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Gentiva Special Investor Conference Call on Healthfield Transaction

C: Mary Morrissey Gabriel; Gentiva; SVP and CMO
C: Ron Malone; Gentiva; Chairman and CEO
C: Al Perry; Gentiva; President and COO
C: John Potapchuk; Gentiva; CFO
P: Matthew Ripperger; Smith Barney Citigroup; Analyst
P: Larry Marsh, Lehman Brothers; Analyst
P: John Ransom, Raymond James; Analyst
P: Eric Gommel; Stifel Nicolaus; Analyst
P: Tony Campbell; Knott Partners; Analyst

+++ Presentation

Operator: Thank you for standing by. Welcome to the Gentiva Special Investor Conference Call. At this time, all the participant lines are in a listen-only mode. However, there will be an opportunity for your questions, and instructions will be given at that time. If you need any assistance during today's call, please press star, then zero, and an operator will assist you offline. And as a reminder, today's call is being recorded.

I would now like to turn the conference over to Ms. Mary Morrissey Gabriel. Please go ahead.

Mary Morrissey Gabriel: Thank you very much, and thank you for joining us this morning. I'm Mary Morrissey Gabriel, Senior Vice President and Chief Marketing Officer for Gentiva Health Services. And this is a special conference call to discuss this morning's announcement of Gentiva's definitive agreement to acquire The Healthfield Group.

With me today are Gentiva Chairman and CEO Ron Malone; Al Perry, our President and Chief Operating Officer; and our CFO John Potapchuk; and other key executives.

Comments made on this call other than historical information should be considered forward looking and are subject to various risk factors and uncertainties, as outlined in our filings with the Securities and Exchange Commission. Accordingly, actual results may differ materially from those anticipated in any forward-looking projections or comments on this call today. Please refer to the forward-looking statement in our news release and to similar language in our most recent 10-K.

Our call today will also be consistent with the Securities and Exchange Commission's Regulation FD, and we encourage participants to ask their questions during the call since we have certain limitations of comments that can be made in individual inquiries.

Today's call will also conform to the SEC's Regulation G, which requires public companies that disclose or release non-GAAP financial measures to include in that release or disclosure a presentation of the most directly comparable GAAP financial measures, as well as the reconciliation between comparable GAAP and non-GAAP financial measures. Because of this, we will not discuss non-GAAP financial measures on this call other than what is set forth in our press release and in the investor presentation that will be posted on our website later today.

In accordance with Regulation G, a transcript of this call will be posted to the website and available for the next 12 months. Additionally, you may access our special conference call replay for the next seven days. A transcript of today's call will also be available on our website within 36 hours.

Finally, given that Gentiva's 2005 fiscal year just recently ended, we will limit our remarks and our responses to questions solely about the announcement of the Healthfield transaction. We appreciate your continued interest in Gentiva Health Services.

Now, let me turn the call over to Gentiva's Chief Executive Officer, Ron Malone, for comments on today's announcement.

Ron Malone: Thanks, Mary.

Good morning, everyone, and thanks for joining us. We are very pleased to have made this announcement, and we look forward to welcoming the entire Healthfield team to Gentiva when this transaction closes.

As I mentioned in the news release, this is truly a turning point for Gentiva. Most of you know just how prudent we've been in evaluating potential acquisitions. The Healthfield Group is a leading provider of comprehensive home healthcare and hospice care, with approximately 130 locations in eight Southeastern states. It was founded in 1986, is headquartered in Atlanta, and has approximately 4,000 employees, including both full-time and per diem clinical employees.

Healthfield more than meets all of our criteria in terms of its geographic reach, complementary lines of business, strong culture, and superior operating results, which we will expect will be accretive to Gentiva. As a result, this acquisition makes sense for Gentiva and its shareholders.

Here are some key factors leading to our decision.

First, The Healthfield Group substantially extends our geographic reach. It fulfills our strategy of targeting acquisitions, primarily in regions with solid population growth and favorable business conditions, and it operates within the areas we consider desirable.

Second, the transaction will make us one of the 10 largest hospice providers in the country and will give us an extraordinary platform for expansion.

As you may know, this has been a keen area of interest for us. We believe home health and hospice are complementary in many ways, and we expect that our strong presence in both businesses will help us leverage our geographic scope, our systems, our referral relationships, and the value of our brands among potential employees.

And, third, our two organizations are extremely compatible. We are far more alike than we are different, with similar cultures, standards of excellence, and other key attributes, and we anticipate a smooth integration.

Let me elaborate on some of these points.

Regarding geography, Gentiva and Healthfield both have a strong presence in the Southeast, with a combination of almost 200 locations, yet we compete directly in only a limited number of markets. In South Carolina and throughout North Carolina, Gentiva will now gain a presence it does not have, so this transaction is an extraordinarily good fit in terms of increasing market penetration in key areas.

With this acquisition, Gentiva will fulfill another strategic goal by gaining a meaningful platform in hospice. We intend to maximize every opportunity to launch the hospice business in other markets where we have home healthcare operations, with an immediate emphasis on areas that do not require certificates

of need. And while DME is a much smaller piece of the business, we'll also have a chance to evaluate opportunities in this field if they make sense for us.

And perhaps most important, Gentiva and Healthfield are companies with similar cultures and values and a shared vision for home healthcare. Both have a diverse product and payer mix, both are focused on profitable growth, geographic and product expansion, and lowering turnover among employees groups. Both have maximized their resources in the overall marketplace while maintaining a keen focus on local referral sources and local patient needs. In fact, Healthfield's tagline, "The Heart of Hometown Healthcare," embodies the common belief in leveraging our substantial resources to deliver great healthcare locally.

Both organizations are also dedicated to clinical excellence and improving patient outcomes, and both have focused on their people delivering great care, growth, and profitability.

We will also have an opportunity to capitalize on the best practices of the two companies and, thus, extend our industry leadership. We're very fortunate to achieve a combination like this one.

As we indicated in the news release, Gentiva will acquire Healthfield for approximately \$454 million in cash and stock, excluding transaction costs. About \$399 million will be in cash, and the remaining \$55 million will be in Gentiva common stock. The acquisition is anticipated to be accretive to Gentiva's 2006 estimated EPS and is subject to Hart-Scott-Rodino review. We expect the deal to close in the first quarter of this year.

Upon closing, we expect Rod Windley, currently Healthfield's Chairman, CEO, and Founder, to join Gentiva's Board of Directors and serve as Vice Chairman.

Healthfield operations have been led by Tony Strange, the company's President and Chief Operating Officer. Because of our compatibility and our expectations for growth, we anticipate that Tony and other key managers from both of our organizations will come together and remain in leadership positions with the combined company.

On that note, I'd like to turn the call over to our Chief Financial Officer, John Potapchuk, to give you some additional financial information on the transaction. John?

John Potapchuk: Thanks, Ron, and good morning to all of you.

This is an exciting time for Gentiva and Healthfield and for the homecare industry in general. When you take a look at the combined operating results of the two companies, you'll get a better understanding of the impact we can have in the healthcare marketplace.

As we mentioned in the news release, Healthfield's unaudited pro forma revenues for the trailing 12 months ended September 30, 2005 were approximately \$291 million. Their trailing 12-month EBITDA approximated \$50 million. The company has built a strong record of financial growth.

Its revenues are generated by four primary business lines -- home healthcare, which currently accounts for about 65% of total revenues; hospice, representing about 23%; DME, generating about 8%; and infusion, covering the remaining 4% of total revenues.

Within these businesses, Healthfield provides a wide range of services for patients and payers. While all of its offices are Medicare and Medicaid certified, approximately 76% of its total revenues come from

Medicare reimbursement. Within its home healthcare business line, nearly 88% of revenues are generated through the Medicare program.

We thought it would be helpful to you to provide some insight into the size and scope of the combined companies based on their unaudited trailing 12-month results through the third quarter of 2005. The pro forma total company revenues for the combined entity would amount to over \$1.16 billion. Home healthcare would be expected to account for about 64% versus 62% for Gentiva alone today. CareCentrix would account for about 27% of total net revenues versus 38% for Gentiva alone. In the combined entity, hospice would represent about 6% of total revenues, and DME and infusion, the remaining 3%.

Turning to the payer mix, the combined entity would be expected to generate approximately 43% of its revenues from Medicare, with approximately 36% of that in the home healthcare line of business and 7% from other business lines. Gentiva currently generates about 30% of its total revenues from Medicare.

CIGNA revenue for the combined organization would account for 21% of total revenues versus 29% for Gentiva alone. Non-CIGNA commercial insurance revenues would also be 21% versus 24% just for Gentiva. And Medicaid would amount to 15% versus Gentiva's 17%.

Regarding the source of funds for this transaction, it is expected that approximately \$370 million will come from the new senior term loan facility, \$55 million will represent the value of Gentiva common stock issued on the closing date, and the remainder of the consideration will consist of approximately \$58 million of existing cash balances. We expect to use the funds to purchase the Healthfield equity for about \$274 million, refinance over \$183 million in existing Healthfield debt, and pay transaction costs and other expenses of approximately \$26 million.

On a pro forma basis, the combined companies would have over \$45 million in cash, \$370 million in term loans and over \$235 million in shareholders' equity. At closing, Gentiva will also have a revolving credit facility with borrowing capacity of \$75 million.

That completes our financial review. You'll find this information in a transaction summary, which is being posted in the "Investors" section of the Gentiva website. We hope to share additional information with you in the weeks and months ahead.

Now, I'd like to turn the call back to Ron.

Ron Malone: Thank you, John, and thanks to all of you for joining us this morning. That sums up our prepared remarks.

I'd like to mention that we'll be able to respond only to questions related to the transaction, and our answers will understandably be limited prior to the closing.

With that, let's go to your questions.

+++ Q-and-A

Operator: [OPERATOR INSTRUCTIONS]

Matthew Ripperger, Citigroup.

Matthew Ripperger: Hi. Thanks very much. Congratulations on the deal. Just a couple questions here. Given that there are different business segments of Healthfield, can you give a sense of what the historical growth profile has been for those different businesses, and maybe, if you're willing, give a sense of sort of relative margins for those different businesses?

John Potapchuk: Matt, the growth in the businesses, the thing that's been fairly robust -- certainly in home health and in hospice -- I think it's safe to say that the results over the last couple of years on a pro forma basis has been double-digit revenue growth. Healthfield has been involved in the last couple of years in a series of acquisitions. That's why I'm giving you pro forma results, which really reflect kind of a full basis assuming all those acquisitions that occurred over a period of the last couple years.

From a margin standpoint, I think when you take a look at the EBITDA number that I mentioned on the call relative to the trailing 12-month's revenue, that's about 17%, and when you look at it, each business line assures a fairly healthy EBITDA percentage. Homecare is right in that range, hospice is mid-teens, and, again, DME and infusion is [inaudible].

Ron Malone: They're all in line, or we believe -- particularly the larger segments of home -- of the home healthcare and hospice are in keeping with very well-run operations that we are aware of across the country.

Matthew Ripperger: Okay, great. And then the second question I had is you mentioned in your prepared remarks that now that you've got this platform of hospice, you intend to sort of more systematically expand your hospice presence nationally at your other locations. Can you just maybe walk through how you sort of intend on doing that? And are you able to sort of get certified as a hospice provider at your current established home nursing branches around the country that have never provided hospice before?

Ron Malone: Well, first of all, the answer to your last question is yes. I mean we could have, prior to this transaction, opened de novo hospice operations. I think in response to a number of questions in this area in the past, we'd say we have to either -- we have to acquire that expertise in a way, either through platform or talent, so we could have gone through that certification process. What we would expect to do is provide the existing hospice unit of Healthfield a much broader platform from which to work. And as we move through the integration planning process, we will start to identify those targeted markets where we have strong home health presence, particularly where there is not a CON requirement for hospice. And as you may be aware, some states have CON requirements for both, neither, and some it's mixed. They may have a -- you know, CON required for home health but not for hospice, or vice versa.

So we will go through a mapping process to understand the most desirable places where we can really leverage our market presence and particularly the relationships among the many common referral sources that refer to both homecare and hospices just as a part of the way they run their practices.

Matthew Ripperger: But so you think that ultimately the management expertise and the systems and the hospice infrastructure that Healthfield has is pretty easily exportable to the rest of the company?

Ron Malone: Well, yes, we absolutely do. I mean one of the -- we are very excited about this opportunity because we believe that Healthfield has a great management team, they have strength and

knowledge and experience in this area, and they are already growing this business on their own organically. We just deliver a larger platform and some market knowledge that they don't have. I think it's very complementary in that regard. It will be a key strategic focus going forward.

Matthew Ripperger: Okay, and just a couple just really quick, specific questions. Is there a collar on the stock part of the deal?

John Potapchuk: No, there's not. But, Matt, it's based on an average. Again, the stock part of the deal represents about 20%. It's based on the average of the closing price for 10 days ending two days prior to the signing date and 10 days ending two days prior to the closing date.

Ron Malone: So I think we were saying that it has -- effectively, it has a collaring effect, an outreaching effect exactly.

Matthew Ripperger: So it's the average of 10 days before this day, and then it's an average of 10 days before you actually close the deal?

Ron Malone: Two days -- we said two days' distance between both the timing of the close -- just back up two days.

Matthew Ripperger: So the first 10-day period ended on December 30?

Ron Malone: That's right.

Operator: Larry Marsh, Lehman Brothers.

Larry Marsh: Thanks, and good morning, Ron and John.

Are you in a position to comment any more about the background of the transaction? I know you talked about the cultural fit, geographic fit. Are you commenting today how long you've been in discussions and what the specific ownership structure of Healthfield is and if there are any earn-outs in the transaction?

Ron Malone: Well, as it relates to Healthfield, I'll tell you, I have had knowledge of Healthfield. I have - I met with the principals several years ago. We have from time to time had reason to meet at various events. Come to know them also competitively because as they grew their company, their name, of course, would emerge within areas of the [indiscernible] where we have some -- you know, where we've brushed against each other in some area. So we came to know and to watch, certainly admire, the growth and the diversification of the business.

And I think as it relates to ownership, I would say -- you may have asked about earn-outs, particularly. There is indicated in the description of the transaction where 20% of the value will be delivered in Gentiva stock.

Larry Marsh: Okay, and could you then elaborate a little bit on the margin structure of Healthfield? What accounts for the substantial difference in their margin versus yours, even backing out CIGNA, and compare that to some of the public comps. And could you talk about -- you mentioned a series of acquisitions they have completed. Could you elaborate a little bit about how many acquisitions they have made and when those have been made here in the last couple years?

Ron Malone: Over a long period of time, as I told you, this is a very well-established company, they have, I think, acquired companies sort of in the mid-teen range, I believe, and as you can imagine, those

vary from relatively small tuck-in acquisitions to larger acquisitions.

But the thing that we really -- I mean one of the things we really admired in that regard is what we saw demonstrated as an acumen for identifying and integrating acquisitions, and it's a real skill. I think you would agree that it takes a particular set of skills to successfully integrate. We've seen the company operate. They make decisions. They have discipline. And they've been very successful in integrating and then growing what they had acquired and integrated. And so we've really come to admire that.

I think the other thing -- comment, again, we're somewhat limited in what we're able to say prior to the time we closed, but on a relative basis, they have deep penetration in some very attractive markets. They've been very disciplined about the types of business they have targeted. We gave you, for instance, the percentage of the business that was Medicare. They've been disciplined, as we are trying to become more disciplined ourselves in the way we pursue and price managed care very openly. They might have had a couple of years ahead on us there. And when we just think from our work, they run the company with, again, a great deal of discipline. Their clinical results are good. Their clinical operations are very strong. They're very patient-focused. And I think that's allowed them to build tremendous loyalty in local markets.

They've been very respectful of the people associated with the acquisitions they've made over the years, which has allowed them to retain all numbers of people who interact with referral sources and the clinicians. And over time, they've leveraged that into successful profitability. I do believe, as well, that they also have a relatively defined geographic concentration, primarily operating in those chief Southeastern states, several of which, as we mentioned in our release, are in CON states, and I think that's also allowed them to operate with those types of margins.

John, do you have any other comments there?

John Potapchuk: I think, just as a point of reference, of -- as Ron said, there was a series of acquisitions. I may just mention a couple of recent ones. They made an acquisition of a company called Capital Health Management Group in the middle of 2005 and a company called Wiregrass Hospice in mid- to the fall of 2004, which are two more recent acquisitions of substantial size.

Larry Marsh: Okay. And then, finally, just maybe a logistical question here. When would you be in a position to comment on the impact of the proposed budget freeze on Medicare reimbursement in home health, assuming it is passed later this month? Would you anticipate incorporating that with the comment on accretion once the deal closed, or would you be in a position where you would need to update your current guidance once the budget bill was passed?

Ron Malone: Well, Larry, we're going to certainly -- obviously, we're monitoring the situation very carefully, and in terms of guidance, we want to get some finality one way or the other on the Medicare rates before we say anything. As we did talk about this transaction, we are looking to close that. Our estimate is in the first quarter, and there's obviously a fair amount of work to do between now and in the closing. So I mean I would expect that when we get some clarity on the rates and clarity on the closing time, we'll be able to give you most certainly a lot more information about [inaudible].

Operator: John Ransom, Raymond James.

John Ransom: Hi. Maybe this is for Ron, but I guess I can certainly understand all the strategic rationales for doing this in terms of diversification and buying into higher growth. I guess my question would be -- I mean the market's pegging you at about one times your 2005 Medicare revenues, and for this transaction, it looks like you paid 1.5, 1.6 times Medicare revenues and I guess about nine times

trailing EBITDA. So can you just talk about your thought process in terms of how you value this transaction and how it compares to how the market's currently valuing Gentiva? And then I had a couple follow-ups. Thanks.

Ron Malone: Well, we -- I normally wouldn't comment on how the market is valuing Gentiva, but I think that we have demonstrated over the past quarters that our confidence in our stock buy -- purchasing a considerable amount of it, John, we believe that the combination of these two organizations is going to produce a stronger organization, and we approach this transaction mindful of both the possibility of a freeze in Medicare rates, as well as the possibility of reaching synergies that we did not really consider into whether the deal made sense or not.

I think as it gets to the valuation, I'm sure you're mindful that their mix is different than ours. They have a high concentration of Medicare. They have a high concentration of Medicare home health. Their presence in hospice. They also have businesses in DME and infusion, all of which I think you would agree carry different valuation multiples in the market, and we believe that when we looked at it, we looked at it -- we did a number of different models to arrive at what we believed was a fair valuation. And, again, this is a significant boost in our Medicare home health revenues and very desirable real estate. It enters us meaningfully into the hospice space and also gives us some flexibility in that -- and to evaluate what we might do with the DME space in the future considering that we have a presence in that area through our CareCentrix unit. So, frankly, the valuation for us, as I said, we looked at it a number of different ways and just every way we looked at it, it made sense for us.

John Ransom: Well, and just, again, for the record, though, the revenue number I quoted was your enterprise value to just your Medicare revenue. We excluded the Medicaid and the commercial revenue.

Ron Malone: I understood that. Yeah, I understood that, and we -- you know, I've heard comments from several about how you would look at our business, but I think that you realize that there's a significant difference from the footprint. I mean we're operating as Gentiva in 35 states, and we do see operating differences -- different margins from one area of the country to the other, and that's something we're going to take a very close look at because we intend to tighten up those operations and make sure that we're operating in markets that give us a fair return.

John Ransom: Okay. And I guess, secondly, could you give us some -- could you take another crack because I think that caller -- it was an average price, but it sounded like it was an average price that ended already in December or was --

Ron Malone: No, it is the average of 10 days ending two days before we just signed.

John Ransom: Okay.

Ron Malone: Okay? And the average price of 10 days ending two days before we close.

John Ransom: Oh, I see, okay.

Ron Malone: So you're taking essentially the pre-signing, a sample of a pre-signing average and a pre-closing average, and you're averaging those two --

John Ransom: Right.

Ron Malone: -- which we said -- I think maybe I said serves as an effective collar [inaudible] --

John Ransom: Okay.

Ron Malone: -- or some blending there of the share price.

John Ransom: And then, finally, should we -- is there any reason to think that the double-digit growth won't continue into '06?

And, secondly, would you give any -- kind of hazard a guess as to synergies we should think about?

And, thirdly, how much of your debt's floating versus fixed, and what's a good number to use for kind of an '06 interest rate for your term debt?

Those are my questions. Thanks.

John Potapchuk: John, in terms of the interest, at this point, it's floating. We are certainly, as the deal closes, evaluating options associated with the most optimum capital structure, so that could include down the road various alternatives, interest caps, and that sort of thing, and that's something we'll certainly take a look at.

John Ransom: What's the spread over LIBOR, John?

John Potapchuk: Well, that's still -- we have a firm commitment from Lehman --

John Ransom: Right.

John Potapchuk: -- but we still have work to do in terms of getting a rating and that sort of thing. So I don't want to comment on that just yet.

John Ransom: Okay.

Ron Malone: As it relates to your other two questions, John, the Medicare growth rate is, on an organic basis, robust in both companies, but I don't believe -- I don't have any reason as I sit here to believe that we wouldn't continue that. As we have indicated about our business in the past as it relates to synergies, it's a bit early to comment on some of that. I will tell you, though, that as you can imagine, we have very common support structures --

John Ransom: Right.

John Potapchuk: -- to operate the business. Our first order of business upon closing is to make sure that we have properly integrated the field structure, that the people that are out there serving patients and taking care of our -- educating our referral sources. But we'll give you more of that over time.

John Ransom: How many of their FTs are in the corporate office versus the field?

Ron Malone: Well, obviously, most of them are out in the field, yeah.

John Potapchuk: A couple hundred.

Ron Malone: Yes.

John Ransom: Two hundred of the corporate office? Okay, thank you.

Ron Malone: Thanks, John.

Operator: Eric Gommel, Stifel Nicolaus.

Eric Gommel: Hi, good morning.

Basically, one question I have is about the -- what is the impact of this really on sort of your existing strategies? You've outlined some strategies over the last couple quarters to improve operations internally as it relates to hiring new employees -- or building on your employee base, adjusting to your new CIGNA contract. This is a fairly significant acquisition. I'm curious, you know, how you're planning to handle sort of those internal strategies, at the same time, integrating the acquisition?

And then from the closing date, how long do you think it will take you to fully integrate the acquisition?

Ron Malone: Thanks, Eric. As it relates to our existing strategies, we have evaluated that very carefully. I think, for instance, you are probably aware that in dealing with the new CIGNA arrangement that occurs within our CareCentrix operation, which is very nicely segregated from our home health operations, I don't see any strain there at all.

As it relates to the recruitment of new employees, we will continue both companies and the combined company to aggressively recruit new employees to grow. One of the great things about this is -- though we have operations that overlap in a number of Southeastern states -- the number of markets -- local markets where we overlap -- is relatively limited, and even within those, the referral source mapping is -- I mean they're very complementary. There's little overlap there. But that, of course, does -- you know, we'll still pay a lot of attention to those markets, but it's -- there's -- like I said, it's just a highly complementary footprint. So I don't really see that interfering with our stated strategies at all. And as far as the integration, we're mapping -- we've already done some of that, but of course, we'll be mapping that between now and closing. And I believe some things will be much higher priorities than others, and as I've said before, the first priority of business will make sure that everyone is focused on serving patients and referral sources, and then we'll prioritize -- I can see certain -- prioritizing elements of the integration. I can see, certainly, a thoughtful integration process would occur over multiple quarters.

Eric Gommel: Okay, great. And then just want to clarify one thing with the potential freeze on the cost of living. Did that impact your evaluation of this deal or impact your assumptions going forward with regard to this deal at all?

Ron Malone: Well, as we mentioned, we were mindful of that potential as we were approaching this transaction, so certainly, it couldn't help but affect our thinking. I will say that we believe that the combination of the companies and the potential ahead, both in the homecare hospice phase, far outweigh a potential freeze in Medicare [inaudible].

Eric Gommel: And then a real detailed question. Can you give me the census on the hospice business you're acquiring and maybe just an idea of how many programs, and are there any Medicare cap issues with those programs? Thanks.

John Potapchuk: Eric, the most recent census on hospice is a number between fifteen and 1,600. The operations in hospice right now are concentrated in Alabama, some in the Panhandle of Florida, and Georgia. And in terms of Medicare cap issues, at this point, they're not significant. I think from the time of the acquisition of Wiregrass in mid 2004, there were certain plans that they put in place, certain key

indicator reports to manage the cap liability, and I think they've done a real good job with that. There's a minor accrual that they have on the books, and we deem that to be sufficient.

Ron Malone: Adequate. By the way, I believe there are 22 hospice locations within [inaudible] within those states. Thank you, Eric.

Operator: Tony Campbell, Knott Partners.

Tony Campbell: I guess congratulations. I have two questions if I might, only two.

How accretive is it? Could you give us a range?

And second question, since we're taking out all those data -- I'm a simple guy -- how do we repay it? What kind of cash flow do you think you can generate that repays the debt, and how long will it take you to repay the debt?

John Potapchuk: Well, Tony, as we've said, we'll talk about levels of accretion when we close and have a little bit more clarity on a number of different funds. I will say, to give you just a ballpark sense, that certainly, it's our expectation that from an accretion standpoint, we're looking at something above the -- 10% or more relative to our current ranges.

In terms of cash flow, we've run, obviously, a significant number of scenarios, and we believe we're going to have some fairly robust free cash flow to repay that debt within the stated timeframe. I mean, right now, we're looking at a term loan with about a seven-year maturity, and I feel very comfortable with where we stand.

Eric Gommel: Okay, good luck.

John Potapchuk: Thank you.

Ron Malone: Thank you very much, Tony.

Operator: I'll turn the call back to you, Mr. Malone.

Ron Malone: Okay. I'd like to thank each of you for participating this morning in the discussion of this milestone event for both Gentiva and Healthfield, the continued interest as we move forward toward the closing of this transaction and the integration process.

Most of you know me to be fairly conservative in my comments about our business, but today I want to tell you that I'm excited and can say that I truly expect great things lie ahead for this combined organization. The transaction brings us a number of strategic opportunities, which we'll maximize to the benefit of our shareholders' patients, payers, and employees.

That concludes our call. We look forward to talking with you again on our fourth quarter and year-end earnings call.

Operator: Ladies and gentlemen, this conference is available for replay. It starts today at 1:30 PM Eastern, will last until January 12 at midnight. You may access the replay at any time by dialing 320-365-3844. The access code is 813041. That number again is 320-365-3844; the access code, 813041. That does conclude your conference for today. Thank you for your participation, and you may now disconnect.