

Compensation of Hospital Employees



DOH 422-092/CHS 257 (REV 08/01/2012)

Calendar Year: 2017 Entity Name: Franciscan Health System								
(A) Employee Name (who does not have direct patient care responsibilities)	Indicate if Lead Administrator	Hospital if applicable	(B) Breakdown of W-2 and/or 1099 MISC Compensation			(C) Retirement and Deferred Compensation	(D) Non-Taxable Benefits	(E) Total
			(i) Base Compensation	(ii) Bonus & Incentive Compensation	(iii) Other Reportable Compensation			
1 Ketul Patel			1,052,551	1,196,130	193,023	182,223	17,353	2,641,280
2 Mike Fitzgerald			603,722	350,764	79,367	16,075	25,696	1,075,624
3 Ian Worden			674,983	374,118	28,810	76,780	27,005	1,181,696
4 Thomas Kruse			574,158	205,120	52,582	16,075	27,213	875,148
5 Sydney Bersante	Y	St. Joseph & St. Clare	566,635	300,237	80,394	16,075	9,524	972,865
6 Anthony McLean	Y	St. Francis	447,325	237,238	62,995	17,014	9,716	774,288
7 David Schultz	Y	St. Anthony	503,799	288,638	64,304	61,435	25,599	943,775
8								0
9								0
10								0
11								0
12								0
13								0
14								0
15								0

Add Additional lines as needed

Notes:

Please refer to IRS Form 990 and Schedule J for definitions of types of compensation

Form 990 Schedule J <http://www.irs.gov/pub/irs-pdf/i990sj.pdf>

If the five highest paid employees do not include the lead administrator, please report compensation information for the lead administrator on line 1, and for the five highest paid employees without patient care responsibilities on lines 2 through 6.

Please submit compensation information to DOH either by mail, fax or email to the following address:

Washington State Department of Health
 Center for Health Statistics/Hospital and Patient Data Section
 MS: 47814
 Olympia, WA 98504-7814
 Fax: (360) 753-4135
 email: hos@doh.wa.gov

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Name of the organization

FRANCISCAN HEALTH SYSTEM

Compensation Information

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.

OMB No. 1545-0047

2017

Open to Public Inspection

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 filing 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? | 4a | | ✓ |
| b Participate in, or receive payment from, a supplemental nonqualified retirement plan? | 4b | ✓ | |
| c Participate in, or receive payment from, an equity-based compensation arrangement? | 4c | | ✓ |

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? | 5a | | ✓ |
| b Any related organization? | 5b | | ✓ |
- 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? | 6a | | ✓ |
| b Any related organization? | 6b | | ✓ |
- 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		✓
4b	✓	
4c		✓
5a		✓
5b		✓
6a		✓
6b		✓
7	✓	
8		✓
9		

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)	603,722	350,764	79,367	16,075	25,696	1,075,624	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)	1,052,551	1,196,130	193,023	182,223	17,353	2,641,280	162,167
3 THERESA RAMBOSEK CORPORATE SECRETARY	(i)	0	0	0	0	0	0	0
	(ii)	261,360	23,884	21,442	16,075	1,884	324,645	0
4 KATHY BRESSLER FORMER ST. CLAIRE HOSPITAL PRESIDENT	(i)	0	0	0	0	0	0	0
	(ii)	401,005	19,846	72,838	2,827	18,456	514,972	0
5 META DOOLEY FORMER SR VP-STRT PLN/DEVEL	(i)	0	0	0	0	0	0	0
	(ii)	432,048	292,213	68,924	14,200	23,013	830,398	4,446
6 CLIFF ROBERTSON, MD FORMER COO	(i)	0	0	0	0	0	0	0
	(ii)	876,868	868,956	148,965	152,751	25,365	2,072,905	124,018
7 KURT SCHLEY FORMER ST. ANTHONY HOSPITAL PRESIDENT	(i)	0	0	0	0	0	0	0
	(ii)	418,838	81,045	45,170	54,241	25,670	624,964	24,113
8 WILLARD WAGNER FORMER KEY EMPLOYEE	(i)	0	0	0	0	0	0	0
	(ii)	191,756	13,746	2,887	12,295	16,470	237,154	0
9 MICHAEL H ANDERSON CHIEF MEDICAL OFFICER	(i)	473,282	148,050	40,722	16,075	18,632	696,761	19,629
	(ii)	0	0	0	0	0	0	0
10 SYDNEY BERSANTE PIERCE REGION PRESIDENT	(i)	566,635	300,237	80,394	16,075	9,524	972,865	0
	(ii)	0	0	0	0	0	0	0
11 LAURIE BROWN, RN CHIEF EXPERIENCE OFFICER	(i)	365,783	113,524	47,348	16,220	10,742	553,617	24,886
	(ii)	0	0	0	0	0	0	0
12 DENNIS DELEON VP- ASSOCIATE CHIEF MEDICAL OFFICER	(i)	352,471	67,881	6,847	17,240	27,005	471,444	0
	(ii)	0	0	0	0	0	0	0
13 DIANNA KIELIAN SR VP-MISSION/ETHICS	(i)	189,204	0	29,160	14,516	13,146	246,026	20,463
	(ii)	0	0	0	0	0	0	0
14 THOMAS KRUSE SVP CHIEF STRATEGY OFFICER	(i)	574,158	205,120	52,582	16,075	27,213	875,148	32,338
	(ii)	0	0	0	0	0	0	0
15 ANTHONY MCLEAN KING REGION PRESIDENT	(i)	447,325	237,238	62,995	17,014	9,716	774,288	2,714
	(ii)	0	0	0	0	0	0	0
16 (SEE STATEMENT)	(i)							
	(ii)							

Part II

Officers, Directors, Trustees, Key Employees and Highest Compensated Employees (continued)

(a) Name		(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 reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(16) KIMBERLY MOORE VP-QUALITY -ASC CMO	(i)	413,308	101,206	6,260	15,388	9,193	545,355	0
	(ii)	0	0	0	0	0	0	0
(17) SHARON ROYNE SVP CHIEF HR OFFICER	(i)	358,382	112,389	50,738	16,142	18,632	556,283	28,283
	(ii)	0	0	0	0	0	0	0
(18) IAN WORDEN CHIEF OPERATING OFFICER	(i)	674,983	374,118	28,810	76,780	27,005	1,181,696	0
	(ii)	0	0	0	0	0	0	0
(19) KHALID ASLAM PHYSICIAN	(i)	427,565	85,789	2,757	15,754	8,609	540,474	0
	(ii)	0	0	0	0	0	0	0
(20) YASSER SAID PHYSICIAN	(i)	451,359	30,000	2,160	16,075	6,339	505,933	0
	(ii)	0	0	0	0	0	0	0
(21) MAGGIE SEKERAMAYI HOSPITALIST-INTERNAL MEDICINE	(i)	392,918	77,917	2,160	16,075	8,573	497,643	0
	(ii)	0	0	0	0	0	0	0
(22) SHADI KHIR HOSPITALIST-INTERNAL MEDICINE	(i)	384,133	79,852	1,520	15,645	5,508	486,658	0
	(ii)	0	0	0	0	0	0	0
(23) BHAVANA BHANOT HOSPITALIST-INTERNAL MEDICINE	(i)	417,942	23,000	1,408	13,719	3,059	459,128	0
	(ii)	0	0	0	0	0	0	0

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.

Return Reference - Identifier	Explanation
SCHEDULE J, PART I, LINE 3 - ARRANGEMENT USED TO ESTABLISH THE TOP MANAGEMENT OFFICIAL'S COMPENSATION	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.
SCHEDULE J, PART I, LINE 4A - SEVERANCE AGREEMENTS	POST-TERMINATION PAYMENTS ARE ADDRESSED IN EXECUTIVE EMPLOYMENT AGREEMENTS FOR CATHOLIC HEALTH INITIATIVES (CHI) 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.
SCHEDULE J, PART I, LINE 4B - SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN	<p>DURING THE 2017 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. THE FOLLOWING REPORTABLE INDIVIDUALS WERE ELIGIBLE TO PARTICIPATE IN THAT PLAN:</p> <p>MICHAEL ANDERSON SYDNEY BERSANTE KATHY BRESSLER LAURIE BROWN META DOOLEY MIKE FITZGERALD DIANNA KIELIAN THOMAS KRUSE ANTHONY MCLEAN KETUL PATEL CLIFF ROBERTSON SHARON ROYNE KURT SCHLEY IAN WORDEN</p> <p>DURING 2017 THE FOLLOWING CONTRIBUTIONS WERE MADE BY CHI TO THE DEFERRED COMPENSATION PLAN: KETUL PATEL - \$167,190 CLIFF ROBERTSON - \$136,676 KURT SCHLEY - \$38,166 IAN WORDEN - \$61,068</p> <p>DURING 2017 THE FOLLOWING DISTRIBUTIONS WERE MADE BY CHI FROM THE DEFERRED COMPENSATION PLAN: MICHAEL ANDERSON - \$19,629 LAURIE BROWN - \$24,886 META DOOLEY - \$4,446 DIANNA KIELIAN - \$20,463 THOMAS KRUSE - \$32,338 ANTHONY MCLEAN - \$2,714 KETUL PATEL - \$162,167 CLIFF ROBERTSON - \$124,018 SHARON ROYNE - \$28,283 KURT SCHLEY - \$24,113</p> <p>DUE TO THE "SUPER" VESTING RULES UNDER THE CHI DEFERRED COMPENSATION PLAN, PARTICIPANTS WHO HAD MET CERTAIN REQUIREMENTS SUCH AS TERMINATION, AGE, YEARS OF SERVICE OR MORE THAN 5 YEARS OF PLAN PARTICIPATION WERE ELIGIBLE TO RECEIVE THEIR 2017 CONTRIBUTIONS IN CASH. THESE CASH PAYOUTS ARE INCLUDED IN THE PARTICIPANT'S REPORTABLE COMPENSATION IN COLUMN (III) OTHER REPORTABLE COMPENSATION ON SCHEDULE J PART II. DURING 2017, THE FOLLOWING CONTRIBUTIONS THAT WOULD HAVE BEEN MADE BY CHI TO THE DEFERRED COMPENSATION PLAN WERE PAID IN CASH: SYDNEY BERSANTE - \$50,715 KATHY BRESSLER - \$18,188 META DOOLEY - \$39,259 MIKE FITZGERALD - \$54,812 ANTHONY MCLEAN - \$40,021</p>
SCHEDULE J, PART I, LINE 7 - NON-FIXED PAYMENTS	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.