



Strength for Building

Healthier Communities

Built on a not-for-profit mission of community service, Covenant Health and its member organizations are working together to be the first and best choice for a healthier East Tennessee.



A Pledge to Our Community



The Covenant Health Pledge of Excellence

The patient always comes first.

Excellence in everything I do.

We will be the first and best choice for our communities.

A Message From Our CEO

“We serve our communities by improving the quality of life through better health.”

That’s the mission statement of Covenant Health, East Tennessee’s largest integrated healthcare delivery enterprise. As a not-for-profit health system, our mission challenges us to be a strong organization that puts local communities first through wise use of our expertise and resources.

This Report to the Community highlights some of our 2022-23 accomplishments in support of Covenant Health’s mission, along with initiatives that are underway in 2024. We are proud to be at the forefront of technology innovations, training the healthcare professionals of tomorrow, actively participating in clinical trials, and making our services available to more people in our region through new facilities and partnerships.



Covenant Health is blessed by the wisdom and commitment of our board of directors and our organization’s leaders. I am especially thankful for our dedicated physicians, nurses, clinical experts, support staff and operations employees at our many locations, and for the support of our generous donors and volunteers. I’m honored to work with this team in fulfilling Covenant Health’s mission, and I appreciate your trust and confidence as we build stronger, healthier communities across our region.

A handwritten signature in black ink, appearing to read "J. VanderSteeg".

Jim VanderSteeg
President and CEO

FACTS AND STATS FOR 2023

2,100,000

Patient Encounters at Our Hospitals, Clinics, and Medical Practices

A Letter From the Chairman of the Board

I became chairman of the Covenant Health board of directors in January 2022, after serving on the board for about three years. I was interested in serving on the board because I believe in the mission of Covenant Health, and I fully subscribe to the values and culture of the organization.

Covenant Health has changed and grown during its 25+ years of caring for our communities. The health system has continued to expand, not just in size, but in the number of employees and physicians, and our medical services, technology advances, and quality. We have made significant investments in our surrounding communities and are especially excited about plans for an expansion of our services in Blount County. Covenant Health is building alliances and partnerships with other healthcare organizations to help advance our mission. More services are being provided in outpatient settings and even in patients' homes through our innovations in virtual technology.

Covenant Health has made these advances and investments in our facilities and services so that we can be the first and best choice for healthcare in our region. We are a strong organization with significant resources. This allows Covenant Health and the board of directors to make long-term strategic decisions that keep our patients and quality care as top priorities.

I am grateful for the opportunity to "give back" to my community as a board member of Covenant Health. I am proud of the benefits that our region has received as a result of Covenant Health's presence and growth, and how the organization truly fulfills its mission of improving the quality of life through better health.



King Purnell
Chairman, Board of Directors



FACTS AND STATS FOR 2023

6,000,000

Square Feet in 100+ Locations



OUR MISSION

We serve the community by improving the quality of life through better health.

OUR VISION

Covenant Health is committed to being the region's premier healthcare network by providing patient-centered care that inspires clinical and service excellence, making us the first and best choice for our patients, employees, physicians, employers, volunteers and communities.



OUR VALUES

In service to God and community, we value:



INTEGRITY



QUALITY



DEVELOPING
PEOPLE



SERVICE



CARING



STEWARDSHIP

The First and Best Choice

PATIENTS FIRST, ALWAYS

Through our integrated healthcare delivery system, we're making expert, compassionate care more accessible for our patients and guests.



“As a not-for-profit organization, Covenant Health is committed to building healthier communities and to being the region’s most trusted provider for all those we serve, in every stage of life.”

-Jim VanderSteege, CEO

Leading Through Innovation: Technology That Enables Healing

TELEHEALTH APPOINTMENTS: ACCESS TO CARE WHEREVER YOU ARE

We offer convenient, safe access to healthcare services via computer or mobile device. Many of our physicians offer **telehealth appointments**, and for immediate needs, Covenant Health offers **virtual urgent care** with emergency-trained providers who are available 24/7 anywhere in East Tennessee.



VIRTUAL CARE AT OUR HOSPITALS

Virtual services at our hospitals offer advanced care for complex medical conditions and help smaller communities through remote access to specialized Covenant Health resources. Our physicians use telehealth technology to remotely monitor patients' conditions or consult with other medical specialists. Covenant Health was the first organization to implement **tele-ICU** as an extra layer of care for critical care patients at our hospitals. Virtual technology is also used in areas such as neurology and cardiology, and for remote psychiatric evaluations.



FACTS AND STATS FOR 2023

775,509

Physician Office Visits Across Covenant Health

ADVANCED CARE AT HOME: HOSPITAL-LEVEL CARE IN THE COMFORT OF HOME

In 2023 Covenant Health was the first healthcare organization in the area to launch Advanced Care at Home, a unique program that allows patients to receive around-the-clock medical care and remote monitoring in their own homes.



With Advanced Care at Home, patients are monitored around the clock by a team at a virtual care operations center and can communicate with a provider at any time. A mobile health team visits the patient's home twice daily, and nurse practitioners or physician assistants make in-home visits. Other healthcare professionals such as physical therapists may also provide care.

Advanced Care at Home serves eligible patients with specific conditions like heart failure, COPD, and gastroenteritis, among others. The hospital-level support includes medication management, laboratory services, intravenous (IV) infusion services, rehabilitation therapies, oxygen treatments, X-ray and ultrasound, all provided in the home.

This care model has been shown to increase patient satisfaction, improve outcomes, reduce ER readmissions, and shorten hospital stays.

"This is an innovative step in transforming the future of healthcare delivery" said Mandy Grubb Halford, MD, Senior Vice President, Chief Medical Officer and Chief Medical Informatics Office for Covenant Health. "Advanced Care at Home is another 'first' in bringing virtual technology and dedicated medical professionals together to better serve our patients and communities."

FACTS AND STATS FOR 2023

69,584

Admissions Across Covenant Health

Strength in Clinical and Patient Care Excellence

Covenant Health and its member organizations have received regional and national accolades for excellence in quality, patient safety and advanced medical care. Here are just a few of our most recent recognitions:

American Heart Association/American Stroke Association

Covenant Health’s acute-care hospitals have received multiple “Mission Lifeline” and “Get with the Guidelines” recognitions for excellence in in cardiology and stroke care.

The designations mean that the hospitals have met or exceeded treatment guidelines and protocols for patients experiencing a heart attack or stroke.



Becker’s Hospital Review

150 Top places to Work in Healthcare (named four times in recent years)

100 Hospitals and Health Systems with Great Oncology Programs

100 Hospitals and Health Systems with Great Orthopedic Programs

70 Hospitals and Health Systems with Spine and Neuroscience Programs to Know



Forbes

Named a Best Employer eight times, including “America’s Best,” “Best Employers for Women,” Best Employers for Diversity” and “Best-in-State” categories

“Most Wired” National Designation for Effective Use of Computer Technology

Covenant Health – Acute Category

Covenant Medical Group – Ambulatory Category

National Committee for Quality Assurance (NCQA)

Covenant Medical Group – 24 medical practices recognized as Patient-Centered Medical Homes

Newsweek

America's Greatest Workplaces

America's Greatest Workplaces for Diversity

America's Greatest Workplaces for Job Starters

America's Greatest Workplaces for Women

The Leapfrog Group Patient Safety Score

All nine Covenant Health acute-care hospitals earned "A" grades in patient safety in Spring 2024.

The Leapfrog Group is a national nonprofit organization that reports data about healthcare organizations with a focus on patient safety and helping consumers make informed decisions about healthcare.



The Region's Only Stroke Hospital Network

Covenant Health has the region's only stroke hospital network, with medical expertise and advanced technology for treating complex strokes. Our acute-care hospitals have these designations from The Joint Commission:

Acute Stroke-Ready Hospital – Claiborne Medical Center

Advanced Primary Stroke Center – Cumberland Medical Center, Fort Loudoun Medical Center, LeConte Medical Center, Methodist Medical Center, Morristown-Hamblen Healthcare System, Parkwest Medical Center, Roane Medical Center

Comprehensive Stroke Center of Excellence – Fort Sanders Regional Medical Center



FACTS AND STATS FOR 2023

1,300+

The Region's Most Physicians

Generous Donors Support Covenant Health's Non-Profit Mission

As a not-for-profit healthcare delivery enterprise, Covenant Health is grateful for the support of many generous donors throughout East Tennessee and beyond. Covenant Health has five foundations that raise funds for services and programs for patients. These foundations are essential to fulfilling the organization's mission of improving the quality of life through better health.

In 2023, **\$4,259,000** in donations were distributed to support these initiatives:

- Emergency assistance for 4,000+ patients and employees in crisis
- Lodging for those traveling long distances for outpatient care
- Medical care and monitoring for patients in Covenant Health's onsite clinic at Knox Area Rescue Ministries (KARM)
- Nurse navigators to guide cancer patients through treatment
 - Outpatient cardiac and pulmonary rehab for patients without insurance coverage or ability to pay
 - 30-day supplies of critical medications for Peninsula Behavioral Health patients at discharge
 - Free screening mammograms for women in need
 - Purchase of patient care equipment
 - Support for clinical trials



Variety of East Tennessee and other generous donors underwrite Katerpillar Kids Camp, a free weekend day camp offered by Covenant Hospice for children dealing with the death of a loved one.

A Financial Gift of Gratitude

FORMER CANCER PATIENT AND HUSBAND CREATE ENDOWMENT AT THOMPSON CANCER SURVIVAL CENTER

Many patients and families who have received care at Covenant Health want to show their gratitude by partnering with us to ensure excellent healthcare in our communities. Our Office of Philanthropy offers giving options ranging from support of specific programs and fund-raising events to planned giving opportunities for those desiring to include Covenant Health in their legacy and estate plans.

Thompson Cancer Survival Center patient Ann Brown and her husband, Marty, chose to create the Ann and Marty Brown Excellence Endowment at Thompson in gratitude for the care Ann received after a breast cancer diagnosis and as a source of hope for future cancer patients. Endowed gifts are a powerful way to provide long-term support, allowing charitable gifts to grow over time and create a permanent resource to serve future patients.



Ann and Marty Brown have created an endowment at Thompson Cancer Survival Center in gratitude for the care Ann received.

“A cancer diagnosis changes everything. Your mind floods with questions, and you think about your family, your future and all the unknowns,” Ann says. “When I received my diagnosis, I was relieved to learn that Thompson Cancer Survival Center offered best-in-class treatment options right here in Knoxville. I always felt confident in my care team – they ensured I received personalized care and expertise needed for my journey. In particular, the nurse navigation program provided invaluable guidance and support, easing the complexities of treatment and empowering me to make informed decisions.

“Along with my family and my faith, my care team was a source strength, determination and hope, even on my darkest days. I am now five-plus years cancer free – praise God! Marty and I are privileged to support this program and hopeful that it will extend the same level of care, support, and compassion to countless others on their own journeys toward healing.”

Covenant Health and Thompson are so grateful to the Browns and many other generous donors who are committed to the future of excellent health care in our region. To learn more about how your donations can make a difference, visit www.covenanthealth.com/giving or contact the Office of Philanthropy at 865-531-5210 or philanthropy@covhlth.com.

Building for the Future: Training Tomorrow's Healthcare Professionals

Covenant Health is preparing future healthcare professionals through many education initiatives:

- Covenant Health partners with postsecondary schools throughout our region, involving 1,000+ students from 20+ schools.
- A land donation from Covenant Health provided a site across from Parkwest Medical Center for a new Knoxville Healthcare Training and Simulation Center for Roane State Community College and Tennessee College of Applied Technology.
- Programs at several Covenant Health hospitals train and pay high school students to work in support roles in preparation for future healthcare studies.
- Clinical training rotations give advanced medical students at Lincoln Memorial University's DeBusk College of Osteopathic Medicine a chance to experience a variety of specialties.
- Residency programs for healthcare graduates include postgraduate training for pharmacists, a nurse residency program for new nursing graduates, and a new Family Medicine Residency program.

NEW RESIDENCY PROGRAM HELPS MEET GROWING NEED FOR FAMILY DOCTORS

In 2023, Covenant Health's Methodist Medical Center announced a new program that brings medical school graduates to the Knoxville-Oak Ridge area to continue their advanced training to become family doctors. The Methodist Family Medicine Residency Program is accredited by the American College of Graduate Medical Education (ACGME).

The residency program is integrated with the newly opened Methodist Family Medicine Clinic in Oak Ridge. Residents are guided by physicians and administrators as they provide care and participate in special projects.

"We are creating a top-quality program that produces well-trained family medicine physicians," said program director James Schindler, MD, MPH. "Residents will have the resources of Methodist Medical Center and Covenant Health, plus the amazing community of Oak Ridge, and all the latest technology and training tools at their disposal."



Research Provides Resources for Better Care

CLINICAL TRIALS BRING HOPE TO PATIENTS



Patients at Covenant Health's Thompson Cancer Survival Center get more than great cancer care. They benefit from groundbreaking research by a team of oncology professionals that is like no other in the region.

Thirty years after its beginnings, Covenant Health's Thompson Cancer Survival Center remains a leader in pivotal clinical research. Research helps answer important questions, and those answers can lay the groundwork for preserving quality of life or even saving lives.

"For instance, our participation in key melanoma trials has paved the way for successful melanoma treatments used today," says oncologist David Chism, MD, Thompson's director of clinical research. "The results of those early trials are evident in higher survival rates for today's melanoma patients."

Thompson has nearly 25 active oncology trials. The research is so impactful that Thompson's clinical trials team has been chosen to deliver findings before national organizations.

According to the American Society of Clinical Oncology, only about three percent of cancer patients participate in clinical trials. Dr. Chism would like research to help more current and future patients.

"Our hope is to offer better choices for these patients through clinical trial participation at home, here in Knoxville, where their family and friends can be beacons of support," Dr. Chism says, noting that the level of care meets the high standards set by Thompson for every patient "With increased participation, more therapies and possible cures can reach those affected faster. Time matters."

Connecting With Our Communities

Covenant Health is committed to serving communities throughout our region by providing local services and participating in local initiatives and partnerships.

MORRISTOWN-HAMBLEN WEST



- Free-standing emergency department
- Diagnostic Center with lab & imaging services
- Breast Center
- Physician clinic

MORRISTOWN LANDING



Covenant Health also has been named the health partner for Morristown Landing, a community recreation, fitness and event center near Morristown-Hamblen South that serves the entire Morristown area. The 115,000-square-foot center includes facilities for sports, aquatics, group fitness and health education classes, programs for children, youth and seniors, and more.

In 2024, Covenant Health opened Covenant Health Therapy Center – Morristown, adding physical rehabilitation services to the offerings at Morristown Landing.

COVENANT HEALTH SOUTH



- Urgent care with extended hours
- Diagnostic Center with lab and imaging services
- Rehabilitation center
- Physician clinic

Between its opening in mid-October 2023 and mid-December 2023, Covenant Health Urgent Care visits were as high as nearly 50 visits per day during the Center’s extended hours. Covenant Health South also offers medical specialties such as cardiopulmonary rehabilitation, cardiology, nephrology (kidney care) pregnancy care and women’s health, and primary care.

FUTURE GROWTH FOR URGENT CARE

Covenant Health plans to open three additional urgent care locations throughout the Knoxville area over the next couple of years.

FACTS AND STATS FOR 2023

1,117,120

Outpatient Visits Across Covenant Health

FORT LOUDOUN MEDICAL CENTER BREAKS GROUND FOR EXPANSION



In late 2023, Covenant Health’s Fort Loudoun Medical Center broke ground for an expansion of the 50-bed medical facility in Loudon County. In part as a result of a donation from The Brethen Foundation, the medical center is constructing a new critical care area called The Brethen Foundation Advanced Care Wing. The expansion will create 26 new patient rooms for both intensive and intermediate care.

A groundbreaking ceremony took place Nov. 3, 2023, with more than 100 community leaders and local officials in attendance, including the Brethen family, whose generous donation helped make the expansion possible.

The 18,000-square-foot addition also will include a nurses’ station and family waiting area, as well as an expansion of current emergency department space. The new intensive care unit and expanded emergency department are expected to open in early 2026.

FACTS AND STATS FOR 2023

11,000+

The Region’s Most Employees

COVENANT HEALTH KNOXVILLE MARATHON



"This is Your Year" was the theme of the 2023 Covenant Health Knoxville Marathon, which had more than 6,330 registrants in race categories that included full- and half-marathons, 2- and 4-perons relays, a 5K, hand cyclists and the Covenant Kids Run.

"We're proud of Covenant Health's nearly 20-year legacy as presenting sponsor of the marathon, encouraging fitness and healthy lifestyles for people of all ages," said President and CEO Jim VanderSteeg. "The significance of the weekend extends beyond the races – we hope that participants and observers alike are inspired to prioritize their health and help create healthier communities all year long."

CONTRIBUTIONS TO COMMUNITY ORGANIZATIONS

2022

\$453,225

2018-2022

\$2,520,000

Through contributions and sponsorships, Covenant Health supports area health-related organizations, community outreach programs, programs for children and youth, economic/community leadership development, and recreation/quality of life.

Financial Strength: Essential Support for Services and Growth

As a not-for-profit health system, Covenant Health reinvests excess revenues after expenses in programs, services, technologies and facilities to improve patient care.

CAPITAL INVESTMENTS

Over the past 10 years, Covenant Health has invested more than \$1.3 billion in capital investments in the communities we serve.

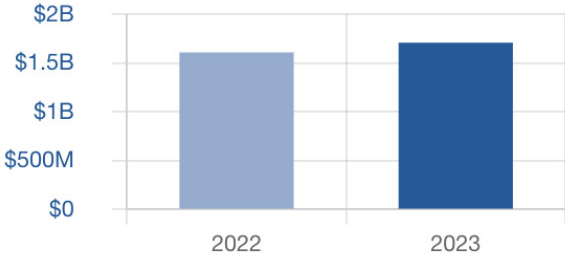
2023

\$87,385,000

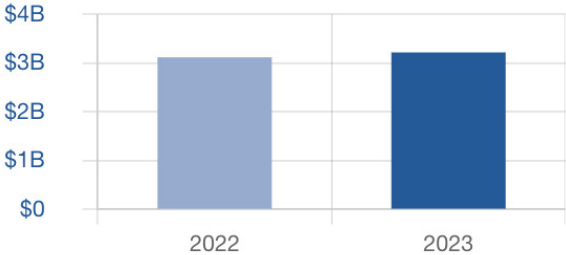
2019-2023

\$607,157,000

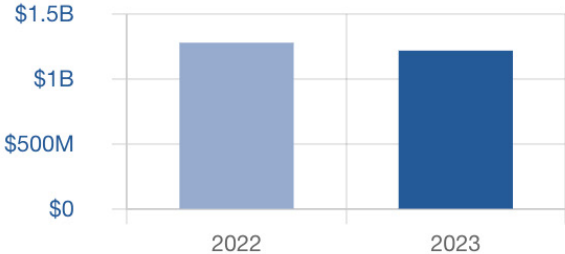
Total Operating Revenue



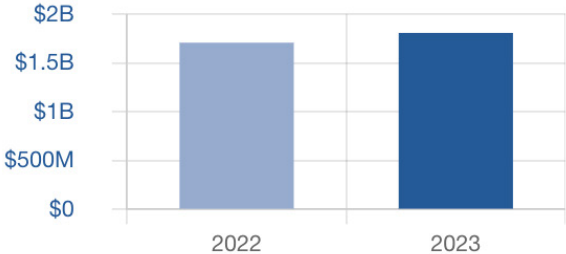
Total Assets



Total Liabilities



Net Assets



An aerial photograph of a town nestled in a valley. In the foreground, there are several large buildings, including a prominent yellow and red structure, and parking lots. A road curves through the middle ground. The background features rolling green hills and a range of mountains under a sky with large, golden-lit clouds at sunset or sunrise.

Community Care and Investments

As a not-for-profit health system, Covenant Health provides significant contributions to our communities through charity care and uncompensated care, and by meeting local health needs through specialized medical services. In addition, we contribute to charitable organizations and provide educational programs for health professionals. Our salaries and tax contributions support local economies in the communities we serve.

Covenant Health was named by The Lown Institute among the top 10 U.S. health systems in 2022 for “fair share spending,” or investing in local communities beyond the value of tax exemptions for our nonprofit hospitals.

Caring for Those in Need

Charity Care

2022	\$61,911,000
Charity Care for 41,934 Patients	
2018-2022	\$316,956,000

Uncompensated Care

Care which costs more to provide than reimbursements from state and national programs cover

2022	\$89,967,000
2018-2022	\$325,921,000

Subsidized Care

Clinical services provided to meet community needs despite financial loss

2022	\$74,320,000
2018-2022	\$302,290,000

Investing in Our Communities

Health Professionals' Education

2022	\$1,906,745
2018-2022	\$9,198,869

Employees, Salaries, and Benefits

Number of employees as of 12/2023: 10,480

2023	\$911,384,466
2019-2023	\$3,965,377,379

Real Property Taxes - Knox County

2023	\$1,360,390
2019-2023	\$6,961,634

Real Property Taxes

All Counties (including Knox)

2023	\$3,687,636
2019-2023	\$18,291,848

FACTS AND STATS FOR 2023

\$152 million

The Region’s Most Charity and Uncompensated Care Provided Annually by a Healthcare System

Experienced Leadership for a Strong Organization

Covenant Health's voluntary board of directors includes business and community leaders representing the areas we serve, along with physicians whose expertise brings an essential perspective to governance for our organization. We are grateful for our board members' integrity, knowledge, hours of service, and ongoing commitment to Covenant Health and to improving the health of our region.

2024 BOARD OF DIRECTORS

Mitch Dickson, MD

Anesthesiologist,
Parkwest Medical Center

Stephanie Flood

Chief Information Officer,
Clayton
Maryville

James Gibson

Chairman of the Board,
Accurus Aerospace Corporation
Irving, Texas (Retired)

Edgar Gray

Stewart Lumber Company
Morristown (Retired)

Leslye Hartsell

Director, Community Relations
and External Engagement,
Knoxville Utilities Board

G. Donald Hickman

Federal Government Service,
Federal Bureau of Investigation,
Tennessee Valley Authority
(Retired)

Timothy Matthews

President and CEO,
Jewelry Television

Janice McKinley

Senior Vice President
and Chief Nursing Officer,
Covenant Health (Retired)

Cletus McMahon, MD

Orthopedic Surgeon,
Methodist Medical Center (Retired)

Dave Miller

East Region President,
First Tennessee Bank

Bill Myers

President and Managing Member,
Wagner, Myers and Sanger, PC (Retired)

Alvin Nance

CEO of Development, LHP Development

Linda Ogle

Properties Owner and
Sevier County Community Leader
Sevierville

King Purnell

Chairman, Knoxville Board
Capstar Bank

Jorge Sanabria

Owner/President,
Expoquip, Inc.

William Seale

Chief Strategy Officer,
KaTom Restaurant Supply, Inc

Cosby Stone

CEO & Chairman,
The Cosby Harrison Company
(previously TAPPCO)
GMedia and Information Services
Crossville (Retired)

Joseph E. Sutter

Colonel, USAF (Retired)

James Tramontana, MD

Radiologist,
Chief of Radiology Dept.
and President of Group
Methodist Medical Center

EXECUTIVE LEADERS

Jim VanderSteege

President and Chief Executive Officer

Mike Belbeck

Executive Vice President of Operations

Joe Dolan

Executive Vice President and
Chief Financial Officer

Jon-David Deeson

Executive Vice President
Physician Enterprise/Ambulatory Services

Doug Campbell

General Counsel

CHIEFS OF STAFF

Patrick Bolt, MD

Orthopedist
Fort Sanders Regional Medical Center

Edgar Diaz, MD

Hospitalist, Internal Medicine
Roane Medical Center

Meredith Hale, MD

Emergency Medicine
Fort Loudoun Medical Center

Kendra Hendon, DO

Nephrologist
Parkwest Medical Center

Richard Love, MD

Obstetrics/Gynecology
LeConte Medical Center

Milan Sheth, DO

Cardiologist
Methodist Medical Center

“Our past achievements and our future initiatives are possible because of the contributions of those who came before us, and because of our dedicated volunteer Board, our health system leaders, employees, physicians, volunteers and donors.”

-Jim VanderSteege, CEO





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Covenant Health complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex.

Covenant Health cumple con las leyes federales de derechos civiles aplicables y no discrimina por motivos de raza, color, nacionalidad, edad, discapacidad o sexo.

Let Our
Strength

Be Yours.