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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ Do not enter social security numbers on this form as it may be made public
▶ Information about Form 990 and its instructions is at *www IRS gov/form990*

OMB No 1545-0047

2017

Open to Public Inspection

A For the 2017 calendar year, or tax year beginning 01-01-2017 , and ending 12-31-2017

B Check if applicable
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Final return/terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization
Covenant Homecare

Doing business as

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

Room/suite

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

D Employer identification number
62-1623114

E Telephone number
(865) 374-6864

G Gross receipts $ 17,948,309

F Name and address of principal officer

[redacted]

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission

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

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

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

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

If "Yes," describe these changes on Schedule O

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

4a (Code) (Expenses $ 11,086,573 including grants of $) (Revenue $ 11,939,746)

See Additional Data

4b (Code) (Expenses $ 3,843,541 including grants of $) (Revenue $ 4,427,871)

See Additional Data

4c (Code) (Expenses $ 1,122,321 including grants of $) (Revenue $ 861,454)

See Additional Data

(Code) (Expenses $ 213,079 including grants of $) (Revenue $)

Covenant Homecare manages the operations of Hope Center The Hope Center provides a context for hope through advocating, educating and addressing the individual needs of those affected by HIV and other life-altering illnesses The Hope Center provides at no charge, caring support and assistance to all individuals and families living with HIV Inpatients, outpatients, people relocating to this area, or newly diagnosed individuals have a safe, non-stigmatizing place to feel encouraged, valued, and also have a voice The Hope Center receives and accepts calls made by patients, physicians, staff, community hospitals, or agencies

4d Other program services (Describe in Schedule O)

(Expenses $ 213,079 including grants of $) (Revenue $)

4e **Total program service expenses ▶** 16,265,514

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4		No
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		No
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
9	Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		No
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		No
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII*	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*	11d	Yes	
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional*	12b	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Parts I and IV*	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or other assistance to or for any foreign organization? *If "Yes," complete Schedule F, Parts II and IV*	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or other assistance to or for foreign individuals? *If "Yes," complete Schedule F, Parts III and IV*	16		No
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I* (see instructions)	17		No
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		No
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No

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

			Yes	No
20a	Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H*	**20a**		No
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	**20b**		
21	Did the organization report more than $5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	**21**		No
22	Did the organization report more than $5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	**22**		No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	**23**	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K If "No," go to line 25a*	**24a**		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	**24c**		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		
25a	**Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	**25a**		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	**25b**		No
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? *If "Yes," complete Schedule L, Part II*	**26**		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	**27**		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	**28c**		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	**33**		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	**34**	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	**35a**		No
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	**35b**		
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	**36**		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	**37**		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? **Note.** All Form 990 filers are required to complete Schedule O	**38**	Yes	

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

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

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	**1a**	43		
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	**1b**	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	**1c**		Yes	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	**2a**	222		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note.** If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	**2b**		Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year? . . .	**3a**			No
b	If "Yes," has it filed a Form 990-T for this year? *If "No" to line 3b, provide an explanation in Schedule O* . . .	**3b**			
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? . .	**4a**			No
b	If "Yes," enter the name of the foreign country ▶ _____ See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR)				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .	**5a**			No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	**5b**			No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	**5c**			
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? . . .	**6a**			No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	**6b**			
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	**7a**			No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	**7b**			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	**7c**			No
d	If "Yes," indicate the number of Forms 8282 filed during the year	**7d**			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	**7e**			No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .	**7f**			No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	**7g**			
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	**7h**			
8	**Sponsoring organizations maintaining donor advised funds.** Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	**8**			
9a	Did the sponsoring organization make any taxable distributions under section 4966? . . .	**9a**			
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person? . . .	**9b**			
10	**Section 501(c)(7) organizations.** Enter				
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	**10a**			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	**10b**			
11	**Section 501(c)(12) organizations.** Enter				
a	Gross income from members or shareholders	**11a**			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	**11b**			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	**12a**			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	**12b**			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** See the instructions for additional information the organization must report on Schedule O	**13a**			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	**13b**			
c	Enter the amount of reserves on hand	**13c**			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	**14a**			No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .	**14b**			

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

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

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a	20		
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O				
b	Enter the number of voting members included in line 1a, above, who are independent	1b	18		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2			No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3			No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4			No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5			No
6	Did the organization have members or stockholders?	6			No
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a			No
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b			No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?	8a		Yes	
b	Each committee with authority to act on behalf of the governing body?	8b		Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*	9			No

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

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

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed ▶

18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you made these available Check all that apply

☐ Own website ☐ Another's website ☑ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year

20 State the name, 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 VII **Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
See Additional Data Table										

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
See Additional Data Table										
1b Sub-Total ▶										
c Total from continuation sheets to Part VII, Section A ▶										
d Total (add lines 1b and 1c) ▶								298,701	3,220,538	331,872

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

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

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization Report compensation for the calendar year ending with or within the organization's tax year

(A) Name and business address	(B) Description of services	(C) Compensation
McKesson Information Solutions PO Box 98347 Chicago, IL 60693	Software Maintenance	258,217

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

Part VIII Statement of Revenue

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

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns . .	1a			
	b Membership dues . .	1b			
	c Fundraising events . .	1c			
	d Related organizations	1d	206,234		
	e Government grants (contributions)	1e			
	f All other contributions, gifts, grants, and similar amounts not included above	1f	185		
	g Noncash contributions included in lines 1a-1f $ _____				
	h **Total.** Add lines 1a-1f . . . . . ▶		206,419		

Program Service Revenue	Business Code				
2a Medical Services	621110	16,286,638	16,286,638		
b Durable Medical Equipment Sales	446199	861,787	861,787		
c Rent - Exempt Affiliate	531120	80,646	80,646		
d					
e					
f All other program service revenue					
g **Total.** Add lines 2a-2f . . . . ▶		17,229,071			

Other Revenue					
3 Investment income (including dividends, interest, and other similar amounts) . . . . . ▶		12,700			12,700
4 Income from investment of tax-exempt bond proceeds ▶					
5 Royalties . . . . . ▶					
	(i) Real	(ii) Personal			
6a Gross rents					
b Less rental expenses					
c Rental income or (loss)					
d Net rental income or (loss) . . . . . ▶					
	(i) Securities	(ii) Other			
7a Gross amount from sales of assets other than inventory		500,000			
b Less cost or other basis and sales expenses		271,309			
c Gain or (loss)		228,691			
d Net gain or (loss) . . . . . ▶			228,691		228,691
8a Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18 . . . . a					
b Less direct expenses . . . b					
c Net income or (loss) from fundraising events . . ▶					
9a Gross income from gaming activities See Part IV, line 19 . . . a					
b Less direct expenses . . . b					
c Net income or (loss) from gaming activities . . ▶					
10a Gross sales of inventory, less returns and allowances . . a					
b Less cost of goods sold . . b					
c Net income or (loss) from sales of inventory . . ▶					
Miscellaneous Revenue	Business Code				
11a Vending	454210	119			119
b					
c					
d All other revenue					
e **Total.** Add lines 11a-11d . . . . . ▶		119			
12 **Total revenue.** See Instructions . . . . . ▶		17,677,000	17,229,071	0	241,510

Part IX Statement of Functional Expenses

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraisingexpenses
1 Grants and other assistance to domestic organizations and domestic governments See Part IV, line 21				
2 Grants and other assistance to domestic individuals See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals See Part IV, line 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	229,566		229,566	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	9,580,848	9,470,048	110,800	
8 Pension plan accruals and contributions (include section 401 (k) and 403(b) employer contributions)	340,004	307,462	32,542	
9 Other employee benefits	1,215,649	1,194,138	21,511	
10 Payroll taxes	698,206	676,207	21,999	
11 Fees for services (non-employees)				
a Management	1,148,202	1,068,197	80,005	
b Legal	42,362		42,362	
c Accounting				
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees				
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	519,970	421,429	98,541	
12 Advertising and promotion	4,577	4,558	19	
13 Office expenses	297,284	236,065	61,219	
14 Information technology				
15 Royalties				
16 Occupancy	165,614	14,948	150,666	
17 Travel	1,143,162	1,141,095	2,067	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	44,821	40,124	4,697	
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	197,144	197,144		
23 Insurance	13,490	7,782	5,708	
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a Supplies & Equipment	1,384,111	1,163,057	221,054	
b Bad Debt	132,868	132,868		
c Charity Care	97,819	97,819		
d Malpractice Reserve	32,361	32,361		
e All other expenses	80,026	60,212	19,814	
25 **Total functional expenses.** Add lines 1 through 24e	17,368,084	16,265,514	1,102,570	0
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

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

			(A) Beginning of year		(B) End of year
Assets	1	Cash–non-interest-bearing	-25,488	1	-22,975
	2	Savings and temporary cash investments		2	
	3	Pledges and grants receivable, net		3	
	4	Accounts receivable, net	1,187,159	4	1,723,314
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use	298,908	8	76,069
	9	Prepaid expenses and deferred charges	62,323	9	142,675
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D — 10a: 6,734,457			
	b	Less accumulated depreciation — 10b: 6,006,927	865,337	10c	727,530
	11	Investments—publicly traded securities		11	
	12	Investments—other securities See Part IV, line 11		12	
	13	Investments—program-related See Part IV, line 11		13	
	14	Intangible assets		14	
	15	Other assets See Part IV, line 11	251,612	15	302,353
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)	2,639,851	16	2,948,966
Liabilities	17	Accounts payable and accrued expenses	2,414,026	17	2,446,817
	18	Grants payable		18	
	19	Deferred revenue	935,008	19	860,644
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability Complete Part IV of Schedule D		21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D	900,159	25	939,193
	26	**Total liabilities.** Add lines 17 through 25	4,249,193	26	4,246,654
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**			
	27	Unrestricted net assets	-1,609,342	27	-1,297,688
	28	Temporarily restricted net assets		28	
	29	Permanently restricted net assets		29	
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.			
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
	33	Total net assets or fund balances	-1,609,342	33	-1,297,688
	34	Total liabilities and net assets/fund balances	2,639,851	34	2,948,966

Part XI Reconcilliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	17,677,000
2	Total expenses (must equal Part IX, column (A), line 25)	2	17,368,084
3	Revenue less expenses Subtract line 2 from line 1	3	308,916
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	-1,609,342
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	875
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	1,863
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	-1,297,688

Part XII Financial Statements and Reporting

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

			Yes	No
1	Accounting method used to prepare the Form 990 ☐ Cash ☑ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		No
	If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis			
b	Were the organization's financial statements audited by an independent accountant?	2b	Yes	
	If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both ☐ Separate basis ☑ Consolidated basis ☐ Both consolidated and separate basis			
c	If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	Yes	
	If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		No
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3b		

Additional Data

Software ID:

Software Version:

EIN: 62-1623114

Name: Covenant Homecare

Form 990 (2017)

Form 990, Part III, Line 4a:

Home Health Services See Schedule O Home Health Services Expenses - $11,086,573, Revenue - $11,939,746Home health services aim to continue treatment at home when another option is not viable or available Services consist of nursing, physical therapy, occupational therapy, speech therapy, social services and care given by certified nursing assistants Patients include those covered by Medicare, TennCare and commercial insurance, as well as self-pay patients No patient is denied care due to an inability to pay Applications for financial assistance are provided to patients who need them, and financial counselors are available to assist with the application process Covenant Homecare served 5,012 patients in 2017 in the course of 65,760 patient visits

Form 990, Part III, Line 4b:

Hospice Services See Schedule O Hospice Services Expenses - $3,843,541, Revenue - $4,427,871Hospice Services provide patient care and family support during the patient's end stages of life Services are provided to terminally ill patients whose physicians have diagnosed them with a terminal disease that is expected to result in death within six months of being taken under care The objective is to allow these patients to die at home with dignity Hospice services are provided in the home and consist of nursing, therapy, nursing assistants, spiritual services and social services Patients include those covered by Medicare, TennCare and commercial insurance, as well as self-pay patients No patient is denied care due to an inability to pay Applications for financial assistance are provided to patients who need them, and financial counselors are available to assist with the application process Covenant Homecare served 656 hospice patients in 2017 over the course of 19,613 visits

Form 990, Part III, Line 4c:

Home Medical Equipment See Schedule O Home Medical Equipment Expenses - $1,122,321, Revenue - $861,454The Covenant Home Medical Equipment division of Covenant Homecare operated until August 1, 2017 Until its closing, it functioned to meet the durable medical equipment needs of home health and hospice patients as well as patients of hospitals and other health care facilities throughout the Covenant Health system Service was provided regardless of the ability to pay, and recipients of the equipment were eligible for charity care assistance consistent with other services provided by Covenant Homecare While active, Covenant Home Medical Equipment offered a full range of equipment and supplies for home use Trained staff were available to answer questions and offer solutions concerning home medical equipment and supplies

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			
James D VanderSteeg President & CEO	0 00 50 00	X		X				0	1,444,249	177,701
Ed Anderson Director	0 00 1 00	X						0	1,296	0
Patrick Birmingham Director/VP of Philanthropy	0 00 50 00	X						0	13,846	0
Gerald Boyd Director	0 00 1 00	X						0	1,437	0
Dr Willard Campbell Director	0 00 1 00	X						0	0	0
Dr Michael Casey Director	0 00 1 00	X						0	1,971	0
Ronni Chandler Director	0 00 1 00	X						0	1,193	0
Dr Mitchell Dickson Director	0 00 1 00	X						0	2,014	0
James Fitzsimmons Chairman	0 00 1 00	X						0	1,415	0
Jim Johnson Jr Director	0 00 1 00	X						0	948	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			
Amber Krupacs Director	0 00 1 00	X						0	1,031	0
Eddie Mannis Director	0 00 1 00	X						0	0	0
Timothy Matthews Director	0 00 1 00	X						0	0	0
Larry Mauldin Director	0 00 1 00	X						0	661	0
Dr Joseph Metcalf Director	0 00 1 00	X						0	29,957	0
Alvin Nance Director	0 00 1 00	X						0	1,402	0
Linda Ogle Director	0 00 1 00	X						0	0	0
Roger Osborne Director	0 00 1 00	X						0	692	0
Carl Storms Director	0 00 1 00	X						0	1,169	0
Richard Swanson Director	0 00 1 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			
David C Verble Director	0 00 1 00	X						0	0	0
John T Geppi EVP/CFO	0 00 50 00			X				0	884,318	28,575
Anthony L Spezia CEO - Emeritus	0 00 40 00			X				0	513,410	27,087
John Huskey President	50 00 0 00			X				197,282	0	32,284
Mitzi Anderson VP - Financial Services	5 00 45 00			X				0	113,906	21,489
David Wooten Medical Director	8 00 32 00					X		0	205,623	35,685
Robin Hurst Registered Nurse	40 00 0 00					X		101,419	0	9,051

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ **Attach to Form 990 or Form 990-EZ.**

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

OMB No 1545-0047

2017

Open to Public Inspection

Name of the organization
Covenant Homecare

Employer identification number
62-1623114

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

The organization is not a private foundation because it is (For lines 1 through 12, 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 agricultural research organization described in **170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land grant college of agriculture See instructions Enter the name, city, and state of the college or university

_____

10 ☑ 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)

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

12 ☐ 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 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g

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 _____

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- 10 above (see instructions))	(iv) Is the organization listed in your governing document? Yes	(iv) No	(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
Total						

Part II **Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv), 170(b)(1)(A)(vi), and 170 (b)(1)(A)(ix)**

(Complete only if you checked the box on line 5, 7, 8, or 9 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) 2013	(b) 2014	(c) 2015	(d) 2016	(e) 2017	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grant ")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public support.** Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a)2013	(b)2014	(c)2015	(d)2016	(e)2017	(f)Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part VI)						
11 **Total support.** Add lines 7 through 10						

12 Gross receipts from related activities, etc (see instructions) **12**

13 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** . . . . . ▶ ☐

Section C. Computation of Public Support Percentage

14 Public support percentage for 2017 (line 6, column (f) divided by line 11, column (f)) **14**

15 Public support percentage for 2016 Schedule A, Part II, line 14 **15**

16a **33 1/3% support test—2017.** 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—2016.** 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—2017.** 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—2016.** 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 10 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) 2013	(b) 2014	(c) 2015	(d) 2016	(e) 2017	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")	39,229	45,063	40,635	44,857	206,419	376,203
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose	13,411,804	18,413,518	16,667,832	17,905,376	17,229,071	83,627,601
3 Gross receipts from activities that are not an unrelated trade or business under section 513	128	576	283,988	227,437	119	512,248
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5	13,451,161	18,459,157	16,992,455	18,177,670	17,435,609	84,516,052
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						0
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						0
c Add lines 7a and 7b						0
8 **Public support.** (Subtract line 7c from line 6)						84,516,052

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2013	(b) 2014	(c) 2015	(d) 2016	(e) 2017	(f) Total
9 Amounts from line 6	13,451,161	18,459,157	16,992,455	18,177,670	17,435,609	84,516,052
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	-1,199	13,545	7,717	13,099	12,700	45,862
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b	-1,199	13,545	7,717	13,099	12,700	45,862
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part VI)						
13 **Total support.** (Add lines 9, 10c, 11, and 12)	13,449,962	18,472,702	17,000,172	18,190,769	17,448,309	84,561,914

14 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶ ☐

Section C. Computation of Public Support Percentage

15	Public support percentage for 2017 (line 8, column (f) divided by line 13, column (f))	15	99 950 %
16	Public support percentage from 2016 Schedule A, Part III, line 15	16	99 950 %

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2017** (line 10c, column (f) divided by line 13, column (f))	17	0 050 %
18	Investment income percentage from **2016** Schedule A, Part III, line 17	18	0 050 %

19a **33 1/3% support tests—2017.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☑

b **33 1/3% support tests—2016.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

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

Part IV Supporting Organizations

(Complete only if you checked a box on line 12 of Part I If you checked 12a of Part I, complete Sections A and B If you checked 12b of Part I, complete Sections A and C If you checked 12c of Part I, complete Sections A, D, and E If you checked 12d of Part I, complete Sections A and D, and complete Part V)

Section A. All Supporting Organizations

			Yes	No
1	Are all of the organization's supported organizations listed by name in the organization's governing documents? *If "No," describe in* ***Part VI*** *how the supported organizations are designated If designated by class or purpose, describe the designation If historic and continuing relationship, explain*	1		
2	Did the organization have any supported organization that does not have an IRS determination of status under section 509 (a)(1) or (2)? *If "Yes," explain in* ***Part VI*** *how the organization determined that the supported organization was described in section 509(a)(1) or (2)*	2		
3a	Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? *If "Yes," answer (b) and (c) below*	3a		
b	Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? *If "Yes," describe in* ***Part VI*** *when and how the organization made the determination*	3b		
c	Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? *If "Yes," explain in* ***Part VI*** *what controls the organization put in place to ensure such use*	3c		
4a	Was any supported organization not organized in the United States ("foreign supported organization")? *If "Yes" and if you checked 12a or 12b in Part I, answer (b) and (c) below*			

[redacted]

Part IV Supporting Organizations (continued)

			Yes	No
11	Has the organization accepted a gift or contribution from any of the following persons?			
a	A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?	11a		
b	A family member of a person described in (a) above?	11b		
c	A 35% controlled entity of a person described in (a) or (b) above? *If "Yes" to a, b, or c, provide detail in Part VI*	11c		

Section B. Type I Supporting Organizations

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

Section C. Type II Supporting Organizations

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

Section D. All Type III Supporting Organizations

			Yes	No
1	Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?	1		
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)*	2		
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*	3		

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)

			Yes	No
2	Activities Test **Answer (a) and (b) below.**			
a	Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? *If "Yes," then in* ***Part VI identify those supported organizations and explain*** *how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities*	2a		
b	Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? *If "Yes," explain in* ***Part VI*** *the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement*	2b		
3	Parent of Supported Organizations **Answer (a) and (b) below.**			
a	Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? *Provide details in* ***Part VI.***	3a		
b	Did the organization exercise a substantial degree of direction over the policies, programs and activities of each of its supported organizations? *If "Yes," describe in* ***Part VI.*** *the role played by the organization in this regard*	3b		

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

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

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

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

	Section C - Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, Column A)	1		
2	Enter 85% of line 1	2		
3	Minimum asset amount for prior year (from Section B, line 8, Column A)	3		
4	Enter greater of line 2 or line 3	4		
5	Income tax imposed in prior year	5		
6	**Distributable Amount.** Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	6		

7 ☐ Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions)

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

Section D - Distributions	**Current Year**
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in **Part VI**) See instructions	
7 **Total annual distributions.** Add lines 1 through 6	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in **Part VI**) See instructions	
9 Distributable amount for 2017 from Section C, line 6	
10 Line 8 amount divided by Line 9 amount	

Section E - Distribution Allocations (see instructions)	**(i) Excess Distributions**	**(ii) Underdistributions Pre-2017**	**(iii) Distributable Amount for 2017**
1 Distributable amount for 2017 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2017 (reasonable cause required-- explain in Part VI) See instructions			
3 Excess distributions carryover, if any, to 2017			
a			
b From 2013.			
c From 2014.			
d From 2015.			
e From 2016.			
f **Total** of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2017 distributable amount			
i Carryover from 2012 not applied (see instructions)			
j Remainder Subtract lines 3g, 3h, and 3i from 3f			
4 Distributions for 2017 from Section D, line 7 $			
a Applied to underdistributions of prior years			
b Applied to 2017 distributable amount			
c Remainder Subtract lines 4a and 4b from 4			
5 Remaining underdistributions for years prior to 2017, if any Subtract lines 3g and 4a from line 2 If the amount is greater than zero, explain in Part VI See instructions			
6 Remaining underdistributions for 2017 Subtract lines 3h and 4b from line 1 If the amount is greater than zero, explain in Part VI See instructions			
7 **Excess distributions carryover to 2018.** Add lines 3j and 4c			
8 Breakdown of line 7			
a Excess from 2013.			
b Excess from 2014.			
c Excess from 2015.			
d Excess from 2016.			
e Excess from 2017.			

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

Facts And Circumstances Test

990 Schedule A, Supplemental Information

Return Reference	Explanation
Part III, Section B, Line 12	The Home Medical Equipment division was sold August 1, 2017, and the gain from the sale totaled $229,227

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ 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.

OMB No 1545-0047

2017

Open to Public Inspection

Name of the organization
Covenant Homecare

Employer identification number
62-1623114

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

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

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ 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
a	Total number of conservation easements	2a
b	Total acreage restricted by conservation easements	2b
c	Number of conservation easements on a certified historic structure included in (a)	2c
d	Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

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

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

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, 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
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21, 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" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

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

The percentages 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

	Yes	No
(i) unrelated organizations . . . . . 3a(i)		
(ii) related organizations . . . . . 3a(ii)		
b If "Yes" on 3a(ii), are the related organizations listed as required on Schedule R? 3b		

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

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		145,290		145,290
b Buildings		2,211,118	1,902,177	308,941
c Leasehold improvements		200,077	200,077	0
d Equipment		4,177,972	3,904,673	273,299
e Other				
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c))* ▶				727,530

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

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

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

(a) Description of investment	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. *(Column (b) must equal Form 990, Part X, col (B) line 13)* ▶		

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

(a) Description	(b) Book value
(1) Deferred Compensation	291,211
(2) Due from Affiliates, Net	11,142
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. *(Column (b) must equal Form 990, Part X, col (B) line 15)* ▶	302,353

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

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
Long-term Deferred Compensation	291,211
Other Liabilities	647,982
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	939,193

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

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

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

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

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

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

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

Part XIII Supplemental Information

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

Return Reference	Explanation
See Additional Data Table	

Part XIII Supplemental Information *(continued)*

Return Reference	Explanation

Additional Data

Software ID:

Software Version:

EIN: 62-1623114

Name: Covenant Homecare

Supplemental Information

Return Reference	Explanation
Part X, Line 2	Note B to the consolidated audited financial statements of Covenant Health, parent company to Covenant Homecare, reads in part "Income Taxes Covenant and certain of its subsidiar ies or controlled entities are exempt from income taxes pursuant to Section 501(c)(3) of t he Internal Revenue Code Accordingly, no provision for income taxes on qualifying activit ies 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, 2017 and 2016 As such, no interest or penalties were recognized in the Consolidated Statements of Opera tions and Changes in Net Assets related to unrecognized tax benefits At December 31, 2017 , tax returns for 2014 through 2017 are subject to examination by the Internal Revenue Ser vice Covenant has no uncertain tax positions that would require financial statement recog nition or disclosure under GAAP at December 31, 2017 or 2016 "

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 23.**

▶ **Attach to Form 990.**

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

OMB No 1545-0047

2017

Open to Public Inspection

Name of the organization
Covenant Homecare

Employer identification number
62-1623114

Part I Questions Regarding Compensation

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

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

For each individual whose compensation must be reported 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				
1 James D VanderSteeg President & CEO	(i)	0	0	0	0	0	0	0
	(ii)	915,074	405,000	124,175	154,000	23,701	1,621,950	0
2 John T Geppi EVP/CFO	(i)	0	0	0	0	0	0	0
	(ii)	575,805	214,200	94,313	10,600	17,975	912,893	0
3 Anthony L Spezia CEO - Emeritus	(i)	0	0	0	0	0	0	0
	(ii)	216,489	0	296,921	10,600	16,487	540,497	0
4 John Huskey President	(i)	139,153	38,000	20,129	7,385	24,899	229,566	0
	(ii)	0	0	0	0	0	0	0
5 David Wooten Medical Director	(i)	0	0	0	0	0	0	0
	(ii)	201,454	0	4,169	12,480	23,205	241,308	0

Part III Supplemental Information

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

Return Reference	Explanation
Part I, Line 1a	Tax gross-up payments 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
Part I, Line 3	Covenant Health, the parent company of Covenant Homecare, used one or more of the methods listed in establishing the compensation of James D VanderSteeg Please see the statement to Core Part VI, Section B, Line 15a on Schedule O
Part I, Line 4b	James VanderSteeg, President & CEO, was a participant in a nonqualified deferred compensation (NQDC) plan The NQDC plan was established in 2016 Employer contributions to the plan during 2017 totaled $143,400, which is reported in Col C of Schedule J, Part II Interest earned during 2017 of $10,080 is not required to be reported in compensation in Part II, as Mr VanderSteeg is not vested in the plan Anthony Spezia, CEO-Emeritus, was a participant in two nonqualified deferred compensation plans, which are 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 allowed the accrual of interest on undistributed amounts which were subject to risk of forfeiture until such time as indicated in the Amendment Interest earned by Plan A and Plan B during 2017 was $199,910 and is not required to be reported in compensation in Part II as Mr Spezia is not vested in the 2017 earnings on Plan A or Plan B There were no employer contributions to Plan A during 2017 Plan B was established in 2011 Interest earned by Plan B during 2017 is included in the Plan A 2017 earnings amount It is not required to be reported in compensation in Part II as Mr Spezia is not vested in the 2017 earnings to Plan B There were no employer contributions to Plan B during 2017

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SCHEDULE O (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

▶ **Attach to Form 990 or 990-EZ.**

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

OMB No 1545-0047

2017

Open to Public Inspection

Name of the organization
Covenant Homecare

Employer identification number

62-1623114

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part III, Line 1	2017 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 loca ted in Knoxville and surrounding areas comprise the foundation of the health system Addit ional outpatient and specialty care departments are located throughout the region providin g diagnostic and surgery services, mental health and cancer treatments, and therapy and ho me 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 Member organizations Hospitals Claiborne Medical Center Cumberland Medical Cen ter Fort Loudoun Medical Center Fort Sanders Regional Medical Center LeConte Medical Cente r Methodist Medical Center of Oak Ridge Morristown-Hamblen Healthcare System Parkwest Medi cal Center Peninsula Hospital, a division of Parkwest Medical Center Roane County Medical Center Outpatient and Specialty Care Covenant HomeCare and Hospice Covenant and Methodist Therapy Centers Fort Sanders West Diagnostic Center Fort Sanders West Outpatient Surgery C enter Morristown Regional Diagnostic Center Patricia Neal Rehabilitation Center Peninsula Outpatient Centers Thompson Cancer Survival Centers Covenant Breast Centers Covenant Joint [illegible]

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part III, Line 1	work to be the best in every aspect of the care we provide Jim VanderSteeg and the execut ive leadership team have stated * We will lead courageously, being proactive in deliverin g excellent care and meeting the challenges of today's healthcare environment * We will b e honest in our business dealings and in our interactions with co-workers, patients,and th e communities we serve * We will use our resources wisely as we deploy medical services a nd technology in our local communities * We will collaborate to create a workplace cultur e where people know they are valued and how they connect to the mission and vision of Cove nant Health * We will encourage innovative thinking and creative ideas from all employees in order to make Covenant Health the best it can be Awards Several Covenant Health hospi tals received top recognitions from national organizations in 2017 * Cumberland Medical C enter in Crossville was named the Upper Cumberland's only "Top 100 Rural & Community Hospi tal" by iVantage Health Analytics and The Chartis Center for Rural Health It is one of on ly two hospitals in Tennessee to earn the 2017 designation * For the second year in a row , Fort Sanders Regional Medical Center in Knoxville has been named to a national list of " 100 Hospitals and Health Systems with Great Oncology Programs" by Becker's Hospital Review The Becker's editorial team selected hospitals and health systems that lead the way in o ncology expertise, outcomes, research and treatment options * LeConte Medical Center in S evierville was named among "100 Great Community Hospitals" by Becker's Hospital Review, al so for the second year in a row Hospitals on the list are recognized for quality, patient satisfaction and overall excellence, and play a key role in their communities as the cent erpiece for health care * The transition program at Peninsula, the behavioral health divi sion of Parkwest Medical Center, has been recognized as a Program of Excellence by the Ten nessee Association of Mental Health Organizations, and has achieved the lowest readmission rate to Peninsula Hospital compared to the past two years * Claiborne Health and Rehabil itation Center, affiliated with Claiborne Medical Center in Tazewell, earned a 2017 Bronze National Quality Award from the American Health Care Association and National Center for Assisted Living The award honors the facility's commitment to improving quality of care f or seniors and persons with disabilities Claiborne Health and Rehabilitation Center was o ne of 520 long-term facilities in 46 states and one of 10 nursing homes and two assisted l iving facilities in Tennessee to receive the award * Fort Sanders Sevier Nursing Home, af filiated with LeConte Medical Center in Sevierville, was named a 2017 Best Nursing Home by U S News and World Report To be included in the list, the nursing home had to earn at l east four stars (out of five) on the Centers for Medicare and Medicaid Services "Nursing H ome Compare" rating for the 10

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part III, Line 1	months of federal reports ending in August 2017, and had to earn a 4 5 or higher for at l east five of those months

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part III, Line 1	Achievements Covenant HomeCare has been recognized as the first home health agency in Tenn essee and the third in the nation to reach Milestone 5, the highest level of a five-step H ome Health Quality Improvement initiative aimed at preventing heart attack and strokes Th e HHQI Cardiovascular Health Improvement initiative is an ongoing effort to reduce the inc idence of heart attack and stroke among home health patients through a series of best prac tice interventions It tracks data on aspirin and tobacco usage, blood pressure and choles terol levels among home health patients with ischemic vascular disease Covenant HomeCare offers skilled nursing, certified nursing assistants, physical therapy, speech therapy, oc cupational therapy and medical social services It is the area's largest non-profit home h ealth and hospice provider and serves more than 4,700 patients annually in 17 counties thr ough branches in Knoxville, Oak Ridge and Morristown Covenant HomeCare and Hospice scored 100% on CMS (Centers for Medicare and Medicaid) quality measures for patient care, includ ing evaluation and treatment for symptoms such as pain and shortness of breath, and patien ts' treatment preferences related to hospice care Stroke Care Covenant Health has the reg ion's only stroke hospital network for delivering advanced diagnostics and treatment to ha lt the devastating effects of stroke Residents in any of the 23 counties served have incr eased rates of survival due to a hub-and-spoke model for stroke treatment At the hub of t he network are Fort Sanders Regional Medical Center and Patricia Neal Rehabilitation Cente r An emergency department physician at any of the Covenant Health hospitals can confer wi th colleagues and administer the clot-busting drug tPA (tissue plasminogen activator) befo re transporting the patient to Fort Sanders Regional * Fort Sanders Regional Medical Cent er is an accredited Comprehensive Stroke Center, offering both advanced stroke treatment a nd the stroke rehab services of the Patricia Neal Rehabilitation Center * Other Covenant Health member hospitals are certified as advanced primary centers for stroke care, or are preparing to be certified as "stroke ready" facilities * Eighty-three percent of patients with stroke symptoms see an emergency physician within 15 minutes of arrival at Covenant Health hospitals, compared to a national average of 67% * Seventy-one percent of patients who have a neurological intervention for stroke at Fort Sanders Regional do not need a wh eelchair when they are discharged from the hospital * Fort Sanders Regional Medical Cente r exceeds the national average of patients who are able to go directly home after stroke t reatment Cancer Care The Covenant Health breast centers offer Digital 3D mammography - al so known as tomosynthesis which allows cancer to be detected much earlier It's a newer te chnology and especially helpful for women with dense breast tissue because it allows a mor e detailed look at the breast

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part III, Line 1	tissue With 6 locations across the 23 county service area, patients have access to this n ew technology close to home At Covenant Health's breast center locations, patients receiv e their screening mammography results within 24 hours When cancer is caught in its earlie st stages, patients can undergo a shorter duration of radiation therapy Covenant Health r adiation oncology locations offer partial breast radiation which takes only five days, com pared to the traditional whole breast radiation course of four to six weeks In 2015 Coven ant Health began implementing a low dose CT (LDCT) program for lung cancer screening Now in maturity, the program led to the detection of 20 new cases of lung cancer in 2017 With this LDCT program, patients can receive treatment for earlier stages of lung cancer, impr oving the chance of sustainability Cardiac Care Covenant Health's heart hospitals began c ollaborating in 2012 to offer Transcatheter Aortic Valve Replacement (TAVR) Much has chan ged in the TAVR world since then Smaller catheters and surgical instruments have opened n ew pathways to the heart and opened the procedure to a wider range of candidates No longe r limited to elderly "inoperable" patients, TAVR is now available to younger patients and those deemed "high or intermediate risk " In addition, this therapy and technology are off ered locally so patients do not have to travel far * Covenant Health was the first to bri ng the life-saving TAVR procedure to our region * Covenant Health cares for more hearts t han any other area health system * Covenant Health's average door-to-balloon time for STE MI (heart attack) patients is 52 minutes, 42% faster than the national goal * Covenant He alth has more cardiac rehab locations than any other area health system Spine and Neuro C are Fort Sanders Regional is one of three centers for Covenant Health's spine surgery netw ork, which also has locations at Methodist and Parkwest Medical Centers The network uses a multidisciplinary team approach that includes neurosurgeons, orthopedic surgeons, nurses , and physical therapists Surgeons have access to the latest technology and methods for i npatient and outpatient surgeries, including minimally invasive techniques that result in faster recoveries, less postoperative pain, and fewer complications For patients needing spinal fusion, a neurosurgeon can perform a minimally invasive surgical procedure called T ransforaminal Lumbar Interbody Fusion (TLIF) a spinal fusion technique used to treat spond ylolisthesis, degenerative disc disease or recurrent disc herniations * Covenant Health's spine centers perform more than 2,300 elective spine surgeries each year * The spine cen ters treat conditions such as spinal cord injuries, herniated or ruptured discs, degenerat ive disc disease, spine tumors, sciatica, and others * Ninety-two percent of elective spi ne surgery patients are able to go directly home after surgery

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part III, Line 1	Expansion and Renovation In 2017 Parkwest Medical Center began a $99 million expansion and renovation project to accommodate both patient care improvements and growth on Parkwest's main campus in west Knoxville Highlights of the project include * A new patient care to wer to better serve the hospital's inpatients and observation patients within specialized units * Additional operating rooms and an expansion of surgical support space within the existing main surgery area of the hospital * A dedicated entrance for surgical patients * Creation of a clinical observation unit to help staff and physicians better serve medica l and surgical observation patients who do not need to be admitted as inpatients * Reloca tion of the helipad closer to the Emergency Care Center The new location will allow quick er access for Covenant Health patients across the region who are airlifted to Parkwest for emergency medical care Physician Relationships Nearly 1,500 physicians are affiliated wi th Covenant Health hospitals and organizations as members of the health system's medical s taffs These physicians serve in leadership positions at their respective hospitals, and s everal represent their organizations and communities through membership in Covenant Health 's Board of Directors Covenant Medical Group, Inc,(CMG) comprises the health system's lar gest group of employed physicians CMG includes primary care and specialty physicians in m ore than 100 practice locations CMG also builds and maintains partnerships with physician s through joint ventures such as surgery centers and the development of service line strat egies that focus on improving the quality of patient care Physician and hospital agendas are aligned so that the first priority is always the patient The health system's goal is to work side by side with physicians to provide a seamless continuum of care and excellent outcomes Preparing Future Healthcare Professionals In 2017 Covenant Health welcomed a ne w group of medical students as part of the health system's partnership with DeBusk College of Osteopathic Medicine at Lincoln Memorial University in Harrogate, Tennessee It is the second year for the medical student program, which provides clinical experiences at Coven ant Health hospitals for aspiring physicians and mid-level providers Thirty-seven student s took part in an orientation highlighted by a traditional "white coat ceremony" in which each student received a personalized white coat to wear during their clinical training at Covenant Health hospitals Three of Covenant Health's member hospitals - Cumberland Medica l Center, Methodist Medical Center and Morristown-Hamblen Healthcare System - serve as cor e rotation sites for the program Under the direct supervision of physicians, the medical students interview and examine patients, review clinical information, make hospital rounds , participate in interdisciplinary team meetings, practice appropriate documentation and p erform procedures Covenant He

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part III, Line 1	alth and LMU-DCOM by the numbers * Each core rotation site (Cumberland Medical Center, Me thodist Medical Center and Morristown-Hamblen Healthcare System) hosts 12 LMU-DCOM medical students for their 3rd and 4th year clinical rotations * During the 2016-17 clinical yea r, additional LMU-DCOM students completed electives at seven other Covenant Health locatio ns * The program depends on approximately 150 physicians throughout Covenant Health who s erve as preceptors (teachers) * About 160 LMU medical students have rotated through Coven ant Health facilities during the past two years Healthcare Education at Covenant Health * Covenant Health provided clinical experiences for more than 1,000 students in fall 2017 Students represented 10 colleges and medical specialty areas including nursing, pharmacy, rehabilitation and others * Sixteen universities routinely place students at Covenant Hea lth facilities for clinical training * Covenant Health partners with Tennessee Wesleyan U niversity - Fort Sanders Nursing Department to offer a bachelor of science in nursing degr ee and an RN-to-BSN program * Covenant Health offers a nurse residency program for recent nursing graduates, and supports advanced certification and continuing education for nurse s, and other healthcare professionals Community Outreach With local community assessment data identifying obesity as a significant health issue throughout East Tennessee, Covenant Health offers a variety of community opportunities to encourage physical activity among a ll ages More than 8,000 runners took part in the 13th annual Covenant Health Knoxville Ma rathon The two-day event included a Kids Run and 5k race on Saturday evening and a half-m arathon, four-person relay and full marathon on Sunday The 2017 event also included a Fit test Company Challenge and a Corporate Challenge Team of individuals representing area bus inesses who trained together in pursuit of healthier lifestyles while preparing for marath on events More than 2,000 children in grades 1-8 participated in the Covenant Kids Run, w hich included a kick-off event at Zoo Knoxville in January and each child logging "a marat hon's worth" of activity during the months leading up to a final one-mile group run Coven ant Health began the second year of the "Dogwood Patch" program in 2017, part of its healt h and fitness sponsorship of the Dogwood Arts Festival The health system offered a limite d-edition patch for anyone who completed 25 miles on featured Dogwood trails between April 1 and May 31 More than 400 people qualified to receive a patch in 2017 In Hamblen Count y, Covenant Health and Panther Creek State Park began a fall "Redbud Patch" program, offer ing a limited-edition patch for walkers who completed 26 2 miles of trails in the park Se veral group hikes were held, including an after-turkey-dinner walk on the day after Thanks giving The program ended with a New Year's Day group hike on Jan 1, 2018 The health sys tem sponsored additional group

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part III, Line 1	hikes and walking events throughout the year in all counties where Covenant Health hospitals are located Support for Community Programs As Knoxville's largest employer and a business organization with a significant presence in East Tennessee, Covenant Health is a committed corporate citizen and supports numerous charitable and community organizations in categories such as * Health-related organizations * Community needs and outreach programs * Children, youth and education programs, including

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part III, line 3	The Home Medical Equipment division was sold August 1, 2017

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section B, line 11b	The Covenant Homecare Board of Directors has delegated to its Finance Committee the full power and authority of the Board to receive, review, approve, authorize the filing of, address and resolve audit or review issues, and otherwise take all action required or appropriate relative to IRS Forms 990 and other applicable tax filings The Finance Committee met in regular session in September, 2018, at which meeting executive management reviewed with the committee Form 990 and material information to be included in the form, discussed any material variations in the Form 990 as compared to those to be filed by the organization's affiliates, and answered questions of the committee regarding the Form 990 At the conclusion of review and discussion, the Finance Committee unanimously approved the Form 990

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section B, line 12c	Board members, officers and employees are required to adhere to rules and policies regarding conflicts of interest Covenant Health, the parent company of the organization, distributes a board-approved Code of Conduct to all employees The Code covers among other subjects, conflicts of interest Additionally, managers are required to complete and sign a bi-annual management certification that addresses conflicts of interest Board members' conflicts of interests are dealt within 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

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section B, line 15	Form 990, Part VI, Section B, Line 15a Overall compensation policies for Covenant Homecare, Covenant Health (Parent Company), and affiliates are set by the Compensation Committee of the Board of Directors ("the Committee"), which is comprised of independent members of the board The Committee is guided in its decision-making process by an independent, nationally-recognized executive compensation consultant experienced in advising nonprofit hospital boards Compensation policies for James VanderSteeg and John Geppi are reported on the 2017 Form 990 of Covenant Health, EIN 62-1646734 Form 990, Part VI, Section B, Line 15b Base salary and annual bonus opportunities for John Huskey, President, are set by the Covenant Health CEO in consultation with the Senior Vice President-Human Resources, subject to approval of the Compensation Committee of the Covenant Health Board of Directors ("the Committee"), after review by and discussion with the executive compensation consultant ("the Consultant") to ensure that total compensation is reasonable and within a fair market value range Salary ranges are based upon the recommendations of the Consultant made after comparison with similar jobs in similar size health systems across the nation Bonuses are recommended by the CEO and approved by the Committee conditioned upon receipt of a written opinion from the Consultant that total compensation for the executive is reasonable and consistent with fair market value Base salary is initially targeted at midpoint and may 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 0-35% of base salary based upon system performance and accomplishment of certain targets established by the CEO Base salaries and annual bonus opportunities for Mitzi Anderson, Vice-President of Financial Services, are based on targets established by historical compensation consultant data and the Covenant Compensation department Salary ranges are based upon comparison with similar jobs in similar size health systems across the nation Base salaries and bonuses are approved by Executive Leadership predicated upon performance, and are reasonable and consistent with fair market value Base salaries are initially targeted at midpoint and may 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 - 20% of base salary based upon system performance and accomplishment of certain targets established by Executive Leadership

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section C, line 19	Covenant Homecare files a Joint Annual Report containing financial information with the Tennessee Department of Health Per its tax-exempt bond provisions, Covenant Health, the parent company of the organization, is required to file quarterly and annual consolidated and obligated group financial statements in addition to other documentation, with various bond insurers and other agencies, including the Electronic Municipal Market Access (EMMA) service of the Municipal Securities Rulemaking Board (MSRB) Any member of such a repository has access to these financial statements The organization's governing documents and conflict of interest policy are not made publicly available

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part XI, line 9	Contributed capital - affiliates 1,863

990 Schedule O, Supplemental Information

Return Reference	Explanation
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

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2017

Open to Public Inspection

Name of the organization
Covenant Homecare

Employer identification number
62-1623114

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

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

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

See Additional Data Table

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	(g) Section 512(b)(13) controlled entity? No

Part III **Identification of Related Organizations Taxable as a Partnership** Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
(1) 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									
(2) Fort Sanders West Associates 280 Fort Sanders West Blvd Ste 214 Knoxville, TN 37922 62-1384171	Building ownership	TN	N/A									
(3) KOSC Properties LLC 256 Fort Sanders West Blvd Ste 200 Knoxville, TN 37922 26-2444076	Building ownership	TN	N/A									
(4) Knoxville Orthopaedic Surgery Center LLC 256 Fort Sanders West Blvd Ste 200 Knoxville, TN 37922 26-2437385	Orthopaedic surgery	TN	N/A									
(5) KOC 260 Bldg LLC 260 Fort Sanders West Blvd Knoxville, TN 37922 46-5228440	Land and building ownership	TN	N/A									
(6) CovenantUSP Surgery Centers LLC 15305 Dallas Parkway Ste 1600 Addison, TX 75001 36-4828197	Holding company	TN	N/A									
(7) Canterfield of Oak Ridge LLP 140 Bus Terminal Road Oak Ridge, TN 37830 27-4129674	Assisted living community	GA	N/A									

Part IV **Identification of Related Organizations Taxable as a Corporation or Trust** Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity? Yes	(i) No
(1) Fortress Corporation 280 Fort Sanders West Blvd Ste 214 Knoxville, TN 37922 62-1308885	Management company	TN	N/A	C					No
(2) Covenant Medical Group Inc 1400 Centerpoint Blvd Ste 100 Bldg Knoxville, TN 37932 62-1282917	Physician practice management	TN	N/A	C					No
(3) Knoxville Heart Group 1819 Clinch Ave Ste 108 Knoxville, TN 37916 27-1528941	Cardiology medical practice	TN	N/A	C					No
(4) East TN Cardiovascular Surgery Group Inc 9125 Cross Park Drive Ste 200 Knoxville, TN 37923 62-1018541	Cardiovascular surgical practice	TN	N/A	C					No

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

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

		Yes	No
1 During the tax year, did the orgranization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?			
a Receipt of **(i)** interest, **(ii)**annuities, **(iii)** royalties, or**(iv)** rent from a controlled entity	1a		No
b Gift, grant, or capital contribution to related organization(s)	1b		No
c Gift, grant, or capital contribution from related organization(s)	1c	Yes	
d Loans or loan guarantees to or for related organization(s)	1d		No
e Loans or loan guarantees by related organization(s)	1e		No
f Dividends from related organization(s)	1f		No
g Sale of assets to related organization(s)	1g		No
h Purchase of assets from related organization(s)	1h		No
i Exchange of assets with related organization(s)	1i		No
j Lease of facilities, equipment, or other assets to related organization(s)	1j	Yes	
k Lease of facilities, equipment, or other assets from related organization(s)	1k	Yes	
l Performance of services or membership or fundraising solicitations for related organization(s)	1l		No
m Performance of services or membership or fundraising solicitations by related organization(s)	1m	Yes	
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	Yes	
o Sharing of paid employees with related organization(s)	1o	Yes	
p Reimbursement paid to related organization(s) for expenses	1p	Yes	
q Reimbursement paid by related organization(s) for expenses	1q	Yes	
r Other transfer of cash or property to related organization(s)	1r	Yes	
s Other transfer of cash or property from related organization(s)	1s	Yes	

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

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

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

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

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

Part VII **Supplemental Information**

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

Additional Data

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
1420 Centerpoint Blvd Bldg C Knoxville, TN 379321960 62-1646734	Supporting organization	TN	501(C)(3)	Line 12b, II	N/A		No
550 Fort Loudoun Medical Center Dr Lenoir City, TN 37772 62-1373691	Acute care hospital	TN	501(C)(3)	Line 3	Covenant Health		No
1901 W Clinch Ave Knoxville, TN 37916 62-0528340	Acute care hospital	TN	501(C)(3)	Line 3	Covenant Health		No
280 Fort Sanders West Blvd Ste 202 Knoxville, TN 37922 62-1748601	Fundraising and patient outreach	TN	501(C)(3)	Line 12b, II	Covenant Health		No
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		No
742 Middle Creek Road Sevierville, TN 37862 62-1114867	Acute care hospital	TN	501(C)(3)	Line 3	Covenant Health		No
990 Oak Ridge Turnpike Oak Ridge, TN 37830 62-0636239	Acute care hospital	TN	501(C)(3)	Line 3	Covenant Health		No
908 W 4th N St Morristown, TN 37814 62-0545814	Acute care hospital	TN	501(C)(3)	Line 3	Covenant Health		No
9352 Park West Blvd Knoxville, TN 37923 58-1897274	Acute care hospital and behavioral health services	TN	501(C)(3)	Line 3	Covenant Health		No
8045 Roane Medical Center Dr Harriman, TN 37748 68-0673354	Acute care hospital	TN	501(C)(3)	Line 3	Covenant Health		No
1915 White Ave Knoxville, TN 37916 62-1250943	Cancer support center	TN	501(C)(3)	Line 3	Covenant Health		No
1915 White Ave Knoxville, TN 37916 62-1619239	Oncology services	TN	501(C)(3)	Line 3	Thompson Cancer Survival Center		No
1915 White Ave Knoxville, TN 37916 58-2130450	Fundraising and patient outreach	TN	501(C)(3)	Line 12b, II	Covenant Health		No
421 S Main St Crossville, TN 385555048 62-0790132	Acute care hospital	TN	501(C)(3)	Line 3	Covenant Health		No
1850 Old Knoxville Rd Tazewell, TN 378793625 46-4420358	Acute care hospital	TN	501(C)(3)	Line 3	Covenant Health		No

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal Domicile (State or Foreign Country)	(d) Direct Controlling Entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations?		(i) Code V-UBI amount in Box 20 of Schedule K-1 (Form 1065)	(j) General or Managing Partner?		(k) Percentage ownership
							Yes	No		Yes	No	
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									
Fort Sanders West Associates 280 Fort Sanders West Blvd Ste 214 Knoxville, TN 37922 62-1384171	Building ownership	TN	N/A									
KOSC Properties LLC 256 Fort Sanders West Blvd Ste 200 Knoxville, TN 37922 26-2444076	Building ownership	TN	N/A									
Knoxville Orthopaedic Surgery Center LLC 256 Fort Sanders West Blvd Ste 200 Knoxville, TN 37922 26-2437385	Orthopaedic surgery	TN	N/A									
KOC 260 Bldg LLC 260 Fort Sanders West Blvd Knoxville, TN 37922 46-5228440	Land and building ownership	TN	N/A									
CovenantUSP Surgery Centers LLC 15305 Dallas Parkway Ste 1600 Addison, TX 75001 36-4828197	Holding company	TN	N/A									
Canterfield of Oak Ridge LLP 140 Bus Terminal Road Oak Ridge, TN 37830 27-4129674	Assisted living community	GA	N/A									