

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13G
Under the Securities Exchange Act of 1934

BioScrip, Inc.
(Name of Issuer)

Common Stock
(Title of Class of Securities)

09069N108
(CUSIP Number)

December 31, 2008
(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

Rule 13d-1(b)

Rule 13d-1(c)

Rule 13d-1(d)

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP No. 09069N108

1. Names of Reporting Person
I.R.S. Identification Nos. of above person
Signia Capital Management, LLC 94-3383030

2. Check the Appropriate Box if a Member Of a Group
 (a)
 (b)

3. SEC Use Only

4. Citizenship or Place of Organization
Washington, United States

5. Sole Voting Power: 698,768
6. Shared Voting Power: 0
7. Sole Dispositive Power: 2,578,724
8. Shared Dispositive Power: 0

Number of
Shares
Beneficially
Owned by
Each Reporting
Person With

9. Aggregate Amount Beneficially Owned by Each Reporting Person
2,578,724

10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares

11. Percent of Class Represented by Amount in Row (9)
6.67%

12. Type of Reporting Person

IA

Item 1. (a) Issuer: BioScrip, Inc.

1. Address:
100 CLEARBROOK ROAD
ELMSFORD NY 10523

Item 2. (a) Name of Person Filing:

Signia Capital Management, LLC

(b) Address of Principal Business Offices:

108 N Washington St Ste 305
Spokane, WA 99201
United States

(c) Citizenship:

Please refer to Item 4 on each cover sheet for each filing person

(d) Title of Class of Securities

Common Stock

(e) CUSIP Number: 09069N108

Item 3. Signia Capital Management, LLC is an investment advisor in accordance with Rule 13d-1(b)(1)(ii)(E);

Item 4. Ownership

Please see Items 5 - 9 and 11 for each cover sheet for each filing separately

Item 5. Ownership of Five Percent or Less of a Class

Not Applicable

Item 6. Ownership of More than Five Percent on Behalf of Another Person

Not Applicable

Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company

Not Applicable

Item 8. Identification and Classification of Members of the Group

Not Applicable

Item 9. Notice of Dissolution of Group

Not Applicable

Item 10. Certification

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were acquired and held in the ordinary course of business and were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify

that the information set forth in this statement is true, complete and correct.

Date: February 13, 2009

Signia Capital Management, LLC

By: /s/ David C. Krebs

Name: David C. Krebs

Title: Chief Compliance Officer