

February 24, 2010

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Reason for report:

PROPRIETARY - SURVEY

HEALTHCARE TECHNOLOGY & DISTRIBUTION

Our Largest Ambulatory Survey Yet! Allscripts Dominating Small Practice Market

- **Bottom Line:** Recently, we commissioned a MEDACorp survey of 103 small and mid-sized physician practices to get a glimpse into upcoming EMR and EPM spending trends. Allscripts was the clear standout among EMR and EPM vendors, with a dominant mindshare in practices of <20 physicians. Products from GE, Epic and eClinicalWorks also fared well. The most surprising datapoint may be that demand for EPM/revenue cycle tools could equal or surpass that of EMR solutions beyond the next several years. EMR market penetration in this self-selecting customer group came in at 53%, which is greater than other industry estimates and may represent some bias in the sample.

- **Allscripts Poised for Success:** Allscripts' solutions are clearly dominating the small practice setting, followed closely by privately held eClinical Works. An Allscripts product is being considered by about one-third of practices evaluating new EPM systems and also one-third of practices seeking a new EMR system. Allscripts was the vendor most frequently selected as "most likely to use."

- **Athenahealth Suffering from Lack of Consideration:** Somewhat disappointing, only 5% of respondents indicated that they were evaluating Athena's collector product; 3% of respondents indicated that they were likely to select Athena. These figures highlight the lack of company recognition that was addressed at ATHN's recent investor day.

- **NextGen Has Less Traction Down-Market:** As expected, QSII's NextGen segment has less traction in the smaller practices, as the company is focused more up-market. The company's yield statistics, however, are very high. We believe this is reflective of the perception of the high quality of the company's product.

- **Inpatient Focused Vendors Lagging:** With their focus on hospitals, none of the inpatient systems vendors we cover fared particularly well in the small practice survey. McKesson appeared to have the best opportunity, with significant demand for its Practice Partner offerings. Eclipsys fared poorly.

- **Timing of Spend in Line with Expectations:** 58% of respondents indicated that they will not begin making investments in new EMR/EPM systems until 2H10 or 2011, with about half of respondents indicating the spend would occur in 2011 or beyond.

- **Reiterate Outperform on MDRX, QSII and ATHN:** Allscripts was the clear leader in this survey, and we expect the company to benefit from increased EMR sales to the small practice market. While QSII and ATHN did not fare as well in the survey, QSII is well positioned in its respective segment of the market and ATHN is growing off a very small base.



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Companies Highlighted:
ATHN, CERN, ECLP, MCK, MDRX, QSII

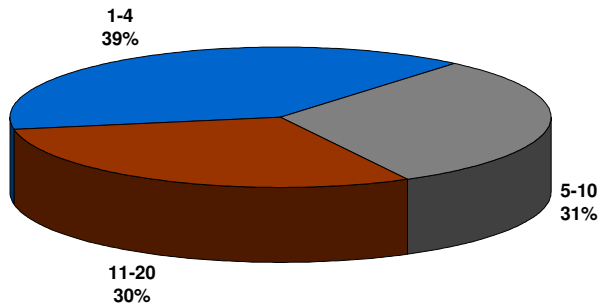
Please refer to Pages 21 - 23 for Analyst Certification and important disclosures. Price charts and disclosures specific to covered companies and statements of valuation and risk are available <https://leerink.bluematrix.com/bluematrix/Disclosure2> or by contacting Leerink Swann LLC Publishing Department, One Federal Street, 37th Floor, Boston, MA 02110.



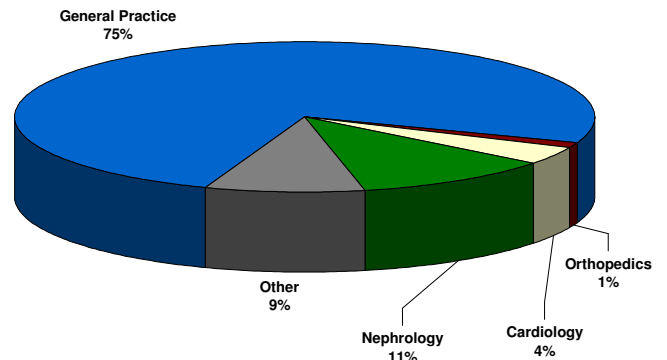
Our Largest Ambulatory Survey To Date!

Recently, we commissioned a MEDACorp survey of 103 small and mid-sized physician practices to get a glimpse into upcoming electronic medical records (EMR) and electronic practice management (EPM) spending trends. This proprietary survey, *"Trends in the Use of Electronic Practice Management Systems,"* represents the largest survey of the ambulatory market we've presented since beginning coverage of the HCIT segment. The ambulatory segment of the HCIT market has two of its key sales events upcoming -- the annual HIMSS conference, occurring in Atlanta this year; and the AMGA conference taking place in New Orleans. Both conferences are in March. The survey was weighted toward small practice sizes (1-4 docs), and included practices up to 20 physicians in size. The survey was weighted toward smaller independent practices as this seems to be the hardest segment of the market for which to get meaningful data. Details about the respondent pool appear below.

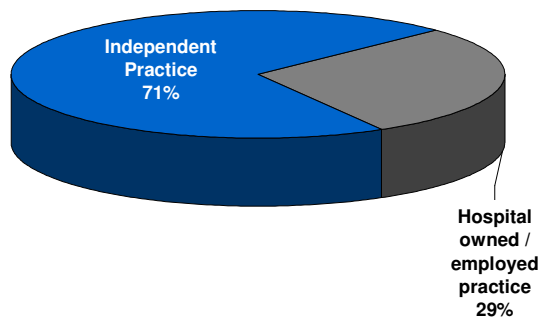
Physician Practice Size



Respondent Practice Specialty



Independent or Owned/Affiliated Practices



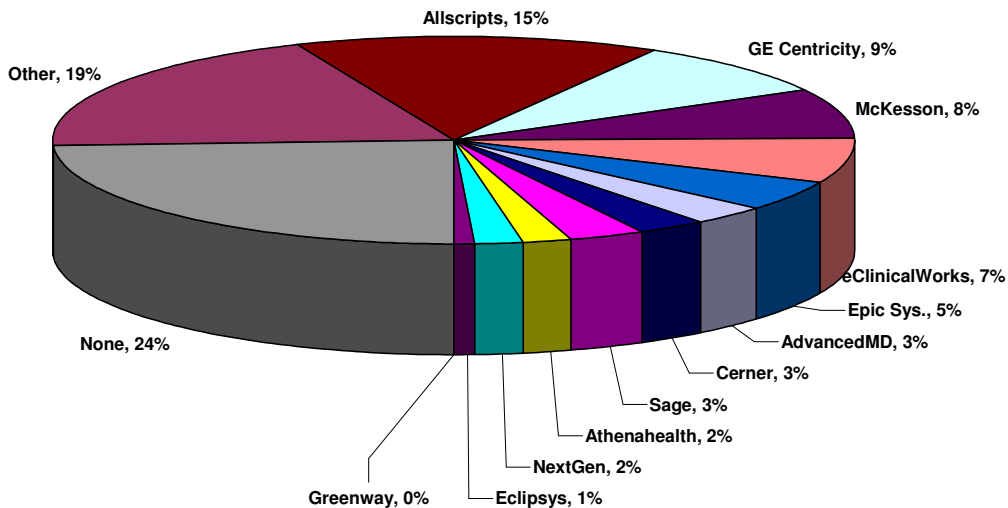
Source: MEDACorp survey, *"Trends in the Use of Electronic Practice Management Systems,"* Feb. 2010



EPM/REVENUE CYCLE UTILIZATION OVERVIEW

Allscripts was the clear standout among EMR and EPM vendors, with a dominant mindshare in practices of <20 physicians. Products from GE, Epic and eClinicalWorks also fared well. The most surprising datapoint may be that demand for EPM/revenue cycle tools could equal or surpass that of EMR solutions over the next several years. In the survey, one of the gating questions was that respondents had to be evaluating purchasing or replacing their practice management or EMR system. About 76% of respondents indicated that they use an electronic practice management solution. The practice management market remains highly fragmented, according to the data, with no vendor having more than 15% of the market. We would advise investors not to read through from the data to direct market share percentages, as many practices may use components from multiple products, and legacy vendors like Sage (Medical Manager) at one point had very large market share positions that may be under-represented here. Allscripts had the largest market share in the survey, when combining all of the Allscripts and legacy Misys products.

EPM Share of Survey Respondents



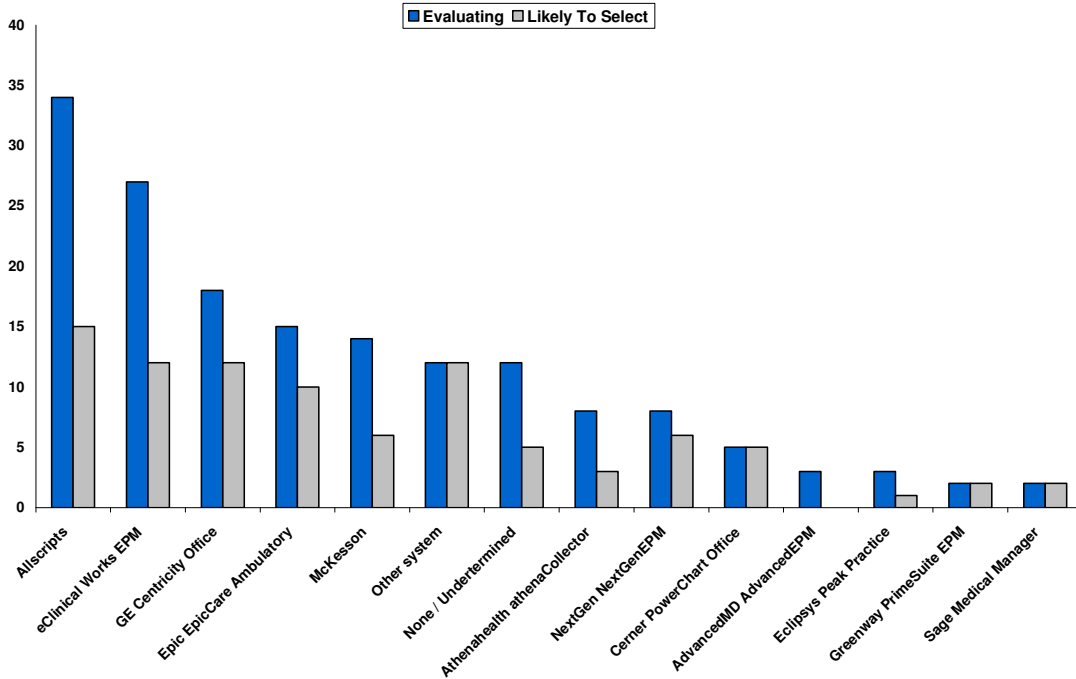
Source: MEDACorp survey, "Trends in the Use of Electronic Practice Management Systems," Feb. 2010

According to the survey, most respondents indicated that they were evaluating an Allscripts product most often, when considering which practice management system to purchase. Allscripts was also selected most frequently as the vendor they were likely to choose, showing up in more than 35% of responses, in several cases with customers evaluating multiple Allscripts products



(Enterprise, Healthmatics, Myway). eClinical and GE Centricity also scored well in the survey, while NextGen and Athenahealth scored lower than we had expected.

EPM Vendors Most Likely to be Selected



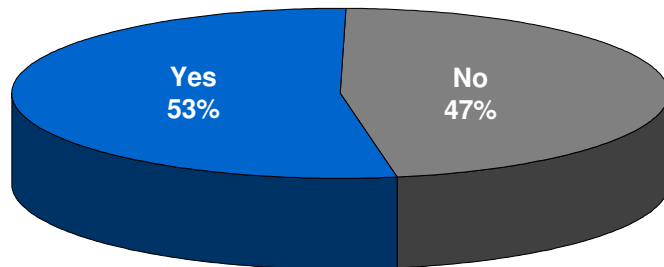
Source: MEDACorp survey, "Trends in the Use of Electronic Practice Management Systems," Feb. 2010; N=103 considering; N=91 likely to select

EMR Market Overview

Approximately 53% of surveyed doctors use an EMR. We view this number as modestly higher than expected, reflecting some sample bias. The respondents in the survey are self-selecting and answer the survey on a computer, so we believe it is likely that we are getting a technologically more sophisticated group of respondents in the sample. Other research sources have put current market penetration of EMR systems in the 35%-45% range, highlighting increasing levels of penetration.



**Does Your Practice Currently
Use an EMR?**



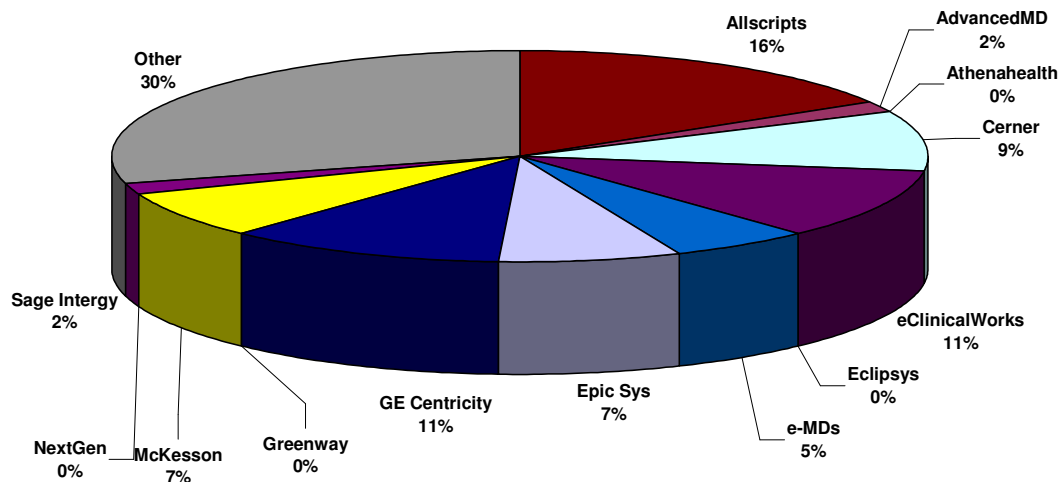
Source: MEDACorp survey, "Trends in the Use of Electronic Practice Management Systems," Feb. 2010

EMR MARKET REMAINS FRAGMENTED

Allscripts was also well represented in the EMR space and continues to be the leader in a fragmented market. Of the survey respondents using an EMR, about 16% are using Allscripts, followed by GE Centricity (11%) and eClinicalWorks (11%). We were fairly surprised by the number of respondents using an "other" EMR vendor (30%), and believe this represents market share that could be up for grabs as practices look to migrate to more established vendors. Several vendors were listed that we had not encountered before. We note that the Acumen medical record was well represented, given that this sample had a high proportion of nephrologists and the Acumen product is focused on that market.



EMR Share of Survey Respondents



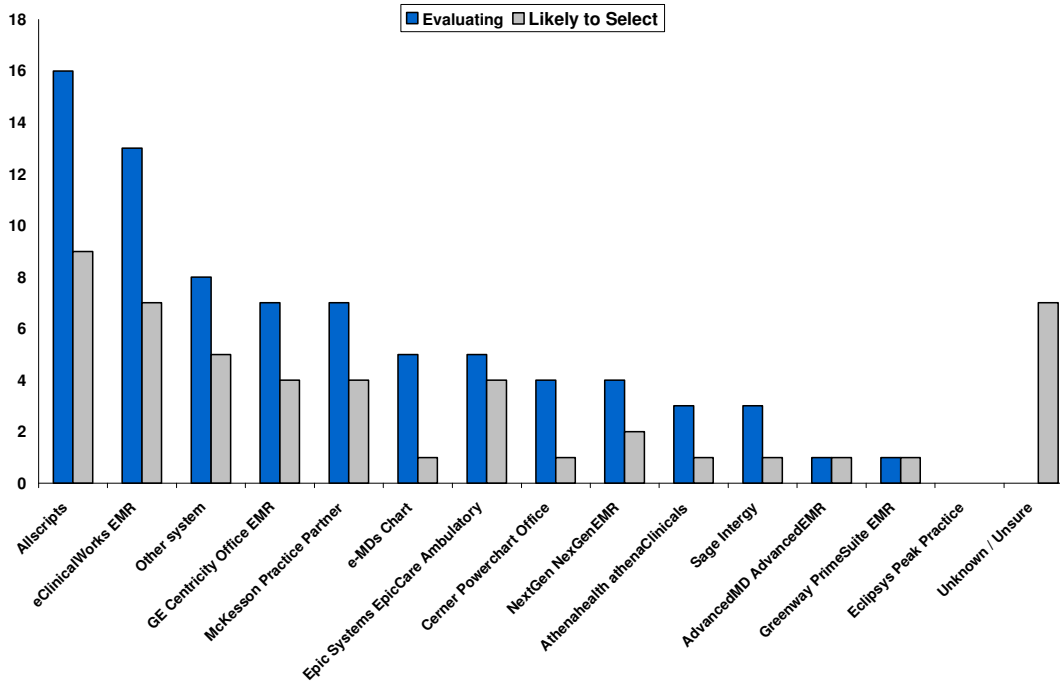
Source: MEDACorp survey, "Trends in the Use of Electronic Practice Management Systems," Feb. 2010

Allscripts Poised to Take Share in Small Practice Market

From an upcoming sales perspective, Allscripts' solutions are clearly leading the small practice setting, followed closely by privately held eClinical Works. An Allscripts product is being considered by about one-third of practices evaluating new EMR systems and by one-third of practices seeking a new EPM system. Most prospective customers in the survey were now looking at more than one Allscripts product, we believe implying strength across the product set. The implied yield for Allscripts would be greater than 40%, based on the survey respondents. Allscripts received the highest score when respondents indicated which EMR product they were most likely going to purchase. eClinicalWorks, GE and McKesson also fared well in this survey and seem well positioned to take share going forward.



EMR Vendors Most Likely to Be Selected



Source: MEDACorp survey, "Trends in the Use of Electronic Practice Management Systems," Feb. 2010; N=48

Vendor Analysis – Allscripts Stands Out

Allscripts Poised for Success

Allscripts was the vendor in the survey clearly in the best position to benefit from increased EMR spending in the small physician practice market. Of the 48 respondents who did not have an EMR system, 16 indicated that they were evaluating an Allscripts product and, of those, 9 would most likely buy a product from Allscripts. Of the 16 that were evaluating Allscripts EMR products, only 3 respondents were evaluating multiple products from the company, leading us to believe that Allscripts product segmentation strategy is having success.

The company is expected to have similar success on the EPM side of the market, where a third of the respondents were evaluating an Allscripts product; however, the yield in this segment appears lower. We note that Allscripts has the legacy Misys footprint of practice management systems, where it can cross-sell its products. We expect the company to have success cross-selling the Misys customer base and also to have success outside of the Misys footprint.

GE and eClinicalWorks Also Making Waves in Small Practice Market

GE Healthcare with its Centricity product and privately held eClinicalWorks appear to be poised to take share in the small practice market as well. These companies have taken different approaches



to taking share, one of which we believe is achieving success. GE, through its healthymagination initiative, is providing financing for new GE EMR systems and allowing physicians to defer payment until stimulus dollars are available for meaningful use. We suspect this is a very effective sales tactic in the always capital-constrained and price-sensitive small practice setting.

eClinicalWork announced in May 2009 an initiative with Wal-Mart and Dell to sell prepackaged EMR systems with hardware included – literally off-the-shelf technology – at Wal-Mart's Sam's Club locations. The prepackaged bundle raised awareness for the product and the idea of mainstreaming EMR system purchases, but we do not believe this has been a successful channel for eCW. Still, the company's product remains well regarded with highly satisfied customers, and we expect the company to continue to have success in the market.

Athenahealth Suffering from Lack of Consideration

Somewhat disappointing, only 5% of respondents indicated that they were evaluating Athena's collector product; 3% of respondents indicated that they were likely to select Athena. These figures highlight the lack of company recognition that was addressed in ATHN's recent investor day. We expect the company to address this lack of market awareness by increasing the size of its salesforce. Despite the lack of awareness, Athena's yield on sites where the company is being evaluated was relatively high.

Working in Athena's favor is that the number of practices that expect to use a Web-based solution for EPM and EMR solutions is expected to increase dramatically. In the respondent pool, 37% of practice management purchases and 31% of EMR purchases could take the form of a Web-based solution, an increase from what we estimate is less than 10% of the market now. We do not expect the majority of the small practice market to migrate to a Web-based or hosted EMR/EPM solution by the end of this decade, if at all.

NextGen Has Less Traction Down-Market

As expected, QSII's NextGen segment has less traction in the smaller practices, as the company is focused more up-market in mid-sized and large practices and larger clinics. Less than 10% of respondents indicated that they were considering either NextGen's EMR or EPM system. NextGen sells one of the premium products in the market with an above median price point, and we would not expect the company to have a high level of success in the small practice setting, noting that many of the physicians purchasing systems in this segment of the market feel the purchase cost comes out of the physician's current income. The company's yield statistics, however, are very high. We believe this is reflective of the perception of the high quality of the company's product.

Inpatient-Focused Vendors Lagging

With their focus on hospitals, none of the inpatient systems vendors fared particularly well in the small practice survey. Cerner and Epic each had a handful of practices evaluating their product and appeared in a position to win new small practice customers. McKesson appeared to have the

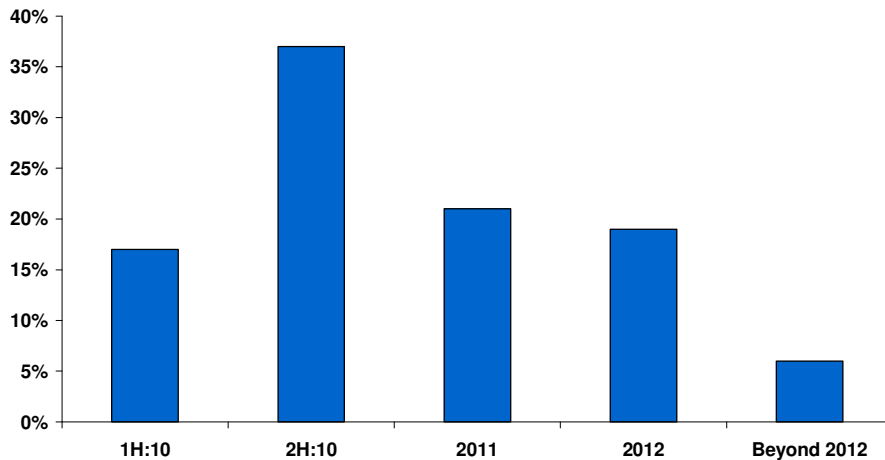


best opportunity with significant demand for its Practice Partner offering, and the strong company's showing in the small practice space was a positive surprise. Eclipsys did not fare well in this survey, where none of the respondents were evaluating or considering the system, indicating a lack of traction in the small practice setting.

Timing of Spend in Line with Expectations

About 58% of respondents indicated they will not begin making investments in new EMR systems until the back half of 2010 or 2011, with about half of respondents indicating the spend would occur in 2011 or beyond. This is in line with our previous expectation, which was derived from talking to systems deployment consultants. We continue to believe that investors should not expect to see an inflection point with respect to sales and bookings until that time frame. At that time, however, we would expect to see a meaningful uptick in the bookings and revenue of vendors like Allscripts and NextGen.

When Is Your Practice Likely to Purchase an EMR System?

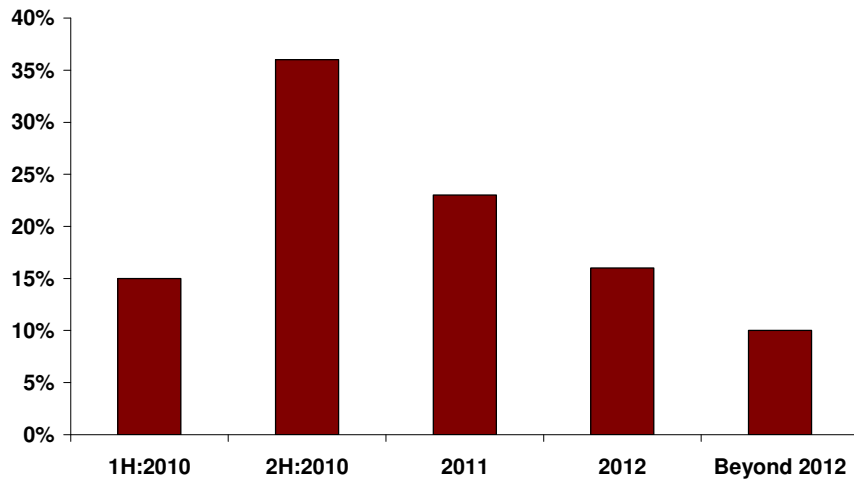


Source: MEDACorp survey, "Trends in the Use of Electronic Practice Management Systems," Feb. 2010; N=48

About half (51%) of respondents indicated they would purchase a new practice management system in 2010, and 23% indicated they would buy a new system in 2011, with the rest looking beyond the current timeframe. We believe that EPM systems could see increased demand driven by the move from ICD-9 to ICD-10 and HIPAA claims attachments requirements that are slated to occur.



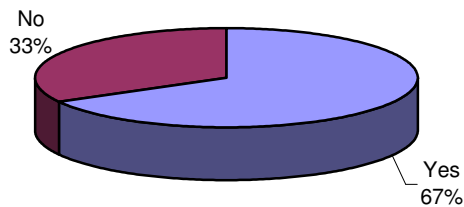
When Is Your Practice Likely to Purchase a New EPM System?



Source: MEDACorp survey, "Trends in the Use of Electronic Practice Management Systems," Feb. 2010; N=91

EMRs Are Becoming Meaningful: Of the practices surveyed, the majority (67%) are concerned about meeting meaningful use requirements, as set by CMS. We suspect this number will climb as more and more physicians in the market adopt EMRs, and as penalty payments start to kick-in in 2015.

Is your practice concerned about meeting the meaningful use requirements?



Source: MEDACorp survey, "Trends in the Use of Electronic Practice Management Systems," Feb. 2010



Buying Versus Hosting: Buying Still Leads

Somewhat surprisingly, the great majority of physician practices are more interested in buying and owning software systems as opposed to going with a hosted or Web-based EMR solution. In the survey, 69% of respondents indicated that they expected to purchase a software license as opposed to choosing a Web-based or hosted solution. There does appear to be some price compression on a reported basis at the low end of the EMR market, with the mean expected offer price on new EMR systems being slightly more than \$7,500 (negative for ATHN; MDRX has marketed this well).

Description	PM	EMR
Purchase a Software License	63%	69%
Hosted, Web-based or ASP solution	37%	31%
Mean License Price (per doc)	\$8,352	\$7,652
Median License Price (per doc)	\$8,000	\$7,000
Mean hosted price / month / doc	\$747	\$538
Median hosted price / month / doc	\$375	\$300

Source: MEDACorp survey, "Trends in the Use of Electronic Practice Management Systems," Feb. 2010; N=91



TRENDS IN THE USE OF ELECTRONIC PRACTICE MANAGEMENT SYSTEMS

Respondent Distribution	
Specialty	Internal Medicine (PCP) and Family Medicine
Trend	Electronic Practice Management Systems
Number of Consultants	103 General Practitioners
Respondent Distribution	United States
Survey Date	February 2010



Geographic Distribution
Source: Google Maps

Responses represent an average of the aggregate response (n=103) unless otherwise noted.

S1. How many physicians comprise your practice?

39%	1-4
31%	5-10
30%	11-20

Practice Demographics

1. What is your practice specialty?

75%	General Practice
1%	Orthopedics
4%	Cardiology
11%	Nephrology
9%	Other: <i>Emergency Medicine (x3); Rheumatology (x2); Physical Medicine and Rehabilitation (x2); Urology; Pain Management; Infectious Disease</i>

2. Is your practice independent, affiliated with a hospital, or hospital owned?

71%	Independent practice
29%	Hospital owned/employed practice

3. What is your practice's annual average billing per physician?

Mean	Median	
\$527,282	\$500,000	Annual average billing per physician

4. What is your average payer mix between the following?

29%	Commercial plans
22%	BC/BS
32%	Medicare
12%	Medicaid
5%	Other: <i>See Appendix I</i>



Practice Management Systems

5. Which practice management system does your practice currently use?

3%	AdvancedMD <i>AdvancedEPM</i>
7%	Allscripts <i>Enterprise EPM (TouchWorks)</i>
2%	Allscripts <i>Healthmatics EPM</i>
3%	Allscripts <i>MyWay EPM</i>
2%	Athenahealth <i>athenaCollector</i>
3%	Cerner <i>PowerChart Office</i>
7%	eClinicalWorks <i>EPM</i>
1%	Eclipsys <i>Peak Practice</i>
5%	Epic <i>EpicCare Ambulatory</i>
8%	GE <i>Centricity Office</i>
0%	Greenway <i>PrimeSuite EPM</i>
1%	McKesson <i>Lytec MD</i>
2%	McKesson <i>Medisoft</i>
5%	McKesson <i>Practice Partner</i>
1%	Misys <i>Tiger</i>
2%	Misys <i>Vision</i>
2%	NextGen <i>NextGenEPM</i>
3%	Sage <i>Medical Manager</i>
19%	Other: <i>See Appendix I</i>
24%	<i>Our practice does not employ an electronic practice management system</i>

6. What is your satisfaction level with that system (n=78)?

4%	Very dissatisfied
22%	Somewhat dissatisfied
27%	Neutral
38%	Somewhat satisfied
9%	Very satisfied

7. Which vendor(s) are you currently evaluating for practice management/revenue cycle services? Please check all that apply.

3%	AdvancedMD <i>AdvancedEPM</i>
17%	Allscripts <i>Enterprise EPM (TouchWorks)</i>
13%	Allscripts <i>Healthmatics EPM</i>
12%	Allscripts <i>MyWay EPM</i>
8%	Athenahealth <i>athenaCollector</i>
5%	Cerner <i>PowerChart Office</i>
26%	eClinicalWorks <i>EPM</i>
3%	Eclipsys <i>Peak Practice</i>
15%	Epic <i>EpicCare Ambulatory</i>
17%	GE <i>Centricity Office</i>
2%	Greenway <i>PrimeSuite EPM</i>
1%	McKesson <i>Lytec MD</i>
8%	McKesson <i>Medisoft</i>
9%	McKesson <i>Practice Partner</i>
3%	Misys <i>Tiger</i>
1%	Misys <i>Vision</i>
8%	NextGen <i>NextGenEPM</i>
2%	Sage <i>Medical Manager</i>
12%	Other: <i>See Appendix I</i>
12%	<i>We are not currently evaluating any new vendors/services</i>



8. When does your practice expect to make a contract decision on a new EPM or revenue cycle services vendor (n=91)?

15%	1H-2010
36%	2H-2010
23%	2011
16%	2012
10%	Beyond 2012

9. Which practice management/revenue cycle management system is your practice *most likely* to select (n=91)?

0%	AdvancedMD <i>AdvancedEPM</i>
7%	Allscripts <i>Enterprise EPM (TouchWorks)</i>
3%	Allscripts <i>Healthmatics EPM</i>
5%	Allscripts <i>MyWay EPM</i>
3%	Athenahealth <i>athenaCollector</i>
6%	Cerner <i>PowerChart Office</i>
13%	eClinicalWorks <i>EPM</i>
1%	Eclipsys <i>Peak Practice</i>
11%	Epic <i>EpicCare Ambulatory</i>
13%	GE <i>Centricity Office</i>
2%	Greenway <i>PrimeSuite EPM</i>
1%	McKesson <i>Lytec MD</i>
2%	McKesson <i>Medisoft</i>
3%	McKesson <i>Practice Partner</i>
2%	Misys <i>Tiger</i>
0%	Misys <i>Vision</i>
7%	NextGen <i>NextGenEPM</i>
2%	Sage <i>Medical Manager</i>
13%	Other: <i>See Appendix I</i>
6%	<i>Undetermined</i>

10. Does your practice expect to purchase EPM software licenses or choose a hosted or Web-based EPM solution (n=91)?

63%	Purchase a software license
37%	Contract for a hosted, Web-based or .ASP solution

If purchasing a license, what license price (per physician) is being offered on the preferred systems?

Mean	Median	
\$8,352	\$8,000	\$ License price (per physician) (n=57)

If hosted, what cost per month is being offered per physician by preferred vendors?

Mean	Median	
\$747	\$375	\$ Cost per month (per physician) (n=34)

Electronic Medical Records

11. Does your practice currently use an electronic medical records (EMR) system?

53%	Yes
47%	No



12. If you currently use an electronic medical records (EMR) system, which one does your practice use (n=55)?

2%	AdvancedMD <i>AdvancedEMR</i>
11%	Allscripts <i>Enterprise (TouchWorks)</i>
2%	Allscripts <i>Healthmatics</i>
4%	Allscripts <i>MyWay</i>
0%	Athenahealth <i>athenaClinicals</i>
9%	Cerner <i>Powerchart Office</i>
11%	eClinicalWorks <i>EMR</i>
0%	Eclipsys <i>Peak Practice</i>
5%	e-MDs <i>Chart</i>
7%	Epic Systems <i>EpicCare Ambulatory</i>
11%	GE <i>Centricity Office EMR</i>
0%	Greenway <i>PrimeSuite EMR</i>
7%	McKesson <i>Practice Partner</i>
0%	NextGen <i>NexGenEMR</i>
2%	Sage <i>Intergy</i>
29%	Other system: <i>See Appendix I</i>

How would you rate your satisfaction level with that EMR (n=55)?

11%	Very dissatisfied
20%	Somewhat dissatisfied
27%	Neutral
35%	Somewhat satisfied
7%	Very satisfied

13. If you do not currently use an electronic medical records (EMR) system, when does your practice expect to make an EMR purchasing decision (n=48)?

17%	1H-2010
37%	2H-2010
21%	2011
19%	2012
6%	Beyond 2012
0%	<i>Our practice is not planning to purchase an EMR system</i>

Which EMR system(s) is your practice considering (n=48)? Please check all that apply.

2%	AdvancedMD <i>AdvancedEMR</i>
23%	Allscripts <i>Enterprise (TouchWorks)</i>
15%	Allscripts <i>Healthmatics</i>
10%	Allscripts <i>MyWay</i>
6%	Athenahealth <i>athenaClinicals</i>
8%	Cerner <i>Powerchart Office</i>
27%	eClinicalWorks <i>EMR</i>
0%	Eclipsys <i>Peak Practice</i>
10%	e-MDs <i>Chart</i>
10%	Epic Systems <i>EpicCare Ambulatory</i>
15%	GE <i>Centricity Office EMR</i>
2%	Greenway <i>PrimeSuite EMR</i>
15%	McKesson <i>Practice Partner</i>
8%	NextGen <i>NexGenEMR</i>
6%	Sage <i>Intergy</i>
17%	Other system(s): <i>See Appendix I</i>



Which EMR product is your practice most likely to select (n=48)?

2%	AdvancedMD <i>AdvancedEMR</i>
8%	Allscripts <i>Enterprise (TouchWorks)</i>
7%	Allscripts <i>Healthmatics</i>
4%	Allscripts <i>MyWay</i>
2%	Athenahealth <i>athenaClinicals</i>
2%	Cerner <i>Powerchart Office</i>
15%	eClinicalWorks <i>EMR</i>
0%	Eclipsys <i>Peak Practice</i>
2%	e-MDs <i>Chart</i>
8%	Epic Systems <i>EpicCare Ambulatory</i>
8%	GE <i>Centricity Office EMR</i>
2%	Greenway <i>PrimeSuite EMR</i>
8%	McKesson <i>Practice Partner</i>
4%	NextGen <i>NexGenEMR</i>
2%	Sage <i>Intergy</i>
11%	Other system: <i>See Appendix I</i>
15%	<i>Unknown at this time</i>

Please briefly comment as to why your practice prefers this vendor.

Please see Appendix I for a summary of consultants' responses.

14. Does your practice expect to purchase EMR software licenses or choose a hosted or Web-based EMR solution (n=48)?

69%	Purchase a software license
31%	Contract for a hosted, Web-based or .ASP solution

If purchasing a license, what license price (per physician) is being offered on the preferred systems?

Mean	Median	
\$7,652	\$7,000	\$ License price (per physician) (n=31)

If hosted, what cost per month is being offered per physician by preferred vendors?

Mean	Median	
\$538	\$300	\$ Cost per month (per physician) (n=13)

15. Is your practice concerned about meeting the Meaningful Use/EMR requirements soon to be mandated by CMS and HHS?

67%	Yes
33%	No

16. Does your practice participate in a regional health information exchange (HIE)?

17%	Yes
83%	No



Appendix I. Summary of consultants' responses.

Question 4: What is your average payer mix between the following? Please specify other payer(s).

5	County sponsored
8	Sliding fee
9	Self pay
13	Uninsured
15	Cash
20	Trihealth
22	Cash, Tricare, Worker's Comp, etc.
24	Cash pay
25	Self pay
27	Self pay
28	Tricare
29	Self pay
31	Military
33	Workers Comp, MVA
37	Cash and no insurance
38	Aetna, Cigna, Harvard pilgrim
39	Self pay
43	Workman's comp, self pay
44	Cash
46	Self pay
47	Cash
50	Veterans
53	Private pay/cash
56	Cash
57	Self pay, charity care
58	Cash paying
61	Neighborhood Health Plan of RI
63	Self pay
65	VAH
69	Cash
70	Saga
71	Kaiser, HMOs
77	PPOs,
79	Cash
81	Self pay
90	Cash
92	Self pay
95	Self pay
100	Military
102	Tricare, cash

Question 5: Which practice management system does your practice currently use? Please specify other system.

5	Locally produced EMR. Careweb
8	PCN - community health center EPM
22	Elligence
25	Origins
28	Ahlt
29	System provided by our billing service
42	OmniMd
46	Our own self developed system



47	PowersOfMd
51	Disc Doctor
53	EMedSys/Practice One
54	PCM
56	Lytec
63	It is a proprietary system known as HMS
71	Neumed
77	E-MD
83	STI
91	PracticeToday
93	Medasist
95	Meditech

Question 7: Which vendor(s) are you currently evaluating for practice management/revenue cycle services? Please specify other vendor(s).

10	Acumen EHR
12	Acumen, CyberRen
19	eMD
20	Acumen
22	DrFirst Rcopia
24	Praxis
38	Edimis
42	Office Ally
45	Amazing Charts
46	Sevocity
51	Amazing Charts
54	HCS EMR
89	Fusion

Question 12: If you currently use an electronic medical records (EMR) system, which one does your practice use? Please specify other system.

5	Local system, Careweb
25	Origins
28	CHCS
31	EPIC
38	Welford chart notes
42	OmniMd
46	Sevocity
47	PowersoftMD
51	Amazing Charts
56	Soapware
63	HMS
70	Cerner Powerworks
76	Acumen
83	STI
91	PracticeToday
96	Lifetime Medical Records from Partners Healthcare
98	MedHost

Question 13: Which EMR system(s) is your practice considering? Please specify other system(s).

10	Acumen
12	Acumen



20	Acumen
45	Amazing Charts
53	eMedSys/Practice One
54	HCS EMR
89	Fusion
92	Others not yet available. Awaiting a better choice than those currently available

Question 13: Which EMR product is your practice most likely to select? Please specify other system.

10	Acumen
12	CyberRen
20	Acumen
53	eMedSys
54	HCS EMR

Question 13: Which EMR product is your practice most likely to select? Please briefly comment as to why your practice prefers this vendor.

1	Other nephrology practice in town has eClinical
6	Health system choice
7	Good sales presentation and local support
8	Meets our needs and we have community health center partners in Colorado with a similar product
9	Not sure - demonstrations are ongoing so far; we liked Nextgen, Allscripts
10	Allows tie in with Hemo dialysis unit patients
11	Currently using Cerner for labs
12	Geared to work well in nephrology. Easy user interface.
15	Useful
16	We are already using lytec for appointments
17	Better ambulatory program
20	It is compatible with our Hemodialysis patients inpatient and within the HD unit.
22	Not sure, early yet
24	Discounts through state Medical Association
26	Like the product features
27	Used in some other UPMC practices in Pittsburgh
29	Excellent presentation
30	Good experience with them
32	Familiarity
33	Reliability
36	No decision
37	Web based, reasonable start up cost, like the interface
40	We work well with them already.
41	Not yet sure
44	Combined decision based on package
52	Ease of use
53	Billing system is currently with eMedSys
54	Free
59	Meets the most needs
68	Cost and quality considerations
71	Integration with referring MDs
73	Best cost for value product; excellent support system; excellent name.
74	It comes well recommended and the demo went very well
78	It is what we decided on after talking to similar practices in our area
79	Most doctor friendly and is able to "write" best notes
80	Pricing is very important
84	Recommendations



86	Long history
92	Likely default choice, since I am not satisfied with the current choices.
93	Best reviews so far, but pricey
94	Seems organized as to the way we think
95	Ease of use
97	Elegance, interconnectivity with hospital system, life expectancy. Headquarters in Madison are out of this world as are staff
99	EMR seems most user friendly and is integrated with billing software as opposed to Sage, our present vendor



Disclosures Appendix

Analyst Certification

I, George Hill, certify that the views expressed in this report accurately reflect my views and that no part of my compensation was, is, or will be directly related to the specific recommendation or views contained in this report.



Rating	Count	Percent	Distribution of Ratings/Investment Banking Services (IB) as of 12/31/09	
			IB Serv./Past 12 Mos.	
			Count	Percent
BUY [OP]	84	56.00	11	13.10
HOLD [MP]	62	41.30	2	3.20
SELL [UP]	4	2.70	0	0.00

Explanation of Ratings

Outperform (Buy): We expect this stock to outperform its benchmark over the next 12 months.

Market Perform (Hold/Neutral): We expect this stock to perform in line with its benchmark over the next 12 months.

Underperform (Sell): We expect this stock to underperform its benchmark over the next 12 months.

The degree of outperformance or underperformance required to warrant an Outperform or an Underperform rating should be commensurate with the risk profile of the company

For the purposes of these definitions the relevant benchmark will be the S&P 600® Health Care Index for issuers with a market capitalization of less than \$2 billion and the S&P 500® Health Care Index for issuers with a market capitalization over \$2 billion.

From October 1, 2006 through January 8, 2009, the relevant benchmarks for the above definitions were the Russell 2000® Health Care Index for issuers with a market capitalization of less than \$2 billion and the S&P 500® Health Care Index for issuers with a market capitalization over \$2 billion.

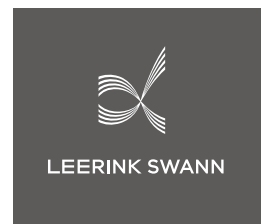
Definitions of Leerink Swann Ratings prior to October 1, 2006 are shown below:

Outperform (Buy): We expect this stock to outperform its benchmark by more than 10 percentage points over the next 12 months.

Market Perform (Hold/Neutral): We expect this stock to perform within a range of plus or minus 10 percentage points of its benchmark over the next 12 months.

Underperform (Sell): We expect this stock to underperform its benchmark by more than 10 percentage points over the next 12 months.

For the purposes of these definitions the relevant benchmark will be the Russell 2000® Health Care Index for issuers with a market capitalization of less than \$2 billion and the S&P 500® Index for issuers with a market capitalization over \$2 billion.



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