

Emergency Medical Services CORP
Form 10-Q
May 13, 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 March 31, 2013

Or

**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:

001-32701

EMERGENCY MEDICAL SERVICES CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

20-3738384

(IRS Employer
Identification Number)

6200 S. Syracuse Way, Suite 200

Greenwood Village, CO

(Address of principal executive offices)

80111

(Zip Code)

Registrant's telephone number, including area code: **303-495-1200**

Former name, former address and former fiscal year, if changed since last report:

Not applicable

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 period that 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 (§232.405 of this chapter) 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, an accelerated filer, a non-accelerated filer, or a 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

(Do not check if a smaller reporting company)

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Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange act). Yes o No x

The registrant is a privately held corporation, and its common stock is not publicly traded. Shares of common stock outstanding at May 10, 2013 1,000. All of our outstanding stock was held at such date by CDRT Acquisition Corporation, our sole stockholder.

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(unaudited; in thousands)

	Quarter ended March 31,	
	2013	2012
Revenue, net of contractual discounts	\$ 1,605,248	\$ 1,407,790
Provision for uncompensated care	(716,924)	(601,496)
Net revenue	888,324	806,294
Compensation and benefits	641,789	565,865
Operating expenses	100,383	107,581
Insurance expense	25,833	24,890
Selling, general and administrative expenses	21,998	18,993
Depreciation and amortization expense	34,755	30,490
Restructuring charges	637	5,979
Income from operations	62,929	52,496
Interest income from restricted assets	366	287
Interest expense	(40,290)	(43,452)
Realized gain on investments	13	298
Interest and other (expense) income	(12,721)	162
Loss on early debt extinguishment	(122)	
Income from operations before income taxes, equity in earnings of unconsolidated subsidiary and noncontrolling interest	10,175	9,791
Income tax expense	(7,134)	(4,238)
Income from operations before equity in earnings of unconsolidated subsidiary and noncontrolling interest	3,041	5,553
Equity in earnings of unconsolidated subsidiary	75	109
Net loss attributable to noncontrolling interest		130
Net income attributable to Emergency Medical Services Corporation	3,116	5,792
Other comprehensive income, net of tax:		
Unrealized holding (losses) gains during the period	(436)	42
Unrealized losses on derivative financial instruments	(298)	(11)
Comprehensive income	\$ 2,382	\$ 5,823

The accompanying notes are an integral part of these financial statements.

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(in thousands, except share and per share data)

	March 31, 2013 (Unaudited)	December 31 2012
Assets		
Current assets:		
Cash and cash equivalents	\$ 79,851	\$ 57,551
Insurance collateral	21,416	24,481
Trade and other accounts receivable, net	665,303	625,413
Parts and supplies inventory	22,100	22,050
Prepays and other current assets	26,226	23,514
Total current assets	814,896	753,009
Non-current assets:		
Property, plant and equipment, net	186,604	191,864
Intangible assets, net	549,505	564,218
Insurance collateral	18,672	20,760
Goodwill	2,416,739	2,413,632
Other long-term assets	83,157	85,857
Total assets	\$ 4,069,573	\$ 4,029,340
Liabilities and Equity		
Current liabilities:		
Accounts payable	\$ 58,740	\$ 53,792
Accrued liabilities	398,806	387,430
Current deferred tax liabilities	24,817	23,568
Current portion of long-term debt		