Risk Factors Comparison 2024-02-22 to 2023-02-23 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text Moved Text Section

Investors should carefully consider the following Company- specific and general risk factors. Company- Specific Risk Factors Our revenue and profitability will decline if the pharmaceutical industry undergoes certain changes, including limiting or discontinuing research, development, production and marketing of the pharmaceuticals that are compatible with the services we provide. Our business is highly dependent on the ability of pharmaceutical manufacturers to develop, supply and market pharmaceuticals that are compatible with the services we provide. Our revenue and profitability will decline if those companies were to sell pharmaceuticals directly to the public, fail to support existing pharmaceuticals or develop new pharmaceuticals with different administration requirements than our service offerings are currently equipped to handle. Our business could also be harmed if the pharmaceutical industry experiences any supply shortages, pharmaceutical recalls, changes in the FDA approval processes, or changes to how pharmaceutical manufacturers finance, promote or sell pharmaceutical products. The Company has experienced drug and supply shortages and has leveraged its relationships with direct manufacturers and distributors to ensure consistent supply and cost- effective procurement. A reduction in the supply of and market for pharmaceuticals that are compatible with the services we provide may have a material adverse effect on our financial condition and results of operations. If we lose relationships with managed care organizations (" MCOs ") and other non- governmental third- party payers, we could lose access to a significant number of patients and our revenue and profitability could decline. We are highly dependent on reimbursement from MCOs, government programs such as Medicare and Medicaid and commercial insurers (collectively, " Third- Party Payers "). For the year ended December 31, ~~2022~~ **2023** , 88 % of our revenue came from MCOs and other non-governmental payers, including Medicare Advantage plans, Managed Medicaid plans, pharmacy benefit managers (" PBMs "), and self- pay patients. Many payers seek to limit the number of providers that supply pharmaceuticals to their enrollees in order to build volume that justifies their discounted pricing. From time to time, payers with whom we have relationships require that we bid against our competitors to keep their business. As a result of this bidding process, we may not be retained, and even if we are retained, the prices at which we are able to retain the business may be reduced. The loss of a payer relationship could significantly reduce the number of patients we serve and have a material adverse effect on our revenue and net income, and a reduction in pricing could reduce our gross margins and net income. The healthcare industry is highly competitive. The healthcare industry is highly competitive. We compete directly with national, regional and local healthcare providers. There are many other companies and individuals currently providing healthcare services that we provide, many of which have been in business longer and / or have substantially more resources. Other companies could enter the healthcare industry in the future and divert some or all of our business. We expect to continue to encounter competition in the future that could limit our ability to grow revenue and / or maintain acceptable pricing levels. Some of our competitors have vertically integrated business models with commercial payers or are under common control with, or owned by, pharmaceutical wholesalers and distributors, MCOs, PBMs or retail pharmacy chains and may be better positioned with respect to the cost- effective distribution of pharmaceuticals. In addition, some of our competitors may have secured long- term supply or distribution arrangements for prescription pharmaceuticals necessary to treat certain chronic disease states on price terms substantially more favorable than the terms currently available to us. Consequently, we may be less price competitive than some of our competitors with respect to certain pharmaceutical products. Accountable Care Organizations (" ACOs ") and other clinical integration models may result in lower reimbursement rates. Some of our competitors may negotiate exclusivity provisions with managed care plans or otherwise interfere with the ability of MCOs to contract with us. Increasing consolidation in the payer and supplier industries, including vertical integration efforts among insurers, providers, and suppliers, and cost- reduction strategies by large employer groups and their affiliates may limit our ability to negotiate favorable terms and conditions in our contracts and otherwise intensify competitive pressure. In addition, our competitive position could be adversely affected by any inability to obtain access to new biotech pharmaceutical products. If we are unable to maintain relationships with existing patient referral sources, our business and consolidated financial condition, results of operations, and cash flows could be materially adversely affected. Our success depends on referrals from physicians, hospitals, and other sources in the communities we serve and on our ability to maintain good relationships with existing referral sources. Our referral sources are not contractually obligated to refer patients to us and may refer their patients to other providers. Our growth and profitability depends, in part, on our ability to establish and maintain close working relationships with these patient referral sources and to increase awareness and acceptance of the benefits of home infusion by our referral sources and their patients. Our loss of, or failure to maintain, existing relationships or our failure to develop new referral relationships could have a material adverse effect on our business and consolidated financial condition, results of operations, and cash flows. Changes in industry pricing benchmarks could adversely affect our financial performance. Our contracts generally use certain published benchmarks to establish pricing for the reimbursement of prescription medications we dispense. These benchmarks include AWP, wholesale acquisition cost, ASP and average manufacturer price. Many of our contracts utilize the AWP benchmark. Publication of the AWP benchmark was expected to cease in 2011 as a result of the settlement of class- action lawsuits brought against First Databank and Medi- Span, third- party publishers of various pricing benchmarks. However, Medi- Span continues to publish the AWP benchmark and has indicated that it will continue to do so until a new benchmark is widely accepted. Several industry participants have explored establishing a new benchmark but there is not currently a viable generally accepted alternative to the AWP benchmark. Without a suitable pricing benchmark in place, many of our contracts may need to be modified, which could potentially change the economic structure of our agreements. Changes in our relationships with pharmaceutical suppliers, including changes in drug availability or pricing, could adversely

affect our business and financial results. We have contractual relationships with pharmaceutical manufacturers to purchase the pharmaceuticals that we dispense. In order to have access to these pharmaceuticals, and to be able to participate in the launch of new pharmaceuticals, we must maintain a good working relationship with these manufacturers. Most of the manufacturers of the pharmaceuticals we sell have the right to cancel their supply contracts with us without cause and after giving only minimal notice. Any changes to these relationships, including, but not limited to, the loss of a manufacturer relationship, drug shortages or changes in pricing, could have an adverse effect on our business and financial results. Some pharmaceutical manufacturers attempt to limit the number of preferred distributors that may market certain of their pharmaceutical products. We cannot provide assurance that we will be selected and retained as a preferred distributor or that we can remain a preferred distributor to market these products. Although we believe we can effectively meet our suppliers' requirements, we cannot provide assurance that we will be able to compete effectively with other providers to retain our position as a distributor of each of our core products. Our failure to retain our position as a distributor of each of our core products could have a material adverse effect on our financial condition and results of operations. A disruption in pharmaceutical and medical supply could adversely impact our business. For the year ended December 31, ~~2022~~ **2023** , approximately ~~73~~ **72** % of our pharmaceutical and medical supply purchases were from four vendors. Most of the pharmaceuticals that we purchase are available from multiple sources, and we believe they are available in sufficient quantities to meet our needs and the needs of our patients. We keep safety stock to ensure continuity of service for reasonable, but limited, periods of time. Should a supply disruption result in our inability to obtain especially high margin drugs and compound components necessary for patient care, our consolidated financial statements could be negatively impacted. ~~The COVID- 19 pandemic has led to a constrained supply environment, which could result in higher costs to procure, and the potential unavailability of, critical personal protection equipment, pharmaceuticals and medical supplies. As of December 31, 2022, we have not experienced a significant impact in the availability of supplies due to the COVID- 19 pandemic.~~ A shortage of qualified registered nursing staff, pharmacists and other professionals could adversely affect our ability to attract, train and retain qualified personnel and could increase operating costs. Our business relies on our ability to attract, train and retain nursing staff, pharmacists and other professionals who possess the skills, experience and licenses necessary to meet the requirements of their job responsibilities. From time to time, and particularly in recent years, there have been shortages of nursing staff, pharmacists and other professionals in certain local and regional markets. As a result, we are often required to compete for personnel with other healthcare systems and our competitors. Our ability to attract, train and retain personnel depends on several factors, including our ability to provide them with engaging assignments and competitive salaries and benefits. We may not be successful in any of these areas. In addition, where labor shortages arise in markets in which we operate, we have faced higher costs to attract personnel and we ~~may~~ have **had** to provide them with more attractive benefit packages than originally anticipated or are being paid in other markets where such shortages do not exist at the time. In either case, such circumstances ~~could~~ cause operating costs to increase and our profitability to decline. Finally, if we expand our operations into geographic areas where healthcare providers historically have unionized or unionization occurs in our existing geographic areas, negotiating collective bargaining agreements may have a negative effect on our ability to timely and successfully recruit qualified personnel and on our financial results. If we are unable to attract, train and retain nursing staff, pharmacists and other professionals, the quality of our services may decline and we could lose patients and referral sources, which could have a material adverse effect on our business and consolidated financial condition, results of operations and cash flows. Introduction of new drugs ~~or~~ **,** accelerated adoption of existing lower margin **drugs or withdrawal of existing** drugs could adversely affect our revenues and profitability when prescribers prescribe these drugs for their patients or they are mandated by Third- Party Payers. The pharmaceutical industry pipeline of new drugs includes many drugs that over the long term may replace older, more expensive therapies. As a result of such older drugs losing patent protection and being replaced by generic substitutes, new and less expensive delivery methods (such as when an infusion or injectable drug is replaced with an oral drug) or additional products that are added to a therapeutic class, increase price competition among competing manufacturers' products in that therapeutic category. **We have experienced a decrease in revenue and net income as a result of the withdrawal from the market of a drug related to the treatment of pre- term labor and the introduction of an oral alternative drug related to the treatment of ALS.** In such cases, manufacturers have the ability to increase drug acquisition costs or lower the selling price of replaced products. These actions could negatively impact our revenues and / or profitability. Failure to develop new services or adapt to changes and trends within the healthcare industry may adversely affect our business. We operate in a highly competitive environment. We develop new services from time to time to assist our clients. If we are unsuccessful in developing innovative services, our ability to attract new clients and retain existing clients may suffer. Technology, including the ability to capture and report outcomes, is also an important component of our business as we continue to utilize new and better channels to communicate and interact with our clients, members and business partners. If our competitors are more successful than us in employing new technology, our ability to attract new clients, retain existing clients and operate efficiently may suffer. Any significant shifts in the structure of the healthcare products and services industry in general could alter the industry dynamics and adversely affect our ability to attract or retain clients. Our failure to anticipate or appropriately adapt to changes in the industry could negatively impact our competitive position and adversely affect our business and results of operations. Changes in future business conditions could cause business investments and / or recorded goodwill to become impaired, and our financial condition and results of operations could suffer if there is an impairment of goodwill. Our acquisitions resulted in significant goodwill reported on our financial statements. Goodwill results when the purchase price exceeds the fair value of the net identifiable tangible and intangible assets acquired. We may not realize the full value of this goodwill. As such, we evaluate on at least an annual basis whether events and circumstances indicate that all or some of the carrying value of goodwill is no longer recoverable, in which case we would recognize the unrecoverable goodwill as a charge against our earnings. The Company completes its goodwill impairment test annually in the fourth quarter on a qualitative basis. If the fair value is more likely than not less than the carrying value, a quantitative assessment would be

performed. When evaluating goodwill for potential impairment on a quantitative basis, we compare the fair value of our reporting units to their respective carrying amounts. We estimate the fair value of our reporting units using the income approach. If the carrying amount of a reporting unit exceeds its estimated fair value, a goodwill impairment loss is recognized in an amount equal to the excess to the extent of the goodwill balance. The income approach requires us to estimate a number of factors for our reporting units, including projected future operating results, economic projections, anticipated future cash flows, and discount rates. The fair value determined using the income approach is then compared to marketplace fair value data from within a comparable industry grouping for reasonableness. Because of the significance of our goodwill, any future impairment could result in material non- cash charges to our results of operations, which could have an adverse effect on our financial condition and results of operations. A significant change in, or noncompliance with, governmental regulations and other legal requirements could have a material adverse effect on our reputation and profitability. We operate in complex, highly regulated environments and could be materially and adversely affected by changes to applicable legal requirements including the related interpretations and enforcement practices, new legal requirements and / or any failure to comply with applicable regulations. Our home infusion and alternate site infusion businesses are subject to numerous federal, state and local regulations including licensing and other requirements for pharmacies and reimbursement arrangements. The federal and state statutes and regulations to which we are subject include, but are not limited to, laws requiring the registration and regulation of pharmacies; laws governing the dispensing of pharmaceuticals and controlled substances; laws regulating the protection of the environment and health and safety matters, including those governing exposure to, and the management and disposal of, hazardous substances; laws regarding food and drug safety, including those of the FDA and the DEA; applicable governmental payer regulations, including those applicable to Medicare and Medicaid; data privacy and security laws, including HIPAA and its associated regulations; federal and state fraud and abuse laws, including, but not limited to, the Anti- Kickback Statute and false claims laws; trade regulations, including those of the U. S. Federal Trade Commission (" FTC ") ~~;~~ **,** the U. S. Foreign Corrupt Practices Act (the " FCPA ") and similar anti- corruption laws in connection with the services provided by certain of our contractors; and consumer protection and safety laws, including those of the Consumer Product Safety Commission. We are required to hold valid DEA and state- level licenses, meet various security and operating standards and comply with federal and various state controlled substance acts and related regulations governing the sale, dispensing, disposal, holding and distribution of controlled substances. The DEA, the FDA and state regulatory authorities have broad enforcement powers, including the ability to seize or recall products and impose significant criminal, civil and administrative sanctions for violations of these laws and regulations. We use, disclose and otherwise process personally identifiable information, including health information, making us subject to HIPAA and other federal and state privacy and security regulations **,** and failure to comply with those regulations or to adequately secure the information we hold could result in significant liability or reputational harm and, in turn, could have a material adverse effect on our patient base and revenue. We are also governed by federal and state laws of general applicability, including laws regulating matters of working conditions, health and safety and equal employment opportunity and other labor and employment matters as well as employee benefits, competition, antitrust, taxation and escheatment matters. Material violations of any such laws could have a material adverse effect on our patient base and revenue. In addition, we could have significant exposure if we are found to have infringed another party' s intellectual property rights. Changes in laws, regulations and policies and the related interpretations and enforcement practices may alter the landscape in which we do business and may significantly affect our cost of doing business, the impact of which generally cannot be predicted. Such changes may require extensive system and operational changes, be difficult to implement, increase our operating costs and require significant capital expenditures. ~~Untimely~~ **Ultimately** , our noncompliance with applicable laws and regulations could result in the imposition of civil and criminal penalties that could adversely affect the continued operation of our business, including: suspension of payments from government programs; loss of required government certifications; loss of authorizations to participate in or exclusion from government programs, including the Medicare and Medicaid programs; loss of licenses; and significant fines or monetary penalties. Any failure to comply with applicable regulatory requirements could result in significant legal and financial exposure, damage our reputation, and have a material adverse effect on our business operations, financial condition and results of operations. Federal actions and legislation may reduce reimbursement rates from governmental payers and adversely affect our results of operations. In recent years, Congress has passed legislation reducing payments to ~~health~~ **healthcare** ~~- care~~ providers. The Budget Control Act of 2011, as amended, requires automatic spending reductions to reduce the federal deficit, including Medicare spending reductions of up to 2 % per fiscal year that extend through 2027. The Center for Medicare & Medicaid Services (" CMS ") began imposing a 2 % reduction on Medicare claims on April 1, 2013. The Affordable Care Act provides for material reductions in the growth of Medicare program spending. The 21st Century Cures Act (the " Cures Act ") significantly reduced the amount paid by Medicare for drug costs, while delaying the implementation of a clinical services payment, although Congress also passed a temporary transitional service payment that took effect January 1, 2019. In addition, from time to time, CMS revises the reimbursement systems used to reimburse ~~health~~ **healthcare** ~~care~~ providers, which may result in reduced Medicare payments. For the year ended December 31, ~~2022~~ **2023** , 12 % of our revenue was derived from reimbursement by direct federal and state programs such as Medicare and Medicaid. Reimbursement from these and other government programs is subject to statutory and regulatory requirements, administrative rulings, interpretations of policy, implementation of reimbursement procedures, retroactive payment adjustments, governmental funding restrictions and changes to or new legislation, all of which may materially affect the amount and timing of reimbursement payments to us. Changes to the way Medicare pays for our services, including mandatory payment reductions, such as sequestration, may reduce our revenue and profitability on services provided to Medicare patients and increase our working capital requirements. In addition, we are sensitive to possible changes in state Medicaid programs. Because most states must operate with balanced budgets and because the Medicaid program is often a state' s largest program, some states have enacted or may consider enacting legislation designed to reduce their Medicaid expenditures. Further, many states have taken steps to reduce coverage and / or enroll

Medicaid recipients in managed care programs. The current economic environment has increased the budgetary pressures on many states, and these budgetary pressures have resulted, and likely will continue to result, in decreased spending, or decreased spending growth, for Medicaid programs and the Children' s Health Insurance Program in many states. In some cases, Third- Party Payers rely on all or portions of Medicare payment systems to determine payment rates. Changes to government healthcare programs that reduce payments under these programs may negatively impact payments from Third- Party Payers. Current or future healthcare reform and deficit reduction efforts, changes in other laws or regulations affecting government healthcare programs, changes in the administration of government healthcare programs and changes in payment rates by Third- Party Payers could have a material, adverse effect on our financial position and results of operations. Delays in reimbursement may adversely affect our liquidity, cash flows and results of operations. The reimbursement process for the services we provide is complex, resulting in delays between the time we bill for a service and receipt of payment that can be significant. Reimbursement and procedural issues often require us to resubmit claims multiple times and respond to multiple administrative requests before payment is remitted. The collection of accounts receivable is challenging and requires constant focus and involvement by management and ongoing enhancements to information systems and billing center operating procedures. While management believes that our controls and processes are satisfactory, there can be no assurance that collections of accounts receivable will continue at historical rates. The risks associated with Third- Party Payers and the inability to collect outstanding accounts receivable could have a material adverse effect on our liquidity, cash flows and results of operations. We are subject to pricing pressures and other risks involved with Third- Party Payers. Competition to provide healthcare services, efforts by traditional Third- Party Payers to contain or reduce healthcare costs, and the increasing influence of managed care payers such as HMOs, has resulted in reduced rates of reimbursement for home infusion and specialty pharmacy services. Changes in reimbursement policies of governmental Third- Party Payers, including policies relating to Medicare, Medicaid and other federal and state funded programs, could reduce the amounts reimbursed to our customers for our products and, in turn, the amount these customers would be willing to pay for our products and services, or could directly reduce the amounts payable to us by such payers. Pricing pressures by Third- Party Payers may continue, and these trends may adversely affect our business. Also, continued growth in managed care plans has pressured healthcare providers to find ways of becoming more cost competitive. MCOs have grown substantially in terms of the percentage of the population they cover and in terms of the portion of the healthcare economy they control. MCOs have continued to consolidate to enhance their ability to influence the delivery of healthcare services and to exert pressure to control healthcare costs. A rapid concentration of revenue derived from individual managed care payers could harm our business. We face periodic reviews and billing audits by governmental and private payers, which could result in adverse findings that may negatively impact our business. As a result of our participation in the Medicare and Medicaid programs, we are subject to various governmental reviews and audits to verify our compliance with these programs and applicable laws and regulations. We also are subject to audits under various government programs in which third-party firms engaged by CMS conduct extensive reviews of claims data and medical and other records to identify potential improper payments under the Medicare program. Third- Party Payers may also conduct audits. Disputes with payers can arise from these reviews. Payers can claim that payments based on certain billing practices or billing errors were made incorrectly. If billing errors are identified in the sample of reviewed claims, the billing error can be extrapolated to all claims filed, which could result in a larger overpayment than originally identified in the sample of reviewed claims. Our costs to respond to and defend claims, reviews and audits may be significant and could have a material adverse effect on our business and financial condition, results of operations and cash flows. Moreover, an adverse claim, review or audit could result in: • required refunding or retroactive adjustment of amounts we have been paid by governmental payers or Third **-** Party Payers; • state or federal agencies imposing fines, penalties and other sanctions on us; • suspension or exclusion from the Medicare program, state programs, or one or more third- party payer networks; or • damage to our business and reputation in various markets. These results could have a material adverse effect on our business and financial condition, results of operations and cash flows. If any of our pharmacies fail to comply with the conditions of participation in the Medicare program, that pharmacy could be terminated from Medicare, which could adversely affect our consolidated financial statements. Our pharmacies must comply with the extensive conditions of participation in the Medicare program. If a pharmacy fails to meet any of the Medicare supplier standards, that pharmacy could be terminated from the Medicare program. We respond in the ordinary course to deficiency notices issued by surveyors, and none of our pharmacies has ever been terminated from the Medicare program for failure to comply with the Medicare supplier standards. Any termination of one or more of our pharmacies from the Medicare program for failure to satisfy the Medicare supplier standards could adversely affect our consolidated financial statements. We cannot predict the impact of changing requirements on compounding pharmacies. Compounding pharmacies are closely monitored by federal and state governmental agencies. We believe that our compounding is performed in safe environments **,** and we have clinically appropriate policies and procedures in place. We only compound pursuant to a patient- specific prescription and do so in compliance with USP 797 standards. The DQSA amended the FDCA to grant the FDA additional authority to regulate and monitor the manufacturing of compounded pharmaceutical drugs. In 2013, Congress passed the DQSA, which creates a new category of compounding facilities called outsourcing facilities that are regulated by the FDA. The Company complies with all ~~Federal~~ **federal** and ~~State~~ **state** regulations, as well as all PCAB Accreditation Standards for Sterile and Non- Sterile Pharmacy Compounding, and pursues accreditation from quality associations. The Company believes it complies in all material respects with all applicable requirements of a non- outsourcing- facility pharmacy, as outlined in Section 503A of the FDCA. Title II of this measure, known as the Drug Supply Chain Security Act (" DSCSA ") **,** established requirements in November 2013 to facilitate the tracing of prescription drug products through the pharmaceutical supply distribution chain. These requirements included a ~~ten~~ **10** - year timeline culminating in the building of" an electronic, interoperable system to identify and trace certain prescription drugs as they are distributed in the United States. " The law' s track and trace requirements are applicable to manufacturers, wholesalers, repackagers and dispensers (e. g., pharmacies) of prescription drugs. The Company is currently

materially compliant with **the** DSCSA ~~, and intends~~ **provisions currently in effect. The Company also expects** to be materially compliant with the **additional provisions** ~~final milestone requirement~~ of ~~receiving or~~ **DSCSA, which requires the electronic receipt and** ~~exchanging~~ **exchange of** transaction information (with specific product identifiers for each package) and transaction statements ~~electronically~~ **,** by the **November 2023** effective date ~~in November 2023~~ . These regulatory measures, future ~~FDA~~ DSCSA regulatory measures and the potential for increased ~~FDA~~ DSCSA enforcement **by the FDA** could increase pharmacy costs. Noncompliance with these regulations could have an adverse impact on our reputation and profitability. We do not believe that our current compounding practices qualify us as an outsourcing facility and, therefore, we continue to operate consistently with USP 797 standards and applicable state pharmacy laws. Should state regulators or the FDA disagree, or should our business practices change to qualify us as an outsourcing facility, there is risk of regulatory action and / or increased resources required to comply with federal requirements imposed pursuant to the DQSA on outsourcing facilities that could significantly increase our costs or otherwise affect our results of operations. Furthermore, we cannot predict the overall impact of increased scrutiny on compounding pharmacies. Risks Relating to Our Indebtedness Our existing indebtedness could adversely affect our business and growth prospects. As of December 31, ~~2022~~ **2023** , we had $ 1, ~~094~~ **088** . 0 million of outstanding borrowings, including (i) $ ~~594~~ **588** . 0 million under our First Lien Term Loan (as defined herein) and (ii) $ 500. 0 million under our 4. 375 % Senior Unsecured Notes due 2029 (the " Senior Notes "). All obligations under the First Lien Term Loan are secured by first- priority perfected security interests in substantially all of our assets and the assets of our subsidiaries, subject to permitted liens and other exceptions. Our indebtedness, or any additional indebtedness we may incur, could require us to divert funds identified for other purposes for debt service and impair our liquidity position. If we cannot generate sufficient cash flow from operations to service our debt, we may need to refinance our debt, dispose of assets or issue equity to obtain necessary funds. We do not know whether we will be able to take any of these actions on a timely basis, on terms satisfactory to us or at all. Our indebtedness, the cash flow needed to satisfy our debt and the covenants contained in our credit agreements and indenture have important consequences, including but not limited to: • limiting funds otherwise available for financing our capital expenditures by requiring us to dedicate a portion of our cash flows from operations to the repayment of debt and the interest on this debt; • limiting our ability to incur additional indebtedness; • limiting our ability to capitalize on significant business opportunities; • making us more vulnerable to rising interest rates; and • making us more vulnerable in the event of a downturn in our business. Our level of indebtedness may place us at a competitive disadvantage to our competitors that are not as highly leveraged. Fluctuations in interest rates can increase borrowing costs. Increases in interest rates may directly impact the amount of interest we are required to pay and reduce earnings accordingly. In addition, developments in tax policy, such as the disallowance of tax deductions for interest paid on outstanding indebtedness, could have an adverse effect on our liquidity and our business, financial ~~conditions~~ **condition** and results of operations. Further, our credit agreements and indenture contain customary affirmative and negative covenants and certain restrictions on operations that could impose operating and financial limitations and restrictions on us, including restrictions on our ability to enter into particular transactions and to engage in other actions that we may believe are advisable or necessary for our business. Our First Lien Term Loan is also subject to mandatory prepayments in certain circumstances and requires a prepayment of a certain percentage of our excess cash flow. This excess cash flow payment, and future required prepayments, will reduce our cash available for investment in our business. We expect to use cash flow from operations to meet current and future financial obligations, including funding our operations, debt service requirements and capital expenditures. The ability to make these payments depends on our financial and operating performance, which is subject to prevailing economic, industry and competitive conditions and to certain financial, business, economic and other factors beyond our control. Despite our indebtedness, we may still incur significantly more debt, which could exacerbate the risks associated with our substantial leverage. We may incur additional indebtedness, including additional secured indebtedness, in the future, in connection with future acquisitions, strategic investments and strategic relationships. Although the financing documents governing our indebtedness contain covenants and restrictions on the incurrence of additional debt, these restrictions are subject to a number of qualifications and exceptions and, under certain circumstances, debt incurred in compliance with these restrictions, including secured debt, could be substantial. Adding additional debt to current debt levels could exacerbate the leverage- related risks described above. We may not be able to generate sufficient cash flow to service all of our indebtedness and may be forced to take other actions to satisfy our obligations under such indebtedness, which may not be successful. Our ability to make scheduled payments or to refinance outstanding debt obligations depends on our financial and operating performance, which will be affected by prevailing economic, industry and competitive conditions and by financial, business and other factors beyond our control. We may not be able to maintain a sufficient level of cash flow from operating activities to permit us to pay the principal, premium, if any, and interest on our indebtedness. Any failure to make payments of interest and principal on our outstanding indebtedness on a timely basis would likely result in a reduction of our credit rating, which would also harm our ability to incur additional indebtedness. If our cash ~~flows~~ **flow** and capital resources are insufficient to fund our debt service obligations, we may be required to reduce or delay capital expenditures, sell assets, seek additional capital or seek to restructure or refinance our indebtedness. Any refinancing of our indebtedness could be at higher interest rates and may require us to comply with more onerous covenants. These alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations. In the absence of such cash flow and resources, we could face substantial liquidity problems and might be required to sell material assets or operations to attempt to meet our debt service obligations. The financing documents governing our First Lien Term Loan, ~~ABL~~ **Revolver** Facility (as defined herein) and our Senior Notes restrict our ability to conduct asset sales and / or use the proceeds from asset sales. We may not be able to consummate these asset sales to raise capital or sell assets at prices and on terms that we believe are fair and any proceeds that we do receive may not be adequate to meet any debt service obligations then due. If we cannot meet our debt service obligations, the holders of our indebtedness may accelerate such indebtedness and, to the extent such indebtedness is secured, foreclose on our assets. In such an event, we may not have sufficient assets to repay all of our indebtedness. Risks Relating to

Our Common Stock ~~As of December 31, 2022, Walgreens Boots Alliance, Inc. (" Walgreens ") is our largest stockholder and has the ability to exercise influence over decisions requiring our stockholders' approval. On December 17, 2021, Madison Dearborn Partners transferred control of HC I to Walgreens. As of December 31, 2022, Walgreens controls approximately 14. 4 % of our common stock through its control of HC I. As a result, Walgreens has the ability to exercise influence over decisions requiring approval of our stockholders, including the election of directors, amendments to our certificate of incorporation and approval of significant corporate transactions, such as a merger or change in control of the Company.~~ Provisions of our corporate governance documents could make an acquisition of us more difficult and may prevent attempts by our stockholders to replace or remove our current management, even if beneficial to our stockholders. Our third amended and restated certificate of incorporation contains provisions that could make it more difficult for a third party to acquire us, even if doing so might be beneficial to our stockholders. Among other things, these provisions: • allow us to authorize the issuance of undesignated preferred stock, the terms of which may be established and the shares of which may be issued without stockholder approval, and which may include supermajority voting, special approval, dividend, or other rights or preferences superior to the rights of stockholders; • provide that directors may be removed with or without cause only by the affirmative vote of holders of at least 66 2 ⁄ 3 % of the voting power of all the then- outstanding shares of our stock entitled to vote thereon, voting together as a single class; • prohibit stockholder action by written consent; and • provide that any amendment, alteration, rescission or repeal of our bylaws or certificate of incorporation by our stockholders will require the affirmative vote of the holders of at least 66 2 ⁄ 3 % of the voting power of all the then- outstanding shares of our stock entitled to vote thereon, voting together as a single class. These and other provisions in our certificate of incorporation, bylaws and Delaware law could make it more difficult for shareholders or potential acquirers to obtain control of our Board of Directors or initiate actions that are opposed by our then- current Board, including delay or impede a merger, tender offer or proxy contest involving the Company. The existence of these provisions could negatively affect the price of our common stock and limit opportunities to realize value in a corporate transaction. Moreover, Section 203 of the Delaware General Corporation Law (" DGCL ") may discourage, delay, or prevent a change of control of the Company. Section 203 of the DGCL imposes certain restrictions on mergers, business combinations, and other transactions between us and holders of 15 % or more of our common stock. Our third amended and restated certificate of incorporation designates the Court of Chancery of the State of Delaware as the exclusive forum for certain litigation that may be initiated by our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us. Pursuant to our third amended and restated certificate of incorporation, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers, employees and stockholders to us or our stockholders, (iii) any action asserting a claim against us arising pursuant to any provision of the DGCL or as to which the DGCL confers jurisdiction on the Court of Chancery of the State of Delaware, our third amended and restated certificate of incorporation or our bylaws or (iv) any other action asserting a claim against us that is governed by the internal affairs doctrine; provided that, for the avoidance of doubt, the forum selection provision that identifies the Court of Chancery of the State of Delaware as the exclusive forum for certain litigation, including any " derivative action ", will not apply to suits to enforce a duty or liability created by the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction. Our third amended and restated certificate of incorporation will further provide that any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock is deemed to have notice of and consented to the provisions of our third amended and restated certificate of incorporation described above. The forum selection clause in our third amended and restated certificate of incorporation may have the effect of discouraging lawsuits against us or our directors and officers and may limit our stockholders' ability to obtain a favorable judicial forum for disputes with us. We may issue shares of preferred stock in the future, which could make it difficult for another company to acquire us or could otherwise adversely affect holders of our common stock, which could depress the price of our common stock. Our third amended and restated certificate of incorporation authorizes us to issue one or more series of preferred stock. Our Board of Directors has the authority to determine the preferences, limitations and relative rights of the shares of preferred stock and to fix the number of shares constituting any series and the designation of such series, without any further vote or action by our stockholders. Our preferred stock could be issued with voting, liquidation, dividend and other rights superior to the rights of our common stock. The potential issuance of preferred stock may delay or prevent a change in control, discouraging bids for our common stock at a premium to the market price, and materially and adversely affecting the market price and the voting and other rights of the holders of our common stock. **We cannot guarantee that our stock repurchase program will be fully implemented or that it will enhance long- term stockholder value. We cannot guarantee that our stock repurchase program will be fully implemented or that it will enhance long- term stockholder value. In February 2023, the Board of Directors approved a new stock repurchase program authorizing the repurchase of up to $ 250 million of our common stock. In December 2023, the Board of Directors approved an increase to its stock repurchase program authorization from $ 250 million to $ 500 million. The repurchase program does not have an expiration date, and we are not obligated to repurchase a specified number or dollar value of shares, on any particular timetable or at all. There can be no assurance that we will repurchase stock at favorable prices. The repurchase program may be suspended or terminated at any time and, even if fully implemented, may not enhance long- term stockholder value.** General Risk Factors ~~The COVID- 19 pandemic and other potential pandemic events could adversely impact our business, results of operations, cash flows and financial position. The COVID- 19 pandemic has significantly impacted, and may continue to severely impact, the global economy. COVID- 19 has persisted as a significant public health concern and impacted the general economy and consumer behaviors. The impacts of the pandemic are unpredictable and volatile, with varying impacts to business operations. We are closely monitoring the impact of the COVID- 19 pandemic on all aspects of our business, including how it is impacting our patients, workforce, suppliers, vendors, referral sources, and Third- Party Payers. The Company has been disrupted by both~~

~~positive and negative referral patterns and experienced challenges in our staffing and our ability to procure personal protection equipment and key drugs. The COVID- 19 pandemic has caused significant volatility, uncertainty and economic disruption, which may adversely affect our business operations and may materially and adversely affect our results of operations, cash flow and financial position. The situation is changing rapidly considering the impacts of new variants of the COVID- 19 virus, public health guidance, and regulatory mandates and additional consequences may arise for which we are not currently aware. The extent to which the COVID- 19 pandemic impacts us will depend on numerous evolving factors and future developments that we are not able to predict, including: the severity and duration of the pandemic; the potential of new virus variants; governmental, business and other actions; the promotion of social distancing and the adoption of shelter- in- place orders affecting our referral sources; the impacts of the pandemic on our supply chain; the impact of the pandemic on economic activity; the health of, and the effect of the pandemic on, our workforce; any impairment in value of our tangible or intangible assets that could be recorded as a result of a weaker economic condition; and the effect on our internal controls including those over financial reporting. In addition, if the pandemic continues to create disruptions or turmoil in the credit or financial markets, or impacts our credit ratings or stock price, it could adversely affect our ability to access capital on favorable terms and continue to meet our liquidity needs, all of which are highly uncertain and cannot be predicted. Other factors including reduced employment pools, federal subsidies offered in response to the COVID- 19 pandemic and other government regulations exacerbated staffing challenges, and created increased labor shortages. An overall or prolonged labor shortage, lack of skilled labor, increased turnover or continued labor inflation could have a material adverse impact on our business, results of operations, liquidity or cash flow. In addition, we cannot predict the impact that COVID- 19 or other potential pandemic events will have on our patients, suppliers, vendors, and Third- Party Payers and on each of their financial conditions; however, any material effect on these parties could adversely impact our business. The impact of COVID- 19 or other potential pandemic events may also exacerbate other risks, any of which could have a material effect on us. The situation continues to be uncertain and additional impacts may arise for which we are not currently aware.~~ Pending and future litigation could subject us to significant monetary damages and / or require us to change our business practices. We employ pharmacists, dieticians, nurses and other ~~health~~ **healthcare** ~~care~~ professionals. We are subject to liability for negligent acts, omissions, or injuries occurring at any of our clinics or caused by any of our employees. We are subject to risks relating to asserted claims, litigation and other proceedings in connection with our operations. We are facing, or may face, claims or become a party to a variety of legal actions that affect our business, including breach of contract actions, employment and employment discrimination- related suits, employee benefit claims, stockholder suits and other securities laws claims, and tort claims. Due to the nature of our business, we, through our employees and caregivers who provide services on our behalf, may be the subject of medical malpractice claims. A court could find these individuals should be considered our agents, and as a result, we could be held liable for their acts or omissions. We may incur substantial expenses in defending such claims or litigation, regardless of merit, and such claims or litigation could result in a significant diversion of the efforts of our management personnel. Successful claims against us may result in monetary liability or a material disruption in the conduct of our business. Similarly, if we settle such legal proceedings, it may affect how we operate our business. See Note 14 ~~.~~ **,** Commitments and Contingencies, of the consolidated financial statements included in Item 8 of this Annual Report for a description of material proceedings pending against the Company. We believe that these proceedings are without merit and, to the extent they are not already concluded, we intend to contest them vigorously. However, an adverse outcome in one or more of these proceedings may have a material adverse effect on our consolidated results of operations, consolidated financial position, and / or consolidated cash flow from operations, or may require us to make material changes to our business practices. We may be subject to liability claims for damages and other expenses that are not covered by insurance. As a result of operating in the home infusion industry, our business is subject to inherent risk of claims, losses and potential lawsuits alleging incidents involving our employees that are likely to occur in a patient' s home. We maintain professional liability insurance to provide coverage to us and our subsidiaries against these risks. A successful product or professional liability claim in excess of our insurance coverage could harm our consolidated financial statements. Various aspects of our business may subject us to litigation and liability for damages. For example, a prescription drug dispensing error could result in a patient receiving the wrong or incorrect amount of medication, leading to personal injury or death. Our business and consolidated financial statements could suffer if we pay damages or defense costs in connection with a claim that is outside the scope of any applicable contractual indemnity or insurance coverage. Our insurance coverage also includes ~~fire,~~ property ~~damage~~ **liability, cyber liability, clinical trials liability, crime liability, auto liability, workers' compensation, employers' liability, executive liability policies (employment practices liability, fiduciary liability, directors' and officers' liability), umbrella / excess liability** and general liability with varying limits. We cannot assure that the insurance we maintain will satisfy claims made against us or that insurance coverage will continue to be available to us at commercially reasonable rates, in adequate amounts or on satisfactory terms **or at all. Claims made against us will be subject to the terms, conditions and exclusions of the insurance policies we maintain. Any claims made against us, regardless of their merit or eventual outcome, could damage our reputation and business. Our insurance coverage also includes fire, property damage and general liability with varying limits. We cannot assure that the insurance we maintain will satisfy claims made against us or that insurance coverage will continue to be available to us at commercially reasonable rates, in adequate amounts or on satisfactory terms** . Any claims made against us, regardless of their merit or eventual outcome, could damage our reputation and business. Pressures relating to downturns in the economy could adversely affect our business and consolidated financial statements. Medicare and other federal and state payers account for a portion of our revenues. During economic downturns and periods of stagnant or slow economic growth, federal and state budgets are typically negatively affected, resulting in reduced reimbursements or delayed payments by the federal and state government ~~health~~ **healthcare** ~~- care~~ coverage programs in which we participate, including Medicare, Medicaid, and other federal or state assistance plans. Government programs could also slow or temporarily suspend payments, negatively impacting our cash flow and increasing our

working capital needs and interest payments. We have seen, and believe we will continue to see, Medicare and state Medicaid programs institute measures aimed at controlling spending growth, including reductions in reimbursement rates. Higher unemployment rates and significant employment layoffs and downsizings may lead to lower numbers of patients enrolled in employer- provided plans. Adverse economic conditions could also cause employers to stop offering, or limit, healthcare coverage, or modify program designs, shifting more costs to the individual and exposing us to greater credit risk from patients or the discontinuance of therapy. The general levels of inflation and specific inflationary pressures that we have experienced in areas such as labor, transportation and medical supplies may continue to persist due to events outside of our control, for example, **the** COVID- 19 **pandemic and other potential pandemic events** , supply chain disruptions, and the broader macro-economic environment. The sustained or continued rise of inflation may adversely impact our business operations, financial condition and results of operations. Acquisitions, strategic investments and strategic relationships involve certain risks. We may pursue acquisitions of strategic investments in, or strategic relationships with businesses and technologies. Acquisitions may entail numerous risks, including difficulties in assessing values for acquired businesses, intangible assets and technologies, difficulties in the assimilation of acquired operations and products, diversion of management' s attention from other business concerns, assumption of unknown material liabilities of acquired companies, amortization of acquired intangible assets that could reduce future reported earnings, and potential loss of clients or key employees of acquired companies. We may not be able to successfully fully integrate the operations, personnel, services or products that we have acquired or may acquire in the future. Strategic investments may also entail some of the risks described above. If these investments are unsuccessful, we may need to incur charges against earnings. We may also pursue a number of strategic relationships. These relationships may be important to our business and growth prospects. However, we may not be able to maintain these relationships or develop new strategic alliances. Cybersecurity risks could compromise our information and expose us to liability, which may harm our ability to operate effectively and may cause harm to our business and reputation. Cybersecurity refers to the combination of technologies, processes and procedures established to protect information technology systems and data from unauthorized access, attack, or damage. ~~We rely~~ **The Company relies** on ~~our~~ **its** information systems to provide security for processing, ~~transmission~~ **transmitting ,** and **storing** ~~storage of~~ confidential information about ~~our~~ patients, customers **,** and personnel, such as names, addresses and other individually identifiable information protected by HIPAA and other privacy laws. Cyber incidents can result from deliberate attacks or unintentional events. ~~Cyber- attacks are increasingly more common, including in the health care industry.~~ The regulatory environment surrounding information security and privacy is increasingly demanding, with the frequent imposition of new and changing requirements. Compliance with changes in privacy and information security laws and with rapidly evolving industry standards may result in ~~our~~ **the Company** incurring significant expense due to increased investment in technology and the development of new operational processes. We have not experienced any known attacks on our information technology systems that compromised any confidential information. We maintain our information technology systems with safeguard protections against cyber- attacks including passive intrusion protection, firewalls and virus detection software. In addition, we provide our employees with extensive training on best ways to protect our patient information, including, among others, avoiding phishing emails and sharing access to sensitive information on a need- only basis. However, these safeguards do not ensure that a significant cyber- attack could not occur. Although we have taken steps to protect the security of our information technology systems and the data maintained in those systems, it is possible that our safety and security measures will not prevent the systems' improper functioning or damage or the improper access or disclosure of personal health information or personally identifiable information such as in the event of cyber- attacks. Security breaches, including physical or electronic break- ins, computer viruses, attacks by hackers and similar breaches can create system disruptions or shutdowns or the unauthorized use or disclosure of confidential information. If personal information or protected health information is improperly accessed, tampered with or disclosed as a result of a security breach, we may incur significant costs to notify, and mitigate potential harm to the affected individuals, and we may be subject to sanctions and civil or criminal penalties if we are found to be in violation of the privacy or security rules under HIPAA or other federal or state laws protecting confidential personal information. In addition, a security breach of our information technology systems could damage our reputation, subject us to liability claims or regulatory penalties for compromised personal information and could have a material adverse effect on our business, financial condition, and results of operations. Our business is dependent on the services provided by third- party information technology vendors. Our information technology infrastructure includes hosting services provided by third parties. While we believe these third parties are high- performing organizations with secure platforms and customary certifications, they could suffer a security breach or business interruption, which in turn could impact our operations negatively. In addition, changes in pricing terms charged by our technology vendors may adversely affect our financial performance. **We use, and may continue to expand our use of, machine learning and artificial intelligence (" AI ") technologies to deliver our services and operate our business. If we fail to successfully integrate AI into our platform and business processes, or if we fail to keep pace with rapidly evolving AI technological developments, including attracting and retaining talented AI developers and programmers, we may face a competitive disadvantage. At the same time, the use or offering of AI technologies may result in new or expanded risks and liabilities, including enhanced government or regulatory scrutiny, litigation, compliance issues, ethical concerns, confidentiality, reputational harm and security risks. It is not possible to predict all of the risks related to the use of AI and changes in laws, rules, directives, and regulations governing the use of AI may adversely affect our ability to develop and use AI or subject us to legal liability. The cost of complying with laws and regulations governing AI could be significant and would increase our operating expenses, which could adversely affect our business, financial condition and results of operations. Further, market demand and acceptance of AI technologies are uncertain, and we may be unsuccessful in efforts to further incorporate AI into our processes.** Failure to maintain effective internal control over our financial reporting could have an adverse effect on our ability to report our financial results on a timely and accurate basis. Our management is responsible for establishing and maintaining adequate internal control

over financial reporting, as defined in Rule 13a- 15 (f) under the Exchange Act, and is required to evaluate the effectiveness of these controls and procedures on a periodic basis and publicly disclose the results of these evaluations and related matters in accordance with the requirements of Section 404 of the Sarbanes- Oxley Act of 2002. Effective internal control over financial reporting is necessary for us to provide reliable financial reports, to help mitigate the risk of fraud and to operate successfully. Any failure to implement and maintain effective internal controls could result in material weaknesses or material misstatements in our consolidated financial statements. If we fail to maintain effective internal control over financial reporting, or our independent registered public accounting firm is unable to provide us with an unqualified attestation report on our internal control, we may be required to take corrective measures or restate the affected historical financial statements. In addition, we may be subjected to investigations and / or sanctions by federal and state securities regulators and / or civil lawsuits by security holders. Any of the foregoing could also cause investors to lose confidence in our reported financial information and in us and would likely result in a decline in the market price of our stock and in our ability to raise additional financing if needed in the future. Acts of God **,** such as major weather disturbances **,** could disrupt our business. We operate in a network of prescribers, providers, patients and facilities that can be negatively impacted by local weather disturbances and other force majeure events. For example, in anticipation of major weather events, patients with impaired health may be moved to alternate sites. After a major weather event, availability of electricity, clean water and transportation can impact our ability to provide service in patients' homes. Similarly, such events could impact key suppliers or vendors, disrupting the services or materials they provide to us. **Climate change, or legal, regulatory or market measures to address climate change, could adversely affect our business and results of operations.** In addition, acts of God and other force majeure events may cause a reduction in our business or increased costs, such as increased costs in our operations as we incur overtime charges or redirect services to other locations, delays in our ability to work with payers, hospitals, physicians and other strategic partners on new business initiatives, and disruption to referral patterns as patients are moved out of facilities affected by such events or are unable to return to sites of service in patients' homes. **26**