

Addus HomeCare Corp
Form S-3
December 08, 2016
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As filed with the Securities and Exchange Commission on December 8, 2016

Registration No. 333-

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM S-3

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

ADDUS HOMECARE CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

2300 Warrenville Rd.,

20-5340172
(I.R.S. Employer
Identification Number)

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Downers Grove, IL 60515

(630) 296-3400

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

R. Dirk Allison

President and Chief Executive Officer

2300 Warrenville Rd.,

Downers Grove, IL 60515

(630) 296-3400

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

Copies to:

Jonathan Stanley

Bass, Berry & Sims PLC

150 Third Avenue South, Suite 2800

Nashville, TN 37201

(615) 742-6257

Approximate date of commencement of proposed sale to the public: From time to time after the effective date of the Registration Statement.

If the only securities being registered on this form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest

reinvestment plans, check the following box.

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

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

If this form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box.

If this form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

Smaller reporting company

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Title of each class of securities to be registered(1)(2)	Amount to be registered(1)	Proposed maximum offering price per security(1)(3)	Proposed maximum aggregate offering price(1)(3)	Amount of registration fee
Primary Offering:				
Common Stock, par value \$0.001 per share(5)				
Preferred Stock, par value \$0.001 per share(5)				
Warrants				
Units				
Total Primary Offering(6):	\$150,000,000.00		\$150,000,000.00	\$17,385.00(4)
Secondary Offering:				
Common Stock, \$0.001 par value(8)	4,084,725	\$34.85	\$142,352,666.00	\$16,498.67(7)
Total Secondary Offering:	4,084,725	\$34.85	\$142,352,666.00	\$16,498.67
Total Registration Fee				\$33,883.67(9)

- (1) Pursuant to Rule 457(i) under the Securities Act of 1933, as amended, or the Securities Act, with respect to the primary offering, the securities registered hereunder include such indeterminate number of shares of common stock and preferred stock, number of warrants and units as may be issued upon conversion or exchange of any preferred stock or warrants registered hereunder that provide for conversion or exchange, upon exercise of warrants or pursuant to the anti-dilution provisions of any such securities.
- (2) Pursuant to Rule 415(a)(6) under the Securities Act, the securities being registered hereunder include \$150,000,000 of unsold securities in a primary offering and 4,084,725 shares of unsold common stock in a secondary offering, covered by an expiring Registration Statement on Form S-3 (File No. 333-192163), which was declared effective on December 9, 2013. The filing fee paid in connection with the unsold securities was \$19,320.00 for the primary offering and \$12,616.18 for the secondary offering, or \$31,936.18 in total.
- (3) The proposed maximum per unit and aggregate offering prices per class of securities with respect to the primary offering will be determined from time to time by the registrant in connection with the issuance by the registrant of the securities registered under this registration statement and is not specified as to each class of security pursuant to General Instruction II.D of Form S-3 under the Securities Act.
- (4) Calculated pursuant to Rule 457(o) under the Securities Act.
- (5) Includes an indeterminate number of shares of common stock or preferred stock as may be sold from time to time, at indeterminate prices.
- (6) Any securities registered hereunder with respect to the primary offering may be sold separately or as units with other securities registered hereunder. The proposed maximum offering price per unit will be determined by the registrant in connection with the issuance of the securities. In no event will the aggregate offering price of all securities issued from time to time pursuant to this registration statement with respect to the primary offering

exceed \$150,000,000.

- (7) Estimated solely for the purpose of calculating the registration fee in accordance with Rule 457(c) under the Securities Act. The offering price and registration fee are computed using \$34.85, the average of the high and low prices of the registrant's common stock, as reported by the NASDAQ Stock Market LLC on December 6, 2016.
- (8) The registrant is hereby registering the sale of 4,084,725 shares of common stock, par value \$0.001 per share, of the registrant previously issued to certain selling stockholders in private placements. Pursuant to Rule 416 under the Securities Act, the shares being registered hereunder include such indeterminate number of shares of common stock as may be issuable with respect to the shares being registered hereunder as a result of stock splits, stock dividends or similar transactions.
- (9) Pursuant to Rule 457(p) under the Securities Act, the total amount of the registration fee payable, \$33,883.67, is partially offset by the amount of the filing fee paid with respect to the unsold securities described in Note (2) above, with a registration fee of \$1,947.49 remaining to be paid.

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

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The information in this prospectus is not complete and may be changed. We and the selling stockholders may not sell these securities under this registration statement until this registration statement is filed with the Securities and Exchange Commission and is effective. This prospectus is not an offer to sell these securities, and it is not soliciting an offer to buy these securities, in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED DECEMBER 8, 2016

PROSPECTUS

\$150,000,000

Common Stock

Preferred Stock

Warrants

Units

4,084,725 Shares of Common Stock

Offered by Selling Stockholders

We may offer and sell from time to time, in one or more series or issuances and on terms that we will determine at the time of the offering, any combination of common stock, preferred stock and warrants, either separately or in units, up to an aggregate amount of \$150,000,000.

In addition, the selling stockholders identified in this prospectus may sell, from time to time, up to 4,084,725 shares of our common stock. We will not receive any proceeds from sales by the selling stockholders.

This prospectus describes some of the general terms that may apply to these securities and the general manner in which they may be offered. We will provide specific terms of any offering in a supplement to this prospectus. Any prospectus supplement may also add, update or change information contained in this prospectus. You should carefully read this prospectus and the applicable prospectus supplement as well as the documents incorporated or deemed to be incorporated by reference in this prospectus before you purchase any of the securities offered hereby.

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These securities may be offered and sold in the same offering or in separate offerings; to or through underwriters, dealers, and agents; or directly to purchasers. The names of any underwriters, dealers, or agents involved in the sale of our securities and their compensation will be described in the applicable prospectus supplement.

The selling stockholders may sell these securities on a continuous or delayed basis directly, through agents, dealers or underwriters as designated from time to time, or through a combination of these methods. The names of any agents, dealers or underwriters involved in the sale of our securities and their compensation will be described in the applicable prospectus supplement. For additional information on the methods of sale, you should refer to the section entitled Plan of Distribution.

Our common stock is listed on the NASDAQ Stock Market LLC under the symbol ADUS. The last reported sale price of our common stock on the NASDAQ Stock Market LLC on December 6, 2016 was \$34.80 per share. We will provide information in any applicable prospectus supplement regarding any listing of securities other than shares of our common stock on any securities exchange.

This prospectus may not be used to consummate a sale of our securities unless accompanied by the applicable prospectus supplement.

You should consider the risks that we have described in this prospectus and in the accompanying prospectus supplement before you invest. See Risk Factors on page 3.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is _____, 2016

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ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we filed with the Securities and Exchange Commission, or the SEC, utilizing a shelf registration process. Under this shelf registration process, we may sell any combination of the securities registered in one or more offerings, up to a total dollar amount of \$150,000,000. In addition, under this shelf process, the selling stockholders may sell from time to time up to 4,084,725 shares of our common stock. This prospectus provides you with general information regarding the securities that we and the selling stockholders may offer in the future. Each time we or the selling stockholders sell securities, we will provide a prospectus supplement that contains specific information about any offering by us or the selling stockholders, including the names of any selling stockholders, if applicable.

The prospectus supplement also may add, update or change information contained in the prospectus. You should read both this prospectus and the prospectus supplement related to any offering as well as additional information described under the heading **Where You Can Find More Information**.

We have not authorized anyone to provide you with information different from that contained or incorporated by reference in this prospectus or any accompanying prospectus supplement or any free writing prospectus. We are offering to sell, and seeking offers to buy, securities only in jurisdictions in which offers and sales are permitted. The information contained in this prospectus and in any accompanying prospectus supplement is accurate only as of the date of their covers, regardless of the time of delivery of this prospectus or any prospectus supplement or of any sale of our securities. Our business, financial condition, results of operations and prospects may have changed since those dates. You should rely only on the information contained or incorporated by reference in this prospectus or any accompanying prospectus supplement. To the extent there is a conflict between the information contained in this prospectus and the prospectus supplement, you should rely on the information in the prospectus supplement, provided that if any statement in one of these documents is inconsistent with a statement in another document having a later date—for example, a document incorporated by reference into this prospectus or any prospectus supplement—the statement in the document having the later date modifies or supersedes the earlier statement.

In this prospectus, the terms **we**, **our** and **us** refer to Addus HomeCare Corporation and its subsidiaries, unless otherwise specified.

PROSPECTUS SUMMARY

The following summary does not contain all of the information that may be important to purchasers of our securities. Prospective purchasers of securities should carefully review the detailed information and financial statements, including the notes thereto, appearing elsewhere in or incorporated by reference into this prospectus.

Our Company

We operate as one business segment and are a provider of comprehensive personal care services, which are provided primarily in the home. Our personal care services provide assistance with activities of daily living, and adult day services. Our consumers are primarily persons who are at risk of hospitalization or institutionalization, such as the elderly, chronically ill and disabled. Our payor clients include federal, state and local governmental agencies, managed care organizations, commercial insurers and private individuals. As of September 30, 2016, we provided personal care services to over 34,000 consumers through 118 locations across 24 states, including three adult day centers in Illinois. For the nine months ended September 30, 2016, we served approximately 45,000 discrete customers, and for the years ended December 31, 2015, 2014 and 2013, we served on average 48,000, 43,000 and 42,000 discrete consumers, respectively.

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Our services were provided under agreements with state and local government agencies established to meet the needs of our consumers. Our consumers are predominately dual eligible and as such are eligible to receive

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both Medicare and Medicaid funded home-based personal care. The federal government encourages states to initiate dual eligible demonstration programs and other managed Medicaid initiatives, which are designed to coordinate the services provided through these programs with the overall objective of improving care and reducing costs. As a result, states are increasingly implementing managed care programs and as such are transitioning management of individuals such as our consumers to local and national managed care organizations. Under these arrangements, the managed care organizations have an economic incentive to provide personal care services to consumers as a means to better manage the acute care expenditures of their membership and place in a more cost effective setting. For the nine months ended September 30, 2016 and for the year ended December 31, 2015, managed care revenues accounted for 24.4% and 18.3% of our revenue mix, respectively. The personal care services we provide include assistance with bathing, grooming, dressing, personal hygiene, medication reminders, and other activities of daily living. We provide these services on a long-term, continuous basis, with an average duration of approximately 21 months per consumer. Our adult day centers provide a comprehensive program of skilled and support services and designated medical services for adults in a community-based group setting. Services provided by our adult day service centers include social activities, transportation services to and from the centers, the provision of meals and snacks, personal care and therapeutic activities such as exercise and cognitive interaction.

Our business model is designed to improve consumer outcomes and satisfaction, as well as lower the cost of acute care treatment and reduce service duplication. We believe our model to be especially valuable to managed care organizations that have economic responsibility for both personal care services as well as acute care expenditures. Over the long term, we believe our model will be a differentiator and as a result we expect to receive increased referrals from managed care organizations.

We utilize our home care aides to observe and report changes in the condition of our consumers for the purpose of early intervention in the disease process, thereby preventing or reducing the cost of medical services by reducing unnecessary emergency room visits and/or hospital admissions. We coordinate the services provided by our team with those of other healthcare agencies as appropriate. Changes in consumers' conditions are evaluated by appropriately trained managers and referred to either appropriate medical personnel including the consumers' primary care physicians or managed care organizations for treatment and follow-up. We believe that this approach to the care of our consumers and to the integration of our services into the broader healthcare continuum are attractive to managed care organizations and others who are ultimately responsible for the healthcare needs and costs of our consumers, and over time will increase our business with them.

We utilize Interactive Voice Response (IVR) systems and smart phone applications to communicate with the homecare aides. Through these applications we are able to identify changes in health conditions with automated alerts forwarded to appropriate management team for triaging and evaluation. In addition, the technology is used to record basic transaction information about each visit, including tracking start and end times of a scheduled shift, tracking mileage reimbursement, sending text messages to the homecare aide and communicating basic payroll information.

In addition to our focus on organic growth, we have been growing through selective acquisitions which expand our presence in current markets or which facilitate our entry into new markets where the personal care business is moving to managed care organizations. We completed seven acquisitions during the period from December 2013 through February 2016.

Our Offices

Our principal executive offices are located at 2300 Warrenville Road, Downers Grove, Illinois 60515. Our telephone number is (630) 296-3400. Our website is located at www.addus.com . Other than as described under the caption

Where You Can Find More Information in this prospectus, the information on, or that can be accessed through, our

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website is not incorporated by reference in this prospectus or any prospectus supplement, and you should not consider it to be a part of this prospectus or any prospectus supplement. Our website address is included as an inactive textual reference only.

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The Securities That May Be Offered

We may offer up to \$150,000,000 of common stock, preferred stock, warrants and units in one or more offerings and in any combination. In addition, the selling stockholders may offer up to 4,084,725 shares of common stock in one or more offerings and in any combination. In this prospectus, we refer to the common stock, preferred stock, warrants and units collectively as securities. This prospectus provides you with a general description of the securities we or the selling stockholders may offer. A prospectus supplement, which we will provide each time we offer securities, will describe the specific amounts, prices and terms of the securities that we or the selling stockholders offer. We will also include in the prospectus supplement information, when applicable, about material U.S. federal income tax considerations relating to the securities, and the securities exchange, if any, on which the securities will be listed. This prospectus may not be used to consummate a sale of securities unless it is accompanied by a prospectus supplement.

Common Stock

We may offer shares of our common stock, par value \$0.001 per share, either alone or underlying other registered securities convertible or exercisable into our common stock. In addition, the selling stockholders may offer shares of our common stock. Each holder of our common stock is entitled to one vote for each share on all matters to be voted upon by the stockholders, and there are no cumulative rights. Subject to any preferential rights of any outstanding preferred stock, holders of our common stock are entitled to receive ratably the dividends, if any, as may be declared from time to time by the board of directors out of funds legally available therefor. If there is a liquidation, dissolution or winding up of our company, holders of our common stock would be entitled to share in our assets remaining after the payment of liabilities and any preferential rights of any outstanding preferred stock, if any.

Preferred Stock

Under the terms of our amended and restated certificate of incorporation, our board of directors is authorized to issue shares of preferred stock in one or more series without stockholder approval. Our board of directors has the discretion to determine the rights, preferences, privileges and restrictions, including voting rights, dividend rights, conversion rights, redemption privileges and liquidation preferences, of each series of preferred stock. Each series of preferred stock will be more fully described in the particular prospectus supplement that will accompany this prospectus, including redemption provisions, rights in the event of our liquidation, dissolution or winding up, voting rights and rights to convert into common stock.

Warrants

We may issue warrants for the purchase of common stock or preferred stock. We may issue warrants independently or together with other securities.

Units

We may issue units comprised of one or more of the other classes of securities issued by us as described in this prospectus in any combination. Each unit will be issued so that the holder of the unit is also the holder of each security included in the unit.

RISK FACTORS

Investing in our securities involves a high degree of risk. Please see the risk factors described under the caption Risk Factors in our Annual Report on Form 10-K for the fiscal year ended December 31, 2015, as well as Risk Factors in

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our Quarterly Reports on Form 10-Q for the fiscal quarters ended March 31, 2016, June 30, 2016 and September 30, 2016, and our other reports filed from time to time under the Securities Exchange Act of 1934, amended, or the Exchange Act. Before making an investment decision, you should carefully consider these

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risks as well as information we include or incorporate by reference in this prospectus and in any accompanying prospectus supplement. The risks and uncertainties we have described are not the only ones facing our company. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also affect our business operations.

FORWARD-LOOKING STATEMENTS

This prospectus and each prospectus supplement include and incorporate forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. Statements that are predictive in nature, that depend upon or refer to future events or conditions or that include words like believes, belief, expects, plans, anticipates, intends, designs, projects, estimates, may, might, would, should, and similar expressions, are intended to be forward-looking statements as defined by the Private Securities Litigation Reform Act of 1995. These forward-looking statements involve a variety of risks and uncertainties that could cause actual results to differ materially from those described therein. These risks and uncertainties include, but are not limited to, the risks set forth in our filings with the Securities and Exchange Commission from time to time, including the risk factors set forth in Part II, Item 1A of our Quarterly Report on Form 10-Q for the period ended June 30, 2016, filed on August 8, 2016, and the risk factors set forth in Part I, Item 1A of our Annual Report on Form 10-K for the period ended December 31, 2015, filed on March 11, 2016. Because forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified, you should not rely on any forward-looking statement as a prediction of future events. We expressly disclaim any obligation or undertaking and we do not intend to release publicly any updates or changes in our expectations concerning the forward-looking statements or any changes in events, conditions or circumstances upon which any forward-looking statement may be based, except as required by law.

PROSPECTUS SUPPLEMENTS

This prospectus provides you with a general description of the proposed offering of our securities. Each time that we or the selling stockholders sell securities under this prospectus, we will provide a prospectus supplement that will contain specific information about the terms of that offering. The prospectus supplement may add to, update or change information contained in this prospectus and should be read as superseding this prospectus.

You should read both this prospectus and any prospectus supplement together with additional information described under the heading **Where You Can Find More Information**.

The prospectus supplement will describe the terms of any offering of securities, including the offering price to the public in that offering, the purchase price and net proceeds of that offering, and the other specific terms related to that offering of securities.

USE OF PROCEEDS

Except as may be otherwise set forth in any prospectus supplement accompanying this prospectus, we will use the net proceeds we receive from sales of securities offered hereby for general corporate purposes, which may include the repayment of indebtedness outstanding from time to time and for working capital, capital expenditures, acquisitions and repurchases of our common stock or other securities. Pending these uses, the net proceeds may also be temporarily invested in short-term securities. When specific securities are offered, the prospectus supplement relating thereto will set forth our intended use of the net proceeds that we receive from the sale of such securities. We will have significant discretion in the use of any net proceeds. We will not receive any proceeds from the sale of shares of our common stock by the selling stockholders.

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PLAN OF DISTRIBUTION

We or the selling stockholders may sell the securities described in this prospectus from time to time in one or more of the following ways:

to or through underwriters or dealers;

directly to one or more purchasers, including our affiliates;

through agents;

in connection with any acquisitions; or

through a combination of any of those methods of sale.

The prospectus supplement with respect to the offered securities will describe the terms of the offering, including the following:

the name or names of any underwriters or agents, including any managing underwriter or underwriters;

any public offering price;

the net proceeds from such sale;

any underwriting discounts or agency fees and other items constituting underwriters' or agents' compensation;

any over-allotment options under which underwriters may purchase additional securities from us;

any discounts or concessions allowed or reallocated or paid to dealers;

any securities exchanges on which the securities may be listed;

the terms of the offering; and

any commissions paid to agents.

We or the selling stockholders may distribute the securities from time to time in one or more of the following ways:

at a fixed public offering price or prices, which may be changed;

at prices relating to prevailing market prices at the time of sale;

at varying prices determined at the time of sale; or

at negotiated prices.

Unless otherwise indicated in the applicable prospectus supplement, if we use underwriters for a sale of securities, the underwriters will acquire the securities for their own account. The underwriters may resell the securities in one or more transactions, including negotiated transactions, at a fixed public offering price, or at varying prices determined at the time of sale. The obligations of the underwriters to purchase the securities will be subject to the conditions set forth in the applicable underwriting agreement. Unless otherwise indicated in a prospectus supplement, the underwriters will be obligated to purchase all of the securities offered if they purchase any of the securities offered. The underwriters may offer securities to the public either through underwriting syndicates represented by one or more managing underwriters or directly by one or more firms acting as underwriters. We may change from time to time any initial public offering price and any discounts or concessions that the underwriters allow or reallow or pay to dealers. We may use underwriters with whom we have a material relationship. We will describe in the prospectus supplement naming the underwriter the nature of any such relationship. We may use dealers in the sale of securities offered through this prospectus, in which case we will sell the securities to them as principals. The dealers may then resell those securities to the public at varying prices determined by the dealers at the time of resale. The prospectus supplement will include the names of the dealers and the terms of the transaction.

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We may designate agents who agree to use their reasonable efforts to solicit purchases for the period of their appointment or to sell securities on a continuing basis. We may also sell securities directly to one or more purchasers without using underwriters or agents. We may also issue securities as consideration in connection with future acquisitions. Underwriters, dealers or agents may receive compensation in the form of discounts, concessions or commissions from us or from purchasers of the securities as their agents in connection with the sale of the securities. These underwriters, dealers, or agents may be considered to be underwriters under the Securities Act. As a result, discounts, commissions or profits on resale received by underwriters, dealers or agents may be treated as underwriting discounts and commissions. Each prospectus supplement will identify any underwriter, dealer or agent and describe any compensation received by them from us. Any initial public offering price and any discounts or concessions allowed or reallocated or paid to dealers may be changed from time to time.

Unless otherwise specified in the applicable prospectus supplement, each class or series of securities will be a new issue with no established trading market, other than our common stock, which is listed on the NASDAQ Stock Market LLC. We may elect to list any other class or series of securities on any exchange, but we are not obligated to do so. It is possible that one or more underwriters may make a market in a class or series of securities, but the underwriters will not be obligated to do so and may discontinue any market making at any time without notice. We cannot give any assurance as to the liquidity of the trading market for any of the securities.

In connection with any offering, the underwriters may engage in stabilizing transactions, over-allotment transactions, syndicate covering transactions and penalty bids in accordance with Regulation M under the Exchange Act.

Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum.

Over-allotment involves sales by the underwriters of shares of our common stock in excess of the number of shares the underwriters are obligated to purchase, which creates a syndicate short position. The short position may be either a covered short position or a naked short position. In a covered short position, the number of shares of our common stock over-allotted by the underwriters is not greater than the number of shares that they may purchase in the over-allotment option. In a naked short position, the number of shares of our common stock involved is greater than the number of shares in the over-allotment option. The underwriters may close out any covered short position by either exercising their over-allotment option or purchasing shares of our common stock in the open market.

Syndicate covering transactions involve purchases of our common stock in the open market after the distribution has been completed in order to cover syndicate short positions. In determining the source of shares to close out the short position, the underwriters will consider, among other things, the price of shares of our common stock available for purchase in the open market as compared to the price at which they may purchase shares through the over-allotment option so that if there is a naked short position, the position can only be closed out by buying shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there could be downward pressure on the price of the shares of our common stock in the open market after the pricing of any offering that could adversely affect investors who purchase in that offering.

Penalty bids permit the representatives of the underwriters to reclaim a selling concession from a syndicate member when the common stock originally sold by the syndicate member is purchased in a stabilizing or syndicate covering transaction to cover syndicate short positions.

These stabilizing transactions, over-allotments, syndicate covering transactions and penalty bids may have the effect of raising or maintaining the market price of our common stock or preventing or retarding a decline in the market price of our common stock. As a result, the price of our common stock may be higher than the price that might otherwise exist in the open market. These transactions may be effected on the NASDAQ Stock Market LLC or otherwise and, if commenced, may be discontinued at any time.

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Underwriters, dealers and agents may be entitled under agreements entered into with us to indemnification against certain civil liabilities, including liabilities under the Securities Act, or to contribution with respect to payments they may be required to make in respect of these liabilities thereof. Underwriters, dealers and agents and their affiliates may be customers of, may engage in transactions with, or perform services for us in the ordinary course of business for which they receive compensation.

SELLING SECURITYHOLDERS

Certain shares of our common stock to which this prospectus relates are being registered for sale by (i) Eos Capital Partners III, L.P. and Eos Partners SBIC III, L.P., together, referred to as the Eos Funds, and (ii) W. Andrew Wright, III, James A. Wright, Courtney E. Panzer Living Trust II and Addus Term Trust, each as a selling stockholder. We have registered the shares to permit the selling stockholders and certain of their transferees after the date of this prospectus to sell the shares when they deem appropriate.

On September 19, 2006, we issued shares of preferred stock to the Eos Funds and shares of common stock to the seller stockholders in connection with our acquisition of Addus HealthCare, Inc., referred to as Addus HealthCare. Such shares of preferred stock converted into common stock in connection with our initial public offering consummated on November 2, 2009. We issued these securities in reliance upon Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering. Each such person had adequate access to information about us through its relationship with us or through information provided to them. We were advised by Courtney E. Panzer that she subsequently transferred her shares to the Courtney E. Panzer Living Trust II.

The following table sets forth the maximum number of shares of our common stock to be sold by the selling stockholders. The percentage of shares beneficially owned after the offering is based on 11,463,501 shares of our common stock outstanding as of December 6, 2016. Except as otherwise indicated, the selling stockholders have sole voting and dispositive power with respect to such shares. We have prepared this table using information furnished to us by or on behalf of the selling stockholders.

Name of Beneficial Owner	Number of Shares Beneficially Owned Prior to Offering	Maximum Number of Shares that may be Sold Under this Prospectus	Number of Shares Beneficially Owned After Offering (assuming the sale of all shares that may be sold hereunder)	Percentage of Beneficial Ownership After Offering (assuming the sale of all shares that may be sold hereunder)
Eos Capital Partners III, L.P.(1)	3,027,141	3,027,141	0	0%
Eos Partners SBIC III, L.P.(1)	869,230	869,230	0	0%

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W. Andrew Wright, III	35,778	35,778	0	0%
James A. Wright	57,500	57,500	0	0%
Courtney E. Panzer Living Trust II	68,944	68,944	0	0%
Addus Term Trust	26,132	26,132	0	0%

- (1) As a managing director of Eos Management, L.P., Mark L. First, one of our directors, may be deemed to have voting and investment control over and may be considered a beneficial owner of the stock owned by the Eos Funds. Mr. First disclaims any beneficial ownership of the stock owned by the Eos Funds.

Relationship between the Selling Stockholders and Us

On September 19, 2006, we entered into a Registration Rights Agreement to which the selling stockholders were parties. Pursuant to the terms of the Registration Rights Agreement, the selling stockholders were granted

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piggyback registration rights to register the restricted shares of common stock held by the selling stockholders. The shares held by certain of such stockholders are included in the registration statement of which this prospectus is a part. The selling stockholders may sell all, a portion or none of their shares at any time.

DESCRIPTION OF SECURITIES WE OR THE SELLING STOCKHOLDERS MAY OFFER

The following is a general description of the terms and provisions of the securities we or the selling stockholders may offer and sell by this prospectus. These summaries are not meant to be complete. This prospectus and the applicable prospectus supplement will contain the material terms and conditions of each security. The prospectus supplement may add, update or change the terms and conditions of the securities as described in this prospectus.

DESCRIPTION OF COMMON STOCK

This section describes the general terms of our common stock. A prospectus supplement may provide information that is different from this prospectus. If the information in the prospectus supplement with respect to our common stock being offered differs from this prospectus, you should rely on the information in the prospectus supplement. A copy of our amended and restated certificate of incorporation has been incorporated by reference from our filings with the SEC as an exhibit to the registration statement of which this prospectus forms a part. Our common stock and the rights of the holders of our common stock are subject to the applicable provisions of the Delaware General Corporation Law, or the DGCL, our amended and restated certificate of incorporation, and our amended and restated bylaws.

As of December 6, 2016 under our amended and restated certificate of incorporation, we had the authority to issue 40,000,000 shares of common stock, par value \$0.001 per share, of which 11,463,501 shares of our common stock were outstanding.

The following description of our common stock, and any description of our common stock in a prospectus supplement, may not be complete and is subject to, and qualified in its entirety by, reference to, the DGCL and the actual terms and provisions contained in our amended and restated certificate of incorporation and amended and restated bylaws, each as amended from time to time.

Voting Rights

Each outstanding share of our common stock is entitled to one vote per share of record on all matters submitted to a vote of stockholders. At a meeting of stockholders at which a quorum is present, for all matters other than the election of directors, all questions shall be decided by the vote of the holders of a majority of the outstanding shares of stock entitled to vote thereon present in person or by proxy at the meeting, unless the matter is one upon which a different vote is required by express provision of law or our amended and restated certificate of incorporation or amended and restated bylaws. Directors will be elected by a plurality of the votes of the shares present at a meeting. There is no provision for cumulative voting for the election of directors in our amended and restated certificate of incorporation. This means that the holders of a plurality of the shares voted can elect all of the directors then standing for election.

Dividends

Holders of our common stock are entitled to receive dividends or other distributions when, as, and if declared by our board of directors. The right of our board of directors to declare dividends, however, is subject to any rights of the holders of other classes of our capital stock, any indebtedness outstanding from time to time and the availability of sufficient funds under the DGCL to pay dividends.

Preemptive Rights

The holders of our common stock do not have preemptive rights to purchase or subscribe for any of our capital stock or other securities.

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Redemption

The shares of our common stock are not subject to redemption by operation of a sinking fund or otherwise.

Liquidation Rights

In the event of any liquidation, dissolution or winding up of our company, subject to the rights, if any, of the holders of other classes of our capital stock, the holders of shares of our common stock are entitled to receive any of our assets available for distribution to our stockholders ratably in proportion to the number of shares held by them.

Registration Rights

We have granted certain stockholders, who are a party to a Registration Rights Agreement, piggyback registration rights with respect to their shares of our common stock. As a result, the shares held by certain stockholders subject to the Registration Rights Agreement are included in the registration statement of which this prospectus is a part.

Options and Restricted Stock Awards

From time to time, we have issued and expect to continue to issue options and restricted stock awards to certain of our employees, directors and consultants. As of December 6, 2016, we had outstanding (i) stock options to purchase 468,880 shares of our common stock, of which 128,016 shares of common stock were issuable, upon exercise of vested stock options as of that date; and (ii) 258,848 restricted stock awards, of which 137,325 were vested as of such date.

Listing

Our common stock is listed on the NASDAQ Stock Market LLC under the symbol ADUS.

Transfer Agent and Registrar

The transfer agent and registrar for our common stock is Computershare, 462 South 4th Street, Louisville, Kentucky 40202.

DESCRIPTION OF PREFERRED STOCK

This section describes the general terms of our preferred stock to which any prospectus supplement may relate. A prospectus supplement will describe the terms relating to any preferred stock to be offered by us in greater detail and may provide information that is different from terms described in this prospectus. If the information in the prospectus supplement with respect to the particular preferred stock being offered differs from this prospectus, you should rely on the information in the prospectus supplement. A copy of our amended and restated certificate of incorporation has been incorporated by reference from our filings with the SEC as an exhibit to the registration statement of which this prospectus forms a part. A certificate of designation or amendment to our amended and restated certificate of incorporation will specify the terms of the preferred stock being offered, and it will be filed or incorporated by reference as an exhibit to the registration statement before the preferred stock is issued. The following description of our preferred stock, and any description of the preferred stock in a prospectus supplement, may not be complete and is subject to, and qualified in its entirety by reference to, the DGCL and the actual terms and provisions contained in our amended and restated certificate of incorporation and amended and restated bylaws, each as amended from time to time.

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As of December 6, 2016 under our amended and restated certificate of incorporation, we had the authority to issue 10,000,000 shares of preferred stock, par value \$0.001 per share, which are issuable in series on terms to be determined by our board of directors. Accordingly, our board of directors is authorized, without action by the stockholders, to issue preferred stock from time to time with such dividend, liquidation, conversion, voting and

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other rights and restrictions as it may determine. All shares of any one series of our preferred stock will be identical, except that shares of any one series issued at different times may differ as to the dates from which dividends may be cumulative. All series shall rank equally and shall provide for other terms as described in the applicable prospectus supplement. As of December 6, 2016 there were no outstanding shares of our preferred stock.

The issuance of preferred stock, while providing desirable flexibility in connection with possible acquisitions and other corporate purposes, could have the effect of delaying, deferring or preventing a change in control without further action by our stockholders and may adversely affect the market price of, and the voting and other rights of, the holders of our common stock.

Terms of Preferred Stock to Be Offered

Any prospectus supplement offering our preferred stock will furnish the following information with respect to the preferred stock offered by that prospectus supplement:

the title and stated value of the preferred stock;

the number of shares of preferred stock to be issued and the offering price of the preferred stock;

any dividend rights;

any dividend rate(s), periods or payment date(s), or method(s) of calculation of dividends applicable to the preferred stock;

the date from which distributions on the preferred stock shall accumulate, if applicable;

the terms and conditions, if applicable, upon which the preferred stock will be convertible into our common stock, including the conversion price (or manner of calculation thereof);

any right to convert the preferred stock into a different type of security;

any voting rights attributable to the preferred stock;

any rights and preferences upon our liquidation, dissolution or winding up of our affairs;

any terms of redemption;

the procedures for any auction and remarketing, if any, for the preferred stock;

the provisions for a sinking fund, if any, for the preferred stock;

any listing of the preferred stock on any securities exchange;

a discussion of any material and/or special federal income tax considerations applicable to the preferred stock;

the relative ranking and preference of the preferred stock as to distribution rights (including whether any liquidation preference as to the preferred stock will be treated as liability for the purposes of determining the availability of assets for distribution to holders of stock ranking junior to the shares of preferred stock as to distribution rights);

any limitation on issuance of any series of preferred stock ranking senior to or on parity with the series of preferred stock being offered as to distribution rights and rights upon the liquidation, dissolution or winding up of our affairs; and

any other specific terms, preference, rights, limitations or restrictions of the preferred stock.

Rank

The rank information of the preferred stock will be indicated in the applicable prospectus supplement.

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Distributions

The distribution rights, if any, of the preferred stock will be indicated in the applicable prospectus supplement.

Voting Rights

The voting rights, if any, of the preferred stock will be indicated in the applicable prospectus supplement.

Liquidation Preference

The liquidation preference, if any, of the preferred stock will be indicated in the applicable prospectus supplement.

Conversion Rights

The terms and conditions, if any, upon which shares of any series of preferred stock are convertible into other securities will be set forth in the applicable prospectus supplement. These terms will include the amount and type of security into which the shares of preferred stock are convertible, the conversion price (or manner of calculation thereof), the conversion period, provisions as to whether conversion will be at the option of the holders of the preferred stock or us, the events requiring an adjustment of the conversion price and provisions affecting conversion in the event of the redemption of that preferred stock.

Redemption

The redemption information, if any, of the preferred stock will be indicated in the applicable prospectus supplement. No series of preferred stock will receive the benefit of a sinking fund except as set forth in the applicable prospectus supplement.

Registrar and Transfer Agent

The registrar and transfer agent for our preferred stock will be set forth in the applicable prospectus supplement.

If our board of directors decides to issue any preferred stock, it may discourage or make more difficult a merger, tender offer, business combination or proxy contest, assumption of control by a holder of a large block of our securities, or the removal of incumbent management, even if these events were favorable to the interests of stockholders. Our board of directors, without stockholder approval, may issue preferred stock with voting and conversion rights and dividend and liquidation preferences that may adversely affect the holders of our other equity securities.

DESCRIPTION OF WARRANTS

General

We may issue warrants to purchase common stock (which we refer to as common stock warrants) or preferred stock (which we refer to as preferred stock warrants). Any of these warrants may be issued independently or together with any other securities offered by this prospectus and may be attached to or separate from those securities.

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While the terms we have summarized below will generally apply to any future warrants we may offer under this prospectus, we will describe the particular terms of any warrants that we may offer in more detail in the applicable prospectus supplement. The terms of any warrants we offer under a prospectus supplement may differ from the terms we describe below.

We may issue the warrants under a warrant agreement, which we will enter into with a warrant agent to be selected by us. Each warrant agent will act solely as our agent under the applicable warrant agreement and will not assume any obligation or relationship of agency or trust with any holder of any warrant. A single bank or trust company may act as warrant agent for more than one issue of warrants. A warrant agent will have no duty or responsibility in case of any default by us under the applicable warrant agreement or warrant, including any duty or responsibility to initiate any proceedings at law or otherwise, or to make any demand upon us. Any holder of a warrant may, without the consent of the related warrant agent or the holder of any other warrant, enforce by appropriate legal action its right to exercise, and receive the securities purchasable upon exercise of, its warrants.

We will incorporate by reference into the registration statement of which this prospectus is a part the form of warrant agreement, including a form of warrant certificate, that describes the terms of the series of warrants we are offering before the issuance of the related series of warrants. The following summaries of material provisions of the warrants and the warrant agreements are subject to, and qualified in their entirety by reference to, all the provisions of the warrant agreement applicable to a particular series of warrants. We urge you to read the applicable prospectus supplements related to the warrants that we sell under this prospectus, as well as the complete warrant agreements that contain the terms of the warrants.

We will set forth in the applicable prospectus supplement the terms of the warrants in respect of which this prospectus is being delivered, including, when applicable, the following:

the title of the warrants;

the aggregate number of the warrants;

the price or prices at which the warrants will be issued;

the designation, number and the terms of the securities purchasable upon exercise of the warrants;