



NEWS RELEASE

# Amedisys Reports First Quarter 2024 Financial Results

4/24/2024

BATON ROUGE, La., April 24, 2024 (GLOBE NEWSWIRE) -- Amedisys, Inc. (NASDAQ: AMED) today reported its financial results for the three-month period ended March 31, 2024.

Three-Month Periods Ended March 31, 2024 and 2023

- Net service revenue increased \$15.0 million to \$571.4 million compared to \$556.4 million in 2023. Prior year included \$15.0 million of net service revenue from our personal care business which was divested on March 31, 2023.
- Net income attributable to Amedisys, Inc. of \$14.4 million, which is inclusive of merger-related expenses totaling \$20.7 million (\$19.8 million, net of tax), compared to \$25.2 million in 2023.
- Net income attributable to Amedisys, Inc. per diluted share of \$0.44 compared to \$0.77 in 2023.

Adjusted Quarterly Results\*

- Adjusted EBITDA of \$59.9 million compared to \$57.8 million in 2023.
- Adjusted net income attributable to Amedisys, Inc. of \$33.9 million compared to \$32.7 million in 2023.
- Adjusted net income attributable to Amedisys, Inc. per diluted share of \$1.03 compared to \$1.00 in 2023.

\* See pages 11 - 12 for the definition and reconciliations of non-GAAP financial measures to GAAP measures.

The supplemental slides provided in connection with the first quarter 2024 earnings release can be found on the Investor Relations page of our website. In light of the pending merger of the Company with UnitedHealth Group Incorporated, Amedisys will not conduct a quarterly earnings call to discuss the first quarter results.



## Non-GAAP Financial Measures

This press release includes reconciliations of the most comparable financial measures calculated and presented in accordance with accounting principles generally accepted in the U.S. ("GAAP") to non-GAAP financial measures. The non-GAAP financial measures as defined under SEC rules are as follows: (1) adjusted EBITDA, defined as net income attributable to Amedisys, Inc. before net interest expense, provision for income taxes and depreciation and amortization, excluding certain items; (2) adjusted net income attributable to Amedisys, Inc., defined as net income attributable to Amedisys, Inc. calculated in accordance with GAAP excluding certain items; and (3) adjusted net income attributable to Amedisys, Inc. per diluted share, defined as net income attributable to Amedisys, Inc. common stockholders per diluted share calculated in accordance with GAAP excluding certain items. Management believes that these non-GAAP financial measures, when reviewed in conjunction with GAAP financial measures, are useful gauges of our current performance and are also included in internal management reporting. These non-GAAP financial measures should be considered in addition to, and not more meaningful than or as an alternative to, the GAAP financial measures presented in this earnings release and the company's financial statements. Non-GAAP measures as presented herein may not be comparable to similarly titled measures reported by other companies since not all companies calculate these non-GAAP measures consistently.

## Additional Information

Amedisys, Inc. (the "Company") is a leading healthcare at home company delivering personalized home health, hospice and high acuity care services. Amedisys is focused on delivering the care that is best for our patients, whether that is in-patient hospital, palliative and skilled nursing facility ("SNF") care in their homes, home-based recovery and rehabilitation after an operation or injury, care focused on empowering our patients to manage a chronic disease or hospice care at the end of life. More than 3,000 hospitals and 110,000 physicians nationwide have chosen Amedisys as a partner in post-acute care. Founded in 1982, headquartered in Baton Rouge, LA with an executive office in Nashville, TN, Amedisys is a publicly held company. With approximately 18,700 employees in 520 care centers within 37 states and the District of Columbia, Amedisys is dedicated to delivering the highest quality of care to the doorsteps of more than 469,000 patients every year. For more information about the Company, please visit: [www.amedisys.com](http://www.amedisys.com).

We use our website as a channel of distribution for important company information. Important information, including press releases, investor presentations and financial information regarding our company, is routinely posted on and accessible on the Investor Relations subpage of our website, which is accessible by clicking on the tab labeled "Investors" on our website home page. Visitors to our website can also register to receive automatic e-mail and other notifications alerting them when new information is made available on the Investor Relations subpage of our website.

## Forward-Looking Statements

When included in this press release, words like “believes,” “belief,” “expects,” “strategy,” “plans,” “anticipates,” “intends,” “projects,” “estimates,” “may,” “might,” “will,” “could,” “would,” “should” and similar expressions are intended to identify forward-looking statements as defined by the Private Securities Litigation Reform Act of 1995. These forward-looking statements involve a variety of risks and uncertainties that could cause actual results to differ materially from those described therein. These risks and uncertainties include, but are not limited to, the following: disruption from the proposed merger with UnitedHealth Group with patient, payor, provider, referral source, supplier or management and employee relationships; the occurrence of any event, change or other circumstances that could give rise to the termination of the merger agreement with UnitedHealth Group or the inability to complete the proposed transaction on the anticipated terms and timetable; the risk that necessary regulatory approvals for the proposed merger with UnitedHealth Group are delayed, are not obtained or are obtained subject to conditions that are not anticipated; the failure of the conditions to the proposed merger to be satisfied; the costs related to the proposed merger; the diversion of management time on merger-related issues; the risk that termination fees may be payable by the Company in the event that the merger agreement is terminated under certain circumstances; reputational risk related to the proposed merger; the risk of litigation or regulatory action related to the proposed merger; changes in Medicare and other medical payment levels; changes in payments and covered services by federal and state governments; future cost containment initiatives undertaken by third-party payors; changes in the episodic versus non-episodic mix of our payors, the case mix of our patients and payment methodologies; staffing shortages driven by the competitive labor market; our ability to attract and retain qualified personnel; competition in the healthcare industry; our ability to maintain or establish new patient referral sources; changes in or our failure to comply with existing federal and state laws or regulations or the inability to comply with new government regulations on a timely basis; changes in estimates and judgments associated with critical accounting policies; our ability to consistently provide high-quality care; our ability to keep our patients and employees safe; our access to financing; our ability to meet debt service requirements and comply with covenants in debt agreements; business disruptions due to natural or man-made disasters, climate change or acts of terrorism, widespread protests or civil unrest; our ability to open care centers, acquire additional care centers and integrate and operate these care centers effectively; our ability to realize the anticipated benefits of acquisitions, investments and joint ventures; our ability to integrate, manage and keep our information systems secure; the impact of inflation; and changes in laws or developments with respect to any litigation relating to the Company, including various other matters, many of which are beyond our control.

Because forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified, you should not rely on any forward-looking statement as a prediction of future events. We expressly disclaim any obligation or undertaking and we do not intend to release publicly any updates or changes in our expectations concerning the forward-looking statements or any changes in events, conditions or circumstances

upon which any forward-looking statement may be based, except as required by law.

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AMEDISYS, INC. AND SUBSIDIARIES  
CONDENSED CONSOLIDATED INCOME STATEMENTS  
(Amounts in thousands, except per share data)  
(Unaudited)

	For the Three-Month Periods Ended March 31,	
	2024	2023
Net service revenue	\$ 571,414	\$ 556,389
Operating expenses:		
Cost of service, inclusive of depreciation	321,537	315,010
General and administrative expenses:		
Salaries and benefits	127,946	126,339
Non-cash compensation	7,433	3,273
Merger-related expenses	20,667	720
Depreciation and amortization	4,271	4,443
Other	57,941	64,225
Total operating expenses	<u>539,795</u>	<u>514,010</u>
Operating income	31,619	42,379
Other income (expense):		
Interest income	1,727	406
Interest expense	(8,119)	(7,517)
Equity in earnings from equity method investments	910	123
Miscellaneous, net	1,090	(682)
Total other expense, net	<u>(4,392)</u>	<u>(7,670)</u>
Income before income taxes	27,227	34,709
Income tax expense	<u>(12,633)</u>	<u>(9,800)</u>
Net income	14,594	24,909
Net (income) loss attributable to noncontrolling interests	(194)	337
Net income attributable to Amedisys, Inc.	<u>\$ 14,400</u>	<u>\$ 25,246</u>
Basic earnings per common share:		
Net income attributable to Amedisys, Inc. common stockholders	\$ 0.44	\$ 0.78
Weighted average shares outstanding	32,670	32,558
Diluted earnings per common share:		
Net income attributable to Amedisys, Inc. common stockholders	\$ 0.44	\$ 0.77
Weighted average shares outstanding	32,979	32,643

CONDENSED CONSOLIDATED BALANCE SHEETS  
(Amounts in thousands, except share data)

	March 31, 2024 (unaudited)	December 31, 2023
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 108,234	\$ 126,450
Restricted cash	12,470	12,413
Patient accounts receivable	359,359	313,373
Prepaid expenses	20,332	14,639
Other current assets	26,053	30,060
Total current assets	526,448	496,935
Property and equipment, net of accumulated depreciation of \$96,056 and \$92,422	42,684	41,845
Operating lease right of use assets	88,425	88,939
Goodwill	1,244,679	1,244,679
Intangible assets, net of accumulated amortization of \$15,128 and \$14,008	101,778	102,675
Other assets	85,857	85,097
Total assets	\$ 2,089,871	\$ 2,060,170
<b>LIABILITIES AND EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 36,249	\$ 28,237
Payroll and employee benefits	131,631	136,835
Accrued expenses	147,464	140,049
Termination fee paid by UnitedHealth Group	106,000	106,000
Current portion of long-term obligations	37,232	36,314
Current portion of operating lease liabilities	26,284	26,286
Total current liabilities	484,860	473,721
Long-term obligations, less current portion	356,080	361,862
Operating lease liabilities, less current portion	62,220	62,751
Deferred income tax liabilities	43,229	40,635
Other long-term obligations	828	1,418
Total liabilities	947,217	940,387
Equity:		
Preferred stock, \$0.001 par value, 5,000,000 shares authorized; none issued or outstanding	—	—
Common stock, \$0.001 par value, 60,000,000 shares authorized; 38,146,546 and 38,131,478 shares issued; 32,676,115 and 32,667,631 shares outstanding	38	38
Additional paid-in capital	795,063	787,177
Treasury stock, at cost, 5,470,431 and 5,463,847 shares of common stock	(469,243)	(468,626)
Retained earnings	762,325	747,925
Total Amedisys, Inc. stockholders' equity	1,088,183	1,066,514
Noncontrolling interests	54,471	53,269
Total equity	1,142,654	1,119,783
Total liabilities and equity	\$ 2,089,871	\$ 2,060,170

AMEDISYS, INC. AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS AND DAYS REVENUE OUTSTANDING  
(Amounts in thousands, except statistical information)  
(Unaudited)

	For the Three-Month Periods Ended March 31,	
	2024	2023
Cash Flows from Operating Activities:		
Net income	\$ 14,594	\$ 24,909
Adjustments to reconcile net income to net cash (used in) provided by operating activities:		
Depreciation and amortization (inclusive of depreciation included in cost of service)	6,138	5,694
Non-cash compensation	7,886	3,273
Amortization and impairment of operating lease right of use assets	8,566	8,622
Loss (gain) on disposal of property and equipment	4	(70)
Loss on personal care divestiture	—	2,186
Deferred income taxes	2,594	2,772
Equity in earnings from equity method investments	(910)	(123)
Amortization of deferred debt issuance costs	248	248
Return on equity method investments	170	1,787
Changes in operating assets and liabilities, net of impact of acquisitions:		
Patient accounts receivable	(46,806)	(7,476)
Other current assets	(1,696)	(4,128)
Operating lease right of use assets	(1,042)	(918)
Other assets	155	(111)

Accounts payable	8,652	(3,457)
Accrued expenses	3,029	741
Other long-term obligations	(591)	(28)
Operating lease liabilities	(7,532)	(7,960)
Net cash (used in) provided by operating activities	<u>(6,541)</u>	<u>25,961</u>
Cash Flows from Investing Activities:		
Proceeds from the sale of deferred compensation plan assets	21	19
Purchases of property and equipment	(2,670)	(1,350)
Investments in technology assets	(223)	(210)
Investment in equity method investee	(196)	—
Proceeds from personal care divestiture	—	47,787
Acquisitions of businesses, net of cash acquired	—	(350)
Net cash (used in) provided by investing activities	<u>(3,068)</u>	<u>45,896</u>
Cash Flows from Financing Activities:		
Proceeds from issuance of stock under employee stock purchase plan	—	816
Shares withheld to pay taxes on non-cash compensation	(617)	(1,308)
Noncontrolling interest contributions	1,764	—
Noncontrolling interest distributions	(756)	(285)
Purchase of noncontrolling interest	—	(800)
Proceeds from borrowings under revolving line of credit	—	8,000
Repayments of borrowings under revolving line of credit	—	(8,000)
Principal payments of long-term obligations	(8,941)	(55,313)
Net cash used in financing activities	<u>(8,550)</u>	<u>(56,890)</u>
Net (decrease) increase in cash, cash equivalents and restricted cash	(18,159)	14,967
Cash, cash equivalents and restricted cash at beginning of period	138,863	54,133
Cash, cash equivalents and restricted cash at end of period	<u>\$ 120,704</u>	<u>\$ 69,100</u>

	For the Three-Month Periods Ended March 31,	
	2024	2023
Supplemental Disclosures of Cash Flow Information:		
Cash paid for interest	<u>\$ 8,188</u>	<u>\$ 6,654</u>
Cash paid for income taxes, net of refunds received	<u>\$ 828</u>	<u>\$ 352</u>
Cash paid for operating lease liabilities	<u>\$ 8,574</u>	<u>\$ 8,878</u>
Cash paid for finance lease liabilities	<u>\$ 2,236</u>	<u>\$ 2,457</u>
Supplemental Disclosures of Non-Cash Activity:		
Right of use assets obtained in exchange for operating lease liabilities	<u>\$ 7,173</u>	<u>\$ 7,083</u>
Right of use assets obtained in exchange for finance lease liabilities	<u>\$ 4,326</u>	<u>\$ 20,790</u>
Reductions to right of use assets resulting from reductions to operating lease liabilities	<u>\$ 168</u>	<u>\$ 141</u>
Reductions to right of use assets resulting from reductions to finance lease liabilities	<u>\$ 496</u>	<u>\$ 369</u>
Days revenue outstanding (1)	54.1	46.3

(1) Our calculation of days revenue outstanding at March 31, 2024 and 2023 is derived by dividing our ending patient accounts receivable by our average daily patient revenue for the three-month periods ended March 31, 2024 and 2023, respectively.

AMEDISYS, INC. AND SUBSIDIARIES  
SEGMENT INFORMATION  
(Amounts in millions, except statistical information)  
(Unaudited)

Segment Information - Home Health

	For the Three-Month Periods Ended March 31,	
	2024	2023
Financial Information (in millions):		
Medicare	\$ 215.8	\$ 215.4
Non-Medicare	<u>148.2</u>	<u>127.9</u>
Net service revenue	364.0	343.3
Cost of service, inclusive of depreciation	<u>210.4</u>	<u>197.0</u>
Gross margin	153.6	146.3
General and administrative expenses	91.0	89.1
Depreciation and amortization	1.8	1.1
Operating income	<u>\$ 60.8</u>	<u>\$ 56.1</u>
Same Store Growth(1):		
Medicare revenue	—%	(7%)
Non-Medicare revenue	16%	12%

Total admissions		10%	8%
Total volume(2)		8%	5%
Key Statistical Data - Total(3):			
Admissions	112,215		101,963
Recertifications	43,961		43,325
Total volume	<u>156,176</u>		<u>145,288</u>
Medicare completed episodes	72,998		73,563
Average Medicare revenue per completed episode(4)	\$ 2,998	\$	2,974
Medicare visits per completed episode(5)	11.9		12.4
Visiting clinician cost per visit	\$ 105.38	\$	100.00
Clinical manager cost per visit	11.99		10.97
Total cost per visit	<u>\$ 117.37</u>	<u>\$</u>	<u>110.97</u>
Visits	1,792,629		1,775,206

(1) Same store information represents the percent change in our Medicare, Non-Medicare and Total revenue, admissions or volume for the period as a percent of the Medicare, Non-Medicare and Total revenue, admissions or volume of the prior period. Same store is defined as care centers that we have operated for at least the last twelve months and startups that are an expansion of a same store care center.

(2) Total volume includes all admissions and recertifications.

(3) Total includes acquisitions, startups and de novos.

(4) Average Medicare revenue per completed episode is the average Medicare revenue earned for each Medicare completed episode of care.

(5) Medicare visits per completed episode are the home health Medicare visits on completed episodes divided by the home health Medicare episodes completed during the period.

## Segment Information - Hospice

	For the Three-Month Periods Ended March 31,	
	2024	2023
Financial Information (in millions):		
Medicare	\$ 190.0	\$ 182.7
Non-Medicare	11.0	10.7
Net service revenue	<u>201.0</u>	<u>193.4</u>
Cost of service, inclusive of depreciation	105.3	101.4
Gross margin	95.7	92.0
General and administrative expenses	48.1	47.9
Depreciation and amortization	0.7	0.6
Operating income	<u>\$ 46.9</u>	<u>\$ 43.5</u>
Same Store Growth(1):		
Medicare revenue	4%	—%
Hospice admissions	(3%)	(5%)
Average daily census	—%	(1%)
Key Statistical Data - Total(2):		
Hospice admissions	12,657	12,998
Average daily census	12,767	12,730
Revenue per day, net	\$ 173.04	\$ 168.83
Cost of service per day	\$ 90.64	\$ 88.21
Average discharge length of stay	92	90

(1) Same store information represents the percent change in our Medicare revenue, Hospice admissions or average daily census for the period as a percent of the Medicare revenue, Hospice admissions or average daily census of the prior period. Same store is defined as care centers that we have operated for at least the last twelve months and startups that are an expansion of a same store care center.

(2) Total includes acquisitions and de novos.

## Segment Information - Personal Care (1)

	For the Three-Month Periods Ended March 31,	
	2024	2023

Financial Information (in millions):			
Medicare	\$	—	\$ —
Non-Medicare			15.0
Net service revenue		—	15.0
Cost of service, inclusive of depreciation		—	11.1
Gross margin		—	3.9
General and administrative expenses		—	2.3
Depreciation and amortization		—	—
Operating income	\$	—	\$ 1.6
Key Statistical Data - Total:			
Billable hours		—	440,464
Clients served		—	7,892
Shifts		—	191,379
Revenue per hour	\$	—	\$ 33.97
Revenue per shift	\$	—	\$ 78.19
Hours per shift		—	2.3

(1) We completed the sale of our personal care business on March 31, 2023.

## Segment Information - High Acuity Care

	For the Three-Month Periods Ended March 31,	
	2024	2023
Financial Information (in millions):		
Medicare	\$ —	\$ —
Non-Medicare	6.4	4.7
Net service revenue	6.4	4.7
Cost of service, inclusive of depreciation	5.8	5.5
Gross margin	0.6	(0.8)
General and administrative expenses	5.9	4.4
Depreciation and amortization	0.9	0.8
Operating loss	\$ (6.2)	\$ (6.0)
Key Statistical Data - Total:		
Full risk admissions	139	158
Limited risk admissions	622	459
Total admissions	761	617
Total admissions growth	23%	85%
Full risk revenue per episode	\$ 10,073	\$ 11,343
Limited risk revenue per episode	\$ 6,780	\$ 5,711
Number of admitting joint ventures	9	9

## Segment Information - Corporate

	For the Three-Month Periods Ended March 31,	
	2024	2023
Financial Information (in millions):		
General and administrative expenses	\$ 69.0	\$ 50.9
Depreciation and amortization	0.9	1.9
Total operating expenses	\$ 69.9	\$ 52.8

AMEDISYS, INC. AND SUBSIDIARIES  
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES TO GAAP MEASURES  
(Amounts in thousands)  
(Unaudited)

Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization ("Adjusted EBITDA") Reconciliation:

	For the Three-Month Periods Ended March 31,	
	2024	2023
Net income attributable to Amedisys, Inc.	\$ 14,400	\$ 25,246
Add:		
Income tax expense	12,633	9,800
Interest expense, net	6,392	7,111
Depreciation and amortization	6,138	5,694
Certain items(1)	20,296	9,987
Adjusted EBITDA(2)(5)	\$ 59,859	\$ 57,838

Adjusted Net Income Attributable to Amedisys, Inc Reconciliation:

	For the Three-Month Periods Ended March 31,	
	2024	2023
Net income attributable to Amedisys, Inc.	\$ 14,400	\$ 25,246
Add:		
Certain items(1)	19,548	7,489
Adjusted net income attributable to Amedisys, Inc.(3)(5)	\$ 33,948	\$ 32,735

Adjusted Net Income Attributable to Amedisys, Inc. per Diluted Share Reconciliation:

	For the Three-Month Periods Ended March 31,	
	2024	2023
Net income attributable to Amedisys, Inc. common stockholders per diluted share	\$ 0.44	\$ 0.77
Add:		
Certain items(1)	0.59	0.23
Adjusted net income attributable to Amedisys, Inc. common stockholders per diluted share(4)(5)	\$ 1.03	\$ 1.00

(1) The following details the certain items for the three-month periods ended March 31, 2024 and 2023:

Certain Items (in thousands):

	For the Three-Month Periods Ended March 31,	
	2024	2023
	(Income) Expense	(Income) Expense
Certain Items Impacting Cost of Service, Inclusive of Depreciation:		
Clinical optimization and reorganization costs	\$ —	\$ 114
Certain Items Impacting General and Administrative Expenses:		
Acquisition and integration costs	—	1,667
CEO transition	—	750
Merger-related expenses	20,667	720
Clinical optimization and reorganization costs	—	3,170
Personal care divestiture	—	514
Certain Items Impacting Total Other Income (Expense):		
Other (income) expense, net	(371)	3,052
Total	<u>\$ 20,296</u>	<u>\$ 9,987</u>
Net of tax	<u>\$ 19,548</u>	<u>\$ 7,489</u>
Diluted EPS	<u>\$ 0.59</u>	<u>\$ 0.23</u>

(2) Adjusted EBITDA is defined as net income attributable to Amedisys, Inc. before net interest expense, provision for income taxes and depreciation and amortization, excluding certain items as described in footnote 1.

(3) Adjusted net income attributable to Amedisys, Inc. is defined as net income attributable to Amedisys, Inc. calculated in accordance with GAAP excluding certain items as described in footnote 1.

(4) Adjusted net income attributable to Amedisys, Inc. common stockholders per diluted share is defined as diluted income per share calculated in accordance with GAAP excluding the earnings per share effect of certain items as described in footnote 1.

(5) Adjusted EBITDA, adjusted net income attributable to Amedisys, Inc. and adjusted net income attributable to Amedisys, Inc. common stockholders per diluted share should not be considered as an alternative to, or more meaningful than, income before income taxes or other measures calculated in accordance with GAAP. These calculations may not be comparable to a similarly titled measure reported by other companies, since not all companies calculate these non-GAAP financial measures in the same manner.

Source: Amedisys, Inc.