

bio scrip®  
Infusion Services



option  
care®



**A LEADING PROVIDER OF HOME INFUSION  
AND ALTERNATE SITE INFUSION THERAPY**

# DISCLAIMER

This communication, in addition to historical information, contains “forward-looking statements” (as defined in the Private Securities Litigation Reform Act of 1995) regarding, among other things, future events or the future financial performance of BioScrip and Option Care. All statements other than statements of historical facts are forward-looking statements. In addition, words such as “anticipate,” “believe,” “contemplate,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “seek,” “should,” “target,” “will,” “would,” or the negative of these words, and words and terms of similar substance used in connection with any discussion of future plans, actions or events identify forward-looking statements. Forward-looking statements relating to the proposed transaction include, but are not limited to: statements about the benefits of the proposed transaction between BioScrip and Option Care, including future financial and operating results; BioScrip’s and Option Care’s plans, objectives, expectations and intentions; the expected timing of completion of the proposed transaction; and other statements relating to the acquisition that are not historical facts. Forward-looking statements are based on information currently available to BioScrip and Option Care and involve estimates, expectations and projections. Investors are cautioned that all such forward-looking statements are subject to risks and uncertainties (both known and unknown), and many factors could cause actual events or results to differ materially from those indicated by such forward-looking statements. With respect to the proposed transaction between BioScrip and Option Care, these factors could include, but are not limited to: the risk that BioScrip or Option Care may be unable to obtain governmental and regulatory approvals required for the transaction, or that required governmental and regulatory approvals may delay the transaction or result in the imposition of conditions that could reduce the anticipated benefits from the proposed transaction or cause the parties to abandon the proposed transaction; the risk that a condition to closing of the transaction may not be satisfied; the length of time necessary to consummate the proposed transaction, which may be longer than anticipated for various reasons; the risk that the businesses will not be integrated successfully; the risk that the cost savings, synergies and growth from the proposed transaction may not be fully realized or may take longer to realize than expected; the diversion of management time on transaction-related issues; the effect of future regulatory or legislative actions on the companies or the industries in which they operate; the risk that the credit ratings of the combined company or its subsidiaries may be different from what the companies expect; economic and foreign exchange rate volatility; and the other risks contained in BioScrip’s most recently filed Annual Report on Form 10-K.

Many of these risks, uncertainties and assumptions are beyond BioScrip’s ability to control or predict. Because of these risks, uncertainties and assumptions, you should not place undue reliance on these forward-looking statements. Furthermore, forward-looking statements speak only as of the information currently available to the parties on the date they are made, and neither BioScrip nor Option Care undertakes any obligation to update publicly or revise any forward-looking statements to reflect events or circumstances that may arise after the date of this communication. Nothing in this communication is intended, or is to be construed, as a profit forecast or to be interpreted to mean that earnings per BioScrip share for the current or any future financial years or those of the combined company, will necessarily match or exceed the historical published earnings per BioScrip share, as applicable. Neither BioScrip nor Option Care gives any assurance (1) that either BioScrip or Option Care will achieve its expectations, or (2) concerning any result or the timing thereof, in each case, with respect to any regulatory action, administrative proceedings, government investigations, litigation, warning letters, consent decrees, cost reductions, business strategies, earnings or revenue trends or future financial results. All subsequent written and oral forward-looking statements concerning BioScrip, Option Care, the proposed transaction, the combined company or other matters and attributable to BioScrip or Option Care or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements above.

## ADDITIONAL INFORMATION AND WHERE TO FIND IT

BioScrip, Inc. (“BioScrip” or the “Company”) will file with the Securities and Exchange Commission (“SEC”) a proxy statement in connection with the proposed transaction. The proxy statement will contain important information about the proposed transaction and related matters. INVESTORS AND SECURITY HOLDERS ARE URGED AND ADVISED TO READ THE PROXY STATEMENT WHEN IT BECOMES AVAILABLE BECAUSE IT WILL CONTAIN IMPORTANT INFORMATION. The proxy statement and other relevant materials (when they become available) and any other documents filed by the Company with the SEC may be obtained free of charge at the SEC’s website, at [www.sec.gov](http://www.sec.gov). In addition, security holders will be able to obtain free copies of the proxy statement and other relevant materials from the Company by contacting Investor Relations by mail at 1600 Broadway, Suite 700, Denver, CO 80202, Attn: Investor Relations, by telephone at (720) 697-5200, or by going to the Company’s Investor Relations page on its corporate web site at <https://investors.bioscrip.com>.

## PARTICIPANTS IN THE SOLICITATION

The Company and its directors and executive officers may be deemed to be participants in the solicitation of proxies from stockholders in connection with the matters discussed above. Information about the Company’s directors and executive officers is set forth in the Proxy Statement on Schedule 14A for the Company’s 2018 annual meeting of stockholders, which was filed with the SEC on April 4, 2018. This document can be obtained free of charge from the sources indicated above. Information regarding the ownership of the Company’s directors and executive officers in the Company’s securities is included in the Company’s SEC filings on Forms 3, 4, and 5, which can be found through the SEC’s website at [www.sec.gov](http://www.sec.gov). Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the preliminary proxy statement and the definitive proxy statement and other relevant materials to be filed with the SEC when they become available.

# PRESENTERS



**Dan Greenleaf**  
CEO  
BioScrip



**Steve Deitsch**  
CFO  
BioScrip



**John Rademacher**  
CEO  
Option Care



**Mike Shapiro**  
CFO  
Option Care

# COMBINING TWO LEADERS IN HOME INFUSION



Headquarters: Denver, Colorado



Headquarters: Bannockburn, Illinois

## Significant Scale 2018 Metrics

- Revenue: \$709mm
- Adj. EBITDA: \$45mm
- Employees: ~2,100
- Clinicians: ~1,100<sup>1</sup>
- 81% commercial payors<sup>2</sup>
- 2016-2018 Revenue CAGR: 2.7%<sup>3</sup>

- Revenue: \$1,942mm
- Adj. EBITDA: \$95mm
- Employees: ~4,500
- Clinicians: ~1,800
- 87% commercial payors<sup>2</sup>
- 2016-2018 Revenue CAGR: 7.7%

## Expansive and Complementary Footprints

- 53 full service pharmacies
- 66 ambulatory infusion suites
- Locations in 27 states

- 76 full service pharmacies
- 90 ambulatory infusion suites
- Locations in 42 states

## Therapeutic Solutions

- Anti-infectives
- Immunoglobulin
- Autoimmune
- Nutrition support
- Heart failure
- Bleeding disorders

1. Includes pharmacy technicians.

2. Commercial includes Managed Medicaid and Medicare Advantage.

3. Pro forma for the impact of the UnitedHealthcare contract transition, Cures Act, Company's exit from the Hepatitis C market and including a reduction in revenue due to bad debt expense.

# OPTION CARE OVERVIEW

## Broad Footprint and Reach

- **76** full service pharmacies
- **50** state dispensing capabilities
- **90** ambulatory infusion suites

## Significant Clinical Competencies

- **1,800** multi-disciplinary clinicians
- **1,000** employed IV nurses
- **1,500** subcontracted, credentialed HHA partners
- **>45,000** patient census
- **131,000** unique patients served in 2018

## Broad Payor Access

- Contracted with **all 10** of the top 10 national payors
- Contracted as a provider of Medicare and Medicaid in all 50 states
- **>750 payor relationships** and **>1,200** payor contracts

## Unique Product Portfolio

- **40+** Limited Distribution Drugs, with many exclusive to Option Care

  
Gattex<sup>®</sup>  
(Teduglutide (rDNA origin)) for Injection

  
Radicava  
(edaravone) IV Infusion  
30mg/100ml

  
RELiZORB<sup>™</sup>  
[IMMOBILIZED LIPASE] CARTRIDGE

  
NUZYRA<sup>™</sup>  
(omadacycline)

  
Trogarzo<sup>™</sup>  
(ibalizumab)  
Injection

  
EXONDYS 51<sup>™</sup>  
(eteplirsen) Injection

# OPTION CARE'S INDUSTRY LEADING QUALITY METRICS AND ACCREDITATIONS

.003%

rate of infusion-related adverse drug reactions<sup>1</sup>

99.9%

clinician-reported patient adherence rate<sup>4</sup>

.02

rate of bloodstream infections<sup>3</sup>

<1%

rate of unplanned hospital readmissions<sup>2</sup>

Avoiding hospitalization saves about  
**\$2,000**  
per day<sup>5,6</sup>



**96%** Overall satisfaction among patients receiving infusion therapy<sup>7</sup>



**P  
A  
B** ACCREDITED<sup>®</sup>  
Compounding Pharmacy  
A SERVICE OF ACHC



**ashp**<sup>™</sup>  
pharmacists advancing healthcare

1. Review of Option Care patient data on file April 2017 – June 2017. Data may include some injectable drugs. 2. Review of Option Care patient data therapy related admission rates April 2017 – June 2017. 3. Review of Option Care nurse managed central lines patient data April 2017 – June 2017; incident rate per 1,000 catheter days. 4. Review of Option Care patient data on file April 2017 – June 2017. 5. Luszcz N, O'Neill M, Siddiqui T. Home nutrition support team interventions demonstrate improved clinical and financial outcomes. Poster presented at: Clinical Nutrition Week 2013; February 9-12, 2013; Phoenix, AZ. 6. PharmaceuticalCommerce.com. Shelley, S. "Home infusion providers struggle with unfriendly reimbursement policies." October 10, 2009. 7. Based on a 7 year average of patient satisfaction data 2010 – 2017 of more than 30,000 patients surveyed.

# PARTNERING WITH WORLD-CLASS SHAREHOLDERS AND BOARD MEMBERS

## MDP

Over 30 years of experience with completed investments in over 140 companies

- One of the world's leading investment firms with approximately \$23 billion AUM
- One of the leading investors in the healthcare sector
- Strong track record of creating public shareholder value in comparable transactions



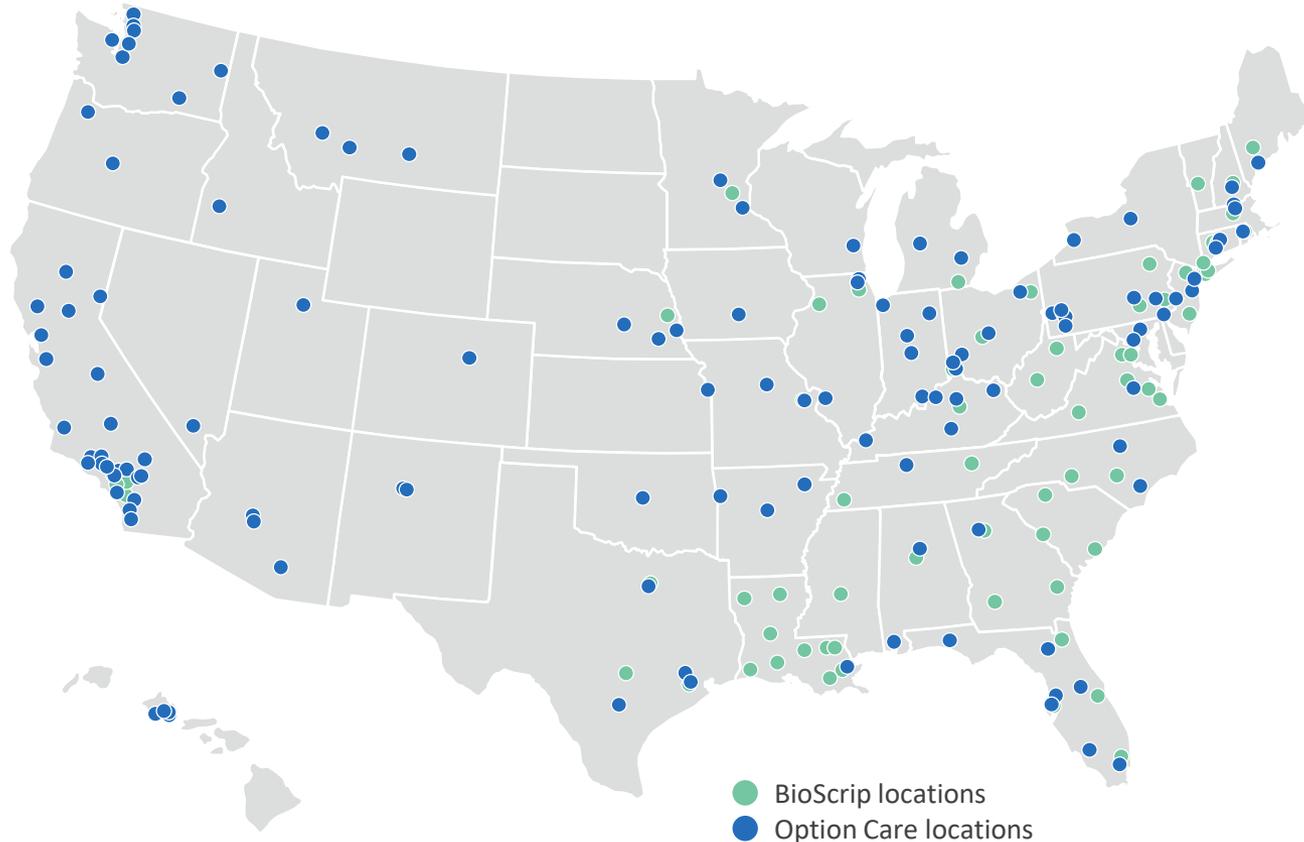
Supportive partnership

- One of the world's largest pharmaceutical retail networks
- Full-scale provider across the continuum of care

# THE POWER OF THE COMBINATION

- ✓ Leading home infusion platform with national reach and scale
- ✓ Right side of healthcare – independent, low cost care setting, patient centric
- ✓ Enhanced product and payor diversity
- ✓ Sizable and actionable synergies expected
- ✓ Improved capital structure and liquidity
- ✓ Limited risk of government rate reset, no exposure to PBM
- ✓ Seasoned management team and Board of Directors

# COMBINATION CREATES PROVIDER WITH NATIONAL REACH AND COMPREHENSIVE SOLUTIONS



**46**

states

**96%**

of U.S. population covered

**\$2.6bn+**

combined 2018 revenue

**2,900+**

skilled clinicians<sup>1</sup>

**Top 10**

payors all in network

Highly complementary footprint expected to make the combined company a preferred partner to payors

1. Includes pharmacy technicians.

# KEY TRANSACTION TERMS

## Transaction Structure

- BioScrip to issue common stock to Option Care in an all-stock transaction

## Synergies

- \$60+ million of run-rate cost synergies identified

## Approximate Ownership

- BioScrip shareholders: 20.5%
- Option Care shareholders: 79.5%

## Management

- Chief Executive Officer: John Rademacher
- Chief Financial Officer: Mike Shapiro
- Draw on best talent from both organizations

## Board of Directors

- 10 member Board to be comprised of 8 directors from Option Care's Board and 2 directors from BioScrip's Board (Carter Pate and David Golding)
- Dan Greenleaf to serve as strategic advisor to the Board of Directors

## Financing

- Pro Forma Debt / Combined Credit Adj. EBITDA of ~6x<sup>1</sup>
- Committed financing in place to refinance and optimize capital structure

## Timing

- Subject to BioScrip shareholder approval, regulatory approval and customary closing conditions
- Transaction expected to close in second half of 2019

1. Reflects Pro Forma Combined 2018 Credit Adj. EBITDA of \$210mm and \$1,325mm of debt based on committed financing at time of transaction announcement.

# TRANSFORMATIONAL TRANSACTION CREATING MEANINGFUL SHAREHOLDER VALUE

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## Transformational Strategic Combination

- ✓ The combination creates a leading independent provider of home infusion
  - ✓ Merger of two best-in-breed platforms in a large and growing industry
  - ✓ Diversified payor mix, in network with top 10 payors
- 

## Significant Synergy Potential

- ✓ \$60+ million of run-rate cost synergies identified
  - ✓ Expected to be realized on a run-rate basis within 24 months
- 

## Support by Leading Investors

- ✓ Partnership with two world-class shareholders with a long-standing track record of success
  - ✓ Addition of industry leaders to the Board of Directors including Harry Kraemer, Jr., John Arlotta and Nitin Sahney
- 

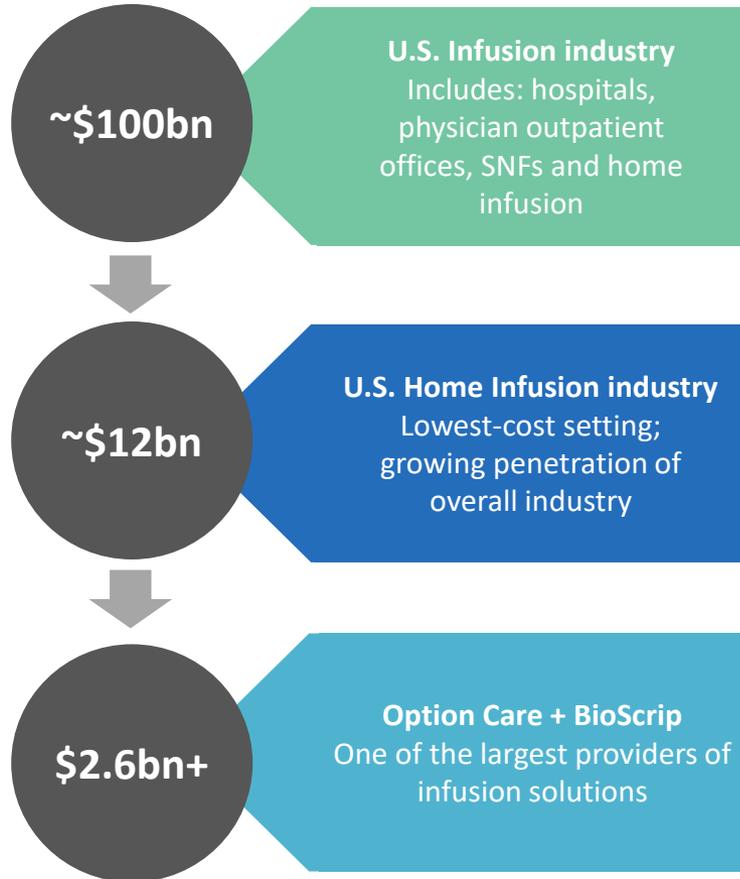
## Financial Flexibility

- ✓ Enhanced and simplified capital structure provides flexibility and access to liquidity
-

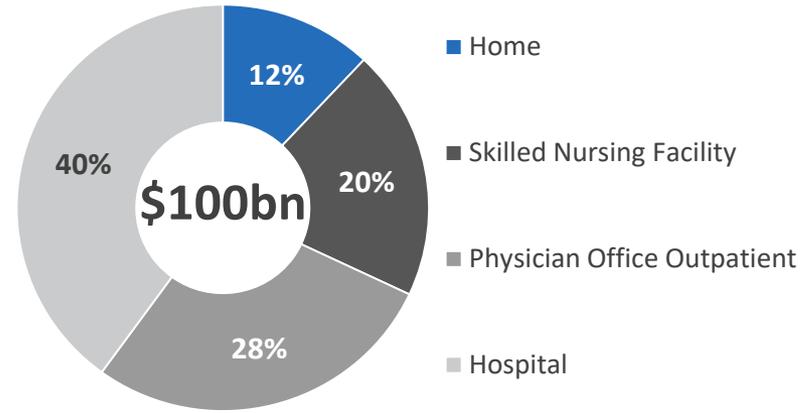
# U.S. INFUSION INDUSTRY OVERVIEW

## LARGE AND GROWING INDUSTRY OPPORTUNITY

### Large and Growing Industry Opportunity



### U.S. Infusion Industry



### U.S. Competitive Landscape – Home

- Top 6 providers account for <50% of U.S. industry
- The combined company market share is 21%
- **Highly fragmented** industry
- **800+** infusion companies in the U.S.

# IDENTIFIABLE AND ACHIEVABLE COST SYNERGIES WITH MEANINGFUL ADDITIONAL UPSIDE

**\$60+ million of run-rate cost synergies identified**

Drive procurement efficiencies



Maximize local coverage while increasing access to care



Optimize administrative functions across the national network



Leverage the significant talent and assets of the combined teams

**Expected to realize full run-rate synergies within 24 months**

# PRO FORMA COMBINED 2018 FINANCIAL SNAPSHOT



Combined with  
Run-Rate Cost Synergies

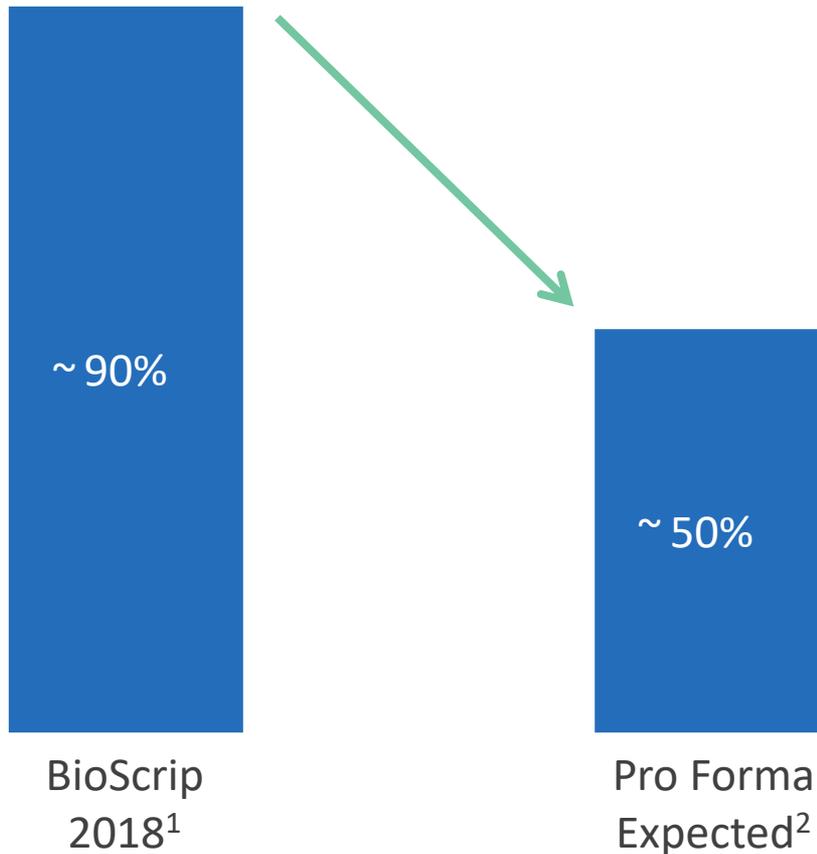
|                    |       |         |                    |
|--------------------|-------|---------|--------------------|
| Revenue (\$mm)     | \$709 | \$1,942 | \$2,651            |
| Adj. EBITDA (\$mm) | \$45  | \$95    | \$200 <sup>1</sup> |

The combined Company will be poised to grow revenue in-line with or faster than market growth, with EBITDA expected to grow faster than revenue

1. Includes identified run-rate cost synergies of ~\$60mm.

# SIGNIFICANTLY IMPROVED ABILITY TO DEPLOY CAPITAL

% of Pro Forma Credit Adj. EBITDA Used for Debt Service



Key Highlights

- Pro Forma Debt / Combined Credit Adj. EBITDA of  $\sim 6x^2$
- Improved capital flexibility
- Increased ability to invest in and enhance patient experience
- Fund growth initiatives

1. Reflects Adj. EBITDA of \$45mm and actual cash interest costs of \$41mm for 2018.

2. Reflects Pro Forma Combined 2018 Credit Adj. EBITDA of \$210mm and \$1,325mm of debt based on committed financing at time of transaction announcement.

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