



Investor Meetings

March 2017

Disclaimer

Certain statements in this presentation and other oral or written statements made by the Company from time to time are may constitute “forward-looking statements” that involve substantial risks and uncertainties, including the statements regarding 2017 guidance, the anticipated effect of the UnitedHealthcare contract termination and other statements regarding the Company’s plans and strategies. These statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. You can identify these statements by the fact that they do not related strictly to historical or current facts. In some cases, forward-looking statements can be identified by words such as "may," "should," "could," "anticipate," "estimate," "expect," "project," "outlook," "aim," "intend," "plan," "believe," "predict," "potential," "continue" or comparable terms. Because such statements inherently involve risks and uncertainties, actual future results may differ materially from those expressed or implied by such forward-looking statements. Investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and that actual results may differ materially from those in the forward-looking statements as a result of various factors. Important factors that could cause or contribute to such differences include but are not limited to risks associated with: the Company's ability to integrate the acquisition of Home Solutions, the Company's ability to grow its core Infusion revenues, the Company's ability to continue to experience positive results from its financial improvement plan to reduce operating costs; the Company's ability to comply with the covenants in its debt agreements; the UnitedHealthcare contract termination, including potential accounting charges and impacts on other contract provisions and their associated revenue; the success of the Company's initiatives to mitigate the impact of the Cures Act on its business; reductions in federal, state and commercial reimbursement for the Company's products and services; increased government regulation related to the health care and insurance industries; as well as the risks described in the Company's periodic filings with the Securities and Exchange Commission. The Company does not undertake any duty to update these forward-looking statements after the date hereof, even though the Company's situation may change in the future. All of the forward-looking statements herein are qualified by these cautionary statements.

This document contains an estimate of projected adjusted EBITDA. Projected adjusted EBITDA as used in this presentation is consistent with the Company's definition of adjusted EBITDA as presented in its annual reports filed on Form 10-K and quarterly reports filed on Form 10-Q. The Company's March 3, 2017 earnings release furnished on the Company's Current Report on Form 8-K on March 3, 2017 provides a reconciliation of projected adjusted EBITDA to expected results.

Agenda

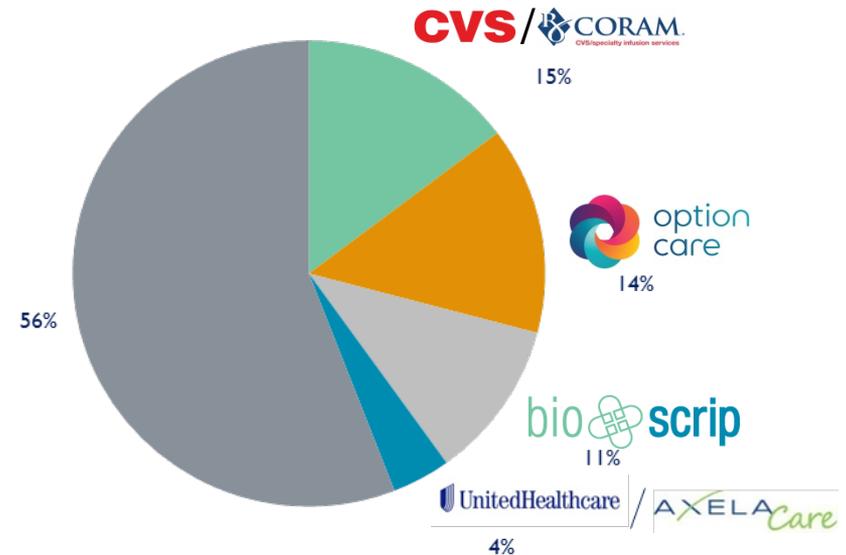
- **Industry & Company Overview**
- **CORE Initiative**
- **2017 Guidance**
- **UnitedHealthcare Contract Status Update**
- **Liquidity**

Infusion Industry Overview

Infusion Market (Global)

- \$20 billion home infusion market
- Infusion market growing 5-7% annually
- Highly fragmented market
 - Four large national providers of home infusion services
 - Significant consolidation opportunity with 800+ infusion companies in the U.S.
 - Hospital systems also provide infusion services to their patients

Competitive Landscape (U.S.)



* Top 4 providers account for ~44% of the market

\$20 billion global infusion market remains highly fragmented with meaningful opportunity to gain market share through optimizing performance

BioScrip National Footprint

Nationwide Capabilities with
Licensure to Dispense in
All 50 States

58 Infusion Pharmacy
Locations and
60+ Ambulatory Infusion
Centers

300+ Field Sales
Resources

Team of Regional Directors of
Strategic Initiatives

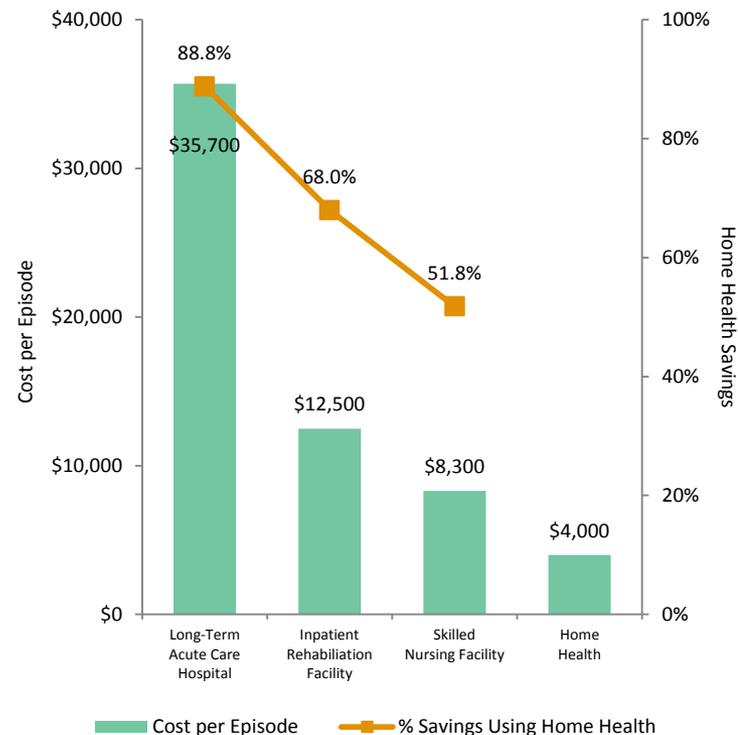


Home Infusion – Lowest Cost Setting

Focus on Cost Containment and Outcomes

- Healthcare cost containment pressures from governmental, hospitals and managed care payors
 - Home infusion cost savings over outpatient clinic are 50%
 - Home infusion is 80-90% less expensive than a hospital bed day
- Up to 40% of all readmissions are potentially avoidable for most hospitals
 - Home infusion lowers readmission risk and cost by lowering length of stay and infection rates
- Increased demand for cost-effective home infusion service providers, who effectively manage utilization
- Improves patient satisfaction – patients prefer to receive infusion care in a home setting

Infusion Therapy Savings per Episode



Lower costs driving continued migration of inpatient infusion patients into an outpatient setting

CORE Initiative

- **C** stands for accelerating the growth rate of the most profitable segment of our portfolio, our core business
- **O** is driving operational efficiencies throughout the organization
- **R** is improving the quality, rate, velocity of our revenue collections and enhancing our referral partners' experience
- **E** is improving employee effectiveness and empowerment throughout the organization

2017 Guidance

- 2017 Full Year Adjusted EBITDA Guidance: \$45mm to \$55mm adjusted EBITDA
- We do not provide quarterly guidance, only annual guidance and qualitative commentary on matters impacting quarterly results:
 - Q1 seasonality --- reflects typical sequential reduction (Q4 to Q1) in patient volumes driven by patient deductible resets, annual plan re-enrollments and employer payroll taxes resetting at beginning of the year (higher in 1Q vs. other quarters)
 - 2017 Cures impact (\$24mm) became effective January 1, 2017 with full mitigation (\$15mm) not fully implemented until late Jan 2017
 - As indicated on the Q4 2016 earnings call (3/2/17), Q2 2017 will be the first truly “pure” rev/cost quarter post-Cures (Q1 2017 does not include full impact of workforce reductions, supply chain and revenue cycle management initiatives)
- Adjusted EBITDA guidance reiteration includes termination of UnitedHealthcare agreements effective 9/30/2017 (6 month notification required under contract)

UnitedHealthcare Contract Update

- UnitedHealthcare contract effective termination date of 9/30/2017
- Following a negotiation process it became apparent our business needs do not align and UnitedHealthcare and BioScrip were unable to find an agreement that was beneficial to both parties
- The termination of this agreement is consistent with our CORE initiative, which focuses on growth of our profitable business segments
- Anticipate UnitedHealthcare contract neutral impact to 2017 adjusted EBITDA
- The UnitedHealthcare contract was not profitable and its termination is expected to have a positive impact on adjusted EBITDA outlook going forward

Liquidity

- Senior loan facility and credit agreement amendment announced on January 6, 2017, provides \$19 million in incremental liquidity
- On March 1, 2017 the Company sold an aggregate of 3,300,000 shares of its common stock for aggregate gross proceeds of approximately \$5,070,780 in a private placement transaction
- Q1 2017 is projected as the lowest liquidity
- Improved cash flows in Q2 2017 and beyond