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

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): March 1, 2015

BIOSCRIP, INC.

(Exact name of Registrant as specified in its charter)

Delaware	000-28740	05-0489664
(State of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

100 Clearbrook Road, Elmsford, New York	10523
(Address of principal executive offices)	(Zip Code)

Registrant’s telephone number, including area code: (914) 460-1600

N/A
(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))

Section 1 – Registrant's Business and Operations

Item 1.01. Entry into a Material Definitive Agreement.

On March 1, 2015, BioScrip, Inc. (the "Company") entered into a third amendment (the "Third Amendment") to its credit agreement dated as of July 31, 2013, as amended on December 23, 2013 and January 31, 2014, with SunTrust Bank, Jefferies Finance LLC and Morgan Stanley Senior Funding, Inc. (the "Senior Credit Facilities"). The Third Amendment, among other things, establishes an alternate leverage test for the fiscal quarters ending March 31, 2015 through and including March 31, 2016. The maximum net leverage ratio for these quarters is consistent with that in effect for the prior four fiscal quarters. The Third Amendment eliminates the need to meet progressively lower leverage ratio requirements at each quarter end date for the next four quarters. The Third Amendment also reduces the Revolver Covenant Triggering Event from 25% of the Aggregate Revolving Commitment Amount to 5% of the Aggregate Revolving Commitment Amount beginning with the quarter ended June 30, 2015 and provides for certain additional financial reporting.

A copy of the Third Amendment is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference. The foregoing description of the Third Amendment does not purport to be complete and is qualified in its entirety by reference to the full text of the Third Amendment.

Section 2 – Financial Information

Item 2.02. Results of Operations and Financial Condition.

On March 2, 2015, the Company issued a press release reporting its 2014 fourth quarter and year-end financial results. A copy of the press release is furnished with this Current Report on Form 8-K as Exhibit 99.1 and is incorporated herein by reference.

Section 8 – Other Events

Item 8.01. Other Events.

As previously announced, the Company will host a conference call to discuss its 2014 fourth quarter and year-end financial results on March 2, 2015 at 8:30 a.m. Eastern Time. Interested parties may participate in the conference call by dialing 800-771-6917 (U.S.) or 212-231-2919 (International) 5-10 minutes prior to the start of the call. An investor presentation complementary to the conference call will also be available prior to the start of the call under the "Investor Relations" section of the Company's website at www.bioscrip.com. A replay of the conference call will be available for two weeks after the call's completion by dialing 800-633-8284 (U.S.) or 402-977-9140 (International) and entering conference call ID number 21762174. An audio webcast and archive including the investor presentation will also be available for 30 days under the "Investor Relations" section of the Company's website at www.bioscrip.com.

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

Section 9 – Financial Statements and Exhibits

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits. See the Exhibit Index which is hereby incorporated by reference.

As provided in General Instruction B.2 to Form 8-K, the information furnished in Item 2.02 and in Exhibit 99.1 hereto as it relates to the Company's financial results for the quarter ended December 31, 2014, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities under that Section and shall not be deemed incorporated by reference into any filing of the Company with the Securities and Exchange Commission under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly provided by specific reference in such filing.

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 hereunto duly authorized.

BIOSCRIP, INC.

Date: March 2, 2015		/s/ Kimberlee C. Seah
	By:	Kimberlee C. Seah
		Senior Vice President and General Counsel

EXHIBIT INDEX

Exhibit No.	Description
10.1	Third Amendment to the Senior Credit Facilities, dated as of March 1, 2015
99.1	BioScrip, Inc. press release dated March 2, 2015

Exhibit 10.1

THIRD AMENDMENT TO CREDIT AGREEMENT

THIS THIRD AMENDMENT TO CREDIT AGREEMENT (this "Amendment") is made and entered into as of March 1, 2015, by and among BIOSCRIP, INC., a Delaware corporation (the "Borrower"), each of the Subsidiaries of the Borrower identified on the signature pages hereto as a "Guarantor" (each, a "Guarantor" and, collectively, the "Guarantors"; the Borrower and the Guarantors, each, a "Loan Party" and, collectively, the "Loan Parties"), the Lenders party hereto, and SUNTRUST BANK, in its capacity as administrative agent for itself and the Lenders (the "Administrative Agent").

WITNESSETH :

WHEREAS, the Borrower, the banks and other financial institutions and lenders party thereto (collectively, the "Lenders"), and the Administrative Agent have executed and delivered that certain Credit Agreement dated as of July 31, 2013 (as amended by that certain First Amendment to Credit Agreement dated as of December 23, 2013 and that certain Second Amendment to Credit Agreement dated as of January 31, 2014, and as the same may be further amended, restated, supplemented, or otherwise modified from time to time, the "Credit Agreement"); and

WHEREAS, the Borrower has requested that the Administrative Agent and the Lenders agree to amend certain provisions of the Credit Agreement as set forth herein, and the Administrative Agent and the Lenders party hereto have agreed to such amendments, in each case, subject to the terms and conditions set forth below.

NOW, THEREFORE, for and in consideration of the above premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties hereto, the parties hereto hereby covenant and agree as follows:

SECTION 1. Definitions. Unless otherwise specifically defined herein, each term used herein (and in the recitals above) which is defined in the Credit Agreement (as amended hereby) shall have the meaning assigned to such term in the Credit Agreement (as amended hereby). Each reference to "hereof," "hereunder," "herein," and "hereby" and each other similar reference and each reference to "the Agreement" and each other similar reference contained in the Credit Agreement shall from and after the date hereof refer to the Credit Agreement as amended hereby.

SECTION 2. Amendments to Credit Agreement. The Credit Agreement is hereby amended as follows:

(a) Section 1.1 of the Credit Agreement is hereby amended by adding the following new defined terms thereto in appropriate alphabetical order:

"Alternate Leverage Test Conditions" shall have the meaning set forth in Article VI.

"Third Amendment" shall mean that certain Third Amendment to Credit Agreement dated as of March 1, 2015, by and among the Borrower, the Guarantors, the Administrative Agent, and the Required Revolving Lenders.

"Third Amendment Effective Date" shall mean the effective date of the Third Amendment.

(b) Article VI of the Credit Agreement is hereby amended and restated so that it reads in its entirety as follows:

ARTICLE VI

CONSOLIDATED FIRST LIEN NET LEVERAGE RATIO COVENANT

The Borrower covenants and agrees that so long as any Lender has a Commitment hereunder or any Obligation remains unpaid or outstanding (other than Hedging Obligations owed by any Loan Party to any Lender-Related Hedge Provider, Bank Product Obligations and indemnities and other contingent obligations not then due and payable and as to which no claim has been made), except with the written consent of the Required Revolving Lenders, solely with respect to the Revolving Loans and solely to the extent that a Revolver Covenant Triggering Event (as defined below) has occurred:

(a) The Borrower shall not permit the Consolidated First Lien Net Leverage Ratio as of the last day of any Fiscal Quarter (commencing with the Fiscal Quarter ending September 30, 2013), for the period of four (4) consecutive Fiscal Quarters ending on such date, to be greater than the ratio set forth below opposite such Fiscal Quarter (the "Original Leverage Test"):

Fiscal Quarter Ending	Consolidated First Lien Net Leverage Ratio
September 30, 2013 through and including March 31, 2014	6.25:1.00
June 30, 2014	6.00:1.00
September 30, 2014	5.75:1.00
December 31, 2014, and March 31, 2015	5.50:1.00
June 30, 2015	5.25:1.00
September 30, 2015, and December 31, 2015	5.00:1.00
March 31, 2016, through and including September 30, 2016	4.50:1.00
December 31, 2016, and continuing thereafter	4.00:1.00

(b) Notwithstanding the foregoing clause (a), solely with respect to any Fiscal Quarter during the period commencing with the Fiscal Quarter ending March 31, 2015 through and including the Fiscal Quarter ending March 31, 2016, in lieu of complying with the Original Leverage Test in clause (a) above, to the extent that the Borrower shall have satisfied the Alternate Leverage Test Conditions (as defined below) at all times during such Fiscal Quarter, the Borrower shall be in compliance with this Article VI so long as it does not permit the Consolidated First Lien Net Leverage Ratio as of the last day of any such Fiscal Quarter, for the period of four (4) consecutive Fiscal Quarters ending on such date, to be greater than the ratio set forth below opposite such Fiscal Quarter (the "Alternate Leverage Test"):

Fiscal Quarter Ending	Consolidated First Lien Net Leverage Ratio
March 31, 2015	7.25:1.00
June 30, 2015	7.25:1.00
September 30, 2015	7.25:1.00
December 31, 2015	7.25:1.00
March 31, 2016	7.25:1.00

(c) For purposes of this Article VI, "Alternate Leverage Test Conditions" shall mean:

(i) the Borrower shall have maintained with respect to each Fiscal Quarter ending after the Third Amendment Effective Date through and including March 31, 2016, at all times during each such Fiscal Quarter, Liquidity of at least $10,000,000, and the Borrower shall have included a certification of the foregoing in the Compliance Certificate delivered by the Borrower hereunder for such Fiscal Quarter;

(ii) the Borrower shall have delivered to the Administrative Agent (for distribution to the Revolving Credit Lenders) 13-week cash flow statements within five (5) Business Days of the last day of each calendar week during the Fiscal Quarter for which the Consolidated First Net Leverage Ratio is being tested, provided that for the Fiscal Quarter ending March 31, 2015, Borrower shall have delivered such 13-week cash flow statements commencing on March 2, 2015 through and including the end of such Fiscal Quarter; and

(iii) in the event that the Administrative Agent elects to engage a consultant (whether or not a Default or Event of Default exists) at any time during the Fiscal Quarter for which the Consolidated First Lien Net Leverage Ratio is being tested, (A) the Borrower shall have agreed to, and shall have caused each other Loan Party to agree to, subject to terms and conditions acceptable to the Administrative Agent, (x) reimburse the Administrative Agent for all costs and expenses related to the engagement of such consultant, (y) cooperate with the consultant in connection with such engagement (including providing information promptly and holding periodic calls with the consultant, in each case upon the request of Administrative Agent), and (z) provide access to the consultant from time to time upon the reasonable request of either the consultant or the Administrative Agent, and (B) the Borrower shall have, and shall have caused each Loan Party to, comply with the terms and conditions of the foregoing agreements at all times during such Fiscal Quarter.

(d) Notwithstanding the foregoing, the financial covenant set forth in this Article VI (including the Original Leverage Test or the Alternate Leverage Test, as applicable) shall be tested and the Borrower shall be required to comply with this Article VI solely to the extent that, (i) as of the last day of any Fiscal Quarter ending on or before March 31, 2015, the aggregate outstanding principal amount of Revolving Loans and Swingline Loans exceeds 25% of the Aggregate Revolving Commitment Amount in effect on such date or (ii) as of the last day of any Fiscal Quarter ending on or after June 30, 2015, the aggregate outstanding principal amount of Revolving Loans and Swingline Loans exceeds 5% of the Aggregate Revolving Commitment Amount in effect on such date (each a "Revolver Covenant Triggering Event").

SECTION 3. Representations and Warranties. Each Loan Party hereby represents and warrants to the Administrative Agent and the Lenders as follows:

(a) Both immediately before and immediately after giving effect to this Amendment, all representations and warranties of each Loan Party set forth in the Loan Documents are true and correct in all material respects (other than those representations and warranties (i) that are expressly qualified by a Material Adverse Effect or other materiality, in which case such representations and warranties are true and correct in all respects or (ii) that expressly relate to an earlier date, in which case such representations and warranties are true and correct in all material respect as of such earlier date).

(b) No Default or Event of Default has occurred and is continuing or would result from giving effect to the terms hereof.

(c) The execution, delivery and performance by each Loan Party of this Amendment are within such Loan Party's organizational powers and have been duly authorized by all necessary organizational and, if required, shareholder, partner or member action.

(d) This Amendment has been duly executed and delivered by each Loan Party and constitutes valid and binding obligations of such Loan Party, enforceable against it in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity.

SECTION 4. Conditions Precedent. This Amendment shall become effective only upon satisfaction of the following conditions precedent:

(a) the execution and delivery of this Amendment by each Loan Party, the Administrative Agent and each of the Required Revolving Lenders;

(b) in accordance with that certain Fee Letter dated as of February 27, 2015 executed by the Administrative Agent and accepted by the Borrower (the "Fee Letter"), the Borrower shall have paid to SunTrust Robinson Humphrey, Inc., for the account of each of the Revolving Credit Lenders party hereto, an amendment fee equal to 0.75% of the Revolving Commitment of such Revolving Credit Lender outstanding on the date hereof;

(c) the Borrower shall have paid to the Administrative Agent all other fees required to be paid by the Borrower under the Fee letter; and

(d) the Borrowers shall have paid all other costs, fees, and expenses owed by the Borrower to the Administrative Agent, including, without limitation, reasonable attorneys' fees and expenses.

The conditions precedent set forth in clauses (b) through (d) above shall be deemed satisfied upon the Borrower (i) delivering an irrevocable notice of borrowing requesting that Revolving Loans be made on or before 5:00p.m. (EST), March 2, 2015, in an amount sufficient to satisfy all fees, costs, and expenses set forth in clauses (b) through (d) and (ii) irrevocably instructing the Administrative Agent to pay such fees, costs and expenses on behalf of the Borrower with the proceeds of such Revolving Loans and with such payment to be made on or before 5:00p.m. (EST), March 2, 2015.

SECTION 5. Release of Claims. The Loan Parties hereby acknowledge and agree that, through the date hereof, each of the Administrative Agent and the Lenders has acted in good faith and has conducted itself in a commercially reasonable manner in its relationships with the Loan Parties in connection with the Obligations, the Credit Agreement, and the other Loan Documents, and the Loan Parties hereby waive and release any claims to the contrary. The Loan Parties hereby release, acquit and forever discharge the Administrative Agent and each of the Lenders, their respective Affiliates, and their respective officers, directors, employees, agents, attorneys, advisors, successors and assigns, both present and former, from any and all claims and defenses, known or unknown as of the date hereof, with respect to the Obligations, this Amendment, the Credit Agreement, the other Loan Documents and the transactions contemplated hereby and thereby.

SECTION 6. Miscellaneous Terms.

(a) Loan Document. For avoidance of doubt, the Borrower, the Lenders party hereto, and the Administrative Agent hereby acknowledge and agree that this Amendment is a Loan Document.

(b) Effect of Amendment. Except as set forth expressly hereinabove, all terms of the Credit Agreement and the other Loan Documents shall be and remain in full force and effect, and shall constitute the legal and binding obligation of the Borrower, enforceable against such Borrower Party in accordance with their respective terms. Except to the extent otherwise expressly set forth herein, the amendments set forth herein shall have prospective application only from and after the date of this Amendment.

(c) No Novation or Mutual Departure. The Loan Parties expressly acknowledge and agree that (i) there has not been, and this Amendment does not constitute or establish, a novation with respect to the Credit Agreement or any of the other Loan Documents, or a mutual departure from the strict terms, provisions, and conditions thereof, other than with respect to the amendments contained in Section 2 above and (ii) nothing in this Amendment shall affect or limit the Administrative Agent's or any Lender's right to demand payment of liabilities owing from any Loan Party to the Administrative Agent or any Lender under, or to demand strict performance of the terms, provisions, and conditions of, the Credit Agreement and the other Loan Documents, to exercise any and all rights, powers, and remedies under the Credit Agreement or the other Loan Documents or at law or in equity, or to do any and all of the foregoing, immediately at any time after the occurrence of a Default or an Event of Default under the Credit Agreement or the other Loan Documents.

(d) Ratification. The Borrower hereby restates, ratifies, and reaffirms each and every term, covenant, and condition set forth in the Credit Agreement and the other Loan Documents to which it is a party (as such terms, covenants, and conditions are amended by Section 2 above) effective as of the date hereof.

(e) No Offset. To induce the Administrative Agent and the Lenders to enter into this Amendment and to continue to make advances pursuant to the Credit Agreement (subject to the terms and conditions thereof), each Loan Party hereby acknowledges and agrees that, as of the date hereof, and after giving effect to the terms hereof, there exists no right of offset, defense, counterclaim, claim, or objection in favor of any Loan Party or arising out of or with respect to any of the Loans or other obligations of any Loan Party owed to the Administrative Agent or any Lender under the Credit Agreement or any other Loan Document.

(f) Counterparts. This Amendment may be executed in any number of counterparts and by the parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts, taken together, shall constitute but one and the same instrument.

(g) Fax or Other Transmission. Delivery by one or more parties hereto of an executed counterpart of this Amendment via facsimile, telecopy, or other electronic method of transmission pursuant to which the signature of such party can be seen (including, without limitation, Adobe Corporation's Portable Document Format) shall have the same force and effect as the delivery of an original executed counterpart of this Amendment. Any party delivering an executed counterpart of this Amendment by facsimile or other electronic method of transmission shall also deliver an original executed counterpart, but the failure to do so shall not affect the validity, enforceability, or binding effect of this Amendment.

(h) Recitals Incorporated Herein. The preamble and the recitals to this Amendment are hereby incorporated herein by this reference.

(i) Section References. Section titles and references used in this Amendment shall be without substantive meaning or content of any kind whatsoever and are not a part of the agreements among the parties hereto evidenced hereby.

(j) Further Assurances. The Borrower agrees to take, at the Borrower's expense, such further actions as the Administrative Agent shall reasonably request from time to time to evidence the amendments set forth herein and the transactions contemplated hereby.

(k) Governing Law. This Amendment shall be governed by and construed and interpreted in accordance with the internal laws of the State of New York but excluding any principles of conflicts of law or other rule of law that would cause the application of the law of any jurisdiction other than the laws of the State of New York.

(l) Severability. Any provision of this Amendment which is prohibited or unenforceable shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof in that jurisdiction or affecting the validity or enforceability of such provision in any other jurisdiction.

(m) Reaffirmation of Guarantors. Each Guarantor (i) consents to the execution and delivery of this Amendment, (ii) reaffirms all of its obligations and covenants under the Guaranty and Security Agreement and the other Loan Documents to which it is a party, and (iii) agrees that none of its respective obligations and covenants shall be reduced or limited by the execution and delivery of this Amendment.

[SIGNATURES ON FOLLOWING PAGES]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective authorized officers as of the day and year first above written.

BIOSCRIP, INC.,
as the Borrower

By: /s/ Kimberlee C. Seah
Name: Kimberlee C. Seah
Title: Sr. Vice President, Secretary & General Counsel

APPLIED HEALTH CARE, LLC,
BIOSCRIP INFUSION MANAGEMENT, LLC,
BIOSCRIP INFUSION SERVICES, INC.,
BIOSCRIP INFUSION SERVICES, LLC,
BIOSCRIP MEDICAL SUPPLY SERVICES, LLC,
BIOSCRIP NURSING SERVICES, LLC,
BIOSCRIP PBM SERVICES, LLC,
BIOSCRIP PHARMACY (NY), INC.,
BIOSCRIP PHARMACY (PUERTO RICO), INC.,
BIOSCRIP PHARMACY SERVICES, INC.
BIOSCRIP PHARMACY, INC.,
BRADHURST SPECIALTY PHARMACY, INC.,
CEDAR CREEK HOME HEALTH CARE AGENCY, LLC,
CHRONIMED, LLC,
CHS HOLDINGS, INC.,
CRITICAL HOMECARE SOLUTIONS, INC.,
DEACONESS ENTERPRISES, LLC,
DEACONESS HOMECARE, LLC,
EAST GOSHEN PHARMACY, INC.,
ELK VALLEY HEALTH SERVICES, LLC,
ELK VALLEY HOME HEALTH CARE AGENCY, LLC,
ELK VALLEY PROFESSIONAL AFFILIATES, INC.,
GERICARE, LLC,
HOMECHOICE PARTNERS, INC.,
INFUCENTERS, LLC,
INFUSAL PARTNERS,
INFUSCIENCE HHA, LLC,
INFUSCIENCE, INC.,
INFUSCIENCE SOUTH CAROLINA, LLC,
INFUSCIENCE SUB, INC.,
INFUSION PARTNERS, LLC,
INFUSION PARTNERS OF BRUNSWICK, LLC, and
INFUSION PARTNERS OF MELBOURNE, LLC,
each, as a Guarantor

By: /s/ Kimberlee C. Seah
Name: Kimberlee C. Seah
Title: Sr. Vice President, Secretary & General Counsel

INFUSION SOLUTIONS, INC.,
INFUSION THERAPY SPECIALISTS, INC.,
KNOXVILLE HOME THERAPIES, LLC,
NATIONAL HEALTH INFUSION, INC.,
NATURAL LIVING, INC.,
NEW ENGLAND HOME THERAPIES, INC.,
NUTRI USA INC.,
OPTION HEALTH, LTD.,
PHCS ACQUISITION CO, INC.,
PROFESSIONAL HOME CARE SERVICES, INC.,
REGIONAL AMBULATORY DIAGNOSTICS, INC.,
SCOTT-WILSON, INC.,
SOUTH MISSISSIPPI HOME HEALTH, INC.,
SOUTH MISSISSIPPI HOME HEALTH, INC. - REGION I,
SOUTH MISSISSIPPI HOME HEALTH, INC. – REGION II,
SOUTH MISSISSIPPI HOME HEALTH, INC. – REGION III,
SPECIALTY PHARMA, INC., and
WILCOX MEDICAL, INC.,
each, as a Guarantor

By: /s/ Kimberlee C. Seah
Name: Kimberlee C. Seah
Title: Sr. Vice President, Secretary & General Counsel

SUNTRUST BANK,
as Administrative Agent and a Lender

By: /s/ Katherine Bass
Name: Katherine Bass
Title: Director

SUNTRUST BANK,
as Administrative Agent, for itself and with the consent of the Required Revolving Lenders

By: /s/ Katherine Bass
Name: Katherine Bass
Title: Director

JEFFERIES FINANCE LLC,
as a Lender

By: /s/ Brian Buoye
Name: Brian Buoye
Title: Managing Director

JFIN REVOLVER CLO LTD.,
as a Lender

By: Jefferies Finance LLC, as Portfolio Manager

By: /s/ Brian Buoye
Name: Brian Buoye
Title: Managing Director

MORGAN STANLEY BANK, N.A.,
as a Lender

By: /s/ Nehal Abdel Hakim

Name: Nehal Abdel Hakim
Title: Authorized Signatory

Exhibit 99.1

PRESS RELEASE

Contact:

Lisa Wilson
In-Site Communications, Inc.
T: 212-452-2793
E: lwilson@insitecony.com

FOR IMMEDIATE RELEASE

BIOSCRIP REPORTS FOURTH QUARTER 2014 FINANCIAL RESULTS

Elmsford, NY – March 2, 2015 – BioScrip®, Inc. (NASDAQ: BIOS) (the "Company") today announced 2014 fourth quarter financial results. Fourth quarter revenue from continuing operations was $253.7 million and the net loss from continuing operations was $61.9 million, or $0.90 per basic and diluted share. Non-GAAP adjusted loss from continuing operations per basic and diluted share was $0.69.

Fourth Quarter Highlights

- Total revenue increased by $28.2 million, or 12.5%, as compared to the prior year period. Revenue from the Infusion Services segment increased to $239.5 million, reflecting 13.0% growth year-over-year, driven by organic revenue growth;
- Gross profit from continuing operations was $65.6 million, or 25.9% of revenue, as compared to $68.2 million, or 30.2% of revenue, in the prior year period;
- Adjusted EBITDA from continuing operations was a loss of $30.6 million, primarily reflecting incremental allowance for bad debt expense;
- The Company booked an incremental $31.7 million charge to bad debt, an increase of $29.2 million compared to the prior year period, bringing the total bad debt expense in 2014 to $79.6 million. The Company believes this charge appropriately reserves older account receivables;
- The Company implemented an annualized $15 million in previously identified cost savings projects and identified incremental gross savings of $9 million expected to be realized in 2015, for a total of $24 million of expected gross cost savings in the year. Net of investments and expenses to support double digit organic growth and continued improvement of cash collections, the Company anticipates realizing a total of $10 million in net cost savings in 2015;
- Cash flow from continuing operations was positive for the second consecutive quarter at $2.0 million; and,
- As a result of the continued focus on cash collections, the Company has increased monthly average accounts receivable collections from $70.0 million in the first quarter of 2014 to $83.0 million in the fourth quarter of 2014.

“Fourth quarter and full year 2014 results reflect double digit organic revenue growth in our infusion business. We have taken a number of actions to align our cost structure and focus our resources in support of core infusion therapies, which we believe will continue to drive profitable growth and shareholder value. In addition, following an in-depth review of our bad debt reserve, we recorded a charge this quarter that we feel appropriately reserves older account receivables,” said Rick Smith, President and Chief Executive Officer of BioScrip.

“As we head into 2015, we expect to continue to focus on double digit organic growth, operating cash flow generation and cost savings initiatives. We have confidence that our platform and our solid payor and hospital relationships will continue to drive profitable growth,” concluded Mr. Smith.

Results of Operations

Fourth Quarter 2014 versus Fourth Quarter 2013
Revenue from continuing operations for the fourth quarter of 2014 totaled $253.7 million, compared to $225.5 million for the same period a year ago, an increase of $28.2 million or 12.5%. Infusion Services segment revenue was $239.5 million in the fourth quarter of 2014 as compared to $212.0 million for the same period in 2013. The 13.0% increase was driven primarily by continued strong organic growth.

Consolidated gross profit for the fourth quarter of 2014 was $65.6 million, or 25.9% of revenue, compared to $68.2 million, or 30.2% of revenue, for the fourth quarter of 2013. The decrease in gross profit dollars and margin percentage was primarily the result of a decrease in the PBM Services segment and the impact of therapy mix on the Infusion Services segment.

During the fourth quarter of 2014, on a consolidated basis, Adjusted EBITDA from continuing operations declined by $43.9 million to a loss of $30.6 million, compared to $13.3 million in the prior year period. Infusion Services segment Adjusted EBITDA was a loss of $18.3 million in the fourth quarter of 2014.

PBM Services segment revenue was $14.2 million for the fourth quarter of 2014, compared to $13.5 million for the prior year period. PBM Services segment Adjusted EBITDA was $1.6 million, or 11.2% of segment revenue, for the fourth quarter of 2014 compared to $1.7 million, or 12.7% of segment revenue, in the prior year quarter.

Interest expense in the fourth quarter of 2014 was $9.3 million compared to $8.0 million in the prior year period.

Income tax expense for continuing operations in the fourth quarter of 2014 was $2.9 million compared to an income tax expense of $2.6 million in the prior year period.

Net loss from continuing operations for the fourth quarter of 2014 was $61.9 million, or a loss of $0.90 per basic and diluted share, compared to a net loss of $15.6 million, or $0.23 per basic and diluted share, in the prior year period.

Twelve Months Ended 2014 versus Twelve Months Ended 2013
Revenue from continuing operations for the twelve months ended December 31, 2014 totaled $984.1 million, compared to $769.5 million for the same period a year ago. The 27.9% increase was driven primarily by organic growth in infusion therapies. Infusion Services segment revenue was $922.7 million for the twelve months ended December 31, 2014, compared to $696.9 million for the same period in 2013, a 32.4% increase.

Consolidated gross profit for the twelve months ended December 31, 2014, was $261.1 million, or 26.5% of revenue, compared to $243.6 million, or 31.7% of revenue, in the prior year. The net increase in gross profit was primarily due to organic growth. Consolidated gross profit margin percentage was primarily impacted by the PBM Services segment and the impact of therapy mix on the Infusion Services segment.

PBM Services segment revenue for the twelve months ended December 31, 2014 was $61.4 million, compared to $72.6 million for the prior year period.

For the twelve months ended December 31, 2014, on a consolidated basis, Adjusted EBITDA from continuing operations declined by $68.8 million to a loss of $23.0 million, compared to $45.7 million in the prior year period. Infusion Services segment Adjusted EBITDA was $6.5 million, or 0.7% of segment revenue, compared to $60.7 million, or 8.7% of segment revenue, in the prior year. On a pro-forma basis, Infusion Services segment Adjusted EBITDA was $62.8 million, compared to $60.7 million, in the prior year period.

On a pro-forma basis, consolidated Adjusted EBITDA from continuing operations was $39.3 million, which adjusts for the impact of non-recurring items that primarily include $56.3 million in Infusion Services pro-forma adjustments and $5.8 million of one-time accounting fees incurred during the fourth quarter of 2014.

Interest expense for the twelve months ended December 31, 2014 was $38.5 million compared to the $28.2 million in the prior year.

Income tax expense from continuing operations for the twelve months ended December 31, 2014 was $11.4 million, compared to an income tax expense of $2.5 million in 2013.

The net loss from continuing operations, net of taxes, for the twelve months ended December 31, 2014 was $143.4 million, or $2.09 per basic and diluted share, compared to a net loss of $57.0 million, or $0.89 per basic and diluted share, in the prior year.

Liquidity and Capital Resources
For the twelve months ended December 31, 2014, BioScrip used $24.6 million in net cash from continuing operating activities, compared to cash used of $46.0 million during the twelve months of 2013, a decrease of $21.4 million. The Company achieved positive cash flow from continuing operations during the last two quarters of 2014. As of December 31, 2014, the Company has $740,000 in cash and $423.8 million of outstanding debt. In addition, the Company had availability of $70.0 million on its $75.0 million revolving credit facility.

Conference Call and Presentation

BioScrip will host a conference call and live webcast to discuss its fourth quarter 2014 financial results on March 2, 2015 at 8:30 a.m. Eastern Time. Interested parties may participate by dialing 800-771-6917 (US), or 212-231-2919 (International) or accessing a link on the Company's website at www.bioscrip.com. The Company is also providing supplemental slides that will be posted prior to the conference call and will be accessible through the "Investor Relations" section of the BioScrip website at www.bioscrip.com.

A replay of the conference call will be available for two weeks after the call's completion by dialing 800-633-8284 (US) or 402-977-9140 (International) and entering conference call ID number 21762174. An audio webcast and archive will also be available for 30 days under the "Investor Relations" section of the Company's website.

<u>About BioScrip, Inc.</u>

BioScrip, Inc. is a leading national provider of infusion and home care management solutions. BioScrip partners with physicians, hospital systems, skilled nursing facilities, healthcare payors, and pharmaceutical manufacturers to provide patients access to post-acute care services. BioScrip operates with a commitment to bring customer-focused pharmacy and related healthcare infusion therapy services into the home or alternate-site setting. By collaborating with the full spectrum of healthcare professionals and the patient, BioScrip provides cost-effective care that is driven by clinical excellence, customer service, and values that promote positive outcomes and an enhanced quality of life for those it serves. BioScrip provides its infusion services from over 70 locations across 29 states.

Forward-Looking Statements – Safe Harbor This press release includes statements that may constitute "forward-looking statements," including projections of certain measures of the Company's results of operations, projections of certain charges and expenses, and other statements regarding the Company's goals, regulatory approvals and strategy. These statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. You can identify these statements by the fact that they do not relate strictly to historical or current facts. In some cases, forward-looking statements can be identified by words such as "may," "should," "could," "anticipate," "estimate," "expect," "project," “outlook,” “aim,” "intend," "plan," "believe," "predict," "potential," "continue" or comparable terms. Because such statements inherently involve risks and uncertainties, actual future results may differ materially from those expressed or implied by such forward-looking statements. 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 or contribute to such differences include but are not limited to risks associated with: the Company's ability to integrate any acquisitions; the Company's ability to grow its Infusion Services segment organically or through acquisitions and obtain financing in connection therewith; its ability to reduce operating costs while sustaining growth; reductions in federal, state and commercial reimbursement for the Company's products and services; increased government regulation related to the health care and insurance industries; as well as the risks described in the Company's periodic filings with the Securities and Exchange Commission. The Company does not undertake any duty to update these forward-looking statements after the date hereof, even though the Company's situation may change in the future. All of the forward-looking statements herein are qualified by these cautionary statements.

Reconciliation to Non-GAAP Financial Measures

In addition to reporting all financial information required in accordance with generally accepted accounting principles (GAAP), the Company is also reporting EBITDA, Adjusted EBITDA (including pro-forma Adjusted EBITDA), and Adjusted EPS, which are non-GAAP financial measures. EBITDA, Adjusted EBITDA and Adjusted EPS are not measurements of financial performance under GAAP and should not be used in isolation or as a substitute or alternative to net income, operating income or any other performance measure derived in accordance with GAAP, or as a substitute or alternative to cash flow from operating activities or a measure of our liquidity. In addition, the Company's definitions of EBITDA, Adjusted EBITDA and Adjusted EPS may not be comparable to similarly titled non-GAAP financial measures reported by other companies. EBITDA represents net income before net interest expense, income tax expense, depreciation and amortization. Adjusted EBITDA, as defined by the Company, represents net income before net interest expense, loss on extinguishment of debt, income tax expense, depreciation and amortization, stock-based compensation expense, acquisition and integration expenses, restructuring-related expenses and investments in start-up operations. As part of restructuring, the Company may incur significant charges such as the write down of certain long−lived assets, temporary redundant expenses, retraining expenses, potential cash bonus payments and potential accelerated payments or terminated costs for certain of its contractual obligations. Adjusted EPS, as defined by the Company, represents earnings per basic and diluted share, excluding the same elements in calculating Adjusted EBITDA as well as the impact of acquisition-related intangible amortization. Management believes that these non-GAAP financial measures provide useful supplemental information regarding the performance of our business operations and facilitates comparisons to our historical operating results. For a full reconciliation of EBITDA, Adjusted EBITDA and Adjusted EPS to the most comparable GAAP financial measures, please see the attachments to this earnings release.

Schedule 1

BIOSCRIP, INC AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(in thousands, except for share amounts)

	December 31, 2014	December 31, 2013
ASSETS		
Current assets		
Cash and cash equivalents	$ 740	$ 1,001
Receivables, less allowance for doubtful accounts of $66,500 and $17,836 at December 31, 2014 and December 31, 2013, respectively	140,810	172,188
Inventory	37,215	34,341
Prepaid expenses and other current assets	9,450	14,110
Current assets of discontinued operations	-	15,316
Total current assets	**188,215**	**236,956**
Property and equipment, net	38,171	41,182
Goodwill	573,323	571,337
Intangible assets, net	10,269	16,824
Deferred financing costs	13,463	17,184
Other non-current assets	1,272	3,733
Non-current assets of discontinued operations	-	49,642
Total assets	**$ 824,713**	**$ 936,858**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Current portion of long-term debt	$ 5,395	$ 60,257
Accounts payable	90,032	63,575
Claims payable	8,162	2,547
Amounts due to plan sponsors	5,779	4,826
Accrued interest	6,853	2,173
Accrued expenses and other current liabilities	46,092	36,371
Current liabilities of discontinued operations	-	6,576
Total current liabilities	**162,313**	**176,325**
Long-term debt, net of current portion	418,408	375,322
Deferred taxes	19,058	6,935
Other non-current liabilities	8,129	17,540
Non-current liabilities of discontinued operations	-	6,153
Total liabilities	**607,908**	**582,275**
Stockholders' equity		
Preferred stock, $.0001 par value; 5,000,000 shares authorized; no shares issued or outstanding	-	-
Common stock, $.0001 par value; 125,000,000 shares authorized; 71,273,564 and 70,711,439 shares issued and 68,636,965 and 68,128,919 shares outstanding as of December 31, 2014 and 2013, respectively	8	7
Treasury stock, 2,637,099 and 2,582,520 shares, at cost, as of December 31, 2014 and 2013, respectively	(10,679)	(10,311)
Additional paid-in capital	529,682	519,625
Accumulated deficit	(302,206)	(154,738)
Total stockholders' equity	**216,805**	**354,583**
Total liabilities and stockholders' equity	**$ 824,713**	**$ 936,858**

Schedule 2

BIOSCRIP, INC AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share amounts)

	Three Months Ended December 31,		Year Ended December 31,	
	2014	**2013**	**2014**	**2013**
Product revenue	$ 234,052	$ 206,090	$ 901,653	$ 675,684
Service revenue	19,626	19,394	82,402	93,774
Total revenue	**253,678**	**225,484**	**984,055**	**769,458**
Cost of product revenue	169,896	142,332	645,419	466,155
Cost of service revenue	18,174	14,956	77,570	59,690
Total cost of revenue	**188,070**	**157,288**	**722,989**	**525,845**
Gross profit	**65,608**	**68,196**	**261,066**	**243,613**
% of revenues	***25.9%***	***30.2%***	***26.5%***	***31.7%***
Selling, general and administrative expenses	64,684	59,956	239,810	209,627
Change in fair value of contingent consideration	(423)	(5,374)	(7,364)	(5,786)
Bad debt expense	38,533	9,360	79,574	19,625
Acquisition and integration expenses	3,170	3,105	17,924	16,130
Restructuring and other expenses	5,350	4,261	15,646	7,718
Amortization of intangibles	1,612	1,870	6,555	6,671
Loss from operations	**(47,318)**	**(4,982)**	**(91,079)**	**(10,372)**
Interest expense, net	9,342	8,029	38,539	28,198
Loss on extinguishment of debt	2,373	-	2,373	15,898
Loss from continuing operations, before income taxes	**(59,033)**	**(13,011)**	**(131,991)**	**(54,468)**
Income tax provision	2,907	2,565	11,391	2,523
Loss from continuing operations, net of income taxes	**(61,940)**	**(15,576)**	**(143,382)**	**(56,991)**
Loss from discontinued operations, net of income taxes	(1,686)	(2,983)	(4,086)	(12,663)
Net Loss	**$ (63,626)**	**$ (18,559)**	**$ (147,468)**	**$ (69,654)**
Loss per common share:				
Loss from continuing operations, basic and diluted	$ (0.90)	$ (0.23)	$ (2.09)	$ (0.89)
Loss from discontinued operations, basic and diluted	(0.02)	(0.04)	(0.06)	(0.19)
Loss, basic and diluted	**$ (0.92)**	**$ (0.27)**	**$ (2.15)**	**$ (1.08)**
Weighted average shares outstanding, basic and diluted	**68,637**	**68,097**	**68,476**	**64,560**

BIOSCRIP, INC AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Years Ended December 31, 2014	Years Ended December 31, 2013
Cash flows from operating activities:		
Net (loss) income	$ (147,468)	$ (69,654)
Less: Income (loss) from discontinued operations, net of income taxes	(4,086)	(12,663)
Loss from continuing operations, net of income taxes	(143,382)	(56,991)
Adjustments to reconcile net loss from continuing operations to net cash provided (used in) by operating activities:		
Depreciation	16,388	13,381
Amortization of intangibles	6,555	6,671
Amortization of deferred financing costs and debt discount	4,153	2,259
Change in fair value of contingent consideration	(7,364)	(5,786)
Change in deferred income tax	12,318	4,801
Compensation under stock-based compensation plans	8,570	9,450
Loss on extinguishment of debt	2,373	15,898
Equity in earnings of unconsolidated affiliate	-	675
Changes in assets and liabilities, net of acquired business:		
Receivables, net of bad debt expense	30,650	(33,511)
Inventory	(2,952)	4,939
Prepaid expenses and other assets	5,464	(456)
Accounts payable	26,021	22,260
Claims payable	5,614	(4,864)
Amounts due to plan sponsors	953	(13,105)
Accrued interest	4,681	(3,627)
Accrued expenses and other liabilities	5,313	(8,005)
Net cash provided by (used in) operating activities from continuing operations	(24,645)	(46,011)
Net cash provided by (used in) operating activities from discontinued operations	(6,771)	(8,542)
Net cash (used in) provided by operating activities	**(31,416)**	**(54,553)**
Cash flows from investing activities:		
Purchases of property and equipment, net	(13,829)	(25,525)
Cash consideration paid for acquisitions, net of cash acquired	(454)	(282,998)
Net cash proceeds from sale of unconsolidated affiliate	852	8,617
Cash advances to unconsolidated affiliate	-	(2,363)
Net cash used in investing activities from continuing operations	(13,431)	(302,269)
Net cash provided by investing activities from discontinued operations	57,688	(101)
Net cash provided by (used in) investing activities	**44,257**	**(302,370)**
Cash flows from financing activities:		
Proceeds from stock offering	-	118,382
Proceeds from senior notes due 2021, net of lenders' fees, other expenses and debt discount	194,539	-
Proceeds from senior credit facility, net of fees paid to issuers	-	378,091
Repayment of 10 1/4% senior unsecured notes	-	(237,397)
Deferred and other financing costs	(1,135)	-
Borrowings on line of credit	244,700	449,559
Repayments on line of credit	(279,703)	(409,559)
Principal payments on long-term debt	(172,243)	(5,000)
Repayments of capital leases	(360)	(802)
Net proceeds from exercise of employee stock compensation plans	1,468	2,549
Surrender of stock to satisfy minimum tax withholding	(368)	-
Net cash provided by (used in) financing activities	**(13,102)**	**295,823**
Net change in cash and cash equivalents	(261)	(61,100)
Cash and cash equivalents - beginning of period	1,001	62,101
Cash and cash equivalents - end of period	**$ 740**	**$ 1,001**
DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the period for interest	$ 34,133	$ 25,589
Cash paid during the period for income taxes, net of refunds	$ 1,651	$ 3,137
DISCLOSURE OF NON-CASH TRANSACTIONS:		
Capital lease obligations incurred to acquire property and equipment	$ 107	$ 20

Schedule 4

BIOSCRIP, INC AND SUBSIDIARIES

Reconciliation between GAAP and Non-GAAP Measures
(in thousands)

	Three Months Ended December 31, 2014	Three Months Ended December 31, 2013	Years Ended December 31, 2014	Years Ended December 31, 2013
Results of Operations:				
Revenue:				
Infusion Services - product revenue	$ 234,052	$ 206,090	$ 901,653	$ 675,684
Infusion Services - service revenue	5,442	5,900	21,001	21,182
Total Infusion Services revenue	239,494	211,990	922,654	696,866
PBM Services - service revenue	14,184	13,494	61,401	72,592
Total revenue	**$ 253,678**	**$ 225,484**	**$ 984,055**	**$ 769,458**
Adjusted EBITDA by Segment before corporate overhead:				
Infusion Services	(18,310)	$ 20,071	$ 6,501	$ 60,686
PBM Services	1,594	1,709	6,731	17,094
Total Segment Adjusted EBITDA	(16,716)	21,780	13,232	77,780
Corporate overhead	(13,879)	(8,511)	(36,264)	(32,042)
Consolidated Adjusted EBITDA	(30,595)	13,269	(23,032)	45,738
Interest expense, net	(9,342)	(8,029)	(38,539)	(28,199)
Loss on extinguishment of debt	(2,373)	-	(2,373)	(15,898)
Income tax provision	(2,907)	(2,565)	(11,391)	(2,523)
Depreciation	(4,389)	(5,212)	(16,388)	(13,381)
Amortization of intangibles	(1,612)	(1,870)	(6,555)	(6,671)
Stock-based compensation expense	(1,933)	(2,190)	(8,570)	(9,450)
Acquisition and integration expenses	(3,170)	(3,105)	(17,924)	(16,130)
Restructuring and other expenses and investments	(5,619)	(5,874)	(18,610)	(10,477)
Loss from continuing operations, net of taxes	**(61,940)**	**$ (15,576)**	**$ (143,382)**	**$ (56,991)**
Supplemental Operating Data				
Capital Expenditures:				
Infusion Services			$ 9,754	$ 15,972
PBM Services			-	-
Corporate unallocated			4,075	9,553
Total Capital Expenditures			**$ 13,829**	**$ 25,525**
Depreciation Expense:				
Infusion Services			$ 10,203	$ 8,541
PBM Services			-	-
Corporate unallocated			6,185	4,840
Total Depreciation Expense			**$ 16,388**	**$ 13,381**
Total Assets:				
Infusion Services			$ 755,955	$ 793,475
PBM Services			29,147	25,239
Corporate unallocated			39,611	53,169
Assets from discontinued operations			-	64,959
Assets associated with discontinued operations, not sold			-	16
Total Assets			**$ 824,713**	**$ 936,858**
Goodwill:				
Infusion Services			$ 560,579	$ 558,593
PBM Services			12,744	12,744
Total Goodwill			**$ 573,323**	**571,337**

Schedule 5

BIOSCRIP, INC AND SUBSIDIARIES

Reconciliation between GAAP and Non-GAAP Earnings Per Share
(in thousands except per share amounts)

	Three Months Ended December 31, 2014 (1)	Three Months Ended December 31, 2013 (2)	Years Ended December 31, 2014 (1)	Years Ended December 31, 2013 (3)
Loss from continuing operations, net of income taxes	$ (61,940)	$ (15,576)	$ (143,382)	$ (56,991)
Non-GAAP adjustments, net of income taxes:				
Restructuring and other related costs and investments (4)	5,619	5,876	18,610	10,478
Loss on extinguishment of debt	2,373	-	2,373	15,894
Acquisition and integration expenses	3,170	3,104	17,924	16,126
Amortization of intangibles	1,612	1,869	6,555	6,669
Compensation under stock-based compensation plans	1,933	2,189	8,570	9,448
Non-GAAP net income (loss) from continuing operations	$ (47,233)	$ (2,538)	$ (89,350)	$ 1,624
Loss per share from continuing operations, basic and diluted	$ (0.90)	$ (0.23)	$ (2.09)	$ (0.89)
Non-GAAP adjustments, net of income taxes:				
Restructuring and other related costs and investments (4)	0.08	0.09	0.27	0.16
Loss on extinguishment of debt	0.03	-	0.03	0.25
Acquisition and integration expenses	0.05	0.05	0.26	0.25
Amortization of intangibles	0.02	0.03	0.10	0.10
Compensation under stock-based compensation plans	0.03	0.03	0.13	0.15
Non-GAAP earnings per share from continuing operations, basic and diluted	$ (0.69)	$ (0.03)	$ (1.30)	$ 0.02
Weighted average shares outstanding, basic and diluted	68,637	68,097	68,476	64,560

(1) For the three months and year ended December 31, 2014 non-GAAP net loss from continuing operations adjustments are net of tax, calculated using an annual effective tax rate method. However, the Company has recorded a full valuation allowance on its deferred tax assets and, as a result, no tax benefit is being recognized for the non-GAAP net loss from continuing operations. The tax expense in continuing operations relates to indefinite-lived intangible assets and an insignificant amount of state tax expense which would not be impacted by the non-GAAP adjustments above. Accordingly, no tax expense has been allocated to the non-GAAP adjustments.

(2) For the three months ended December 31, 2013, non-GAAP net income from continuing operations adjustments are net of tax, calculated using an annual effective tax rate method. The tax expense netted against restructuring and other expenses and investments, acquisition and integration expenses, amortization of intangibles, and stock-based compensation expense was $2, $1, $1 and $1, respectively. The tax effect of these adjustments on a per share basis is not meaningful.

(3) For the year ended December 31, 2013, non-GAAP net income from continuing operations adjustments are net of tax, calculated using an annual effective tax rate method. The tax expense netted against restructuring and other expenses and investments, loss on extinguishment of debt, acquisition and integration expenses, amortization of intangibles, and stock-based compensation expense was $3, $4, $4, $2 and $2, respectively. The tax effect of these adjustments on a per share basis is not meaningful.

(4) Restructuring and other expenses and investments include costs associated with restructuring such as employee severance, third party consulting costs and facility closure costs; training and transitional costs as well as redundant salaries; losses in the short-term investment in the unconsolidated affiliate; and investments in start-up branch locations.

Schedule 6

BIOSCRIP, INC AND SUBSIDIARIES
Year Ended December 31, 2014

Consolidated Pro Forma Adj EBITDA
$'000

Consolidated Adj EBITDA	$	(23,032)
Pro Forma Adjustments:		
Infusion Pro Forma Adjustments	$	56,255
One-Time Audit Fees		5,800
Incremental FY Impact of 2014 RIF		239
Total Pro Forma Adjustments	$	62,294
Consolidated Pro Forma Adj EBITDA	$	39,262

Infusion Segment Pro Forma Adjusted EBITDA
$'000

Infusion Adj EBITDA	$	6,501
Pro Forma Adjustments:		
Bad Debt	$	54,127
Contractual Adjustments		4,127
Gain on Contingent Consideration		(7,364)
Incremental FY Impact of 2014 RIF		4,280
Site Closures		1,085
Total Pro Forma Adjustments	$	56,255
Infusion Pro Forma Adj EBITDA	$	62,756