

SELECT MEDICAL HOLDINGS CORP
Form 10-Q
August 08, 2013
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the Quarterly Period Ended June 30, 2013

Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the Transition Period From **to** **.**

Commission File Number: 001 34465

SELECT MEDICAL HOLDINGS CORPORATION

(Exact name of Registrant as specified in its charter)

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Delaware
(State or other jurisdiction of
incorporation or organization)

20-1764048
(I.R.S. employer identification
number)

4714 Gettysburg Road, P.O. Box 2034, Mechanicsburg, Pennsylvania 17055

(Address of principal executive offices and zip code)

(717) 972-1100

(Registrant's telephone number, including area code)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter periods as the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES NO

Indicate by check mark whether the Registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the Registrant was required to submit and post such files). YES NO

Indicate by check mark whether the Registrant is a large accelerated filer, accelerated filer, non-accelerated filer, or smaller reporting company. See definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer

Smaller reporting company

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES NO

As of July 31, 2013, the Company had outstanding 139,625,565 shares of common stock.

Unless the context indicates otherwise, any reference in this report to Holdings refers to Select Medical Holdings Corporation and any reference to Select refers to Select Medical Corporation, the wholly-owned operating subsidiary of Holdings. References to the Company, we, us, and our refer collectively to Select Medical Holdings Corporation and Select Medical Corporation.

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(unaudited)

(in thousands, except share and per share amounts)

	Select Medical Holdings Corporation		Select Medical Corporation	
	December 31, 2012	June 30, 2013	December 31, 2012	June 30, 2013
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 40,144	\$ 8,768	\$ 40,144	\$ 8,768
Accounts receivable, net of allowance for doubtful accounts of \$41,854 and \$43,066 at 2012 and 2013, respectively	359,929	427,191	359,929	427,191
Current deferred tax asset	17,877	14,850	17,877	14,850
Prepaid income taxes	3,895	12,219	3,895	12,219
Other current assets	31,818	38,077	31,818	38,077
Total Current Assets	453,663	501,105	453,663	501,105
Property and equipment, net	501,552	498,808	501,552	498,808
Goodwill	1,640,534	1,641,796	1,640,534	1,641,796
Other identifiable intangibles	71,745	71,713	71,745	71,713
Other assets	93,867	131,633	92,819	131,633
Total Assets	\$ 2,761,361	\$ 2,845,055	\$ 2,760,313	\$ 2,845,055
LIABILITIES AND EQUITY				
Current Liabilities:				
Bank overdrafts	\$ 17,836	\$ 19,461	\$ 17,836	\$ 19,461
Current portion of long-term debt and notes payable	11,646	13,230	11,646	13,230
Accounts payable	89,547	86,914	89,547	86,914
Accrued payroll	88,586	76,289	88,586	76,289
Accrued vacation	55,714	60,304	55,714	60,304
Accrued interest	22,016	9,057	18,759	9,057
Accrued other	102,040	94,127	107,280	94,127
Due to third party payors	1,078	6,295	1,078	6,295
Total Current Liabilities	388,463	365,677	390,446	365,677
Long-term debt, net of current portion	1,458,597	1,517,728	1,291,297	1,517,728
Non-current deferred tax liability	89,510	89,676	89,510	