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Form <b>990</b>  Department of the Treasury Internal Revenue Service	<b>Return of Organization Exempt From Income Tax</b>  <b>Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)</b>	OMB No 1545-0047
	The organization may have to use a copy of this return to satisfy state reporting requirements	<div> <div>2009</div> <div>Open to Public Inspection</div> </div>

<b>A For the 2009 calendar year, or tax year beginning 01-01-2009 and ending 12-31-2009</b>				
<b>B</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	<b>Please use IRS label or print or type. See Specific Instructions.</b>	<b>C Name of organization</b> Covenant Health		<b>D Employer identification number</b> 62-1646734
		Doing Business As		<b>E Telephone number</b> (865) 374-6864
		Number and street (or P O box if mail is not delivered to street address) 1410 Centerpoint Blvd Bldg B No 401	Room/suite	<b>G Gross receipts \$</b> 85,708,782
		City or town, state or country, and ZIP + 4 Knoxville, TN 379321985		
		<b>F Name and address of principal officer</b> Anthony L Spezia 100 Ft Sanders West Blvd Knoxville, TN 37922		
<b>I Tax-exempt status</b> <input checked="" type="checkbox"/> 501(c) ( 3 ) ◀ (insert no ) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527				
<b>J Website:</b> ▶ www.covenanthealth.com				
<b>K Form of organization</b> <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		<b>L Year of formation</b> 1996	<b>M State of legal domicile</b> TN	

Part I Summary	
Activities & Governance	<b>1</b> Briefly describe the organization's mission or most significant activities Covenant Health is the parent organization in a community-owned health care system in East Tenn   
	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets
	<b>3</b> Number of voting members of the governing body (Part VI, line 1a) . . . . . <b>3</b> 2
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b) . . . . . <b>4</b> 1
	<b>5</b> Total number of employees (Part V, line 2a) . . . . . <b>5</b> 80
	<b>6</b> Total number of volunteers (estimate if necessary) . . . . . <b>6</b> 22
	<b>7a</b> Total gross unrelated business revenue from Part VIII, column (C), line 12 . . . <b>7a</b> 3,313,63
	<b>b</b> Net unrelated business taxable income from Form 990-T, line 34 . . . <b>7b</b> 231,63
Revenue	<b>8</b> Contributions and grants (Part VIII, line 1h) . . . . .
	<b>9</b> Program service revenue (Part VIII, line 2g) . . . . .
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d ) . . . . .
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)
	<b>12</b> Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12) . . . . .
Expenses	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1–3 ) . . . .
	<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4) . . . . .
	<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)
	<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e) . . . . .
	<b>b</b> Total fundraising expenses (Part IX, column (D), line 25) <input type="checkbox"/> 0
	<b>17</b> Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f) . . . . .
	<b>18</b> Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)
	<b>19</b> Revenue less expenses Subtract line 18 from line 12 . . . . .
Net Assets or Fund Balances	<b>20</b> Total assets (Part X, line 16) . . . . .
	<b>21</b> Total liabilities (Part X, line 26) . . . . .
	<b>22</b> Net assets or fund balances Subtract line 21 from line 20 . . . . .

<b>Part II</b>		<b>Signature Block</b>	
<b>Sign Here</b>	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		
	***** Signature of officer		2010-11-05 Date
	John T Geppi EVP/CFO Type or print name and title		
<b>Paid Preparer's Use Only</b>	Preparer's signature  Self Prepared	Date	Check if self-employed  <input checked="" type="checkbox"/>
	Firm's name (or yours if self-employed), address, and ZIP + 4 		EIN 
			Phone no 

Part III

Statement of Program Service Accomplishments

1

Briefly describe the organization’s mission

Covenant Health operates exclusively as a supporting organization within the meaning of Internal Revenue Code section 509(a)(3) Its mission, which is shared by its member hospitals and other organizations (see Schedule A), is to serve the community by improving the quality of life through better health, regardless of a patient's ability to pay Please see the Report to the Community for the Covenant Health organizations, which describes the substantial benefit provided by the system, at the end of this schedule

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 exempt purpose achievements for each of the organization’s three largest program services by expenses

Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts 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 \$ 24,491,199 including grants of \$ ) (Revenue \$ 24,491,199 )
	Information Technology See Schedule O for additional details Information Technology Expenses - \$24,491,199, Revenue - \$24,491,199 The Information Technology (IT) division of Covenant Health provides all computing equipment and information management related services to Covenant Health facilities Information management systems and related application support (install, upgrade, help desk) services are available on a 24/7 basis spanning healthcare functions across core patient-care clinical systems, physician, nursing, and associated ancillary systems (lab, radiology, pharmacy, therapy), as well as the supporting business functions encompassing patient accounting, materials management, finance, and human resources IT also manages a centralized data center (and a backup disaster recovery data center) where the hardware equipment is housed to deliver the computing resources for all clinical/business functions on a 24/7 schedule Additionally, IT is responsible for management of all PC workstations (desktop, laptop, mobile cart), all client to server internal and external network connectivity, as well as telephone services and telephone equipment (PBX, handsets, cell phones, pagers) across the company It also facilitates project management activities related to meeting regulatory and quality reporting requirements Key statistics for the year include *Payroll checks/deposits - 236,921 *Clinical orders generated - 12,546,263 *Ancillary clinical results posted - 135,722,232 *Pharmacy medication mgmt system - 2,741,488 orders *Total Spam messages blocked - 56,850,983 *Network virus attempts blocked - 12,603,375 *PCs supported - 6,974 *Overall telephone usage - 35,080,367 calls *Pathway scheduling application - 605,369 appointments *Accounts payable checks - 94,319











4b	(Code ) (Expenses \$ 7,342,232 including grants of \$ ) (Revenue \$ 7,342,232 )
	Business Office See Schedule O for additional details Business Office Expenses - \$7,342,232, Revenue - \$7,342,232 Knoxville Business Office Services is the CBO (Centralized Business Office) for Covenant Health providing accounts receivable management for Fort Sanders Regional Medical Center, Parkwest Medical Center, Fort Loudoun Medical Center, LeConte Medical Center (formerly Fort Sanders Sevier Medical Center), and Methodist Medical Center These services include, but are not limited to, customer services, financial posting, refund processing, insurance billing and follow-up, as well as self pay collections In addition, the CBO provides various accounts receivable services for Peninsula, a Division of Parkwest Medical Center, such as billing support and financial posting During 2009, Knoxville Business Office Services submitted 700,748 insurance claims totaling in excess of \$2,275,000,000 Bad debt expense for 2009 was approximately 2.9% of gross revenue with bad debt recoveries/collections in excess of \$8,200,000 The CBO handled over 109,000 incoming phone calls, followed up on over 407,000 open accounts and processed over 2.5 million financial transactions

4c	(Code ) (Expenses \$ 5,913,257 including grants of \$ ) (Revenue \$ 5,913,257 )
	Human Resources See Schedule O for additional details Human Resources Expenses - \$5,913,257, Revenue - \$5,913,257 The Corporate Human Resources division of Covenant Health provides high quality centralized services to all Covenant Health entities in sourcing and staffing (employment), standardized benefit design and administration, exempt and non-exempt salary system design and delivery, human resources information system administration, employee relations and retention, clinical and non-clinical skill development, leadership and management development, cultural change, leadership succession and continuity, and security Additionally, Human Resources is responsible for system-wide programs, policies and procedures, regulatory and legal compliance affecting all areas of Human Resources Administration, and contemporary, cost-effective systems and processes to meet organizational strategies, goals and tactics Human Resources staffing (employment) services assisted in hiring 1,184 employees during 2009 and held 52 weekly orientation sessions for employees' first day on the job They averaged 1,190 applicants per month The Learning and Leadership Development (LLD) division of Human Resources provided over 320,000 training hours through on-line and classroom-based courses LLD also presented quarterly Leadership Development Institutes to over 400 managers and offered clinical certification and specialty conferences in everything from CPR to neonatal intensive care nursing

4d	Other program services (Describe in Schedule O ) See also Additional Data for Description
	(Expenses \$ 38,250,572 including grants of \$ 827,012 ) (Revenue \$ 42,281,571 )
4e	Total program service expenses \$ 75,997,260

Part IV

Checklist of Required Schedules

		Yes	No	
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A 	1	Yes	
2	Is the organization required to complete Schedule B, Schedule of Contributors? 	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I 	3		No
4	<b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II 	4	Yes	
5	<b>Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations.</b> Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III	5		
6	Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I 	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," complete Schedule D, Part II 	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III 	8		No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV 	9		No
10	Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V 	10		No
11	Is the organization's answer to any of the following questions "Yes"? If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.	11	Yes	
	• Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI.			
	• Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII.			
	• Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII.			
	• Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX.			
	• Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X.			
	• Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48? If "Yes," complete Schedule D, Part X.			
12	Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII 	12		No
12A	Was the organization included in consolidated, independent audited financial statements for the tax year?	Yes	No	
	If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional	12A	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
14b	• Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If "Yes," complete Schedule F, Part I	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the U S ? If "Yes," complete Schedule F, Part II	15		No
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the U S ? If "Yes," complete Schedule F, Part III	16		No
17	Did the organization report a total of more than \$15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I	17		No
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18		No
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19		No
20	Did the organization operate one or more hospitals? If "Yes," complete Schedule H	20		No

Part IV

Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i> . . . . .	21	Yes	
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i> . . . . .	22		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i> . . . . .	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to line 25</i> . . . . .	24a	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . .	24b		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . . . .	24c		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . .	24d		No
25a	<b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i> . . . . .	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i> . . . . .	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i> . . . . .	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i> . . . . .	27		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or owner? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> . . . . .	29	Yes	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> . . . . .	30	Yes	
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> . . . . .	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i> . . . . .	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> . . . . .	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i> . . . . .	34	Yes	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . .	35	Yes	
36	<b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . .	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i> . . . . .	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O . . . . .	38	Yes	

Part V

Statements Regarding Other IRS Filings and Tax Compliance

			Yes	No	
1a	Enter the number reported in Box 3 of Form 1096, <i>Annual Summary and Transmittal of U.S. Information Returns</i> . Enter -0- if not applicable . . . . .	1a	228		
		1b	0		
b Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable			1c	Yes	
2a	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? . . . . .				
	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return . . . . .	2a	807		
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note:</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions)			2b	Yes	
3a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return? . . . . .			3a	Yes	
b If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O . . . . .			3b	Yes	
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)? . . . . .			4a	Yes	
b If "Yes," enter the name of the foreign country <input checked="" type="checkbox"/> BD , CA , CJ , VI See the instructions for exceptions and filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts					
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . .			5a		No
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			5b		No
c If "Yes" to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction? . . . . .			5c		
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? . . . . .			6a		No
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? . . . . .			6b		
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? . . . . .			7a		No
b If "Yes," did the organization notify the donor of the value of the goods or services provided? . . . . .			7b		
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? . . . . .			7c		No
d If "Yes," indicate the number of Forms 8282 filed during the year . . . . .			7d		
e Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? . . . . .			7e		No
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . .			7f		No
g For all contributions of qualified intellectual property, did the organization file Form 8899 as required? . . . .			7g		
h For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required? . . . . .			7h		
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year? . . . . .			8		
9 Sponsoring organizations maintaining donor advised funds.					
a Did the organization make any taxable distributions under section 4966? . . . . .			9a		
b Did the organization make a distribution to a donor, donor advisor, or related person? . . . . .			9b		
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		

Part VI

Governance, Management, and Disclosure

For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body . . . . .	1a	21	
b	Enter the number of voting members that are independent . . . . .	1b	16	
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? . . . . .	2		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? . . . . .	3		No
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4		No
5	Did the organization become aware during the year of a material diversion of the organization's assets? . . . . .	5		No
6	Does the organization have members or stockholders? . . . . .	6		No
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? . . . . .	7a		No
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons? . . . . .	7b		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	The governing body? . . . . .	8a	Yes	
b	Each committee with authority to act on behalf of the governing body? . . . . .	8b	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O . . . . .	9	Yes	

Section B. Policies

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

			Yes	No
10a	Does the organization have local chapters, branches, or affiliates? . . . . .	10a		No
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization? . . . . .	10b		
11	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	11	Yes	
11A	Describe in Schedule O the process, if any, used by the organization to review the Form 990 . . . . .			
12a	Does the organization have a written conflict of interest policy? If "No," go to line 13 . . . . .	12a	Yes	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts? . . . . .	12b	Yes	
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done . . . . .	12c	Yes	
13	Does the organization have a written whistleblower policy? . . . . .	13	Yes	
14	Does the organization have a written document retention and destruction policy? . . . . .	14	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official . . . . .	15a	Yes	
b	Other officers or key employees of the organization . . . . .	15b	Yes	
	If "Yes" to line a or b, describe the process in Schedule O (See instructions )			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? . . . . .	16a		No
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements? . . . . .	16b		

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed▶TN
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you make these available. Check all that apply. <input type="checkbox"/> Own website <input checked="" type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request
19	Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table.
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶ John T Geppi EVPCFO 1410 Centerpoint Blvd B Ste Knoxville, TN 379321985 (865) 374-6864

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

☐ Check this box if the organization did not compensate any current or former officer, director, trustee or key employee

Form **990** (2009)



<b>1b Total</b>	5,036,277	0	758,653
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**2** Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **47**

		<b>Yes</b>	<b>No</b>
<b>3</b>	Did the organization list any <b>former</b> officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		No
<b>4</b>	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>	Yes	
<b>5</b>	Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		No

**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

(A) Name and business address	(B) Description of services	(C) Compensation
McKesson Information Solutions PO Box 98347 Chicago, IL 60693	IT services	3,993,436
Morrison Mgmt Specialists Inc PO Box 102289 Atlanta, GA 30368	Cafeteria management	2,508,453
Specialty Laboratories File 51048 Los Angeles, CA 90074	Laboratory services	1,700,273
Staffing Solutions PO Box 934367 Atlanta, GA 31193	Temporary staffing	1,023,935
Brasfield and Gorrie LLC 2636 Elm Hill Pike Nashville, TN 37214	Construction management	1,021,180

**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 **41**

Part VIII

Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . .	1a					
	b	Membership dues . . . . .	1b					
	c	Fundraising events . . . . .	1c					
	d	Related organizations . . . .	1d	233,932				
	e	Government grants (contributions)	1e					
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	135,000				
	g	Noncash contributions included in lines 1a-1f \$ 90,541						
	h	Total. Add lines 1a-1f . . . . .			368,932			
Program Service Revenue			Business Code					
	2a	Management Fees	561,000	58,335,406	58,335,406			
	b	Telephone Services	517,000	5,007,980	4,210,831	797,149		
	c	Transcription Services	561,499	3,441,362	3,441,159	203		
	d	Community Outreach	621,990	295,297	262,377		32,920	
	e	Managed Care Services	541,900	70,742		70,742		
	f	All other program service revenue		56,750	48,000	8,750		
	g	Total. Add lines 2a-2f . . . . .			67,207,537			
Other Revenue	3	Investment income (including dividends, interest and other similar amounts) . . . . .			13,425,399	13,390,786	34,613	
	4	Income from investment of tax-exempt bond proceeds . . .			368,505	368,505		
	5	Royalties . . . . .						
	6a	(i) Real		(ii) Personal				
	b	Less rental expenses						
	c	Rental income or (loss)						
	d	Net rental income or (loss) . . . . .						
	7a	(i) Securities		(ii) Other				
		238,729						
		18,497,002		785				
		-18,258,273		-785				
	d	Net gain or (loss) . . . . .			-18,259,058		8,270	-18,267,328
	8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 . . . . .		a				
		b Less direct expenses . . . . .		b				
	c	Net income or (loss) from fundraising events . . .						
	9a	Gross income from gaming activities See Part IV, line 19 . . . . .		a				
b Less direct expenses . . . . .		b						
c	Net income or (loss) from gaming activities . . .							
10a	Gross sales of inventory, less returns and allowances . . . . .		a					
			1,705,768					
	b Less cost of goods sold . . . . .		b	1,734,573				
c	Net income or (loss) from sales of inventory . . .			-28,805	-28,805			
Miscellaneous Revenue		Business Code						
11a	Info Technology Servi		518,210	2,393,912		2,393,912		
b								
c								
d	All other revenue . . . . .							
e	Total. Add lines 11a-11d . . . . .			2,393,912				
12	Total revenue. See Instructions . . . . .			65,476,422	80,028,259	3,313,639	-18,234,408	

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) but are not required to complete columns (B), (C), and (D).

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 governments and organizations in the U S See Part IV, line 21	827,012	827,012		
2	Grants and other assistance to individuals in the U S See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees . . . . .	3,953,213	3,415,694	537,519	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . . .				
7	Other salaries and wages	28,271,596	24,489,988	3,781,608	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions) . . . . .	1,908,848	1,655,162	253,686	
9	Other employee benefits . . . . .	5,028,600	4,378,596	650,004	
10	Payroll taxes . . . . .	2,449,850	2,124,265	325,585	
11	Fees for services (non-employees)				
a	Management . . . . .	437,109	437,109		
b	Legal . . . . .	1,143,171	534,346	608,825	
c	Accounting . . . . .	66,000		66,000	
d	Lobbying . . . . .				
e	Professional fundraising See Part IV, line 17 . . . . .				
f	Investment management fees . . . . .	193,742	174,536	19,206	
g	Other . . . . .	6,556,279	5,561,140	995,139	
12	Advertising and promotion . . . . .	675,209	674,929	280	
13	Office expenses . . . . .	6,004,787	5,330,849	673,938	
14	Information technology . . . . .	8,928,409	8,928,409		
15	Royalties . . . . .				
16	Occupancy . . . . .	2,360,523	2,231,672	128,851	
17	Travel . . . . .	170,795	160,015	10,780	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials . . . . .				
19	Conferences, conventions, and meetings . . . . .	497,155	264,246	232,909	
20	Interest . . . . .	10,906,620	10,906,620		
21	Payments to affiliates . . . . .				
22	Depreciation, depletion, and amortization . . . . .	3,542,115	3,165,473	376,642	
23	Insurance . . . . .	649,793	311,511	338,282	
24	Other expenses Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below )				
a	Unrelated Business Inco	190,000		190,000	
b	Dues and Licenses	482,458	443,178	39,280	
c	Subscriptions	320,627	316,323	4,304	
d	Recruitment	158,402	158,402		
e	Miscellaneous Expense	103,120	7,535	95,585	
f	All other expenses	-464,275	-499,750	35,475	
25	Total functional expenses. Add lines 1 through 24f	85,361,158	75,997,260	9,363,898	0
26	Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X

Balance Sheet

					(A)		(B)	
					Beginning of year		End of year	
Assets	1	Cash—non-interest-bearing . . . . .				1,850	1	1,850
	2	Savings and temporary cash investments . . . . .				13,759,722	2	17,011,694
	3	Pledges and grants receivable, net . . . . .					3	
	4	Accounts receivable, net . . . . .					4	
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L . . . . .					5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L . . . . .					6	
	7	Notes and loans receivable, net . . . . .					7	
	8	Inventories for sale or use . . . . .				122,732	8	229,076
	9	Prepaid expenses and deferred charges . . . . .				5,020,982	9	4,776,020
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a	53,037,904				
	b	Less accumulated depreciation . . . . .	10b	30,206,345	25,957,069	10c	22,831,559	
	11	Investments—publicly traded securities . . . . .			655,775,827	11	743,931,029	
	12	Investments—other securities See Part IV, line 11 . . . . .			66,128,825	12	2,039,318	
	13	Investments—program-related See Part IV, line 11 . . . . .				13		
	14	Intangible assets . . . . .				14		
	15	Other assets See Part IV, line 11 . . . . .			202,032,716	15	232,108,549	
16	Total assets. Add lines 1 through 15 (must equal line 34) . . . . .			968,799,723	16	1,022,929,095		
Liabilities	17	Accounts payable and accrued expenses . . . . .			38,447,475	17	43,133,693	
	18	Grants payable . . . . .				18		
	19	Deferred revenue . . . . .			71,883,367	19	67,243,793	
	20	Tax-exempt bond liabilities . . . . .			573,177,578	20	579,139,629	
	21	Escrow or custodial account liability Complete Part IV of Schedule D . . . . .				21		
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L . . . . .				22		
	23	Secured mortgages and notes payable to unrelated third parties . . . . .				23		
	24	Unsecured notes and loans payable to unrelated third parties . . . . .				24		
	25	Other liabilities Complete Part X of Schedule D . . . . .			23,767,396	25	24,710,976	
	26	Total liabilities. Add lines 17 through 25 . . . . .			707,275,816	26	714,228,091	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.							
	27	Unrestricted net assets . . . . .			261,523,907	27	308,701,004	
	28	Temporarily restricted net assets . . . . .				28		
	29	Permanently restricted net assets . . . . .				29		
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.							
	30	Capital stock or trust principal, or current funds . . . . .				30		
	31	Paid-in or capital surplus, or land, building or equipment fund . . . . .				31		
	32	Retained earnings, endowment, accumulated income, or other funds . . . . .				32		
	33	Total net assets or fund balances . . . . .			261,523,907	33	308,701,004	
	34	Total liabilities and net assets/fund balances . . . . .			968,799,723	34	1,022,929,095	

**Part XI Financial Statements and Reporting**

	Yes	No
<b>1</b> Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
<b>2a</b> Were the organization's financial statements compiled or reviewed by an independent accountant? . . .		No
<b>b</b> Were the organization's financial statements audited by an independent accountant? . . . . .	Yes	
<b>c</b> If "Yes," to 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 in Schedule O . . . .	Yes	
<b>d</b> If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separated basis		
<b>3a</b> 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? . . . . .	Yes	
<b>b</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 in Schedule O and describe any steps taken to undergo such audits . . .	Yes	

SCHEDULE A

(Form 990 or 990EZ)

Department of the Treasury  
Internal Revenue Service

Public Charity Status and Public Support

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. ▶ See separate instructions.

OMB No 1545-0047

2009

Open to Public  
Inspection

Name of the organization Covenant Health	Employer identification number  62-1646734
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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 11, check only one box )

- 1

☐

A church, convention of churches, or association of churches **section 170(b)(1)(A)(i).**
- 2

☐

A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E )
- 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 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 )
- 10

☐

An organization organized and operated exclusively to test for public safety See**section 509(a)(4).**
- 11

☒

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 that describes the type of supporting organization and complete lines 11e through 11h  

a

☐

Type I

b

☒

Type II

c

☐

Type III - Functionally integrated

d

☐

Type III - Other

e

☒

By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)

f

☐

If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box

g

☐

Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?  

(i)

a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization?

(ii)

a family member of a person described in (i) above?

(iii)

a 35% controlled entity of a person described in (i) or (ii) above?

h

☐

Provide the following information about the supported organization(s)

	Yes	No
11g(i)		No
11g(ii)		No
11g(iii)		No

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1- 9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the U S ?		(vii) Amount of support?
			Yes	No	Yes	No	Yes	No	
See Additional Data Table									
Total									0

Part II

Support Schedule for Organizations Described in IRC 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.)

Section A. Public Support						
Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public Support. Subtract line 5 from line 4						

Section B. Total Support						
Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
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, whether or not the business is regularly carried on						
10 Other income (Explain in Part IV ) Do not include gain or loss from the sale of capital assets						
11 Total support (Add lines 7 through 10)						
12 Gross receipts from related activities, etc (See instructions )					12	
13 First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						

Section C. Computation of Public Support Percentage		
14	Public Support Percentage for 2009 (line 6 column (f) divided by line 11 column (f))	14
15	Public Support Percentage for 2008 Schedule A, Part II, line 14	15
16a	<b>33 1/3% support test—2009.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization	<input type="checkbox"/>
b	<b>33 1/3% support test—2008.</b> If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization	<input type="checkbox"/>
17a	<b>10%-facts-and-circumstances test—2009.</b> If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and <b>stop here.</b> Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization	<input type="checkbox"/>
b	<b>10%-facts-and-circumstances test—2008.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and <b>stop here.</b> Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization	<input type="checkbox"/>
18	<b>Private Foundation</b> If the organization did not check a box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions	<input type="checkbox"/>

Part IIISupport Schedule for Organizations Described in IRC 509(a)(2)  
(Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3Gross receipts from activities that are not an unrelated trade or business under section 513						
4Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5The value of services or facilities furnished by a governmental unit to the organization without charge						
6Total. Add lines 1 through 5						
7aAmounts included on lines 1, 2, and 3 received from disqualified persons						
bAmounts 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						
cAdd lines 7a and 7b						
8Public Support (Subtract line 7c from line 6 )						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
9Amounts from line 6						
10aGross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
bUnrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
cAdd lines 10a and 10b						
11Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13Total support (Add lines 9, 10c, 11 and 12.)						
14First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						

Section C. Computation of Public Support Percentage

15Public Support Percentage for 2009 (line 8 column (f) divided by line 13 column (f))	15	
16Public support percentage from 2008 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17Investment income percentage for 2009 (line 10c column (f) divided by line 13 column (f))	17	
18Investment income percentage from 2008 Schedule A, Part III, line 17	18	
19a33 1/3% support tests—2009. 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		
b33 1/3% support tests—2008. 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		
20Private Foundation If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions		



Part IV

Supplemental Information. Supplemental Information. Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Provide any other additional information. See instructions

Explanation
Schedule A, Part IV, Supplemental Information Explanation for Part I, Line 11(h)(iv) Covenant Health is operated or controlled in connection with all of its listed supported organizations, and its articles of organization require that it be operated to support or benefit these organizations All of the above described organizations are governed by a board of directors with 100% overlap of board membership
Explanation for Part I, Line 11(h)(vii) Covenant Health operates to serve the interests of its member hospitals and the other non-profit health and housing organizations named in Schedule A, Part I (the "Supported Organizations") The organization's activities have been discussed in detail on Schedule O in response to Form 990, Part III, Lines 4a thru 4d Covenant Health may also pay expenses on behalf of, provide operating cash to, or make a grant to one of its Supported Organizations See Schedule R, Part V for information about transfers to controlled organizations

Additional Data

Software ID:  
Software Version:  
EIN: 62-1646734  
Name: Covenant Health

Form 990, Schedule A, Part I, Line 11h - Provide the following information about the organizations the organization supports.

(i) Name of Supported Organization	(ii) EIN	(iii) Type of organization (described on lines 1- 9 above or IRC section )	(iv) Is the organization in (i) listed in your governing document?		(v) Did you notify the organization in (i) of your support?		(vi) Is the organization in (i) organized in the U S ?		(vii) Amount of support?
			Yes	No	Yes	No	Yes	No	
Fort Loudoun Medical Ctr	621373691	3		No	Yes		Yes		0
Fort Sanders Perinatal Ctr	043760551	3		No	Yes		Yes		0
Fort Sanders Regional Med Ctr	620528340	3		No	Yes		Yes		0
LeConte Medical Ctr	621114867	3		No	Yes		Yes		0
Methodist Medical Ctr	620636239	3		No	Yes		Yes		0
Parkwest Medical Ctr	581897274	3		No	Yes		Yes		0
Roane County Medical Ctr	680673354	3		No	Yes		Yes		0
Thompson Cancer Survival Ctr	621250943	3		No	Yes		Yes		0
Horizon House I Inc	581575059	7		No	Yes		Yes		0
Horizon House II Inc	581621969	7		No	Yes		Yes		0
Laurel Place Apts Inc	311522627	7		No	Yes		Yes		0
Shamrock Place Inc	621685242	7		No	Yes		Yes		0
Woodgrove Apts Inc	621735525	7		No	Yes		Yes		0
Covenant Homecare	621623114	9		No	Yes		Yes		0
Thompson Oncology Group	621619239	3		No	Yes		Yes		0

Additional Data

Software ID:  
Software Version:  
EIN: 62-1646734  
Name: Covenant Health

Form 990, Part III - 4 Program Service Accomplishments (See the Instructions)

4d. Other program services			
(Code	) (Expenses \$	38,250,572	including grants of \$ 827,012 ) (Revenue \$ 42,281,571 )
In addition to the services previously mentioned, support provided by Covenant Health to its member facilities takes on many other forms, some examples of which are * Executive leadership and strategic and other planning both at the System and organizational level, * Financial, management and advisory services, * Third party reporting, * Integrity compliance program, * Real estate management, * Risk management, * Internal audit, * Asset and liability related treasury management functions, * Procurement, * Clinical quality improvement, * Marketing, and * External reporting Other activities conducted by Covenant Health directly benefit patients and members of the communities served by the Supported Organizations Some are aimed at improving the operational efficiency of and the quality of care provided by the Supported Organizations Other programs have community benefit as their main goal One example is Covenant Health Senior Services, which assists older adults who are 50 or better in their effort to lead healthier, more independent lives			

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(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			
Anthony L Spezia President & CEO	50 00	X		X				1,359,097	0	246,949
Dr Richard Brinner Director	1 00	X						1,234	0	0
Harry M Call Director	1 00	X						1,005	0	0
Dr Mitchell Dickson Director	1 00	X						704	0	0
Pamela P Fansler Director	1 00	X						0	0	0
Homer Fisher Director	1 00	X						0	0	0
Dr William Hall Director	1 00	X						1,413	0	0
Wayne Heatherly Director	1 00	X						0	0	0
Jim Johnson Jr Director	1 00	X						704	0	0
Karla Lane Director	1 00	X						1,104	0	0
Dr Randolph Lowry Director	1 00	X						0	0	0
Larry Mauldin Director	1 00	X						1,217	0	0
Charles T McGaha Director	1 00	X						1,075	0	0
George Miller Director	1 00	X						899	0	0
Alvin Nance Director	1 00	X						1,045	0	0
Linda N Ogle Director	1 00	X						0	0	0
Francis Olmstead Jr Chairman	1 00	X						1,914	0	0
Mitchell Steenrod Director	1 00	X						889	0	0
RB Summitt II Director	1 00	X						0	0	0
Joseph E Sutter Director	1 00	X						795	0	0
Joe Ben Turner Director	1 00	X						0	0	0
John T Geppi EVP & CFO	50 00			X				671,416	0	130,925
James D Vandersteeg EVP-Hospital Operations	50 00				X			618,071	0	45,343
Samuel R Buscetta EVP-Human Resources	50 00				X			476,456	0	34,003
William M Ward SVP/ Chief Info Officer	50 00				X			310,913	0	46,043

**Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(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			
Virginia K Morrow SVP-Philanthropy	40 00					X		253,061	0	38,870
Keith Altshuler Pres/CAO - FS Regional	50 00					X		378,389	0	61,611
Michael R Belbeck Jr Pres/CAO - Methodist	50 00					X		335,377	0	70,739
Larry R Lassiter Pres/CAO - Parkwest	50 00					X		349,875	0	43,334
Ellen Wilhoit Pres/CAO - FS Sevier	60 00					X		269,624	0	40,836

Form 990, Part VIII - Statement of Revenue - 2a - 2g Program Service Revenue -

	Business Code	(A) Total Revenue	(B) Related or Exempt Function Revenue	(C) Unrelated Business Revenue	(D) Revenue Excluded from Tax under IRC 512, 513, or 514
Management Fees	561,000	58,335,406	58,335,406		
Telephone Services	517,000	5,007,980	4,210,831	797,149	
Transcription Services	561,499	3,441,362	3,441,159	203	
Community Outreach	621,990	295,297	262,377		32,920
Managed Care Services	541,900	70,742		70,742	

Form 990, Part IX - Statement of Functional Expenses - 24a - 24e Other Expenses

<i>Do not include amounts reported on line 6b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
Unrelated Business Inco	190,000		190,000	
Dues and Licenses	482,458	443,178	39,280	
Subscriptions	320,627	316,323	4,304	
Recruitment	158,402	158,402		
Miscellaneous Expense	103,120	7,535	95,585	

SCHEDULE C

(Form 990 or 990-EZ)

Department of the Treasury  
Internal Revenue Service

Political Campaign and Lobbying Activities

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

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

OMB No 1545-0047

2009

Open to Public  
Inspection

If the organization answered “Yes,” to Form 990, Part IV, Line 3, or Form 990-EZ, Part VI, 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,” to 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,” to Form 990, Part IV, Line 5 (Proxy Tax) or Form 990-EZ, line 35a (regarding proxy tax), then

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

Name of the organization Covenant Health	Employer identification number 62-1646734
---	--

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
- 2 Political expenditures ▶ \$
- 3 Volunteer hours

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 funtion 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 State the names, addresses and employer identification number (EIN) of all section 527 political organizations to which payments were made 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-



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

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 (grass roots 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><tr><td>If the amount on line 1e, column (a) or (b) is:</td><td>The lobbying nontaxable amount is:</td></tr><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></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 instructions for lines 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) Total
2a Lobbying non-taxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots non-taxable 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)).

		(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?	Yes		
	b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	Yes		
	c Media advertisements?		No	
	d Mailings to members, legislators, or the public?	Yes		50
	e Publications, or published or broadcast statements?		No	
	f Grants to other organizations for lobbying purposes?		No	
	g Direct contact with legislators, their staffs, government officials, or a legislative body?	Yes		9,140
	h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
	i Other activities? If "Yes," describe in Part IV	Yes		600
j Total lines 1c through 1i				9,790
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
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?			

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 carryover lobbying and political 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) if BOTH Part III-A, lines 1 and 2 are answered "No" OR if Part III-A, line 3 is answered "Yes".

1	Dues, assessments and similar amounts from members	1	
2	Section 162(e) non-deductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).	2a	
a	Current year		
b	Carryover from last year		
c	Total		
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

Complete this part to provide the descriptions required for Part I-A, line 1, Part I-B, line 4, Part I-C, line 5, and Part II-B, line 1i. Also, complete this part for any additional information.

Identifier	Return Reference	Explanation
Part II-B, Line 1i	Explanation of Other Lobbying Activities	Covenant Health indirectly conducts lobbying activities through various membership organizations. A portion of membership dues paid is included in the amount on Line 1i.

SCHEDULE D

(Form 990)

Department of the Treasury  
Internal Revenue Service

Supplemental Financial Statements

▶ **Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.**  
▶ **Attach to Form 990. ▶ See separate instructions.**

OMB No 1545-0047

2009

Open to Public Inspection

**Name of the organization**  
Covenant Health

**Employer identification number**  
62-1646734

Part I

Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year	
2	Aggregate contributions to (during year)	
3	Aggregate 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? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	
6	Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may 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 <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	

Part II

Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1	Purpose(s) of conservation easements held by the organization (check all that apply) <div><input type="checkbox"/> Preservation of land for public use (e g , recreation or pleasure) <input type="checkbox"/> Preservation of an historically importantly land area</div> <div><input type="checkbox"/> Protection of natural habitat <input type="checkbox"/> Preservation of a certified historic structure</div> <div><input type="checkbox"/> Preservation of open space</div>											
2	Complete lines 2a–2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year											
		<table><tr><td></td><td>Held at the End of the Year</td></tr><tr><td>a</td><td>Total number of conservation easements</td></tr><tr><td>b</td><td>Total acreage restricted by conservation easements</td></tr><tr><td>c</td><td>Number of conservation easements on a certified historic structure included in (a)</td></tr><tr><td>d</td><td>Number of conservation easements included in (c) acquired after 8/17/06</td></tr></table>		Held at the End of the Year	a	Total number of conservation easements	b	Total acreage restricted by conservation easements	c	Number of conservation easements on a certified historic structure included in (a)	d	Number of conservation easements included in (c) acquired after 8/17/06
	Held at the End of the Year											
a	Total number of conservation easements											
b	Total acreage restricted by conservation easements											
c	Number of conservation easements on a certified historic structure included in (a)											
d	Number of conservation easements included in (c) acquired after 8/17/06											
3	Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable 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? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>											
6	Staff and volunteer hours devoted to monitoring, inspecting and enforcing conservation easements during the year ▶ _____											
7	Amount of expenses incurred in monitoring, inspecting, 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 170(h)(4)(B)(ii)? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>											
9	In Part XIV, 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" to Form 990, Part IV, line 8.

1a	If the organization elected, as permitted under SFAS 116, 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 XIV, the text of the footnote to its financial statements that describes these items	
b	If the organization elected, as permitted under SFAS 116, 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) Revenues included in 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 SFAS 116 relating to these items	
a	Revenues included in Form 990, Part VIII, line 1	▶ \$ _____
b	Assets included in Form 990, Part X	▶ \$ _____

Part III

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

3

Using the organization's accession and other records, check any of the following that are a 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 programs

e

☐ Other

4

Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

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" to 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 XIV and complete the following table

	Amount
1c	
1d	
1e	
1f	

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

2a

Did the organization include an amount on Form 990, Part X, line 21?

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIV

Part V

Endowment Funds. Complete if the organization answered "Yes" to 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 . . . . .				
b	Contributions . . . . .				
c	Investment earnings or losses . . . . .				
d	Grants or scholarships . . . . .				
e	Other expenditures for facilities and programs . . . . .				
f	Administrative expenses . . . . .				
g	End of year balance . . . . .				

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶ %

b

Permanent endowment ▶ %

c

Term endowment ▶ %

3a

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

(i)

unrelated organizations . . . . .

3a(i)

☐

☐

(ii)

related organizations . . . . .

3a(ii)

☐

☐

b

If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? . . . . .

3b

☐

☐

4

Describe in Part XIV the intended uses of the organization's endowment funds

Part VI

Investments—Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b)Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land . . . . .		2,365,493		2,365,493
b Buildings . . . . .		1,829,336	1,332,862	496,474
c Leasehold improvements . . . . .		1,607,384	1,194,981	412,403
d Equipment . . . . .		31,808,347	27,678,502	4,129,845
e Other . . . . .		15,427,344		15,427,344
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) . . . . . ▶				22,831,559



**Part XI    Reconciliation of Change in Net Assets from Form 990 to Financial Statements**

<b>1</b>	Total revenue (Form 990, Part VIII, column (A), line 12)	<b>1</b>	
<b>2</b>	Total expenses (Form 990, Part IX, column (A), line 25)	<b>2</b>	
<b>3</b>	Excess or (deficit) for the year   Subtract line 2 from line 1	<b>3</b>	
<b>4</b>	Net unrealized gains (losses) on investments	<b>4</b>	
<b>5</b>	Donated services and use of facilities	<b>5</b>	
<b>6</b>	Investment expenses	<b>6</b>	
<b>7</b>	Prior period adjustments	<b>7</b>	
<b>8</b>	Other (Describe in Part XIV)	<b>8</b>	
<b>9</b>	Total adjustments (net)   Add lines 4 - 8	<b>9</b>	
<b>10</b>	Excess or (deficit) for the year per financial statements   Combine lines 3 and 9	<b>10</b>	

**Part XII    Reconciliation of Revenue per Audited Financial Statements With Revenue per Return**

<b>1</b>	Total revenue, gains, and other support per audited financial statements   . . . . .	<b>1</b>	
<b>2</b>	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
<b>a</b>	Net unrealized gains on investments   . . . . .	<b>2a</b>	
<b>b</b>	Donated services and use of facilities   . . . . .	<b>2b</b>	
<b>c</b>	Recoveries of prior year grants   . . . . .	<b>2c</b>	
<b>d</b>	Other (Describe in Part XIV)   . . . . .	<b>2d</b>	
<b>e</b>	Add lines <b>2a</b> through <b>2d</b> . . . . .	<b>2e</b>	
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b> . . . . .	<b>3</b>	
<b>4</b>	Amounts included on Form 990, Part VIII, line 12, but not on line <b>1</b>		
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b   . . . . .	<b>4a</b>	
<b>b</b>	Other (Describe in Part XIV)   . . . . .	<b>4b</b>	
<b>c</b>	Add lines <b>4a</b> and <b>4b</b> . . . . .	<b>4c</b>	
<b>5</b>	Total Revenue   Add lines <b>3</b> and <b>4c</b> . (This should equal Form 990, Part I, line 12 )   . . . . .	<b>5</b>	

**Part XIII    Reconciliation of Expenses per Audited Financial Statements With Expenses per Return**

<b>1</b>	Total expenses and losses per audited financial statements   . . . . .	<b>1</b>	
<b>2</b>	Amounts included on line 1 but not on Form 990, Part IX, line 25		
<b>a</b>	Donated services and use of facilities   . . . . .	<b>2a</b>	
<b>b</b>	Prior year adjustments   . . . . .	<b>2b</b>	
<b>c</b>	Other losses   . . . . .	<b>2c</b>	
<b>d</b>	Other (Describe in Part XIV)   . . . . .	<b>2d</b>	
<b>e</b>	Add lines <b>2a</b> through <b>2d</b> . . . . .	<b>2e</b>	
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b> . . . . .	<b>3</b>	
<b>4</b>	Amounts included on Form 990, Part IX, line 25, but not on line <b>1</b> :		
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b   . . . . .	<b>4a</b>	
<b>b</b>	Other (Describe in Part XIV)   . . . . .	<b>4b</b>	
<b>c</b>	Add lines <b>4a</b> and <b>4b</b> . . . . .	<b>4c</b>	
<b>5</b>	Total expenses   Add lines <b>3</b> and <b>4c</b> . (This should equal Form 990, Part I, line 18 )   . . . . .	<b>5</b>	

**Part XIV    Supplemental Information**

Complete this part to 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, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

Identifier	Return Reference	Explanation
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Schedule I  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Name of the organization  
Covenant Health

Grants and Other Assistance to Organizations,  
Governments and Individuals in the United States

Complete if the organization answered "Yes," to Form 990, Part IV, line 21 or 22.  
▶ Attach to Form 990

OMB No 1545-0047

2009

Open to Public  
Inspection

Employer identification number  
62-1646734

Part I

General Information on Grants and Assistance

- 1

Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . . .

☒ Yes ☐ No
- 2

Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II

Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21 for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed . . . . . ▶ ☐

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
See Additional Data Table							

2

Enter total number of section 501(c)(3) and government organizations . . . . .

70

3

Enter total number of other organizations . . . . .

1





Software ID:  
Software Version:  
EIN: 62-1646734  
Name: Covenant Health

Form 990, Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
American Cancer Society871 Weisgarber Road Knoxville, TN 37909	13-1788491	501(c)(3)	10,000				Sponsorship of 2009 Hope Gala
American Heart Association4708 Papermill Road Knoxville, TN 37909	13-5613797	501(c)(3)	30,000				Sponsorship of fundraisers
Boys and Girls Club of the TN Valley220 Carrick St Suite 318 Knoxville, TN 37921	62-0475743	501(c)(3)	9,402				Drug screenings
Catholic Charities of East TN Inc3009 Lake Brook Blvd Knoxville, TN 37909	62-1377551	501(c)(3)		118,962	Book	Transferred sponsorship of HUDs	Low income housing
East TN Children's Hospital PO Box 15016 Knoxville, TN 37901	62-6002604	501(c)(3)	7,340				Sponsorship of fundraisers
East TN Economic Development Agency10215 Technology Dr Ste 202 Knoxville, TN 37932	62-1158958	501(c)(3)	85,000				Regional marketing and business recruitment program
Fort Sanders Foundation280 Ft Sanders West Blvd Ste 100 Knoxville, TN 37922	62-1748601	501(c)(3)	12,500				Fundraisers benefiting Patricia Neal Rehab Center, Peninsula, & the Hope Center
Great Smoky Mountain Council Boy ScoutsPO Box 51885 Knoxville, TN 37950	62-0476811	501(c)(3)	9,800				Boy Scout campaign and 2009 Citizens Dinner sponsor
Holston Home for ChildrenPO Box 188 Greeneville, TN 37744	62-0515531	501(c)(3)	5,800				General support, fundraising dinner
Technology 20201020 Commerce Park Dr Oak Ridge, TN 37830	62-1624472	501(c)(3)	60,000				Funding for Innovation Valley, Inc - regional economic & technological development

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Interfaith Health Clinic315 Gill Avenue Knoxville, TN 37917	58-1947641	501(c)(3)	61,000				Medical care for the uninsured and underinsured in East Tennessee
Knoxville Academy of Medicine Foundation115 Suburban Road Knoxville, TN 37923	62-1458199	501(c)(3)	20,000				Knoxville Area Project Access - medical care for needy
Knoxville Medical Mission Foundation1932 Historic Ferry Way Knoxville, TN 37922	30-0197352	501(c)(3)	20,000				Medical missions to Guatemala
Knoxville Symphony OrchestraPO Box 360 Knoxville, TN 37901	62-6008097	501(c)(3)	12,650				Music & Wellness Program, Young People's Concerts, general support
Knoxville Track ClubPO Box 32035 Knoxville, TN 37930	62-0731345	501(c)(3)	50,000				2010 Knoxville Marathon and Covenant Kids' Run
Komen Knoxville Race for Cure9724 Kingston Pike Ste 705 Knoxville, TN 37922	75-1835298	501(c)(3)	12,000				Race sponsor for organization supporting breast cancer research and awareness
Robert F Thomas Foundation PO Box 4395 Sevierville, TN 37864	58-1537582	501(c)(3)	8,000				Fundraisers to benefit Fort Sanders Sevier Medical Center
Rotary Foundation of Knoxville625 Market Street Suite 1400 Knoxville, TN 37902	62-6047101	501(c)(3)	20,050				Honor Air Knoxville program
Sacred Heart Church711 S Northshore Drive Knoxville, TN 37919	62-0572260	501(c)(3)	12,500				Hope for Haiti medical outreach, school endowment fund
United Way of Greater Knoxville1301 Hannah Avenue Knoxville, TN 37921	62-0475748	501(c)(3)	30,500				General support

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV , appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
University of Tennessee Athletic Dept1551 Lake Loudoun Blvd Knoxville, TN 37996	62-6001636	501(c)(3)	9,000				Athletic scholarship funds , collegiate golf tournament sponsor
Variety Children's Charity of East TN7132 Regal Lane Knoxville, TN 37918	33-1025696	501(c)(3)	20,000				Sponsor fundraising event
WC Two2351 Dandridge Avenue Knoxville, TN 37915	62-1845117	501(c)(3)	10,000				Sponsor Larry Fleming Cup Kids' Classic Golf Tournament
Wellness Community702 Lindsay Place Knoxville, TN 37919	58-1846210	501(c)(3)	15,000				Programs for cancer patients and caregivers
CareSpark - IVHINPO Box 657 Kingsport, TN 37622	20-2694144	501(c)(3)	50,000				Support of electronic health records initiative
Dogwood Arts Festival106 W Summit Hill Dr Knoxville, TN 37902	62-6074113	501(c)(3)	20,000				Sponsor 2009 & 2010 Blooms & Bikes ride and Dogwood Mile race
Dollywood Foundation1020 Dollywood Ln Pigeon Forge, TN 37863	62-1348105	501(c)(3)	10,000				Imagination Library book program
Emerald Youth Foundation 1718 N Central St Knoxville, TN 37917	62-1474791	501(c)(3)	12,500				Programs for at-risk youth
Knox County Imagination Library500 W Church Ave Knoxville, TN 37902	62-0807696	501(c)(3)	10,000				Preschool book program
Thompson Cancer Survival Center Foundation1915 White Ave Knoxville, TN 37916	58-2130450	501(c)(3)	7,000				Buddy's Race for the Cure sponsor

Schedule J  
(Form 990)

Compensation Information

OMB No 1545-0047

2009

Open to Public Inspection

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 23.

▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization  
Covenant Health

Employer identification number  
62-1646734

Part I

Questions Regarding Compensation

		Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items		
	<div><div><input type="checkbox"/> First-class or charter travel</div><div><input type="checkbox"/> Housing allowance or residence for personal use</div></div>		
	<div><div><input checked="" type="checkbox"/> Travel for companions</div><div><input type="checkbox"/> Payments for business use of personal residence</div></div>		
	<div><div><input checked="" type="checkbox"/> Tax idemnification and gross-up payments</div><div><input type="checkbox"/> Health or social club dues or initiation fees</div></div>		
	<div><div><input checked="" type="checkbox"/> Discretionary spending account</div><div><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div>		
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain	1b	Yes
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2	Yes
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply		
	<div><div><input checked="" type="checkbox"/> Compensation committee</div><div><input type="checkbox"/> Written employment contract</div></div>		
	<div><div><input checked="" type="checkbox"/> Independent compensation consultant</div><div><input checked="" type="checkbox"/> Compensation survey or study</div></div>		
	<div><div><input type="checkbox"/> Form 990 of other organizations</div><div><input checked="" type="checkbox"/> Approval by the board or compensation committee</div></div>		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization		
a	Receive a severance payment or change-of-control payment?	4a	No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	Yes
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c	No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III		
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.		
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of		
a	The organization?	5a	No
b	Any related organization?	5b	No
	If "Yes," to line 5a or 5b, describe in Part III		
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of		
a	The organization?	6a	No
b	Any related organization?	6b	No
	If "Yes," to line 6a or 6b, describe in Part III		
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7	No
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III	8	No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	9	

**Part II** **Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use Schedule J-1 if additional space needed.

For each individual whose compensation must be reported in 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 are not listed on Form 990, Part VII

**Note.** The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
Anthony L Spezia	(i)	698,588	599,936	60,573	210,404	36,545	1,606,046	0
	(ii)	0	0	0	0	0	0	0
John T Geppi	(i)	369,248	260,769	41,399	84,200	46,725	802,341	0
	(ii)	0	0	0	0	0	0	0
James D Vandersteeg	(i)	377,224	204,808	36,039	14,700	30,643	663,414	0
	(ii)	0	0	0	0	0	0	0
Samuel R Buscetta	(i)	252,422	184,910	39,124	9,800	24,203	510,459	0
	(ii)	0	0	0	0	0	0	0
William M Ward	(i)	214,518	65,679	30,716	12,681	33,362	356,956	0
	(ii)	0	0	0	0	0	0	0
Virginia K Morrow	(i)	144,469	71,156	37,436	9,800	29,070	291,931	0
	(ii)	0	0	0	0	0	0	0
Keith Altshuler	(i)	242,938	99,960	35,491	14,903	46,708	440,000	0
	(ii)	0	0	0	0	0	0	0
Michael R Belbeck Jr	(i)	243,027	60,684	31,666	39,059	31,680	406,116	0
	(ii)	0	0	0	0	0	0	0
Larry R Lassiter	(i)	253,432	63,675	32,768	17,158	26,176	393,209	0
	(ii)	0	0	0	0	0	0	0
Ellen Wilhoit	(i)	172,210	80,050	17,364	22,761	18,075	310,460	0
	(ii)	0	0	0	0	0	0	0
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

Part III

Supplemental Information

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

Identifier	Return Reference	Explanation
	Part I, Line 1a	Part I, Line 1a Tax indemnification & gross-up payments are provided to certain executives. These benefits are treated as taxable compensation to the recipients. Officers and Board members attending official Board retreats are offered a discretionary spending allowance that may be used for incidental spending and/or companion travel. The allowance is treated as taxable compensation to the recipient. In addition, Board members receive tax indemnification payments related to reportable compensation from the spending allowances, which are also treated as taxable compensation. In 2009, thirteen (13) Board members benefitted from use of a discretionary spending allowance.
	Part I, Line 4a	Part I, Line 4b Anthony L. Spezia \$200,604 - current year contribution to 457(f) plan \$178,469 - current year distribution from 457(f) plan

Schedule K (Form 990)	<div>Supplemental Information on Tax Exempt Bonds</div> <div>▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Schedule O (Form 990).</div> <div>▶ Attach to Form 990. ▶ See separate instructions.</div>	OMB No 1545-0047
		2009
		Open to Public Inspection

Department of the Treasury Internal Revenue Service	Name of the organization Covenant Health	Employer identification number 62-1646734
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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	
							Yes	No	Yes	No
A	Health Educ & Housing Facil Brd of Knox Co	62-1220275	499523UUO	12-20-2006	46,245,448	See Schedule O		X		X
B	Health Educ & Housing Facil Brd of Knox Co	62-1220275	499527AH2	12-20-2006	160,500,000	See Schedule O		X		X

Part II Proceeds

		A	B	C	D	E			
1	Total proceeds of issue	46,245,448	160,500,000						
2	Gross proceeds in reserve funds								
3	Proceeds in refunding or defeasance escrows	23,755,001							
4	Other unspent proceeds								
5	Issuance costs from proceeds	506,941	1,355,613						
6	Working capital expenditures from proceeds								
7	Capital expenditures from proceeds	21,983,506	159,144,387						
8	Year of substantial completion	2007	2010						
		Yes	No	Yes	No	Yes	No	Yes	No
9	Were the bonds issued as part of a current refunding issue?		X		X				
10	Were the bonds issued as part of an advance refunding issue?	X			X				
11	Has the final allocation of proceeds been made?	X			X				
12	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X					

Part III Private Business Use

		A		B		C		D		E	
		Yes	No	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						
2	Are there any lease arrangements with respect to the financed property which may result in private business use?		X		X						

Part III

Private Business Use (Continued)

		A		B		C		D		E	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts with respect to the financed property which may result in private business use?		X		X						
3b	Are there any research agreements with respect to the financed property which may result in private business use?		X		X						
3c	Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?	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		0 %		0 %						
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		0 %		0 %						
6	Total of lines 4 and 5		0 %		0 %						
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X		X							

Part IV

Arbitrage

		A		B		C		D		E	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1	Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		X		X						
2	Is the bond issue a variable rate issue?	X	X								
3a	Has the organization or the governmental issuer identified a hedge with respect to the bond issue on its books and records?		X		X						
b	Name of provider										
c	Term of hedge										
4a	Were gross proceeds invested in a GIC?		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?		X		X						
5	Were any gross proceeds invested beyond an available temporary period?		X		X						
6	Did the bond issue qualify for an exception to rebate?		X		X						



SCHEDULE M  
(Form 990)

NonCash Contributions

OMB No 1545-0047

2009

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

►Complete if the organization answered "Yes" on Form 990, Part IV, lines 29 or 30.  
► Attach to Form 990.

Name of the organization  
Covenant Health

Employer identification number  
62-1646734

Part I

Types of Property

	(a) Check if applicable	(b) Number of Contributions	(c) Revenues reported on Form 990, Part VIII, line 1g	(d) Method of determining revenues
1 Art—Works of art . . . . .	X	24	15,756	Retail value,expert
2 Art—Historical treasures . . . . .				
3 Art—Fractional interests . . . . .				
4 Books and publications . . . . .				
5 Clothing and household goods . . . . .	X		25,832	Various
6 Cars and other vehicles . . . . .				
7 Boats and planes . . . . .				
8 Intellectual property . . . . .				
9 Securities—Publicly traded . . . . .				
10 Securities—Closely held stock . . . . .				
11 Securities—Partnership, LLC, or trust interests . . . . .				
12 Securities—Miscellaneous . . . . .				
13 Qualified conservation contribution—Historic structures . . . . .				
14 Qualified conservation contribution—Other . . . . .				
15 Real estate—Residential . . . . .				
16 Real estate—Commercial . . . . .				
17 Real estate—Other . . . . .				
18 Collectibles . . . . .	X	25	7,819	Comparables
19 Food inventory . . . . .	X	4	75	
20 Drugs and medical supplies . . . . .				
21 Taxidermy . . . . .				
22 Historical artifacts . . . . .				
23 Scientific specimens . . . . .				
24 Archeological artifacts . . . . .				
25 Other ► ( Gift cards/certificates/tickets )	X	63	26,047	Retail or face value
26 Other ► ( Donated services/use of facilities )	X	13	15,013	Retail value
27 Other ► ( )				
28 Other ► ( )				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement . . . . .

29

30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period? . . . . .

30a

Yes

No

31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions? . . . . .

31

Yes

No

32a Does the organization hire or use third parties or related organizations to solicit, process, or sell non-cash contributions? . . . . .

32a

Yes

No

33 If the organization did not report revenues in column (c) for a type of property for which column (a) is checked, describe in Part II

**Part II**

**Supplemental Information.** Complete this part to provide the information required by Part I, lines 30b, 32b, and 33. Also complete this part for any additional information.

Identifier	Return Reference	Explanation
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efile GRAPHIC print - DO NOT PROCESS		As Filed Data -		DLN: 93493315013040	
SCHEDULE O (Form 990)		Supplemental Information to Form 990			OMB No 1545-0047
					2009
Department of the Treasury Internal Revenue Service		Complete to provide information for responses to specific questions on Form 990 or to provide any additional information. ▶ Attach to Form 990.			Open to Public Inspection
Name of the organization Covenant Health				Employer identification number  62-1646734	

Identifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 11		A summary of Covenant Health's 2009 Form 990 has been prepared and presented to the Covenant Health Finance Committee and Board of Directors at their 2010 September and October meetings, respectively This entity is one member of a large, integrated health care system which files a total of eleven (11) Form 990s Prior to filing, the Board of Directors and Finance Committee had access to the 990s of all Covenant Health facilities
Form 990, Part VI, Section B, line 12c		Board members, officers and employees are required to adhere to rules and policies regarding conflicts of interest Covenant Health distributes a Board-approved employee handbook to all employees The handbook covers, among other subjects, conflicts of interest Additionally, managers are required to complete and sign an annual management certification that addresses conflicts of interest Board members' conflicts of interests are dealt with in the corporate bylaw s, and Board members are required to complete and sign a conflict of interest questionnaire on an annual basis The Integrity Compliance Office maintains records that contain conflict of interest information obtained from Board members, officers and employees These records are available to be queried prior to engaging in business transactions The Integrty Compliance Officer initially review s all conflict of interest data Based on this information, the officer determnes what conflicts of interest exist at that point in time Betw een times w hen surveys are collected, Board members are expected to disclose any new conflicts that have arisen that affect pending Board decisions As well, managers and other employees are expected to report conflicts to the Integrity Compliance Officer as they arise Depending on the nature of the conflict and the circumstances surrounding the conflict and transaction, the Integrity Compliance Officer, Senior Leadership, or the Board of Directors may review the conflict of interest Where appropriate these bodies may also consult legal counsel Restrictions imposed on persons with a conflict of interest are determined on a case by case basis For Covenant Health employees, the Integrity Compliance Officer in conjunction with Executive Leadership determines how to appropriately handle the conflict In any conflict involving a Board member, such member is expected to excuse himself or herself from voting on matters that give rise to the conflict

Identifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 15		Form 990, Part VI, Section B, Line 15a Annual compensation for Covenant Health's President and CEO, Anthony L Spezia, is determined by the Compensation Committee of the board of directors, which is composed of independent members of the board and chaired by the chairman of the board The Committee is guided in its decision-making process by an independent, nationally recognized executive compensation consultant experienced in advising nonprofit hospital boards ("consultant") whose services include (1) providing pay comparisons with market comparables, (2) recommending salary ranges and annual base salary adjustments, (3) designing incentive compensation and deferred compensation components of the CEO's total compensation package, (4) reviewing benefits and perquisites, and (5) certifying as to the reasonableness of total annual compensation The consultant analyzes and makes recommendations with respect to the CEO's total compensation package through analysis of CEO compensation data for comparable healthcare nonprofit health systems in the United States The systems selected for comparison are similar to Covenant Health in size, revenue, total assets, number of full time employees and services provided Covenant Health's current compensation methodology includes setting base salary at a midpoint recommended by the consultant based on the CEO's experience and market conditions In addition, annual incentive bonus compensation may be awarded upon achievement of established targets Bonus opportunity ranges from 35-50% of base salary depending upon the executive's performance The CEO also earns forfeitable, deferred compensation, the amount of which depends upon the amount of any annual bonus awarded As a part of its CEO performance evaluation process, the Committee asks each member of the board of directors to submit a written evaluation of the CEO's performance using an evaluation form prepared by an independent audit firm This information is collected, collated, and reported to the Committee by the audit firm, however, results are "blinded" so that individual board members are not identified The collated results are shared with the CEO as part of the evaluation process Any increase in base salary, award of annual bonus, or changes in overall compensation methodology are made by the Committee after discussion with and advice of the consultant and conditioned upon the consultant's determination that such decisions result in total annual compensation that is reasonable and within a fair market value range Once the annual performance evaluation is completed, the chairman and at least one other member of the Committee meet with the CEO and share the Committee and board's evaluation of his prior year's performance, communicate his performance goals for the upcoming year, and inform him of the Committee's actions with respect to any annual bonus award for the prior year and any base salary adjustment for the upcoming year Minutes of the actions of the Committee are recorded and kept on file In addition, all determinations of the Committee with respect to the CEO's compensation are reported to and ratified by the full board of directors Form 990, Part VI, Section B, Line 15b Base salaries and annual bonus opportunities for Key Executives (*1) are set by the Covenant Health CEO or Executive Vice President-Human Resources, subject to approval of the Compensation Committee of the Covenant Health Board of Directors ("the Committee"), after review by and discussion with the executive compensation consultant ("the consultant") to insure that total compensation for each executive is reasonable and within a fair market value range Salary ranges for each executive position are based upon the recommendations of the consultant made after comparison with similar jobs in similar size health systems across the nation Bonuses are recommended by the CEO and approved by the Committee conditioned upon receipt of a written opinion from the consultant that total compensation for each Key Executive is reasonable and consistent with fair market value Base salaries are initially targeted at midpoint and vary according to the individual's experience, market conditions and competition Annual bonuses are designed to award 25-35% of base salary based upon system performance and accomplishment of certain targets established by the CEO (*1) KEY EXECUTIVES Covenant Health employees John T Geppi, EVP-Chief Financial Officer James D Vandersteeg, EVP-Hospital Operations Samuel R Buscetta, EVP-Human Resources William M Ward, SVP-Chief Information Officer Virginia K Morrow , SVP-Philanthropy Related organization employees compensated by Covenant Health Keith Altshuler, President & CAO of Fort Sanders Regional Medical Ctr Michael R Belbeck, Jr , President & CAO of Methodist Medical Center Larry R Lassiter, President & CAO of Parkwest Medical Center Ellen F Wilhoit, President & CAO of LeConte Medical Center (formerly Fort Sanders Sevier Medical Center)

Form 990, Part VI, Section C, line 19 Form 990, Part VI, Section C, Line 19 Per its tax-exempt bond provisions, Covenant Health is required to file quarterly and annual consolidated and obligated group financial statements in addition to other documentation, with various bond insurers and other agencies, including Nationally Recognized Municipal Securities Information Repositories Any member of such a repository has access to these financial statements Form 990, Part VI, Section A, Line 9 & Part VII, Section A Average Hours Per Week/Contact Addresses for Highest Compensated Employees Covenant Health compensates the Presidents and CAOs of its member hospitals in its role as a supporting organization Average hours worked per week by the following persons are reported on the Form 990 of the facility for which they work Their contact addresses are provided here, as well Keith Altshuler Fort Sanders Regional Medical Center & Fort Sanders Perinatal Center 1901 Clinch Avenue Knoxville, TN 37916 Michael R Belbeck, Jr Methodist Medical Center 990 Oak Ridge Turnpike Oak Ridge, TN 37830 Larry R Lassiter Parkwest Medical Center 9352 Park West Boulevard Knoxville, TN 37923 Ellen F Wilhoit LeConte Medical Center 742 Middle Creek Road Sevierville, TN 37862 All other persons listed in Part VII, Section A may be contacted at the organization's address Form 990, Part XI, Line 2c The Finance Committee of the Board of Directors assumes responsibility for oversight of the audit of the consolidated financial statements and selection of an independent accountant Schedule K, Part I, Column(f) Bond Issues - Description of Purpose The bond issues reported in Part I of Schedule K are related The majority of the proceeds have been used to build a replacement hospital and cancer treatment center in Sevier County and make numerous renovations and improvements at all the member hospitals A portion of the 2006 bonds were used for the refunding of bonds issued in 2002

Identifier	Return Reference	Explanation
Form 990, Part III, Line 1 - Report to the Community		<p>Service to the people and communities of East Tennessee is the cornerstone of the mission of Covenant Health, hereinafter referred to as "the System," a community-own ed health systemw hich includes acute care hospitals, outpatient facilities and clinics, and numerous specialty services The System's mission, "we serve the community by improving the quality of life through better health," has been the foundation of the services and programs offered by the System and its member organizations since it was formed through the consolidation of Fort Sanders Health System in Knoxville and MMC Healthcare System in Oak Ridge in 1996 The System is a community-own ed healthcare system and provides comprehensive health services throughout East Tennessee Headquartered in Knoxville, Tennessee, the System includes six acute care hospitals with a total of more than 1,600 licensed beds, as well as numerous outpatient services and clinics The System also includes specialty providers of behavioral, oncology, and rehabilitation services, along with home care, physician clinics, community wellness programs and managed care products and services The System has more than 1,000 affiliated physicians and 9,000 employees</p> <p>Covenant Health, a tax-exempt entity pursuant to section 501(c)(3) of the Internal Revenue Code, is the parent company and sole member of several controlled entities Fort Loudoun Medical Center, Fort Sanders Regional Medical Center, Fort Sanders - Sevier Medical Center, Methodist Medical Center of Oak Ridge, Parkwest Medical Center, Peninsula a Division of Parkwest Medical Center, Roane Medical Center, Thompson Cancer Survival Center, Covenant HomeCare and Fort Sanders Perinatal Center These entities were established to provide healthcare services primarily to East Tennesseans in the surrounding 16-county area Operating as an integrated network of health services, Covenant Health and its affiliates seek to provide affordable, superior healthcare to patients through continued operation of both acute care and non-hospital programs The history of the System demonstrates a clear and consistent charitable purpose the provision of healthcare services to all residents of the community without regard to age, race, gender, creed, national origin, ability to pay, or physical or mental handicap Beyond the services documented in this report are countless acts of generosity by employees that will never be completely captured and reported, nor will they be forgotten by those who benefited from them One of the most tangible expressions of the System's charitable purpose is the provision of care to people unable to pay The System embraces its purpose and strives to grow the types of services not provided by other area health care providers, examples of such services include but are not limited to services provided by Peninsula, a Division of Parkwest, and the Hope Center, which provides comprehensive support services for patients with HIV/AIDS and other serious illnesses, and their families and caregivers The System provides medically necessary services to all people, regardless of their ability to pay Patients who fall below 300 percent of the federal poverty income guidelines for a 12-month period, who are unable to pay, and who have exhausted all sources of payment assistance may be eligible for charity care According to policy, patients whose annual income falls between 0-200% of federal poverty guidelines receive 100% discount while those whose income is between 201-300% of the federal poverty guidelines receive a 70% discount For those who do not fall below the guidelines but are facing difficult economic circumstances, ability to pay is determined on a case-by-case basis In particular, cases involving serious illness and/or unusually high-cost care are individually evaluated, and expectation of payment by the System is adjusted to recognize the reasonable ability of the individual patient to pay for services received For the year ending December 31, 2009, the System provided services under the previously stated policy which resulted in significant losses to the System Both inpatients and outpatients were provided care under the aforementioned policy No patient was refused necessary medical care on the basis of his or her ability to pay In addition to the level of services identified above, the System is an active participant in the State of Tennessee TennCare program The System is the area's largest TennCare provider of services to residents of East Tennessee The TennCare program seeks to provide payment for healthcare services to individuals who meet certain financial and categorical requirements Financial requirements include evaluation of both assets and income TennCare program reimbursement rates are substantially below Medicare reimbursement rates In addition to the provision of care without expectation of payment or the provision of care to TennCare-eligible people at rates substantially below charges, the System provided services to people covered under the federal Medicare program Medicare recipients were the largest single payor classification of patients served by the System The payment rate for inpatient services was on a per case rate, calculated based on the diagnostic-related group into which the patient was categorized, coupled with other factors related to area wage rates, capital costs and other variables Outpatient services were reimbursed on a pre-determined case rate Moreover, the System works diligently throughout the year to achieve its mission by supporting community health education and outreach programs The System underwrites the cost of community screenings, health fairs, outreach programs for seniors, outdoor fitness programs, community exercise classes, support groups for new parents and other specific populations, smoking cessation classes, and local wellness education programs Notable examples of these programs include Covenant Health Check, a multi-county annual screening event, now in its 26th year, which has served more than 120,000 people, Body Works, a multi-location exercise program for adults, Passport, an organization promoting health and active lifestyles for adults 50 and older, Monthly Lunch 'n Learns and Health Nights in Knox and surrounding counties, Covenant Health at the Mall, freestanding health information kiosks at two local malls, Community fitness events such as the Covenant Health Knoxville Marathon and a bike ride and foot race held in conjunction with Knoxville's Dogwood Arts Festival, Wellness programs, support groups, and outreach services sponsored by Covenant Health's member hospitals The system also funds two "hospitality house" outreach programs, one at Fort Sanders Regional Medical Center in Knoxville, and one at Methodist Medical Center in Oak Ridge These facilities provide temporary "homes away from home" for non-local patients and caregivers who are receiving ongoing medical treatment care at Covenant Health member organizations The System is committed to education in order to prepare qualified nurses and other healthcare workers for the future, and to provide continuing education for current healthcare professionals This support is shown in multiple ways, including support of Tennessee Wesleyan College - Fort Sanders Nursing, a baccalaureate level nursing education program offered under the auspices of Tennessee Wesleyan College in Athens, Tennessee, with classroom and clinical training opportunities offered in Knoxville and at various Covenant Health facilities The System also provides clinical training rotations at its hospitals and member facilities for students in area nursing and ancillary health education programs Additional program support and scholarships are given to students and to schools providing healthcare education throughout the area Special programs are offered to high school and middle school students who are interested in careers in healthcare Continuing education opportunities are provided for physicians, nurses, and other healthcare professionals on a variety of topics During 2009, the System subsidized services related to sports medicine, services for women and children, and behavioral health assessments Subsidized services are those services which are typically provided to meet an identified community need If no longer offered, the services would either be unavailable in the area or fall to the responsibility of the government or another not-for-profit system to provide</p>

Identifier	Return Reference	Explanation
		<p>The system also designated specific amounts as Physician subsidies to support the recruitment by the System and its affiliates of physicians and other health professionals for areas underserved or specialties not adequately served in the community. High populations of TennCare patients and uninsured patients typically reside in these areas. The System supported the important work of many unaffiliated organizations and charities during 2009. While the principal community donation by the System was in the area of indigent care, donations within the context of the organization's established charitable contribution policy were also made to other causes. More than 50 organizations received charitable contributions from Covenant Health and/or its member organizations in 2009, including American Cancer Society, American Heart Association, East Tennessee Children's Hospital, Holston Home for Children, Imagination Library, Knoxville Track Club (for sponsorship of Covenant Health Knoxville Marathon), Senior Services, Contributions and Sponsorships, Susan G. Komen Foundation, University of Tennessee, Variety Children's Charity of East Tennessee, Wellness Community. Donations also included support of medical mission trips to Guatemala and Haiti. Community Building activities included cash, in-kind donations, and budgeted expenditures for the development of community health programs and partnerships. These activities include physical improvements and housing, economic development and support system enhancements like disaster readiness, mentoring programs, and youth asset development initiatives. In 2009 the System provided Community Building support to many organizations, including but not limited to Boys &amp; Girls Club, Emerald Youth Foundation, Family Promise of Knoxville, Interfaith Health Clinic, Knoxville Academy of Medicine, Project Access, Knoxville Area Urban League, Roane Alliance, United Way Wee Course Classic. In a separate but related donation category, in 2009 employees of the System also contributed financially to the System's United Way drive and Covenant Health's We Care campaign, which raises funds for charitable services provided by the System such as patient assistance with medication costs, chaplain's fund for employees in need, hospitality houses for patients from outside the area, and nursing scholarship programs. The volunteer programs at the System's acute care organizations are active and vital parts of the System's success. Volunteers donate time and service to Fort Loudoun Medical Center, Fort Sanders Regional Medical Center, Fort Sanders Sevier Medical Center, Methodist Medical Center, Parkwest Medical Center, Thompson Cancer Survival Center, and Covenant HomeCare. At the acute care facilities, volunteers include adults, college students and teenagers working in a variety of settings such as inpatient and outpatient facility departments, patient reception areas, gift shops, fellowship centers, etc. Funds raised by volunteers are donated for hospital equipment, supplies and special projects, as well as to meet charitable community needs.</p>



## Related Organizations and Unrelated Partnerships

OMB No 1545-0047

# 2009

**Open to Public Inspection**

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.**  
▶ **Attach to Form 990.** ▶ **See separate instructions.**

Employer identification number

62-1646734

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

(f)  
Direct controlling  
entity

**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.)

(f)  
Direct controlling  
entity

See Additional Data Table

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?	
See Additional Data Table							Yes	No		Yes	No

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
Fortress Corporation 280 Ft Sanders West Blvd Suite 214 Knoxville, TN37922 62-1308885	Management Company	TN	N/A	C		61,224,763	100 000 %
KASC Acquisition Company Inc 1410 Centerpoint Blvd Suite 401 Knoxville, TN37932 26-3400984	Real Estate Acquisitions	TN	N/A	C			
Covenant Medical Management Inc 280 Ft Sanders West Blvd Suite 205 Knoxville, TN37922 62-1282917	Physician Practice Management	TN	N/A	C			



Part V

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

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

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 (iv) rent from a controlled entity

b

Gift, grant, or capital contribution to other organization(s)

c

Gift, grant, or capital contribution from other organization(s)

d

Loans or loan guarantees to or for other organization(s)

e

Loans or loan guarantees by other organization(s)

f

Sale of assets to other organization(s)

g

Purchase of assets from other organization(s)

h

Exchange of assets

i

Lease of facilities, equipment, or other assets to other organization(s)

j

Lease of facilities, equipment, or other assets from other organization(s)

k

Performance of services or membership or fundraising solicitations for other organization(s)

l

Performance of services or membership or fundraising solicitations by other organization(s)

m

Sharing of facilities, equipment, mailing lists, or other assets

n

Sharing of paid employees

o

Reimbursement paid to other organization for expenses

p

Reimbursement paid by other organization for expenses

q

Other transfer of cash or property to other organization(s)

r

Other transfer of cash or property from other organization(s)

1a

Yes

1b

Yes

1c

Yes

1d

Yes

1e

No

1f

Yes

1g

No

1h

No

1i

Yes

1j

Yes

1k

Yes

1l

Yes

1m

No

1n

Yes

1o

Yes

1p

Yes

1q

Yes

1r

Yes

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 other organization	(b) Transaction type(a-r)	(c) Amount involved
(1)	See Additional Data Table		
(2)			
(3)			
(4)			
(5)			
(6)			

Schedule R (Form 990) 2009

**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) Are all partners section 501(c)(3) organizations?		(e) Share of end-of-year assets	(f) Disproportionate allocations?		(g) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(h) General or managing partner?	
			Yes	No		Yes	No		Yes	No

Software ID:

Software Version:

EIN: 62-1646734

Name: Covenant Health

Form 990, Schedule R, Part II - Identification of Related Tax-Exempt Organizations

(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 501(c)(3))	(f) Direct Controlling Entity
Fort Sanders Regional Medical Center  1901 W Clinch Avenue Knoxville, TN37916 62-0528340	Acute care hospital	TN	501(c)(3)	3	N/A
Parkwest Medical Center  9352 Park West Boulevard Knoxville, TN37923 58-1897274	Acute care hospital & behavioral services	TN	501(c)(3)	3	N/A
Methodist Medical Center  990 Oak Ridge Turnpike Oak Ridge, TN37830 62-0636239	Acute care hospital	TN	501(c)(3)	3	N/A
LeConte (formerly Fort Sanders Sevier) Medical Center  742 Middle Creek Road Sevierville, TN37862 62-1114867	Acute care hospital	TN	501(c)(3)	3	N/A
Roane County Medical Center dba Roane Medical Center  412 Devonia St Harriman, TN37748 68-0673354	Acute care hospital	TN	501(c)(3)	3	N/A
Fort Loudoun Medical Center  550 Fort Loudoun Medical Ctr Dr Loudon, TN37772 62-1373691	Acute care hospital	TN	501(c)(3)	3	N/A
Thompson Cancer Survival Center  1915 White Avenue Knoxville, TN37916 62-1250943	Cancer treatment facility	TN	501(c)(3)	3	N/A
Thompson Oncology Group  1915 White Avenue Knoxville, TN37916 62-1619239	Oncology services	TN	501(c)(3)	3	Thompson Cancer Survival Center
Fort Sanders Foundation  280 Fort Sanders West Blvd Ste 100 Knoxville, TN37922 62-1748601	Fundraising and development	TN	501(c)(3)	11(a)-Type I	N/A
Horizon House I Inc  PO Box 789 Louisville, TN37777 58-1575059	Low-income housing	TN	501(c)(3)	7	N/A
Horizon House II Inc  PO Box 789 Louisville, TN37777 58-1621969	Low-income housing	TN	501(c)(3)	7	N/A
Laurel Place Apartments Inc  PO Box 789 Louisville, TN37777 31-1522627	Low-income housing	TN	501(c)(3)	7	N/A
Shamrock Place Inc  PO Box 789 Louisville, TN37777 62-1685242	Low-income housing	TN	501(c)(3)	7	N/A
Woodgrove Apartments Inc  PO Box 789 Louisville, TN37777 62-1735525	Low-income housing	TN	501(c)(3)	7	N/A
Covenant Homecare  3001 Lake Brook Blvd Suite 101 Knoxville, TN37909 62-1623114	Home health services	TN	501(c)(3)	9	N/A
Fort Sanders Perinatal Center  501 19th St Suite 304 Knoxville, TN37916 04-3760551	High risk obstetrical services	TN	501(c)(3)	3	Fort Sanders Regional Medical Center

Form 990, Schedule R, Part III - Identification of Related Organizations Taxable as a Partnership

(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 on Box 20 of K-1 (\$)	(j) General or Managing Partner?	
							Yes	No		Yes	No
Endoscopy Center of Oak Ridge LLC  988 Oak Ridge Turnpike Suite 220 Oak Ridge, TN37830 62-1667358	Outpatient medical facility	TN	N/A								
Fort Sanders West Outpatient Surgery Center LP  210 Fort Sanders West Blvd Suite 10 Knoxville, TN37922 62-1366907	Outpatient surgery center	TN	N/A								
Fort Sanders West Associates  280 Fort Sanders West Blvd Suite 21 Knoxville, TN37922 62-1384171	Building ownership	TN	N/A								
Fort Sanders Endoscopy Center LLC  100 Fort Sanders West Blvd Knoxville, TN37922	Not yet in operation	TN	N/A								
Fort Sanders Outpatient Cardiac Catheterization Ctr LLC  100 Fort Sanders West Blvd Knoxville, TN37922	Not yet in operation	TN	N/A								
Parkwest Endoscopy Center LLC  100 Fort Sanders West Blvd Knoxville, TN37922	Not yet in operation	TN	N/A								
Tellico Senior Living LLC  PO Box 308 Caryville, TN37714 36-4353505	Retirement village	TN	N/A								
KOSC Properties LLC  260 Fort Sanders West Blvd Ste 200 Knoxville, TN37922 26-2444076	Building ownership	TN	N/A								
Knoxville Orthopaedic Surgery Center LLC  260 Fort Sanders West Blvd Ste 200 Knoxville, TN37922 26-2437385	Orthodopaedic surgery	TN	N/A								

Form 990, Schedule R, Part V - Transactions With Related Organizations

(a) Name of other organization		(b) Transaction type(a-r)	(c) Amount Involved (\$)
(1)	Fort Sanders Regional Medical Center	A	1,689,287
(2)	Fort Sanders Regional Medical Center	B	581,370
(3)	Fort Sanders Regional Medical Center	F	592,505
(4)	Fort Sanders Regional Medical Center	K	17,711,623
(5)	Fort Sanders Regional Medical Center	N	3,030,585
(6)	Fort Sanders Regional Medical Center	O	574,687
(7)	Fort Sanders Regional Medical Center	P	119,359,554
(8)	Fort Sanders Regional Medical Center	Q	148,917,449
(9)	Parkwest Medical Center	A	15,107,925
(10)	Parkwest Medical Center	C	57,274
(11)	Parkwest Medical Center	F	626,923
(12)	Parkwest Medical Center	K	19,546,561
(13)	Parkwest Medical Center	N	1,149,057
(14)	Parkwest Medical Center	O	77,067
(15)	Parkwest Medical Center	P	125,910,243
(16)	Parkwest Medical Center	Q	6,520,862
(17)	Parkwest Medical Center	R	174,218,769
(18)	Methodist Medical Center	A	115,325
(19)	Methodist Medical Center	F	345,342
(20)	Methodist Medical Center	K	11,487,643
(21)	Methodist Medical Center	N	741,081
(22)	Methodist Medical Center	P	61,600,791
(23)	Methodist Medical Center	Q	75,064,518
(24)	LeConte Medical Center (formerly Fort Sanders Sevier)	A	68,128
(25)	LeConte Medical Center (formerly Fort Sanders Sevier)	C	4,961,669
(26)	LeConte Medical Center (formerly Fort Sanders Sevier)	F	106,608
(27)	LeConte Medical Center (formerly Fort Sanders Sevier)	K	4,030,337
(28)	LeConte Medical Center (formerly Fort Sanders Sevier)	N	282,615
(29)	LeConte Medical Center (formerly Fort Sanders Sevier)	P	25,571,977
(30)	LeConte Medical Center (formerly Fort Sanders Sevier)	R	8,509,665
(31)	Roane County Medical Center	B	57,274
(32)	Roane County Medical Center	K	250,400
(33)	Roane County Medical Center	N	353,749
(34)	Roane County Medical Center	O	270,458
(35)	Roane County Medical Center	P	3,754,828
(36)	Fort Loudoun Medical Center	K	1,884,854
(37)	Fort Loudoun Medical Center	N	263,435
(38)	Fort Loudoun Medical Center	P	11,889,090
(39)	Fort Loudoun Medical Center	Q	14,548,300
(40)	Thompson Cancer Survival Center	K	1,923,975
(41)	Thompson Cancer Survival Center	N	273,509
(42)	Thompson Cancer Survival Center	P	5,691,863
(43)	Thompson Cancer Survival Center	Q	1,558,181
(44)	Thompson Cancer Survival Center	R	9,627,146
(45)	Thompson Oncology Group	K	175,823
(46)	Thompson Oncology Group	P	26,686,719
(47)	Thompson Oncology Group	Q	22,877,859
(48)	Covenant Homecare	I	54,950
(49)	Covenant Homecare	K	1,067,646
(50)	Covenant Homecare	N	53,032
(51)	Covenant Homecare	P	8,412,456
(52)	Covenant Homecare	Q	8,462,043
(53)	Fort Sanders Perinatal Center	P	4,348,186
(54)	Fort Sanders Perinatal Center	Q	214,952
(55)	Fort Sanders Perinatal Center	R	-5,316,942
(56)	Fortress Corporation	C	1,781,370
(57)	Fortress Corporation	D	6,067,128
(58)	Fortress Corporation	J	460,805
(59)	Fortress Corporation	K	1,331,916
(60)	Fortress Corporation	P	6,395,397
(61)	Fortress Corporation	Q	2,759,518
(62)	Fort Sanders West Outpatient Surgery Center LP	P	2,644,527
(63)	Covenant Medical Management Inc	K	1,452,249
(64)	Covenant Medical Management Inc	P	17,232,032
(65)	Fort Sanders Foundation	C	143,391
(66)	Fort Sanders Foundation	N	252,730