

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

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

Date of report (Date of earliest event reported): August 1, 2022

Tabula Rasa HealthCare, Inc.
(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-37888
(Commission
File Number)

46-5726437
(I.R.S. Employer
Identification No.)

228 Strawbridge Drive, Suite 100
Moorestown, New Jersey 08057
(Address of Principal Executive Offices, and Zip Code)

(866) 648-2767
Registrant's Telephone Number, Including Area Code

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communication pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.0001	TRHC	The Nasdaq Stock Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.02. Termination of a Material Definitive Agreement.

As previously disclosed by Tabula Rasa HealthCare, Inc., a Delaware corporation (the “Company”) on December 22, 2020, on December 18, 2020, the Company and certain of its then-existing subsidiaries, including Tabula Rasa Healthcare Group, Inc. (“Seller”), CK Solutions, LLC, Personica, LLC, TRHC TPA, LLC, and PersonifilRx, LLC, entered into that certain Loan and Security Agreement (the “Loan Agreement”) with Western Alliance Bank, as administrative agent (“WAB”), and certain lenders party thereto, for a \$120 million secured revolving credit facility, with a \$1 million sublimit for cash management services and letters of credit and foreign exchange transactions (the “Credit Facility”).

On August 1, 2022 (the “Closing Date”), the Company entered into a payoff letter with WAB with respect to the Loan Agreement (the “Payoff Letter”), pursuant to which the Company voluntarily elected to pay all amounts outstanding under the Credit Facility and the Loan Agreement and related loan documents (the “Pay Off”) using cash on hand and proceeds from the PW Asset Disposition (as defined below). Accordingly, on the Closing Date, the Company paid a total of \$57,405,952.54 to WAB in the Pay Off, and terminated the Loan Agreement and the Credit Facility and related loan documents (the “Termination”). The Company did not incur any prepayment or early termination penalties in connection with either the Pay Off or the Termination. Upon the Termination and in connection with the Payoff Letter, all security interests and pledges granted to the secured parties thereunder were terminated and released.

The description of the Loan Agreement and the Credit Facility contained in Item 1.01 of the Current Report on Form 8-K filed with the Securities and Exchange Commission (the “SEC”) by the Company on December 22, 2020 (the “Credit Facility 8-K”) is incorporated herein by reference. The foregoing description and the summary description contained in Item 1.01 of the Credit Facility 8-K do not purport to be complete and are qualified in their entireties by reference to the full text of the Loan Agreement and the Credit Facility, which was filed as Exhibit 10.1 to the Credit Facility 8-K and is incorporated herein by reference.

Item 2.01. Completion of Acquisition or Disposition of Assets.

PrescribeWellness Asset Purchase Agreement

On the Closing Date, the Company completed the previously-announced sale of Seller’s unincorporated PrescribeWellness business division (the “PrescribeWellness Business”) and the assets, properties, and rights that are primarily used or held for use in connection with the PrescribeWellness Business (together with the PrescribeWellness Business and the KD Assets (as defined below), the “PW Assets,” and the sale of such PW Assets as provided for in the PW Purchase Agreement, the “PW Asset Disposition”), pursuant to that certain Asset Purchase Agreement (the “PW Purchase Agreement”), dated as of June 18, 2022, by and among the Company, Seller, and Transaction Data Systems, Inc., a Florida corporation (“Buyer”). Capitalized terms used herein but not otherwise defined have the meanings set forth in the PW Purchase Agreement.

At the closing of the PW Asset Disposition (the “PW Closing”), pursuant to the terms of the PW Purchase Agreement, as consideration for the transactions contemplated thereby, Buyer paid to Seller \$125,000,000 in cash, subject to certain adjustments as set forth in the PW Purchase Agreement (the “Base Purchase Price”). Following the PW Closing, Buyer may pay to Seller additional consideration in an aggregate amount of up to \$15,000,000, which additional consideration can be earned based upon the PrescribeWellness Business’s achievement of certain performance-based metrics during the fiscal years ending December 31, 2023 and 2024. \$6,100,000 of the proceeds of the Base Purchase Price was used by Seller to pay to KD (as defined below) the purchase price pursuant to the KD Purchase Agreement (as defined below), subject to a holdback amount further described below.

The description of the PW Purchase Agreement contained in Item 1.01 of the Current Report on Form 8-K filed with the SEC by the Company on June 21, 2022 (the “Signing 8-K”) is incorporated herein by reference. The foregoing description and the summary description contained in Item 1.01 of the Signing 8-K do not purport to be complete and are qualified in their entirety by reference to the full text of the PW Purchase Agreement, which was filed as Exhibit 2.1 to the Signing 8-K and is incorporated herein by reference.

Karmadata, Inc. Asset Purchase Agreement

On the Closing Date and as a condition to the PW Closing, Seller completed the previously-announced acquisition of KD’s rights, title, and interests in and to certain intellectual property of KD that has historically been licensed to Seller, all intellectual property owned by KD that was developed or improved pursuant to the IP Development Agreement (as defined in the Signing 8-K), and all authorization rights and claims or causes of action with respect to the foregoing (collectively, the “KD Assets” and the purchase of such KD Assets as provided for in the KD Purchase Agreement, the “KD Asset Acquisition”), pursuant to that certain Asset Purchase Agreement (the “KD Purchase Agreement”), dated as of June 18, 2022, by and between Seller and karmadata, Inc., a Delaware corporation (“KD”).

At the closing of the KD Asset Acquisition, pursuant to the terms of the KD Purchase Agreement, as consideration for the transactions contemplated thereby and subject to certain holdbacks and adjustments set forth in the KD Purchase Agreement, Seller paid to KD cash consideration in the amount of \$5,900,000. An additional \$200,000 will be released to KD on the date that is six (6) months from the Closing Date, less any amounts deducted therefrom in order to resolve any claims Seller may have under the KD Purchase Agreement. The total consideration for the KD Asset Acquisition, an aggregate of \$6,800,000, also included a prepayment credit of \$700,000 that was previously paid by Seller to KD.

The description of the KD Purchase Agreement contained in Item 1.01 of the Signing 8-K is incorporated herein by reference. The foregoing description and the summary description contained in Item 1.01 of the Signing 8-K do not purport to be complete and are qualified in their entirety by reference to the full text of the KD Purchase Agreement, which was filed as Exhibit 2.2 to the Signing 8-K and is incorporated herein by reference.

Item 7.01. Regulation FD Disclosure.

On the Closing Date, the Company issued a press release announcing the closing of the PW Asset Disposition. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

The information furnished pursuant to this Item 7.01 and the accompanying Exhibit 99.1 shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section, and is not to be incorporated by reference into any filing of the Company.

Item 9.01. Financial Statements and Exhibits.

(b) Pro Forma Financial Information.

The unaudited pro forma financial information that is required to be filed pursuant to this Item 9.01(b) will be filed with the SEC by amendment to this Current Report on Form 8-K not later than the date on which this Current Report on Form 8-K is required to be filed.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description of Exhibit</u>
2.1*	<u>Asset Purchase Agreement, by and among Tabula Rasa HealthCare Group, Inc., Transaction Data Systems, Inc., and Tabula Rasa HealthCare, Inc., dated as of June 18, 2022 (incorporated by reference to Exhibit 2.1 to the Current Report on Form 8-K, filed with the SEC on June 21, 2022)</u>
2.2*	<u>Asset Purchase Agreement, by and between Tabula Rasa HealthCare Group, Inc. and karmadata, Inc., dated as of June 18, 2022 (incorporated by reference to Exhibit 2.2 to the Current Report on Form 8-K, filed with the SEC on June 21, 2022)</u>
99.1	<u>Tabula Rasa HealthCare, Inc. Press Release, dated August 1, 2022</u>
104	Cover Page Interactive Data File - the cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document

* Certain of the exhibits and schedules to this exhibit are omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company agrees to furnish supplementally to the SEC, upon request, a copy of any omitted schedule or exhibit.

SIGNATURES

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

TABULA RASA HEALTHCARE, INC.

By: /s/ Dr. Calvin H. Knowlton
Dr. Calvin H. Knowlton
Chief Executive Officer

Dated: August 1, 2022

Tabula Rasa HealthCare Completes Sale of PrescribeWellness to Transaction Data Systems for \$140 Million

MOORESTOWN, N.J., (August 1, 2022) - **Tabula Rasa HealthCare, Inc.**[®] (“TRHC” or the “Company”) (NASDAQ: TRHC), a leading healthcare technology company advancing the safe use of medications, announced today that it completed the previously announced sale of its PrescribeWellness business to Transaction Data Systems, Inc. (“TDS”) for an all-cash purchase price of up to \$140 million. \$125 million of the purchase price was paid at the closing of the acquisition, excluding certain adjustments related to the net working capital of the PrescribeWellness business, and up to an additional \$15 million will be paid if certain performance-based metrics are met during the fiscal years ending December 31, 2023, and 2024.

Calvin H. Knowlton, PhD, TRHC’s Chief Executive Officer, Chairman and Founder, said, “The successful sale of PrescribeWellness represents another step forward in our ongoing strategic transformation. Through our planned asset divestitures, we are creating a more focused business that is better positioned to capture the significant opportunities ahead in the PACE and broader value-based care market, unlocking long-term value for all TRHC stockholders.”

PrescribeWellness is a provider of best-in-class patient relationship management solutions. TDS plans to add PrescribeWellness to its industry-leading portfolio of clinical applications to support enhanced collaboration among pharmacists, providers, payers, and patients.

About Tabula Rasa HealthCare

Tabula Rasa HealthCare (TRHC) (NASDAQ: TRHC) provides medication safety solutions that empower healthcare professionals and consumers to optimize medication regimens, combatting medication overload and reducing adverse drug events – the fourth leading cause of death in the US. TRHC’s proprietary technology solutions, including MedWise[®], improve patient outcomes, reduce hospitalizations, and lower healthcare costs. TRHC’s extensive clinical tele-pharmacy network improves care for patients nationwide. Its solutions are trusted by health plans and pharmacies to help drive value-based care. For more information, visit TRHC.com.

About Transaction Data Systems

For over 40 years, TDS has been dedicated to the success of the pharmacy market and pharmacy supply chain. With its portfolio of products and services including Rx30, Computer-Rx, KloudScript, Pharm Assess, and Enhanced Medication Services, TDS provides innovative technology solutions and pharmacy management systems to the pharmacy industry. We proudly support one of the largest install bases of pharmacies in the industry with systems in all 50 states and the Virgin Islands. TDS is the leading provider of pharmacy-focused, patient-centric solutions. For more information, please visit transactiondatasystems.com.

Forward-Looking Statements

This press release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements give current expectations or forecasts of future events or the Company's future financial or operating performance, and include the Company's expectations regarding healthcare regulations, industry trends, available opportunities to the Company, the financial and operating performance of the Company, the impacts of the COVID-19 pandemic, and the Company's expectations for 2022 and beyond. Such statements are identified by use of the words "believe," "will," "may," "estimate," "expect," "intend," "plans," "predict," "could," or the negative of these terms or similar expressions. You should read these statements carefully because they discuss future expectations, contain projections of future results of operations or financial condition, or state other "forward-looking" information. These statements relate to, without limitation, the Company's future plans, objectives, expectations, intentions, the benefits of the PrescribeWellness sale and divestitures of certain businesses of TRHC, and financial performance and the assumptions that underlie these statements. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those anticipated by the forward-looking statements. Factors that might cause such a difference include, but are not limited to: (i) the impacts of the current COVID-19 pandemic and other health epidemics; (ii) the Company's ability to adapt to changes or trends within the market for healthcare in the U.S.; (iii) a significant increase in competition from a variety of companies in the healthcare industry; (iv) developments and changes in laws and regulations, including increased regulation of the healthcare industry through legislative action and revised rules and standards; (v) the extent to which the Company is successful in gaining new long-term relationships with clients or retaining existing clients; (vi) the growth and success of the Company's clients, which is difficult to predict and is subject to factors outside of the Company's control; (vii) the Company's ability to maintain relationships with a specified drug wholesaler; (viii) increasing consolidation in the healthcare industry; (ix) managing the Company's growth effectively; (x) fluctuations in operating results; (xi) the Company's ability to manage its cash flows; (xii) failure or disruption of the Company's information technology and security systems; (xiii) dependence on the Company's senior management and key employees; (xiv) the Company's future indebtedness and the Company's ability to obtain additional financing, reduce expenses, or generate funds when necessary; (xv) macroeconomic conditions, including the impact of inflation, on the Company's business and operations; (xvi) the Company's ability to execute on its planned divestitures of its SinfoniaRx and DoseMe businesses, the costs associated therewith, and risks related to diverting management's attention from the Company's ongoing business operations; (xvii) risks related to the volatility in the Company's stock price; and (xviii) the risks set forth from time to time in TRHC's filings with the Securities and Exchange Commission ("SEC"), including those factors discussed under the caption "Risk Factors" in TRHC's most recent annual report on Annual Report on Form 10-K, filed with the SEC on February 25, 2022, and in subsequent reports filed with or furnished to the SEC. TRHC assumes no obligation and does not intend to update these forward-looking statements, except as required by law, to reflect events or circumstances occurring after today's date.

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