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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C.

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FORM 8-K

CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): **October 28, 2009**

**BioScrip, Inc.**

(Exact Name of Registrant as Specified in its Charter)

**Delaware**

(State or Other Jurisdiction of Incorporation)

**0-28740**

(Commission  
File Number)

**05-0489664**

(IRS Employer  
Identification No.)

**100 Clearbrook Road, Elmsford, New York**

(Address of Principal Executive Offices)

**10523**

(Zip Code)

Registrant's telephone number, including area code **(914) 460-1600**

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(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12).
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240-14d-2(b)).
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c)).
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**Item 2.02 Results of Operations and Financial Condition.**

On October 30, 2009, BioScrip, Inc. issued a press release reporting its financial results for the three and nine months ended September 30, 2009. A copy of that press release is furnished with this Current Report on Form 8-K as Exhibit 99.1 and is incorporated herein by reference.

The press release includes certain non-GAAP financial measures as described therein. As required by Regulation G, a reconciliation between any non-GAAP financial measures presented and the most directly comparable GAAP financial measures is also provided.

As provided in General Instruction B.2 to Form 8-K, the information furnished in this Item 2.02 and in Exhibit 99.1 hereto shall not be deemed "filed" for purposes of Section 18 of the Securities and Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing with the Securities and Exchange Commission, except as shall be expressly provided by specific reference in such filing.

**Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

On October 28, 2009, Steven K. Schelhammer, a director of BioScrip since May 2007, informed BioScrip's Chairman and Chief Executive Officer that he was resigning from the Board of Directors in order to devote his full-time attention to his position as Chief Executive Officer of Phytel, Inc. Mr. Schelhammer has had no disagreements with BioScrip with respect to any matters.

**Item 9.01 Financial Statements and Exhibits.**

(c) Exhibits. The following information is furnished as an exhibit to this Current Report:

<u>Exhibit No.</u>	<u>Description of Exhibit</u>
99.1	Press Release dated October 30, 2009.

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned duly authorized.

Date: October 30, 2009

BIOSCRIP, INC.

By:

/s/ Barry A. Posner  
Executive Vice President,  
Secretary and General Counsel



## NEWS RELEASE

### Contact:

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## BIOSCRIP, INC. REPORTS THIRD QUARTER EARNINGS OF \$0.14 PER SHARE

ELMSFORD, N.Y.--(BUSINESS WIRE)—October 30, 2009—BioScrip, Inc. (Nasdaq: BIOS) today announced third quarter net income of \$5.7 million, or \$0.14 per diluted share, on revenues of \$333.5 million. These results compare to net income of \$1.4 million, or \$0.04 per share, on revenues of \$359.4 million for the third quarter of 2008. Third quarter 2009 EBITDAO was \$8.9 million compared to \$5.3 million for the same period a year ago.

Richard H. Friedman, BioScrip's Chairman and Chief Executive Officer, stated, "Our results reflect the steady progress of our strategy to provide a full and comprehensive continuum of care, expand our clinical management reach and local market presence while delivering improved operating margins. We continue to upgrade our talent base with key hires to support the growth of our business."

### Results of Operations

Revenue for the third quarter of 2009 totaled \$333.5 million, compared to \$359.4 million for the same period a year ago. Revenue declines were expected due to the previously announced elimination of the Medicare Competitive Acquisition Program ("CAP") effective December 31, 2008 and the termination of the United Health Group ("UHG") organ transplant and HIV/AIDS contracts, partially offset by increased sales of higher margin infusion therapies and other specialty sales. Excluding the effects of these contracts, 2009 third quarter revenues were 7.9% higher than the 2008 comparable period.

Gross profit for the third quarter of 2009 was \$41.5 million, or 12.4% compared to \$36.1 million, or 10% for the third quarter of 2008. The increase was primarily the result of improved product mix due to our continued focus on higher margin therapies as well as improved supply chain programs.

Third quarter 2009 operating profit was \$6.7 million, or 2.0% compared to \$2.8 million, or 0.8% for the third quarter of 2008. The increase in operating income was a result of the improved product and therapy mix discussed above, which was partially offset by bad debt expense returning to normalized levels.

Revenue for the nine months ended September 30, 2009 totaled \$988.0 million compared to \$1,035.3 million for the comparable period a year ago. Excluding the elimination of CAP and UHG, the year-to-date 2009 revenue grew 7.4% over the comparable period in 2008.

Gross profit for the nine months ended September 30, 2009 was \$115.9 million, or 11.7% compared to \$104.2 million, or 10.1% for the same period in 2008. The increase in gross margin for the year was the result of improved product and therapy mix, the elimination of lower margin business and improved supply chain programs.

Operating profit for the nine months ended September 30, 2009 was \$16.1 million, or 1.6% compared to \$6.4 million, or 0.6% for the comparable period of 2008. Net income for the nine months ended 2009 was \$13.4 million, or \$0.34 per diluted share, compared to \$2.6 million, or \$0.07 per diluted share, for the same period one year ago.

The Company also announced that Steven Schelhammer has resigned as a member of the company's Board of Directors in order to devote his full-time attention to his position as Chief Executive Officer of Phytel, Inc. "On behalf of the entire Board of Directors, we thank Steve for his important contributions to BioScrip," stated Friedman.

### Conference Call

BioScrip will host a conference call to discuss its third quarter 2009 financial results on Friday, October 30, at 8:30 a.m. Eastern Time. Interested parties may participate in the conference call by dialing 800-920-2986 (US), or 212-231-2900 (International), 5-10 minutes prior to the start of the call. A replay of the conference call will be available from 12:00 p.m. Eastern Time on Friday, October 30, through 12:00 p.m. Eastern Time on Friday, November 13, by dialing 800-633-8284 (US), or 402-977-9140 (International), and entering reservation number 21440281. An audio web cast and archive of the conference call will also be available under the investor relations section of the BioScrip website at [www.bioscrip.com](http://www.bioscrip.com).

### About BioScrip, Inc.

BioScrip, Inc. ([www.bioscrip.com](http://www.bioscrip.com)) (Nasdaq: BIOS) is a specialty pharmaceutical healthcare organization that partners with patients, physicians, healthcare payers and pharmaceutical manufacturers to provide access to medications and management solutions to optimize outcomes for chronic and other complex

health care conditions.

### **Forward Looking Statements-Safe Harbor**

This press release may contain statements which constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding the intent, belief or current expectations of the Company, its directors, or its officers with respect to the future operating performance of the Company. Investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and that actual results may differ materially from those in the forward-looking statements as a result of various factors. Important factors that could cause such differences are described in the Company's periodic filings with the Securities and Exchange Commission.

Earnings before interest, taxes, depreciation, amortization, and option expense ("EBITDAO") is a non-GAAP financial measure as defined under U.S. Securities and Exchange Commission Regulation G. As required by Regulation G, BioScrip has provided on Schedule 3 a reconciliation of this measure to the most comparable GAAP financial measure. The non-GAAP measure presented provides important insight into the ongoing operations and a meaningful benchmark to evidence the Company's continuing profitability trend.

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TABLES TO FOLLOW

**BIOSCRIP, INC**  
**CONSOLIDATED BALANCE SHEETS**  
(in thousands, except for share amounts)

	September 30, 2009	December 31, 2008
	(unaudited)	
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ -	\$ -
Receivables, less allowance for doubtful accounts of \$9,828 and \$11,629 at September 30, 2009 and December 31, 2008, respectively	147,326	158,649
Inventory	47,833	45,227
Prepaid expenses and other current assets	3,866	2,766
<b>Total current assets</b>	<b>199,025</b>	<b>206,642</b>
Property and equipment, net	15,674	14,748
Other assets	983	1,069
Goodwill	24,498	24,498
<b>Total assets</b>	<b>\$ 240,180</b>	<b>\$ 246,957</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current liabilities</b>		
Line of credit	\$ 39,584	\$ 50,411
Accounts payable	62,909	76,936
Claims payable	4,228	5,230
Amounts due to plan sponsors	5,951	5,646
Accrued expenses and other current liabilities	10,200	9,575
<b>Total current liabilities</b>	<b>122,872</b>	<b>147,798</b>
Deferred taxes	1,095	533
Income taxes payable	3,512	3,089
<b>Total liabilities</b>	<b>127,479</b>	<b>151,420</b>
<b>Stockholders' equity</b>		
Common stock, \$.0001 par value; 75,000,000 shares authorized; shares issued: 42,349,728, and 41,622,629, respectively; shares outstanding; 39,272,399 and 38,691,356, respectively	4	4
Treasury stock, shares at cost: 2,653,007 and 2,624,186, respectively	(10,366)	(10,288)
Additional paid-in capital	252,274	248,441
Accumulated deficit	(129,211)	(142,620)
<b>Total stockholders' equity</b>	<b>112,701</b>	<b>95,537</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 240,180</b>	<b>\$ 246,957</b>

BIOSCRIP, INC  
CONSOLIDATED STATEMENTS OF OPERATIONS (1)  
(in thousands, except per share amounts)  
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2008	2009	2008
Revenue	\$ 333,476	\$ 359,427	\$ 987,974	\$ 1,035,338
Cost of revenue	291,980	323,346	872,100	931,159
Gross profit	41,496	36,081	115,874	104,179
% of Revenue	12.4%	10.0%	11.7%	10.1%
Operating expenses				
Selling, general and administrative expenses	32,402	31,859	94,335	95,031
Bad debt expense	2,433	1,413	5,410	2,786
Total operating expense	34,835	33,272	99,745	97,817
% of Revenue	10.4%	9.3%	10.1%	9.4%
Income from operations	6,661	2,809	16,129	6,362
Interest expense, net	447	669	1,471	1,931
Income before income taxes	6,214	2,140	14,658	4,431
Tax provision	467	730	1,249	1,879
Net income	\$ 5,747	\$ 1,410	\$ 13,409	\$ 2,552
Basic weighted average shares	38,961	38,403	38,807	38,359
Diluted weighted average shares	40,184	38,934	39,345	39,187
Basic net income per share	\$ 0.15	\$ 0.04	\$ 0.35	\$ 0.07
Diluted net income per share	\$ 0.14	\$ 0.04	\$ 0.34	\$ 0.07

(1) Certain amounts have been reclassified to conform to the current presentation. Such classifications have had no impact on income from operations or net income.



## BIOSCRIP, INC

Reconciliation between GAAP and Non-GAAP Measures  
(in thousands, except per share amounts)  
(unaudited)

	Three Months September 30,		Nine Months September 30,	
	2009	2008	2009	2008
<b>Net Income</b>	\$ 5,747	\$ 1,410	\$ 13,409	\$ 2,552
Addback items:				
Depreciation and Amortization	1,356	1,620	3,596	4,685
Net interest	447	669	1,471	1,931
Taxes	467	730	1,249	1,879
Stock-based compensation expense	897	864	2,385	2,859
Earnings before interest, taxes, depreciation, amortization and share-based compensation expense (EBITDAO)	<u>\$ 8,914</u>	<u>\$ 5,293</u>	<u>\$ 22,110</u>	<u>\$ 13,906</u>
<b>Net Income</b>	\$ 5,747	\$ 1,410	\$ 13,409	\$ 2,552
Add back items:				
OIG Settlement	-	795	-	795
Pro forma Net Income	<u>\$ 5,747</u>	<u>\$ 2,205</u>	<u>\$ 13,409</u>	<u>\$ 3,347</u>
Basic weighted average shares	<u>38,961</u>	<u>38,403</u>	<u>38,807</u>	<u>38,359</u>
Diluted weighted average shares	<u>40,184</u>	<u>38,934</u>	<u>39,345</u>	<u>39,187</u>
Basic pro forma net income per share	<u>\$ 0.15</u>	<u>\$ 0.06</u>	<u>\$ 0.35</u>	<u>\$ 0.09</u>
Diluted pro forma net income per share	<u>\$ 0.14</u>	<u>\$ 0.06</u>	<u>\$ 0.34</u>	<u>\$ 0.09</u>

