

**EXHIBIT 7**

**Valuation Analysis**

## REORGANIZED DEBTORS VALUATION

THIS VALUATION IS PRESENTED SOLELY FOR THE PURPOSE OF PROVIDING “ADEQUATE INFORMATION” UNDER SECTION 1125 OF THE BANKRUPTCY CODE AND IS FOR THE SOLE USE BY THE DEBTORS AND SHOULD NOT BE USED OR RELIED UPON FOR ANY OTHER PURPOSE, INCLUDING THE PURCHASE OR SALE OF SECURITIES OF, OR CLAIMS OR INTERESTS IN, THE DEBTORS.

THE VALUATION INFORMATION SET FORTH HEREIN REPRESENTS A HYPOTHETICAL VALUATION OF THE REORGANIZED DEBTORS, WHICH ASSUMES THAT SUCH REORGANIZED DEBTORS CONTINUE AS AN OPERATING BUSINESS. THE ESTIMATED VALUE SET FORTH IN THIS SECTION DOES NOT PURPORT TO CONSTITUTE AN APPRAISAL OR NECESSARILY REFLECT THE ACTUAL MARKET VALUE THAT MIGHT BE REALIZED THROUGH A SALE OR LIQUIDATION OF THE REORGANIZED DEBTORS, THEIR SECURITIES OR THEIR ASSETS, WHICH MAY BE MATERIALLY DIFFERENT THAN THE ESTIMATE SET FORTH IN THIS SECTION. ACCORDINGLY, SUCH ESTIMATED VALUE IS NOT NECESSARILY INDICATIVE OF THE PRICES AT WHICH ANY SECURITIES OF THE REORGANIZED DEBTORS MAY TRADE AFTER GIVING EFFECT TO THE TRANSACTIONS SET FORTH IN THE PLAN. ANY SUCH PRICES MAY BE MATERIALLY DIFFERENT THAN INDICATED BY THIS VALUATION.

### 1. Overview

The Debtors have been advised by their financial advisor, Lazard Freres & Co. LLC (“**Lazard**”), with respect to the estimated going concern value of the Reorganized Debtors. Lazard undertook this analysis to determine the value available for distribution to holders of Allowed Claims pursuant to the Plan. The estimated total value available for distribution to holders of Allowed Claims (the “**Enterprise Value**”) consists of the estimated value of the Reorganized Debtors’ operations on a going-concern basis and the value of excess cash on the Assumed Effective Date (defined below). The valuation analysis herein is based on information as of the date of the Disclosure Statement. The valuation analysis assumes that the reorganization takes place on December 31, 2013 (the “**Assumed Effective Date**”) and is based on projections provided by the Debtors’ management (“**Financial Projections**”) for 2014 to 2018 (the “**Forecast Period**”).

Based on the Financial Projections and solely for purposes of the Plan, Lazard estimates that the Enterprise Value of the Reorganized Debtors falls within a range from approximately \$324 million to approximately \$432 million, with a midpoint estimate of approximately \$378 million, which is used herein as of the value of the Reorganized Debtors’ operations on a going-concern basis. For purposes of this valuation, Lazard assumes that no material changes that would affect value occur between the date of the Disclosure Statement and the Assumed Effective Date. Based on an estimated net debt balance of approximately \$294 million<sup>1</sup> as contemplated in the Plan as of December 31, 2013, the resulting implied range of value for the equity (including any preferred equity) of the Reorganized Debtors is approximately \$30 million to approximately

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<sup>1</sup> Net debt calculated based on \$337 million of Post-Reorganization debt, excluding \$42 million of the cash collateralized Exit LC Facility, net of approximately \$43 million of excess cash.

\$138 million, with a midpoint estimate of approximately \$84 million. These values do not give effect to the potentially dilutive impact of any equity issued upon exercise of any warrants or any equity under any management equity incentive program. Lazard's estimates of Enterprise Value do not constitute an opinion as to fairness from a financial point of view of the consideration to be received under the Plan or of the terms and provisions of the Plan.

THE ASSUMED ENTERPRISE VALUE AND EQUITY VALUE RANGES, AS OF THE ASSUMED EFFECTIVE DATE, REFLECTS WORK PERFORMED BY LAZARD ON THE BASIS OF INFORMATION AVAILABLE TO LAZARD AS OF SEPTEMBER 2013. ALTHOUGH SUBSEQUENT DEVELOPMENTS MAY AFFECT LAZARD'S CONCLUSIONS, NEITHER LAZARD, NOR THE DEBTORS HAVE ANY OBLIGATION TO UPDATE, REVISE OR REAFFIRM THE ESTIMATE.

Lazard assumed that the Financial Projections were reasonably prepared in good faith and on a basis reflecting the Debtors' most accurate currently available estimates and judgments as to the future operating and financial performance of the Reorganized Debtors. Lazard's estimated Enterprise Value and Equity Value ranges assume the Reorganized Debtors will achieve their Financial Projections in all material respects, including revenue growth, EBITDA margins, and cash flows as projected. If the business performs at levels below or above those set forth in the Financial Projections, such performance may have a materially negative or positive impact, respectively, on Enterprise Value and Equity Value. In estimating the Enterprise Value, Lazard: (a) reviewed certain historical financial information of the Debtors for recent years and interim periods, which is limited; (b) reviewed certain internal financial and operating data of the Debtors, including the Financial Projections; (c) discussed the Debtors' operations and future prospects with the senior management team and third-party advisors; (d) reviewed certain publicly available financial data for, and considered the market value of, public companies that Lazard deemed generally relevant in analyzing the value of the Reorganized Debtors; (e) considered certain economic and industry information relevant to the operating businesses; and (f) conducted such other studies, analyses, inquiries and investigations as it deemed appropriate. Lazard assumed and relied on the accuracy and completeness of all financial and other information furnished to it by the Debtors' management as well as publicly available information.

In addition, Lazard did not independently verify the Financial Projections in connection with preparing estimates of Enterprise Value and Equity Value, and no independent valuations or appraisals of the Debtors were sought or obtained in connection herewith. Such estimates were developed solely for purposes of the formulation and negotiation of the Plan, and to provide "adequate information" pursuant to section 1125 of the Bankruptcy Code.

Lazard's estimated Enterprise Value and Equity Value do not constitute a recommendation to any holder of Allowed Claims as to how such person should vote or otherwise act with respect to the Plan. Lazard has not been asked to and does not express any view as to what the trading value of the Reorganized Debtors' securities would be on issuance at any time. The estimated Enterprise Value and Equity Value of the Reorganized Debtors set forth herein does not constitute an opinion as to fairness from a financial point of view to any person of the consideration to be received by such person under the Plan or of the terms and provisions of the Plan.

Lazard's estimate of Enterprise Value reflects the application of standard valuation techniques and does not purport to reflect or constitute appraisals, liquidation values or estimates of the actual market value that may be realized through the sale of any securities, which may be significantly different than the amounts set forth herein. The value of an operating business is subject to numerous uncertainties and contingencies that are difficult to predict and will fluctuate with changes in factors affecting the financial condition and prospects of such a business. As a result, the estimated Enterprise Value and Equity Value ranges of the Reorganized Debtors set forth herein is not necessarily indicative of actual outcomes, which may be significantly more or less favorable than those set forth herein. Neither the Reorganized Debtors, Lazard, nor any other person assumes responsibility for any differences between the Enterprise Value or Equity Value ranges and such actual outcomes. Actual market prices of any securities will depend upon, among other things, the operating performance of the Reorganized Debtors, prevailing interest rates, conditions in the financial markets, the anticipated holding period of securities received, developments in the Reorganized Debtors' industry and economic conditions generally and other factors which generally influence the prices of securities.

## 2. Valuation Methodologies

The following is a brief summary of certain financial analyses performed by Lazard, including a discounted cash flow analysis, a selected companies analysis and a precedent transactions analysis, to arrive at its range of estimated Enterprise Values for the Reorganized Debtors. An estimate of Enterprise Value is not entirely mathematical, but rather involves complex considerations and judgments concerning various factors that could affect the value of an operating business. Lazard performed certain procedures, including each of the financial analyses described below, and reviewed the assumptions with the management of the Debtors on which such analyses were based and other factors, including the projected financial results of the Reorganized Debtors. Lazard's estimated Enterprise Value and Equity Value are highly dependent on the Debtors' ability to meet their Financial Projections. Lazard's valuation analysis must be considered as a whole.

### a. Discounted Cash Flow Analysis

The Discounted Cash Flow ("**DCF**") Analysis is a forward-looking enterprise valuation methodology that estimates the value of an asset or business by calculating the present value of expected future cash flows to be generated by that asset or business. Under this methodology, projected future cash flows are discounted by the business's weighted average cost of capital (the "**Discount Rate**"). The Discount Rate reflects the estimated blended rate of return that would be required by debt and equity investors to invest in the business based on its capital structure. The enterprise value of the Reorganized Debtors is determined by calculating the present value of the Reorganized Debtors' unlevered after-tax free cash flows based on the Financial Projections plus an estimate for the value of the firm beyond the Forecast Period known as the terminal value. The terminal value is derived by applying perpetuity growth rates and reviewing the implied multiple to the Reorganized Debtors' projected earnings before interest, taxes, depreciation, and amortization ("**EBITDA**") in the final projected year of the Forecast Period, and then the terminal value is discounted back to the Assumed Effective Date, by the Discount Rate.

To estimate the Discount Rate, Lazard calculated the cost of equity and the after-tax cost of debt for the Reorganized Debtors, assuming a targeted total debt-to-total capitalization ratio based on an assumed range of the Reorganized Debtors' pro forma capitalization. Lazard calculated the cost of equity based on the "Capital Asset Pricing Model," which assumes that the required equity return is a function of the risk-free cost of capital and the correlation of a publicly traded stock's performance to the return on the broader market. To estimate the cost of debt, Lazard estimated the blended cost of debt of the Reorganized Debtors based on current capital markets conditions and the financing costs for comparable companies with leverage similar to the Reorganized Debtors' target capital structure.

Although formulaic methods are used to derive the key estimates for the DCF methodology, their application and interpretation still involve complex considerations and judgments concerning potential variances in the projected financial and operating characteristics of the Reorganized Debtors, which in turn affect its cost of capital and terminal values.

b. Selected Companies Analysis

The selected companies valuation analysis is based on the enterprise values of publicly traded companies that have operating and financial characteristics that are relatively similar to the Reorganized Debtors. Under this methodology, the enterprise value for each selected public company was determined by examining the trading prices for the equity securities of such company in the public markets and adding the aggregate amount of outstanding net debt for such company (at book value) and minority interest less the book value of unconsolidated investments. Those enterprise values are commonly expressed as multiples of various measures of operating statistics, most commonly "EBITDA". In addition, each of the selected public companies' operational performance, operating margins, profitability and leverage were examined. Based on these analyses, financial multiples and ratios are calculated to apply to the Reorganized Debtors' actual and projected operational performance. Lazard focused primarily on EBITDA multiples calculated using the current market values of the selected comparable companies to value the Reorganized Debtors.

A key factor in this approach is the selection of companies with relatively similar business and operational characteristics to the Reorganized Debtors. Common criteria for selecting comparable companies for the analysis include, among other relevant characteristics, markets served and services provided, growth prospects, margin profile, capital intensity, reimbursement and payor mix dynamics and scale of business. The selection of appropriate comparable companies is often difficult, a matter of judgment and subject to limitations due to sample size, the availability of meaningful market-based information and updated financial projections from financial research.

Although there is not a public company that is truly comparable to the Reorganized Debtors, Lazard selected publicly traded companies on the basis of general comparability to the Debtors in one or more of the factors described above (the "**Peer Group**").

Lazard calculated market multiples for the Peer Group based on 2014 estimated ("**2014E**") EBITDA and 2015 estimated ("**2015E**") EBITDA by dividing the enterprise value of each comparable company as of September 2013, by the 2014E EBITDA and 2015E EBITDA for each of the comparable companies. 2014E and 2015E estimated EBITDAs for the Peer Group

represent Wall Street consensus estimates, sourced from FactSet. In determining the applicable EBITDA multiple range, Lazard considered a variety of factors, including both qualitative attributes and quantitative measures.

c. Selected Transactions Analysis

The selected transactions valuation analysis is based on the enterprise values of companies involved in public merger and acquisition transactions that have operating and financial characteristics that are relatively similar to the Reorganized Debtors. Under this methodology, the enterprise value of such companies is determined by an analysis of the consideration paid and the debt assumed in the merger or acquisition transaction. As in a comparable company valuation analysis, those enterprise values are commonly expressed as multiples of various measures of operating statistics such as EBITDA.

THE SUMMARY SET FORTH ABOVE DOES NOT PURPORT TO BE A COMPLETE DESCRIPTION OF THE ANALYSES PERFORMED BY LAZARD. THE PREPARATION OF A VALUATION ESTIMATE INVOLVES VARIOUS DETERMINATIONS AS TO THE MOST APPROPRIATE AND RELEVANT METHODS OF FINANCIAL ANALYSIS AND THE APPLICATION OF THESE METHODS IN THE PARTICULAR CIRCUMSTANCES AND, THEREFORE, SUCH AN ESTIMATE IS NOT READILY SUITABLE TO SUMMARY DESCRIPTION. IN PERFORMING THESE ANALYSES, LAZARD AND THE DEBTORS MADE NUMEROUS ASSUMPTIONS WITH RESPECT TO INDUSTRY PERFORMANCE, BUSINESS AND ECONOMIC CONDITIONS AND OTHER MATTERS. THE ANALYSES PERFORMED BY LAZARD ARE NOT NECESSARILY INDICATIVE OF ACTUAL VALUES OR FUTURE RESULTS, WHICH MAY BE SIGNIFICANTLY MORE OR LESS FAVORABLE THAN SUGGESTED BY SUCH ANALYSES.