

MATRIA HEALTHCARE INC

Form S-4/A

August 23, 2002

As filed with the Securities and Exchange Commission on August 23, 2002

Registration No. 333-90944

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

**Amendment No. 3 to
Form S-4**

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

Matria Healthcare, Inc.

(Exact name of Registrant as specified in its Charter)

Delaware
*(State or other jurisdiction of
incorporation or organization)*

8082
*(Primary Standard Industrial
Classification Code Number)*

58-2205984
*(I.R.S. Employer
Identification Number)*

1850 Parkway Place

**Marietta, Georgia 30067
(770) 767-4500**

(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

**Roberta L. McCaw
Vice President and General Counsel
Matria Healthcare, Inc.
1850 Parkway Place, 12th Floor
Marietta, Georgia 30067
(770) 767-4500**

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

**James L. Smith, III, Esquire
Troutman Sanders LLP
Bank of America Plaza, Suite 5200
600 Peachtree Street, N.E.
Atlanta, Georgia 30308-2216
(404) 885-3111**

**Lowell D. Turnbull, Esquire
Garvey, Schubert and Barer
Fifth Floor
1000 Potomac Street, N.W.
Washington, D.C. 20007
(202) 298-2531**

Approximate date of commencement of proposed sale to the public: As soon as practicable after this Registration Statement becomes effective and the satisfaction or waiver of all other conditions to the acquisition by Matria of assets of LifeMetrix, Inc., including all of the issued and outstanding stock of Quality Oncology, Inc., pursuant to the Purchase and Sale Agreement dated as of April 29, 2002, described in this proxy statement/prospectus.

If the securities being registered on this Form are to be offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

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If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act Registration Statement number of the earlier effective Registration Statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act Registration Statement number of the earlier effective Registration Statement for the same offering.

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered(2)	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Common stock, \$0.01 par value(1)	3,000,000 Shares	\$11.27(3)	\$33,810,000(3)	\$3,110.52(3)(4)
Common stock, \$0.01 par value(1)	1,000,000 Shares	\$7.28(5)	\$7,280,000(5)	\$669.76(5)(6)

(1) With the attached rights to purchase additional shares of common stock in certain circumstances.

(2) Based on an estimate of the maximum number of shares of common stock of the Registrant available in the acquisition described herein.

(3) Pursuant to Rule 457(f)(1) and Rule 457(c) under the Securities Act of 1933, as amended, the registration fee for the 3,000,000 shares covered by the original filing has been calculated based on the average of the high and low prices per share of Matria's common stock on June 14, 2002 as reported on the Nasdaq National Market.

(4) A filing fee of \$3,110.52 was previously paid with the original filing on June 21, 2002.

(5) Pursuant to Rule 457(f)(1) and Rule 457(c) under the Securities Act of 1933, as amended, the registration fee for the 1,000,000 shares added by Amendment No. 2 has been calculated based on the average of the high and low prices per share of Matria's common stock on August 12, 2002 as reported on the Nasdaq National Market.

(6) A filing fee of \$669.76 was previously paid on August 19, 2002.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

TABLE OF CONTENTS

SUMMARY

The Companies

The Acquisition

The Acquisition: Consideration to be Paid by Matria.

Closing Date Payments.

Earn Out Payment.

What LifeMetrix Stockholders Will Receive in the Acquisition

Federal Tax Consequences of the Acquisition

Dissenters and Appraisal Rights

Interests of LifeMetrix Directors in the Acquisition

Closing of the Acquisition

Material Conditions to the Closing of the Acquisition

Termination of the Purchase and Sale Agreement

Termination Fees and Other Effects of Termination

Other Agreements Related to the Acquisition

Voting Agreements

Escrow Agreement

Standstill Agreement

Registration Rights Agreement

Non-Competition Agreements

License Agreements

Other Considerations.

Opinion of Financial Advisor

Accounting Treatment of the Acquisition

Summary Selected Historical and Pro Forma Financial Data

Matria Healthcare, Inc. Selected Historical Financial Data

Quality Oncology, Inc. Selected Historical Financial Data

Selected Unaudited Pro Forma Combined Condensed Financial Information

RISK FACTORS

Risks Relating to the Acquisition

Risks Relating to Matria Following the Acquisition

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS IN THIS

DOCUMENT

THE MATRIA ANNUAL MEETING

Date, Time and Place of the Annual Meeting

Matters to be Considered at the Annual Meeting

Recommendations of the Board of Directors

Voting of Proxies; Revocability of Proxies

Record Dates and Outstanding Shares

Quorum

Votes Required

MATRIA PROPOSAL 1: APPROVAL BY MATRIA STOCKHOLDERS OF THE ISSUANCE OF SHARES OF MATRIA COMMON STOCK IN THE ACQUISITION

CONSENT OF LIFEMETRIX STOCKHOLDERS

General

Record Date and Outstanding Shares

Consent Required

DESCRIPTION OF THE ACQUISITION

Background of the Acquisition

Matria Reasons for the Acquisition

Recommendation of the Matria Board

LifeMetrix Reasons for the Acquisition

Recommendation of the LifeMetrix Board

Interests of LifeMetrix Directors and Executive Officers in the Acquisition

Accounting Treatment

Regulatory Matters

Appraisal Rights

Material Federal Income Tax Consequences

Opinion of Financial Advisor

THE PURCHASE AND SALE AGREEMENT

General

The Acquisition

Closing of the Acquisition

Representations and Warranties

LifeMetrix and Quality Oncology Representations and Warranties

Matria Representations and Warranties

Covenants Relating to Conduct of Business of LifeMetrix and Quality Oncology

Additional Agreements

Conditions Precedent to the Acquisition

Termination, Amendment and Waiver

OTHER AGREEMENTS RELATED TO THE ACQUISITION

Voting Agreements

Escrow Agreement

Standstill Agreement

Registration Rights Agreement

Non-Competition Agreements

Data Warehouse License Agreement

ICMS License Agreement

INFORMATION ABOUT THE COMPANIES

Matria

Matria Selected Consolidated Financial Data

Matria Transitional Disclosures Under Recently Issued Accounting Standards

LifeMetrix and Quality Oncology

Quality Oncology Selected Financial Data

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF QUALITY ONCOLOGY

Results of Operations

Liquidity and Capital Resources

Critical Accounting Policies

Principal Stockholders of LifeMetrix

Common Stock

Preferred Stock

PER SHARE MARKET PRICE AND DIVIDEND INFORMATION

Matria

LifeMetrix

COMPARISON OF STOCKHOLDERS RIGHTS

Authorized Shares; Shares Outstanding

Voting Rights: Cumulative Voting

Special Rights of LifeMetrix Preferred Stock

Pre-emptive Rights

Source and Payment of Dividends

Record Date for Determining Stockholders

Special Meetings of Stockholders

Number and Term of Directors

Classified Board of Directors

Removal of Directors

Board of Director Vacancies

Committees of the Board of Directors

Appraisal and Dissenters Rights

Action by Written Consent in Lieu of a Stockholders Meeting

Amendment of Charter Documents

Board and Stockholders Approval of Certain Reorganizations

Specific Provisions Relating to Share Acquisitions

Director Liability and Indemnification

Limitation on Directors Liabilities

Stockholders Rights Plan

MATRIA PROPOSAL 2: ELECTION OF CLASS I DIRECTORS

Background

Security Ownership of Certain Beneficial Owners and Management

Board Committees and Attendance

Executive Compensation

Stock Options

Stock Option Exercises

Compensation of Directors

Severance Agreements

Compensation Committee Report on Executive Compensation

Compensation Committee of the Board of Directors

Compensation Committee Interlocks and Insider Participation

Certain Relationships and Related Transactions

Report of the Audit Committee and Related Matters

MATRIA PROPOSAL 3: APPROVAL OF 2002 STOCK INCENTIVE PLAN

Purpose of the 2002 Stock Incentive Plan

Summary of the 2002 Stock Incentive Plan

Income Tax Consequences

New Plan Benefits

Market Price of the Matria Common Stock

Text of the Plan

MATRIA PROPOSAL 4: 2002 STOCK PURCHASE PLAN

Summary of the 2002 Stock Purchase Plan

New Plan Benefits

Text of the Plan

Equity Compensation Plan Information

OTHER INFORMATION RELATING TO THE MATRIA ANNUAL MEETING

Performance Graph

Section 16(a) Beneficial Ownership Reporting Compliance

STOCKHOLDER PROPOSALS AT MATRIA S NEXT ANNUAL MEETING OF STOCKHOLDERS

EXPERTS

LEGAL MATTERS

WHERE YOU CAN FIND MORE INFORMATION
DOCUMENTS INCORPORATED BY REFERENCE
ANNUAL REPORT AND FINANCIAL STATEMENTS
GENERAL
INDEX TO FINANCIAL STATEMENTS Quality Oncology, Inc.
INDEPENDENT AUDITORS REPORT
QUALITY ONCOLOGY, INC. (a wholly owned subsidiary of LifeMetrix, Inc.) BALANCE SHEET
QUALITY ONCOLOGY, INC.
QUALITY ONCOLOGY, INC.
APPENDIX A
PURCHASE AND SALE AGREEMENT
APPENDIX B
APPENDIX C
2002 Stock Incentive Plan
APPENDIX D
MATRIA HEALTHCARE, INC. 2002 Employee Stock Purchase Plan
PART II INFORMATION NOT REQUIRED IN PROSPECTUS
SIGNATURES
Consent of KPMG LLP
Consent of J.P. Morgan Securities Inc.

MATRIA HEALTHCARE, INC.
1850 Parkway Place
Marietta, Georgia 30067

LIFEMETRIX, INC.
1430 Spring Hill Road, Suite 106
McLean, Virginia 22102

PROSPECTUS/ PROXY STATEMENT/ CONSENT SOLICITATION STATEMENT

The boards of directors of Matria Healthcare, Inc. and LifeMetrix, Inc. each have approved an acquisition agreement under which Matria will acquire all of the issued and outstanding shares of Quality Oncology, Inc., a wholly-owned subsidiary of LifeMetrix, and other assets of LifeMetrix and its other subsidiaries relating to its cancer disease management business. In exchange for these assets, Matria will pay to LifeMetrix at or before the closing of the acquisition \$3.0 million in cash and up to 887,821 shares of Matria common stock. The actual number of shares of Matria common stock that Matria will issue at the closing will be less than 887,821 if the average closing price of Matria common stock for the ten trading days prior to the closing is greater than \$19.148. In addition, Matria has agreed to make an earn out payment to LifeMetrix in cash or shares of Matria common stock in 2004 based on Quality Oncology's future performance.

Matria's common stock is traded on the Nasdaq National Market under the symbol MATR. On August 16, 2002, the closing price of a share of Matria common stock was \$7.55. There is no established trading market for shares of LifeMetrix common or preferred stock.

Stockholders of LifeMetrix will not receive any distribution of the consideration received by LifeMetrix in the acquisition unless and until LifeMetrix adopts a plan of liquidation or declares a liquidation distribution. In addition, because the liquidation preference of the LifeMetrix preferred stock substantially exceeds the amount to be paid by Matria at the closing, holders of LifeMetrix common stock would not receive any distribution in a liquidation unless there is a significant earn-out payment by Matria in 2004.

This document is being sent to Matria stockholders to solicit their approval of a proposal relating to the issuance of Matria's common stock in connection with the acquisition. This document also contains 2002 annual meeting proposals for Matria stockholders to elect three Class I directors, to vote on approving the Matria 2002 Stock Incentive Plan, to vote on approving the Matria 2002 Stock Purchase Plan and to consider and act upon such other business as may properly come before the meeting. Whether or not you plan to attend the annual meeting, please take the time to vote on these proposals by completing and mailing the enclosed proxy card to Matria.

This document also is being sent to LifeMetrix stockholders in connection with the solicitation by LifeMetrix of written consents from LifeMetrix stockholders to approve the acquisition and is being distributed as a prospectus for any shares of Matria common stock that LifeMetrix stockholders may receive in connection with the acquisition and that LifeMetrix and Quality Oncology employees may receive as a part of incentive bonuses that LifeMetrix may pay in connection with the acquisition. Approval of the acquisition requires both the affirmative vote of a majority of the outstanding shares of LifeMetrix common and preferred stock, voting as a single class, on an as-converted basis, and

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the separate affirmative vote of a majority of the outstanding shares of LifeMetrix preferred stock. Stockholders of LifeMetrix having sufficient voting power to approve the acquisition have entered into voting agreements with Matria to vote in favor of or give written consent to the acquisition. Consequently, approval of the acquisition by LifeMetrix is assured. LifeMetrix is seeking approval of the acquisition from its stockholders by written consent. In the materials accompanying this document you will find a form of consent.

This document contains important information about Matria, LifeMetrix, the acquisition and the conditions that must be satisfied before the acquisition can occur. You should carefully consider all of the information in this document, including the risk factors beginning on page 10 of this document.

Parker H. Petit
President and Chief Executive Officer Matria Healthcare, Inc.

Edmund C. Bujalski
Chairman and Chief Executive Officer LifeMetrix, Inc.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the shares of Matria common stock to be issued in connection with the acquisition, nor have they determined whether this document is adequate or correct. Any representation to the contrary is a criminal offense.

The date of this document is August 22, 2002

and it was first mailed to stockholders on or about August 23, 2002

MATRIA HEALTHCARE, INC. PROSPECTUS/ PROXY STATEMENT

LIFEMETRIX, INC. CONSENT SOLICITATION STATEMENT

Matria Healthcare, Inc. has filed a registration statement on Form S-4, of which this document is a part, with the Securities and Exchange Commission pursuant to the Securities Act of 1933, as amended, covering the shares of Matria common stock that may be issued in connection with the proposed acquisition of assets from LifeMetrix, Inc. pursuant to a purchase and sale agreement, dated as of April 29, 2002, among Matria, LifeMetrix and Quality Oncology, Inc., a wholly owned subsidiary of LifeMetrix. The transactions contemplated by the purchase and sale agreement are generally referred to throughout this document as the acquisition.

This document constitutes:

A prospectus of Matria for the shares of common stock to be issued in connection with the acquisition;

A proxy statement of Matria with respect to the solicitation of proxies from Matria stockholders for the matters to be considered at Matria's annual meeting of stockholders to be held on September 26, 2002, which includes approval of the issuance of shares in connection with the acquisition; and

A consent solicitation statement of LifeMetrix relating to the solicitation of consents from holders of LifeMetrix common stock and preferred stock for the approval of the acquisition.

REFERENCE TO ADDITIONAL INFORMATION

This document incorporates important business and financial information about Matria from documents that are not included in or delivered with this document. You can obtain documents incorporated by reference in this document (other than exhibits to those documents) by requesting such documents or information in writing or by telephone from Matria at the following address:

Matria Healthcare, Inc.

1850 Parkway Place
Marietta, Georgia 30067
Attention: Corporate Secretary
Tel: (770) 767-4500

You will not be charged for any of the documents that you request (other than exhibits to those documents). **If you would like to request documents, please do so by September 16, 2002 to ensure timely delivery of the documents.**

See [Where You Can Find More Information](#) on page 101.

1850 Parkway Place
Marietta, Georgia 30067

NOTICE OF 2002 ANNUAL MEETING OF STOCKHOLDERS

To Be Held on September 26, 2002

NOTICE IS HEREBY GIVEN THAT the 2002 Annual Meeting of Stockholders of Matria Healthcare, Inc. will be held on September 26, 2002, at 11:00 a.m. local time at 1850 Parkway Place, Suite 320, Marietta, Georgia 30067, for the following purposes:

- (1) To approve the issuance of shares of Matria common stock in connection with the acquisition of assets from LifeMetrix, Inc., including all of the issued and outstanding stock of Quality Oncology, Inc.
- (2) To elect three Class I directors for a three-year term expiring at the 2005 Annual Meeting of Stockholders and until their respective successors are duly elected and qualified;
- (3) To approve the Matria Healthcare, Inc. 2002 Stock Incentive Plan;
- (4) To approve the Matria Healthcare, Inc. 2002 Stock Purchase Plan; and
- (5) To transact such other business as properly may come before the annual meeting and any adjournment or postponement thereof.

Your vote is important regardless of the number of shares you own. Each stockholder, even though he or she now plans to attend the annual meeting, is requested to sign, date and return the enclosed proxy card without delay in the enclosed postage-paid envelope. You may revoke your proxy at any time prior to its exercise. Any stockholder present at the annual meeting or any adjournment or postponement thereof may revoke his or her proxy and vote personally on each matter brought before the meeting.

I look forward to welcoming you at the meeting.

Very truly yours,

Roberta L. McCaw
Secretary

Marietta, Georgia
August 22, 2002

TABLE OF CONTENTS

	<u>Page</u>
SUMMARY	1
The Companies	1
The Acquisition	2
The Acquisition; Consideration to be Paid by Matria	2
Closing Date Payments	2
Earn Out Payment	2
What LifeMetrix Stockholders Will Receive in the Acquisition	2
Federal Tax Consequences of the Acquisition	3
Dissenters and Appraisal Rights	4
Interests of LifeMetrix Directors in the Acquisition	4
Closing of the Acquisition	4
Material Conditions to the Closing of the Acquisition	4
Termination of the Purchase and Sale Agreement	5
Termination Fees and Other Effects of Termination	5
Other Agreements Related to the Acquisition	5
Voting Agreements	5
Escrow Agreement	5
Standstill Agreement	5
Registration Rights Agreement	6
Non-Competition Agreements	6
License Agreements	6
Other Considerations	6
Opinion of Financial Advisor	6
Accounting Treatment of the Acquisition	6
Summary Selected Historical and Pro Forma Financial Data	7
Matria Healthcare, Inc. Selected Historical Financial Data	7
Quality Oncology, Inc. Selected Historical Financial Data	8
Selected Unaudited Pro Forma Combined Condensed Financial Information	9
RISK FACTORS	10
Risks Relating to the Acquisition	10
Risks Relating to Matria Following the Acquisition	16
Cautionary Note Regarding Forward-Looking Statements in this Document	20
THE MATRIA ANNUAL MEETING	21
Date, Time and Place of the Annual Meeting	21
Matters to be Considered at the Annual Meeting	21
Recommendations of the Board of Directors	21
Voting of Proxies; Revocability of Proxies	21
Record Dates and Outstanding Shares	22
Quorum	22
Votes Required	22
MATRIA PROPOSAL 1: APPROVAL BY MATRIA STOCKHOLDERS OF THE ISSUANCE OF SHARES OF MATRIA COMMON STOCK IN THE ACQUISITION	23

	Page
CONSENT OF LIFEMETRIX STOCKHOLDERS	24
General	24
Record Date and Outstanding Shares	24
Consent Required	24
DESCRIPTION OF THE ACQUISITION	25
Background of the Acquisition	25
Matria Reasons for the Acquisition	28
Recommendation of the Matria Board	30
LifeMetrix Reasons for the Acquisition	30
Recommendation of the LifeMetrix Board	31
Interests of LifeMetrix Directors and Executive Officers in the Acquisition	32
Accounting Treatment	34
Regulatory Matters	34
Appraisal Rights	34
Material Federal Income Tax Consequences	34
Opinion of Financial Advisor	37
THE PURCHASE AND SALE AGREEMENT	42
General	42
The Acquisition	42
Closing of the Acquisition	43
Representations and Warranties	43
LifeMetrix and Quality Oncology Representations and Warranties	43
Matria Representations and Warranties	44
Covenants Relating to Conduct of Business of LifeMetrix and Quality	
Oncology	44
Additional Agreements	45
Investor Consents	45
Matria Deposit	45
No Shop Provision	45
Matria Advances	46
Matria Investment	46
Review Committee	46
Employment	46
Protective Covenants	46
Indemnification	46
Access to Information; Confidentiality	47
Conditions Precedent to the Acquisition	47
Termination, Amendment and Waiver	48
OTHER AGREEMENTS RELATED TO THE ACQUISITION	49
Voting Agreements	49
Escrow Agreement	49
Standstill Agreement	49
Registration Rights Agreement	50

	<u>Page</u>
Non-Competition Agreements	50
Data Warehouse License Agreement	50
ICMS License Agreement	51
INFORMATION ABOUT THE COMPANIES	52
Matria	52
Matria Selected Consolidated Financial Data	52
Matria Transitional Disclosure Under Recently Issued Accounting Standards	54
LifeMetrix and Quality Oncology	55
Quality Oncology Selected Financial Data	58
Management's Discussion and Analysis of Financial Condition and Results of Operations of Quality Oncology	60
Results of Operation	60
Liquidity and Capital Resources	62
Critical Accounting Policies	62
Principal Stockholders of LifeMetrix	64
Common Stock	64
Preferred Stock	65
PER SHARE MARKET PRICE AND DIVIDEND INFORMATION	67
Matria	67
LifeMetrix	67
COMPARISON OF STOCKHOLDERS RIGHTS	68
Authorized Shares; Shares Outstanding	68
Voting Rights; Cumulative Voting	68
Special Rights of LifeMetrix Preferred Stock	70
Pre-emptive Rights	71
Source and Payment of Dividends	71
Record Date for Determining Stockholders	71
Special Meetings of Stockholders	71
Number and Term of Directors	71
Classified Board of Directors	72
Removal of Directors	72
Board of Director Vacancies	73
Committees of the Board of Directors	73
Appraisal and Dissenters' Rights	73
Action by Written Consent in Lieu of a Stockholders' Meeting	74
Amendment of Charter Documents	74
Board and Stockholders' Approval of Certain Reorganizations	74
Specific Provisions Relating to Share Acquisitions	75
Director Liability and Indemnification	76
Limitation on Directors' Liabilities	76
Stockholders' Rights Plan	76
MATRIA PROPOSAL 2: ELECTION OF CLASS I DIRECTORS	78
Background	78
Security Ownership of Certain Beneficial Owners and Management	79

	<u>Page</u>
Board Committees and Attendance	82
Executive Compensation	84
Stock Options	85
Stock Option Exercises	86
Compensation of Directors	86
Severance Agreements	87
Compensation Committee Report on Executive Compensation	88
Compensation Committee of the Board of Directors	89
Compensation Committee Interlocks and Insider Participation	89
Certain Relationships and Related Transactions	89
Report of the Audit Committee and Related Matters	90
MATRIA PROPOSAL 3: APPROVAL OF 2002 STOCK INCENTIVE PLAN	
Purpose of the 2002 Stock Incentive Plan	92
Summary of the 2002 Stock Incentive Plan	92
Income Tax Consequences	94
New Plan Benefits	96
Market Price of the Matria Common Stock	96
Text of the Plan	96
MATRIA PROPOSAL 4: 2002 STOCK PURCHASE PLAN	97
Summary of the 2002 Stock Purchase Plan	97
New Plan Benefits	98
Text of the Plan	98
Equity Compensation Plan Information	99
OTHER INFORMATION RELATING TO THE MATRIA ANNUAL MEETING	100
Performance Graph	100
Section 16(a) Beneficial Ownership Reporting Compliance	100
STOCKHOLDER PROPOSALS AT MATRIA'S NEXT ANNUAL MEETING OF STOCKHOLDERS	100
EXPERTS	101
LEGAL MATTERS	101
WHERE YOU CAN FIND MORE INFORMATION	101
DOCUMENTS INCORPORATED BY REFERENCE	102
ANNUAL REPORT AND FINANCIAL STATEMENTS	102
GENERAL	103
INDEX TO FINANCIAL STATEMENTS	F-1
UNAUDITED PRO FORMA COMBINED CONDENSED FINANCIAL INFORMATION	P-1
Appendix A Purchase and Sale Agreement, dated as of April 29, 2002, among Matria Healthcare, Inc., LifeMetrix, Inc. and Quality Oncology, Inc.	
Appendix B Opinion of J.P. Morgan Securities Inc.	
Appendix C Matria Healthcare, Inc. 2002 Stock Incentive Plan	
Appendix D Matria Healthcare, Inc. 2002 Stock Purchase Plan	

SUMMARY

This summary highlights information contained in this document. While we have highlighted what we believe to be the most important information about the acquisition and the companies involved, we urge you to carefully read this entire document, including the Risk Factors section beginning on page 10, the attachments to this document, including the purchase and sale agreement (which is attached as Appendix A) and the business and financial information about Matria incorporated in this document by reference, for a complete understanding of the acquisition and the companies involved.

For a description of the information incorporated by reference, see the section entitled Incorporation of Certain Documents By Reference. You may also obtain additional information about Matria without charge upon written or oral request by following the instructions in the section entitled Where You Can Find More Information.

As used in this document, the terms Matria, we, our, and us and other similar terms refer to Matria Healthcare, Inc. and its consolidated subsidiaries, unless we specify otherwise.

The Companies

Matria Healthcare, Inc.

1850 Parkway Place
Marietta, Georgia 30067
(770) 767-4500

Matria is a comprehensive, integrated disease management company offering products and services to patients, physicians, health plans and employers. Disease management encompasses a broad range of services aimed at controlling healthcare costs through proactive management of care for individuals with high-cost or chronic diseases and conditions. Our strategy is to focus on providing effective cost-saving solutions for five of the most costly chronic diseases and medical conditions in the nation: diabetes, obstetrical conditions, respiratory disorders, cancer and cardiovascular diseases. Our disease management services seek to lower healthcare costs and improve patient outcomes through a broad range of disease management, fulfillment and telemedicine services.

Our principal executive offices are located at 1850 Parkway Place, Marietta, Georgia 30067, and our phone number is (770) 767-4500. Our corporate website address is <http://www.matria.com>. Information contained on our website is not part of this document.

LifeMetrix, Inc. and Quality Oncology, Inc.

1430 Spring Hill Road, Suite 106
McLean, Virginia 22102
(703) 506-8244

LifeMetrix, through its wholly owned subsidiary Quality Oncology, is a cancer care management company, providing integrated, comprehensive and standardized cancer treatment guidelines and care management processes for cancer patients. Quality Oncology specializes in providing a cancer disease management program marketed to managed care plans and self-insured employers. Quality Oncology provides a comprehensive, systematic approach to managing cancer for patients through use of its proprietary, Web-based integrated system with cancer treatment guidelines and nurses and physicians experienced in cancer treatment. Quality Oncology provides its services to cancer patients through its contracts with various health care plans and self-insured employers.

LifeMetrix and Quality Oncology are headquartered at 1430 Spring Hill Road, Suite 106, McLean, Virginia, 22102, and the phone number is (703) 506-8244.

The Acquisition

The terms and conditions of the acquisition are set forth in a purchase and sale agreement and several other related agreements. Descriptions of these agreements are contained elsewhere in this document under the captions "The Purchase and Sale Agreement" and "Other Agreements Related to the Acquisition." In addition, a copy of the purchase and sale agreement is attached to this document as Appendix