990 |
|---|------|--|-------------------------------------|-------------------------------------|--|-------------------------|---------------------------------|---|
| | | (i) Base compensation | (ii) Bonus & incentive compensation | (iii) Other reportable compensation | | | | |
| (1) MIKE FITZGERALD TREASURER/CFO | (i) | 642,225. | 296,087. | 82,786. | 15,890. | 21,411. | 1,058,399. | 0. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (2) KETUL PATEL PRESIDENT / CHIEF EXECUTIVE OFFICER | (i) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| | (ii) | 1,197,841. | 1,064,486. | 187,656. | 204,891. | 10,755. | 2,665,629. | 167,190. |
| (3) THERESA RAMBOSEK CORPORATE SECRETARY | (i) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| | (ii) | 321,006. | 25,174. | 16,945. | 15,751. | 1,596. | 380,472. | 0. |
| (4) MICHAEL H ANDERSON CHIEF MEDICAL OFFICER | (i) | 571,216. | 130,449. | 24,544. | 16,675. | 19,535. | 762,419. | 0. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (5) SYDNEY BERSANTE PIERCE REGION PRESIDENT (PARTIAL YEA | (i) | 590,735. | 249,553. | 83,038. | 16,675. | 10,227. | 950,228. | 0. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (6) LAURIE BROWN RN CHIEF EXPERIENCE OFFICER | (i) | 319,419. | 82,134. | 50,282. | 16,498. | 9,874. | 478,207. | 0. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (7) THOMAS KRUSE SVP CHIEF STRATEGY OFFICER | (i) | 576,871. | 130,316. | 20,260. | 15,481. | 28,257. | 771,185. | 0. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (8) ANTHONY MCLEAN KING REGION PRESIDENT (PARTIAL YEAR) | (i) | 475,423. | 200,472. | 65,519. | 16,235. | 10,141. | 767,790. | 0. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (9) KIMBERLY MOORE VP-QUALITY -ASC CMO | (i) | 428,524. | 57,688. | 9,432. | 17,815. | 9,901. | 523,360. | 0. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (10) SHARON ROYNE SVP CHIEF HR OFFICER | (i) | 421,731. | 93,180. | 15,945. | 16,436. | 19,535. | 566,827. | 0. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (11) ROSE SHANDROW DIV SVP MISSION INTEG | (i) | 225,556. | 50,337. | 25,402. | 15,471. | 10,168. | 326,934. | 0. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (12) IAN WORDEN CHIEF OPERATING OFFICER | (i) | 717,112. | 329,872. | 155,793. | 16,675. | 28,512. | 1,247,964. | 61,068. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (13) KHALID ASLAM PHYSICIAN | (i) | 425,275. | 81,634. | 2,164. | 16,685. | 8,784. | 534,542. | 0. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (14) DEAN FIELD DIV VP CLIN INFORMATICS | (i) | 347,990. | 64,670. | 10,908. | 16,894. | 28,440. | 468,902. | 0. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (15) JULIUS LAROSA HOSPITALIST-INTERNAL MEDICINE | (i) | 320,299. | 58,087. | 35,584. | 0. | 8,692. | 422,662. | 0. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (16) SUSHEEL RAMASAHAYAM HOSPITALIST-INTERNAL MEDICINE | (i) | 343,591. | 47,714. | 10,972. | 12,665. | 2,495. | 417,437. | 0. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that aren't listed on Form 990, Part VII.

Note: The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

| (A) Name and Title | | (B) Breakdown of W-2 and/or 1099-MISC compensation | | | (C) Retirement and other deferred compensation | (D) Nontaxable benefits | (E) Total of columns (B)(i)-(D) | (F) Compensation in column (B) reported as deferred on prior Form 990 |
|---|------|--|-------------------------------------|-------------------------------------|--|-------------------------|---------------------------------|---|
| | | (i) Base compensation | (ii) Bonus & incentive compensation | (iii) Other reportable compensation | | | | |
| (17) APARNA ANANTH MD MKT VP MEDICAL OPERATIONS | (i) | 337,141. | 72,301. | 5,749. | 0. | 2,119. | 417,310. | 0. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (18) KATHY BRESSLER FORMER ST. CLAIRE HOSPITAL PRESIDENT | (i) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| | (ii) | 556,554. | 289,321. | 76,710. | 16,675. | 10,069. | 949,329. | 0. |
| (19) META DOOLEY FORMER SR VP-STRT PLN/DEVEL | (i) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| | (ii) | 239,967. | 267,383. | 240,707. | 15,918. | 11,499. | 775,474. | 0. |
| (20) KURT SCHLEY FORMER ST. ANTHONY HOSPITAL PRESIDEN | (i) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| | (ii) | 441,481. | 123,160. | 20,932. | 57,065. | 26,253. | 668,891. | 0. |
| (21) WILLARD WAGNER FORMER KEY EMPLOYEE | (i) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| | (ii) | 211,387. | 12,640. | 2,976. | 13,453. | 16,616. | 257,072. | 0. |
| | (i) | | | | | | | |
| | (ii) | | | | | | | |
| | (i) | | | | | | | |
| | (ii) | | | | | | | |
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| | (ii) | | | | | | | |
| | (i) | | | | | | | |
| | (ii) | | | | | | | |

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

PART I, LINE 3:

DURING THE CALENDAR YEAR 2019, COMPENSATION FOR THE TOP MANAGEMENT OFFICIAL WAS ESTABLISHED AND PAID BY CATHOLIC HEALTH INITIATIVES ("CHI"), A RELATED ORGANIZATION. CHI USED THE FOLLOWING TO ESTABLISH THE TOP MANAGEMENT OFFICIAL'S COMPENSATION: (1) COMPENSATION COMMITTEE; (2) INDEPENDENT COMPENSATION CONSULTANT; (3) WRITTEN EMPLOYMENT CONTRACTS; (4) COMPENSATION SURVEY OR STUDY; (5) APPROVAL BY THE BOARD OR COMPENSATION COMMITTEE.

PART I, LINES 4A-B:

DURING THE CALENDAR YEAR 2019, POST-TERMINATION PAYMENTS WERE ADDRESSED IN EXECUTIVE EMPLOYMENT AGREEMENTS FOR CATHOLIC HEALTH INITIATIVES AND RELATED ORGANIZATIONS' EMPLOYEES AT THE LEVEL OF VICE PRESIDENT AND ABOVE, INCLUDING THE MBO CEOS. THESE EMPLOYMENT AGREEMENTS REQUIRE THAT IN ORDER FOR THE EXECUTIVE TO RECEIVE POST-TERMINATION PAYMENTS, THESE INDIVIDUALS MUST EXECUTE A GENERAL RELEASE AND SETTLEMENT AGREEMENT. POST-TERMINATION PAYMENT ARRANGEMENTS ARE PERIODICALLY REVIEWED FOR OVERALL REASONABLENESS IN LIGHT OF THE EXECUTIVE'S OVERALL COMPENSATION PACKAGE.

THE FOLLOWING REPORTABLE INDIVIDUALS RECEIVED SEVERANCE PAYMENTS FROM

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

CATHOLIC HEALTH INITIATIVES (A RELATED ORGANIZATION) DURING THE 2019
CALENDAR YEAR, AND THESE SEVERANCE PAYMENTS WERE INCLUDED IN THE
INDIVIDUAL'S W-2 INCOME AND REPORTABLE COMPENSATION ON SCHEDULE J:

META DOOLEY - \$210,490

THE FOLLOWING REPORTABLE INDIVIDUALS RECEIVED SEVERANCE PAYMENTS FROM
FRANCISCAN HEALTH SYSTEM DURING THE 2019 CALENDAR YEAR, AND THESE SEVERANCE
PAYMENTS WERE INCLUDED IN THE INDIVIDUAL'S W-2 INCOME AND REPORTABLE
COMPENSATION ON SCHEDULE J:

LAURIE BROWN - \$38,812

DURING THE 2019 CALENDAR YEAR, CATHOLIC HEALTH INITIATIVES ("CHI"), A
RELATED ORGANIZATION, MAINTAINED A SUPPLEMENTAL NON-QUALIFIED DEFERRED
COMPENSATION PLAN FOR MBO CEOS/PRESIDENTS AND OTHER CHI EMPLOYEES AT THE
LEVEL OF SENIOR VICE PRESIDENT AND ABOVE.

DURING 2019 THE FOLLOWING DISTRIBUTIONS WERE MADE BY CHI FROM THE DEFERRED

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

COMPENSATION PLAN:

KETUL PATEL - \$172,486

IAN WORDEN - \$61,237

DUE TO THE "SUPER" VESTING RULES UNDER THE CHI DEFERRED COMPENSATION PLAN,
PARTICIPANTS WHO HAD MET CERTAIN REQUIREMENTS SUCH AS INVOLUNTARY
TERMINATION WITHOUT CAUSE, AGE, AGE AND YEARS OF SERVICE, OR MORE THAN 5
YEARS OF PLAN PARTICIPATION WERE ELIGIBLE TO RECEIVE THEIR 2019
CONTRIBUTIONS IN CASH DURING THE CALENDAR YEAR. THESE CASH PAYOUTS ARE
INCLUDED IN THE PARTICIPANT'S REPORTABLE COMPENSATION IN COLUMN (III) OTHER
REPORTABLE COMPENSATION ON SCHEDULE J PART II. DURING 2019, THE FOLLOWING
CONTRIBUTIONS AND ANY ASSOCIATED INVESTMENT INCOME, GAIN OR LOSS THAT WOULD
HAVE BEEN MADE BY CHI TO THE DEFERRED COMPENSATION PLAN WERE PAID IN CASH:

KATHY BRESSLER - \$53,648

SYDNEY BERSANTE - \$53,370

MIKE FITZGERALD - \$58,241

META DOOLEY - \$21,044

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

ANTHONY MCLEAN - \$45,259

IAN WORDEN - \$64,888

PART I, LINE 6:

FHS MAINTAINS A BONUS PROGRAM THAT IS AVAILABLE / PAID TO THE NON-EXECUTIVE MANAGEMENT OF FHS. THE BONUS THAT IS AVAILABLE TO THE EXECUTIVES OF FHS IS LARGELY DRIVEN OR DEVELOPED BY THE LEADERS AND BOARD OF CHI. THIS BONUS INFORMATION ALONG WITH THE COMPENSATION OF ALL FHS EXECUTIVES IS DISCUSSED WITH THE FHS BOARD AT LEAST ONCE EACH YEAR. THE FHS BOARD HAS SOME INPUT INTO THE BONUS AND COMPENSATION OF THE FHS EXECUTIVES, AND MANAGEMENT HAS DISCRETION OVER WHETHER IT IS FINALLY PAID OUT.