



# Jefferies Healthcare Conference

June 7, 2017

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Certain statements in this presentation and other oral or written statements made by the Company from time to time are may constitute “forward-looking statements” that involve substantial risks and uncertainties, including the statements regarding 2017 guidance, projections of certain measures of the Company's results of operations, projections of future levels of certain charges and expenses, expectations of Home Solutions cost synergies and incremental cost structure improvements and other statements regarding the Company's financial improvement plan and strategy and anticipated effects of the Cures Act and the UnitedHealthcare contract. You can identify these statements by the fact that they do not relate strictly to historical or current facts. In some cases, forward-looking statements can be identified by words such as "may," "should," "could," "anticipate," "estimate," "expect," "project," "outlook," "aim," "intend," "plan," "believe," "predict," "potential," "continue" or comparable terms. Because such statements inherently involve risks and uncertainties, actual future results may differ materially from those expressed or implied by such forward-looking statements. Investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and that actual results may differ materially from those in the forward-looking statements as a result of various factors. Important factors that could cause actual results to differ materially from those in the forward-looking statement include but are not limited to risks associated with: the Company's ability to successfully integrate the Home Solutions business into its existing businesses; the Company's ability to grow its core Infusion revenues; the Company's ability to continue to execute its financial improvement plan to reduce operating costs and focus its business on its Infusion Services segment; the Company's ability to evaluate opportunities for improvement and implement solutions as part of its strategic review process; the Company's ability to comply with the covenants in its debt agreements or obtain amendments to such covenants; the UnitedHealthcare contract termination, including potential accounting charges and impacts on other contract provisions and their associated revenue; the success of the Company's initiatives to mitigate the impact of the Cures Act on its business; reductions in federal, state and commercial reimbursement for the Company's products and services; increased government regulation related to the health care and insurance industries; as well as the risks described in the Company's periodic filings with the Securities and Exchange Commission. The Company does not undertake any duty to update these forward-looking statements after the date hereof, even though the Company's situation may change in the future. All of the forward-looking statements herein are qualified by these cautionary statements. This document contains an estimate of projected adjusted EBITDA. Projected adjusted EBITDA as used in this presentation is consistent with the Company's definition of adjusted EBITDA as presented in its annual reports filed on Form 10-K and quarterly reports filed on Form 10-Q. The Company's May 4, 2017 earnings release furnished on the Company's Current Report on Form 8-K on May 4, 2017 provides a reconciliation of projected adjusted EBITDA to expected results.

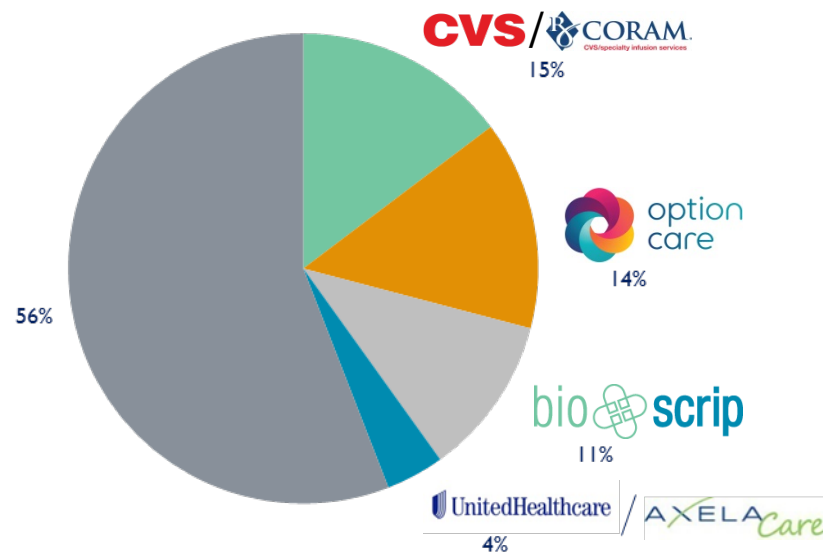
# Industry and BioScrip Overview, Opportunities

# Home Infusion Market Overview

## Home Infusion Market

- Global market estimated at \$20B
  - U.S. market growing organically 5%-7%
- Highly fragmented market
  - 4 large national providers
  - Significant consolidation opportunity with 800+ infusion companies in the U.S.
- Hospital systems, physicians, and skilled nursing centers also provide infusion services
  - *Significant site of care, market expansion opportunity for home infusion*

## Competitive Landscape (U.S.)



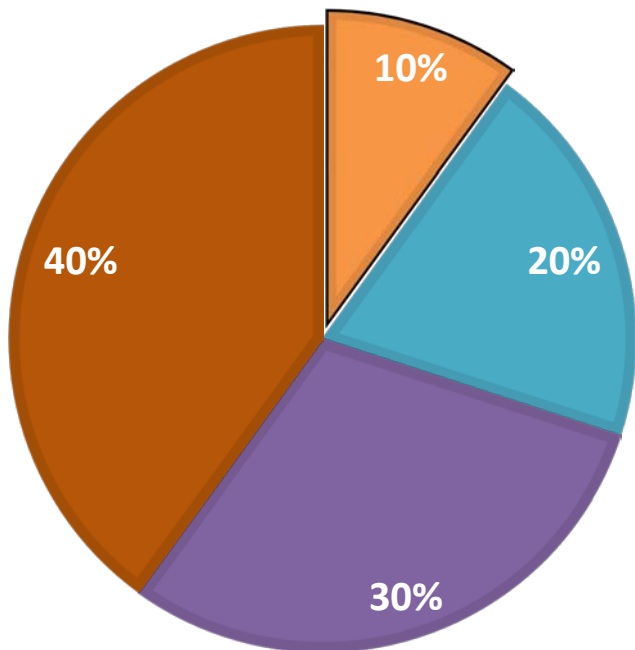
\* Top 4 providers account for ~44% of the U.S. market

**Expanding Home Infusion Market: Attractive Market Growth + Significant Site of Care Opportunity**

# Infusion Market Overview

## Infusion Market

■ Home Infusion      ■ Skilled Nursing Facility  
■ Physician Office Outpatient      ■ Hospital



## Home Infusion → Disruptive Technology

- Potential for significant site of care shift to the home
  - Lowest cost site of care
  - Superior patient outcomes
  - Patients prefer home infusion care

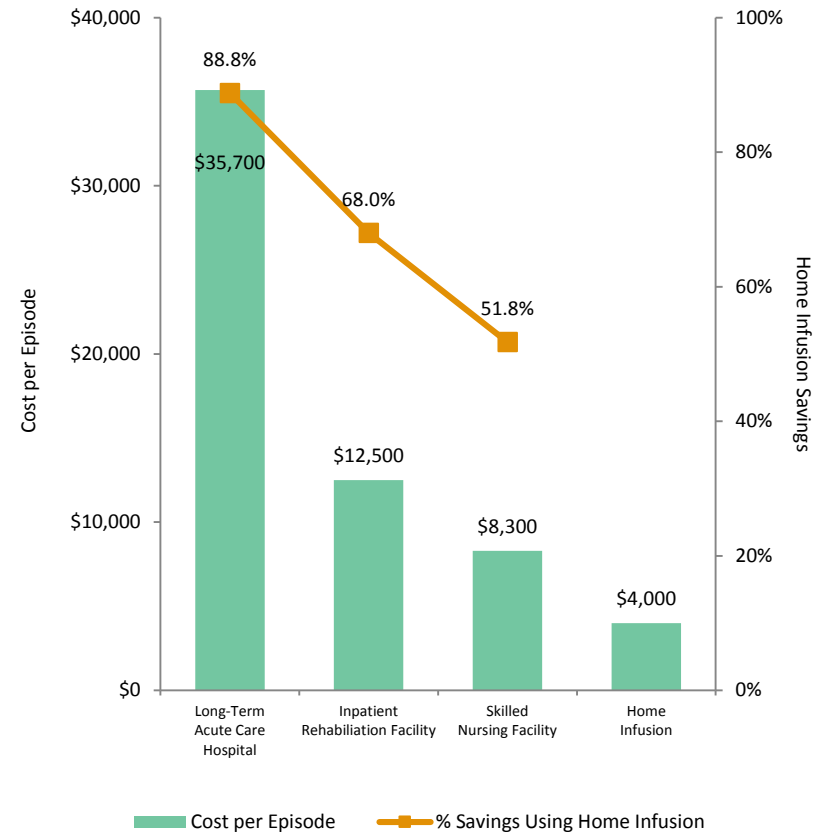
*The Home is the Disruptive Technology Within the Infusion Market*

# Home Infusion: The Disruptive Technology

## Lowest Cost, Improved Outcomes and Patient Preference

- Home infusion is lowest cost site of care
  - Solution for healthcare cost containment efforts from governmental, hospitals and managed care payors
- Superior patient outcomes
  - Up to 40% of all readmissions are potentially avoidable for most hospitals
  - Lowers readmission risk and cost by lowering length of stay and infection rates
  - The home is safer for the patient
- Patients prefer treatment in the home
  - Improves patient satisfaction – patients prefer to receive infusion care in a home setting

## Home Infusion Therapy Savings per Episode



*Home Infusion: Significant Site of Care Market Expansion Opportunity*

# BioScrip President and CEO

## DAN GREENLEAF

### ■ **President and CEO – BioScrip (Sept. 2016-Present)**

- Upgraded executive management team
  - 8 of 11 team members new (7) or in new roles (1)
- Driving turnaround plan with CORE focus
  - Increased profitable core therapy revenue mix
  - Synergies and operational savings exceeding \$40mm
  - Accelerating cash flows via revenue cycle improvements
- Renegotiated UHC contract retaining \$35mm plus of profitable core revenues

### ■ **Chairman and CEO – Home Solutions (2013-2016)**

- Executed turnaround, driving double digit core sales and EBITDA growth & successful sale to BioScrip

### ■ **President and CEO – Coram (2008-2013)**

- Executed turnaround, creating industry leader and top-performing home infusion company
  - Grew revenue organically 12.5% CAGR, from \$600mm to \$1.2B
  - Expanded EBITDA margin from 4.7% to 13.3%
  - Increased shareholder value from \$350mm to \$2.1B



# BioScrip Footprint and Overview

Largest independent home infusion provider

Nearly 80 locations

Servicing all 50 states

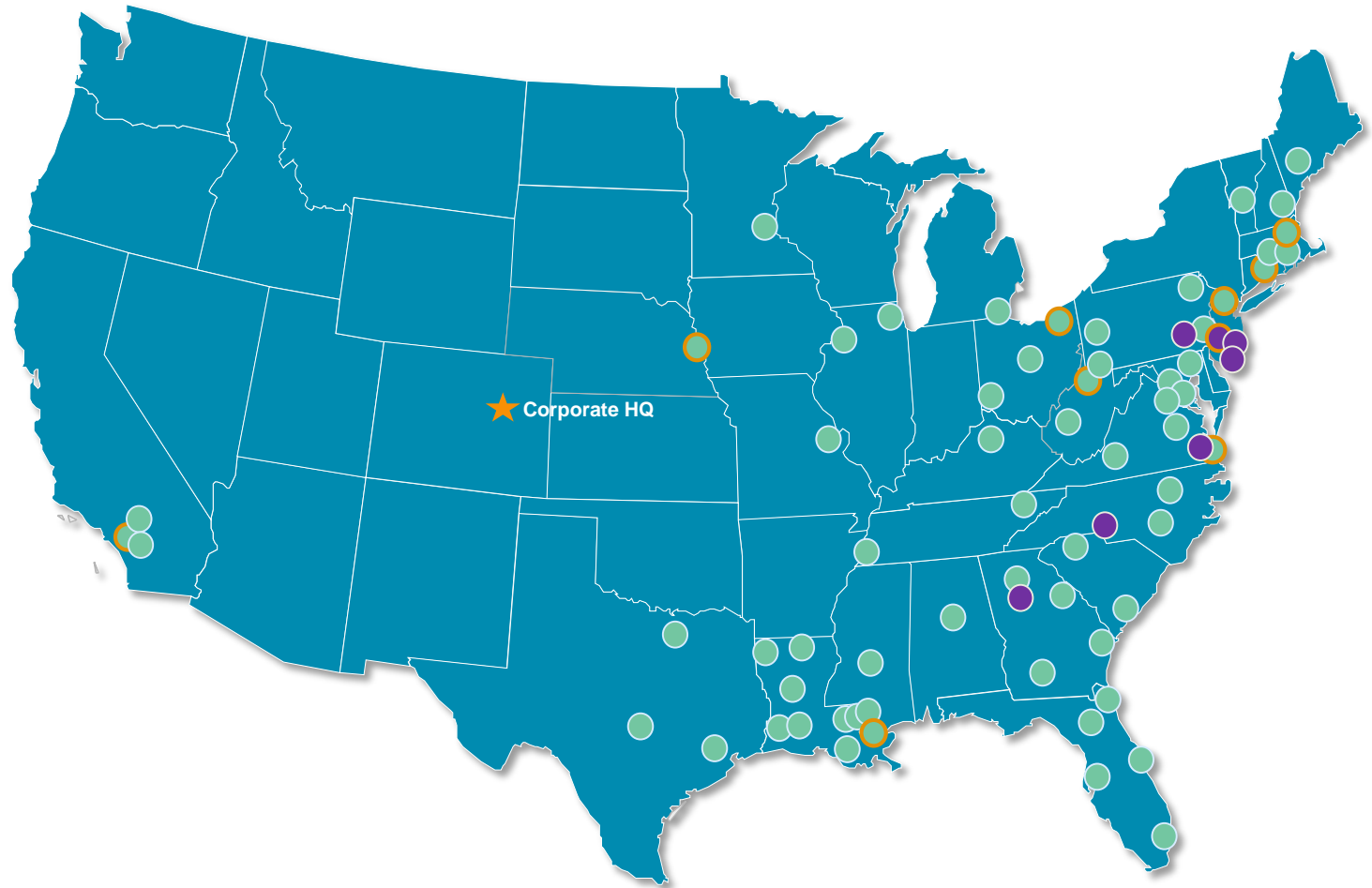
68 Infusion Pharmacies/  
Ambulatory Infusion Suites

10 Reimbursement Centers

Over 2,000 field personnel

500,000 unique visits/year  
(35,000/month)

131,799 patients serviced



● BioScrip

● Home Solutions

○ Reimbursement Centers



# Financial Overview

- 1Q17 revenue \$218 million
  - Core mix 72%, up from 60% in 1Q16 and 70% in 4Q16
- 1Q17 gross profit margin 30.1%, up 320 bps year over year
  - Up 600 bps excluding The Cures Act impact
  - Increased core sales mix and ongoing supply chain initiatives
- 1Q17 adjusted EBITDA in excess of \$5 million
  - Reflects year over year operational improvement of \$9 million
  - The Cures Act reduced 1Q adjusted EBITDA by \$6 million
- Ended the quarter with \$16 million in unrestricted cash
- We are comfortable with our liquidity for 2017
  - 1Q17 represents expected low water mark for cash flow
  - Ended 1Q17 with \$16 million in unrestricted cash
  - Expect improved cash position as year progresses
- 2017 Guidance
  - 2017 Adjusted EBITDA guidance \$45 million to 55 million
  - The Company continues to evaluate the impact of the UnitedHealthcare contract on its revenue and will provide updated revenue guidance at the appropriate time

# In Summary

- Superior market dynamics – tremendous organic and site of care growth opportunities
- Largest independent national home infusion provider
- Best in class management team with track record of success