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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0047

2011

Open to Public Inspection

A For the 2011 calendar year, or tax year beginning 01-01-2011 and ending 12-31-2011

B Check if applicable
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization
Covenant Homecare

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
1420 Centerpoint Blvd Bldg C

City or town, state or country, and ZIP + 4
Knoxville, TN 379321960

D Employer identification number
62-1623114

E Telephone number
(865) 374-6864

G Gross receipts $ 14,046,404

F Name and address of principal officer
Anthony L Spezia
100 Ft Sanders W Blvd
Knoxville, TN 37922

H(a) Is this a group return for affiliates? ☐ Yes ☑ No

H(b) Are all affiliates included? ☐ Yes ☐ No
If "No," attach a list (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status ☑ 501(c)(3) ☐ 501(c) ( ) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ www covenanthomecareandhospice com

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶ | **L** Year of formation 1995 | **M** State of legal domicile TN

Part I Summary

1 Briefly describe the organization's mission or most significant activities
The mission of Covenant HomeCare is to help people live with comfort, dignity and independence Since 1995, Covenant HomeCare has been providing the highest quality home care services to help patients maintain their independence and stay at home As a member of Covenant Health, Covenant HomeCare is not-for-profit, community-owned and based in East Tennessee

2 Check this box ▶☐ if the organization discontinued its operations or disposed of more than 25% of its net assets

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	21
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	16
5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	**5**	173
6	Total number of volunteers (estimate if necessary)	**6**	44
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	4,750
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	977

		Prior Year	Current Year
Revenue			
8	Contributions and grants (Part VIII, line 1h)	57,359	25,155
9	Program service revenue (Part VIII, line 2g)	12,540,312	14,013,275
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	-501	-3,000
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	7,363	4,750
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	12,604,533	14,040,180
Expenses			
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	15,576	12,041
14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	9,175,054	9,559,869
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶0		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	3,948,830	4,798,187
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	13,139,460	14,370,097
19	Revenue less expenses Subtract line 18 from line 12	-534,927	-329,917

		Beginning of Current Year	End of Year
Net Assets or Fund Balances			
20	Total assets (Part X, line 16)	3,480,922	3,895,919
21	Total liabilities (Part X, line 26)	20,973,752	21,718,666
22	Net assets or fund balances Subtract line 21 from line 20	-17,492,830	-17,822,747

Part II Signature Block

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

Sign Here

****** | 2012-11-07
Signature of officer | Date

JOHN T GEPPI EVP/CFO
Type or print name and title

Paid Preparer's Use Only

Preparer's signature	Date	Check if self-employed	Preparer's taxpayer identification number (see instructions)
Self-prepared		☐	

Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ | EIN ▶ | Phone no ▶

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

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III . . . . . ☑

1 Briefly describe the organization's mission

Covenant Homecare provides quality healthcare, in alignment with Covenant Health's mission to serve the community by improving the quality of life through better health

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

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

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

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses Section 501(c)(3) and 501(c)(4) organizations 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 $ 9,412,324 including grants of $ 12,041) (Revenue $ 9,747,932)

Home Health Services The objective of home health is to continue treatment at home when another option is not viable or available Services consist of nursing, physical therapy, occupational therapy, speech therapy, social services and certified nursing assistants Services are provided to patients covered by Medicare, TennCare and commercial insurance, as well as self-pay with costs in excess of net reimbursement No patient is denied care due to inability to pay, applications for financial assistance are provided to such patients and financial counselors assist them Covenant Homecare served 3,888 patients in 2011 in the course of 69,066 patient visits

4b (Code) (Expenses $ 4,006,246 including grants of $) (Revenue $ 4,265,343)

Hospice Services Hospice services provide patient care and family support to patients during the end of life Services are provided to terminally ill patients whose physicians have diagnosed them with a terminal disease that will result in death within six months of being taken under care The objective is to allow these patients to die at home with dignity See Schedule O for more information Program Accomplishments Hospice Services (continued) Services are provided in the home and consist of nursing, therapy, nursing assistants, spiritual services and social services Patients include those covered by Medicare, TennCare, commercial insurance as well as self-pay with costs in excess of net reimbursement No patient is denied care regardless of ability to pay and applications for financial assistance are provided to patients Covenant Homecare served 1048 patients in 2011 over the course of 20,478 visits

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

4d Other program services (Describe in Schedule O)
(Expenses $ including grants of $) (Revenue $)

4e **Total program service expenses** ▶ $ 13,418,570

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* (see instructions)?	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	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4		No
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		No
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which 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 temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		No
11	If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	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.*	11b		No
c	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.*	11c		No
d	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.*	11d		No
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X.*	11e	Yes	
f	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 (ASC 740)? *If "Yes," complete Schedule D, Part X.*	11f	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional*	12b	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
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *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 and IV*	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 and IV*	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
20a	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20a		No
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? **Note.** All Form 990 filers that operated one or more hospitals must attach audited financial statements	20b		

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? *If "Yes," complete Schedule I, Parts I and II*	**21**		No
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? *If "Yes," complete Schedule I, Parts I and III*	**22**	Yes	
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? *If "Yes," complete Schedule J*	**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? *If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to line 25*	**24a**		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		
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**		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part 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? *If "Yes," complete Schedule L, Part 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? *If "Yes," complete Schedule L, Part II*	**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? *If "Yes," complete Schedule L, Part III*	**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? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or owner? *If "Yes," complete Schedule L, Part IV*	**28c**		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**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? *If "Yes," complete Schedule R, Part I*	**33**		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	**34**	Yes	
35a	Is any related organization a controlled entity of the filing organization within the meaning of section 512(b)(13)?	**35a**		No
b	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	**35b**		No
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	**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? *If "Yes," complete Schedule R, Part VI*	**37**		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O	**38**	Yes	

Part V **Statements Regarding Other IRS Filings and Tax Compliance**

Check if Schedule O contains a response to any question in this Part V . . . . . .

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	**1a**	26		
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	**1b**	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			**1c**	Yes	
2a	Enter the number of employees reported on Form W-3, *Transmittal of Wage and Tax Statements* filed for the calendar year ending with or within the year covered by this return	**2a**	173			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?			**2b**	Yes	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)					
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?			**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 or securities account)?			**4a**		No
b	If "Yes," enter the name of the foreign country ▶ _____ See instructions for 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?			**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 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	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			**7g**		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			**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**				
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**					
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** All 501(c)(29) organizations must list in Schedule O each state in which they are licensed to issue qualified health plans, the amount of reserves required by each state, and the amount of reserves the organization allocated to each state			**13a**		
b	Enter the aggregate amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	**13b**				
c	Enter the aggregate amount of reserves on hand	**13c**				
14a	Did the organization receive any payments for indoor tanning services during the tax year?			**14a**		No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .			**14b**		

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.

Check if Schedule O contains a response to any question in this Part VI . . . . . ☑

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a	21		
b	Enter the number of voting members included in line 1a, above, who 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 governing documents since the prior Form 990 was filed?		4		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .		5		No
6	Did the organization have members or stockholders?		6		No
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		7a		No
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		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	Did the organization have local chapters, branches, or affiliates?	10a		No
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	Yes	
b	Describe in Schedule O the process, if any, used by the organization to review the Form 990			
12a	Did the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	Yes	
b	Were officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	Yes	
13	Did the organization have a written whistleblower policy?	13	Yes	
14	Did 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 15a or 15b, 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," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take 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 made these available Check all that apply

☐ Own website ☑ Another's website ☑ Upon request

19 Describe in Schedule O whether (and if so, how), the organization made 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 ▶

Nancy Beck
1420 Centerpoint Blvd Bldg C
Knoxville, TN 37932
(865) 374-6864

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

Check if Schedule O contains a response to any question in this Part VII . . . . . ☑

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

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

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

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) Anthony L Spezia President & CEO	0 00	X		X				0	2,492,642	25,707
(2) Dr Richard Brinner Director	0 00	X						0	0	0
(3) Dr Mitchell Dickson Director	0 00	X						0	1,184	0
(4) Pamela P Fansler Director	0 00	X						0	0	0
(5) Homer Fisher Director	0 00	X						0	0	0
(6) James Fitzsimmons Director	0 00	X						0	1,192	0
(7) Dr William Hall Director	0 00	X						0	1,579	0
(8) Wayne Heatherly Director	0 00	X						0	747	0
(9) Jim Johnson Jr Director	0 00	X						0	1,184	0
(10) Karla Lane Director	0 00	X						0	0	0
(11) Eddie Mannis Director	0 00	X						0	0	0
(12) Larry Mauldin Chairman	0 00	X						0	2,832	0
(13) Dr Joseph Metcalf Director	0 00	X						0	0	0
(14) George Miller Director	0 00	X						0	0	0
(15) Alvin Nance Director	0 00	X						0	1,235	0
(16) Linda Ogle Director	0 00	X						0	0	0
(17) Francis H Olmstead Jr Director	0 00	X						0	0	0

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(18) Mitchell Steenrod Director	0 00	X						0	1,184	0
(19) Carl Storms Director	0 00	X						0	769	0
(20) Joseph E Sutter Director	0 00	X						0	1,273	0
(21) Richard Swanson Director	0 00	X						0	0	0
(22) Joe Ben Turner Director	0 00	X						0	1,192	0
(23) David C Verble Director	0 00	X						0	1,251	0
(24) John Huskey President	50 00			X				163,041	0	27,401
(25) John T Geppi EVP/CFO	0 00			X				0	705,467	29,048
1b Sub-Total . . . . . ▶										
c Total from continuation sheets to Part VII, Section A . . . . ▶										
d Total (add lines 1b and 1c) . . . . . ▶								163,041	3,213,731	82,156

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶ 1

			Yes	No
3	Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	**3**		No
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual*	**4**	Yes	
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If "Yes," complete Schedule J for such person*	**5**		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 Report compensation for the calendar year ending with or within the organization's tax year

(A) Name and business address	(B) Description of services	(C) Compensation
McKesson Info Solutions PO Box 98347 Chicago, IL 60693	Service contract	100,915

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶ 1

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 25,155				
	e	Government grants (contributions) 1e				
	f	All other contributions, gifts, grants, and similar amounts not included above 1f				
	g	Noncash contributions included in lines 1a-1f $				
	h	**Total.** Add lines 1a-1f . . . . . ▶	25,155			
Program Service Revenue		Business Code				
	2a	Medical Services	621610	13,947,335	13,947,335	
	b	Rent - Affiliates	531120	65,940	65,940	
	c					
	d					
	e					
	f	All other program service revenue				
	g	**Total.** Add lines 2a–2f . . . . . ▶	14,013,275			
	3	Investment income (including dividends, interest and other similar amounts) . . . . . ▶	3,224			3,224
	4	Income from investment of tax-exempt bond proceeds . . ▶				
	5	Royalties . . . . . ▶				
		(i) Real / (ii) Personal				
	6a	Gross rents				
	b	Less rental expenses				
	c	Rental income or (loss)				
	d	Net rental income or (loss) . . . . . ▶				
		(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory				
	b	Less cost or other basis and sales expenses	6,224			
	c	Gain or (loss)	-6,224			
	d	Net gain or (loss) . . . . . ▶	-6,224			-6,224
Other Revenue	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				
	b	Less cost of goods sold . . b				
	c	Net income or (loss) from sales of inventory . . ▶				
		Miscellaneous Revenue / Business Code				
	11a	IT Services 541519	4,750		4,750	
	b					
	c					
	d	All other revenue				
	e	**Total.** Add lines 11a–11d . . . . . ▶	4,750			
	12	**Total revenue.** See Instructions . . . ▶	14,040,180	14,013,275	4,750	-3,000

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)
Check if Schedule O contains a response to any question in this Part IX . . . . . ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the United States See Part IV, line 21				
2	Grants and other assistance to individuals in the United States See Part IV, line 22	12,041	12,041		
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	190,440		190,440	
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	7,465,802	7,191,583	274,219	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	308,616	292,318	16,298	
9	Other employee benefits	1,022,852	987,152	35,700	
10	Payroll taxes	572,159	542,993	29,166	
11	Fees for services (non-employees)				
a	Management	1,043,162	973,166	69,996	
b	Legal	3,715		3,715	
c	Accounting	5,000		5,000	
d	Lobbying				
e	Professional fundraising *See Part IV, line 17* . .				
f	Investment management fees				
g	Other	598,559	548,360	50,199	
12	Advertising and promotion	15,814	14,959	855	
13	Office expenses	533,483	348,674	184,809	
14	Information technology				
15	Royalties . .				
16	Occupancy	95,106	34,573	60,533	
17	Travel	910,203	907,686	2,517	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	21,137	15,782	5,355	
20	Interest	6,896	6,896		
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	267,431	267,431		
23	Insurance	57,182	57,155	27	
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a	Medical Supplies	705,184	705,184		
b	Bad Debts	261,958	261,958		
c	Charity care	186,240	186,240		
d	Malpractice	28,501	28,501		
e					
f	All other expenses	58,616	35,918	22,698	
25	**Total functional expenses.** Add lines 1 through 24f	14,370,097	13,418,570	951,527	0
26	**Joint costs.** Check here ▶ ☐ if following SOP 98-2 (ASC 958-720) 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) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		-14,580	1	-23,045
	2	Savings and temporary cash investments			2	
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		2,182,463	4	2,537,732
	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		30,367	8	33,788
	9	Prepaid expenses and deferred charges		16,006	9	140,605
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 5,652,930			
	b	Less accumulated depreciation	10b 4,588,079	1,135,250	10c	1,064,851
	11	Investments—publicly traded securities			11	
	12	Investments—other securities See Part IV, line 11			12	
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		131,416	15	141,988
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		3,480,922	16	3,895,919
Liabilities	17	Accounts payable and accrued expenses		1,455,954	17	1,777,652
	18	Grants payable			18	
	19	Deferred revenue		286,269	19	240,968
	20	Tax-exempt bond liabilities			20	
	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 (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		19,231,529	25	19,700,046
	26	**Total liabilities.** Add lines 17 through 25		20,973,752	26	21,718,666
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		-17,492,830	27	-17,822,747
	28	Temporarily restricted net assets			28	
	29	Permanently restricted net assets			29	
		Organizations that do not follow SFAS 117, check here ▶ ☐ 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		-17,492,830	33	-17,822,747
	34	Total liabilities and net assets/fund balances		3,480,922	34	3,895,919

Part XI Reconcilliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI . . . . . ☐

1	Total revenue (must equal Part VIII, column (A), line 12) . . .	1	14,040,180
2	Total expenses (must equal Part IX, column (A), line 25)	2	14,370,097
3	Revenue less expenses Subtract line 2 from line 1	3	-329,917
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . .	4	-17,492,830
5	Other changes in net assets or fund balances (explain in Schedule O)	5	0
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	-17,822,747

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII . . . . . ☑

			Yes	No
1	Accounting method used to prepare the Form 990 ☐ Cash ☑ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? . .	2a		No
b	Were the organization's financial statements audited by an independent accountant?	2b	Yes	
c	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	2c	Yes	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both ☐ Separate basis ☑ Consolidated basis ☐ Both consolidated and separated basis			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		No
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 . .	3b		

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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

2011

Open to Public Inspection

Name of the organization
Covenant Homecare

Employer identification number
62-1623114

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?

	Yes	No
(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? **11g(i)**		
(ii) a family member of a person described in (i) above? **11g(ii)**		
(iii) a 35% controlled entity of a person described in (i) or (ii) above? **11g(iii)**		

h Provide the following information about the supported organization(s)

(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? Yes	(iv) No	(v) Did you notify the organization in col (i) of your support? Yes	(v) No	(vi) Is the organization in col (i) organized in the U S ? Yes	(vi) No	(vii) Amount of support?
Total									

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 or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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 2011 (line 6 column (f) divided by line 11 column (f)) **14**

15 Public Support Percentage for 2010 Schedule A, Part II, line 14 **15**

16a **33 1/3% support test—2011.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization

b **33 1/3% support test—2010.** 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 **stop here.** The organization qualifies as a publicly supported organization

17a **10%-facts-and-circumstances test—2011.** 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 **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization

b **10%-facts-and-circumstances test—2010.** 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 **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization

18 **Private Foundation** If the organization did not check a box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions

Part III **Support Schedule for Organizations Described in IRC 509(a)(2)**
(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")	28,468	60,571	35,337	57,359	25,155	206,890
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose	11,197,647	11,476,011	11,820,184	12,341,659	13,947,335	60,782,836
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5	11,226,115	11,536,582	11,855,521	12,399,018	13,972,490	60,989,726
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						0
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						0
c Add lines 7a and 7b						0
8 **Public Support** (Subtract line 7c from line 6)						60,989,726

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
9 Amounts from line 6	11,226,115	11,536,582	11,855,521	12,399,018	13,972,490	60,989,726
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	4,049	3,634	3,708	2,554	3,224	17,169
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b	4,049	3,634	3,708	2,554	3,224	17,169
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on		13,250	11,250	7,250	4,750	36,500
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 **Total support** (Add lines 9, 10c, 11 and 12)	11,230,164	11,553,466	11,870,479	12,408,822	13,980,464	61,043,395

14 **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

15	Public Support Percentage for 2011 (line 8 column (f) divided by line 13 column (f))	15	99 910 %
16	Public support percentage from 2010 Schedule A, Part III, line 15	16	99 910 %

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2011** (line 10c column (f) divided by line 13 column (f))	17	0 030 %
18	Investment income percentage from **2010** Schedule A, Part III, line 17	18	0 030 %

19a **33 1/3% support tests—2011.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3% and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☑

b **33 1/3% support tests—2010.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶

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

Part IV **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. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test

Explanation

Additional Data

Software ID:
Software Version:
EIN: 62-1623114
Name: Covenant Homecare

Form 990, Special Condition Description:

Special Condition Description

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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, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Covenant Homecare

Employer identification number
62-1623114

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? ☐ Yes ☐ No

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 ☐ Yes ☐ No

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)
☐ Preservation of land for public use (e g , recreation or pleasure)
☐ Preservation of an historically importantly land area
☐ Protection of natural habitat
☐ Preservation of a certified historic structure
☐ Preservation of open space

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

		Held at the End of the Year
a	Total number of conservation easements	2a
b	Total acreage restricted by conservation easements	2b
c	Number of conservation easements on a certified historic structure included in (a)	2c
d	Number of conservation easements included in (c) acquired after 8/17/06	2d

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? ☐ Yes ☐ No

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)? ☐ Yes ☐ No

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
c Beginning balance	1c	
d Additions during the year	1d	
e Distributions during the year	1e	
f Ending balance	1f	

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ 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

		Yes	No
(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 Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		145,290		145,290
b Buildings		2,119,573	1,646,057	473,516
c Leasehold improvements		179,195	179,195	0
d Equipment		3,207,920	2,762,827	445,093
e Other		952		952
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				1,064,851

Part VII Investments—Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
Other		
Total. *(Column (b) should equal Form 990, Part X, col (B) line 12)* ▶		

Part VIII Investments—Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. *(Column (b) should equal Form 990, Part X, col (B) line 13)* ▶		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
Total. *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	

Part X Other Liabilities. See Form 990, Part X, line 25.

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	
Due to Affiliates, Net	19,086,507
Long-term Deferred Compensation	141,988
Other Liabilities	471,551
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	19,700,046

2. Fin 48 (ASC 740) Footnote In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC740)

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

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

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

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

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

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

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
Description of Uncertain Tax Positions Under FIN 48	Part X	Note G to the consolidated audited financial statements of Covenant Health, parent company of Covenant Homecare, reads in part At December 31, 2011, tax returns for 2008 through 2011 are subject to examination by the Internal Revenue Service Covenant has no uncertain tax positions that would require financial statement recognition on disclosure under generally accepted accounting principles at December 31, 2011 or 2010

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Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

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

2011

Open to Public Inspection

Name of the organization
Covenant Homecare

Employer identification number
62-1623114

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

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . ▶

3 Enter total number of other organizations listed in the line 1 table . . . ▶

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Use Schedule I-1 (Form 990) if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
(1) Food purchased for a patient	1	89			
(2) Funeral assistance for families of deceased patients	9	4,250			
(3) Payments made on behalf of patients for housing rent	3	785			
(4) Payments made on behalf of patients for medications	28	2,594			
(5) Home safety equipment purchased for patients	3	682			
(6) Utilities paid on behalf of patients for comfort and health	17	3,631			

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information.

Identifier	Return Reference	Explanation
Procedure for Monitoring Grants in the U S	Part I, Line 2	Schedule I, Part I, Line 2 These funds are distributed after a financial application is completed by a Covenant Homecare social worker If the patient/family meets the guidelines, Covenant Homecare purchases the product needed for the patient to be safe while following a plan of care to promote independence (e g shower chairs, benches, grab bars), for nutritional supplements, or medications Any assistance for services such as electricity or funeral expenses are paid directly to the service provider once Covenant Homecare is presented with a statement of amount due

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Covenant Homecare

Employer identification number
62-1623114

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate 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 ☐ First-class or charter travel ☐ Housing allowance or residence for personal use ☐ Travel for companions ☐ Payments for business use of personal residence ☑ Tax idemnification and gross-up payments ☐ Health or social club dues or initiation fees ☐ Discretionary spending account ☐ Personal services (e g , maid, chauffeur, chef)			
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement orprovision 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 ☐ Compensation committee ☐ Written employment contract ☐ Independent compensation consultant ☐ Compensation survey or study ☐ Form 990 of other organizations ☐ Approval by the board or compensation committee			
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 accured 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) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, columns (D) and (E) for that individual

(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				
(1) Anthony L Spezia	(i)	0	0	0	0	0	0	0
	(ii)	924,445	326,250	1,241,947	9,800	15,907	2,518,349	759,468
(2) John Huskey	(i)	113,768	34,099	15,174	6,518	20,883	190,442	0
	(ii)	0	0	0	0	0	0	0
(3) John T Geppi	(i)	0	0	0	0	0	0	0
	(ii)	393,584	237,900	73,983	9,800	19,248	734,515	0

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	Tax gross-up payments are provided to certain executives and managers These are treated as taxable compensation to the recipient
	Part I, Line 4b	Part I, Line 4b Part II, Anthony L Spezia (compensated by Covenant Health, parent organization) - Column (B)(iii) Other reportable compensation $1,010,702 of the total amount reported as "other reportable compensation" under Column (B)(iii) is the total amount accrued during years 2007, 2008, 2009, 2010 and 2011 under a 457(f) deferred compensation plan established for Mr Spezia in year 2000 Amounts accrued in years 2007 through 2010 have been previously reported and included in compensation on Form 990 for the applicable year Although all deferred amounts became fully vested and taxable in 2011, only 2007 accruals were distributed to Mr Spezia in 2011 Accruals for 2008-2011 are distributable in future years Consequently, the $1,103,451 is comprised of the following $586,516 accrued and previously reported as income on Form 990 for years 2008, 2009, and 2010, which is fully vested but has not been distributed $235,299 distributed in 2011, of which $172,952 was previously reported as income on Form 990 for year 2007, the remainder representing earnings on the deferred amount distributed $188,887 accrued in 2011, which is fully vested but has not been distributed
Supplemental Information	Part III	Part I, Line 3 Covenant Health, the parent company of Covenant Homecare, used one or more of the methods listed in establishing the compensation of Anthony L Spezia Please see the statement to Core Part VI, section B, Line 15a on Schedule O

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SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization	Employer identification number
Covenant Homecare	62-1623114

Identifier	Return Reference	Explanation
Organization Mission Statement	Form 990, Part III, Line 1	In 1996 two healthcare systems - Fort Sanders Alliance and MMC Healthcare System of Oak Ridge consolidated to form what is known today as Covenant Health The two organizations, which had a combined legacy of more than 100 years of service in East Tennessee, united with the strong belief that by working together, they could do more for their communities than they could alone Nearly two decades later, the connections Covenant Health has forged with East Tennessee communities have strengthened as the health system has worked in tandem with area leaders, businesses and organizations to provide excellent local healthcare In recent years Covenant Health has opened replacement hospitals, outpatient centers and clinics, made innovative technology and medical advances available, and achieved national recognition for quality care and service excellence As a tax-exempt health system, Covenant Health reinvests every dollar for the benefit of the community, not profitability or shareholder interests As the largest private employer in the greater Knoxville area, Covenant Health's staff of more than 10,000 supports local communities by purchasing goods and services, participating in local activities, and contributing volunteer time and leadership in local organizations Covenant Health is both committed to and connected to the communities it serves, as it lives out the health system's mission COVENANT HEALTH'S MISSION We serve the community by improving the quality of life through better health COVENANT HEALTH'S VALUES In service to God and community, we value Integrity, Quality, Service, Caring, Developing People, and Using Resources Wisely COVENANT HEALTH'S VISION Covenant Health's clinical and service excellence will make us the first and best choice for patients, employees, physicians, employers, volunteers, and the community COVENANT HEALTH MEMBER ORGANIZATIONS AND SERVICES The Covenant Health System ("the System") provides comprehensive health care services throughout East Tennessee Headquartered in Knoxville, Tennessee, 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 System includes seven acute care hospitals with a total of more than 1,700 licensed beds, a behavioral health hospital, and numerous outpatient services and clinics The System also includes specialty providers of behavioral, oncology and rehabilitation services, along with home health care, physician clinics, community wellness programs and managed care products and services Member organizations and programs are listed by name below Hospitals and Other Healthcare Providers Covenant Homecare and Hospice Fort Loudoun Medical Center Fort Sanders Perinatal Center Fort Sanders Regional Medical Center LeConte Medical Center Methodist Medical Center of Oak Ridge Morristown-Hamblen Healthcare System Parkwest Medical Center Peninsula Hospital, a Division of Parkwest Medical Center Roane County Medical Center Thompson Cancer Survival Center Thompson Oncology Group Outpatient and Specialty Care Departments, and Joint Ventures Fort Sanders Sevier Nursing Home Fort Sanders West Diagnostic Center Fort Sanders West Outpatient Surgery Center Morristown Regional Diagnostic Center Patricia Neal Rehabilitation Center Peninsula Outpatient Centers Surgery-Endoscopy Center of Morristown Foundations Fort Sanders Foundation Methodist Medical Center Foundation Morristown-Hamblen Hospital Foundation Thompson Cancer Survival Center Foundation CONNECTING WITH OUR COMMUNITIES THROUGH QUALITY CARE Covenant Health delivers quality care in local settings, with services designed to meet the needs of our communities The acute care hospitals located in Knoxville and surrounding areas comprise the foundation of the health system They offer comprehensive care provided by board certified medical staffs, including emergency care, specialty services, and a full range of diagnostics and treatment When specialty care is needed, Covenant Health provides * Innovative cancer care and technologies to deliver radiation therapy and other cancer treatment at facilities affiliated with Thompson Cancer Survival Center in Knox and surrounding counties * Nationally recognized care for patients suffering from physical disabilities, stroke and traumatic brain injury at Fort Sanders Regional Medical Center's Patricia Neal Rehabilitation Center * Rehabilitation services including physical therapy, speech therapy, sports medicine, and specialized therapy such as hand therapy and vestibular (balance) rehabilitation are offered at a dozen Covenant Therapy Centers locations In addition, more than 30 affiliated physician clinics throughout the region offer convenient access to primary and specialty care BEHAVIORAL HEALTH - A COMMITMENT TO ESSENTIAL SERVICES Covenant Health provides comprehensive behavioral health services under the auspices of Peninsula, a Division

Identifier	Return Reference	Explanation
Organization Mission Statement	Form 990, Part III, Line 1	of Parkwest Medical Center ("Peninsula") Peninsula operates a behavioral health hospital and outpatient centers for treatment of addictive behaviors, depression, and other mental health issues With 75 years of combined experience, Peninsula organizations have helped t housands of people recover from disorders and dependencies and lead healthy, positive and productive lives In 2012 the State of Tennessee announced the closing of Lakeshore Mental Health Institute in Knoxville, as Tennessee moves toward more community-based mental heal th services In response, Covenant Health announced that Peninsula would do everything it could to help the vulnerable population Lakeshore served Peninsula pledged to take as man y Lakeshore patients as it feasibly could, adding staff (including some former Lakeshore e mployees) and expanding facilities to handle the expected influx It is not the first time the State has sought Peninsula's help When Lakeshore closed its child and adolescent pro gram in 2004, Peninsula became the only child and adolescent inpatient psychiatric facilit y between Chattanooga and Johnson City, Tennessee COMMUNITY CELEBRATES PROGRESS FOR NEW R OANE COUNTY MEDICAL CENTER "One Community One Hospital" is the theme of progress for the new Roane County Medical Center, a replacement hospital for the current facility in Harrim an The new facility is under construction near the Midtown exit off I-40, and scheduled t o open in February 2013 About 200 people attended a mid-progress celebration in Spring 20 12 at the hospital construction site Covenant Health President Tony Spezia welcomed guest s and introduced dignitaries, including legislative representatives, Roane County leaders, Covenant Health board members, and others The celebration included a time capsule where speakers could place items that represent the legacy and future of Roane County Medical Ce nter Items will be placed in the time capsule until it is sealed in February 2013 Gaye J olly, the President and CAO of Roane County Medical Center, said employees and physicians look forward to continuing recent quality accomplishments and the hospital's tradition of excellent care for every patient in the new facility Key features of the new hospital inc lude all private, modern patient rooms with large natural light windows, 15 emergency suit es, technologically-advanced surgery suites, and enlarged and modern nursing units Patien t drop-off and pick-up areas will be available, as well as free parking in more than 500 p arking spots Patients and visitors can enjoy freshly prepared meals in the new Three Rive rs Cafe The new medical center campus will be wired with new and innovative technologies including computer systems, information technologies and hardware for transition to electr onic medical records Adjacent to the hospital will be a new professional office building, which will be home to medical professionals including Thompson Oncology Group, Roane Medi cal Patricia Neal Outpatient Center, and Roane Medical Cardiopulmonary Rehabilitation Tho mpson Oncology Group will be staffed with board-certified oncology physicians, who will ha ve access to nationally-acclaimed multidisciplinary cancer care through Thompson Cancer Su rvival Center Roane Patricia Neal Outpatient Center will feature an in-ground therapy poo l complete with a built-in treadmill, and Roane Cardiopulmonary Rehabilitation will offer a new, state-of-the-art telemetry monitoring system

Identifier	Return Reference	Explanation
		CARDIAC INNOVATIONS FOR THE HEARTS OF EAST TENNESSEE Innovative Valve Centers Offer Specia lty Cardiac Care The most complex cardiovascular problems can now be treated in Knoxville Covenant Health is debuting Valve Centers at Parkwest, Fort Sanders Regional, and Methodi st Medical Centers Valve centers are staffed by experienced cardiovascular surgeons, card iologists, nurses and other professional medical staff w ho are educated in the latest prot ocols The coordination of care made possible by the Valve Centers w ill help Covenant Heal th hospitals deliver better outcomes, w ith fewer complications and higher survival rates A new $2 6 million "hybrid" operating room opened this spring at Parkwest Medical Center a nd is used by Covenant Health physicians primarily for cardiac and vascular procedures A hybrid operating room combines the best of a traditional surgical suite w ith large imaging equipment such as real-time X-ray and CT in a sterile setting Hybrid operating rooms all ow surgeons to perform combined open, minimally invasive, image-guided and/or catheter-bas ed procedures in the same operating room Patients facing aortic aneurysm surgery or aorti c valve replacement may have a less invasive option and a quicker recovery COVENANT HEALT H PERFORMS REGION'S FIRST BREAKTHROUGH TAVR PROCEDURE What if a heart valve could be repla ced w ithout surgically opening the chest cavity? That is now a reality for some patients Parkwest Medical Center is one of only 140 sites in the nation and the first Knoxville hos pital to offer Trans Aortic Valve Replacement (TAVR), an innovative procedure to replace d iseased aortic valves TAVR is appropriate for some high-risk patients w ith severe aortic stenosis (narrow ing of the aortic valve opening) w ho are not candidates for surgery In th e United States, TAVR continues to be studied as part of the PARTNER (Placement of Aortic Transcatheter Valves) trial w hich studied inoperable patients w ith severe symptomatic aort ic stenosis Covenant Health has been selected by Edw ards Lifesciences as the only entity in Knoxville to have surgeons trained in the TAVR procedure STANDING STRONG FOR THE COMMU NITIES WE SERVE As a tax-exempt organization governed by a voluntary Board of Directors, C ovenant Health reinvests excess revenues after expenses in improving patient care Since 2 000 Covenant Health has invested nearly $1 billion in facilities, technologies, programs a nd services No other health system in East Tennessee in this decade has approached Covena nt Health's investment in clinical and medical information technology, and new, renovated and expanded hospitals and services The current economic environment has been particularl y difficult and challenging for healthcare organizations, and has included cuts in reimbur sement for services and the sale or closure of hospitals in our region Covenant Health is committed to standing strong, and to the w ise use of the health system's resources Despi te operating results at roughly a break-even level over the last five years, a strong bala nce sheet has allow ed Covenant Health to continue providing substantial care to those w ith limited resources In 2011 Covenant Health provided more than $150 million in charity and uncompensated care CONNECTING MEDICAL COMMUNITIES WITH ADVANCED TECHNOLOGY When one thin ks of technology, machines are often thought of - not only imposing-looking diagnostic equ ipment, but smaller electronic tools such as computers and hand-held devices Often the co ncept of technology revolves around the hardw are seen in healthcare settings Using Techno logy to Achieve Quality Covenant Health's data center includes over 850 servers and 200 te rabytes of storage capacity that are available to each hospital across the system via a hi gh-speed gigabit netw ork. The system is progressing tow ard a national meaningful use manda te, w here healthcare organizations are challenged to use data in w ays that improve patient safety and outcomes w hile paying close attention to information security Some Covenant H ealth meaningful use initiatives include computerized patient order entry, real-time medic ation alerts to prevent allergy or drug interactions, and automated evidence-based care pr ocesses so that physicians and caregivers have immediate access to information about best practices Other initiatives include computer-generated review and reconciliation of the p atient's medications upon admission to the hospital, and delivery of relevant clinical inf ormation to the case management system in order to plan appropriate post-discharge care B eyond Health System Boundaries Covenant Health is also leading the charge to expand techno logy benefits by participants beyond the system The East Tennessee Health Information Net w ork is a collaboration of leaders at other tax exempt health systems to create w hat w ill eventually be an electronic community of care that w ill encompass 17 counties in East Tenn essee The local initiative supports national effo

Identifier	Return Reference	Explanation
		rts to move to electronic health records and create secure networks for sharing information through a health information exchange REACHING OUT TO CREATE A HEALTHIER EAST TENNESSEE To improve the health of the community, Covenant Health reaches beyond hospital walls Local initiatives and partnerships create opportunities to interact with people of all ages and encourage healthier lifestyles * In Knoxville nearly 7,000 people participated in the 2012 Covenant Health Knoxville Marathon, which attracted local runners and hand cyclists, as well as competitors from throughout the U S and other countries * The Covenant Kids Run attracted over 1,000 children who participated in a "marathon" of activities over a period of several weeks, culminating in a run to Neyland Stadium on the day before the Coven ant Health Knoxville Marathon * Covenant Health's Body Works program makes community fitness classes convenient, affordable, and fun With more than 80 classes offered weekly throughout East Tennessee, Body Works offers a variety of exercise options for adults of all ages and fitness levels * Covenant Health was the fitness sponsor of the Dogwood Arts Festival, held annually in April Fitness activities included several outdoor walks, Bikes and Blooms bike rides on local dogwood trails, and a Dogwood Mile run and Kids Race held in d owntown Knoxville * Covenant Passport is a free membership program for adults age 50 and older The program encourages healthy, active lifestyles through a newsletter, community p resentations, health screenings, and travel/recreation opportunities Nearly 25,000 member s are currently enrolled * Covenant Health annually sponsors M*A*S*H* Camp at Methodist Medical Center to give high school students a sneak preview of healthcare career options an d a chance to job shadow professionals in several hospital departments * Covenant HomeCar e Hospice helps children grieving the loss of a loved one through Katerpillar Kids Camp, o ffered with the support of Variety-The Children's Charity The camp is staffed by health s ystem volunteers and helps children in grades 1-12 express their feelings in a supportive environment while enjoying camp activities * Morristown-Hamblen's Wellness of Women is de dicated to improving the lives of area women and their families The program sponsors even ts such as an annual Girls' Night Out, which offers free health screenings and encourages women to have fun while learning to stay healthy * Fort Sanders Regional Medical Center's Patricia Neal Rehabilitation Center leads the Innovation Recreation Cooperative, a collab oration of groups and individuals who help disabled persons enjoy leisure and recreation a ctivities such as water skiing and cycling * Fort Loudoun Medical Center sponsors "Let's Move Day" for area children and their families, featuring a day of games and activities, h ealthy snacks, and fitness checks

Identifier	Return Reference	Explanation
		HEARTFELT CONNECTIONS INCREASE AWARENESS OF WOMEN AND HEART DISEASE The latest advancement in reducing heart disease in women is not a new test or treatment Women can dramatically reduce their risks of developing heart disease by doing just four things - eating right, being physically active, not smoking, and maintaining a healthy weight According to the most current research 62 percent of women are aware that heart disease is the number one killer of women But many women still fail to take their risks personally or seriously The Heart Truth Champions of Covenant Health are reaching out to help women understand that heart disease risk is a personal thing Covenant Health was selected by the National Heart Lung and Blood Institute and the Office on Women's Health as one of a handful of sites across the United States to initiate a Heart Truth Champions program Twelve Heart Truth Champion volunteers were selected based on their involvement in community health education activities, and their willingness to create and participate in local events to raise awareness of women and heart disease SIX NUMBERS AT THE HEART OF GOOD HEALTH What you measure, you improve That was the goal of Know Your Six, Chicks, a year-long community campaign to help women fight heart disease through awareness of six measures of heart health blood pressure, cholesterol, fasting glucose, body mass index (BMI), physical activity and sleep habits The campaign included heart health information, Lunch and Learns, community screenings, an interactive website and online health assessment, and mobile blood pressure screening units placed at local businesses Know Your Six, Chicks is estimated to have directly reached just over 10,000 participants Local businesses played an important role in Know Your Six, Chicks, providing locations for mobile Heart Centers and even providing spokespersons for the initiative In addition to business participation, Know Your Six, Chicks also reached out to community centers, church locations, cultural events and trade shows - and expanded to include men in its outreach efforts CONNECTING TO THE FUTURE THROUGH EDUCATION Covenant Health actively supports education programs for future nurses and other healthcare professionals One example is the health system's partnership with Tennessee Wesleyan College-Fort Sanders Nursing, (''TWC'') The program offers a bachelor's degree in nursing through TWC in Athens, Tennessee, with classroom and clinical training opportunities at the school's Knoxville campus and at Covenant Health organizations The collaboration has been in place for more than 10 years This past Spring of 2012, more than 70 nursing students graduated from TWC In summer 2012 the program launched an online RN-to-BSN degree designed especially for professional nurses who want to earn a baccalaureate degree while still continuing their nursing responsibilities In addition to the TWC partnership, Covenant Health provides clinical training opportunities for students in health career programs at other area universities, community colleges and post-secondary schools, and has affiliation agreements with more than 100 schools across the country COMMUNITY LEADERS PLAY KEY ROLES IN FOUNDATIONS' EVENTS AND PROGRAMS The Covenant Health Office of Philanthropy coordinates the philanthropic contributions of individuals and businesses throughout East Tennessee and beyond Fund raising efforts are coordinated by four foundations Fort Sanders Foundation, Methodist Medical Center Foundation, Morristown-Hamblen Hospital Foundation, and Thompson Cancer Survival Center Foundation During the past year these foundations received contributions of about $4 million to help provide new equipment and facilities at the hospitals, staff training, and provide assistance to patients While the Foundations coordinate community events and fund raisers, local community involvement is critical to the success of the events CARING FOR THOSE UNABLE TO PAY One of the most tangible expressions of the charitable purpose of Covenant Health is providing care to people in need As a tax-exempt system, Covenant Health provides medically necessary services to people with limited resources Covenant Health actively participates in the state's TennCare program, and collaborates with other area providers to identify and support efforts to make community healthcare resources available for those in need 2011 Summary of Community Benefit Totals for Uncompensated Care* Charity Care $44 million TennCare $52 million Medicare $60 million Total Uncompensated Care $156 million *Care which costs more to provide than reimbursements from state and national programs cover Covenant Health provides community benefit that far exceeds the value of its tax-exempt status

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section B, line 11	Covenant Health is a large integrated health system which files twelve Forms 990 Covenant Homecare is one of these twelve entities Annually, at the September Finance Committee meeting, one of the twelve 990s is selected (a different entity each year) for distribution to each member of the Committee Management then reviews in detail each of the Form 990 schedules and describes variances between entities, if any The remaining eleven Forms are made available for review by any committee member The same presentation is made to the Covenant Health Board of Directors at the October meeting All twelve Form 990s are then made available to all Board members for their review throughout the month of October

Identifier	Return Reference	Explanation
	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, the parent company of the organization, 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 bylaws, 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 Integrity Compliance Officer initially reviews all conflict of interest data Based on this information, the officer determines what conflicts of interest exist at that point in time Between times when 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 Overall compensation policies for Covenant Homecare, Covenant Health (Parent Company), and affiliates are set by the Compensation Committee of the Board of Directors, which is comprised of independent members 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 Compensation policies for Anthony Spezia and John Geppi are reported on the 2011 Form 990 of Covenant Health, EIN 62-1646734, parent company to Covenant Homecare Form 990, Part VI, Section B, Line 15b Base salary and annual bonus opportunities for John Huskey, President/CAO, 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 the executive is reasonable and within a fair market value range Salary ranges 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 the President/CAO is reasonable and consistent with fair market value Base salary is initially targeted at midpoint and varies according to the individual's experience, market conditions and competition Annual bonuses are designed to award 0-35% of base salary based upon system performance and accomplishment of certain targets established by the CEO

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section C, line 19	Form 990, Part VI, Section C, Line 19 Per its tax-exempt bond provisions, the parent company, 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 the Electronic Municipal Market Access, EMMA, website Any member of such a repository has access to these financial statements In addition, Covenant Homecare files a Joint Annual Report containing financial information with the Tennessee Department of Health

Identifier	Return Reference	Explanation
Contact Addresses for Officers, Directors, Etc	Form 990, Part VI, Line 9 and Part VII	Anthony L Spezia Covenant Health 100 Ft Sanders West Blvd Knoxville, TN 37922 John T Geppi, Larry Mauldin, and all Directors Covenant Health 1420 Centerpoint Blvd , Bldg C Knoxville, TN 37932 All other persons listed in Part VII, Section A may be contacted at the organization's address, which is Covenant Homecare 3001 Lake Brook Blvd Suite 101 Knoxville, TN 37909

Identifier	Return Reference	Explanation
	Form 990, Part VII, Section A, Column B	The President/CEO, EVP/CFO, and Board of Directors serve Covenant Health, EIN 62-1646734, parent company of an integrated health care delivery system, of which Covenant Homecare is a member, as a whole The hours these individuals devoted to the system in 2011 are reported on Covenant Health's Form 990, Part VII

Identifier	Return Reference	Explanation
	Form 990, Part XII, 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

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ 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.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Covenant Homecare

Employer identification number
62-1623114

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization	
						Yes	No
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? Yes	(h) No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
(1) Endoscopy Center of Oak Ridge LLC 988 Oak Ridge Turnpike Ste 200 Oak Ridge, TN 37830 62-1667358	Outpatient medical facility	TN	N/A									
(2) Fort Sanders West OP Surgery Center LLC 210 Fort Sanders West Blvd Ste 106 Knoxville, TN 37922 62-1366907	Outpatient surgery center	TN	N/A									
(3) Fort Sanders West Associates 280 Ft Sanders West Blvd Ste 214 Knoxville, TN 37922 62-1384171	Building ownership	TN	N/A									
(4) Assoc of the Meridian Health OP Surgery Center LLC 908 W 4th North St Morristown, TN 37814 86-1167487	Outpatient surgery center	TN	N/A									
(5) Tellico Senior Living LLC PO Box 308 Caryville, TN 37714 36-4353505	Retirement village	TN	N/A									
(6) KOSC Properties LLC 260 Ft Sanders West Blvd Ste 200 Knoxville, TN 37922 26-2444076	Building ownership	TN	N/A									
(7) Knoxville Orthopaedic Surgery Center LLC 260 Ft Sanders West Blvd Ste 200 Knoxville, TN 37922 26-2437385	Orthopaedic surgery	TN	N/A									

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
(1) Fortress Corporation 280 Fort Sanders West Blvd Ste 214 Knoxville, TN 37922 62-1308885	Management company	TN	N/A	C			
(2) KASC Acquisition Company Inc 1420 Centerpoint Blvd Bldg C Knoxville, TN 37932 26-3400984	Real estate holdings	TN	N/A	C			
(3) Covenant Medical Management Inc 280 Fort Sanders West Blvd Ste 205 Knoxville, TN 37922 62-1282917	Physician practice management	TN	N/A	C			
(4) Knoxville Heart Group 1819 Clinch Ave Suite 108 Knoxville, TN 37916 27-1528941	Cardiology medical practice	TN	N/A	C			
(5) Morristown-Hamblen Health Services Inc 908 W 4th North St Morristown, TN 37814 62-1588521	Inactive-Dissolved 2/5/2011	TN	N/A	C			

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

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

		Yes	No
1	During the tax year, did the orgranization 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	1a	No
b	Gift, grant, or capital contribution to related organization(s)	1b	No
c	Gift, grant, or capital contribution from related organization(s)	1c	No
d	Loans or loan guarantees to or for related organization(s)	1d	No
e	Loans or loan guarantees by related organization(s)	1e	No
f	Sale of assets to related organization(s)	1f	No
g	Purchase of assets from related organization(s)	1g	No
h	Exchange of assets with related organization(s)	1h	No
i	Lease of facilities, equipment, or other assets to related organization(s)	1i	No
j	Lease of facilities, equipment, or other assets from related organization(s)	1j	No
k	Performance of services or membership or fundraising solicitations for related organization(s)	1k	No
l	Performance of services or membership or fundraising solicitations by related organization(s)	1l	No
m	Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1m	No
n	Sharing of paid employees with related organization(s)	1n	Yes
o	Reimbursement paid to related organization(s) for expenses	1o	Yes
p	Reimbursement paid by related organization(s) for expenses	1p	Yes
q	Other transfer of cash or property to related organization(s)	1q	No
r	Other transfer of cash or property from related organization(s)	1r	No

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	(d) Method of determining amount involved
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

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

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

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

Schedule R (Form 990) 2011

Part VII Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule R (see instructions)

Identifier	Return Reference	Explanation	

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 62-1623114
Name: Covenant Homecare

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	g Section 512(b)(13) controlled organization	
Covenant Health 1420 Centerpoint Blvd Bldg C Knoxville, TN 379321960 62-1646734	Supporting organization	TN	501(C)(3)	Line 11b, II	N/A		No
Fort Loudoun Medical Center 550 Fort Loudoun Medical Ctr Dr Lenoir City, TN 37772 62-1373691	Acute care hospital	TN	501(C)(3)	Line 3	Covenant Health		No
Fort Sanders Regional Medical Center 1901 W Clinch Ave Knoxville, TN 37916 62-0528340	Acute care hospital	TN	501(C)(3)	Line 3	Covenant Health		No
Fort Sanders Foundation 280 Fort Sanders West Blvd Ste 100 Knoxville, TN 37922 62-1748601	Fundraising and patient outreach	TN	501(C)(3)	Line 11a, I	Covenant Health		No
Fort Sanders Perinatal Center 501 19th St Suite 304 Knoxville, TN 37916 04-3760551	High risk obstetrical services	TN	501(C)(3)	Line 3	Covenant Health		No
Leconte Medical Center 742 Middle Creek Road Sevierville, TN 37862 62-1114867	Acute care hospital	TN	501(C)(3)	Line 3	Covenant Health		No
Methodist Medical Center 990 Oak Ridge Turnpike Oak Ridge, TN 37830 62-0636239	Acute care hospital	TN	501(C)(3)	Line 3	Covenant Health		No
Morristown-Hamblen Hospital Assoc dba M-H Healthcare System 908 W 4th North St Morristown, TN 37814 62-0545814	Acute care hospital	TN	501(C)(3)	Line 3	Covenant Health		No
Parkwest Medical Center 9352 Park West Blvd Knoxville, TN 37923 58-1897274	Acute care hospital & behavioral services	TN	501(C)(3)	Line 3	Covenant Health		No
Roane County Medical Center dba Roane Medical Center 412 Devonia St Harriman, TN 37748 68-0673354	Acute care hospital	TN	501(C)(3)	Line 3	Covenant Health		No
Thompson Cancer Survival Center 1915 White Avenue Knoxville, TN 37916 62-1250943	Cancer treatment facility	TN	501(C)(3)	Line 3	Covenant Health		No
Thompson Oncology Group 1915 White Avenue Knoxville, TN 37916 62-1619239	Oncology services	TN	501(C)(3)	Line 3	Covenant Health		No
Thompson Cancer Survival Center Foundation 1915 White Avenue Knoxville, TN 37916 58-2130450	Fundraising and patient outreach	TN	501(C)(3)	Line 11a, I	Thompson Cancer Survival Center		No
Morristown Regional Cancer Center LLC 908 W 4th North St Morristown, TN 37814 20-0916364	Cancer treatment facility	TN	501(C)(3)	Line 3	Morristown Hamblen Hospital Association		No

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) Disproprtionate allocations?		(i) Code V-UBI amount on Box 20 of K-1 ($)	(j) General or Managing Partner?		(k) Percentage ownership
							Yes	No		Yes	No	
Endoscopy Center of Oak Ridge LLC 988 Oak Ridge Turnpike Ste 200 Oak Ridge, TN 37830 62-1667358	Outpatient medical facility	TN	N/A									
Fort Sanders West OP Surgery Center LLC 210 Fort Sanders West Blvd Ste 106 Knoxville, TN 37922 62-1366907	Outpatient surgery center	TN	N/A									
Fort Sanders West Associates 280 Ft Sanders West Blvd Ste 214 Knoxville, TN 37922 62-1384171	Building ownership	TN	N/A									
Assoc of the Meridian Health OP Surgery Center LLC 908 W 4th North St Morristown, TN 37814 86-1167487	Outpatient surgery center	TN	N/A									
Tellico Senior Living LLC PO Box 308 Caryville, TN 37714 36-4353505	Retirement village	TN	N/A									
KOSC Properties LLC 260 Ft Sanders West Blvd Ste 200 Knoxville, TN 37922 26-2444076	Building ownership	TN	N/A									
Knoxville Orthopaedic Surgery Center LLC 260 Ft Sanders West Blvd Ste 200 Knoxville, TN 37922 26-2437385	Orthopaedic surgery	TN	N/A									