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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT**

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

**Date of Report (Date of earliest event reported): November 4, 2010**

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**ADDUS HOMECARE CORPORATION**

(Exact name of registrant as specified in its charter)

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

**001-34504**  
(Commission  
File Number)

**20-5340172**  
(IRS Employer  
Identification Number)

**2401 South Plum Grove Road, Palatine, Illinois**  
(Address of principal executive offices)

**60067**  
(Zip Code)

**(847) 303-5300**  
(Registrant's telephone number, including area code)

**N/A**  
(Former name or former address, if changed since last report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 2.02. Results of Operations and Financial Condition**

On November 4, 2010, Addus HomeCare Corporation issued a press release announcing its earnings for the three and nine month periods ended September 30, 2010. A copy of the press release is furnished as Exhibit 99.1 to this report.

In accordance with General Instruction B.2 of Form 8-K, the information in this Current Report on Form 8-K, including the exhibit, shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

**Item 9.01. Financial Statements and Exhibits**

(d) Exhibits:

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release of Addus HomeCare Corporation dated November 4, 2010.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**ADDUS HOMECARE CORPORATION**

Dated: November 4, 2010

By: \_\_\_\_\_ /s/ Francis J. Leonard  
**Name: Francis J. Leonard**  
**Title: Chief Financial Officer**

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**Exhibit Index**

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release of Addus HomeCare Corporation dated November 4, 2010.

**Investor Contact:**

Amy Glynn / Nick Laudico  
The Ruth Group  
Phone: (646) 536-7023 / 7030  
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**Addus HomeCare Reports Third Quarter 2010 Results****Third Quarter Financial Highlights**

- Total net service revenues grew 4.5% to \$69.8 million
- Home & Community segment net service revenues increased 6.4% to \$57.3 million
- Home Health segment net service revenues decreased 3.0% to \$12.5 million
- Net income of \$1.5 million, or \$0.14 per diluted share

Palatine, IL, November 4, 2010 - Addus HomeCare Corporation (Nasdaq: ADUS), a comprehensive provider of home-based social and medical services, announced today its financial results for the three and nine months ended September 30, 2010.

Mark Heaney, President and Chief Executive Officer of Addus HomeCare, stated, "We are disappointed with our performance in the third quarter. While our largest division, Home & Community, performed well, our Home Health business was well below our expectations. However, we expect that Home Health will become a growing contributor due to the investments we've made.

"We remain focused on the Company's accounts receivable collections and continue to make progress. In addition, the CarePro acquisition is proceeding smoothly and the business is performing in line with our expectations," Heaney added.

**Third Quarter Review**

Total net service revenues for the quarter ended September 30, 2010 were \$69.8 million, a 4.5% increase compared to \$66.8 million in the prior year quarter. The acquisition of Advantage Health Systems, which we refer to as CarePro, contributed approximately \$2.5 million in revenues in the third quarter.

Third quarter 2010 net income of \$1.5 million, or \$0.14 per diluted share, including \$0.01 per share in acquisition related expenses, was based on 10.7 million diluted shares outstanding. This compares to net income after preferred stock dividends of \$0.9 million, or \$0.40 per diluted share based on 5.2 million diluted shares outstanding, in the prior year period. Net income in the third quarter of 2009 before preferred stock dividends was \$2.1 million.

Adjusted earnings before interest, taxes, depreciation, amortization, and stock-based compensation (“Adjusted EBITDA”) for the third quarter of 2010 was \$3.9 million, compared to \$5.4 million in the prior year quarter. Contributing to the decrease in adjusted EBITDA in the current quarter was a decrease of \$1.0 million in the Home Health segment due principally to lower starts of care in Integrated Services, \$0.4 million in pre-tax separation costs related to the resignation of the Company’s CFO and executive recruitment costs, and \$0.2 million in pre-tax class action litigation costs. Additionally, the Company recorded a pre-tax reduction in management bonuses of approximately \$1.0 million in the third quarter of 2010.

Home & Community segment net service revenues for the third quarter of 2010 were \$57.3 million, a 6.4% increase compared to \$53.9 million in the prior year quarter. The total segment revenue growth of \$3.4 million came from a 2.5% organic growth rate plus \$2.0 million from CarePro operations. Organic revenue growth was driven by the Illinois rate increase and ongoing sales efforts.

Home & Community gross profit margin increased to 25.3% in the third quarter of 2010, compared to 24.9% in the third quarter of 2009. Home & Community operating income, including depreciation and amortization but excluding corporate expenses, was \$5.9 million, or 10.3% of revenue, compared to \$5.4 million, or 10.1% of revenue, in the prior year quarter.

Home Health segment net service revenues for the third quarter of 2010 were \$12.5 million, a 3.0% decrease compared to \$12.9 million in the prior year quarter. Home Health segment revenues include approximately \$0.5 million from CarePro operations. The decrease in revenues was largely the result of lower starts of care in Integrated Services.

Home Health gross profit margin was 45.0% in the third quarter of 2010, compared to 48.2% in the prior year period. Home Health operating income, including depreciation and amortization but excluding corporate expenses, was \$1.1 million, or 8.5% of revenues, compared to \$2.1 million, or 15.9% of revenues, in the prior year quarter. The decline in Home Health operating income was primarily due to lower starts of care in the Integrated Services program, a slight increase in visits per episode and investments related to the expansion of the sales force.

#### Nine Month Review

Total net service revenues for the nine months ended September 30, 2010 were \$201.6 million, a 4.1% increase compared to \$193.6 million in the prior year period. The acquisition of CarePro contributed approximately \$2.5 million in revenues.

Net income for the nine months ended September 30, 2010 of \$4.5 million, or \$0.43 per diluted share, including \$0.02 per share in acquisition related expenses, was based on 10.6 million diluted shares outstanding. This compares to net income after preferred stock dividends of \$1.9 million, or \$1.04 per diluted share based on 5.2 million diluted shares outstanding, for the nine months ended September 30, 2009. Net income for the first nine months of 2009 before preferred stock dividends was \$5.4 million.

Adjusted EBITDA for the nine months ended September 30, 2010 was \$11.9 million, compared to \$14.9 million in the prior year period.

Home & Community segment net service revenues for the first nine months of 2010 were \$164.2 million, a 5.0% increase compared to \$156.4 million in the prior year period. The total segment revenue growth of \$7.8 million was attributable to a 3.7% organic growth rate plus \$2.0 million in revenue from CarePro operations.

Home & Community operating income, including depreciation and amortization but excluding corporate expenses, was \$16.9 million, compared to \$15.8 million in the prior year period.

Home Health segment net service revenues for the nine months ended September 30, 2010 were \$37.5 million, a 0.6% increase compared to \$37.2 million in the prior year period. Home Health segment revenues include approximately \$0.5 million attributable to CarePro operations.

Home Health operating income, including depreciation and amortization but excluding corporate expenses, was \$3.8 million, compared to \$5.6 million in the prior year period.

The information provided in this release includes Adjusted EBITDA, a non-GAAP financial measure, which the Company defines as net income plus depreciation and amortization, net interest expense, income tax expense and stock-based compensation expense. The Company has provided, in the financial statement tables included in this press release, a reconciliation of Adjusted EBITDA to net income, the most directly comparable GAAP measure. Management believes that Adjusted EBITDA is useful to investors, management and others in evaluating the Company's operating performance to provide investors with insight and consistency in the Company's financial reporting and present a basis for comparison of the Company's business operations among periods, and to facilitate comparison with the results of the Company's peers.

#### **Conference Call**

Addus will report its 2010 third quarter and nine months financial results after the market close on Thursday, November 4, 2010. Management will conduct a conference call to discuss its results at 5 p.m. Eastern time on November 4, 2010. The toll-free number is (866) 314-9013 (international callers should call 617-213-8053), with the passcode: 15474536. A telephonic replay of the conference call will be available through midnight on November 11, 2010, by dialing (888) 286-8010 (international callers should call 617-801-6888) and entering the passcode 70303689.

A live broadcast of Addus HomeCare's conference call will be available under the Investor Relations section of the Company's website, [www.addus.com](http://www.addus.com). An online replay of the conference call will also be available on the Company's website for one month, beginning approximately three hours following the conclusion of the live broadcast.

### **About Addus**

Addus is a comprehensive provider of a broad range of social and medical services in the home. Addus' services include personal care and assistance with activities of daily living, skilled nursing and rehabilitative therapies, and adult day care. Addus' consumers are individuals with special needs who are at risk of hospitalization or institutionalization, such as the elderly, chronically ill and disabled. Addus' payor clients include federal, state and local governmental agencies, the Veterans Health Administration, commercial insurers and private individuals.

### **Forward-Looking Statements**

Certain matters discussed in this press release constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements may be identified by words such as "continue," "expect," and similar expressions. Forward-looking statements involve a number of risks and uncertainties that may cause actual results to differ materially from those expressed or implied by such forward-looking statements, including the expected benefits and costs of acquisitions, management plans related to acquisitions, the possibility that expected benefits may not materialize as expected, the failure of a target company's business to perform as expected, Addus HomeCare's inability to successfully implement integration strategies, changes in reimbursement, changes in government regulations, changes in Addus HomeCare's relationships with referral sources, increased competition for Addus HomeCare's services, increased competition for joint venture and acquisition candidates, changes in the interpretation of government regulations, and other risks set forth in the Risk Factors section in Addus HomeCare's Prospectus, filed with the Securities and Exchange Commission on October 29, 2009, in Addus HomeCare's Annual Report on Form 10-K, filed with the Securities and Exchange Commission on March 29, 2010, and in Addus HomeCare's Quarterly Report on Form 10-Q, filed with the Securities and Exchange Commission on August 10, 2010, each of which is available at <http://www.sec.gov>. Addus HomeCare undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

(Unaudited tables and notes follow)



**ADDUS HOMECARE CORPORATION AND SUBSIDIARIES**  
**Condensed Consolidated Statements of Income**  
(amounts and shares in thousands, except per share data)  
(Unaudited)

	<u>For the Three Months Ended September 30,</u>		<u>For the Nine Months Ended September 30,</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Net service revenues	\$ 69,842	\$ 66,803	\$ 201,612	\$ 193,608
Cost of service revenues	<u>49,710</u>	<u>47,148</u>	<u>142,924</u>	<u>136,588</u>
Gross profit	20,132	19,655	58,688	57,020
General and administrative expenses	16,277	14,375	46,972	42,358
Depreciation and amortization	1,058	1,234	2,955	3,678
Total operating expenses	<u>17,335</u>	<u>15,609</u>	<u>49,927</u>	<u>46,036</u>
Operating income	2,797	4,046	8,761	10,984
Interest expense, net	<u>855</u>	<u>1,021</u>	<u>2,323</u>	<u>3,189</u>
Income from operations before taxes	1,942	3,025	6,438	7,795
Income tax expense	<u>463</u>	<u>935</u>	<u>1,947</u>	<u>2,409</u>
Net income	1,479	2,090	4,491	5,386
Less: Preferred stock dividends	<u>—</u>	<u>(1,157)</u>	<u>—</u>	<u>(3,441)</u>
Net income attributable to common shareholders	<u>\$ 1,479</u>	<u>\$ 933</u>	<u>\$ 4,491</u>	<u>\$ 1,945</u>
Income per common share:				
Basic	<u>\$ 0.14</u>	<u>\$ 0.92</u>	<u>\$ 0.43</u>	<u>\$ 1.91</u>
Diluted	<u>\$ 0.14</u>	<u>\$ 0.40</u>	<u>\$ 0.43</u>	<u>\$ 1.04</u>
Weighted average number of common shares outstanding:				
Basic	<u>10,681</u>	<u>1,019</u>	<u>10,561</u>	<u>1,019</u>
Diluted	<u>10,681</u>	<u>5,162</u>	<u>10,561</u>	<u>5,167</u>

**Condensed Consolidated Balance Sheets**  
**(Amounts in thousands)**  
**(Unaudited)**

	<u>September 30, 2010</u>	<u>December 31, 2009</u>
<u>Assets</u>		
Current assets		
Cash	\$ 612	\$ 518
Accounts receivable, net	75,712	70,491
Prepaid expenses and other current assets	8,719	6,937
Deferred tax assets	6,459	5,700
Income taxes receivable	93	732
Total current assets	91,595	84,378
Property and equipment, net	3,151	3,133
Other assets		
Goodwill	63,702	59,482
Intangible assets, net	14,423	13,082
Deferred tax assets	64	509
Other assets	764	731
Total other assets	78,953	73,804
Total assets	\$ 173,699	\$ 161,315
<u>Liabilities and stockholders' equity</u>		
Current liabilities		
Accounts payable	\$ 4,600	\$ 3,763
Accrued expenses	28,871	25,557
Current maturities of long-term debt	6,369	7,388
Deferred revenue	2,108	2,189
Total current liabilities	41,948	38,897
Long-term debt, less current maturities	44,152	41,851
Other long-term liabilities	1,103	—
Total stockholders' equity	86,496	80,567
Total liabilities and stockholders' equity	\$ 173,699	\$ 161,315

**ADDUS HOMECARE CORPORATION AND SUBSIDIARIES**  
**Condensed Consolidated Statements of Cash Flows**  
**(Amounts in thousands)**  
**(Unaudited)**

	For the Nine Months Ended	
	September 30, 2010	September 30, 2009
Net Income	\$ 4,491	\$ 5,386
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	2,955	3,678
Deferred income taxes	—	(249)
Change in fair value of financial instrument	(191)	(395)
Stock-based compensation	197	212
Amortization of debt issuance costs	118	530
Provision for doubtful accounts	3,158	2,097
Changes in operating assets and liabilities:		
Accounts receivable	(8,379)	(15,366)
Prepaid expenses and other assets	(1,782)	(1,830)
Accounts payable	837	862
Accrued expenses	3,426	7,038
Deferred revenue	(81)	(304)
Income taxes	325	93
Net cash provided by operating activities	<u>5,074</u>	<u>1,752</u>
Acquisitions of businesses, net of acquired cash	(5,587)	(1,717)
Purchases of property and equipment	(524)	(356)
Net cash used in investing activities	<u>(6,111)</u>	<u>(2,073)</u>
Payments on term-loan	—	(4,987)
Net borrowings (repayments) on revolving credit loan	—	306
Net borrowings (repayments) on new term loan	5,000	
Net borrowings (repayments) on new credit facility	(2,500)	—
Payments on dividend notes	(750)	—
Net borrowings (repayments) on other notes	(468)	1,509
Debt issuance costs	(151)	—
Net cash provided by (used in) financing activities	<u>1,131</u>	<u>(3,172)</u>
Net change in cash	94	(3,493)
Cash at the beginning of period	518	6,113
Cash at the end of the period	<u>\$ 612</u>	<u>\$ 2,620</u>

Segment Information (Unaudited)

	For the Three Months Ended September 30, 2010			
	Home & Community	Home Health	Corporate	Total
Net service revenues	\$ 57,311	\$ 12,531	\$ —	\$ 69,842
Cost of service revenues	42,812	6,898	—	49,710
Gross profit	14,499	5,633	—	20,132
General and administrative expenses	7,871	4,415	3,991	16,277
Depreciation and amortization	712	158	188	1,058
Total operating expenses	8,583	4,573	4,179	17,335
Operating income	\$ 5,916	\$ 1,060	\$ (4,179)	\$ 2,797

	For the Three Months Ended September 30, 2009			
	Home & Community	Home Health	Corporate	Total
Net service revenues	\$ 53,886	\$ 12,917	\$ —	\$ 66,803
Cost of service revenues	40,459	6,689	—	47,148
Gross profit	13,427	6,228	—	19,655
General and administrative expenses	7,149	3,990	3,236	14,375
Depreciation and amortization	844	188	202	1,234
Total operating expenses	7,993	4,178	3,438	15,609
Operating income	\$ 5,434	\$ 2,050	\$ (3,438)	\$ 4,046

	For the Nine Months Ended September 30, 2010			
	Home & Community	Home Health	Corporate	Total
Net service revenues	\$ 164,156	\$ 37,456	\$ —	\$ 201,612
Cost of service revenues	122,536	20,388	—	142,924
Gross profit	41,620	17,068	—	58,688
General and administrative expenses	22,774	12,835	11,363	46,972
Depreciation and amortization	1,947	479	529	2,955
Total operating expenses	24,721	13,314	11,892	49,927
Operating income	\$ 16,899	\$ 3,754	\$ (11,892)	\$ 8,761

	For the Nine Months Ended September 30, 2009			
	Home & Community	Home Health	Corporate	Total
Net service revenues	\$ 156,387	\$ 37,221	\$ —	\$ 193,608
Cost of service revenues	117,079	19,509	—	136,588
Gross profit	39,308	17,712	—	57,020
General and administrative expenses	21,022	11,538	9,798	42,358
Depreciation and amortization	2,511	581	586	3,678
Total operating expenses	23,533	12,119	10,384	46,036
Operating income	\$ 15,775	\$ 5,593	\$ (10,384)	\$ 10,984

Key Statistical and Financial Data (Unaudited)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2010	2009	2010	2009
<b>General:</b>				
Adjusted EBITDA (in thousands) (1)	\$ 3,924	\$ 5,350	\$ 11,913	\$ 14,874
States served at period end			19	16
Locations at period end			134	120
Employees at period end			13,861	12,567
<b>Home &amp; Community</b>				
Average weekly census	21,335	20,236	20,725	20,176
Billable hours (in thousands)	3,371	3,248	9,795	9,600
Billable hours per business day	51,867	50,750	51,017	50,262
Revenues per billable hour	\$ 17.00	\$ 16.59	\$ 16.76	\$ 16.29
<b>Home Health</b>				
Average weekly census:				
Medicare	1,434	1,451	1,485	1,439
Non-Medicare	1,504	1,579	1,523	1,550
Medicare admissions (2)	1,960	1,995	6,190	5,797
Medicare revenues per episode completed	\$ 2,646	\$ 2,514	\$ 2,587	\$ 2,517
<b>Percentage of Revenues by Payor:</b>				
State, local or other governmental	81%	81%	80%	82%
Medicare	11%	12%	12%	12%
Other	8%	7%	8%	6%

(1) We define Adjusted EBITDA as earnings before interest, taxes, depreciation, amortization, and stock-based compensation expense. Adjusted EBITDA is a performance measure used by management that is not calculated in accordance with generally accepted accounting principles in the United States (GAAP). It should not be considered in isolation or as a substitute for net income, operating income or any other measure of financial performance calculated in accordance with GAAP.

(2) Medicare admissions represents the aggregate number of new cases approved for Medicare services during a specified period.

## Adjusted EBITDA (1) (Unaudited)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2010	2009	2010	2009
<b>Reconciliation of Adjusted EBITDA to Net Income:</b>				
Net income	\$ 1,479	\$ 2,090	\$ 4,491	\$ 5,386
Net interest expense	855	1,021	2,323	3,189
Income tax expense	463	935	1,947	2,409
Depreciation and amortization	1,058	1,234	2,955	3,678
Stock-based compensation expense	69	70	197	212
<b>Adjusted EBITDA</b>	<b>\$ 3,924</b>	<b>\$ 5,350</b>	<b>\$ 11,913</b>	<b>\$ 14,874</b>

- (1) We define Adjusted EBITDA as earnings before interest, taxes, depreciation, amortization, and stock-based compensation expense. Adjusted EBITDA is a performance measure used by management that is not calculated in accordance with generally accepted accounting principles in the United States (GAAP). It should not be considered in isolation or as a substitute for net income, operating income or any other measure of financial performance calculated in accordance with GAAP.