

ATHENAHEALTH INC
Form 10-K/A
April 26, 2017

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

Form 10-K/A
(Amendment No. 1)
(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2016

or
 TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____
Commission File Number 001-33689
athenahealth, Inc.

(Exact name of registrant as specified in its charter)
Delaware 04-3387530
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification No.)

311 Arsenal Street, 02472
Watertown, Massachusetts
(Address of principal executive offices) (Zip Code)
617-402-1000

Registrant's telephone number, including area code
Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Name of each exchange on which registered |
|--------------------------------|---|
| Common Stock, \$0.01 par value | The NASDAQ Stock Market LLC |

Securities registered pursuant to Section 12(g) of the Act:
None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

The aggregate market value of the common stock held by non-affiliates of the registrant was approximately \$4,363,786,289 based on the closing price on the NASDAQ Global Select Market on June 30, 2016.

At January 31, 2017, the registrant had 39,518,523 shares of common stock, par value \$0.01 per share, outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Part III of this Form 10-K incorporates information by reference from the registrant's definitive proxy statement to be filed with the Securities and Exchange Commission within 120 days after the close of the fiscal year ended December 31, 2016.

EXPLANATORY NOTE

athenahealth, Inc., or athenahealth, is filing this Amendment No. 1, or Amendment, to its Annual Report on Form 10-K for the fiscal year ended December 31, 2016, previously filed with the Securities and Exchange Commission, or SEC, on February 2, 2017, or Original Filing, for the sole purpose of filing a revised redacted version of Exhibit 10.25, reflecting changes to athenahealth's confidential treatment request with respect to certain portions of that exhibit. Accordingly, Exhibit 10.25 to this Amendment supersedes and replaces in its entirety Exhibit 10.25 to the Original Filing.

In addition, as required by Rule 12b-15 under the Securities and Exchange Act of 1934, as amended, currently dated certifications by athenahealth's principal executive officer and principal financial officer required in accordance with Rule 13a-14(a) are being filed as exhibits to this Amendment; however, paragraphs 3, 4 and 5 of the certifications have been omitted because this Amendment does not contain any financial statements nor does it contain or amend any disclosure with respect to Items 307 and 308 of Regulation S-K.

Except as described above, no other changes have been made to the Original Filing. This Amendment does not reflect events occurring after the date of the Original Filing nor does it modify or update the disclosures contained in the Original Filing that may be affected by subsequent events. Accordingly, this Amendment should be read in conjunction with the Original Filing and our other filings made with the SEC subsequent to the filing of the Original Filing.

PART IV

Item 15. Exhibits, Financial Statement Schedules.

(a) Documents filed as part of this report.

Table of Contents

(3) Exhibits

See the Exhibit Index immediately following the signature page of this Amendment No. 1 on Form 10-K/A.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this Amendment No. 1 on Form 10-K/A to be signed on its behalf by the undersigned, thereunto duly authorized.

ATHENAHEALTH, INC.

By: /s/ Jonathan Bush
Jonathan Bush
Chief Executive Officer, President, and Chairman

By: /s/ Karl A. Stubelis
Karl A. Stubelis
Chief Financial Officer and Senior Vice President

Date: April 26, 2017

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| Exhibit No. | Exhibit Description | Incorporated by Reference | | |
|-------------|---|---------------------------|------------|--------------------|
| | | Form | File No. | Filing Date |
| 2.1 | Agreement and Plan of Merger by and among the Registrant, Echo Merger Sub, Inc., and Epocrates, Inc., dated January 7, 2013 | 8-K | 001-33689 | January 7, 2013 |
| 3.1 | Amended and Restated Certificate of Incorporation of the Registrant | S-1 | 333-143998 | September 11, 2007 |
| 3.2 | Amended and Restated Bylaws of the Registrant | S-1 | 333-143998 | September 11, 2007 |
| 4.1 | Specimen Certificate evidencing shares of common stock | S-1 | 333-143998 | August 3, 2007 |
| 10.1 | Form of Indemnification Agreement between the Registrant and each of its directors and officers | S-1 | 333-143998 | September 6, 2007 |
| †10.2 | athenahealth, Inc. 2000 Stock Option and Incentive Plan, as amended, and form of agreements | S-1 | 333-143998 | July 13, 2007 |
| †10.3 | athenahealth, Inc. 2007 Stock Option and Incentive Plan, as amended, and form of agreements | 10-Q | 001-33689 | October 18, 2013 |
| †10.4 | athenahealth, Inc. 2007 Employee Stock Purchase Plan, as amended | 10-Q | 001-33689 | October 19, 2012 |
| †10.5 | Epocrates, Inc. 2010 Equity Incentive Plan, as amended, and form of agreements | 10-Q | 001-33689 | July 18, 2014 |
| †10.6 | Employment Agreement by and between the Registrant and Jonathan Bush, dated November 1, 1999, as amended | S-1 | 333-143998 | July 13, 2007 |
| †10.7 | Employment Agreement by and between the Registrant and Stephen Kahane, dated February 18, 2011 | 10-Q | 001-33689 | April 29, 2011 |
| †10.8 | Employment Agreement by and between the Registrant and Karl Stubelis, dated May 19, 2016 | 8-K | 001-33689 | May 19, 2016 |
| †10.9 | Employment Agreement by and between the Registrant and Ed Park, dated July 1, 2010 | 10-Q | 001-33689 | October 22, 2010 |
| †10.10 | Employment Agreement by and between the Registrant and Kyle Armbruster, dated January 9, 2012 | 10-Q | 001-33689 | October 22, 2015 |
| †10.11 | Separation Agreement by and between the Registrant and Kristi Matus, dated May 31, 2016 | 10-Q | 001-33689 | July 21, 2016 |

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|--------|---|------|-----------|-------------------|
| †10.12 | athenahealth, Inc. Executive Incentive Plan, adopted March 29, 2013 | 8-K | 001-33689 | April 4, 2013 |
| 10.13 | Office Lease Agreement by and between the Registrant and JAMESTOWN Ponce City Market, L.P., dated June 24, 2013 | 10-Q | 001-33689 | July 19, 2013 |
| 10.14 | Amendment No. 1 to Office Lease Agreement by and between the Registrant and JAMESTOWN Ponce City Market, L.P., dated April 23, 2014 | 10-Q | 001-33689 | July 18, 2014 |
| 10.15 | Amendment No. 2 to Office Lease Agreement by and between the Registrant and JAMESTOWN Ponce City Market, L.P., dated August 18, 2014 | 10-Q | 001-33689 | October 17, 2014 |
| 10.16 | Amendment No. 3 to Office Lease Agreement by and between the Registrant and JAMESTOWN Ponce City Market, L.P., dated February 27, 2015 | 10-K | 001-33689 | February 4, 2016 |
| 10.17 | Amendment No. 4 to Office Lease Agreement by and between the Registrant and JAMESTOWN Ponce City Market, L.P., dated July 27, 2015 | 10-K | 001-33689 | February 4, 2016 |
| 10.18 | Purchase and Sale Agreement by and between the Registrant and the President and Fellows of Harvard College, dated December 5, 2012 | 10-K | 001-33689 | February 11, 2013 |
| 10.19 | First Amendment to Purchase and Sale Agreement by and between athenahealth, Inc. and President and Fellows of Harvard College, dated March 12, 2013 | 8-K | 001-33689 | March 18, 2013 |

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| Exhibit No. | Exhibit Description | Incorporated by Reference | |
|-------------|--|---------------------------|-------------------|
| 10.20 | Credit Agreement among the Registrant, Bank of America, N.A., as Administrative Agent, Swing Line Lender, and Letter of Credit Issuer, the other lenders party thereto, and Merrill Lynch, Pierce, Fenner & Smith Incorporated and TD Securities (USA) LLC as Joint Lead Arrangers and Joint Book Managers, dated May 10, 2013, and exhibits and schedules thereunder | 10-Q 001-33689 | July 19, 2013 |
| 10.21 | First Amendment to Credit Agreement among the Registrant, Bank of America, N.A., as Administrative Agent, dated December 18, 2014 | 8-K 001-33689 | December 24, 2014 |
| 10.22 | Amended and Restated Credit Agreement by and between the Registrant and Bank of America, N.A. as Administrative Agent, Swing Line Lender, and Letter of Credit Issuer; the other lenders party thereto from time to time; and Merrill Lynch, Pierce, Fenner & Smith Incorporated, TD Securities (USA) LLC, and U.S. Bank National Association as Joint Lead Arrangers and Joint Book Managers, dated May 5, 2015 | 10-Q 001-33689 | July 23, 2015 |
| 10.23 | Seaholm Triple Net Lease, effective as of January 31, 2014 | 10-Q 001-33689 | April 18, 2014 |
| 10.24 | First Amendment to Lease by and between the Registrant and Seaholm L/R, LLC, dated May 12, 2015 | 10-Q 001-33689 | July 23, 2015 |
| #10.25* | Services Agreement by and between the Registrant and Access Healthcare Services USA, LLC, dated July 31, 2013 | | |
| 10.26 | Construction Management Agreement by and between Athena Arsenal, LLC, a subsidiary of the Registrant, and C.E. Floyd Company, Inc., dated December 5, 2016 | 10-K 001-33689 | February 2, 2017 |
| †10.27 | Director Compensation Plan of the Registrant, effective as of January 1, 2017 | 10-K 001-33689 | February 2, 2017 |
| 21.1 | Subsidiaries of the Registrant | 10-K 001-33689 | February 2, 2017 |
| 23.1 | Consent of Independent Registered Public Accounting Firm | 10-K 001-33689 | February 2, 2017 |
| 31.1* | Rule 13a-14(a) or 15d-14 Certification of Chief Executive Officer | | |
| 31.2* | Rule 13a-14(a) or 15d-14 Certification of Chief Financial Officer | | |
| 32.1 | Certifications of Chief Executive Officer and Chief Financial Officer pursuant to Exchange Act rules 13a-14(b) or 15d-14(b) and 18 U.S.C. Section 1350 | 10-K 001-33689 | February 2, 2017 |

XBRL (eXtensible Business Reporting Language). The following materials from athenahealth, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2016, formatted in XBRL: (i) the Consolidated Balance Sheets, (ii) the Consolidated Statements of Income, (iii) the Consolidated Statements of Comprehensive Income, (iv) the Consolidated Statements of Stockholders' Equity, (v) the Consolidated Statements of Cash Flows, and (vi) notes to consolidated financial statements.

†Indicates a management contract or any compensatory plan, contract, or arrangement.

*Furnished or filed herewith.

Application has been made to the Securities and Exchange Commission for confidential treatment of certain provisions. Omitted material for which confidential treatment has been requested has been filed separately with the Securities and Exchange Commission.