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

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): **November 1, 2007**

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**

(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 November 1, 2007, BioScrip, Inc. issued a press release reporting its financial results for the three and nine months ended September 30, 2007. 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 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 November 1, 2007.

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: November 1, 2007

BIOSCRIP, INC.

By: /s/ Barry A. Posner

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

BioScrip, Inc. Reports EPS of \$0.04 for Third Quarter 2007 and YTD Profitability; Nine Months' Operating Income Improves By \$19.7 Million Over 2006

October 31, 2007

ELMSFORD, N.Y.—(BUSINESS WIRE)—November 1, 2007—BioScrip, Inc. (Nasdaq: BIOS) today reported third quarter 2007 net income of \$1.7 million, or \$0.04 per diluted share, on revenues of \$298.1 million. Operating profit for the quarter was \$3.2 million and EBITDAO (earnings before interest, taxes, depreciation, amortization and option expense) was \$5.5 million. Compared to the third quarter 2006, net income increased \$5.1 million or \$0.13 per diluted share. In addition, revenues increased \$17.2 million and operating income increased \$7.1 million, both over the same period.

Chairman and CEO, Richard H. Friedman, stated, “BioScrip is committed to delivering value to our patients, partners and shareholders and our quarterly results indicate that we are achieving these objectives. Driven by the development of new business, along with market forecasts for increases in specialty and biotech drug expenditures, BioScrip will continue to strengthen its market position and further execute on its strategic initiatives.”

Third Quarter Reported Results

Total revenue for the third quarter 2007 was \$298.1 million compared to \$280.9 million for the same period a year ago.

Third quarter 2007 Specialty Services revenue was \$244.5 million, an increase of \$24.5 million, or 11.2% over the prior year, due primarily to additional revenues associated with preferred drug distribution arrangements with manufacturers as well as increased sales in our community pharmacies and new business resulting from Medicare's Competitive Acquisition Program (“CAP”). CAP revenue increased 26.8% over second quarter 2007 and as a result of the August 1, 2007 election period, physician enrollments in CAP increased 36.8% to 3,352. Third quarter 2007 PBM Services revenue was \$53.6 million, a decrease of \$7.3 million, or 12.0%, as compared to the third quarter of 2006. The decline in revenue is primarily due to the loss of previously reported PBM customers.

Gross profit for the third quarter 2007 was \$35.7 million, or 12.0% of total revenue, compared to \$29.7 million, or 10.6% of total revenue, for the same period of 2006. Gross profit improved primarily due to favorable sales mix and improved drug acquisition costs.

Third quarter 2007 operating expenses decreased \$1.1 million to \$32.5 million, or 10.9% of total revenue from 12.0% of total revenue for the third quarter of 2006. The decrease is primarily due to cost reduction efforts, lower bad debt expense as a result of improved credit and collection efforts and reduced amortization of intangibles partially offset by employee incentives resulting from improved performance.

Nine-Month Period Reported Results

For the nine-month period ended September 30, 2007, net income was \$0.8 million, or \$0.02 per share compared to net loss of \$10.3 million, or \$0.28 per share in the same period a year ago. Revenues increased \$29.3 million to \$889.5 million for the nine-month period ended September 30, 2007 from \$860.2 million reported in the same period of last year despite the previously reported loss of significant PBM customers (\$54.1 million). Specialty Services revenue increased 13.2% to \$717.5 million for the nine-month period ended September 30, 2007 from \$634.1 million reported in the same period of last year.

Conference Call Information

BioScrip will host a conference call to discuss third quarter 2007 financial results on Thursday, November 1, at 10:00 a.m. EDST. Interested parties may participate in the conference call by dialing 800-926-4402 (US), or 212-231-2902 (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. EDST on November 1, through 12:00 p.m. ET on November 7, by dialing 800-633-8284 (US), or 402-977-9140 (International), and entering reservation #21353934. An audio webcast and archive of the conference call will also be available under the investor relations section of the BioScrip website, www.bioscrip.com.

About BioScrip, Inc.

BioScrip, Inc. (www.bioscrip.com) (Nasdaq: BIOS) is a specialty pharmaceutical health care organization that partners with patients, physicians, health care payors 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

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 2 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 trend towards a return to profitability.

CONTACT: BioScrip, Inc.
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BIOSCRIP, INC
CONSOLIDATED BALANCE SHEETS
SCHEDULE 1
(in thousands, except for share amounts)

	September 30, 2007 (unaudited)	December 31, 2006
ASSETS		
Current assets		
Cash and cash equivalents	\$ —	\$ —
Receivables, less allowance for doubtful accounts of \$13,079 and \$13,774 at September 30, 2007 and December 31, 2006 respectively	125,297	135,139
Inventory	33,383	33,471
Prepaid expenses and other current assets	1,473	2,090
Total current assets	160,153	170,700
Property and equipment, net	10,287	10,409
Other assets and investments	467	681
Goodwill	114,824	114,991
Intangible assets, net	6,261	8,675
Total assets	\$ 291,992	\$ 305,456
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Line of credit	\$ 36,158	\$ 52,895
Accounts payable	54,487	51,724
Claims payable	6,379	9,548
Amounts due to plan sponsors	4,617	10,280
Accrued expenses and other current liabilities	12,058	9,230
Total current liabilities	113,699	133,677
Deferred taxes	12,097	9,946
Unrecognized tax benefits	4,028	—
Total liabilities	129,824	143,623
Stockholders' equity		
Common stock, \$.0001 par value; 75,000,000 shares authorized, 41,028,984 shares issued and 37,667,268 outstanding at September 30, 2007; 40,680,233 shares issued and 37,488,257 outstanding at December 31, 2006,	4	4
Treasury stock, 2,282,734 and 2,247,150 shares at cost	(8,158)	(8,002)
Additional paid-in capital	241,425	239,315
Accumulated deficit	(71,103)	(69,484)
Total stockholders' equity	162,168	161,833
Total liabilities and stockholders' equity	\$ 291,992	\$ 305,456

BIOSCRIP, INC
 Reconciliation between GAAP and Non-GAAP Measures
 (in thousands)
 (unaudited)

	Three Months		Nine Months	
	Ended September 30,		Ended September 30,	
	2007	2006	2007	2006
Net Income (loss)	\$ 1,666	\$ (3,389)	\$ 801	\$ (10,254)
Addback items:				
Amortization of intangibles	484	1,639	2,414	4,899
Depreciation	1,060	1,079	3,111	3,153
Interest	728	916	2,668	2,098
Taxes	760	(1,499)	2,323	(5,723)
FAS 123R stock option expense	764	590	1,681	1,720
Earnings before interest, taxes, depreciation amortization and stock option expense (EBITDAO)	<u>\$ 5,462</u>	<u>\$ (664)</u>	<u>\$ 12,998</u>	<u>\$ (4,107)</u>

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2007	2006	2007	2006
Revenue	\$ 298,133	\$ 280,916	\$ 889,478	\$ 860,219
Cost of revenue	262,451	251,213	787,529	771,391
Gross profit	35,682	29,703	101,949	88,828
% of Revenue	12.0%	10.6%	11.5%	10.3%
Operating expenses				
Selling, general and administrative expenses	31,278	29,232	88,938	88,350
Bad debt expense	766	2,804	4,805	9,458
Amortization of intangibles	484	1,639	2,414	4,899
Total operating expenses	32,528	33,675	96,157	102,707
% of Revenue	10.9%	12.0%	10.8%	11.9%
Income (loss) from operations	3,154	(3,972)	5,792	(13,879)
Interest (expense), net	(728)	(916)	(2,668)	(2,098)
Income (loss) before income taxes	2,426	(4,888)	3,124	(15,977)
Provision for (benefit from) income taxes	760	(1,499)	2,323	(5,723)
Net income (loss)	<u>\$ 1,666</u>	<u>\$ (3,389)</u>	<u>\$ 801</u>	<u>\$ (10,254)</u>
Basic weighted average shares	<u>37,603</u>	<u>37,385</u>	<u>37,532</u>	<u>37,270</u>
Diluted weighted average shares	<u>38,480</u>	<u>37,385</u>	<u>37,957</u>	<u>37,270</u>
Basic net income per share	<u>\$ 0.04</u>	<u>\$ (0.09)</u>	<u>\$ 0.02</u>	<u>\$ (0.28)</u>
Diluted net income per share	<u>\$ 0.04</u>	<u>\$ (0.09)</u>	<u>\$ 0.02</u>	<u>\$ (0.28)</u>