

ATHENAHEALTH INC  
Form DEF 14A  
April 28, 2011

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
SCHEDULE 14A INFORMATION  
Proxy Statement Pursuant to Section 14(a) of the  
Securities Exchange Act of 1934  
(Amendment No. )**

Filed by the Registrant  Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material under §240.14a-12

**athenahealth, Inc.**

**(Name of Registrant as Specified In Its Charter)**

**(Name of Person(s) Filing Proxy Statement, if other than the Registrant)**

Payment of Filing Fee (Check the appropriate box):

- No fee required
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11
  - (1) Title of each class of securities to which transaction applies:
  - (2) Aggregate number of securities to which transaction applies:
  - (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
  - (4) Proposed maximum aggregate value of transaction:
  - (5) Total fee paid:
- Fee paid previously with preliminary materials.
- Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
  - (1) Amount Previously Paid:
  - (2) Form, Schedule or Registration Statement No.:
  - (3) Filing Party:

(4) Date Filed:

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April 28, 2011

Dear Stockholder:

You are cordially invited to attend the 2011 Annual Meeting of Stockholders of athenahealth, Inc. to be held on Thursday, June 9, 2011, at 5:00 p.m. Eastern Time, at our headquarters at 400 North Beacon Street, Watertown, Massachusetts 02472. Directions to our headquarters can be found on the last page of the Proxy Statement.

Pursuant to the Securities and Exchange Commission rules that allow issuers to furnish proxy materials to stockholders over the Internet, we are posting the proxy materials on the Internet and delivering a notice of the Internet availability of the proxy materials. This delivery process will allow us to provide stockholders with the information they need, while lowering the costs of delivery and reducing the environmental impact of the Annual Meeting. On or about April 29, 2011, we will begin mailing to our stockholders a Notice of Internet Availability containing instructions on how to access or request a copy of our Proxy Statement for the 2011 Annual Meeting of Stockholders and our Annual Report on Form 10-K for the year ended December 31, 2010.

The Notice of 2011 Annual Meeting of Stockholders and the Proxy Statement contain details of the business to be conducted at the Annual Meeting.

Whether or not you attend the Annual Meeting, it is important that your shares be represented and voted at the meeting. Therefore, I urge you to promptly vote by submitting your proxy via the Internet at the address listed on the proxy card or by signing, dating, and returning the enclosed proxy card in the enclosed envelope. If you decide to attend the Annual Meeting, you will be able to vote in person, even if you have previously submitted your proxy.

On behalf of the Board of Directors, I would like to express our appreciation for your continued interest in the affairs of athenahealth, Inc. I look forward to greeting as many of our stockholders as possible at the Annual Meeting.

Sincerely,

Jonathan Bush  
*Chief Executive Officer, President, and  
Chairman of the Board of Directors*

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**athenahealth, Inc.**  
**311 Arsenal Street**  
**Watertown, MA 02472**

**NOTICE OF 2011 ANNUAL MEETING OF STOCKHOLDERS**

Notice is hereby given that the 2011 Annual Meeting of Stockholders of athenahealth, Inc. will be held on Thursday, June 9, 2011, at 5:00 p.m. Eastern Time, at 400 North Beacon Street, Watertown, Massachusetts 02472. The purpose of the meeting is the following:

1. to elect three (3) directors, Jonathan Bush, Brandon H. Hull, and William Winkenwerder, Jr., to serve as Class I directors for a term of three (3) years and until their successors are duly elected and qualified, subject to their earlier resignation or removal;
2. to ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2011;
3. to approve an amendment and restatement of the 2007 Stock Option and Incentive Plan;
4. to hold an advisory vote to approve executive compensation;
5. to hold an advisory vote on the frequency of the advisory vote to approve executive compensation; and
6. to transact such other business as may properly come before the meeting or at any and all adjournments or postponements thereof.

The proposal for the election of directors relates solely to the election of Class I directors nominated by the Board of Directors and does not include any other matters relating to the election of directors, including, without limitation, the election of directors nominated by any stockholder of the Company.

Only athenahealth, Inc. stockholders of record at the close of business on April 13, 2011, will be entitled to vote at the meeting and any adjournment or postponement thereof.

Your vote is important. Whether or not you are able to attend the meeting in person, it is important that your shares be represented. To ensure that your vote is recorded promptly, please vote as soon as possible, even if you plan to attend the meeting.

By Order of the Board of Directors,

Jonathan Bush  
*Chief Executive Officer, President, and  
Chairman of the Board of Directors*

Watertown, Massachusetts  
April 28, 2011

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**ATHENAHEALTH, INC.  
PROXY STATEMENT**

**FOR THE 2011 ANNUAL MEETING OF STOCKHOLDERS**

**GENERAL INFORMATION**

Our Board of Directors (the Board of Directors ) has made this Proxy Statement and related materials available to you on the Internet, or at your request has delivered printed versions to you by mail, in connection with the Board of Directors solicitation of proxies for our 2011 Annual Meeting of Stockholders (the Annual Meeting ), and any adjournment of the Annual Meeting. If you requested printed versions of these materials by mail, they will also include a proxy card for the Annual Meeting.

Pursuant to rules adopted by the Securities and Exchange Commission ( SEC ), we are providing access to our proxy materials over the Internet. Accordingly, we are sending a Notice of Internet Availability of Proxy Materials (the Notice ) to our stockholders of record and beneficial owners as of the record date identified below. The mailing of the Notice to our stockholders is scheduled to begin on or before April 29, 2011. All stockholders will be able to access the proxy materials and our Annual Report on Form 10-K for the year ended December 31, 2010, on a website referred to in the Notice, as well as request printed or electronic copies of the proxy materials and that Annual Report. Instructions on how to access the proxy materials over the Internet or to request printed or electronic copies may be found in the Notice. Stockholders may also request to receive proxy materials and our Annual Report on Form 10-K in printed form by mail or electronically by e-mail on an ongoing basis.

In this Proxy Statement, the terms Company, we, us, and our refer to athenahealth, Inc. The mailing address of our principal executive offices is athenahealth, Inc., 311 Arsenal Street, Watertown, MA 02472.

**Stockholders Entitled to Vote; Record Date**

As of the close of business on April 13, 2011, the record date for determination of stockholders entitled to vote at the Annual Meeting, there were outstanding 34,870,078 shares of common stock of the Company, par value \$0.01 per share ( Common Stock ), all of which are entitled to vote with respect to all matters to be acted upon at the Annual Meeting. Each stockholder of record is entitled to one vote for each share of Common Stock held by such stockholder. No shares of preferred stock of the Company were outstanding as of April 13, 2011.

**Quorum; Abstentions; Broker Non-Votes**

The Company s By-laws provide that a majority of the shares entitled to vote, present in person or represented by proxy, will constitute a quorum for the transaction of business at the Annual Meeting.

Under the General Corporation Law of the State of Delaware, shares that are voted abstain or withheld and broker non-votes are counted as present and entitled to vote and are, therefore, included for purposes of determining whether a quorum is present at the Annual Meeting. However, broker non-votes are not deemed to be votes cast. As a result, unlike abstentions or withheld votes, broker non-votes are not included in the tabulation of the voting results on proposals requiring approval of a majority of the votes cast and, therefore, do not have the effect of votes in opposition to such proposals. A broker non-vote occurs when a nominee holding shares for a beneficial owner does not vote on a particular proposal because the nominee does not have discretionary voting power with respect to that item and has not received instructions from the beneficial owner.

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If your shares are held in street name by a brokerage firm, your brokerage firm is required to vote your shares according to your instructions. If you do not give instructions to your brokerage firm, the brokerage firm will still be able to vote your shares with respect to certain discretionary items, but will not be allowed to vote your shares with respect to non-discretionary items. Proposals 1, 3, 4, and 5 are non-discretionary items. If you do not instruct your broker how to vote with respect to those proposals, your broker may not

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vote for those proposals, and those votes will be counted as broker non-votes. Proposal 2 is considered to be a discretionary item, and your brokerage firm will be able to vote on this proposal even if it does not receive instructions from you.

## **Voting**

*In Person* If you are a stockholder of record, you may vote in person at the meeting. We will give you a ballot when you arrive. If you hold your shares through a bank or broker and wish to vote in person at the meeting, you must obtain a valid proxy from the firm that holds your shares.

*By Proxy* If you do not wish to vote in person or will not be attending the meeting, you may vote by proxy. You can vote by proxy over the Internet by following the instructions provided in the Notice, or, if you requested printed copies of the proxy materials by mail, you can vote by mailing your proxy as described in the proxy materials. You may also authorize another person or persons to act for you as proxy in a writing, signed by you or your authorized representative, specifying the details of those proxies' authority. The original writing must be given to each of the named proxies, although it may be sent to them by electronic transmission if, from that transmission, it can be determined that the transmission was authorized by you. If you complete and submit your proxy before the meeting, the persons named as proxies will vote the shares represented by your proxy in accordance with your instructions. If you submit a proxy without giving voting instructions, your shares will be voted in the manner recommended by the Board of Directors on all matters presented in this Proxy Statement, and as the persons named as proxies may determine in their discretion with respect to any other matters properly presented at the meeting.

If any other matters are properly presented for consideration at the Annual Meeting, including, among other things, consideration of a motion to adjourn the Annual Meeting to another time or place (including, without limitation, for the purpose of soliciting additional proxies), the persons named in the enclosed proxy card and acting thereunder will have discretion to vote on those matters in accordance with their best judgment. We do not currently anticipate that any other matters will be raised at the Annual Meeting.

## **Revocability of Proxy**

You may revoke your proxy by (1) following the instructions on the Notice and entering a new vote by mail or over the Internet before the Annual Meeting or (2) attending the Annual Meeting and voting in person (although attendance at the Annual Meeting will not in and of itself revoke a proxy). Any written notice of revocation or subsequent proxy card must be received by the Secretary of the Company prior to the taking of the vote at the Annual Meeting. Such written notice of revocation or subsequent proxy card should be hand delivered to the Secretary of the Company or sent to the Company's principal executive offices, athenahealth, Inc., 311 Arsenal Street, Watertown, MA 02472, Attention: Corporate Secretary.

If a broker, bank, or other nominee holds your shares, you must contact them in order to find out how to change your vote.

## **Expenses of Solicitation**

athenahealth, Inc. is making this solicitation and will pay the entire cost of preparing and distributing the Notice and these proxy materials and soliciting votes. If you choose to access the proxy materials or vote over the Internet, you are responsible for any Internet access charges that you may incur. Our officers and employees may, without compensation other than their regular compensation, solicit proxies through further mailings, personal conversations, facsimile transmissions, e-mails, or otherwise. We have hired Broadridge Investor Communication Solutions, Inc. to assist us in the distribution of proxy materials and the solicitation of votes described above. Proxy solicitation

expenses that we will pay include those for preparation, mailing, returning, and tabulating the proxies. We have also retained Georgeson Inc., a proxy solicitation firm, to assist in the solicitation of proxies for a fee of approximately \$8,500, plus customary costs and expenses for these services.

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**Procedure for Submitting Stockholder Proposals**

Stockholder proposals intended to be presented at the next annual meeting of stockholders of the Company must satisfy the requirements set forth in the advance notice provision under the Company's By-laws. To be timely for our next annual meeting of stockholders, any such proposal must be delivered in writing to the Secretary of the Company at our principal executive offices between the close of business on February 10, 2012, and March 12, 2012. If the date of the next annual meeting of the stockholders is scheduled to take place before May 10, 2012, or after August 8, 2012, notice by the stockholder must be delivered no earlier than the close of business on the 120th day prior to such annual meeting and no later than the close of business on the later of (1) the 90th day prior to such annual meeting or (2) the 10th day following the day on which public announcement of the date of such meeting is first made.

In addition, any stockholder proposal intended to be included in the Company's proxy statement for the next annual meeting of stockholders of the Company must also satisfy the SEC regulations under Rule 14a-8 of the Securities Exchange Act of 1934, as amended (the Exchange Act), and be received not later than December 30, 2011. If the date of the annual meeting is moved by more than 30 days from the date contemplated at the time of the previous year's proxy statement, then notice must be received within a reasonable time before the Company begins to print and send its proxy materials. If that happens, the Company will publicly announce the deadline for submitting a proposal in a press release or in a document filed with the SEC.

**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The following table sets forth certain information regarding beneficial ownership of Common Stock as of April 13, 2011, for:

- each person known to us to be the beneficial owner of more than five percent of the outstanding Common Stock;
- each of our named executive officers;
- each of our directors and nominees; and
- all of our directors and executive officers as a group.

Beneficial ownership is determined in accordance with the rules of the SEC and generally includes voting or investment power with respect to securities. Except as noted by footnote, and subject to community property laws where applicable, we believe based on the information provided to us that the persons and entities named in the table below have sole voting and investment power with respect to all shares of Common Stock shown as beneficially owned by them.

The table lists applicable percentage ownership based on 34,870,078 shares of Common Stock outstanding as of April 13, 2011. The number of shares beneficially owned includes shares of Common Stock that each person has the right to acquire within 60 days of April 13, 2011, including upon the exercise of stock options or the vesting of restricted stock units (RSUs). These stock options and RSUs shall be deemed to be outstanding for the purpose of computing the percentage of outstanding shares of Common Stock owned by

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such person but shall not be deemed to be outstanding for the purpose of computing the percentage of outstanding shares of Common Stock owned by any other person.

Name and Address of Beneficial Owner(1)	Number of Shares Beneficially Owned	Percent of Class
FMR LLC(2) 82 Devonshire Street Boston, MA 02109	4,454,656	12.78%
Artisan Partners Holdings LP(3) 875 East Wisconsin Avenue, Suite 800 Milwaukee, WI 53202	3,649,500	10.47%
Kornitzer Capital Management, Inc.(4) 5420 West 61st Place Shawnee Mission, KS 66205	2,708,625	7.77%
TCW Group, Inc.(5) 865 South Figueroa Street Los Angeles, CA 90017	2,302,334	6.60%
Janus Capital Management LLC(6) 151 Detroit Street Denver, CO 80206	2,252,206	6.46%
Morgan Stanley(7) 1585 Broadway New York, NY 10036	2,122,658	6.09%
Capital Research Global Investors(8) 333 South Hope Street Los Angeles, CA 90071	1,927,700	5.53%
BlackRock, Inc.(9) 40 East 52nd Street New York, NY 10022	1,782,033	5.11%
Jonathan Bush(10)	841,738	2.38%
Timothy M. Adams(11)	29,229	*
Robert L. Cosinuke(12)	130,273	*
Derek Hedges(13)	3,468	*
Ed Park(14)	16,698	*
David E. Robinson(15)	118,125	*
Richard N. Foster(16)	77,720	*
Brandon H. Hull(17)	41,417	*
Dev Ittycheria(18)	5,592	*
John A. Kane(19)	58,933	*
Ruben J. King-Shaw, Jr.(20)	26,600	*
James L. Mann(21)	36,100	*
William Winkenwerder, Jr.(22)	27,631	*
All executive officers and directors as a group (15 persons)(23)	1,432,475	4.00%

\* Represents beneficial ownership of less than one percent of outstanding Common Stock.

- (1) Unless otherwise indicated, the address for each beneficial owner is c/o athenahealth, Inc., 311 Arsenal Street, Watertown, MA 02472.
- (2) Based solely on a Schedule 13G/A filed on February 14, 2011, by FMR LLC and Edward C. Johnson 3d, the Chairman of FMR LLC, reporting those stockholders' beneficial ownership as of December 31, 2010. Fidelity Management & Research Company ( Fidelity ), a wholly owned subsidiary of FMR LLC, is the beneficial owner of 4,454,626 shares as a result of serving as investment adviser to various investment

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companies that own such shares. One investment company, Fidelity Variable Insurance Products Mid Cap Portfolio, beneficially owns 2,557,533 shares. Mr. Johnson and FMR LLC, through its control of Fidelity, each has the sole power to dispose of the shares owned by these investment companies but do not have the sole power to vote or direct the voting of those shares, which power resides with the investment companies' Boards of Trustees. Pyramis Global Advisors Trust Company ( PGATC ), an indirect wholly owned subsidiary of FMR LLC, is the beneficial owner of 30 shares as a result of serving as investment manager of institutional accounts that own such shares. Mr. Johnson and FMR LLC, through its control of PGATC, each has sole power to dispose of the shares owned by the accounts managed by PGATC, but they have no voting power over those shares.

- (3) Based solely on a Schedule 13G/A filed on February 11, 2011, by Artisan Partners Holdings LP ( Artisan Holdings ), Artisan Investment Corporation, Artisan Partners Limited Partnership ( Artisan Partners ), Artisan Investments GP LLC, ZFIC, Inc., Andrew A. Ziegler, Carlene M. Ziegler, and Artisan Funds, Inc. ( Artisan Funds ) reporting those stockholders' beneficial ownership as of December 31, 2010. This Schedule 13G/A reports that the shares have been acquired on behalf of discretionary clients of Artisan Partners, with Artisan Partners holding 3,649,500 shares, including 1,889,500 shares on behalf of Artisan Funds. The stockholders reported that they have shared voting power over 3,487,800 shares and shared dispositive power over all of the shares.
- (4) Based solely on a Schedule 13G filed on January 21, 2011, by Kornitzer Capital Management, Inc. reporting that stockholder's beneficial ownership as of December 31, 2010. The stockholder reports sole voting power over all of the shares and sole dispositive power over 2,640,125 shares, with shared dispositive power over 68,500 shares.
- (5) Based solely on a Schedule 13G filed on February 10, 2011, by the TCW Group, Inc., on behalf of the TCW Business Unit reporting that stockholder's beneficial ownership as of December 31, 2010. The stockholder reports shared voting power over 1,715,732 shares and shared dispositive power over 2,302,334 shares.
- (6) Based solely on a Schedule 13G filed on February 14, 2011, by Janus Capital Management LLC reporting that stockholder's beneficial ownership as of December 31, 2010. The stockholder reports sole voting power and sole dispositive power over all of the shares.
- (7) Based solely on a Schedule 13G/A filed on February 9, 2011, by Morgan Stanley and Morgan Stanley Investment Management Inc. reporting those stockholders' beneficial ownership as of December 31, 2010. The shares reported by Morgan Stanley as a parent holding company are owned, or may be deemed to be beneficially owned, by Morgan Stanley Investment Management Inc., an investment adviser. Morgan Stanley Investment Management Inc. is a wholly owned subsidiary of Morgan Stanley. The entities reported the following beneficial ownership: (i) 2,122,658 shares beneficially owned by Morgan Stanley, with sole voting power over 1,971,301 shares and sole dispositive power over all of the shares, and (ii) 1,705,365 shares beneficially owned by Morgan Stanley Investment Management Inc., with sole voting power over 1,554,008 shares and sole dispositive power over all of the shares.
- (8) Based solely on a Schedule 13G filed on February 11, 2011, by Capital Research Global Investors, a division of Capital Research and Management Company reporting that stockholder's beneficial ownership as of December 31, 2010. The stockholder reports sole voting power and sole dispositive power over all of the shares.
- (9) Based solely on a Schedule 13G filed on February 2, 2011, by BlackRock, Inc. reporting that stockholder's beneficial ownership as of December 31, 2010. The stockholder reports sole voting power and sole dispositive power over all of the shares.

- (10) Includes 430,561 shares issuable to Mr. Bush upon exercise of stock options, 19,491 of which are subject to a pre-existing divorce settlement agreement with his former wife that covers the disposition of the options for her benefit. Excludes 148,714 shares held by the Bush 2004 Gift Trust for the benefit of certain of Mr. Bush's children, for which Trust Carl B. Byers and Stephanie Seldon serve as co-trustees and who, acting together by unanimous consent, have the sole voting and dispositive power over such shares. Excludes 14,472 shares held by the Oscar W. Bush 2007 Gift Trust, the beneficiary of which is Mr. Bush's

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child. Carl B. Byers serves as trustee of this trust and has sole voting and dispositive power over such shares.

- (11) Includes 22,500 shares issuable to Mr. Adams upon exercise of stock options.
- (12) Includes 129,062 shares issuable to Mr. Cosinuke upon exercise of stock options.
- (13) Includes 2,175 shares issuable to Mr. Hedges upon exercise of stock options.
- (14) Includes 15,000 shares issuable to Mr. Park upon exercise of stock options.
- (15) Includes 118,125 shares issuable to Mr. Robinson upon exercise of stock options.
- (16) Includes 76,250 shares issuable to Mr. Foster upon exercise of stock options.
- (17) Includes 12,200 shares issuable to Mr. Hull upon exercise of stock options.
- (18) Includes 5,592 shares issuable to Mr. Ittycheria upon vesting of RSUs.
- (19) Includes 58,750 shares issuable to Mr. Kane upon exercise of stock options.
- (20) Includes 26,600 shares issuable to Mr. King-Shaw upon exercise of stock options.
- (21) Includes 30,000 shares issuable to Mr. Mann upon exercise of stock options and 6,100 shares upon vesting of RSUs.
- (22) Includes 22,500 shares issuable to Dr. Winkenwerder upon exercise of stock options.
- (23) Includes an aggregate of 962,131 shares issuable upon exercise of stock options and 11,692 shares upon vesting of RSUs held by our executive officers and directors.

**DIRECTORS AND EXECUTIVE OFFICERS****Directors, Executive Officers, and Key Employees**

The following table identifies our directors, executive officers, and key employees and sets forth the ages of and the positions with the Company currently held by each such person.

<b>Name</b>	<b>Age</b>	<b>Position</b>
Jonathan Bush	42	Chief Executive Officer, President, and Chairman of the Board of Directors
Richard N. Foster	69	Director
Brandon H. Hull	50	Director
Dev Ittycheria	44	Director
John A. Kane	58	Director
Ruben J. King-Shaw, Jr.	49	Lead Director
James L. Mann	77	Director
David E. Robinson	67	Director

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William Winkenwerder, Jr.	57	Director
Timothy M. Adams	51	Senior Vice President, Chief Financial Officer, and Treasurer
Robert L. Cosinuke	50	Senior Vice President and Chief Marketing Officer
Derek Hedges	39	Senior Vice President of Business Development and Product Strategy
Stephen N. Kahane	53	President, Enterprise Services Group
Leslie Brunner	39	Senior Vice President of People and Process
Daniel H. Orenstein	41	Senior Vice President, General Counsel, and Secretary
Ed Park	36	Executive Vice President and Chief Operating Officer

Set forth below are the biographies of each director, executive officer, and key employee, as well as a discussion of the particular experience, qualifications, attributes, and skills that led our Board of Directors to conclude that each person nominated to serve or currently serving on our Board of Directors should serve as a director. In addition to the information presented below, we believe that each director meets the minimum qualifications established by our nominating and corporate governance committee.

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*Jonathan Bush* is our Chief Executive Officer, President, and Chairman of the Board of Directors. Mr. Bush co-founded athenahealth, Inc. in 1997 and has been a director since our inception. Prior to joining the Company, Mr. Bush served as an EMT for the City of New Orleans, was trained as a medic in the U.S. Army, and worked as a management consultant with Booz Allen & Hamilton. Mr. Bush obtained a Bachelor of Arts in the College of Social Studies from Wesleyan University and an M.B.A. from Harvard Business School. As a founder of our Company, Mr. Bush has extensive knowledge of all aspects of our business, including our day-to-day operations. His history with the Company, combined with his business and leadership skills, makes him particularly well suited to serve as Chairman of the Board of Directors.

*Richard N. Foster* has served as a member of our Board of Directors since 2005. Mr. Foster is the Managing Partner of Investment and Advisory Services, LLC and Millbrook Management Group. Prior to forming Millbrook Management Group in 2004, Mr. Foster served as a Director of McKinsey & Company, Inc. for thirty years, where he was a founder and Co-Managing Director of McKinsey's private equity practice. He is a member of the Board of Directors of Trust Company of the West, Innosight, LLC, the Board of Memorial Sloan Kettering Institute, the Dean's Advisory Committee of the Yale School of Medicine, the W. M. Keck Foundation, the Council for Aid to Education, the Council on Foreign Relations, and the President's Circle of the National Academies. Mr. Foster is a fellow of the American Academy of Arts and Sciences. Mr. Foster received his Bachelor of Science, Master of Science, and Ph.D. in Engineering and Applied Science from Yale University where he is a Senior Faculty Fellow. Mr. Foster's experience as an advisor to health care and technology companies, other directorships, and his knowledge and expertise in technological change led our Board of Directors to conclude that he should serve as a director.

*Brandon H. Hull* has served as a member of our Board of Directors since 1999. Since October 1997, Mr. Hull has served as General Partner of Cardinal Partners, a venture capital firm that he co-founded that specializes in health care and life-sciences investments. From 1991 to 1997, Mr. Hull served as principal of the Edison Venture Fund. Mr. Hull serves on the board of directors of Awarepoint Corporation, CodeRyte, Inc., FluidNet Corporation, MDX Medical, Inc., and Replication Medical, Inc. Mr. Hull obtained his Bachelor of Arts from Wheaton College and his M.B.A. from The Wharton School at the University of Pennsylvania. Mr. Hull's experience with health care services, health care information systems, and medical products and devices at Cardinal Partners, and on the boards of numerous health care and medical technology companies, led our Board of Directors to conclude that he should be nominated to serve as a director.

*Dev Ittycheria* has served as a member of our Board of Directors since July 2010. Mr. Ittycheria served as the Senior Vice President, President of the Enterprise Service Management of BMC Software, Inc. from November 2008 to February 2010 and as Senior Vice President, Strategy and Corporate Development from April 2008 to October 2008. Prior to working at BMC, Mr. Ittycheria was co-founder, President, Chief Executive Officer, and a director of BladeLogic, Inc. from August 2001 to April 2008, which was acquired by BMC in April 2008. He also serves as a director of Bazaarvoice, Inc. Mr. Ittycheria received a Bachelor of Science in Electrical Engineering from Rutgers University. Mr. Ittycheria's experience in building high-growth technology businesses that excel at acquiring customers, delivering financial results, and creating long-term sustainable value, together with his leadership ability, led our Board of Directors to conclude that he should serve as a director.

*John A. Kane* has served as a member of our Board of Directors since 2007. Mr. Kane served as Senior Vice President, Finance and Administration, Chief Financial Officer, and Treasurer of IDX Systems Corporation from May 2001 until it was acquired by GE Healthcare in 2006, and as the Vice President, Finance and Administration, Chief Financial Officer, and Treasurer of IDX from October 1984, when he joined IDX, until 2001. While at IDX, Mr. Kane guided the company through more than a dozen acquisitions and at various times managed the finance, facilities, legal, human resources, and information systems functions for the company. Previous to his employment with IDX, Mr. Kane worked as an audit manager at Ernst & Young LLP, in Boston. Mr. Kane serves as a director of Merchants Bancshares, Inc., Spheris Inc., and several private organizations. Since his retirement from IDX in 2006, Mr. Kane has

not been employed on a full-time basis, and his principal occupations have consisted of the directorships mentioned in the preceding sentence. He earned a Bachelor of Science and Master of Accountancy from Brigham Young University. Mr. Kane's experience auditing financial statements at Ernst & Young LLP, directorships with other public companies, and

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experience as chief financial officer of a health care software technology company led our Board of Directors to conclude that he should serve as a director. Our Board of Directors chose Mr. Kane to serve as a director and chairman of the audit committee because of his financial and accounting skills and experience related to auditing financial statements.

*Ruben J. King-Shaw, Jr.* has served as a member of our Board of Directors since 2003 and was named Lead Director in 2007. Mr. King-Shaw is the Chairman, Managing Partner, and Chief Investment Officer of Mansa Equity Partners, Inc., which he founded in 2005. He is currently a member of Medicare's Program Advisory and Oversight Commission which advises the Obama administration on effective value-based procurement strategies for health care reform. From January 2003 to August 2003, Mr. King-Shaw served as Senior Advisor to the Secretary of the Department of the Treasury. From July 2001 to April 2003, Mr. King-Shaw served as Deputy Administrator and Chief Operating Officer of the U.S. Department of Health and Human Services Centers for Medicare and Medicaid Services (CMS). From January 1999 to July 2001, Mr. King-Shaw served as Secretary of the Florida Agency for Health Care Administration. Before that, Mr. King-Shaw was the Chief Operating Officer of Neighborhood Health Partnership, Inc. and the Executive Director of the Jackson Memorial Health Plan. Mr. King-Shaw serves on numerous boards of directors, including APS Healthcare, iHealth Technologies, Inc., and Life House Health Systems, Inc. He also served as a director of Wellcare Health Plans, Inc. Mr. King-Shaw is Chairman of the Compliance Committee and a Member of the Executive Committee at S