

EMDEON CORP  
Form 8-K  
February 16, 2006

**Table of Contents**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**  
**FORM 8-K**  
**CURRENT REPORT**  
**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**  
**February 15, 2006**

**Date of Report (Date of earliest event reported)**  
**EMDEON CORPORATION**

(Exact name of registrant as specified in its charter)

**Delaware**

**0-24975**

**94-3236644**

(State or other jurisdiction of  
incorporation)

(Commission File Number)

(I.R.S. Employer Identification  
No.)

**669 River Drive, Center 2**  
**Elmwood Park, New Jersey 07407-1361**

(Address of principal executive offices, including zip code)  
**(201) 703-3400**

(Registrant's telephone number, including area code)

(Former name or address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**TABLE OF CONTENTS**

Item 1.01. Entry into a Material Definitive Agreement

Item 8.01. Other Events

Item 9.01. Financial Statements and Exhibits

SIGNATURE

EXHIBIT INDEX

EX-10.1 AMENDED AND RESTATED TAX SHARING AGREEMENT

EX-99.1 PRESS RELEASE ISSUED BY THE REGISTRANT

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**Table of Contents**

*All statements contained in this Current Report on Form 8-K, other than statements of historical fact, are forward-looking statements, including those regarding potential transactions and other alternatives to be considered by the Registrant, as described in this Current Report. These statements are based on current plans and expectations and involve risks and uncertainties that could cause actual future events or results to be different from those described in or implied by such forward-looking statements, including risks and uncertainties regarding the amount and timing of potential benefits of any possible transaction or other alternative to be considered by the Registrant. We expressly disclaim any intent or obligation to update these forward-looking statements.*

**Item 1.01. Entry into a Material Definitive Agreement**

As previously disclosed, Emdeon Corporation and WebMD Health Corp. (which we refer to, in this Current Report, as WHC) have entered into a tax sharing agreement, dated as of September 23, 2005 (which we refer to, in this Current Report, as the Prior Agreement), in connection with WHC's initial public offering of shares of its Class A Common Stock. Emdeon currently owns approximately 85.8% of the outstanding common stock of WHC. On February 15, 2006, effective for tax years beginning on and after January 1, 2006, Emdeon and WHC entered into an amended and restated tax sharing agreement (which we refer to, in this Current Report, as the Amended Agreement) that supersedes the Prior Agreement. The description below of the Amended Agreement is qualified in its entirety by reference to the Amended Agreement itself, a copy of which is filed as Exhibit 10.1 to this Current Report and which is incorporated by reference in this Item 1.01 in its entirety.

Under the Amended Agreement, Emdeon will compensate WHC for any use of WHC's net operating losses that may result from certain extraordinary transactions, including a sale of Emdeon Business Services and Emdeon Practice Services. Specifically, if Emdeon or any corporation that is controlled, directly or indirectly, by Emdeon other than WHC or its subsidiaries (collectively, the Emdeon Subgroup) has income or gain from the sale of assets (including a subsidiary) outside the ordinary course of business, extinguishment of debt or other extraordinary transaction (Extraordinary Gains), Emdeon will make a payment to WHC and its subsidiaries (collectively, the WHC Subgroup) equal to 35% of the amount of the WHC Subgroup's net operating losses (NOLs) that are absorbed in the consolidated tax return as a result of the incurrence of such Extraordinary Gains.

Except for the modifications described above, the terms of the Amended Agreement are substantially the same as the terms of the Prior Agreement. A description of the terms of the Prior Agreement appears under the heading *Certain Relationships and Related Party Transactions - Agreements between Us and Our Parent - Tax Sharing Agreement* in the Prospectus filed by WHC on September 29, 2005 and, to the extent required by Item 1.01 of Form 8-K, that description is incorporated by reference in this Item 1.01 pursuant to General Instruction B.3 of Form 8-K. In addition, to the extent required by Item 1.01 of Form 8-K, the Prior Agreement itself, a copy of which was filed by WHC on September 14, 2005 as Exhibit 10.1 to its Registration Statement on Form S-1 (No. 333-124832), is incorporated by reference in this Item 1.01 pursuant to General Instruction B.3 of Form 8-K.

**Table of Contents**

**Item 8.01. Other Events**

On February 16, 2006, the Registrant issued a press release announcing that, in connection with inquiries received from several third parties expressing an interest in acquiring its Emdeon Business Services and Emdeon Practice Services segments, its Board of Directors has authorized commencing a process to evaluate strategic alternatives relating to these businesses to maximize stockholder value. A copy of the press release is filed as Exhibit 99.1 to this Current Report and is incorporated by reference in this Item 8.01.

**Item 9.01. Financial Statements and Exhibits**

(d) Exhibits

The following exhibits are filed herewith:

- 10.1 Amended and Restated Tax Sharing Agreement, dated as of February 15, 2006, between the Registrant and WebMD Health Corp.
- 99.1 Press Release issued by the Registrant on February 16, 2006

**Table of Contents**

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

**EMDEON CORPORATION**

Dated: February 16, 2006

By: /s/ Lewis H. Leicher

Lewis H. Leicher  
Senior Vice President

4

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**Table of Contents**

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