

athenahealth has Agreed to Acquire Anodyne Health Partners for \$22.3 mm

WATERTOWN, MA --- October 5, 2009 --- athenahealth, Inc. (NASDAQ: ATHN), a leading provider of internet based business services for physician practices, today announced that it has signed a definitive agreement to acquire Anodyne Health Partners, Inc., a provider of Software-as-a-Service (SaaS) business intelligence (BI) solutions for healthcare providers. Terms of the merger agreement include a cash payment of \$22.3 million with the potential for additional consideration of up to \$7.7 million, based on the achievement of certain business and financial milestones. The transaction is expected to close in October.

Based in Alpharetta, Georgia, Anodyne Health Partners currently services large and enterprise medical group clients and has over 14,000 medical providers under contract. Anodyne Health Partners provides these clients with a unique proprietary web based BI software platform, Anodyne Intelligence(TM), and related services. This platform enhances an organization's ability to view all facets of its revenue cycle information and to access and extract critical operational and administrative information from various data systems. Anodyne Health Partners also has a business process outsourcing unit which is excluded from the acquisition and will be spun off into a separate company prior to closing.

"Anodyne Health Partners has developed what we believe is the best web-based business intelligence and reporting capability in the market, which it delivers to all size practices with particular success in large and enterprise-level medical group clients," said Jonathan Bush, athenahealth's Chairman and CEO. "By offering this capability through our national physician network, we will enhance our services to existing clients while creating a pathway for additional growth of our core services."

Anodyne Health Partners will operate as a separate unit of athenahealth with its own brand identity and will continue to market its BI solution on a standalone basis across all practice management platforms as it has done in the past. athenahealth plans to enhance the value of the Anodyne Intelligence service for athenahealth customers by integrating the service's existing practice information reporting capabilities into the athenaCollectorSM platform.

"athenahealth is by far the leading disruptive technology in our industry," said Michael Funk, CEO of Anodyne Health Partners. "By joining with athenahealth, we believe there is a tremendous opportunity to expand the development and use of the webbased tools we have built and to accelerate adoption of athenahealth's practice management, electronic health record, and patient communication services in the large group and enterprise market."

athenahealth expects to incur expenses related to transaction costs and amortization of purchased intangibles associated with the acquisition. The Company intends to exclude these expenses from its non-GAAP adjusted financial statements. The transaction-related expenses are expected to be approximately three cents per diluted share.



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About Anodyne Health Partners

Anodyne Health Partners is a provider of business intelligence (BI) solutions for healthcare providers representing the large and enterprise group markets. The company's unique, easy-to-use, web-based business intelligence software revolutionizes access to revenue cycle information that was once thought difficult, or even impossible, to obtain.

About athenahealth

athenahealth, Inc. (NASDAQ: ATHN) is a leading provider of internet-based business services for physician practices. The company's service offerings are based on proprietary web-native practice management and electronic health record (EHR) software, a continuously updated payer knowledge-base, integrated back-office service operations, and live patient communications services.

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