UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549										
FORM 8-K										
 CURRENT REPORT										
Pursuant to Se	ction 13 or 15(d) of the Securities Exchange Act	of 1934								
Date of Rep	ort (Date of earliest event reported): March 11,	2013								
(Ехас	BIOSCRIP, INC. t 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 (Address of principal executive offic		10523 (Zip Code)								
Registrant's t	elephone number, including area code: (914) 460)-1600								
(Farman)	N/A									
(Former ii	ame or former address, if changed since last rep	ortj								
ck the appropriate box below if the Form 8-K filing is risions:	s intended to simultaneously satisfy the filing obliga	ation of the registrant under any of the following								
Written communications pursuant to Rule 425 under	er the Securities Act (17 CFR 230.425)									
Soliciting material pursuant to Rule 14a-12 under t	he Exchange Act (17 CFR 240.14a-12)									
Pre-commencement communications pursuant to R	ule 14d-2(b) under the Exchange Act (17 CFR 240	.14d-2(b))								
Pre-commencement communications pursuant to R	ule 13e-4(c) under the Exchange Act (17 CFR 240.	13e-4(c))								

Item 2.02 Results of Operations and Financial Condition.

On March 11, 2013, BioScrip, Inc. (the "Company") issued a press release reporting its 2012 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.

Item 8.01. Other Events.

As previously announced, the Company will host a conference call to discuss its fourth quarter and year-end 2012 financial results on March 12, 2013 at 8:30 a.m. Eastern Time. Interested parties may participate in the conference call by dialing 800-705-5308 (US), or 303-223-4377 (International), 5-10 minutes prior to the start of the call. 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 21648877. An audio webcast and archive will also be available for 30 days under the "Investor Relations" section of the BioScrip 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.

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 and twelve months ended December 31, 2012, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, 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 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 11, 2013 /s/ Kimberlee C. Seah

By: Kimberlee C. Seah

Senior Vice President and General Counsel

EXHIBIT INDEX

Exhibit No.	<u>Description</u>
99.1	BioScrip, Inc. press release dated March 11, 2013.



FOR IMMEDIATE RELEASE

BIOSCRIP REPORTS FOURTH QUARTER 2012 FINANCIAL RESULTS

Elmsford, NY – March 11, 2013 – BioScrip, Inc. (NASDAQ: BIOS) today announced 2012 fourth quarter financial results. Fourth quarter revenue from continuing operations was \$180.7 million and the net loss from continuing operations was \$1.4 million, or \$0.03 per diluted share. Consolidated Adjusted EBITDA for the fourth quarter was \$12.1 million, and consolidated adjusted earnings per diluted share for the fourth quarter was \$0.04 per diluted share.

This quarter, the Company will also begin reporting adjusted earnings per diluted share ("Adjusted EPS"), which excludes the same elements in calculating Adjusted EBITDA (restructuring and other expenses, acquisition and integration expenses, stock-based compensation expense) as well as the impact of acquisition-related intangible amortization. Management believes that this non-GAAP financial measure provides useful supplemental information regarding the performance of our business operations and facilitates comparisons to our historical operating results.

As a result of the sale of the Company's traditional and specialty pharmacy mail operations and community retail pharmacy stores on May 4, 2012 (the "Pharmacy Services Asset Sale"), the Company's financial statements reflect the discontinued operations' results for the three months ended December 31, 2012 and 2011, and assets transferred in the transaction as of December 31, 2012 and 2011, separate from the continuing operations of the business. The remaining assets and liabilities of the divested business that were not transferred as a part of the Pharmacy Services Asset Sale are included in continuing operations.

Fourth Quarter Highlights

- Revenue from continuing operations increased by \$22.5 million, or 14.2%, as compared to the prior year;
- Gross profit from continuing operations was \$60.4 million, or 33.4% of revenue, as compared to \$58.6 million, or 37.0% of revenue, in the prior year period;
- · Adjusted EBITDA from continuing operations was \$12.1 million, compared to \$11.6 million in the third quarter, a 4.3% sequential quarter improvement, despite the impact of Hurricane Sandy on the Northeast market; and,
- · Entered into a definitive agreement to acquire HomeChoice Partners, Inc. ("HomeChoice"), a majority-owned subsidiary of DaVita HealthCare Partners Inc. (NYSE: DVA).

"We are pleased to report solid fourth quarter performance. Our consolidated results reflect continued progress in the execution of our strategic goals and growth in our infusion business," said Rick Smith, President and Chief Executive Officer of BioScrip.

"Overall, 2012 was a year of positive progress and momentum for BioScrip. We accomplished a number of our key objectives towards repositioning the Company to focus on our infusion and home health businesses. In 2013, we will continue to build on our organic growth initiatives, which will be augmented with targeted acquisitions. The core drivers of organic growth will be delivering on our strong clinical programs, flexible go-to-market approach, and high-touch customer service model," concluded Smith.

Results of Operations

Fourth Quarter 2012 versus Fourth Quarter 2011

Revenue from continuing operations for the fourth quarter of 2012 totaled \$180.7 million, compared to \$158.3 million for the same period a year ago, an increase of \$22.5 million or 14.2%. Infusion Services segment revenue was \$135.6 million in the fourth quarter, as compared to \$102.5 million for the same period in 2011. The 32.4% increase was driven primarily by overall volume growth as well as the addition of the InfuScience acquisition. Home Health Services segment revenue was \$18.3 million for the fourth quarter of 2012, as compared to \$17.2 million in the prior year quarter. The 6.5% increase was primarily the result of volume growth offset by the previously announced reimbursement reductions from Medicare and the state of Tennessee TennCare program. PBM Services segment revenue was \$26.8 million for the fourth quarter of 2012, compared to \$38.6 million for the prior year period. The decrease was due primarily to a decline in the funded PBM business and a reduction in discount card revenues.

Consolidated gross profit for the fourth quarter of 2012 was \$60.4 million, or 33.4% of revenue, compared to \$58.6 million, or 37.0% of revenue, for the fourth quarter of 2011. The increase in gross profit was the result of growth in the volume of Infusion Services segment revenues and growth in the Home Health Services business. The decline in gross profit margin percentage resulted primarily from a shift in the therapy mix in the Infusion Services segment, as well as a decrease in home health reimbursement rates from certain government payors.

During the fourth quarter of 2012, Infusion Services Segment Adjusted EBITDA was \$11.0 million, or 8.1% of segment revenue, compared to \$9.9 million, or 9.7% of segment revenue in the prior year quarter, and \$9.9 million, or 7.9% of segment revenue in the third quarter of 2012.

The Home Health Services Segment Adjusted EBITDA in the fourth quarter of 2012 was \$1.8 million, or 10.1% of segment revenue. This compares to Segment Adjusted EBITDA of \$1.5 million, or 8.7% of segment revenue, in the comparable prior year period, and \$1.4 million, or 8.1% of segment revenue in the third quarter of 2012. The PBM Services Segment Adjusted EBITDA was \$6.3 million, or 23.5% of segment

revenue, for the fourth quarter of 2012 compared to \$9.3 million, or 24.0% of segment revenue, in the prior year quarter.

On a consolidated basis, BioScrip reported \$12.1 million of Adjusted EBITDA during the fourth quarter of 2012, or 6.7% of total revenue, compared to \$14.9 million, or 9.4% of total revenue, in the same period last year.

Interest expense in the fourth quarter of 2012 was \$6.4 million compared to \$6.2 million in the prior year period.

Income tax benefit for continuing operations in the fourth quarter was \$1.8 million compared to an income tax expense of \$2.8 million in the fourth quarter of 2011.

Net loss from continuing operations for the fourth quarter of 2012 was \$1.4 million, or a loss of \$0.03 per diluted share, compared to a net income of \$2.6 million, or \$0.05 per diluted share, for the fourth quarter of 2011.

Twelve Months Ended 2012 versus Twelve Months Ended 2011

Revenue from continuing operations for the twelve months ended December 31, 2012 totaled \$662.6 million, compared to \$554.5 million for the same period a year ago, a 19.5% increase. Infusion Services segment revenue was \$481.6 million for the twelve months ended December 31, 2012, compared to \$374.3 million for the same period in 2011. The 28.7% increase was driven primarily by an increase in volume growth and the InfuScience acquisition. Home Health Services segment revenue for the twelve months ended December 31, 2012 was \$69.2 million, compared to \$69.6 million in the prior year. The 0.6% decrease was primarily the result of reimbursement reductions as previously discussed. PBM Services segment revenue for the twelve months ended December 31, 2012 was \$111.9 million, compared to \$110.6 million for the prior year period. The 1.2% increase is primarily due to an increase in discount card program sales.

Consolidated gross profit for the twelve months ended December 31, 2012 was \$225.0 million, or 33.9% of revenue, compared to \$215.4 million, or 38.8% of revenue, in the comparable prior year period. The net increase in gross profit was due primarily to organic growth and the contribution from InfuScience. As previously disclosed, in connection with the Pharmacy Services Asset Sale, the Company provided certain lower margin services on behalf of key customers after the sale. Additionally, there was a substantial decrease in cross referrals of certain therapies from the specialty sales personnel affiliated with the divested business.

During the twelve months ended December 31, 2012, Infusion Services Segment Adjusted EBITDA was \$36.8 million, or 7.6% of segment revenue, compared to \$35.1 million, or 9.4% of segment revenue, in the prior year.

The Home Health Services Segment Adjusted EBITDA for the twelve months ended December 31, 2012 was \$5.4 million, or 7.8% of segment revenue. This compares to Segment Adjusted EBITDA of \$6.0 million, or 8.6% of segment revenue, in the prior

year. The PBM Services Segment Adjusted EBITDA was \$25.7 million, or 22.9% of segment revenue, for the twelve months ended December 31, 2012 compared to \$30.1 million, or 27.2% of segment revenue, in the prior year.

On a consolidated basis, BioScrip reported \$41.1 million of Adjusted EBITDA for the twelve months ended December 31, 2012, or 6.2% of total revenue, compared to \$47.9 million, or 8.6% of total revenue, in the same period last year.

Interest expense for the twelve months ended December 31, 2012 was \$26.1 million compared to \$25.5 million in the prior year.

Income tax benefit for continuing operations for the twelve months ended December 31, 2012 was \$4.4 million, compared to an income tax expense of \$0.4 million in 2011.

Net loss from continuing operations for the twelve months ended December 31, 2012 was \$8.3 million, or \$0.15 per diluted share, compared to a net loss of \$0.4 million, or \$0.01 per diluted share, in the comparable prior year period.

Liquidity and Capital Resources

For the twelve months ended December 31, 2012, BioScrip generated \$49.9 million in net cash from continuing operating activities, compared to \$3.1 million generated from operating activities during the twelve months of 2011, an increase of \$46.7 million. This increase was primarily due to the collection of accounts receivable retained after the Pharmacy Services Asset Sale, net of accounts payable paid related to those businesses. The Company's cash balance at the end of the fourth quarter was \$62.1 million.

Outlook

Revenue in 2013 is projected to grow by 25% to 30% to a range of \$830.0 million to \$865.0 million and the Company is initially targeting 2013 Adjusted EBITDA of \$67.0 million to \$73.0 million. The range of Adjusted EBITDA reflects the on-going impact of Hurricane Sandy in the first quarter of 2013 as well as the estimated impact of competitive bidding. Additionally, revenue and Adjusted EBITDA for 2013 may be impacted by therapy mix, any lingering effects of Hurricane Sandy on the Northeast market beyond the first quarter, additional acquisitions, *de novo* activities, and the timing and earnings contribution from the integration of HomeChoice.

Conference Call

BioScrip will host a conference call to discuss its fourth quarter 2012 financial results on March 12, 2013 at 8:30 a.m. Eastern Time.

Interested parties may participate in the conference call by dialing 800-705-5308 (US), or 303-223-4377 (International), 5-10 minutes prior to the start of the call. 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

21648877. An audio webcast and archive will also be available for 30 days under the "Investor Relations" section of the BioScrip website at www.bioscrip.com.

About BioScrip, Inc.

BioScrip, Inc. provides comprehensive infusion and home care solutions. By partnering with patients, physicians, healthcare payors, government agencies and pharmaceutical manufacturers we are able to provide access to infusible medications and management solutions. Our goal is to optimize outcomes for chronic and other complex healthcare conditions and enhance the quality of patient life. BioScrip brings clinical competence in providing high-touch, comprehensive infusion and nursing services to patients in the most convenient ways possible. Through our customer services and treatments we aim to ensure the best possible therapy outcome.

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," "intend," "plan," "believe," "predict," "potential," "continue" or comparable terms. Investors are cautioned that any such forward-looking statements are not guarantees of future performance and, because such statements inherently involve risks and uncertainties, actual results may differ materially from those in the forward-looking statements. Factors that could cause or contribute to such differences include but are not limited to risks associated with: the Company's ability to grow its Infusion segment organically or through acquisitions and obtain financing in connection therewith; its ability to effectively integrate acquisitions; its ability to reduce operating costs while sustaining growth; reductions in federal, state and commercial payor 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, including the Company's annual report on Form 10-K for the year ended December 31, 2011. 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, 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, income tax expense, depreciation and amortization, stock-based compensation expense, acquisition and integration expenses, and restructuring and other expenses. As part of restructuring and other expenses, the Company may incur significant charges such as, but not limited to, 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 diluted share, excluding the same elements in calculating Adjusted EBITDA (restructuring and other expenses, acquisition and integration expenses, stock-based compensation expense) 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.

Contacts:

Hai Tran BioScrip, Inc. 952-979-3768

Lisa Wilson In-Site Communications, Inc. 212-759-3929

(Financial Tables Follow)

CONSOLIDATED BALANCE SHEETS

(in thousands, except for share amounts)

	Dec	cember 31, 2012	Dec	ember 31, 2011	
ASSETS				_	
Current assets					
Cash and cash equivalents	\$	62,101		_	
Receivables, less allowance for doubtful accounts of \$22,212 and \$22,728 at December 31, 2012 and					
December 31, 2011, respectively		129,103		225,412	
Inventory		34,034		17,997	
Prepaid expenses and other current assets		10,189		10,184	
Current assets from discontinued operations				38,876	
Total current assets		235,427		292,469	
Property and equipment, net		23,721		26,951	
Goodwill		350,810		312,387	
Intangible assets, net		17,446		19,622	
Deferred financing costs		2,877		3,992	
Investments in and advances to unconsolidated affiliate		10,042		_	
Other non-current assets		2,053		1,552	
Non-current assets from discontinued operations		<u> </u>		20,129	
Total assets	\$	642,376		677,102	
LIABILITIES AND STOCKHOLDERS' EQUITY			· <u> </u>		
Current liabilities					
Current portion of long-term debt	\$	953		66,161	
Accounts payable		34,438		79,155	
Claims payable		7,411		11,766	
Amounts due to plan sponsors		18,173		25,219	
Accrued interest		5,803		5,825	
Accrued expenses and other current liabilities		41,491		32,648	
Total current liabilities		108,269	<u></u>	220,774	
Long-term debt, net of current portion		225,426		227,298	
Deferred taxes		10,291		10,295	
Other non-current liabilities		4,981		3,456	
Total liabilities		348,967		461,823	
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; shares issued: 59,600,713 and					
57,800,791, respectively; shares outstanding: 57,026,957 and 55,109,038, respectively		6		6	
Treasury stock, shares at cost: 2,582,520 and 2,638,421, respectively		(10,311)		(10,461)	
Additional paid-in capital		388,798		375,525	
Accumulated deficit		(85,084)		(149,791)	
Total stockholders' equity		293,409		215,279	
Total liabilities and stockholders' equity	\$	642,376	\$	677,102	

CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands, except per share amounts)

Selling, general and administrative expenses 49,087 42,971 184,491 167,136 Bad debt expense 3,358 3,073 14,035 11,441 Acquisition and integration expenses 2,241 — 4,046 — Restructuring and other expenses 1,446 101 5,143 7,909 Amortization of intangibles 1,113 880 3,957 3,376 Income from operations 3,148 11,573 13,288 25,553 Interest expense, net 6,362 6,167 26,067 25,542 Net income (loss) from continuing operations, before income taxes (3,214) 5,406 (12,779) 11 Tax provision (benefit) (1,795) 2,841 (4,439) 433 Net income (loss) from continuing operations, net of income taxes (1,419) 2,565 (8,340) (424) Net income (loss) from discontinued operations, net of income taxes 8,599 4,144 73,047 8,296 Diluted weighted average shares 56,922 54,972 56,239 54,505 Diluted weig			Three Mor Decem			Year Ended December 31,			
Service revenue 47,953 58,107 191,131 188,980 Total revenue 180,738 158,265 662,637 554,506 Cost of product revenue 92,214 66,025 325,271 238,072 Cost of service revenue 28,131 33,642 112,406 101,019 Total cost of revenue 120,345 99,667 437,677 339,091 Gross profit 60,393 58,598 224,960 215,415 % of revenues 33,4% 37,0% 33,9% 38,8% Selling, general and administrative expenses 49,087 42,971 184,911 167,136 Bad debt expenses 3,358 3,073 14,035 11,441 Acquisition and integration expenses 2,241 — 4,046 — Restructuring and other expenses 1,446 101 5,143 7,909 Amortization of intangibles 1,113 880 3,957 3,376 Increst expense, net 6,362 6,167 26,067 25,552 Net income (l			2012 2011				2012	2011	
Total revenue 180,738 158,265 662,637 554,506 Cost of product revenue 92,214 66,025 325,271 238,072 Cost of service revenue 28,131 33,642 112,406 101,019 Total cost of revenue 120,345 99,667 437,677 339,091 Gross profit 60,393 58,598 224,960 215,415 % of revenues 33.4% 37.0% 33.9% 38.8% Selling, general and administrative expenses 49,087 42,971 184,491 167,136 Bad debt expenses 49,087 42,971 184,491 167,136 Bad debt expenses 1,446 101 5,143 7,909 Acquisition and integration expenses 2,241 — 4,046 — Restructuring and other expenses 1,446 101 5,143 7,909 Amortization of intangibles 3,148 11,573 13,288 25,553 Income from operations 3,148 11,573 13,288 25,553 Interes	Product revenue	\$	132,785	\$	100,158	\$	471,506	\$	365,526
Cost of product revenue 92,214 66,025 325,271 238,072 Cost of service revenue 28,131 33,642 112,406 101,019 Total cost of revenue 120,345 99,667 437,677 339,091 Gross profit 60,393 58,598 224,960 215,415 % of revenues 33.4% 37.0% 33.9% 38.8% Selling, general and administrative expenses 49,087 42,971 184,491 167,136 Bad debt expense 3,358 3,073 14,035 11,411 Acquisition and integration expenses 2,241 — 4,046 — Restructuring and other expenses 1,446 101 5,143 7,999 Amortization of intangibles 1,113 880 3,957 3,376 Income from operations 3,148 11,573 13,288 25,553 Interest expense, net 6,362 6,167 26,067 25,542 Net income (loss) from continuing operations, before income taxes (1,49) 2,565 (8,340) (424	Service revenue		47,953		58,107		191,131		188,980
Cost of service revenue 28,131 33,642 112,406 101,019 Total cost of revenue 120,345 99,667 437,677 339,091 Gross profit 60,393 58,598 224,960 215,415 % of revenues 33,4% 37.0% 33.9% 38,886 Selling, general and administrative expenses 49,087 42,971 184,491 167,136 Bad debt expense 2,241 — 4,046 — Acquisition and integration expenses 1,446 101 5,143 7,909 Acquistion of intangibles 1,113 880 3,957 3,376 Income from operations 3,148 11,573 13,288 25,553 Interest expense, net 6,362 6,167 26,067 25,542 Net income (loss) from continuing operations, before income taxes (3,214) 5,406 (12,779) 11 Tax provision (benefit) (1,795) 2,841 (4,339) 435 Net income (loss) from continuing operations, net of income taxes 8,599 4,144 73	Total revenue		180,738		158,265		662,637		554,506
Total cost of revenue 120,345 99,667 437,677 339,091 Gross profit 60,393 58,598 224,960 215,415 % of revenues 33,4% 37.0% 33.9% 38.8% Selling, general and administrative expenses 49,087 42,971 184,491 167,136 Bad deb expense 3,358 3,073 14,035 11,441 Acquisition and integration expenses 2,241 — 4,046 — Restructuring and other expenses 1,446 101 5,143 7,909 Amortization of intangibles 1,113 880 3,957 3,376 Income from operations 3,148 11,573 13,288 25,553 Interest expense, net 6,362 6,167 26,067 25,542 Net income (loss) from continuing operations, before income taxes (3,214) 5,406 (12,779) 11 Tax provision (benefit) (1,795) 2,841 (4,439) 435 Net income (loss) from continuing operations, net of income taxes 8,599 4,144 <	Cost of product revenue		92,214		66,025		325,271		238,072
Gross profit 60,393 58,598 224,960 215,415 % of revenues 33,4% 37.0% 33,9% 38,8% Selling, general and administrative expenses 49,087 42,971 184,491 167,136 Bad debt expense 3,358 3,073 14,035 11,441 Acquisition and integration expenses 2,241 — 4,046 — Restructuring and other expenses 1,446 101 5,143 7,909 Amortization of intangibles 1,113 880 3,957 3,376 Income from operations 3,148 11,573 13,288 25,553 Interest expense, net 6,362 6,167 26,067 25,542 Net income (loss) from continuing operations, before income taxes (1,795) 2,841 (4,439) 435 Net income (loss) from continuing operations, net of income taxes 8,599 4,144 73,047 8,296 Net income (loss) from discontinued operations, net of income taxes 56,922 54,972 56,239 54,505 Diluted weighted average shares	Cost of service revenue		28,131		33,642		112,406		101,019
% of revenues 33.4% 37.0% 33.9% 38.8% Selling, general and administrative expenses 49,087 42,971 184,491 167,136 Bad debt expense 3,358 3,073 14,035 11,441 Acquisition and integration expenses 2,241 — 4,046 — Restructuring and other expenses 1,446 101 5,143 7,909 Amortization of intangibles 1,113 880 3,957 3,376 Income from operations 3,148 11,573 13,288 25,553 Interest expense, net 6,362 6,167 26,067 25,542 Net income (loss) from continuing operations, before income taxes (1,795) 2,841 (4,439) 435 Net income (loss) from discontinued operations, net of income taxes (1,419) 2,565 (8,340) (424) Net income (loss) from discontinued operations, net of income taxes 8,599 4,144 73,047 8,296 Diluted weighted average shares 56,922 55,608 56,239 54,505 Basic income (loss) fr	Total cost of revenue	-			99,667		437,677		
% of revenues 33.4% 37.0% 33.9% 38.8% Selling, general and administrative expenses 49,087 42,971 184,491 167,136 Bad debt expense 3,358 3,073 14,035 11,441 Acquisition and integration expenses 2,241 — 4,046 — Restructuring and other expenses 1,446 101 5,143 7,909 Amortization of intangibles 1,113 880 3,957 3,376 Income from operations 3,148 11,573 13,288 25,553 Interest expense, net 6,362 6,167 26,067 25,542 Net income (loss) from continuing operations, before income taxes (1,795) 2,841 (4,439) 435 Net income (loss) from discontinued operations, net of income taxes (1,419) 2,565 (8,340) (424) Net income (loss) from discontinued operations, net of income taxes 8,599 4,144 73,047 8,296 Diluted weighted average shares 56,922 55,608 56,239 54,505 Basic income (loss) fr	Gross profit		60,393		58,598		224,960		215,415
Bad debt expense 3,358 3,073 14,035 11,441 Acquisition and integration expenses 2,241 — 4,046 — Restructuring and other expenses 1,446 101 5,143 7,909 Amortization of intangibles 1,113 880 3,957 3,376 Income from operations 3,148 11,573 13,288 25,553 Interest expense, net 6,362 6,167 26,067 25,542 Net income (loss) from continuing operations, before income taxes (3,214) 5,406 (12,779) 11 Tax provision (benefit) (1,795) 2,841 (4,439) 435 Net income (loss) from continuing operations, net of income taxes (1,419) 2,565 (8,340) (424) Net income (loss) from discontinued operations, net of income taxes 8,599 4,144 73,047 8,296 Net income (loss) 56,922 54,972 56,239 54,505 Diluted weighted average shares 56,922 55,608 56,239 54,505 Income (loss) per common share:	-		33.4%		37.0%		33.9%		38.8%
Bad debt expense 3,358 3,073 14,035 11,441 Acquisition and integration expenses 2,241 — 4,046 — Restructuring and other expenses 1,446 101 5,143 7,909 Amortization of intangibles 1,113 880 3,957 3,376 Income from operations 3,148 11,573 13,288 25,553 Interest expense, net 6,362 6,167 26,067 25,542 Net income (loss) from continuing operations, before income taxes (3,214) 5,406 (12,779) 11 Tax provision (benefit) (1,795) 2,841 (4,439) 435 Net income (loss) from continuing operations, net of income taxes (1,419) 2,565 (8,340) (424) Net income (loss) from discontinued operations, net of income taxes 8,599 4,144 73,047 8,296 Net income (loss) 56,922 54,972 56,239 54,505 Diluted weighted average shares 56,922 55,608 56,239 54,505 Income (loss) per common share:	Selling, general and administrative expenses		49,087		42,971		184,491		167,136
Restructuring and other expenses 1,446 101 5,143 7,909 Amortization of intangibles 1,113 880 3,957 3,376 Income from operations 3,148 11,573 13,288 25,553 Interest expense, net 6,362 6,167 26,067 25,542 Net income (loss) from continuing operations, before income taxes (3,214) 5,406 (12,779) 11 Tax provision (benefit) (1,795) 2,841 (4,439) 435 Net income (loss) from continuing operations, net of income taxes (1,419) 2,565 (8,340) (424) Net income (loss) from discontinued operations, net of income taxes 8,599 4,144 73,047 8,296 Net income (loss) \$ 7,180 \$ 6,709 \$ 64,707 \$ 7,872 Basic weighted average shares 56,922 55,608 56,239 54,505 Diluted weighted average shares 56,922 55,608 56,239 54,505 Income (loss) per common share: 8 0.015 \$ 0.07 \$ 1,30 \$ 0.15			3,358		3,073		14,035		11,441
Amortization of intangibles 1,113 880 3,957 3,376 Income from operations 3,148 11,573 13,288 25,553 Interest expense, net 6,362 6,167 26,067 25,542 Net income (loss) from continuing operations, before income taxes (3,214) 5,406 (12,779) 11 Tax provision (benefit) (1,795) 2,841 (4,439) 435 Net income (loss) from continuing operations, net of income taxes (1,419) 2,565 (8,340) (424) Net income (loss) from discontinued operations, net of income taxes 8,599 4,144 73,047 8,296 Net income (loss) 56,922 54,972 56,239 54,505 Diluted weighted average shares 56,922 55,608 56,239 54,505 Diluted weighted average shares (0.03) 0.05 (0.15) (0.01) Basic loss from continuing operations (0.03) 0.05 (0.15) (0.01) Basic income (loss) from discontinued operations 0.015 0.07 1.30 0.15	Acquisition and integration expenses		2,241		_		4,046		_
Income from operations 3,148 11,573 13,288 25,553 Interest expense, net 6,362 6,167 26,067 25,542 Net income (loss) from continuing operations, before income taxes (3,214) 5,406 (12,779) 11 Tax provision (benefit) (1,795) 2,841 (4,439) 435 Net income (loss) from continuing operations, net of income taxes (1,419) 2,565 (8,340) (424) Net income (loss) from discontinued operations, net of income taxes 8,599 4,144 73,047 8,296 Net income (loss) \$ 7,180 6,709 64,707 7,872 Basic weighted average shares 56,922 54,972 56,239 54,505 Diluted weighted average shares 56,922 55,608 56,239 54,505 Income (loss) per common share: 8 (0.03) 0.05 (0.15) (0.01) Basic income (loss) from discontinued operations 9 0.15 0.07 1.30 0.15 Basic income (loss) 1.115 0.14 0.14 0.12 <t< td=""><td></td><td></td><td>1,446</td><td></td><td>101</td><td></td><td>5,143</td><td></td><td>7,909</td></t<>			1,446		101		5,143		7,909
Interest expense, net 6,362 6,167 26,067 25,542 Net income (loss) from continuing operations, before income taxes (3,214) 5,406 (12,779) 11 Tax provision (benefit) (1,795) 2,841 (4,439) 435 Net income (loss) from continuing operations, net of income taxes (1,419) 2,565 (8,340) (424) Net income (loss) from discontinued operations, net of income taxes 8,599 4,144 73,047 8,296 Net income (loss) \$ 7,180 6,709 64,707 7,872 Basic weighted average shares 56,922 54,972 56,239 54,505 Diluted weighted average shares 56,922 55,608 56,239 54,505 Income (loss) per common share: 8 (0.03) 0.05 (0.15) (0.01) Basic loss from continuing operations \$ 0.15 0.07 1.30 0.15 Basic income (loss) from discontinued operations \$ 0.12 0.12 1.15 0.14	Amortization of intangibles		1,113		880		3,957		3,376
Net income (loss) from continuing operations, before income taxes (3,214) 5,406 (12,779) 11 Tax provision (benefit) (1,795) 2,841 (4,439) 435 Net income (loss) from continuing operations, net of income taxes (1,419) 2,565 (8,340) (424) Net income (loss) from discontinued operations, net of income taxes 8,599 4,144 73,047 8,296 Net income (loss) \$ 7,180 \$ 6,709 \$ 64,707 \$ 7,872 Basic weighted average shares 56,922 54,972 56,239 54,505 Income (loss) per common share: 8 56,922 55,608 56,239 54,505 Income (loss) from discontinuing operations \$ (0.03) \$ 0.05 (0.15) \$ (0.01) Basic income (loss) from discontinued operations \$ 0.15 0.07 \$ 1.30 \$ 0.15 Basic income (loss) \$ 0.12 \$ 0.12 \$ 1.15 \$ 0.14	Income from operations		3,148		11,573		13,288		25,553
Tax provision (benefit) (1,795) 2,841 (4,439) 435 Net income (loss) from continuing operations, net of income taxes (1,419) 2,565 (8,340) (424) Net income (loss) from discontinued operations, net of income taxes 8,599 4,144 73,047 8,296 Net income (loss) \$ 7,180 \$ 6,709 \$ 64,707 \$ 7,872 Basic weighted average shares \$ 56,922 \$ 54,972 \$ 56,239 \$ 54,505 Diluted weighted average shares \$ 56,922 \$ 55,608 \$ 56,239 \$ 54,505 Income (loss) per common share: \$ (0.03) \$ 0.05 \$ (0.15) \$ (0.01) Basic income (loss) from discontinued operations \$ 0.15 \$ 0.07 \$ 1.30 \$ 0.15 Basic income (loss) \$ 0.12 \$ 0.12 \$ 0.12 \$ 0.15 \$ 0.14	Interest expense, net		6,362		6,167		26,067		25,542
Net income (loss) from continuing operations, net of income taxes (1,419) 2,565 (8,340) (424) Net income (loss) from discontinued operations, net of income taxes 8,599 4,144 73,047 8,296 Net income (loss) \$ 7,180 \$ 6,709 \$ 64,707 \$ 7,872 Basic weighted average shares 56,922 54,972 56,239 54,505 Diluted weighted average shares 56,922 55,608 56,239 54,505 Income (loss) per common share: 8 (0.03) \$ 0.05 \$ (0.15) \$ (0.01) Basic loss from continuing operations \$ 0.15 \$ 0.07 \$ 1.30 \$ 0.15 Basic income (loss) from discontinued operations \$ 0.12 \$ 0.12 \$ 1.15 \$ 0.14	Net income (loss) from continuing operations, before income taxes		(3,214)		5,406		(12,779)		11
Net income (loss) from discontinued operations, net of income taxes 8,599 4,144 73,047 8,296 Net income (loss) \$ 7,180 \$ 6,709 \$ 64,707 \$ 7,872 Basic weighted average shares 56,922 54,972 56,239 54,505 Diluted weighted average shares 56,922 55,608 56,239 54,505 Income (loss) per common share: 8 (0.03) \$ 0.05 \$ (0.15) \$ (0.01) Basic loss from continuing operations \$ 0.15 \$ 0.07 \$ 1.30 \$ 0.15 Basic income (loss) \$ 0.12 \$ 0.12 \$ 1.15 \$ 0.14	Tax provision (benefit)		(1,795)		2,841		(4,439)		435
Net income (loss) \$ 7,180 \$ 6,709 \$ 64,707 \$ 7,872 Basic weighted average shares 56,922 54,972 56,239 54,505 Diluted weighted average shares 56,922 55,608 56,239 54,505 Income (loss) per common share: Basic loss from continuing operations \$ (0.03) 0.05 \$ (0.15) \$ (0.01) Basic income (loss) from discontinued operations \$ 0.15 0.07 \$ 1.30 0.15 Basic income (loss) \$ 0.12 0.12 \$ 1.15 0.14	Net income (loss) from continuing operations, net of income taxes		(1,419)		2,565		(8,340)		(424)
Basic weighted average shares 56,922 54,972 56,239 54,505 Diluted weighted average shares 56,922 55,608 56,239 54,505 Income (loss) per common share: 8 (0.03) 0.05 (0.15) (0.01) Basic income (loss) from discontinued operations \$ 0.15 0.07 1.30 0.15 Basic income (loss) \$ 0.12 0.12 1.15 0.14	Net income (loss) from discontinued operations, net of income taxes		8,599		4,144		73,047		8,296
Diluted weighted average shares 56,922 55,608 56,239 54,505 Income (loss) per common share: S (0.03) 0.05 (0.15) (0.01) Basic income (loss) from discontinued operations S 0.15 0.07 1.30 0.15 Basic income (loss) S 0.12 0.12 1.15 0.14	Net income (loss)	\$	7,180	\$	6,709	\$	64,707	\$	
Diluted weighted average shares 56,922 55,608 56,239 54,505 Income (loss) per common share: S (0.03) 0.05 (0.15) (0.01) Basic income (loss) from discontinued operations S 0.15 0.07 1.30 0.15 Basic income (loss) S 0.12 0.12 1.15 0.14	Basic weighted average shares		56 022		54 072		56 230		54 505
Income (loss) per common share: Basic loss from continuing operations \$ (0.03) \$ 0.05 \$ (0.15) \$ (0.01) Basic income (loss) from discontinued operations \$ 0.15 \$ 0.07 \$ 1.30 \$ 0.15 Basic income (loss) \$ 0.12 \$ 0.12 \$ 1.15 \$ 0.14		_		_		_		_	
Basic loss from continuing operations \$ (0.03) \$ 0.05 \$ (0.15) \$ (0.01) Basic income (loss) from discontinued operations \$ 0.15 \$ 0.07 \$ 1.30 \$ 0.15 Basic income (loss) \$ 0.12 \$ 0.12 \$ 1.15 \$ 0.14	Diffued weighted average shares	_	56,922	_	55,608	_	56,239		54,505
Basic income (loss) from discontinued operations \$ 0.15 \$ 0.07 \$ 1.30 \$ 0.15 Basic income (loss) \$ 0.12 \$ 0.12 \$ 1.15 \$ 0.14									
Basic income (loss) \$ 0.12 \$ 0.12 \$ 1.15 \$ 0.14			(0.03)		0.05		(0.15)		(0.01)
	Basic income (loss) from discontinued operations		0.15	\$	0.07		1.30	\$	0.15
Diluted loss from continuing operations \$ (0.03) \$ 0.05 \$ (0.15) \$ (0.01)	Basic income (loss)	\$	0.12	\$	0.12	\$	1.15	\$	0.14
Direct ross from continuing operations $\psi = (0.05) \psi = 0.05 \psi = (0.15) \psi = ($	Diluted loss from continuing operations	\$	(0.03)	\$	0.05	\$	(0.15)	\$	(0.01)
Diluted income (loss) from discontinued operations \$ 0.15 \$ 0.07 \$ 1.30 \$ 0.15			` '						
Diluted income (loss) \$ 0.12 \$ 0.12 \$ 1.15 \$ 0.14					_		_	_	_

CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands)

Cash flows from operating activities: 5 (1,70) \$ (2,70) Neis income (loss) 3,64,70 \$ (3,20) Less: Income from discontinued operations, net of income taxes (8,340) (2,20) Less: Income from discontinued operations, net of income taxes (8,340) (2,20) Allisatiments for reconcile net income floxes) to net cash provided by (used in) operating activities: 8,513 6,591 Allisatiments for concile net income floxes 1,261 1,055 All contraction of intangables 8,513 6,592 Amortization of deferred financing costs 1,261 1,055 Change in deferred income tax 1,261 1,055 Change in deferred income tax 1,052 1,467 Cost and disposed of fixed asses 1,222 1,467 Closs and disposed of fixed asses 1,229 1,249 Receivables, not of bad debet expense 1,249 1,249 Inventory 1,524 1,249 Prepaid expenses and other assets 1,249 1,249 Receivables, not of bad debet expense 1,249 1,249 Claims payable 4,340		Years Ended December			oer 31,	
Net income from discontinued operations, net of income taxes			2012	2		
Less Long From discontinued operations, net of income taxes (8.34)	Cash flows from operating activities:					
Case from continuing operations, net of income taxes Adjasements to reconcile net income (loss) to net ash provided by (used in) operating activities: Depreciation	Net income (loss)	\$	64,707	\$	7,872	
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities 3,957 3,376	Less: Income from discontinued operations, net of income taxes		73,047		8,296	
Depociation	Loss from continuing operations, net of income taxes		(8,340)		(424)	
Amortization of inlengibles 3,957 3,376 Amortization of deferred financing costs 1,261 1,055 Change in deferred income tax 6,122 4,453 Compensation under stock-based compensation plans 6,122 4,467 Loss on disposal of fixed assess 156 201 Receivables, net of bad debte expense 101,230 (1,690) Inventory (15,249) (2,497) Prepaid expenses and other assets 3,726 11,211 Accounts payable (4,354) 8,729 Accrued interest (2,29) 5,93 Accrued expenses and other lashilities (2) 5 Accrued expenses and other lashilities (3) 6	Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:					
Amortization of deferred financing costs 1,915 1,915 Change in deferred income tax 4,915 1,515 Compensation under stock-based compensation plans 6,122 4,467 Loss on disposal of fixed assets 20 20 Changes in assets and liabilities, net of acquired business: 101,239 (2,497) Receivables, net of bad debt expense 101,239 (2,497) Prepaid expenses and other assets (48,200) (1,519) Accounts payable (48,200) (5,732) Accounts payable (7,046) 5,737 Accured expenses and other liabilities 12 2,959 Accured expenses and other liabilities 12 2,959 Accured expenses and other liabilities 8,12 2,945 Net cash provided by (used in) operating activities from continuing operations 2,986 3,064 Net cash provided by (used in) operating activities from discontinued operations 2,086 2,086 Net cash provided by (used in) operating activities from discontinued operations 4,086 2,086 Net cash provided by (used in) investing activities from continuing operations 6,086	Depreciation		8,513		6,591	
Change in deferred income tax (4,12) 4,450 Compensation under stock-based compensation plans (6,12) 4,450 Loss on disposal of fixed assets 150 201 Changes in assets and liabilities, net of acquired business: 8 101,230 (1,650) Receivables, net of bad debet expense 101,230 (3,650) (1,612) Prepaid expenses and other assets 3,726 (1,211) Accounts payable (4,354) 8,727 Claims payable (4,354) 8,727 Accrued expenses and other liabilities 4,122 9,53 Accrued expenses and other liabilities 8,112 (2,945) Accrued expenses and other liabilities 8,112 (2,945) Net cash provided by (used in) operating activities from continuing operations \$ 26,960 \$ 3,005 Net cash provided by (used in) operating activities from discontinued operations \$ 20,806 \$ 2,606 Purchase of property and equipment, net \$ (10,985) \$ (2,835) \$ 2,606 Purchase of property and equipment, part of cash acquiried \$ (10,985) \$ (2,835) \$ (2,835) \$ (2,835)			3,957		3,376	
Compensation under stock-based compensation plans 6,12 4,467 Loss on disposal of fixed seases 156 201 Changes in asserts and liabilities, net of acquired business: 101,230 (3,690) Receivables, net of bad debt expense 101,230 (3,690) Inventory (15,249) (2,497) Prepaid expenses and other assets (48,200) (1,659) Accounts payable (48,200) (5,437) Account spayable (7,046) 5,437 Account spayable 8,112 (2,945) Accrued interest 8,112 (2,945) Accrued expense and other liabilities 8,112 (2,945) Net cash provided by (used in) operating activities from continuing operations 8,2962 3,064 Net cash provided by (used in) operating activities from discontinued operations (2,945) 3,064 Net cash provided by (used in) operating activities from discontinued operations (2,945) 3,064 Net cash provided by (used in) expertage activities from discontinued operations (43,046) 46,059 Purchases of property and equipment, net (3,045) (43,046)	Amortization of deferred financing costs		1,261		1,055	
Changes in assets and liabilities, net of acquired business: Receivables, net of bad debt expense 101,230 31,690 Inventory 15,249 16,249 12,419 Accounts payable 448,200 468,200 16,559 Accounts payable 448,200 468,200 16,559 Accounts payable 448,200 48,200 16,559 Accounts due to plan sponsors 48,362 48,262 Accounts due to plan sponsors 48,362 5,249 Accound expenses and other liabilities 48,200 5,437 Accound provided by (used in) operating activities from continuing operations 48,362 3,004 Net cash provided by (used in) operating activities from continuing operations 48,362 3,004 Net cash provided by (used in) operating activities from discontinued operations 48,362 3,004 Net cash provided by (used in) operating activities from discontinued operations 48,362 3,004 Net cash provided by (used in) operating activities from discontinued operations 48,362 3,004 Net cash provided by (used in) operating activities from discontinued operations 48,306 3,005 Cash consideration paid for asset acquisitions 48,306 46,306 Cash consideration paid for asset acquisitions 48,306 48,306 Cash consideration paid for asset acquisitions 48,306 48,306 Cash consideration paid for unconsolidated affiliate, net of cash acquired 48,306 48,306 Cash consideration paid for unconsolidated affiliate, net of cash acquired 48,306 48,306 Cash provided by (used in) investing activities from continuing operations 48,306 48,306 Cash provided by (used in) investing activities from continuing operations 48,306 48,306 Cash provided by (used in) investing activities from continuing operations 48,306 48,306 Cash flows from financing activities from continuing operations 48,306 48,306 Cash flows from financing activities from continuing operations 48,306 48,306 Cash provided by (used in) financing activities from continuing operations 48,306 48,306			(4)		1,153	
Receivables, net of addebt expense 101,230 31,800 Inventory 1(5,249) 3,726 31,211 Prepaid expenses and other assets 4(8,200) 4(8,200) Claims payable 4(8,200) 4(8,200) 4(8,200) Claims payable 4(8,200) 4(8,200) 4(8,200) Accounts payable 4(8,200) 4(8,200) 4(8,200) Accounts due to plan sponsors 7(7046) 5,437 Accounted expenses and other liabilities (22) 59 Accrued expenses and other liabilities (22) 59 Accrued capenses and other liabilities (22) 59 Accrued expenses and other liabilities (22,278) 3,004 Net cash provided by (used in) operating activities from continuing operations 2(2,278) 3,200 Net cash provided by (used in) operating activities from discontinued operations 2(2,278) 3,004 Net cash provided by (used in) operating activities from discontinued operations 2(2,278) 3,005 Net cash provided by (used in) operating activities from discontinued operations 4(3,046) 5,065 Academic from investing activities (3,048) (3,048) Cash flows from investing activities (3,048) (4,040) Cash consideration paid for asset acquisitions 4(3,046) (4,030) Cash consideration paid for asset acquisitions (4,040) (4,030) Cash consideration paid for asset acquisities from continuing operations (6,761) (8,316) Net cash provided by (used in) investing activities from continuing operations (6,761) (8,316) Net cash provided by (used in) investing activities from continuing operations (6,761) (7,90,90) Repayments on line of credit (1,30,782) (2,035) Repayments on line of credit (1,30,782) (2,035) Repayments on line of credit (1,30,782) (2,035) Net cash provided by (used in) financing activities from continuing operations (3,04) (2,04) Net cash provided by (used in) financing activities from continuing operations (3,04) (2,04) (2,04) Net cash provided by (used in) financing activities from continuing operations (3,			6,122		4,467	
Receivables, net of bal debt expense 101,230 (21,690) Inventory (15,249) (2,497) Prepaid expenses and other assets 3,726 11,211 Accounts payable (48,200) (1,659) Claims payable (7,046) 5,437 Accrued interest (70,046) 5,437 Accrued expenses and other liabilities 6,112 (2,945) Net cash provided by (used in) operating activities from continuing operations 2,926 3,064 Net cash provided by (used in) operating activities from discontinued operations 22,978 23,905 Net cash provided by (used in) operating activities (7,833) 26,684 26,696 About Cash provided by (used in) operating activities (7,833) 26,684 26,696 About Cash provided by (used in) operating activities (7,833) 26,969 26,884 26,969 About Cash provided by (used in) operating activities from continuing operations (43,046) (463) 26,850 26,869 26,869 26,869 26,869 26,869 26,869 26,816 26,816 26,816 26,816 26,816 <td></td> <td></td> <td>156</td> <td></td> <td>201</td>			156		201	
Pepaid expense and other assets	Changes in assets and liabilities, net of acquired business:					
Prepaid expenses and other assets 3,726 11,211 Accounts payable (48,200) 16,659 Claims payable (43,54) 8,729 Amounts due to plan sponsors (7,046) 5,437 Accrued increst (20) 59 Accrued expenses and other liabilities 8,112 2,945 Net cash provided by (used in) operating activities from continuing operations 49,862 3,068 Net cash provided by (used in) operating activities from discontinued operations (22,978) 23,905 Net cash provided by (used in) operating activities 3,068 2,088 Cash flows from investing activities 4,040 4,043 Cash consideration paid for asset acquisitions (43,04) 4,043 Cash consideration paid for by Enamacy (2,935) Cash consideration paid for unconsolidated affiliate, net of cash acquired (10,652) Net cash provided by (used in) investing activities from continuing operations (67,619) (8,316 Net cash provided by (used in) investing activities from continuing operations (67,619) (8,316 Net cash provided by (used in) financing activities	Receivables, net of bad debt expense		101,230		(31,690)	
Accounts payable (48,364) 8,729 Claims payable (7,046) 5,437 Accrued interest (70,46) 5,437 Accrued penses and other liabilities 8,112 (2,945) Net cash provided by (used in) operating activities from continuing operations \$ 49,862 \$ 3,064 Net cash provided by (used in) operating activities from discontinued operations \$ 26,688 \$ 26,989 Net cash provided by (used in) operating activities \$ 10,986 \$ 26,898 Net cash provided by (used in) operating activities \$ 10,986 \$ 7,853 Net cash provided by (used in) operating activities \$ 10,986 \$ 7,853 Cash consideration paid for unconsolidated affiliate, net of cash acquired \$ 10,986 \$ 6,831 Cash consideration paid for unconsolidated affiliate, net of cash acquired \$ 16,499 \$ 1,591 Net cash provided by (used in) investing activities from continuing operations \$ 9,388 \$ 9,090 Seath flows from financing activities \$ 16,449 \$ 1,731,644 Repayments on line of credit \$ 1,244,050 \$ 1,731,644 Repayments of capital leases \$ 2,328 \$ 2,258	Inventory		(15,249)		(2,497)	
Claims payable (4,354) 8,729 Amounts due to plan sponsors (7,046) 5,437 Accrued interest (2) 5 Accrued expenses and other liabilities 8,112 (2,945) Net cash provided by (used in) operating activities from continuing operations \$4,962 3,064 Net cash provided by (used in) operating activities from discontinued operations (22,978) 23,055 Net cash provided by (used in) operating activities *** 26,069 Cash flows from investing activities *** 1(10,986) \$ (7,853) Cash consideration paid for asset acquisitions (43,046) (463) Cash consideration paid for unconsolidated affiliate, net of cash acquired (10,652) —** Net cash provided by (used in) investing activities from discontinuing operations (67,619) (3,136) Net cash provided by (used in) investing activities from discontinued operations (67,619) (3,136) Net cash provided by (used in) investing activities from discontinued operations (67,619) (3,136) Net cash provided by (used in) investing activities from discontinued operations (13,07,872) (1,791,058) Repayments on l	Prepaid expenses and other assets		3,726			
Anomate due to plan sponsors (7,046) 5,437 Accrued interest (22) 5.78 Accrued expenses and other liabilities 8,112 (2,945) Net cash provided by (used in) operating activities from clioruning operations \$ 49,862 \$ 3,064 Net cash provided by (used in) operating activities from discontinued operations \$ 26,884 \$ 26,969 Cash flows from investing activities \$ (10,986) \$ (7,853) Cash onsideration paid for asset acquisitions (43,046) (43,036) Cash consideration paid for unconsolidated affiliate, net of cash acquired (10,652) — Cash consideration paid for unconsolidated affiliate, net of cash acquired (10,652) — Net cash provided by (used in) investing activities from continuing operations (67,619) (8,316) Net cash provided by (used in) investing activities from discontinued operations (67,619) (8,316) Net cash provided by (used in) investing activities from continuing operations (67,619) (8,316) Net cash provided by (used in) investing activities from continuing operations (67,619) (8,316) Net cash provided by (used in) financing activities from discontinued operations (8,11	Accounts payable		(48,200)		(1,659)	
Accrued interest (22) 5.9 Accrued expenses and other liabilities 3,112 (2,945) Net cash provided by (used in) operating activities from continuing operations \$ 49,862 \$ 3,064 Net cash provided by (used in) operating activities from discontinued operations (22,978) 23,055 Net cash provided by (used in) operating activities \$ 26,884 \$ 26,969 Cash flows from investing activities \$ (10,986) \$ (7,853) Cash consideration paid for asset acquisitions (43,046) (463) Cash consideration paid for asset acquisitions (10,652) — Cash consideration paid for unconsolidated affiliate, net of cash acquired (10,652) — Net cash provided by (used in) investing activities from continuing operations (67,619) (8,316) Net cash provided by (used in) investing activities from discontinued operations (67,619) (8,316) Net cash provided by (used in) investing activities from continuing operations (67,619) (8,316) Net cash provided by (used in) investing activities from discontinued operations (10,409) (2,909) Cash Ilose from financing activities (3,278) (2,622) <	Claims payable		(4,354)		8,729	
Accrued expenses and other liabilities 8,112 (2,945) Net cash provided by (used in) operating activities from discontinued operations \$49,862 \$3,064 Net cash provided by (used in) operating activities from discontinued operations \$22,978 \$23,905 Net cash provided by (used in) operating activities \$10,988 \$26,805 Cash flows from investing activities \$10,986 \$7,853 Cash consideration paid for asset acquisitions (43,046) (483) Cash consideration paid for asset acquisitions (67,619) 8,316 Net cash provided by (used in) investing activities from continuing operations (67,619) 8,316 Net cash provided by (used in) investing activities from continuing operations (67,619) 8,316 Net cash provided by (used in) investing activities from continuing operations (67,619) 8,316 Net cash provided by (used in) investing activities from discontinued operations 161,499 (1,591) Net cash provided by (used in) investing activities from discontinued operations 161,499 (1,791,694) Repayments on capital leases (67,619) 8,611 3,173,644 Repayments on capital leases (7,20) 1,	Amounts due to plan sponsors		(7,046)		5,437	
Net cash provided by (used in) operating activities from discontinued operations \$49,862 \$3,064 Net cash provided by (used in) operating activities from discontinued operations \$26,884 \$23,905 Net cash provided by (used in) operating activities \$26,884 \$26,969 Cash flows from investing activities \$10,986 \$7,853 Cash consideration paid of passet acquisitions (43,046) (463) Cash consideration paid for asset acquisitions (2,935) — Cash consideration paid for unconsolidated affiliate, net of cash acquired (10,652) — Net cash provided by (used in) investing activities from continuing operations (67,619) (8,316) Net cash provided by (used in) investing activities from discontinued operations (67,619) (1,591) Net cash provided by (used in) investing activities from discontinued operations \$3,380 \$9,907 Cash flows from financing activities \$3,280 \$9,907 Cash growings on line of credit \$1,244,050 \$1,733,644 Repayments of capital leases \$3,278 \$2,258 Deferred and other financing activities from discontinued operations \$6,611 \$1,908 Net c	Accrued interest		(22)		59	
Net cash provided by (used in) operating activities from discontinued operations (22,978) 23,905 Net cash provided by (used in) operating activities \$ 26,884 26,969 Cash flows from investing activities: *** Purchases of property and equipment, net \$ 10,986 \$ 7,853 Cash consideration paid for asset acquisitions (43,046) (463) Cash consideration paid for unconsolided affiliate, net of cash acquired (10,552) —** Cash consideration paid for unconsolided affiliate, net of cash acquired (67,619) (8,316) Net cash provided by (used in) investing activities from continuing operations (67,619) (8,316) Net cash provided by (used in) investing activities from discontinued operations (67,619) (1,591) Net cash provided by (used in) investing activities from discontinued operations 161,499 1,793,644 Repayments on line of credit 1,244,050 1,773,644 Repayments of capital leases 3,238 1,791,058 Repayments of capital leases 6,61 3,198 Surrender of stock to satisfy minimum tax withholding 6,61 1,199 Surrender of stock to satisfy minimum tax withholding	Accrued expenses and other liabilities		8,112		(2,945)	
Net cash provided by (used in) operating activities: \$ 26,884 \$ 26,969 Cash flows from investing activities: \$ (10,986) \$ (7,853) Purchases of property and equipment, net \$ (10,986) \$ (7,853) Cash consideration paid for asset acquisitions \$ (43,046) \$ (483) Cash consideration paid for unconsolidated affiliate, net of cash acquired \$ (10,652) — Net cash provided by (used in) investing activities from continuing operations \$ (67,619) \$ (1,591) Net cash provided by (used in) investing activities from discontinued operations \$ 93,880 \$ (9,907) Cash flows from financing activities \$ 33,880 \$ (9,907) Cash flows from financing activities \$ 33,880 \$ (9,907) Cash flows from financing activities \$ (1,244,050) \$ (1,791,058) Repayments of capital leases \$ (1,244,050) \$ (1,791,058) Repayments of capital leases \$ (3,278) \$ (2,635) Deferred and other financing costs \$ (3,278) \$ (2,635) Surrender of stock to satisfy minimum tax withholding \$ (174) \$ (189) Net cash provided by (used in) financing activities f	Net cash provided by (used in) operating activities from continuing operations	\$	49,862	\$	3,064	
Net cash provided by (used in) operating activities: \$ 26,884 \$ 26,969 Cash flows from investing activities: *** ** *	Net cash provided by (used in) operating activities from discontinued operations		(22,978)		23,905	
Cash flows from investing activities: Purchases of property and equipment, net \$ (10,986) \$ (7,853) Cash consideration paid for asset acquisitions (43,046) (463) Cash consideration paid for DS Pharmacy (2,935) — Cash consideration paid for unconsolidated affiliate, net of cash acquired (10,652) — Net cash provided by (used in) investing activities from continuing operations (67,619) (8,316) Net cash provided by (used in) investing activities from discontinued operations 161,499 (1,591) Net cash used in investing activities \$ 33,880 \$ (9,907) Cash flows from financing activities Borrowings on line of credit (1,307,872) (1,791,058) Repayments of capital leases (3,278) (2,635) Deferred and other financing costs 8,611 3,198 Surrender of stock to satisfy minimum tax withholding (174) (189) Net cash provided by (used in) financing activities from continuing operations (58,663) (17,062) Net cash provided by (used in) financing activities from discontinued operations (58,663) (17,062) Net cash provided by (use	Net cash provided by (used in) operating activities	\$		\$		
Purchases of property and equipment, net \$ (10,986) \$ (7,853) Cash consideration paid for asset acquisitions (43,046) (463) Cash consideration paid to DS Pharmacy (2,935) —— Cash consideration paid for unconsolidated affiliate, net of cash acquired (10,652) —— Net cash provided by (used in) investing activities from continuing operations (67,619) (8,316) Net cash provided by (used in) investing activities from discontinued operations 161,499 (1,591) Net cash provided by (used in) investing activities from discontinued operations 161,499 (1,591) Net cash provided by (used in) investing activities from discontinued operations 1,244,050 1,773,644 Repayments of credit 1,244,050 1,773,644 Repayments of capital leases (3,278) (2,635) Deferred and other financing costs — — (22) Net proceeds from exercise of employee stock compensation plans 8,611 3,198 Surrender of stock to satisfy minimum tax withholding (58,663) (17,062) Net cash provided by (used in) financing activities from continuing operations (58,663) (17,062) <td< td=""><td></td><td>`</td><td></td><td>Ě</td><td></td></td<>		`		Ě		
Cash consideration paid for asset acquisitions (43,046) (463) Cash consideration paid for DS Pharmacy (2,935) — Cash consideration paid for unconsolidated affiliate, net of cash acquired (10,652) — Net cash provided by (used in) investing activities from continuing operations (67,619) (8,316) Net cash provided by (used in) investing activities from discontinued operations 161,499 (1,591) Net cash used in investing activities ***		¢	(10.086)	\$	(7.853)	
Cash consideration paid to DS Pharmacy (2,935) — Cash consideration paid for unconsolidated affiliate, net of cash acquired (10,652) — Cash consideration paid for unconsolidated affiliate, net of cash acquired (10,652) — Cash consideration paid for unconsolidated affiliate, net of cash acquired (10,651) (8,316) — Cash provided by (used in) investing activities from discontinued operations 161,499 (1,591) Net cash provided by (used in) investing activities from discontinued operations 93,880 9,90,907 Cash flows from financing activities Borrowings on line of credit 1,244,050 1,773,644 Repayments on capital leases (1,307,872) (1,791,058) Repayments of capital leases (2,635) (2,635) Deferred and other financing costs — (22) Net proceeds from exercise of employee stock compensation plans 8,611 3,198 Surrender of stock to satisfy minimum tax withholding (174) (189) Net cash provided by (used in) financing activities from continuing operations (58,663) (17,062) Net cash used in) provided by financing activities from discontinued operations 62,101 — <tr< td=""><td></td><td>Ψ</td><td></td><td>Ψ</td><td></td></tr<>		Ψ		Ψ		
Cash consideration paid for unconsolidated affiliate, net of cash acquired (10,652) — Net cash provided by (used in) investing activities from continuing operations 161,499 (1,591) Net cash provided by (used in) investing activities from discontinued operations 161,499 (1,591) Net cash used in investing activities \$93,880 \$0,907) Cash flows from financing activities: Borrowings on line of credit 1,244,050 1,773,644 Repayments on line of credit (1,307,872) (1,791,058) Repayments of capital leases (3,278) (2,635) Deferred and other financing costs 8,611 3,198 Surrender of stock to satisfy minimum tax withholding (174) (189) Net cash provided by (used in) financing activities from continuing operations (58,663) (17,062) Net cash provided by (used in) financing activities from discontinued operations 62,101 — Net cash provided by (used in) financing activities from discontinued operations 62,101 — Net cash provided by financing activities 62,101 — Cash and cash equivalents - beginning of period 62,101 —					(405)	
Net cash provided by (used in) investing activities from continuing operations (67,619) (8,316) Net cash provided by (used in) investing activities from discontinued operations 161,499 (1,591) Net cash used in investing activities \$93,880 (9,907) Cash flows from financing activities: Borrowings on line of credit 1,244,050 1,773,644 Repayments on line of credit (1,307,872) (1,791,058) Repayments of capital leases (3,278) (2,635) Deferred and other financing costs 8,61 3,198 Surrender of stock to satisfy minimum tax withholding (174) (189) Net proceeds from exercise of employee stock compensation plans (58,663) (17,062) Net cash provided by (used in) financing activities from continuing operations (58,663) (17,062) Net cash provided by (used in) financing activities from discontinued operations (58,663) (17,062) Net cash (used in) provided by financing activities (62,101) — Cash and cash equivalents - beginning of period 62,101 — Cash and cash equivalents - end of period 62,101 — Ca						
Net cash provided by (used in) investing activities from discontinued operations 161,499 (1,591) Net cash used in investing activities \$ 93,880 (9,907) Cash flows from financing activities: \$ 23,880 (9,907) Borrowings on line of credit 1,244,050 1,773,644 Repayments on line of credit (1,307,872) (1,791,058) Repayments of capital leases (3,278) (2,635) Deferred and other financing costs — (22) Net proceeds from exercise of employee stock compensation plans 8,611 3,198 Surrender of stock to satisfy minimum tax withholding (174) (189) Net cash provided by (used in) financing activities from continuing operations (58,663) (17,062) Net cash provided by (used in) financing activities from discontinued operations — — — Net cash (used in) provided by financing activities from discontinued operations 5,5663 \$ (17,062) Net cash (used in) provided by financing activities from discontinued operations 5,25663 \$ (17,062) Cash and cash equivalents - beginning of period — — — Cash and cash equivalents - beginn		<u> </u>		_	(0.216)	
Net cash used in investing activities \$ 93,880 \$ (9,907) Cash flows from financing activities: 3,244,050 1,773,644 Borrowings on line of credit (1,307,872) (1,791,058) Repayments on line of credit (3,278) (2,635) Repayments of capital leases (3,278) (2,635) Deferred and other financing costs — (22) Net proceeds from exercise of employee stock compensation plans 8,611 3,198 Surrender of stock to satisfy minimum tax withholding (174) (189) Net cash provided by (used in) financing activities from continuing operations (58,663) (17,062) Net cash provided by financing activities from discontinued operations 5 (58,663) (17,062) Net cash provided by financing activities from discontinued operations 6 (2,101) — Net cash quivalents - beginning of period 6 (2,101) — Cash and cash equivalents - beginning of period 5 (25,168) 2 (7,528) DISCLOSURE OF CASH FLOW INFORMATION: \$ 25,589 2 7,528 Cash paid during the period for interest \$ 2,757 1,042						
Cash flows from financing activities: Borrowings on line of credit 1,244,050 1,773,644 Repayments on line of credit (1,307,872) (1,791,058) Repayments of capital leases (3,278) (2,635) Deferred and other financing costs ————————————————————————————————————		Φ.		ф.		
Borrowings on line of credit 1,244,050 1,773,644 Repayments on line of credit (1,307,872) (1,791,058) Repayments of capital leases (3,278) (2,635) Deferred and other financing costs — (22) Net proceeds from exercise of employee stock compensation plans 8,611 3,198 Surrender of stock to satisfy minimum tax withholding (174) (189) Net cash provided by (used in) financing activities from continuing operations (58,663) (17,062) Net cash provided by (used in) financing activities from discontinued operations — — Net cash (used in) provided by financing activities \$ (58,663) \$ (17,062) Net change in cash and cash equivalents 62,101 — Cash and cash equivalents - beginning of period — — Cash and cash equivalents - end of period \$ 62,101 — DISCLOSURE OF CASH FLOW INFORMATION: \$ 25,589 \$ 27,528 Cash paid during the period for interest \$ 25,589 \$ 27,528 DISCLOSURE OF NON-CASH TRANSACTIONS: * 2,757 * 1,042		\$	93,880	\$	(9,907)	
Repayments on line of credit (1,307,872) (1,791,058) Repayments of capital leases (3,278) (2,635) Deferred and other financing costs — (22) Net proceeds from exercise of employee stock compensation plans 8,611 3,198 Surrender of stock to satisfy minimum tax withholding (174) (189) Net cash provided by (used in) financing activities from continuing operations (58,663) (17,062) Net cash (used in) provided by financing activities from discontinued operations — — — Net change in cash and cash equivalents 62,101 — — Cash and cash equivalents - beginning of period — — — Cash and cash equivalents - end of period — — — DISCLOSURE OF CASH FLOW INFORMATION: — — — Cash paid during the period for interest \$ 25,589 \$ 27,528 Cash paid during the period for income taxes \$ 2,757 \$ 1,042						
Repayments of capital leases Deferred and other financing costs Deferred and other financing costs Net proceeds from exercise of employee stock compensation plans Surrender of stock to satisfy minimum tax withholding Net cash provided by (used in) financing activities from continuing operations Net cash provided by (used in) financing activities from discontinued operations Net cash provided by financing activities from discontinued operations Net cash used in) provided by financing activities Net change in cash and cash equivalents Cash and cash equivalents - beginning of period Cash and cash equivalents - end of period DISCLOSURE OF CASH FLOW INFORMATION: Cash paid during the period for interest Cash paid during the period for income taxes DISCLOSURE OF NON-CASH TRANSACTIONS:			, ,			
Deferred and other financing costs Net proceeds from exercise of employee stock compensation plans Surrender of stock to satisfy minimum tax withholding Net cash provided by (used in) financing activities from continuing operations Net cash provided by (used in) financing activities from discontinued operations Net cash provided by financing activities from discontinued operations Net change in cash and cash equivalents Cash and cash equivalents Cash and cash equivalents - beginning of period Cash and cash equivalents - end of period DISCLOSURE OF CASH FLOW INFORMATION: Cash paid during the period for income taxes DISCLOSURE OF NON-CASH TRANSACTIONS:						
Net proceeds from exercise of employee stock compensation plans Surrender of stock to satisfy minimum tax withholding Net cash provided by (used in) financing activities from continuing operations Net cash provided by (used in) financing activities from discontinued operations Net cash provided by (used in) financing activities from discontinued operations Net cash (used in) provided by financing activities Net change in cash and cash equivalents Cash and cash equivalents - beginning of period Cash and cash equivalents - end of period DISCLOSURE OF CASH FLOW INFORMATION: Cash paid during the period for income taxes Cash paid during the period for income taxes DISCLOSURE OF NON-CASH TRANSACTIONS:			(3,278)			
Surrender of stock to satisfy minimum tax withholding Net cash provided by (used in) financing activities from continuing operations Net cash provided by (used in) financing activities from discontinued operations Net cash (used in) provided by financing activities Net cash (used in) provided by financing activities Net change in cash and cash equivalents Cash and cash equivalents - beginning of period Cash and cash equivalents - end of period DISCLOSURE OF CASH FLOW INFORMATION: Cash paid during the period for interest Cash paid during the period for income taxes DISCLOSURE OF NON-CASH TRANSACTIONS:						
Net cash provided by (used in) financing activities from continuing operations Net cash provided by (used in) financing activities from discontinued operations Net cash (used in) provided by financing activities Net change in cash and cash equivalents Cash and cash equivalents - beginning of period Cash and cash equivalents - end of period Signature Of Cash FLOW INFORMATION: Cash paid during the period for interest Signature Of Cash TRANSACTIONS: Cash paid during the period for income taxes DISCLOSURE OF NON-CASH TRANSACTIONS:						
Net cash provided by (used in) financing activities from discontinued operations Net cash (used in) provided by financing activities Net cash (used in) provided by financing activities S (58,663) \$ (17,062) Net change in cash and cash equivalents Cash and cash equivalents - beginning of period Cash and cash equivalents - end of period DISCLOSURE OF CASH FLOW INFORMATION: Cash paid during the period for interest Cash paid during the period for income taxes DISCLOSURE OF NON-CASH TRANSACTIONS:			<u>`</u>			
Net cash (used in) provided by financing activities \$ (58,663) \$ (17,062) Net change in cash and cash equivalents 62,101 — Cash and cash equivalents - beginning of period 5 (62,101 — DISCLOSURE OF CASH FLOW INFORMATION: Cash paid during the period for interest \$ 25,589 \$ 27,528 Cash paid during the period for income taxes \$ 2,757 \$ 1,042 DISCLOSURE OF NON-CASH TRANSACTIONS:			(58,663)		(17,062)	
Net change in cash and cash equivalents 62,101 — Cash and cash equivalents - beginning of period						
Cash and cash equivalents - beginning of period——Cash and cash equivalents - end of period\$ 62,101—DISCLOSURE OF CASH FLOW INFORMATION:Cash paid during the period for interest\$ 25,589\$ 27,528Cash paid during the period for income taxes\$ 2,757\$ 1,042DISCLOSURE OF NON-CASH TRANSACTIONS:	Net cash (used in) provided by financing activities	\$	(58,663)	\$	(17,062)	
Cash and cash equivalents - beginning of period——Cash and cash equivalents - end of period\$ 62,101—DISCLOSURE OF CASH FLOW INFORMATION:Cash paid during the period for interest\$ 25,589\$ 27,528Cash paid during the period for income taxes\$ 2,757\$ 1,042DISCLOSURE OF NON-CASH TRANSACTIONS:	Net change in cash and cash equivalents		62,101			
DISCLOSURE OF CASH FLOW INFORMATION: Cash paid during the period for interest Cash paid during the period for income taxes DISCLOSURE OF NON-CASH TRANSACTIONS: \$ 25,589 \$ 27,528 \$ 1,042			_		_	
DISCLOSURE OF CASH FLOW INFORMATION: Cash paid during the period for interest Cash paid during the period for income taxes DISCLOSURE OF NON-CASH TRANSACTIONS:	Cash and cash equivalents - end of period	\$	62,101			
Cash paid during the period for interest\$ 25,589\$ 27,528Cash paid during the period for income taxes\$ 2,757\$ 1,042DISCLOSURE OF NON-CASH TRANSACTIONS:		Ť				
Cash paid during the period for income taxes \$ 2,757 \$ 1,042 DISCLOSURE OF NON-CASH TRANSACTIONS:		¢	25 590	¢	27 520	
DISCLOSURE OF NON-CASH TRANSACTIONS:						
		\$	2,757	\$	1,042	
Capital lease obligations incurred to acquire property and equipment \$ 20 \$ 6,631						
	Capital lease obligations incurred to acquire property and equipment	\$	20	\$	6,631	

Reconciliation between GAAP and Non-GAAP Measures

(in thousands)

	_	Three Months Ended December 31,			Years Ende December 3				
	_	2012		2011		2012		2011	
Results of Operations:									
Revenue: Infusion Services - product revenue	\$	132,785	\$	100,158	\$	471,506	\$	365,526	
Infusion Services - product revenue	J.	2,838	Ф	2,301	Ф	10,080	Ф	8,756	
Total Infusion Services revenue	<u> </u>	135,623		102,459	_	481,586	_	374,282	
Total illusion Services revenue		155,025		102,433		401,500		3/4,202	
Home Health Services - service revenue		18,320		17,206		69,190		69,635	
PBM Services - service revenue		26,795		38,600		111,861		110,589	
Total revenue	\$	180,738	\$	158,265	\$	662,637	\$	554,506	
	<u>-</u>				_		<u> </u>		
Adjusted EBITDA by Segment before corporate overhead:									
Infusion Services	\$	11,024	\$	9,947	\$	36,764	\$	35,128	
Home Health Services		1,844		1,498		5,401		5,954	
PBM Services		6,292		9,274		25,659		30,122	
Total Segment Adjusted EBITDA		19,160		20,719		67,824		71,204	
Corporate overhead		(7,090)		(5,853)		(26,755)		(23,308	
Consolidated Adjusted EBITDA		12,070		14,866		41,069		47,896	
Interest expense, net		(6,362)		(6,167)		(26,067)		(25,542	
Income tax (expense) benefit		1,795		(2,841)		4,439		(435	
Depreciation		(2,398)		(1,828)		(8,513)		(6,591	
Amortization of intangibles		(1,113)		(880)		(3,957)		(3,376	
Stock-based compensation expense		(1,724)		(484)		(6,122)		(4,467	
Acquisition and integration expenses		(2,241)		-		(4,046)		_	
Restructuring and other expenses Net (loss) income:		(1,446)		(101)		(5,143)	\$	(7,909	
Supplemental Operating Data									
(anital Eypenditures:									
Capital Expenditures:						C COF	ተ	4.00/	
Infusion Services					\$	6,685	\$		
Infusion Services Home Health Services					\$	171	\$	170	
Infusion Services Home Health Services PBM Services					\$	171 0	\$	17((
Infusion Services Home Health Services PBM Services Corporate unallocated						171 0 4,130		4,826 170 (2,857	
Infusion Services Home Health Services PBM Services					\$	171 0	\$	17((
Infusion Services Home Health Services PBM Services Corporate unallocated						171 0 4,130		170 (2,852	
Infusion Services Home Health Services PBM Services Corporate unallocated Total						171 0 4,130		2,853 7,853	
Infusion Services Home Health Services PBM Services Corporate unallocated Total Depreciation Expense:					\$	171 0 4,130 10,986	\$	17((2,857	
Infusion Services Home Health Services PBM Services Corporate unallocated Total Depreciation Expense: Infusion Services					\$	171 0 4,130 10,986	\$	17(2,853 7,853 5,242	
Infusion Services Home Health Services PBM Services Corporate unallocated Total Depreciation Expense: Infusion Services Home Health Services					\$	171 0 4,130 10,986 4,347 111	\$	170 (2,855 7,855 5,242 48	
Infusion Services Home Health Services PBM Services Corporate unallocated Total Depreciation Expense: Infusion Services Home Health Services PBM Services					\$	171 0 4,130 10,986 4,347 111 0	\$	2,85° 7,85° 5,24° 41° 1,30°	
Infusion Services Home Health Services PBM Services Corporate unallocated Total Depreciation Expense: Infusion Services Home Health Services PBM Services Corporate unallocated Total					\$	171 0 4,130 10,986 4,347 111 0 4,055	\$	2,85° 7,85° 5,24° 41° 1,30°	
Infusion Services Home Health Services PBM Services Corporate unallocated Total Depreciation Expense: Infusion Services Home Health Services PBM Services Corporate unallocated Total Total Assets					\$ \$	171 0 4,130 10,986 4,347 111 0 4,055 8,513	\$ \$	5,24: 4; 1,30: 6,59	
Infusion Services Home Health Services PBM Services Corporate unallocated Total Depreciation Expense: Infusion Services Home Health Services PBM Services Corporate unallocated Total Total Assets Infusion Services					\$	171 0 4,130 10,986 4,347 111 0 4,055 8,513	\$	170 (2,85) 7,85. 5,24: 44 (1,30) 6,59	
Infusion Services Home Health Services PBM Services Corporate unallocated Total Depreciation Expense: Infusion Services Home Health Services PBM Services Corporate unallocated Total Total Assets Infusion Services Home Health Services					\$ \$	171 0 4,130 10,986 4,347 111 0 4,055 8,513 438,623 62,403	\$ \$	17/ (2,85) 7,85) 5,24) 4((1,30) 6,59) 353,999 64,67/	
Infusion Services Home Health Services PBM Services Corporate unallocated Total Depreciation Expense: Infusion Services Home Health Services PBM Services Corporate unallocated Total Total Assets Infusion Services Home Health Services PBM Services					\$ \$	171 0 4,130 10,986 4,347 111 0 4,055 8,513 438,623 62,403 36,354	\$ \$	5,24: 4: 1,30 6,59: 353,99: 64,67: 40,41:	
Infusion Services Home Health Services PBM Services Corporate unallocated Total Depreciation Expense: Infusion Services Home Health Services PBM Services Corporate unallocated Total Total Total Assets Infusion Services Home Health Services Corporate unallocated Total					\$ \$	171 0 4,130 10,986 4,347 111 0 4,055 8,513 438,623 62,403 36,354 95,813	\$ \$	177 (2,85) 7,85) 5,24; 44 (1,30) 6,59; 353,99; 64,67; 40,41; 24,34;	
Infusion Services Home Health Services PBM Services Corporate unallocated Total Depreciation Expense: Infusion Services Home Health Services PBM Services Corporate unallocated Total Total Total Total Assets Infusion Services Home Health Services Corporate unallocated Total Assets Infusion Services Corporate unallocated Assets from discontinued operations					\$ \$	171 0 4,130 10,986 4,347 111 0 4,055 8,513 438,623 62,403 36,354 95,813 0	\$ \$	17/ (2,857 7,853 5,242 48 (1,307 6,599 64,677 40,418 24,348 59,005	
Infusion Services Home Health Services PBM Services Corporate unallocated Total Depreciation Expense: Infusion Services Home Health Services PBM Services Corporate unallocated Total Total Total Assets Infusion Services Home Health Services Corporate unallocated Total					\$ \$ \$	171 0 4,130 10,986 4,347 111 0 4,055 8,513 438,623 62,403 36,354 95,813 0 9,183	\$ \$	2,85; 7,85; 5,24; 4; 1,30 6,59 353,99; 64,67; 40,41; 24,34; 59,00; 134,66	
Infusion Services Home Health Services PBM Services Corporate unallocated Total Depreciation Expense: Infusion Services Home Health Services PBM Services Corporate unallocated Total Total Total Assets Infusion Services Home Health Services Corporate unallocated Total Assets Infusion Services Corporate unallocated Home Health Services PBM Services Corporate unallocated Assets from discontinued operations Assets associated with discontinued operations, not sold					\$ \$	171 0 4,130 10,986 4,347 111 0 4,055 8,513 438,623 62,403 36,354 95,813 0	\$ \$	2,85 7,85 5,24 4 1,30 6,59 353,99 64,67 40,41 24,34 59,00 134,66	
Infusion Services Home Health Services PBM Services Corporate unallocated Total Depreciation Expense: Infusion Services Home Health Services PBM Services Corporate unallocated Total Total Total Assets Infusion Services Home Health Services PBM Services Corporate unallocated Total Total Assets Infusion Services Home Health Services PBM Services Corporate unallocated Assets from discontinued operations Assets associated with discontinued operations, not sold Total					\$ \$ \$ \$	171 0 4,130 10,986 4,347 111 0 4,055 8,513 438,623 62,403 36,354 95,813 0 9,183 642,376	\$ \$	353,999 64,677 40,411 24,344 59,000 134,660 677,100	
Infusion Services Home Health Services PBM Services Corporate unallocated Total Depreciation Expense: Infusion Services Home Health Services PBM Services Corporate unallocated Total Total Total Assets Infusion Services Home Health Services PBM Services Corporate unallocated Total Total Assets Infusion Services Home Health Services PBM Services Corporate unallocated Assets from discontinued operations Assets associated with discontinued operations, not sold Total Goodwill Infusion Services					\$ \$ \$	171 0 4,130 10,986 4,347 111 0 4,055 8,513 438,623 62,403 36,354 95,813 0 9,183 642,376	\$ \$	353,999 64,677 40,411 24,344 59,000 134,660 677,100	
Infusion Services Home Health Services PBM Services Corporate unallocated Total Depreciation Expense: Infusion Services Home Health Services PBM Services Corporate unallocated Total Total Total Assets Infusion Services Home Health Services PBM Services Corporate unallocated Total Total Assets Infusion Services Home Health Services PBM Services Corporate unallocated Assets from discontinued operations Assets associated with discontinued operations, not sold Total Goodwill Infusion Services Home Health Services					\$ \$ \$ \$	171 0 4,130 10,986 4,347 111 0 4,055 8,513 438,623 62,403 36,354 95,813 0 9,183 642,376	\$ \$	353,999 64,677 40,411 24,344 59,000 134,666 677,100	
Infusion Services Home Health Services PBM Services Corporate unallocated Total Depreciation Expense: Infusion Services Home Health Services PBM Services Corporate unallocated Total Total Total Assets Infusion Services Home Health Services PBM Services Corporate unallocated Total Total Assets Infusion Services Home Health Services PBM Services Corporate unallocated Assets from discontinued operations Assets associated with discontinued operations, not sold Total Goodwill Infusion Services					\$ \$ \$ \$	171 0 4,130 10,986 4,347 111 0 4,055 8,513 438,623 62,403 36,354 95,813 0 9,183 642,376	\$ \$	353,999 64,677 40,411 24,344 59,000 134,660 677,100	

Reconciliation between GAAP and Non-GAAP Earnings Per Share

(in thousands)

		Three Months Ended December 31,			Years Ended December 31,			31,
		2012 ^{1,2} 2011 ^{3,4}		2012 5,6			2011 ^{7,8}	
Net income from continuing operations	\$	(1,419)	\$	2,565	\$	(8,340)	\$	(424)
Non-GAAP adjustments:								
Restructuring and other expenses		871		61		3,099		4,798
Acquisition and integration expenses		1,350		-		2,438		-
Amortization of intangibles		671		534		2,384		2,048
Compensation under stock-based compensation plans		1,039		294		3,689		2,710
Non-GAAP Net income from continuing operations	\$	2,512	\$	3,454	\$	3,270	\$	9,132
	_		-		=		-	
Earnings per share from continuing operations, basic and diluted	\$	(0.03)	\$	0.05	\$	(0.15)	\$	(0.01)
Non-GAAP adjustments:								
Restructuring and other related costs		0.02		-		0.06		0.09
Acquisition and integration expenses		0.02		-		0.04		-
Amortization of intangibles		0.01		0.01		0.04		0.04
Compensation under stock-based compensation plans		0.02		0.01		0.07		0.05
Non-GAAP earnings per share from continuing operations, basic and diluted	\$	0.04	\$	0.07	\$	0.06	\$	0.17
	_		=		-		=	
Weighted average shares outstanding, basic	=	56,922	_	54,972	=	56,239	=	54,505
Weighted average shares outstanding, diluted	=	57,948	=	55,608	=	57,001	=	55,150

Reconciliation between GAAP and Non-GAAP Earnings Per Share (in thousands)

- (1) For the three months ended December 31, 2012, 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, acquisition and integration expenses, amortization of intangibles, and stock-based compensation expense was \$575, \$891, \$442, and \$685 respectively.
- For the three months ended December 31, 2012, non-GAAP Adjusted EPS per basic and diluted share from continuing operations adjustments are net of tax, calculated using an annual effective tax rate method. The tax expense per basic and diluted share netted against restructuring and other expenses, acquisition and integration expenses, amortization of intangibles, and stock-based compensation expense was \$(0.01), \$(0.02), \$(0.01), and \$(0.01) per share, respectively.
- (3) For the three months ended December 31, 2011, 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, amortization of intangibles, and stock-based compensation expense was \$40, \$346, and \$190, respectively.
- (4) For the three months ended December 31, 2011, non-GAAP Adjusted EPS per basic and diluted share from continuing operations adjustments are net of tax, calculated using an annual effective tax rate method. The tax expense per basic and diluted share netted against restructuring and other expenses, amortization of intangibles, and stock-based compensation expense were \$(0.00), \$(0.01), and \$(0.00) per share, respectively.
- (5) For the year ended December 31, 2012, 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, acquisition and integration expenses, amortization of intangibles, and stock-based compensation expense was \$2,044, \$1,608, 1,573, and \$2,433, respectively.
- For the year ended December 31, 2012, non-GAAP Adjusted EPS per basic and diluted share from continuing operations adjustments are net of tax, calculated using an annual effective tax rate method. The tax expense per basic and diluted share netted against restructuring and other expenses, acquisition and integration expenses, amortization of intangibles, and stock-based compensation expense was \$(0.04), \$(0.03), \$(0.03), and \$(0.04) per share, respectively.
- (7) For the year ended December 31, 2011, 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, amortization of intangibles, and stock-based compensation expense was \$3,111, \$1,328, and \$1,757, respectively.
- (8) For the year ended December 31, 2011, non-GAAP Adjusted EPS per basic and diluted share from continuing operations adjustments are net of tax, calculated using an annual effective tax rate method. The tax expense per basic and diluted share netted against restructuring and other expenses, amortization of intangibles, and stock-based compensation expense were \$(0.06), \$(0.02), and \$(0.03) per share, respectively.