

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

- ▶ Do not enter Social Security numbers on this form as it may be made public.
- ▶ Information about Form 990 and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2019

Open to Public Inspection

A For the **2019** calendar year, or tax year beginning , **2019**, and ending , **20**

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization FRANCISCAN ALLIANCE, INC.			D Employer identification number 35-1330472	
	Doing Business As			E Telephone number (574) 256-3935	
	Number and street (or P.O. box if mail is not delivered to street address)		Room/suite		
	1515 DRAGOON TRAIL				
City or town, state or province, country, and ZIP or foreign postal code MISHAWAKA, IN 46544			G Gross receipts \$ 3,264,008,865.		
F Name and address of principal officer: KEVIN D. LEAHY 1515 DRAGOON TRAIL, MISHAWAKA, IN 46544			H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
			H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No		
			If "No," attach a list. (see instructions)		
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			J Website: WWW.FRANCISCANHEALTH.ORG		
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶			L Year of formation: 1974 M State of legal domicile: IN		

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: SEE SCHEDULE O	
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.	
	3 Number of voting members of the governing body (Part VI, line 1a)	3 16.
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4 14.
	5 Total number of individuals employed in calendar year 2019 (Part V, line 2a)	5 23,055.
	6 Total number of volunteers (estimate if necessary)	6 1,412.
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a 9,818,055.
7b Net unrelated business taxable income from Form 990-T, line 34	7b 0.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year: 4,976,529. Current Year: 5,110,687.
	9 Program service revenue (Part VIII, line 2g)	2,964,191,691. 3,119,182,126.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	171,789,418. 105,846,992.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	5,118,774. 5,350,232.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	3,146,076,412. 3,235,490,037.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0. 0.
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0. 0.
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	1,418,623,960. 1,492,028,106.
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0. 0.
	b Total fundraising expenses (Part IX, column (D), line 25) ▶	0.
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	1,470,618,953. 1,551,341,187.
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	2,889,242,913. 3,043,369,293.
19 Revenue less expenses. Subtract line 18 from line 12	256,833,499. 192,120,744.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year: 5,106,168,565. End of Year: 5,673,773,673.
	21 Total liabilities (Part X, line 26)	1,970,061,989. 2,158,562,158.
	22 Net assets or fund balances. Subtract line 21 from line 20.	3,136,106,576. 3,515,211,515.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer		Date
	Type or print name and title		
Paid Preparer Use Only	Print/Type preparer's name ERIC M MCNEIL	Preparer's signature	Date
	Firm's name ▶ PRICEWATERHOUSECOOPERS LLP	Firm's EIN ▶ 13-4008324	Check <input type="checkbox"/> if self-employed PTIN P00460263
	Firm's address ▶ 2001 MARKET ST, SUITE 1800 PHILADELPHIA, PA 19103	Phone no. 267-330-3000	

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

For Paperwork Reduction Act Notice, see the separate instructions. Form **990** (2019)

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III Yes No

1 Briefly describe the organization's mission:

ATTACHMENT 1

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No

If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 2,478,315,048. including grants of \$ 0.) (Revenue \$ 3,105,754,291.)

ATTACHMENT 2

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe on Schedule O.)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses ▶ 2,478,315,048.

Part IV Checklist of Required Schedules

Table with 3 columns: Question number, Yes, No. Rows 1-21 with various questions about organizational activities and financial reporting.

Part IV Checklist of Required Schedules (continued)

Table with 3 columns: Question number, Question text, Yes, No. Rows 22-38 covering various organizational requirements and schedules.

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V [X]

Table with 3 columns: Question number, Question text, Yes, No. Rows 1a-1c regarding Form 1096, W-2G forms, and backup withholding rules.

Part V Statements Regarding Other IRS Filings and Tax Compliance (continued)

		Yes	No
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return. 2a 23,055		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	X	
b	If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation on Schedule O		X
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? . .	X	
b	If "Yes," enter the name of the foreign country ATTACHMENT 3 See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
d	If "Yes," indicate the number of Forms 8282 filed during the year 7d		
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C? . .		
8	Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?		
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the sponsoring organization make any taxable distributions under section 4966?		
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter:		
a	Initiation fees and capital contributions included on Part VIII, line 12 10a		
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities 10b		
11	Section 501(c)(12) organizations. Enter:		
a	Gross income from members or shareholders 11a		
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.) 11b		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041? 12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year 12b		
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
a	Is the organization licensed to issue qualified health plans in more than one state? 13a Note: See the instructions for additional information the organization must report on Schedule O.		
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans 13b		
c	Enter the amount of reserves on hand 13c		
14a	Did the organization receive any payments for indoor tanning services during the tax year? 14a		X
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation on Schedule O 14b		
15	Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year? 15 If "Yes," see instructions and file Form 4720, Schedule N.	X	
16	Is the organization an educational institution subject to the section 4968 excise tax on net investment income? If "Yes," complete Form 4720, Schedule O. 16		X

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes on Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI [X]

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include 1a (16), 1b (14), 2, 3, 4, 5, 6, 7a, 7b, 8a, 8b, 9.

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

Table with 3 columns: Question, Yes, No. Rows include 10a, 10b, 11a, 11b, 12a, 12b, 12c, 13, 14, 15a, 15b, 16a, 16b.

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed CA, IL, IN,
18 Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (Section 501(c) (3)s only) available for public inspection.
19 Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
20 State the name, address, and telephone number of the person who possesses the organization's books and records

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII X

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations. See instructions for the order in which to list the persons above.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) KEVIN D LEAHY PRESIDENT AND TRUSTEE	40.00 21.00	X		X				1,976,570.	0.	26,152.
(2) ROWLAND O MBAOMA PHYSICIAN	40.00 0.					X		1,804,225.	0.	32,040.
(3) NADEEM IKHLAQUE PHYSICIAN	40.00 0.					X		1,322,298.	0.	32,040.
(4) JENNIFER P MARION SENIOR VP FINANCE, CFO	40.00 0.				X			1,296,257.	0.	32,509.
(5) TERENCE E WILSON PRESIDENT/CEO - WESTERN IN	40.00 0.					X		1,266,683.	0.	29,651.
(6) JAMES T CALLAGHAN PRESIDENT/CEO - CENTRAL IN	40.00 0.					X		1,207,155.	0.	29,785.
(7) ALBERT P TOMCHANEY CHIEF MEDICAL OFFICER	40.00 0.					X		1,083,499.	0.	25,453.
(8) ROBERT J BRODY SR VP/COO AMBULATORY SERVICES	40.00 0.				X			1,066,274.	0.	32,515.
(9) THOMAS GRYZBEK SR VP OF POST ACUTE SRVCS DIV	40.00 0.				X			711,823.	0.	22,970.
(10) JAIRO CRUZ MD PHYSICIAN (UNPAID TRUSTEE)	40.00 0.	X						255,227.	0.	32,264.
(11) EUGENE C DIAMOND RETIRED SVP/COO INPATIENT SVRS	0. 0.						X	266,704.	0.	426.
(12) SISTER M ALINE SHULTZ TRUSTEE AND VP ADMIN SERVICES	40.00 0.		X					0.	0.	0.
(13) SISTER M CLARE REUILLE TRUSTEE	5.00 0.		X					0.	0.	0.
(14) SISTER ROSE AGNES PFAUTSCH TRUSTEE (THROUGH 1/2019)	5.00 15.00		X					0.	0.	0.

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15) SISTER M ANGELA MELLADY TRUSTEE	5.00 0.	X						0.	0.	0.
(16) SISTER M MARLENE SHAPLEY TRUSTEE AND VP OF MISSION	40.00 0.	X						0.	0.	0.
(17) SISTER MARILYN OLIVER TRUSTEE	5.00 0.	X						0.	0.	0.
(18) KATHLEEN GOEPPINGER PHD TRUSTEE	5.00 0.	X						0.	0.	0.
(19) SISTER M MADONNA ROUGEAU TRUSTEE	40.00 15.00	X						0.	0.	0.
(20) SISTER JANE MARIE KLEIN CHAIRPERSON AND TRUSTEE	40.00 21.00	X		X				0.	0.	0.
(21) SISTER M ANN KATHLEEN MAGIERA TREAS/TRUSTEE/VP MISSION-FHLA	40.00 16.00	X		X				0.	0.	0.
(22) DONALD J KERNER MD TRUSTEE	5.00 0.	X						0.	0.	0.
(23) SISTER LETHIA MARIE LEVEILLE SECRETARY & TRUSTEE	40.00 16.00	X		X				0.	0.	0.
(24) ERNEST IANNOTTA TRUSTEE	5.00 0.	X						0.	0.	0.
(25) KENNETH HERLIN TRUSTEE	5.00 0.	X						0.	0.	0.
1b Sub-total								12,256,715.	0.	295,805.
c Total from continuation sheets to Part VII, Section A								0.	0.	0.
d Total (add lines 1b and 1c)								12,256,715.	0.	295,805.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization ▶ 1890

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	X	
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
ATTACHMENT 4		

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization ▶ 239

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

Table with 7 main columns: (A) Name and title, (B) Average hours per week, (C) Position, (D) Reportable compensation from the organization, (E) Reportable compensation from related organizations, (F) Estimated amount of other compensation. Includes rows for SISTER M PETRA NIELSEN and BISHOP DONALD HYING.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization 1890

Table with 3 columns: Question, Yes, No. Contains questions 3, 4, and 5 regarding compensation reporting.

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

Table with 3 columns: (A) Name and business address, (B) Description of services, (C) Compensation. Includes a header row and several empty rows.

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns	1a					
	b	Membership dues	1b					
	c	Fundraising events	1c					
	d	Related organizations	1d	4,902,575.				
	e	Government grants (contributions) . .	1e	100,000.				
	f	All other contributions, gifts, grants, and similar amounts not included above .	1f	108,112.				
	g	Noncash contributions included in lines 1a-1f.	1g	\$				
	h	Total. Add lines 1a-1f ▶			5,110,687.			
	Program Service Revenue	2a	PATIENT SERVICE AND OTHER REVENUES	Business Code	900099	3,089,669,738.	3,082,589,824.	7,079,914.
b		PREMIUM REVENUE		900099	23,260,265.	23,260,265.		
c		CAFETERIA		722310	5,748,289.		2,120.	
d		LAUNDRY		812332	503,834.	-95,798.	599,632.	
e								
f		All other program service revenue						
g		Total. Add lines 2a-2f ▶			3,119,182,126.			
Other Revenue		3	Investment income (including dividends, interest, and other similar amounts). ▶			107,471,161.		107,471,161.
	4	Income from investment of tax-exempt bond proceeds . ▶			0.			
	5	Royalties ▶			0.			
	6a	Gross rents	(i) Real	(ii) Personal				
			7,973,424.					
			6a					
	b	Less: rental expenses	6b	4,776,002.				
	c	Rental income or (loss)	6c	3,197,422.				
	d	Net rental income or (loss) ▶			3,197,422.		3,197,422.	
	7a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
				21,920,469.				
			7a					
	b	Less: cost or other basis and sales expenses . .	7b	23,544,638.				
	c	Gain or (loss)	7c	-1,624,169.				
	d	Net gain or (loss) ▶			-1,624,169.		-1,624,169.	
8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	8a	0.					
		b	Less: direct expenses	8b	0.			
		c	Net income or (loss) from fundraising events. ▶		0.			
9a	Gross income from gaming activities. See Part IV, line 19	9a	0.					
		b	Less: direct expenses	9b	0.			
		c	Net income or (loss) from gaming activities. ▶		0.			
10a	Gross sales of inventory, less returns and allowances	10a	214,609.					
		b	Less: cost of goods sold	10b	198,188.			
		c	Net income or (loss) from sales of inventory. ▶		16,421.		16,421.	
Miscellaneous Revenue	11a	OTHER OPERATING REVENUE	Business Code	900099	2,136,389.		2,136,389.	
	b							
	c							
	d	All other revenue						
	e	Total. Add lines 11a-11d ▶			2,136,389.			
12	Total revenue. See instructions ▶			3,235,490,037.	3,105,754,291.	9,818,055.	114,807,004.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21	0.			
2 Grants and other assistance to domestic individuals. See Part IV, line 22	0.			
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16	0.			
4 Benefits paid to or for members	0.			
5 Compensation of current officers, directors, trustees, and key employees	17,143,843.	8,873,716.	8,270,127.	
6 Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0.			
7 Other salaries and wages	1,164,386,507.	875,837,884.	288,548,623.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	60,933,732.	52,746,009.	8,187,723.	
9 Other employee benefits	169,414,305.	120,876,791.	48,537,514.	
10 Payroll taxes	80,149,719.	62,872,124.	17,277,595.	
11 Fees for services (nonemployees):				
a Management	10,365,650.	8,783,763.	1,581,887.	
b Legal	3,127,873.	1,230.	3,126,643.	
c Accounting	1,806,582.		1,806,582.	
d Lobbying	339,066.		339,066.	
e Professional fundraising services. See Part IV, line 17.	0.			
f Investment management fees	0.			
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)	81,092,944.	68,618,994.	12,473,950.	
12 Advertising and promotion	16,815,236.	707,477.	16,107,759.	
13 Office expenses	15,922,215.	8,836,723.	7,085,492.	
14 Information technology	161,525,560.	161,525,560.		
15 Royalties	0.			
16 Occupancy	42,594,647.	39,828,629.	2,766,018.	
17 Travel	3,973,801.	2,898,827.	1,074,974.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0.			
19 Conferences, conventions, and meetings	1,296,719.	843,009.	453,710.	
20 Interest	36,112,303.	36,112,303.		
21 Payments to affiliates	0.			
22 Depreciation, depletion, and amortization	144,000,106.	114,295,825.	29,704,281.	
23 Insurance	28,301,836.	27,472,750.	829,086.	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a MEDICAL SUPPLIES/DRUGS	434,533,374.	434,533,374.		
b PURCHASED SERVICES	293,595,367.	225,389,825.	68,205,542.	
c HAF	110,657,478.	110,657,478.		
d FEDERAL AND STATE UBTI TAXES	42,203.		42,203.	
e All other expenses _____	165,238,227.	116,602,757.	48,635,470.	
25 Total functional expenses. Add lines 1 through 24e	3,043,369,293.	2,478,315,048.	565,054,245.	
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)	0.			

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	0.	1	0.
	2 Savings and temporary cash investments	90,000,958.	2	102,000,918.
	3 Pledges and grants receivable, net	0.	3	0.
	4 Accounts receivable, net.	371,182,857.	4	383,666,647.
	5 Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons	0.	5	0.
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)	0.	6	0.
	7 Notes and loans receivable, net	21,700,319.	7	22,500,023.
	8 Inventories for sale or use	48,958,085.	8	55,321,715.
	9 Prepaid expenses and deferred charges	0.	9	0.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 3,662,783,371.		
	b Less: accumulated depreciation	10b 1,696,873,007.		
	11 Investments - publicly traded securities	1,949,497,661.	10c	1,965,910,364.
	12 Investments - other securities. See Part IV, line 11	2,207,656,756.	11	2,485,213,400.
	13 Investments - program-related. See Part IV, line 11.	170,153,475.	12	194,241,800.
	14 Intangible assets	0.	13	0.
	15 Other assets. See Part IV, line 11	19,195,355.	14	18,781,967.
16 Total assets. Add lines 1 through 15 (must equal line 33)	227,823,099.	15	446,136,839.	
	5,106,168,565.	16	5,673,773,673.	
Liabilities	17 Accounts payable and accrued expenses	234,991,327.	17	248,858,780.
	18 Grants payable	0.	18	0.
	19 Deferred revenue	0.	19	0.
	20 Tax-exempt bond liabilities	1,184,011,960.	20	1,159,778,103.
	21 Escrow or custodial account liability. Complete Part IV of Schedule D.	0.	21	0.
	22 Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons	0.	22	0.
	23 Secured mortgages and notes payable to unrelated third parties	0.	23	0.
	24 Unsecured notes and loans payable to unrelated third parties	0.	24	0.
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	551,058,702.	25	749,925,275.
	26 Total liabilities. Add lines 17 through 25	1,970,061,989.	26	2,158,562,158.
Net Assets or Fund Balances	Organizations that follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 27, 28, 32, and 33.			
	27 Net assets without donor restrictions	3,128,502,287.	27	3,507,606,631.
	28 Net assets with donor restrictions	7,604,289.	28	7,604,884.
	Organizations that do not follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 29 through 33.			
	29 Capital stock or trust principal, or current funds		29	
	30 Paid-in or capital surplus, or land, building, or equipment fund		30	
	31 Retained earnings, endowment, accumulated income, or other funds		31	
	32 Total net assets or fund balances	3,136,106,576.	32	3,515,211,515.
33 Total liabilities and net assets/fund balances	5,106,168,565.	33	5,673,773,673.	

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	3,235,490,037.
2	Total expenses (must equal Part IX, column (A), line 25)	2	3,043,369,293.
3	Revenue less expenses. Subtract line 2 from line 1	3	192,120,744.
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	3,136,106,576.
5	Net unrealized gains (losses) on investments	5	205,889,731.
6	Donated services and use of facilities	6	0.
7	Investment expenses	7	0.
8	Prior period adjustments	8	0.
9	Other changes in net assets or fund balances (explain on Schedule O)	9	-18,905,536.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	3,515,211,515.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII.

- 1** Accounting method used to prepare the Form 990: Cash Accrual Other _____
If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.
- 2a** Were the organization's financial statements compiled or reviewed by an independent accountant?
If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:
 Separate basis Consolidated basis Both consolidated and separate basis
- b** Were the organization's financial statements audited by an independent accountant?
If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:
 Separate basis Consolidated basis Both consolidated and separate basis
- c** If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?
If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O.
- 3a** As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?
- b** If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits

	Yes	No
2a		X
2b	X	
2c	X	
3a	X	
3b	X	

Form **990** (2019)

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support

OMB No. 1545-0047

2019

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

Name of the organization

FRANCISCAN ALLIANCE, INC.

Employer identification number

35-1330472

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 12, check only one box.)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E (Form 990 or 990-EZ).)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 An agricultural research organization described in **section 170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture (see instructions). Enter the name, city, and state of the college or university: _____
- 10 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 11 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 12 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**. See **section 509(a)(3)**.
Check the box in lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.
 - a **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
 - b **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
 - c **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
 - d **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
 - e Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.

f Enter the number of supported organizations

g Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
(A)						
(B)						
(C)						
(D)						
(E)						
Total						

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Table with 7 columns: (a) 2015, (b) 2016, (c) 2017, (d) 2018, (e) 2019, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Tax revenues levied for the organization's benefit; 3 The value of services or facilities furnished by a governmental unit; 4 Total. Add lines 1 through 3; 5 The portion of total contributions by each person; 6 Public support. Subtract line 5 from line 4.

Section B. Total Support

Table with 7 columns: (a) 2015, (b) 2016, (c) 2017, (d) 2018, (e) 2019, (f) Total. Rows include: 7 Amounts from line 4; 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources; 9 Net income from unrelated business activities; 10 Other income; 11 Total support. Add lines 7 through 10; 12 Gross receipts from related activities; 13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here.

Section C. Computation of Public Support Percentage

Table with 2 columns: Line number, Percentage. Rows include: 14 Public support percentage for 2019; 15 Public support percentage from 2018 Schedule A, Part II, line 14; 16a 33 1/3% support test - 2019; 16b 33 1/3% support test - 2018; 17a 10%-facts-and-circumstances test - 2019; 17b 10%-facts-and-circumstances test - 2018; 18 Private foundation.

Part III Support Schedule for Organizations Described in Section 509(a)(2)
 (Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II.
 If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5.						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b.						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
9 Amounts from line 6.						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here**

Section C. Computation of Public Support Percentage

15 Public support percentage for 2019 (line 8, column (f), divided by line 13, column (f))	15	%
16 Public support percentage from 2018 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2019 (line 10c, column (f), divided by line 13, column (f)),	17	%
18 Investment income percentage from 2018 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2019. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization .

b 33 1/3% support tests - 2018. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

Part IV Supporting Organizations

(Complete only if you checked a box in line 12 on Part I. If you checked 12a of Part I, complete Sections A and B. If you checked 12b of Part I, complete Sections A and C. If you checked 12c of Part I, complete Sections A, D, and E. If you checked 12d of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer (b) and (c) below.</i>		
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
4a Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes," and if you checked 12a or 12b in Part I, answer (b) and (c) below.</i>		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).</i>		
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>		
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (as defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i>		
b Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		
c Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		
10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer 10b below.</i>		
b Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i>		

Part IV Supporting Organizations (continued)

	Yes	No
11 Has the organization accepted a gift or contribution from any of the following persons?		
a A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?	11 a	
b A family member of a person described in (a) above?	11 b	
c A 35% controlled entity of a person described in (a) or (b) above? <i>If "Yes" to a, b, or c, provide detail in Part VI.</i>	11 c	

Section B. Type I Supporting Organizations

	Yes	No
1 Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? <i>If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.</i>	1	
2 Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? <i>If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.</i>	2	

Section C. Type II Supporting Organizations

	Yes	No
1 Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? <i>If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).</i>	1	

Section D. All Type III Supporting Organizations

	Yes	No
1 Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?	1	
2 Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? <i>If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).</i>	2	
3 By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? <i>If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.</i>	3	

Section E. Type III Functionally Integrated Supporting Organizations

1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).			
a <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.			
b <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.			
c <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).			
2 Activities Test. Answer (a) and (b) below.		Yes	No
a Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? <i>If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.</i>	2a		
b Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? <i>If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.</i>	2b		
3 Parent of Supported Organizations. Answer (a) and (b) below.			
a Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? <i>Provide details in Part VI.</i>	3a		
b Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? <i>If "Yes," describe in Part VI the role played by the organization in this regard.</i>	3b		

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (explain in Part VI). **See instructions.** All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1 Net short-term capital gain	1		
2 Recoveries of prior-year distributions	2		
3 Other gross income (see instructions)	3		
4 Add lines 1 through 3.	4		
5 Depreciation and depletion	5		
6 Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6		
7 Other expenses (see instructions)	7		
8 Adjusted Net Income (subtract lines 5, 6, and 7 from line 4)	8		
Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1 Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):			
a Average monthly value of securities	1a		
b Average monthly cash balances	1b		
c Fair market value of other non-exempt-use assets	1c		
d Total (add lines 1a, 1b, and 1c)	1d		
e Discount claimed for blockage or other factors (explain in detail in Part VI):			
2 Acquisition indebtedness applicable to non-exempt-use assets	2		
3 Subtract line 2 from line 1d.	3		
4 Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions).	4		
5 Net value of non-exempt-use assets (subtract line 4 from line 3)	5		
6 Multiply line 5 by .035.	6		
7 Recoveries of prior-year distributions	7		
8 Minimum Asset Amount (add line 7 to line 6)	8		
Section C - Distributable Amount			Current Year
1 Adjusted net income for prior year (from Section A, line 8, Column A)	1		
2 Enter 85% of line 1.	2		
3 Minimum asset amount for prior year (from Section B, line 8, Column A)	3		
4 Enter greater of line 2 or line 3.	4		
5 Income tax imposed in prior year	5		
6 Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	6		
<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).			

Schedule A (Form 990 or 990-EZ) 2019

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

Section D - Distributions	Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI). See instructions.	
7 Total annual distributions. Add lines 1 through 6.	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.	
9 Distributable amount for 2019 from Section C, line 6	
10 Line 8 amount divided by line 9 amount	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2019	(iii) Distributable Amount for 2019
1 Distributable amount for 2019 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2019 (reasonable cause required - explain in Part VI). See instructions.			
3 Excess distributions carryover, if any, to 2019			
a From 2014			
b From 2015			
c From 2016			
d From 2017			
e From 2018			
f Total of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2019 distributable amount			
i Carryover from 2014 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
4 Distributions for 2019 from Section D, line 7: \$			
a Applied to underdistributions of prior years			
b Applied to 2019 distributable amount			
c Remainder. Subtract lines 4a and 4b from 4.			
5 Remaining underdistributions for years prior to 2019, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, explain in Part VI. See instructions.			
6 Remaining underdistributions for 2019. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in Part VI. See instructions.			
7 Excess distributions carryover to 2020. Add lines 3j and 4c.			
8 Breakdown of line 7:			
a Excess from 2015			
b Excess from 2016			
c Excess from 2017			
d Excess from 2018			
e Excess from 2019			

Schedule A (Form 990 or 990-EZ) 2019

Part VI **Supplemental Information.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a and 3b; Part V, line 1; Part V, Section B, line 1e; Part V, Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information. (See instructions.)

Schedule of Contributors

2019

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.
 ▶ Go to www.irs.gov/Form990 for the latest information.

Name of the organization FRANCISCAN ALLIANCE, INC.	Employer identification number 35-1330472
---	--

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)(3) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of **(1)** \$5,000; or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h; or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ▶ \$ _____

Caution: An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization **FRANCISCAN ALLIANCE, INC.**

Employer identification number
35-1330472

Part I **Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1		\$ 28,815.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2		\$ 4,902,575.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3		\$ 100,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
4		\$ 67,200.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization **FRANCISCAN ALLIANCE, INC.**

Employer identification number

35-1330472

Part II **Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____

Name of organization FRANCISCAN ALLIANCE, INC.

Employer identification number
35-1330472

Part III Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc., contributions of **\$1,000 or less** for the year. (Enter this information once. See instructions.) ► \$ _____
Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
_____	_____ _____ _____	_____ _____ _____	_____ _____ _____

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee
_____ _____ _____	_____ _____ _____

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
_____	_____ _____ _____	_____ _____ _____	_____ _____ _____

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee
_____ _____ _____	_____ _____ _____

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
_____	_____ _____ _____	_____ _____ _____	_____ _____ _____

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee
_____ _____ _____	_____ _____ _____

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
_____	_____ _____ _____	_____ _____ _____	_____ _____ _____

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee
_____ _____ _____	_____ _____ _____

SCHEDULE C
(Form 990 or 990-EZ)

Political Campaign and Lobbying Activities

OMB No. 1545-0047

For Organizations Exempt From Income Tax Under section 501(c) and section 527

2019

Department of the Treasury
Internal Revenue Service

▶ **Complete if the organization is described below.** ▶ **Attach to Form 990 or Form 990-EZ.**

Open to Public Inspection

▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

If the organization answered "Yes," on Form 990, Part IV, line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations: Complete Parts I-A and B. Do not complete Part I-C.
- Section 501(c) (other than section 501(c)(3)) organizations: Complete Parts I-A and C below. Do not complete Part I-B.
- Section 527 organizations: Complete Part I-A only.

If the organization answered "Yes," on Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)): Complete Part II-A. Do not complete Part II-B.
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)): Complete Part II-B. Do not complete Part II-A.

If the organization answered "Yes," on Form 990, Part IV, line 5 (Proxy Tax) (see separate instructions) or Form 990-EZ, Part V, line 35c (Proxy Tax) (see separate instructions), then

- Section 501(c)(4), (5), or (6) organizations: Complete Part III.

Name of organization FRANCISCAN ALLIANCE, INC.	Employer identification number 35-1330472
---	--

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

- 1 Provide a description of the organization's direct and indirect political campaign activities in Part IV. (see instructions for definition of "political campaign activities")
- 2 Political campaign activity expenditures (see instructions) ▶ \$ _____
- 3 Volunteer hours for political campaign activities (see instructions)

Part I-B Complete if the organization is exempt under section 501(c)(3).

- 1 Enter the amount of any excise tax incurred by the organization under section 4955. ▶ \$ _____
- 2 Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ \$ _____
- 3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? Yes No
- 4a Was a correction made? Yes No
- b If "Yes," describe in Part IV.

Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).

- 1 Enter the amount directly expended by the filing organization for section 527 exempt function activities. ▶ \$ _____
- 2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ▶ \$ _____
- 3 Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b ▶ \$ _____
- 4 Did the filing organization file **Form 1120-POL** for this year? Yes No
- 5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds. If none, enter -0-.	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-.
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule C (Form 990 or 990-EZ) 2019

Part II-A Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).

A Check if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).

B Check if the filing organization checked box A and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals												
1a Total lobbying expenditures to influence public opinion (grassroots lobbying)															
b Total lobbying expenditures to influence a legislative body (direct lobbying)															
c Total lobbying expenditures (add lines 1a and 1b)															
d Other exempt purpose expenditures															
e Total exempt purpose expenditures (add lines 1c and 1d)															
f Lobbying nontaxable amount. Enter the amount from the following table in both columns.															
<table border="1"> <thead> <tr> <th>If the amount on line 1e, column (a) or (b) is:</th> <th>The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e.</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000.</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000.</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000.</td> </tr> </tbody> </table>		If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e.	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.	Over \$17,000,000	\$1,000,000.		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:														
Not over \$500,000	20% of the amount on line 1e.														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.														
Over \$17,000,000	\$1,000,000.														
g Grassroots nontaxable amount (enter 25% of line 1f)															
h Subtract line 1g from line 1a. If zero or less, enter -0-															
i Subtract line 1f from line 1c. If zero or less, enter -0-															
j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?			<input type="checkbox"/> Yes <input type="checkbox"/> No												

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.

See the separate instructions for lines 2a through 2f.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2016	(b) 2017	(c) 2018	(d) 2019	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column (e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Part II-B Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

For each "Yes," response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.	(a)		(b)
	Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers?		X	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		X	
c Media advertisements?		X	
d Mailings to members, legislators, or the public?		X	
e Publications, or published or broadcast statements?		X	
f Grants to other organizations for lobbying purposes?		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body?	X		193,307.
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
i Other activities?	X		145,759.
j Total. Add lines 1c through 1i			339,066.
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		X	
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?		X	

Part III-A Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

	Yes	No
1 Were substantially all (90% or more) dues received nondeductible by members?	1	
2 Did the organization make only in-house lobbying expenditures of \$2,000 or less?	2	
3 Did the organization agree to carry over lobbying and political campaign activity expenditures from the prior year?	3	

Part III-B Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No" OR (b) Part III-A, line 3, is answered "Yes."

1 Dues, assessments and similar amounts from members	1	
2 Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).		
a Current year	2a	
b Carryover from last year.	2b	
c Total	2c	
3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues.	3	
4 If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5 Taxable amount of lobbying and political expenditures (see instructions)	5	

Part IV Supplemental Information

Provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; Part II-A (affiliated group list); Part II-A, lines 1 and 2 (see instructions); and Part II-B, line 1. Also, complete this part for any additional information.

SEE PAGE 4

Part IV Supplemental Information (continued)

SCHEDULE C, PART II-B, LINE 1

DESCRIPTION OF LOBBYING ACTIVITIES

FRANCISCAN ALLIANCE, INC. ("FRANCISCAN") ENGAGES IN INSUBSTANTIAL AMOUNTS OF LOBBYING ACTIVITIES. FRANCISCAN MAKES GRANTS TO OTHER ORGANIZATIONS THAT LOBBY ON ITS BEHALF INCLUDING VARIOUS HEALTH AND HOSPITAL ASSOCIATIONS. FRANCISCAN ALSO ENGAGES IN DIRECT CONTACT WITH LEGISLATORS AND THEIR STAFFS ON TOPICS RELATED TO FRANCISCAN'S HEALTHCARE MISSION.

SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No. 1545-0047

2019

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.

Attach to Form 990.

Go to www.irs.gov/Form990 for instructions and the latest information.

Name of the organization

FRANCISCAN ALLIANCE, INC.

Employer identification number

35-1330472

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include: 1 Total number at end of year, 2 Aggregate value of contributions to (during year), 3 Aggregate value of grants from (during year), 4 Aggregate value at end of year, 5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?, 6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?

Part II Conservation Easements.

Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

Table with 2 columns: Held at the End of the Tax Year. Rows include: 1 Purpose(s) of conservation easements held by the organization (check all that apply), 2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year., 3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year, 4 Number of states where property subject to conservation easement is located, 5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?, 6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year, 7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year, 8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?, 9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

Table with 2 columns: Revenue included on Form 990, Part VIII, line 1; Assets included in Form 990, Part X. Rows include: 1a If the organization elected, as permitted under FASB ASC 958, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide in Part XIII the text of the footnote to its financial statements that describes these items., 1b If the organization elected, as permitted under FASB ASC 958, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items: (i) Revenue included on Form 990, Part VIII, line 1. (ii) Assets included in Form 990, Part X., 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under FASB ASC 958 relating to these items: a Revenue included on Form 990, Part VIII, line 1. b Assets included in Form 990, Part X.

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

Schedule D (Form 990) 2019

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets *(continued)*

- 3** Using the organization's acquisition, accession, and other records, check any of the following that make significant use of its collection items (check all that apply):
- a** Public exhibition
 - b** Scholarly research
 - c** Preservation for future generations
 - d** Loan or exchange program
 - e** Other _____
- 4** Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 5** During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? **Yes** **No**

Part IV Escrow and Custodial Arrangements.

Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1a** Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? **Yes** **No**
- b** If "Yes," explain the arrangement in Part XIII and complete the following table:
- | | Amount |
|--|-----------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 1f |
- 2a** Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? **Yes** **No**
- b** If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII

Part V Endowment Funds.

Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	3,584,807.	3,718,716.	8,127,360.	8,051,417.	8,262,909.
b Contributions			10,000.	15,000.	10,000.
c Net investment earnings, gains, and losses	39,000.	39,140.	153,000.	90,000.	-193,000.
d Grants or scholarships					
e Other expenditures for facilities and programs	23,790.	173,049.	4,571,644.	29,057.	28,492.
f Administrative expenses					
g End of year balance	3,600,017.	3,584,807.	3,718,716.	8,127,360.	8,051,417.

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a** Board designated or quasi-endowment _____ %
- b** Permanent endowment 100.0000 %
- c** Term endowment _____ %

The percentages on lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i)** Unrelated organizations
- (ii)** Related organizations

	Yes	No
3a(i) Unrelated organizations	X	
3a(ii) Related organizations	X	
3b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R?	X	

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		161,411,853.		161,411,853.
b Buildings		1537889330.	989,758,025.	548,131,305.
c Leasehold improvements		46,832,097.	26,869,972.	19,962,125.
d Equipment		1865285894.	680,245,010.	1,185,040,884.
e Other		51,364,197.		51,364,197.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				1,965,910,364.

Part VII Investments - Other Securities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely held equity interests		
(3) Other _____		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.) . ▶		

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.) . ▶		

Part IX Other Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) OTHER ASSETS	144,319,063.
(2) OTHER CURRENT ASSETS	153,250,448.
(3) RIGHT TO USE LEASED ASSETS	148,567,328.
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	446,136,839.

Part X Other Liabilities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) ACCRUED PENSION LIABILITY	196,542,925.
(3) ACCRUED PAYROLL	124,030,476.
(4) LEASE LIABILITIES	122,202,418.
(5) SWAP VALUATION	65,448,790.
(6) DUE TO THIRD PARTY PAYORS	45,382,516.
(7) ACCRUED PROF & GEN'L LIABILITY	19,436,517.
(8) ACCRUED INTEREST PAYABLE	5,624,140.
(9) OTHER SHORT & LONG TERM LIABIL	171,257,493.
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	749,925,275.

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FASB ASC 740. Check here if the text of the footnote has been provided in Part XIII

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

Table with 5 main rows and sub-rows (a-e) for adjustments. Total revenue reported as 3235490037.

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

Table with 5 main rows and sub-rows (a-e) for adjustments. Total expenses reported as 3043369293.

Part XIII Supplemental Information.

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

SEE PAGE 5

Part XIII Supplemental Information (continued)

SCHEDULE D, PART V, LINE 4

FRANCISCAN ALLIANCE, INC. USES ITS ENDOWMENT FUNDS FOR CAPITAL EXPENDITURES FOR EQUIPMENT, CAPITAL PROJECTS, OR OTHER CAPITAL NEEDS; MEDICAL EDUCATION PROGRAMS; AND HEALTH CARE PROGRAMS FOR MEDICAL AND PATIENT SERVICES IN ACCORDANCE WITH ANY STIPULATED DONOR RESTRICTIONS.

SCHEDULE D, PART XI, LINE 2D

EQUITY IN EARNINGS OF AFFILIATES	\$ 30,135,043
MINORITY INTEREST IN AFFILIATES	(2,511,823)
EQUITY TRANSFERS TO/FROM AFFILIATES	(17,618,503)
UNREALIZED GAIN ON SWAP CONTRACTS	(19,075,673)
UNREALIZED LOSS ON HILLS	15,743,208
DIVIDENDS RECEIVED FROM AFFILIATES	10,413,396
OTHER COMPREHENSIVE INCOME	(30,188,457)
OTHER COMPONENTS OF NET PERIODIC PENSION COST	(2,126,372)
OTHER CHANGES IN NET ASSETS	(3,988,773)

TOTAL REVENUE/EXPENSE ON BOOKS NOT ON RETURN	(19,217,954)

SCHEDULE D, PART XI, LINE 4B

RENT EXPENSE	\$ (4,776,002)

TOTAL EXPENSE ON RETURN NOT ON BOOKS	(4,776,002)

SCHEDULE D, PART XII, LINE 2D

RENT EXPENSE	\$ 4,776,002

Part XIII Supplemental Information *(continued)*

TOTAL EXPENSE ON RETURN NOT ON BOOKS 4,776,002

**SCHEDULE H
(Form 990)**

Hospitals

OMB No. 1545-0047

2019

Open to Public Inspection

▶ Complete if the organization answered "Yes" on Form 990, Part IV, question 20.

▶ Attach to Form 990.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

Department of the Treasury
Internal Revenue Service

Name of the organization

FRANCISCAN ALLIANCE, INC.

Employer identification number

35-1330472

Part I Financial Assistance and Certain Other Community Benefits at Cost

	Yes	No
1a Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	X	
1b If "Yes," was it a written policy?	X	
2 If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year. <input checked="" type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> Generally tailored to individual hospital facilities		
3 Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year.		
a Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing free care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care: <input type="checkbox"/> 100% <input type="checkbox"/> 150% <input checked="" type="checkbox"/> 200% <input type="checkbox"/> Other _____ %	X	
b Did the organization use FPG as a factor in determining eligibility for providing discounted care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care: <input type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input checked="" type="checkbox"/> 400% <input type="checkbox"/> Other _____ %	X	
c If the organization used factors other than FPG in determining eligibility, describe in Part VI the criteria used for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care.		
4 Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	X	
5a Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	X	
5b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	X	
5c If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?		X
6a Did the organization prepare a community benefit report during the tax year?	X	
6b If "Yes," did the organization make it available to the public?	X	

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			114,648,050.		114,648,050.	3.77
b Medicaid (from Worksheet 3, column a)			502,773,936.	376,794,265.	125,979,671.	4.14
c Costs of other means-tested government programs (from Worksheet 3, column b)			238,727.		238,727.	.01
d Total. Financial Assistance and Means-Tested Government Programs			617,660,713.	376,794,265.	240,866,448.	7.92
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			5,886,574.	348,562.	5,538,012.	.18
f Health professions education (from Worksheet 5)			21,944,798.	8,808,540.	13,136,258.	.43
g Subsidized health services (from Worksheet 6)			114,145,945.	69,176,215.	44,969,730.	1.48
h Research (from Worksheet 7)			1,310,868.		1,310,868.	.04
i Cash and in-kind contributions for community benefit (from Worksheet 8)			1,890,673.	5,790.	1,884,883.	.06
j Total. Other Benefits			145,178,858.	78,339,107.	66,839,751.	2.19
k Total. Add lines 7d and 7j			762,839,571.	455,133,372.	307,706,199.	10.11

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

Schedule H (Form 990) 2019

Part II Community Building Activities Complete this table if the organization conducted any community building activities during the tax year, and describe in Part VI how its community building activities promoted the health of the communities it serves.

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing			1,747.		1,747.	
2 Economic development						
3 Community support			18,959.		18,959.	
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building						
7 Community health improvement advocacy			2,166.		2,166.	
8 Workforce development			7,697,147.	5,817,444.	1,879,703.	.06
9 Other			60,682.	256.	60,426.	
10 Total			7,780,701.	5,817,700.	1,963,001.	.06

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

	Yes	No
1 Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?	X	
2 Enter the amount of the organization's bad debt expense. Explain in Part VI the methodology used by the organization to estimate this amount.		
3 Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy. Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit		
4 Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements.		

Section B. Medicare

5 Enter total revenue received from Medicare (including DSH and IME)	5	903,577,589.
6 Enter Medicare allowable costs of care relating to payments on line 5	6	1,304,335,611.
7 Subtract line 6 from line 5. This is the surplus (or shortfall)	7	-400,758,022.
8 Describe in Part VI the extent to which any shortfall reported on line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: <input type="checkbox"/> Cost accounting system <input checked="" type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other		

Section C. Collection Practices

9a Did the organization have a written debt collection policy during the tax year?	9a	X	
b If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI	9b	X	

Part IV Management Companies and Joint Ventures (owned 10% or more by officers, directors, trustees, key employees, and physicians - see instructions)

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1 SEE PART VI				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				

Part V Facility Information

Section A. Hospital Facilities

(list in order of size, from largest to smallest - see instructions)

How many hospital facilities did the organization operate during the tax year? 10

Name, address, primary website address, and state license number (and if a group return, the name and EIN of the subordinate hospital organization that operates the hospital facility)

	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER/24 hours	ER-other	Other (describe)	Facility reporting group
1 FRANCISCAN HEALTH INDIANAPOLIS 8111 SOUTH EMERSON AVENUE INDIANAPOLIS IN 46217 WWW.FRANCISCANALLIANCE.ORG/HOSPITALS 11-004972-1	X	X		X		X	X			A
2 FRANCISCAN HEALTH LAFAYETTE 1701 S CREASY LANE LAFAYETTE IN 47905 WWW.FRANCISCANALLIANCE.ORG/HOSPITALS 15-005096-1	X	X		X			X			A
3 FRANCISCAN HEALTH OLYMPIA FIELDS 20201 SOUTH CRAWFORD AVE OLYMPIA FIELDS IL 60461 WWW.FRANCISCANALLIANCE.ORG/HOSPITALS 0005074	X	X		X			X			A
4 FRANCISCAN HEALTH MICHIGAN CITY 3500 FRANCISCAN WAY MICHIGAN CITY IN 46360 WWW.FRANCISCANALLIANCE.ORG/HOSPITALS 15-005015-1	X	X					X	X	FACILITY MOVED LOCATIONS IN JANUARY 2019 TO THIS ADDRESS	A
5 FRANCISCAN HEALTH CROWN POINT 1201 SOUTH MAIN STREET CROWN POINT IN 46307 WWW.FRANCISCANALLIANCE.ORG/HOSPITALS 15-005107-1	X	X		X			X			A
6 FRANCISCAN HEALTH HAMMOND 5454 HOHMAN AVENUE HAMMOND IN 46320 WWW.FRANCISCANALLIANCE.ORG/HOSPITALS 15-005004-1	X	X		X			X			A
7 FRANCISCAN HEALTH DYER 24 JOLIET STREET DYER IN 46311 WWW.FRANCISCANALLIANCE.ORG/HOSPITALS 15-005080-1	X	X		X			X			A
8 FRANCISCAN HEALTH MOORESVILLE 1201 HADLEY ROAD MOORESVILLE IN 46158 WWW.FRANCISCANALLIANCE.ORG/HOSPITALS 14-005052-1	X	X		X		X	X			A
9 FRANCISCAN HEALTH MUNSTER 701 SUPERIOR STREET MUNSTER IN 46321 WWW.FRANCISCANALLIANCE.ORG/HOSPITALS 15-005615-1	X	X		X			X			A
10 FRANCISCAN HEALTH CRAWFORDSVILLE 1710 LAFAYETTE ROAD CRAWFORDSVILLE IN 47933 WWW.FRANCISCANALLIANCE.ORG/HOSPITALS 15-005021-1	X	X					X			A

Part V Facility Information (continued)

Section B. Facility Policies and Practices

(complete a separate Section B for each of the hospital facilities or facility reporting groups listed in Part V, Section A)

Name of hospital facility or letter of facility reporting group A

Line number of hospital facility, or line numbers of hospital facilities in a facility reporting group (from Part V, Section A):

Community Health Needs Assessment

Table with 3 columns: Question, Yes, No. Rows include questions 1 through 12b regarding CHNA requirements and implementation strategies.

Part V Facility Information (continued)

Financial Assistance Policy (FAP)

Name of hospital facility or letter of facility reporting group A

		Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:			
13	Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care? If "Yes," indicate the eligibility criteria explained in the FAP:	X	
a	<input checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of <u>200.0000</u> % and FPG family income limit for eligibility for discounted care of <u>400.0000</u> %		
b	<input type="checkbox"/> Income level other than FPG (describe in Section C)		
c	<input checked="" type="checkbox"/> Asset level		
d	<input checked="" type="checkbox"/> Medical indigency		
e	<input type="checkbox"/> Insurance status		
f	<input checked="" type="checkbox"/> Underinsurance status		
g	<input type="checkbox"/> Residency		
h	<input type="checkbox"/> Other (describe in Section C)		
14	Explained the basis for calculating amounts charged to patients?	X	
15	Explained the method for applying for financial assistance? If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply):	X	
a	<input checked="" type="checkbox"/> Described the information the hospital facility may require an individual to provide as part of his or her application		
b	<input checked="" type="checkbox"/> Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application		
c	<input checked="" type="checkbox"/> Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process		
d	<input type="checkbox"/> Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications		
e	<input type="checkbox"/> Other (describe in Section C)		
16	Was widely publicized within the community served by the hospital facility? If "Yes," indicate how the hospital facility publicized the policy (check all that apply):	X	
a	<input checked="" type="checkbox"/> The FAP was widely available on a website (list url): <u>SEE SECTION C</u>		
b	<input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url): <u>SEE SECTION C</u>		
c	<input checked="" type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url): <u>SEE SECTION C</u>		
d	<input checked="" type="checkbox"/> The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
e	<input checked="" type="checkbox"/> The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)		
f	<input checked="" type="checkbox"/> A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
g	<input checked="" type="checkbox"/> Individuals were notified about the FAP by being offered a paper copy of the plain language summary of the FAP, by receiving a conspicuous written notice about the FAP on their billing statements, and via conspicuous public displays or other measures reasonably calculated to attract patients' attention		
h	<input type="checkbox"/> Notified members of the community who are most likely to require financial assistance about availability of the FAP		
i	<input checked="" type="checkbox"/> The FAP, FAP application form, and plain language summary of the FAP were translated into the primary language(s) spoken by Limited English Proficiency (LEP) populations		
j	<input type="checkbox"/> Other (describe in Section C)		

Part V Facility Information (continued)

Billing and Collections

Name of hospital facility or letter of facility reporting group A

		Yes	No
17	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained all of the actions the hospital facility or other authorized party may take upon nonpayment?	X	
18	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP:		
a	<input type="checkbox"/> Reporting to credit agency(ies)		
b	<input type="checkbox"/> Selling an individual's debt to another party		
c	<input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP		
d	<input type="checkbox"/> Actions that require a legal or judicial process		
e	<input type="checkbox"/> Other similar actions (describe in Section C)		
f	<input checked="" type="checkbox"/> None of these actions or other similar actions were permitted		
19	Did the hospital facility or other authorized party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP? If "Yes," check all actions in which the hospital facility or a third party engaged:		X
a	<input type="checkbox"/> Reporting to credit agency(ies)		
b	<input type="checkbox"/> Selling an individual's debt to another party		
c	<input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP		
d	<input type="checkbox"/> Actions that require a legal or judicial process		
e	<input type="checkbox"/> Other similar actions (describe in Section C)		
20	Indicate which efforts the hospital facility or other authorized party made before initiating any of the actions listed (whether or not checked) in line 19 (check all that apply):		
a	<input checked="" type="checkbox"/> Provided a written notice about upcoming ECAs (Extraordinary Collection Action) and a plain language summary of the FAP at least 30 days before initiating those ECAs (if not, describe in Section C)		
b	<input checked="" type="checkbox"/> Made a reasonable effort to orally notify individuals about the FAP and FAP application process (if not, describe in Section C)		
c	<input checked="" type="checkbox"/> Processed incomplete and complete FAP applications (if not, describe in Section C)		
d	<input checked="" type="checkbox"/> Made presumptive eligibility determinations (if not, describe in Section C)		
e	<input type="checkbox"/> Other (describe in Section C)		
f	<input type="checkbox"/> None of these efforts were made		

Policy Relating to Emergency Medical Care

21	Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that required the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	X	
If "No," indicate why:			
a	<input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions		
b	<input type="checkbox"/> The hospital facility's policy was not in writing		
c	<input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C)		
d	<input type="checkbox"/> Other (describe in Section C)		

Part V Facility Information *(continued)*

Charges to Individuals Eligible for Assistance Under the FAP (FAP-Eligible Individuals)

Name of hospital facility or letter of facility reporting group A

		Yes	No
22	Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care.		
a	<input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service during a prior 12-month period		
b	<input checked="" type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period		
c	<input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicaid, either alone or in combination with Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period		
d	<input type="checkbox"/> The hospital facility used a prospective Medicare or Medicaid method		
23	During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care? If "Yes," explain in Section C.		X
24	During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual? If "Yes," explain in Section C.		X

Schedule H (Form 990) 2019

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

SCHEDULE H, PART V, SECTION B - SUPPLEMENTAL INFORMATION

LINE 3E:

PLEASE SEE THE RESPONSE TO SCHEDULE H, PART V, LINE 11 BELOW FOR AN EXPLANATION OF HOW THE HEALTH NEEDS IDENTIFIED IN THE CHNA WERE PRIORITIZED.

LINE 5: INPUT FROM INDIVIDUALS IN THE COMMUNITY

TO COLLECT PRIMARY DATA FROM THE HOSPITAL'S SERVICE AREA POPULATION, A SURVEY WAS DESIGNED, FIELDDED, AND ANALYZED. TO ENSURE THAT THE PERSPECTIVES OF THE RESIDENTS OF THE SERVICE AREA WERE INCLUDED IN THIS ASSESSMENT, THE HOSPITAL USED A RIGOROUS POPULATION-BASED METHODOLOGICAL APPROACH TO COVER THE SERVICE AREA. TO DEVELOP THE SURVEY USED FOR THE CHNA, THE HOSPITAL PARTNERED WITH FACULTY FROM INDIANA-BASED UNIVERSITIES WHO HAD PARTICULAR EXPERTISE IN COMMUNITY-BASED SURVEY RESEARCH. DR. WILLIAM MCCONNELL OF THE UNIVERSITY OF EVANSVILLE SERVED AS THE LEAD RESEARCHER ON THE PROJECT, IN PARTNERSHIP WITH DR. MICHAEL REECE AND DR. CATHERINE SHERWOOD-LAUGHLIN (BOTH OF THE INDIANA UNIVERSITY SCHOOL OF PUBLIC HEALTH). THE UNIVERSITY OF EVANSVILLE CONTRACTED WITH THE CENTER FOR SURVEY RESEARCH (CSR) AT INDIANA UNIVERSITY TO ADMINISTER THIS SURVEY IN TWO PHASES: PHASE I WAS CONDUCTED AS A PAPER SURVEY MAILED TO A RANDOM ADDRESS-BASED SAMPLE AND PHASE II WAS CONDUCTED AS A PAPER SURVEY ADMINISTERED BY THE HOSPITALS TO A CONVENIENCE SAMPLE OF THEIR CHOOSING. THE SURVEY WAS CONDUCTED WITH APPROVAL OF THE INSTITUTIONAL REVIEW BOARD

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

(IRB) OF THE UNIVERSITY OF EVANSVILLE. PLANNING AND DEVELOPMENT FOR THE SURVEY BEGAN IN THE WINTER OF 2017. USING A CONSTRUCT-BASED APPROACH THAT IDENTIFIED THE LEADING AREAS TO BE INCLUDED ON THE SURVEY, THE HOSPITALS AND FACULTY DEVELOPED A SURVEY. THE SURVEY INCLUDED MEASURES THAT HAD BEEN VALIDATED FOR USE IN SIMILAR PROJECTS BY OTHER RESEARCHERS AND ADDITIONAL MEASURES THAT WERE DEVELOPED BY THE PARTNERS FOR SPECIFIC NEEDS OF THIS CHNA. THE SURVEY COVERED TEN MAJOR AREAS.

TWO WEIGHTING ADJUSTMENTS WERE MADE TO ENHANCE CONSISTENCY BETWEEN THE SURVEY SAMPLE AND THE CHARACTERISTICS OF THE HOSPITAL'S SERVICE POPULATION. THE FIRST WAS A BASE WEIGHT ADJUSTMENT TO ACCOUNT FOR UNEQUAL PROBABILITIES OF SELECTION WITHIN HOUSEHOLD. THE SECOND WAS A POSTSTRATIFICATION ADJUSTMENT TO THE U.S. CENSUS BUREAU 2012-2016 AMERICAN COMMUNITY SURVEY FIVE-YEAR POPULATION ESTIMATES. THE TWO WEIGHTING ADJUSTMENTS WERE MULTIPLIED TO CALCULATE A PRELIMINARY FINAL WEIGHT FOR EACH HOSPITAL'S CATCHMENT AREA. THESE PRELIMINARY WEIGHTS WERE THEN TRIMMED AND SCALED SO THAT THE FINAL WEIGHTS SUMMED TO THE NUMBER OF RESPONDENTS IN EACH CATCHMENT AREA.

THREE TYPES OF FOCUS GROUPS WERE CONDUCTED:

- PROFESSIONAL: REPRESENTATIVES FROM ORGANIZATIONS, SERVICES, AND BUSINESSES THAT CONTRIBUTE TO YOUTH AND BEHAVIORAL HEALTH. THESE MEETINGS MAP COMMUNITY ASSETS AND NEEDS IN ADDITION TO DETERMINING POTENTIAL PARTNERS.
- INTERNAL: FRANCISCAN HEALTH STAFF FROM ALL DIVISIONS ARE INVITED TO

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

LEARN ABOUT POTENTIAL INTERVENTIONS AND PROVIDE FEEDBACK.

- RESIDENT: SMALL GROUPS OF RESIDENTS BROUGHT TOGETHER BY A PARTNER

AGENCY WERE ASKED ABOUT STRENGTHS AND CHALLENGES IN COMMUNITIES AS WELL

AS THE LIKELIHOOD OF PARTICIPATING IN INTERVENTIONS.

INTERNAL FOCUS GROUP - FH CRAWFORDSVILLE

- FRANCISCAN HEALTH FOUNDATION, INC.
- FRANCISCAN ALLIANCE MISSION (2)
- FRANCISCAN ACCOUNTABLE CARE ORGANIZATION ("ACO")
- FRANCISCAN PHYSICIAN NETWORK ("FPN")

PROFESSIONAL FOCUS GROUP - FH CRAWFORDSVILLE

- PURDUE EXTENSION (3)
- YOUTH SERVICES BUREAU
- CRAWFORDSVILLE COMMUNITY SCHOOL CORPORATION
- CRAWFORDSVILLE FIRE DEPARTMENT
- NURSE FAMILY PARTNERSHIP (2)
- WABASH COLLEGE
- CRAWFORDSVILLE PARKS DEPARTMENT
- CRAWFORDSVILLE PUBLIC LIBRARY
- MONTGOMERY COUNTY HEALTH DEPARTMENT
- FRANCISCAN HEALTH (3)
- WABASH VALLEY ALLIANCE

INTERNAL FOCUS GROUP - FH CROWN POINT

Part V Facility Information *(continued)*

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

- PRE-ADMITTING
- TRAUMA
- NURSE NAVIGATION
- CANCER REGISTRY
- EMERGENCY DEPARTMENT
- ENGINEERING

EXTERNAL FOCUS GROUP - FH CROWN POINT

- COMMUNITY HEALTHNET
- COVERING KIDS AND FAMILIES
- METHODIST HOSPITALS
- COMMUNITY HEALTH CARE
- FRANCISCAN HEALTH (2)
- PURDUE UNIVERSITY NORTHWEST
- NORTHWEST INDIANA COMMUNITY ACTION
- NURSE FAMILY PARTNERSHIP (2)
- CROWN POINT SCHOOLS

RESIDENT FOCUS GROUP FROM THE FOLLOWING ZIP CODES - FH CROWN POINT

- 46303 (5)
- 46307
- 46356

INTERNAL FOCUS GROUP - FH DYER

- ALVERNO LABORATORY

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

- FRANCISCAN ACO
- TOBACCO PREVENTION
- VOLUNTEER MANAGEMENT
- FRANCISCAN HOME CARE
- BEHAVIORAL HEALTH

INTERNAL FOCUS GROUP - FH HAMMOND

- FRANCISCAN HOME CARE
- FRANCISCAN ACO (2)
- PRENATAL ASSISTANCE
- ADMINISTRATION
- WOUND HEALTH/INFUSION (2)
- EMERGENCY DEPARTMENT
- CARDIOVASCULAR
- CASE MANAGEMENT

PROFESSIONAL FOCUS GROUP - FH HAMMOND

- HEALTHY START
- MUNSTER PARKS AND RECREATION
- PURDUE EXTENSION (2)
- THE INTREPID PHOENIX
- FOOD BANK OF NORTHWEST INDIANA (2)
- AREA HEALTH EDUCATION CENTER
- INDIANA UNIVERSITY NORTHWEST (2)
- GIRLS ON THE RUN

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

- HOPE CHRISTIAN CHURCH

- INDIANA PARENTING INITIATIVE (2)

RESIDENT FOCUS GROUP FROM THE FOLLOWING ZIP CODES - FH HAMMOND

- 46321

- 46404

- 46408 (2)

- 46311 (2)

- 46321

- 46307 (3)

- 46375

- 46323 (2)

- 46360

- 46410 (2)

- 46324 (2)

- 46303

- 60411

INTERNAL FOCUS GROUP - FH INDIANAPOLIS

- SPIRITUAL CARE (2)

- EMERGENCY MEDICAL SERVICES

- BUSINESS DEVELOPMENT

- EDUCATION SERVICES

- MARKETING

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

PROFESSIONAL FOCUS GROUP - FH INDIANAPOLIS

- COMMUNITY HEALTH NETWORK (2)
- ANTHEM
- NURSE FAMILY PARTNERSHIP
- WINDROSE HEALTH
- INDY SOUTHSIDE QUALITY OF LIFE
- YMCA
- CITY OF GREENWOOD
- INDIANA YOUTH INSTITUTE
- AREA HEALTH EDUCATION CENTER
- PURDUE EXTENSION
- GREATER SOUTHSIDE BUSINESS ALLIANCE

RESIDENT FOCUS GROUP FROM THE FOLLOWING ZIP CODES - FH INDIANAPOLIS

(BURMESE FOCUS)

- 46227 (7)

RESIDENT FOCUS GROUP FROM THE FOLLOWING ZIP CODES - FH INDIANAPOLIS

(LATINO FOCUS)

- UNKNOWN
- 46204
- 46235
- 46227

PROFESSIONAL FOCUS GROUP - FH INDIANAPOLIS (BEECH GROVE FOCUS)

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

- BEECH GROVE COMMUNITY SCHOOLS
- BEECH GROVE DRUG FREE COALITION

INTERNAL FOCUS GROUP - FH LAFAYETTE

- REHABILITATION SERVICES
- SAFETY
- SCHOOL OF NURSING (2)
- QUALITY
- EMERGENCY MEDICAL SERVICES
- MISSION (3)
- CASE MANAGEMENT
- NUTRITION
- NURSING ADMINISTRATION (2)
- PALLIATIVE CARE
- COMMUNITY EDUCATION
- PHARMACY
- RADIOLOGY
- TRAUMA
- LABORATORY

PROFESSIONAL FOCUS GROUP - FH LAFAYETTE

- NURSE FAMILY PARTNERSHIP
- THE VILLAGES
- PURDUE UNIVERSITY SCHOOL OF NURSING
- AREA IV AGENCY (2)

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

- BOY SCOUTS
- NORTH CENTRAL HEALTH SERVICES
- PURDUE EXTENSION (3)
- RIGGS COMMUNITY HEALTH CENTER
- INDIANA UNIVERSITY HEALTH
- FRANCISCAN HEALTH (4)
- YWCA
- BAUER SERVICES
- LOCAL WOMEN INFANT CHILDREN'S ("WIC") AGENCY
- HEALTHY COMMUNITIES OF CLINTON COUNTY/COVERING KIDS AND FAMILIES
- INDIANA YOUTH INSTITUTE
- PURDUE EXTENSION-4-H
- WABASH VALLEY ALLIANCE
- FOOD FINDERS
- LTHC HOMELESS SERVICES

- INTERNAL FOCUS GROUP - FH MICHIGAN CITY
- FRANCISCAN HEALTH FOUNDATION, INC.
- FPN
- EDUCATION
- ADMINISTRATION
- RISK MANAGEMENT
- CLINICAL SUPPORT
- SAFETY
- INPATIENT THERAPY

Part V Facility Information *(continued)*

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

- MEDICAL ADMINISTRATION

- NURSING ADMINISTRATION

- FINANCE

- HUMAN RESOURCES

- SPIRITUAL CARE

- CASE MANAGEMENT

- RESPIRATORY CARE

- FRANCISCAN ACO

- OBSTETRICS

- EMERGENCY DEPARTMENT

- WOUND HEALTH

- PHARMACY

- PATIENT ADMINISTRATION

- OPERATING ROOM

- ICU

- QUALITY

PROFESSIONAL FOCUS GROUP - FH MICHIGAN CITY

- UNITED WAY OF LAPORTE COUNTY

- DUNEBROOK

- PURDUE EXTENSION (2)

- OPEN DOOR (2)

- SOUTH CENTRAL SCHOOL DISTRICT

- SWANSON CENTER

- IVY TECH

Part V Facility Information *(continued)*

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

- BOYS AND GIRLS CLUB
- YMCA (2)
- FRONTLINE FOUNDATION
- WALKER MEDICAL
- AREA HEALTH EDUCATION CENTER
- UNITY FOUNDATION
- LAPORTE COUNTY HEALTH DEPARTMENT

INTERNAL FOCUS GROUP - FH MOORESVILLE

- EDUCATION
- ADMINISTRATION (2)
- PATIENT ACCESS
- WOMEN AND CHILDREN
- MEDICAL STAFF
- PARISH NURSING
- FPN

PROFESSIONAL FOCUS GROUP - FH MOORESVILLE

- HEALTHIER MORGAN COUNTY INITIATIVE
- PURDUE GLOBAL
- BRIDGES OF HOPE
- IVY TECH
- LIFE SMART YOUTH
- UNITED WAY
- MDWISE

Part V Facility Information *(continued)*

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

- BOYS AND GIRLS CLUB
- MOORESVILLE PARKS DEPARTMENT
- MOORESVILLE SCHOOLS YMCA
- MORGAN COUNTY SUBSTANCE ABUSE COUNCIL (2)
- MORGAN COUNTY HEALTH DEPARTMENT
- PEACE RESTORED
- JACKSON CENTER
- MOORESVILLE CHAMBER OF COMMERCE
- REACH FOR YOUTH
- GIRL SCOUTS

RESIDENT FOCUS GROUP FOCUS GROUP FROM THE FOLLOWING ZIP CODES - FH

MOORESVILLE

- 46158 (15)
- 46168 (4)
- 46157
- 46113 (2)
- UNKNOWN

INTERNAL FOCUS GROUP - FH MUNSTER

- EDUCATION
- FRANCISCAN HOME CARE

PROFESSIONAL FOCUS GROUP - FH OLYMPIA FIELDS

- BLOOM TOWNSHIP HIGH SCHOOL

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

- GOVENORS STATE UNIVERSITY (2)

- PARK FOREST POLICE

- PRAIRIE STATE COLLEGE

- SOUTH SUBURBAN FAMILY SHELTER

- DISTRICT 163 SCHOOLS (2)

- FRANCISCAN HEALTH (3)

- DISTRICT 227 SCHOOLS

- PREVENT CHILD ABUSE

- SOUTH SUBURBAN PADS

PROFESSIONAL FOCUS GROUP - FH OLYMPIA FIELDS

- RESPOND NOW (2)

- FRANCISCAN HEALTH (3)

- DISTRICT 227 SCHOOLS (2)

- JONES CENTER - DISTRICT 227 SCHOOLS (2)

- JONES CENTER

LINES 6A AND 6B: ALL FACILITIES

IN INDIANA, ALL FRANCISCAN ALLIANCE HOSPITAL FACILITIES COLLABORATED IN A STATEWIDE PARTNERSHIP WITH ASCENSION ST. VINCENT HEALTH, INDIANA UNIVERSITY HEALTH, COMMUNITY HEALTH NETWORK, DECONESS HOSPITAL, METHODIST HOSPITAL, COMMUNITY HOSPITAL, GIBSON GENERAL HOSPITAL, HENDRICKS REGIONAL HEALTH, ST. MARY'S HOSPITAL AND WITH EACH FACILITY WITHIN THE FRANCISCAN HEALTH SYSTEM.

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

LINE 6B: ALL FACILITIES

FRANCISCAN HEALTH PARTNERED WITH WARRICK AND VANDERBURG COUNTY HEALTH DEPARTMENTS, KENDRICK FOUNDATION, HEALTHY SOUTHSIDE INITIATIVE, HEALTHY MORGAN COUNTY INTIATIVE, UNIVERSITY OF EVANSVILLE, PURDUE UNIVERSITY, AND INDIANA UNIVERSITY BLOOMINGTON.

LINE 7: ALL FACILITIES

ALL CHNA REPORTS ARE AVAILABLE ON FRANCISCAN ALLIANCE'S WEBSITE AT [HTTPS://WWW.FRANCISCANHEALTH.ORG/COMMUNITYHEALTH](https://www.franciscanhealth.org/communityhealth)

LINE 10: ALL FACILITIES

ALL IMPLEMENTATION PLANS ARE CONTAINED IN THE CHNA AS 'CHAPTER 6: CALL TO ACTION.' THE REPORTS ARE AVAILABLE ON FRANCISCAN ALLIANCE'S WEBSITE AT [HTTPS://WWW.FRANCISCANHEALTH.ORG/COMMUNITYHEALTH](https://www.franciscanhealth.org/communityhealth)

LINE 11: COMMUNITY HEALTH NEEDS ASSESSMENT

THE TOP HEALTH NEEDS IN A COMMUNITY IS A DIFFICULT PROCESS. MANY POOR HEALTH OUTCOMES, HEALTH DISPARITIES, AND POOR SOCIAL DETERMINANTS OF HEALTH WEIGH HEAVILY ON SEGMENTS OF OUR COMMUNITY. WE ALSO ACKNOWLEDGE THAT THERE ARE MANY STRENGTHS AND POSITIVE GROWTH THAT BALANCE SOME OF THESE CHALLENGES. FRANCISCAN HEALTH DETERMINED THE TOP HEALTH NEEDS BY REVIEWING SECONDARY DATA, SURVEY RESPONSES, AND FEEDBACK FROM INPUT MEETINGS. A CORE TEAM OF SIX STAFF MEMBERS WITH EDUCATION AND EXPERIENCE IN PUBLIC HEALTH WORKED WITH STAFF IN EACH COMMUNITY TO COME TO A CONSENSUS ON THE TOP ISSUES. A COMBINATION OF MULTIVOTE RANKING AND THE

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

HANLON METHOD WERE USED. ONCE A REFINED LIST OF THE TOP TEN ISSUES WAS BROUGHT TO CONSENSUS, EACH STAFF MEMBER RANKED HEALTH ISSUES BASED ON SIZE, SERIOUSNESS, EQUITY, TYPES OF INTERVENTION, AND URGENCY. TO ASSIST WITH INTERVENTION PLANNING, A SECOND SCORE ON THE POTENTIAL FOR FRANCISCAN HEALTH TO PRIORITIZE THE HEALTH ISSUE WAS DETERMINED. SCORING CRITERIA INCLUDED RELATIONSHIP TO ADVERSE CHILDHOOD EXPERIENCES (ACES), INTERNAL CAPACITY, COMMUNITY ACCEPTABILITY, SUSTAINABILITY, AND LONG-TERM IMPACT. USING A MIX OF HANLON AND PEARL TECHNIQUES, THE FRANCISCAN HEALTH COMMUNITY HEALTH TEAM SCORED THE SECONDARY DATA, FEEDBACK MEETING COMMENTS, AND SURVEY DATA TO PRODUCE THE LIST OF TOP HEALTH NEEDS IN THE COMMUNITY.

IN DETERMINING COMMUNITY HEALTH INTERVENTIONS FOR THE SELECTED PRIORITY HEALTH NEEDS, HEALTH EQUITY, SUSTAINABILITY, AND AN EMPHASIS ON SOCIAL DETERMINANTS OF HEALTH WERE HEAVILY WEIGHTED. WHILE MOST INTERVENTIONS FOCUS ON INDIVIDUAL LIFESTYLE FACTORS, KNOWLEDGE, SKILLS, AND BEHAVIORS, CONSIDERATION OF THE CULTURAL AND ENVIRONMENTAL CONTEXTS ARE JUST AS IMPORTANT. FRANCISCAN ALLIANCE ACKNOWLEDGES THAT TRUE CHANGE COMES WITH MAJOR SHIFTS IN ALL AREAS. THE FIRST CRITERIA USED TO DETERMINE IMPLEMENTATION STRATEGIES IS THE CONNECTION TO THE SOCIO-ECOLOGICAL MODEL AND SOCIAL DETERMINENTS OF HEALTH.

INTERVENTIONS IMPLEMENTED BY FRANCISCAN ALLIANCE ARE PERSON-CENTERED AND DESIGNED TO CREATE LASTING CHANGE. MALCOLM KNOWLES' PRINCIPLES OF ANDRAGOGY PROVIDED THE FRAMEWORK. WHILE THIS MODEL IS BASED ON

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

EDUCATIONAL PROGRAMMING, IT APPLIES TO ALL TYPES OF INTERVENTIONS. FOR EXAMPLE, IN THE PROVISION OF CLINICAL CARE OR MEDICATION ASSISTANCE, PARTICIPANTS NOT ONLY RECEIVE THE CARE OR MEDICATION, THEY ALSO LEARN TO BETTER MANAGE THEIR OWN HEALTH OR ACCESS COMPONENTS OF THE HEALTH SYSTEM OR ASSISTANCE PROGRAM. REFLECTION, TEACH-BACK, AND COMMUNICATION TECHNIQUES ARE UTILIZED TO EMPOWER THE PARTICIPANT TO MOVE BEYOND A ONE-TIME INTERACTION OR ASSISTANCE.

FRANCISCAN ALLIANCE USES EVIDENCE-BASED PRACTICES IN PLANNING INTERVENTIONS WHENEVER POSSIBLE, AS THESE PROGRAMS HAVE BEEN THOROUGHLY TESTED AND HAVE PROVEN EFFICACY. WHEN EVIDENCE-BASED PROGRAMS ARE NOT AVAILABLE, BEST PRACTICES AND DOCUMENTED RESEARCH GUIDES THE DEVELOPMENT AND IMPLEMENTATION OF THE INTERVENTION.

IMPLEMENTATION ACTIVITIES WILL BE EVALUATED TO THE FULLEST EXTENT. USING THE KIRKPATRICK MODEL (A STANDARDIZED EVALUATION SYSTEM BASED ON REACTION, LEARNING, BEHAVIOR, AND RESULTS) AS A GUIDE, EVALUATION OF NOT ONLY THE PROGRAM, BUT ITS IMPACT AND RESULTS WILL BE REVIEWED. THIS PROCESS ALLOWS FOR CHANGES TO BE MADE TO IMPROVE THE PROGRAM ON AN ONGOING BASIS. WHILE IT CAN BE DIFFICULT TO DETERMINE THE EXACT CAUSE OF INDIVIDUAL BEHAVIORAL CHANGE, BIOMETRICS, POST-FOLLOW UP SURVEYS, AND OTHER METHODS WERE USED TO CAPTURE QUALITATIVE AND QUANTITATIVE DATA.

CHILDHOOD TRAUMA SPURS TOXIC STRESS RESPONSES THAT CAUSE BOTH IMMEDIATE AND LONG-TERM PHYSICAL AND EMOTIONAL HARMS AND CAN POTENTIALLY BE FATAL.

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

AN ANALYSIS BY THE CENTERS FOR DISEASE CONTROL AND PREVENTION HAS FOUND THAT AT LEAST FIVE OF THE TOP 10 LEADING CAUSES OF DEATH ARE ASSOCIATED WITH ADVERSE CHILDHOOD EXPERIENCES (ACES) SUCH AS EXPERIENCING ABUSE, WITNESSING VIOLENCE OR SUBSTANCE ABUSE IN THE HOME AND HAVING A PARENT IN JAIL. PREVENTING ACES CAN REDUCE HEART DISEASE, CANCER, RESPIRATORY DISEASE, DIABETES AND SUICIDE. FRANCISCAN ALLIANCE HAS PARTNERED WITH AN ONLINE COMMUNITY PLATFORM, ACES CONNECTION, TO GENERATE AWARENESS, ENGAGEMENT, AND DISCUSSION REGARDING CHILDHOOD ADVERSITY. THIS PARTNERSHIP IS A COMPONENT OF FRANCISCAN ALLIANCE'S AWARENESS INITIATIVE TO PROVIDE COMMUNITY MEMBERS WITH FREE RESOURCES TO BUILD A SELF-HEALING, TRAUMA-INFORMED COMMUNITY. FRANCISCAN ALLIANCE'S HOPES TO EDUCATE COMMUNITY MEMBERS TO: "GET DATA. GET TRAINED. GET INVOLVED." FRANCISCAN ALLIANCE HAS ALSO PARTNERED WITH BROADSTREET TO CREATE NATIONALLY AVAILABLE DASHBOARDS FOR ACES RISK IN CHILDREN. THE ACES RISK IN CHILDREN DASHBOARDS WILL PROVIDE DATA THAT PERTAINS TO ACE FOR A SELECTED LOCATION. DASHBOARD INSIGHTS INCLUDE THINGS LIKE MENTAL HEALTH OR INCARCERATION RISKS IN A GIVEN COMMUNITY WHICH AIDS IN CULTIVATING A STORY ABOUT EACH COMMUNITY TO SEE RISK FACTORS AND SOCIAL DETERMINANTS. THE HOPE IS THAT COMMUNITIES WILL BE ABLE TO USE THESE DASHBOARD TO PROVIDE GUIDANCE IN THE DIRECTION OF WHAT PUBLIC HEALTH AREAS TO ADDRESS. FRANCISCAN ALLIANCE IS ALSO A FOUNDING PARTNER OF THE ACES INDIANA COALITION, A TEAM OF AGENCIES, ORGANIZATIONS, AND INDIVIDUALS WORKING TOGETHER TO REDUCE ADVERSE OUTCOMES OF ACES. FRANCISCAN ALLIANCE HAS MADE THE INVESTMENT TO HAVE SEVEN TEAM MEMBERS CERTIFIED AS ACE INTERFACE MASTERS ALLOWS THEM TO CONDUCT ACES TRAINING AND PRESENTATIONS ON THE

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

RESEARCH WITHIN ITS COMMUNITIES. ACCORDING TO ACE STUDY RESEARCH, PREVENTION IS THE GREATEST OPPORTUNITY TO IMPROVE THE OVERALL WELL-BEING OF POPULATIONS. OUR TRAINING PROGRAMS ARE DESIGNED TO PROMOTE UNDERSTANDING AND IMPROVE COMMUNITY OUTCOMES THROUGH HEALING PROCESSES, INTERVENTIONS, AND EDUCATION AND FRANCISCAN ALLIANCE IS COMMITTED TO ADVANCING THIS EDUCATION THROUGHOUT ITS COMMUNITIES.

THE FRANCISCAN ALLIANCE HOSPITALS MADE THE FOLLOWING PROGRESS DURING 2019 IN ADDRESSING THE IDENTIFIED COMMUNITY HEALTH NEEDS FROM ITS MOST RECENT CHNA:

FRANCISCAN HEALTH CRAWFORDSVILLE

TOP HEALTH NEEDS INCLUDE (TOP NEEDS FIRST):

- CHILD ABUSE AND NEGLECT
- SUBSTANCE ABUSE
- FOOD INSECURITY
- ADULT MENTAL HEALTH
- YOUTH SUPPORT SERVICES
- ACCESS TO HEALTH SERVICES
- PHYSICAL ACTIVITY AND NUTRITION
- TOBACCO/LUNG CANCER
- SEXUALLY TRANSMITTED INFECTIONS
- HEART DISEASE

THERE IS A SIGNIFICANT LINK BETWEEN EIGHT OF THESE ISSUES AND ADVERSE

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

CHILDHOOD EXPERIENCES ("ACES"). THEREFORE, THE FOLLOWING IMPLEMENTATION

STRATEGIES WILL BE USED (WITH 2019 PROGRESS INDICATED):

- FACILITATE ACES CONNECTION COMMUNITY PAGES: ACHIEVED IN 2019
- PROVIDE FACT SHEETS, ARTICLES, AND OTHER FREE RESOURCES: ACHIEVED IN 2019
- OFFER FREE SCREENINGS OF RESILIENCE FILM: ACHIEVED IN 2019
- COORDINATE TRAINING OPPORTUNITIES FOR PROFESSIONALS: ACHIEVED IN 2019
- DEVELOP COMMUNITY RESILIENCY COALITION: INCOMPLETE IN 2019 DUE TO HEALTH COALITION CHANGES
- PROVIDE HEALING ACTIVITIES: DEVELOPED IN 2019
- LOCAL PROJECT: WORK WITH CRAWFORDSVILLE HIGH SCHOOL: ACHIEVED IN 2019, BUT WILL BE REVISED FOR 2020 DUE TO PERSONEL CHANGES

FRANCISCAN HEALTH CROWN POINT

TOP HEALTH NEEDS INCLUDE (TOP NEEDS FIRST):

- CHILD ABUSE AND NEGLECT
- INFANT MORTALITY
- UNINSURED/UNDERINSURED RATES
- ADULT MENTAL HEALTH
- FOOD INSECURITY
- FAMILY SUPPORT SERVICES
- SUBSTANCE ABUSE
- RESPIRATORY DISEASES
- PHYSICAL ACTIVITY AND NUTRITION
- TRANSPORTATION

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

THERE IS A SIGNIFICANT LINK BETWEEN EIGHT OF THESE ISSUES AND ADVERSE CHILDHOOD EXPERIENCES ("ACES"). THEREFORE, THE FOLLOWING IMPLEMENTATION STRATEGIES WILL BE USED (WITH 2019 PROGRESS INDICATED):

- FACILITATE ACES CONNECTION COMMUNITY PAGES: ACHIEVED IN 2019
- PROVIDE FACT SHEETS, ARTICLES, AND OTHER FREE RESOURCES: ACHIEVED IN 2019
- OFFER FREE SCREENINGS OF RESILIENCE FILM: ACHIEVED IN 2019
- COORDINATE TRAINING OPPORTUNITIES FOR PROFESSIONALS: ACHIEVED IN 2019
- DEVELOP COMMUNITY RESILIENCY COALITION: INCOMPLETE IN 2019 DUE TO HEALTH COALITION CHANGES
- PROVIDE HEALING ACTIVITIES: DEVELOPED IN 2019
- LOCAL PROJECT: MIND, BODY, SOUL PROGRAM WITH YMCA: INFRASTRUCTURE DEVELOPED IN 2019, BUT INCOMPLETE DUE TO CHANGES AT THE YMCA.

FRANCISCAN HEALTH HAMMOND, FRANCISCAN HEALTH MUNSTER, AND FRANCISCAN HEALTH DYER

TOP HEALTH NEEDS INCLUDE (TOP NEEDS FIRST):

- CHILD ABUSE AND NEGLECT
- INFANT MORTALITY
- UNINSURED/UNDERINSURED RATES
- ADULT MENTAL HEALTH
- FOOD INSECURITY
- FAMILY SUPPORT SERVICES
- SUBSTANCE ABUSE

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

- RESPIRATORY DISEASES
- PHYSICAL ACTIVITY AND NUTRITION
- TRANSPORTATION

THERE IS A SIGNIFICANT LINK BETWEEN EIGHT OF THESE ISSUES AND ADVERSE CHILDHOOD EXPERIENCES ("ACES"). THEREFORE, THE FOLLOWING IMPLEMENTATION STRATEGIES WILL BE USED (WITH 2019 PROGRESS INDICATED):

- FACILITATE ACES CONNECTION COMMUNITY PAGES: ACHIEVED IN 2019
- PROVIDE FACT SHEETS, ARTICLES, AND OTHER FREE RESOURCES: ACHIEVED IN 2019
- COORDINATE TRAINING OPPORTUNITIES FOR PROFESSIONALS: ACHIEVED IN 2019
- DEVELOP COMMUNITY RESILIENCY COALITION: INCOMPLETE IN 2019 DUE TO HEALTH COALITION CHANGES
- PROVIDE HEALING ACTIVITIES: DEVELOPED IN 2019
- LOCAL PROJECT: TRAUMA INFORMED EDUCATION WITH EDGERS MIDDLE SCHOOL: ACHIEVED IN 2019

FRANCISCAN HEALTH INDIANAPOLIS

TOP HEALTH NEEDS INCLUDE (TOP NEEDS FIRST):

- INFANT MORTALITY
- ADULT MENTAL HEALTH
- SUBSTANCE ABUSE
- PUBLIC SAFETY
- PEDIATRIC MENTAL HEALTH
- ACCESS TO HEALTH SERVICES

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

- PHYSICAL ACTIVITY AND NUTRITION
- UNINTENTIONAL INJURY
- TOBACCO USE
- TRANSPORTATION

THERE IS A SIGNIFICANT LINK BETWEEN EIGHT OF THESE ISSUES AND ADVERSE CHILDHOOD EXPERIENCES ("ACES"). THEREFORE, THE FOLLOWING IMPLEMENTATION STRATEGIES WILL BE USED (WITH 2019 PROGRESS INDICATED):

- FACILITATE ACES CONNECTION COMMUNITY PAGES: ACHIEVED IN 2019
- PROVIDE FACT SHEETS, ARTICLES, AND OTHER FREE RESOURCES: ACHIEVED IN 2019
- OFFER FREE SCREENINGS OF RESILIENCE FILM: SOMEWHAT ACHIEVED IN 2019
- COORDINATE TRAINING OPPORTUNITIES FOR PROFESSIONALS: ACHIEVED IN 2019
- DEVELOP COMMUNITY RESILIENCY COALITION: INCOMPLETE IN 2019 DUE TO HEALTH COALITION CHANGES
- PROVIDE HEALING ACTIVITIES: DEVELOPED IN 2019
- LOCAL PROJECT: BURMESE AMERICAN TEEN MENTORSHIP: DEVELOPED IN 2019 TO BE IMPLEMENTED IN 2020.

FRANCISCAN HEALTH LAFAYETTE

TOP HEALTH NEEDS INCLUDE (TOP NEEDS FIRST):

- FAMILY POVERTY
- INFANT MORTALITY
- YOUTH MENTAL HEALTH
- SUBSTANCE ABUSE
- ADULT MENTAL HEALTH

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

- FOOD INSECURITY
- HOMELESSNESS
- AFFORDABLE HEALTH CARE
- TOBACCO USE
- PHYSICAL ACTIVITY AND NUTRITION

THERE IS A SIGNIFICANT LINK BETWEEN EIGHT OF THESE ISSUES AND ADVERSE CHILDHOOD EXPERIENCES ("ACES"). THEREFORE, THE FOLLOWING IMPLEMENTATION STRATEGIES WILL BE USED (WITH 2019 PROGRESS INDICATED):

- FACILITATE ACES CONNECTION COMMUNITY PAGES: ACHIEVED IN 2019
- PROVIDE FACT SHEETS, ARTICLES, AND OTHER FREE RESOURCES: ACHIEVED IN 2019
- OFFER FREE SCREENINGS OF RESILIENCE FILM: ACHIEVED IN 2019
- COORDINATE TRAINING OPPORTUNITIES FOR PROFESSIONALS: ACHIEVED IN 2019
- DEVELOP COMMUNITY RESILIENCY COALITION: INCOMPLETE IN 2019 DUE TO HEALTH COALITION CHANGES
- PROVIDE HEALING ACTIVITIES: DEVELOPED IN 2019
- LOCAL PROJECT: EMPATH, A MULTI HEALTH SYSTEM APPROACH TO FINDING APPROPRIATE CARE FOR THOSE WITH MENTAL HEALTH ISSUES: ACHIEVED IN 2019

FRANCISCAN HEALTH MICHIGAN CITY

TOP HEALTH NEEDS INCLUDE (TOP NEEDS FIRST):

- PEDIATRIC MENTAL HEALTH
- ADULT MENTAL HEALTH
- CHILD ABUSE AND NEGLECT

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

- FOOD INSECURITY
- SUBSTANCE ABUSE
- CANCER
- SOCIAL SUPPORTS
- PHYSICAL ACTIVITY AND NUTRITION
- TOBACCO USE
- TRANSPORTATION

THE FOLLOWING IMPLEMENTATION STRATEGIES WILL BE USED (WITH 2019 PROGRESS INDICATED):

- LOCAL PROJECT: FOOD PHARMACY AND COMMUNITY GARDENS: ACHIEVED IN 2019

FRANCISCAN HEALTH MOORESVILLE

TOP HEALTH NEEDS INCLUDE (TOP NEEDS FIRST):

- SUBSTANCE ABUSE
- ADULT MENTAL HEALTH
- FOOD INSECURITY
- PEDIATRIC MENTAL HEALTH
- PHYSICAL ACTIVITY AND NUTRITION
- PUBLIC SAFETY
- CANCER
- TOBACCO USE
- TRANSPORTATION
- AFFORDABLE CHILD CARE

THERE IS A SIGNIFICANT LINK BETWEEN EIGHT OF THESE ISSUES AND ADVERSE CHILDHOOD EXPERIENCES ("ACES"). THEREFORE, THE FOLLOWING IMPLEMENTATION

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

STRATEGIES WILL BE USED (WITH 2019 PROGRESS INDICATED):

- FACILITATE ACES CONNECTION COMMUNITY PAGES: ACHIEVED IN 2019
- PROVIDE FACT SHEETS, ARTICLES, AND OTHER FREE RESOURCES: ACHIEVED IN 2019
- OFFER FREE SCREENINGS OF RESILIENCE FILM: SOMEWHAT ACHIEVED IN 2019
- COORDINATE TRAINING OPPORTUNITIES FOR PROFESSIONALS: ACHIEVED IN 2019
- DEVELOP COMMUNITY RESILIENCY COALITION: INCOMPLETE IN 2019 DUE TO HEALTH COALITION CHANGES
- PROVIDE HEALING ACTIVITIES: DEVELOPED IN 2019
- LOCAL PROJECT: TRIPLE PLAY PROGRAM WITH BOYS AND GIRLS CLUB: ACHIEVED IN 2019

FRANCISCAN HEALTH OLYMPIA FIELDS

TOP HEALTH NEEDS INCLUDE (TOP NEEDS FIRST):

- POVERTY
- ACCESS TO HEALTH SERVICES
- MATERNAL MORBIDITY
- UNINSURED/UNDERINSURED
- ADULT MENTAL HEALTH
- YOUTH SOCIAL SUPPORTS
- PUBLIC SAFETY/GUN VIOLENCE
- CANCER
- RESPIRATORY DISEASES
- TRANSPORTATION

THERE IS A SIGNIFICANT LINK BETWEEN EIGHT OF THESE ISSUES AND ADVERSE

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

CHILDHOOD EXPERIENCES ("ACES"). THEREFORE, THE FOLLOWING IMPLEMENTATION

STRATEGIES WILL BE USED, WITH 2019 PROGRESS INDICATED:

- FACILITATE ACES CONNECTION COMMUNITY PAGES: ACHIEVED IN 2019
- PROVIDE FACT SHEETS, ARTICLES, AND OTHER FREE RESOURCES: ACHIEVED IN 2019
- OFFER FREE SCREENINGS OF RESILIENCE FILM: SOMEWHAT ACHIEVED IN 2019
- COORDINATE TRAINING OPPORTUNITIES FOR PROFESSIONALS: ACHIEVED IN 2019
- DEVELOP COMMUNITY RESILIENCY COALITION: INCOMPLETE IN 2019 DUE TO HEALTH COALITION CHANGES
- PROVIDE HEALING ACTIVITIES: DEVELOPED IN 2019
- LOCAL PROJECT: JONES CENTER PARTNERSHIP: YOUTH BEHAVIORAL HEALTH SERVICES AND EDUCATION PROVIDED TO LOW INCOME FAMILIES: ACHIEVED IN 2019

LINES 15 AND 16: ALL FACILITIES

THROUGH FRANCISCAN ALLIANCE, INC. ("FRANCISCAN"), WE CONTINUE THE HEALING MINISTRY OF CHRIST IN A CATHOLIC HEALTH CARE SYSTEM THAT UPHOLDS THE MORAL VALUES AND TEACHINGS OF THE CATHOLIC CHURCH.

CENTRAL CONCERNS OF THIS CORPORATE MINISTRY INCLUDE COMPASSION FOR THOSE IN NEED, RESPECT FOR LIFE AND THE DIGNITY OF PERSONS. FRANCISCAN BELIEVES IN THE DIGNITY, UNIQUENESS, AND WORTH OF EACH INDIVIDUAL AND, WITHIN THE LIMITS OF OUR RESOURCES, FRANCISCAN OFFERS A COMPREHENSIVE RANGE OF HEALTH CARE SERVICES TO ALL REGARDLESS OF RACE, CREED, COLOR, SEX, NATIONAL ORIGIN, HANDICAP OR AN INDIVIDUAL'S FINANCIAL CAPABILITY. IN LIGHT OF THIS BELIEF, WE CONSIDER OUR HEALTH CARE SERVICES TO BE REACHING

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

OUT AND RESPONDING, IN A CHRIST-LIKE MANNER, TO THOSE WHO ARE PHYSICALLY, MATERIALLY, OR SPIRITUALLY IN NEED. FRANCISCAN IS COMMITTED TO PROVIDING FINANCIAL ASSISTANCE, IN THE FORM OF CHARITY CARE OR UNINSURED DISCOUNTS, TO PERSONS WHO ARE UNINSURED OR UNDERINSURED, WHO ARE INELIGIBLE FOR GOVERNMENTAL OR SOCIAL SERVICE PROGRAMS, AND WHO OTHERWISE ARE UNABLE TO PAY FOR EMERGENCY SERVICES OR MEDICALLY NECESSARY CARE BASED ON THEIR INDIVIDUAL FINANCIAL SITUATION. CONSISTENT WITH OUR MISSION TO DELIVER COMPASSIONATE, HIGH QUALITY, AFFORDABLE HEALTH CARE AND TO ADVOCATE FOR THOSE WHO ARE POOR AND DISENFRANCHISED, FRANCISCAN STRIVES TO ENSURE THE FINANCIAL CAPACITY OF PEOPLE WHO NEED MEDICALLY NECESSARY HEALTH CARE SERVICES DOES NOT PREVENT THEM FROM SEEKING OR RECEIVING THAT CARE. FRANCISCAN'S FINANCIAL ASSISTANCE POLICY IS DESIGNED TO ALLOW RELIEF FROM ALL OR PART OF THE CHARGES RELATED TO EMERGENCY OR MEDICALLY NECESSARY HEALTH CARE SERVICES THAT EXCEED A PATIENT'S REASONABLE ABILITY TO PAY. IN ORDER TO ENSURE TRANSPARENCY, CONSISTENCY AND FAIRNESS, WE ASK PATIENTS TO COOPERATE BY PROVIDING NECESSARY INFORMATION TO DETERMINE THEIR ELIGIBILITY FOR FINANCIAL ASSISTANCE.

FOR PATIENTS NOT INITIALLY IDENTIFIED AS QUALIFYING FOR FINANCIAL ASSISTANCE, FRANCISCAN COMMUNICATES THE AVAILABILITY OF CHARITY CARE AND FINANCIAL ASSISTANCE IN THE APPLICABLE LANGUAGES OF THE HOSPITAL COMMUNITY THROUGH THE FOLLOWING MEANS:

1. FRANCISCAN COMMUNICATES THE AVAILABILITY OF FINANCIAL ASSISTANCE IN APPROPRIATE CARE SETTINGS SUCH AS EMERGENCY DEPARTMENTS,

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

ADMITTING/REGISTRATION AREAS, BILLING OFFICES, OUTPATIENT SERVICE

SETTINGS, AND ON OUR HOSPITALS' WEBSITES. SIGNS/POSTINGS INFORM PATIENTS

THAT FREE OR REDUCED COST CARE MAY BE AVAILABLE TO QUALIFYING PATIENTS

WHO COMPLETE A FINANCIAL ASSISTANCE APPLICATION.

2. BROCHURES SUMMARIZING OUR FINANCIAL ASSISTANCE PROGRAMS ARE AVAILABLE THROUGHOUT EACH FRANCISCAN HOSPITAL.

3. FINANCIAL COUNSELORS AND BUSINESS OFFICE PERSONNEL ARE AVAILABLE TO HELP PATIENTS UNDERSTAND AND APPLY FOR LOCAL, STATE, FEDERAL HEALTH CARE, AND HEALTH INSURANCE EXCHANGE PROGRAMS AND FRANCISCAN'S FINANCIAL ASSISTANCE PROGRAMS.

4. ALL BILLS AND STATEMENTS FOR SERVICES INFORM UNINSURED PATIENTS THAT FINANCIAL ASSISTANCE IS AVAILABLE.

5. PATIENTS/GUARANTORS MAY REQUEST A COPY OF THE FINANCIAL ASSISTANCE APPLICATION BY CALLING THE FRANCISCAN BILLING OFFICE OR DOWNLOADING A COPY AT NO COST FROM FRANCISCAN HOSPITAL'S WEBSITES.

6. PATIENTS/GUARANTORS CAN REQUEST FINANCIAL ASSISTANCE INFORMATION BY CALLING FRANCISCAN'S BILLING OFFICE PHONE LINE ON A 24-HOUR BASIS.

7. INDIVIDUALS OTHER THAN THE PATIENT, SUCH AS THE PATIENT'S PHYSICIAN, FAMILY MEMBERS, COMMUNITY OR RELIGIOUS GROUPS, SOCIAL SERVICES, OR HOSPITAL PERSONNEL MAY MAKE REQUESTS FOR FINANCIAL ASSISTANCE ON THE PATIENT'S BEHALF, SUBJECT TO APPLICABLE PRIVACY LAWS.

8. PRIOR TO TRANSFER TO A COLLECTION AGENCY, FRANCISCAN SENDS A MINIMUM OF 4 STATEMENTS AND MAKES 6 PHONE CALL ATTEMPTS TO CONTACT THE PATIENT/GUARANTOR AT THE ADDRESS AND PHONE NUMBER PROVIDED BY THE PATIENT/GUARANTOR. STATEMENTS AND COMMUNICATIONS INFORM THE PATIENT OF

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

THE AMOUNT DUE AND IF THEY CANNOT PAY THEIR BALANCE THE AVAILABILITY OF FINANCIAL ASSISTANCE.

A PATIENT'S QUALIFICATION FOR CHARITY CARE IS DETERMINED THROUGH A FINANCIAL ASSISTANCE APPLICATION AND SCREENING PROCESS. PATIENTS WHO MAY QUALIFY FOR MEDICAID OR ANY OTHER GOVERNMENTAL ASSISTANCE MUST BE DENIED COVERAGE OR ASSISTANCE FROM THOSE GOVERNMENTAL PROGRAMS PRIOR TO RECEIVING APPROVAL FOR CHARITY CARE. AS SUCH, FRANCISCAN OFFERS PATIENTS ASSISTANCE IN APPLYING OR ENROLLING IN SUCH PROGRAMS. A PATIENT WILL NEED TO FILL OUT, SIGN, AND SUBMIT THE FINANCIAL ASSISTANCE APPLICATION ALONG WITH ALL REQUESTED DOCUMENTATION OF INCOME, EXPENSES, ASSETS, AND LIABILITIES. FRANCISCAN'S BILLING OFFICE WILL PLACE THE PATIENT'S ACCOUNT ON HOLD ONCE A FINANCIAL ASSISTANCE APPLICATION HAS BEEN REQUESTED AND UNTIL A FINANCIAL ASSISTANCE DETERMINATION IS MADE. APPLICANTS ARE TREATED WITH DIGNITY AND RESPECT THROUGHOUT THE FINANCIAL ASSISTANCE PROCESS AND ALL INFORMATION/MATERIALS RECEIVED ARE CONFIDENTIALLY MAINTAINED. FRANCISCAN ALSO UTILIZES AN EXTERNAL VENDOR, SERVICE, OR DATA SOURCE THAT PROVIDES INFORMATION ON A PATIENT'S OR GUARANTOR'S ABILITY TO PAY (I.E. CREDIT SCORING). ELIGIBILITY FOR CHARITY CARE MAY BE DETERMINED AT ANY POINT IN THE COLLECTIONS CYCLE (I.E. PRIOR TO THE PROVISION OF SERVICES, DURING THE NORMAL COLLECTIONS CYCLE, OR MAY BE USED TO RE-CLASSIFY ACCOUNTS AFTER THEY HAVE BEEN DEEMED UNCOLLECTIBLE AND SUBSEQUENTLY RETURNED FROM A THIRD PARTY COLLECTION AGENCY). ONCE APPROVED, THE PATIENT WILL REMAIN ELIGIBLE FOR CHARITY CARE FOR A MAXIMUM OF FOUR MONTHS. THE ELIGIBILITY PERIOD WILL

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

BEGIN FROM THE DATE OF THE PATIENT'S APPROVAL OF CHARITY CARE. CHARITY CARE DISCOUNTS WILL BE GIVEN FOR CURRENT OPEN ACCOUNTS AND THE FOLLOWING FOUR MONTHS OF EMERGENCY SERVICES OR MEDICALLY NECESSARY CARE. AFTER THE ELIGIBILITY PERIOD HAS ELAPSED, THE PATIENT MUST REAPPLY FOR FINANCIAL ASSISTANCE.

LINES 16A, 16B, AND 16C: ALL FACILITIES

THE FAP, FAP APPLICATION FORM, AND PLAIN LANGUAGE SUMMARY OF THE FAP ARE AVAILABLE AT THE FOLLOWING ADDRESS:

[HTTPS://FRANCISCANHEALTH.ORG/PATIENTS-AND-VISITORS/BILLING-INSURANCE/FINANCIAL-ASSISTANCE-AND-COUNSELING](https://franciscanhealth.org/patients-and-visitors/billing-insurance/financial-assistance-and-counseling)

LINE 22: FRANCISCAN HEALTH OLYMPIA FIELDS

FRANCISCAN HEALTH OLYMPIA FIELDS COMPUTES THE MAXIMUM AMOUNTS CHARGED TO FAP-ELIGIBLE INDIVIDUALS BASED ON THE ILLINOIS UNINSURED DISCOUNT ACT. UNDER THIS ACT, ILLINOIS FACILITIES CANNOT CHARGE GREATER THAN 135% OF COST. THIS METHOD RESULTS IN A LARGER DISCOUNT THAN THAT DETERMINED BY THE FEDERAL CALCULATION.

Part V Facility Information (continued)**Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**
(list in order of size, from largest to smallest)How many non-hospital health care facilities did the organization operate during the tax year? 175

Name and address	Type of Facility (describe)
1 FRANCISCAN SURGERY CENTER 5255 E STOP 11 ROAD, SUITE 100 INDIANAPOLIS IN 46237	AMBULATORY SURGERY CENTER
2 IIMC 701 E COUNTY LINE ROAD, SUITE 101 GREENWOOD IN 46143	PHYSICIAN PRACTICE
3 MOORESVILLE SURGERY CENTER 1215 HADLEY ROAD, SUITE 100 MOORESVILLE IN 46260	AMBULATORY SURGERY CENTER
4 INDIANA HEART PHYSICIANS 5330 E STOP 11 ROAD INDIANAPOLIS IN 46237	PHYSICIAN PRACTICE
5 FRANCISCAN HAMMOND CLINIC 7905 CALUMET AVENUE MUNSTER IN 46321	SPECIALTY CENTER/URGENT CARE
6 FPN MC - HPMG BUILDING 1225 E COOLSPRING AVENUE MICHIGAN CITY IN 46360	PHYSICIAN PRACTICE
7 FPN - HAMMOND SPECIALTY HEALTH CENTER 5454 HOHMAN AVENUE HAMMOND IN 46320	PHYSICIAN PRACTICE
8 FPN HP FW 3500 FRANCISCAN WAY MICHIGAN CITY IN 46360-0021	PHYSICIAN PRACTICE
9 FRANCISCAN PHYSICIAN NETWORK OF ILLINOIS 3700 W 203RD STREET OLYMPIA FIELDS IL 60461	PHYSICIAN PRACTICE
10 FPN OBSTETRICS/GYNECOLOGY 3900 SAINT FRANCIS WAY LAFAYETTE IN 47905	PHYSICIAN PRACTICE

Schedule H (Form 990) 2019

Part V Facility Information (continued)**Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**
(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? _____

Name and address	Type of Facility (describe)
1 FRANCISCAN MEDICAL SPECIALISTS 757 45TH STREET MUNSTER IN 46321	HOME INFUSION
2 ORTHOPEDIC SPECIALISTS 5255 E STOP 11 ROAD #300 INDIANAPOLIS IN 46237	PHYSICIAN PRACTICE
3 SPECIALTY PHYSICIANS OF ILLINOIS 20201 SOUTH CRAWFORD AVENUE OLYMPIA FIELDS IL 60461	PHYSICIAN PRACTICE
4 ONCOLOGY AND HEMATOLOGY SPECIALISTS 8111 S EMERSON AVENUE, SUITE 101 INDIANAPOLIS IN 46237	PHYSICIAN PRACTICE
5 FRANCISCAN HAMMOND CLINIC 9800 VALPARAISO DRIVE MUNSTER IN 46321	FAMILY WELLNESS CENTER
6 FPN DYER SPECIALTY HEALTH CENTER 24 JOLIET STREET, SUITE 101 DYER IN 46311	PHYSICIAN PRACTICE
7 FPN MEDICAL PAVILION SOUTH 2150 GETTLER STREET DYER IN 46311	MEDICAL PAVILION
8 ST FRANCIS RADIATION THERAPY CENTERS 8111 S EMERSON AVENUE INDIANAPOLIS IN 46239	RADIATION THERAPY
9 FPN - ST ANTHONY WOODLAND HEALTH CENTER 8865 W 400 NORTH MICHIGAN CITY IN 46360	PHYSICIAN PRACTICE
10 THE ENDOSCOPY CENTER AT ST FRANCIS 8051 S EMERSON AVENUE, SUITE 150 INDIANAPOLIS IN 46237	ENDOSCOPY CENTER

Schedule H (Form 990) 2019

Part V Facility Information (continued)**Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**
(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? _____

Name and address	Type of Facility (describe)
1 FRANCISCAN MEDICAL SPECIALISTS 919 MAIN STREET DYER IN 46311	PHYSICIAN PRACTICE
2 SPECIALTY PHYSICIANS OF ILLINOIS 3800 W 203RD STREET OLYMPIA FIELDS IL 60461	PHYSICIAN PRACTICE
3 SPECIALTY PHYSICIANS OF ILLINOIS 3700 W 203RD STREET OLYMPIA FIELDS IL 60461	PHYSICIAN PRACTICE
4 FRANCISCAN HEALTH FITNESS CENTER - CH 100 197TH PLACE CHICAGO HEIGHTS IL 60411	FITNESS CENTER
5 FRANCISCAN HEALTH MUNSTER 701 SUPERIOR DRIVE MUNSTER IN 46321	FPN ONCOLOGY
6 FPN PMR, PULMONARY, NEPHROLOGY, ENDOCRIN 3920 ST FRANCIS WAY, SUITE 220 LAFAYETTE IN 47905	PHYSICIAN PRACTICE
7 FRANCISCAN HEALTH OUTPATIENT CENTER 24 JOLIET STREET, SUITE 101 DYER IN 46311	PHYSICIAN PRACTICE
8 JOINT REPLACEMENT SURGEONS 1199 HADLEY ROAD MOORESVILLE IN 46158	PHYSICIAN PRACTICE
9 KENDRICK COLON & RECTAL CENTER 5255 E STOP 11 ROAD #250 INDIANAPOLIS IN 46237	PHYSICIAN PRACTICE
10 INDY SOUTHSIDE SURGICAL 5255 E STOP 11 ROAD #450 INDIANAPOLIS IN 46237	PHYSICIAN PRACTICE

Schedule H (Form 990) 2019

Part V Facility Information (continued)**Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**
(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? _____

Name and address	Type of Facility (describe)
1 ST FRANCIS IMAGING CENTER 3147 WEST SMITH VALLEY ROAD GREENWOOD IN 46143	IMAGING
2 SOUTH EMERSON SURGERY CENTER 8141 S EMERSON AVENUE, SUITE C INDIANAPOLIS IN 46237	AMBULATORY SURGERY CENTER
3 FPN CP CARDIOLOGY 1205 S MAIN STREET, SUITE 101 CROWN POINT IN 46307	PHYSICIAN PRACTICE
4 MOORESVILLE ENDOSCOPY CENTER 1215 HADLEY ROAD, SUITE 101 MOORESVILLE IN 46158	ENDOSCOPY CENTER
5 FPN CP CROWN POINT PEDIATRICS 1505 SOUTH COURT STREET CROWN POINT IN 46307	PHYSICIAN PRACTICE
6 FPN DERMATOLOGY, FAMILY MEDICINE, & PEDS 915 SAGAMORE PARKWAY WEST WEST LAFAYETTE IN 47906	PHYSICIAN PRACTICE
7 FPN CP VALPARAISO CLINIC 2421 LAPORTE AVENUE VALPARAISO IN 46385	PHYSICIAN PRACTICE
8 FRANCISCAN PHYSICIANS NETWORK - FMS 759 45TH STREET MUNSTER IN 46321	ORTHO/PT
9 FPN CARDIOLOGY / ELECTROPHYSIOLOGY 3900 SAINT FRANCIS WAY, SUITE 200 LAFAYETTE IN 47905	PHYSICIAN PRACTICE
10 DIABETES AND ENDOCRINOLOGY SPECIALISTS 5230A E STOP 11 ROAD, SUITE 150 INDIANAPOLIS IN 46237	PHYSICIAN PRACTICE

Schedule H (Form 990) 2019

Part V Facility Information (continued)**Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**
(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? _____

Name and address	Type of Facility (describe)
1 FPN MULTI 1201 S MAIN STREET CROWN POINT IN 46307	PHYSICIAN PRACTICE
2 COOPERATIVE MANAGED CARE SERVICES 9045 RIVER ROAD, SUITE 250 INDIANAPOLIS IN 46240	MANAGED CARE
3 REHABILITATION SPECIALISTS 8051 S EMERSON AVENUE, SUITE 250 INDIANAPOLIS IN 46237	PHYSICIAN PRACTICE
4 FRANCISCAN IMMEDIATE CARE - THOMPSON 5210 E THOMPSON ROAD INDIANAPOLIS IN 46237	IMMEDIATE CARE
5 FPN BROADWAY CLINIC 9470 BROADWAY CROWN POINT IN 46307	PHYSICIAN PRACTICE
6 GREENWOOD IMMEDIATE CARE 1001 N MADISON AVENUE GREENWOOD IN 46142	IMMEDIATE CARE CENTER
7 FRANCISCAN MEDICAL SPECIALISTS 2001 US 41 SCHERERVILLE IN 46375	PT/SPEC CENTER
8 FPN NORTHSIDE FAMILY MEDICINE 1660 LAFAYETTE ROAD, SUITE 170 CRAWFORDSVILLE IN 47933	PHYSICIAN PRACTICE
9 NEUROSURGICAL SPECIALISTS 8051 S EMERSON AVENUE, SUITE 300 INDIANAPOLIS IN 46237	PHYSICIAN PRACTICE
10 FPN CP WINFIELD CLINIC 11161 RANDOLPH STREET CROWN POINT IN 46307	PHYSICIAN PRACTICE

Schedule H (Form 990) 2019

Part V Facility Information (continued)**Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**
(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? _____

Name and address	Type of Facility (describe)
1 PEDIATRIC ASSOCIATES OF GREENWOOD 900 AVERITT ROAD GREENWOOD IN 46143	PHYSICIAN PRACTICE
2 INDIANA SLEEP CENTER 701 E COUNTY LINE ROAD, SUITE 207 GREENWOOD IN 46143	SLEEP CENTER
3 SOUTH INDY MRI AND REHAB 8141 S EMERSON AVENUE, SUITE A INDIANAPOLIS IN 46237	RADIOLOGY AND PHYSICAL
4 MADISON AVE FAMILY MEDICINE 747 E COUNTY LINE ROAD, SUITE D GREENWOOD IN 46143	PHYSICIAN PRACTICE
5 FPN EXPRESS CARE & IMAGING CENTER 909 SAGAMORE PARKWAY WEST WEST LAFAYETTE IN 47906	PHYSICIAN PRACTICE
6 FPN CP - CHESTERTON NEURO 770 INDIAN BOUNDARY ROAD CHESTERTON IN 46304	PHYSICIAN PRACTICE
7 FPN SA SV MULTI 7310 W LINCOLN HWY CROWN POINT IN 46307-9528	PHYSICIAN PRACTICE
8 FPN CP EXPRESS CARE 12800 MISSISSIPPI PARKWAY CROWN POINT IN 46307	PHYSICIAN PRACTICE
9 FRANCISCAN MEDICAL SPECIALISTS 5529 HOHMAN AVENUE HAMMOND IN 46320	PHYSICIAN PRACTICE
10 SOUTHPORT FP AND SPORTS MEDICINE 7825 MCFARLAND LANE #A INDIANAPOLIS IN 46237	PHYSICIAN PRACTICE

Schedule H (Form 990) 2019

Part V Facility Information (continued)**Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**
(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? _____

Name and address	Type of Facility (describe)
1 COUNTY LINE PEDIATRICS 747 E COUNTY LINE ROAD #G GREENWOOD IN 46143	PHYSICIAN PRACTICE
2 FPN HP MC EXPRESS CARE 4111 FRANKLIN STREET MICHIGAN CITY IN 46360-7803	PHYSICIAN PRACTICE
3 FPN DYER SOUTH FAMILY HEALTH CENTER 14785 WEST 101ST AVENUE DYER IN 46311	PHYSICIAN PRACTICE
4 FPN DYER FAMILY HEALTH CENTER 840 RICHARD ROAD DYER IN 46311	PHYSICIAN PRACTICE
5 FRANCISCAN MEDICAL SPECIALISTS 761 45TH STREET MUNSTER IN 46321	PHYSICIAN PRACTICE
6 MOORESVILLE FAMILY CARE 1001 HADLEY ROAD, SUITE 102 MOORESVILLE IN 46158	PHYSICIAN PRACTICE
7 SOUTHSIDE FAMILY MEDICINE 1640 CRAWFORDSVILLE SQUARE DRIVE CRAWFORDSVILLE IN 47933	PHYSICIAN PRACTICE
8 FPN OMNI FAMILY HEALTH CENTER 221 US HWY 41, SUITE I SCHERERVILLE IN 46375	PHYSICIAN PRACTICE
9 SOUTHEAST FAMILY MEDICINE 965 EMERSON PARKWAY, SUITE J GREENWOOD IN 46143	PHYSICIAN PRACTICE
10 SPINE SPECIALISTS 8051 S EMERSON AVENUE, SUITE 360 INDIANAPOLIS IN 46237	PHYSICIAN PRACTICE

Schedule H (Form 990) 2019

Part V Facility Information (continued)**Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**
(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? _____

Name and address	Type of Facility (describe)
1 FRANKLIN TOWNSHIP FAMILY MEDICINE 8325 E SOUTHPORT ROAD, SUITE 100 INDIANAPOLIS IN 46259	PHYSICIAN PRACTICE
2 GREENWOOD PEDIATRICS 8849 SHELBY STREET #B1 INDIANAPOLIS IN 46227	PHYSICIAN PRACTICE
3 COLUMBUS PRIMARY & SPECIALTY CARE 123 2ND STREET COLUMBUS IN 47201	PHYSICIAN PRACTICE
4 FPN HP FS INTERNAL MED 3723 FRANKLIN STREET MICHIGAN CITY IN 46360-7310	PHYSICIAN PRACTICE
5 SOUTH 31 FAMILY CARE 610 E SOUTHPORT ROAD, SUITE 205 INDIANAPOLIS IN 46227	PHYSICIAN PRACTICE
6 FPN RENSSELAER MED CTR- FM & GEN SURGERY 118 W DREXEL PARKWAY RENSSELAER IN 47978	PHYSICIAN PRACTICE
7 FPN HAMMOND FAMILY HEALTH CENTER 5500 HOHMAN AVENUE, SUITE 2A HAMMOND IN 46320	PHYSICIAN PRACTICE
8 PSYCHIATRIC SPECIALISTS 610 E SOUTHPORT ROAD, SUITE 200 INDIANAPOLIS IN 46227	PHYSICIAN PRACTICE
9 FRANCISCAN MEDICAL SPECIALISTS 300 W 80TH PLACE MERRILLVILLE IN 46410	PHYSICIAN PRACTICE
10 FPN FAMILY & GERIATRIC MEDICINE 3920 ST FRANCIS WAY, SUITE 209 LAFAYETTE IN 47905	PHYSICIAN PRACTICE

Schedule H (Form 990) 2019

Part V Facility Information (continued)**Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**
(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? _____

Name and address	Type of Facility (describe)
1 FRANCISCAN PHYSICIAN NETWORK - MC 8955 W 400 NORTH MICHIGAN CITY IN 46360	PHYSICIAN PRACTICE
2 KENDRICK FAMILY MEDICINE 1001 HADLEY ROAD, SUITE 101 MOORESVILLE IN 46158	PHYSICIAN PRACTICE
3 FPN CP MEDICAL ARTS INTERNAL MEDICINE 297 WEST FRANCISCAN LANE, SUITE 104 CROWN POINT IN 46307	PHYSICIAN PRACTICE
4 CENTER GROVE FAMILY MEDICINE 362 MERIDIAN PARKE LANE GREENWOOD IN 46142	PHYSICIAN PRACTICE
5 SPECIALTY PHYSICIANS OF ILLINOIS 3900 W 203RD STREET OLYMPIA FIELDS IL 60461	PHYSICIAN PRACTICE
6 HEARTLAND CROSSING PEDIATRICS 1001 HADLEY ROAD, SUITE LL 100 MOORESVILLE IN 46158	PHYSICIAN PRACTICE
7 GREENWOOD PARKE FAMILY MEDICINE 701 E COUNTY LINE ROAD, SUITE 204 GREENWOOD IN 46143	PHYSICIAN PRACTICE
8 FPN CP LOWELL CLINIC 4500 W 181ST AVENUE LOWELL IN 46356	PHYSICIAN PRACTICE
9 FPN CROWN POINT CLINIC 12800 MISSISSIPPI PARKWAY CROWN POINT IN 46307	PHYSICIAN PRACTICE
10 FPN CP CEDAR LAKE CLINIC 6831 133RD AVENUE CEDAR LAKE IN 46303	FAMILY PRACTICE

Schedule H (Form 990) 2019

Part V Facility Information (continued)**Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**
(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? _____

Name and address	Type of Facility (describe)
1 PLASTIC & RECONSTRUCTIVE SURGEONS 8051 S EMERSON AVENUE, SUITE 450 INDIANAPOLIS IN 46237	PHYSICIAN PRACTICE
2 FRANCISCAN PHYSICIAN NETWORK OF ILLINOIS 20180 S LAGRANGE ROAD FRANKFORT IL 60423	EXPRESS CARE CLINIC
3 RHEUMATOLOGY & OSTEOPOROSIS SPECIALISTS 5255 E STOP 11 ROAD, SUITE 320 INDIANAPOLIS IN 46237	PHYSICIAN PRACTICE
4 FPN ST. JOHN HEALTH CENTER 10860 MAPLE LANE ST. JOHN IN 46373	PHYSICIAN PRACTICE
5 FPN CP SPECIALTY CENTER 1205 S MAIN STREET, SUITE 201 CROWN POINT IN 46307	PHYSICIAN PRACTICE
6 HEARTLAND INTERNAL MEDICINE 10701 ALLIANCE DRIVE CAMBY IN 46113	PHYSICIAN PRACTICE
7 GYNECOLOGIC ONCOLOGY SPECIALISTS 8111 S EMERSON, SUITE 204 INDIANAPOLIS IN 46237	PHYSICIAN PRACTICE
8 BEECH GROVE FAMILY MEDICINE 2030 CHURCHMAN AVENUE #A BEECH GROVE IN 46107	PHYSICIAN PRACTICE
9 FPN BEHAVIOR HEALTH 1501 HARTFORD STREET LAFAYETTE IN 47905	PHYSICIAN PRACTICE
10 PLAINFIELD FAMILY MEDICINE 315 DAN JONES ROAD, SUITE 150 PLAINFIELD IN 46168	PHYSICIAN PRACTICE

Schedule H (Form 990) 2019

Part V Facility Information (continued)**Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**
(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? _____

Name and address	Type of Facility (describe)
1 MARTINSVILLE FAMILY & INTERNAL MEDICINE 49 BILLS BLVD MARTINSVILLE IN 46151	PHYSICIAN PRACTICE
2 FRANCISCAN PHYSICIAN NETWORK OF ILLINOIS 20180 S LAGRANGE ROAD FRANKFORT IL 60423	PHYSICIAN PRACTICE
3 FPN FHC MS OBGYN 1644 45TH AVENUE MUNSTER IN 46321-3970	PHYSICIAN PRACTICE
4 FRANCISCAN PHYSICIAN NETWORK OF ILLINOIS 20939 S CICERO AVENUE MATTESON IL 60443	PHYSICIAN PRACTICE
5 FPN FAMILY MEDICINE FERRY STREET 2708 FERRY STREET LAFAYETTE IN 47904	PHYSICIAN PRACTICE
6 INDY SOUTHSIDE FAMILY MEDICINE 4018 E SOUTHPORT ROAD INDIANAPOLIS IN 46237	PHYSICIAN PRACTICE
7 FRANCISCAN PHYSICIAN NETWORK-LAKE RIDGE 1573 N CLINE AVENUE GRIFFITH IN 46319	PHYSICIAN PRACTICE
8 OMNI REHABILITATION 810 MICHAEL DRIVE CHESTERTON IN 46304	PHYSICIAN PRACTICE
9 PULMONARY & SLEEP SPECIALISTS 1040 GREENWOOD SPRINGS BLVD GREENWOOD IN 46143	PHYSICIAN PRACTICE
10 CARMEL FAMILY MEDICINE 12188 B NORTH MERIDIAN STREET #280 CARMEL IN 46032	PHYSICIAN PRACTICE

Schedule H (Form 990) 2019

Part V Facility Information (continued)**Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**
(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? _____

Name and address	Type of Facility (describe)
1 AMER. HEALTH NETWORK - MUNCIE 3631 N MORRISON ROAD MUNCIE IN 47304	PT, IMAGING, SURGERY
2 STONES CROSSING FIC 1703 W STONES CROSSING ROAD, SUITE 100 GREENWOOD IN 46143-8558	PHYSICIAN PRACTICE
3 FPN BREAST SPECIALISTS 8111 S EMERSON #104 INDIANAPOLIS IN 46237	PHYSICIAN PRACTICE
4 FPN CP NORTH POINT INTERNAL MEDICINE 2050 NORTH MAIN STREET CROWN POINT IN 46307	PHYSICIAN PRACTICE
5 FPN OBGYN HEALTH CENTER 1205 S MAIN STREET CROWN POINT IN 46321	PHYSICIAN PRACTICE
6 FRANCISCAN PHYSICIAN NETWORK OF ILLINOIS 30 E 15TH STREET CHICAGO HEIGHTS IL 60411	RESIDENCY CLINIC
7 MAJOR HOSPITAL CARDIAC DIAGNOSTICS 150 WEST WASHINGTON STREET SHELBYVILLE IN 46176	CARDIOVASCULAR TESTING
8 FPN EASTSIDE FAMILY MEDICINE 2056 LEBANON ROAD CRAWFORDSVILLE IN 47933	PHYSICIAN PRACTICE
9 FPN CP MUNSTER NEUROSURGERY 759 45TH STREET MUNSTER IN 46321	PHYSICIAN PRACTICE
10 WEIGHT LOSS SPECIALISTS 5230A E STOP 11 ROAD, SUITE 190 INDIANAPOLIS IN 46237	PHYSICIAN PRACTICE

Schedule H (Form 990) 2019

Part V Facility Information (continued)**Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**
(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? _____

Name and address	Type of Facility (describe)
1 IRVINGTON FAMILY MEDICINE 5839 E WASHINGTON STREET INDIANAPOLIS IN 46219	PHYSICIAN PRACTICE
2 CITYWAY FAMILY & SPORTS MEDICINE 426 S ALABAMA STREET INDIANAPOLIS IN 46225	PHYSICIAN PRACTICE
3 FRANCISCAN PHYSICIAN NETWORK - MC 1501 WABASH STREET MICHIGAN CITY IN 46360	PHYSICIAN PRACTICE
4 MONTICELLO MEDICAL CENTER 826 N 6TH STREET MONTICELLO IN 47960	MEDICAL PRACTICE
5 CENTER GROVE INTERNAL MEDICINE 107 N STATE ROAD 135 #103 GREENWOOD IN 46142	PHYSICIAN PRACTICE
6 CENTRAL INDIANA PROCTOLOGY 49 BILLS BOULEVARD MARTINSVILLE IN 46151	PHYSICIAN PRACTICE
7 FPN CP RADIATION ONCOLOGY BURRELL CANCER CTR, 1201 S MAIN STREET CROWN POINT IN 46307	PHYSICIAN PRACTICE
8 FPN ST CLARE HEALTH CLINIC 1121 S INDIANA CROWN POINT IN 46307	PHYSICIAN PRACTICE
9 CENTRAL INDIANA DERMATOLOGY 5255 E STOP 11 ROAD #310 INDIANAPOLIS IN 46237	PHYSICIAN PRACTICE
10 FPN ORTHOPEDIC AND SPORTS MEDICINE 1702 LAFAYETTE ROAD CRAWFORDSVILLE IN 47933	PHYSICIAN PRACTICE

Schedule H (Form 990) 2019

Part V Facility Information (continued)**Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**
(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? _____

Name and address	Type of Facility (describe)
1 FRANCISCAN PHYSICIAN NETWORK OF ILLINOIS 16650 HARLEM AVENUE TINLEY PARK IL 60477	PHYSICIAN PRACTICE
2 MCFARLAND INTERNAL MEDICINE 7855 S EMERSON AVENUE #P INDIANAPOLIS IN 46237	PHYSICIAN PRACTICE
3 MOORESVILLE AFTER HOURS CLINIC 1001 HADLEY ROAD, SUITE 101 MOORESVILLE IN 46158	PHYSICIAN PRACTICE
4 NORTH GROVE FAMILY MEDICINE 107 N STATE ROAD 135, SUITE 103 GREENWOOD IN 46142-1351	PHYSICIAN PRACTICE
5 FRANCISCAN PHYSICIAN NETWORK OF ILLINOIS 18636 DIXIE HIGHWAY HOMEWOOD IL 60430	PHYSICIAN PRACTICE
6 FPN CP DEMOTTE CLINIC 200 3RD COURT SE DEMOTTE IN 46310	PHYSICIAN PRACTICE
7 EXPRESS CARE RENSSELAER 919 GRACE STREET RENSSELAER IN 47978	PHYSICIAN PRACTICE
8 WOUND CARE SPECIALISTS 8111 S EMERSON AVENUE INDIANAPOLIS IN 46237	PHYSICIAN PRACTICE
9 FPN MICHIGAN CITY EXPRESS CARE 3325 WILLOWCREEK ROAD PORTAGE IN 46368	PHYSICIAN PRACTICE
10 VASCULAR 5255 E STOP 11 ROAD, SUITE 430 INDIANAPOLIS IN 46237-6341	PHYSICIAN PRACTICE

Schedule H (Form 990) 2019

Part V Facility Information (continued)**Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**
(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? _____

Name and address	Type of Facility (describe)
1 AFTER HOURS CLINIC - INDY 7855 S EMERSON #P INDIANAPOLIS IN 46237	PHYSICIAN PRACTICE
2 BEECH GROVE INTERNAL MEDICINE 2030 CHURCHMAN AVENUE SUITE A BEECH GROVE IN 46107	PHYSICIAN PRACTICE
3 FPN HOBART EXPRESS CARE & IMAGING 101 W 61ST AVENUE HOBART IN 46342-6449	PHYSICIAN PRACTICE
4 SPORTS MEDICINE SPECIALISTS 315 DAN JONES ROAD #120 PLAINFIELD IN 46168	PHYSICIAN PRACTICE
5 FRANCISCAN PHYSICIAN NETWORK OF ILLINOIS 20121 SOUTH CRAWFORD AVENUE OLYMPIA FIELDS IL 60461	PHYSICIAN PRACTICE
6 ORTHOPEDIC FOOT & ANKLE SURGEONS 1199 HADLEY ROAD, SUITE 300 MOORESVILLE IN 46158	PHYSICIAN PRACTICE
7 FPN MICHIGAN CITY 2307 LAPORTE AVENUE, SUITE B VALPARAISO IN 46383	PHYSICIAN PRACTICE
8 FPN CARDIOLOGY LOGANSPORT 1201 MICHIGAN AVENUE, SUITE 50 LOGANSPORT IN 46947	PHYSICIAN PRACTICE
9 FPN FHC SJ 8345 WICKER AVENUE ST. JOHN IN 46373-8879	PHYSICIAN PRACTICE
10 FRANCISCAN PHYSICIAN NETWORK OF ILLINOIS 344 VICTORY DRIVE PARK FOREST IL 60466	PHYSICIAN PRACTICE

Schedule H (Form 990) 2019

Part V Facility Information (continued)**Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**
(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? _____

Name and address	Type of Facility (describe)
1 FPN FHC MV GASTRO 5825 BROADWAY, SUITE B MERRILLVILLE IN 46410-2664	PHYSICIAN PRACTICE
2 FPN CP MIDWIFE CENTER 297 WEST FRANCISCAN LANE, SUITE 203 CROWN POINT IN 46307	PHYSICIAN PRACTICE
3 FPN PRIMARY CARE & SPORTS MEDICINE(YMCA) 3001 SOUTH CREASY LANE, SUITE 100A LAFAYETTE IN 47905	PHYSICIAN PRACTICE
4 FRANCISCAN HAMMOND CLINIC 11355 WEST 97TH LANE ST. JOHN IN 46373	PRIMARY CARE
5 FRANCISCAN PHYSICIAN NETWORK - MC 900 I STREET LAPORTE IN 46350	PHYSICIAN PRACTICE
6 FPN ONCOLOGY HEMATOLOGY 1701 S CREASY LANE, SUITE 1W93 LAFAYETTE IN 47905	PHYSICIAN PRACTICE
7 FPN HP MC EXPRESS CARE 301 W HOMER STREET MICHIGAN CITY IN 46360-4358	PHYSICIAN PRACTICE
8 SPECIALTY PHYSICIANS OF ILLINOIS 4932 W 95TH STREET OAK LAWN IL 60453	PHYSICIAN PRACTICE
9 CATHERINE MCAULEY CLINIC 5530 HOHMAN AVENUE HAMMOND IN 46320	PHYSICIAN PRACTICE
10 AMER. HEALTH NETWORK - SLEEP (CARMEL) 12425 OLD MERIDIAN STREET, SUITE A-2 CARMEL IN 46032	SLEEP CENTER

Schedule H (Form 990) 2019

Part V Facility Information (continued)**Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**
(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? _____

Name and address	Type of Facility (describe)
1 FPN SURGICAL SPECIALISTS 1630 LAFAYETTE ROAD, SUITE 300 CRAWFORDSVILLE IN 47933	PHYSICIAN PRACTICE
2 AMER. HEALTH NETWORK - KOKOMO 2330 S DIXON ROAD KOKOMO IN 46902	IMAGING
3 FPN WOUND CARE 1701 S CREASY LANE LAFAYETTE IN 47905	PHYSICIAN PRACTICE
4 PLASTICS SPA - STONES CROSSING 1703 W STONES CROSSING ROAD, SUITE 310 GREENWOOD IN 46143-8558	PHYSICIAN PRACTICE
5 NEIGHBORHOOD HEALTH 362 MERIDIAN PARKE LANE GREENWOOD IN 46142-9425	PHYSICIAN PRACTICE
6 AMER. HEALTH NETWORK - SLEEP (MUNCIE) 3631 N MORRISON ROAD MUNCIE IN 47304	SLEEP CENTER
7 FPN SA REN OP UROLOGY 1104 E GRACE STREET RENSSELAER IN 47978-3211	PHYSICIAN PRACTICE
8 PURDUE SPORTS MEDICINE 900 JOHN R WOODEN DRIVE WEST LAFAYETTE IN 47907	PHYSICIAN PRACTICE
9 FPN HP LH OBGYN 309 W JOHNSON ROAD LAPORTE IN 46350-1943	PHYSICIAN PRACTICE
10 SPECIALTY PHYSICIANS OF ILLINOIS BEECHER, 989 DIXIE HIGHWAY BEECHER IL 60401	PHYSICIAN PRACTICE

Schedule H (Form 990) 2019

Part V Facility Information *(continued)*

Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility
 (list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? _____

Name and address	Type of Facility (describe)
1 SKILLED NURSING FACILITY 4904 WAR ADMIRAL DRIVE INDIANAPOLIS IN 46237	NURSING FACILITY
2 FPN HOSPITALIST SERVICE 1701 S CREASY LANE LAFAYETTE IN 47905	PHYSICIAN PRACTICE
3 FPN UROLOGY 1701 S CREASY LANE LAFAYETTE IN 47905	PHYSICIAN PRACTICE
4 CENTRAL EXPRESS CARE 1501 HARTFORD STREET LAFAYETTE IN 47905	URGENT CARE
5 FPN NORTHRIDGE INTERNAL MEDICINE 1704 LAFAYETTE ROAD, SUITE 8 CRAWFORDSVILLE IN 47933	PHYSICIAN PRACTICE
6 	
7 	
8 	
9 	
10 	

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

SUPPLEMENTAL INFORMATION

SCHEDULE H, PART VI, ITEM 2

NEEDS ASSESSMENT

FRANCISCAN ALLIANCE, INC. ("FRANCISCAN") HOSPITALS ASSESS THE HEALTH CARE NEEDS OF THE COMMUNITIES WE SERVE BY COLLABORATING WITH PUBLIC AND PRIVATE AGENCIES TO DETERMINE COMMUNITY HEALTH NEEDS AND HOW BEST TO ADDRESS THEM. FRANCISCAN'S CORPORATE COMMUNITY BENEFIT COMMITTEE, AS WELL AS COMMITTEES IN THE LOCAL FACILITIES, COMMITTED TO AN ONGOING ASSESSMENT OF COMMUNITY HEALTH NEEDS AND PRIORITIES BASED UPON HEALTH INITIATIVES OF THE MUNICIPAL, COUNTY, AND STATE HEALTH DEPARTMENTS, COMMUNITY-BASED ASSESSMENTS BY OTHER PUBLIC SECTOR PARTNERS, PROFESSIONAL RESEARCH CONSULTANT REPORTS, AND FAITH-BASED PARTNERS WITHIN THE COMMUNITIES SERVED. IN ADDITION, OUR HOSPITALS ADDRESS PUBLIC AGENCY AND COMMUNITY GROUP REQUESTS TO PROVIDE COMMUNITY BENEFIT ACTIVITIES AND PROGRAMS THAT MEET CERTAIN SPECIALTY OR HYBRID NEEDS OR POPULATIONS. THE DETAILED CHNA ACTIVITIES FOR EACH OF FRANCISCAN'S HOSPITALS CAN BE FOUND IN PART V OF THIS SCHEDULE H.

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

SCHEDULE H, PART VI, ITEM 3

FINANCIAL ASSISTANCE POLICY

FRANCISCAN'S HOSPITALS INFORM AND EDUCATE PATIENTS AND PERSONS WHO MAY BE BILLED FOR PATIENT CARE ABOUT THEIR ELIGIBILITY FOR ASSISTANCE UNDER FEDERAL, STATE, OR LOCAL GOVERNMENT PROGRAMS OR UNDER FRANCISCAN'S FINANCIAL ASSISTANCE AND CHARITY CARE POLICY.

FOR PATIENTS NOT INITIALLY IDENTIFIED AS QUALIFYING FOR FINANCIAL ASSISTANCE, FRANCISCAN COMMUNICATES THE AVAILABILITY OF CHARITY CARE AND FINANCIAL ASSISTANCE IN THE APPLICABLE LANGUAGES OF THE HOSPITAL COMMUNITY THROUGH THE FOLLOWING MEANS:

1. FRANCISCAN COMMUNICATES THE AVAILABILITY OF FINANCIAL ASSISTANCE IN APPROPRIATE CARE SETTINGS SUCH AS EMERGENCY DEPARTMENTS,

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

ADMITTING/REGISTRATION AREAS, BILLING OFFICES, OUTPATIENT SERVICE SETTINGS, AND ON OUR HOSPITALS' WEBSITES. SIGNS/POSTINGS INFORM PATIENTS THAT FREE OR REDUCED COST CARE MAY BE AVAILABLE TO QUALIFYING PATIENTS WHO COMPLETE A FINANCIAL ASSISTANCE APPLICATION.

2. BROCHURES SUMMARIZING OUR FINANCIAL ASSISTANCE PROGRAMS ARE AVAILABLE THROUGHOUT EACH FRANCISCAN HOSPITAL.

3. FINANCIAL COUNSELORS AND BUSINESS OFFICE PERSONNEL ARE AVAILABLE TO HELP PATIENTS UNDERSTAND AND APPLY FOR LOCAL, STATE, FEDERAL HEALTH CARE PROGRAMS; HEALTH INSURANCE EXCHANGES; AND FRANCISCAN'S FINANCIAL ASSISTANCE PROGRAMS.

4. ALL BILLS AND STATEMENTS FOR SERVICES INFORM UNINSURED PATIENTS THAT FINANCIAL ASSISTANCE IS AVAILABLE.

5. PATIENTS/GUARANTORS MAY REQUEST A COPY OF THE FINANCIAL ASSISTANCE APPLICATION BY CALLING THE FRANCISCAN BILLING OFFICE OR DOWNLOADING A

Part VI Supplemental Information

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COPY AT NO COST FROM FRANCISCAN HOSPITAL'S WEBSITES.

6. INDIVIDUALS OTHER THAN THE PATIENT, SUCH AS THE PATIENT'S PHYSICIAN, FAMILY MEMBERS, COMMUNITY OR RELIGIOUS GROUPS, SOCIAL SERVICES, OR HOSPITAL PERSONNEL MAY MAKE REQUESTS FOR FINANCIAL ASSISTANCE ON THE PATIENT'S BEHALF, SUBJECT TO APPLICABLE PRIVACY LAWS.

7. FRANCISCAN SENDS 4 STATEMENTS AND MAKES 6 PHONE CALL ATTEMPTS TO CONTACT THE PATIENT/GUARANTOR AT THE ADDRESS AND PHONE NUMBER PROVIDED BY THE PATIENT/GUARANTOR. STATEMENTS AND COMMUNICATIONS INFORM THE PATIENT OF THE AMOUNT DUE AND IF THEY CANNOT PAY THEIR BALANCE THE AVAILABILITY OF FINANCIAL ASSISTANCE.

SCHEDULE H, PART VI, ITEM 4

COMMUNITY INFORMATION

Part VI Supplemental Information

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THE FRANCISCAN ALLIANCE SERVES A LARGE GEOGRAPHIC AREA WHICH INCLUDES 18 COUNTIES IN INDIANA (BENTON, CARROLL, FOUNTAIN, HAMILTON, JASPER, JOHNSON, LAKE, LAPORTE, MARION, MONTGOMERY, MORGAN, NEWTON, PORTER, SHELBY, STARKE, TIPPECANOE, WARREN, AND WHITE) AND 3 COUNTIES IN ILLINOIS (COOK, KANKAKEE, AND WILL). THE POPULATION OF THE COMMUNITIES THAT WE SERVE WAS ESTIMATED CLOSE TO 3.9 MILLION PEOPLE WITH AN AVERAGE HOUSEHOLD INCOME BELOW \$64,000 IN 2019. FOR THESE COMMUNITIES, THE PERCENTAGE OF RESIDENTS BELOW THE FEDERAL POVERTY LEVEL WAS ESTIMATED AT 13.2%. THE PERCENTAGE OF INPATIENTS FROM THESE COMMUNITIES WHO WERE SERVED BY MEDICAID WAS 22.6%. AND THE PERCENTAGE OF INPATIENTS FROM THESE COMMUNITIES WHO WERE UNINSURED WAS APPROXIMATELY 3.6%. THERE ARE 58 OTHER HOSPITALS THAT SERVE WITHIN THESE COMMUNITIES AS WELL.

SCHEDULE H, PART VI, ITEM 5 & PART I, LINE 6A

OTHER INFORMATION

Part VI Supplemental Information

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WWW.FRANCISCANHEALTH.ORG/COMMUNITYHEALTH REFLECTS FRANCISCAN'S MISSION OF "CONTINUING CHRIST'S MINISTRY IN OUR FRANCISCAN TRADITION." ALTHOUGH IT IS NOT ALL INCLUSIVE OF THE MANY BENEFITS PROVIDED BY FRANCISCAN IT DOES PORTRAY THE SIGNIFICANT BENEFITS THAT REFLECT OUR COMMITMENT TO HEALTHCARE AND THE COMMUNITIES WE ARE PRIVILEGED TO SERVE. THE FOLLOWING IS A SUBSET OF THE MANY CLINICAL SERVICES AS WELL AS POPULATION HEALTH IMPROVEMENT AND COMMUNITY OUTREACH ACTIVITIES OFFERED BY ONE OR MORE OF FRANCISCAN'S HEALTHCARE FACILITIES:

- INPATIENT HOSPITAL SERVICES INCLUDING: MEDICAL SERVICES, SURGICAL SERVICES, INTENSIVE CARE SERVICES, TELEMETRY SERVICES, OBSTETRICS SERVICES, PEDIATRICS SERVICES, NEONATAL INTENSIVE CARE SERVICES, ACUTE REHABILITATION SERVICES, ONCOLOGY SERVICES, BONE MARROW TRANSPLANT SERVICES, GENERAL SURGERY SERVICES, CARDIAC SURGERY SERVICES, VASCULAR SERVICES, PULMONARY SERVICES, INTERVENTIONAL RADIOLOGY, ORTHOPEDICS, JOINT AND SPINE CARE, GASTROINTESTINAL CARE, NEUROSCIENCES SERVICES, COLON AND RECTAL SERVICES, ANESTHESIA SERVICES, HOSPICE SERVICES, INPATIENT PSYCHIATRIC CARE, RESIDENTIAL TREATMENT PROGRAM FOR ADOLESCENTS, ETC.

Part VI Supplemental Information

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- EMERGENCY SERVICES INCLUDING: 24 HOUR EMERGENCY ROOM SERVICES,

AMBULANCE SERVICES, IMMEDIATE CARE SERVICES, ADVANCED LIFE SUPPORT

SERVICES, BASIC LIFE SUPPORT SERVICES, BEHAVIORAL HEALTH EMERGENCY

CONSULTATION SERVICES, 24-HOUR CRISIS AND REFERRAL HOTLINE, TRAUMA

SERVICES, ETC.

- OUTPATIENT SERVICES INCLUDING: LABORATORY SERVICES, PHYSICAL THERAPY

SERVICES, OCCUPATIONAL THERAPY SERVICES, SPEECH THERAPY SERVICES, GENERAL

RADIOLOGY SERVICES, COMPUTED TOMOGRAPHY SERVICES, MAGNETIC RESONANCE

IMAGING (MRI), NUCLEAR MEDICINE SERVICES, MAMMOGRAPHY SERVICES,

ANGIOGRAPHY SERVICES, NEURODIAGNOSTICS SERVICES, GASTRO/INTESTINAL

SERVICES, SLEEP LABORATORY, PULMONARY SERVICES, OUTPATIENT SURGERY,

CARDIAC TESTING, ELECTROCARDIOGRAM (EKG) SERVICES, MEDICAL ONCOLOGY

SERVICES, RADIATION ONCOLOGY SERVICES, PHARMACY, OCCUPATIONAL MEDICINE

SERVICES, CARDIAC/PULMONARY REHABILITATION SERVICES, CONGESTIVE HEART

FAILURE CLINIC, WOUND HEALING AND PREVENTION, NUTRITIONAL COUNSELING,

DIABETES MANAGEMENT, BARIATRIC SERVICES, PAIN MANAGEMENT, SOCIAL

SERVICES, PALLIATIVE CARE, SPORTS MEDICINE, BEHAVIORAL HEALTH, STROKE

SERVICES, HOME HEALTH SERVICES, SKILLED NURSING SERVICES, SOCIAL

Part VI Supplemental Information

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SERVICES, DURABLE MEDICAL EQUIPMENT.

- PRIMARY CARE AND SPECIALTY CARE PHYSICIAN CLINICS.

SUBSIDIZED HEALTHCARE SERVICES OFFERED BY FRANCISCAN:

- FRANCISCAN HAS NEIGHBORHOOD HEALTH CLINICS THAT OFFER FAMILY PRACTICE SERVICES DESIGNED FOR FAMILIES WITHOUT ACCESS TO AFFORDABLE HEALTH CARE.

THE FOCUS IS ON PROVIDING PRIMARY AND PREVENTIVE CARE AS WELL AS HEALTH EDUCATION. THESE CLINICS OFFER FREE IMMUNIZATIONS.

- FRANCISCAN'S SEXUAL ASSAULT CLINICS THAT PROVIDE MEDICAL AND FORENSIC ASSISTANCE THAT IS SENSITIVE TO THE SPECIAL NEEDS OF THE VICTIM AS WELL AS A VICTIM ADVOCATE PROGRAM AND CRISIS INTERVENTION COUNSELORS.

- FRANCISCAN'S BLOOD AND MARROW TRANSPLANT PROGRAM IS ONLY ONE OF TWO PROGRAMS IN INDIANA OFFERING FULL SERVICE TRANSPLANT CARE AND SPECIALIZES IN THE TREATMENT OF PATIENTS WITH LEUKEMIA, HODGKIN'S OR NON-HODGKIN'S LYMPHOMA, MULTIPLE MYELOMA, AND MANY OTHER MALIGNANCIES AND BLOOD DISORDERS.

- FRANCISCAN'S DIABETES EDUCATION CENTERS OFFER A NUMBER OF DIABETES CLASSES AND INDIVIDUALIZED SESSIONS TO HELP PATIENTS TAKE CONTROL OF

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THEIR HEALTH WITH A FOCUS ON NUTRITIONAL, EXERCISE, MEDICATIONS, CHRONIC CONDITIONS, PRECONCEPTION AND PREGNANCY, BLOOD GLUCOSE MONITORING, GOAL SETTING, PROBLEM SOLVING, PSYCHOSOCIAL ADJUSTMENT, DETECTION/TREATMENT OF HIGH AND LOW BLOOD SUGAR, AND INSULIN ADMINISTRATION.

- FRANCISCAN'S WOMEN'S AND CHILDREN'S SERVICES INCLUDE PREVENTIVE MEDICAL CARE AND HEALTH SCREENINGS TO GYNECOLOGICAL CARE, MATERNITY, LACTATION CONSULTATION SERVICES, AND BEYOND WITH A FOCUS ON KEEPING WOMEN HEALTHY.

- FRANCISCAN'S HOSPICE CARE SERVICES PROVIDE A SENSE OF DIGNITY AND COMPASSION TO BOTH THE PATIENT AND THEIR FAMILY IN CARING FOR PATIENTS WITH A LIFE EXPECTANCY OF SIX MONTHS OR LESS. OUR PROGRAMS AFFIRM AND CELEBRATE LIFE AND REGARD DYING AS A NATURAL PROCESS, RECOGNIZING THAT EVERY PERSON HAS THE RIGHT TO DIE WITH DIGNITY, PEACE, AND COMFORT REGARDLESS OF THEIR ETHNICITY, FAITH BACKGROUND, OR ABILITY TO PAY.

- LEVEL III NICU

- AMBULANCE SERVICE

- PHYSICIAN SERVICES

- INPATIENT PSYCHIATRIC UNITS

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- HEALTH AND WELLNESS CENTERS AND HEALTHY LIVING EDUCATION CENTERS
- CLINICAL CARE COORDINATORS TO SUPPORT FRANCISCAN'S VARIOUS ACCOUNTABLE CARE ORGANIZATIONS WHICH ARE DESIGNED TO IMPROVE QUALITY AND REDUCE COST.
- FRANCISCAN SENIOR HEALTH & WELLNESS IS A COMPLETE HEALTH CARE SOLUTION FOR SENIORS WHO WANT TO REMAIN AT HOME. OUR PROGRAM ENABLES SENIORS TO LIVE AS INDEPENDENTLY AS POSSIBLE BY PROVIDING TRULY ALL-INCLUSIVE SERVICES. FRANCISCAN SENIOR HEALTH & WELLNESS IS A PROGRAM OF ALL-INCLUSIVE CARE FOR THE ELDERLY (PACE), A COMMUNITY-BASED HEALTHCARE PROGRAM CREATED FOR PEOPLE 55 OR OLDER WHO ARE ELIGIBLE FOR NURSING-HOME LEVEL CARE BUT PREFER TO RECEIVE THEIR CARE IN THEIR OWN FAMILIAR SURROUNDINGS. THE FRANCISCAN SENIOR HEALTH & WELLNESS - PACE PROGRAM DELIVERS ALL THE SERVICES NEEDED TO KEEP PEOPLE HEALTHY, SAFE AND COMFORTABLE IN THE PLACE THEY CALL HOME. COVERED BENEFITS INCLUDE:
 - PRIMARY MEDICAL AND NURSING CARE
 - OCCUPATIONAL, PHYSICAL, AND SPEECH THERAPY
 - MEDICATIONS AND DURABLE MEDICAL EQUIPMENT
 - LABORATORY AND DIAGNOSTIC SERVICES

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- ALL NECESSARY PRESCRIPTION DRUGS
- SKILLED HOME CARE AND PERSONAL CARE AIDES
- HOSPITALIZATION AND SKILLED NURSING FACILITY CARE
- CARE FROM MEDICAL SPECIALISTS IN CARDIOLOGY, NEPHROLOGY,

OPHTHALMOLOGY, DERMATOLOGY, ORTHOPEDICS, SURGERY, PODIATRY ANDMORE

- MEDICALLY NECESSARY TRANSPORTATION

OUR BROAD RANGE OF SERVICE PROVIDERS, INCLUDING DOCTORS, NURSES, PHARMACISTS, THERAPISTS AND PERSONAL CARE AIDES ARE READILY ACCESSIBLE. THROUGH THESE MEDICAL SERVICES, WE CAN MANAGE THE CARE OF AN AGING LOVED ONE, AND HELP AVOID THE ILLNESSES AND HOSPITALIZATIONS THAT SENIORS OFTEN FACE. IN ADDITION TO ADDRESSING EACH PARTICIPANT'S UNIQUE MEDICAL NEEDS, FRANCISCAN SENIOR HEALTH & WELLNESS ALSO HELPS WITH THE SOCIAL, EMOTIONAL, AND PRACTICAL CHALLENGES THAT OLDER ADULTS OFTEN FACE. THROUGH INTERACTIONS WITH PEERS, STIMULATIVE ACTIVITIES AND OTHER SUPPORTIVE SERVICES, PARTICIPANTS WILL ENJOY A BETTER QUALITY OF LIFE.

- BEHAVIORAL HEALTH SERVICES AT FRANCISCAN HEALTH DYER TOUCHES ALL FACETS

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OF EMOTIONAL, MENTAL HEALTH, BEHAVIORAL HEALTH AND CHEMICAL DEPENDENCY PROBLEMS. WE OFFER TREATMENTS IN PSYCHIATRIC DISORDERS, SUBSTANCE ABUSE AND ADDICTION, FAMILY CONFLICTS, AND EMOTIONAL DISORDERS, INCLUDING TESTING FOR PSYCHOLOGICAL DISORDERS AND CONSULTATIONS. OUR BEHAVIORAL HEALTH SERVICES AND PROGRAMS ARE TAILORED TO MEET THE NEEDS OF ADULTS, ADOLESCENTS AND CHILDREN WITH BOTH INDIVIDUAL AND GROUP BEHAVIORAL THERAPY AND COUNSELING OPTIONS. AFTERCARE AND LONG-TERM RECOVERY PROGRAMS ARE ADDITIONAL, CRITICAL ASPECTS OF OUR BEHAVIORAL HEALTH SERVICES.

- THE ST. FRANCIS CENTER RESIDENTIAL TREATMENT PROGRAM FOR ADOLESCENTS BASED AT FRANCISCAN HEALTH DYER, IS AN ADOLESCENT RESIDENTIAL TREATMENT PROGRAM FOR MALE AND FEMALE YOUTHS, AGES 12 THROUGH 18, WHO WOULD BE UNSUCCESSFUL WITHOUT A HIGHLY STRUCTURED AND CONTROLLED ENVIRONMENT. THE ST. FRANCIS CENTER OFFERS TWO LEVELS OF CARE IN A NURTURING, THERAPEUTIC AND SECURE ENVIRONMENT. THE PROGRAM IS DESIGNED TO ASSIST ADOLESCENTS IN DEVELOPING THE NECESSARY SKILLS TO FUNCTION AGE-APPROPRIATELY AND SUCCESSFULLY ON A DAILY BASIS SO THEY CAN REINTEGRATE WITH THE COMMUNITY AND THEIR FAMILIES. IT IS OUR BELIEF THAT SUCCESS IS OFTEN DEPENDENT ON FAMILY INVOLVEMENT. THEREFORE, FAMILIES ARE ENCOURAGED TO TAKE AN ACTIVE

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ROLE IN THE TREATMENT WITH FAMILY SESSIONS ROUTINELY SCHEDULED.

- THE EMPATH UNIT AT FRANCISCAN HEALTH LAFAYETTE EAST IS FOCUSED ON TREATING AND STABILIZING PATIENTS EXPERIENCING A PSYCHIATRIC CRISIS. THIS TRAUMA-INFORMED TEAM COLLABORATES WITH COMMUNITY RESOURCES TO CONNECT PATIENTS WITH THE BEHAVIORAL HEALTH CARE THAT IS RIGHT FOR THEM.
- LOCATED AT FRANCISCAN HEALTH CRAWFORDSVILLE, THE GENERATIONS PROGRAM SERVES SENIORS 55 AND OLDER THROUGHOUT INDIANA AND EASTERN ILLINOIS WHO ARE EXPERIENCING DEMENTIA OR ALZHEIMER'S DISEASE OR EXHIBITING INCONSISTENT, DISRUPTIVE, UNPREDICTABLE OR EVEN SUICIDAL BEHAVIOR.
- NEONATAL INTENSIVE CARE SERVICES OFFERS ADVANCED PROCEDURES, TECHNOLOGY AND EXPERTISE TO GIVE VERY SMALL OR VERY ILL NEWBORNS THE BEST CHANCE FOR A HEALTHY START IN LIFE. OUR TEAM OF DOCTORS, NURSES AND OTHER HEALTH PROFESSIONALS DEMONSTRATES THE GENUINE CARING, WARMTH AND SINCERITY THAT BRING OUR MISSION OF SERVICE TO LIFE AND OFFER REASSURANCE AND CONFIDENCE TO PARENTS AND REFERRING PHYSICIANS ALIKE.
- PALLIATIVE CARE SERVICES ASSIST PATIENTS AND FAMILIES IN MAKING COMPLEX MEDICAL DECISIONS BY PROVIDING A GOOD UNDERSTANDING OF THE PATIENT'S PRESENT CONDITION, COORDINATING AND COMMUNICATING CARE WITH PHYSICIANS,

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ADVOCATING FOR PATIENTS' WISHES, AND HELPING THEM TO ACHIEVE A SENSE OF CONTROL OVER THEIR MEDICAL CARE. PALLIATIVE CARE IS OFFERED REGARDLESS OF THE STAGE OF DISEASE OR THE NEED FOR OTHER THERAPIES AND CAN BE PROVIDED CONCURRENTLY WITH LIFE-PROLONGING CARE OR AS THE MAIN FOCUS OF CARE.

- CLINICS FOR THE UNINSURED INCLUDE THE ST. CLARE HEALTH CLINIC AND THE CATHERINE MCAULEY CLINIC. THESE CLINICS PROVIDE PRIMARY CARE FOR NON-EMERGENCY SERVICES WITH AN EMPHASIS ON PREVENTION, EARLY DETECTION, PATIENT EDUCATION, PHYSICAL EXAMS AND HEALTH SCREENINGS. THE CLINIC ALSO SERVES THOSE WHO ENDURE HARDSHIP TO ACCESS QUALITY HEALTH CARE.

- EMERGENCY SERVICES PROVIDE OUR COMMUNITIES WITH STATE-OF-THE-ART EMERGENCY FACILITIES, OPEN 24-HOURS A DAY, SEVEN DAYS A WEEK. EQUIPPED WITH ADVANCED MEDICAL TECHNOLOGY, OUR EMERGENCY TEAM OF SPECIALLY TRAINED PHYSICIANS AND NURSES TREAT THEIR PATIENTS FOR TRAUMA, STROKE, CARDIAC, AND OTHER LIFE-THREATENING CONDITIONS IN ADULTS AND CHILDREN.

- INDIGENT HEALTH CARE CLINICS

- AT FRANCISCAN HOSPICE HOUSE, PATIENTS RECEIVE SPECIALIZED CARE AND RESPITE CARE FOR FAMILIES WHILE BEING PROVIDED ALL THE COMFORTS OF HOME. FROM ROOMS THAT ARE LARGE, PRIVATE AND PET-FRIENDLY TO A GARDEN THAT'S

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JUST RIGHT FOR PRAYER, CONTEMPLATION OR QUIET CONVERSATION, THE SERVICES AND AMENITIES AT THE FRANCISCAN HOSPICE HOUSE WERE DESIGNED WITH PATIENT COMFORT IN MIND. FRANCISCAN HOSPICE HOUSE WAS ENVISIONED AS A COMPLEMENT TO THE EXCEPTIONAL HOME HEALTH, HOSPICE AND PALLIATIVE CARE SERVICES THAT FRANCISCAN HEALTH AND FRANCISCAN VNS HAVE PROVIDED TO FAMILIES IN SOUTH-CENTRAL INDIANA FOR MORE THAN TWO DECADES. FRANCISCAN HOSPICE HOUSE OFFERS 16 PRIVATE ROOMS FOR PATIENTS AND FAMILIES, A LARGE COMMON AREA FOR FAMILIES, A WELL-EQUIPPED KITCHEN WITH DINING ROOM, A CHAPEL AND PRAYER GARDEN, AND HIGH-QUALITY, HOLISTIC MEDICAL CARE FOR ALL PATIENTS-REGARDLESS OF THEIR FINANCIAL SITUATIONS-AND SUPPORT FOR THEIR FAMILIES.

- HEALTH AND WELLNESS CENTERS AND HEALTHY LIVING EDUCATION CENTERS.
- COMMUNITY OUTREACH AND EDUCATION PROGRAMS INCLUDING: HEALTH FAIRS, FREE HEALTH SCREENINGS, FREE IMMUNIZATIONS, FREE BREAST HEALTH SCREENING SERVICES, FREE PROSTATE SCREENINGS, FREE SKIN CANCER SCREENINGS, FREE CERVICAL CANCER SCREENINGS, FREE GLUCOSE SCREENINGS, FREE CHOLESTEROL SCREENINGS, FREE BONE DENSITY SCREENINGS, FREE LUNG SCREENINGS, FREE SPA SERVICES FOR CANCER PATIENTS, ONLINE HEALTH CONDITION ASSESSMENT TOOLS,

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COLORECTAL SCREENINGS, CANCER PREVENTION ACTIVITIES, CANCER SURVIVOR PROGRAMS AND RETREATS, CANCER & HEART CARE CLINICAL SYMPOSIUMS, HEALTH CARE DECISION-MAKING SESSIONS, SENIOR HEALTH EDUCATION, DIABETES MANAGEMENT EDUCATION AND ACTIVITIES, PAIN MANAGEMENT SEMINARS AND ACTIVITIES, CARDIAC RISK FACTORS EDUCATIONAL SESSIONS AND ONLINE TOOLS, HOSPICE AND PALLIATIVE CARE COUNSELING AND EDUCATION SERVICES, ALZHEIMER SUPPORT SERVICES, BEHAVIORAL HEALTH COMMUNITY EDUCATION, SMOKING CESSATION PROGRAMS, MOBILE DENTAL CLINICS, BASIC LIFE-SAVING SKILLS PROGRAMS, CHILDREN'S HEALTH NEEDS ACTIVITIES, CHILDHOOD OBESITY ACTIVITIES, WEIGHT LOSS EDUCATION, ORGAN AND TISSUE DONATION FAIRS, VOLUNTEER ADVOCATES FOR SENIORS, PARENTING PROGRAMS, RESIDENTIAL SUPPORT PROGRAM FOR PREGNANT GIRLS, PRENATAL 'BABY SHOWERS', ATHLETIC TRAINING FOR SCHOOLS AND VARIOUS MARATHONS, ORTHOPEDIC ROAD SHOWS, FLU VACCINATIONS, CHILD SEAT SAFETY PROGRAMS, BEREAVEMENT SUPPORT GROUPS, COMMUNITY EDUCATION LECTURES, INDIGENT PRESCRIPTION PROGRAMS, SEX CAN WAIT PROGRAMS, CAREGIVERS EDUCATION SYMPOSIUMS, HEALTH CAREER DAYS, ARTHRITIS EXERCISE GROUP, BABYSITTING COURSE, PREPARED CHILDBIRTH PROGRAMS, FOOD SHARE PROGRAMS, NUTRITIONAL COUNSELING FOR GRADE SCHOOLS

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AND SENIORS, SENIOR PROMISE PROGRAM, ENHANCE FITNESS PROGRAMS, MEDICATION

TAKE BACK PROGRAMS, FALL PREVENTION PROGRAMS, SUICIDE PREVENTION

TRAINING, WALK WITH A DOC PROGRAM, INFANT SAFE SLEEP PROGRAMS, COMMUNITY

PARAMEDICINE PROGRAM, ASTHMA SCHOOL EDUCATION PROGRAM, ADOLESCENTS COPING

WITH DEPRESSION PROGRAMS, PET THERAPY PROGRAM, ETC.

- SOCIAL SERVICES INCLUDING: PASTORAL CARE, EUCHARISTIC MINISTRY PROGRAM,

NO ONE DIES ALONE PROGRAMS, GRIEVANCE SUPPORT PROGRAMS FOR CHILDREN,

LANGUAGE INTERPRETER SERVICES, DEAF INTERPRETER SERVICES, TRANSPORTATION

FOR THE INDIGENT, ENROLLMENT ASSISTANCE IN MEDICAID AND HEALTH INSURANCE

EXCHANGES, CHRISTIAN LEGAL CLINIC, TRANSPORTATION SERVICE FOR INDIGENT

PATIENTS, ETC.

- MEDICAL EDUCATION INCLUDING: PHYSICIAN RESIDENCY PROGRAMS, FAMILY

MEDICINE RESIDENCY PROGRAM, EMERGENCY ROOM PHYSICIAN RESIDENCY PROGRAM,

PHARMACY RESIDENCY PROGRAM, MEDICAL STUDENT TRAINING PROGRAM, ST.

ELIZABETH SCHOOL OF NURSING PROGRAM, ADVANCE NURSING CONTINUING

EDUCATION, NURSING CLINICAL ROTATIONS, PHLEBOTOMY TRAINING PROGRAM,

RESPIRATORY THERAPY TRAINING, REHABILITATIVE TRAINING, MEDICAL ASSISTANCE

TRAINING, MEDICAL TECHNOLOGY TRAINING PROGRAMS, HIGH SCHOOL CAREER DAYS,

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SCHOOL OF ECHOCARDIOGRAPHY, SURGICAL TECHNICIAN EXTERNSHIPS, SOCIAL WORKER INTERNSHIPS, HOME HEALTH STUDENT TRAINING, INTERN & RESIDENT TRAINING FOR MIDWESTERN UNIVERSITY, OPERATING ROOM TECHNOLOGY TRAINING, ETC.

- RESEARCH PROGRAMS INCLUDING: CANCER GENOME PROJECT, CARDIAC RESEARCH, HLA-VASCULAR BIOLOGY RESEARCH, CLINICAL TRIALS, PLAQUE FORMATION STUDIES, HEART FAILURE AND LIPD TRIALS, USE OF DRUG ELUTING STENTS STUDIES, PROJECT GRACE PROGRAM, OPIOID TREATMENT PROGRAMS, ETC. AGAIN, PLEASE VISIT WWW.FRANCISCANHEALTH.ORG/COMMUNITY_HEALTH FOR FURTHER DETAILS. FRANCISCAN CONTINUES TO PROVIDE ACCESS TO HEALTH CARE SERVICES AND A WIDE VARIETY OF COMMUNITY EDUCATION/HEALTH AND WELLNESS PROGRAMS. ALL OF OUR FACILITIES REACH OUT TO THEIR COMMUNITIES BY PROVIDING ACCESS TO FREE, PUBLIC WEB SITES AND ONLINE RESOURCES. EACH WEB SITE PROVIDES THE LATEST MEDICAL INFORMATION TO VISITORS, IN A BI-LINGUAL FORMAT, THROUGH THE USE OF INTERACTIVE A TO Z HEALTH LIBRARIES. THERE ARE ONLINE CENTERS THAT FOCUS ON INFORMATION RELATED TO MEDICAL CONDITIONS IN SPECIALTY AREAS SUCH AS THE HEART, BONES, KIDNEYS AND NERVES. THEY FURTHER OFFER CONDITION AND DISEASE-SPECIFIC INFORMATION ON TOPICS LIKE CANCER,

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PREGNANCY AND GERIATRICS THAT PROVIDE ILLUSTRATIONS, GRAPHICS AND NARRATED VIDEOS. THE WEB SITES ALSO PROVIDE UNLIMITED FREE ACCESS TO ONLINE HEALTH RISK ASSESSMENT TOOLS SUCH AS THE HEART RISK ASSESSMENT THAT USES AN ESTABLISHED ALGORITHM TO CALCULATE RISK FACTORS FOR HEART ATTACK BASED UPON USER-ENTERED PARAMETERS. THE SITES ALSO OFFER CONDITION-SPECIFIC RECOMMENDATIONS FOR MANAGING CHRONIC ILLNESSES AND CONDITIONS SUCH AS DIABETES, HIGH BLOOD PRESSURE AND ASTHMA, AMONG OTHERS. FINALLY, THE SITES HAVE HEALTHY LIVING SECTIONS THAT OFFER TIPS AND SUGGESTIONS ON BEGINNING AND MAINTAINING DIET AND EXERCISE REGIMENTS TO OPTIMIZE HEALTHY LIFESTYLES. OUR HOSPITALS PROVIDE URGENT CARE CLINICS WITHIN THE COMMUNITIES THEY SERVE TO HELP MINIMIZE THE COST OF NON-CRITICAL, EMERGENT MEDICAL CARE. WE ENGAGE IN A TREMENDOUS AMOUNT OF UNIVERSITY-AFFILIATED MEDICAL EDUCATION AND TRAINING PROGRAMS INCLUDING BUT NOT LIMITED TO: ALL LEVELS OF NURSING (LPN, ASN, BSN AND MSN), PHARMACY, EMERGENCY MEDICAL TECHNICIANS AND PARAMEDICS, RESPIRATORY THERAPISTS, PHYSICAL/OCCUPATIONAL/SPEECH THERAPISTS AND INTERNSHIPS/RESIDENCIES FOR PHYSICIANS. WE ALSO PROVIDE CONTINUING MEDICAL EDUCATION PROGRAMS. SEVERAL OF OUR HOSPITALS PARTICIPATE IN

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CLINICAL TRIALS, MEDICAL RESEARCH PROGRAMS AND PHARMACEUTICAL TRIALS.

MOREOVER, THERE ARE OTHER FACTORS THAT DEMONSTRATE THAT FRANCISCAN IS

OPERATED FOR A PUBLIC RATHER THAN A PRIVATE INTEREST. FRANCISCAN'S

GOVERNING BODY IS COMPOSED OF INDEPENDENT MEMBERS REPRESENTING THE BROAD

COMMUNITY SERVED BY FRANCISCAN. MEDICAL STAFF PRIVILEGES ARE AVAILABLE TO

QUALIFIED PHYSICIANS. FRANCISCAN USES ANY SURPLUS OF REVENUES OVER

EXPENSES FOR IMPROVEMENTS IN PATIENT CARE, TO EXPAND AND REPLACE

FACILITIES AND EQUIPMENT, FOR THE AMORTIZATION OF INDEBTEDNESS, AND FOR

MEDICAL TRAINING, EDUCATION, AND RESEARCH.

FRANCISCAN ALLIANCE, INC. AND ITS ACCOUNTABLE CARE ORGANIZATION ("ACO")

WAS THE FIRST AND ONLY PIONEER ACO IN INDIANA AND AMONG THE FIRST IN THE

COUNTRY TO PARTNER WITH MEDICARE AS AN ACO. FRANCISCAN ALSO PARTICIPATES

IN VARIOUS MEDICARE SHARED SAVINGS ACO PROGRAMS AND NONGOVERNMENTAL ACO

PROGRAMS. FORMED IN 2011, FRANCISCAN ACOS PROVIDE COORDINATED,

COMPREHENSIVE CARE ACROSS HOSPITALS, PHYSICIAN PRACTICES, AND OTHER

HEALTHCARE PROVIDERS, WITH THE AIM OF BRINGING DOWN THE OVERALL COSTS OF

MEDICAL CARE AND IMPROVING THE HEALTH OF PATIENTS ATTRIBUTED TO THE ACOS.

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UNDER THE ACO MODEL, ATTRIBUTED BENEFICIARIES MAINTAIN THE ABILITY TO SEE ANY DOCTOR OR HEALTHCARE PROVIDER, AS WELL AS THE FULL BENEFITS ASSOCIATED WITH TRADITIONAL MEDICARE, BUT WITH THE ADDED BENEFIT OF A MORE COORDINATED CARE EXPERIENCE. THIS INCLUDES COORDINATION OF PREVENTIVE HEALTH SERVICES, THE ASSIGNMENT OF CARE MANAGERS, THE PROVISION OF SOCIAL SUPPORT SERVICES, AND SUPPORT FOR PERSONS WITH CHRONIC HEALTH CONDITIONS, SUCH AS DIABETES AND CONGESTIVE HEART FAILURE. FRANCISCAN ACOS SERVE APPROXIMATELY 90,000 MEDICARE BENEFICIARIES AND APPROXIMATELY 97,000 NONGOVERNMENTAL ACO BENEFICIARIES. FRANCISCAN'S ACO EFFORTS INCLUDE IMPROVED COMMUNICATION AND INFORMATION SHARING AMONG AFFILIATED AND NONAFFILIATED HEALTHCARE PROVIDERS REGARDING ACO PATIENTS, ALONG WITH THE EXPANSION OF ACO CASE MANAGEMENT RESOURCES, THE ASSIGNMENT OF DEDICATED CHRONIC DISEASE CASE ADVOCATES TO PATIENTS, EVALUATING THE QUALITY AND CAPABILITIES OF LONG-TERM CARE FACILITIES THAT ACO PATIENTS MAY TRANSITION TO, AND WORKING WITH POST-ACUTE CARE PROVIDERS TO IMPROVE THEIR CONTINUING CARE CAPABILITIES. THE SUPPORTING RESOURCES AND TECHNOLOGY OF FRANCISCAN ACOS ARE FUNDAMENTAL FOR IMPROVING POPULATION HEALTH AND MAKING HEALTHCARE COSTS MORE AFFORDABLE TO THE PATIENTS IN OUR

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COMMUNITIES WE ARE PRIVILEGED TO SERVE.

DURING 2019, THE FRANCISCAN ALLIANCE AND THE FRANCISCAN ACO'S EFFORT LED TO AN OVERALL REDUCTION IN HEALTHCARE COSTS OF \$19 MILLION WHILE IMPROVING QUALITY SCORES. FRANCISCAN PHYSICIAN NETWORK HAD AN OVERALL MERIT-BASED INCENTIVE PAYMENT SYSTEM (MIPS) SCORE OF 100% WHICH REFLECTS OUR STRONG COMMITMENT TO QUALITY OUTCOMES.

FRANCISCAN ALLIANCE FACILITIES AND THEIR EMPLOYEES SPONSOR AND PARTICIPATE IN MANY COMMUNITY HEALTH IMPROVEMENT INITIATIVES AND ACTIVITIES. COMMUNITY HEALTH FAIRS, EDUCATION SESSIONS AND SUPPORT GROUPS ARE MADE AVAILABLE THROUGH PROGRAMS SUCH AS THE ORTHOPEDIC ROAD SHOW, ASK-THE-DOC SEMINARS, DAY OF DANCE, HEART HEALTH CLASSES, SENIOR CITIZENS DAY AT THE FAIR, SPIRIT OF WOMEN, PERINATAL EDUCATION, BEREAVEMENT SUPPORT GROUPS, CANCER SCREENING CLINICS, ARTHRITIS EXERCISE GROUP, SMOKING CESSATION CLASSES, PROSTATE SCREENINGS, CANCER SURVIVORS DAY, NUTRITIONAL COUNSELING SERVICES TO NAME A FEW.

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SCHEDULE H, PART VI, ITEM 6

ROLE OF AFFILIATES

EVERY HOSPITAL WITHIN OUR SYSTEM HAS THE DEGREE OF AUTONOMY AND FLEXIBILITY TO MEET THE NEEDS OF THE COMMUNITIES IT SERVES. THE CORPORATE COMMUNITY HEALTH IMPROVEMENT DIRECTOR PROVIDES COMMUNITY HEALTH DATA, INCLUDING INFORMATION RELATED TO SOCIAL DETERMINANTS OF HEALTH AND EMERGING PUBLIC HEALTH NEEDS TO LOCAL FACILITY STAFF ON A REGULAR BASIS FOR CONSIDERATION OF LOCAL ACTIVITY. THE CORPORATE DIRECTOR ALSO ORGANIZES A THOROUGH COMMUNITY HEALTH NEEDS ASSESSMENT AND PROVIDES CONSULTATION TO LOCAL STAFF ON THE IMPLEMENTATION PLAN. THE INDIVIDUAL AND REGIONAL COMMUNITY BENEFIT PLANS ARE DESIGNED TO BE PART OF AN OVERALL FRANCISCAN SYSTEM VISION TO PROVIDE FOR THE ONGOING HEALTHCARE NEEDS OF THE COMMUNITIES WE ARE PRIVILEGED TO SERVE.

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SCHEDULE H, PART I, LINE 3B

IN ADDITION TO USING FEDERAL POVERTY GUIDELINES AS A FACTOR IN DETERMINING ELIGIBILITY FOR DISCOUNTED CARE, FOR UNINSURED PATIENTS, FRANCISCAN WILL PROVIDE AN UNINSURED PATIENT DISCOUNT FOR EMERGENCY SERVICES OR MEDICALLY NECESSARY SERVICES PERFORMED AT ITS HOSPITAL LOCATIONS. THE UNINSURED PATIENT DISCOUNT IS BASED ON THE AVERAGE RATE OF THE RESPECTIVE FRANCISCAN HOSPITAL FACILITY'S AVERAGE RATES FOR PRIVATE HEALTH PAYERS, INCLUDING MEDICARE. FRANCISCAN FACILITIES MAY OFFER ADDITIONAL DISCOUNTS BASED ON THE FACTS AND CIRCUMSTANCES UNIQUE TO THEIR LOCAL MARKETS. THIS DISCOUNT SHALL NOT BE COMBINED WITH OTHER FACILITY DISCOUNTS, EXCEPT FOR A PROMPT PAY DISCOUNT, IF AVAILABLE. NO DISCOUNT SHALL BE PROVIDED THAT VIOLATES ANY LAWS OR GOVERNMENT REGULATIONS. FRANCISCAN WILL IDENTIFY UNINSURED PATIENTS DURING THE REGISTRATION AND/OR ADMISSIONS PROCESS. THE UNINSURED DISCOUNT IS APPLIED AUTOMATICALLY BY THE RECEIVABLE SYSTEM AT THE TIME OF INITIAL BILL. ALL STATEMENTS TO PATIENTS WILL INDICATE THE ADJUSTMENT AND THE REVISED PATIENT BALANCE. THE UNINSURED DISCOUNT IS A CONTRACTUAL DISCOUNT AND IS

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NOT CONSIDERED A CHARITY CARE WRITE OFF UNLESS THE PATIENT ALSO QUALIFIES FOR CHARITY CARE. UNINSURED PATIENT DISCOUNTS WILL NOT BE REVERSED DUE TO NONPAYMENT OF AN ACCOUNT. IF, AT ANY TIME, FRANCISCAN BECOMES AWARE THAT A PREVIOUSLY IDENTIFIED UNINSURED PATIENT WAS IN FACT COVERED BY INSURANCE AT THE TIME OF SERVICE, FRANCISCAN WILL REVOKE THE UNINSURED DISCOUNT AND ISSUE A REVISED STATEMENT TO THE PATIENT AND THE ASSOCIATED INSURANCE PROVIDER. PATIENTS THAT ARE STILL NOT ABLE TO PAY THE BALANCE AFTER THE UNINSURED DISCOUNT ARE ABLE TO APPLY FOR A CHARITY CARE WRITE OFF OR A MEDICAL FINANCIAL HARDSHIP ADJUSTMENT.

SCHEDULE H, PART II

COMMUNITY BUILDING ACTIVITIES

FOLLOWING NATIONAL GUIDANCE ON COMMUNITY BUILDING, ACTIVITIES RELATED TO SOCIAL DETERMINANTS ARE REPRESENTED IN OTHER CATEGORIES. FRANCISCAN ALLIANCE DOES ENGAGE IN COMMUNITY BUILDING THROUGH VARIOUS PARTNERSHIP

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EFFORTS.

FRANCISCAN ALLIANCE DOES ENGAGE IN REDUCING BARRIERS TO HEALTH CARE ACCESS. MOST ACTIVITIES IN THIS AREA ARE INCLUDED IN THE FINANCIAL ASSISTANCE AND OTHER COMMUNITY BENEFIT CATEGORIES. EXAMPLES INCLUDE: FREE OR LOW COST HEALTH SCREENING IN SPECIFIC NEIGHBORHOODS, IMMUNIZATION SERVICES, PRESCRIPTION MEDICATION ASSISTANCE PROGRAMS, ENROLLMENT ASSISTANCE IN MEDICAID, FOOD ASSISTANCE, TRANSPORTATION ASSISTANCE, AND REFERRAL ASSISTANCE. ADDITIONALLY, SEVERAL OF OUR HOSPITALS HAVE BEEN IDENTIFIED BY THE FEDERAL GOVERNMENT AS DESIGNATED REGIONAL MEDICATION DISTRIBUTION SITES IN THE EVENT OF A NATIONAL DISASTER OR EPIDEMIC/PANDEMIC. RESPONDING TO FEDERAL, STATE, AND LOCAL NEEDS IN THE EVENT OF NATIONAL OR LOCAL DISASTERS OR EPIDEMIC/PANDEMICS, WE COLLABORATE AND COORDINATE OUR EFFORTS WITH MANY CIVIC AND OTHER AGENCIES TO ENSURE THAT THOSE NEEDS WILL BE MET SHOULD DISASTER STRIKE.

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

SCHEDULE H, PART III, LINE 2

THROUGHOUT THE YEAR, THE CORPORATION ESTIMATES THIS ALLOWANCE BASED ON THE AGING OF ITS PATIENT ACCOUNTS RECEIVABLE, HISTORICAL COLLECTION EXPERIENCE, AND OTHER RELEVANT FACTORS. THESE FACTORS INCLUDE CHANGES IN THE ECONOMY AND UNEMPLOYMENT RATES, WHICH HAS AN IMPACT ON THE NUMBER OF UNINSURED AND UNDERINSURED PATIENTS, AS WELL AS TRENDS IN HEALTH CARE COVERAGE, SUCH AS THE INCREASED BURDEN OF DEDUCTIBLES, COPAYMENTS, AND COINSURANCE PAYMENTS TO BE MADE BY PATIENTS WITH INSURANCE. AFTER SATISFACTION OF AMOUNTS DUE FROM INSURANCE AND REASONABLE EFFORTS TO COLLECT FROM THE PATIENT HAVE BEEN EXHAUSTED, THE CORPORATION FOLLOWS ESTABLISHED PROCEDURES FOR PLACING CERTAIN PAST DUE PATIENT BALANCES WITH COLLECTION AGENCIES, SUBJECT TO THE TERMS AND CERTAIN RESTRICTIONS ON COLLECTION EFFORTS AS DETERMINED BY THE CORPORATION.

SCHEDULE H, PART III, LINE 3

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

THE CORPORATION HAS A SYSTEM-WIDE CHARITY CARE AND UNINSURED DISCOUNT POLICY; HAS DETAILED ADMINISTRATIVE PROCEDURES ESTABLISHED FOR QUALIFYING AND ENROLLING PATIENTS FOR CHARITY CARE OR UNINSURED/UNDERINSURED DISCOUNTS; USES VARIOUS ANALYTICAL PROGRAMS INCLUDING SOFT CREDIT INQUIRIES THAT DO NOT AFFECT CREDIT SCORES TO HELP ASSESS A PATIENT'S ABILITY TO PAY; AND UTILIZES NUMEROUS MECHANISMS TO INFORM AND EDUCATE PATIENTS ABOUT THEIR ELIGIBILITY FOR ASSISTANCE WHICH ARE DETAILED UNDER SCHEDULE H, PART VI, ITEM 3. DESPITE THESE RIGOROUS EFFORTS, PATIENTS WHO NEED SUBSIDIZED CARE MAY NOT SEEK THIS ASSISTANCE NOR CHOOSE TO ENROLL IN THE STATE'S MEDICAID PROGRAM. ALSO, AS FURTHER DESCRIBED IN HFMA STATEMENT NO. 15, THE APPROPRIATE CLASSIFICATION OF CHARITY CARE AND BAD DEBT IS OFTEN DIFFICULT. THE URGENCY OF SOME TREATMENTS, AS WELL AS CERTAIN FEDERAL REGULATIONS, OFTEN REQUIRES THE PROVISION OF SERVICE WITHOUT CONSIDERATION OF THE PATIENT'S ABILITY TO PAY. SOME PATIENTS HAVE COMPLEX MEDICAL CONDITIONS WITH UNPREDICTABLE TREATMENT NEEDS. FOR THESE AND OTHER REASONS, FRANCISCAN BELIEVES, A PORTION OF ITS BAD DEBT EXPENSE AS REPORTED ON LINE 2 OF PART III REPRESENTS CHARITY CARE DELIVERED TO INDIVIDUALS IN THE COMMUNITIES IT SERVES CONSISTENT WITH ITS CHARITABLE

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

HEALTHCARE MISSION.

SCHEDULE H, PART III, LINE 4

THE CORPORATION'S UNCOLLECTIBLE AMOUNTS DUE FROM PATIENTS FOOTNOTE FROM ITS AUDITED FINANCIAL STATEMENTS IS AS FOLLOWS:

THE CORPORATION ALSO PROVIDES A SIGNIFICANT AMOUNT OF UNCOMPENSATED CARE TO PATIENTS WHICH IS NOT REPORTED IN THE SUMMARY OF QUANTIFIABLE COMMUNITY BENEFITS. EFFECTIVE JANUARY 1, 2018, THE CORPORATION ADOPTED THE FINANCIAL ACCOUNTING STANDARDS BOARD ("FASB") ACCOUNTING STANDARD UPDATE ("ASU") 2014-9, REVENUE FROM CONTRACTS WITH CUSTOMERS (TOPIC 606) WHICH REQUIRES REVENUE TO BE RECOGNIZED IN AN AMOUNT THAT REFLECTS THE CONSIDERATION THE ENTITY EXPECTS TO BE ENTITLED TO IN AN EXCHANGE FOR GOODS OR SERVICES. ADOPTION OF THIS ASU DOES NOT ALLOW THE SEPARATE REPORTING OF THE UNCOLLECTIBLE AMOUNTS DUE FROM PATIENTS; HOWEVER, THE

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

IDENTIFICATION OF THIS AMOUNT IS NEEDED FOR OTHER PURPOSES INCLUDING GOVERNMENTAL REPORTING AND REIMBURSEMENT CALCULATIONS. THE CORPORATION HAS A SYSTEM-WIDE CHARITY CARE AND UNINSURED DISCOUNT POLICY THAT INCLUDES ADMINISTRATIVE PROCEDURES FOR QUALIFYING AND ENROLLING PATIENTS FOR CHARITY CARE OR UNINSURED/UNDERINSURED DISCOUNTS. THE CORPORATION ALSO USES VARIOUS ANALYTICAL PROGRAMS TO ASSESS A PATIENT'S ABILITY TO PAY AND IT UTILIZES NUMEROUS MECHANISMS TO INFORM AND EDUCATE PATIENTS ABOUT FINANCIAL ASSISTANCE. DESPITE THESE RIGOROUS EFFORTS, PATIENTS WHO NEED SUBSIDIZED CARE MAY NOT SEEK THIS ASSISTANCE NOR CHOOSE TO ENROLL IN MEDICAID OR OTHER FINANCIAL ASSISTANCE PROGRAMS. FOR THESE AND OTHER REASONS, THE CORPORATION BELIEVES A PORTION OF ITS UNCOLLECTIBLE AMOUNTS DUE FROM PATIENTS REPRESENTS CHARITY CARE DELIVERED TO INDIVIDUALS IN THE COMMUNITIES IT SERVES CONSISTENT WITH ITS CHARITABLE HEALTH CARE MISSION. DURING THE YEARS ENDED DECEMBER 31, 2019 AND 2018, THE CORPORATION INCURRED APPROXIMATELY \$52.5 MILLION AND \$50.4 MILLION, RESPECTIVELY, AS UNCOLLECTIBLE AMOUNTS DUE FROM PATIENTS BASED ON ACCUMULATED CHARGES.

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

SCHEDULE H, PART III, LINE 8

CONSISTENT WITH THE CHARITABLE HEALTHCARE MISSION OF FRANCISCAN AND THE COMMUNITY BENEFIT STANDARD SET FORTH IN IRS REVENUE RULING 69-545 AND THE REQUIREMENTS OF IRC SECTION 501(R), FRANCISCAN PROVIDES CARE FOR ALL PATIENTS COVERED BY MEDICARE SEEKING MEDICAL CARE AT FRANCISCAN. SUCH CARE IS PROVIDED REGARDLESS OF WHETHER THE REIMBURSEMENT PROVIDED FOR SUCH SERVICES MEETS OR EXCEEDS THE COSTS INCURRED BY FRANCISCAN TO PROVIDE SUCH SERVICES. LIKE MEDICAID, PAYMENT RATES FOR MEDICARE ARE SET BY LAW RATHER THAN THROUGH A NEGOTIATION PROCESS AS WITH PRIVATE INSURERS. THESE PAYMENT RATES ARE CURRENTLY SET BELOW THE COSTS OF PROVIDING CARE RESULTING IN UNDERPAYMENTS. MEDICARE RATES ARE DETERMINED WITHIN THE CONTEXT OF ALL THE BUDGETARY NEEDS OF THE FEDERAL GOVERNMENT AND MEDICARE PAYMENTS HAVE HISTORICALLY BEEN SET BELOW THE COSTS OF PROVIDING CARE TO MEDICARE PATIENTS THOUGH HOW FAR BELOW VARIES OVER TIME AND BY SERVICE. EACH YEAR MEDICARE IS SUPPOSED TO PROVIDE HOSPITALS AN INCREASE IN BOTH INPATIENT AND OUTPATIENT PAYMENTS TO ACCOUNT FOR

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

INFLATION IN THE PRICES FOR GOODS AND SERVICES HOSPITALS MUST PURCHASE IN ORDER TO PROVIDE PATIENT CARE. HOWEVER INPATIENT UPDATES HAVE BEEN SET BELOW THE RATE OF INFLATION AND ACTUALLY NEGATIVE IN RECENT YEARS RESULTING IN A SHORTFALL THAT HAS GROWN OVER TIME. THE COMPOUNDING ISSUE THAT OCCURS IS THAT THIS SHORTFALL JEOPARDIZES HOSPITALS' ABILITY TO SERVE THEIR COMMUNITIES BECAUSE THEY ARE NOT REIMBURSED THEIR INCURRED COSTS. PROVIDERS MAKE THE DECISION TO ELIMINATE OR SIGNIFICANTLY REDUCE NECESSARY CLINICAL SERVICES WITHIN THE MARKETPLACE PLACING THE MEDICARE SHORTFALL BURDEN ON OTHERS THAT DO, SUCH AS FRANCISCAN. GIVEN THAT FRANCISCAN PROVIDES SUCH SERVICES TO MEDICARE PATIENTS KNOWING THAT THEY WILL RESULT IN A LOSS, AND GIVEN THAT FRANCISCAN BELIEVES THAT IT PROVIDES THESE SERVICES IN AN EFFICIENT AND COST EFFECTIVE MANNER, THE SHORTFALL REPORTED ON LINE 7 OF PART III SHOULD BE VIEWED AS COMMUNITY BENEFIT PROVIDED BY FRANCISCAN.

SCHEDULE H, PART III, LINE 9B

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
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- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

FRANCISCAN ALLIANCE, INC.'S WRITTEN CHARITY CARE AND UNINSURED PATIENT DISCOUNT POLICY AND PATIENT COLLECTION PROCEDURE INCLUDE VARIOUS PROVISIONS ON THE COLLECTION PRACTICES TO BE FOLLOWED FOR PATIENTS WHO ARE KNOWN TO QUALIFY FOR CHARITY OR FINANCIAL ASSISTANCE. IF A PATIENT QUALIFIES FOR CHARITY OR FINANCIAL ASSISTANCE CERTAIN COLLECTION PRACTICES DO NOT APPLY.

SCHEDULE H, PART IV

NAME OF ENTITY: MOORESVILLE ENDOSCOPY CENTER LLC

DESCRIPTION OF PRIMARY ACTIVITY OF ENTITY: ENDOSCOPY SERVICES

ORGANIZATION'S PROFIT % OR STOCK OWNERSHIP %: 50.00000

OFFICERS, DIRECTORS, TRUSTEES. ETC. PROFIT % OR STOCK OWNERSHIP %: 0

PHYSICIANS' PROFIT % OR STOCK OWNERSHIP %: 50.00000

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

NAME OF ENTITY: INDIANA SLEEP CENTER LLC

DESCRIPTION OF PRIMARY ACTIVITY OF ENTITY: SLEEP CENTER

ORGANIZATION'S PROFIT % OR STOCK OWNERSHIP %: 50.00000

OFFICERS, DIRECTORS, TRUSTEES. ETC. PROFIT % OR STOCK OWNERSHIP %: 0

PHYSICIANS' PROFIT % OR STOCK OWNERSHIP %: 50.00000

NAME OF ENTITY: FRANCISCAN SURGERY CENTER LLC

DESCRIPTION OF PRIMARY ACTIVITY OF ENTITY: SURGICAL SERVICES

ORGANIZATION'S PROFIT % OR STOCK OWNERSHIP %: 50.00000

OFFICERS, DIRECTORS, TRUSTEES. ETC. PROFIT % OR STOCK OWNERSHIP %: 0

PHYSICIANS' PROFIT % OR STOCK OWNERSHIP %: 50.00000

NAME OF ENTITY: SOUTH EMERSON SURGERY CENTER LLC

DESCRIPTION OF PRIMARY ACTIVITY OF ENTITY: SURGICAL SERVICES

ORGANIZATION'S PROFIT % OR STOCK OWNERSHIP %: 50.00000

OFFICERS, DIRECTORS, TRUSTEES. ETC. PROFIT % OR STOCK OWNERSHIP %: 0

PHYSICIANS' PROFIT % OR STOCK OWNERSHIP %: 50.00000

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
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- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

NAME OF ENTITY: ST FRANCIS MOORESVILLE SURGERY CENTER LLC

DESCRIPTION OF PRIMARY ACTIVITY OF ENTITY: SURGICAL SERVICES

ORGANIZATION'S PROFIT % OR STOCK OWNERSHIP %: 50.00000

OFFICERS, DIRECTORS, TRUSTEES. ETC. PROFIT % OR STOCK OWNERSHIP %: 0

PHYSICIANS' PROFIT % OR STOCK OWNERSHIP %: 50.00000

NAME OF ENTITY: ST FRANCIS RADIATION THERAPY CENTERS LLC

DESCRIPTION OF PRIMARY ACTIVITY OF ENTITY: RADIATION THERAPY SERVICES

ORGANIZATION'S PROFIT % OR STOCK OWNERSHIP %: 88.95000

OFFICERS, DIRECTORS, TRUSTEES. ETC. PROFIT % OR STOCK OWNERSHIP %: 0

PHYSICIANS' PROFIT % OR STOCK OWNERSHIP %: 11.05000

NAME OF ENTITY: SOUTH INDY MRI & REHAB SERVICES LLC

DESCRIPTION OF PRIMARY ACTIVITY OF ENTITY: MRI SERVICES

ORGANIZATION'S PROFIT % OR STOCK OWNERSHIP %: 50.00000

OFFICERS, DIRECTORS, TRUSTEES. ETC. PROFIT % OR STOCK OWNERSHIP %: 0

PHYSICIANS' PROFIT % OR STOCK OWNERSHIP %: 50.00000

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
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- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

NAME OF ENTITY: ST FRANCIS IMAGING CENTER (GREENWOOD) LLC

DESCRIPTION OF PRIMARY ACTIVITY OF ENTITY: IMAGING SERVICES

ORGANIZATION'S PROFIT % OR STOCK OWNERSHIP %: 60.00000

OFFICERS, DIRECTORS, TRUSTEES. ETC. PROFIT % OR STOCK OWNERSHIP %: 0

PHYSICIANS' PROFIT % OR STOCK OWNERSHIP %: 40.00000

NAME OF ENTITY: THE ENDOSCOPY CENTER AT ST FRANCIS LLC

DESCRIPTION OF PRIMARY ACTIVITY OF ENTITY: ENDOSCOPY SERVICES

ORGANIZATION'S PROFIT % OR STOCK OWNERSHIP %: 50.00000

OFFICERS, DIRECTORS, TRUSTEES. ETC. PROFIT % OR STOCK OWNERSHIP %: 0

PHYSICIANS' PROFIT % OR STOCK OWNERSHIP %: 50.00000

NAME OF ENTITY: INDIANA INTERNAL MEDICINE CONSULTANTS LLC

DESCRIPTION OF PRIMARY ACTIVITY OF ENTITY: INTERNAL MEDICINE SERVICES

ORGANIZATION'S PROFIT % OR STOCK OWNERSHIP %: 49.000000

OFFICERS, DIRECTORS, TRUSTEES. ETC. PROFIT % OR STOCK OWNERSHIP %: 0

PHYSICIANS' PROFIT % OR STOCK OWNERSHIP %: 51.000000

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
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- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

FILING OF COMMUNITY BENEFIT REPORT

IL, IN

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Name of the organization

FRANCISCAN ALLIANCE, INC.

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

2019

Open to Public Inspection

Employer identification number

35-1330472

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

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	KEVIN D LEAHY PRESIDENT AND TRUSTEE	(i)	1,916,501.	0.	60,069.	0.	26,152.	2,002,722.	0.
		(ii)	0.	0.	0.	0.	0.	0.	0.
2	EUGENE C DIAMOND RETIRED SVP/COO INPATIENT SVRS	(i)	256,305.	0.	10,399.	0.	426.	267,130.	0.
		(ii)	0.	0.	0.	0.	0.	0.	0.
3	ROBERT J BRODY SR VP/COO AMBULATORY SERVICES	(i)	1,021,275.	0.	44,999.	0.	32,515.	1,098,789.	0.
		(ii)	0.	0.	0.	0.	0.	0.	0.
4	JENNIFER P MARION SENIOR VP FINANCE, CFO	(i)	1,277,290.	0.	18,967.	0.	32,509.	1,328,766.	0.
		(ii)	0.	0.	0.	0.	0.	0.	0.
5	JAIRO CRUZ MD PHYSICIAN (UNPAID TRUSTEE)	(i)	232,095.	0.	23,132.	15,303.	16,961.	287,491.	0.
		(ii)	0.	0.	0.	0.	0.	0.	0.
6	THOMAS GRYZBEK SR VP OF POST ACUTE SRVCS DIV	(i)	660,231.	0.	51,592.	0.	22,970.	734,793.	0.
		(ii)	0.	0.	0.	0.	0.	0.	0.
7	ROWLAND O MBAOMA PHYSICIAN	(i)	1,784,540.	0.	19,685.	8,400.	23,640.	1,836,265.	0.
		(ii)	0.	0.	0.	0.	0.	0.	0.
8	NADEEM IKHLAQUE PHYSICIAN	(i)	1,309,763.	0.	12,535.	8,400.	23,640.	1,354,338.	0.
		(ii)	0.	0.	0.	0.	0.	0.	0.
9	TERRENCE E WILSON PRESIDENT/CEO - WESTERN IN	(i)	1,231,702.	0.	34,981.	0.	29,651.	1,296,334.	0.
		(ii)	0.	0.	0.	0.	0.	0.	0.
10	JAMES T CALLAGHAN PRESIDENT/CEO - CENTRAL IN	(i)	1,134,852.	25,897.	46,406.	0.	29,785.	1,236,940.	0.
		(ii)	0.	0.	0.	0.	0.	0.	0.
11	ALBERT P TOMCHANEY CHIEF MEDICAL OFFICER	(i)	1,043,123.	0.	40,376.	0.	25,453.	1,108,952.	0.
		(ii)	0.	0.	0.				
12		(i)							
		(ii)							
13		(i)							
		(ii)							
14		(i)							
		(ii)							
15		(i)							
		(ii)							
16		(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.

**SCHEDULE K
(Form 990)**

Supplemental Information on Tax-Exempt Bonds

OMB No. 1545-0047

2019

**Open to Public
Inspection**

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.**

▶ **Attach to Form 990.**

▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

Department of the Treasury
Internal Revenue Service

Name of the organization
FRANCISCAN ALLIANCE, INC.

Employer identification number
35-1330472

Part I Bond Issues

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
						Yes	No	Yes	No	Yes	No
A INDIANA FINANCE AUTHORITY (08C)	35-1602316	45470YAX9	09/15/2008	291,837,375.	REFUND PRIOR ISSUE DATED 5/2/06	X			X		X
B INDIANA FINANCE AUTHORITY (08F)	35-1602316	45470YBE0	10/10/2008	279,345,000.	REFUND PRIOR ISSUE DATED 11/20/03		X		X		X
C INDIANA FINANCE AUTHORITY (08I/J)	35-1602316	45470YLB4	11/20/2008	81,850,000.	REFUND PRIOR ISSUE DATED 5/16/06		X		X		X
D INDIANA FINANCE AUTHORITY (12A/B)	35-1602316		05/25/2012	82,620,000.	REFUND PRIOR ISSUES DATED '01&'08		X		X		X

Part II Proceeds

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Amount of bonds retired			76,562,375.	234,145,000.	13,280,000.		9,670,000.	
2 Amount of bonds legally defeased			192,625,000.					
3 Total proceeds of issue			290,462,634.	278,919,324.	81,693,875.		82,620,000.	
4 Gross proceeds in reserve funds								
5 Capitalized interest from proceeds								
6 Proceeds in refunding escrows								
7 Issuance costs from proceeds			1,505,785.	503,876.	1,120,800.			
8 Credit enhancement from proceeds								
9 Working capital expenditures from proceeds								
10 Capital expenditures from proceeds				124,873,123.				
11 Other spent proceeds			288,956,849.	151,542,325.	80,573,075.		82,620,000.	
12 Other unspent proceeds								
13 Year of substantial completion				2011	2012			
	Yes	No	Yes	No	Yes	No	Yes	No
14 Were the bonds issued as part of a refunding issue of tax-exempt bonds (or, if issued prior to 2018, a current refunding issue)?	X		X		X		X	
15 Were the bonds issued as part of a refunding issue of taxable bonds (or, if issued prior to 2018, an advance refunding issue)?		X		X		X		X
16 Has the final allocation of proceeds been made?	X		X		X		X	
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X		X	

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

Schedule K (Form 990) 2019

**SCHEDULE K
(Form 990)**

Supplemental Information on Tax-Exempt Bonds

OMB No. 1545-0047

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.**

2019

▶ **Attach to Form 990.**

**Open to Public
Inspection**

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Department of the Treasury
Internal Revenue Service

Name of the organization
FRANCISCAN ALLIANCE, INC.

Employer identification number
35-1330472

Part I Bond Issues

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
						Yes	No	Yes	No	Yes	No
A INDIANA FINANCE AUTHORITY (14A)	35-1602316		06/02/2014	50,000,000.	REFUND PRIOR ISSUES DATED '08		X		X		X
B INDIANA FINANCE AUTHORITY (16A/B)	35-1602316	45470YCYJ8	02/04/2016	295,426,956.	REFUNDING AND NEW PROJECTS		X		X		X
C INDIANA FINANCE AUTHORITY (16C/D/E)	35-1602316		10/19/2016	223,085,000.	REFUNDING PRIOR ISSUE		X		X		X
D INDIANA FINANCE AUTHORITY (17A)	35-1602316		10/31/2017	45,250,000.	REFUND 2008G BONDS		X		X		X

Part II Proceeds

		A		B		C		D	
1	Amount of bonds retired				235,000.		22,895,000.		
2	Amount of bonds legally defeased								
3	Total proceeds of issue	50,000,000.		295,426,956.		223,085,000.		45,250,000.	
4	Gross proceeds in reserve funds								
5	Capitalized interest from proceeds								
6	Proceeds in refunding escrows								
7	Issuance costs from proceeds				2,444,202.				
8	Credit enhancement from proceeds								
9	Working capital expenditures from proceeds								
10	Capital expenditures from proceeds				199,269,999.				
11	Other spent proceeds	50,000,000.		93,712,755.		223,085,000.		45,250,000.	
12	Other unspent proceeds								
13	Year of substantial completion								
		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a refunding issue of tax-exempt bonds (or, if issued prior to 2018, a current refunding issue)?	X			X	X		X	
15	Were the bonds issued as part of a refunding issue of taxable bonds (or, if issued prior to 2018, an advance refunding issue)?		X	X			X		X
16	Has the final allocation of proceeds been made?	X			X	X		X	
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X		X	

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

Schedule K (Form 990) 2019

**SCHEDULE K
(Form 990)**

Supplemental Information on Tax-Exempt Bonds

OMB No. 1545-0047

2019

**Open to Public
Inspection**

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.**

▶ **Attach to Form 990.**

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Department of the Treasury
Internal Revenue Service

Name of the organization
FRANCISCAN ALLIANCE, INC.

Employer identification number
35-1330472

Part I Bond Issues

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
						Yes	No	Yes	No	Yes	No
A INDIANA FINANCE AUTHORITY (17B/C)	35-1602316	45470YET4	12/28/2017	385,659,962.	REFUND 2009A AND NEW PROJECTS		X		X		X
B											
C											
D											

Part II Proceeds

	A		B		C		D	
1 Amount of bonds retired								
2 Amount of bonds legally defeased								
3 Total proceeds of issue	386,124,309.							
4 Gross proceeds in reserve funds								
5 Capitalized interest from proceeds								
6 Proceeds in refunding escrows								
7 Issuance costs from proceeds	2,374,503.							
8 Credit enhancement from proceeds								
9 Working capital expenditures from proceeds								
10 Capital expenditures from proceeds	175,464,347.							
11 Other spent proceeds	208,285,459.							
12 Other unspent proceeds								
13 Year of substantial completion								
	Yes	No	Yes	No	Yes	No	Yes	No
14 Were the bonds issued as part of a refunding issue of tax-exempt bonds (or, if issued prior to 2018, a current refunding issue)?		X						
15 Were the bonds issued as part of a refunding issue of taxable bonds (or, if issued prior to 2018, an advance refunding issue)?	X							
16 Has the final allocation of proceeds been made?	X							
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X							

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

Schedule K (Form 990) 2019

Part III Private Business Use		INDIANA FINANCE AUTHORITY (08F)							
		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?				X		X		X
2	Are there any lease arrangements that may result in private business use of bond-financed property?			X		X		X	
3a	Are there any management or service contracts that may result in private business use of bond-financed property?			X		X		X	
b	If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?			X		X		X	
c	Are there any research agreements that may result in private business use of bond-financed property?			X		X		X	
d	If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?			X		X		X	
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶		%		.8400 %		.1000 %		.8400 %
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶		%		.0300 %		.0200 %		.0300 %
6	Total of lines 4 and 5		%		.8700 %		.1200 %		.8700 %
7	Does the bond issue meet the private security or payment test?				X		X		X
8a	Has there been a sale or disposition of any of the bond-financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?			X		X		X	
b	If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of		%		%		%		%
c	If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2?				X		X		X
9	Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2?			X		X		X	

Part IV Arbitrage		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has the issuer filed Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate?		X		X		X		X
2	If "No" to line 1, did the following apply?								
a	Rebate not due yet?		X		X		X	X	
b	Exception to rebate?		X	X			X		X
c	No rebate due?	X			X	X			X
	If "Yes" to line 2c, provide in Part VI the date the rebate computation was performed.								
3	Is the bond issue a variable rate issue?		X	X		X		X	

Part III Private Business Use		INDIANA FINANCE AUTHORITY (14A)							
		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		X		X		X		X
2	Are there any lease arrangements that may result in private business use of bond-financed property?	X		X		X		X	
3a	Are there any management or service contracts that may result in private business use of bond-financed property?	X		X		X		X	
b	If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?	X		X		X		X	
c	Are there any research agreements that may result in private business use of bond-financed property?	X		X		X		X	
d	If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?	X		X		X		X	
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶	.8400 %		.2800 %		.4000 %		.8400 %	
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶	.0300 %		.0900 %		.0300 %		.0300 %	
6	Total of lines 4 and 58700 %		.3700 %		.4300 %		.8700 %	
7	Does the bond issue meet the private security or payment test?		X		X		X		X
8a	Has there been a sale or disposition of any of the bond-financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		X		X		X		X
b	If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of	%		%		%		%	
c	If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2?								
9	Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2?	X		X		X		X	

Part IV Arbitrage		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has the issuer filed Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate?		X		X		X		X
2	If "No" to line 1, did the following apply?								
a	Rebate not due yet?	X		X			X		X
b	Exception to rebate?		X		X	X		X	
c	No rebate due?		X		X		X		X
	If "Yes" to line 2c, provide in Part VI the date the rebate computation was performed								
3	Is the bond issue a variable rate issue?	X			X	X		X	

Part III Private Business Use		INDIANA FINANCE AUTHORITY (17B/C)							
		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		X						
2	Are there any lease arrangements that may result in private business use of bond-financed property?	X							
3a	Are there any management or service contracts that may result in private business use of bond-financed property?	X							
b	If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?	X							
c	Are there any research agreements that may result in private business use of bond-financed property?	X							
d	If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?	X							
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶	.8800 %							
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶	.1200 %							
6	Total of lines 4 and 5	1.0000 %							
7	Does the bond issue meet the private security or payment test?		X						
8a	Has there been a sale or disposition of any of the bond-financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		X						
b	If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of								
c	If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2?								
9	Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2?	X							

Part IV Arbitrage		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has the issuer filed Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate?		X						
2	If "No" to line 1, did the following apply?								
a	Rebate not due yet?	X							
b	Exception to rebate?		X						
c	No rebate due?		X						
	If "Yes" to line 2c, provide in Part VI the date the rebate computation was performed								
3	Is the bond issue a variable rate issue?		X						

Part IV Arbitrage *(continued)*

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
4a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X		X		X		X
b Name of provider								
c Term of hedge.								
d Was the hedge superintegrated?								
e Was the hedge terminated?								
5a Were gross proceeds invested in a guaranteed investment contract (GIC)?		X		X		X		X
b Name of provider								
c Term of GIC								
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
6 Were any gross proceeds invested beyond an available temporary period?	X			X	X			X
7 Has the organization established written procedures to monitor the requirements of section 148?	X		X		X		X	

Part V Procedures To Undertake Corrective Action

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
Has the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation isn't available under applicable regulations?	X		X		X		X	

Part VI Supplemental Information. Provide additional information for responses to questions on Schedule K. See instructions

Part IV Arbitrage (continued)

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
4a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X		X		X		X
b Name of provider								
c Term of hedge.								
d Was the hedge superintegrated?								
e Was the hedge terminated?								
5a Were gross proceeds invested in a guaranteed investment contract (GIC)?		X		X		X		X
b Name of provider								
c Term of GIC								
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
6 Were any gross proceeds invested beyond an available temporary period?		X		X		X		X
7 Has the organization established written procedures to monitor the requirements of section 148?	X		X		X		X	

Part V Procedures To Undertake Corrective Action

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
Has the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation isn't available under applicable regulations?	X		X		X		X	

Part VI Supplemental Information. Provide additional information for responses to questions on Schedule K. See instructions

Part VI **Supplemental Information.** Provide additional information for responses to questions on Schedule K (see instructions) *(Continued)*

SCHEDULE K, PART II, LINE 3

DIFFERENCES IN AMOUNTS ENTERED IN PART I, COLUMN (E) AND PART II, LINE 3
REPRESENT INVESTMENT EARNINGS.

SCHEDULE K, PART II, LINE 13

FOR THE INDIANA FINANCE AUTHORITY 2008C, INDIANA FINANCE AUTHORITY
2012A/B, INDIANA FINANCE AUTHORITY 2014A, INDIANA FINANCE AUTHORITY
2016C/D/E, AND INDIANA FINANCE AUTHORITY 2017A BONDS, THESE BONDS SOLELY
REFUNDED PRIOR ISSUES, SO THE YEAR OF SUBSTANTIAL COMPLETION HAS NOT BEEN
ENTERED.

SCHEDULE K, PART III

FOR THE INDIANA FINANCE AUTHORITY 2008C BONDS, PART III IS NOT COMPLETED
SINCE ALL BOND PROCEEDS WERE USED TO REFUND BONDS ISSUED BEFORE JANUARY
1, 2003.

SCHEDULE K, PART III, LINE 8B

FOR THE INDIANA FINANCE AUTHORITY 2008F, 2008I/J, AND 2012A/B BONDS,
DURING 2012, THE DISPOSITION PROCEEDS FOR THE DISPOSED OF BOND-FINANCED
PROPERTY WAS \$1.00, WHICH WAS WELL BELOW A TENTH OF A PERCENT OF EACH
ISSUE.

Part VI **Supplemental Information.** Provide additional information for responses to questions on Schedule K (see instructions) *(Continued)*

SCHEDULE K, PART III, LINE 8C

FRANCISCAN ALLIANCE, THE INDIANA FINANCE AUTHORITY, AND THE IRS ENTERED INTO A CLOSING AGREEMENT TO ADDRESS THE REQUIRED REMEDIAL ACTION UNDER REGULATIONS SECTION 1.142-12 AND 1.145-2.

SCHEDULE K, PART IV, LINE 2C

FOR EACH OF THE FOLLOWING BONDS, THE REBATE COMPUTATION WAS PERFORMED:
SERIES 2008C - JANUARY 2011 AND SERIES 2008I/J - FEBRUARY 2011.

SCHEDULE K, PART IV, LINE 5

FOR THE INDIANA FINANCE AUTHORITY 2008C AND INDIANA FINANCE AUTHORITY 2008I/J ISSUES, ONLY SMALL AMOUNTS OF PROCEEDS RELATED TO THE COST OF ISSUANCE WERE NOT EXPENDED AT THE END OF THE TEMPORARY PERIODS.

**SCHEDULE O
(Form 990 or 990-EZ)**

Department of the Treasury
Internal Revenue Service

Name of the organization

FRANCISCAN ALLIANCE, INC.

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2019

**Open to Public
Inspection**

Employer identification number

35-1330472

FORM 990, PART I, LINE 1

FRANCISCAN ALLIANCE, INC.'S ("FRANCISCAN") PURPOSE IS TO CONTINUE THE HEALING MINISTRY OF CHRIST IN ACCORDANCE WITH THE TEACHINGS OF THE ROMAN CATHOLIC CHURCH AND IN PARTNERSHIP WITH OTHERS TO PROVIDE A FULL CONTINUUM OF HEALTH CARE SERVICES; TO CARRY ON EDUCATIONAL ACTIVITIES RELATED TO THE PROMOTION OF HEALTH; TO PROMOTE AND CARRY ON SCIENTIFIC RESEARCH RELATED TO HEALTH CARE; AND TO PARTICIPATE IN ACTIVITIES DESIGNED AND CONDUCTED TO PROMOTE THE GENERAL HEALTH OF THOSE SERVED BY FRANCISCAN. PLEASE VIEW WWW.FRANCISCANHEALTH.ORG/COMMUNITYHEALTH WHICH REFLECTS OUR MISSION OF "CONTINUING CHRIST'S MINISTRY IN OUR FRANCISCAN TRADITION."

FORM 990, PART V, LINE 3B

FRANCISCAN ALLIANCE, INC. HAD UNRELATED BUSINESS TAXABLE GROSS INCOME OVER \$1,000. FRANCISCAN ALLIANCE, INC. WILL FILE AN EXTENSION TO EXTEND THE DUE DATE OF ITS FORM 990-T UNTIL NOVEMBER 15, 2020. IT WILL FILE ITS FORM 990-T ON OR BEFORE THE EXTENDED DUE DATE.

FORM 990, PART V, LINE 4B

ADDITIONAL FOREIGN COUNTRIES (CONTINUATION OF ATTACHMENT 3) - DENMARK, EGYPT, EUROPEAN UNION, FINLAND, FRANCE, GERMANY, GREECE, HONG KONG, HUNGARY, INDIA, INDONESIA, ISRAEL, ITALY, JAPAN, REPUBLIC OF KOREA (SOUTH KOREA), MALAYSIA, MEXICO, MULTI-NATIONAL COMPANIES REGION, NETHERLANDS, NEW ZEALAND, NORWAY, PERU, PHILIPPINES, POLAND, PORTUGAL, QATAR,

Name of the organization FRANCISCAN ALLIANCE, INC.	Employer identification number 35-1330472
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SINGAPORE, SOUTH AFRICA, SPAIN, SWEDEN, SWITZERLAND, TAIWAN, THAILAND,
TURKEY, UNITED KINGDOM.

FORM 990, PART VI, SECTION A, LINE 7A

THE ENTIRE BOARD OF TRUSTEES SHALL CONSIST OF NO MORE THAN TWENTY (20),
AND NO FEWER THAN NINE (9), SEVEN (7) OF WHOM SHALL BE SISTERS OF THE
EASTERN PROVINCE ("PROVINCE") OF THE SISTERS OF ST. FRANCIS OF PERPETUAL
ADORATION, A RELIGIOUS CONGREGATION OF WOMEN OF THE ROMAN CATHOLIC CHURCH
("CONGREGATION"). THE TRUSTEES OF THE BOARD SHALL INCLUDE THE FOLLOWING
PERSONS: (A) THREE TRUSTEES SHALL BE MEMBERS OF THE PROVINCIAL
LEADERSHIP OF THE PROVINCE, ONE OF WHOM SHALL BE THE PROVINCIAL, OR HER
DESIGNEE, AND THE REMAINING TWO SHALL BE APPOINTED BY THE PROVINCIAL
LEADERSHIP; (B) THE MEMBER OF THE CORPORATION SERVING AS TREASURER OF THE
PROVINCE WHO MAY ALSO BE ONE OF THE PROVINCIAL LEADERSHIP REPRESENTATIVES
AS DESCRIBED IN (A); (C) THE MEMBER OF THE CORPORATION SERVING AS SPONSOR
LIAISON FOR HEALTHCARE OF THE PROVINCE WHO MAY ALSO BE ONE OF THE
PROVINCIAL LEADERSHIP REPRESENTATIVES AS DESCRIBED IN (A); (D) THE
PRESIDENT/CHIEF EXECUTIVE OFFICER OF THE CORPORATION; AND (E) THE
TRUSTEES ELECTED BY THE MEMBERS TO FILL THE REMAINING POSITIONS.

FORM 990, PART VI, SECTION A, LINE 7B

NO ACTION ON THE PART OF THE BOARD OF TRUSTEES IN RESPECT OF ANY OF THE
FOLLOWING MATTERS SHALL BE EFFECTIVE UNLESS THE ACTION HAS BEEN APPROVED
BY A MAJORITY OF THE MEMBERS; NAMELY: (A) CORPORATE MISSION AND
PHILOSOPHY; (B) APPOINTMENT OR REMOVAL OF THE CHAIRPERSON, PRESIDENT,
SECRETARY, OR TREASURER OF THE CORPORATION; (C) ALIENATION OF PROPERTY AS

Name of the organization FRANCISCAN ALLIANCE, INC.	Employer identification number 35-1330472
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DEFINED IN CANON LAW; OR (D) ENCUMBRANCE OF DEBT AS DEFINED BY CANON LAW.

FORM 990, PART VI, SECTION B, LINE 11B

THE INFORMATION TO PREPARE THE FORM 990 OF FRANCISCAN ALLIANCE, INC.

("FRANCISCAN") IS GATHERED BY FINANCE STAFF AND MISSION REPRESENTATIVES AND PROVIDED TO ITS ACCOUNTING FIRM WHO PREPARES THE RETURN. SENIOR MANAGEMENT THEN REVIEWS THE RETURN PRIOR TO FILING. THE FORM 990 IS ALSO MADE AVAILABLE TO FRANCISCAN'S BOARD OF TRUSTEES AND BOARD FINANCE COMMITTEE PRIOR TO FILING.

FORM 990, PART VI, SECTION B, LINE 12C

THE CORPORATION REQUIRES ANNUAL CONFLICT OF INTEREST STATEMENTS FROM EACH DIRECTOR, PRINCIPAL OFFICER, MEMBERS OF COMMITTEES WITH BOARD DESIGNATED POWERS, KEY EMPLOYEES, AND EXECUTIVE LEADERSHIP COMMITTEE MEMBERS WHICH AFFIRMS THAT THEY HAVE RECEIVED, READ, AND UNDERSTAND THE CONFLICT OF INTEREST POLICY AND HAVE AGREED TO COMPLY WITH THE POLICY. IN CONNECTION WITH ANY ACTUAL OR POSSIBLE CONFLICT OF INTEREST, A DIRECTOR, PRINCIPAL OFFICER OR MEMBER OF A COMMITTEE WITH BOARD DESIGNATED POWERS MUST DISCLOSE THE EXISTENCE AND NATURE OF THE FINANCIAL INTEREST TO THE DIRECTORS AND MEMBERS OF COMMITTEES WITH BOARD DELEGATED POWERS CONSIDERING THE PROPOSED TRANSACTION OR ARRANGEMENTS. AFTER DISCLOSURE OF THE FINANCIAL INTEREST, THE DIRECTOR, PRINCIPAL OR COMMITTEE MEMBER SHALL LEAVE THE BOARD OR COMMITTEE MEETING WHILE THE FINANCIAL INTEREST IS DISCUSSED AND VOTE TAKEN. IN ADDITION, ONGOING REVIEWS AND ASSESSMENTS ARE MADE TO MAKE CERTAIN THAT THE CORPORATION OPERATES IN A MANNER CONSISTENT WITH ITS CHARITABLE PURPOSES. IN CONDUCTING THE

Name of the organization FRANCISCAN ALLIANCE, INC.	Employer identification number 35-1330472
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ONGOING REVIEWS AND ASSESSMENTS, THE CORPORATION USES INTERNAL AND EXTERNAL ADVISORS. REVIEWS INCLUDE COMPENSATION ARRANGEMENTS, ACQUISITIONS, PARTNERSHIPS, JOINT VENTURE ARRANGEMENTS, AND AGREEMENTS TO PROVIDE HEALTH CARE PRODUCTS/SERVICES, ETC.

FORM 990, PART VI, SECTION B, LINE 15

FRANCISCAN ALLIANCE, INC.'S ("FRANCISCAN") PROCESS FOR DETERMINING COMPENSATION FOR THE ORGANIZATION'S PRESIDENT/CEO, OFFICERS AND KEY EMPLOYEES CONSISTS OF PERIODIC EXTERNAL REVIEWS COMPLETED BY NATIONAL INDEPENDENT COMPENSATION CONSULTANTS. THE EXECUTIVE COMMITTEE OF THE BOARD OF TRUSTEES APPROVES THE PROPOSED COMPENSATION AND BENEFITS AT AN ANNUAL COMPENSATION REVIEW MEETING HELD EACH YEAR. THE ORGANIZATION'S PRESIDENT/CEO RECUSES HIMSELF FROM THE VOTE ON EXECUTIVE COMPENSATION.

FORM 990, PART VI, SECTION C, LINE 19

FRANCISCAN ALLIANCE, INC.'S ARTICLES OF INCORPORATION ARE AVAILABLE ON THE INDIANA SECRETARY OF STATE WEBSITE. THE BYLAWS AND CONFLICTS OF INTEREST POLICY ARE AVAILABLE UPON WRITTEN REQUEST. THE AUDITED FINANCIAL STATEMENTS ARE AVAILABLE ON THE ELECTRONIC MUNICIPAL MARKET ACCESS (EMMA) WEBSITE.

FORM 990, PART XI, LINE 9

EQUITY IN EARNINGS OF AFFILIATES	30,135,043
MINORITY INTEREST IN AFFILIATES	(2,511,823)
EQUITY TRANSFERS TO/FROM AFFILIATES	(17,618,503)
UNREALIZED GAIN ON SWAP CONTRACTS	(19,075,673)

Name of the organization FRANCISCAN ALLIANCE, INC.	Employer identification number 35-1330472
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UNREALIZED LOSS - HILLS	15,743,208
CHANGE IN NONCONTROLLING INTEREST IN SUBS	311,823
CHANGE IN DONOR RESTRICTED NET ASSETS	595
DIVIDENDS RECEIVED FROM AFFILIATES	10,413,396
OTHER COMPREHENSIVE INCOME	(30,188,457)
OTHER COMPONENTS OF NET PERIODIC PENSION COST	(2,126,372)
OTHER CHANGES IN NET ASSETS	(3,988,773)

TOTAL OTHER CHANGES IN NET ASSETS	(18,905,536)

ATTACHMENT 1

FORM 990, PART III, LINE 1 - ORGANIZATION'S MISSION

THE PURPOSES FOR WHICH FRANCISCAN ALLIANCE, INC. ("FRANCISCAN") IS FORMED ARE: TO CONTINUE THE HEALING MINISTRY OF CHRIST IN ACCORDANCE WITH THE TEACHINGS OF THE ROMAN CATHOLIC CHURCH AND, IN PARTNERSHIP WITH OTHERS, TO PROVIDE A FULL CONTINUUM OF HEALTH CARE SERVICES; TO CARRY ON EDUCATIONAL ACTIVITIES RELATED TO THE PROMOTION OF HEALTH; TO PROMOTE AND CARRY ON SCIENTIFIC RESEARCH RELATED TO HEALTH CARE; AND TO PARTICIPATE IN ANY ACTIVITY DESIGNED AND CONDUCTED TO PROMOTE THE GENERAL HEALTH OF THOSE SERVED BY FRANCISCAN. THE REVENUES OF FRANCISCAN ALLOW FOR THE OPERATION OF HEALTH CARE FACILITIES WHERE THE PURPOSE IS TO RESPECT LIFE AND TO PRESERVE HEALTH AS WELL AS TREAT ILLNESS AND INJURY. THIS ALLOWS FOR THE ACCOMPLISHMENT OF THE CORPORATE MINISTRY WHICH HAS THE FOLLOWING CENTRAL CONCERNS:

COMPASSION FOR THOSE IN NEED, RESPECT FOR LIFE AND THE DIGNITY OF PERSONS, WELLNESS AND THE PREVENTION OF ILLNESS, RESTORATION TO HEALTH, AND THE ACCEPTANCE OF DEATH AS THE FINAL STEP TOWARDS

Name of the organization FRANCISCAN ALLIANCE, INC.	Employer identification number 35-1330472
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ATTACHMENT 1 (CONT'D)

FORM 990, PART III, LINE 1 - ORGANIZATION'S MISSION

WHOLENESS. PLEASE VIEW WWW.FRANCISCANHEALTH.ORG/COMMUNITYHEALTH WHICH REFLECTS OUR MISSION OF "CONTINUING CHRIST'S MINISTRY IN OUR FRANCISCAN TRADITION."

ATTACHMENT 2

FORM 990, PART III - PROGRAM SERVICE, LINE 4A

FOR OVER 140 YEARS, FRANCISCAN ALLIANCE, INC. ("FRANCISCAN") HAS ENDEAVORED TO STAY TRUE TO OUR FOUNDING MISSION OF CARING FOR PATIENTS WHO COME THROUGH OUR DOORS AND WE CONTINUE TO LOOK FOR OPPORTUNITIES TO SERVE OUR COMMUNITIES THROUGH THE VERY BEST IN MEDICAL CARE AND SERVICE TO THE LESS FORTUNATE AMONG US.

FRANCISCAN'S PURPOSE IS TO CONTINUE THE HEALING MINISTRY OF CHRIST IN ACCORDANCE WITH THE TEACHINGS OF THE ROMAN CATHOLIC CHURCH AND IN PARTNERSHIP WITH OTHERS TO PROVIDE A FULL CONTINUUM OF HEALTH CARE SERVICES; TO CARRY ON EDUCATIONAL ACTIVITIES RELATED TO THE PROMOTION OF HEALTH; TO PROMOTE AND CARRY ON SCIENTIFIC RESEARCH RELATED TO HEALTH CARE; AND TO PARTICIPATE IN ACTIVITIES DESIGNED AND CONDUCTED TO PROMOTE THE GENERAL HEALTH OF THOSE SERVED BY FRANCISCAN. FRANCISCAN DIRECTLY OR INDIRECTLY OPERATES 10 HOSPITAL CAMPUSES (ONE IN ILLINOIS AND NINE IN INDIANA) ALONG WITH NUMEROUS PHYSICIAN CLINICS AND ANCILLARY SERVICES CENTERS AND OFFERS NUMEROUS COMMUNITY HEALTH IMPROVEMENT PROGRAMS THAT ARE FURTHER DESCRIBED BELOW.

IN 2019, FRANCISCAN SERVED OVER 2.3 MILLION PERSONS AND PROVIDED

Name of the organization FRANCISCAN ALLIANCE, INC.	Employer identification number 35-1330472
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ATTACHMENT 2 (CONT'D)

OVER \$712 MILLION IN CHARITY CARE AND OTHER COMMUNITY BENEFITS.

FRANCISCAN PROVIDES SIGNIFICANT BENEFITS THAT REFLECT THE ORGANIZATION'S COMMITMENT TO HEALTHCARE AND THE COMMUNITIES IT IS PRIVILEGED TO SERVE. IN 2019, FRANCISCAN PROVIDED COMMUNITY BENEFITS WHICH INCLUDED:

UNREIMBURSED COSTS OF MEDICAID AND OTHER

INDIGENT CARE PROGRAMS	\$126,218,000
COST OF CHARITY CARE PROVIDED	\$114,648,000
OTHER BENEFITS FOR THE POOR AND UNDERSERVED	\$ 2,997,000
SUBSIDIZED HEALTH SERVICES	\$ 44,481,000
HEALTH PROFESSIONS EDUCATION	\$ 13,136,000
COMMUNITY HEALTH IMPROVEMENT SERVICES	\$ 3,676,000
FINANCIAL AND IN-KIND CONTRIBUTIONS	\$ 820,000
RESEARCH	\$ 1,311,000
COMMUNITY BUILDING ACTIVITIES	\$ 1,960,000
COMMUNITY BENEFIT OPERATIONS	\$ 422,000
UNREIMBURSED COSTS OF MEDICARE	\$401,843,000
<hr/>	
TOTAL	\$711,512,000

WWW.FRANCISCANHEALTH.ORG/COMMUNITYHEALTH REFLECTS FRANCISCAN'S MISSION OF "CONTINUING CHRIST'S MINISTRY IN OUR FRANCISCAN TRADITION." ALTHOUGH IT IS NOT ALL INCLUSIVE OF THE MANY BENEFITS

Name of the organization FRANCISCAN ALLIANCE, INC.	Employer identification number 35-1330472
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ATTACHMENT 2 (CONT'D)

PROVIDED BY FRANCISCAN IT DOES PORTRAY THE SIGNIFICANT BENEFITS THAT REFLECT OUR COMMITMENT TO HEALTHCARE AND THE COMMUNITIES WE ARE PRIVILEGED TO SERVE.

WWW.FRANCISCANHEALTH.ORG/COMMUNITYHEALTH REFLECTS FRANCISCAN'S MISSION OF "CONTINUING CHRIST'S MINISTRY IN OUR FRANCISCAN TRADITION." ALTHOUGH IT IS NOT ALL INCLUSIVE OF THE MANY BENEFITS PROVIDED BY FRANCISCAN IT DOES PORTRAY THE SIGNIFICANT BENEFITS THAT REFLECT OUR COMMITMENT TO HEALTHCARE AND THE COMMUNITIES WE ARE PRIVILEGED TO SERVE. THE FOLLOWING IS A SUBSET OF THE MANY CLINICAL SERVICES AS WELL AS POPULATION HEALTH IMPROVEMENT AND COMMUNITY OUTREACH ACTIVITIES OFFERED BY ONE OR MORE OF FRANCISCAN'S HEALTHCARE FACILITIES:

- INPATIENT HOSPITAL SERVICES INCLUDING: MEDICAL SERVICES, SURGICAL SERVICES, INTENSIVE CARE SERVICES, TELEMETRY SERVICES, OBSTETRICS SERVICES, PEDIATRICS SERVICES, NEONATAL INTENSIVE CARE SERVICES, ACUTE REHABILITATION SERVICES, ONCOLOGY SERVICES, BONE MARROW TRANSPLANT SERVICES, GENERAL SURGERY SERVICES, CARDIAC SURGERY SERVICES, VASCULAR SERVICES, PULMONARY SERVICES, INTERVENTIONAL RADIOLOGY, ORTHOPEDICS, JOINT AND SPINE CARE, GASTROINTESTINAL CARE, NEUROSCIENCES SERVICES, COLON AND RECTAL SERVICES, ANESTHESIA SERVICES, HOSPICE SERVICES, INPATIENT PSYCHIATRIC CARE, RESIDENTIAL TREATMENT PROGRAM FOR ADOLESCENTS, ETC.
- EMERGENCY SERVICES INCLUDING: 24 HOUR EMERGENCY ROOM SERVICES,

Name of the organization FRANCISCAN ALLIANCE, INC.	Employer identification number 35-1330472
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ATTACHMENT 2 (CONT'D)

AMBULANCE SERVICES, IMMEDIATE CARE SERVICES, ADVANCED LIFE SUPPORT SERVICES, BASIC LIFE SUPPORT SERVICES, BEHAVIORAL HEALTH EMERGENCY CONSULTATION SERVICES, 24-HOUR CRISIS AND REFERRAL HOTLINE, TRAUMA SERVICES, ETC.

- OUTPATIENT SERVICES INCLUDING: LABORATORY SERVICES, PHYSICAL THERAPY SERVICES, OCCUPATIONAL THERAPY SERVICES, SPEECH THERAPY SERVICES, GENERAL RADIOLOGY SERVICES, COMPUTED TOMOGRAPHY SERVICES, MAGNETIC RESONANCE IMAGING (MRI), NUCLEAR MEDICINE SERVICES, MAMMOGRAPHY SERVICES, ANGIOGRAPHY SERVICES, NEURODIAGNOSTICS SERVICES, GASTRO/INTESTINAL SERVICES, SLEEP LABORATORY, PULMONARY SERVICES, OUTPATIENT SURGERY, CARDIAC TESTING, ELECTROCARDIOGRAM (EKG) SERVICES, MEDICAL ONCOLOGY SERVICES, RADIATION ONCOLOGY SERVICES, PHARMACY, OCCUPATIONAL MEDICINE SERVICES, CARDIAC/PULMONARY REHABILITATION SERVICES, CONGESTIVE HEART FAILURE CLINIC, WOUND HEALING AND PREVENTION, NUTRITIONAL COUNSELING, DIABETES MANAGEMENT, BARIATRIC SERVICES, PAIN MANAGEMENT, SOCIAL SERVICES, PALLIATIVE CARE, SPORTS MEDICINE, BEHAVIORAL HEALTH, STROKE SERVICES, HOME HEALTH SERVICES, SKILLED NURSING SERVICES, SOCIAL SERVICES, DURABLE MEDICAL EQUIPMENT.

- PRIMARY CARE AND SPECIALTY CARE PHYSICIAN CLINICS.

SUBSIDIZED HEALTHCARE SERVICES OFFERED BY FRANCISCAN:

- FRANCISCAN HAS NEIGHBORHOOD HEALTH CLINICS THAT OFFER FAMILY PRACTICE SERVICES DESIGNED FOR FAMILIES WITHOUT ACCESS TO

Name of the organization FRANCISCAN ALLIANCE, INC.	Employer identification number 35-1330472
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ATTACHMENT 2 (CONT'D)

AFFORDABLE HEALTH CARE. THE FOCUS IS ON PROVIDING PRIMARY AND PREVENTIVE CARE AS WELL AS HEALTH EDUCATION. THESE CLINICS OFFER FREE IMMUNIZATIONS.

- FRANCISCAN'S SEXUAL ASSAULT CLINICS THAT PROVIDE MEDICAL AND FORENSIC ASSISTANCE THAT IS SENSITIVE TO THE SPECIAL NEEDS OF THE VICTIM AS WELL AS A VICTIM ADVOCATE PROGRAM AND CRISIS INTERVENTION COUNSELORS.

- FRANCISCAN'S BLOOD AND MARROW TRANSPLANT PROGRAM IS ONLY ONE OF TWO PROGRAMS IN INDIANA OFFERING FULL SERVICE TRANSPLANT CARE AND SPECIALIZES IN THE TREATMENT OF PATIENTS WITH LEUKEMIA, HODGKIN'S OR NON-HODGKIN'S LYMPHOMA, MULTIPLE MYELOMA, AND MANY OTHER MALIGNANCIES AND BLOOD DISORDERS.

- FRANCISCAN'S DIABETES EDUCATION CENTERS OFFER A NUMBER OF DIABETES CLASSES AND INDIVIDUALIZED SESSIONS TO HELP PATIENTS TAKE CONTROL OF THEIR HEALTH WITH A FOCUS ON NUTRITIONAL, EXERCISE, MEDICATIONS, CHRONIC CONDITIONS, PRECONCEPTION AND PREGNANCY, BLOOD GLUCOSE MONITORING, GOAL SETTING, PROBLEM SOLVING, PSYCHOSOCIAL ADJUSTMENT, DETECTION/TREATMENT OF HIGH AND LOW BLOOD SUGAR, AND INSULIN ADMINISTRATION.

- FRANCISCAN'S WOMEN'S AND CHILDREN'S SERVICES INCLUDE PREVENTIVE MEDICAL CARE AND HEALTH SCREENINGS TO GYNECOLOGICAL CARE, MATERNITY, LACTATION CONSULTATION SERVICES, AND BEYOND WITH A FOCUS ON KEEPING WOMEN HEALTHY.

- FRANCISCAN'S HOSPICE CARE SERVICES PROVIDE A SENSE OF DIGNITY AND COMPASSION TO BOTH THE PATIENT AND THEIR FAMILY IN CARING FOR

Name of the organization FRANCISCAN ALLIANCE, INC.	Employer identification number 35-1330472
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ATTACHMENT 2 (CONT'D)

PATIENTS WITH A LIFE EXPECTANCY OF SIX MONTHS OR LESS. OUR PROGRAMS AFFIRM AND CELEBRATE LIFE AND REGARD DYING AS A NATURAL PROCESS, RECOGNIZING THAT EVERY PERSON HAS THE RIGHT TO DIE WITH DIGNITY, PEACE, AND COMFORT REGARDLESS OF THEIR ETHNICITY, FAITH BACKGROUND, OR ABILITY TO PAY.

- LEVEL III NICU
- AMBULANCE SERVICE
- PHYSICIAN SERVICES
- INPATIENT PSYCHIATRIC UNITS
- HEALTH AND WELLNESS CENTERS AND HEALTHY LIVING EDUCATION CENTERS
- CLINICAL CARE COORDINATORS TO SUPPORT FRANCISCAN'S VARIOUS ACCOUNTABLE CARE ORGANIZATIONS WHICH ARE DESIGNED TO IMPROVE QUALITY AND REDUCE COST.
- FRANCISCAN SENIOR HEALTH & WELLNESS IS A COMPLETE HEALTH CARE SOLUTION FOR SENIORS WHO WANT TO REMAIN AT HOME. OUR PROGRAM ENABLES SENIORS TO LIVE AS INDEPENDENTLY AS POSSIBLE BY PROVIDING TRULY ALL-INCLUSIVE SERVICES. FRANCISCAN SENIOR HEALTH & WELLNESS IS A PROGRAM OF ALL-INCLUSIVE CARE FOR THE ELDERLY (PACE), A COMMUNITY-BASED HEALTHCARE PROGRAM CREATED FOR PEOPLE 55 OR OLDER WHO ARE ELIGIBLE FOR NURSING-HOME LEVEL CARE BUT PREFER TO RECEIVE THEIR CARE IN THEIR OWN FAMILIAR SURROUNDINGS. THE FRANCISCAN SENIOR HEALTH & WELLNESS - PACE PROGRAM DELIVERS ALL THE SERVICES NEEDED TO KEEP PEOPLE HEALTHY, SAFE AND COMFORTABLE IN THE PLACE THEY CALL HOME. COVERED BENEFITS INCLUDE:

Name of the organization FRANCISCAN ALLIANCE, INC.	Employer identification number 35-1330472
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ATTACHMENT 2 (CONT'D)

- PRIMARY MEDICAL AND NURSING CARE
- OCCUPATIONAL, PHYSICAL, AND SPEECH THERAPY
- MEDICATIONS AND DURABLE MEDICAL EQUIPMENT
- LABORATORY AND DIAGNOSTIC SERVICES
- ALL NECESSARY PRESCRIPTION DRUGS
- SKILLED HOME CARE AND PERSONAL CARE AIDES
- HOSPITALIZATION AND SKILLED NURSING FACILITY CARE
- CARE FROM MEDICAL SPECIALISTS IN CARDIOLOGY, NEPHROLOGY,
OPHTHALMOLOGY, DERMATOLOGY, ORTHOPEDICS, SURGERY, PODIATRY AND
MORE
- MEDICALLY NECESSARY TRANSPORTATION

OUR BROAD RANGE OF SERVICE PROVIDERS, INCLUDING DOCTORS, NURSES, PHARMACISTS, THERAPISTS AND PERSONAL CARE AIDES ARE READILY ACCESSIBLE. THROUGH THESE MEDICAL SERVICES, WE CAN MANAGE THE CARE OF AN AGING LOVED ONE, AND HELP AVOID THE ILLNESSES AND HOSPITALIZATIONS THAT SENIORS OFTEN FACE. IN ADDITION TO ADDRESSING EACH PARTICIPANT'S UNIQUE MEDICAL NEEDS, FRANCISCAN SENIOR HEALTH & WELLNESS ALSO HELPS WITH THE SOCIAL, EMOTIONAL, AND PRACTICAL CHALLENGES THAT OLDER ADULTS OFTEN FACE. THROUGH INTERACTIONS WITH PEERS, STIMULATIVE ACTIVITIES AND OTHER SUPPORTIVE SERVICES, PARTICIPANTS WILL ENJOY A BETTER QUALITY OF LIFE.

- BEHAVIORAL HEALTH SERVICES AT FRANCISCAN HEALTH DYER TOUCHES ALL

Name of the organization FRANCISCAN ALLIANCE, INC.	Employer identification number 35-1330472
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ATTACHMENT 2 (CONT'D)

FACETS OF EMOTIONAL, MENTAL HEALTH, BEHAVIORAL HEALTH AND CHEMICAL DEPENDENCY PROBLEMS. WE OFFER TREATMENTS IN PSYCHIATRIC DISORDERS, SUBSTANCE ABUSE AND ADDICTION, FAMILY CONFLICTS, AND EMOTIONAL DISORDERS, INCLUDING TESTING FOR PSYCHOLOGICAL DISORDERS AND CONSULTATIONS. OUR BEHAVIORAL HEALTH SERVICES AND PROGRAMS ARE TAILORED TO MEET THE NEEDS OF ADULTS, ADOLESCENTS AND CHILDREN WITH BOTH INDIVIDUAL AND GROUP BEHAVIORAL THERAPY AND COUNSELING OPTIONS. AFTERCARE AND LONG-TERM RECOVERY PROGRAMS ARE ADDITIONAL, CRITICAL ASPECTS OF OUR BEHAVIORAL HEALTH SERVICES.

- THE ST. FRANCIS CENTER RESIDENTIAL TREATMENT PROGRAM FOR ADOLESCENTS BASED AT FRANCISCAN HEALTH DYER, IS AN ADOLESCENT RESIDENTIAL TREATMENT PROGRAM FOR MALE AND FEMALE YOUTHS, AGES 12 THROUGH 18, WHO WOULD BE UNSUCCESSFUL WITHOUT A HIGHLY STRUCTURED AND CONTROLLED ENVIRONMENT. THE ST. FRANCIS CENTER OFFERS TWO LEVELS OF CARE IN A NURTURING, THERAPEUTIC AND SECURE ENVIRONMENT. THE PROGRAM IS DESIGNED TO ASSIST ADOLESCENTS IN DEVELOPING THE NECESSARY SKILLS TO FUNCTION AGE-APPROPRIATELY AND SUCCESSFULLY ON A DAILY BASIS SO THEY CAN REINTEGRATE WITH THE COMMUNITY AND THEIR FAMILIES. IT IS OUR BELIEF THAT SUCCESS IS OFTEN DEPENDENT ON FAMILY INVOLVEMENT. THEREFORE, FAMILIES ARE ENCOURAGED TO TAKE AN ACTIVE ROLE IN THE TREATMENT WITH FAMILY SESSIONS ROUTINELY SCHEDULED.

- THE EMPATH UNIT AT FRANCISCAN HEALTH LAFAYETTE EAST IS FOCUSED ON TREATING AND STABILIZING PATIENTS EXPERIENCING A PSYCHIATRIC CRISIS. THIS TRAUMA-INFORMED TEAM COLLABORATES WITH COMMUNITY

Name of the organization FRANCISCAN ALLIANCE, INC.	Employer identification number 35-1330472
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ATTACHMENT 2 (CONT'D)

RESOURCES TO CONNECT PATIENTS WITH THE BEHAVIORAL HEALTH CARE THAT IS RIGHT FOR THEM.

- LOCATED AT FRANCISCAN HEALTH CRAWFORDSVILLE, THE GENERATIONS PROGRAM SERVES SENIORS 55 AND OLDER THROUGHOUT INDIANA AND EASTERN ILLINOIS WHO ARE EXPERIENCING DEMENTIA OR ALZHEIMER'S DISEASE OR EXHIBITING INCONSISTENT, DISRUPTIVE, UNPREDICTABLE OR EVEN SUICIDAL BEHAVIOR.

- NEONATAL INTENSIVE CARE SERVICES OFFERS ADVANCED PROCEDURES, TECHNOLOGY AND EXPERTISE TO GIVE VERY SMALL OR VERY ILL NEWBORNS THE BEST CHANCE FOR A HEALTHY START IN LIFE. OUR TEAM OF DOCTORS, NURSES AND OTHER HEALTH PROFESSIONALS DEMONSTRATES THE GENUINE CARING, WARMTH AND SINCERITY THAT BRING OUR MISSION OF SERVICE TO LIFE AND OFFER REASSURANCE AND CONFIDENCE TO PARENTS AND REFERRING PHYSICIANS ALIKE.

- PALLIATIVE CARE SERVICES ASSIST PATIENTS AND FAMILIES IN MAKING COMPLEX MEDICAL DECISIONS BY PROVIDING A GOOD UNDERSTANDING OF THE PATIENT'S PRESENT CONDITION, COORDINATING AND COMMUNICATING CARE WITH PHYSICIANS, ADVOCATING FOR PATIENTS' WISHES, AND HELPING THEM TO ACHIEVE A SENSE OF CONTROL OVER THEIR MEDICAL CARE. PALLIATIVE CARE IS OFFERED REGARDLESS OF THE STAGE OF DISEASE OR THE NEED FOR OTHER THERAPIES AND CAN BE PROVIDED CONCURRENTLY WITH LIFE-PROLONGING CARE OR AS THE MAIN FOCUS OF CARE.

- CLINICS FOR THE UNINSURED INCLUDE THE ST. CLARE HEALTH CLINIC AND THE CATHERINE MCAULEY CLINIC. THESE CLINICS PROVIDE PRIMARY CARE FOR NON-EMERGENCY SERVICES WITH AN EMPHASIS ON PREVENTION,

Name of the organization FRANCISCAN ALLIANCE, INC.	Employer identification number 35-1330472
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ATTACHMENT 2 (CONT'D)

EARLY DETECTION, PATIENT EDUCATION, PHYSICAL EXAMS AND HEALTH SCREENINGS. THE CLINIC ALSO SERVES THOSE WHO ENDURE HARDSHIP TO ACCESS QUALITY HEALTH CARE.

- EMERGENCY SERVICES PROVIDE OUR COMMUNITIES WITH STATE-OF-THE-ART EMERGENCY FACILITIES, OPEN 24-HOURS A DAY, SEVEN DAYS A WEEK. EQUIPPED WITH ADVANCED MEDICAL TECHNOLOGY, OUR EMERGENCY TEAM OF SPECIALLY TRAINED PHYSICIANS AND NURSES TREAT THEIR PATIENTS FOR TRAUMA, STROKE, CARDIAC, AND OTHER LIFE-THREATENING CONDITIONS IN ADULTS AND CHILDREN.

- INDIGENT HEALTH CARE CLINICS

- AT FRANCISCAN HOSPICE HOUSE, PATIENTS RECEIVE SPECIALIZED CARE AND RESPITE CARE FOR FAMILIES WHILE BEING PROVIDED ALL THE COMFORTS OF HOME. FROM ROOMS THAT ARE LARGE, PRIVATE AND PET-FRIENDLY TO A GARDEN THAT'S JUST RIGHT FOR PRAYER, CONTEMPLATION OR QUIET CONVERSATION, THE SERVICES AND AMENITIES AT THE FRANCISCAN HOSPICE HOUSE WERE DESIGNED WITH PATIENT COMFORT IN MIND. FRANCISCAN HOSPICE HOUSE WAS ENVISIONED AS A COMPLEMENT TO THE EXCEPTIONAL HOME HEALTH, HOSPICE AND PALLIATIVE CARE SERVICES THAT FRANCISCAN HEALTH AND FRANCISCAN VNS HAVE PROVIDED TO FAMILIES IN SOUTH-CENTRAL INDIANA FOR MORE THAN TWO DECADES. FRANCISCAN HOSPICE HOUSE OFFERS 16 PRIVATE ROOMS FOR PATIENTS AND FAMILIES, A LARGE COMMON AREA FOR FAMILIES, A WELL-EQUIPPED KITCHEN WITH DINING ROOM, A CHAPEL AND PRAYER GARDEN, AND HIGH-QUALITY, HOLISTIC MEDICAL CARE FOR ALL PATIENTS-REGARDLESS OF THEIR FINANCIAL SITUATIONS-AND SUPPORT FOR THEIR FAMILIES.

Name of the organization FRANCISCAN ALLIANCE, INC.	Employer identification number 35-1330472
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ATTACHMENT 2 (CONT'D)

- HEALTH AND WELLNESS CENTERS AND HEALTHY LIVING EDUCATION CENTERS.

- COMMUNITY OUTREACH AND EDUCATION PROGRAMS INCLUDING: HEALTH FAIRS, FREE HEALTH SCREENINGS, FREE IMMUNIZATIONS, FREE BREAST HEALTH SCREENING SERVICES, FREE PROSTATE SCREENINGS, FREE SKIN CANCER SCREENINGS, FREE CERVICAL CANCER SCREENINGS, FREE GLUCOSE SCREENINGS, FREE CHOLESTEROL SCREENINGS, FREE BONE DENSITY SCREENINGS, FREE LUNG SCREENINGS, FREE SPA SERVICES FOR CANCER PATIENTS, ONLINE HEALTH CONDITION ASSESSMENT TOOLS, COLORECTAL SCREENINGS, CANCER PREVENTION ACTIVITIES, CANCER SURVIVOR PROGRAMS AND RETREATS, CANCER & HEART CARE CLINICAL SYMPOSIUMS, HEALTH CARE DECISION-MAKING SESSIONS, SENIOR HEALTH EDUCATION, DIABETES MANAGEMENT EDUCATION AND ACTIVITIES, PAIN MANAGEMENT SEMINARS AND ACTIVITIES, CARDIAC RISK FACTORS EDUCATIONAL SESSIONS AND ONLINE TOOLS, HOSPICE AND PALLIATIVE CARE COUNSELING AND EDUCATION SERVICES, ALZHEIMER SUPPORT SERVICES, BEHAVIORAL HEALTH COMMUNITY EDUCATION, SMOKING CESSATION PROGRAMS, MOBILE DENTAL CLINICS, BASIC LIFE-SAVING SKILLS PROGRAMS, CHILDREN'S HEALTH NEEDS ACTIVITIES, CHILDHOOD OBESITY ACTIVITIES, WEIGHT LOSS EDUCATION, ORGAN AND TISSUE DONATION FAIRS, VOLUNTEER ADVOCATES FOR SENIORS, PARENTING PROGRAMS, RESIDENTIAL SUPPORT PROGRAM FOR PREGNANT GIRLS, PRENATAL 'BABY SHOWERS', ATHLETIC TRAINING FOR SCHOOLS AND VARIOUS MARATHONS, ORTHOPEDIC ROAD SHOWS, FLU VACCINATIONS, CHILD SEAT SAFETY PROGRAMS, BEREAVEMENT SUPPORT GROUPS, COMMUNITY EDUCATION LECTURES, INDIGENT PRESCRIPTION PROGRAMS, SEX CAN WAIT

Name of the organization FRANCISCAN ALLIANCE, INC.	Employer identification number 35-1330472
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ATTACHMENT 2 (CONT'D)

PROGRAMS, CAREGIVERS EDUCATION SYMPOSIUMS, HEALTH CAREER DAYS, ARTHRITIS EXERCISE GROUP, BABYSITTING COURSE, PREPARED CHILDBIRTH PROGRAMS, FOOD SHARE PROGRAMS, NUTRITIONAL COUNSELING FOR GRADE SCHOOLS AND SENIORS, SENIOR PROMISE PROGRAM, ENHANCE FITNESS PROGRAMS, MEDICATION TAKE BACK PROGRAMS, FALL PREVENTION PROGRAMS, SUICIDE PREVENTION TRAINING, WALK WITH A DOC PROGRAM, INFANT SAFE SLEEP PROGRAMS, COMMUNITY PARAMEDICINE PROGRAM, ASTHMA SCHOOL EDUCATION PROGRAM, ADOLESCENTS COPING WITH DEPRESSION PROGRAMS, PET THERAPY PROGRAM, ETC.

- SOCIAL SERVICES INCLUDING: PASTORAL CARE, EUCHARISTIC MINISTRY PROGRAM, NO ONE DIES ALONE PROGRAMS, GRIEVANCE SUPPORT PROGRAMS FOR CHILDREN, LANGUAGE INTERPRETER SERVICES, DEAF INTERPRETER SERVICES, TRANSPORTATION FOR THE INDIGENT, ENROLLMENT ASSISTANCE IN MEDICAID AND HEALTH INSURANCE EXCHANGES, CHRISTIAN LEGAL CLINIC, TRANSPORTATION SERVICE FOR INDIGENT PATIENTS, ETC.

- MEDICAL EDUCATION INCLUDING: PHYSICIAN RESIDENCY PROGRAMS, FAMILY MEDICINE RESIDENCY PROGRAM, EMERGENCY ROOM PHYSICIAN RESIDENCY PROGRAM, PHARMACY RESIDENCY PROGRAM, MEDICAL STUDENT TRAINING PROGRAM, ST. ELIZABETH SCHOOL OF NURSING PROGRAM, ADVANCE NURSING CONTINUING EDUCATION, NURSING CLINICAL ROTATIONS, PHLEBOTOMY TRAINING PROGRAM, RESPIRATORY THERAPY TRAINING, REHABILITATIVE TRAINING, MEDICAL ASSISTANCE TRAINING, MEDICAL TECHNOLOGY TRAINING PROGRAMS, HIGH SCHOOL CAREER DAYS, SCHOOL OF ECHOCARDIOGRAPHY, SURGICAL TECHNICIAN EXTERNSHIPS, SOCIAL WORKER INTERNSHIPS, HOME HEALTH STUDENT TRAINING, INTERN & RESIDENT

Name of the organization FRANCISCAN ALLIANCE, INC.	Employer identification number 35-1330472
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ATTACHMENT 2 (CONT'D)

TRAINING FOR MIDWESTERN UNIVERSITY, OPERATING ROOM TECHNOLOGY TRAINING, ETC.

- RESEARCH PROGRAMS INCLUDING: CANCER GENOME PROJECT, CARDIAC RESEARCH, HLA-VASCULAR BIOLOGY RESEARCH, CLINICAL TRIALS, PLAQUE FORMATION STUDIES, HEART FAILURE AND LIPID TRIALS, USE OF DRUG ELUTING STENTS STUDIES, PROJECT GRACE PROGRAM, OPIOID TREATMENT PROGRAMS, ETC. AGAIN, PLEASE VISIT [WWW.FRANCISCANHEALTH.ORG/COMMUNITY HEALTH](http://WWW.FRANCISCANHEALTH.ORG/COMMUNITY_HEALTH) FOR FURTHER DETAILS. FRANCISCAN CONTINUES TO PROVIDE ACCESS TO HEALTH CARE SERVICES AND A WIDE VARIETY OF COMMUNITY EDUCATION/HEALTH AND WELLNESS PROGRAMS. ALL OF OUR FACILITIES REACH OUT TO THEIR COMMUNITIES BY PROVIDING ACCESS TO FREE, PUBLIC WEB SITES AND ONLINE RESOURCES. EACH WEB SITE PROVIDES THE LATEST MEDICAL INFORMATION TO VISITORS, IN A BI-LINGUAL FORMAT, THROUGH THE USE OF INTERACTIVE A TO Z HEALTH LIBRARIES. THERE ARE ONLINE CENTERS THAT FOCUS ON INFORMATION RELATED TO MEDICAL CONDITIONS IN SPECIALTY AREAS SUCH AS THE HEART, BONES, KIDNEYS AND NERVES. THEY FURTHER OFFER CONDITION AND DISEASE-SPECIFIC INFORMATION ON TOPICS LIKE CANCER, PREGNANCY AND GERIATRICS THAT PROVIDE ILLUSTRATIONS, GRAPHICS AND NARRATED VIDEOS. THE WEB SITES ALSO PROVIDE UNLIMITED FREE ACCESS TO ONLINE HEALTH RISK ASSESSMENT TOOLS SUCH AS THE HEART RISK ASSESSMENT THAT USES AN ESTABLISHED ALGORITHM TO CALCULATE RISK FACTORS FOR HEART ATTACK BASED UPON USER-ENTERED PARAMETERS. THE SITES ALSO OFFER CONDITION-SPECIFIC RECOMMENDATIONS FOR MANAGING CHRONIC ILLNESSES AND CONDITIONS SUCH AS DIABETES, HIGH BLOOD

Name of the organization FRANCISCAN ALLIANCE, INC.	Employer identification number 35-1330472
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ATTACHMENT 2 (CONT'D)

PRESSURE AND ASTHMA, AMONG OTHERS. FINALLY, THE SITES HAVE HEALTHY LIVING SECTIONS THAT OFFER TIPS AND SUGGESTIONS ON BEGINNING AND MAINTAINING DIET AND EXERCISE REGIMENTS TO OPTIMIZE HEALTHY LIFESTYLES. OUR HOSPITALS PROVIDE URGENT CARE CLINICS WITHIN THE COMMUNITIES THEY SERVE TO HELP MINIMIZE THE COST OF NON-CRITICAL, EMERGENT MEDICAL CARE. WE ENGAGE IN A TREMENDOUS AMOUNT OF UNIVERSITY-AFFILIATED MEDICAL EDUCATION AND TRAINING PROGRAMS INCLUDING BUT NOT LIMITED TO: ALL LEVELS OF NURSING (LPN, ASN, BSN AND MSN), PHARMACY, EMERGENCY MEDICAL TECHNICIANS AND PARAMEDICS, RESPIRATORY THERAPISTS, PHYSICAL/OCCUPATIONAL/SPEECH THERAPISTS AND INTERNSHIPS/RESIDENCIES FOR PHYSICIANS. WE ALSO PROVIDE CONTINUING MEDICAL EDUCATION PROGRAMS. SEVERAL OF OUR HOSPITALS PARTICIPATE IN CLINICAL TRIALS, MEDICAL RESEARCH PROGRAMS AND PHARMACEUTICAL TRIALS. MOREOVER, THERE ARE OTHER FACTORS THAT DEMONSTRATE THAT FRANCISCAN IS OPERATED FOR A PUBLIC RATHER THAN A PRIVATE INTEREST. FRANCISCAN'S GOVERNING BODY IS COMPOSED OF INDEPENDENT MEMBERS REPRESENTING THE BROAD COMMUNITY SERVED BY FRANCISCAN. MEDICAL STAFF PRIVILEGES ARE AVAILABLE TO QUALIFIED PHYSICIANS. FRANCISCAN USES ANY SURPLUS OF REVENUES OVER EXPENSES FOR IMPROVEMENTS IN PATIENT CARE, TO EXPAND AND REPLACE FACILITIES AND EQUIPMENT, FOR THE AMORTIZATION OF INDEBTEDNESS, AND FOR MEDICAL TRAINING, EDUCATION, AND RESEARCH.

FRANCISCAN ALLIANCE, INC. AND ITS ACCOUNTABLE CARE ORGANIZATION ("ACO") WAS THE FIRST AND ONLY PIONEER ACO IN INDIANA AND AMONG

Name of the organization FRANCISCAN ALLIANCE, INC.	Employer identification number 35-1330472
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ATTACHMENT 2 (CONT'D)

THE FIRST IN THE COUNTRY TO PARTNER WITH MEDICARE AS AN ACO.

FRANCISCAN ALSO PARTICIPATES IN VARIOUS MEDICARE SHARED SAVINGS ACO PROGRAMS AND NONGOVERNMENTAL ACO PROGRAMS. FORMED IN 2011, FRANCISCAN ACOS PROVIDE COORDINATED, COMPREHENSIVE CARE ACROSS HOSPITALS, PHYSICIAN PRACTICES, AND OTHER HEALTHCARE PROVIDERS, WITH THE AIM OF BRINGING DOWN THE OVERALL COSTS OF MEDICAL CARE AND IMPROVING THE HEALTH OF PATIENTS ATTRIBUTED TO THE ACOS. UNDER THE ACO MODEL, ATTRIBUTED BENEFICIARIES MAINTAIN THE ABILITY TO SEE ANY DOCTOR OR HEALTHCARE PROVIDER, AS WELL AS THE FULL BENEFITS ASSOCIATED WITH TRADITIONAL MEDICARE, BUT WITH THE ADDED BENEFIT OF A MORE COORDINATED CARE EXPERIENCE. THIS INCLUDES COORDINATION OF PREVENTIVE HEALTH SERVICES, THE ASSIGNMENT OF CARE MANAGERS, THE PROVISION OF SOCIAL SUPPORT SERVICES, AND SUPPORT FOR PERSONS WITH CHRONIC HEALTH CONDITIONS, SUCH AS DIABETES AND CONGESTIVE HEART FAILURE. FRANCISCAN ACOS SERVE APPROXIMATELY 90,000 MEDICARE BENEFICIARIES AND APPROXIMATELY 97,000 NONGOVERNMENTAL ACO BENEFICIARIES. FRANCISCAN'S ACO EFFORTS INCLUDE IMPROVED COMMUNICATION AND INFORMATION SHARING AMONG AFFILIATED AND NONAFFILIATED HEALTHCARE PROVIDERS REGARDING ACO PATIENTS, ALONG WITH THE EXPANSION OF ACO CASE MANAGEMENT RESOURCES, THE ASSIGNMENT OF DEDICATED CHRONIC DISEASE CASE ADVOCATES TO PATIENTS, EVALUATING THE QUALITY AND CAPABILITIES OF LONG-TERM CARE FACILITIES THAT ACO PATIENTS MAY TRANSITION TO, AND WORKING WITH POST-ACUTE CARE PROVIDERS TO IMPROVE THEIR CONTINUING CARE CAPABILITIES. THE SUPPORTING RESOURCES AND TECHNOLOGY OF

Name of the organization FRANCISCAN ALLIANCE, INC.	Employer identification number 35-1330472
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ATTACHMENT 2 (CONT'D)

FRANCISCAN ACOS ARE FUNDAMENTAL FOR IMPROVING POPULATION HEALTH AND MAKING HEALTHCARE COSTS MORE AFFORDABLE TO THE PATIENTS IN OUR COMMUNITIES WE ARE PRIVILEGED TO SERVE.

DURING 2019, THE FRANCISCAN ALLIANCE AND THE FRANCISCAN ACO'S EFFORT LED TO AN OVERALL REDUCTION IN HEALTHCARE COSTS OF \$19 MILLION WHILE IMPROVING QUALITY SCORES. FRANCISCAN PHYSICIAN NETWORK HAD AN OVERALL MERIT-BASED INCENTIVE PAYMENT SYSTEM (MIPS) SCORE OF 100% WHICH REFLECTS OUR STRONG COMMITMENT TO QUALITY OUTCOMES.

FRANCISCAN ALLIANCE FACILITIES AND THEIR EMPLOYEES SPONSOR AND PARTICIPATE IN MANY COMMUNITY HEALTH IMPROVEMENT INITIATIVES AND ACTIVITIES. COMMUNITY HEALTH FAIRS, EDUCATION SESSIONS AND SUPPORT GROUPS ARE MADE AVAILABLE THROUGH PROGRAMS SUCH AS THE ORTHOPEDIC ROAD SHOW, ASK-THE-DOC SEMINARS, DAY OF DANCE, HEART HEALTH CLASSES, SENIOR CITIZENS DAY AT THE FAIR, SPIRIT OF WOMEN, PERINATAL EDUCATION, BEREAVEMENT SUPPORT GROUPS, CANCER SCREENING CLINICS, ARTHRITIS EXERCISE GROUP, SMOKING CESSATION CLASSES, PROSTATE SCREENINGS, CANCER SURVIVORS DAY, NUTRITIONAL COUNSELING SERVICES TO NAME A FEW.

ATTACHMENT 3

Name of the organization FRANCISCAN ALLIANCE, INC.	Employer identification number 35-1330472
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ATTACHMENT 3 (CONT'D)

FORM 990, PART V, LINE 4B - FOREIGN COUNTRIES

ARGENTINA
 AUSTRALIA
 AUSTRIA
 BELGIUM
 BRAZIL
 CANADA
 CHILE
 CHINA
 COLOMBIA
 CZECH REPUBLIC

ATTACHMENT 4990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

<u>NAME AND ADDRESS</u>	<u>DESCRIPTION OF SERVICES</u>	<u>COMPENSATION</u>
HEALTHTRUST WORKFORCE SOLUTIONS LLC PO BOX 742696 ATLANTA, GA 30374	CONTRACT LABOR	22,693,856.
LAKESHORE BONE AND JOINT INSTITUTE 601 GATEWAY BLVD N CHESTERTON, IN 46304	PHYSICIAN SERVICES	9,792,402.
METT THERAPY 801 S BRIGGS STREET, 2ND FLOOR JOLIET, IL 60433	THERAPY SERVICES	8,380,557.
CARDIAC SURGERY ASSOCIATES SC 2650 WARRENVILLE ROAD, SUITE 280 DOWNERS GROVE, IL 60515	PHYSICIAN SERVICES	7,443,253.
NORTHSTAR ANESTHESIA OF IL, LLC 6225 NORTH STATE HWY 161, SUITE 200 IRVING, TX 75038	PHYSICIAN SERVICES	7,356,242.

**SCHEDULE R
(Form 990)**

Related Organizations and Unrelated Partnerships

OMB No. 1545-0047

2019

**Open to Public
Inspection**

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.**

▶ **Attach to Form 990.**

▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

Department of the Treasury
Internal Revenue Service

Name of the organization

FRANCISCAN ALLIANCE, INC.

Employer identification number

35-1330472

Part I Identification of Disregarded Entities. Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) ST FRANCIS INSURANCE SERVICES LLC 20-0048077 1600 ALBANY STREET BEECH GROVE, IN 46107	INSURANCE	IN	1,180,782.	0.	FRANCISCAN
(2) SPECIALTY PHYSICIANS OF ILLINOIS LLC 05-0540914 333 DIXIE HIGHWAY CHICAGO HEIGHTS, IL 60411	PHYSICIAN	IL	28,543,889.	11,627,244.	FRANCISCAN
(3) FAITH HOPE AND LOVE CANCER CENTER LLC 68-0612977 1250 SOUTH CREAMY LN, STE A LAFAYETTE, IN 47905	MEDICAL SRVCS	IN	4,677,791.	0.	FRANCISCAN
(4) ST FRANCIS MEDICAL GROUP LLC 26-3877295 5330 E STOP 11 RD INDIANAPOLIS, IN 46237	MEDICAL SRVCS	IN	28,534,000.	0.	FRANCISCAN
(5) FRANCISCAN PHO CENTRAL INDIANA LLC 82-2534628 1515 DRAGON TRAIL MISHAWAKA, IN 46544	ACCOUNT. CARE	IN	23,284,000.	0.	FRANCISCAN
(6) FRANCISCAN PHO NORTHERN INDIANA LLC 82-2537889 1515 DRAGON TRAIL MISHAWAKA, IN 46544	ACCOUNT. CARE	IN	26,019,000.	0.	FRANCISCAN

Part II Identification of Related Tax-Exempt Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) HILLS INSURANCE COMPANY INC. 03-0372512 1515 DRAGON TRAIL MISHAWAKA, IN 46544	CAPTIVE INS	VT	501(C)(3)	12-TYPE 1	FRANCISCAN	X	
(2) SISTERS OF ST FRANCIS OF PERPETUAL ADOR 35-1328145 P.O. BOX 766 MISHAWAKA, IN 46546	RELIGIOUS	IN	501(C)(3)	1	N/A		X
(3) ST ALEXIS HOSPITAL ASSOCIATION 34-0714485 P.O. BOX 1290 MISHAWAKA, IN 46546	SUPPORT ALEXA	OH	501(C)(3)	3	FRANCISCAN	X	
(4) FRANCISCAN HEALTH FOUNDATION, INC. 35-1955283 1515 DRAGON TRAIL MISHAWAKA, IN 46544	FUNDRAISING	IN	501(C)(3)	7	FRANCISCAN	X	
(5) FRANCISCAN VNS HOME CARE, INC. 35-0868199 4701 N KEYSTONE AVE, S418 INDIANAPOLIS, IN 46205	HOME HEALTH	IN	501(C)(3)	10	FRANCISCAN	X	
(6) FRANCISCAN PERSONAL CARE, INC. 35-2107306 4701 N KEYSTONE AVE, S418 INDIANAPOLIS, IN 46205	HEALTHCARE	IN	501(C)(3)	10	FRANCISCAN	X	
(7) FRANCISCAN HEALTH RENSSSELAER, INC. 47-3825106 1104 E. GRACE ST. RENSSSELAER, IN 47978	HEALTH SRVCS	IN	501(C)(3)	3	FRANCISCAN	X	

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

Schedule R (Form 990) 2019

**SCHEDULE R
(Form 990)**

Related Organizations and Unrelated Partnerships

OMB No. 1545-0047

2019

**Open to Public
Inspection**

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.

▶ Attach to Form 990.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

Department of the Treasury
Internal Revenue Service

Name of the organization

FRANCISCAN ALLIANCE, INC.

Employer identification number

35-1330472

Part I Identification of Disregarded Entities. Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

Part II Identification of Related Tax-Exempt Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) FRANCISCAN ACO, INC. 35-1904455 700 E. SOUTHPORT ROAD INDIANAPOLIS, IN 46227	HEALTHCARE	IN	501(C)(3)	12-TYPE 1	FRANCISCAN	X	
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							

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

Schedule R (Form 990) 2019

Part III Identification of Related Organizations Taxable as a Partnership. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related organizations treated as a partnership during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512 - 514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V - UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) FRANCISCAN SURGERY CENTER LLC 421 N. EMERSON AVE.	MEDICAL SERVICES	IN	FRANCISCAN	RELATED				X	0.		X	50.0000
(2) LAFAYETTE HEART PROGRAM HLDG 1501 HARTFORD STREET	MEDICAL SERVICES	IN	FRANCISCAN	RELATED				X	0.		X	51.0000
(3) ST FRANCIS MOORESVILLE SURGERY 1215 HADLEY ROAD	MEDICAL SERVICES	IN	FRANCISCAN	RELATED			X		0.		X	50.0000
(4) ST FRANCIS RADIATION THERAPY 421 N EMERSON AVE.	MEDICAL SERVICES	IN	FRANCISCAN	RELATED				X	0.		X	88.9500
(5) ST FRANCIS IMAGING CTR 421 N EMERSON AVE.	IMAGING SERVICES	IN	FRANCISCAN	RELATED				X	0.		X	60.0000
(6) TONN & BLANK CONSTRUCTION, LLC 1623 GREENWOOD AVE.	CONSTRUCTION	IN	FHC	RELATED				X			X	73.5700
(7) MAJOR HOSP CARDIAC DIAGNOSTICS 2451 INTELLIPLEX DR.	MEDICAL SERVICES	IN	FRANCISCAN	RELATED				X	0.		X	53.6000

Part IV Identification of Related Organizations Taxable as a Corporation or Trust. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related organizations treated as a corporation or trust during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
(1) FRANCISCAN HOLDING CORPORATION 36-3593505 1515 DRAGOON TRAIL MISHAWAKA, IN 46544	HOLDING CO.	IN	FRANCISCAN	C CORP	3,053,002.	83,103,569.	100.0000	X	
(2)									
(3)									
(4)									
(5)									
(6)									
(7)									

Part V Transactions With Related Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

Note: Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

	Yes	No
1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
a Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity		X
b Gift, grant, or capital contribution to related organization(s)	X	
c Gift, grant, or capital contribution from related organization(s)	X	
d Loans or loan guarantees to or for related organization(s)	X	
e Loans or loan guarantees by related organization(s)		X
f Dividends from related organization(s)	X	
g Sale of assets to related organization(s)		X
h Purchase of assets from related organization(s)		X
i Exchange of assets with related organization(s)		X
j Lease of facilities, equipment, or other assets to related organization(s)		X
k Lease of facilities, equipment, or other assets from related organization(s)	X	
l Performance of services or membership or fundraising solicitations for related organization(s)		X
m Performance of services or membership or fundraising solicitations by related organization(s)	X	
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)		X
o Sharing of paid employees with related organization(s)		X
p Reimbursement paid to related organization(s) for expenses	X	
q Reimbursement paid by related organization(s) for expenses	X	
r Other transfer of cash or property to related organization(s)		X
s Other transfer of cash or property from related organization(s)		X

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) FRANCISCAN HEALTH FOUNDATION, INC.	C	4,902,575.	FMV
(2)			
(3)			
(4)			
(5)			
(6)			

Part VI **Unrelated Organizations Taxable as a Partnership.** Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V - UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	
(1)													
(2)													
(3)													
(4)													
(5)													
(6)													
(7)													
(8)													
(9)													
(10)													
(11)													
(12)													
(13)													
(14)													
(15)													
(16)													

Part VII **Supplemental Information**

Provide additional information for responses to questions on Schedule R. See instructions.

Franciscan Alliance, Inc. and Affiliates

**Consolidated Financial Statements
December 31, 2019 and 2018**

Franciscan Alliance, Inc. and Affiliates

Index

December 31, 2019 and 2018

	Page(s)
Report of Independent Auditors	1
Consolidated Financial Statements	
Consolidated Statements of Financial Position.....	2
Consolidated Statements of Operations and Changes in Net Assets	3–4
Consolidated Statements of Cash Flows	5
Notes to Consolidated Financial Statements	6–40



Report of Independent Auditors

To the Board of Trustees of Franciscan Alliance, Inc.

We have audited the accompanying consolidated financial statements of Franciscan Alliance, Inc. and Affiliates (collectively referred to as the "Corporation"), which comprise the consolidated statements of financial position as of December 31, 2019 and 2018, and the related consolidated statements of operations and changes in net assets and of cash flows for the years then ended.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Corporation's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Franciscan Alliance, Inc. and Affiliates as of December 31, 2019 and 2018, and the results of their operations, their changes in net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2 to the consolidated financial statements, the Corporation changed the manner in which it accounts for leases and how it reports certain restricted cash transactions in 2019. Our opinion is not modified with respect to these matters.

PricewaterhouseCoopers LLP

April 21, 2020

Franciscan Alliance, Inc. and Affiliates
Consolidated Statements of Financial Position
December 31, 2019 and 2018
(In thousands)

	2019	2018		2019	2018
Assets			Liabilities and Net Assets		
Current assets			Current liabilities		
Cash and cash equivalents	\$ 28,376	\$ 70,946	Current portion of long-term debt	\$ 24,180	\$ 23,168
Short-term investments	153,981	135,672	Current portion of lease liabilities	28,774	-
Patient accounts receivable	388,390	375,378	Accounts payable and accrued expenses	328,973	341,888
Inventories of supplies	57,688	51,341	Accrued payroll and related expenses	128,104	120,139
Other current assets	<u>149,542</u>	<u>101,202</u>	Estimated third-party payor settlements	<u>47,730</u>	<u>48,362</u>
Total current assets	777,977	734,539	Total current liabilities	557,761	533,557
Board designated and other investments	2,721,264	2,419,481	Long-term debt, net of current portion	1,179,985	1,189,675
Property, plant, and equipment, net	2,005,405	1,982,829	Lease liabilities, net of current portion	125,104	-
Investments in unconsolidated affiliates	13,051	14,333	Fair value of interest rate swap contracts	65,449	53,215
Right of use leased assets	152,736	-	Accrued pension liability	196,543	202,592
Other assets	162,017	134,167	Estimated insurance liabilities	115,456	118,611
Goodwill	24,541	24,541	Other liabilities	92,161	74,939
			Total liabilities	<u>2,332,459</u>	<u>2,172,589</u>
			Net assets without donor restrictions		
			Controlling interest	3,448,675	3,067,444
			Noncontrolling interest in consolidated affiliates	34,312	33,546
			Total net assets without donor restrictions	<u>3,482,987</u>	<u>3,100,990</u>
			Net assets with donor restrictions	41,545	36,311
			Total net assets	<u>3,524,532</u>	<u>3,137,301</u>
Total assets	<u>\$ 5,856,991</u>	<u>\$ 5,309,890</u>	Total liabilities and net assets	<u>\$ 5,856,991</u>	<u>\$ 5,309,890</u>

The accompanying notes are an integral part of these consolidated financial statements.

Franciscan Alliance, Inc. and Affiliates
Consolidated Statements of Operations and Changes in Net Assets
Years Ended December 31, 2019 and 2018
(In thousands)

	2019	2018
Changes in net assets without donor restrictions		
Revenues, gains, and other support		
Patient service revenue	\$ 3,060,470	\$ 2,928,734
Capitation and premium revenue	60,383	70,046
Other operating revenue	170,520	163,685
Equity in losses of investments in unconsolidated affiliates	(4,518)	(1,682)
Net unrealized investment gains (losses)	15,743	(16,354)
Net assets released from restrictions used for operations	110	109
Total revenues, gains, and other support	<u>3,302,708</u>	<u>3,144,538</u>
Operating expenses		
Salaries	1,269,989	1,209,572
Employee benefits	333,136	323,321
Physicians' fees	90,371	77,917
Medical supplies	241,895	231,944
Drugs and pharmaceuticals	209,483	187,868
Purchased services	282,383	264,545
Hospital assessment fees	112,356	93,409
Insurance	32,748	38,058
Interest	36,113	27,002
Depreciation and amortization	185,422	174,964
Other supplies and expenses	361,835	375,248
Total operating expenses before accelerated depreciation	<u>3,155,731</u>	<u>3,003,848</u>
Operating income before accelerated depreciation	<u>146,977</u>	<u>140,690</u>
Accelerated depreciation	<u>1,792</u>	<u>27,401</u>
Operating income	145,185	113,289
Nonoperating income (expense)		
Investment income	109,943	174,816
Net unrealized investment gains (losses) on trading securities	208,392	(275,398)
Net unrealized (losses) gains and periodic settlements on interest rate swap contracts	(19,076)	4,227
Net assets released from restrictions	4,114	3,862
Contributions	795	438
Other, net	(16,927)	(6,999)
Total nonoperating income (expense), net	<u>287,241</u>	<u>(99,054)</u>
Consolidated excess of revenues over expenses	<u>432,426</u>	<u>14,235</u>
Less amounts attributable to noncontrolling interest in consolidated affiliates	<u>(23,402)</u>	<u>(18,200)</u>
Excess (deficiency) of revenues over expenses attributable to the Corporation	<u>\$ 409,024</u>	<u>\$ (3,965)</u>
(continued on next page)		

The accompanying notes are an integral part of these consolidated financial statements.

Franciscan Alliance, Inc. and Affiliates
Consolidated Statements of Operations and Changes in Net Assets (continued)
Years Ended December 31, 2019 and 2018
(In thousands)

	Year Ended December 31, 2019			Year Ended December 31, 2018		
	Total	Controlling	Noncontrolling	Total	Controlling	Noncontrolling
Changes in net assets without donor restrictions						
Excess (deficiency) of revenues over expenses	\$ 432,426	\$ 409,024	\$ 23,402	\$ 14,235	\$ (3,965)	\$ 18,200
Change in pension and postretirement benefits other than net periodic pension costs included in accrued pension liability	(29,326)	(29,326)	-	(24,497)	(24,497)	-
Contributions received (made) of property, plant, and equipment	345	345	-	(705)	(705)	-
Distributions to noncontrolling interests in consolidated affiliates	(22,636)	-	(22,636)	(22,405)	-	(22,405)
Net assets released from restrictions used for purchase of property, plant, and equipment	754	754	-	949	949	-
Other, net	434	434	-	-	-	-
Increase (decrease) in net assets without donor restrictions	381,997	381,231	766	(32,423)	(28,218)	(4,205)
Changes in net assets with donor restrictions						
Contributions	7,695	7,695	-	7,461	7,461	-
Investment income	827	827	-	526	526	-
Net assets released from restrictions	(4,224)	(4,224)	-	(3,971)	(3,971)	-
Net assets released from restrictions used for purchase of property, plant, and equipment	(754)	(754)	-	(949)	(949)	-
Net unrealized investment gains (losses)	1,319	1,319	-	(497)	(497)	-
Other, net	371	371	-	(971)	(971)	-
Increase in net assets with donor restrictions	5,234	5,234	-	1,599	1,599	-
Increase (decrease) increase in net assets	387,231	386,465	766	(30,824)	(26,619)	(4,205)
Net assets at beginning of year	3,137,301	3,103,755	33,546	3,168,125	3,130,374	37,751
Net assets at end of year	\$ 3,524,532	\$ 3,490,220	\$ 34,312	\$ 3,137,301	\$ 3,103,755	\$ 33,546

The accompanying notes are an integral part of these consolidated financial statements.

Franciscan Alliance, Inc. and Affiliates
Consolidated Statements of Cash Flows
Years Ended December 31, 2019 and 2018
(In thousands)

	2019	2018
Cash flows from operating activities		
Increase (decrease) in net assets	\$ 387,231	\$ (30,824)
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	187,214	202,365
Loss on sale/disposal of assets	1,621	1,304
Net investment (gains) losses	(334,078)	116,936
Net unrealized losses (gains) on interest rate swap contracts	12,234	(11,956)
Distributions to noncontrolling interest in consolidated affiliates, net of contributions	22,636	22,405
Distributions from unconsolidated affiliates	1,185	901
Equity in losses of investments in unconsolidated affiliates	4,518	1,682
Change in pension and postretirement benefits other than net periodic pension costs included in accrued pension liability	(29,326)	(24,497)
Changes in operating assets and liabilities		
Patient accounts receivable	(13,012)	(5,539)
Inventories of supplies and other assets	(82,950)	10,621
Accounts payable and other current liabilities	(6,780)	(7,558)
Estimated insurance liabilities and other liabilities	14,067	909
Accrued pension liability	23,277	8,551
Total adjustments	<u>(199,394)</u>	<u>316,124</u>
Net cash provided by operating activities	<u>187,837</u>	<u>285,300</u>
Cash flows from investing activities		
Purchases of investments	(6,808,323)	(7,072,990)
Proceeds from sale of investments	6,858,579	7,066,368
Purchases of property, plant, and equipment	(189,123)	(342,971)
Proceeds from sale of property, plant, and equipment	210	565
Acquisition of physician practices and other health care providers	(27)	(588)
Capital contributions to investment in unconsolidated affiliates	(4,421)	(3,007)
Net cash used by investing activities	<u>(143,105)</u>	<u>(352,623)</u>
Cash flows from financing activities		
Principal payments on long-term debt	(28,396)	(27,384)
Distributions to noncontrolling interest in consolidated affiliates, net of contributions	(22,636)	(22,405)
Proceeds from donors	7,695	7,461
Net cash used by financing activities	<u>(43,337)</u>	<u>(42,328)</u>
Net increase in cash and cash equivalents and restricted cash and cash equivalents	1,395	(109,651)
Cash and cash equivalents and restricted cash and cash equivalents, beginning of year	<u>132,408</u>	<u>242,059</u>
Cash and cash equivalents and restricted cash and cash equivalents, end of year	<u>\$ 133,803</u>	<u>\$ 132,408</u>

The accompanying notes are an integral part of these consolidated financial statements.

Franciscan Alliance, Inc. and Affiliates

Notes to Consolidated Financial Statements

December 31, 2019 and 2018

1. Description of Organization, Mission, and Values

Organization

Franciscan Alliance, Inc. and Affiliates (collectively referred to as the “Corporation”), under the sponsorship of the Sisters of St. Francis of Perpetual Adoration, Inc., is an Indiana non-profit, Catholic health care system. The Corporation is dedicated to providing comprehensive health care services, including emergency, medical, surgical, behavioral, rehabilitative, and other health services in inpatient and outpatient settings; home health care services; and primary and specialty physician services to communities within four geographic regions in Indiana and Illinois (the “Health Centers”). Additionally, the Corporation has an accountable care organization, a physician hospital organization, a non-profit foundation, and a number of support related divisions and affiliates including a corporate office, a consolidated information technology services division, various back office/management support organizations, a construction company, and a captive insurance company. The Corporation also has various investments in consolidated and unconsolidated affiliates (Note 11). The Corporation is incorporated as a not-for-profit corporation under the laws of Indiana and is a tax-exempt organization as described in Section 501(c)(3) of the Internal Revenue Code (“IRC”).

Mission and Values

The Corporation’s mission statement is as follows:

Continuing Christ’s Ministry in Our Franciscan Tradition

The Corporation’s values are as follows:

Respect for Life

Fidelity to Our Mission

Compassionate Concern

Joyful Service

Christian Stewardship

Franciscan Alliance, Inc. and Affiliates
Notes to Consolidated Financial Statements
December 31, 2019 and 2018

Consistent with its mission and values, the Corporation provides medical care to all patients regardless of their ability to pay and continually works to enhance the health status of the communities in which it operates. As illustrated in the following summary of quantifiable community benefits, which has been prepared in accordance with the Catholic Health Association of the United States' policy document, the Corporation commits significant resources to provide services intended to benefit the poor and underserved with benefits measured at the total cost net of any offsetting revenues, donations, or other funds used to defray such costs.

	(Unaudited)	
	2019	2018
	(in thousands)	
Benefits for the poor and underserved		
Unreimbursed costs of Medicaid and other indigent care programs	\$ 126,218	\$ 131,803
Cost of charity care provided	114,648	96,426
Programs for those who are poor and underserved		
Community health improvement services	1,441	4,339
Subsidized health services	488	1,525
Financial and in-kind contributions	1,065	392
Community building activities	3	-
Total benefits for the poor and underserved	<u>243,863</u>	<u>234,485</u>
Benefits for the broader community		
Subsidized health services	44,481	40,091
Health professions education	13,136	14,657
Community health improvement services	3,676	5,508
Financial and in-kind contributions	820	1,408
Research	1,311	1,639
Community building activities	1,960	1,783
Community benefit operations	422	315
Total benefits for the broader community	<u>65,806</u>	<u>65,401</u>
Total quantifiable community benefits	<u>309,669</u>	<u>299,886</u>
Unreimbursed costs of Medicare	401,843	421,646
Total quantifiable community benefits including unreimbursed costs of Medicare	<u>\$ 711,512</u>	<u>\$ 721,532</u>

Total quantifiable community benefits including unreimbursed costs of Medicare were approximately 23% and 24% of total operating expenses for the years ended December 31, 2019 and 2018, respectively.

The Corporation also provides a significant amount of uncompensated care to patients which is not reported in the summary of quantifiable community benefits. Effective January 1, 2018, the Corporation adopted the Financial Accounting Standards Board ("FASB") Accounting Standard Update ("ASU") 2014-9, *Revenue from Contracts with Customers (Topic 606)* which requires revenue to be recognized in an amount that reflects the consideration the entity expects to be entitled to in an exchange for goods or services. Adoption of this ASU does not allow the separate reporting of the uncollectible amounts due from patients; however, the identification of this amount is needed for other purposes including governmental reporting and reimbursement calculations.

Franciscan Alliance, Inc. and Affiliates

Notes to Consolidated Financial Statements

December 31, 2019 and 2018

The Corporation has a system-wide charity care and uninsured discount policy that includes administrative procedures for qualifying and enrolling patients for charity care or uninsured/underinsured discounts. The Corporation also uses various analytical programs to assess a patient's ability to pay and it utilizes numerous mechanisms to inform and educate patients about financial assistance. Despite these rigorous efforts, patients who need subsidized care may not seek this assistance nor choose to enroll in Medicaid or other financial assistance programs. For these and other reasons, the Corporation believes a portion of its uncollectible amounts due from patients represents charity care delivered to individuals in the communities it serves consistent with its charitable health care mission. During the years ended December 31, 2019 and 2018, the Corporation incurred approximately \$52.5 million and \$50.4 million, respectively, as uncollectible amounts due from patients based on accumulated charges.

Benefits for the poor and underserved include the cost of providing programs and services to persons who are economically poor or are medically indigent and cannot afford to pay for health care services because they have inadequate resources and/or are uninsured or underinsured.

Benefits for the broader community include the costs of providing programs and services aimed at persons and groups for reasons other than poverty. These persons and groups may include needy populations that may not qualify as poor but need special services and support or broader populations who benefit from healthy community initiatives. These programs and services are not intended to be financially self-supporting.

Unreimbursed costs of Medicaid and other indigent care programs represent the cost (determined using a cost to charge ratio) of providing services to beneficiaries of public programs including State Medicaid and indigent care programs in excess of any payments received.

Charity care represents the cost (determined using a cost to charge ratio) of health care services, provided in accordance with the Corporation's charity care and uninsured patient discount policy, for which no or partial reimbursement will be received because of the recipient's inability to pay for those services.

Subsidized health services are net costs for billed services that are subsidized by the Corporation. These include services offered despite a financial loss because they are needed in the community and either other providers are unwilling to provide the services or the services would otherwise not be available in sufficient amount. Examples of services include emergency services, free standing community clinics, hospice care, behavioral health services, prenatal services, women's and children's services, palliative care, and parish nurse programs.

Health professions education includes the unreimbursed cost of training health professionals such as medical residents, nursing students, technicians, and students in allied health professions.

Community health improvement services are activities and services carried out to improve community health and well-being for which no patient bill exists. These services are not expected to be financially self-supporting, although some may be supported by outside grants or funding, which is netted against any amounts reported. Some examples include health education, health fairs, free or low cost health screening, immunization services, prescription medication assistance programs, and other various community outreach programs. The Corporation actively collaborates with community groups and agencies to assist those in need in providing such services.

Franciscan Alliance, Inc. and Affiliates

Notes to Consolidated Financial Statements

December 31, 2019 and 2018

Financial and in-kind contributions are made by the Corporation on behalf of the poor and underserved to various community agencies. These amounts include funds used for charitable activities as well as resources contributed directly to programs, organizations, and foundations for efforts on behalf of the poor and underserved. In-kind services include hours donated by staff to the community while on work time, overhead expenses of space donated to community groups, and donations of food, equipment, supplies, and other direct costs.

Research includes the unreimbursed cost of clinical and community health research and studies on health care delivery.

Community building activities include the costs of programs that improve the physical environment, promote economic development, enhance other community support systems, provide leadership development skills training, and build community coalitions.

Community benefit operations include costs associated with dedicated staff, community health needs and/or asset assessments, and other costs associated with the community benefit strategy and operations.

Unreimbursed costs of Medicare represent the cost (determined using a cost to charge ratio) of providing services primarily to elderly beneficiaries of the Medicare program in excess of any payments received.

2. Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of the Corporation and all wholly owned, majority-owned, and controlled organizations with all significant transactions and accounts between affiliates eliminated in consolidation. Investments in affiliates where the Corporation owns less than or equal to 50% and does not have operational control are recorded under the equity method of accounting unless the Corporation's control or investment percentage is insignificant in which case the Corporation uses the cost method.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management of the Corporation to make assumptions, estimates, and judgments that affect the amounts reported in the consolidated financial statements, including the notes thereto, and related disclosures of commitments and contingencies, if any. The Corporation considers critical accounting policies to be those that require more significant judgments and estimates in the preparation of its consolidated financial statements, including the following: recognition of patient service revenue; recorded values of investments and goodwill; reserves for employee health costs and losses and expenses related to professional and general liabilities; and risks and assumptions for measurement of the pension liability. Management relies on historical experience and other assumptions believed to be reasonable in making its judgments and estimates. Actual results could differ materially from those estimates.

Franciscan Alliance, Inc. and Affiliates

Notes to Consolidated Financial Statements

December 31, 2019 and 2018

New Accounting Standards

Recent Accounting Pronouncements Adopted

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. This ASU requires the rights and obligations arising from lease contracts be recognized as assets and liabilities on the consolidated statements of financial position for leases having a term greater than 12 months and that do not meet the criteria as a sales-type lease or a direct financing lease. This ASU also requires disclosure of key information regarding such leases. Subsequent to the issuance of ASU 2016-02, further implementation and quantification guidance was issued including offering an optional lease transition implementation method and a package of practical expedients so an organization would not have to reassess leases, historical lease classifications, and indirect lease costs. The Corporation adopted the ASU 2016-02 effective January 1, 2019 using the optional transition implementation method, in which it did not have to adjust comparable prior period information and disclosures, and utilized the package of practical expedients made available under the standard which allowed the Corporation to carryforward the historical assessment of whether contracts are or contain leases, lease classification, and initial direct costs. As a result of adopting this standard on January 1, 2019, the Corporation recorded \$170.2 million of right of use leased assets and lease liabilities on its consolidated statements of financial position.

In August 2016, the FASB issued ASU 2016-15, *Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments*. This guidance clarifies the classification of certain cash receipts and payments in the consolidated statements of cash flows. Also in November 2016, the FASB issued ASU 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash*, which requires an entity to show the changes in total cash, cash equivalents, restricted cash, and restricted cash equivalents on the consolidated statements of cash flows. The Corporation's adoption of these ASUs, having an effective date beginning January 1, 2019, conformed with the retrospective application requirement and was applied to all periods presented.

In March 2017, the FASB issued ASU 2017-07, *Compensation – Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost* which requires an employer to report the service cost component associated with pension and other postretirement plans, in the same line item as other compensation costs arising from services rendered by pertinent employees during the period. The other components of net benefit costs are required to be presented in the consolidated statements of operations and changes in net assets separately from the service cost component and outside a subtotal of operating income, if presented. This guidance had an effective beginning January 1, 2019. As a result of the adoption of ASU 2017-07, the Corporation recorded, within nonoperating income (expense) in the consolidated statement of operations and changes in net assets, \$5.8 million in benefit cost components other than the service cost associated with the pension and other postretirement plans.

New Accounting Pronouncements Not Yet Applicable

In August 2018, the FASB issued ASU 2018-14, *Compensation – Retirement Benefits – Defined Benefit Plans - General (Topic 715)*. This ASU modifies the disclosure requirements for employers that sponsor defined benefit pension or other postretirement plans. The ASU is effective January 1, 2021 with retrospective application required and early adoption permitted. The Corporation is currently assessing the impact of this ASU on its consolidated financial statements.

Franciscan Alliance, Inc. and Affiliates

Notes to Consolidated Financial Statements

December 31, 2019 and 2018

In May 2019, the FASB issued ASU 2019-06, *Intangibles – Goodwill and Other (Topic 350)*, *Business Combinations (Topic 805)*, and *Not-for-Profit Entities (Topic 958): Extending the Private Company Accounting Alternatives on Goodwill and Certain Identifiable Intangible Assets to Not-for-Profit Entities*. This ASU allows not-for-profits to apply accounting alternatives that simplify the subsequent accounting for goodwill and accounting for certain intangibles assets that are acquired. Not-for-profits that elect the goodwill accounting alternative must amortize goodwill over a period not greater than 10 years. Additionally, goodwill is only required to be tested for impairment when a triggering event occurs. Not-for-profits that elect the intangible asset accounting alternative may recognize fewer identifiable intangible assets in an acquisition. The Corporation is currently evaluating whether to elect the alternative.

Cash and Cash Equivalents

Cash and cash equivalents and restricted cash and restricted cash equivalents primarily consist of cash, treasuries, and other liquid marketable securities including interest bearing securities with original maturities of three months or less. The carrying amount of cash and cash equivalents approximates fair value because of the short maturities of these instruments.

Short-Term Investments

Short-term investments primarily consist of certificates of deposit, treasuries, and other highly liquid interest bearing securities with original maturities extending longer than three months.

Patient Accounts Receivable and Patient Service Revenue

Patient accounts receivable and patient service revenue is reported at the amount that reflects the consideration the Corporation expects to be entitled to in exchange for providing patient care.

Inventories of Supplies

Inventories, consisting primarily of medical/surgical supplies and pharmaceuticals, are stated at the lower of cost (average cost method) or market value.

Board Designated and Other Investments and Investment Income

Board designated investments represents investments set aside by board policy for future purposes including capital expenditures, acquisitions, improvements, mission programs, and, in addition, to provide for the Corporation to meet any current liquidity needs. The Corporation's board retains control of these investments and may, at its discretion and in certain circumstances, use them for other purposes. Assets limited as to use include assets under bond indenture and collateral related to interest rate swap agreements, investments maintained for the payment of estimated insurance liabilities, and amounts contributed by donors with stipulated restrictions.

Substantially all of the Corporation's board designated and other investments are invested and managed by professional managers in accordance with agreed-upon investment and socially responsible investing guidelines and are held in custody with a financial institution.

Board designated and other investments are measured at fair value, classified as trading securities, and consist of: cash and cash equivalents; U.S. government, state, municipal, and agency obligations; other fixed income securities; equity securities; asset backed securities; index funds, exchange traded funds, and mutual funds; unregistered mutual funds; and real estate investment trusts. Board designated and other investments also include alternative investments, consisting of investments in hedge funds, private credit and private equity investments, and real assets, which are generally measured based on their net asset value as a practical expedient for fair value that is further described in Note 4.

Franciscan Alliance, Inc. and Affiliates

Notes to Consolidated Financial Statements

December 31, 2019 and 2018

Investment earnings consist of dividends, interest, and realized gains and losses. In accordance with industry practice, investment earnings and unrealized gains and losses on assets limited as to use under bond indenture and interest rate swap agreements and estimated insurance liability funds are included in other operating revenue in the consolidated statements of operations and changes in net assets. Investment earnings and unrealized gains and losses from all other investments and board designated funds are included in nonoperating income (expense) in the consolidated statements of operations and changes in net assets, unless the investment earnings and any associated unrealized gains and losses are restricted by donor or by law.

Board designated and other investments are exposed to various risks such as interest rate, market, liquidity, performance, and credit risk. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term may affect the amounts reported in the consolidated statements of financial position and the consolidated statements of operations and changes in net assets.

Fair Value Measurement

The Corporation's consolidated financial statements reflect certain assets and liabilities recorded at fair value. Assets measured at fair value on a recurring basis in the Corporation's consolidated statements of financial position include: cash and cash equivalents; U.S. government, state, municipal, and agency obligations; other fixed income securities; asset backed securities; index funds, exchange traded funds, and mutual funds; corporate and foreign income securities; various types of equity securities; hedge funds; private credit and private equity investments; real assets; and benefit plan assets.

Fair value measurements reflected in the consolidated financial statements conceptually represent the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Generally accepted accounting principles establishes a fair value hierarchy that prioritizes the inputs used to measure fair value. This hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs.

The three levels of fair value hierarchy and a description of the valuation methodologies used for instruments measured at fair value are as follows:

- Level 1 Valuation is based upon quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 Valuation is based upon quoted prices for similar assets and liabilities in active markets or other inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial asset or liability.
- Level 3 Valuation is based upon other unobservable inputs that are significant to the fair value measurement.

The categorization of fair value measurements by hierarchy level is based upon the lowest level input that is significant to the overall fair value measurement for a given asset or liability.

Franciscan Alliance, Inc. and Affiliates

Notes to Consolidated Financial Statements

December 31, 2019 and 2018

The Corporation applies the guidance in Accounting Standards Codification 820-10-15-4, *Fair Value Measurements of Investments in Certain Entities that Calculate Net Asset Value per Share (or its Equivalent)*. Under this guidance, the Corporation is permitted, as a practical expedient, to estimate the fair value of certain investments on the basis of the net asset value per share. In the normal course of business, the Corporation holds certain investments that qualify for the usage of this practical expedient. Fair value measurements of certain investments for which the measurement was based on net asset value (“NAV”) or its equivalent as provided by an external manager are not required to be included within the fair value hierarchy leveling tables.

In the event that changes in the inputs used in the fair value measurements of an asset or liability results in a transfer of the fair value measurement to a different categorization (e.g., from Level 3 to Level 2), such transfers between fair value categories are recognized at the end of the reporting period.

Property, Plant, and Equipment

Property, plant, and equipment (including internal-use software) are recorded at cost if purchased or at fair value on the date received through affiliation or donation, less accumulated depreciation. Expenditures that materially increase values, change capacities, or extend useful lives are capitalized. Routine maintenance, repairs, and minor equipment replacement costs are charged to expense when incurred. Cost incurred in the development and installation of internal-use software are expensed or capitalized depending on whether they are incurred in the preliminary project stage, application development stage, or post implementation stage. Upon sale or retirement of property, plant, and equipment, the cost and related accumulated depreciation are eliminated from the respective accounts, and the resulting gain or loss is included in the consolidated statements of operations and changes in net assets. Interest costs incurred during the period of construction or development of capital assets are capitalized as a component of the cost of acquiring those assets. Depreciation is provided over the estimated useful lives of the assets utilizing the straight-line method or an accelerated method with a useful life range of between 3 to 60 years. Useful lives may be reassessed from time to time as facts and circumstances change in regard to how assets are being used. Assets under finance lease obligations are amortized utilizing the straight-line method over the shorter of the lease term or estimated useful life of the asset. Amounts capitalized for internal-use software are amortized over the useful life of the developed asset following project completion.

A conditional asset retirement obligation is recorded for any legal obligation associated with the retirement of long-lived assets resulting from the acquisition, construction, development, and/or normal use of the underlying assets. The associated asset retirement costs are capitalized as part of the carrying amount of the underlying asset and depreciated over the asset’s estimated useful life. The liability is accreted through charges to operating expense. If the conditional asset retirement obligation is settled for other than the carrying amount of the liability, a gain or loss on sale/disposal of assets is recognized. As of December 31, 2019 and 2018, conditional asset retirement obligations of approximately \$5.1 million and \$4.8 million, respectively, are included within accounts payable and accrued expenses and other liabilities in the consolidated statements of financial position.

Leases

The Corporation has operating and finance leases for various real estate and certain equipment. The Corporation determines if an arrangement is a lease at inception. Operating leases are included in right of use leased assets; current portion of lease liabilities; and lease liabilities, net of current portion on the consolidated statements of financial position as of December 31, 2019. Finance leases are included in property, plant, and equipment, net; current portion of long-term

Franciscan Alliance, Inc. and Affiliates

Notes to Consolidated Financial Statements

December 31, 2019 and 2018

debt; and long-term debt, net of current portion on the consolidated statements of financial position. Leases with an initial term of 12 months or less are not recognized on the consolidated statements of financial position; instead, lease expense for these agreements is recognized over the lease term.

Right of use leased assets and lease liabilities are recognized based on the net present value of the future minimum lease payments over the lease term at commencement date. The Corporation uses either the implicit rate noted within such agreement, when the rate can be determined, or a risk-free rate for measuring lease liabilities and for classification purposes. The right of use leased assets also includes any lease payments made and excludes lease incentives and initial direct costs incurred. The right of use leased assets include a value for options to extend or terminate, in the case it is reasonably certain that the option will be exercised. Lease payments are recognized on a straight-line basis over the lease term. Variable lease expense is recognized in the period in which the payments are made for these lease obligations.

Goodwill and Intangible Assets

Goodwill represents the future economic benefits arising from assets acquired that are not individually identified nor separately recognized. Goodwill is not amortized but is subject to an annual impairment test as well as more frequent reviews whenever circumstances indicate a possible impairment may exist.

Intangible assets are comprised primarily of covenants not to compete, which are amortized on a straight-line basis over periods ranging from 2 to 5 years, and are included within other assets in the consolidated statements of financial position.

Asset Impairment

Property and Equipment – The Corporation evaluates long-lived assets for possible impairment whenever events or changes in circumstances indicate that the carrying amount of the asset, or related group of assets, may not be recoverable from estimated future undiscounted cash flows. If the estimated future undiscounted cash flows are less than the carrying value of the asset, the impairment recognized is calculated as the carrying value of the long-lived assets in excess of the fair value of the assets. The fair value of the assets is estimated based on appraisals, established market values of comparable assets, or internal estimates of future net cash flows expected to result from the use and ultimate disposition of the assets.

Goodwill – Goodwill is tested for impairment on an annual basis or when an event or change in circumstance indicates the value of a reporting unit may have changed. Testing is conducted at the reporting unit level. If the carrying amount of the reporting unit goodwill exceeds the implied fair value of that goodwill, an impairment loss is recognized in an amount equal to that excess. Estimates of fair value are based on appraisals, established market prices for comparable assets, internal estimates of future net cash flows, as well as other generally accepted valuation methodologies.

Deferred Financing Costs

Deferred financing costs incurred with the Hospital and Health System Revenue and Refunding Bonds are amortized using the bonds outstanding method. Costs associated with securing the direct pay letters of credit to support its variable rate demand bonds are amortized over the term of the associated liquidity facility. Costs associated with the issuance of direct placement bonds are amortized over the associated direct placement period. Unamortized deferred financing costs are included in long-term debt, net of current portion in the consolidated statements of financial position.

Franciscan Alliance, Inc. and Affiliates

Notes to Consolidated Financial Statements

December 31, 2019 and 2018

Estimated Insurance Liabilities

The provision for estimated insurance liabilities includes actuarial estimates of the ultimate costs for both reported claims and claims incurred but not reported for professional liability, general liability, long-term disability insurance, workers' compensation, and amounts self-insured for allocated loss adjustment expenses.

Net Assets

The Corporation's financial statements have been prepared in accordance with U.S. GAAP, which require the Corporation to report information regarding its financial position and activities according to the following net asset classifications:

Net Assets Without Donor Restrictions – Net assets that are available for use in general operations and not subject to donor restrictions. These net assets may be used at the discretion of the Corporation and board of trustees.

Net Assets With Donor Restrictions – Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor or grantor. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the consolidated statements of operations and changes in net assets. Donor restricted contributions whose restrictions are met within the same year as received are reported as net assets without donor restrictions in the consolidated financial statements.

During 2019 and 2018, net assets of \$5.0 million and \$4.9 million, respectively, were released from donor restrictions by incurring expenses or capital expenditures satisfying the restricted purposes or by the passage of time.

Performance Indicator

The consolidated statements of operations and changes in net assets includes a performance indicator, excess of revenues over expenses, which includes operating income and nonoperating income (expense). The performance indicator excludes the change in pension and postretirement benefits other than net periodic pension costs which is included in accrued pension liability; contributions and distributions to noncontrolling interest in consolidated affiliates; and contributions of long-lived assets (including assets acquired using contributions which by donor restriction were to be used for the purposes of acquiring such assets).

Operating and Nonoperating Activities

The Corporation's primary mission is to meet the health care needs in the communities it is privileged to serve by providing a broad range of general and specialized health care services, including emergency, medical, surgical, behavioral, rehabilitative, and other health services in inpatient and outpatient settings; home health care services; and primary and specialty physician services. Additionally, the Corporation has an accountable care organization and a physician hospital organization. Activities directly associated with the furtherance of this purpose are considered to be operating activities. Other activities that result in gains or losses peripheral to the Corporation's primary mission are considered to be nonoperating activities.

Franciscan Alliance, Inc. and Affiliates

Notes to Consolidated Financial Statements

December 31, 2019 and 2018

Charity Care

As an integral part of its mission, the Corporation provides care to patients who meet certain criteria under its charity care and uninsured patient discount policy without charge or at amounts less than its established rates. The cost of charity care, as estimated below, is determined based on each Health Center's total cost as a percentage of total charges and that ratio is applied to the charges incurred by patients qualifying for charity care under the Corporation's policy. The charges associated with the provision of such care are not included in patient service revenue in the consolidated statements of operations and changes in net assets. The estimated cost of charity care provided approximated \$114.6 million and \$96.4 million for the years ended December 31, 2019 and 2018, respectively. The Corporation maintains records to identify and monitor the level of charity it provides.

Capitation and Premium Revenue

The Corporation has certain Health Centers that arrange for the delivery of health care services to enrollees through various contracts with providers and common provider entities. Enrollee contracts are negotiated on an annual basis. Premiums are due monthly and are recognized as revenue during the period in which the Corporation is obligated to provide services to enrollees.

Certain of the Corporation's Health Centers have entered into capitation agreements whereby they accept the risk for the provision of certain health care services to health plan members. Under these agreements, the Corporation's Health Centers are financially responsible for services provided to health plan members by other health care providers. Capitation revenue is recognized during the period for which the Health Centers are obligated to provide services to health plan enrollees under capitation contracts.

Reserves for incurred but not reported claims have been established to cover the unpaid costs of health care services under capitation and premium arrangements. Capitation and premium arrangement reserves are classified within accounts payable and accrued expenses in the consolidated statements of financial position. The liability is estimated based on actuarial studies, historical reporting, and payment trends. Actual claims experience may differ from estimated liabilities due to variances in estimated and actual utilization of health care services, charge amounts, and other factors. As settlements are made and estimates revised, any differences are reflected in current operations. The Corporation limits a portion of its liabilities through stop-loss reinsurance.

Income Taxes

The Corporation has established its status as an organization exempt from income taxes under the IRC Section 501(c)(3) and the laws of the states in which it operates. The Corporation is, however, subject to federal and state income taxes on unrelated business income under IRC Section 511. Certain divisions and affiliates are subject to federal and state income taxes; however, such amounts are not material to the consolidated financial statements.

Derivative Financial Instruments

Derivative financial instruments consist of interest rate swap contracts that are measured at fair value. The Corporation accounts for any changes in the fair value of derivative financial instruments in nonoperating income (expense) in the consolidated statements of operations and changes in net assets. The Corporation has reflected the fair value of its interest rate swap contracts as a long-term liability on the consolidated statements of financial position (Note 8).

Franciscan Alliance, Inc. and Affiliates
Notes to Consolidated Financial Statements
December 31, 2019 and 2018

Consolidated Statements of Cash Flows

Supplemental disclosure of cash flow information and noncash investing and financing activities are summarized as follows:

The following table provides a reconciliation of cash and cash equivalents, and restricted cash and cash equivalents reported within the consolidated statements of financial position to amounts shown in the consolidated statements of cash flows:

	2019	2018
	(in thousands)	
Cash and cash equivalents	\$ 28,376	\$ 70,946
Board designated investments	62,353	26,202
Restricted cash and cash equivalents included in assets whose use is limited	<u>43,074</u>	<u>35,260</u>
Total cash and cash equivalents and restricted cash and cash equivalents shown in the consolidated statements of cash flows	<u>\$ 133,803</u>	<u>\$ 132,408</u>

Amounts included in restricted cash and cash equivalents included in assets whose use is limited includes the following:

	2019	2018
	(in thousands)	
Assets under bond indenture and rate swap agreements	\$ 22,665	\$ 15,725
Other restricted investments	<u>20,409</u>	<u>19,535</u>
	<u>\$ 43,074</u>	<u>\$ 35,260</u>

Cash paid for interest, net of amounts capitalized, amounted to \$37.4 million and \$35.4 million for the years ended December 31, 2019 and 2018, respectively.

Net cash refunded for income taxes was \$93,000 for the year ended December 31, 2019 and net cash paid for income taxes was \$9,000 for the year ended December 31, 2018.

Included in accounts payable and accrued expenses and other liabilities at December 31, 2019 and 2018 are approximately \$12.4 million and \$10.1 million, respectively, of costs related to construction in progress and for the acquisition of property, plant, and equipment.

The Corporation paid \$55.6 million related to operating leases and \$4.9 million related to finance leases for the year ended December 31, 2019. For the year ended December 31, 2019, there were non-cash decreases in right of use leased assets and lease liabilities related to operating leases of \$17.5 million and \$16.3 million, respectively, and non-cash increases of \$15.6 million in both property, plant, and equipment, net and in long-term debt related to finance lease liabilities.

Reclassifications

Due to the adoption of new accounting guidance, various components of the 2018 consolidated statements of cash flows have been reclassified to conform with the 2019 presentation.

Franciscan Alliance, Inc. and Affiliates

Notes to Consolidated Financial Statements

December 31, 2019 and 2018

3. Patient Service Revenue

The Corporation provides health care services through various inpatient, outpatient, and ambulatory care settings. The Corporation recognizes patient service revenue at the amount that reflects the consideration to which it expects to be paid for providing such care. These amounts are due from patients, third-party payors (including health insurers and government programs) and others, and include variable consideration for retroactive adjustments due to settlement of audits and reviews by Medicare, and amounts received under various state Medicaid hospital assessment and disproportionate share programs. Generally, the Corporation bills patients and third-party payors several days after the services are performed and/or when a patient is discharged. Performance obligations are determined based on the nature of the services provided by the Corporation and patient service revenue is recognized as performance obligations are satisfied.

Patient service revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected or actual charges. Generally, performance obligations satisfied over time relate to patients in the Corporation's hospitals receiving inpatient acute care services. The performance obligation is measured from admission into the hospital to the point when it is no longer required to provide services to that patient, which is generally at the time of discharge. Outpatient services are performance obligations generally satisfied at a point in time and revenue is recognized when goods or services are provided. The Corporation believes that this method provides a fair depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligations.

Because all of its performance obligations relate to contracts with a duration of less than one year, the Corporation has elected to apply the optional exemption provided in FASB ASU 606-10-50-14(a) and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially satisfied at the end of the reporting period. The unsatisfied or partially unsatisfied performance obligations referred to above are primarily related to inpatient acute care services at the end of the reporting period. The performance obligations for these contracts are generally completed when the patients are discharged, which typically occurs within days or weeks of the end of the Corporation's reporting period.

The Corporation determines the transaction price based on standard charges for goods and services provided to patients reduced by contractual adjustments provided to third-party payors, discounts provided to uninsured and underinsured patients in accordance with the Corporation's policy, and/or implicit price concessions provided to uninsured and underinsured patients. The Corporation determines its estimates of contractual adjustments and discounts based on contractual agreements, its discount policies, and historical experience. The Corporation determines its estimate of implicit price concessions based on the aging of its patient accounts receivable, historical collection experience with uninsured and underinsured patients, and other relevant factors.

Patients who meet the Corporation's criteria for charity care are provided care without charge or at amounts less than established rates. Such amounts determined to qualify as charity care are not reported as patient service revenue as described in Note 2.

Franciscan Alliance, Inc. and Affiliates

Notes to Consolidated Financial Statements

December 31, 2019 and 2018

The Corporation uses a portfolio approach to account for categories of patient contracts as a collective group, rather than recognizing revenue on an individual contract basis. The portfolios consist of major payor classes for inpatient, outpatient, and physician revenue. Based on historical collection trends and other relevant factors, the Corporation believes that revenue recognized by utilizing the portfolio approach approximates the revenue that would have been recognized if an individual contract approach was used.

The Corporation has agreements with third-party payors that provide for payments at amounts different from its established rates. A summary of the payment arrangements with major third-party payors follows:

Medicare – Acute inpatient, outpatient, and home health services rendered to Medicare program beneficiaries are paid primarily at prospectively determined rates. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. Certain services are reimbursed at a tentative rate with final settlement determined after submission of annual cost reports and audits thereof by the Medicare fiscal intermediaries. Professional services rendered by physicians are paid based on the Medicare allowable fee schedule. One of the Corporation's Health Centers was granted Critical Access Status by Medicare and is paid based upon a cost plus reimbursement methodology with final settlement determined after submission of an annual cost report. In addition to these payment methodologies, Medicare has various mandatory and voluntary value based provider reimbursement programs.

Medicaid – Reimbursement for services rendered to Medicaid program beneficiaries includes prospectively determined rates per discharge, per diem payments, and fee schedules.

Certain of the Corporation's Health Centers qualify as State of Indiana Medicaid Acute Disproportionate Share and Medicaid Safety Net Hospitals ("DSH") under Indiana law (IC 12-15-16 (1-3)), and are eligible to receive DSH payments linked to the State's fiscal year, which differs from the Corporation's fiscal year. The amount of these additional DSH funds is dependent on regulatory approval by federal and state agencies and is determined by the level, extent, and cost of uncompensated care (as defined) and various other factors. The Corporation records such amounts as revenue when payments are received or based upon data from the State of Indiana that payments are determinable and probable of receipt. For the years ended December 31, 2019 and 2018, the Corporation recognized revenue of approximately \$40.4 million and \$53.9 million, respectively, related to the DSH program in the consolidated statements of operations and changes in net assets.

The Corporation's Indiana Health Centers participate in the State of Indiana's Hospital Assessment Fee ("HAF") program. The HAF program is a supplemental reimbursement program designed to help providers offset a portion of the cost of providing care to Medicaid and indigent patients. The HAF program is funded by a combination of federal and state resources and fees levied on hospital providers. The fee is used in part to increase reimbursement to eligible hospitals for services provided in both Medicaid fee-for-service and Medicaid managed care programs, and to fund the State share of disproportionate share hospital (DSH) payments. For the years ended December 31, 2019 and 2018, the Corporation's Indiana Health Centers recognized supplemental HAF reimbursement of \$108.2 million and \$84.1 million, respectively, which is recorded as a component of patient service revenue in the Corporation's consolidated statements of operations and changes in net assets. For the years ended December 31, 2019 and 2018, the Corporation's Indiana Health Centers recognized HAF fees of \$101.2 million and \$79.8 million, respectively, in the consolidated statement of operations and changes in net assets.

Franciscan Alliance, Inc. and Affiliates
Notes to Consolidated Financial Statements
December 31, 2019 and 2018

The Corporation's Illinois Health Centers are obliged under Illinois Public Act 95-859 to participate in the State of Illinois Hospital Assessment Program ("HAP") that assists in financing the State's Medicaid Program. In 2018, the Illinois General Assembly enacted legislation to redesign the HAP to be implemented in four phases over six years consisting of two, two-year phases followed by two, one-year phases with completion in 2024. On June 30, 2020, phase one of the HAP will sunset and the legislation will move to phase two of the program, which is currently under development. For the years ended December 31, 2019 and 2018, the Corporation's Illinois Health Centers recognized supplemental HAP and related reimbursement of \$19.4 million and \$25.8 million, respectively, which is recorded as a component of patient service revenue in the Corporation's consolidated statements of operations and changes in net assets. For the years ended December 31, 2019 and 2018, the Corporation's Illinois Health Centers recognized HAP related fees of \$11.2 million and \$13.6 million, respectively, in the consolidated statement of operations and changes in net assets.

The State of Illinois' Medicaid program has operated with budget deficits. The deficits include the continued practice of deferring Illinois Medicaid bills to future periods and have led to the State of Illinois' slowdown in claims processing and payments. As of December 31, 2019 and 2018, the Corporation's patient accounts receivable included amounts due from Illinois Medicaid of approximately \$15.8 million and \$17.7 million, respectively, representing approximately 11.0 and 8.1 months, respectively, of outstanding claims. Management continues to value these patient accounts receivable using historical collection rates.

Other – Reimbursement for services to certain patients is received from commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for reimbursement includes prospectively determined rates per discharge, discounts from established charges, prospectively determined per diem rates, and fee schedules. Like Medicare, commercial insurance companies are entering into various fee-for-value reimbursement programs with qualifying providers. In 2019 and 2018, the Corporation participated in various commercial ACO reimbursement programs in which the Corporation receives a care management fee per ACO participant and the opportunity to receive limited gainsharing and incentives based upon its performance as compared to established quality and efficiency benchmarks.

The composition of patient service revenue by payor for the years ended December 31, 2019 and 2018, is as follows:

	2019	2018
	(in thousands)	
Medicare	\$ 663,765	\$ 616,939
Medicare managed care	255,144	222,372
Medicaid	160,576	134,099
Medicaid managed care	180,668	214,994
Other third-party payors	1,664,196	1,622,060
Self-pay	111,723	92,697
Other	24,398	25,573
	<u>\$ 3,060,470</u>	<u>\$ 2,928,734</u>

Franciscan Alliance, Inc. and Affiliates
Notes to Consolidated Financial Statements
December 31, 2019 and 2018

The Corporation grants credit without collateral to its patients, most of who are insured under third-party payor agreements. The mix of receivables from patients and third-party payors at December 31, 2019 and 2018, is as follows:

	2019	2018
	(in thousands)	
Medicare	\$ 54,194	\$ 51,154
Medicare managed care	28,922	29,247
Medicaid	32,438	28,631
Medicaid managed care	22,326	21,371
Other third-party payors	184,972	183,385
Self-pay	49,111	49,395
Other	16,427	12,195
	<u>\$ 388,390</u>	<u>\$ 375,378</u>

The Corporation's practice is to assign a patient to the primary payor and not reflect other uninsured balances (for example, copays and deductibles) as self-pay. Therefore the payors listed contain patient responsibility components, such as co-pays and deductibles.

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. Compliance with such laws and regulations can be subject to future government review and interpretation, as well as regulatory action including fines, penalties, and/or exclusion from the Medicare and Medicaid programs. As a result, there is at least a reasonable possibility that recorded estimates may change in the near term. Patient service revenue (decreased)/increased by approximately (\$2.6) million and \$5.6 million for the years ended December 31, 2019 and 2018, respectively, due to changes in estimates related to prior-year settlements with third party payors.

Franciscan Alliance, Inc. and Affiliates
Notes to Consolidated Financial Statements
December 31, 2019 and 2018

4. Short-Term, Board Designated, and Other Investments

The composition of short-term, board designated, and other investments, at December 31, 2019 and 2018, is as follows:

	2019	2018
	(in thousands)	
Short-term investments	\$ 153,981	\$ 135,672
Board designated investments		
Funded depreciation and other Board projects	2,481,983	2,207,275
Other designated investments	2,126	1,865
	<u>2,484,109</u>	<u>2,209,140</u>
Assets limited as to use		
Estimated insurance liability funds	174,980	159,920
Assets under bond indenture and interest rate swap agreements	22,665	15,725
Other restricted investments	39,510	34,696
	<u>237,155</u>	<u>210,341</u>
Short-term, board designated, and other investments	<u>2,875,245</u>	<u>2,555,153</u>
Less short-term investments	<u>153,981</u>	<u>135,672</u>
Board designated and other investments, classified as noncurrent	<u>\$ 2,721,264</u>	<u>\$ 2,419,481</u>

Short-term, board designated, and other investments at December 31, 2019 and 2018, consist of the following:

	2019	2018
	(in thousands)	
Cash and cash equivalents	\$ 105,427	\$ 61,462
U.S. government, state, municipal, and agency obligations	285,411	254,823
Other fixed income securities	329,850	282,038
Equity securities	749,639	614,213
Asset backed securities	343,154	246,535
Index funds, exchange traded funds, and mutual funds	29,716	55,065
Unregistered mutual funds	368,890	303,091
Real estate investment trusts	2,674	3,237
Hedge funds	415,196	501,811
Private credit	13,540	13,152
Private equity	84,402	64,874
Real assets	147,346	154,852
	<u>\$ 2,875,245</u>	<u>\$ 2,555,153</u>

Franciscan Alliance, Inc. and Affiliates
Notes to Consolidated Financial Statements
December 31, 2019 and 2018

The following tables present the fair value hierarchy of the valuation techniques utilized to determine the fair value of the Corporation's short-term, board designated, and other investments as of December 31, 2019 and 2018:

Asset category	Level 1	Level 2	Level 3	Balance
				as of December 31, 2019
				(in thousands)
Cash and cash equivalents	\$ 105,427	\$ -	\$ -	\$ 105,427
U.S. government, state, municipal, and agency obligations	260,077	25,334	-	285,411
Other fixed income securities	-	329,850	-	329,850
Equity securities	749,511	-	128	749,639
Asset backed securities	-	343,154	-	343,154
Index funds, exchange funds, and mutual funds	29,716	-	-	29,716
Real estate investment trusts	2,674	-	-	2,674
	<u>\$ 1,147,405</u>	<u>\$ 698,338</u>	<u>\$ 128</u>	<u>1,845,871</u>
Investments measured at net asset value				<u>1,029,374</u>
Total investments at fair value as of December 31, 2019				<u>\$ 2,875,245</u>

Asset category	Level 1	Level 2	Level 3	Balance
				as of December 31, 2018
				(in thousands)
Cash and cash equivalents	\$ 61,462	\$ -	\$ -	\$ 61,462
U.S. government, state, municipal, and agency obligations	224,656	30,167	-	254,823
Other fixed income securities	-	282,035	3	282,038
Equity securities	614,092	-	121	614,213
Asset backed securities	-	246,535	-	246,535
Index funds, exchange funds, and mutual funds	55,065	-	-	55,065
Real estate investment trusts	3,237	-	-	3,237
	<u>\$ 958,512</u>	<u>\$ 558,737</u>	<u>\$ 124</u>	<u>1,517,373</u>
Investments measured at net asset value				<u>1,037,780</u>
Total investments at fair value as of December 31, 2018				<u>\$ 2,555,153</u>

Certain investments categorized within Level 2 are not traded in active markets but are measured using pricing sources such as broker quotes or using models with externally verifiable inputs, such as relevant interest or exchange rates.

There were no significant transfers to or from Levels 1 and 2 during the years ended December 31, 2019 and 2018.

Franciscan Alliance, Inc. and Affiliates
Notes to Consolidated Financial Statements
December 31, 2019 and 2018

The following table summarizes the Corporation's investments calculated on a NAV per share basis (or its equivalent), the unfunded commitments, and the associated redemption provisions at December 31, 2019:

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
	(in thousands)			
Unregistered mutual funds	\$ 368,890	\$ -	Monthly	1 day
Hedge funds	415,196	-	Monthly, quarterly, annually	5 - 180 days
Private credit	13,540	4,589	Not currently redeemable	-
Private equity	84,402	104,319	Not currently redeemable	-
Real assets	147,346	10,634	Monthly, quarterly, not currently redeemable	45 days
	<u>\$ 1,029,374</u>	<u>\$ 119,542</u>		

Unregistered mutual funds include funds that primarily invest in domestic and international equities and short-term government, investment grade, high yield, and mortgage-related fixed income securities. The fair values of the investments in this class have been estimated using the NAV per share of the investments.

Hedge funds include investments in funds that utilize market movement, trends, and inconsistencies when selecting securities across a variety of markets. Certain hedge funds are usually less exposed to the overall market and are likely to include long equity positions hedged with short positions to cancel out short-term uncertainty. The fair values of the investments in this class have been estimated using the NAV per share of the investments.

Private credit includes investments that are secured by high quality assets or backed by a senior claim on stable cash flows. Investments in this asset class will be made opportunistically during periods of broad market or security specific distress. The fair values of the investments in this class have been estimated using the NAV of the Corporation's ownership interest in the partners' capital. Investments within these funds cannot be currently redeemed. After the expiration of the investment period, distributions from each fund will be received as the underlying investments of the funds are liquidated. It is estimated that the underlying assets of the funds will be liquidated over the next 1 to 2 years. However, the individual investments that will be sold have not yet been determined.

Private equity includes funds that invest globally using strategies that include leveraged buyouts, venture capital, growth capital, distressed investments, and mezzanine capital. The fair values of the investments in this class have been estimated using the NAV of the Corporation's ownership interest in the partners' capital. Investments within these funds cannot be currently redeemed. After the expiration of the investment period, distributions from each fund will be received as the underlying investments of the funds are liquidated. It is estimated that the underlying assets of the funds will be liquidated over the next 1 to 11 years. However, the individual investments that will be sold have not yet been determined.

Real assets include energy and energy-related investments and private real estate funds that invest in both U.S. and international commercial real estate. Energy and energy-related investment exposure mainly relate to oil and gas properties which include exploration, production, processing, servicing, or transportation of oil, natural gas, and other hydrocarbon fuels. Private real estate investment strategies include core, value-add, and opportunistic real estate which typically seek to earn a return over inflation. The fair values of the investments in this class have been estimated using the NAV of the Corporation's ownership interest in the partners' capital. Investments

Franciscan Alliance, Inc. and Affiliates
Notes to Consolidated Financial Statements
December 31, 2019 and 2018

representing approximately 71% of the value of the investments in this class cannot be redeemed because the investments include redemption restrictions that range from 1 to 10 years after acquisition. After the expiration of the investment period, distributions from each fund will be received as the underlying investments of the funds are liquidated. It is estimated that the underlying assets of the funds will be liquidated over the next 1 to 6 years. However, the individual investments that will be sold have not yet been determined.

Investment returns including net unrealized gains (losses) included in the consolidated statements of operations and changes in net assets for the years ended December 31, 2019 and 2018, are as follows:

	2019	2018
	(in thousands)	
Revenues, gains, and other support		
Investment income in other operating revenue	\$ 5,176	\$ 9,911
Net unrealized investment gains (losses)	15,743	(16,354)
	<u>20,919</u>	<u>(6,443)</u>
Nonoperating income (expense)		
Investment income	109,943	174,816
Net unrealized investment gains (losses) on trading securities	208,392	(275,398)
	<u>318,335</u>	<u>(100,582)</u>
Net assets with donor restrictions, controlling interest		
Investment income	827	526
Net unrealized investment gains (losses)	1,319	(497)
	<u>2,146</u>	<u>29</u>
	<u>\$ 341,400</u>	<u>\$ (106,996)</u>

5. Property, Plant, and Equipment

A summary of property, plant, and equipment at December 31, 2019 and 2018, is as follows:

	2019	2018
	(in thousands)	
Land and land improvements	\$ 173,376	\$ 161,155
Buildings and building equipment	1,850,386	1,616,904
Departmental equipment	1,665,626	1,590,881
Construction in progress	52,258	252,130
	<u>3,741,646</u>	<u>3,621,070</u>
Less accumulated depreciation	<u>1,736,241</u>	<u>1,638,241</u>
	<u>\$ 2,005,405</u>	<u>\$ 1,982,829</u>

At December 31, 2019, the remaining contractual commitments on construction in progress is approximately \$15.8 million and will be financed by a combination of cash flow from operations and existing funds.

The Corporation consolidated the majority of its clinical services from its Franciscan Health Chicago Heights campus to its Franciscan Health Olympia Fields campus during 2018. In January

Franciscan Alliance, Inc. and Affiliates
Notes to Consolidated Financial Statements
December 31, 2019 and 2018

2019, the Corporation relocated the majority of clinical operations at its Franciscan Health Michigan City campus to a newly constructed campus. These activities required a change in the estimated useful life of the campus assets resulting in the acceleration of depreciation for the years ended December 31, 2019 and 2018 of \$1.8 million and \$27.4 million, respectively.

6. Leases

The Corporation has lease commitments for real estate as well as medical and office equipment. The lease term begins at the lease commencement date which is determined based on the noncancelable term of the lease. The Corporation's remaining operating lease terms range from 1 to 19 years, with the obligations ending December 31, 2038. The Corporation's remaining finance lease terms range from 1 to 7 years, with the obligations ending November 30, 2026. The finance lease agreements have standard lease payments that may include purchase options at the end of the agreements.

The following table summarizes the Corporation's leased assets and lease liabilities within the consolidated statements of financial position at December 31, 2019:

	2019
	(in thousands)
Total leased assets	
Operating lease assets classified as right of use leased assets	\$ 152,736
Finance lease assets classified as property, plant, and equipment, net	<u>23,006</u>
	<u>\$ 175,742</u>
Total lease liabilities	
Operating lease liabilities	\$ 153,878
Finance lease liabilities	<u>24,412</u>
	<u>\$ 178,290</u>

The components of lease expense are recorded as other expenses in the consolidated statements of operations and changes in net assets, excluding interest on finance lease liabilities which is recorded to interest expense. The components of lease expense included in the consolidated statements of operations and changes in net assets for the year ending December 31, 2019 is as follows:

	2019
	(in thousands)
Operating lease expense	\$ 36,441
Short-term lease expense	973
Variable lease expense	18,184
Finance lease expense	
Depreciation of leased assets	4,167
Interest on lease liabilities	<u>759</u>
Total lease expense	<u>\$ 60,524</u>

Franciscan Alliance, Inc. and Affiliates
Notes to Consolidated Financial Statements
December 31, 2019 and 2018

At December 31, 2019, the minimum future lease payments under these leases are as follows:

Years ended December 31,	(in thousands)		
	Operating	Finance	Total
2020	\$ 32,000	\$ 4,385	\$ 36,385
2021	27,913	5,008	32,921
2022	22,484	4,485	26,969
2023	19,328	4,222	23,550
2024	16,337	2,695	19,032
Thereafter	50,106	6,435	56,541
Total lease payments	<u>\$168,168</u>	<u>\$27,230</u>	<u>\$195,398</u>
Less: imputed interest	<u>(14,290)</u>	<u>(2,818)</u>	<u>(17,108)</u>
Present value of minimum lease payments	<u>\$153,878</u>	<u>\$24,412</u>	<u>\$178,290</u>

Other information related to leases for the year ending December 31, 2019, is as follows:

Weighted-average remaining lease term (in years):	
Operating leases	8.10
Finance leases	7.37
Weighted-average discount rate:	
Operating leases	2.59%
Finance leases	3.35%

Franciscan Alliance, Inc. and Affiliates
Notes to Consolidated Financial Statements
December 31, 2019 and 2018

7. Long-Term Debt

Long-term debt at December 31, 2019 and 2018, consists of the following:

	<u>Year of Final Maturity</u>	<u>Interest Rate Range over Life of Bonds</u>		<u>2019</u>	<u>2018</u>
				(in thousands)	
Tax Exempt Hospital and Health System Revenue and Refunding Bonds					
Fixed rate term and serial bonds					
Series 2008C	2022	5.0%		\$ 22,650	\$ 32,270
Series 2009A	2019	5.0%		-	3,310
Series 2016A	2051	4.0%-5.0%		200,000	200,000
Series 2016B	2041	3.0%-5.0%		83,730	83,810
Series 2017B	2032	5.0%		148,135	148,135
Series 2017C	2039	3.0%-5.0%		191,140	191,140
Bond discounts and premiums, net				45,029	49,696
Total fixed rate term and serial bonds				<u>\$ 690,684</u>	<u>\$ 708,361</u>
		<u>Interest Rate Range 2019</u>	<u>Interest Rate Range 2018</u>		
Variable rate direct placement bonds					
Series 2012A	2048	1.72% - 2.37%	2.19% - 2.81%	\$ 75,000	\$ 75,000
Series 2014A	2048	1.85% - 2.93%	1.83% - 2.77%	50,000	50,000
Series 2016C	2041	1.84% - 2.42%	1.76% - 2.31%	72,920	74,705
Series 2016D	2041	1.77% - 2.35%	1.69% - 2.24%	72,810	74,590
Series 2016E	2048	1.84% - 2.42%	1.76% - 2.31%	63,895	63,895
Series 2017A	2048	1.91% - 2.52%	1.60% - 2.38%	45,250	45,250
Total variable rate direct placement bonds				<u>\$ 379,875</u>	<u>\$ 383,440</u>
Variable rate demand bonds, subject to seven-day or daily put provisions supported by direct pay bank letters of credit					
Series 2008F	2048	1.04% - 2.32%	0.95% - 1.86%	45,200	45,200
Series 2008I	2037	0.85% - 2.30%	0.52% - 1.84%	34,285	35,985
Series 2008J	2037	0.85% - 2.30%	0.52% - 1.84%	34,285	35,995
Total variable rate demand bonds				<u>\$ 113,770</u>	<u>\$ 117,180</u>
Other debt					
Finance lease obligations (excluding imputed interest of \$2,818 and \$1,073 at December 31, 2019 and 2018, respectively)				\$ 24,412	\$ 8,846
Deferred financing costs and other				(4,576)	(4,984)
Total long-term debt				1,204,165	1,212,843
Less current portion of long-term debt				(24,180)	(23,168)
Long-term debt, net of current portion				<u>\$ 1,179,985</u>	<u>\$ 1,189,675</u>

Franciscan Alliance, Inc. and Affiliates
Notes to Consolidated Financial Statements
December 31, 2019 and 2018

At December 31, 2019, scheduled principal payments on long-term debt are as follows:

Years ended December 31	Fixed and Variable Rate Bonds	Finance Lease & Other Obligations (in thousands)	Total
2020	\$ 19,975	\$ 4,205	\$ 24,180
2021	20,920	4,596	25,516
2022	21,835	4,238	26,073
2023	22,885	4,055	26,940
2024	23,955	2,592	26,547
Thereafter	1,029,730	4,726	1,034,456
	<u>\$ 1,139,300</u>	<u>\$ 24,412</u>	<u>\$ 1,163,712</u>

Total interest costs incurred on the long-term debt less capitalized interest for the years ended December 31, 2019 and 2018 are as follows:

	2019	2018
	(in thousands)	
Interest costs incurred	\$ 36,900	\$ 37,702
Less capitalized interest	787	10,700
Interest expense included in operating income	<u>\$ 36,113</u>	<u>\$ 27,002</u>

The fair value of the Corporation's long-term debt at December 31, 2019 and 2018 approximates \$1.285 billion and \$1.264 billion, respectively. The fair values of the Corporation's underlying tax exempt Hospital and Health System Revenue Bonds and Refunding Bonds are based on current traded values for similar types of borrowings which are considered Level 2 inputs as described in Note 2.

Obligated Group and Designated Group Affiliates and Other Requirements - The Corporation has long-term debt outstanding under a Master Trust Indenture dated November 1, 1997, as amended and supplemented ("MTI"). The MTI permits the Corporation to issue obligations to finance certain activities. The Corporation and any future other members of the Obligated Group created under the MTI are jointly and severally liable with respect to the payment of each obligation issued under the MTI. In addition, the MTI provides that certain affiliates of the Corporation may be designated as Designated Group Affiliates from time to time and the Corporation covenants to cause each of its Designated Group Affiliates to pay, loan, or otherwise transfer to the Obligated Group such amounts necessary to pay the obligations issued under the MTI. The Designated Group Affiliates are not members of the Obligated Group and are not directly liable for payments on the obligations. The Corporation has granted a security interest in its unrestricted receivables for the benefit of the owners of the obligations. The MTI includes covenants which require the Corporation to maintain a minimum debt service coverage ratio of 1.10 and limit the Obligated Group's and Designated Affiliates' ability to encumber certain of their assets. As of December 31, 2019 and 2018, the Corporation was in compliance with the terms of the MTI and there were no other Obligated Group members nor any Designated Group Affiliates.

Franciscan Alliance, Inc. and Affiliates

Notes to Consolidated Financial Statements

December 31, 2019 and 2018

Variable Rate Demand Bonds – Included in the Corporation's debt is approximately \$113.8 million of variable rate demand bonds, Series 2008F, Series 2008I, and Series 2008J. The Corporation has entered into irrevocable letters of credit with multiple financial institutions to secure bond repayment and interest obligations associated with its variable rate demand bonds. These liquidity facilities are available to the Corporation should the obligations be presented for purchase and not remarketed. There were no outstanding draws on the letters of credit as of December 31, 2019. Additionally, these facilities (if utilized) generally have repayment terms for bonds held by the letter of credit banks that amortize ratably over 3 to 5 years, depending on the facility used. Termination dates for the various liquidity facility agreements have expiration dates extending through October 2022.

Variable Rate Direct Placement Bonds – Included in the Corporation's debt is approximately \$379.9 million of direct placement bonds, Series 2012A, Series 2014A, Series 2016C through 2016E, and Series 2017A. The Corporation has executed various variable rate direct placement agreements whereby the credit provider purchased these bonds for a predetermined period after which the agreement must be extended or the bonds must be remarketed or refinanced. Termination dates for these various variable rate direct placement agreements have expiration dates extending from November 2021 through October 2026.

During 2018, the Corporation amended the Series 2012A, Series 2014A, and Series 2017A variable rate direct placement bond agreements to minimize the increase in interest rates when the federal tax rate was decreased under the Tax Cuts and Jobs Act. As part of these amendments, the Series 2012A variable rate direct placement bond was extended for three years; however, the Series 2014A and Series 2017A variable rate direct placements bond tenors remained unchanged.

8. Interest Rate Swap Contracts

The Corporation utilizes interest rate swaps to manage interest rate risk associated with its variable rate bonds. Cash payments on the interest rate swap contracts totaled \$6.8 million and \$7.7 million for the years ended December 31, 2019 and 2018, respectively. At December 31, 2019 and 2018, the interest rate swap contracts were in a liability position with a fair value of approximately \$65.4 million and \$53.2 million, respectively. The fair value of the Corporation's interest rate swap contracts are based on observable inputs, such as interest rates and credit risk spreads, that fall within Level 2 of the hierarchy of fair value inputs as described in Note 2. Certain of the Corporation's interest rate swap agreements include collateral funding requirements based on the market value of these contracts. At December 31, 2019 and 2018, the Corporation had posted \$22.7 million and \$15.7 million, respectively, to satisfy its collateral funding obligations on these contracts which are included in assets under bond indenture and interest rate swap agreements within board designated and other investments on the consolidated statements of financial position.

9. Retirement Benefits

Prior to 2014, the Corporation had various retirement programs in place due to acquisitions made over the years. Effective January 1, 2014, the Corporation amended its retirement program to have all employees (except for those from one of its Health Centers and its construction company) covered by one comprehensive retirement program that administers benefits under two different tracks. Under track A, future employer-provided retirement benefits are provided entirely through the defined benefit pension plan. Under track B, future employer-provided retirement benefits are provided through both the defined benefit pension plan and the defined contribution benefit plan. Effective September 1, 2015, the Corporation further amended its retirement program for all new

Franciscan Alliance, Inc. and Affiliates
Notes to Consolidated Financial Statements
December 31, 2019 and 2018

employees so that employer-provided retirement benefits will be provided entirely through the defined contribution benefit program (track C).

Noncontributory Defined Benefit Pension Plan – As discussed above, the Corporation has a qualified, noncontributory defined benefit pension plan covering eligible employees in retirement tracks A and B. The plan provides defined benefits based on years of service and final average salary. Because the qualified, non-contributory defined benefit pension plan has church plan status as defined in the Employee Retirement Income Security Act of 1974 (“ERISA”), funding in accordance with ERISA is not required as discussed in Note 10. The Corporation’s funding policy for the qualified plan, which is reviewed annually and may be adjusted as needed, is to fund the normal service cost based on the accrued benefit liability for the plan’s year and amortize any under or over funding over a ten year period.

In 2016, the Corporation amended its defined benefit plan to allow active participants to take their benefits as a lump sum when they terminate employment or retire. The plan’s projected benefit obligations decreased by \$52.9 million and \$57.8 million in 2019 and 2018, respectively, related to lump sum distributions and no settlement charges were recognized.

The Corporation’s measurement date for all pension calculations is December 31.

The change in projected benefit obligation, change in plan assets, and funded status of the Corporation’s pension plans as of December 31, 2019 and 2018, are as follows:

	2019	2018
	(in thousands)	
Change in benefit obligation		
Benefit obligation, beginning of year	\$ 1,513,451	\$ 1,652,255
Service cost	43,262	50,238
Interest cost	64,712	60,266
Plan curtailment and termination	(2,257)	-
Actuarial loss (gain)	265,132	(146,421)
Expenses paid	(2,536)	-
Benefits paid from plan assets	(98,490)	(102,887)
Benefit obligation, end of year	<u>1,783,274</u>	<u>1,513,451</u>
Change in plan assets		
Fair value of plan assets, beginning of year	1,310,859	1,433,894
Actual return (loss) on plan assets	293,833	(102,726)
Employer contributions	82,867	82,578
Expenses paid	(2,536)	-
Benefits paid from plan assets	(98,490)	(102,887)
Fair value of plan assets, end of year	<u>1,586,533</u>	<u>1,310,859</u>
Funded status	<u>\$ (196,741)</u>	<u>\$ (202,592)</u>
Amounts recognized in the consolidated statements of financial position		
Noncurrent assets	\$ 173	\$ -
Current liabilities	(371)	-
Noncurrent liabilities	(196,543)	(202,592)
Total amount recognized	<u>\$ (196,741)</u>	<u>\$ (202,592)</u>

Franciscan Alliance, Inc. and Affiliates
Notes to Consolidated Financial Statements
December 31, 2019 and 2018

The amounts in net assets without donor restriction, including amounts arising during the year and amounts reclassified into net periodic benefit cost, are as follows:

	Net Gain (Loss)	Prior Service Cost (in thousands)	Total
December 31, 2017	\$ (382,200)	\$ 29,853	\$ (352,347)
Amounts reclassified into net periodic benefit cost	28,198	(4,767)	23,431
Amounts arising during the year	<u>(47,928)</u>	<u>-</u>	<u>(47,928)</u>
December 31, 2018	(401,930)	25,086	(376,844)
Amounts reclassified into net periodic benefit cost	30,241	(4,767)	25,474
Amounts arising during the year	<u>(54,800)</u>	<u>-</u>	<u>(54,800)</u>
December 31, 2019	<u>\$ (426,489)</u>	<u>\$ 20,319</u>	<u>\$ (406,170)</u>

The following are estimated amounts to be amortized from net assets without donor restriction into net periodic pension cost in the next fiscal year. Unrecognized prior service cost/credit is amortized on a straight line basis over the average remaining service period of participants who are expected to receive a benefit and are active at the date of the plan amendment.

	(in thousands)
Unrecognized prior service cost	\$ 4,767
Unrecognized loss	<u>(29,596)</u>
Total amount expected to be amortized from net assets in 2020	<u>\$ (24,829)</u>

The accumulated benefit obligation ("ABO") at December 31, 2019 and 2018 was \$1.65 billion and \$1.41 billion, respectively. The following information is provided for plans with an ABO in excess of plan assets at December 31, 2019 and 2018:

	2019	2018
	(in thousands)	
Projected benefit obligation	\$ 1,779,126	\$ 1,513,451
ABO	\$ 1,653,841	\$ 1,409,010
Fair value of plan assets	\$ 1,582,213	\$ 1,310,859

Franciscan Alliance, Inc. and Affiliates
Notes to Consolidated Financial Statements
December 31, 2019 and 2018

Components of net periodic pension cost for the years ended December 31, 2019 and 2018 are as follows:

	2019	2018
	(in thousands)	
Service cost	\$ 43,262	\$ 50,238
Interest cost	64,712	60,266
Expected return on plan assets	(84,363)	(91,622)
Amortization of prior service cost	(4,767)	(4,767)
Amortization of net loss	30,241	28,198
Net periodic pension cost	\$ 49,085	\$ 42,313

The following weighted-average assumptions were used to determine the Corporation's benefit obligations and net periodic pension cost for the years ended December 31:

	2019	2018
Benefit obligation		
Discount rate	3.37 %	4.43 %
Rate of compensation increase	4.70 %	4.70 %
Net periodic pension cost		
Discount rate	4.43 %	3.71 %
Expected rate of return on plan assets	6.45 %	6.46 %
Rate of compensation increase	4.70 %	4.70 %

In developing the expected rate of return on plan assets assumption, the Corporation considered the historical returns and the expectation for future returns of each asset class, as well as the target asset allocation of the pension investment portfolio. The rate of return on plan assets assumption also considers investment and administrative expenses.

The discount rate assumption reflects the yield of a portfolio of high quality bonds matched against the timing and amount of projected future benefit payments as of the measurement date.

As of December 31, 2019, the Corporation adopted the Society of Actuaries Pri-2012 Mortality Table and MMP-2019 Mortality Improvement Projection Scale to update longevity expectations related to the pension plans.

Franciscan Alliance, Inc. and Affiliates
Notes to Consolidated Financial Statements
December 31, 2019 and 2018

The Corporation's pension investment policy considers the long-term nature of the asset pool as well as the liabilities it is designated to fund. The pension investment policy utilizes a liability driven investment strategy to better hedge against interest rate risk on investments and volatility of the pension liability given changes in the discount rate. The Corporation considers the risk and return characteristics of the various asset classes available to institutional investors and seeks guidance from outside investment advisors. The Corporation has established the following targeted asset allocation that categorizes assets into de-risking assets (cash and liability-driven fixed income assets) and return seeking/growth assets (equity securities and multi-strategy hedge fund of funds) given different levels of the pension plans' funded status.

Pension Plan Funded Status	De-Risking Assets	Return Seeking/ Growth Assets
< 90%	45%	55%
90% - 95%	55%	45%
95% - 100%	65%	35%
100% - 105%	75%	25%
105% - 110%	80%	20%
110%+	85%	15%

For the years ended December 31, 2019 and 2018, the funded status of the Corporation's pension plans was 89% and 87%, respectively, when measured on a projected benefit obligation basis. For each level of funded status, the acceptable range of allocation among the de-risking and return seeking/growth assets, is plus or minus 10% around the strategic targets outlined above. The Corporation's asset allocation as of December 31, 2019 and 2018 was as follows:

	Percentage of Plan Assets	
	2019	2018
De-Risking Portfolio	56%	48%
Return Seeking/Growth Portfolio	44%	52%
	<u>100%</u>	<u>100%</u>

Assets are invested to achieve a rate of return consistent with the policy allocation targets which significantly contributes to meeting the current and future obligation of the plan and helps to ensure solvency of the plan over time. It is expected that this objective can be achieved through a well-diversified asset portfolio and an emphasis on long-term capital appreciation as a primary source of return. The plan utilizes a multi-manager structure of complementary investment styles and classes with manager performance judged over an investment market cycle which is generally 3 to 5 years. Plan assets are exposed to risk and fluctuations in market value from year to year. To minimize risk, each manager is required to maintain adequate portfolio diversification to insulate the plan assets from substantial loss in any single security or market sector. Asset allocation is reviewed every quarter and rebalanced as necessary.

Franciscan Alliance, Inc. and Affiliates
Notes to Consolidated Financial Statements
December 31, 2019 and 2018

Cash Flows

During 2020, the Corporation anticipates making contributions of approximately \$29.4 million to fund the normal service cost in accordance with its standard funding policy. The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid as follows:

	(in thousands)
2020	\$ 105,586
2021	106,153
2022	109,362
2023	109,859
2024	110,626
Years 2025-2029	544,612

The following tables summarize the Corporation's pension assets, measured at fair value as of December 31, 2019 and 2018, respectively.

Asset category	Level 1	Level 2	Level 3	Balance
				as of December 31, 2019
	(in thousands)			
Cash and cash equivalents	\$ 34,012	\$ -	\$ -	\$ 34,012
U.S. government, state, municipal, and agency obligations	175,772	52,698	-	228,470
Other fixed income securities	-	657,145	-	657,145
Equity securities	404,791	-	-	404,791
Real estate investment trusts	4,747	-	-	4,747
	<u>\$ 619,322</u>	<u>\$ 709,843</u>	<u>\$ -</u>	1,329,165
Investments measured at net asset value				<u>257,368</u>
Total investments at fair value as of December 31, 2019				<u>\$ 1,586,533</u>

Franciscan Alliance, Inc. and Affiliates
Notes to Consolidated Financial Statements
December 31, 2019 and 2018

Asset category	Level 1	Level 2	Level 3	Balance as of December 31, 2018
	(in thousands)			
Cash and cash equivalents	\$ 56,498	\$ -	\$ -	\$ 56,498
U.S. government, state, municipal, and agency obligations	115,970	38,042	-	154,012
Other fixed income securities	-	468,690	-	468,690
Equity securities	430,806	-	952	431,758
Real estate investment trusts	3,059	-	-	3,059
	<u>\$ 606,333</u>	<u>\$ 506,732</u>	<u>\$ 952</u>	<u>1,114,017</u>
Investments measured at net asset value				<u>196,842</u>
Total investments at fair value as of December 31, 2018				<u>\$ 1,310,859</u>

There were no significant transfers to or from Levels 1 and 2 during the years ended December 31, 2019 and 2018.

Defined Contribution Benefit Plans - The Corporation sponsors various defined contribution benefit plans covering eligible employees. These employees may contribute a portion of their pre-tax and/or after-tax compensation to the plans, in accordance with specified guidelines. In addition to any discretionary contributions, these plans provide for established contribution percentages up to certain limits for eligible employees. The defined contribution benefit plan expense for the years ended December 31, 2019 and 2018 aggregated \$31.5 million and \$24.4 million, respectively.

10. Liability Insurance and Contingencies

The Corporation has a comprehensive risk management and insurance program designed to safeguard its assets and properties. Hills Insurance Company, Inc. ("Hills Inc."), the wholly owned captive insurance subsidiary of the Corporation, provides certain professional and general liability coverage for the Health Centers and its other corporate entities. Hills has limited its exposure by purchasing reinsurance and excess insurance coverage. In the unlikely event that any of the excess insurance coverages fail, the Corporation would be liable for such defaults, however the Corporation purchases its excess insurance policies from highly rated insurance companies to mitigate that risk. In addition, the Corporation is self-insured for its employee health, long-term disability, and workers' compensation employee benefit programs. Excess workers compensation insurance is in place to limit self-insurance exposure. The Corporation maintains directors and officer's liability policies and property insurance.

The estimated insurance liabilities provide for reported losses and for losses incurred but not reported based on projections by independent actuaries using information provided by the Corporation's management. The estimated insurance liabilities, which consist of professional liability, general liability, long-term disability insurance, workers' compensation, and amounts self-insured for allocated loss adjustment expenses, approximated \$137.0 million and \$139.3 million on an undiscounted basis at December 31, 2019 and 2018, respectively.

Franciscan Alliance, Inc. and Affiliates

Notes to Consolidated Financial Statements

December 31, 2019 and 2018

From time to time, the Corporation is subject to various legal proceedings and claims arising in the ordinary course of business. Although the outcome of these claims cannot be predicted with certainty, management believes the ultimate disposition of such matters will not have a material adverse effect on the Corporation's financial condition, results of operations, or cash flow.

Hospitals and health facilities, including those operated by the Corporation, are subject to numerous legal, regulatory, environmental, professional and private licensing, and certification and accreditation requirements. Also, the laws and regulations governing the Medicare, Medicaid, and other governmental health care programs that the Corporation participates in are extremely complex and subject to interpretation, making compliance an ongoing challenge for health care organizations. The federal government has ongoing enforcement activity, including audits and investigations related to billing practices, clinical documentation, and other related matters. Allegations concerning possible violations of regulations can result in the imposition of significant fines and penalties and significant repayment of billed and collected revenues for patient services. The Corporation maintains a compliance program designed to educate its employees and to prevent, detect, and correct possible violations.

In 2016, the Corporation was notified it is a defendant in a lawsuit filed in the U.S. District Court for the Northern District of Illinois and shortly thereafter was notified of a similar lawsuit filed in the U.S. District Court for the Northern District of Indiana. These actions have been consolidated for the U.S. District Court of Northern Indiana to review. The consolidated act challenges the Corporation's defined benefit pension plan's eligibility as a church plan and the associated exemption from ERISA. The Corporation intends to vigorously defend its plan's status as an eligible church plan, consistent with the long-standing positions of the U.S. Congress, the U.S. Department of Treasury, including the IRS, the Pension Benefit Guaranty Corporation, and the U.S. Department of Labor.

11. Noncontrolling Interest in Consolidated Affiliates and Investments in Unconsolidated Affiliates

The Corporation is involved in various health service entity joint ventures that support the Corporation's mission whose operations have been included in the consolidated financial statements.

Noncontrolling Interest in Consolidated Affiliates

The Corporation's consolidated financial statements include all assets, liabilities, revenues, and expenses of less than 100% owned entities that it controls. Accordingly, the Corporation has recorded the noncontrolling interest in the earnings and equities of such entities in its consolidated financial statements.

Investments in Unconsolidated Affiliates

The Corporation has investments in entities that are recorded under the cost or equity method of accounting.

At December 31, 2019 and 2018, the Corporation had a 33%, economic interest in Alverno Clinical Laboratories, LLC ("ACL, LLC"), an Indiana limited liability company created to direct, operate, maintain, and manage a centralized clinical laboratory in Hammond, Indiana supporting the Corporation and an unrelated health care system. The Corporation is also an owner of Alverno Provena Hospital Laboratories, LLC ("APHL"), a non-profit cooperative corporation created to direct, operate, maintain, and manage the on-site laboratories of the owners' health centers. Governance of ACL, LLC and APHL (collectively referred to as the "Laboratories") is shared between the health system members. The Corporation accounts for its investment in ACL, LLC

Franciscan Alliance, Inc. and Affiliates
Notes to Consolidated Financial Statements
December 31, 2019 and 2018

under the equity method, which approximated \$6.0 at both December 31, 2019 and 2018. The Corporation's capital account in APHL approximates \$50,000 at both December 31, 2019 and 2018.

The Corporation's share of the equity in losses of investments in unconsolidated affiliates accounted for on the equity method is approximately (\$4.5) million and (\$1.7) million for the years ended December 31, 2019 and 2018, respectively, which is included in total revenues, gains, and other support in the consolidated statements of operations and changes in net assets.

The unaudited summarized financial position and results of operations for the entities accounted for under the equity method as of and for the periods ended December 31 is as follows:

	2019	2018
	(in thousands)	
Total assets	\$ 67,909	\$ 63,636
Total liabilities	35,731	31,677
Net assets	32,178	31,959
Total revenues, gains, and other support	308,708	275,752
Excess of revenues over expenses	675	3,565

12. Net Assets with Donor Restrictions

Net assets with donor restrictions are available for the following purposes at December 31, 2019 and 2018:

	2019	2018
	(in thousands)	
Capital needs and equipment	\$ 4,680	\$ 4,288
Medical education programs	8,656	7,550
Health care operations and patient services	21,700	18,632
Other restrictions - spiritual care and mission related activities	6,509	5,841
	<u>\$ 41,545</u>	<u>\$ 36,311</u>

Franciscan Alliance, Inc. and Affiliates
Notes to Consolidated Financial Statements
December 31, 2019 and 2018

13. Liquidity and Availability

The following table represents the financial assets and liquidity resources available for general expenditures within one year as of December 31, 2019 and 2018. The Corporation defines general expenditures as the normal expenditures related to operations of the Corporation, excluding capital expenditures. The Corporation invests cash in excess of daily requirements needed to satisfy general expenditures in short-term investments and board designated and other investments. The Corporation has structured its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Board designated investments represent investments set aside by board policy for future purposes including capital expenditures, acquisitions, improvements, mission programs, and, in addition, to provide for the Corporation to meet any current liquidity needs.

	2019	2018
	(in thousands)	
Financial assets:		
Cash and cash equivalents	\$ 28,376	\$ 70,946
Short-term investments	153,981	135,672
Patient accounts receivable	388,390	375,378
Board designated and other investments	2,721,264	2,419,481
Total financial assets	<u>3,292,011</u>	<u>3,001,477</u>
Less amounts not available within one year or not designated for general expenditures:		
Estimated insurance liability funds	174,980	159,920
Assets under bond indenture and swap agreements	22,665	15,725
Other restricted investments	39,510	34,696
Private credit	13,540	13,152
Private equity	84,402	64,874
Total financial assets not available within one year	<u>335,097</u>	<u>288,367</u>
Financial assets and liquidity resources available for general expenditures within one year	<u>\$ 2,956,914</u>	<u>\$ 2,713,110</u>

The estimated insurance liability funds are set aside for the Corporation's captive insurance program and are not available for general expenditures. The Corporation's other restricted investments consist of foundation assets not available within one year or for general expenditures. Private credit and private equity investments are not available within one year due to the nature of those investments or contractual restrictions which prevent redemption of all or a portion of such funds.

14. Related Party Transactions

The Corporation's Health Centers incurred clinical laboratory charges from the Laboratories of approximately \$74.7 million and \$73.0 million for the years ended December 31, 2019 and 2018, respectively, which is included in purchased services in the consolidated statements of operations and changes in net assets. The Corporation provides information technology services, central procurement and disbursement services, and rents the core lab facilities to the Laboratories for which the Corporation has recorded approximately \$4.2 million and \$3.4 million for the years ended

Franciscan Alliance, Inc. and Affiliates

Notes to Consolidated Financial Statements

December 31, 2019 and 2018

December 31, 2019 and 2018, respectively, as other operating revenue on the consolidated statements of operations and changes in net assets.

15. Functional Expenses

The tables below present expenses by both their nature and function for the years ending December 31, 2019 and 2018:

	(in thousands)				
	Health Care Services	General and Administrative	Construction Company	Accountable Care	Total
Year ended December 31, 2019					
Salaries, benefits, and physician fees	\$ 1,338,010	\$ 328,071	\$ 7,598	\$ 19,817	\$ 1,693,496
Supplies, drugs, purchased services, and other	858,398	189,557	33,609	46,780	1,128,344
Hospital assessment fees	112,356	-	-	-	112,356
Depreciation and amortization	171,765	15,219	228	2	187,214
Interest	36,113	-	-	-	36,113
	<u>\$ 2,516,642</u>	<u>\$ 532,847</u>	<u>\$ 41,435</u>	<u>\$ 66,599</u>	<u>\$ 3,157,523</u>
Year ended December 31, 2018					
Salaries, benefits, and physician fees	\$ 1,270,732	\$ 312,165	\$ 9,732	\$ 18,181	\$ 1,610,810
Supplies, drugs, purchased services, and other	810,337	187,920	33,430	65,976	1,097,663
Hospital assessment fees	93,409	-	-	-	93,409
Depreciation and amortization	176,106	26,060	197	2	202,365
Interest	27,002	-	-	-	27,002
	<u>\$ 2,377,586</u>	<u>\$ 526,145</u>	<u>\$ 43,359</u>	<u>\$ 84,159</u>	<u>\$ 3,031,249</u>

The consolidated financial statements report certain categories of expenses that are attributable to more than one supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. These expenses are allocated on a variety of factors including hours worked and areas supported.

16. Subsequent Events

Management has evaluated events and transactions occurring subsequent to December 31, 2019 through April 21, 2020, the date the consolidated financial statements were issued. During this period, the following material subsequent events requiring recognition in the consolidated financial statements or disclosure were noted.

On March 11, 2020, the World Health Organization identified the spread of a new strain of the coronavirus, COVID-19, as a pandemic. Many states have and continue to implement measures to combat the outbreak of COVID-19 with resulting effects on the economy in general and the healthcare industry including capital market volatility, various temporary business closures, and cancellation of elective medical procedures which could negatively impact the Corporation's financial condition. At this time, the ultimate impact of the COVID-19 pandemic on the Corporation's consolidated financial statements is unknown.

On March 18, 2020, the Corporation entered into a 25 year credit tenant lease approximating \$194 million having an effective rent commencement date of April 1, 2022 for the construction of an orthopedic center of excellence campus that will include a specialty hospital, an ambulatory surgery center, and a medical office building. The Corporation will sublease 64% of the medical office building to an orthopedic physician practice not owned by the Corporation and will sublease 100% of the ambulatory surgery center to a surgery center company that is 51% owned by the Corporation with both subleases co-terminus with the credit tenant lease.