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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

Information about Form 990 and its instructions is at [www.IRS.gov/form990](http://www.irs.gov/form990)

OMB No 1545-0047

2014

Open to Public Inspection

A For the 2014 calendar year, or tax year beginning 01-01-2014, and ending 12-31-2014

B Check if applicable

☐ Address change

☐ Name change

☐ Initial return

☐ Final return/terminated

☐ Amended return

☐ Application pending

C Name of organization

Covenant Health

Doing business as

Number and street (or P O box if mail is not delivered to street address)

1420 Centerpoint Blvd Bldg C

Room/suite

City or town, state or province, country, and ZIP or foreign postal code

Knoxville, TN 379321960

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.covenanthealth.com

K Form of organization

☒ Corporation ☐ Trust ☐ Association ☐ Other

L Year of formation

1996

M State of legal domicile

TN

Part I	Summary																																										
Activities & Governance	<div><div>1</div><div>Briefly describe the organization's mission or most significant activities</div><div>Covenant Health is the parent organization in a community-owned health care system in East Tenn</div></div>																																										
	<div><div>2</div><div>Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets</div></div>																																										
Revenue	<table><tr><td>3</td><td>Number of voting members of the governing body (Part VI, line 1a)</td><td>22</td></tr><tr><td>4</td><td>Number of independent voting members of the governing body (Part VI, line 1b)</td><td>17</td></tr><tr><td>5</td><td>Total number of individuals employed in calendar year 2014 (Part V, line 2a)</td><td>1,119</td></tr><tr><td>6</td><td>Total number of volunteers (estimate if necessary)</td><td>1,229</td></tr><tr><td>7a</td><td>Total unrelated business revenue from Part VIII, column (C), line 12</td><td>1,086,871</td></tr><tr><td>7b</td><td>Net unrelated business taxable income from Form 990-T, line 34</td><td>159,976</td></tr></table>	3	Number of voting members of the governing body (Part VI, line 1a)	22	4	Number of independent voting members of the governing body (Part VI, line 1b)	17	5	Total number of individuals employed in calendar year 2014 (Part V, line 2a)	1,119	6	Total number of volunteers (estimate if necessary)	1,229	7a	Total unrelated business revenue from Part VIII, column (C), line 12	1,086,871	7b	Net unrelated business taxable income from Form 990-T, line 34	159,976																								
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Part II

Signature Block

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

Sign Here

Signature of officer

2015-10-30

Date

JOHN T GEPPi EVP/CFO

Type or print name and title

Prnt/Type preparer's name

Preparer's signature

Date

Check ☐ if self-employed

PTIN

Firm's name

Firm's EIN

Phone no

May the IRS discuss this return with the preparer shown above? (see instructions)

☐ Yes☐ No

For Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form 990 (2014)

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 Health operates exclusively as a supporting organization within the meaning of Internal Revenue Code section 509(a)(3) Its mission, which is shared by its member hospitals and other organizations (see Schedule A), is to serve the community by improving the quality of life through better health, regardless of a patient's ability to pay

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 \$ 31,641,786 including grants of \$) (Revenue \$ 31,641,786)

Information Technology See Schedule O for additional details Information Technology Expenses - \$31,641,786, Revenue - \$31,641,786 The Information Technology (IT) division of Covenant Health provides all computing equipment and information management related services to Covenant Health facilities Information management systems and related application support (install, upgrade, help desk) services are available on a 24/7 basis spanning healthcare functions across core patient-care clinical systems, physician, nursing, and associated ancillary systems (lab, radiology, pharmacy, therapy), as well as supporting business functions encompassing patient accounting, materials management, finance, and human resources IT also manages a centralized data center (and a backup disaster recovery data center) where the hardware equipment is housed to deliver the computing resources for all clinical/business functions on a 24/7 schedule Additionally, IT is responsible for management of all PC workstations (desktop, laptop, mobile cart), all client to server internal and external network connectivity, as well as telephone services and telephone equipment (PBX, handsets, cell phones, pagers) across the company It also facilitates project management activities related to meeting regulatory and quality reporting requirements Key statistics for the year include *Payroll checks/deposits - 286,102 *Pharmacy medication mgmt system - 2,306,753 orders *Total spam messages blocked - 2,964,000 *Network access attempts blocked - 1,877,121,519 *PCs supported - 8,776 *Overall telephone usage - 32,439,224 calls *Pathway scheduling application - 706,685 appointments *Accounts payable checks - 129,042

4b

(Code) (Expenses \$ 13,367,296 including grants of \$) (Revenue \$ 13,367,296)

Business Office See Schedule O for additional details Business Office Expenses - \$13,367,296, Revenue - \$13,367,296 Knoxville Business Office Services is the CBO (Centralized Business Office) for Covenant Health providing accounts receivable management for Fort Sanders Regional Medical Center, Parkwest Medical Center, Fort Loudoun Medical Center, LeConte Medical Center, Methodist Medical Center, Morristown-Hamblen Hospital Association and Roane Medical Center These services include, but are not limited to, customer service, payment collection, financial posting, refund processing, and insurance billing and follow-up During 2014, CBO submitted over 1,016,000 insurance claims totaling in excess of \$3,650,000,000 Bad debt expense for 2014 was approximately 2.7% of gross revenue with bad debt recoveries/collections in excess of \$12,086,000 The CBO handled over 128,971 incoming phone calls, following-up on over 589,179 open accounts and processed over 3.2 million financial transactions

4c

(Code) (Expenses \$ 8,475,590 including grants of \$) (Revenue \$ 8,475,590)

Health Information Management See Schedule O for additional details Health Information Management Expenses - \$8,475,590, Revenue - \$8,475,590 The central Health Information Management (HIM) department encompasses all areas of traditional medical records, including transcription, coding, release of information, a 24x7 call center, central scanning, records preparation, regulatory compliance, clinical documentation improvement, and privacy protection Services are provided for acute care hospitals, the cancer center, home health, physician offices, and behavioral health The objective of HIM is to provide comprehensive services that are available to all Covenant Health hospitals and facilities on a 24x7 basis This enables the hospitals and facilities to provide more efficient and timely service at less cost In 2014 the HIM department transcribed over 54 million lines, scanned over 60 million pages, and coded over 1.3 million records

See Additional Data

4d

Other program services (Describe in Schedule O)

(Expenses \$ 43,752,024 including grants of \$ 710,535) (Revenue \$ 88,940,571)


















4e

Total program service expenses

97,236,696

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 Yes	
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 domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21	Yes	
22	Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22	Yes	
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? <i>If "Yes," complete Schedule J</i>	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>	24a	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		No
25a	Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b		No
26	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? <i>If "Yes," complete Schedule L, Part II</i>	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>	27		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c	Yes	
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29	Yes	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30	Yes	
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	34	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	Yes	
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)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b	Yes	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 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.	336	
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	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	1,119
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	Yes
b. If "Yes," has it filed a Form 990-T for this year? <i>If "No" to line 3b, provide an explanation in Schedule O.</i>		3b	Yes
4a. At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		4a	No
b. If "Yes," enter the name of the foreign country: See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).			
5a. Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		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. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?		8	
9a. Did the sponsoring organization make any taxable distributions under section 4966?		9a	
b. Did the sponsoring 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? <i>If "No," provide an explanation in Schedule O.</i>		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		
	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		
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. <input type="checkbox"/> Own website <input checked="" type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request <input type="checkbox"/> 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, address, and telephone number of the person who possesses the organization's books and records ▶Nancy Beck 1420 Centerpoint Blvd Bldg C Knoxville, TN 379321960 (865) 374-6864

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

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

Form **990** (2014)

Part VII

(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			

1b	Sub-Total			
c	Total from continuation sheets to Part VII, Section A			
d	Total (add lines 1b and 1c)	6,485,331	158,221	526,008

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▶55

		Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	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? <i>If "Yes," complete Schedule J for such individual</i>	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? <i>If "Yes," complete Schedule J for such person</i>	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
Morrison Mgmt Specialists Inc PO Box 102289 Atlanta, GA 303682289	Cafeteria Management	18,544,766
Relay Health 5995 Windward Parkway Alpharetta, GA 30005	Software Maintenance	8,175,631
Southeastern Emergency Physicians Inc PO Box 634850 Cincinnati, OH 452634850	Hospitalist/ICU Physician Services	4,092,892
Summit HCIT Inc 7681 32nd Street Boulder, CO 80302	Consulting	2,040,392
Mayo Collaborative Svc PO Box 4100 Rochester, MN 559034100	Lab Services	1,978,778

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 ▶73

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	209,792			
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	275,196			
	g	Noncash contributions included in lines 1a-1f \$		43,662			
	h	Total. Add lines 1a-1f		484,988			
Program Service Revenue	2a	Management Fees	Business Code 561000	86,601,135	86,601,135		
	b	Transcription Services	561499	6,864,410	5,954,498	909,912	
	c	Telephone Services	517000	4,263,801	4,263,801		
	d	Health Information Admin	561499	773,226	773,226		
	e	Community Outreach	621990	110,637	110,637		
	f	All other program service revenue		59,992	2,500	57,492	
	g	Total. Add lines 2a-2f		98,673,201			
	Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		44,328,741	44,328,741	
4		Income from investment of tax-exempt bond proceeds		319,288	319,288		
5		Royalties					
6a		Gross rents	(i) Real				
			(ii) Personal				
				332,485			
				91,851			
b		Less rental expenses					
c		Rental income or (loss)		240,634			
d		Net rental income or (loss)		240,634		119,467	121,167
7a		Gross amount from sales of assets other than inventory	(i) Securities				
			(ii) Other				
				1,131,478			
				0			
b		Less cost or other basis and sales expenses					
c		Gain or (loss)		1,131,478			
d		Net gain or (loss)		1,131,478			1,131,478
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					
			3,694,417				
		b	Less cost of goods sold	b	3,623,000		
c	Net income or (loss) from sales of inventory		71,417	71,417			
Miscellaneous Revenue		Business Code					
11a							
b							
c							
d	All other revenue						
e	Total. Add lines 11a-11d						
12	Total revenue. See Instructions		145,249,747	142,425,243	1,086,871	1,252,645	

Part IX

Statement of Functional Expenses

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21.	678,270	678,270		
2	Grants and other assistance to domestic individuals. See Part IV, line 22.	32,265	32,265		
3	Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16.				
4	Benefits paid to or for members.				
5	Compensation of current officers, directors, trustees, and key employees.	4,916,449	4,155,503	760,946	
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.	47,465,569	40,331,859	7,133,710	
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	2,625,364	2,233,134	392,230	
9	Other employee benefits.	7,335,829	6,240,363	1,095,466	
10	Payroll taxes.	3,750,891	3,190,508	560,383	
11	Fees for services (non-employees):				
a	Management.				
b	Legal.	1,818,373	667,339	1,151,034	
c	Accounting.	264,000		264,000	
d	Lobbying.				
e	Professional fundraising services. See Part IV, line 17.				
f	Investment management fees.	24,682	24,682		
g	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O).	5,090,240	3,909,687	1,180,553	
12	Advertising and promotion.	1,336,740	1,336,417	323	
13	Office expenses.	5,935,998	5,765,094	170,904	
14	Information technology.	11,345,195	11,345,195		
15	Royalties.				
16	Occupancy.	1,559,680	1,494,641	65,039	
17	Travel.	287,740	256,120	31,620	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials.				
19	Conferences, conventions, and meetings.	639,179	365,066	274,113	
20	Interest.	11,570,065	11,570,065		
21	Payments to affiliates.				
22	Depreciation, depletion, and amortization.	1,964,221	1,432,473	531,748	
23	Insurance.	589,656	267,339	322,317	
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	Unrelated Business Inco	33,000		33,000	
b	Subscriptions	1,455,791	1,189,209	266,582	
c	Dues and Licenses	745,086	697,949	47,137	
d	Bank Fees	351,982	180	351,802	
e	All other expenses	56,368	53,338	3,030	
25	Total functional expenses. Add lines 1 through 24e.	111,872,633	97,236,696	14,635,937	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 <input type="checkbox"/> 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)		(B)
					Beginning of year		End of year
Assets	1	Cash—non-interest-bearing			2,400	1	2,200
	2	Savings and temporary cash investments			50,504,054	2	58,096,938
	3	Pledges and grants receivable, net				3	
	4	Accounts receivable, net				4	
	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			397,797	8	468,350
	9	Prepaid expenses and deferred charges			6,253,153	9	6,537,683
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a	53,623,967			
	b	Less accumulated depreciation	10b	22,777,719	38,346,705	10c	30,846,248
	11	Investments—publicly traded securities			982,637,633	11	1,037,906,964
	12	Investments—other securities See Part IV, line 11			6,479,879	12	24,394,863
	13	Investments—program-related See Part IV, line 11				13	
	14	Intangible assets				14	
	15	Other assets See Part IV, line 11			67,303,051	15	23,829,161
16	Total assets. Add lines 1 through 15 (must equal line 34)			1,151,924,672	16	1,182,082,407	
Liabilities	17	Accounts payable and accrued expenses			40,698,471	17	47,938,154
	18	Grants payable				18	
	19	Deferred revenue			29,995,695	19	12,828,992
	20	Tax-exempt bond liabilities			685,429,892	20	720,497,208
	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			27,439,176	25	30,322,266
	26	Total liabilities. Add lines 17 through 25			783,563,234	26	811,586,620
	Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.					
27		Unrestricted net assets			368,361,438	27	370,495,787
28		Temporarily restricted net assets				28	
29		Permanently restricted net assets				29	
Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.							
30		Capital stock or trust principal, or current funds				30	
31		Paid-in or capital surplus, or land, building or equipment fund				31	
32		Retained earnings, endowment, accumulated income, or other funds				32	
33		Total net assets or fund balances			368,361,438	33	370,495,787
34		Total liabilities and net assets/fund balances			1,151,924,672	34	1,182,082,407

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	145,249,747
2	Total expenses (must equal Part IX, column (A), line 25)	2	111,872,633
3	Revenue less expenses Subtract line 2 from line 1	3	33,377,114
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	368,361,438
5	Net unrealized gains (losses) on investments	5	-17,598,812
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	-13,643,953
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	370,495,787

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 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		No
2b	Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	Yes	
2c	If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	Yes	
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?		No
3b	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		

Additional Data

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

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

(Code) (Expenses \$	43,752,024	including grants of \$	710,535) (Revenue \$	88,940,571)
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In addition to the services previously mentioned, support provided by Covenant Health to its member facilities takes on many other forms, some examples of which are * Executive leadership, strategic planning, and other planning both at the system and organizational level, * Financial, management and advisory services, * Third party reporting, * Integrity compliance program, * Real estate management, * Risk management, * Internal audit, * Asset and liability related treasury management functions, * Procurement, * Clinical quality improvement, * Marketing, * Human Resources, * Centralized management of plant engineering and construction team, and * External reporting Other services and activities conducted by Covenant Health directly benefit patients and members of the communities served by the Supported Organizations Some services are aimed at improving the operational efficiency of and the quality of care provided by the Supported Organizations, such as the production of sterile packs Covenant Health Sterile Solutions produces surgical sterile packs for distribution to Covenant Health's Supported Organizations The use of custom built Sterile Packs helps reduce surgical pack supply costs, reduce inventory levels, and minimize waste in keeping with the organization's green initiatives Along with those achievements, sterile packs also help reduce setup time, leaving more time for treating patients, and with fewer items to open, reducing the risk of contamination Other centralized services are provided by the Corporate Human Resources division This division is responsible for system-wide programs, policies and procedures, regulatory and legal compliance, and assists with the hiring process for all system employees Other services provided are standardized benefit design and administration, leadership development, succession and continuity, employee relations and retention, and clinical and non-clinical skill development Through the Learning and Leadership Development (LLD) division, Human Resources provides both e-learning and classroom-based courses LLD offers more than 100 clinical nursing courses from both in-house and vendor sourcing It also manages a host of clinical training opportunities including everything from CPR to Advanced Neurological and Neonatal Intensive Care courses Covenant Health also has its own internal "staffing agency", Covenant Staffing Services (CSS), which employs over 50 RNs who help to cover open staffing needs throughout the system Other programs have community benefit as their main goal One example is Covenant Health Senior Services, which assists older adults who are 50 or older in their efforts to lead healthier, more independent lives

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors										
(A) Name and Title	(B) Average hours per week (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	50 00 0 00	X		X				1,603,983	0	229,665
(1) Ed Anderson Director	1 00 40 00	X						861	154,006	1,512
(2) Gerald Boyd Director	1 00 0 00	X						1,034	0	0
(3) Dr Richard Brnner Director	1 00 0 00	X						1,134	0	0
(4) Dr Mitchell Dickson Director	1 00 0 00	X						829	0	0
(5) Pamela P Fansler Director	1 00 0 00	X						0	0	0
(6) James Fitzsimmons Director	1 00 0 00	X						1,024	0	0
(7) Jim Johnson Jr Director	1 00 0 00	X						1,036	0	0
(8) Karla Lane Director	1 00 0 00	X						863	0	0
(9) Eddie Mannis Director	1 00 0 00	X						0	0	0
(10) Tim Matthews Director	1 00 0 00	X						969	0	0
(11) Larry Mauldin Chairman	1 00 0 00	X						941	0	0
(12) Dr Joseph Metcalf Director	3 00 0 00	X						16,799	0	0
(13) George Miller Director	1 00 0 00	X						641	0	0
(14) Alvin Nance Director	1 00 0 00	X						939	0	0
(15) Linda Ogle Director	1 00 0 00	X						0	0	0
(16) Mitchell Steenrod Director	1 00 0 00	X						641	0	0
(17) Carl Storms Director	1 00 0 00	X						1,173	0	0
(18) Joseph E Sutter Director	1 00 0 00	X						1,127	0	0
(19) Richard Swanson Director	1 00 0 00	X						0	0	0
(20) Joe Ben Turner Director	1 00 0 00	X						0	0	0
(21) David C Verble Director	1 00 0 00	X						1,063	0	0
(22) John T Geppi EVP/CFO	50 00 0 00			X				752,660	0	26,356
(23) James D Vandersteeg EVP-Hospital Operations	50 00 0 00				X			815,504	0	31,538
(24) Lawrence C Kleinman EVP-Human Resources	50 00 0 00				X			460,824	0	19,662

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

(A) Name and Title	(B) Average hours per week (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			
(26) William M Ward SVP-Chief Information Officer	50 00 0 00				X			348,087	0	31,032
(1) Mark W Browne SVP-Chief Medical Officer	50 00 0 00				X			410,386	0	32,560
(2) Janice McKinley SVP-Quality, Safety, & Nursing	50 00 0 00				X			309,523	0	17,597
(3) Michael R Belbeck Jr President/CAO - Methodist	1 00 50 00					X		400,168	0	34,038
(4) Larry R Lassiter President/CAO - Parkwest Med Ctr	1 00 50 00					X		423,849	0	33,053
(5) Keith N Altshuler President/CAO - Fort Sanders Reg	1 00 50 00					X		357,298	0	33,613
(6) Gordon E Lintz President/CAO - Morristown	1 00 50 00					X		317,730	0	18,402
(7) Jennifer Hanson President/CAO - LeConte	1 00 50 00					X		254,245	4,215	16,980

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

OMB No 1545-0047
2014
Open to Public Inspection

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

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

The organization is not a private foundation because it is (For lines 1 through 11, check only one box)

1

☐

A church, convention of churches, or association of churches 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 in lines 11a through 11d that describes the type of supporting organization and complete lines 11e, 11f, and 11g

a

☐

Type I. A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization **You must complete Part IV, Sections A and B.**

b

☒

Type II. A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s) **You must complete Part IV, Sections A and C.**

c

☐

Type III functionally integrated. A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions) **You must complete Part IV, Sections A, D, and E.**

d

☐

Type III non-functionally integrated. A supporting organization operated in connection with its supported organization(s) that is not functionally integrated The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions) **You must complete Part IV, Sections A and D, and Part V.**

e

☐

Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization

f

Enter the number of supported organizations 13

g

Provide the following information about the supported organization(s)

(i)Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1- 9 above or IRC section (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
See Additional Data Table						
Total 13					0	

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) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(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) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(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 VI)						
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 section 501(c)(3) organization, check this box and stop here						▶

Section C. Computation of Public Support Percentage						
14 Public support percentage for 2014 (line 6, column (f) divided by line 11, column (f))		14				
15 Public support percentage for 2013 Schedule A, Part II, line 14		15				
16a 33 1/3% support test—2014. 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—2013. 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—2014. 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 VI how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization						▶
b 10%-facts-and-circumstances test—2013. 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 VI 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 IIISupport 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) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6.)						

Section B. Total Support						
Calendar year (or fiscal year beginning in) ▶	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ▶						

Section C. Computation of Public Support Percentage		
15 Public support percentage for 2014 (line 8, column (f) divided by line 13, column (f))	15	
16 Public support percentage from 2013 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage		
17 Investment income percentage for 2014 (line 10c, column (f) divided by line 13, column (f))	17	
18 Investment income percentage from 2013 Schedule A, Part III, line 17	18	
19a 33 1/3% support tests—2014. 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—2013. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ▶		
20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶		

Part IV Supporting Organizations

(Complete only if you checked a box on line 11 of Part I. If you checked 11a of Part I, complete Sections A and B. If you checked 11b of Part I, complete Sections A and C. If you checked 11c of Part I, complete Sections A, D, and E. If you checked 11d of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.		No
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).		No
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? If "Yes," answer (b) and (c) below.		No
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? If "Yes," describe in Part VI when and how the organization made the determination.		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? If "Yes," explain in Part VI what controls the organization put in place to ensure such use.		
4a Was any supported organization not organized in the United States ("foreign supported organization")? If "Yes" and if you checked 11a or 11b in Part I, answer (b) and (c) below.		No
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed, (ii) the reasons for each such action, (iii) the authority under the organization's organizing document authorizing such action, and (iv) how the action was accomplished (such as by amendment to the organizing document).	Yes	
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?	Yes	
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (a) its supported organizations, (b) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (c) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? If "Yes," provide detail in Part VI .	Yes	
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in IRC 4958(c)(3)(C)), a family member of a substantial contributor, or a 35-percent controlled entity with regard to a substantial contributor? If "Yes," complete Part I of Schedule L (Form 990).		No
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? If "Yes," complete Part II of Schedule L (Form 990).		No
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? If "Yes," provide detail in Part VI .		No
b Did one or more disqualified persons (as defined in line 9(a)) hold a controlling interest in any entity in which the supporting organization had an interest? If "Yes," provide detail in Part VI .		No
c Did a disqualified person (as defined in line 9(a)) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? If "Yes," provide detail in Part VI .		No
10a Was the organization subject to the excess business holdings rules of IRC 4943 because of IRC 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? If "Yes," answer b below.		No
b Did the organization have any excess business holdings in the tax year? (Use Schedule C, Form 4720, to determine whether the organization had excess business holdings).		
11 Has the organization accepted a gift or contribution from any of the following persons?		
a A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?		No
b A family member of a person described in (a) above?		No
c A 35% controlled entity of a person described in (a) or (b) above? If "Yes" to a, b, or c, provide detail in Part VI.		No

Part IV

Supporting Organizations (continued)

Section B. Type I Supporting Organizations

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

Section C. Type II Supporting Organizations

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

Section D. All Type III Supporting Organizations

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

Section E. Type III Functionally-Integrated Supporting Organizations

1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions)			
a <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.			
b <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.			
c <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).			
2 <u>Activities Test</u> Answer (a) and (b) below.			
a Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.	2a		
b Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.	2b		
3 <u>Parent of Supported Organizations</u> Answer (a) and (b) below.			
a Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? Provide details in Part VI.	3a		
b Did the organization exercise a substantial degree of direction over the policies, programs and activities of each of its supported organizations? If "Yes," describe in Part VI the role played by the organization in this regard.	3b		

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

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

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3	4	
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	Adjusted Net Income (subtract lines 5, 6 and 7 from line 4)	8	

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year)	1	
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	Total (add lines 1a, 1b, and 1c)	1d	
e	Discount claimed for blockage or other factors (explain in detail in Part VI) _____		
2	Acquisition indebtedness applicable to non-exempt use assets	2	
3	Subtract line 2 from line 1d	3	
4	Cash deemed held for exempt use Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by .035	6	
7	Recoveries of prior-year distributions	7	
8	Minimum Asset Amount (add line 7 to line 6)	8	

Section C - Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, Column A)	1	
2	Enter 85% of line 1	2	
3	Minimum asset amount for prior year (from Section B, line 8, Column A)	3	
4	Enter greater of line 2 or line 3	4	
5	Income tax imposed in prior year	5	
6	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	6	
7	<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions)		

Section D - Distributions	Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI) See instructions	
7 Total annual distributions. Add lines 1 through 6	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI) See instructions	
9 Distributable amount for 2014 from Section C, line 6	
10 Line 8 amount divided by Line 9 amount	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2014	(iii) Distributable Amount for 2014
1 Distributable amount for 2014 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2014 (reasonable cause required--see instructions)			
3 Excess distributions carryover, if any, to 2014			
a From 2009.			
b From 2010.			
c From 2011.			
d From 2012.			
e From 2013.			
f Total of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2014 distributable amount			
i Carryover from 2009 not applied (see instructions)			
j Remainder Subtract lines 3g, 3h, and 3i from 3f			
4 Distributions for 2014 from Section D, line 7 \$			
a Applied to underdistributions of prior years			
b Applied to 2014 distributable amount			
c Remainder Subtract lines 4a and 4b from 4			
5 Remaining underdistributions for years prior to 2014, if any Subtract lines 3g and 4a from line 2 (if amount greater than zero, see instructions)			
6 Remaining underdistributions for 2014 Subtract lines 3h and 4b from line 1 (if amount greater than zero, see instructions)			
7 Excess distributions carryover to 2015. Add lines 3j and 4c			
8 Breakdown of line 7			
a From 2010.			
b From 2011.			
c From 2012.			
d From 2013.			
e From 2014.			

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

Facts And Circumstances Test

Return Reference	Explanation
Part I, Line 11(g)(iv)	Covenant Health is operated or controlled in connection with all of the listed supported organizations, and its articles of organization require that it be operated to support or benefit these organizations. These organizations are referred to in the articles by group and are not named individually. All of the above described organizations are governed by a board of directors with 100% overlap of board membership. Part I, Line 11(g)(v) Covenant Health operates to serve the interests of its member hospitals and the other nonprofit health organizations named in Schedule A, Part I (the "Supported Organizations"). The organization's activities have been discussed in detail on Schedule O in response to Form 990, Part III, Lines 4a thru 4d. Covenant Health may also pay expenses on behalf of, provide operating cash to, or make a grant to one of its Supported Organizations. See Schedule R, Part V for information about transfers to controlled organizations.
Part IV, Section A, Line 1	Supported organizations are designated by class. Articles of Amendment to the Charter of Covenant Health, adopted on June 7, 2004, state that the corporation will "promote and support the interests and purposes of each of the nonprofit corporations for which the Corporation's board of directors serves as the board of directors."
Part IV, Section A, Line 5a	Two supported organizations were added: Cumberland Medical Center (EIN 62-0790132) and Claiborne Medical Center (EIN 46-4420358). Covenant Health became the sole member of each of these organizations in 2014, and the Covenant Health board of directors became the governing body of each. Thus, they became members of the class of organizations designated as supported organizations. No amendment to the organizing documents was necessary.
Part IV, Section A, Line 6	Covenant Health makes charitable contributions to organizations for community building activities as these activities seek to address many of the root causes of health problems, such as poverty and homelessness. The activities supported include affordable housing, temporary help with food and shelter, initiatives to boost economic development, leadership development, education, youth mentoring, and programs for at risk individuals.

Additional Data

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

Form 990, Sch A, Part I, Line 11g - 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 listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
(A) Fort Loudoun Medical Ctr	621373691	3		No	0	0
(A) Fort Sanders Perinatal Ctr	043760551	3		No	0	0
(B) Fort Sanders Regional Med Ctr	620528340	3		No	0	0
(C) LeConte Medical Ctr	621114867	3		No	0	0
(D) Methodist Medical Ctr	620636239	3		No	0	0
(E) Parkwest Medical Ctr	581897274	3		No	0	0
(F) Roane County Medical Ctr	680673354	3		No	0	0
(G) Thompson Cancer Survival Ctr	621250943	3		No	0	0
(H) Covenant Homecare	621623114	9		No	0	0
(I) Thompson Oncology Group	621619239	3		No	0	0
(J) Morristown-Hamblen Healthcare System	620545814	3		No	0	0
(K) Claiborne Medical Center	464420358	3		No	0	0
(L) Cumberland Medical Center	620790132	3		No	0	0

SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527
▶ **Complete if the organization is described below. ▶ Attach to Form 990 or Form 990-EZ.**
▶ **Information about Schedule C (Form 990 or 990-EZ) and its instructions is at**
www.irs.gov/form990.

OMB No 1545-0047

2014

Open to Public Inspection

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

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

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

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

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

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

Name of the organization Covenant Health	Employer identification number 62-1646734
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Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

1	Provide a description of the organization's direct and indirect political campaign activities in Part IV	
2	Political expenditures	▶ \$
3	Volunteer hours	

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

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

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

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

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

Part II-A

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

- A
- Check ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures)
- B
- Check ☐ if the filing organization checked box A and "limited control" provisions apply

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

4-Year Averaging Period Under section 501(h)
(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the separate instructions for lines 2a through 2f.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2011	(b) 2012	(c) 2013	(d) 2014	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Part II-B

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

For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.		(a)		(b)
		Yes	No	Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?	Yes		
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	Yes		
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?	Yes		
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?	Yes		9,652
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities?	Yes		84,587
j	Total. Add lines 1c through 1i.			94,239
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A

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

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

Part III-B

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

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

Part IV

Supplemental Information

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

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

[illegible]

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.

Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization Covenant Health	Employer identification number 62-1646734
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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 value of contributions to (during year)	
3	Aggregate value of grants from (during year)	
4	Aggregate value at end of year	
5	Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	
6	Did the organization inform all grantees, donors, and donor advisors in writing that grant funds 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? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	

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

1

Purpose(s) of conservation easements held by the organization (check all that apply)

☐ 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
2a	
2b	
2c	
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

1b

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) Revenue 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

Revenue included in Form 990, Part VIII, line 1 ▶ \$ _____

b

Assets included in Form 990, Part X ▶ \$ _____

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

Cat No 52283D

Schedule D (Form 990) 2014

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
- c Beginning balance

d Additions during the year

e Distributions during the year

f Ending balance

	Amount
1c	
1d	
1e	
1f	
- 2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability?

☐ Yes ☐ No
- b If "Yes," explain the arrangement in Part XIII Check here if the explanation has been provided 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
- (i) unrelated organizations

(ii) related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		
- b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?
- 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		9,403,288		9,403,288
b Buildings		20,161,499	4,188,607	15,972,892
c Leasehold improvements		1,254,127	1,113,882	140,245
d Equipment		21,371,975	17,475,230	3,896,745
e Other		1,433,078		1,433,078
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).) ▶				30,846,248

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 (losses) 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 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 (See Note G)." Note G reads in part "Covenant had no unrecognized tax benefits at December 31, 2014 and 2013. As such, no interest or penalties were recognized in the Consolidated Statements of Operations and Changes in Net Assets related to unrecognized tax benefits. At December 31, 2014, tax returns for 2011 through 2014 are subject to examination by the Internal Revenue Service. Covenant has no uncertain tax positions that would require financial statement recognition or disclosure under GAAP at December 31, 2014 or 2013."

[illegible]

Schedule I
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
Covenant Health

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

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

▶ Information about Schedule I (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2014

Open to Public
Inspection

Employer identification number

62-1646734

Part I General Information on Grants and Assistance

1

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

☒ Yes ☐ No

2

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

Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

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

2

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

28

3

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

0

Part III

Grants and Other Assistance to Domestic Individuals. Complete if the organization answered "Yes" to Form 990, Part IV, line 22.
Part III can be duplicated if additional space is needed.

(a)Type of grant or assistance	(b)Number of recipients	(c)Amount of cash grant	(d)Amount of non-cash assistance	(e)Method of valuation (book, FMV, appraisal, other)	(f)Description of non-cash assistance
(1) Scholarships to employees of related facilities	13	32,265			

Part IV

Supplemental Information. Provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

Return Reference	Explanation
Part I, Line 2	Eligibility and selection criteria for charitable contributions from Covenant Health are determined by a review of a written proposal or similar documentation submitted by the requesting organization. Intended use of funds must be stated or evident in the proposal/documentation. When an organization is approved for a charitable contribution from Covenant Health, a letter specifying how funds must be used in support of the organization's request is sent to the organization. Recipient organizations generally verify use of funds in one or more of the following ways: event publicity, follow-up reports or newsletters, sponsor recognition at a program or event, itemized receipts, year-end summaries.

Additional Data

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

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
American Heart Association 4708 Papermill Road Knoxville, TN 37909	13-5613797	501(c)(3)	20,000				Sponsorship of 2014 Heart Gala

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Boys & Girls Club of the TN Valley220 Carrick Street Ste 318 Knoxville, TN 37921	62-0475743	501(c)(3)	22,444				Drug screenings and general support

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Cancer Support Community Inc2230 Sutherland Avenue Knoxville, TN 37919	58-1846210	501(c)(3)	15,000				General support

Form 990,Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV , appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Catholic Charities of East TN Inc3009 Lake Brook Blvd Knoxville,TN 37909	62-1377551	501(c)(3)	20,000				Support for programs to provide social services to those in need

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Dogwood Arts Festival Inc 602 S Gay Street Knoxville, TN 37902	62-6074113	501(c)(3)	20,000				Support for the fitness activities of the Dogwood Arts Festival

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
East TN Children's Hospital PO Box 10510 Knoxville, TN 37901	62-6002604	501(c)(3)	7,100				Support of 2014 Center Stage Event and Peyton Manning Golf Classic

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
East TN Economic Development Agency10215 Technology Drive Suite 202 Knoxville, TN 37932	62-1158958	501(c)(3)	35,075				Support regional economic development

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Fort Sanders Foundation280 Ft Sanders West Blvd Ste 202 Knoxville, TN 37922	62-1748601	501(c)(3)	10,000				Fundraisers benefiting Patricia Neal Rehab Center, Peninsula, and the Hope Center

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Great Smoky Mtn Council Boy Scouts of AmericaPO Box 51885 Knoxville, TN 37950	62-0476811	501(c)(3)	7,500				Support for 2014 Friends of Scouting Campaign

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Honor Air Knoxville7536 Taggart Lane Knoxville, TN 37938	26-2825063	501(c)(3)	20,000				Support for flights for veterans to visit Washington, D C war memorials

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Innovation Valley Inc17 Market Square 201 Knoxville, TN 37902	26-2087582	501(c)(3)	60,000				Support for regional economic development

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV , appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Juvenile Diabetes Research Foundation355 Trane Drive Knoxville, TN 37919	23-1907729	501(c)(3)	10,000				2014 Walk to Cure Diabetes

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Knoxville Academy of Medicine115 Suburban Road Knoxville, TN 37923	62-1458199	501(c)(3)	10,000				General supportGeneral support fundraising

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV , appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Knoxville Medical Missions Foundation1932 Historic Ferry Way Knoxville, TN 37922	30-0197352	501(c)(3)	20,000				General support

Form 990,Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV , appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Knoxville News Sentinel Charities Inc2332 News Sentinel Drive Knoxville,TN 37921	51-0141541	501(c)(3)	25,000				General support fundraiser - Knoxville Sentinel Open Tournament

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV , appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Knoxville Symphony OrchestraPO Box 360 Knoxville, TN 37901	62-6008097	501(c)(3)	8,675				General support

Form 990,Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV , appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Knoxville Track ClubPO Box 53442 Knoxville,TN 37950	62-0731345	501(c)(3)	50,000				General support Covenant Health Marathon

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Komen Knoxville Race for Cure318 Nancy Lynn Lane 13 Knoxville, TN 37919	75-1835298	501(c)(3)	12,000				Race sponsor for organization supporting breast cancer research and awareness

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV , appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Leadership Knoxville17 Market Square 201 Knoxville, TN 37902	62-1212211	501(c)(3)	21,000				General support

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Methodist Medical Center Foundation990 Oak Ridge Turnpike Oak Ridge, TN 37830	62-1414205	501(c)(3)	5,200				General support fundraising

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Morristown Hamblen Hospital Foundation1621 West Morris Blvd Morristown, TN 37813	62-1697090	501(c)(3)	6,200				General support fundraising

Form 990,Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV , appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Robert F Thomas Foundation PO Box 4395 Sevierville, TN 37864	58-1537582	501(c)(3)	10,000				Fundraisers to benefit LeConte Medical Center

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Sacred Heart Church711 South Northshore Drive Knoxville, TN 37919	62-0572260	501(c)(3)	8,000				Support for Haiti medical outreach, general support

Form 990,Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV , appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Thompson Cancer Survival Center Foundation1915 White Avenue Knoxville,TN 37916	58-2130450	501(c)(3)	9,500				2014 Buddy's Race for the Cure

Form 990,Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV , appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
United Way of Greater Knoxville1301 Hannah Ave Knoxville,TN 37921	62-0475748	501(c)(3)	90,500				Support of the Interfaith Health Clinic, general support

Form 990,Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV , appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Variety Children's Charity of East TN7132 Regal Lane Knoxville,TN 37918	33-1025696	501(c)(3)	20,000				Support of programs for special needs children

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
W C Two2351 Dandridge Avenue Knoxville, TN 37915	62-1845117	501(c)(3)	10,000				General support

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
St Mary's Legacy Clinic805 South Northshore Drive Knoxville, TN 37919	46-2331706	501(c)(3)	50,000				Support for mobile clinic

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.

▶ Information about Schedule J (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization
Covenant Health

Employer identification number
62-1646734

Part I Questions Regarding Compensation

	Yes	No
<div><div>1a</div><div>Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.</div><div><div><div><input type="checkbox"/> First-class or charter travel</div><div><input checked="" type="checkbox"/> Travel for companions</div><div><input checked="" type="checkbox"/> Tax idemnification and gross-up payments</div><div><input checked="" type="checkbox"/> Discretionary spending account</div></div><div><div><input type="checkbox"/> Housing allowance or residence for personal use</div><div><input type="checkbox"/> Payments for business use of personal residence</div><div><input type="checkbox"/> Health or social club dues or initiation fees</div><div><input checked="" type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div></div></div>		
<div><div>b</div><div>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.</div></div>	1bYes	
<div><div>2</div><div>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?</div></div>	2Yes	
<div><div>3</div><div>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.</div><div><div><div><input checked="" type="checkbox"/> Compensation committee</div><div><input checked="" type="checkbox"/> Independent compensation consultant</div><div><input type="checkbox"/> Form 990 of other organizations</div></div><div><div><input type="checkbox"/> Written employment contract</div><div><input checked="" type="checkbox"/> Compensation survey or study</div><div><input checked="" type="checkbox"/> Approval by the board or compensation committee</div></div></div></div>		
<div><div>4</div><div>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:</div></div>		
<div><div>a</div><div>Receive a severance payment or change-of-control payment?</div></div>	4a	No
<div><div>b</div><div>Participate in, or receive payment from, a supplemental nonqualified retirement plan?</div></div>	4bYes	
<div><div>c</div><div>Participate in, or receive payment from, an equity-based compensation arrangement?</div></div> <div>If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.</div>	4c	No
<div><div></div><div>Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.</div></div>		
<div><div>5</div><div>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:</div></div>		
<div><div>a</div><div>The organization?</div></div>	5a	No
<div><div>b</div><div>Any related organization?</div></div> <div>If "Yes," to line 5a or 5b, describe in Part III.</div>	5b	No
<div><div>6</div><div>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:</div></div>		
<div><div>a</div><div>The organization?</div></div>	6a	No
<div><div>b</div><div>Any related organization?</div></div> <div>If "Yes," to line 6a or 6b, describe in Part III.</div>	6b	No
<div><div>7</div><div>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.</div></div>	7	No
<div><div>8</div><div>Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III.</div></div>	8	No
<div><div>9</div><div>If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?</div></div>	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 in column(B) reported as deferred in prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
See Additional Data Table							

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	Officers and Board members attending official Board retreats are offered a discretionary spending allowance that may be used for incidental spending and/or companion travel. The allowance is treated as taxable compensation to the recipient. Tax gross-up payments related to deferred compensation 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. In addition, Board members receive tax indemnification payments related to reportable compensation from the spending allowances. These are treated as taxable compensation to the recipients.
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 2014 amounted to \$83,726 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 2014 totaled \$204,000, which is reported in Column C of Schedule J, Part II. Interest earned by Plan B during 2014 of \$43,651 is not required to be reported in compensation in Part II, as Mr. Spezia is not substantially vested in Plan B.

Additional Data

Software ID:

Software Version:

EIN: 62-1646734

Name: Covenant Health

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred in prior Form 990
	(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 Anthony L Spezia, President & CEO	(i) 983,682 (ii) 0	469,288 0	151,013 0	214,200 0	15,465 0	1,833,648 0	0 0
1 Ed Anderson, Director	(i) 0 (ii) 82,102	0 0	861 71,904	0 1,512	0 0	861 155,518	0 0
2 John T Geppi, EVP/CFO	(i) 472,919 (ii) 0	199,500 0	80,241 0	10,200 0	16,156 0	779,016 0	0 0
3 James D Vandersteeg, EVP-Hospital Operations	(i) 521,467 (ii) 0	220,500 0	73,537 0	10,200 0	21,338 0	847,042 0	0 0
4 Lawrence C Kleinman, EVP-Human Resources	(i) 303,726 (ii) 0	95,918 0	61,180 0	10,200 0	9,462 0	480,486 0	0 0
5 William M Ward, SVP-Chief Information Officer	(i) 244,803 (ii) 0	60,000 0	43,284 0	10,200 0	20,832 0	379,119 0	0 0
6 Mark W Browne, SVP-Chief Medical Officer	(i) 310,236 (ii) 0	81,250 0	18,900 0	11,500 0	21,060 0	442,946 0	0 0
7 Janice McKinley, SVP-Quality, Safety, & Nursing	(i) 213,440 (ii) 0	66,000 0	30,083 0	10,200 0	7,397 0	327,120 0	0 0
8 Michael R Belbeck Jr, President/CAO - Methodist	(i) 290,814 (ii) 0	84,000 0	25,354 0	10,200 0	23,838 0	434,206 0	0 0
9 Larry R Lassiter, President/CAO - Parkwest Med Ctr	(i) 296,130 (ii) 0	84,000 0	43,719 0	10,200 0	22,853 0	456,902 0	0 0
10 Keith N Altshuler, President/CAO - Fort Sanders Reg	(i) 260,417 (ii) 0	55,000 0	41,881 0	10,200 0	23,413 0	390,911 0	0 0
11 Gordon E Lintz, President/CAO - Morristown	(i) 209,573 (ii) 0	65,000 0	43,157 0	10,200 0	8,202 0	336,132 0	0 0
12 Jennifer Hanson, President/CAO - LeConte	(i) 200,726 (ii) 4,215	20,000 0	33,519 0	8,882 0	8,098 0	271,225 4,215	0 0

Schedule K
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.
▶ Attach to Form 990.
▶ Information about Schedule K (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization
Covenant Health

Employer identification number
62-1646734

Part I

Bond Issues

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pool financing	
						Yes	No	Yes	No	Yes	No
A Health Educ & Housing Facil Brd of Knox Co	62-1220275	499523UUO	12-20-2006	46,245,448	See Part VI		X		X		X
B Health Educ & Housing Facil Brd of Knox Co	62-1220275	499523VR6	03-24-2011	103,700,000	See Part VI		X		X		X
C Health Educ & Housing Facil Brd of Knox Co	62-1220275	noneavail	09-15-2011	135,500,000	See Part VI		X		X		X
D Health Educ & Housing Facil Brd of Knox Co	62-1220275	noneavail	09-15-2011	125,000,000	See Part VI		X		X		X

Part II

Proceeds

	A		B		C		D	
	1	2	3	4	5	6	7	8
Amount of bonds retired	1,513,442		35,500,000					
Amount of bonds legally defeased	23,755,001							
Total proceeds of issue	46,245,448	103,700,000	135,500,000	125,000,000				
Gross proceeds in reserve funds								
Capitalized interest from proceeds								
Proceeds in refunding escrows								
Issuance costs from proceeds	506,941							
Credit enhancement from proceeds								
Working capital expenditures from proceeds								
Capital expenditures from proceeds	21,983,506		90,471,604					
Other spent proceeds								
Other unspent proceeds			9,528,396					
Year of substantial completion	2010	2006	2013	2010				
	Yes	No	Yes	No	Yes	No	Yes	No
14 Were the bonds issued as part of a current refunding issue?		X	X		X		X	
15 Were the bonds issued as part of an advance refunding issue?	X			X		X		X
16 Has the final allocation of proceeds been made?	X		X			X	X	
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X		X	

Part III

Private Business Use

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		X		X		X		
2 Are there any lease arrangements that may result in private business use of bond-financed property?		X		X		X		

Part III

Private Business Use (Continued)

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use of bond-financed property?		X		X		X		
b	If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c	Are there any research agreements that may result in private business use of bond-financed property?		X		X		X		
d	If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government	0 %		0 %		0 %			
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government	0 %		0 %		0 %			
6	Total of lines 4 and 5	0 %		0 %		0 %			
7	Does the bond issue meet the private security or payment test?		X		X		X		
8a	Has there been a sale or disposition of any of the bond-financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		X		X		X		
b	If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of								
c	If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2?								
9	Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2?	X		X		X			

Part IV

Arbitrage

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has the issuer filed Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate?	X			X		X		X
2	If "No" to line 1, did the following apply?								
a	Rebate not due yet?			X		X		X	
b	Exception to rebate?				X		X		X
c	No rebate due?				X		X		X
	If "Yes" to line 2c, provide in Part VI the date the rebate computation was performed								
3	Is the bond issue a variable rate issue?		X	X		X		X	
4a	Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X		X		X		X
b	Name of provider								
c	Term of hedge								
d	Was the hedge superintegrated?								
e	Was the hedge terminated?								

Part IV Arbitrage (Continued)

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
5a	Were gross proceeds invested in a guaranteed investment contract (GIC)?		X		X		X		X
b	Name of provider								
c	Term of GIC								
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
6	Were any gross proceeds invested beyond an available temporary period?		X		X		X		X
7	Has the organization established written procedures to monitor the requirements of section 148?	X		X		X		X	

Part V Procedures To Undertake Corrective Action

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

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

Return Reference	Explanation
SCHEDULE K, PART, COLUMN F	As there are six bond issues to be presented on Schedule K, there is an additional Schedule K included Bond Issues - description of purpose Bond Issue A, date of issue 12/20/2006 - These capital appreciation bonds were initially related to a larger bond issue, subsequently refinanced as noted below, the majority of which were used to build a replacement hospital and cancer treatment center in Sevier County and to make numerous renovations and improvements at all the member hospitals A portion of the capital appreciation bonds were used for the refunding of bonds issued December 12, 2002 Bond Issue B, date of issue 3/24/2011 - These bonds were issued for the partial refunding of bonds issued December 12, 2002 Bond Issue C, date of issue 9/15/2011 - \$35,500,000 relates to the conversion of a portion of the bonds issued December 20, 2006 All other proceeds were designated to build a replacement hospital in Roane County and for various facility and equipment improvements and additions at other facilities Bond Issue D, date of issue 9/15/2011 - These bonds relate to the conversion of a portion of bonds issued December 20, 2006 Schedule K - Second Form Bond Issue A, date of issue 12/13/2012 - These bonds were issued to refund capital appreciation bonds and capital interest bonds issued December 12, 2002 Bond Issue B, date of issue 7/30/2014 - Bond Issue 2014 A was a refinancing of Cumberland Medical Center (CMC) debt which was acquired through the acquisition of CMC on February 1, 2014

Schedule K
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.
▶ Attach to Form 990.
▶ Information about Schedule K (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization
Covenant Health

Employer identification number
62-1646734

Part I

Bond Issues

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pool financing	
						Yes	No	Yes	No	Yes	No
A Health Educ & Housing Facil Brd of Knox Co	62-1220275	499527BM0	12-13-2012	161,291,013	See Part VI		X		X		X
B Health Educ & Housing Facil Brd of Knox Co	62-1220275	noneavail	07-30-2014	38,665,750	See Part VI		X		X		X

Part II

Proceeds

	A	B	C		D	
1 Amount of bonds retired						
2 Amount of bonds legally defeased	159,999,519	38,665,750				
3 Total proceeds of issue	161,291,013					
4 Gross proceeds in reserve funds						
5 Capitalized interest from proceeds						
6 Proceeds in refunding escrows						
7 Issuance costs from proceeds	1,291,494					
8 Credit enhancement from proceeds						
9 Working capital expenditures from proceeds						
10 Capital expenditures from proceeds						
11 Other spent proceeds						
12 Other unspent proceeds						
13 Year of substantial completion	2006		2012			
	Yes	No	Yes	No	Yes	No
14 Were the bonds issued as part of a current refunding issue?	X		X			
15 Were the bonds issued as part of an advance refunding issue?		X		X		
16 Has the final allocation of proceeds been made?	X		X			
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X			

Part III

Private Business Use

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		X						
2 Are there any lease arrangements that may result in private business use of bond-financed property?		X						

Part III

Private Business Use (Continued)

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use of bond-financed property?		X						
b	If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c	Are there any research agreements that may result in private business use of bond-financed property?		X						
d	If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government	0 %							
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government	0 %							
6	Total of lines 4 and 5	0 %							
7	Does the bond issue meet the private security or payment test?		X						
8a	Has there been a sale or disposition of any of the bond-financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		X						
b	If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of								
c	If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2?								
9	Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2?	X							

Part IV

Arbitrage

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has the issuer filed Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate?		X		X				
2	If "No" to line 1, did the following apply?								
a	Rebate not due yet?	X		X					
b	Exception to rebate?		X		X				
c	No rebate due?		X		X				
	If "Yes" to line 2c, provide in Part VI the date the rebate computation was performed								
3	Is the bond issue a variable rate issue?	X		X					
4a	Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X		X				
b	Name of provider								
c	Term of hedge								
d	Was the hedge superintegrated?								
e	Was the hedge terminated?								

Part IV

Arbitrage (Continued)

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
5a	Were gross proceeds invested in a guaranteed investment contract (GIC)?		X		X				
b	Name of provider								
c	Term of GIC								
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
6	Were any gross proceeds invested beyond an available temporary period?		X		X				
7	Has the organization established written procedures to monitor the requirements of section 148?	X		X					

Part V

Procedures To Undertake Corrective Action

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

Part VI

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

Schedule L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons
▶ Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.
▶ Attach to Form 990 or Form 990-EZ.
▶ Information about Schedule L (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047
2014
Open to Public Inspection

Name of the organization Covenant Health	Employer identification number 62-1646734
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Part I Excess Benefit Transactions (section 501(c)(3), section 501(c)(4), and 501(c)(29) organizations only) Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b				
1	(a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected?
				YesNo

2	Enter the amount of tax incurred by organization managers or disqualified persons during the year under section 4958	▶ \$	
3	Enter the amount of tax, if any, on line 2, above, reimbursed by the organization	▶ \$	

Part II

Loans to and/or From Interested Persons.
Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a, or Form 990, Part IV, line 26, or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?		(i) Written agreement?	
			To	From			Yes	No	Yes	No	Yes	No

Total	▶ \$			
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Part III Grants or Assistance Benefiting Interested Persons. Complete if the organization answered "Yes" on Form 990, Part IV, line 27.				
(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance

Part IV Business Transactions Involving Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) First Tennessee Bank	Independent contractor	148,875	Investment management		No

Part V Supplemental Information

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

Return Reference	Explanation
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SCHEDULE M
(Form 990)

Department of the Treasury
Internal Revenue Service

Noncash Contributions

▶Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.
▶ Attach to Form 990.
▶Information about Schedule M (Form 990) and its instructions is at www.irs.gov/form990.

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2014

Open to Public Inspection

Name of the organization
Covenant Health

Employer identification number
62-1646734

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art—Works of art	X	40	13,725	Retail value,expert
2 Art—Historical treasures				
3 Art—Fractional interests				
4 Books and publications				
5 Clothing and household goods	X		8,531	Various
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities—Publicly traded				
10 Securities—Closely held stock				
11 Securities—Partnership, LLC, or trust interests				
12 Securities—Miscellaneous				
13 Qualified conservation contribution—Historic structures				
14 Qualified conservation contribution—Other				
15 Real estate—Residential				
16 Real estate—Commercial				
17 Real estate—Other				
18 Collectibles				
19 Food inventory	X	5	1,020	Retail value
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ▶ (Gift cards)	X	59	20,386	Retail or face value
26 Other ▶ ()				
27 Other ▶ ()				
28 Other ▶ ()				

29

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

30a

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

30a

Yes

No

b

If "Yes," describe the arrangement in Part II

31

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

31

Yes

No

32a

Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?

32a

Yes

No

b

If "Yes," describe in Part II

33

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

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

Cat No 51227J

Schedule M (Form 990) (2014)

Part III

Supplemental Information. Provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. Also complete this part for any additional information.

Return Reference	Explanation
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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 990-EZ or to provide any additional information.**

▶ Attach to Form 990 or 990-EZ.

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

OMB No 1545-0047

2014

**Open to Public
Inspection**

Name of the organization Covenant Health	Employer identification number 62-1646734
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Return Reference	Explanation	
	Form 990, Part III, Line 1	<p>REPORT TO THE COMMUNITY Covenant Health is a comprehensive, community-owned health system dedicated to improving the health of the people it serves. Established in 1996 by the consolidation of Fort Sanders Health System, Knoxville, Tennessee, and MMC HealthCare System in Oak Ridge, Covenant Health is governed by a voluntary board of directors made up of community leaders and medical professionals. Covenant Health includes nine acute care hospitals in East Tennessee: Claiborne Medical Center, Cumberland Medical Center, Fort Loudoun Medical Center, Fort Sanders Regional Medical Center, LeConte Medical Center, Methodist Medical Center, Morristown-Hamblen Healthcare System, Parkwest Medical Center, Roane County Medical Center. Member organizations also include Covenant HomeCare, Peninsula Hospital, The Patricia Neal Rehabilitation Center, Thompson Cancer Survival Center, Thompson Oncology Group, Fortress Corporation, Fort Sanders West Diagnostic Center, Covenant Medical Group, Inc. Philanthropic affiliates include Fort Sanders Foundation, Methodist Medical Center Foundation, Morristown-Hamblen Foundation, Thompson Cancer Survival Center Foundation. Approximately 10,000 people are employed by Covenant Health and its member organizations. Working together with nearly 1,500 affiliated physicians, these healthcare professionals deliver quality care to thousands of patients throughout East Tennessee.</p> <p>Kiosks for Patients' Convenience Covenant Health now has three types of kiosks available to help patients "check in" at registration, electronically sign documents, and to help family members find a patient's hospital location. The check-in kiosks are used over 5000 times per month by patients who sign in electronically, notifying registration staff of their arrival. A notable feature of the check-in kiosks is use of Covenant FastPass hand-scanning technology, which ensures positive patient identification and deters identity theft. Covenant also implemented electronic signature kiosks (eSign) at some facilities. These allow patients to review their personal and billing information and then sign registration paperwork on screen. The eSign service streamlines registration for patients with simple appointments and gives registration staff more time to spend with patients with more complex needs. For facility visitors, Covenant Wayfinding kiosks are used more than 2000 times per month to help family and friends locate patients being treated at Covenant facilities.</p> <p>A Legacy of Philanthropic Impact Since the first campaign of Fort Sanders Foundation to establish the Patricia Neal Rehabilitation Center (PNRC) in the late 1970s, the volunteer board members of Covenant Health's foundations have focused on raising funds to ensure the future of healthcare in its communities. The impact of the philanthropic efforts by individuals, businesses and foundations is substantial. Covenant's Office of Philanthropy coordinates fund raising efforts at four foundations: Fort Sanders Foundation, Methodist Medical Center Foundation, Morristown-Hamblen Hospital Foundation, and Thompson Cancer Survival Center Foundation. One strong example of philanthropic partnerships is the Will Rogers Institute and its 15-year history of support for the pulmonary rehabilitation programs of Covenant Health - in particular, the work of the Patricia Neal Rehabilitation Center. The Will Rogers Institute (WRI) is a national charitable organization dedicated to perpetuating the memory of one of America's best-loved entertainers. It supports cardiopulmonary research and treatment programs, neonatal care, and patient and community education on health/fitness topics. Each summer, movie theatres across the country participate in a fundraising campaign for WRI. Regal Entertainment Group, which supports the Patricia Neal Rehabilitation Center and its annual Golf Classic, helped develop the relationship between the Will Rogers Institute and Covenant Health many years ago. Over the past 15 years, WRI has granted more than \$2 million to PNRC and the hospitals of Covenant Health. Grant funds support cardiopulmonary rehabilitation and health improvement initiatives at PNRC and other Covenant facilities, including a strong focus on smoking cessation and access to pulmonary rehabilitation care. Numerous pieces of therapy equipment, oxygen piping and monitoring systems, and pulmonary testing equipment have been provided for PNRC, the hospitals and outpatient pulmonary rehabilitation centers. The grant also funds a unique telemanagement program in which respiratory therapists make follow-up contact with all patients who have expressed an interest in smoking cessation while at a Covenant Health hospital. The therapists provide support, education and information on smoking cessation classes available in the area. At the end of 2014, the smoking cessation compliance rate for patients contacted by respiratory therapists via phone at 6 months post discharge stands at 41%. The grant also funded Covenant</p>

Return Reference	Explanation	
	Form 990, Part III, Line 1	Health's development of a "Stop Smoking" app for Apple and Android phones. The app is offered free to the public as a tool to support efforts to break smoking addictions. The long standing partnership with the Will Rogers Institute and Regal Entertainment Group has created a legacy for the future, not only for the Patricia Neal Rehabilitation Center and Covenant's pulmonary health initiatives, but for corporate and foundation funding of its health care mission throughout the region.

Return Reference	Explanation	
Form 990, Part III, Line 1	<p>Leadership Academy Participants Get Insider View of Healthcare For the third year, a selected group of business and community leaders from across the region have experienced an in-depth view of Covenant Health and the healthcare environment as participants in Covenant Answers A Healthcare Leadership Academy The Office of Philanthropy hosts the Academy each year in an effort to expand the cadre of healthcare-informed volunteer leaders in the community Over a five-month period, class members attended an orientation with Covenant executive leadership and half-day sessions at five different Covenant hospitals The sessions included behind-the-scenes tours and hands-on access to the latest technologies and treatments Participants had opportunities to discuss the challenges of the current healthcare environment with Covenant physicians and clinicians, communicate via a tele-stroke robot with a physician in another state and visit with a patient who received a life-saving interventional stroke treatment They also observed a TAVR heart valve replacement surgery and a Barrett's esophagus cancer laser procedure A Healthy Start for Covenant's Smallest Patients When parents are expecting a new baby, they may read books, buy new furniture and baby clothes, and consult family and friends As families prepare for their new arrivals, Covenant Health hospitals are ready and waiting with a variety of birthing options and hospital amenities to help welcome their smallest patients More than 7,000 babies got their first glimpse of life from the security and comfort of a Covenant Health hospital in 2014 Maternity suites at Covenant hospitals are designed to maximize comfort and provide immediate access to technology Room options may include private suites equipped with bassinets for "rooming in" and comfortable sleeper furniture for a family member All maternity units are secured with monitored entries and exits Additional security devices and procedures are in place to monitor babies' safety More than 50 credentialed physicians provide care to Covenant Health patients during pregnancy and while in the hospital Childbirth education classes are available to help parents prepare for their new arrival Best Practices for Babies' Healthy Start Five Covenant Health hospitals that offer obstetrics services were recognized by the Tennessee Hospital Association for reducing the number of babies born electively between 37 and 39 weeks gestation during 2011-2014 Fort Sanders Regional Medical Center, Parkwest Medical Center, LeConte Medical Center, Methodist Medical Center and Morristown-Hamblen Healthcare System received recognition from THA's Tennessee Center for Patient Safety for reducing elective early deliveries, thereby increasing babies' chances for better lifelong health The Covenant hospitals are part of a statewide Healthy Tennessee Babies Are Worth the Wait initiative to increase awareness of the benefits of full-term delivery Babies born too early are at risk for respiratory distress, jaundice, hypoglycemia and other conditions that require more medical care and put them at greater risk for death before their first birthdays Waiting until 39 weeks allows for better growth and development of vital organs and is also better for the health and safety of the mother In addition to patient and staff education programs, Covenant Health obstetrics departments adopted a policy prohibiting early elective deliveries before 39 weeks unless there is a clear medical risk to the mother or the baby For an infant, two additional weeks can mean the difference between complications leading to lifelong health issues and a healthy and robust start In 2011 about 12 percent of the hospitals' deliveries that occurred prior to 39 weeks gestation were considered elective By second quarter of 2015, the number had dropped to zero Covenant hospitals with obstetrical services also collaborate with the Tennessee Department of Health's Safe Sleep program Participating hospitals have agreed to develop and implement hospital safe sleep policies and provide education to staff and patients regarding safe sleep recommendations LeConte Medical Center has received a bronze designation from the National Safe Sleep Hospital Certification Program for its leadership in best practices and education related to safe sleep Covenant hospitals are also involved with the Tennessee Initiative for Perinatal Quality Care's breastfeeding project, which focuses on promoting and supporting breastfeeding in the delivery setting and after mothers return home Caring for Women Throughout Their Lives Covenant Health provides a full spectrum of health services for women of all ages The health system's nine breast centers, located conveniently throughout Covenant's service area, offer state-of-the-art digital mammography Two locations, Parkwest Medical Center and Morristown-Hamblen Healthcare System, provide 3D mammography services Covenant Health has addition</p>	

Return Reference	Explanation	
	Form 990, Part III, Line 1	<p>al technologies for the early detection of breast cancer, including breast ultrasound and MRI. The health system provides comprehensive heart and stroke care for women, and has developed educational and outreach programs to inform women about cardiovascular disease, risk factors, prevention, treatment and rehabilitation. A full range of diagnostic screenings, gynecological care, cancer care, and specialized treatment for conditions such as incontinence are offered to women in all ages and stages of life. A Heart for Excellence Covenant Health is committed to excellence in all areas of heart care - from heart disease prevention and diagnosis of heart conditions to advanced technology and treatments, emergency interventions, and cardiac rehabilitation programs for follow-up care. More than 50 affiliated cardiologists provide diagnostic testing and perform a variety of interventional procedures such as heart catheterization and techniques to clear blocked arteries and place stents to restore blood flow. Cardiologists also treat heart arrhythmias and often repair heart valves and holes in the chambers of the heart. Advanced Technology Keeps More Hearts Beating Covenant Health is at the forefront of cardiac innovations that restore health and the ability to live life to the fullest. Covenant was the first health system in the region to offer Transcatheter Aortic Valve Replacement (TAVR), in which a minimally invasive procedure places a new valve into the heart. The procedure gives new hope to patients suffering from life-threatening aortic stenosis who are not candidates for open-heart surgery. In addition to TAVR, a full spectrum of advanced cardiac procedures is available at Covenant Health's "heart hospitals" - Fort Sanders Regional Medical Center, Methodist Medical Center of Oak Ridge and Parkwest Medical Center. For patients experiencing severe coronary disease like blocked arteries and aortic enlargement, care close to home may seem like a distant hope. Covenant's cardiac services offer complex surgeries and treatments that are often only available in larger cities. When Minutes Matter If a heart attack occurs, time is critical. The heart hospitals of Covenant Health work together to make sure that patients receive the most appropriate care as quickly as possible. The American College of Cardiology and the American Heart Association have established recommended care standards for heart attack patients, specifically those identified as the "ST-Segment Elevation MI" (STEMI) population. These patients have the highest mortality (risk of death) and morbidity (risk of associated complications). They can be rapidly identified with an electrocardiogram (EKG). The standards emphasize organizing regional systems of care and patient transfer procedures to provide faster access to advanced therapies that help facilitate rapid restoration of blood flow during a heart attack. The care team - from first responders and emergency departments to cardiologists and cath lab staff - collaborate to provide efficient and effective care. They evaluate the entire process and collaborate with anyone who has contact with this patient population to develop a standardized approach to efficiently get them to a cath lab. Every 30 minutes results in nearly an eight percent increase in risk of death, so patient outcomes can be improved by having a systems approach to identification, notification, and rapid transfer.</p>

Return Reference	Explanation	
	Form 990, Part III, Line 1	<p>Several new Cardiac processes have been developed, including *Training EMS providers to identify STEMI patients quickly, and building relationships with emergency transporters to ensure efficient arrival at a center equipped to deal with STEMI patients *Clinical members of Covenant Rapid Access, Covenant Health's patient transfer center, are available 24/7 to accept STEMI patients from outlying hospitals and immediately notify the cath lab team and interventional cardiologist "Rapid Access" is the coordinating center for Covenant facilities</p> <p>*Emergency transporters can now simultaneously notify both ED and cath lab teams of potential STEMI patients and transmit an EKG when available This allows earlier activation of the cath lab team, with personnel available immediately when the patient arrives *A regular review process provides feedback on outcomes and helps continually improve systems and processes As a result of these efforts, Fort Sanders Regional has exceeded state and national hospitals' performance in meeting standards for "First Medical Contact-to-Device" times Mortality and readmission rates also declined The STEMI team collaborates with hospitals and emergency responders in Claiborne, Sevier, and Jefferson counties, and as far away as Kentucky Cardiac Rehab Helps Pave the Road to Recovery The weeks immediately following a heart attack, angioplasty, or open heart surgery are critical for long-range rehabilitation Several Covenant hospitals offer medically supervised Cardio-Pulmonary Rehabilitation programs that safely restore physical fitness and function for people who have recently had serious cardiac events Through monitored exercise, education, counseling and healthy lifestyle changes, patients regain confidence in exercising their hearts, and they learn to make lifestyle changes to reduce the risk of further complications from heart disease Cardiac rehabilitation offers effective treatment for heart attack, angina, post-infarction, angioplasty, post-coronary bypass, and patients considered to be high risk for coronary artery disease The Region's Only Stroke Hospital Network Covenant Health has the region's only stroke hospital network for delivering advanced diagnostics and treatment to halt the devastating effects of stroke At the hub of the network are Fort Sanders Regional Medical Center, certified as a comprehensive stroke center by The Joint Commission, and the award-winning Patricia Neal Rehabilitation Center, accredited by the Commission on the Accreditation of Rehabilitation Facilities Covenant Health's stroke hospital network offers advanced treatments and clinical trials that are unavailable in other areas of the region Delivering Immediate and Excellent Care When a stroke happens, timely treatment is critical The Comprehensive Stroke Center at Fort Sanders Regional Medical Center is well above the national average in delivering prompt treatment of life-saving medication Clot-busting drugs are given to stroke patients to improve blood flow and minimize potential disabilities The amount of time it takes for a patient to be brought into a hospital until the moment medications are intravenously administered is referred to as "door-to-needle time " The average door-to-needle time is a little more than an hour, the door-to-needle time at Fort Sanders Regional is 30 minutes, half an hour faster than the national average The stroke center exists to provide the highest level of stroke care for complicated stroke cases, which includes finding out why the stroke occurred to prevent it from happening again The Comprehensive Stroke Center at Fort Sanders Regional sees patients from throughout East Tennessee and beyond To help patients reclaim as much ability and independence as possible, the Patricia Neal Rehabilitation Center provides inpatient and outpatient stroke care Patients are treated by a holistic team that includes physiatrists (rehab physicians), physical, occupational and speech therapists, rehab psychologists, case managers and recreation therapists Treatment includes goal setting and interdisciplinary in range of motion, strengthening and conditioning, along with self-care and activities of daily living Leading the Fight Against Cancer Even though cancer affects many thousands of people, a cancer diagnosis can be a lonely experience Covenant Health is committed to helping cancer patients fight the disease with excellent medical care and a multidisciplinary team of support At the core of Covenant Health's cancer care is an elite team of physicians, armed with the most advanced cancer tools available Technology includes advanced imaging such as positron emission technology (PET) in Knoxville and mobile PET services in Sevierville , TomoTherapy, high-dose-rate brachytherapy and 3D radiation therapy Fort Sanders Regional Medical Center offers Gamma Knife, the area's only non-invasive radiosurgical device that targets tumors in a single visit A variety of c</p>

Return Reference	Explanation	
	Form 990, Part III, Line 1	linical trials, stem cell transplantation and genetic counseling are also available. The health system recently invested \$7.6 million for equipment upgrades, expanded connectivity and growth of a highly regarded radiation therapy research program at six locations: Thompson Cancer Survival Centers in downtown and west Knoxville, Oak Ridge and Sevierville, at Morristown-Hamblen Hospital System, and at Cumberland Medical Center's radiation oncology program in Crossville. Patients receiving cancer care at Covenant Health facilities receive individualized treatment plans, and have a multidisciplinary team of specialists and "navigators" to help with the treatment process. Support is also provided by social workers, nutrition counselors, and other members of the cancer care team. Thompson Oncology Group has 10 physician offices in Sevierville, Knoxville, Blount County, Morristown and Oak Ridge. The group has been recognized by the Quality Oncology Practice Initiative Certification Program, an affiliate of the American Society of Clinical Oncology. The certification process includes each of the 10 Thompson Oncology Group locations and encompasses evaluation of treatment planning, staff training, patient education and safe chemotherapy administration.

Return Reference	Explanation
Form 990, Part III, Line 1	<p>Connecting with Our Communities In addition to taking care of 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 2014 nearly 8,000 people participated in the 11th Covenant Health Knoxville Marathon, which attracted local runners and hand cyclists, as well as competitors from throughout the U.S. and other countries. Marathon events included 2- and 4-person relays, a 5K, half-marathon and full marathon. *The Covenant Health Biggest Winner Weight Loss Challenge continued as a friendly competition that encourages East Tennesseans to 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, and 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 Patricia Neal Rehabilitation Center's Innovative Recreation Cooperative. More than \$5,000 was given to the 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 nearly 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, a free event offered with the support of Variety - The Children's Charity. The camp helps children in grades 1-12 express their feelings of loss in a supportive environment. *Methodist Medical Center co-sponsored the annual Baby's Best Fest, a day of family games and an ice cream social celebrating World Breastfeeding Month and supporting breastfeeding as the healthiest start for babies. *LeConte Medical Center partnered with Dollywood's Splash Country to host Water Safety Day. The event provided health and safety information to local children and families, and was held in conjunction with the "World's Largest Swimming Lesson," a national event promoting the importance of learning to swim. At the event LeConte employees educated children about water safety, representatives from Thompson Cancer Survival Center talked about the importance of sunscreen, and staff from the Patricia Neal Rehabilitation Center were on hand to talk about the Think First head injury prevention program and adaptive water sports. More than 600 children participated. *Cumberland Medical Center in Crossville co-sponsored numerous health fairs and community events throughout the year, and hosted free Mammogram Days for women who had not received a mammogram in two years and were age 40 or older without insurance coverage. *Missy Kane, health promotions coordinator for Covenant Health, led hikes in communities where Covenant Health hospitals are located and established walking clubs in Roane and Anderson counties in conjunction with Roane Medical Center and Methodist Medical Center. Parkwest Medical Center, LeConte Medical Center and Thompson Cancer Survival Center have been co-sponsors of hiking programs led by Missy Kane.</p>

Return Reference	Explanation
Form 990, Part VI, Section B, line 11	<p>Part VI, Section B, Line 11 Covenant Health is a large integrated health system which files fourteen Forms 990. Annually, at the September Finance Committee meeting, one of the fourteen 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 thirteen 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 fourteen Forms 990 are then made available to all Board members for their review throughout the month of October.</p>

Return Reference	Explanation
Form 990, Part VI, Section B, line 12c	<p>Board members, officers and employees are required to adhere to rules and policies regarding conflicts of interest. Covenant Health 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.</p>

Return Reference	Explanation	
	Form 990, Part VI, Section B, line 15	<p>Form 990, Part VI, Section B, Line 15a Annual compensation for Covenant Health's President and Chief Executive Officer ("CEO"), Anthony L. Spezia, is determined by the Compensation Committee of the Covenant Health Board of Directors, ("the Committee") which is composed of independent members of the board and chaired by the chairman of the board. The Committee is guided in its decision-making process by an independent, nationally recognized executive compensation consultant experienced in advising nonprofit hospital boards (the "Consultant") whose services include (1) providing pay comparisons with market comparables, (2) recommending salary ranges and annual base salary adjustments, (3) designing incentive compensation and deferred compensation components of the CEO's total compensation package, (4) reviewing benefits and perquisites, and (5) certifying as to the reasonableness of total annual compensation. The Consultant analyzes and makes recommendations with respect to the CEO's total compensation package through analysis of CEO compensation data for comparable nonprofit health systems in the United States. The systems selected for comparison are similar to Covenant Health in revenue, total assets, number of hospitals, full-time employees and services provided. Covenant Health's current compensation methodology includes setting base salary around the 75th percentile based on the CEO's experience and market conditions. In addition, annual incentive compensation may be awarded upon achievement of goals established by the Committee at the beginning of each fiscal year which reflect quality of care, patient safety and service excellence in addition to financial performance and other measures. Annual incentive opportunity ranges from 35-50% of base salary depending upon the CEO's performance. As a part of its CEO performance evaluation process, the Committee asks each member of the board of directors to submit a written evaluation of the CEO's performance using an evaluation form prepared by an independent audit firm. This information is collected, collated, and reported to the Committee by the audit firm; results are "blinded" so that individual board members are not identified. The blinded results are shared with the CEO as part of the evaluation process. Any increase in base salary, award of annual incentive, or changes in overall compensation methodology are made by the Committee after discussion with and advice of the Consultant and conditioned upon the Consultant's determination that such decisions result in total annual compensation that is reasonable and within a fair market value range. Once the annual performance evaluation is completed, the chairman and at least one other member of the Committee meet with the CEO and share the Committee and board's evaluation of his prior year's performance, communicate his performance goals for the upcoming year, and inform him of the Committee's actions with respect to any annual incentive award for the prior year and any base salary adjustment for the upcoming year.</p> <p>Form 990, Part VI, Section B, Line 15b Base salaries and annual bonus opportunities for Key Executives (*1) are set by the Covenant Health Chief Executive Officer (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 for each executive is reasonable and within a fair market value range. Salary ranges for each executive position are based upon the recommendations of the Consultant made after comparison with similar jobs in similar size health systems across the nation. Bonuses are recommended by the CEO and approved by the Committee conditioned upon receipt of a written opinion from the Consultant that total compensation for each Key Executive is reasonable and consistent with fair market value. Base salaries are initially targeted at midpoint and vary according to the individual's experience, market conditions and competition. Annual bonuses are designed to award 0 - 45% for the Executive Vice Presidents (EVP), and 0 - 35% for the Senior Vice Presidents (SVP) and Chief Administrative Officers (CAO) of base salary based upon system performance and accomplishment of certain targets established by the CEO (*1).</p> <p>KEY EXECUTIVES</p> <p>Covenant Health employees: John T. Geppi, EVP-Chief Financial Officer; James D. Vandersteeg, EVP-Hospital Operations; Lawrence C. Kleinman, EVP-Human Resources; William M. Ward, SVP-Chief Information Officer; Mark W. Browne, SVP-Chief Medical Officer; Janice McKinley, SVP-Quality, Safety & Nursing Operations. Related organization employees compensated by Covenant Health: Keith Altshuler, President & CAO of Fort Sanders Regional Medical Center; Michael R. Belbeck, Jr., President & CAO of Methodist Medical Center; Larry R. Lassiter, President & CAO of Parkway.</p>

Return Reference	Explanation	
	Form 990, Part VI, Section B, line 15	est Medical Center Gordon Lintz, President & CAO of Morristow n-Hamblen Healthcare System Jennifer Hanson, President & CAO of LeConte Medical Center Ellen Wilhoit, former President & CAO of LeConte Medical Center Gaye Jolly, President & CAO of Roane Medical Center Jeffrey Feike, President & CAO of Fort Loudoun Medical Center Jeremy Biggs, President & CAO of C umberland Medical Center Timothy Brow n, former President & CAO of Claiborne Medical Center Jack Bryan, interim President & CAO of Claiborne Medical Center

Return Reference	Explanation
Form 990, Part VI, Section C, line 19	Per its tax exempt bond provisions, Covenant Health is required to file quarterly and annual consolidated and obligated group financial statements and 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 The organization's governing documents and conflict of interest policy are not made publicly available

Return Reference	Explanation
Form 990, Part VI, Section A, Line 9	Contact Addresses for Highest Compensated Employees Covenant Health compensates the Presidents and CAOs of its member hospitals in its role as a supporting organization Their contact addresses are provided below Michael R Belbeck, Jr Methodist Medical Center 990 Oak Ridge Turnpike Oak Ridge, TN 37830 Larry R Lassiter Parkwest Medical Center 9352 Park West Boulevard Knoxville, TN 37923 Keith Altshuler Fort Sanders Regional Medical Center & Fort Sanders Perinatal Center 1901 Clinch Avenue Knoxville, TN 37916 Gordon Lintz Morristown-Hamblen Healthcare System 908 West Fourth North Morristown, TN 37814 Jennifer Hanson LeConte Medical Center 742 Middle Creek Road Sevierville, TN 37862 All other persons listed in Part VII, Section A may be contacted at the organization's address

Return Reference	Explanation
Form 990, Part XI, line 9	Book/Tax Diff in Income(Loss) from Partnerships/Trusts -2,654,285 Return of capital from subsidiaries 11,113,828 Capital contributed to subsidiaries -21,878,060 Change in 457(b) unrealized gain/loss -225,436

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

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.
▶ Information about Schedule R (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization
Covenant Health

Employer identification number
62-1646734

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	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?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) 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 Ctr 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 Fort Sanders West Blvd Ste 214 Knoxville, TN 37922 62-1384171	Building ownership	TN	N/A									
(4) KOSC Properties LLC 256 Fort Sanders West Blvd Ste 200 Knoxville, TN 37922 26-2444076	Building ownership	TN	N/A									
(5) Knoxville Orthopaedic Surgery Center LLC 256 Fort Sanders West Blvd Ste 200 Knoxville, TN 37922 26-2437385	Orthodopaedic surgery	TN	N/A									
(6) KOC 260 Bldg LLC 260 Fort Sanders West Blvd Knoxville, TN 37922 46-5228440	Land & Building Ownership	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	No
(1) Fortress Corporation 280 Ft Sanders West Blvd Suite 214 Knoxville, TN 37922 62-1308885	Management company	TN	Covenant Health	C			100 000 %	Yes	
(2) Covenant Medical Group Inc 1400 Centerpoint Blvd Bldg A Ste 10 Knoxville, TN 37932 62-1282917	Physician practice management	TN	N/A	C				Yes	
(3) Knoxville Heart Group 1819 Clinch Avenue Suite 108 Knoxville, TN 37916 27-1528941	Cardiology medical practice	TN	N/A	C				Yes	
(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				Yes	

Part V

Transactions With Related Organizations

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

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

1

During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

a

Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity

b

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

c

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

d

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

e

Loans or loan guarantees by related organization(s)

f

Dividends from related organization(s)

g

Sale of assets to related organization(s)

h

Purchase of assets from related organization(s)

i

Exchange of assets with related organization(s)

j

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

k

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

l

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

m

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

n

Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)

o

Sharing of paid employees with related organization(s)

p

Reimbursement paid to related organization(s) for expenses

q

Reimbursement paid by related organization(s) for expenses

r

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

s

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

	Yes	No
1a	Yes	
1b	Yes	
1c	Yes	
1d		No
1e		No
1f	Yes	
1g		No
1h		No
1i		No
1j		No
1k	Yes	
1l	Yes	
1m	Yes	
1n	Yes	
1o	Yes	
1p	Yes	
1q	Yes	
1r	Yes	
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
See Additional Data Table			

Schedule R (Form 990) 2014

Part VI **Unrelated Organizations Taxable as a Partnership** Complete if the organization answered "Yes" on Form 990, Part IV, line 37.
Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization See instructions regarding exclusion for certain investment partnerships

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

Part VII

Supplemental Information

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

Return Reference	Explanation
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Additional Data

Software ID:

Software Version:

EIN: 62-1646734

Name: Covenant Health

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512 (b)(13) controlled entity? <div>YesNo</div>	
(1) Fort Sanders Regional Medical Center 1901 W Clinch Avenue Knoxville, TN 37916 62-0528340	Acute care hospital	TN	501(c)(3)	Line 3	Covenant Health	Yes	
(1) Parkwest Medical Center 9352 Park West Boulevard Knoxville, TN 37923 58-1897274	Acute care hospital & behavioral health services	TN	501(c)(3)	Line 3	Covenant Health	Yes	
(2) Methodist Medical Center 990 Oak Ridge Turnpike Oak Ridge, TN 37830 62-0636239	Acute care hospital	TN	501(c)(3)	Line 3	Covenant Health	Yes	
(3) LeConte Medical Center 742 Middle Creek Road Sevierville, TN 37862 62-1114867	Acute care hospital	TN	501(c)(3)	Line 3	Covenant Health	Yes	
(4) Roane County Medical Center dba Roane Medical Center 8045 Roane Medical Center Dr Harriman, TN 37748 68-0673354	Acute care hospital	TN	501(c)(3)	Line 3	Covenant Health	Yes	
(5) 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	Yes	
(6) Thompson Cancer Survival Center 1915 White Avenue Knoxville, TN 37916 62-1250943	Cancer treatment facility	TN	501(c)(3)	Line 3	Covenant Health	Yes	
(7) Thompson Oncology Group 1915 White Avenue Knoxville, TN 37916 62-1619239	Oncology services	TN	501(c)(3)	Line 3	Thompson Cancer Survival Center	Yes	
(8) 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	Yes	
(9) Covenant Homecare 3001 Lake Brook Blvd Ste 101 Knoxville, TN 37909 62-1623114	Home health services	TN	501(c)(3)	Line 9	Covenant Health	Yes	
(10) Fort Sanders Perinatal Center 501 19th St Ste 304 Knoxville, TN 37916 04-3760551	High risk obstetrical services	TN	501(c)(3)	Line 3	Fort Sanders Regional Medical Center	Yes	
(11) 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	Yes	
(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	Yes	
(13) Cumberland Medical Center 421 S Main St Crossville, TN 38555 62-0790132	Acute Care Hospital	TN	501(c)(3)	Line 3	Covenant Health	Yes	
(14) Claiborne Medical Center 1850 Old Knoxville Rd Tazewell, TN 37879 46-4420358	Acute care hospital	TN	501(c)(3)	Line 3	Covenant Health	Yes	

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

(a) Name of related organization	(b) Transaction type(a-s)	(c) Amount Involved	(d) Method of determining amount involved
Fort Sanders Regional Medical Center	L	23,595,895	FMV
Fort Sanders Regional Medical Center	P	18,497,475	Cost
Fort Sanders Regional Medical Center	Q	155,166,099	Cost
Fort Sanders Regional Medical Center	S	196,576,260	Cash
Parkwest Medical Center	L	23,747,736	FMV
Parkwest Medical Center	O	54,217	FMV
Parkwest Medical Center	P	20,002,108	Cost
Parkwest Medical Center	Q	153,196,543	Cost
Parkwest Medical Center	S	11,097,416	Cash
Cumberland Medical Center	L	188,458	FMV
Cumberland Medical Center	O	385,895	FMV
Cumberland Medical Center	Q	730,074	Cost
Cumberland Medical Center	S	16,550,866	Cash
Methodist Medical Center	L	14,194,462	FMV
Methodist Medical Center	O	53,677	FMV
Methodist Medical Center	P	8,853,392	Cost
Methodist Medical Center	Q	70,394,522	Cost
Methodist Medical Center	S	78,457,208	Cash
Morristown-Hamblen Hospital Association	L	8,295,849	FMV
Morristown-Hamblen Hospital Association	P	5,316,589	Cost
Morristown-Hamblen Hospital Association	Q	47,915,161	Cost
Morristown-Hamblen Hospital Association	S	50,448,216	Cash
LeConte Medical Center	L	6,391,954	FMV
LeConte Medical Center	P	4,192,114	Cost
LeConte Medical Center	Q	38,221,064	Cost

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

(a) Name of related organization	(b) Transaction type(a-s)	(c) Amount Involved	(d) Method of determining amount involved
LeConte Medical Center	S	44,849,247	Cash
Roane County Medical Center	L	3,212,911	FMV
Roane County Medical Center	P	2,733,585	Cost
Roane County Medical Center	Q	28,545,958	Cost
Roane County Medical Center	S	28,053,948	Cash
Fort Loudoun Medical Center	L	2,838,695	FMV
Fort Loudoun Medical Center	P	2,712,489	Cost
Fort Loudoun Medical Center	Q	15,729,755	Cost
Fort Loudoun Medical Center	S	16,763,416	Cash
Claiborne Medical Center	O	166,081	FMV
Claiborne Medical Center	Q	1,115,606	Cost
Claiborne Medical Center	S	13,798,319	Cash
Thompson Cancer Survival Center	L	1,841,578	FMV
Thompson Cancer Survival Center	P	294,466	Cost
Thompson Cancer Survival Center	Q	4,763,365	Cost
Thompson Cancer Survival Center	S	1,793,797	Cash
Thompson Oncology Group	L	474,713	FMV
Thompson Oncology Group	P	130,361	Cost
Thompson Oncology Group	Q	9,261,332	Cost
Thompson Oncology Group	S	971,384	Cash
Covenant Homecare	L	1,027,777	FMV
Covenant Homecare	K	84,580	FMV
Covenant Homecare	P	322,450	Cost
Covenant Homecare	Q	13,691,433	Cost
Covenant Homecare	S	15,108,176	Cash

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

(a) Name of related organization	(b) Transaction type(a-s)	(c) Amount Involved	(d) Method of determining amount involved
Fort Sanders Perinatal Center	Q	6,887,106	Cost
Fort Sanders Perinatal Center	S	8,717,678	Cash
Knoxville Heart Group	L	234,801	FMV
Knoxville Heart Group	Q	5,083,945	Cost
Knoxville Heart Group	S	2,598,273	Cash
East TN Cardiovascular Surgical Group	Q	4,011,586	Cost
Fortress Corporation	F	10,000,000	Cash
Fortress Corporation	K	437,002	FMV
Fortress Corporation	L	1,368,295	FMV
Fortress Corporation	M	57,618	FMV
Fortress Corporation	Q	5,622,183	Cost
Fortress Corporation	S	146,463	Cash
Covenant Medical Group	A	200,336	FMV
Covenant Medical Group	L	6,000,610	FMV
Covenant Medical Group	Q	46,644,203	Cost
Fort Sanders West OP Surgery Center	L	1,093,874	FMV
Fort Sanders West Association	Q	92,154	Cost
Surgery Center of Oak Ridge	Q	768,877	Cost
Fort Sanders Foundation	C	135,120	FMV
Fort Sanders Foundation	O	278,683	FMV