

Envision Healthcare Corp
Form 10-Q
July 23, 2013
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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON, D.C. 20549

FORM 10-Q

(Mark one)

- QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2013

Or

- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission file number:

001-32701

ENVISION HEALTHCARE CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

20-3738384

(IRS Employer
Identification Number)

6200 S. Syracuse Way, Suite 200

Greenwood Village, CO

(Address of principal executive offices)

80111

(Zip Code)

Registrant's telephone number, including area code: **303-495-1200**

Former name, former address and former fiscal year, if changed since last report:

EMERGENCY MEDICAL SERVICES CORPORATION

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer
(Do not check if a smaller reporting company)

Smaller reporting company

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Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange act). Yes No

The registrant is a privately held corporation, and its common stock is not publicly traded. Shares of common stock outstanding at July 19, 2013 1,000. All of our outstanding stock was held at such date by Envision Healthcare Intermediate Corporation (formerly known as CDRT Acquisition Corporation), our sole stockholder.

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ENVISION HEALTHCARE CORPORATION

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS (UNAUDITED)

ENVISION HEALTHCARE CORPORATION

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME

(unaudited; in thousands)

	Quarter ended June 30,		Six months ended June 30,	
	2013	2012	2013	2012
Revenue, net of contractual discounts	\$ 1,689,805	\$ 1,444,131	\$ 3,295,053	\$ 2,851,921
Provision for uncompensated care	(790,550)	(643,033)	(1,507,474)	(1,244,529)
Net revenue	899,255	801,098	1,787,579	1,607,392
Compensation and benefits	643,960	562,838	1,285,749	1,128,703
Operating expenses	102,288	96,807	202,671	204,388
Insurance expense	25,840	27,555	51,673	52,445
Selling, general and administrative expenses	23,789	20,136	45,787	39,129
Depreciation and amortization expense	34,622	30,762	69,377	61,252
Restructuring charges	3,032	2,744	3,669	8,723
Income from operations	65,724	60,256	128,653	112,752
Interest income from restricted assets	266	258	632	545
Interest expense	(38,538)	(41,514)	(78,828)	(84,966)
Realized gain on investments	105	63	118	361
Interest and other (expense) income	(249)	241	(12,970)	403
Loss on early debt extinguishment		(5,172)	(122)	(5,172)
Income before income taxes, equity in earnings of unconsolidated subsidiary, and noncontrolling interest	27,308	14,132	37,483	23,923
Income tax expense	(10,832)	(6,266)	(17,966)	(10,504)
Income before equity in earnings of unconsolidated subsidiary and noncontrolling interest	16,476	7,866	19,517	13,419
Equity in earnings of unconsolidated subsidiary	87	105	162	214
Net income attributable to noncontrolling interest		(130)		
Net income attributable to Envision Healthcare Corporation	16,563	7,841	19,679	13,633
Other comprehensive income (loss), net of tax:				
Unrealized holding (losses) gains during the period	(13)	161	(449)	203
Unrealized gains (losses) on derivative financial instruments	20	(1,254)	(278)	(1,265)
Comprehensive income	\$ 16,570	\$ 6,748	\$ 18,952	\$ 12,571

The accompanying notes are an integral part of these financial statements.

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ENVISION HEALTHCARE CORPORATION

CONSOLIDATED BALANCE SHEETS

(in thousands, except share and per share data)

	June 30, 2013 (Unaudited)	December 31, 2012
Assets		
Current assets:		
Cash and cash equivalents	\$ 36,752	\$ 57,551
Insurance collateral	32,930	24,481
Trade and other accounts receivable, net	679,145	625,413
Parts and supplies inventory	22,204	