



athenahealth®

**Jefferies 3rd Annual
Healthcare Conference**

**Jonathan Bush
Chief Executive Officer**



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Safe Harbor Statement

This presentation contains certain forward-looking statements that involve significant risks and uncertainties about athenahealth, Inc., including, but not limited to, statements about our future financial and operating performance and the benefits of our service offerings. Forward-looking statements can often be identified with words such as “we expect,” “we anticipate,” “upcoming,” and similar expressions. No forward-looking statement can be guaranteed, and actual results and events may differ materially from results and events discussed in such forward-looking statements. Such statements involve risks, uncertainties, and assumptions. For a more complete discussion of risks, uncertainties, and assumptions that may affect athenahealth, Inc., please see our most recent Annual Report on Form 10-K and our other current public filings available at www.sec.gov and on the Investors section of our website at www.athenahealth.com. athenahealth is providing this information as of the date of this presentation and does not undertake any obligation to update any forward-looking statements contained in this presentation as a result of new information, future events, or otherwise.

Finally, during this presentation we will be referring to non-GAAP financial measures such as Adjusted EBITDA. These non-GAAP measures are not prepared in accordance with generally accepted accounting principles. A reconciliation between non-GAAP and the most directly comparable GAAP financial measures is available within the financial portion of this presentation and within the quarterly earnings press releases on the Investors section of our website.



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We Deliver Internet-Based Business Services to Physician Groups

- Founded in 1997 – Based in Watertown, MA
- IPO in September 2007 (NASDAQ: ATHN)
- 2008 revenue: \$139.6 million
 - 37 quarters of consecutive revenue growth
 - Annual growth rate of 41% in Q1 2009
- Client base as of Q1 2009:
 - 13,000+ physicians, 19,700+ total providers
 - Across 40 states and 60 medical specialties



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NASDAQ[®]
GLOBAL SELECT



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Our Vision Is an Information Infrastructure that Makes Healthcare Work the Way It Should

OUR ROLE

Be the best at *getting clinicians paid*

Launch Year



Back Office: athenaCollectorSM

- Web-based practice management system
- Continuously updated payer billing rules
- Integrated back office billing and collections service operations

2000



Middle Office: athenaClinicalsSM

- Web-based electronic health record (EHR)
- Continuously updated clinical order and P4P/reporting requirements
- Integrated chart room 'clinical' service operations (lab tests results, eRx)

2006



Front Office: athenaCommunicatorSM

- Web-based provider and patient portals
- Continuously updated schedule, results, and billing protocols
- Integrated front office patient service operations (outreach and reminders)

2009



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Washington Shares our Vision for a Better Healthcare Information Infrastructure

“FOCUS ON HEALTH OUTCOMES, NOT SOFTWARE”

ONCHIT Meaningful Use Workgroup Recommendations - June 16, 2009

“Demonstrating improved performance [and better outcomes] will require a host of new care processes for many outpatient providers...monitoring medication adherence, use of evidence-based order sets, clinical decision support tools at the point of care, patient outreach and reminders.”

“Key information generated in the delivery of care...vital signs, problem lists, medications, procedures, lab tests...must be digitized and queryable.”

“Changing products and changing workflows will be an evolving process...”

“This transformed healthcare delivery system will also enable and amplify the effectiveness of a host of new reimbursement models that will reward more organization, more coordinated, more efficient care.”

<http://healthit.hhs.gov/>



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A Fundamentally Different Approach and Business Model

Revenue Model

**“Do-It-Yourself
With Software”**

Upfront capex, license fee and ongoing maintenance charges

Performance Drivers

Experience, creativity of individual clinic staff

Value Proposition

Features and functionality of software

**Internet-Based
Business Service**

No capex, fees based on % of collections

Collective experience of all clinics on the network

Improvement in clinic financial results



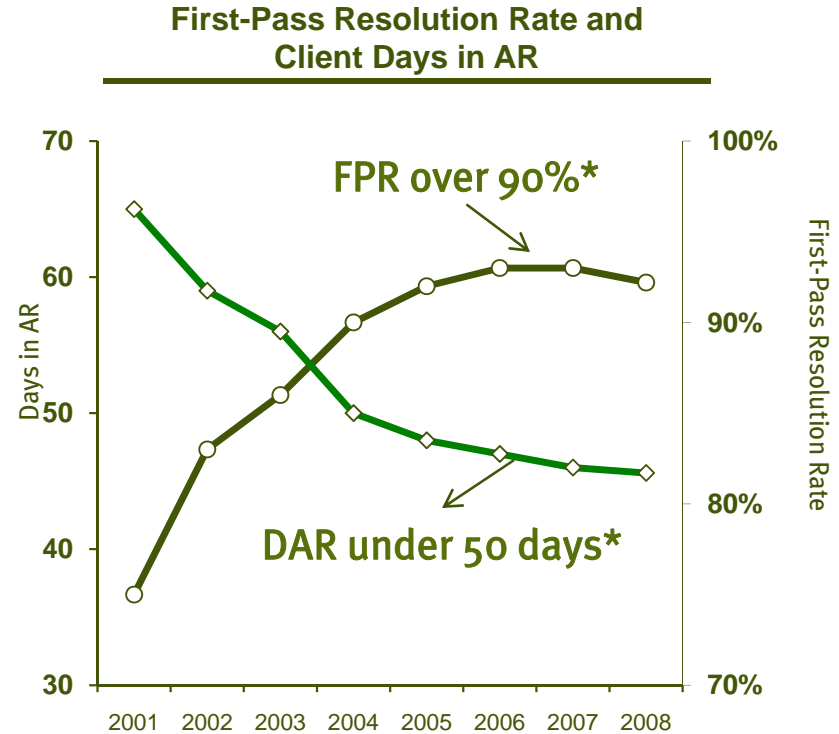
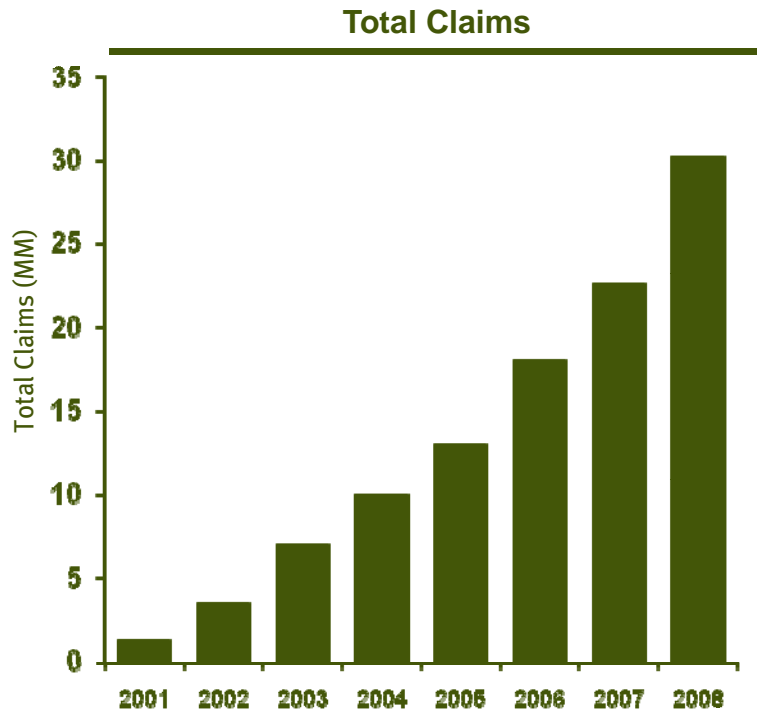
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Client Results are Real and They Improve with Growth

- Average client Days in Accounts Receivable (DAR) have declined due to scale and related operational improvements (e.g. FPR rate)



*As of Q1 2009



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June 17, 2009