

Amedisys Inc. (NASDAQ: AMED) Suffers From Lower Forecast

Date: November 1, 2011 11:50 AM

Author: [Fio Steckler](#)

Source: Reuters

Categories: [Stocks](#)

Tags: [AMED](#), [Nasdaq](#)

Permalink: <http://bit.ly/rAgSZF>

Tallahassee, FL 11/1/11 ([StreetBeat](#)) -- An extensive write-down reported in its third-quarter earnings, and the announcement that two key executives are leaving, sent shares of home health care company Amedisys Inc. ([NASDAQ: AMED](#)) plunging by more than 20% at one point Tuesday.

Amedisys Inc posted an adjusted quarterly profit below estimates hurt by new Medicare regulations, and the home healthcare provider cut its 2011 earnings outlook. The company cut its full-year earnings forecast to \$1.90-\$2.00 a share from its earlier outlook of \$2.20-\$2.40. It backed its forecast for net service revenue of \$1.47-\$1.50 billion.

Analysts were looking for earnings of \$2.30 a share, on revenue of \$1.48 billion, according to Thomson Reuters I/B/E/S.

Amedisys also said Dale Redman will resign as chief financial officer on January 1 and Ronald LaBorde will replace him. Chief Operating Officer Mike Snow will quit and about 50 care centers will be closed, consolidated or sold.

Third-quarter net loss was \$423 million, compared with a net income of \$21.6 million. Excluding items, the company earned 36 cents a share. Net service revenue fell 6.5 pct to \$374.9 million. Analysts on average had expected earnings of 50 cents a share, on revenue of \$372 million.

The Baton Rouge, Louisiana-based company's shares, which have lost two-third of their value in one year, closed 6 percent down at \$13.13 on Monday on Nasdaq. Currently, it is trading at \$10.30, down 21% in midday trade.

[StreetBeat Disclaimer](#)

[Distributed by Viestly](#)