

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K/A**

(Amendment No. 1)

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**CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(D)  
OF THE SECURITIES EXCHANGE ACT OF 1934**

**Date of report (Date of earliest event reported): October 12, 2020**

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**ALLSCRIPTS HEALTHCARE SOLUTIONS, INC.**

(Exact Name of Registrant as Specified in Its Charter)

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**Delaware**  
(State or Other Jurisdiction of Incorporation)

**001-35547**  
(Commission File Number)

**36-4392754**  
(IRS Employer Identification No.)

**222 Merchandise Mart Plaza, Suite 2024, Chicago, Illinois 60654**  
(Address of Principal Executive Offices) (Zip Code)

**Registrant's Telephone Number, Including Area Code: (800) 334-8534**

(Former Name or Former Address, if Changed Since Last Report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of Each Class</u>	<u>Trading Symbol</u>	<u>Name of Each Exchange on which Registered</u>
Common Stock, par value \$0.01 per share	MDRX	The Nasdaq Stock Market LLC (Nasdaq Global Select Market)

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

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If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

## Explanatory Note

On October 15, 2020, Allscripts Healthcare Solutions, Inc. (the “Company”) filed a Current Report on Form 8-K (the “Initial Report”) to report that, on October 15, 2020, the Company, Allscripts Healthcare, LLC and Allscripts Software, LLC (collectively, the “EPSi Sellers”) completed the previously announced divestiture of the EPSi Sellers’ business providing budgeting, long-range planning, cost accounting and financial decision support solutions, software and services for healthcare organizations, commonly referred to as “EPSi” (including the RealCost Platform) (the “EPSi Business”) to Strata Decision Technology LLC, pursuant to an Asset Purchase Agreement, dated July 30, 2020 (the “EPSi Divestiture”), among other things. The purpose of this amendment is to file unaudited pro forma consolidated financial information giving effect to the EPSi Divestiture as Exhibit 99.1 hereto.

The information in the Initial Report remains unchanged, and this amendment should be read in conjunction with the Initial Report.

## Item 9.01 Financial Statements and Exhibits.

### (b) Pro forma financial information.

The unaudited pro forma consolidated financial information of the Company giving effect to the EPSi Divestiture is filed as Exhibit 99.1 hereto and is incorporated herein by reference.

### (d) Exhibits.

Exhibit Number	Exhibit Description
99.1	<a href="#">Unaudited Pro Forma Consolidated Financial Information of the Company</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**ALLSCRIPTS HEALTHCARE SOLUTIONS, INC.**

Date: October 30, 2020

By: /s/ Eric Jacobson

Eric Jacobson

Senior Vice President and Corporate Secretary

**Allscripts Healthcare Solutions, Inc.**  
**Summary of Unaudited Pro Forma Financial Information**

(Dollars in thousands, except per share amounts)

**Overview**

On October 15, 2020, Allscripts Healthcare Solutions, Inc. (the “Company”), Allscripts Healthcare, LLC and Allscripts Software, LLC, (collectively, the “EPSi Sellers”) completed the previously-announced divestiture of the EPSi Sellers’ business providing budgeting, long-range planning, cost accounting and financial decision support solutions, software and services for healthcare organizations, commonly referred to as “EPSi” (including the RealCost Platform) (the “EPSi Business”) to Strata Decision Technology LLC, an Illinois limited liability company (“Strata”), pursuant to an Asset Purchase Agreement, dated July 30, 2020, for a purchase price of \$365,000,000 (the “EPSi Divestiture”). The EPSi Divestiture was structured as the sale of assets primarily related to the EPSi Business (and the transfer of certain liabilities in connection therewith) by the EPSi Sellers to Strata.

**Basis of Presentation**

The unaudited pro forma consolidated balance sheet as of September 30, 2020 provides the financial position of the Company giving effect to the disposition of the EPSi business. The unaudited pro forma consolidated statements of operations for the nine months ended September 30, 2020 and the year ended December 31, 2019 have been prepared to show the operating results of the Company giving effect to the disposition of EPSi as if the transaction had occurred on January 1, 2019.

The unaudited financial information for the Company was derived from, and should be read in conjunction with, the Company’s unaudited interim consolidated financial statements included in its Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission (“SEC”) on October 30, 2020 and the audited consolidated financial statements for the year ended December 31, 2019 included in the Company’s Annual Report on Form 10-K filed with the SEC on March 2, 2020.

The pro forma adjustments are described in the notes to the unaudited pro forma financial information. The unaudited pro forma financial information included herein is for informational purposes only and is not necessarily indicative of what the Company's financial performance and financial position would have been without the consolidation of EPSi for the periods presented. Actual results may differ significantly from those reflected here in the unaudited pro forma consolidated financial statements for various reasons, including but not limited to, the differences between the assumptions used to prepare the unaudited pro forma condensed consolidated financial statements and actual results had the transaction actually occurred on January 1, 2019.

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**Financial Tables Follow**

**ALLSCRIPTS HEALTHCARE SOLUTIONS, INC.  
UNAUDITED PRO FORMA CONSOLIDATED BALANCE SHEET  
AS OF SEPTEMBER 30, 2020**

<b>(In thousands, except per share amounts)</b>	<b>Allscripts Historical</b>	<b>Sale of EPSi</b>	<b>Pro Forma</b>
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 218,701	\$ 297,767 (A)	\$ 516,468
Restricted cash	6,209	0	6,209
Accounts receivable, net of allowance of \$37,025 and \$23,879 as of September 30, 2020 and December 31, 2019, respectively	381,888	0	381,888
Contract assets, net of allowance of \$1,068 and \$0 as of September 30, 2020 and December 31, 2019, respectively	101,333	0	101,333
Prepaid expenses and other current assets	135,869	0	135,869
Assets held for sale	104,782	(104,782)	0
<b>Total current assets</b>	<b>948,782</b>	<b>192,985</b>	<b>1,141,767</b>
Fixed assets, net	70,027	0	70,027
Software development costs, net	241,656	0	241,656
Intangible assets, net	329,011	0	329,011
Goodwill	1,287,197	0	1,287,197
Deferred taxes, net	5,881	0	5,881
Contract assets - long-term, net of allowance of \$4,273 and \$0 as of September 30, 2020 and December 31, 2019, respectively	42,805	0	42,805
Right-of-use assets - operating leases	102,217	0	102,217
Other assets	118,689	0	118,689
<b>Total assets</b>	<b>\$ 3,146,265</b>	<b>\$ 192,985</b>	<b>\$ 3,339,250</b>

**ALLSCRIPTS HEALTHCARE SOLUTIONS, INC.**  
**UNAUDITED PRO FORMA CONSOLIDATED BALANCE SHEET (CONTINUED)**  
**AS OF SEPTEMBER 30, 2020**

<u>(In thousands, except per share amounts)</u>	<u>Allscripts Historical</u>	<u>Sale of EPSi</u>	<u>Pro Forma</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>			
<b>Current liabilities:</b>			
Accounts payable	\$ 53,627	\$ 59,921 (B)	\$ 113,548
Accrued expenses	166,180	0	166,180
Accrued compensation and benefits	97,515	0	97,515
Deferred revenue	339,239	0	339,239
Current maturities of long-term debt	48,293	(20,000) (C)	28,293
Current operating lease liabilities	22,317	0	22,317
Liabilities related to assets held for sale	17,479	(17,479)	0
Total current liabilities	744,650	22,442	767,092
Long-term debt	1,026,048	0	1,026,048
Deferred revenue	11,570	0	11,570
Deferred taxes, net	24,534	0	24,534
Long-term operating lease liabilities	98,866	0	98,866
Other liabilities	32,210	0	32,210
Total liabilities	1,937,878	22,442	1,960,320
<b>Commitments and contingencies</b>			
<b>Stockholders' equity:</b>			
Preferred stock: \$0.01 par value, 1,000 shares authorized, no shares issued and outstanding as of September 30, 2020 and December 31, 2019	0	0	0
Common stock: \$0.01 par value, 349,000 shares authorized as of September 30, 2020 and December 31, 2019; 274,471 and 157,978 shares issued and outstanding as of September 30, 2020, respectively; 272,609 and 162,475 shares issued and outstanding as of December 31, 2019, respectively	2,744	0	2,744
Treasury stock: at cost, 116,493 and 110,134 shares as of September 30, 2020 and December 31, 2019, respectively	(625,246)	0	(625,246)
Additional paid-in capital	1,929,396	0	1,929,396
Accumulated deficit	(94,706)	170,543 (D)	75,837
Accumulated other comprehensive loss	(3,801)	0	(3,801)
Total stockholders' equity	1,208,387	170,543	1,378,930
Total liabilities and stockholders' equity	<u>\$ 3,146,265</u>	<u>\$ 192,985</u>	<u>\$ 3,339,250</u>

**ALLSCRIPTS HEALTHCARE SOLUTIONS, INC.**  
**UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020**

<u>(In thousands, except per share amounts)</u>	<u>Allscripts Historical</u>	<u>EPSi Historical</u>	<u>Pro Forma</u>
<b>Revenue:</b>			
Software delivery, support and maintenance	\$ 770,180	\$ (24,591)	\$ 745,589
Client services	454,786	(8,786)	446,000
Total revenue	<u>1,224,966</u>	<u>(33,377)</u>	<u>1,191,589</u>
<b>Cost of revenue:</b>			
Software delivery, support and maintenance	225,879	(3,189)	222,690
Client services	420,185	(8,667)	411,518
Amortization of software development and acquisition-related assets	95,860	(4,366)	91,494
Total cost of revenue	<u>741,924</u>	<u>(16,222)</u>	<u>725,702</u>
Gross profit	483,042	(17,155)	465,887
Selling, general and administrative expenses	309,139	(4,761)	304,378
Research and development	158,913	(3,314)	155,599
Asset impairment charges	210	0	210
Amortization of intangible and acquisition-related assets	19,347	0	19,347
Loss from operations	<u>(4,567)</u>	<u>(9,080)</u>	<u>(13,647)</u>
Interest expense	(31,280)	0	(31,280)
Other income, net	45	0	45
Impairment of long-term investments	(1,575)	0	(1,575)
Equity in net income of unconsolidated investments	17,417	0	17,417
Loss before income taxes	(19,960)	(9,080)	(29,040)
Income tax provision	<u>(7,457)</u>	<u>2,361</u>	<u>(5,096)</u>
Net loss	<u>(27,417)</u>	<u>(6,719)</u>	<u>(34,136)</u>
Net loss attributable to non-controlling interests	0	0	0
Net loss attributable to Allscripts Healthcare Solutions, Inc. stockholders	<u>\$ (27,417)</u>	<u>\$ (6,719)</u>	<u>\$ (34,136)</u>
Net loss attributable to Allscripts Healthcare Solutions, Inc. stockholders per share - Basic	<u>\$ (0.17)</u>	<u>\$ (0.04)</u>	<u>\$ (0.21)</u>
Net loss attributable to Allscripts Healthcare Solutions, Inc. stockholders per share - Diluted	<u>\$ (0.17)</u>	<u>\$ (0.04)</u>	<u>\$ (0.21)</u>

**ALLSCRIPTS HEALTHCARE SOLUTIONS, INC.**  
**UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

<u>(In thousands, except per share amounts)</u>	<u>Allscripts Historical</u>	<u>EPSi Historical</u>	<u>Pro Forma</u>
<b>Revenue:</b>			
Software delivery, support and maintenance	\$ 1,126,486	\$ (35,551)	\$ 1,090,935
Client services	645,191	(10,774)	634,417
Total revenue	<u>1,771,677</u>	<u>(46,325)</u>	<u>1,725,352</u>
<b>Cost of revenue:</b>			
Software delivery, support and maintenance	358,946	(9,409)	349,537
Client services	583,111	(10,557)	572,554
Amortization of software development and acquisition-related assets	116,040	0	116,040
Total cost of revenue	<u>1,058,097</u>	<u>(19,966)</u>	<u>1,038,131</u>
Gross profit	713,580	(26,359)	687,221
Selling, general and administrative expenses	419,774	(6,155)	413,619
Research and development	254,509	(4,185)	250,324
Asset impairment charges	10,837	0	10,837
Goodwill impairment charge	25,700	0	25,700
Amortization of intangible and acquisition-related assets	27,216	0	27,216
Loss from operations	(24,456)	(16,019)	(40,475)
Interest expense	(43,172)	0	(43,172)
Other loss, net	(138,902)	0	(138,902)
Impairment of long-term investments	(651)	0	(651)
Equity in net income of unconsolidated investments	665	0	665
Loss before income taxes	(206,516)	(16,019)	(222,535)
Income tax benefit	23,914	4,165	28,079
Net loss	(182,602)	(11,854)	(194,456)
Net loss attributable to non-controlling interests	424	0	424
Net loss attributable to Allscripts Healthcare Solutions, Inc. stockholders	<u>\$ (182,178)</u>	<u>\$ (11,854)</u>	<u>\$ (194,032)</u>
Net loss attributable to Allscripts Healthcare Solutions, Inc. stockholders per share - Basic	<u>\$ (1.10)</u>	<u>\$ (0.07)</u>	<u>\$ (1.17)</u>
Net loss attributable to Allscripts Healthcare Solutions, Inc. stockholders per share - Diluted	<u>\$ (1.10)</u>	<u>\$ (0.07)</u>	<u>\$ (1.17)</u>

The Company's Unaudited Pro Forma Consolidated Balance Sheet as of September 30, 2020, the Unaudited Pro Forma Consolidated Statement of Operations for the Nine Months Ended September 30, 2020 and the Year Ended December 31, 2019 include the following:

- (A) Proceeds received, net of transaction expenses paid out at closing and debt repayment.
- (B) Taxes payable on gain, assuming a blended federal and state statutory rate of 26%.
- (C) Reduction of debt for repayment upon deal close as required by covenants.
- (D) Gain on transaction (net of transaction fees and expenses).