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

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported) July 26, 2005

ALLSCRIPTS HEALTHCARE SOLUTIONS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

000-32085
(Commission
File Number)

36-4392754
(IRS Employer
Identification No.)

**222 Merchandise Mart Plaza, Suite 2024,
Chicago, IL 60654**

Registrant's telephone number, including area code (312) 506-1200.

N/A

(Former name or former address, if changed since last report)

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 (see General Instruction A.2. below):

- 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))
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Item 2.02. Results of Operations and Financial Condition.

On July 26, 2005, the registrant announced its earnings for the three and six months ended June 30, 2005. Further details are described in the press release issued by the registrant on July 26, 2005, and furnished as Exhibit 99.1 hereto and incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

<u>Exhibit No.</u>	<u>Description of Exhibit</u>
99.1	Press release issued July 26, 2005

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: July 26, 2005

By: /s/ William J. Davis

William J. Davis
Chief Financial Officer

INDEX TO EXHIBITS

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press Release issued July 26, 2005

Allscripts Contacts:

Dan Michelson
Chief Marketing Officer
312-506-1217
dan.michelson@allscripts.com

Bill Davis
Chief Financial Officer
312-506-1211
bill.davis@allscripts.com

FOR IMMEDIATE RELEASE

Allscripts Reports Second Quarter 2005 Results

Software and Related Services Revenue Increases by 62.5% Over Prior Year

CHICAGO, IL – July 26, 2005 – Allscripts Healthcare Solutions (Nasdaq: MDRX), the leading provider of clinical software, connectivity and information solutions that physicians use to improve healthcare, announced its results for the three and six months ended June 30, 2005.

Total revenue for the three months ended June 30, 2005, was \$29.5 million, compared to \$25.6 million for the same period last year. Revenue from software and related services for the three months ended June 30, 2005, was \$16.1 million, compared to \$9.9 million for the same period last year, increasing by approximately 62.5%.

Gross margin percentage was approximately 47.0% for the second quarter of 2005, compared to 39.4% during the second quarter of 2004.

Net income for the three months ended June 30, 2005, was \$2.0 million, or \$0.05 per diluted share, compared to net income of \$0.7 million, or \$0.02 per diluted share, for the same period last year.

As of June 30, 2005, the Company had cash and marketable securities of \$134.9 million.

“Our growing sales and bottom line are a result of continued execution on our business model across our electronic health record, physician education and medication services offerings,” commented Glen Tullman, Chief Executive Officer of Allscripts. “Working closely with our clients, we are leading the market in informing and connecting physicians and patients to other healthcare stakeholders, which is the key to transforming healthcare. And, the value of each of our clients, as reference sites and prospects for innovative new products, such as TouchWorks iHealth, continues to grow. Every day we are making progress toward our vision of becoming an indispensable part of the way physicians practice medicine.”

Total revenue for the six months ended June 30, 2005, was \$55.7 million, compared to \$48.8 million for the six months ended June 30, 2004. Revenue from software and related services for the six months ended June 30, 2005, was \$30.5 million, compared to \$18.8 million for the same period last year, increasing by approximately 61.7%.

Gross margin percentage was approximately 46.7% for the six months ended June 30, 2005, compared to 39.4% for the six months ended June 30, 2004.

Net income for the six months ended June 30, 2005, was \$3.4 million, or \$0.08 per diluted share, compared to net income of \$1.0 million, or \$0.02 per diluted share, for the same period last year.

Allscripts will conduct a conference call on Tuesday, July 26, 2005, at 4:30 PM eastern time. The conference call can be accessed by dialing 1-800-374-0526, or via the Internet at www.allscripts.com. A recording of the conference call will be available for review through August 9, 2005, at www.allscripts.com or by calling 1-800-642-1687, ID # 7815470.

About Allscripts

Allscripts Healthcare Solutions is the leading provider of clinical software, connectivity and information solutions that physicians use to improve healthcare. The Company provides unique solutions that inform, connect and transform healthcare. The Clinical Solutions Group's award-winning clinical software applications include Electronic Health Record, e-prescribing and document imaging solutions. Allscripts' Physicians Interactive Group provides clinical product education and connectivity solutions for physicians and patients. The Company's Medication Services Group provides medication fulfillment services. To learn more, visit Allscripts on the Web at www.allscripts.com.

This announcement may contain forward-looking statements about Allscripts Healthcare Solutions that involve risks and uncertainties. These statements are developed by combining currently available information with Allscripts beliefs and assumptions. Forward-looking statements do not guarantee future performance. Because Allscripts cannot predict all of the risks and uncertainties that may affect it, or control the ones it does predict, Allscripts' actual results may be materially different from the results expressed in its forward-looking statements. For a more complete discussion of the risks, uncertainties and assumptions that may affect Allscripts, see the Company's 2004 Annual Report on Form 10-K, available through the Web site maintained by the Securities and Exchange Commission at www.sec.gov.

Allscripts Healthcare Solutions, Inc.
Condensed Consolidated Statements of Operations
(amounts in thousands, except per-share amounts)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2005	2004	2005	2004
Revenue:				
Prepackaged medications	\$11,489	\$12,396	\$21,324	\$23,580
Software and related services	16,145	9,934	30,455	18,829
Information services	1,900	3,278	3,950	6,354
Total revenue	29,534	25,608	55,729	48,763
Cost of revenue:				
Prepackaged medications	9,697	10,054	17,420	18,807
Software and related services	5,231	3,611	10,485	7,123
Information services	725	1,854	1,776	3,598
Total cost of revenue	15,653	15,519	29,681	29,528
Gross profit	13,881	10,089	26,048	19,235
Operating expenses:				
Selling, general and administrative expenses	11,458	9,103	21,815	17,863
Amortization of intangibles	436	445	872	874
Income from operations	1,987	541	3,361	498
Interest expense	(898)	—	(1,805)	—
Interest income	957	220	1,834	437
Other income (expense), net	(13)	(65)	(23)	28
Income before income taxes	2,033	696	3,367	963
Income taxes	—	—	—	—
Net income	\$2,033	\$696	\$3,367	\$963
Net income per share - basic	\$0.05	\$0.02	\$0.09	\$0.02
Net income per share - diluted	\$0.05	\$0.02	\$0.08	\$0.02
Weighted average shares of common stock outstanding used in computing basic net income per share	39,824	39,469	39,451	39,319
Weighted average shares of common stock outstanding used in computing diluted net income per share	43,144	42,431	42,585	42,113

Allscripts Healthcare Solutions, Inc.
Condensed Consolidated Balance Sheets
(amounts in thousands)

	June 30, 2005	December 31, 2004
	(Unaudited)	
Assets		
Current assets		
Cash and cash equivalents	\$36,779	\$16,972
Marketable securities	44,814	22,796
Accounts receivable, net	23,323	21,382
Other receivables	671	627
Inventories	1,929	2,372
Prepaid expenses and other current assets	3,733	3,571
	<u>111,249</u>	<u>67,720</u>
Long-term marketable securities	53,286	88,471
Software development costs, net	6,181	6,270
Fixed assets, net	2,482	2,366
Intangible assets, net	23,753	24,546
Other assets	5,349	4,804
	<u>202,300</u>	<u>194,177</u>
Liabilities and Stockholders' Equity		
Current liabilities		
Accounts payable	\$4,693	\$5,981
Accrued expenses	12,788	12,218
Deferred revenue	14,444	14,607
	<u>31,925</u>	<u>32,806</u>
Total current liabilities	31,925	32,806
Other liabilities	348	178
Long-term debt	82,500	82,500
	<u>114,773</u>	<u>115,484</u>
Total liabilities	114,773	115,484
Stockholders' equity	87,527	78,693
	<u>202,300</u>	<u>194,177</u>
Total liabilities and stockholders' equity	\$ 202,300	\$194,177