

ALLSCRIPTS-MISYS HEALTHCARE SOLUTIONS, INC.

Form DEF 14A

August 27, 2009

Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

(Rule 14a-101)

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a)

of the Securities Exchange Act of 1934

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 Pursuant to §240.14a-12.

ALLSCRIPTS-MISYS HEALTHCARE SOLUTIONS, 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 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:

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.. 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:

Table of Contents

222 Merchandise Mart Plaza, Suite 2024

Chicago, IL 60654

Telephone: (866) 358-6869

Facsimile: (312) 506-1201

August 26, 2009

Fellow Stockholder:

You are cordially invited to attend the Allscripts-Misys Healthcare Solutions, Inc. 2009 Annual Meeting of Stockholders on Thursday, October 8, 2009 at 10:00 a.m., Central Time. The meeting will be held at Allscripts' principal offices located at 222 Merchandise Mart Plaza, Suite 2024, Chicago, Illinois 60654.

For the first time, we are pleased to take advantage of the Securities and Exchange Commission rule allowing companies to furnish proxy materials to their stockholders over the Internet. We believe that this e-proxy process expedites stockholders' receipt of proxy materials, while also lowering the costs and reducing the environmental impact of our annual meeting. Today, we mailed to most of our stockholders a Notice containing instructions on how to access our 2009 proxy statement and annual report and vote online. All other stockholders will continue to receive a copy of the proxy statement and annual report by mail unless they elect to receive the annual meeting materials over the Internet. The Notice and proxy statement contain instructions on how you can (i) receive a paper copy of the proxy statement and annual report, if you only received a Notice by mail, or (ii) elect to receive your proxy statement and annual report over the Internet, if you received them by mail this year.

The accompanying Notice of Annual Meeting and Proxy Statement describe the business to be transacted at the annual meeting and provide other information concerning Allscripts of which you should be aware when you vote your shares. All stockholders are welcome to attend the annual meeting.

Your vote is important. Whether or not you plan to attend the annual meeting, I urge you to authorize your proxy as soon as possible. You may vote by proxy on the Internet or by telephone, or, if you received the proxy materials by mail, you may also vote by mail. Your vote will ensure your representation at the annual meeting regardless of whether you attend in person. In any event, please vote as soon as possible.

On behalf of the Allscripts Board of Directors and our management team, I would like to express our appreciation for your interest in Allscripts.

Sincerely,

Glen E. Tullman

Chief Executive Officer

Table of Contents

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD OCTOBER 8, 2009

To the Stockholders of Allscripts-Misys Healthcare Solutions, Inc.:

This Proxy Statement is being furnished to holders of shares of Allscripts-Misys Healthcare Solutions, Inc. (Allscripts) common stock in connection with the solicitation of proxies by the Board of Directors of Allscripts for use at the annual meeting of stockholders to be held on Thursday, October 8, 2009 at 10:00 a.m., Central Time. The meeting will be held at Allscripts principal offices located at 222 Merchandise Mart Plaza, Suite 2024, Chicago, Illinois 60654. The annual meeting is being held for the following purposes:

1. to elect the nine director nominees named in the proxy statement to serve until the 2010 Annual Meeting of Stockholders;
2. to approve the Allscripts-Misys Healthcare Solutions, Inc. Incentive Plan;
3. to approve an amendment to the Allscripts Healthcare Solutions, Inc. Amended and Restated 1993 Stock Incentive Plan (the 1993 Stock Incentive Plan) to increase the number of shares available for grant thereunder by 7,140,209;
4. to approve an amendment to Section 9 of the 1993 Stock Incentive Plan, including the performance criteria set forth therein;
5. to ratify the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending May 31, 2010; and
6. to transact any and all other business that may properly come before the annual meeting or any adjourned session of the annual meeting.

The Allscripts board of directors recommends that Allscripts stockholders vote FOR all of the director nominees and FOR proposals 2 through 5 listed above.

Only stockholders who owned shares of Allscripts common stock at the close of business on August 17, 2009, the record date for the annual meeting, are entitled to notice of, and to vote at, the annual meeting and any adjournment or postponement of it.

Your vote is important. We urge you to vote your shares promptly, even if you plan to attend the annual meeting. You may vote over the Internet, by telephone or, if you received the proxy materials by mail, by returning the enclosed proxy card. Specific instructions on how to vote can be found on the proxy card.

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders to be Held on October 8, 2009:

This Proxy Statement and the 2009 Annual Report on Form 10-K are Available at:

<http://www.proxyvote.com>

By Order of the Board of Directors,

Lee Shapiro

President and Secretary

August 26, 2009

Table of Contents

ALLSCRIPTS-MISYS HEALTHCARE SOLUTIONS, INC.

Proxy Statement

Table of Contents

	Page
<u>Questions and Answers</u>	1
<u>Proposal 1 Election of Directors</u>	4
<u>Governance</u>	7
<u>Meetings and Committees of the Board of Directors</u>	8
<u>Director Compensation</u>	11
<u>2008/2009 Non-Employee Director Compensation Table</u>	12
<u>Executive Officers</u>	13
<u>Ownership of Allscripts Common Stock</u>	14
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	15
<u>Executive Compensation</u>	16
<u>Compensation Discussion and Analysis</u>	16
<u>Compensation Committee Report</u>	25
<u>2009 Summary Compensation Table</u>	26
<u>Grants of Plan-Based Awards</u>	28
<u>Outstanding Equity Awards at Fiscal Year End</u>	30
<u>Options Exercises & Stock Vested</u>	31
<u>Potential Payments Upon Termination or Change of Control</u>	31
<u>Equity Compensation Plan Information</u>	36
<u>Certain Relationships and Related Party Transactions</u>	37
<u>Audit Committee Report</u>	40
<u>Proposal 2 Approval of the Allscripts-Misys Healthcare Solutions, Inc. Incentive Plan</u>	41
<u>Proposal 3 Approval of the Amendment to the Allscripts Healthcare Solutions, Inc. Amended and Restated 1993 Stock Incentive Plan to Increase the Number of Shares Available for Grant Thereunder</u>	43
<u>Proposal 4 Amendment to Section 9 of the Allscripts Healthcare Solutions, Inc. Amended and Restated 1993 Stock Incentive Plan, Including the Performance Criteria Included Therein</u>	52
<u>Proposal 5 Ratification of PricewaterhouseCoopers LLP</u>	53
ANNEXES	
<u>Allscripts-Misys Healthcare Solutions, Inc. Incentive Plan</u>	A-1
<u>Amendment to Allscripts Healthcare Solutions, Inc. Amended and Restated 1993 Stock Incentive Plan</u>	B-1
<u>Allscripts Healthcare Solutions, Inc. Amended and Restated 1993 Stock Incentive Plan</u>	C-1
<u>Amendment to Allscripts Healthcare Solutions, Inc. Amended and Restated 1993 Stock Incentive Plan</u>	D-1

Annual Report on Form 10-K

We have enclosed with this proxy statement a copy of our Annual Report to Stockholders, which includes our Annual Report on Form 10-K for the fiscal year ended May 31, 2009, without exhibits. You may access the exhibits described in the Form 10-K through our

website at www.allscripts.com or obtain a copy of the exhibits for a fee upon request. Please contact Lee Shapiro, Secretary, Allscripts-Misys Healthcare Solutions, Inc., 222 Merchandise Mart Plaza, Suite 2024, Chicago, Illinois 60654.

This proxy statement and form of proxy are first being sent to stockholders on or about August 27, 2009.

Table of Contents

PROXY STATEMENT

GENERAL

This proxy statement contains information related to the annual meeting of stockholders of Allscripts-Misys Healthcare Solutions, Inc. (Allscripts) to be held on October 8, 2009, beginning at 10:00 a.m., Central Time. The meeting will be held at Allscripts' principal offices located at 222 Merchandise Mart Plaza, Suite 2024, Chicago, Illinois 60654 and at any postponements or adjournments of the annual meeting. The proxy statement was prepared under the direction of Allscripts' board of directors to solicit your proxy for use at the annual meeting. It will be made available and mailed to stockholders on or about August 27, 2009.

On October 10, 2008, the transactions (the Transactions) contemplated by the Agreement and Plan of Merger by and among Allscripts, Misys plc (Misys), Misys Healthcare Systems, LLC (Misys Healthcare) and Patriot Merger Company, LLC, were consummated. In connection with the consummation of the Transactions, Allscripts Healthcare Solutions, Inc. was renamed Allscripts-Misys Healthcare Solutions, Inc. and we changed our fiscal year end from December 31st to May 31st. For accounting purposes, the Transactions are treated as a reverse acquisition, with Misys Healthcare deemed to be the acquirer. As a result of the reverse acquisition accounting, Misys Healthcare's financial statements became our historical financial statements. (Please refer to our Form 10-K for the fiscal year ended May 31, 2009 for more information). However, much of the information contained in this proxy statement, including compensation related disclosure, is derived from the historical financial statements of legacy Allscripts Healthcare Solutions, Inc. for periods prior to the consummation of the Transactions.

QUESTIONS AND ANSWERS ABOUT THE 2009 ANNUAL MEETING

When and where is the annual meeting?

The 2009 Annual Meeting of Allscripts Stockholders will be held on October 8, 2009, at 10:00 a.m., local time, at Allscripts' principal offices located at 222 Merchandise Mart Plaza, Suite 2024, Chicago, Illinois 60654.

What am I voting on?

We are soliciting your vote on the following:

1. to elect the nine director nominees named in the proxy statement to serve until the 2010 Annual Meeting of Stockholders;
2. to approve the Allscripts-Misys Healthcare Solutions, Inc. Incentive Plan (the Bonus Plan);
3. to approve an amendment to the Allscripts Healthcare Solutions, Inc. Amended and Restated 1993 Stock Incentive Plan, as amended (the 1993 Stock Incentive Plan), to increase the number of shares available for grant thereunder by 7,140,209;
4. to approve an amendment to Section 9 of the 1993 Stock Incentive Plan, including the performance criteria set forth therein;
5. to ratify the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending May 31, 2010; and

Table of Contents

6. to transact any and all other business that may properly come before the annual meeting or any adjourned session of the annual meeting.

How does the Allscripts board of directors recommend that stockholders vote?

Allscripts board of directors has recommended that Allscripts stockholders vote **FOR** the election of each director nominee, **FOR** the approval of the Bonus Plan, **FOR** the approval of the amendment to our 1993 Stock Incentive Plan to increase the number of shares available for grant thereunder, **FOR** the approval of the amendment to Article 9 of the 1993 Stock Incentive Plan, **FOR** the ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for fiscal year 2010 and **FOR** or **AGAINST** any other properly raised matters, at the discretion of Messrs. Tullman and Shapiro.

Who may vote?

Allscripts stockholders at the close of business on August 17, 2009, the record date for the 2009 annual meeting, are entitled to vote. On that date, there were 144,901,267 shares of Allscripts common stock outstanding.

How many votes do I have?

Each share that you own of Allscripts common stock entitles you to one vote.

How do I vote?

Your shares can be voted at the annual meeting only if you are present in person or represented by proxy. Even if you plan to attend the meeting, we urge you to authorize your proxy in advance. We encourage you to authorize your proxy electronically by going to the <http://www.proxyvote.com> website or by calling the toll-free number (for residents of the United States and Canada) listed on your proxy card. Please have your proxy card in hand when going online or calling. If you authorize your proxy electronically, you do not need to return your proxy card. If you received proxy materials by mail and choose to authorize your proxy by mail, simply mark your proxy card, and then date, sign and return it in the postage-paid envelope provided.

If you hold your shares beneficially in street name, i.e., through a nominee (such as a bank or broker), you may be able to authorize your proxy by telephone or the Internet as well as by mail. You should follow the instructions you receive from your broker or other nominee to vote these shares.

How does discretionary voting authority apply?

If you sign, date and return your proxy card, your vote will be cast as you direct. If you do not indicate how you want to vote, you give authority to Glen E. Tullman, Chief Executive Officer, and Lee Shapiro, President, to vote for the items discussed in these proxy materials and any other matter that is properly raised at the annual meeting. In such a case, your vote will be cast **FOR** the election of each director nominee, **FOR** the approval of the Bonus Plan, **FOR** the approval of the amendment to our 1993 Stock Incentive Plan to increase the number of shares available for grant thereunder, **FOR** the approval of the amendment to Article 9 of the 1993 Stock Incentive Plan, **FOR** the ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for fiscal year 2010 and **FOR** or **AGAINST** any other properly raised matters, at the discretion of Messrs. Tullman and Shapiro.

May I revoke my proxy?

Yes. You may revoke your proxy at any time before it is exercised in one of four ways:

1. by sending a written notice to the corporate secretary of Allscripts that is received prior to the annual meeting stating that the Allscripts stockholder revokes his or her proxy;
2. by properly completing a new proxy card bearing a later date and properly submitting it so that it is received prior to the annual meeting;

Table of Contents

3. by logging onto the Internet website specified on the proxy card in the same manner a stockholder would to submit his or her proxy electronically or by calling the toll-free number specified on the proxy card prior to the annual meeting, in each case if the Allscripts stockholder is eligible to do so and following the instructions on the proxy card; or

4. by attending the annual meeting and voting in person.

Simply attending the annual meeting will not revoke a proxy. However, if an Allscripts stockholder holds shares in street name by his or her broker and has directed such person to vote his or her shares, he or she should instruct such person to change his or her vote.

What does it mean if I receive more than one proxy card?

Your shares are likely registered differently or are in more than one account. You should sign and return all proxy cards to guarantee that all of your shares are voted.

What constitutes a quorum?

The presence, in person or by proxy, of the holders of one-third of the total number of shares of Allscripts common stock issued and outstanding as of the record date constitutes a quorum. You will be considered part of the quorum if you return a signed and dated proxy card, if you vote by telephone or over the Internet, or if you attend the annual meeting.

Abstentions and broker non-votes are counted as shares present at the annual meeting for purposes of determining whether a quorum exists. A broker non-vote occurs when a bank or broker submits a proxy that does not indicate a vote for a proposal because he or she does not have voting authority and has not received voting instructions from you. Please note that banks and brokers cannot vote on their clients' behalf on non-routine proposals, such as the approval of the Bonus Plan and both amendments to the 1993 Stock Incentive Plan. Routine matters include the election of directors and the ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered accounting firm.

What vote is required to approve the proposals?

Election of Directors: A plurality of the votes cast will elect directors. This means that the nine nominees who receive the highest number of votes will be elected. If you do not want to vote your shares for a particular nominee, you may indicate that in the space provided on the proxy card or withhold authority as prompted during telephone or Internet voting.

Approval of the Bonus Plan: Approval of the Bonus Plan requires the affirmative vote of a majority of the shares present or represented by proxy and having the power to vote at the annual meeting. An abstention will have the effect of a vote against the approval of the Bonus Plan, but a broker non-vote will have no effect.

Approval of the Amendment to our 1993 Stock Incentive Plan to Increase the Number of Shares Available Thereunder: Approval of this amendment to our 1993 Stock Incentive Plan requires the affirmative vote of a majority of the shares present or represented by proxy and having the power to vote at the annual meeting. An abstention will have the effect of a vote against the approval of the amendment, but a broker non-vote will have no effect.

Approval of the Amendment to Section 9 of our 1993 Stock Incentive Plan: Approval of this amendment to our 1993 Stock Incentive Plan requires the affirmative vote of a majority of the shares present or represented by proxy and having the power to vote at the annual meeting. An abstention will have the effect of a vote against the approval of the amendment, but a broker non-vote will have no effect.

Table of Contents

Ratification of the Appointment of the Independent Registered Public Accounting Firm: Although we are not required to submit the appointment of our independent registered public accounting firm to a vote of stockholders, we believe that it is appropriate to ask that you ratify the appointment. Ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for fiscal year 2010 requires the affirmative vote of a majority of the shares present or represented by proxy at the annual meeting. An abstention will have the effect of a vote against the ratification of the appointment of PricewaterhouseCoopers LLP.

How do I submit a stockholder proposal?

The deadline has passed for submitting a proposal to be raised at the 2009 Annual Meeting of Stockholders. To submit a proposal to be included in our proxy statement for the 2010 Annual Meeting of Stockholders, you must submit a proposal no later than April 28, 2010. Your proposal must comply with the proxy rules of the Securities and Exchange Commission. You should send your proposal to our Secretary at our address on the cover of this proxy statement.

You also may submit a proposal that you do not want included in the proxy statement but that you want to raise at the 2010 Annual Meeting of Stockholders. We must receive your proposal in writing on or after May 11, 2010, but no later than June 10, 2010. To be properly brought before an annual meeting, our by-laws require that your proposal give: (1) a brief description of the business you want to bring before the meeting; (2) your name and address as they appear on our stock records; (3) the class and number of shares of Allscripts that you beneficially own; and (4) any interest you may have in the business you want to bring before the meeting. You should send your proposal to our Secretary at the address on the cover of this proxy statement.

Who pays to prepare, mail and solicit the proxies?

We will pay all of the costs of preparing, mailing and soliciting these proxies. We will ask brokers, banks, voting trustees and other nominees and fiduciaries to forward the proxy materials to the beneficial owners of our common stock and to obtain the authority to execute proxies. In addition to mailing proxy materials, our directors, officers and employees may solicit proxies in person, by telephone or otherwise. These individuals will not be specially compensated.

How can I reduce the environmental impact of our annual meeting by requesting electronic delivery

of annual meeting materials?

We encourage you to choose electronic (e-mail) delivery of future annual meeting materials by visiting www.proxyvote.com. Please follow the Vote By Internet instructions on the proxy card or the Notice of Internet Availability of Proxy Materials and you will be provided with the opportunity to choose electronic delivery for future meeting materials.

Who can answer my questions?

If you have any questions about the annual meeting, please contact us at 222 Merchandise Mart Plaza, Suite 2024, Chicago, Illinois 60654; telephone: (866) 358-6869.

PROPOSAL 1

ELECTION OF DIRECTORS

Nine directors currently serve on our board of directors. Each director serves for a term expiring at our next annual meeting of stockholders, or until he resigns or is removed by the board. The board of directors proposes, based on the recommendation of the Independent Nominating Committee, as to Messrs. Marcel L. Gus Gamache, Philip D. Green, Michael J. Kluger and Glen E. Tullman, and the Nominating and Governance

Table of Contents

Committee, as to Messrs. Kelly Barlow, Cory Eaves, John King and Michael Lawrie and Sir Dominic Cadbury, the nominees listed below, all of whom are currently serving as directors, to be elected for a new term expiring at the 2010 annual meeting.

Your shares will be voted in person at the annual meeting as you specify on the enclosed proxy card, by telephone or Internet voting. If you return a signed proxy card but do not specify how you want your shares voted, we will vote them **FOR** the election of each director nominee. If any of the director nominees is unable or fails to stand for election, the persons named in the proxy presently intend to vote your shares **FOR** a substitute nominee nominated by the Independent Nominating Committee or the Nominating and Governance Committee of the board of directors, as applicable. The board does not anticipate that any nominee will be unable to serve.

Pursuant to the Relationship Agreement between Allscripts and Misys, which indirectly holds a majority of the outstanding shares of our common stock, Misys has agreed to cause all shares of our common stock held by it or any of its subsidiaries to be both represented at each meeting where directors are to be elected and voted in favor of the election of the director nominees nominated by the Independent Nominating Committee, which for the annual meeting are Messrs. Tullman, Gamache, Green and Kluger. For more information about the composition of our board and the Independent Nominating Committee, see Corporate Governance Matters Meetings and Committees of the Board of Directors below. The nominees have provided the following information about themselves.

Kelly J. Barlow, 40, CFA, was appointed to our board of directors in October 2008. Mr. Barlow has been a partner at ValueAct Capital, an investment partnership engaged in public and private equity investing, since August 2003. Prior to joining ValueAct Capital, Mr. Barlow worked at EGM Capital for more than six years. During his tenure at EGM, he served primarily as portfolio manager of the firm's flagship long/short equity fund. Prior to EGM Capital, Mr. Barlow worked at Wells Capital Management, a wholly owned subsidiary of Wells Fargo Bank. While there, Mr. Barlow was part of the four-person growth stock team, responsible for managing more than \$1 billion in small-cap equities. Mr. Barlow is a former director of Sirva, Inc.

Sir Dominic Cadbury, 69, was appointed to our board of directors in October 2008. Sir Dominic spent his career at Cadbury Schweppes, which he joined in 1964, being appointed to its board of directors in 1975, serving as Group Chief Executive from 1983 to 1993, then as Chairman until May 2000. He was Chairman of The Economist Group from 1993 to 2003. He retired as Chairman of the Wellcome Trust on April 30, 2006. He served on the board of New Star Asset Management Group plc as Deputy Chairman and as senior independent non-executive director from October 2005 until March 2007. Sir Dominic is Chancellor of Birmingham University. Sir Dominic has been the senior independent director of Misys since May 2000 and held that role until November 2005 when he was appointed Chairman of Misys.

Cory A. Eaves, 39, was appointed to our board of directors in October 2008. Since July 2009, Mr. Eaves has served as Senior Vice President of General Atlantic LLC, a global growth equity firm, in which role he provides technology and operations counsel to General Atlantic's investment teams and portfolio companies. From August 2007 until June 2009, Mr. Eaves served as Executive Vice President, Chief Technology Officer and Chief Information officer of Misys. Prior to August 2007, Mr. Eaves was the Chief Technology Officer of SSA Global, one of the world's largest enterprise software providers. Prior to that, he held technology and product management positions at a number of software and private equity firms, including General Atlantic Partners, Internet Venture Works, Lycos and Emerson Electric.

Marcel L. Gus Gamache, 66, was elected to our board of directors in August 2003. From 1994 to 2005, Mr. Gamache was President and Chief Executive Officer of ConnectiCare, a Farmington, Connecticut-based managed care company serving more than 270,000 members in Connecticut and western Massachusetts. Prior to his work at ConnectiCare, Mr. Gamache was employed for 19 years at Blue Cross and Blue Shield of Massachusetts where he served as internal auditor, Controller and Senior Vice President for Information Services. Mr. Gamache currently serves on the board of directors of a number of privately-held companies.

Table of Contents

Philip D. Green, 58, was elected to our board of directors in 1992. Mr. Green is Principal of PDG Consulting, LLC, a healthcare IT consulting company. From July 2006 until November 30, 2008, Mr. Green was President, Strategic Business Initiatives, at the University of Pittsburgh Medical Center (UPMC). Before joining UPMC, Mr. Green was a partner with the law firm of Gardner Carton & Douglas, LLP since June 2004. From June 2000 until June 2004, Mr. Green was a partner with Akin, Gump, Strauss, Hauer & Feld, L.L.P. From 1989 until June 2000, Mr. Green was a partner with the law firm of Green, Stewart, Farber & Anderson, P.C., of which Mr. Green was a founding partner. From 1978 through 1989, Mr. Green was a partner in the Washington, D.C. based law firm of Schwalb, Donnenfeld, Bray & Silbert, P.C.

John King, 70, was appointed to our board of directors in October 2008. Mr. King has over 30 years experience in the US healthcare industry, most recently as President and Chief Executive Officer of Legacy Health System until 1999. Prior to Legacy, Mr. King was President and CEO of Evangelical Health Systems (now Advocate Health Systems). He is a member of the American Hospital Association and a fellow in the American College of Healthcare Executives. Mr. King serves on the boards of the AHA Center for Governance, AHA Services Inc. and Pacific University of Oregon and has been a Non-Executive director of Misys since November 2005.

Michael J. Kluger, 52, was elected to our board of directors in 1994. Since November 2001, Mr. Kluger has been a Managing Director of Altaris Capital Partners LLC, a private equity healthcare firm. From 1992 until November 2001, Mr. Kluger served as a Managing Director of Liberty Capital Partners, Inc., a New York investment management firm and the general partner of Liberty Partners, L.P. From June 2001 to March 2005, Mr. Kluger served on the board of directors of ConnectiCare, Inc.

Mike Lawrie, 56, was appointed chairman of our board of directors in October 2008. Mr. Lawrie is the Chief Executive Officer and has been a member of the board of directors of Misys since November 2006. Mr. Lawrie was previously a general partner with ValueAct Capital, an investment partnership engaged in public and private equity investing. Prior to that, he was Chief Executive Officer of Siebel Systems Inc., the international software and solutions company, from 2004 to 2005. Mr. Lawrie spent 27 years with IBM where he rose to become Senior Vice President and Group Executive with responsibility for sales and distribution of all IBM products and services worldwide. Previously at IBM he was the General Manager for all operations in Europe, the Middle East and Africa. He previously served on the US Advisory board of NTT DoCoMo and as a director of SSA Global, Inc, Symbol Technology, Inc. and Good Technology, Inc. Mr. Lawrie is a former trustee of Ohio University. Mr. Lawrie serves on the board of Drexel University and is a non-executive director of Juniper Networks, Inc.

Glen E. Tullman, 50, joined Allscripts as Chief Executive Officer in August 1997 to lead our transition into the healthcare information sector. In May 1999, Mr. Tullman was elected to our board of directors. Prior to joining Allscripts, from October 1994 to July 1997, Mr. Tullman was Chief Executive Officer of Enterprise Systems, Inc., a healthcare information services company providing resource management solutions to large integrated healthcare networks. From 1983 to 1994, Mr. Tullman served in a number of management roles, including President and Chief Operating Officer, of CCC Information Services, Inc., a provider of information systems to property and casualty insurers. Mr. Tullman currently serves on the International Board of the Juvenile Diabetes Research Foundation.

The Board of Directors recommends a vote FOR each of the nominees for Director.

Table of Contents

CORPORATE GOVERNANCE MATTERS

Governance

Code of Conduct

Allscripts has adopted a Code of Conduct that applies to all of our directors, officers and employees, including our Chief Executive Officer, Chief Financial Officer and senior financial and accounting officers. Our Code of Conduct requires that all of our directors, officers and employees avoid conflicts of interest, comply with all laws and other legal requirements, conduct business in an honest and ethical manner and otherwise act with integrity and in Allscripts' best interest. We maintain a current copy of our Code of Conduct, and will promptly post any amendments to or waivers of our Code of Conduct, on our website at www.allscripts.com. Stockholders may request a written copy of the Code of Conduct by contacting our Secretary, Lee Shapiro, at Allscripts-Misys Healthcare Solutions, Inc., 222 Merchandise Mart Plaza, Suite 2024, Chicago, Illinois 60654.

In furtherance of our procedures to ensure compliance with the Sarbanes Oxley Act of 2002, each of our employees is required to complete an annual on-line, interactive education program concerning policies of our Code of Conduct.

Controlled Company Exemption

Since the consummation of the Transactions, Misys, through its subsidiaries, has held more than 50% of the power to vote for the election of our directors. Accordingly, we qualify as a controlled company under Rule 5615(c)(1) of the NASDAQ Marketplace Rules. As a controlled company, under Rule 5615(c)(2) of the NASDAQ Marketplace Rules, we are exempt from the requirements to have:

a majority of directors who qualify as independent directors pursuant to Rule 5605(a)(2) of the NASDAQ Marketplace Rules (which we refer to as independent directors in this proxy statement);

the compensation of our executive officers determined by a majority of independent directors or a compensation committee composed solely of independent directors; and

our director nominees selected, or recommended for our board's selection, by either a majority of the independent directors or a nominating committee composed solely of independent directors.

Director Independence

As noted above, by virtue of our controlled company election, we are not required to have a majority of directors who qualify as independent in accordance with the listing requirements of NASDAQ. The NASDAQ definition of independence includes a series of objective tests, such as that the director is not an employee of the company and has not engaged in various types of business dealings with the company. As required by NASDAQ rules, the board has considered the independence of each director and has made a subjective determination as to Messrs. Gamache, Green and Kluger, who have been determined to be the only independent directors within the meaning of independence under the listing standards of NASDAQ, that no relationships exist which, in the opinion of the board, would interfere with the exercise of independent judgment in carrying out their responsibilities of a director. In making these determinations, the board reviewed and discussed information provided by each director and by Allscripts with regard to each director's business and personal activities as they may relate to Allscripts and Allscripts management. With respect to Mr. Green, the board considered that in December 2008, Mr. Green entered into a consulting arrangement with Innovative Health Strategies LLC, a subsidiary of Drinker Biddle & Reath LLP, a law firm that is providing, and may continue to provide in the future, legal services to Allscripts and the Audit Committee.

Table of Contents

Meetings and Committees of the Board of Directors

Board Composition and Meetings

Our board consists of nine members, with one vacancy on the board. Pursuant to our certificate of incorporation and bylaws, our board includes:

three independent directors recommended to the board for election by our Independent Nominating Committee, which consists solely of legacy Allscripts directors;

our chief executive officer, whom the Independent Nominating Committee has the authority to recommend to the board for election; and

six directors, including the chairman of the board, recommended to the board for election by our Nominating and Governance Committee (the Misys Directors), which is comprised of a majority of directors nominated by Misys.

The selection of directors is further described below under the heading "Nominations for Directors" below.

Pursuant to the Relationship Agreement entered into between Allscripts and Misys, if Misys' ownership of our common stock drops below certain specified levels, beginning at 50%, then the Nominating and Governance Committee's right to nominate directors for election will be proportionately reduced and the Independent Nominating Committee will nominate such directors.

From January 1, 2008 until October 9, 2008, the members of our board were M. Fazle Husain, Bernard Goldstein, Robert A. Compton, Marcel L. Gus Gamache, Glen Tullman, Philip D. Green and Michael J. Kluger. Additionally, John McConnell was a director from January 1, 2008 through his resignation from the board on March 17, 2008. Since October 10, 2008, the members of our board have been Marcel L. Gus Gamache, Glen Tullman, Philip D. Green, Michael J. Kluger, Sir Dominic Cadbury, Mike Lawrie, Jim Malone, John King, Cory A. Eaves and Kelly J. Barlow. Mr. Malone served as a director from October 10, 2008 through his resignation from the board effective January 9, 2009.

Based upon information requested from and provided by each director concerning his background and employment and affiliations, including family relationships, our board determined that each of Messrs. Gamache, Green and Kluger was an independent director.

During 2008, our board met 14 times. From January 1, 2009 through May 31, 2009, our board met four times. In addition to meetings of the full board, directors attended meetings of the board committees. During 2008 and from January 1, 2009 through May 31, 2009, all board members attended at least 75% of the board meetings and requisite committee meetings during the period of their service. Allscripts has standing Audit, Compensation, and Nominating and Governance Committees and since October 10, 2008 has had a standing Independent Nominating Committee. Each committee is governed by a charter approved by the board.

Philip Green serves as the lead independent director and focuses on key governance issues, board self-evaluations and the Chief Executive Officer evaluation.

Audit Committee

The Audit Committee is responsible for ensuring the integrity of the financial information reported by Allscripts. In accordance with its written charter, the Audit Committee is directly responsible for appointment, compensation, retention and oversight of the work of the independent auditor, approves the scope of annual audits performed by the independent auditor and reviews the results of those audits. In addition, the Audit

Table of Contents

Committee oversees the accounting and financial reporting process of Allscripts and meets with management, the independent auditors and Allscripts internal staff to review audit results and opinions, as well as financial, accounting and internal control matters. The Audit Committee also is responsible for reviewing all related party transactions and has the authority to approve all such transactions.

From January 1, 2008 through October 9, 2008, the members of the Audit Committee were Michael J. Kluger (Chairman), Marcel L. Gus Gamache and Bernard Goldstein. Since October 10, 2008, the members of the Audit Committee have been Messrs. Kluger, Gamache and Green. Mr. Gamache serves as the Chairman of the Audit Committee. The board of directors has determined that each of the members of the Audit Committee is independent in accordance with the regulations of the SEC and the listing standards of NASDAQ. In addition, the board has determined that each member of the Audit Committee has a working familiarity with basic finance and accounting practices, including the ability to read and understand financial statements. Finally, the board has determined that Mr. Gamache is an audit committee financial expert under the rules of the SEC. The Audit Committee has adopted a charter that specifies the composition and responsibilities of the committee. A copy of the Audit Committee Charter is posted on our website at www.allscripts.com and is available to stockholders upon written request made to our Secretary, Lee Shapiro, at Allscripts-Misys Healthcare Solutions, Inc., 222 Merchandise Mart Plaza, Suite 2024, Chicago, Illinois 60654. During 2008, the Audit Committee met seven times. From January 1, 2009 through May 31, 2009, the Audit Committee met four times.

Compensation Committee

The Compensation Committee determines executive officers' salaries, bonuses and other compensation and administers our Amended and Restated 1993 Stock Incentive Plan and our 2001 Non-statutory Stock Option Plan. Additionally, the Compensation Committee makes recommendations to the board regarding the compensation of non-management directors. Pursuant to our by-laws, the members of the Compensation Committee are to be our Chairman and two independent directors. The Compensation Committee has the power to delegate its authority to one or more subcommittees composed of two members, each of whom is a non-employee director within the meaning of Rule 16b-3 of the Securities Exchange Act of 1934, as amended, and an outside director within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended.

From January 1, 2008 through October 9, 2008, Philip D. Green (Chairman), M. Fazle Husain and Michael J. Kluger served on the Compensation Committee. From October 10, 2008 through May 31, 2009, the members of the Compensation Committee have been Messrs. Lawrie, Green and Kluger. Mr. Lawrie serves as the Chairman of the Compensation Committee. The board of directors has determined that each of the members of the Compensation Committee, other than Mr. Lawrie, is independent in accordance with the regulations of the SEC and the listing standards of NASDAQ. The Compensation Committee has adopted a charter that specifies the composition and responsibilities of the Compensation Committee, which is posted on our website at www.allscripts.com and is available to stockholders upon written request made to our Secretary at Allscripts-Misys Healthcare Solutions, Inc., 222 Merchandise Mart Plaza, Suite 2024, Chicago, Illinois 60654. During 2008, the Compensation Committee met four times. From January 1, 2009 through May 31, 2009, the Compensation Committee met two times.

The Compensation Committee periodically reviews the compensation program for non-employee directors in comparison to the practices of a peer group. Based upon this review, the Compensation Committee may recommend to the board adjustments to the compensation of non-employee directors to bring director compensation in line with competitive practices. Additionally, in January 2009 the Company engaged Watson Wyatt to compile a market study of director compensation. Based in part on the results of this study, the Compensation Committee implemented, effective as of December 1, 2008, a new director compensation program as discussed below. The pay objective for non-employee directors is to provide a competitive level and mix of pay that enhances Allscripts' ability to attract and retain highly qualified directors. For additional information regarding the Compensation Committee and the role of the Chief Executive Officer regarding individual compensation actions, see Executive Compensation Compensation Discussion and Analysis.

Table of Contents

Nominating and Governance Committee

The Nominating and Governance Committee leads the board in its annual review of the board's performance; reviews and assesses succession planning; and makes recommendations to the board with respect to the assignment of individual directors to various committees. In addition, the Nominating and Governance Committee has authority to nominate up to six directors, each for directorships previously held by directors other than the chief executive officer or an independent director, to stand for election by stockholders. The Nominating and Governance Committee has adopted a charter that specifies its composition and responsibilities, which is posted on our website at www.allscripts.com and is available to stockholders upon written request made to our Secretary at Allscripts-Misys Healthcare Solutions, Inc., 222 Merchandise Mart Plaza, Suite 2024, Chicago, Illinois 60654.

From January 1, 2008 through October 9, 2008, Marcel L. Gus Gamache and Philip D. Green served on the Nominating and Governance Committee. Since October 10, 2008, Messrs. Lawrie, King and Gamache have served on the Nominating and Governance Committee, with Mr. Gamache serving as chairman. During 2008, the Nominating and Governance Committee met one time. From January 1, 2009 through May 31, 2009, the Nominating and Governance Committee did not meet.

Independent Nominating Committee

The Independent Nominating Committee, which was formed on October 10, 2008, is comprised of three independent directors and its responsibilities include:

nominating to the board three (3) independent directors and the chief executive officer for directorships;

nominating to the board replacements for vacancies on the board of independent directors and the chief executive officer;

reviewing and assessing management's succession planning and report any action they deem necessary or appropriate; and

reviewing and assessing the independence of directors in light of the requirements of NASDAQ and recommend any changes to the board.

The Independent Nominating Committee has adopted a charter that specifies its composition and responsibilities, which is posted on our website at www.allscripts.com and is available to stockholders upon written request made to our Secretary at Allscripts-Misys Healthcare Solutions, Inc., 222 Merchandise Mart Plaza, Suite 2024, Chicago, Illinois 60654.

Marcel L. Gus Gamache, Philip D. Green and Michael Kluger serve on the Independent Nominating Committee, with Mr. Gamache serving as Chairman. The board has determined that each of the current members of the Independent Nominating Committee is independent in accordance with the regulations of the SEC and the listing standards of NASDAQ. From its inception through May 31, 2009, the Independent Nominating Committee did not meet.

Communications with Directors

Interested parties may communicate concerns to any of our non-management directors by writing to the director in care of our Secretary at Allscripts-Misys Healthcare Solutions, Inc., 222 Merchandise Mart Plaza, Suite 2024, Chicago, Illinois 60654. In accordance with the policy adopted by our non-management directors, our Secretary will promptly relay to the addressee all communications that he determines require prompt attention by a non-management director and will regularly provide the non-management directors with a summary of all communications addressed to non-management directors.

Table of Contents

Nominations for Directors

The Nominating and Governance Committee and the Independent Nominating Committee share responsibility, as detailed above, for the proposal of nominees for service as directors and each will consider recommendations offered by stockholders in accordance with our by-laws. Individuals are selected as director nominees based on their business and professional accomplishments, integrity, demonstrated ability to make independent analytical inquiries, ability to understand our business and willingness to devote the necessary time to board duties. An existing director's qualifications in meeting these criteria are considered each time such director is re-nominated for board membership. Assuming that appropriate biographical and background information is provided to the Nominating and Governance Committee and the Independent Nominating Committee, as the case may be, such committee would apply the same process and standards to the evaluation of each potential director nominee, regardless of whether he or she is recommended by one or more stockholders or is identified by some other method.

The Nominating and Governance Committee and the Independent Nominating Committee may hire outside advisors to assist in identifying and/or evaluating potential director nominees. Neither committee utilized outside advisors in deciding to nominate the director candidates for the upcoming annual meeting of stockholders. If you wish to recommend a nominee for director for the 2010 Annual Meeting of Stockholders, pursuant to our by-laws, our Secretary must receive your written nomination not less than 120 nor more than 150 days prior to the anniversary of the date of the 2009 Annual Meeting of Stockholders. You should submit your proposal to the Secretary at Allscripts-Misys Healthcare Solutions, Inc., 222 Merchandise Mart Plaza, Suite 2024, Chicago, Illinois 60654. Our by-laws require that you provide: (1) your name and address and the name and address of the nominee; (2) a statement that you are a record holder of Allscripts common stock entitled to vote at the meeting and that you plan to appear in person or by proxy at the meeting to make the nomination; (3) a description of all arrangements or understandings under which you are making the nominations; (4) any other information that the rules of the SEC require to be included in a proxy statement; and (5) the nominee's agreement to serve as a director, if elected.

Attendance at Annual Meeting

All members of our board of directors are invited to attend our annual meeting of stockholders. Their attendance, however, is not required. Last year, Mr. Tullman represented the board at our annual meeting via video conference.

Stock Ownership Requirements

Effective as of December 1, 2009, all directors will be subject to a minimum stock ownership requirement (including stock options, restricted stock and restricted stock units) of \$160,000 in value, which is four times the basic annual fee for service as a director.

Director Compensation

Each director other than Mr. Lawrie, Mr. Tullman, Sir Dominic Cadbury and, prior to his resignation as an officer of Misys, Mr. Eaves, is paid a fee of \$10,000 per quarter, and each non-employee director is reimbursed for travel expenses incurred when attending meetings. Under our Amended and Restated 1993 Stock Incentive Plan, independent directors are eligible to receive stock awards in the form of stock options, restricted stock or restricted stock units at the discretion of the board of directors or the Compensation Committee. In 2009, the Company made restricted stock unit grants, each of which was \$125,000 in grant date fair value, to the three independent directors of the Company. In addition, the Chairman of the Audit, Compensation and Nominating and Governance Committees received an additional \$20,000, \$10,000 and \$10,000, respectively for their services as Chairman of the respective committees. Mr. Tullman, who is our Chief Executive Officer, and Mr. Lawrie, who is our Chairman, do not receive any additional compensation for services as a director.

Table of Contents**2008/2009 Non-Employee Director Compensation Table**

The table below summarizes compensation for non-employee directors during 2008 and, other than for Messrs. Compton, Goldstein, Husain and McConnell, who were no longer serving as directors, from January 1, 2009 through the end of our 2009 fiscal year on May 31, 2009.

	Year	Fees Earned or Paid in		Stock Awards (\$)(2)(3)(4)(5)	Total (\$)
		Cash (\$)(1)			
Kelly J. Barlow (4)	2008				
	2009*	20,000			20,000
Sir Dominic Cadbury	2008				
	2009*				
Cory A. Eaves	2008				
	2009*				
John King	2008				
	2009*	20,000			20,000
Jim Malone	2008				
	2009*				
Marcel L. Gus Gamache	2008	3,000		38,206	41,206
	2009*	35,000		41,439	76,439
Philip D. Green	2008	4,500		25,471	29,971
	2009*	20,000		41,439	61,439
Michael J. Kluger	2008	4,500		38,222	42,722
	2009*	20,000		41,439	61,439
Robert A. Compton (6)	2008	3,000		50,957	53,957
Bernard Goldstein (6)	2008	3,000		25,471	28,471
M. Fazle Husain (6)	2008	1,500		25,471	26,971
John P. McConnell (6)	2008	1,500			1,500

* The amounts in the table for 2009 are for the period from January 1, 2009 through the end of our 2009 fiscal year on May 31, 2009.

- (1) This column reports the amount of cash compensation earned in the applicable period. For 2009, each non-employee director receives a fee of \$10,000 per quarter. For 2008, Each non-employee director received a fee of \$1,500 for attendance at board meetings. No fees were paid for telephonic meetings. We reimburse each non-employee director for expenses associated with attending board and committee meetings and other board-related activities.
- (2) The dollar value represents the amount Allscripts recognized for financial statement reporting purposes in the applicable period in accordance with Statement of Financial Accounting Standards No. 123 (Revised), Share-Based Payment (FAS 123(R)) for restricted stock awards. Under the fair value recognition provisions of this statement, stock-based compensation cost is measured at the grant date based on the fair value of the award, which is calculated as the market price on the date of grant multiplied by the number of shares of restricted stock units underlying such grant, and is recognized as expense over the requisite service period, which is the vesting period. For purposes of this table and in accordance with SEC disclosure rules, we have disregarded the estimate of forfeitures related to service-based vesting conditions. The restricted stock awards vest 25% on each of the first four anniversary dates from the grant date. Such awards become fully vested in the event of a Change of Control of Allscripts, as defined in the Restricted Stock Award Agreements relating to such grants, and, as to each director, in the event such director is not re-elected to the Allscripts board of directors. In connection with the consummation of the Transactions, all restricted stock unit awards granted to our directors prior to March of 2008 and all options and restricted stock awards vested in full. See Note 9 to the Consolidated Financial Statements included in our Annual Report on Form 10-K for the fiscal year ended May 31, 2009 for additional information regarding the application of FAS 123(R) in fiscal 2009.

Table of Contents

(3) The following table displays the restricted stock units held by independent directors as of May 31, 2009:

	Grant Date of Stock Award	Restricted Stock Units(#)	Grant Date Fair Value(\$)
Marcel L. Gus Gamache	1/30/2009	14,846	125,003
Philip D. Green	1/30/2009		