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) August 4, 2011

BIOSCRIP, INC.
(Exact name of Registrant as specified in its charter)

Delaware	**0-28740**	**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))

Item 2.02 Results of Operations and Financial Condition.

On August 8, 2011, BioScrip, Inc. (the "Company") issued a press release reporting its 2011 second quarter financial results. 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, 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 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 August 4, 2001, the Board of Directors of the Company (the "Board") amended the BioScrip, Inc. 2001 Incentive Stock Plan (as amended, the "Plan") to conform the change in control definition and change in control provisions to that of the Amended and Restated 2008 Equity Incentive Plan and the BioScrip/CHS 2006 Equity Incentive Plan. These change in control provisions, as amended, provide that in the event of a change in control (as defined in the Plan), in which the successor company assumes or substitutes a Company option, stock appreciation right, restricted stock unit or stock grant with its own respective investment award and a key employee’s employment with such successor company terminates under the circumstances specified in the award certificate within 24 months following such change in control: (1) options and stock appreciation rights outstanding as of the date of such termination of employment will immediately vest, become fully exercisable, and may thereafter be exercised for 24 months (or the period of time set forth in the award certificate), and (2) restrictions, limitations and other conditions applicable to restricted stock units and stock grants will lapse and the restricted stock units and stock grants will become free of all restrictions and limitations and become fully vested. To the extent the successor company does not so assume or substitute for an option, stock appreciation right, restricted stock unit or stock grant: (1) those options and stock appreciation rights outstanding as of the date of the change in control that are not assumed or substituted for will immediately vest and become fully exercisable, and (2) restrictions and deferral limitations on restricted stock units and stock grants that are not assumed or substituted for will lapse and the restricted stock units and stock grants will become free of all restrictions and limitations and become fully vested.

Further, the change in control provisions, as amended, provide that the Compensation Committee of the Board (the "Compensation Committee"), in its discretion, may determine that, upon the occurrence of a change in control, each option and stock appreciation right outstanding will terminate within a specified number of days after notice to the key employee, and/or that each key employee will receive, with respect to each share of stock subject to such option or stock appreciation right, an amount equal to the excess of the fair market value of such share immediately prior to the occurrence of such change in control over the option price of such option and the value of the stock (as assigned by the Compensation Committee) underlying such stock appreciation right (the "SAR Value"). The award certificates may provide that in the event of a change in control: (1) options and stock appreciation rights outstanding as of the date of the change in control will be cancelled and terminated without payment therefor if the fair market value of one share of stock as of the date of the change in control is less than the option price or SAR Value, and (2) all performance units will be considered to be earned and payable (either in full or pro rata based on the portion of the performance period completed as of the date of the change in control), and any limitations or other restriction will lapse and such performance units will be immediately settled or distributed.

Prior to being amended, the change in control provisions of the Plan provided that, upon a change in control (as previously defined), any and all conditions to the exercise of options and stock appreciation rights, any and all conditions to the vesting of all outstanding restricted stock units, and any and all issuance and forfeiture conditions on any stock grants and performance units would automatically be deemed satisfied in full, and that the Board would have the right (to the extent expressly required as part of the transaction) to cancel such awards after providing each key employee with a reasonable period to exercise, or take actions to receive the stock underlying, such awards.

The foregoing description of the amendment to the Plan is qualified in its entirety by the amendment to the Plan filed as Exhibit 10.1 to this Current Report on Form 8-K, which is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

The following exhibits are being filed or furnished herewith:

Exhibit No.	Description
10.1	Amendment to the BioScrip, Inc. 2001 Incentive Stock Plan
99.1	Press Release, dated August 8, 2011

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: August 10, 2011

/s/ Barry A. Posner

By: Barry A. Posner
Executive Vice President, Secretary and General Counsel

Exhibit 99.1

BIOSCRIP REPORTS 2011 SECOND QUARTER FINANCIAL RESULTS

Elmsford, NY – August 8, 2011 – BioScrip, Inc. (Nasdaq: BIOS) today announced 2011 second quarter financial results. Second quarter revenue for the period ended June 30, 2011, was $441.4 million with a net loss of $2.3 million, or $0.04 per share, including $8.7 million in restructuring charges and a legal settlement. Excluding the after tax effect of these charges, the Company earned $0.10 per diluted share. Adjusted EBITDA for the second quarter was $18.1 million.

Second Quarter Highlights

- Revenue was $441.4 million, an increase of $29.4 million or 7.1% compared to prior year;
- Gross profit was $76.2 million or 17.3% of sales, compared to $73.5 million or 17.8% of sales in the prior year;
- Adjusted EBITDA generated by the operating segments before allocation of corporate expenses was $25.0 million, compared to $26.3 million in the prior year;
- Adjusted EBITDA was $18.1 million, compared to $18.4 million in the prior year;
- Restructuring expense of $3.9 million was recorded as a result of the Company's continuing strategic assessment;
- Expense of $4.8 million was recognized in connection with an agreement in principle with the United States Attorney's Office involving issues related primarily to incomplete reimbursement documentation and delays in resolving overpayments due back to the government;
- Net loss was $2.3 million, or $0.04 per share, compared to prior year net income of $3.1 million, or $0.06 per diluted share;
- Net income, excluding the after tax effect of the restructuring and legal settlement charges, was $5.5 million, or $0.10 per diluted share;
- Current portion of long-term debt decreased from $81.4 million at December 31, 2010 to $48.2 million at March 31, 2011;
- Cash provided by operating activities was $38.5 million for the six months ended June 30, 2011.

Rick Smith, President and Chief Executive Officer of BioScrip, stated, "In the second quarter, we continued to execute key elements of our strategic assessment and improve our competitive position. We achieved further cost savings, generated operating cash flow of $6.8 million, enabling us to reduce our debt by $4.3 million. With $18.1 million of Adjusted EBITDA and growing patient census achieved in the quarter, we look forward to building on this momentum in the second half of 2011."

"Overall, we are making positive steps forward in establishing ourselves as a recognized national provider of infusion and pharmacy services, and the initiatives we put in place with managed care payors over the last year are beginning to produce results. While there is still more work to be done, we are pleased to see progress as we look to the second half of the year," concluded Mr. Smith.

Earnings included a $3.9 million restructuring charge associated with our strategic assessment and a $4.8 million charge relating to an agreement in principle with the United States Attorney's Office in Minneapolis, Minnesota. As previously disclosed, the Company had been responding to subpoenas and requests for information regarding regulatory compliance matters. The culmination of this process has resulted in the agreement in principle regarding the activities described above relating to BioScrip and its predecessor companies. Under the proposed terms of the agreement in principle, the government, including Medicare and all Medicaid agencies, will release the Company from all further liability relating to the matters at issue.

Results of Operations

Second Quarter 2011 versus Second Quarter 2010

Revenue for the second quarter of 2011 totaled $441.4 million, compared to $412.0 million for the same period a year ago, an increase of $29.4 million or 7.1%. Infusion/Home Health Services revenue for the second quarter of 2011 was $109.3 million compared to $106.7 million in the prior year, an increase of $2.6 million or 2.5%. Pharmacy Services revenue for the second quarter of 2011 was $332.1 million, compared to $305.4 million for the prior year period, an increase of $26.7 million or 8.7%.

Consolidated gross profit for the second quarter of 2011 was $76.2 million, or 17.3% of revenue, compared to $73.5 million, or 17.8% of revenue, for the second quarter of 2010. The decrease in gross profit percentage from 2010 to 2011 was primarily the result of changes in the patient mix and reduced reimbursement rates on certain payor contracts.

Second quarter 2011 operating income was $4.5 million, including $8.7 million of restructuring and legal settlement charges, compared to operating income of $13.5 million for the second quarter of 2010.

During the second quarter of 2011, BioScrip generated $25.0 million of segment Adjusted EBITDA, or 5.7% of total revenue, compared to $26.3 million, or 6.4% of total revenue in the prior year. The Infusion/Home Health segment generated $10.9 million of Adjusted EBITDA, or 10.0% of segment revenue. This compares to $13.9 million, or 13.0% of segment revenue in the prior year and primarily reflects the impact of moving certain out-of-network patients into contracted relationships. In some markets there was also a change in mix due to less acute discharges from hospitals. The Pharmacy Services segment generated $14.1 million of segment Adjusted EBITDA, or 4.2% of segment revenue. This compares to $12.4 million, or 4.1% of segment revenue in the prior year.

On a consolidated basis, BioScrip reported $18.1 million of Adjusted EBITDA during the second quarter of 2011, or 4.1% of total revenue, compared to $18.4 million, or 4.5% of total revenue, in the prior year.

Interest expense in the second quarter of 2011 was $7.2 million, compared to $8.2 million for the same period in 2010. The decrease is due to an amendment executed in December, 2010, that replaced the term loan with a revolving line of credit with a lower effective interest rate.

Net loss for the second quarter of 2011 was $2.3 million, or $0.04 per share, compared to net income of $3.1 million, or $0.06 per diluted share, in the prior year period.

Six Months Ended 2011 versus Six Months Ended 2010

Revenue for the six months ended June 30, 2011 was $880.7 million compared to $747.1 million for the comparable period a year ago. Infusion/Home Health Services segment revenue for the six months ended June 30, 2011 was $219.8 million, compared to $152.8 million for the same period a year ago, an increase of $67.0 million, or 43.9%, primarily as a result of the CHS acquisition in March 2010. Pharmacy Services segment revenue for the six months ended June 30, 2011 was $660.9 million compared to revenue of $594.3 million for the same period a year ago, an increase of $66.6 million, or 11.2%.

Consolidated gross profit for the six months ended June 30, 2011 was $153.5 million compared to $112.4 million for the same period a year ago. Gross profit as a percent of revenue for the six months ended June 30, 2011 was 17.4%, compared to 15.1% for the same period in 2010.

For the six months ended June 30, 2011, BioScrip generated $50.0 million of segment Adjusted EBITDA, or 5.7% as a percentage of total revenue, compared to $37.2 million, or 5.0% of total revenue for the prior year period. The Infusion/Home Health segment reported $22.5 million of segment Adjusted EBITDA, or 10.2% of Infusion/Home Health segment revenue, compared to $16.8 million, or 11.0% of Infusion/Home Health segment revenue, in the prior year period. The Pharmacy Services segment

generated $27.6 million of segment Adjusted EBITDA, or 4.2% as a percentage of Pharmacy Services segment revenue, compared to $20.4 million, or 3.4% of that segment's revenue in the prior period.

On a consolidated basis, BioScrip reported $34.7 million of Adjusted EBITDA for the six month period ended June 30, 2011, or 3.9% of total revenue compared to $21.1 million, or 2.8% of total revenue in the prior year period. The increase was primarily related to the acquisition of CHS.

Interest expense for the six months ended June 30, 2011 was $14.4 million, compared to $11.4 million for the same period in 2010. The increase was related to debt issued in connection with the March 2010 acquisition of CHS.

An income tax benefit of $0.1 million was recorded for the six months ended June 30, 2011 on pre-tax net income of $0.5 million. The effective tax rate for the six month period is below the statutory rate due to a reduction in our valuation allowance that offsets the expense generated by year-to-date earnings. This compares to an income tax benefit of $0.1 million recorded for the six months ended June 30, 2010 on a pre-tax net loss of $4.2 million.

Net income for the six months ended June 30, 2011 was $0.6 million, or $0.01 per diluted share. This compares to a net loss of $4.0 million or $0.09 per share for the same period last year.

Liquidity and Capital Resources

As of June 30, 2011, BioScrip had working capital of $55.9 million compared to $50.1 million at December 31, 2010. The increase was primarily due to repayments made on the line of credit facility funded by cash from operating activities. Cash from operating activities is expected to be sufficient to fund anticipated working capital requirements, information technology investments, scheduled interest repayments and other cash needs for at least the next twelve months.

As of June 30, 2011, the Company had outstanding borrowings of $48.2 million under its senior secured revolving credit facility compared to $81.4 million as of December 31, 2010.

Conference Call

BioScrip will host a conference call to discuss its second quarter 2011 financial results on August 8, 2011 at 8:30 a.m. Eastern Time. Interested parties may participate in the conference call by dialing 800-954-0650 (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 for 48 hours after the call's completion by dialing 800-633-8284 (US) or 402-977-9140 (International) and entering conference call ID number 21533779. 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.

About BioScrip, Inc.
BioScrip, Inc. (www.bioscrip.com) (Nasdaq: BIOS) is a national provider of specialty pharmacy and home health services that partners with patients, physicians, hospitals, healthcare payors and pharmaceutical manufacturers to provide clinical management solutions and delivery of cost-effective access to prescription medications and home health services. Our services are designed to improve clinical outcomes with chronic and acute healthcare conditions while controlling overall healthcare costs.

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.

Reconciliation to Non-GAAP Financial Measures

EBITDA or earnings before interest, taxes, depreciation and amortization ("EBITDA"), Adjusted EBITDA, which excludes equity-based compensation, acquisition, integration, severance, bad debt relating to CAP contract termination and legal settlement costs, and segment Adjusted EBITDA, which excludes from Adjusted EBITDA certain corporate overhead, are non-GAAP financial measures as defined under U.S. Securities and Exchange Commission Regulation G. As required by Regulation G, BioScrip has provided on Schedule 4 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.

Contacts:

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In-Site Communications, Inc.
917-543-9932

Meaghan Repko or Bryan Darrow
Joele Frank, Wilkinson Brimmer Katcher
212-355-4449

Exhibit 10.1

AMENDMENT TO

BIOSCRIP, INC. 2001 INCENTIVE STOCK PLAN

EFFECTIVE ON AUGUST 4, 2011

WHEREAS, pursuant to § 17 of the BioScrip, Inc. 2001 Incentive Stock Plan (the "Plan"), the Board of Directors of BioScrip, Inc. (the "Board") has the right to amend the Plan;

WHEREAS, on August 4, 2011 the Board amended the Plan to: (1) change any reference to "MIM Corporation" in the Plan to "BioScrip, Inc." and (2) amend the change in control provisions of the Plan to become consistent with the change in control provisions in the BioScrip, Inc. 2008 Equity Incentive Plan; and

WHEREAS, BioScrip, Inc. desires to set forth the amendments to the Plan approved by the Board in this Amendment to the Plan.

NOW, THEREFORE, BE IT RESOLVED, that, effective as of August 4, 2011, each reference to "MIM" or "MIM Corporation" shall be replaced in its entirety with "BioScrip, Inc."

FURTHER RESOLVED, that, effective August 4, 2011, § 2.3 of the Plan was amended in its entirety as follows:

"2.3 Change in Control -- means unless otherwise provided in an Option Certificate, Stock Appreciation Right Certificate, Restricted Stock Unit Certificate, Stock Grant Certificate, or Performance Unit agreement, the occurrence of any one of the following events:

(i) During any twenty-four (24) month period, individuals who, as of the beginning of such period, constitute the Board (the "Incumbent Directors") cease for any reason to constitute at least a majority of the Board, provided that any person becoming a director subsequent to the beginning of such period whose election or nomination for election was approved by a vote of at least a majority of the Incumbent Directors then on the Board (either by a specific vote or by approval of the proxy statement of BioScrip, Inc. in which such person is named as a nominee for director, without written objection to such nomination) shall be an Incumbent Director; provided, however, that no individual initially elected or nominated as a director of BioScrip, Inc. as a result of an actual or threatened election contest with respect to directors or as a result of any other actual or threatened solicitation of proxies by or on behalf of any person other than the Board shall be deemed to be an Incumbent Director;

(ii) Any "person" or "group" (within the meaning of Sections 13(d) and 14(d) of the 1934 Act is or becomes a "beneficial owner" (as defined in Rule 13d-3 under the 1934 Act), directly or indirectly, of securities of BioScrip, Inc. representing 30% or more of the combined voting power of BioScrip, Inc.'s then outstanding securities eligible to vote for the election of the Board (the "Company Voting Securities"); provided, however, that the event described in this paragraph 2.3 (ii) shall not be deemed to be a Change in Control by virtue of any of the following acquisitions: (A) by BioScrip, Inc. or any Affiliate or Subsidiary, (B) by any employee benefit plan (or related trust) sponsored or maintained by BioScrip, Inc. or any Affiliate or Subsidiary, (C) by any underwriter temporarily holding securities pursuant to an offering of such securities, (D) pursuant to a Non-Qualifying Transaction, as defined in paragraph 2.3 (iii), or (E) by any person of or group of Company Voting Securities from BioScrip, Inc., if a majority of the Incumbent Board approves in advance the acquisition of beneficial ownership of 30% or more of Company Voting Securities by such person or group;

(iii) The consummation of a merger, consolidation, statutory share exchange or similar form of corporate transaction involving BioScrip, Inc. or any of its subsidiaries that requires the approval of BioScrip, Inc.'s stockholders, whether for such transaction or the issuance of securities in the transaction (a "Business Combination"), unless immediately following such Business Combination: (A) more than 50% of the total voting power of (1) the corporation resulting from such Business Combination (the "Surviving Corporation"), or (2) if applicable, the ultimate parent corporation that directly or indirectly has beneficial ownership of 100% of the voting securities eligible to elect directors of the Surviving Corporation (the "Parent Corporation"), is represented by Company Voting Securities that were outstanding immediately prior to such Business Combination (or, if applicable, is represented by shares into which such Company Voting Securities were converted pursuant to such Business Combination), and such voting power among the holders thereof is in substantially the same proportion as the voting power of such Company Voting Securities among the holders thereof immediately prior to the Business Combination, (B) no person (other than any employee benefit plan (or related trust) sponsored or maintained by the Surviving Corporation or the Parent Corporation), is or becomes the beneficial owner, directly or indirectly, of 30% or more of the total voting power of the outstanding voting securities eligible to elect directors of the Parent Corporation (or, if there is no Parent Corporation, the Surviving Corporation) and (C) at least a majority of the members of the board of directors of the Parent Corporation (or, if there is no Parent Corporation, the Surviving Corporation) following the consummation of the Business Combination were Incumbent Directors at the time of the Board's approval of the execution of the initial agreement providing for such Business Combination (any Business Combination which satisfies all of the criteria specified in (A), (B) and (C) above shall be deemed to be a "Non-Qualifying Transaction"); or

(iv) The stockholders of BioScrip, Inc. approve a plan of complete liquidation or dissolution of BioScrip, Inc. or the consummation of a sale of all or substantially all of BioScrip, Inc.'s assets.

Notwithstanding the foregoing, a Change in Control shall not be deemed to occur solely because any person acquires beneficial ownership of more than 30% of the Company Voting Securities as a result of the acquisition of Company Voting Securities by BioScrip, Inc. which reduces the number of Company Voting Securities outstanding; provided, that if after such acquisition by the BioScrip, Inc. such person becomes the beneficial owner of additional Company Voting Securities that increases the percentage of outstanding Company Voting Securities beneficially owned by such person, a Change in Control shall then occur."

FURTHER RESOLVED, that, effective August 4, 2011, § 16 of the Plan was amended in its entirety as follows:

§ 16.

CHANGE IN CONTROL

16.1 Assumption or Substitution of Certain Awards. Unless otherwise provided in an Option Certificate, Stock Appreciation Right Certificate, Restricted Stock Unit Certificate or Stock Grant Certificate (collectively, an "Award Certificate"), in the event of a Change in Control in which the successor company assumes or substitutes for an Option, Stock Appreciation Right, Restricted Stock Unit or Stock Grant, if a Key Employee's employment with such successor company (or a subsidiary thereof) terminates under the circumstances specified in the Award Certificate within 24 months following such Change in Control (or such other period set forth in the Award Certificate, including prior thereto if applicable): (i) Options and Stock Appreciation Rights outstanding as of the date of such termination of employment will immediately vest, become fully exercisable, and may thereafter be exercised for 24 months (or the period of time set forth in the Award Certificate), and (ii) restrictions, limitations and other conditions applicable to Restricted Stock Units and Stock Grants shall lapse and the Restricted Stock Units and Stock Grants shall become free of all restrictions and limitations and become fully vested. For the purposes of this Section 16.1, an Option, Restricted Stock Unit, Stock Appreciation Right and Stock Grant shall be considered assumed or substituted for if following the Change in Control the award confers the right to purchase or receive, for each share of Stock subject to the Option, Restricted Stock Unit, Stock Appreciation Right or Stock Grant immediately prior to the Change in Control, the consideration (whether stock, cash or other securities or property) received in the transaction constituting a Change in Control by holders of shares of Stock for each share of Stock held on the effective date of such transaction (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding shares); provided, however, that if such consideration received in the transaction constituting a Change in Control is not solely common stock of the successor company, the Committee may, with the consent of the successor company, provide that the consideration to be received upon the exercise or vesting of an Option, Restricted Stock Unit, Stock Appreciation Right or Stock Grant, for each share of Stock subject thereto, will be solely common stock of the successor company substantially equal in fair market value to the per share consideration received by holders of shares of Stock in the transaction constituting a Change in Control. The determination of such substantial equality of value of consideration shall be made by the Committee in its sole discretion and its determination shall be conclusive and binding.

16.2 Non-Assumption or Substitution of Certain Awards. Unless otherwise provided in an Award Certificate in the event of a Change in Control, to the extent the successor company does not assume or substitute for an Option, Restricted Stock Unit, Stock Appreciation Right or Stock Grant: (i) those Options and Stock Appreciation Rights outstanding as of the date of the Change in Control that are not assumed or substituted for shall immediately vest and become fully exercisable, and (ii) restrictions and deferral limitations on Restricted Stock Units and Stock Grants that are not assumed or substituted for shall lapse and the Restricted Stock Units and Stock Grants shall become free of all restrictions and limitations and become fully vested.

16.3 Impact on Certain Awards. Award Certificates may provide that in the event of a Change in Control: (i) Options and Stock Appreciation Rights outstanding as of the date of the Change in Control shall be cancelled and terminated without payment therefor if the Fair Market Value of one share of Stock as of the date of the Change in Control is less than the Option Price or SAR Value, and (ii) all Performance Units shall be considered to be earned and payable (either in full or pro rata based on the portion of Performance Period completed as of the date of the Change in Control), and any limitations or other restriction shall lapse and such Performance Units shall be immediately settled or distributed.

16.4 Termination of Certain Awards. The Committee, in its discretion, may determine that, upon the occurrence of a Change in Control, each Option and Stock Appreciation Right outstanding shall terminate within a specified number of days after notice to the Key Employee, and/or that each Key Employee shall receive, with respect to each share of Stock subject to such Option or Stock Appreciation Right, an amount equal to the excess of the Fair Market Value of such share immediately prior to the occurrence of such Change in Control over the Option Price of such Option and the SAR Value of such Stock Appreciation Right; such amount to be payable in cash, in one or more kinds of stock or property (including the stock or property, if any, payable in the transaction) or in a combination thereof, as the Committee, in its discretion, shall determine.

IN WITNESS WHEREOF, BioScrip, Inc. has caused its duly authorized officer to execute this Amendment to the Plan.

BioScrip, Inc.

By: /s/ Barry A. Posner
Name: Barry A. Posner
Title: General Counsel, Executive Vice President and Secretary