

ALLSCRIPTS HEALTHCARE SOLUTIONS, INC.
Form DEF 14A
April 12, 2017

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities

Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

Allscripts Healthcare Solutions, Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

4) Proposed maximum aggregate value of transaction:

5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1) Amount Previously Paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:

Allscripts Healthcare Solutions, Inc.
222 Merchandise Mart Plaza, Suite 2024
Chicago, Illinois 60654

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON MAY 22, 2017

To the stockholders of Allscripts Healthcare Solutions, Inc.:

Notice is hereby given that the 2017 Annual Meeting of Stockholders (the “Annual Meeting”) of Allscripts Healthcare Solutions, Inc., a Delaware corporation (the “Company”), will be held on Monday, May 22, 2017, at 9:00 a.m. local time at the Company’s principal executive offices, located at 222 Merchandise Mart Plaza, Suite 2024, Chicago, Illinois 60654, for the following purposes:

1. To elect the nine directors named in the accompanying proxy statement, each to serve until the Company’s 2018 Annual Meeting of Stockholders or until their successors are duly elected, subject to earlier resignation or removal;
2. To approve an amendment and restatement of the Allscripts 2011 Stock Incentive Plan to, among other things, increase the number of shares available for grant thereunder;
3. To ratify the appointment of Grant Thornton LLP as the Company’s independent registered public accounting firm for the year ending December 31, 2017;
4. To approve, on an advisory basis, the Company’s named executive officer compensation;
5. To approve, on an advisory basis, the frequency of the advisory vote on the Company’s named executive officer compensation; and
6. To transact such other business as may properly come before the Annual Meeting or any adjournment(s) or postponement(s) thereof.

These items are described more fully in the accompanying proxy statement. Only stockholders of record as of the close of business on March 27, 2017 are entitled to receive notice of, to attend, and to vote at the Annual Meeting.

Sincerely,

Brian P. Farley
Senior Vice President
General Counsel and Corporate Secretary

Chicago, Illinois
April 12, 2017

IMPORTANT NOTICE REGARDING INTERNET AVAILABILITY OF PROXY MATERIALS

The Company's Proxy Statement for the 2017 Annual Meeting of Stockholders and the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2016 are available at: www.proxyvote.com.

YOUR VOTE IS IMPORTANT. PLEASE EXERCISE YOUR STOCKHOLDER RIGHT TO VOTE, REGARDLESS OF WHETHER YOU PLAN TO ATTEND THE ANNUAL MEETING.

Allscripts Healthcare Solutions, Inc.
222 Merchandise Mart Plaza, Suite 2024
Chicago, Illinois 60654

PROXY STATEMENT
FOR
2017 ANNUAL MEETING OF STOCKHOLDERS

GENERAL INFORMATION

Why am I receiving these materials?

Allscripts Healthcare Solutions, Inc., a Delaware corporation (the “Company”), has made these materials available to you on the Internet or, upon your request, has delivered printed versions of these materials to you by mail, in connection with the Company’s solicitation of proxies for use at the Company’s 2017 Annual Meeting of Stockholders (the “Annual Meeting”), to be held on Monday, May 22, 2017 at 9:00 a.m., local time, and at any postponement(s) or adjournment(s) thereof. The Annual Meeting will be held at the Company’s principal executive offices, located at 222 Merchandise Mart Plaza, Suite 2024, Chicago, Illinois 60654.

These materials were first sent or made available to the Company’s stockholders on April 12, 2017. You are invited to attend the Annual Meeting and are requested to vote on the proposals described in this proxy statement (this “Proxy Statement”).

What is included in these proxy materials?

These proxy materials include:

- The Notice of 2017 Annual Meeting of Stockholders;
- This Proxy Statement; and
- The Company’s Annual Report on Form 10-K for the year ended December 31, 2016, as filed with the Securities and Exchange Commission (the “SEC”) on February 27, 2017 (the “Annual Report”).

If you requested printed versions by mail, these proxy materials also include the proxy card or voting instruction form for the Annual Meeting.

What items will be voted on at the Annual Meeting?

The Company is aware of five items on which stockholders may vote at the Annual Meeting:

- The election to the Company’s Board of Directors (the “Board”) of the nine nominees named in this Proxy Statement (Proposal One);
- To approve an amendment and restatement of the Allscripts 2011 Stock Incentive Plan (the “2011 Stock Incentive Plan”) to, among other things, increase the number of shares available for grant thereunder (Proposal Two);
- The ratification of the appointment of Grant Thornton LLP as the Company’s independent registered public accounting firm for the year ending December 31, 2017 (Proposal Three);
- A non-binding advisory resolution to approve the Company’s named executive officer compensation (Proposal Four); and
- A non-binding advisory vote to approve the frequency of the advisory vote on the Company’s named executive officer compensation (Proposal Five).

Will any other business be conducted at the meeting?

The Company knows of no matters to be submitted to the Company's stockholders at the Annual Meeting, other than the proposals referred to in this Proxy Statement. If any other matters come before the Company's stockholders at the Annual Meeting, it is the intention of the persons named on the proxy to vote the shares represented thereby on such matters in accordance with their best judgment.

What are the Board's voting recommendations?

The Board recommends that you vote your shares:

- “FOR” election of each of the nominees named in this Proxy Statement to the Board (Proposal One);
- “FOR” the approval of an amendment and restatement of the Allscripts 2011 Stock Incentive Plan to, among other things, increase the number of shares available for grant thereunder (Proposal Two);
- “FOR” ratification of the appointment of Grant Thornton LLP as the Company's independent registered public accounting firm for the year ending December 31, 2017 (Proposal Three);
- “FOR” approval of the advisory resolution to approve the Company's named executive officer compensation (Proposal Four); and
- For “ONE YEAR” as the frequency of the advisory vote to approve the Company's named executive officer compensation (Proposal Five).

Why did I receive a one-page notice in the mail regarding the Internet availability of proxy materials instead of a full set of proxy materials?

Pursuant to rules adopted by the SEC, the Company uses the Internet as the primary means of furnishing proxy materials to its stockholders. Accordingly, the Company is sending a Notice of Internet Availability of Proxy Materials (the “Notice”) to its stockholders. All stockholders will have the ability to access the proxy materials on the website referred to in the Notice or request a printed set of the proxy materials. Instructions on how to access the proxy materials over the Internet or how to request a printed set may be found in the Notice. In addition, stockholders may request to receive proxy materials in printed form by mail or electronically by e-mail on an ongoing basis. The Company encourages its stockholders to take advantage of the availability of the proxy materials on the Internet to help reduce the environmental impact of its annual meetings and reduce the cost to the Company associated with the physical printing and mailing of materials.

I share an address with another stockholder, and we received only one paper copy of the proxy materials. How can I obtain an additional copy of the proxy materials?

The Company has adopted an SEC-approved procedure called “householding.” Under this procedure, the Company may deliver a single copy of the Notice and, if applicable, this Proxy Statement and the Annual Report to multiple stockholders who share the same address unless the Company has received contrary instructions from one or more of its stockholders. This procedure reduces the environmental impact of the Company's annual meetings and reduces the Company's printing and mailing costs. Stockholders who participate in householding will continue to receive separate proxy cards. Upon request, the Company will deliver promptly a separate copy of the Notice and, if applicable, this Proxy Statement and the Annual Report to any stockholder at a shared address to which the Company delivered a single copy of any of these documents.

To receive free of charge a separate copy of the Notice and, if applicable, this Proxy Statement or the Annual Report, or separate copies of any future notice, proxy statement, or annual report, stockholders may write or call the Company at: Allscripts Healthcare Solutions, Inc., 222 Merchandise Mart Plaza, Suite 2024, Chicago, Illinois 60654, Attention: Investor Relations, or (312) 506-1200.

If you are receiving more than one copy of the proxy materials at a single address and would like to participate in householding, please contact the Company using the mailing address above. Stockholders who hold shares in “street name” (as described below) may contact their brokerage firm, bank, broker-dealer, or other similar organization to request information about householding.

How can I get electronic access to the proxy materials?

The Notice will provide you with instructions regarding how to use the Internet to view the Company’s proxy materials for the Annual Meeting and instruct the Company to send future proxy materials to you by e-mail. Choosing to receive future proxy materials by e-mail will reduce the impact of the Company’s annual meetings on the environment and will save the Company the cost of printing and mailing documents to you. If you choose to receive future proxy materials by e-mail, you will receive an e-mail message next year with instructions containing a link to those materials and a link to the proxy voting website. Your election to receive proxy materials by e-mail will remain in effect until you terminate it.

Who may vote at the Annual Meeting?

Each share of the Company’s common stock has one vote on each matter. Only stockholders of record as of the close of business on March 27, 2017 (the “Record Date”) are entitled to receive notice of, to attend, and to vote on the Annual Meeting. As of the Record Date, there were 181,464,493 shares of the Company’s common stock issued and outstanding. In addition to stockholders of record of the Company’s common stock, beneficial owners of shares held in street name as of the Record Date can vote using the methods described below.

What is the difference between a stockholder of record and a beneficial owner of shares held in street name?

Stockholder of Record. If your shares are registered directly in your name with the Company’s transfer agent, Broadridge Investor Communication Solutions, Inc. (“Broadridge”), you are considered the stockholder of record with respect to those shares, and the Notice was sent directly to you by the Company.

Beneficial Owner of Shares Held in Street Name. If your shares are held in an account at a brokerage firm, bank, broker-dealer, or other similar organization, then you are the “beneficial owner” of shares held in “street name,” and a Notice was forwarded to you by that organization. As a beneficial owner, you have the right to instruct your broker, bank, trustee, or nominee how to vote your shares.

If I am a stockholder of record of the Company's shares, how do I vote?

If you are a stockholder of record, there are four ways to vote:

In Person. You may vote in person at the Annual Meeting by requesting a ballot when you arrive. You must bring valid picture identification, such as a driver's license or passport, and may be requested to provide proof of stock ownership as of the Record Date.

Via the Internet. You may vote by proxy via the Internet by following the instructions provided in the Notice.

By Telephone. If you request printed copies of the proxy materials by mail, you will receive a proxy card and you may vote by proxy by calling the toll free number found on the proxy card.

By Mail. If you request printed copies of the proxy materials by mail, you will receive a proxy card and you may vote by proxy by filling out the proxy card and returning it in the envelope provided.

If I am a beneficial owner of the Company's shares held in street name, how do I vote?

If you are a beneficial owner of shares held in street name, there are four ways to vote:

In Person. If you are a beneficial owner of shares held in street name and wish to vote in person at the Annual Meeting, you must obtain a "legal proxy" from the organization that holds your shares. A legal proxy is a written document that will authorize you to vote your shares held in street name at the Annual Meeting. Please contact the organization that holds your shares for instructions regarding obtaining a legal proxy. You must bring a copy of the legal proxy to the Annual Meeting and ask for a ballot from an usher when you arrive. You must also bring valid picture identification, such as a driver's license or a passport. In order for your vote to be counted, you must hand both the copy of the legal proxy and your completed ballot to an usher to be provided to the inspector of election.

Via the Internet. You may vote by proxy via the Internet by visiting www.proxyvote.com and entering the control number found in your Notice. The availability of Internet voting may depend on the voting process of the organization that holds your shares.

By Telephone. If you request printed copies of the proxy materials by mail, you will receive a voting instruction form and you may vote by proxy by calling the toll free number found on the voting instruction form. The availability of telephone voting may depend on the voting process of the organization that holds your shares.

By Mail. If you request printed copies of the proxy materials by mail, you will receive a voting instruction form and you may vote by proxy by filling out the form and returning it in the envelope provided.

What is the quorum required for the Annual Meeting?

The presence, in person or by proxy, of the holders of not less than one-third of the total number of shares of the Company's common stock issued and outstanding as of the Record Date will constitute a quorum. You will be considered part of the quorum if you return a signed and dated proxy card, if you vote over the Internet or by telephone, or if you attend and vote at the Annual Meeting. If a quorum is not present, the Company may propose to adjourn the Annual Meeting to solicit additional proxies.

How are proxies voted?

All shares represented by valid proxies received prior to the taking of the vote at the Annual Meeting will be voted and, where a stockholder specifies by means of the proxy a choice with respect to any matter to be acted upon, the shares will be voted in accordance with the stockholder's instructions.

What happens if I do not give specific voting instructions?

Stockholders of Record. If you are a stockholder of record and you (i) indicate when voting on the Internet or by telephone that you wish to vote as recommended by the Board; or (ii) sign and return a proxy card without giving specific voting instructions, then the persons named as proxy holders, Paul M. Black and Richard J. Poulton, will vote your shares in the manner recommended by the Board on all matters presented in this Proxy Statement and as the proxy holders may determine in their discretion with respect to any other matters properly presented for a vote at the Annual Meeting.

Beneficial Owners of Shares Held in Street Name. If you are a beneficial owner of shares held in street name and do not provide the organization that holds your shares with specific voting instructions, then, under applicable rules, the organization that holds your shares may generally vote on "routine" matters but cannot vote on "non-routine" matters. If the organization that holds your shares does not receive instructions from you on how to vote your shares on a non-routine matter, that organization will inform the inspector of election that it does not have the authority to vote on this matter with respect to your shares. This is generally referred to as a "broker non-vote."

Which proposals are considered "routine" or "non-routine"?

The ratification of the appointment of Grant Thornton LLP as the Company's independent registered public accounting firm for the year ending December 31, 2017 (Proposal Three) is considered a routine matter under applicable rules. A broker or other nominee may generally vote on routine matters, and therefore no broker non-votes are expected in connection with Proposal Three.

Each of the other proposals, including the election of directors (Proposal One), the amendment and restatement of the 2011 Stock Incentive Plan (Proposal Two), the advisory resolution to approve the Company's named executive officer compensation (Proposal Four), and the advisory vote to approve the frequency of the advisory vote on the Company's named executive officer compensation (Proposal Five) are considered non-routine matters under applicable rules. A broker or other nominee cannot vote without instructions on non-routine matters, and therefore broker non-votes may exist in connection with each of Proposals One, Two, Four and Five.

What is the voting requirement to approve each of the proposals?

With respect to the election of directors (Proposal One), in accordance with the policy of majority voting in uncontested director elections set forth in the Company's bylaws, if the number of shares voted "FOR" any nominee exceeds the number of shares voted "AGAINST" such nominee, he or she will be elected as a director to serve until the Company's 2017 Annual Meeting of Stockholders and until his or her successor has been duly elected, or until his or her earlier resignation or removal. If any nominee is an incumbent director and fails to receive a majority of the votes cast with respect to his or her nomination, he or she must tender a resignation as director, and such resignation will be considered by the Nominating and Governance Committee of the Board (the "Nominating Committee") in accordance with the requirements of the Company's Corporate Governance Guidelines.

Approval of each of Proposal Two, Proposal Three and Proposal Four requires the affirmative vote of the holders of a majority of the shares present in person or represented by proxy and entitled to vote on such matter. With respect to

Proposal Five, the option of one year, two years or three years that receives the highest number of votes cast by stockholders will be the frequency for the advisory resolution on the Company's named executive officer compensation that has been selected by stockholders.

How are broker non-votes and abstentions treated?

Broker non-votes and abstentions are counted for purposes of determining whether a quorum is present. With respect to the election of directors (Proposal One), a stockholder abstention or broker non-vote with respect to any nominee will have no effect on that nominee's election. With respect to Proposal Two, Proposal Three and Proposal Four, a stockholder abstention will have the effect of a vote "AGAINST" the approval of each proposal, but a broker non-vote will have no effect on the approval of the proposal. Abstentions and broker non-votes will have no effect on the outcome of Proposal Five.

In order to minimize the number of broker non-votes, the Company encourages you to vote or to provide voting instructions with respect to each proposal to the organization that holds your shares by carefully following the instructions provided in the Notice or voting instruction form.

Can I change my vote after I have voted?

You may revoke your proxy and change your vote at any time before the vote is taken at the Annual Meeting. Prior to the applicable cutoff time, you may change your vote using the Internet or telephone methods described above, in which case only your latest Internet or telephone proxy submitted prior to the Annual Meeting will be counted. You may also revoke your proxy and change your vote by signing and returning a new proxy card or voting instruction form dated as of a later date, or by attending the Annual Meeting and voting in person. However, your attendance at the Annual Meeting will not automatically revoke your proxy unless you properly vote at the Annual Meeting or specifically request that your prior proxy be revoked by delivering a written notice of revocation to the Company's Corporate Secretary at 222 Merchandise Mart Plaza, Suite 2024, Chicago, Illinois 60654 prior to the Annual Meeting.

Who will serve as the inspector of election?

A representative of Broadridge will serve as the inspector of election.

Where can I find the voting results of the Annual Meeting?

Preliminary voting results will be announced at the Annual Meeting. Final voting results will be tallied by the inspector of election after the taking of the vote at the Annual Meeting. The Company will publish the final voting results in a Current Report on Form 8-K, which the Company is required to file with the SEC within four business days following the Annual Meeting.

Where are the Company's principal executive offices located, and what is the Company's main telephone number?

The Company's principal executive offices are located at 222 Merchandise Mart Plaza, Suite 2024, Chicago, Illinois 60654. The Company's main telephone number is (312) 506-1200.

Who is paying the costs of the proxy solicitation?

The Company is paying the costs of the solicitation of proxies. The Company must pay brokerage firms, banks, broker-dealers, or other similar organizations representing beneficial owners of shares held in street name certain fees associated with (i) forwarding the Notice to beneficial owners; (ii) forwarding printed proxy materials by mail to beneficial owners who specifically request them; and (iii) obtaining beneficial owners' voting instructions. The Company has not, but may in the future decide to, retain a proxy solicitor to assist in the solicitation of proxies. Generally, the fee for such services is approximately \$15,000 plus expenses. If the Company does elect to retain a proxy solicitor, the Company will pay the proxy solicitor reasonable and customary fees. In addition to solicitations by

mail, the proxy solicitor, if any, and certain of the Company's directors, officers, and employees, without additional compensation, may solicit proxies on the Company's behalf in person, by telephone, or by electronic communication.

How can I attend the Annual Meeting?

Only stockholders of record as of the Record Date are entitled to attend the Annual Meeting. Each stockholder must present valid picture identification such as a driver's license or passport and, if asked, provide proof of stock ownership as of the Record Date. The use of mobile phones, recording or photographic equipment, tablets, or computers is not permitted at the Annual Meeting.

What is the deadline to propose actions for consideration or to nominate individuals to serve as directors at the 2018 Annual Meeting of Stockholders?

Requirements for Stockholder Proposals to be Considered for Inclusion in the Company's Proxy Materials. Proposals that a stockholder intends to present at the Company's 2018 Annual Meeting of Stockholders and wishes to be considered for inclusion in the Company's proxy statement and form of proxy related to the Company's 2018 Annual Meeting of Stockholders must be received by no later than December 13, 2017. All proposals must comply with Rule 14a-8 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which lists the requirements for the inclusion of stockholder proposals in company-sponsored proxy materials. Stockholder proposals must be delivered to the Company's Corporate Secretary by mail at 222 Merchandise Mart Plaza, Suite 2024, Chicago, Illinois 60654.

Requirements for Other Stockholder Proposals to be Brought Before the 2018 Annual Meeting of Stockholders and Director Nominations. Notice of any director nomination or any proposal that a stockholder intends to present at the Company's 2018 Annual Meeting of Stockholders, but does not intend to have included in the Company's proxy statement and form of proxy related to the Company's 2018 Annual Meeting of Stockholders, as well as any director nominations, must be delivered to the Company's Corporate Secretary by mail at 222 Merchandise Mart Plaza, Suite 2024, Chicago, Illinois 60654, not earlier than the close of business on December 23, 2017, and not later than the close of business on January 22, 2018. The notice must be submitted by a stockholder of record and must set forth the information required by the Company's bylaws with respect to each director nomination or other proposal that the stockholder intends to present at the Company's 2018 Annual Meeting of Stockholders. If you are a beneficial owner of shares held in street name, you can contact the organization that holds your shares for information about how to register your shares directly in your name as a stockholder of record.

DIRECTORS

Listed below are the nine nominees for election as a director. Each nominee other than Ms. Aspinall currently serves on the Board. Ms. Aspinall was recommended to the Board by a third-party search firm.

At the Annual Meeting, proxies cannot be voted for a greater number of individuals than the nine nominees named in this Proxy Statement. Each of the nominees listed below has consented to serving as a nominee, being named in this Proxy Statement, and serving on the Board if elected. Each director elected at the Annual Meeting will serve a one-year term.

The Board comprises a diverse group of leaders in their respective fields. Many of the Company's directors have senior leadership experience at major domestic and multinational companies. In these positions, they have also gained significant and diverse management experience, including strategic and financial planning, public company reporting, compliance, risk management, and leadership development. Many directors also have experience serving as executive officers of, or on boards of directors and board committees of, other public companies, and have an understanding of corporate governance practices and trends. The Board believes that the collective experiences, viewpoints, and perspectives of the Company's nominees for directors results in a Board with the commitment and energy to advance the interests of the Company's stockholders.

Name	Position with the Company	Age as of the Annual Meeting	Director Since
Mara G. Aspinall	Director Nominee	54	NA
Paul M. Black	Director, Chief Executive Officer	59	2012
P. Gregory Garrison	Director	63	2015
Jonathan J. Judge	Director	63	2016
Michael A. Klayko	Chairman of the Board	62	2013
Yancey L. Spruill	Director	49	2016
Dave B. Stevens	Director	55	2016
David D. Stevens	Director	64	2012
Ralph H. "Randy" Thurman	Director	67	2012

The Board and the Nominating Committee believe the skills, qualities, attributes, and experience of the nominees provide the Company with business acumen and a diverse range of perspectives to engage each other and the Company's management to address effectively the Company's evolving needs and represent the best interests of the Company's stockholders. The biographies below describe the skills, qualities, attributes, and experience of the nominees that led the Board and the Nominating Committee to determine that it is appropriate to nominate these directors.

Mara G. Aspinall currently serves as President and CEO of HealthCatalysts, a private healthcare consulting firm, and Executive Chairman of GenePeeks, Inc., a computational genomics company focused on genetic disease risk analysis. Ms. Aspinall also currently serves on the Board of Directors of Safeguard Scientifics, Inc. and Abcam plc, along with other privately held healthcare technology and medical insurance companies. From September 2011 until June 2014, Ms. Aspinall was the President and Chief Executive Officer of the Ventana Medical Systems and the Global Head of Roche Tissue Diagnostics, a global leader in the development and commercialization of tissue-based cancer diagnostics. Prior to 2011, Ms. Aspinall served as President of Genzyme Pharmaceuticals and Genzyme Genetics, a leading esoteric drug manufacturer and genetic test provider worldwide, respectively. Among other qualifications, Ms. Aspinall brings extensive international experience and operational expertise in the healthcare technology industry and is frequently recognized as an industry leader and pioneer with a focus on personalized medicine.

Paul M. Black has served as the Company's Chief Executive Officer since December 2012. Mr. Black also served as the Company's President from December 2012 until October 2015. Before joining the Company, Mr. Black served as Operating Executive of Genstar Capital, LLC, a private equity firm; and Senior Advisor at New Mountain Finance Corporation, an investment management company. From 1994 to 2007, Mr. Black served in various executive positions (including Chief Operating Officer) at Cerner Corporation, a healthcare information technology company. Mr. Black currently serves as a director of Truman Medical Centers. Within the past five years, Mr. Black has served as a director of Haemonetics Corporation, a publicly-traded medical device company, as well as several other private companies in the healthcare and software industries. Among other qualifications, Mr. Black brings extensive experience in the healthcare information technology industry, along with experience in the management of worldwide operations, sales, and support.

P. Gregory Garrison was a senior leader of PricewaterhouseCoopers ("PwC") for over twenty years, most recently serving as its Vice Chairman and Chief Operating Officer. Earlier in his career, Mr. Garrison also led PwC's U.S. Assurance & Audit Services practice, the Global Risk Management Solutions practice, and served as the Managing Partner of PwC's Los Angeles and St. Louis practices. Mr. Garrison has experience in strategic planning, operations, finance, information technology, mergers and acquisitions, human capital and sales and marketing. Over the course of his career, Mr. Garrison has also spent considerable time meeting and working with various regulators, as well as advising numerous boards and audit committees. Among other qualifications, Mr. Garrison brings experience as a successful business and operations leader, professional advisor and recognized financial expert.

Jonathan J. Judge currently serves on the board of directors of FEXCO Holdings Ltd., a global provider of finance and business solutions that is headquartered in Ireland, and D&H Corporation, a Toronto-based financial technology company. From April 2004 to January 2016, Mr. Judge served on the Board of Directors of PMC-Sierra, Inc., where he was the chairman of the board from August 2011 to January 2016 and was chairman of the compensation committee. From August 2010 until his retirement in January 2013, Mr. Judge served as the Chief Executive Officer of First Data Corporation, a global leader in electronic commerce and payment processing. From October 2004 until August 2010, Mr. Judge served as the President and Chief Executive Officer of Paychex Inc., a provider of payroll and human services. Previously, Mr. Judge served as President and Chief Executive Officer of Crystal Decisions, Inc. from October 2002 until the merger of Crystal Decisions with Business Objects S.A. in December 2003. From 1976 until October 2002, Mr. Judge was employed by International Business Machines Corporation, where he held senior management positions, most recently as General Manager of its personal computing division. Among other qualifications, Mr. Judge brings 45 years of experience in the technology industry and extensive management, leadership and global operations expertise.

Michael A. Klayko has been the Chairman of the Board since March 2014. Mr. Klayko currently serves as the Chief Executive Officer of MKA Capital, an investment company focused on technology investments. Previously, Mr. Klayko was Chief Executive Officer of AOptix Technologies, Inc., a privately-held provider of wireless communications and mobile network solutions, from July 2014 until January 2016. From 2005 until 2013, Mr. Klayko served as Chief Executive Officer of Brocade Communications Systems, Inc., a comprehensive network solutions provider. Mr. Klayko has previously held executive positions at Rhapsody Networks, Inc. (including as its Chief Executive Officer), McDATA Corp., EMC Corporation, Hewlett-Packard Company, and International Business Machines Corporation. Currently, Mr. Klayko serves as a director of Cyrus One Inc., a publicly-traded real estate investment trust focused on data centers. Within the past five years, Mr. Klayko served as a director of Bally Technologies, Inc., a publicly-traded manufacturer of slot machines and other gaming technologies, PMC-Sierra, Inc., a publicly-traded semiconductor company, and several other private companies in the technology industry. Among other qualifications, Mr. Klayko brings over 35 years of leadership experience in the technology industry as well as extensive experience in the management of worldwide operations, sales, and support.

Yancey L. Spruill currently serves as the Chief Operating Officer and Chief Financial Officer of SendGrid, Inc., a provider of email marketing services to companies. From September 2014 until June 2015, Mr. Spruill served as the Chief Financial Officer of TwentyEighty, Inc., a provider of training and performance improvement solutions. From August 2004 to September 2014, Mr. Spruill was the Chief Financial Officer of DigitalGlobe, Inc., a publicly-traded provider of geospatial information products and services. From 2000 to 2004, Mr. Spruill served as a Principal in the Investment Banking group at Thomas Weisel Partners. Additionally, Mr. Spruill's prior investment banking experience includes roles at Lehman Brothers, Inc. and at J.P. Morgan & Company. Mr. Spruill also served in several manufacturing engineering roles with Corning Incorporated and The Clorox Company. During the past five years, Mr. Spruill served as a director of Rally Software, a provider of enterprise-class software and services solutions to drive business agility, which was publicly-traded prior to its acquisition by CA, Inc. (f/k/a Computer Associates International, Inc.) in 2015. Mr. Spruill also currently serves as a member of the Tuck School of Business MBA Advisory Board. Among other qualifications, Mr. Spruill brings extensive financial and operating expertise, leadership experience, experience with serving on boards of directors, and significant experience in the technology industry.

Dave B. Stevens is the founder and managing director of Keelan Capital LLC and currently serves as an advisor to a variety of venture capital and private equity firms and private enterprises in the technology industry. From April 2012 to May 2015, Mr. Stevens served as a director of Imation Corp., a provider of global scalable storage and data security solutions. From September 2008 to June 2013, Mr. Stevens was the Chief Technology Officer of Brocade Communications Systems, Inc., a provider of networking solutions for data centers, enterprises and service providers, having re-joined the company through its acquisition of Rhapsody Networks, where Mr. Stevens was the founding Chief Executive Officer and Vice President of Business Development. From October 2005 to June 2008, Mr. Stevens was co-founder and Chief Executive Officer of Palo Alto Networks, Inc., a leader in the development of cyber security and next-generation firewall products. From January 2003 to June 2004, Mr. Stevens was the Chief Technology Officer of Transport systems for Brocade Communications Systems, Inc. Mr. Stevens previously served in senior management positions at Atmosphere Networks, Nortel, Bay Networks and SynOptics Communications. Among other qualifications, Mr. Stevens brings extensive technology experience in the security, computer, and data storage industries.

David D. Stevens currently serves as a private advisor and investor in private equity in the healthcare services industry. From 1983 until 2006, Mr. Stevens served in various executive roles at Accredo Health Group, Inc. (f/k/a Accredo Health, Inc.) and its predecessor companies, serving as its Chief Executive Officer from 1995 until 2006, its Chairman of the Board from 1995 until 2005, and its President and Chief Operating Officer from 1993 until 1996. Accredo Health Group, Inc. was acquired by Medco Health Solutions, Inc. in 2005. Mr. Stevens currently serves as a director of Wright Medical Group, Inc., a publicly-traded orthopedic company that designs, manufactures, and distributes extremity and biologic solutions; and several privately-held healthcare companies. During the past five years, Mr. Stevens served as a director of Medco Health Solutions, Inc., a pharmacy benefits management company that was publicly-traded prior to its acquisition by Express Scripts, Inc. in 2012; Thomas & Betts Corporation, a manufacturer of electrical, electronic, mechanical, and utility products that was publicly-traded prior to its acquisition by ABB Ltd. in 2012; and Viasystems Group, Inc., a leading manufacturer of complex multi-layer printed circuit boards and electro-mechanical solutions that was publicly-traded prior to its acquisition by TTM Technologies, Inc. in 2015. Among other qualifications, Mr. Stevens brings extensive financial and operating expertise, leadership experience, experience with serving on boards of directors, and significant experience in the healthcare industry.

Ralph H. "Randy" Thurman currently serves as a senior advisor in the private equity industry. He is currently Executive Chairman of Presbia PLC (an Orchard Capital Corporation company), a publicly-traded medical device company, and is a member of the executive investment council of Levitt Equity Partners, a private equity firm. In 2015, Mr. Thurman joined BC Partners, a private equity firm specializing in buyouts and acquisition financing, as a Senior Advisor. From 2008 until 2011, Mr. Thurman served as Executive Chairman of CardioNet Inc. (now known as BioTelemetry, Inc.), and as its interim Chief Executive Officer from 2008 until 2010. From 2001 until 2007, Mr. Thurman was Founder, Chairman and Chief Executive Officer of VIASYS Healthcare Inc., a diversified healthcare technology company, which was acquired by Cardinal Healthcare Inc. in 2007. Mr. Thurman served as a consultant to Cardinal Healthcare Inc. from the date of acquisition until 2008. From 1997 until 2001, Mr. Thurman served as Chairman and Chief Executive Officer of Strategic Reserves LLC, which provided advisory services to bio-pharmaceutical, genomic, and medical device companies. From 1993 until 1997, Mr. Thurman was Chairman and Chief Executive Officer of Corning Life Sciences, Inc., and from 1984 until 1993, Mr. Thurman held various positions at Rhone-Poulenc Rorer Pharmaceuticals, Inc., a global pharmaceutical company, ultimately as its President. Among other qualifications, Mr. Thurman brings significant corporate governance, operating and investing expertise as well as extensive expertise in the healthcare industry.

CORPORATE GOVERNANCE

Role of the Board

The Board oversees the Company's Chief Executive Officer and other senior management in the competent and ethical operation of the Company in support of the long-term interests of the Company's stockholders. The Company's Corporate Governance Guidelines are available at the "Corporate Governance" section at investor.allscripts.com.

Board Leadership Structure

The Board believes that its current leadership structure best serves the objectives of the Board's oversight of management, the Board's ability to carry out its roles and responsibilities on behalf of the Company's stockholders, and the Company's overall corporate governance. The Board currently believes that the separation of the Chairman and the Chief Executive Officer roles allows the Company's Chief Executive Officer to focus his time and energy on operating and managing the Company. The Board periodically reviews this leadership structure to determine whether it continues to best serve the Company and its stockholders.

Board Meetings and Committees

The Board met a total of ten times during 2016. The Board has determined that Ms. Aspinall and all Board members who served during 2016, other than Mr. Black, are independent under applicable rules of the NASDAQ Stock Market LLC ("NASDAQ") and the SEC.

The Board has a standing Audit Committee (the "Audit Committee") and Compensation Committee (the "Compensation Committee"), in addition to the Nominating Committee. The Board has determined that each of the committee members is independent under applicable NASDAQ and SEC rules for committee memberships. The members of the committees are shown in the tables below.

Name	Audit Committee	Compensation Committee	Nominating and Governance Committee	Transaction Advisory
Paul M. Black	-	-	-	-
P. Gregory Garrison	Chairman	-	-	Member
Jonathan J. Judge	-	Member	Member	-
Michael A. Klayko	-	Member	Member	Chairman
Yancey L. Spruill	Member	-	-	-
Dave B. Stevens	Member	-	-	-
David D. Stevens	Member	-	Chairman	Member
Ralph H. "Randy" Thurman	-	Chairman	-	Member

The Audit Committee has been established in accordance with Section 3(a)(58)(A) of the Exchange Act. The Audit Committee is primarily responsible for assisting the Board in fulfilling its oversight and monitoring responsibility of reviewing the financial information that will be provided to the Company's stockholders and others; appointing and

overseeing the services performed by the Company's independent registered public accounting firm, as well as pre-approving all services and fees related thereto; overseeing and periodically evaluating the performance and responsibilities of the Company's internal audit department, including approving the Company's annual internal audit plan and reviewing the results of internal audits, including management's responses thereto; reviewing with the Company's management, internal audit department, and independent registered public accounting firm the Company's critical accounting policies and its system of internal controls over financial reporting; and overseeing the risk assessments related to the Company conducted by the Company's management. The Audit Committee is also responsible for reviewing all related party transactions and has the authority to approve all such transactions. The Audit Committee met a total of eight times during 2016.

The Compensation Committee is primarily responsible for reviewing the compensation arrangements for the Company's executive officers, administering the Company's equity compensation plans, and reviewing the Board's compensation. For a further description of the Compensation Committee's processes and procedures, including the roles of the Company's management and independent compensation consultants in the Compensation Committee's decision-making process, see the "Compensation Discussion and Analysis" section below. The Compensation Committee met a total of four times during 2016.

The Nominating Committee assists the Board in identifying qualified individuals to become directors, makes recommendations to the Board concerning the size, structure, and composition of the Board and its committees, monitors the process to assess the Board's effectiveness, and is primarily responsible for the oversight of corporate governance at the Company, including implementation of the Company's Corporate Governance Guidelines. In March 2017, the Nominating Committee recommended to the full Board each of the nominees named in this Proxy Statement for election to the Board. The Nominating Committee met a total of seven times during 2016.

Each of the Audit Committee, the Compensation Committee, and the Nominating Committee operates under written charters adopted by the Board. These charters are available at the "Corporate Governance" section at investor.allscripts.com.

During 2016, each member of the Board attended or participated in 75% or more of the aggregate of (i) the total number of meetings of the Board (held during the period for which such person has been a director) and (ii) the total number of meetings held by each committee of the Board on which such person served (during the period that such person served).

There are no family relationships among the Company's executive officers and directors.

Consideration of Director Nominees

Stockholder Nominees

The Nominating Committee considers properly submitted stockholder nominations for candidates for membership on the Board in accordance with the Company's bylaws. Stockholder nominations for candidates for membership on the Board must comply with the requirements set forth in the Company's bylaws, and must be accompanied by a written consent of each proposed nominee to be named as a nominee and to serve as a director if elected. No person will be eligible for election as a director unless nominated in accordance with the procedures set forth in the Company's bylaws. Nominations for the Company's 2018 Annual Meeting of Stockholders must be delivered to the Company's Corporate Secretary by mail at 222 Merchandise Mart Plaza, Suite 2024, Chicago, Illinois 60654, not earlier than the close of business on December 23, 2017, and not later than the close of business on January 22, 2018.

Director Qualifications

In discharging its responsibilities to nominate candidates to the Board, the Nominating Committee has not specified any minimum qualifications for serving on the Board. However, the Nominating Committee endeavors to identify and evaluate candidates based on their specific healthcare and related industry experience, business and professional accomplishments, integrity, demonstrated ability to make independent analytical inquiries, diversity, ability to understand the Company's business, willingness to devote the necessary time to Board duties, and any other areas that may be expected to contribute to an effective Board. With respect to diversity, the Nominating Committee may consider such factors as differences in viewpoint, professional experience, education, skills, and other individual qualifications that contribute to board heterogeneity, including characteristics such as gender, race, and national origin.

Identifying and Evaluating Nominees for Directors

The Nominating Committee utilizes a variety of methods for identifying and evaluating nominees for directors. Candidates may come to the attention of the Nominating Committee through management, current Company directors, Company stockholders, or other persons. These candidates are evaluated and discussed by members of the Nominating Committee from time to time. Candidates may be considered at any point during the year.

The Nominating Committee considers stockholder recommendations for candidates to the Board in the same manner as candidates identified by the Nominating Committee. Following verification of the stockholder status of persons proposing candidates, recommendations are aggregated and considered by the Nominating Committee. If any materials are provided by a Company stockholder in connection with the recommendation of a director candidate, such materials are forwarded to the Nominating Committee. The Nominating Committee also may review materials provided by professional search firms or other parties in connection with a nominee.

Board Oversight of Risk Management

The Board believes that evaluating how the Company's senior management team manages the various risks confronting the Company is one of its most important areas of oversight. In carrying out this critical responsibility, the Board has designated the Audit Committee with primary responsibility for overseeing enterprise risk management.

In accordance with this responsibility, the Audit Committee monitors the Company's major financial, operational, privacy, security, business continuity, legal and regulatory, and reputational exposures, and reviews the steps management has taken to monitor and control these exposures. The Audit Committee's oversight includes, among other things, the review of regular reports from the Company's Senior Vice President, Chief Compliance Officer; the Company's Vice President, Corporate Audit; and other members of the Company's management as to the identification and status of risks to the Company, including financial risks and litigation claims and risks. As with other matters, the Audit Committee regularly discusses these topics with the Board.

Additionally, when determined by the Board or by the Company's management to be advisable, the Board or selected committees of the Board may undertake a formal enterprise risk assessment, at which risks facing the Company and associated responses are evaluated in detail. The Board also receives regular financial and business updates from the Company's senior management, which updates involve detailed reports on financial and business risks facing the Company when applicable.

While the Audit Committee has primary responsibility for overseeing enterprise risk management, each of the other Board committees also considers risk within its area of responsibility. For example, the Nominating Committee reviews legal and regulatory compliance risks as they relate to corporate governance structure and processes, and the Compensation Committee reviews risks related to compensation matters. The Chairman of each of these committees may periodically apprise the Board of significant risks and the Company's management's response to these risks.

In establishing and reviewing the Company's executive compensation program, the Compensation Committee considers whether the program encourages unnecessary or excessive risk-taking and has concluded that it does not. The Company's executive officers' base salaries are fixed in amount and thus do not encourage risk-taking, and the majority of compensation provided to the Company's executive officers is in the form of long-term equity awards that help align executive pay with the long-term interests of the Company's stockholders. The Compensation Committee believes that these awards do not encourage unnecessary or excessive risk-taking because the ultimate value of the awards is tied to the Company's financial or stock price performance, and because awards are subject to regular vesting schedules to help ensure that a significant component of executive compensation is tied to long-term stockholder value creation.

The Compensation Committee has also reviewed the Company's compensation programs for employees generally, and has concluded that these programs do not create risks that are reasonably likely to have a material adverse effect on the Company. The Compensation Committee believes that the Company's annual cash and long-term equity awards provide an effective and appropriate mix of incentives to help ensure the Company's performance is focused on long-term stockholder value creation and do not encourage short-term risk taking at the expense of long-term results.

While the Board and its committees oversee risk management strategy, the Company's management is responsible for implementing and supervising day-to-day risk management processes and reporting to the Board and its committees on such matters.

Audit Committee Financial Experts

The Board has determined that each of Mr. Garrison and Mr. Spruill qualifies as an "audit committee financial expert" as defined under applicable SEC rules. The Board has also determined that each member of the Audit Committee meets the additional criteria for independence of audit committee members set forth in Rule 10A-3(b)(1) under the Exchange Act.

Code of Conduct

The Company has adopted a Code of Conduct that applies to all of its employees, including the Company's principal executive officer, principal financial officer, and senior accounting officers, as well as to the Board. The Code of Conduct is available at the "Corporate Governance" section at investor.allscripts.com. The Company intends to disclose any changes in, or waivers from, this code by posting such information on the same website or by filing a Form 8-K with the SEC.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires the Company's officers and directors, and persons who own more than ten percent of a registered class of the Company's equity securities, to file reports of securities ownership and changes in such ownership with the SEC. Officers, directors, and greater than ten percent stockholders also are required by SEC rules to furnish the Company with copies of all Section 16(a) forms they file.

Based solely upon a review of the copies of such forms furnished to the Company, and on written representations from the reporting persons, the Company believes that all Section 16(a) filing requirements applicable to the Company's directors and officers were timely met during 2016, except that the Form 4 filed by Mr. Poulton on December 12, 2016, related to the vesting of performance stock units on November 15, 2016, was not timely filed due to an administrative error by the Company.

Certain Relationships and Related Transactions

The Company, or one or more of its subsidiaries, may occasionally enter into transactions with certain "related persons." Related persons include the Company's executive officers, directors, beneficial owners of more than 5% of the Company's common stock, immediate family members of any of these persons, and entities in which one or more of these persons has a direct or indirect material interest. The Company refers to transactions with these related persons as "related party transactions."

In accordance with the Company's written policy, the Audit Committee (or, in certain circumstances, disinterested members of the Board) is responsible for the review and approval of each related party transaction exceeding \$120,000 in which a related person has a direct or indirect material interest. The Audit Committee considers all relevant factors when determining whether to approve a related party transaction, including, without limitation:

- The size of the transaction and the amount of consideration payable to a related person;
- The nature of the interest of the applicable related person;
- Whether the transaction may involve a conflict of interest;
- Whether the transaction involves the provision of goods or services to the Company that are available from unaffiliated third parties; and
- Whether the proposed transaction is on terms and made under circumstances that are at least as favorable to the Company as would be available in comparable transactions with or involving unaffiliated third parties.

In August 2016, the Audit Committee was asked to review a commercial transaction with Fligoo, a provider of specialized software development services ("Fligoo"), when it was determined that Fligoo would potentially provide services to the Company valued at approximately \$2 million through December 31, 2016, and that Mr. Klayko could be deemed to have a material financial interest in the transaction due to his ownership of approximately 14% of the equity interests in Fligoo. The Audit Committee approved the related party transaction after determining that (a) Mr. Klayko was not involved in the Company's decision to retain the services of Fligoo, (b) the contract with Fligoo was fairly negotiated in accordance with the Company's normal contracting processes, and (c) the fees charged and the other terms and conditions of the transaction were customary and reasonable.

The services provided by Fligoo were completed in 2016.

Other than the transaction with Fligoo, since January 1, 2016, neither the Board nor the Audit Committee has been made aware of or asked to review and approve any "related party transactions."

Compensation Committee Interlocks and Insider Participation

Ms. Pramoda and Messrs. Klayko, Judge and Thurman were the members of the Compensation Committee during 2016. None of the members of the Compensation Committee is or has been an executive officer of the Company. None of the Company's executive officers served as a director or a member of a compensation committee (or other committee serving an equivalent function) of any other entity, an executive officer of which served as a director of the Company or member of the Compensation Committee during 2016.

Attendance of Directors at 2017 Annual Meeting of Stockholders

The Company expects all of its directors and director nominees to attend its annual meetings of stockholders absent an unavoidable and irreconcilable conflict. All of the Company's then-current directors and director nominees attended the Company's 2016 Annual Meeting of Stockholders.

Communications with the Board

Any correspondence intended for the Board, or for any individual member or members of the Board, should be directed to the Company's Corporate Secretary at 222 Merchandise Mart Plaza, Suite 2024, Chicago, Illinois 60654, with a request to forward the communication to the intended recipient(s). In general, any stockholder communication delivered to the Corporate Secretary for forwarding to the Board or specified Board member(s) will be forwarded in accordance with the stockholder's instructions. However, the Company reserves the right not to forward to Board members any abusive, threatening, or otherwise inappropriate materials.

Information regarding the submission of comments or complaints relating to the Company's accounting, internal accounting controls, or auditing matters can be found in the Company's Code of Conduct, which is available at the "Corporate Governance" section at investor.allscripts.com.

Compensation of Directors

The Compensation Committee is responsible for reviewing and approving the compensation program for the Company's non-employee directors. The Compensation Committee utilizes a combination of cash and equity as a way to attract and retain qualified directors.

Cash Compensation

For 2016, the annual retainer paid to the Company's non-employee directors was \$60,000, payable in equal quarterly installments. Non-employee directors also received a retainer of \$2,000 for attendance at Board meetings in excess of ten per year, and \$1,500 for attendance at each committee meeting. The Chairman of the Board may waive the additional \$2,000 fee for the entire Board, and may waive the \$1,500 fee for any applicable committee meeting for the attendees thereof. The Chairman of each committee may also waive the \$1,500 fee for any committee meeting he chairs. Each non-employee director of the Company is also reimbursed for expenses incurred when attending Board and committee meetings and other Board-related activities.

The Chairman of the Board receives an additional annual retainer in the amount of \$100,000, payable in equal quarterly installments. Each Chairman of the Audit Committee, Compensation Committee, and Nominating Committee receives an additional annual retainer of \$25,000, \$25,000, and \$15,000, respectively, for his service as chairman of the respective committees, payable in equal quarterly installments. Each member of the Audit Committee, Compensation Committee, and Nominating Committee also receives an additional annual retainer of \$2,500 per committee served. In addition, each of Messrs. Garrison, Klayko, Stevens and Thurman receive an additional annual retainer of \$5,000 for serving on the Transaction Advisory Committee of the Board. All of the foregoing payments are pro-rated for the dates of applicable service.

Prior to the beginning of each calendar year, non-employee directors may elect to receive all or a portion of their quarterly cash retainer payment in the form of deferred stock units ("DSUs"). DSUs represent the right to receive shares of the Company's common stock at the time the director's Board service ends. The number of DSUs granted is determined by dividing the portion of the cash compensation with respect to which the election is made by the closing price of the Company's common stock on the date the cash compensation is due to be paid. DSUs issued in lieu of cash compensation are fully vested.

Equity Compensation

Under the Company's 2011 Stock Incentive Plan, the Company's non-employee directors are eligible to receive equity awards in the form of stock options, restricted stock, or restricted stock units ("RSUs") at the discretion of the Board or the Compensation Committee. For 2016, the value of each annual equity award was \$200,000, delivered in the form of RSUs, which vest on a monthly basis or, if earlier, upon a change of control of the Company. The distribution of shares of common stock underlying the RSUs is deferred until the earlier to occur of the fourth anniversary of the grant date, the director's termination of service with the Board, or a change of control of the Company. Annual director equity awards are granted immediately following the Company's annual meeting of stockholders to coincide with the commencement of director terms.

Director Compensation – 2016

The following table shows information regarding the compensation earned during 2016 by the Company's non-employee directors who served on the Board during the year. The compensation paid to Mr. Black is shown in the table entitled "Summary Compensation Table – 2016, 2015 and 2014" and the related explanatory tables in the "Executive Compensation" section below. Mr. Black does not receive any compensation for his service as a member of the Board.

Name	Fees Earned or		Total
	Paid in Cash (1)	Stock Awards (2)	
	(\$)	(\$)	(\$)
Stuart L. Bascomb (3)	41,348	0	41,348
Dennis H. Chookaszian (3)	26,397	0	26,397
P. Gregory Garrison	92,632	200,005	292,637
Jonathan J. Judge (4)	43,786	200,005	243,791
Michael A. Klayko	180,500	200,005	380,505
Anita Pramoda (3)	34,893	0	34,893
Yancey L. Spruill (4)	45,275	200,005	245,280
Dave B. Stevens (4)	45,275	200,005	245,280
David D. Stevens	101,500	200,005	301,505
Ralph H. "Randy" Thurman	98,500	200,005	298,505

- (1) This column reports the amount of cash compensation earned by each director during 2016 for his or her Board and committee service. As described above, non-employee directors may elect to convert all or a portion of their cash compensation into fully-vested DSUs. None of the non-employee directors elected to do so in 2016.
- (2) In accordance with SEC rules, the amounts shown reflect the aggregate grant date fair value of RSU awards granted to non-employee directors during 2016, computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718, Stock Compensation ("FASB ASC Topic 718"). The grant date fair value of RSUs is measured based on the closing fair market value of the Company's common stock on the date of grant. The aggregate number of equity awards outstanding, including DSUs issued in lieu of cash compensation, as of December 31, 2016 for each of the Company's non-employee directors are as follows:

Name	Number of Shares
	Subject to
	Outstanding
	RSUs/DSUs as of

	12/31/16
Stuart Bascomb (3)	0
Dennis H. Chookaszian (3)	0
P. Gregory Garrison	29,214
Jonathan J. Judge (4)	15,129
Michael A. Klayko	57,101
Anita Pramoda (3)	0
Yancey L. Spruill (4)	15,129
Dave B. Stevens (4)	15,129
David D. Stevens	57,101
Ralph H. "Randy" Thurman	57,101

(3) Mr. Bascomb, Mr. Chookaszian and Ms. Pramoda ceased serving as members of the Board as of the expiration of their last term as a director at the 2016 Annual Meeting of Stockholders held on May 24, 2016.

(4) Mr. Judge, Mr. Spruill and Mr. Stevens were elected as members of the Board on May 24, 2016.

SECURITY OWNERSHIP OF
CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following tables show certain information as of March 27, 2017 (the “Table Date”), unless otherwise indicated, with respect to the beneficial ownership of the Company’s common stock by: (i) each person the Company believes beneficially holds more than five percent of the outstanding shares of the Company’s common stock based solely on the Company’s review of SEC filings; (ii) each director and nominee; (iii) each named executive officer listed in the table entitled “Summary Compensation Table – 2016, 2015 and 2014” under the section entitled “Compensation Discussion and Analysis” below; and (iv) all directors and executive officers as a group.

Unless otherwise indicated, all persons named as beneficial owners of the Company’s common stock have sole voting power and sole investment power with respect to the shares indicated as beneficially owned.

	Shares of Common Stock Beneficially Owned	Percent of Common Stock Outstanding		
>5% Stockholders				
Wellington Management Group LLP (1)	25,913,923	14.28 %		
Iridian Asset Management LLC (2)	17,373,774	9.57 %		
BlackRock, Inc. (3)	14,428,454	7.95 %		
The Vanguard Group (4)	14,123,121	7.78 %		
Vanguard Specialized Funds - Vanguard Health Care Fund (5)	11,198,893	6.17 %		
			Options, Exercisable, Stock Awards Vesting, and DSUs	
	Shares of Common Stock Beneficially Owned	Convertible Within 60 Days (6)	Total	Percent of Common Stock Outstanding
Named Executive Officers, Directors and Director Nominees				
Paul M. Black (7)	772,601	-	772,601	*
Richard J. Poulton	176,575	-	176,575	*
Melinda D. Whittington	18,357	-	18,357	*
Brian P. Farley	74,459	6,774	81,233	*

James R. Hewitt	89,698	-	89,698	*
Dennis M. Ollis	148,239	-		