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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 private foundations)

▶ Do not enter Social Security numbers on this form as it may be made public By law, the IRS generally cannot redact the information on the form

▶ Information about Form 990 and its instructions is at www.IRS.gov/form990

OMB No 1545-0047

2013

Open to Public Inspection

A For the 2013 calendar year, or tax year beginning 01-01-2013 , 2013, and ending 12-31-2013

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 province, country, and ZIP or foreign postal code
Knoxville, TN 379321960

D Employer identification number
62-1623114

E Telephone number
(865) 374-6864

G Gross receipts $ 13,449,962

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 subordinates? ☐ Yes ☑ No

H(b) Are all subordinates 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

Activities & Governance

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**	17
5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	**5**	215
6	Total number of volunteers (estimate if necessary)	**6**	35
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	0
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	0

		Prior Year	Current Year
Revenue			
8	Contributions and grants (Part VIII, line 1h)	25,362	39,229
9	Program service revenue (Part VIII, line 2g)	14,826,772	13,411,804
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	11,572	-1,199
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	272	128
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	14,863,978	13,449,962
Expenses			
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	4,375	2,081
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)	10,411,767	9,559,715
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)	4,835,092	5,365,928
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	15,251,234	14,927,724
19	Revenue less expenses Subtract line 18 from line 12	-387,256	-1,477,762
Net Assets or Fund Balances		**Beginning of Current Year**	**End of Year**
20	Total assets (Part X, line 16)	4,342,545	4,433,545
21	Total liabilities (Part X, line 26)	22,656,235	24,224,997
22	Net assets or fund balances Subtract line 21 from line 20	-18,313,690	-19,791,452

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

****** | 2014-11-06
Signature of officer | Date

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Self-prepared				
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			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 or note to any line 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, regardless of the patient's ability to pay

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

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

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

If "Yes," describe these changes on Schedule O

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

4a (Code) (Expenses $ 9,852,319 including grants of $ 2,081) (Revenue $ 9,309,829)

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 See Schedule O for more information Program Accomplishments Home Health Services (continued) Services are provided to patients covered by Medicare, TennCare and commercial insurance, as well as self-pay patients, with costs in excess of net reimbursement No patient is denied care due to inability to pay Applications for financial assistance are provided to patients who need them, and financial counselors are available to assist with the application process In 2013 Covenant Homecare was named among the top 25 percent of Medicare-certified home health agencies in the United States, an award sponsored by OCS HomeCare by National Research Corporation and DecisionHealth The Homecare Elite is an annual compilation of the most successful home care providers and is based on an analysis of performance measures in quality outcomes, best practice implementation, patient experience, quality improvement and financial performance Covenant Homecare served 4,388 patients in 2013 in the course of 72,505 patient visits

4b (Code) (Expenses $ 3,398,491 including grants of $) (Revenue $ 3,889,173)

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 is expected to 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 and commercial insurance, as well as self-pay patients, with costs in excess of net reimbursement No patient is denied care regardless of ability to pay Applications for financial assistance are provided to patients who need them, and financial counselors are available to assist with the application process Covenant Homecare served 859 hospice patients in 2013 over the course of 17,562 visits

4c (Code) (Expenses $ 768,236 including grants of $) (Revenue $ 212,802)

Palliative Care The palliative care program provides professional services performed by nurse practitioners and physicians The focus of treatment is symptom management, as opposed to curative treatments, for chronic conditions that are not yet determined eligible for hospice care Covenant Homecare provided palliative care for 1,356 patients in 2013 over the course of 3,394 visits

4d Other program services (Describe in Schedule O)

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

4e **Total program service expenses** ▶ 14,019,046

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 for escrow or custodial account liability, 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, line 10? *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 and XII*	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 and XII 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, Parts I and IV*	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or other assistance to or for any foreign organization? *If "Yes," complete Schedule F, Parts 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 other assistance to or for foreign individuals? *If "Yes," complete Schedule F, Parts 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 (see instructions)*	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 hospital facilities? *If "Yes," complete Schedule H*	20a		No
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b		

Part IV Checklist of Required Schedules *(continued)*

21	Did the organization report more than $5,000 of grants or other assistance to any domestic organization or government 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 or 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**		No
23	Did the organization answer "Yes" to Part VII, Section A, line 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 lines 24b through 24d and complete Schedule K. If "No," go to line 25a*	**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	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? *If so, 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 employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *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 direct or indirect 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, Part II, III, or IV, and Part V, line 1*	**34**	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	**35a**		No
b	If 'Yes' to line 35a, 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**		
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 11b 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 or note to any line in this Part V . . . . . ☐

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	1a	32		
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	215		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note.** If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b		Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year? . . .	3a			No
b	If "Yes," has it filed a Form 990-T for this year? *If "No" to line 3b, provide an explanation in Schedule O* . . .	3b			
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			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 as charitable contributions? . . .	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.** See the instructions for additional information the organization must report on Schedule O	13a			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a			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 or note to any line 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		
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O				
b	Enter the number of voting members included in line 1a, above, who are independent	**1b**	17		
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 this 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 ▶

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 ☐ Other (explain in Schedule O)

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 during the tax year

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 379321960 (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 or note to any line 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 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 organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) Anthony L Spezia President & CEO	0 00 50 00	X		X				0	1,543,512	228,486
(2) Gerald Boyd Director	0 00 1 00	X						0	1,445	0
(3) Dr Richard Brinner Director	0 00 1 00	X						0	1,576	0
(4) Dr Mitchell Dickson Director	0 00 1 00	X						0	1,873	0
(5) Pamela P Fansler Director	0 00 1 00	X						0	0	0
(6) James Fitzsimmons Director	0 00 1 00	X						0	1,461	0
(7) Kimberly Greene Director	0 00 1 00	X						0	0	0
(8) Wayne Heatherly Director	0 00 1 00	X						0	1,661	0
(9) Jim Johnson Jr Director	0 00 1 00	X						0	1,465	0
(10) Karla Lane Director	0 00 1 00	X						0	0	0
(11) Eddie Mannis Director	0 00 1 00	X						0	0	0
(12) Larry Mauldin Chairman	0 00 1 00	X						0	1,542	0
(13) Dr Joseph Metcalf Director	0 00 3 00	X						0	26,641	0
(14) George Miller Director	0 00 1 00	X						0	1,434	0
(15) Alvin Nance Director	0 00 1 00	X						0	1,464	0
(16) Linda Ogle Director	0 00 1 00	X						0	0	0
(17) Mitchell Steenrod Director	0 00 1 00	X						0	1,311	0

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(18) Carl Storms Director	0 00 1 00	X						0	1,453	0
(19) Joseph E Sutter Director	0 00 1 00	X						0	1,761	0
(20) Richard Swanson Director	0 00 1 00	X						0	0	0
(21) Joe Ben Turner Director	0 00 1 00	X						0	1,636	0
(22) David C Verble Director	0 00 1 00	X						0	1,362	0
(23) John T Geppi EVP/CFO	0 00 50 00			X				0	710,276	25,177
(24) John Huskey President	50 00 0 00			X				169,009	0	26,149
(25) Barbara Brooks Controller	50 00 0 00			X				87,476	0	19,862
(26) David B Wooten Medical Director	50 00 0 00					X		161,016	0	12,271
1b Sub-Total . . . . . ▶										
c Total from continuation sheets to Part VII, Section A . . . . ▶										
d Total (add lines 1b and 1c) . . . . . ▶								417,501	2,301,873	311,945

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 ▶ 2

			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
Relay Health 5995 Windward Parkway Alpharetta GA 30005	Software maintenance	150,817

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

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

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns . .	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations . . .	1d	38,879			
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	350			
	g	Noncash contributions included in lines 1a-1f $					
	h	**Total.** Add lines 1a-1f . . . . . ▶		39,229			
			Business Code				
Program Service Revenue	2a	Medical Services	621610	13,338,008	13,338,008		
	b	Rent - Exempt Affiliate	531120	73,796	73,796		
	c						
	d						
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f . . . . . ▶		13,411,804			
	3	Investment income (including dividends, interest, and other similar amounts) . . . . . ▶		-1,199			-1,199
	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					
	c	Gain or (loss)					
	d	Net gain or (loss) . . . . . ▶					
	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 . . ▶					
Other Revenue		Miscellaneous Revenue	Business Code				
	11a	Misc revenue	900099	128			128
	b						
	c						
	d	All other revenue					
	e	**Total.** Add lines 11a–11d . . . . . ▶		128			
	12	**Total revenue.** See Instructions . . . . . ▶		13,449,962	13,411,804	0	-1,071

Part IX Statement of Functional Expenses

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to 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	2,081	2,081		
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	302,496		302,496	
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	7,893,434	7,758,121	135,313	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	298,182	280,807	17,375	
9 Other employee benefits	451,895	434,221	17,674	
10 Payroll taxes	613,708	584,112	29,596	
11 Fees for services (non-employees)				
a Management	1,121,291	1,049,564	71,727	
b Legal	38,208		38,208	
c Accounting	1,617		1,617	
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees				
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	1,343,553	1,314,503	29,050	
12 Advertising and promotion	13,931	13,262	669	
13 Office expenses	488,771	317,195	171,576	
14 Information technology				
15 Royalties . .				
16 Occupancy	125,248	48,006	77,242	
17 Travel	968,003	965,887	2,116	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	15,490	13,978	1,512	
20 Interest	30	30		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	232,844	232,844		
23 Insurance	23,270	23,270		
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a Medical Supplies	578,963	578,865	98	
b Charity care	176,571	176,571		
c Bad Debts	158,620	158,620		
d Dues and Licenses	28,574	27,693	881	
e All other expenses	50,944	39,416	11,528	
25 **Total functional expenses.** Add lines 1 through 24e	14,927,724	14,019,046	908,678	0
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

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

				(A) Beginning of year		(B) End of year
Assets	1	Cash–non-interest-bearing		-5,261	1	-3,123
	2	Savings and temporary cash investments			2	
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		3,103,131	4	2,969,355
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use		22,958	8	46,690
	9	Prepaid expenses and deferred charges		142,705	9	136,654
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 6,190,485			
	b	Less accumulated depreciation	10b 5,096,324	912,004	10c	1,094,161
	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		167,008	15	189,808
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		4,342,545	16	4,433,545
Liabilities	17	Accounts payable and accrued expenses		2,119,169	17	2,601,005
	18	Grants payable			18	
	19	Deferred revenue		254,099	19	994,625
	20	Tax-exempt bond liabilities			20	
	21	Escrow or custodial account liability Complete Part IV of Schedule D			21	
	22	Loans and other 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		20,282,967	25	20,629,367
	26	**Total liabilities.** Add lines 17 through 25		22,656,235	26	24,224,997
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		-18,313,690	27	-19,791,452
	28	Temporarily restricted net assets			28	
	29	Permanently restricted net assets			29	
		Organizations that do not follow SFAS 117 (ASC 958), 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		-18,313,690	33	-19,791,452
	34	Total liabilities and net assets/fund balances		4,342,545	34	4,433,545

Part XI Reconcilliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	13,449,962
2	Total expenses (must equal Part IX, column (A), line 25)	2	14,927,724
3	Revenue less expenses Subtract line 2 from line 1	3	-1,477,762
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	-18,313,690
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	-19,791,452

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line 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
	If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis			
b	Were the organization's financial statements audited by an independent accountant?	2b	Yes	
	If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both ☐ Separate basis ☑ Consolidated basis ☐ Both consolidated and separate basis			
c	If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	Yes	
	If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	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.**
▶ **Information about Schedule A (Form 990 or 990-EZ) and its instructions is at *www.irs.gov/form990*.**

OMB No 1545-0047

2013

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 described in **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 - Non-functionally integrated

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(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) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(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 Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
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 2013 (line 6, column (f) divided by line 11, column (f)) **14**

15 Public support percentage for 2012 Schedule A, Part II, line 14 **15**

16a **33 1/3% support test—2013.** 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—2012.** If the organization did not check a 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—2013.** 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—2012.** 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 Section 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) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")	35,337	57,359	25,155	24,417	39,229	181,497
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	11,820,184	12,341,659	13,947,335	14,826,772	13,411,804	66,347,754
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	11,855,521	12,399,018	13,972,490	14,851,189	13,451,033	66,529,251
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)						66,529,251

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
9 Amounts from line 6	11,855,521	12,399,018	13,972,490	14,851,189	13,451,033	66,529,251
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	3,708	2,554	3,224	11,572	-1,199	19,859
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b	3,708	2,554	3,224	11,572	-1,199	19,859
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on	11,250	7,250	4,750	1,217	128	24,595
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)	11,870,479	12,408,822	13,980,464	14,863,978	13,449,962	66,573,705

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 2013 (line 8, column (f) divided by line 13, column (f))	15	99 930 %
16 Public support percentage from 2012 Schedule A, Part III, line 15	16	99 900 %

Section D. Computation of Investment Income Percentage

17 Investment income percentage for **2013** (line 10c, column (f) divided by line 13, column (f))	17	0 030 %
18 Investment income percentage from **2012** Schedule A, Part III, line 17	18	0 040 %

19a **33 1/3% support tests—2013.** 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—2012.** 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.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test		
Return Reference	Explanation	

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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, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b
▶ Attach to Form 990. ▶ See separate instructions. ▶ Information about Schedule D (Form 990) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047

2013

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 can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ 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 education) ☐ Preservation of an historically important land area
☐ Protection of natural habitat ☐ Preservation of a certified historic structure
☐ Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

		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, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ 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 section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) 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 (ASC 958) 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 acquisition, 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 XIII

5 During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" 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 XIII and complete the following table

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

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII Check here if the explanation has been provided in Part XIII . . . . . ☐

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

		(a) Current year	(b) Prior year	(b) (c) Two years back	(d) Three years back	(e) Four years back
1a	Beginning of year balance					
b	Contributions					
c	Net investment earnings, gains, and 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 current year end balance (line 1g, column (a)) held as

- a Board designated or quasi-endowment ▶
- b Permanent endowment ▶
- c Temporarily restricted endowment ▶

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

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

		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 XIII the intended uses of the organization's endowment funds

Part VI Land, Buildings, and Equipment. Complete if the organization answered 'Yes' to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		145,290		145,290
b Buildings		2,140,678	1,737,006	403,672
c Leasehold improvements		200,077	186,156	13,921
d Equipment		3,704,440	3,173,162	531,278
e Other				
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				1,094,161

Part VII **Investments—Other Securities.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

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

Part VIII **Investments—Program Related.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

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

Part IX **Other Assets.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11d See Form 990, Part X, line 15

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

Part X **Other Liabilities.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1 (a) Description of liability	(b) Book value
Federal income taxes	
Due to Affiliates, Net	19,951,577
Long-term Deferred Compensation	189,808
Other Liabilities	487,982
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	20,629,367

2. Liability for uncertain tax positions In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740) Check here if the text of the footnote has been provided in Part XIII ☑

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

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 XIII)	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 XIII)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total revenue Add lines **3** and **4c.** (This must equal Form 990, Part I, line 12)			5	

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return. Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

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 XIII)	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 XIII)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total expenses Add lines **3** and **4c.** (This must equal Form 990, Part I, line 18)			5	

Part XIII Supplemental Information

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

Return Reference	Explanation
Part X, Line 2	Note B to the consolidated audited financial statements of Covenant Health, parent company to Covenant Homecare, reads in part "Income Taxes Covenant and certain of its subsidiaries or controlled entities are exempt from income taxes pursuant to Section 501(c)(3) of the Internal Revenue Code Accordingly, no provision for income taxes on qualifying activities has been made for these entities in the accompanying consolidated financial statements However, certain entities and operations are subject to income taxes which are accounted for in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 740, Income Taxes (See Note G) " Note G reads in part "Covenant had no unrecognized tax benefits at December 31, 2013 and 2012 As such, no interest or penalties were recognized in the Consolidated Statements of Operations related to unrecognized tax benefits At December 31, 2013, tax returns for 2010 through 2013 are subject to examination by the Internal Revenue Service Covenant has no uncertain tax positions that would require financial statement recognition or disclosure under generally accepted accounting principles at December 31, 2013 or 2012 "

Part XIII Supplemental Information *(continued)*

Return Reference	Explanation

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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, line 23.**
▶ **Attach to Form 990.** ▶ **See separate instructions.**
▶ **Information about Schedule J (Form 990) and its instructions is at *www.irs.gov/form990*.**

OMB No 1545-0047

2013

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 or provision of all of 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 directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?	**2**	Yes	
3	Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director Check all that apply Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III			
	☐ 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 Regulations 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 duplicate copies if additional space is 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, applicable column (D) and (E) amounts for that individual

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1)Anthony L Spezia	(i)	0	0	0	0	0	0	0
President & CEO	(ii)	955,101	443,088	145,323	214,000	14,486	1,771,998	0
(2)John T Geppi	(i)	0	0	0	0	0	0	0
EVP/CFO	(ii)	448,213	184,500	77,563	10,000	15,177	735,453	0
(3)John Huskey	(i)	118,098	34,000	16,911	6,601	19,548	195,158	0
President	(ii)	0	0	0	0	0	0	0
(4)David B Wooten	(i)	159,073	0	1,943	0	12,271	173,287	0
Medical Director	(ii)	0	0	0	0	0	0	0

Part III Supplemental Information

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

Return Reference	Explanation
Part I, Line 1a	Tax gross-up payments and reimbursement of fees for personal services for legal and financial planning are provided to certain executives and managers These are treated as taxable compensation to the recipients
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
Part I, Line 4b	Anthony L Spezia was a participant in two nonqualified deferred compensation plans, which will be referred to as Plan A and Plan B In 2011 Mr Spezia vested in Plan A, and the accumulated balance as of August 1, 2011 was included in his 2011 taxable income An Amendment to Plan A was adopted effective August 1, 2011 which terminated further accruals (contributions) to the plan However, the Amendment does allow the accrual of interest on undistributed amounts which will be subject to risk of forfeiture until such time as indicated in the Amendment Interest earned by Plan A in 2013 amounted to $77,542 and is not required to be reported in Part II, as Mr Spezia is not substantially vested in earnings accumulated after July 31, 2011 Plan B was established in 2011 Employer contributions to Plan B during 2013 totaled $204,000, which is reported in Col C of Schedule J, Part II Interest earned by Plan B during 2013 of $30,427 is not required to be reported in compensation in Part II, as Mr Spezia is not substantially vested in Plan B

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

OMB No 1545-0047

2013

Open to Public Inspection

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

Return Reference	Explanation	
	Form 990, Part III, Line 1	REPORT TO THE COMMUNITY Covenant Health was formed in 1996 with the mission to serve its communities by improving the quality of life through better health The health system is nationally recognized as a top performer in many areas patient care, quality performance, cost, integration, information technology, finances, ethics and innovation Amid a challenging healthcare environment, Covenant Health has committed to these imperatives * Serving the communities as a not-for-profit health system * Leading in quality and service * Outstanding governance and leadership * An engaged work force with the right skill sets * Being the practice environment of choice for physicians * Reinvesting in the communities, providing programs, services, technologies and facilities that improve local healthcare services and patient care Covenant Health has invested well over a billion dollars in its communities since 2000 - a commitment no other healthcare organization has approached It has opened new hospitals, expanded services, and brought cutting-edge medical technology to the region * Meeting the challenges of the healthcare environment through effective strategic planning and wise use of resources * Providing excellent care to every patient, every time Covenant Health's Board of Directors and its administration are challenged by a complex and changing healthcare environment These challenges require strong collaboration and a common vision among all of Covenant Health's constituents employees, physicians, board members, patients and the communities served by Covenant Health Providing quality care and an excellent patient experience remain high priorities for the board, especially in a new era of reimbursement based on outcomes and patient satisfaction Because of the focused commitment of Covenant's administration and caregivers, the health system performs well in these areas Covenant Health is committed to maintaining its not-for-profit status while providing needed services to the communities Despite the increasing shift of responsibilities for charity care to the hospitals, Covenant Health remains strong in delivering care that improves the quality of life at the lowest possible cost It works closely with physicians to develop strategies for service lines and health system operations and has the financial strength to weather impending storms while investing in new technologies, people, and other opportunities as they arise In the face of today's challenges, Covenant Health has a firm foundation on which to stand, balancing lessons learned with strengths gained from a disciplined execution of thoughtful strategies The board has a clear vision of the importance of fulfilling the mission and is prepared to address challenges with determination, commitment, knowledge and community focus Covenant Health Member Organizations Covenant Health Board members and administrative leaders serve their communities through strategic planning and successful operation of these member organizations Hospitals and Other Healthcare Providers Claiborne Medical Center (joined the system April 1, 2014) Cumberland Medical Center (joined the system February 1, 2014) Covenant Homecare and Hospice Fort Loudoun Medical Center (Fort Loudoun) Fort Sanders Perinatal Center (Perinatal Center) Fort Sanders Regional Medical Center (Fort Sanders Regional) LeConte Medical Center (LeConte) Methodist Medical Center (Methodist) Morristown-Hamblen Healthcare System (Morristown-Hamblen) Parkwest Medical Center (Parkwest) Peninsula Hospital, a Division of Parkwest Medical Center (Peninsula) Roane County Medical Center (Roane) Thompson Cancer Survival Center Thompson Oncology Group Knoxville Heart Group Outpatient and Specialty Care Departments and Joint Ventures Hospital-based Therapy Centers Fort Sanders West Diagnostic Center Fort Sanders West Outpatient Surgery Center Morristown Regional Diagnostic Center Patricia Neal Rehabilitation Center Peninsula Outpatient Centers Thompson Cancer Survival Center hospital-based Infusion Centers Fort Sanders Sevier Nursing Home Foundations Fort Sanders Foundation Methodist Medical Center Foundation Morristown-Hamblen Hospital Foundation Thompson Cancer Survival Center Foundation Other Programs and Services Fortress Corporation Covenant Medical Management, Inc Covenant Health is also a partner in joint ventures with physicians that provide surgical and other services Recognized Excellence in Caring for Our Communities Covenant Health delivers quality care, with services designed to meet the specific needs of people in the communities it serves Nine acute care hospitals located in Knoxville and surrounding areas comprise the foundation of the health system The hospitals offer comprehensive care, including emergency care, specialty services, and a full range of diagnostics and treatment provided by board-certified medical staffs Three Covenant Health hospitals - Fort Sanders Regional, Methodist, an

Return Reference	Explanation	
	Form 990, Part III, Line 1	d Parkwest Medical Centers - were named among the top 10 hospitals in Tennessee in 2013 by U S News and World Report, recognizing excellence in both overall and specialty care Covenant Health hospitals also have been recognized for clinical accomplishments by VHA, Inc , a cooperative of non-profit healthcare organizations

Return Reference	Explanation	
	Form 990, Part III, Line 1	At the Forefront of Local Behavioral Health Care and Community Collaboration Following the closure of Lakeshore Mental Health Institute in 2012, patient volumes at Peninsula, a division of Parkwest Medical Center ("Peninsula") increased significantly Efforts are made to keep patients in the community in order to provide a better continuum of care While mental health resources are available in other Tennessee locations, outside transfers make a seamless transition and follow-up care more difficult Therefore the staff at Peninsula continue to work on internal process improvements to be able to care for more patients Outpatient treatment follows a 'best practice' model of care whereby new patients get immediate appointments with a nurse, therapist, physician or nurse practitioner If a patient misses an appointment, it is rescheduled for the same day or the next Patients have a better chance for success in treatment when there is no lag time As a result of this approach, outpatient "no show" rates have decreased and outpatient satisfaction rates are in the 90th percentile Other best practices include involving families or patient support systems in treatment plans and using a computerized call-back scheduling system so that phone calls are returned promptly Peninsula staff members take a yearly refresher in Therapeutic Crisis Intervention to help behavioral staff recognize and verbally de-escalate situations that could otherwise turn into a crisis Peninsula also works with police officers to help them recognize symptoms of mental illness among those they encounter as part of their work Police officers may encounter someone with mental illness as often as once every shift Peninsula also collaborates with other area mental health organizations and primary care physicians to enhance care and resources for behavioral health patients The goal is to help people get the mental health services they need, rather than winding up in the Emergency Department, on the streets or in prison The state of Tennessee provided funds for medications for indigent patients, transportation assistance and other outpatient programs United Way provided a grant to assist patients transitioning to independent living In addition to the 155-bed inpatient psychiatric hospital in Blount County, Peninsula also has outpatient facilities in Knox, Blount, Loudon, and Sevier counties The provision of care may include hospitalization, therapy sessions, visits with psychiatrists, medication management, intensive outpatient programs and support groups Covenant Health Hospitals Help Families Welcome New Babies More than 6,500 babies were born in a Covenant Health hospital in 2013 The health system offers a variety of birthing options and hospital amenities to help parents and families welcome their newborns Families come in all shapes and sizes and so do expectations and beliefs about childbirth Some mothers prefer minimum intervention Others are comforted that pain relief is available during labor and delivery Some mothers decide on an obstetrician before planning for their babies Others choose the hospital first and then choose a qualified physician who delivers at that hospital Covenant Health hospitals work to provide excellent care and comfort while accommodating patients' preferences for room-in or nursery care after delivery Maternity suites at Covenant hospitals are spacious, beautifully decorated and designed to maximize comfort and provide immediate access to technology Room options include private suites equipped with bassinets for rooming in and sleeper furniture for a family member Some hospitals also have post-partum rooms available Depending on the hospital, patients may have access to whirlpool tubs or entertainment units All maternity units are secured with monitored entries and exits Additional security devices and procedures are in place to monitor babies' safety Covenant Hospitals Recognized for Reducing Early Elective Deliveries In addition to overall excellence in maternity and newborn care, five Covenant Health hospitals that offer obstetrics services have been recognized by the Tennessee Hospital Association (THA) for reducing the number of babies born electively between 37 and 39 weeks gestation Fort Sanders Regional, Parkwest, LeConte, Methodist and Morristown-Hamblen medical centers each received recognition from the THA's Tennessee Center for Patient Safety for reducing elective early deliveries, thereby increasing babies' chances for better lifelong health All five hospitals met the goal of decreasing early elective deliveries to five percent or less, and maintained the goal level for a minimum of six consecutive months In 2011, about 12 percent of the hospitals' deliveries that occurred prior to 39 weeks gestation were considered elective By 2014 the number had dropped to less than one percent The Covenant hospitals are part of a statewide Healthy Tennessee Babies Are Worth the Wait init

Return Reference	Explanation	
	Form 990, Part III, Line 1	iative launched less than two years ago to increase awareness of the benefits of full-term delivery Among other initiatives such as patient and staff education programs, Covenant Health obstetrics departments adopted a strict policy that prohibits early elective delive ries before 39 weeks unless there is a clear medical risk to the mother or the baby The two-week wait dramatically increases the chances for good physical and developmental health for babies Babies born too early are at risk for respiratory distress, jaundice, hypogly cemia and other conditions or complications that require more medical care and put them at greater risk for death before their first birthdays Waiting until 39 weeks allows for be tter growth and development of vital organs such as the brain, lungs and liver Waiting is also better for the health and safety of the mother Covenant Health is proud to lead thi s effort to decrease the number of infants delivered electively before 39 weeks Two addit ional weeks may not seem like much time, but for an infant, it can mean the difference bet ween complications leading to lifelong health issues and a healthy and robust start Speci alized Services for High-Risk Deliveries Specialized services are available in cases of a high-risk pregnancy When a risk factor, either with the mother or unborn child, threatens a positive outcome it's important to know resources are available to discuss options and answer questions for concerned parents Covenant Health hospitals plan and prepare for the unexpected with nurses trained in critical newborn care, access to neonatal intensive car e services, and perinatologists at the Perinatal Center At the Perinatal Center, perinato logists work with women of all reproductive ages and backgrounds to help them deliver a he althy baby - or babies The referring physician, nurses, ultrasonographers, genetic counse lors and support staff work together to help mothers during a difficult time and to delive r a healthy baby Covenant Health has a comprehensive list of more than 50 physicians cred entialed to provide care during pregnancy and while in the hospital In addition, childbir th education classes are available to help parents prepare for their new arrival Covenant Health Hospitals are Stroke Ready For a patient having a stroke, the care received immedi ately after it happens is critical The hospitals of Covenant Health have been deemed "Str oke Ready" by the Healthcare Facilities Accreditation Program This means Covenant hospita ls are qualified to give patients the best initial care at the onset of a stroke The hosp itals of Covenant Health are working together to provide state-of-the-art emergency treatm ent and the most advanced stroke care in the region The risk factors for stroke - high bl ood pressure, smoking, sedentary lifestyle and a Southern diet of deep-fried food - are hi gh in this region In 2013, Fort Sanders Regional's Comprehensive Stroke Center treated an average of 35-40 strokes per month Stroke damage is often permanent and speed is vitally important to improving a patients' success at rehabilitation A decade ago there were no local physicians that could perform procedures inside the arteries of the brain Today, pa tients have access to highly qualified doctors and staff, and faster and more specialized procedures and care that significantly increase their chances of recovery Recognized by T he Joint Commission and the American Heart Association/American Stroke Association for its ability to care for stroke patients, Fort Sanders Regional is a referral center for compl ex stroke cases In addition to the comprehensive Stroke Center, for patients recovering f rom the effects of a stroke, the nationally renowned Patricia Neal Rehabilitation Center o ffers a full spectrum of rehabilitation services

Return Reference	Explanation	
	Form 990, Part III, Line 1	Excellence in Orthopedic Care The hospitals of Covenant Health offer comprehensive orthopedic care, including joint replacement surgery and follow-up rehabilitation services Specialized Joint Replacement Centers are located at Parkwest, Methodist, Fort Sanders Regional and Morristown-Hamblen medical centers The Joint Centers have teams of experienced orthopedic surgeons, nurses, clinicians and therapists who work together to provide care for hip or knee replacement patients When patients schedule joint replacement surgery they receive personalized care and a team approach that focuses on creating positive outcomes from the surgery Covenant Joint Center patients are prepared beforehand, guided through the process step by step, and given extraordinary care afterwards The first step is an educational program, with an optional tour Therapy following the surgery helps patients concentrate on developing strength in their new joints and regaining mobility The Covenant Joint Centers' unique approach emphasizes patient education, family involvement and group support during rehabilitation The expert team approach combined with a unique healing environment puts patients on the road to recovery faster and with fewer complications Performing as Promised in Local Communities As a not-for-profit organization governed by a voluntary Board of Directors, Covenant Health reinvests excess revenues after expenses in improving patient care Since 2000 Covenant Health has invested over $1 billion in facilities, technologies, programs and services No other health system in East Tennessee in this decade has approached Covenant Health's investment in clinical and medical information technology, and new, renovated and expanded hospitals and services Despite a challenging economic environment, Covenant Health's financial strength allows it to continue pursuing a strategy of excellence and a commitment to state-of-the-art facilities, medical technology and medical information systems Achieving Quality Partnerships with Physicians Covenant Health collaborates with physicians to accomplish its mission of improving the quality of life through better health Physicians partner with the health system in many ways including employment, as members of hospital medical staffs and Covenant's board of directors, in committee leadership roles, through joint ventures and in the development of service line strategies Covenant Medical Group, Inc (CMG) is the new name for the health system's employed physician practices Formerly Covenant Medical Management, CMG has grown substantially over the past several years and has more than 140 physicians in more than 70 practice locations CMG includes both primary care and specialty physicians, with significant growth among specialty physicians Physicians often struggle with the complexity of running a medical practice in the current healthcare environment A physician with a solo practice may struggle economically to make that practice work Many physicians consider employment by hospitals and health systems as an effective way to continue providing medical care in their communities Physicians who become part of CMG do so for more than just the economic aspect of practicing medicine, and often seek employment of Covenant Health for broader reasons Physicians who become employed by Covenant Health often decide to do so based on confidence in the health system's leadership team, because of Covenant's strategic direction and performance, and because of the quality of care delivered Other attributes that influence the decision include the health system's local governance and strong market position and relationships Covenant Health builds and maintains partnerships with physicians through joint ventures such as surgery centers and the development of service line strategies that focus on improving quality and cost of patient care Nearly 1500 physicians are affiliated with Covenant Health hospitals and member organizations as active or consulting members of the health system's medical staffs Overall, Covenant Health's desire for alignment with both employed and non-employed physicians is driven by the need to fully evolve as a healthcare system in today's environment The health system's goal is to work side by side with physicians to provide a seamless continuum of care and excellent outcomes for patients Connecting to Meet the Need through Philanthropy Covenant Health's Office of Philanthropy coordinates the philanthropic contributions of individuals and businesses throughout East Tennessee and beyond in support of health care in our region Fund raising efforts are led by volunteer boards and staff at four foundations Fort Sanders Foundation (serving the needs of Fort Sanders Regional, Fort Loudoun, Parkwest, Roane, Peninsula, and the Patricia Neal Rehabilitation Center), Methodist Medical Center Foundation, Morristown- Hamblen Hospital Foundation, and Thompson Cancer Survival Center Found

Return Reference	Explanation	
	Form 990, Part III, Line 1	ation The Dr Robert F Thomas Foundation is independent from Covenant Health but partner s with LeConte to serve the needs of that hospital During the past year the foundations o f Covenant Health received contributions of approximately $3 million from generous individ uals and businesses These donors are partnering with Covenant Health to meet the challeng es of providing the best health care possible for the communities served Funds are used t o provide new equipment and facilities at the hospitals, as well as for staff training, pa storal care and patient care programs Covenant Health strives to go beyond excellent care and to find ways of improving health on all levels - physical, mental and spiritual Past oral care is a critical part of healing body, mind and spirit for many of the patients and their families No patient is ever billed for the support and counseling offered by the h ospital chaplains In the health care environment, chaplains and volunteer spiritual couns elors are seen as partners in the healing process, and their services are underw ritten by many generous donors Each year, the Fort Sanders Regional and Parkw est pastoral care depa rtments host the Gammon-Heatherly Lecture Series w hich provides continuing education to ar ea ministers and other caregivers The annual event is provided through charitable gifts The series aims to be thought-provoking and insightful and provides a good netw orking oppo rtunity w ith clergy and laypersons from the community In May 2013 a new Serenity Garden w as dedicated at Roane County Medical Center The garden offers a quiet spot for reflection and respite just outside the hospital's front entrance It features specially engraved st one pavers recognizing generous community organizations, churches and individuals w ho supp orted the campaign for the new hospital and pastoral care services for patients and famili es Together w ith many generous members of our community, the Foundations of Covenant Heal th are meeting important physical and spiritual needs on the path to improved health for a ll Leadership Academy Welcomes Second Group of Participants for "Up Close" Healthcare Exp erience While the Office of Philanthropy staff coordinates community events and fund raise rs, local community leadership and involvement is critical to fund raising success To exp and the number of informed volunteer leaders in the community, the Office of Philanthropy launched a new program, Covenant Answ ers A Healthcare Leadership Academy Inaugural Acade my participants included representatives from the boards of Covenant Health, and Fort Sand ers and Thompson Cancer Survival Center Foundations Future Leadership Academy classes w il l include business and community representatives from throughout Covenant's service area During a five-month period class members attend half-day sessions at five different Covena nt hospitals Classes include behind-the-scenes tours and hands-on access to the latest te chnologies and treatments Participants have opportunities to discuss the challenges of th e current healthcare environment w ith leading Covenant physicians and clinicians, and spea k firsthand w ith patients w hose recovery hinges on the excellent care provided at one of t he Covenant hospitals The first group of participants w ere given the chance to try their hands at using adaptive rehab equipment and maneuvering a surgical robot

Return Reference	Explanation
Form 990, Part III, Line 1	Reaching Beyond Hospital Walls In addition to taking care of the patients and families who receive direct services, Covenant Health is committed to making a positive impact in the health of the surrounding community In all the communities Covenant Health serves, local initiatives and partnerships create opportunities to interact with people of all ages and encourage healthier lifestyles * In April 2013 approximately 7,000 people participated in the 9th anniversary of the 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 Health Biggest Winner Weight Loss Challenge continued as a friendly competition that encourages East Tennesseans to get off the couch and get moving for a fit and healthy lifestyle Team members train together for five months, with the goal of crossing the finish line in Covenant Health Knoxville Marathon events Participants challenge other East Tennesseans to start a health journey that will change their lives for the better * Some of the funds raised through the Covenant Health Knoxville Marathon were contributed to The Patricia Neal Rehabilitation Center's Innovative Recreation Cooperative, a collaboration of groups and individuals who help disabled persons enjoy leisure and recreation activities such as water skiing and cycling * 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 Covenant Health Knoxville Marathon * Covenant HomeCare Hospice helps children grieving the loss of a loved one through Katerpillar Kids Camp, offered with the support of Variety-The Children's Charity The camp is staffed by health system volunteers and helps children in grades 1-12 express their feelings in a supportive environment Each year participating children make quilt squares, which are later used to create quilts representing each camp session In 2013, several quilts were selected for display at the Oak Ridge Children's Museum * Covenant Health hospitals are partnering with local organizations to perform assessments of health status and to identify the primary health issues affecting our region Once assessments are complete, the hospitals will be developing local programs and communicating availability of existing services to help address some of these health issues Community Benefit Report One of the most tangible expressions of the charitable purpose of Covenant Health is providing care to people in need As a not-for-profit 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 Summary of System Community Benefit Totals for Uncompensated Care 2013 Charity Care $48 5 million TennCare* $40 5 million Medicare* $71 1 million Total Uncompensated Care $160 1 million Each hospital in the Covenant Health system reports its specific Uncompensated Care on its Form 990 *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 2013 Summary of Additional Community Benefit Health Professions Education Continuing education, preparation of future healthcare professionals $1,558,904 Subsidized Health Services Clinical services provided to meet community needs despite financial loss $18,815,965 Donations, Medical Missions and Community Building Funds and in-kind services donated to the community, including funds to support charitable endeavors and address challenges such as poverty and homelessness, as well as mission trips to areas outside the U S $3,438,855 Total Contributions $183,913,724

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

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 Code of Conduct to all employees The Code 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

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 ("the Committee"), 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 2013 Form 990 of Covenant Health, EIN 62-1646734, parent company of Covenant Homecare Form 990, Part VI, Section B, Line 15b Base salary and annual bonus opportunities for John Huskey, President, 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 ensure that total compensation 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 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

Return Reference	Explanation
Form 990, Part VI, Section C, line 19	Covenant Homecare files a Joint Annual Report containing financial information with the Tennessee Department of Health Per its tax-exempt bond provisions, Covenant Health, the parent company of the organization, 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) service of the Municipal Securities Rulemaking Board (MSRB) Any member of such a repository has access to these financial statements

Return Reference	Explanation
Form 990, Part VI, Line 9	Contact Addresses for Officers, Directors, Etc 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

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" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.
▶ Information about Schedule R (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

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 (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	(g) 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) Disproprtionate 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 200 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) KOSC Properties LLC 256 Fort Sanders West Blvd Ste 200 Knoxville, TN 37922 26-2444076	Building ownership	TN	N/A									
(6) Knoxville Orthopaedic Surgery Center LLC 256 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	(i) Section 512 (b)(13) controlled entity? Yes	(i) No
(1) Fortress Corporation 280 Fort Sanders West Blvd Ste 214 Knoxville, TN 37922 62-1308885	Management company	TN	N/A	C					No
(2) Covenant Medical Group Inc 1400 Centerpoint Blvd Bldg A Ste 10 Knoxville, TN 37932 62-1282917	Physician practice management	TN	N/A	C					No
(3) Knoxville Heart Group 1819 Clinch Ave Suite 108 Knoxville, TN 37916 27-1528941	Cardiology medical practice	TN	N/A	C					No
(4) East TN Cardiovascular Surgery Group Inc 9125 Cross Park Drive Ste 200 Knoxville, TN 37923 62-1018541	Cardiovascular surgical practice	TN	N/A	C					No

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

		Yes	No
Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule			
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 or **(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	Yes	
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 Dividends from related organization(s)	1f		No
g Sale of assets to related organization(s)	1g		No
h Purchase of assets from related organization(s)	1h		No
i Exchange of assets with related organization(s)	1i		No
j Lease of facilities, equipment, or other assets to related organization(s)	1j	Yes	
k Lease of facilities, equipment, or other assets from related organization(s)	1k	Yes	
l Performance of services or membership or fundraising solicitations for related organization(s)	1l		No
m Performance of services or membership or fundraising solicitations by related organization(s)	1m	Yes	
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n		No
o Sharing of paid employees with related organization(s)	1o	Yes	
p Reimbursement paid to related organization(s) for expenses	1p		No
q Reimbursement paid by related organization(s) for expenses	1q	Yes	
r Other transfer of cash or property to related organization(s)	1r	Yes	
s Other transfer of cash or property from related organization(s)	1s	Yes	

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

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved

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	

Part VII Supplemental Information

Provide additional information for responses to questions on Schedule R (see instructions)

Return Reference	Explanation

Additional Data

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 section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	(g) Section 512(b)(13) controlled entity? No
(1) Covenant Health 1420 Centerpoint Blvd Bldg C Knoxville, TN 379321960 62-1646734	Supporting organization	TN	501(C)(3)	Line 11b, II	N/A		No
(1) 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
(2) 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
(3) Fort Sanders Foundation 280 Fort Sanders West Blvd Ste 202 Knoxville, TN 37922 62-1748601	Fundraising and patient outreach	TN	501(C)(3)	Line 11b, II	Covenant Health		No
(4) Fort Sanders Perinatal Center 501 19th St Suite 304 Knoxville, TN 37916 04-3760551	High risk obstetrical services	TN	501(C)(3)	Line 3	Fort Sanders Regional Medical Center		No
(5) LeConte Medical Center 742 Middle Creek Road Sevierville, TN 37862 62-1114867	Acute care hospital	TN	501(C)(3)	Line 3	Covenant Health		No
(6) 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
(7) 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
(8) Parkwest Medical Center 9352 Park West Blvd Knoxville, TN 37923 58-1897274	Acute care hospital & behavioral health services	TN	501(C)(3)	Line 3	Covenant Health		No
(9) Roane County Medical Center dba Roane Medical Center 8045 Roane Medical Center Drive Harriman, TN 37748 68-0673354	Acute care hospital	TN	501(C)(3)	Line 3	Covenant Health		No
(10) Thompson Cancer Survival Center 1915 White Avenue Knoxville, TN 37916 62-1250943	Cancer treatment facility	TN	501(C)(3)	Line 3	Covenant Health		No
(11) Thompson Oncology Group 1915 White Avenue Knoxville, TN 37916 62-1619239	Oncology services	TN	501(C)(3)	Line 3	Thompson Cancer Survival Center		No
(12) Thompson Cancer Survival Center Foundation 1915 White Avenue Knoxville, TN 37916 58-2130450	Fundraising and patient outreach	TN	501(C)(3)	Line 11b, II	Covenant Health		No