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## LHC Group, Inc. Q4 2008 Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

(Operator Instructions). We'll go first to Arthur Henderson - Jefferies & Co.

#### Arthur Henderson - Jefferies & Co.

A couple of question; first, back on the point of care technology that you talked about in the early part of your script there Keith, you mentioned that 23 locations currently are being used as beta testing sites. It sounds like this year you might start ramping that up a bit more, and if so, how should we think about the CapEx?

#### Keith G. Myers

I think the ramp up for us in this fiscal year, the effective deployment of additional units, will come in the second half of the year after we complete the testing in these existing locations. If that is successful we'll have a larger deployment in 2010; those are my early thoughts on it.

#### Peter J. Roman

As far as CapEx, we're evaluating this, and so where we are right now is we've gotten some preliminary numbers on licensing and equipment. We're trying to determine how we would deploy that equipment, but nothing is really finalized so we would even look at that for at least another quarter, and I think what has to happen first is we have to be comfortable with these sites that we have on hand right now and then just continue to develop how we're going to roll this out. I think where we are right now is right there.

#### Arthur Henderson - Jefferies & Co.

So Pete, in the interim, what shall we use in terms of CapEx; what should our expectations be at the moment?

#### Peter J. Roman

I don't think our current run rate is going to be any different in the first quarter.

#### Arthur Henderson - Jefferies & Co.

That's fair. Keith, I know you mentioned that statistic about the number of rural Americans that have access to broadband; does that impede your ability to roll out some of this technology in some of your markets?

**Keith G. Myers**

Rural is a broad term. We actually operate in bedroom communities really outside of metropolitan areas that have a rural designation and there are no access limitations there, but I'm not going to call anyone out here or name any really small towns, but there are some out there where it may be a while before they get point of care technology. So, it's really market specifics, but we are encouraged by the commitments made by the administration and the dollars that are going to be spent in those areas. So, we do see as the future, and we do believe that every market will be there at some point in the future.

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