FREQUENTLY ASKED QUESTIONS FOR EMPLOYEES

For Internal Reference Only

Updated August 11, 2015

What’s New

Q: When will we know the details of our benefits in the new organization?

A: A cross-functional team with representatives from both companies is working hard to harmonize everyone’s benefits. It’s a complex process, but we plan to announce the new suite of plans near the end of October when we announce the upcoming Open Enrollment period. They will go into effect January 1.

Q: How can I find out about new job opportunities within the company?

A: Our Human Resources team is working hard to make sure as many people as possible have a chance to continue their careers in the new company. To see what opportunities are available, please visit http://www.healthport.com/Careers or http://www.iodincorporated.com/careers, or speak to a recruiting representative.

Q: How will pay periods change?

A: A cross-functional team with representatives from both companies is working on determining the length of pay periods. We plan to announce the changes, if any, closer to the end of the year, and they will go into effect January 1.

June 1, 2015 FAQs

Q: The regulators recently asked for more time to review the proposed merger, which will push back the transaction close to July. Is this a big deal? What does this additional time mean for us?

A: Regulators often ask for more time to review a proposed merger. So, there’s nothing unusual about it, and it doesn’t mean they’re less likely to approve the transaction. This will have no impact on what’s happening other than giving us more time to plan our integration, which is a good thing.

Q: How are we selecting platforms?

A: A comprehensive process is currently being led by West Monroe Partners, a systems specialist, to evaluate both IOD and HealthPort platforms and determine how best to meet our customers’ current and emerging needs. To date, the West Monroe team has conducted site visits at both IOD and HealthPort and met with key technology and
operations leaders to better understand the workflow and processes necessary for our day-to-day operations. We expect to receive their recommendations and make decisions about platforms by the end of the third quarter. We will communicate to customers and employees once those plans are defined. In the meantime, we’ll continue using our current systems to deliver the same great service and experience.

Q: What will the new company’s leadership structure look like?

A: In the new company, Mike Labedz, HealthPort’s current president and CEO, will hold the role of CEO. George Abatjoglou, IOD’s current CEO, will serve as president. We will plan to arrange an opportunity for HealthPort employees to meet the IOD CEO within the first month or two after the close of the transaction. Matt Rohs will maintain his current position as vice president & general manager for ROI Operations of the combined company. (Frank Mamone, his counterpart at IOD, will be retiring.)

Q: Where positions overlap, will you take seniority into account, or will the selected platform dictate the outcome?

A: We will consider all of those things. Seniority plays a factor, as do performance and relevance to the strategy. We are working to find the answers by 30 days after the transaction closes. So, our recommendation is to keep doing the great things you've been doing and driving value. We’ll be through the uncertainty soon enough.

Q: Will there be any changes to our terms of employment?

A: During calendar 2015, we will not be changing our associates’ terms of employment – salaries, benefits or incentive plans. Starting in 2016, we will begin to harmonize practices and establish common standards for the combined company that enable us to retain and attract the best talent in the industry. Rest assured we will promptly communicate any changes to your terms of employment.

Q: What if I am a contract employee who is slated to become full-time? When will I know what my status will be?

A: Right now we are focused on maintaining a “business as usual” environment, but as with current full-time employees, we will be transparent throughout the integration process. As we identify the areas where there will be personnel changes, we will give ample notice and information to those affected. We will be reviewing the status of all contract employees, and evaluating how those positions will fit in to the integration.

Q: How will this affect our pay? Will we keep our seniority or start as new employees on Day 1? And what will the benefits package look like in terms of vacation time, etc.?

A: Your pay and other benefits will stay the same after the two companies come together. You will keep your tenure, seniority and vacation days; nothing starts over. Through the end of the year, we will operate under each company’s pay and benefit
structure. Our aim is to align all HR policies, procedures, pay and benefits as of January 1. We will communicate any changes well before you are affected.

Q: Will we report to the same managers?

A: For now, everything stays the same. After the integration, most people will report to the same managers, but some realignment will make sense. The integration team is working now to figure out what the right combined structure looks like. Our goal is to have those answers within 30 days of the transaction close and communicate them to everyone soon thereafter.

Q: How will the merger affect our day-to-day work at our sites?

A: People processing transactions will see little or no change because those transactions won’t change – regardless of what platform we are on, the name of the company, or who your manager may be. You might need to master a new platform, which would be an opportunity to learn some new technology or a new work process, but we don’t know yet how that will unfold. We first need to get through the regulatory process and start to make decisions about platforms and other longer-term issues. So, for the next few months at least, nothing is going to change in our day-to-day work.

Q: If we want to apply for positions in the other company, will we need to re-apply or will we just be transferred?

A: After the transaction closes, you will be able to apply for any job across the combined company.

May 11, 2015 FAQs

About the HealthPort and IOD combination

Q: What is happening?

A: New Mountain Capital, a leading growth-oriented private equity firm based in New York, has agreed to acquire IOD with a plan to merge it with HealthPort, which it owns. We expect to begin operating as a combined company when the transaction closes in June 2015, pending regulatory approval.

Q: Why does New Mountain want to combine the two companies?

A: The health information management industry is growing and changing rapidly. The digitization of health information is reaching critical mass – we believe most medical records will be electronic by 2020 – but the industry’s EHRs continue to struggle with interoperability outside their own virtual walls.

The evolution of reimbursement models, such as accountable care and population health management, is greatly increasing the need for protected health information by
a range of new customers. So, customers are requiring new ways to process data and gain insights across the spectrum of providers and EHR systems. The combined company will be poised to meet these needs.

Our two companies will create an industry leader with a wide selection of high-quality health information management services. We will have the scale and resources to improve what we do today and help us accelerate innovation, grow with the industry and serve customers in new ways.

We strongly believe this will create significant value for our customers, respond effectively to an increasing number of needs in the healthcare industry for protected health information, and generate growth for our company.

Q: Who is New Mountain Capital? What role is it playing in this transaction?

New Mountain Capital is a leading growth-oriented private equity firm based in New York. It manages over $15 billion and has a strong record of investing in and growing health care companies.

New Mountain already owns HealthPort and has agreed to acquire IOD with the goal of merging the two companies into an industry-leading company poised for significant advances in innovation and customer service.

Q: When will the transaction close? What happens at that point?

A: We expect to complete the regulatory approval process in time to close the transaction in July 2015. At that point, we will start to integrate the two companies into a single, combined company.

Integrating the two companies

Q: When will the integration process start? How long will it take?

A: The integration process started on May 6 with a kick-off for senior management, followed by integration team meetings on May 19. We expect to complete the core foundation of the integration activities in the third quarter, approximately 45 days after the deal closes in July, but many of the activities associated with combining the companies into a common organizational structure and set of customer facing and back office systems and process will take the better part of the next 12-18 months to fully complete.

Q: How will we integrate the two companies?

A: HealthPort and IOD will jointly lead the integration. An Integration Management Office (IMO) led by Frank Mamone from IOD and Dan Connolly from HealthPort with representatives from both companies will establish four cross-functional teams to develop the process, create an organizational design, find synergies in business operations, and communicate progress. In addition, five functional teams – Sales &
Marketing, ROI & New/Non-ROI Operations, IT, HR, and Back Office – will design the organization, as well as harmonize processes and systems for the new company.

Q: Will this integration process be similar to the one used by HealthPort during past acquisitions?

A: It will be different. In the past, HealthPort acquired companies and absorbed them. In this case, New Mountain is acquiring both IOD and HealthPort and merging them in a way that retains the best of both companies’ people and capabilities. To ensure we capture the best of both companies, IOD and HealthPort will jointly lead the integration process.

Q: How can I get involved in the integration process?

A: Your supervisor may invite you to serve on an integration team, or you may let him or her know you’re interested in contributing. While we appreciate all offers of help, we need to keep departmental integration teams small. We also welcome everyone to submit questions and suggestions. Please reach out directly to your supervisor, participate in organization-wide town hall sessions or contribute to the FAQs which will be posted on the HealthPort micro-sites. If you would like to listen to a recording of the town hall meeting, submit a question, or read the most up-to-date FAQs, visit www.healthport.com/questions.

We expect you and all of your co-workers to be involved in executing the integration plan developed by your department’s integration team.

Q: Will external advisors help with the integration?

A: Yes, we have retained McKinsey & Company, a leading management consulting firm, to help us with the integration and business continuity. Spencer Stuart, a personnel and talent specialist, will help us assess and harmonize our corporate cultures, and West Monroe Partners, a systems specialist, will assess the internal and customer-facing IT platforms at HealthPort and IOD so we can identify the best solutions.

Our vision for the combined company

Q: What are the goals and strategies for the new company?

A: The merger will enable us to become the best at what we do today by creating the widest selection and highest-quality health information services, as well as by establishing a platform for transforming health information exchange. We envision becoming the industry leader for access to medical records data and for critical insights from protected health information. Specifically, we foresee the combined company:

*For Internal Use Only*
Becoming an industry-leading provider of release of information and related services, increasing efficiency with larger scale

Deepening relationships with existing customers by offering IOD and HealthPort services to the combined client portfolio

Using best-in-class technology to increase value for provider customers and create services for non-provider customers that provide insight as well as data

Expanding aggressively into payor and non-payor record retrieval, using know-how and technology from both companies and seeking expertise from other players.

Q: Will we serve the same customers and offer the same services?

A: We will continue to serve the same customers and offer them the same services they now receive.

We also plan to develop new services which we hope will attract both new and existing customers, as well as create exciting opportunities for our associates.

Q: What will happen to the HealthPort and IOD names and brands?

A: For the time being, we will continue to operate as we do now – under our separate names: HealthPort and IOD.

Later this year, we will develop a new name for the company that reflects its unique strengths, market position and growth strategy. Our current target to begin this process is Fall 2015. We will provide updates as we confirm details.

Q: What role will New Mountain Capital have?

A: Our new leadership team will manage and guide the strategy and the day-to-day operations of the combined company. New Mountain Capital will be represented on our Board of Directors. In that role, it will provide input on the strategic direction of the combined company. It is also committed to supporting and accelerating the growth of the combined company by investing in new capabilities needed to create value for customers and employees.

Q: Does New Mountain Capital plan to acquire similar or related companies after this one?

A: New Mountain Capital is committed to supporting and accelerating the growth of the combined company by investing in new capabilities. In some cases, we will develop these capabilities in-house. In other cases, it may make more sense to acquire them. So, New Mountain is continually assessing potential acquisitions. We will ensure customers see this as “business as usual” in light of our growth story.
How will this affect me?

Q: Will there be a lot of layoffs?

A: We are not planning widespread personnel changes. We are combining the two companies to grow and transform an industry. The transaction is not driven by cost savings.

We have set up five teams, one for each major function — Sales & Marketing, ROI, Operations, IT, HR, Back Office — to lead the integration process, design the organization, develop business processes and systems for the new company. To ensure fairness, the teams will be led jointly by people from both companies. We will communicate their decisions to you on in a timely basis.

We are confident that the combined company will create many new opportunities for employees. A few positions may become redundant. We will rely on attrition and do our best to find new roles for affected people before resorting to layoffs.

Q: When will the layoffs begin?

A: We will be transparent throughout the integration process. We will identify approximately 30 days after closing all areas where there will be personnel changes and provide individuals who will be affected at least 90 days of notice so they may plan appropriately, including evaluating other career options within the combined organization. Those affected will receive severance packages and/or retention bonuses to the extent they are needed to participate in the integration activities for an extended period of time.

Q: Will I have to move?

A: No, it’s unlikely that any of our associates will have to relocate.

Q: Will there be any changes to our terms of employment?

A: During calendar 2015, we will not be changing our associates’ terms of employment – salaries, benefits or incentive plans. Starting in 2016, we will begin to harmonize practices and establish common standards for the combined company that enable us to retain and attract the best talent in the industry. Rest assured we will promptly communicate any changes to your terms of employment.

How will this affect customers and operations?

Q: When will customers be notified?

A: On the day of our public announcement, customers will be sent a letter from the CEO by both e-mail and post. Our executives will personally contact some customers after
the announcement, and all customer-facing employees will receive guidance and materials to equip them for discussions with their customers.

**Q:** What will this mean for our customers?

**A:** Practically speaking, it will be business as usual for our customers on a day-to-day basis.

We will continue to focus on industry-leading customer service and delivery. We believe we will be able to accelerate our innovation with increased scale, more diversified offerings, and deeper expertise and talent.

We will also be proactive with planning our integration process – with the primary objective of avoiding any disruption to ongoing operations and maintaining business continuity.

**Q:** Who will lead the combined company?

**A:** Mike Labedz, the current HealthPort president and CEO, and George Abatjoglou, the current IOD CEO, will both have senior leadership positions in the new entity.

**Q:** Whose operational processes and information systems will we use?

**A:** During the integration, senior managers will determine which processes and systems the combined company will use. We remain committed to avoiding any disruption to current operations and using the processes and systems that allow us to serve our customers best. We do understand this may mean a transition to different or new combined processes and systems over time.

**Q:** Will we maintain our current office locations?

**A:** Yes, we plan to maintain our current office locations, including the processing centers in Alpharetta and Green Bay for HealthPort and IOD, respectively.

**How will we communicate progress?**

**Q:** How will we know how the integration is going?

**A:** We will report progress regularly through a number of channels – periodic, departmental meetings with your manager and organization-wide town hall meetings with senior leadership; regular email updates; and bi-weekly updates to frequently asked questions (FAQ). We will post updates and FAQs on the dedicated integration section of the HealthPort micro-sites and OneIOD.

**Q:** How can we provide feedback and make suggestions on the integration?

**A:** We welcome all associates’ feedback and suggestions for improving the integration process.

To submit a question or a comment, visit [www.healthport.com/questions](http://www.healthport.com/questions).
Other avenues for input include:

- “Live” feedback during departmental and organization-wide town hall meetings.
- Personal outreach to your department’s integration team lead or team members
- Personal outreach to members of the Integration Management Office Communications team (HealthPort: Catherine Valyi, Matt Rohs, Keith Thomas)

**Q: Can we talk about this outside the company?**

**A:** If you are contacted by the media, please direct all inquiries to our communications point person — Catherine Valyi— to maintain consistent messaging to all stakeholders and ensure compliance with the regulatory approval process now underway.