



See a Social Security Number? Say Something!  
Report Privacy Problems to <https://public.resource.org/privacy>  
Or call the IRS Identity Theft Hotline at 1-800-908-4490



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  
2015  
**Open to Public Inspection**

**A For the 2015 calendar year, or tax year beginning 01-01-2015, and ending 12-31-2015**

<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> Name of organization Covenant Health  Doing business as  Number and street (or P O box if mail is not delivered to street address) Room/suite 1420 Centerpoint Blvd Bldg C  City or town, state or province, country, and ZIP or foreign postal code Knoxville, TN 379321960	<b>D</b> Employer identification number  62-1646734  <b>E</b> Telephone number  (865) 374-6864  <b>G</b> Gross receipts \$ 138,458,104
<b>F</b> Name and address of principal officer James D Vandersteeg 100 Ft Sanders W Blvd Knoxville, TN 37922		<b>H(a)</b> Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <b>H(b)</b> Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions) <b>H(c)</b> Group exemption number ▶
<b>I</b> Tax-exempt status <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) ( ) ◀ (insert no ) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		<b>L</b> Year of formation 1996 <b>M</b> State of legal domicile TN
<b>J</b> Website: ▶ www.covenanthealth.com		
<b>K</b> Form of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		

**Part I Summary**

<b>1</b>	Briefly describe the organization's mission or most significant activities Covenant Health is the parent organization in a community-owned health care system in East Tenn		
<b>2</b>	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets		
<b>3</b>	Number of voting members of the governing body (Part VI, line 1a)	<b>3</b>	23
<b>4</b>	Number of independent voting members of the governing body (Part VI, line 1b)	<b>4</b>	18
<b>5</b>	Total number of individuals employed in calendar year 2015 (Part V, line 2a)	<b>5</b>	1,116
<b>6</b>	Total number of volunteers (estimate if necessary)	<b>6</b>	1,130
<b>7a</b>	Total unrelated business revenue from Part VIII, column (C), line 12	<b>7a</b>	1,241,019
<b>b</b>	Net unrelated business taxable income from Form 990-T, line 34	<b>7b</b>	146,421
<b>Revenue</b>	<b>8</b> Contributions and grants (Part VIII, line 1h)	<b>Prior Year</b>	<b>Current Year</b>
	<b>9</b> Program service revenue (Part VIII, line 2g)	484,988	152,479
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	98,673,201	102,518,766
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	45,779,507	31,337,800
	<b>12</b> Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	312,051	198,559
<b>Expenses</b>	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1–3)	145,249,747	134,207,604
	<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)	710,535	590,105
	<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	0	0
	<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)	66,094,102	66,922,956
	<b>b</b> Total fundraising expenses (Part IX, column (D), line 25) ▶ <sup>0</sup>	0	0
	<b>17</b> Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	45,067,996	45,117,011
	<b>18</b> Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	111,872,633	112,630,072
<b>19</b> Revenue less expenses Subtract line 18 from line 12	33,377,114	21,577,532	
<b>Net Assets or Fund Balances</b>	<b>20</b> Total assets (Part X, line 16)	<b>Beginning of Current Year</b>	<b>End of Year</b>
	<b>21</b> Total liabilities (Part X, line 26)	1,182,082,407	1,231,025,759
	<b>22</b> Net assets or fund balances Subtract line 21 from line 20	811,586,620	872,791,957

**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

<b>Sign Here</b>	***** Signature of officer	2016-11-09 Date			
	JOHN T GEPPI EVP/CFO Type or print name and title				
<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶	Firm's EIN ▶			
	Firm's address ▶	Phone no			

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

**Part III Statement of Program Service Accomplishments**

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

**1** Briefly describe the organization's mission

Covenant 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 \$ 33,454,854 including grants of \$ ) (Revenue \$ 33,454,854 )  
 Information Technology See Schedule O for additional details Information Technology Expenses - \$33,454,854, Revenue - \$33,454,854 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 - 297,764 \*Pharmacy medication mgmt system - 2,186,902 orders \*Total spam messages blocked - 5,529,940 \*Network access attempts blocked - 1,994,400,000 \*PCs supported - 9,424 \*Overall telephone usage - 35,290,383 calls \*Pathway scheduling application - 699,653 appointments \*Accounts payable checks - 137,891

**4b** (Code ) (Expenses \$ 13,729,754 including grants of \$ ) (Revenue \$ 13,729,754 )  
 Business Office See Schedule O for additional details Business Office Expenses - \$13,729,754, Revenue - \$13,729,754 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, Mornstown-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 2015, CBO submitted over 1,040,000 insurance claims totaling in excess of \$3,777,000,000 Bad debt expense for 2015 was approximately 2.8% of gross revenue with bad debt recoveries/collections in excess of \$12,094,000 The CBO handled over 125,700 incoming phone calls, followed-up on over 615,055 open accounts and processed over 3.28 million financial transactions

**4c** (Code ) (Expenses \$ 8,919,996 including grants of \$ ) (Revenue \$ 8,919,996 )  
 Health Information Management See Schedule O for additional details Health Information Management Expenses - \$8,919,996, Revenue - \$8,919,996 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 2015 the HIM department transcribed over 56 million lines, scanned over 10 million pages, and coded over 2 million records The number of scanned pages decreased significantly from 2014 due to the implementation of Computerized Physician Order Entry (CPOE)

See Additional Data

**4d** Other program services (Describe in Schedule O )  
 (Expenses \$ 41,918,724 including grants of \$ 590,105 ) (Revenue \$ 76,835,805 )

**4e** Total program service expenses ▶ 98,023,328

**Part IV Checklist of Required Schedules**

	Yes	No
<b>1</b> Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	Yes	
<b>2</b> Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	Yes	
<b>3</b> 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		No
<b>4 Section 501(c)(3) organizations.</b> 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	Yes	
<b>5</b> 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		No
<b>6</b> 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		No
<b>7</b> 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		No
<b>8</b> Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III		No
<b>9</b> 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		No
<b>10</b> 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		No
<b>11</b> 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		
<b>a</b> Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI	Yes	
<b>b</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		No
<b>c</b> 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		No
<b>d</b> 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		No
<b>e</b> Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	Yes	
<b>f</b> 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	Yes	
<b>12a</b> Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII		No
<b>b</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	Yes	
<b>13</b> Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		No
<b>14a</b> Did the organization maintain an office, employees, or agents outside of the United States?		No
<b>b</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		No
<b>15</b> 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		No
<b>16</b> 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		No
<b>17</b> 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)		No
<b>18</b> 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		No
<b>19</b> 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		No
<b>20a</b> Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H		No
<b>b</b> If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		

**Part IV Checklist of Required Schedules (continued)**

<b>21</b>	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> . . . . .	<b>21</b>	Yes	
<b>22</b>	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> . . . . .	<b>22</b>	Yes	
<b>23</b>	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> . . . . .	<b>23</b>	Yes	
<b>24a</b>	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> . . . . .	<b>24a</b>	Yes	
<b>b</b>	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . . .	<b>24b</b>		No
<b>c</b>	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . . . .	<b>24c</b>		No
<b>d</b>	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . . .	<b>24d</b>		No
<b>25a</b>	<b>Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i> . . . . .	<b>25a</b>		No
<b>b</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> . . . . .	<b>25b</b>		No
<b>26</b>	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> . . . . .	<b>26</b>		No
<b>27</b>	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> . . . . .	<b>27</b>		No
<b>28</b>	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)			
<b>a</b>	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	<b>28a</b>		No
<b>b</b>	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	<b>28b</b>		No
<b>c</b>	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> . . . . .	<b>28c</b>	Yes	
<b>29</b>	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> . . . . .	<b>29</b>	Yes	
<b>30</b>	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> . . . . .	<b>30</b>	Yes	
<b>31</b>	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> . . . . .	<b>31</b>		No
<b>32</b>	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> . . . . .	<b>32</b>		No
<b>33</b>	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> . . . . .	<b>33</b>		No
<b>34</b>	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> . . . . .	<b>34</b>	Yes	
<b>35a</b>	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	<b>35a</b>	Yes	
<b>b</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> . . . . .	<b>35b</b>	Yes	
<b>36</b>	<b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . .	<b>36</b>		No
<b>37</b>	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> . . . . .	<b>37</b>		No
<b>38</b>	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O . . . . .	<b>38</b>	Yes	



**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
<b>1a</b>	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>1b</b>	Enter the number of voting members included in line 1a, above, who are independent		
<b>2</b>	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?		No
<b>3</b>	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?		No
<b>4</b>	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		No
<b>5</b>	Did the organization become aware during the year of a significant diversion of the organization's assets?		No
<b>6</b>	Did the organization have members or stockholders?		No
<b>7a</b>	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?		No
<b>7b</b>	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		No
<b>8</b>	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
	<b>a</b> The governing body?	Yes	
<b>8b</b>	Each committee with authority to act on behalf of the governing body?	Yes	
<b>9</b>	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		No

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

		Yes	No
<b>10a</b>	Did the organization have local chapters, branches, or affiliates?		No
<b>10b</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?		
<b>11a</b>	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	Yes	
	Describe in Schedule O the process, if any, used by the organization to review this Form 990		
<b>12a</b>	Did the organization have a written conflict of interest policy? If "No," go to line 13	Yes	
<b>12b</b>	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	Yes	
<b>12c</b>	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	Yes	
<b>13</b>	Did the organization have a written whistleblower policy?	Yes	
<b>14</b>	Did the organization have a written document retention and destruction policy?	Yes	
<b>15a</b>	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?		
	<b>a</b> The organization's CEO, Executive Director, or top management official	Yes	
<b>15b</b>	<b>b</b> Other officers or key employees of the organization	Yes	
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)			
<b>16a</b>	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		No
<b>16b</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?		

**Section C. Disclosure**

<b>17</b>	List the States with which a copy of this Form 990 is required to be filed	
<b>18</b>	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)	
<b>19</b>	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	
<b>20</b>	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	





**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	
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	<b>1a</b> Federated campaigns . . . . . <b>1a</b>	_____					
	<b>b</b> Membership dues . . . . . <b>1b</b>	_____					
	<b>c</b> Fundraising events . . . . . <b>1c</b>	_____					
	<b>d</b> Related organizations . . . . . <b>1d</b>	152,479					
	<b>e</b> Government grants (contributions) <b>1e</b>	_____					
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above <b>1f</b>	_____					
	<b>g</b> Noncash contributions included in lines 1a-1f \$	69,637					
	<b>h Total.</b> Add lines 1a-1f . . . . . <b>▶</b>		152,479				
<b>Program Service Revenue</b>	<b>2a</b> Management Fees		Business Code				
		561000	89,532,639	89,532,639			
	<b>b</b> Transcription Services	561499	7,657,709	6,587,351	1,070,358		
	<b>c</b> Telephone Services	517000	4,381,820	4,381,820			
	<b>d</b> Health Information Admin	561499	818,118	818,118			
	<b>e</b> Community Outreach	621990	78,488	78,488			
	<b>f</b> All other program service revenue		49,992		49,992		
<b>g Total.</b> Add lines 2a-2f . . . . . <b>▶</b>		102,518,766					
<b>Other Revenue</b>	<b>3</b> Investment income (including dividends, interest, and other similar amounts) . . . . . <b>▶</b>		31,465,850	31,465,850			
	<b>4</b> Income from investment of tax-exempt bond proceeds . . . . . <b>▶</b>		915	915			
	<b>5</b> Royalties . . . . . <b>▶</b>						
	<b>6a</b> Gross rents	(i) Real	216,671				
		(ii) Personal					
		<b>b</b> Less rental expenses	93,340				
		<b>c</b> Rental income or (loss)	123,331				
	<b>d</b> Net rental income or (loss) . . . . . <b>▶</b>		123,331		120,669	2,662	
	<b>7a</b> Gross amount from sales of assets other than inventory	(i) Securities					
		(ii) Other			1,600		
		<b>b</b> Less cost or other basis and sales expenses	128,514		2,051		
		<b>c</b> Gain or (loss)	-128,514		-451		
	<b>d</b> Net gain or (loss) . . . . . <b>▶</b>		-128,965			-128,965	
	<b>8a</b> Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 . . . . . <b>a</b>						
		<b>b</b> Less direct expenses . . . . . <b>b</b>					
		<b>c</b> Net income or (loss) from fundraising events . . . . . <b>▶</b>					
	<b>9a</b> Gross income from gaming activities See Part IV, line 19 . . . . . <b>a</b>						
<b>b</b> Less direct expenses . . . . . <b>b</b>							
<b>c</b> Net income or (loss) from gaming activities . . . . . <b>▶</b>							
<b>10a</b> Gross sales of inventory, less returns and allowances . . . . . <b>a</b>							
	<b>b</b> Less cost of goods sold . . . . . <b>b</b>	4,101,823					
	<b>c</b> Net income or (loss) from sales of inventory . . . . . <b>▶</b>		75,228	75,228			
Miscellaneous Revenue		Business Code					
<b>11a</b> _____ <b>b</b> _____ <b>c</b> _____ <b>d</b> All other revenue . . . . . <b>e Total.</b> Add lines 11a-11d . . . . . <b>▶</b>							
<b>12 Total revenue.</b> See Instructions . . . . . <b>▶</b>			134,207,604	132,940,409	1,241,019	-126,303	

**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

<b>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</b>		<b>(A)</b> Total expenses	<b>(B)</b> Program service expenses	<b>(C)</b> Management and general expenses	<b>(D)</b> Fundraising expenses
<b>1</b>	Grants and other assistance to domestic organizations and domestic governments See Part IV, line 21 . . . . .	589,319	589,319		
<b>2</b>	Grants and other assistance to domestic individuals See Part IV, line 22 . . . . .	786	786		
<b>3</b>	Grants and other assistance to foreign organizations, foreign governments, and foreign individuals See Part IV, lines 15 and 16 . . . . .				
<b>4</b>	Benefits paid to or for members . . . . .				
<b>5</b>	Compensation of current officers, directors, trustees, and key employees . . . . .	4,789,708	3,998,331	791,377	
<b>6</b>	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . . .				
<b>7</b>	Other salaries and wages . . . . .	49,058,646	41,103,435	7,955,211	
<b>8</b>	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions) . . . . .	2,424,102	2,033,337	390,765	
<b>9</b>	Other employee benefits . . . . .	6,434,407	5,397,180	1,037,227	
<b>10</b>	Payroll taxes . . . . .	4,216,093	3,536,459	679,634	
<b>11</b>	Fees for services (non-employees)				
<b>a</b>	Management . . . . .				
<b>b</b>	Legal . . . . .	1,536,446	609,446	927,000	
<b>c</b>	Accounting . . . . .	266,340		266,340	
<b>d</b>	Lobbying . . . . .				
<b>e</b>	Professional fundraising services See Part IV, line 17				
<b>f</b>	Investment management fees . . . . .	34,500	34,500		
<b>g</b>	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O) . . . . .	2,142,928	1,770,957	371,971	
<b>12</b>	Advertising and promotion . . . . .	1,256,614	1,256,409	205	
<b>13</b>	Office expenses . . . . .	6,427,389	6,311,793	115,596	
<b>14</b>	Information technology . . . . .	12,892,785	12,892,785		
<b>15</b>	Royalties . . . . .				
<b>16</b>	Occupancy . . . . .	1,541,342	1,472,452	68,890	
<b>17</b>	Travel . . . . .	325,561	300,966	24,595	
<b>18</b>	Payments of travel or entertainment expenses for any federal, state, or local public officials . . . . .				
<b>19</b>	Conferences, conventions, and meetings . . . . .	728,676	340,861	387,815	
<b>20</b>	Interest . . . . .	11,927,516	11,927,516		
<b>21</b>	Payments to affiliates . . . . .				
<b>22</b>	Depreciation, depletion, and amortization . . . . .	1,856,389	1,346,600	509,789	
<b>23</b>	Insurance . . . . .	724,457	415,158	309,299	
<b>24</b>	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 )				
<b>a</b>	Unrelated Business Inco	66,000		66,000	
<b>b</b>	Dues and Licenses	1,505,799	1,457,839	47,960	
<b>c</b>	Subscriptions	1,420,975	1,195,524	225,451	
<b>d</b>	Bank Fees	332,734	369	332,365	
<b>e</b>	All other expenses	130,560	31,306	99,254	
<b>25</b>	<b>Total functional expenses.</b> Add lines 1 through 24e	112,630,072	98,023,328	14,606,744	0
<b>26</b>	<b>Joint costs.</b> 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
<b>Assets</b>	<b>1</b> Cash—non-interest-bearing . . . . .	2,200	<b>1</b>	2,250
	<b>2</b> Savings and temporary cash investments . . . . .	58,096,938	<b>2</b>	51,481,389
	<b>3</b> Pledges and grants receivable, net . . . . .		<b>3</b>	
	<b>4</b> Accounts receivable, net . . . . .		<b>4</b>	
	<b>5</b> Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L . . . . .		<b>5</b>	
	<b>6</b> 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 . . . . .		<b>6</b>	
	<b>7</b> Notes and loans receivable, net . . . . .		<b>7</b>	
	<b>8</b> Inventories for sale or use . . . . .	468,350	<b>8</b>	462,094
	<b>9</b> Prepaid expenses and deferred charges . . . . .	6,537,683	<b>9</b>	8,287,830
	<b>10a</b> Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D . . . . .	<b>10a</b> 56,086,476		
	<b>b</b> Less accumulated depreciation . . . . .	<b>10b</b> 24,603,941	30,846,248	<b>10c</b> 31,482,535
	<b>11</b> Investments—publicly traded securities . . . . .	1,037,906,964	<b>11</b>	1,094,135,579
	<b>12</b> Investments—other securities See Part IV, line 11 . . . . .	24,394,863	<b>12</b>	9,674,950
	<b>13</b> Investments—program-related See Part IV, line 11 . . . . .		<b>13</b>	
	<b>14</b> Intangible assets . . . . .		<b>14</b>	
	<b>15</b> Other assets See Part IV, line 11 . . . . .	23,829,161	<b>15</b>	35,499,132
<b>16</b> <b>Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .	1,182,082,407	<b>16</b>	1,231,025,759	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses . . . . .	47,938,154	<b>17</b>	52,852,852
	<b>18</b> Grants payable . . . . .		<b>18</b>	
	<b>19</b> Deferred revenue . . . . .	12,828,992	<b>19</b>	0
	<b>20</b> Tax-exempt bond liabilities . . . . .	720,497,208	<b>20</b>	719,375,379
	<b>21</b> Escrow or custodial account liability Complete Part IV of Schedule D . . . . .		<b>21</b>	
	<b>22</b> 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 . . . . .		<b>22</b>	
	<b>23</b> Secured mortgages and notes payable to unrelated third parties . . . . .		<b>23</b>	
	<b>24</b> Unsecured notes and loans payable to unrelated third parties . . . . .		<b>24</b>	
	<b>25</b> 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 . . . . .	30,322,266	<b>25</b>	100,563,726
	<b>26</b> <b>Total liabilities.</b> Add lines 17 through 25 . . . . .	811,586,620	<b>26</b>	872,791,957
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117 (ASC 958), check here</b> <input checked="" type="checkbox"/> <b>and complete lines 27 through 29, and lines 33 and 34.</b>			
	<b>27</b> Unrestricted net assets . . . . .	370,495,787	<b>27</b>	358,233,802
	<b>28</b> Temporarily restricted net assets . . . . .		<b>28</b>	
	<b>29</b> Permanently restricted net assets . . . . .		<b>29</b>	
	<b>Organizations that do not follow SFAS 117 (ASC 958), check here</b> <input type="checkbox"/> <b>and complete lines 30 through 34.</b>			
	<b>30</b> Capital stock or trust principal, or current funds . . . . .		<b>30</b>	
	<b>31</b> Paid-in or capital surplus, or land, building or equipment fund . . . . .		<b>31</b>	
	<b>32</b> Retained earnings, endowment, accumulated income, or other funds . . . . .		<b>32</b>	
<b>33</b> Total net assets or fund balances . . . . .	370,495,787	<b>33</b>	358,233,802	
<b>34</b> Total liabilities and net assets/fund balances . . . . .	1,182,082,407	<b>34</b>	1,231,025,759	

**Part XI Reconciliation of Net Assets**

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

<b>1</b>	Total revenue (must equal Part VIII, column (A), line 12)	<b>1</b>	134,207,604
<b>2</b>	Total expenses (must equal Part IX, column (A), line 25)	<b>2</b>	112,630,072
<b>3</b>	Revenue less expenses Subtract line 2 from line 1	<b>3</b>	21,577,532
<b>4</b>	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	<b>4</b>	370,495,787
<b>5</b>	Net unrealized gains (losses) on investments	<b>5</b>	-25,704,215
<b>6</b>	Donated services and use of facilities	<b>6</b>	
<b>7</b>	Investment expenses	<b>7</b>	
<b>8</b>	Prior period adjustments	<b>8</b>	
<b>9</b>	Other changes in net assets or fund balances (explain in Schedule O)	<b>9</b>	-8,135,302
<b>10</b>	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	<b>10</b>	358,233,802

**Part XII Financial Statements and Reporting**

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

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

	Yes	No
<b>2a</b>		No
<b>2b</b>	Yes	
<b>2c</b>	Yes	
<b>3a</b>		No
<b>3b</b>		

## Additional Data

**Software ID:**

**Software Version:**

**EIN:** 62-1646734

**Name:** Covenant Health

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

(Code	) (Expenses \$	41,918,724	including grants of \$	590,105 ) (Revenue \$	76,835,805 )
-------	----------------	------------	------------------------	-----------------------	--------------

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 38 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			
Anthony L Spezia ..... President & CEO	50 00 ..... 0 00	X		X				1,660,333	0	230,690
Ed Anderson ..... Director	1 00 ..... 0 00	X						1,435	0	0
Gerald Boyd ..... Director	1 00 ..... 0 00	X						1,316	0	0
Dr Willard Campbell ..... Director	1 00 ..... 0 00	X						0	0	0
Dr Mitchell Dickson ..... Director	1 00 ..... 0 00	X						1,919	0	0
Pamela P Fansler ..... Director	1 00 ..... 0 00	X						0	0	0
James Fitzsimmons ..... Director	1 00 ..... 0 00	X						1,813	0	0
Jim Johnson Jr ..... Director	1 00 ..... 0 00	X						1,272	0	0
Amber Krupacs ..... Director	1 00 ..... 0 00	X						1,741	0	0
Eddie Mannis ..... Director	1 00 ..... 0 00	X						0	0	0

**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			
Timothy Matthews ..... Director	1 00 ..... 0 00	X						1,637	0	
Larry Mauldin ..... Chairman	1 00 ..... 0 00	X						1,422	0	
Dr Joseph Metcalf ..... Director	1 00 ..... 0 00	X						0	0	
George Miller ..... Director	1 00 ..... 0 00	X						1,270	0	
Alvin Nance ..... Director	1 00 ..... 0 00	X						1,314	0	
Linda Ogle ..... Director	1 00 ..... 0 00	X						0	0	
Roger Osborne ..... Director	1 00 ..... 0 00	X						0	0	
Carl Storms ..... Director	1 00 ..... 0 00	X						1,206	0	
Joseph E Sutter ..... Director	1 00 ..... 0 00	X						1,490	0	
Richard Swanson ..... Director	1 00 ..... 0 00	X						1,444	0	

**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			
Dr Michael Casey ..... Director	1 00 ..... 0 00	X						2,275	0	
David C Verble ..... Director	1 00 ..... 0 00	X						1,428	0	
Homer Fisher ..... Director	1 00 ..... 0 00	X						0	0	
John T Geppi ..... EVP/CFO	50 00 ..... 0 00			X				795,717	0	27,890
James D Vandersteeg ..... EVP-Hospital Operations	50 00 ..... 0 00				X			1,059,812	0	33,010
William M Ward ..... SVP-Chief Information Officer	50 00 ..... 0 00				X			355,419	0	32,520
Mark W Browne ..... SVP-Chief Medical Officer	50 00 ..... 0 00				X			397,836	0	32,730
Janice McKinley ..... SVP-Quality, Safety, & Nursing	50 00 ..... 0 00				X			324,867	0	19,870
Michael R Belbeck Jr ..... President/CAO - Methodist	1 00 ..... 50 00					X		394,022	0	35,510
Larry R Lassiter ..... President/CAO - Parkwest Med Ctr	1 00 ..... 50 00					X		421,655	0	27,960

**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			
Keith N Altshuler ..... President/CAO - Fort Sanders Reg	1 00 ..... 50 00					X		399,825	0	35,150
Gordon E Lintz ..... President/CAO - Morristown	1 00 ..... 50 00					X		312,220	0	19,030
Jeremy Biggs ..... President/CAO - Cumberland	1 00 ..... 50 00					X		311,644	0	31,590

**SCHEDULE A  
(Form 990 or  
990EZ)**

**Public Charity Status and Public Support**

OMB No 1545-0047

**2015**

**Open to Public  
Inspection**

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](http://www.irs.gov/form990).

Department of the Treasury  
Internal Revenue Service

Name of the organization  
Covenant Health

Employer identification number  
62-1646734

**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 (Form 990 or 990-EZ))
- 3  A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4  A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state \_\_\_\_\_
- 5  An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II )
- 6  A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7  An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II )
- 8  A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II )
- 9  An 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 (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						
<b>Total</b> 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)2011	(b)2012	(c)2013	(d)2014	(e)2015	(f)Total
<b>1</b> Gifts, grants, contributions, and membership fees received (Do not include any unusual grants.)						
<b>2</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
<b>3</b> The value of services or facilities furnished by a governmental unit to the organization without charge						
<b>4 Total.</b> Add lines 1 through 3						
<b>5</b> 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)						
<b>6 Public support.</b> Subtract line 5 from line 4						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a)2011	(b)2012	(c)2013	(d)2014	(e)2015	(f)Total
<b>7</b> Amounts from line 4						
<b>8</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
<b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on						
<b>10</b> Other income Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
<b>11 Total support.</b> 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**

<b>14</b> Public support percentage for 2015 (line 6, column (f) divided by line 11, column (f))	<b>14</b>
<b>15</b> Public support percentage for 2014 Schedule A, Part II, line 14	<b>15</b>

**16a 33 1/3% support test—2015.** 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—2014.** 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—2015.** 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—2014.** 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 III Support Schedule for Organizations Described in Section 509(a)(2)**

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a)2011	(b)2012	(c)2013	(d)2014	(e)2015	(f)Total
<b>1</b> Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
<b>2</b> 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						
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge						
<b>6 Total.</b> Add lines 1 through 5						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons						
<b>b</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						
<b>c</b> Add lines 7a and 7b						
<b>8 Public support.</b> (Subtract line 7c from line 6.)						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a)2011	(b)2012	(c)2013	(d)2014	(e)2015	(f)Total
<b>9</b> Amounts from line 6						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
<b>c</b> Add lines 10a and 10b						
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
<b>13 Total support.</b> (Add lines 9, 10c, 11, and 12.)						
<b>14 First five years.</b> 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 <b>stop here</b> <input type="checkbox"/>						

**Section C. Computation of Public Support Percentage**

<b>15</b> Public support percentage for 2015 (line 8, column (f) divided by line 13, column (f))	<b>15</b>	
<b>16</b> Public support percentage from 2014 Schedule A, Part III, line 15	<b>16</b>	

**Section D. Computation of Investment Income Percentage**

<b>17</b> Investment income percentage for <b>2015</b> (line 10c, column (f) divided by line 13, column (f))	<b>17</b>	
<b>18</b> Investment income percentage from <b>2014</b> Schedule A, Part III, line 17	<b>18</b>	
<b>19a 33 1/3% support tests—2015.</b> 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 <b>stop here</b> . The organization qualifies as a publicly supported organization <input type="checkbox"/>		
<b>b 33 1/3% support tests—2014.</b> 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 <b>stop here</b> . The organization qualifies as a publicly supported organization <input type="checkbox"/>		
<b>20 Private foundation.</b> If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions <input type="checkbox"/>		

**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
<b>1</b> Are all of the organization's supported organizations listed by name in the organization's governing documents? If "No," describe in <b>Part VI</b> how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.		No
<b>2</b> 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 <b>Part VI</b> how the organization determined that the supported organization was described in section 509(a)(1) or (2).		No
<b>3a</b> 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>b</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 <b>Part VI</b> when and how the organization made the determination.		
<b>c</b> Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? If "Yes," explain in <b>Part VI</b> what controls the organization put in place to ensure such use.		
<b>4a</b> 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>b</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.		
<b>c</b> 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.		
<b>5a</b> 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).		No
<b>b Type I or Type II only.</b> Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
<b>c Substitutions only.</b> Was the substitution the result of an event beyond the organization's control?		
<b>6</b> 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 <b>Part VI</b> .	Yes	
<b>7</b> 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
<b>8</b> 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
<b>9a</b> 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 <b>Part VI</b> .		No
<b>b</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 <b>Part VI</b> .		No
<b>c</b> 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 <b>Part VI</b> .		No
<b>10a</b> 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>b</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.)		
<b>11</b> Has the organization accepted a gift or contribution from any of the following persons?		
<b>a</b> 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>b</b> A family member of a person described in (a) above?		No
<b>c</b> 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 |
|----------|-----|----|
| <b>1</b> |     |    |
| <b>2</b> |     |    |
- 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 |
|----------|-----|----|
| <b>1</b> | Yes |    |
- 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).*

**Section D. All Type III Supporting Organizations**

- |          | Yes | No |
|----------|-----|----|
| <b>1</b> |     |    |
| <b>2</b> |     |    |
| <b>3</b> |     |    |
- 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**  The organization satisfied the Activities Test. Complete **line 2** below.
- b**  The organization is the parent of each of its supported organizations. Complete **line 3** below.
- c**  The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).

**2** Activities Test. **Answer (a) and (b) below.**

- |           | Yes | No |
|-----------|-----|----|
| <b>2a</b> |     |    |
| <b>2b</b> |     |    |
- 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.*
- 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.*

**3** Parent of Supported Organizations. **Answer (a) and (b) below.**

- |           |  |  |
|-----------|--|--|
| <b>3a</b> |  |  |
| <b>3b</b> |  |  |
- 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.*
- 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.*

**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**

- 1** Net short-term capital gain
- 2** Recoveries of prior-year distributions
- 3** Other gross income (see instructions)
- 4** Add lines 1 through 3
- 5** Depreciation and depletion
- 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)
- 7** Other expenses (see instructions)
- 8** **Adjusted Net Income** (subtract lines 5, 6 and 7 from line 4)

	(A) Prior Year	(B) Current Year (optional)
<b>1</b>		
<b>2</b>		
<b>3</b>		
<b>4</b>		
<b>5</b>		
<b>6</b>		
<b>7</b>		
<b>8</b>		

**Section B - Minimum Asset Amount**

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

	(A) Prior Year	(B) Current Year (optional)
<b>1</b>		
<b>1a</b>		
<b>1b</b>		
<b>1c</b>		
<b>1d</b>		
<b>2</b>		
<b>3</b>		
<b>4</b>		
<b>5</b>		
<b>6</b>		
<b>7</b>		
<b>8</b>		

**Section C - Distributable Amount**

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

		Current Year
<b>1</b>		
<b>2</b>		
<b>3</b>		
<b>4</b>		
<b>5</b>		
<b>6</b>		

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

<b>Section D - Distributions</b>	<b>Current Year</b>
<b>1</b> Amounts paid to supported organizations to accomplish exempt purposes	
<b>2</b> Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
<b>3</b> Administrative expenses paid to accomplish exempt purposes of supported organizations	
<b>4</b> Amounts paid to acquire exempt-use assets	
<b>5</b> Qualified set-aside amounts (prior IRS approval required)	
<b>6</b> Other distributions (describe in Part VI) See instructions	
<b>7 Total annual distributions.</b> Add lines 1 through 6	
<b>8</b> Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI) See instructions	
<b>9</b> Distributable amount for 2015 from Section C, line 6	
<b>10</b> Line 8 amount divided by Line 9 amount	

<b>Section E - Distribution Allocations (see instructions)</b>	<b>(i) Excess Distributions</b>	<b>(ii) Underdistributions Pre-2015</b>	<b>(iii) Distributable Amount for 2015</b>
<b>1</b> Distributable amount for 2015 from Section C, line 6			
<b>2</b> Underdistributions, if any, for years prior to 2015 (reasonable cause required--see instructions)			
<b>3</b> Excess distributions carryover, if any, to 2015			
<b>a</b>			
<b>b</b>			
<b>c</b>			
<b>d</b> From 2013. . . . . _____			
<b>e</b> From 2014. . . . . _____			
<b>f Total</b> of lines 3a through e			
<b>g</b> Applied to underdistributions of prior years			
<b>h</b> Applied to 2015 distributable amount			
<b>i</b> Carryover from 2010 not applied (see instructions)			
<b>j</b> Remainder Subtract lines 3g, 3h, and 3i from 3f			
<b>4</b> Distributions for 2015 from Section D, line 7 \$ _____			
<b>a</b> Applied to underdistributions of prior years			
<b>b</b> Applied to 2015 distributable amount			
<b>c</b> Remainder Subtract lines 4a and 4b from 4			
<b>5</b> Remaining underdistributions for years prior to 2015, if any Subtract lines 3g and 4a from line 2 (if amount greater than zero, see instructions)			
<b>6</b> Remaining underdistributions for 2015 Subtract lines 3h and 4b from line 1 (if amount greater than zero, see instructions)			
<b>7 Excess distributions carryover to 2016.</b> Add lines 3j and 4c			
<b>8</b> Breakdown of line 7			
<b>a</b>			
<b>b</b>			
<b>c</b> Excess from 2013. . . . . _____			
<b>d</b> From 2014. . . . . _____			
<b>e</b> From 2015. . . . . _____			

**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).

<b>Facts And Circumstances Test</b>

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 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)	Amount of other support (see (vi) instructions)
			Yes	No		
(A) Fort Loudoun Medical Ctr	621373691			No	0	0
(A) Fort Sanders Pennatal Ctr	043760551			No	0	0
(B) Fort Sanders Regional Med Ctr	620528340			No	0	0
(C) LeConte Medical Ctr	621114867			No	0	0
(D) Methodist Medical Ctr	620636239			No	0	0
(E) Parkwest Medical Ctr	581897274			No	0	0
(F) Roane County Medical Ctr	680673354			No	0	0
(G) Thompson Cancer Survival Ctr	621250943			No	0	0
(H) Covenant Homecare	621623114			No	0	0
(I) Thompson Oncology Group	621619239			No	0	0
(J) Mornstow-Hamblen Healthcare System	620545814			No	0	0
(K) Claiborne Medical Center	464420358			No	0	0
(L) Cumberland Medical Center	620790132			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](http://www.irs.gov/form990).

OMB No 1545-0047  
**2015**  
 Open to Public  
 Inspection

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**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
--	----------------------------------	-----------------------------

<b>1a</b> Total lobbying expenditures to influence public opinion (grass roots lobbying)														
<b>b</b> Total lobbying expenditures to influence a legislative body (direct lobbying)														
<b>c</b> Total lobbying expenditures (add lines 1a and 1b)														
<b>d</b> Other exempt purpose expenditures														
<b>e</b> Total exempt purpose expenditures (add lines 1c and 1d)														
<b>f</b> Lobbying nontaxable amount Enter the amount from the following table in both columns														
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">If the amount on line 1e, column (a) or (b) is:</th> <th style="width: 50%;">The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000</td> </tr> </tbody> </table>			If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	Over \$17,000,000	\$1,000,000
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:													
Not over \$500,000	20% of the amount on line 1e													
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000													
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000													
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000													
Over \$17,000,000	\$1,000,000													
<b>g</b> Grassroots nontaxable amount (enter 25% of line 1f)														
<b>h</b> Subtract line 1g from line 1a If zero or less, enter -0-														
<b>i</b> Subtract line 1f from line 1c If zero or less, enter -0-														
<b>j</b> 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?														

**Y e s**     **N o**

**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)2012	(b)2013	(c)2014	(d)2015	(e) Total
<b>2a</b> Lobbying nontaxable amount					
<b>b</b> Lobbying ceiling amount (150% of line 2a, column(e))					
<b>c</b> Total lobbying expenditures					
<b>d</b> Grassroots nontaxable amount					
<b>e</b> Grassroots ceiling amount (150% of line 2d, column (e))					
<b>f</b> Grassroots lobbying expenditures					

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

For each "Yes" response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity

- 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?
  - b** Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?
  - c** Media advertisements?
  - d** Mailings to members, legislators, or the public?
  - e** Publications, or published or broadcast statements?
  - f** Grants to other organizations for lobbying purposes?
  - g** Direct contact with legislators, their staffs, government officials, or a legislative body?
  - h** Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?
  - i** Other activities?
  - j** Total Add lines 1c through 1i
- 2a** Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?
- 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?

	(a)		(b)
	Yes	No	Amount
	Yes		
	Yes		
		No	
	Yes		
		No	
		No	
	Yes		8,348
		No	
	Yes		172,853
			181,201
		No	

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

- 1** Were substantially all (90% or more) dues received nondeductible by members?
- 2** Did the organization make only in-house lobbying expenditures of \$2,000 or less?
- 3** Did the organization agree to carry over lobbying and political expenditures from the prior year?

	Yes	No
<b>1</b>		
<b>2</b>		
<b>3</b>		

**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
- 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
  - b** Carryover from last year
  - c** Total
- 3** Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues
- 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?
- 5** Taxable amount of lobbying and political expenditures (see instructions)

<b>1</b>	
<b>2a</b>	
<b>2b</b>	
<b>2c</b>	
<b>3</b>	
<b>4</b>	
<b>5</b>	

**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

**SCHEDULE D**  
(Form 990)

**Supplemental Financial Statements**

OMB No 1545-0047

**2015**

**Open to Public Inspection**

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

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

Department of the Treasury  
Internal Revenue Service

**Name of the organization**  
Covenant Health

**Employer identification number**  
62-1646734

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

	(a) Donor advised funds	(b) Funds and other accounts
<b>1</b> Total number at end of year		
<b>2</b> Aggregate value of contributions to (during year)		
<b>3</b> Aggregate value of grants from (during year)		
<b>4</b> Aggregate value at end of year		

**5** Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?  Yes  No

**6** Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?  Yes  No

**Part II Conservation Easements.** Complete if the organization answered "Yes" on 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
<b>a</b> Total number of conservation easements	
<b>b</b> Total acreage restricted by conservation easements	
<b>c</b> Number of conservation easements on a certified historic structure included in (a)	
<b>d</b> Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	

**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, handling of violations, and enforcing conservation easements during the year  
▶ \_\_\_\_\_

**7** Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year  
▶ \$ \_\_\_\_\_

**8** Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?  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" on Form 990, Part IV, line 8.

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

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

(i) Revenue included on Form 990, Part VIII, line 1 ▶ \$ \_\_\_\_\_

(ii) Assets included in Form 990, Part X ▶ \$ \_\_\_\_\_

**2** If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items

**a** Revenue included on Form 990, Part VIII, line 1 ▶ \$ \_\_\_\_\_

**b** Assets included in Form 990, Part X ▶ \$ \_\_\_\_\_

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

(continued)

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

**Part IV Escrow and Custodial Arrangements.**

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

- 1a** Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?  Yes  No

**b** If "Yes," explain the arrangement in Part XIII and complete the following table

	Amount
<b>1c</b> Beginning balance	
<b>1d</b> Additions during the year	
<b>1e</b> Distributions during the year	
<b>1f</b> Ending balance	

- 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	(c) Two years back	(d) Three years back	(e) Four years back
<b>1a</b> Beginning of year balance . . . . .					
<b>b</b> Contributions . . . . .					
<b>c</b> Net investment earnings, gains, and losses . . . . .					
<b>d</b> Grants or scholarships . . . . .					
<b>e</b> Other expenditures for facilities and programs . . . . .					
<b>f</b> Administrative expenses . . . . .					
<b>g</b> 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 on lines 2a, 2b, and 2c should equal 100%

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

- (i)** unrelated organizations . . . . .
- (ii)** related organizations . . . . .

	Yes	No
<b>3a(i)</b>		
<b>3a(ii)</b>		
<b>3b</b>		

**b** If "Yes" on 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)	Accumulated (c) depreciation	(d) Book value
<b>1a</b> Land . . . . .		9,403,288		9,403,288
<b>b</b> Buildings . . . . .		20,429,309	5,061,001	15,368,308
<b>c</b> Leasehold improvements . . . . .		1,254,127	1,139,768	114,359
<b>d</b> Equipment . . . . .		21,964,932	18,403,172	3,561,760
<b>e</b> Other . . . . .		3,034,820		3,034,820
<b>Total.</b> Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c) . . . . . ▶				31,482,535



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

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

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

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

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

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

**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, 2015 and 2014. 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, 2015, tax returns for 2012 through 2015 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, 2015 or 2014."

**Part XIII** Supplemental Information *(continued)*

Return Reference	Explanation

Schedule I (Form 990)

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

OMB No 1545-0047

2015

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Complete if the organization answered "Yes," on 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.

Name of the organization Covenant Health

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?
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" on 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.

Table with 8 columns: (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, (g) Description of non-cash assistance, (h) Purpose of grant or assistance. Row 1 contains 'See Additional Data Table'.

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table. 23
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" on Form 990, Part IV, line 22  
 Part III can be duplicated if additional space is needed

<b>(a)</b> Type of grant or assistance	<b>(b)</b> Number of recipients	<b>(c)</b> Amount of cash grant	<b>(d)</b> Amount of non-cash assistance	<b>(e)</b> Method of valuation (book, FMV, appraisal, other)	<b>(f)</b> Description of non-cash assistance
Scholarships to employees of related (1) facilities	1	786			

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

<b>Return Reference</b>	<b>Explanation</b>
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, or 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.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
American Heart Association 4708 Papermill Road Knoxville, TN 37909	13-5613797	501(c)(3)	25,000				Sponsorship of 2015 Heart Gala
Boys & Girls Club of the TN Valley 220 Carrick Street Ste 318 Knoxville, TN 37921	62-0475743	501(c)(3)	21,955				Drug screenings and general support
Cancer Support Community Inc 2230 Sutherland Avenue Knoxville, TN 37919	58-1846210	501(c)(3)	16,000				General support

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

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> 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
East TN Economic Development Agency 10215 Technology Drive Suite 202 Knoxville, TN 37932	62-1158958	501(c)(3)	70,000				Support regional economic development
Emerald Youth Foundation 1718 N Central Street Knoxville, TN 37917	62-1474791	501(c)(3)	7,500				General support

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

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
Fort Sanders Foundation 280 Ft Sanders West Blvd Ste 202 Knoxville, TN 37922	62-1748601	501(c)(3)	10,500				Fundraisers benefiting Patricia Neal Rehab Center, Peninsula, and the Hope Center
Great Smoky Mtn Council Boy Scouts of America PO Box 51885 Knoxville, TN 37950	62-0476811	501(c)(3)	7,500				Support for 2015 Friends of Scouting Campaign
Honor Air Knoxville 7536 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.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
Innovation Valley Inc 17 Market Square 201 Knoxville, TN 37902	26-2087582	501(c)(3)	60,000				Support for regional economic development
Knox County Senior Centers 400 Main Street Ste 615 Knoxville, TN 37902	62-6007979	501(c)(4)	20,625				Sponsorship of fitness room and equipment
Knoxville Academy of Medicine 115 Suburban Road Knoxville, TN 37923	62-1458199	501(c)(3)	10,000				General support General support fundraising

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

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
Knoxville Medical Missions Foundation 1932 Historic Ferry Way Knoxville, TN 37922	30-0197352	501(c)(3)	20,000				General support
Knoxville Symphony Orchestra PO Box 360 Knoxville, TN 37901	62-6008097	501(c)(3)	8,745				General support
Knoxville Track Club PO 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.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
Komen Knoxville Race for Cure 318 Nancy Lynn Lane 13 Knoxville, TN 37919	75-1835298	501(c)(3)	12,000				Race sponsor for organization supporting breast cancer research and awareness
Leadership Knoxville 17 Market Square 201 Knoxville, TN 37902	62-1212211	501(c)(3)	11,250				General support
Robert F Thomas Foundation PO Box 4395 Sevierville, TN 37864	58-1537582	501(c)(3)	7,000				Fundraisers to benefit LeConte Medical Center

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

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
Thompson Cancer Survival Center Foundation 1915 White Avenue Knoxville, TN 37916	58-2130450	501(c)(3)	9,500				2015 Buddy's Race for the Cure
United Way of Greater Knoxville 1301 Hannah Ave Knoxville, TN 37921	62-0475748	501(c)(3)	60,500				Support of the Interfaith Health Clinic, general support
Variety Children's Charity of East TN 7132 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.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
W C Two 2351 Dandridge Avenue Knoxville, TN 37915	62-1845117	501(c)(3)	10,000				General support
Foundation of National Student Nurses Association 45 Main Street Ste 606 Brooklyn, NY 11201	13-3123125	501(c)(3)	7,500				Support for Promise of Nursing Gala

**Schedule J  
(Form 990)**

**Compensation Information**

OMB No 1545-0047

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees  
 ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.  
 ▶ Attach to Form 990.

**2015**

**Open to Public Inspection**

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

Department of the Treasury  
Internal Revenue Service

Name of the organization  
Covenant Health

Employer identification number  
62-1646734

**Part I Questions Regarding Compensation**

- 1a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.
- |   |   |
|---|---|
| <input type="checkbox"/> First-class or charter travel                        | <input type="checkbox"/> Housing allowance or residence for personal use            |
| <input checked="" type="checkbox"/> Travel for companions                     | <input type="checkbox"/> Payments for business use of personal residence            |
| <input checked="" type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees              |
| <input checked="" type="checkbox"/> Discretionary spending account            | <input checked="" type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |
- b** If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain
- 2** Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?
- 3** Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.
- |   |   |
|---|---|
| <input checked="" type="checkbox"/> Compensation committee              | <input type="checkbox"/> Written employment contract                                |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study                    |
| <input type="checkbox"/> Form 990 of other organizations                | <input checked="" type="checkbox"/> Approval by the board or compensation committee |
- 4** During the year, did any person listed on Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization:
- a** Receive a severance payment or change-of-control payment?
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?
- c** Participate in, or receive payment from, an equity-based compensation arrangement?
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.
- Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.**
- 5** For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:
- a** The organization?
- b** Any related organization?  
If "Yes," on line 5a or 5b, describe in Part III.
- 6** For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:
- a** The organization?
- b** Any related organization?  
If "Yes," on line 6a or 6b, describe in Part III.
- 7** For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III.
- 8** Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III.
- 9** If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

	Yes	No
<b>1b</b>	Yes	
<b>2</b>	Yes	
<b>4a</b>		No
<b>4b</b>	Yes	
<b>4c</b>		No
<b>5a</b>		No
<b>5b</b>		No
<b>6a</b>		No
<b>6b</b>		No
<b>7</b>		No
<b>8</b>		No
<b>9</b>		

**Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that 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 on 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 2015 amounted to \$90,424 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 2015 totaled \$204,000, which is reported in Column C of Schedule J, Part II. Interest earned by Plan B during 2015 of \$57,620 is not required to be reported in compensation in Part II, as Mr. Spezia is not substantially vested in Plan B.



**Schedule K (Form 990)**

**Supplemental Information on Tax Exempt Bonds**

OMB No 1545-0047

**2015**

Open to Public Inspection

▶ 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](http://www.irs.gov/form990).

Department of the Treasury

Internal Revenue Service

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
<b>A</b>	Health Educ & Housing Facil Brd of Knox Co	62-1220275	499523UUO	12-20-2006	46,245,448	See Part VI		X		X		X
<b>B</b>	Health Educ & Housing Facil Brd of Knox Co	62-1220275	499523VR6	03-24-2011	103,700,000	See Part VI		X		X		X
<b>C</b>	Health Educ & Housing Facil Brd of Knox Co	62-1220275	noneavail	09-15-2011	135,500,000	See Part VI		X		X		X
<b>D</b>	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				
<b>1</b>	Amount of bonds retired . . . . .	1,513,442	122,000,000	35,500,000					
<b>2</b>	Amount of bonds legally defeased . . . . .	23,755,001							
<b>3</b>	Total proceeds of issue . . . . .	46,245,448	103,700,000	135,500,000	125,000,000				
<b>4</b>	Gross proceeds in reserve funds . . . . .								
<b>5</b>	Capitalized interest from proceeds . . . . .								
<b>6</b>	Proceeds in refunding escrows . . . . .								
<b>7</b>	Issuance costs from proceeds . . . . .	506,941							
<b>8</b>	Credit enhancement from proceeds . . . . .								
<b>9</b>	Working capital expenditures from proceeds . . . . .								
<b>10</b>	Capital expenditures from proceeds . . . . .	21,983,506		90,471,604					
<b>11</b>	Other spent proceeds . . . . .								
<b>12</b>	Other unspent proceeds . . . . .			9,528,396					
<b>13</b>	Year of substantial completion . . . . .	2010	2006	2013	2010				
		Yes	No	Yes	No	Yes	No	Yes	No
<b>14</b>	Were the bonds issued as part of a current refunding issue? . . . . .		X	X		X		X	
<b>15</b>	Were the bonds issued as part of an advance refunding issue? . . . . .	X			X		X		X
<b>16</b>	Has the final allocation of proceeds been made? . . . . .	X		X		X		X	
<b>17</b>	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
<b>1</b>	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		
<b>2</b>	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
<b>3a</b> Are there any management or service contracts that may result in private business use of bond-financed property? . . . . .		X		X		X		
<b>b</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?								
<b>c</b> Are there any research agreements that may result in private business use of bond-financed property? . . . . .		X		X		X		
<b>d</b> 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?								
<b>4</b> 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 %		
<b>5</b> 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 %		
<b>6</b> Total of lines 4 and 5 . . . . .		0 %		0 %		0 %		
<b>7</b> Does the bond issue meet the private security or payment test? . . . . .		X		X		X		
<b>8a</b> 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>b</b> If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of								
<b>c</b> If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2? . . . . .								
<b>9</b> 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
<b>1</b> Has the issuer filed Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate? . . . . .	X			X		X		X
<b>2</b> If "No" to line 1, did the following apply? . . . . .								
<b>a</b> Rebate not due yet? . . . . .			X		X		X	
<b>b</b> Exception to rebate? . . . . .				X		X		X
<b>c</b> No rebate due? . . . . .				X		X		X
If "Yes" to line 2c, provide in Part VI the date the rebate computation was performed . . . . .								
<b>3</b> Is the bond issue a variable rate issue? . . . . .		X	X		X		X	
<b>4a</b> Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X		X		X		X
<b>b</b> Name of provider . . . . .								
<b>c</b> Term of hedge . . . . .								
<b>d</b> Was the hedge superintegrated? . . . . .								
<b>e</b> Was the hedge terminated? . . . . .								

**Part IV Arbitrage** (Continued)

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
<b>5a</b> Were gross proceeds invested in a guaranteed investment contract (GIC)?		X		X		X		X
<b>b</b> Name of provider . . . . .								
<b>c</b> Term of GIC . . . . .								
<b>d</b> Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied? . . . . .								
<b>6</b> Were any gross proceeds invested beyond an available temporary period?		X		X		X		X
<b>7</b> 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)**

**Supplemental Information on Tax Exempt Bonds**

OMB No 1545-0047

**2015**

Open to Public Inspection

▶ 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](http://www.irs.gov/form990).

Department of the Treasury

Internal Revenue Service

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
<b>A</b>	Health Educ & Housing Facil Brd of Knox Co	62-1220275	499527BM0	12-13-2012	161,291,013	See Part VI		X		X		X
<b>B</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	
<b>1</b>	Amount of bonds retired . . . . .								
<b>2</b>	Amount of bonds legally defeased . . . . .		159,999,519		38,665,750				
<b>3</b>	Total proceeds of issue . . . . .		161,291,013						
<b>4</b>	Gross proceeds in reserve funds . . . . .								
<b>5</b>	Capitalized interest from proceeds . . . . .								
<b>6</b>	Proceeds in refunding escrows . . . . .								
<b>7</b>	Issuance costs from proceeds . . . . .		1,291,494						
<b>8</b>	Credit enhancement from proceeds . . . . .								
<b>9</b>	Working capital expenditures from proceeds . . . . .								
<b>10</b>	Capital expenditures from proceeds . . . . .								
<b>11</b>	Other spent proceeds . . . . .								
<b>12</b>	Other unspent proceeds . . . . .								
<b>13</b>	Year of substantial completion . . . . .		2006		2012				
		<b>Yes</b>	<b>No</b>	<b>Yes</b>	<b>No</b>	<b>Yes</b>	<b>No</b>	<b>Yes</b>	<b>No</b>
<b>14</b>	Were the bonds issued as part of a current refunding issue? . . . . .	X		X					
<b>15</b>	Were the bonds issued as part of an advance refunding issue? . . . . .		X		X				
<b>16</b>	Has the final allocation of proceeds been made? . . . . .	X		X					
<b>17</b>	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
<b>1</b>	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds? . . . . .		X						
<b>2</b>	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
<b>3a</b> Are there any management or service contracts that may result in private business use of bond-financed property? . . . . .		X						
<b>b</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?								
<b>c</b> Are there any research agreements that may result in private business use of bond-financed property? . . . . .		X						
<b>d</b> 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?								
<b>4</b> 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 %						
<b>5</b> 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 %						
<b>6</b> Total of lines 4 and 5 . . . . .		0 %						
<b>7</b> Does the bond issue meet the private security or payment test? . . . . .		X						
<b>8a</b> 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>b</b> If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of								
<b>c</b> If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2? . . . . .								
<b>9</b> 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
<b>1</b> Has the issuer filed Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate? . . . . .		X		X				
<b>2</b> If "No" to line 1, did the following apply? . . . . .								
<b>a</b> Rebate not due yet? . . . . .	X		X					
<b>b</b> Exception to rebate? . . . . .		X		X				
<b>c</b> No rebate due? . . . . .		X		X				
If "Yes" to line 2c, provide in Part VI the date the rebate computation was performed . . . . .								
<b>3</b> Is the bond issue a variable rate issue? . . . . .	X		X					
<b>4a</b> Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X		X				
<b>b</b> Name of provider . . . . .								
<b>c</b> Term of hedge . . . . .								
<b>d</b> Was the hedge superintegrated? . . . . .								
<b>e</b> Was the hedge terminated? . . . . .								

**Part IV Arbitrage** (Continued)

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
<b>5a</b> Were gross proceeds invested in a guaranteed investment contract (GIC)?		X		X				
<b>b</b> Name of provider . . . . .								
<b>c</b> Term of GIC . . . . .								
<b>d</b> Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied? . . . . .								
<b>6</b> Were any gross proceeds invested beyond an available temporary period?		X		X				
<b>7</b> 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)

Transactions with Interested Persons

OMB No 1545-0047

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.

2015

Open to Public Inspection

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

Department of the Treasury Internal Revenue Service

Name of the organization Covenant Health

Employer identification number

62-1646734

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

Table with 5 main columns: (a) Name of disqualified person, (b) Relationship between disqualified person and organization, (c) Description of transaction, (d) Corrected? (Yes/No). Includes rows for reporting and a total line.

- 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

Table with 9 main columns: (a) Name of interested person, (b) Relationship with organization, (c) Purpose of loan, (d) Loan to or from the organization (To/From), (e) Original principal amount, (f) Balance due, (g) In default? (Yes/No), (h) Approved by board or committee? (Yes/No), (i) Written agreement? (Yes/No). Includes a total line.

Total \$

Part III Grants or Assistance Benefiting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

Table with 5 main columns: (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	143,454	Investment management		No

**Part V Supplemental Information**

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

Return Reference	Explanation

**SCHEDULE M**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

# Noncash Contributions

OMB No 1545-0047

# 2015

**Open to Public Inspection**

▶ **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](http://www.irs.gov/form990)**

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
<b>1</b> Art—Works of art . . . . .	X	35	20,545	Retail value, expert
<b>2</b> Art—Historical treasures . . . . .				
<b>3</b> Art—Fractional interests . . . . .				
<b>4</b> Books and publications . . . . .				
<b>5</b> Clothing and household goods . . . . .	X		15,234	Various
<b>6</b> Cars and other vehicles . . . . .	X	1	5,500	Fair Market Value
<b>7</b> Boats and planes . . . . .				
<b>8</b> Intellectual property . . . . .				
<b>9</b> Securities—Publicly traded . . . . .				
<b>10</b> Securities—Closely held stock . . . . .				
<b>11</b> Securities—Partnership, LLC, or trust interests . . . . .				
<b>12</b> Securities—Miscellaneous . . . . .				
<b>13</b> Qualified conservation contribution—Historic structures . . . . .				
<b>14</b> Qualified conservation contribution—Other . . . . .				
<b>15</b> Real estate—Residential . . . . .				
<b>16</b> Real estate—Commercial . . . . .				
<b>17</b> Real estate—Other . . . . .				
<b>18</b> Collectibles . . . . .	X	2	4,900	Fair Market Value
<b>19</b> Food inventory . . . . .	X	1	60	Retail value
<b>20</b> Drugs and medical supplies . . . . .				
<b>21</b> Taxidermy . . . . .				
<b>22</b> Historical artifacts . . . . .				
<b>23</b> Scientific specimens . . . . .				
<b>24</b> Archeological artifacts . . . . .				
<b>25</b> Other ▶ ( Gift cards ) . . . . .	X	60	23,398	Retail or face value
<b>26</b> Other ▶ ( _____ ) . . . . .				
<b>27</b> Other ▶ ( _____ ) . . . . .				
<b>28</b> 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

	Yes	No
<b>30a</b> 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? . . . . .		No
<b>b</b> If "Yes," describe the arrangement in Part II		
<b>31</b> Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?		No
<b>32a</b> Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions? . . . . .		No
<b>b</b> If "Yes," describe in Part II		
<b>33</b> 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		

**Part II 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

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

**Supplemental Information to Form 990 or 990-EZ**

OMB No 1545-0047

**2015**  
**Open to Public  
Inspection**

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](http://www.irs.gov/form990).

Department of the Treasury  
Internal Revenue Service

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

Return Reference	Explanation
Form 990, Part III, Line 1	<p>REPORT TO THE COMMUNITY Covenant Health is a comprehensive, community-owned, not-for-profit health system serving 23 counties in East Tennessee. Nine acute care hospitals located in Knoxville and surrounding areas comprise the foundation of the health system. Additional outpatient and specialty care departments are located throughout the region providing diagnostic and surgery services, mental health and cancer treatments, and therapy and home health services. Over 10,000 employees and 1,500 affiliated physicians are dedicated to improving the quality of life for the more than one million patients and families served each year. Covenant Health's mission is to serve its communities by improving health. It has invested well over a billion dollars in the local communities since 2000 - a commitment that no other healthcare organization in the region has approached. In the current challenging environment, Covenant Health is nationally recognized as a top performer in many areas: patient care, quality, cost, information technology, finances, ethics and innovation. It reaffirms its long-standing commitment to the communities and its core strategies:</p> <ul style="list-style-type: none"> <li>* Provide the best care and outstanding customer service to every patient, every time.</li> <li>* Serve its communities as a not-for-profit health system.</li> <li>* Provide excellence in governance and leadership, effective strategic planning and wise use of resources.</li> <li>* Engage a work force with the appropriate skill sets.</li> <li>* Be the practice environment of choice for its physicians.</li> <li>* Optimize the value of being a unified health system.</li> </ul> <p>In 2015, Covenant Health ranked in the top 20 percent of a national study of health systems that measures quality and efficiency in areas such as adherence to clinical standards of care, patient safety and satisfaction, length of stay and other criteria. It received awards for clinical excellence from VHA, Inc., a national healthcare performance improvement alliance. Two of its hospitals - Fort Loudoun Medical Center and LeConte Medical Center - were among just six hospitals in the country to receive a VHA 2015 Excellence Award for Clinical Effectiveness for achieving exceptionally high levels of performance compared to national benchmarks. Fort Sanders Center for Bariatric Surgery Obesity has become a significant national health issue. Morbid obesity, defined as having a Body Mass Index (BMI) over 35 and being at risk for obesity-related health issues, is closely correlated with serious medical conditions including heart disease, high blood pressure and diabetes. Bariatric surgery often eliminates these conditions, along with the side effects that can result from the medications used to treat them. It is becoming a more viable option for people who need to lose at least 100 pounds and have found other weight-loss strategies to be unsuccessful. Bariatric surgeons, after helping more than 2000 patients over the past dozen years, created the Fort Sanders Center for Bariatric Surgery which has been designated as a Center of Excellence by the American Society of Metabolic and Bariatric Surgery. The atmosphere at the Center for Bariatric Surgery is one of support and encouragement. The relationship between physicians, staff and the patient is very open. It is important that the patient is completely informed when making a choice about surgery. A support group is available before and after surgery, and patients are strongly encouraged to take part. The Center for Bariatric Surgery offers two cutting edge solutions. Laparoscopic gastric bypass, usually done as a robotic procedure, creates a smaller stomach pouch and reroutes a portion of the small intestine. Sleeve gastrectomy removes a portion of the stomach and creates a narrower digestive tube. The safety of bariatric surgery has improved greatly over the past several years, and in most instances the patient goes home within 24 hours after surgery. Partners in Quality Care Covenant Health collaborates with physicians to carry out its mission of improving the quality of life through better health. Physicians partner with the health system in many ways including employment, as members of hospital medical staffs and Covenant's board of directors, and in committee leadership roles. Covenant Medical Group, Inc. (CMG) employs nearly 200 primary care and specialty physicians in about 100 practice locations. Covenant Health builds and maintains partnerships with physicians through joint ventures such as surgery centers and the development of service line strategies that focus on improving quality and cost of patient care. Nearly 1,500 physicians are affiliated with Covenant Health hospitals and member organizations as active or consulting members of the health system's medical staffs. These physicians may serve in leadership positions at their respective hospitals, and several also represent their organizations and communities through membership in Covenant Health's Board of Directors. Good Health is Good Business. In addition to partnerships with physicians, Covenant Health works with businesses and insurance brokers to help control and lower healthcare costs. Working side by side with companies, Covenant Health helps to develop programs and services such as on-site clinics to engage employees in healthy behaviors and manage chronic diseases. With more than 30 years of experience providing biometric screenings and wellness programs in local communities, Covenant Health's professionals deliver on-site solutions for business clients. The program's goals are to improve employee health and positively affect an organization's healthcare investment.</p>

Return Reference	Explanation
Form 990, Part III, Line 1	<p>Covenant Health Named Among Nation's "Most Wired" The American Hospital Association's Health Forum and the College of Healthcare Information Management Executives (CHIME) named Covenant Health among the nation's "Most Wired" healthcare organizations in the 2015 "Most Wired" survey The survey and benchmarking study is a leading industry barometer measuring information technology use among hospitals nationwide The survey of more than 2,213 hospitals examined how healthcare organizations leverage IT to improve performance for value-based healthcare in areas such as infrastructure, business and administrative management, quality and safety, and clinical integration The survey showed that hospitals are taking more aggressive privacy and security measures to protect and safeguard patient data Most Wired hospitals are using IT to better facilitate information exchange across health care and other settings, and greater alignment between hospitals and physicians Most Wired organizations are also implementing patient portals to get patients actively involved in their health and health care Covenant Health is one of only four Tennessee healthcare organizations to be named to the Most Wired list It is the 12th time that Covenant Health has been ranked among Most Wired Best Practices for Babies' Healthy Start 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 need more medical care and put them at greater risk for death before their first birthdays Waiting until 39 weeks to deliver 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 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 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 ten breast centers offer patients access to the latest technological advances in the prevention, early detection, diagnosis and treatment of breast cancer A full range of diagnostic screenings, gynecological care, cancer care, and specialized treatment are offered to women in all ages and stages of life The health system provides comprehensive heart and stroke care for women, and has developed educational and outreach programs to teach women about cardiovascular disease, risk factors, prevention, treatment and rehabilitation Advanced Technology Keeps More Hearts Beating 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 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 are 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 treatment 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 have adopted the American College of Cardiology and American Heart Association 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 by having 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 are improved by having a systems approach to identification, notification, and rapid transfer Several new 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 * Emergency transporters 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 Medical Center 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</p>

Return Reference	Explanation
Form 990, Part III, Line 1	<p>Cardiac Rehabilitation 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 When a stroke happens, timely treatment is critical The Covenant Health network is well above the national average in 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 Reaching Across Time and Distance Thanks to Fort Sanders Regional Medical Center's "tele-stroke" robot, East Tennessee stroke patients benefit from early consultation with the hospital's stroke experts, even if they are at a different hospital location The InTouch R7 robot is a mobile communications platform that enables stroke patients to receive consults from Fort Sanders neurologists via its video screen "face" The robot allows neurologists to be available to patients in outlying areas 24 hours a day Covenant Health has stationed robots in the emergency departments at Parkwest Medical Center in Knoxville, LeConte Medical Center in Sevierville and Morristown-Hamblen Hospital in Morristown The telestroke network allows physicians in surrounding hospitals to use live Web video streaming to consult with neurologists as soon as a patient arrives at the community hospital The neurologist can remotely review patient information and examine and talk with the patient, family members and local clinicians to help determine the best course of treatment, all at the patient's bedside The interaction between neurologist and the patient via the robot helps the physician see facial expressions and get the patient to respond to the physician Accurate, timely diagnosis is essential when stroke occurs The clock starts with the onset of symptoms As time ticks by, treatment options become more limited and patients can lose more and more functionality With this tele-medicine tool, neurologists and specialists can advise surrounding emergency departments how to best treat their stroke patients or to have them transported to Fort Sanders Regional for advanced care Rehabilitation After Stroke While prompt medical care can stop or minimize the effects of stroke, rehabilitation after a "brain attack" can help a patient recover abilities and reconnect with loved ones At the Patricia Neal Rehabilitation Center, stroke patients are treated with a holistic team approach including the patient and family members Physical Medicine and Rehabilitation physicians, physical therapists, occupational therapists, speech-language pathologists, rehab psychologists (behavioral medicine), nursing staff, case managers and recreation therapists make up the treatment team Treatment is an active process with both patient and family involved in goal setting, therapy and education Therapies include psychological and leisure/recreation evaluations, and training in range of motion, strengthening and conditioning exercises, self-care and daily living skills, and speech, language and swallowing Other aspects include identification and management of risk factors to help prevent future strokes The Patricia Neal Rehabilitation Center has received multiple awards including five top-honor Crystal Awards from Professional Research Consultants for overall patient satisfaction along with accolades for innovation, quality of care and successful outcomes 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 fighting tools available Technology includes advanced imaging such as positron emission technology (PET) in Knoxville and mobile PET services in Sevierville, high-dose-rate brachytherapy and 3D radiation therapy Fort Sanders Regional Medical Center offers Gamma Knife, a non-invasive radiosurgical device that targets tumors in a single visit A variety of clinical trials, stem cell transplantation and genetic counseling are also available 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 The health system 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 Regional Cancer Center, and at Cumberland Medical Center's radiation oncology program in Crossville Thompson Oncology Group has 8 physician offices in 7 different counties 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 8 Thompson Oncology Group locations and entails evaluation of treatment planning, staff training, patient education and safe chemotherapy administration</p>

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 March 2015 Covenant Health sponsored the Knoxville Marathon for the 11th year in a row. The race attracted over 7,750 people who competed in full and half marathons, a 5K, relays, hand cycling and push-rim wheelchair races. * Some of the funds raised through the Covenant Health Knoxville Marathon were contributed to Patricia Neal Rehabilitation Center's Innovative Recreation Cooperative (IRC). More than \$5,000 was given to the IRC by a collaboration of groups and individuals who help disabled persons enjoy leisure/recreation activities such as skiing and cycling. * 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 trained together for five months, with the goal of crossing the finish line in Covenant Health Knoxville Marathon events, and challenging other East Tennesseans to change their lives for the better. * 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 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 third 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 for the second year to host Water Safety Day. The day was held in conjunction with the "World's Largest Swimming Lesson," a national event promoting the importance of learning to swim. LeConte employees educated children about water safety, representatives from Thompson Cancer Survival Center talked about the need for sunscreen, and staff from the Patricia Neal Rehabilitation Center presented the Think First head and spinal cord 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 met specific screening criteria and did not have insurance coverage. * Parkwest Medical Center, LeConte Medical Center and Thompson Cancer Survival Center co-sponsored hiking programs led by Missy Kane, an Olympic Medalist from Tennessee and fitness expert. Missy 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.</p>

<b>Return Reference</b>	<b>Explanation</b>
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 50th percentile of the market. Base salaries for individual executives will vary based on market conditions, performance, tenure, experience, special skills or qualifications, recruitment and retention challenges, and other relevant factors. 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. Incentive opportunity levels will be positioned at or slightly above median or average levels in the market. Annual incentive opportunity ranges from 0-50% of base salary depending upon the CEO's performance. Overall, total compensation levels (all forms of cash compensation and benefits) will be positioned up to or around the 75th percentile of the market, based on individual and organizational 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 market conditions, performance, tenure, experience, special skills or qualifications, recruitment and retention challenges, and other relevant factors. 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) KEY EXECUTIVES Covenant Health employees: John T. Geppi, EVP-Chief Financial Officer; James D. Vandersteeg, EVP-Hospital Operations; William M. Ward, SVP-Chief Information Officer; Mark W. Browne, SVP-Chief Medical Officer; Janice McKinley, SVP-Quality, Safety &amp; Nursing Operations. Related organization employees compensated by Covenant Health: Keith Altshuler, President &amp; CAO of Fort Sanders Regional Medical Center; Michael R. Belbeck, Jr., President &amp; CAO of Methodist Medical Center; Larry R. Lassiter, President &amp; CAO of Parkwest Medical Center; Gordon Lintz, President &amp; CAO of Morristown-Hamblen Healthcare System; Jennifer Hanson, President &amp; CAO of LeConte Medical Center; Gaye Jolly, President &amp; CAO of Roane Medical Center; Jeffrey Feike, President &amp; CAO of Fort Loudoun Medical Center; Jeremy Biggs, President &amp; CAO of Cumberland Medical Center; Patricia Ketterman, President &amp; CAO of Claiborne Medical Center.</p>

<b>Return Reference</b>	<b>Explanation</b>
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 XI, line 9	Book/Tax Diff in Income(Loss) from Partnerships/Trusts -1,344,896 Return of capital from subsidiaries 5,000,000 Capital contributed to subsidiaries -11,555,809 Change in 457(b) unrealized gain/loss -234,597

<b>Return Reference</b>	<b>Explanation</b>
Form 990, Part XII, Line 2c	The Audit Committee of the Board of Directors annually selects the external auditors for Covenant Health. There is a joint meeting of the Finance Committee and Audit Committee of the Board of Directors where the audit of the consolidated financial statements are presented.

**SCHEDULE R  
(Form 990)**

**Related Organizations and Unrelated Partnerships**

OMB No 1545-0047

**2015**

**Open to Public Inspection**

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

▶ **Attach to Form 990.** ▶ **Information about Schedule R (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).**

Department of the Treasury  
Internal Revenue Service

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) 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	
<b>(1)</b> Endoscopy Center of Oak Ridge LLC 988 Oak Ridge Turnpike Ste 200 Oak Ridge, TN 37830 62-1667358	Outpatient medical facility	TN	N/A									
<b>(2)</b> Fort Sanders West OP Surgery Center LLC 210 Fort Sanders West Blvd Ste 200 Knoxville, TN 37922 62-1366907	Outpatient surgery center	TN	N/A									
<b>(3)</b> Fort Sanders West Associates 280 Fort Sanders West Blvd Ste 214 Knoxville, TN 37922 62-1384171	Building ownership	TN	N/A									
<b>(4)</b> KOSC Properties LLC 256 Fort Sanders West Blvd Ste 200 Knoxville, TN 37922 26-2444076	Building ownership	TN	N/A									
<b>(5)</b> Knoxville Orthopaedic Surgery Center LLC 256 Fort Sanders West Blvd Ste 200 Knoxville, TN 37922 26-2437385	Orthopaedic surgery	TN	N/A									
<b>(6)</b> KOC 260 Bldg LLC 260 Fort Sanders West Blvd Knoxville, TN 37922 46-5228440	Land and 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
<b>(1)</b> Fortress Corporation 280 Fort Sanders West Blvd Ste 214 Knoxville, TN 37922 62-1308885	Management company	TN	Covenant Health	C	-4,931,486	80,793,464	100.000 %	Yes	
<b>(2)</b> Covenant Medical Group Inc 1400 Centerpoint Blvd Ste 100 Bldg Knoxville, TN 37932 62-1282917	Physician practice management	TN	N/A	C				Yes	
<b>(3)</b> Knoxville Heart Group 1819 Clinch Ave Ste 108 Knoxville, TN 37916 27-1528941	Cardiology medical practice	TN	N/A	C				Yes	
<b>(4)</b> 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
<b>1a</b>	Yes	
<b>1b</b>	Yes	
<b>1c</b>	Yes	
<b>1d</b>		No
<b>1e</b>		No
<b>1f</b>	Yes	
<b>1g</b>		No
<b>1h</b>		No
<b>1i</b>		No
<b>1j</b>		No
<b>1k</b>	Yes	
<b>1l</b>	Yes	
<b>1m</b>	Yes	
<b>1n</b>	Yes	
<b>1o</b>	Yes	
<b>1p</b>	Yes	
<b>1q</b>	Yes	
<b>1r</b>	Yes	
<b>1s</b>	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			



**Part VII** **Supplemental Information**

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

<b>Return Reference</b>	<b>Explanation</b>
-------------------------	--------------------

**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?	
						Yes	No
Fort Sanders Regional Medical Center 1901 W Clinch Ave Knoxville, TN 37916 62-0528340	Acute care hospital	TN	501(c)(3)	Line 3	Covenant Health	Yes	
Parkwest Medical Center 9352 Park West Blvd Knoxville, TN 37923 58-1897274	Acute care hospital and behavioral health services	TN	501(c)(3)	Line 3	Covenant Health	Yes	
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	
LeConte Medical Center 742 Middle Creek Road Sevierville, TN 37862 62-1114867	Acute care hospital	TN	501(c)(3)	Line 3	Covenant Health	Yes	
Roane County Medical Center 8045 Roane Medical Center Dr Harriman, TN 37748 68-0673354	Acute care hospital	TN	501(c)(3)	Line 3	Covenant Health	Yes	
Fort Loudoun Medical Center 550 Fort Loudoun Medical Center Dr Lenoir City, TN 37772 62-1373691	Acute care hospital	TN	501(c)(3)	Line 3	Covenant Health	Yes	
Thompson Cancer Survival Center 1915 White Ave Knoxville, TN 37916 62-1250943	Cancer support center	TN	501(c)(3)	Line 3	Covenant Health	Yes	
Thompson Oncology Group 1915 White Ave Knoxville, TN 37916 62-1619239	Oncology services	TN	501(c)(3)	Line 3	Thompson Cancer Survival Center	Yes	
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	
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	
Fort Sanders Perinatal Center Trustees Tower 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	
Morristown-Hamblen Hospital Association 908 W 4th N St Morristown, TN 37814 62-0545814	Acute care hospital	TN	501(c)(3)	Line 3	Covenant Health	Yes	
Thompson Cancer Survival Center Foundation 1915 White Ave Knoxville, TN 37916 58-2130450	Fundraising and patient outreach	TN	501(c)(3)	Line 11b, II	Covenant Health	Yes	
Cumberland Medical Center 421 S Main St Crossville, TN 38555048 62-0790132	Acute Care Hospital	TN	501(c)(3)	Line 3	Covenant Health	Yes	
Claiborne Medical Center 1850 Old Knoxville Rd Tazewell, TN 378793625 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
<b>(1)</b>	Fort Sanders Regional Medical Center	L	24,393,664	FMV
<b>(1)</b>	Fort Sanders Regional Medical Center	O	55,137	FMV
<b>(2)</b>	Fort Sanders Regional Medical Center	P	16,191,103	Cost
<b>(3)</b>	Fort Sanders Regional Medical Center	Q	165,035,027	Cost
<b>(4)</b>	Fort Sanders Regional Medical Center	S	189,190,906	Cash
<b>(5)</b>	Parkwest Medical Center	L	24,212,984	FMV
<b>(6)</b>	Parkwest Medical Center	O	63,604	FMV
<b>(7)</b>	Parkwest Medical Center	P	11,978,859	Cost
<b>(8)</b>	Parkwest Medical Center	Q	140,887,990	Cost
<b>(9)</b>	Parkwest Medical Center	S	5,437,878	Cash
<b>(10)</b>	Cumberland Medical Center	L	2,269,243	FMV
<b>(11)</b>	Cumberland Medical Center	O	547,805	FMV
<b>(12)</b>	Cumberland Medical Center	Q	6,472,420	Cost
<b>(13)</b>	Methodist Medical Center	L	13,557,880	FMV
<b>(14)</b>	Methodist Medical Center	P	9,507,725	Cost
<b>(15)</b>	Methodist Medical Center	Q	69,921,774	Cost
<b>(16)</b>	Methodist Medical Center	S	77,683,126	Cash
<b>(17)</b>	Morristown-Hamblen Hospital Association	L	8,086,086	FMV
<b>(18)</b>	Morristown-Hamblen Hospital Association	P	4,171,252	Cost
<b>(19)</b>	Morristown-Hamblen Hospital Association	Q	42,788,745	Cost
<b>(20)</b>	Morristown-Hamblen Hospital Association	S	46,138,906	Cash
<b>(21)</b>	LeConte Medical Center	L	6,588,738	FMV
<b>(22)</b>	LeConte Medical Center	P	3,333,103	Cost
<b>(23)</b>	LeConte Medical Center	Q	37,992,129	Cost
<b>(24)</b>	LeConte Medical Center	S	51,702,776	Cash

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

	<b>(a)</b> Name of related organization	<b>(b)</b> Transaction type(a-s)	<b>(c)</b> Amount Involved	<b>(d)</b> Method of determining amount involved
<b>(26)</b>	Roane County Medical Center	L	3,392,254	FMV
<b>(1)</b>	Roane County Medical Center	P	2,608,478	Cost
<b>(2)</b>	Roane County Medical Center	Q	27,416,325	Cost
<b>(3)</b>	Roane County Medical Center	S	28,094,355	Cash
<b>(4)</b>	Fort Loudoun Medical Center	L	2,773,837	FMV
<b>(5)</b>	Fort Loudoun Medical Center	P	1,891,174	Cost
<b>(6)</b>	Fort Loudoun Medical Center	Q	14,981,749	Cost
<b>(7)</b>	Fort Loudoun Medical Center	S	17,711,400	Cash
<b>(8)</b>	Claiborne Medical Center	L	723,401	FMV
<b>(9)</b>	Claiborne Medical Center	O	129,869	FMV
<b>(10)</b>	Claiborne Medical Center	P	3,377,915	Cost
<b>(11)</b>	Claiborne Medical Center	Q	3,847,777	Cost
<b>(12)</b>	Claiborne Medical Center	S	4,429,445	Cash
<b>(13)</b>	Thompson Cancer Survival Center	L	1,421,868	FMV
<b>(14)</b>	Thompson Cancer Survival Center	Q	2,855,814	Cost
<b>(15)</b>	Thompson Cancer Survival Center	S	513,187	Cash
<b>(16)</b>	Thompson Oncology Group	L	507,466	FMV
<b>(17)</b>	Thompson Oncology Group	P	11,252,820	Cost
<b>(18)</b>	Thompson Oncology Group	Q	10,150,982	Cost
<b>(19)</b>	Thompson Oncology Group	S	6,339,862	Cash
<b>(20)</b>	Covenant Homecare	L	1,144,840	FMV
<b>(21)</b>	Covenant Homecare	Q	13,460,012	Cost
<b>(22)</b>	Covenant Homecare	S	16,040,231	Cash
<b>(23)</b>	Fort Sanders Perinatal Center	S	8,468,278	Cash
<b>(24)</b>	Knoxville Heart Group	L	262,013	FMV

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

<b>(a)</b> Name of related organization	<b>(b)</b> Transaction type(a-s)	<b>(c)</b> Amount Involved	<b>(d)</b> Method of determining amount involved
<b>(51)</b> Knoxville Heart Group	P	3,294,969	Cost
<b>(1)</b> Knoxville Heart Group	Q	5,671,324	Cost
<b>(2)</b> East TN Cardiovascular Surgical Group	Q	3,740,172	Cost
<b>(3)</b> Fortress Corporation	K	444,904	FMV
<b>(4)</b> Fortress Corporation	L	1,166,835	FMV
<b>(5)</b> Fortress Corporation	Q	5,226,640	Cost
<b>(6)</b> Fort Sanders Foundation	C	91,993	FMV
<b>(7)</b> Fort Sanders Foundation	O	302,280	FMV
<b>(8)</b> Fort Sanders Perinatal Center	Q	8,613,567	Cost
<b>(9)</b> Covenant Medical Group	A	216,173	FMV
<b>(10)</b> Covenant Medical Group	L	6,602,654	FMV
<b>(11)</b> Covenant Medical Group	P	141,221	Cost
<b>(12)</b> Covenant Medical Group	Q	64,030,901	Cost
<b>(13)</b> Fort Sanders West OP Surgery Center	Q	1,123,920	Cost
<b>(14)</b> Surgery Center of Oak Ridge	Q	516,395	Cost