

HLTH CORP
Form DEF 14A
August 14, 2007

Table of Contents

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

HLTH CORPORATION

(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 on table 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:

Table of Contents

**HLTH CORPORATION
669 River Drive, Center 2
Elmwood Park, New Jersey 07407-1361**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD SEPTEMBER 18, 2007**

To The Stockholders of HLTH Corporation:

NOTICE IS HEREBY GIVEN that an Annual Meeting of Stockholders of HLTH Corporation will be held at 9:30 a.m., Eastern time, on September 18, 2007, at The Waldorf-Astoria Hotel, 301 Park Avenue, New York, NY 10022, for the following purposes:

1. To elect three Class III directors of HLTH, each to serve a three-year term expiring at our Annual Meeting of Stockholders in 2010 or until his successor is elected and has qualified or his earlier resignation or removal; and
2. To consider and vote on a proposal to ratify the appointment of Ernst & Young LLP as the independent registered public accounting firm to serve as HLTH's independent auditor for the fiscal year ending December 31, 2007; and
3. To consider and transact such other business as may properly be brought before the Annual Meeting or any adjournment or postponement thereof.

None of the proposals requires the approval of any other proposal to become effective.

Only stockholders of record at the close of business on August 8, 2007 will be entitled to vote at this meeting. The stock transfer books will not be closed.

All stockholders are cordially invited to attend the Annual Meeting in person. However, to ensure your representation at the Annual Meeting, you are urged to complete, sign, date and return the enclosed proxy card in the enclosed postage-prepaid envelope as promptly as possible.

By Order of the Board of Directors
of HLTH Corporation

Charles A. Mele
*Executive Vice President,
General Counsel and Secretary*

Elmwood Park, New Jersey
August 13, 2007

**YOUR VOTE IS IMPORTANT.
WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING,
PLEASE COMPLETE, SIGN, DATE AND RETURN YOUR PROXY.**

Table of Contents

NOTE REGARDING NAME CHANGE

Effective May 16, 2007, we changed our name from Emdeon Corporation to HLTH Corporation. The ticker symbol for our Common Stock, which is listed on the Nasdaq Global Select Market, remained HLTH. In connection with the name change, the CUSIP number for our Common Stock changed to: 40422Y 101. Stockholders are not required to exchange currently outstanding stock certificates for new stock certificates. Our Annual Report on Form 10-K was filed with the Securities and Exchange Commission prior to the name change. Accordingly, the text of that Report, which is included in the Annual Report to Stockholders that accompanies this Proxy Statement, refers to our company as Emdeon.

We had agreed to change our name in connection with the sale of a 52% interest in Emdeon Business Services to an affiliate of General Atlantic LLC completed in November 2006. Emdeon Business Services owns and continues to use the Emdeon name and related trademarks.

FORWARD-LOOKING STATEMENTS

This Proxy Statement contains both historical and forward-looking statements. All statements other than statements of historical fact are, or may be, forward-looking statements. For example, statements concerning projections, predictions, expectations, estimates or forecasts and statements that describe our objectives, future performance, plans or goals are, or may be, forward-looking statements. These forward-looking statements reflect management's current expectations concerning future results and events and can generally be identified by the use of expressions such as may, will, should, could, would, likely, predict, potential, continue, future, estimate, believe, plan, foresee, and other similar words or phrases, as well as statements in the future tense.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be different from any future results, performance and achievements expressed or implied by these statements. Information about important risks and uncertainties that could affect future results, causing those results to differ materially from those expressed in our forward-looking statements, can be found in our other Securities and Exchange Commission filings. Other unknown or unpredictable factors also could have material adverse effects on our future results.

The forward-looking statements included in this Proxy Statement are made only as of the date of this Proxy Statement. Except as required by law or regulation, we do not undertake any obligation to update any forward-looking statements to reflect subsequent events or circumstances.

TABLE OF CONTENTS

ANNEX A
ANNEX B
ANNEX C

Table of Contents

HLTH CORPORATION
669 River Drive, Center 2
Elmwood Park, New Jersey 07407-1361

PROXY STATEMENT

ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON SEPTEMBER 18, 2007

This Proxy Statement and the enclosed form of proxy are furnished to stockholders of HLTH Corporation, a Delaware corporation, in connection with the solicitation of proxies by our Board of Directors from holders of outstanding shares of our Common Stock, par value \$0.0001 per share, for use at our Annual Meeting of Stockholders to be held on September 18, 2007, at 9:30 a.m., Eastern time, at The Waldorf-Astoria Hotel, 301 Park Avenue, New York, NY 10022, and at any adjournment or postponement thereof. The date of this Proxy Statement is August 13, 2007 and it and a form of proxy are first being mailed or otherwise delivered to stockholders on or about August 16, 2007.

PROPOSALS TO BE CONSIDERED AT THE ANNUAL MEETING

The following proposals will be considered and voted on at the Annual Meeting:

Proposal 1: Election of three Class III directors of HLTH, each to serve a three-year term expiring at our Annual Meeting of Stockholders in 2010 or until his successor is elected and has qualified or his earlier resignation or removal. The three nominees are:

Mark J. Adler, M.D.
Kevin M. Cameron
Herman Sarkowsky

Proposal 2: A proposal to ratify the appointment of Ernst & Young LLP as the independent registered public accounting firm to serve as HLTH's independent auditor for the fiscal year ending December 31, 2007.

Our Board of Directors recommends a vote FOR the election of each of the nominees for director listed in Proposal 1 and FOR Proposal 2.

VOTING RIGHTS AND RELATED MATTERS

Please complete, date and sign the accompanying proxy and promptly return it in the enclosed envelope or otherwise mail it to us. All properly signed proxies that we receive prior to the vote at the Annual Meeting and that are not revoked will be voted (or withheld from voting, as the case may be) at the Annual Meeting according to the instructions indicated on the proxies or, if no direction is indicated, as follows:

Edgar Filing: HLTH CORP - Form DEF 14A

FOR the election of each of the nominees for director listed below in Proposal 1; and

FOR the ratification of the appointment of Ernst & Young LLP as the independent registered public accounting firm to serve as HLTH's independent auditor for the fiscal year ending December 31, 2007.

Neither of the proposals requires the approval of the other proposal to become effective.

A stockholder may revoke a proxy at any time before it is exercised at the Annual Meeting by taking any of the following actions:

delivering to the Secretary of HLTH, at the address set forth above, prior to the vote at the Annual Meeting, a written notice, bearing a date later than the date of the proxy, stating that the proxy is revoked;

Table of Contents

signing and so delivering a proxy relating to the same shares and bearing a later date prior to the vote at the Annual Meeting; or

attending the Annual Meeting and voting in person, although attendance at the meeting will not, by itself, revoke a proxy.

Please note, however, that if a stockholder's shares are held of record by a broker, bank or other nominee and that stockholder wishes to vote at the Annual Meeting, the stockholder must bring to the meeting a letter from the broker, bank or other nominee confirming the stockholder's beneficial ownership of the shares.

Our Board of Directors does not know of any matter that is not referred to herein to be presented for action at the Annual Meeting. If any other matters are properly brought before the meeting, the persons named in the proxies will have discretion to vote on these matters in accordance with their judgment.

Record Date and Outstanding Shares

Our Board of Directors has fixed the close of business on August 8, 2007 as the record date for the determination of our stockholders entitled to notice of and to vote at our Annual Meeting. Only holders of record of our stock at the close of business on the record date are entitled to notice of and to vote at the meeting. Votes may be cast either in person or by properly executed proxy.

As of the close of business on the record date, there were 181,410,995 shares of our Common Stock outstanding and entitled to vote held of record by approximately 3,400 stockholders, although we believe that there are approximately 50,000 beneficial owners of our Common Stock. Unvested shares of restricted Common Stock granted under our equity compensation plans (which we refer to as HLTH Restricted Stock) are entitled to vote at the Annual Meeting and are included in the above number of outstanding shares of Common Stock. No other voting securities of HLTH are outstanding.

Vote and Quorum Required

On all matters to be considered at the Annual Meeting, each share of HLTH Common Stock is entitled to one vote per share.

The presence, in person or by properly executed proxy, of the holders of a majority of the outstanding shares of HLTH Common Stock entitled to vote at the Annual Meeting is necessary to constitute a quorum at the meeting. Abstentions will be counted as shares that are present and entitled to vote for purposes of determining whether a quorum is present. Shares held by nominees for beneficial owners will also be counted for purposes of determining whether a quorum is present if the nominee has the discretion to vote on at least one of the matters presented and even though the nominee may not exercise discretionary voting power with respect to other matters and voting instructions have not been received from the beneficial owner (sometimes referred to as a broker non-vote). If a quorum is not present, the Annual Meeting may be adjourned from time to time until a quorum is obtained.

Proposal 1 (Election of Directors). Election of directors is by a plurality of the votes cast at the Annual Meeting with respect to such election. Accordingly, the three nominees receiving the greatest number of votes for their election will be elected. Abstentions, broker non-votes and instructions on the accompanying proxy card to withhold authority to vote with respect to a nominee will result in that nominee receiving fewer votes for election.

Proposal 2 (Ratification of Appointment of Independent Registered Public Accounting Firm). The affirmative vote of the holders of a majority of the outstanding shares present or represented at the meeting and entitled to vote on the matter is required to ratify the appointment of Ernst & Young LLP as the independent registered public accounting firm to serve as HLTH's independent auditor described in Proposal 2. Abstentions with respect to Proposal 2 will be treated as shares that are present or represented at the meeting, but will not be counted in favor of that proposal. Accordingly, an abstention from voting on Proposal 2 will have the same effect as a vote against that proposal. Broker non-votes with respect to Proposal 2 will not be

Table of Contents

considered as present or represented at the meeting for purposes of that Proposal and, accordingly, will have no impact on the outcome of the vote with respect to Proposal 2.

Expenses of Proxy Solicitation

We will pay the expenses of soliciting proxies from our stockholders to be voted at the Annual Meeting and the cost of preparing and mailing this Proxy Statement to our stockholders. Following the original mailing of this Proxy Statement and other soliciting materials, we and our agents also may solicit proxies by mail, telephone, facsimile or in person. In addition, proxies may be solicited from our stockholders by our directors, officers and employees in person or by telephone, facsimile or other means of communication. These officers, directors and employees will not be additionally compensated but may be reimbursed for reasonable out-of-pocket expenses in connection with the solicitation. Following the original mailing of this Proxy Statement and other soliciting materials, we will request brokers, custodians, nominees and other record holders of our Common Stock to forward copies of this Proxy Statement and other soliciting materials to persons for whom they hold shares of our Common Stock and to request authority for the exercise of proxies. In these cases, we will, upon the request of the record holders, reimburse these holders for their reasonable expenses. We have retained Innisfree M&A Incorporated, a proxy solicitation firm, for assistance in connection with the solicitation of proxies for our Annual Meeting and will pay customary fees plus reimbursement of out-of-pocket expenses.

No Appraisal Rights

Holders of our Common Stock are not entitled to appraisal rights with respect to the proposals to be considered at the Annual Meeting.

Table of Contents**DIRECTORS AND EXECUTIVE OFFICERS**

The charts below list our directors and executive officers and are followed by biographic information about them.

Directors

Name	Age	Positions
Mark J. Adler, M.D.(3)(4)	50	Director; Chairman of the Compensation Committee
Paul A. Brooke(1)(2)(5)(6)	61	Director
Kevin M. Cameron(1)	41	Director; Chief Executive Officer
Neil F. Dimick(4)(5)	58	Director; Chairman of the Nominating Committee; Chairman of the Governance & Compliance Committee
James V. Manning(1)(2)(4)	60	Director; Chairman of the Audit Committee
Herman Sarkowsky(3)(5)(6)	81	Director
Joseph E. Smith(1)(2)(3)(6)	68	Director
Martin J. Wygod(1)	67	Chairman of the Board

- (1) Member of the Executive Committee
- (2) Member of the Audit Committee
- (3) Member of the Compensation Committee
- (4) Member of the Governance & Compliance Committee
- (5) Member of the Nominating Committee
- (6) Member of the Related Parties Committee

For a description of each of the standing committees of the Board of Directors and other corporate governance matters, see [Corporate Governance](#) below. Dr. Adler and Messrs. Dimick, Manning and Wygod are also members of the Board of Directors of WebMD Health Corp., our publicly traded subsidiary, which we refer to in this Proxy Statement as WHC. HLTH, through its ownership of WHC Class B Common Stock owns approximately 84% of the total outstanding common stock of WHC and approximately 96% of the combined voting power of WHC's outstanding common stock.

Executive Officers

Name	Age	Positions
Kevin M. Cameron	41	Chief Executive Officer
Mark D. Funston	47	Executive Vice President and Chief Financial Officer
Wayne T. Gattinella	55	CEO and President of our WebMD segment
Arthur Lehrer	57	CEO and President of our ViPS segment
Charles A. Mele	51	Executive Vice President, General Counsel and Secretary

William G. Midgette	51	CEO of our Porex segment
Martin J. Wygod	67	Chairman of the Board

Mark J. Adler, M.D., has been a director of our company since September 2000. Since September 2005, he has also served as a member of the Board of Directors of our WebMD Health Corp. subsidiary. Dr. Adler is an oncologist and has, for more than five years, been CEO and Medical Director of the San Diego Cancer Center and a director of the San Diego Cancer Research Institute. Until April 2006, he had also been, for more than five years, the Chief Executive Officer of the internal medicine and oncology group of Medical Group of North County, which is based in San Diego, California, and he continues to be a member of that Medical Group. He also serves on the Scientific Advisory Board of Red Abbey Venture Partners, a private investment firm.

Table of Contents

Paul A. Brooke has been a director of our company since November 2000. Mr. Brooke has been Chairman of the Board of Alsius Corporation, a medical device company, since June 2007 and was Chairman of the Board and Chief Executive Officer of a predecessor company from 2005 to June 2007. Mr. Brooke has been the Managing Member of PMSV Holdings LLC, a private investment firm, since 1993. Mr. Brooke has also been a Senior Advisor to Morgan Stanley since April 2000. From 1997 through 2006, he was a Venture Partner of MPM Capital, a venture capital firm specializing in the healthcare industry. From 1983 until April 1999, Mr. Brooke was a Managing Director and the Global Head of Healthcare Research and Strategy at Morgan Stanley. From April 1999 until May 2000, he was a Managing Director at Tiger Management LLC. He serves as a member of the Boards of Directors of the following other public companies: Incyte Corporation, a drug discovery company; and Viropharma Incorporated, a pharmaceutical company.

Kevin M. Cameron has served as a director and as Chief Executive Officer of our company since October 2004. From November 2005 until November 2006, Mr. Cameron also served as Acting CEO of Emdeon Business Services, which was then one of our segments. Mr. Cameron has held senior executive positions at our company and its predecessors since April 2000. From January 2002 until October 2004, Mr. Cameron was Special Advisor to the Chairman. From September 2000 to January 2002, he served as Executive Vice President, Business Development of our company and, in addition, from September 2001 through January 2002, was a member of the Office of the President. From April 2000 until its merger with our company in September 2000, Mr. Cameron served as Executive Vice President, Business Development of a predecessor to HLTH. Prior to April 2000, Mr. Cameron was a Managing Director of the Health Care Investment Banking Group of UBS and held various positions at Salomon Smith Barney, which is now part of Citigroup.

Neil F. Dimick has been a director of our company since December 2002. Since September 2005, he has also served as a member of the Board of Directors of our WebMD Health Corp. subsidiary. Mr. Dimick served as Executive Vice President and Chief Financial Officer of AmerisourceBergen Corporation, a wholesale distributor of pharmaceuticals, from 2001 to 2002 and as Senior Executive Vice President and Chief Financial Officer and as a director of Bergen Brunswig Corporation, a wholesale distributor of pharmaceuticals, for more than five years prior to its merger in 2001 with AmeriSource Health Corporation to form AmerisourceBergen. He also serves as a member of the Boards of Directors of the following companies: Alliance Imaging Inc., a provider of outsourced diagnostic imaging services to hospitals and other healthcare companies; Global Resources Professionals, an international professional services firm that provides outsourced services to companies on a project basis; Mylan Laboratories, Inc., a pharmaceutical manufacturer; and Thoratec Corporation, a developer of products to treat cardiovascular disease.

Mark D. Funston has served as Executive Vice President and Chief Financial Officer of our company since November 2006 and of WHC since August 11, 2007. Prior to joining HLTH, Mr. Funston was Interim Chief Financial Officer of Digital Harbor, Inc., a privately held software company, from November 2005. Prior to that, Mr. Funston served as Chief Financial Officer of Group 1 Software, Inc., a publicly traded software company, from 1996 until its acquisition by Pitney Bowes in 2004. From 1989 to 1996, Mr. Funston was Chief Financial Officer of COMSAT RSI, Inc. (formerly Radiation Systems, Inc.), a publicly traded telecommunications manufacturing company acquired by COMSAT Corporation in 1994.

Wayne T. Gattinella has served as President of our WebMD segment since August 2001 and as its Chief Executive Officer since April 2005. Since May 2005, he has held the same positions at our WebMD Health Corp. subsidiary and has also served as a member of its Board of Directors. Prior to joining our company, Mr. Gattinella was Executive Vice President and Chief Marketing Officer for PeoplePC, an Internet service provider, from April 2000 to August 2001. From February 1998 to March 2000, Mr. Gattinella was President of North America for MemberWorks, Inc., a marketing services company.

Arthur Lehrer has served as Chief Executive Officer and President of our ViPS segment since June 2006. Prior to that, Mr. Lehrer served as General Manager of ViPS Government Solutions Group for more than five years and in other management positions at ViPS since 1983.

James V. Manning has been a director of our company since September 2000 and, prior to that, was a member of a predecessor company's Board of Directors for more than five years. Since September 2005, he has also served as a member of the Board of Directors of our WebMD Health Corp. subsidiary.

Table of Contents

Charles A. Mele has been Executive Vice President, General Counsel and Secretary of our company since January 2001 and has served in senior executive positions for our company and predecessor companies since 1995.

William G. Midgette has been Chief Executive Officer of our Porex segment since August 2002. For more than five years prior to that, Mr. Midgette served in senior management positions at C. R. Bard, Inc., a healthcare products company, the last of which was President, Bard International.

Herman Sarkowsky has been a director of our company since November 2000 and, prior to that, was a member of a predecessor company's Board of Directors for more than five years. Mr. Sarkowsky has been President of Sarkowsky Investment Corporation, a private investment company, for more than five years.

Joseph E. Smith has been a director of our company since September 2000. Mr. Smith served in various positions with Warner-Lambert Company, a pharmaceutical company, from March 1989 to September 1997, the last of which was Corporate Executive Vice President and a member of the Office of the Chairman and the firm's Management Committee. Mr. Smith serves on the Board of Directors of Par Pharmaceutical Companies, Inc., a manufacturer and distributor of generic and branded pharmaceuticals, and on the Board of Trustees of the International Longevity Center, a non-profit organization. He also serves as a director of Esprit Pharma, Inc., a privately-held specialty pharmaceutical firm.

Martin J. Wygod has served as Chairman of the Board of Directors of our company since March 2001 and as a director since September 2000. Since May 2005, he has also served as Chairman of the Board of our WebMD Health Corp. subsidiary. From October 2000 until May 2003, Mr. Wygod also served as our Chief Executive Officer. From September 2000 until October 2000, Mr. Wygod served as Co-Chief Executive Officer of our company. Mr. Wygod is also engaged in the business of racing, boarding and breeding thoroughbred horses, and is President of River Edge Farm, Inc.

No family relationship exists among any of our directors or executive officers. No arrangement or understanding exists between any director or executive officer of HLTH and any other person pursuant to which any of them were selected as a director or executive officer.

Table of Contents**SECURITY OWNERSHIP BY PRINCIPAL STOCKHOLDERS AND MANAGEMENT**

The following table sets forth information with respect to the beneficial ownership of our Common Stock, as of August 1, 2007 (except where otherwise indicated), by each person or entity known by us to beneficially own more than 5% of our Common Stock, by our directors, by our Named Executive Officers, and by all of our directors and executive officers as a group. Except as indicated in the footnotes to this table, and subject to applicable community property laws, the persons listed in the table below have sole voting and investment power with respect to all shares of our Common Stock shown as beneficially owned by them. Unless otherwise indicated, the address of each of the beneficial owners identified is c/o HLTH Corporation, 669 River Drive, Center 2, Elmwood Park, New Jersey 07407-1361.

Name and Address of Beneficial Owner	Common Stock(1)	Other(2)	Total Shares	Percent of Outstanding(2)
FMR Corp.(3) 82 Devonshire Street Boston, Massachusetts 02109	20,752,684		20,752,684	11.4%
CalPERS/PCG Corporate Partners LLC(4) c/o Pacific Corporate Group LLC 1200 Prospect Street, Suite 200 La Jolla, California 92037	10,648,297		10,648,297	5.9%
Mark J. Adler, M.D.	10,600(5)	195,999	206,599	*
Paul A. Brooke	371,667(6)	169,999	541,666	*
Kevin M. Cameron	625,156(7)	2,094,668	2,719,824	1.5%
Neil F. Dimick		17,915	17,915	*
Mark Funston	60,000(8)		60,000	*
Wayne T. Gattinella	21,518	489,881	511,399	*
James V. Manning	568,515(9)	207,999	776,514	*
Charles A. Mele	278,446(10)	1,890,500	2,168,946	1.2%
Herman Sarkowsky	495,996	369,999	865,995	*
Joseph E. Smith	29,250	125,999	155,249	*
Martin J. Wygod	7,723,736(11)	3,835,000	11,558,736	6.2%
All executive officers and directors as a group (13 persons)	10,062,198	9,849,209	19,911,407	10.4%

* Less than 1%.

- (1) The amounts set forth in this column include 156, 1,855 and 236 shares of HLTH Common Stock held in the respective accounts of each of Messrs. Cameron, Mele and Wygod in the HLTH 401(k) Plan (which we refer to in this table as 401(k) Plan Shares), all of which are vested in accordance with terms of the Plan. The amount set forth in this column for All executive officers and directors as a group includes 2,247 401(k) Plan Shares, all of which are vested in accordance with the terms of the HLTH 401(k) Plan. Messrs. Cameron, Funston, Mele and Wygod are beneficial owners of shares of HLTH Restricted Stock in the respective amounts stated in the footnotes below. Holders of HLTH Restricted Stock have voting power, but not dispositive power, with respect to unvested shares of HLTH Restricted Stock. For information regarding the vesting schedules of the HLTH Restricted Stock, see Executive Compensation Executive Compensation Tables Outstanding Equity Awards at End of 2006 below.

- (2) Beneficial ownership is determined under the rules and regulations of the SEC, which provide that shares of Common Stock that a person has the right to acquire within 60 days are deemed to be outstanding and beneficially owned by that person for the purpose of computing the total number of shares beneficially owned by that person and the percentage ownership of that person. However, those shares are not deemed to be outstanding for the purpose of computing the percentage ownership of any other person. Accordingly, we have set forth, in the column entitled "Other" with respect to each person listed, the number of shares of HLTH Common Stock that such person has the right to acquire pursuant to options that are currently exercisable or that will be exercisable within 60 days of August 1, 2007. We have calculated the percentages set forth in the column entitled "Percent of Outstanding" based on the number of shares outstanding as of August 1, 2007 (which was 181,296,374, including unvested shares of HLTH Restricted Stock) plus, for each other listed person or group, the number of additional shares deemed outstanding, as set forth in the column entitled "Other."
- (3) The information shown is as of December 31, 2006 and is based upon information disclosed by FMR Corp., Fidelity Management and Research Company, Fidelity Growth Company Fund and Edward C. Johnson, 3d in a Schedule 13G filed with the SEC. Such persons reported that FMR Corp. and the other members of the filing group had, as of December 31, 2006, sole power to dispose of or to direct the disposition of 20,752,684 shares of HLTH Common Stock and sole power to vote or to direct the vote of

Table of Contents

332,506 shares of HLTH Common Stock. Sole power to vote the other shares of HLTH Common Stock beneficially owned by the filing group resides in the respective boards of trustees of the funds that have invested in the shares. The interest of Fidelity Growth Company Fund, an investment company registered under the Investment Company Act of 1940, amounted to 8,143,200 shares of HLTH Common Stock as of December 31, 2006.

- (4) The information shown is as of December 31, 2006 and is based upon information disclosed by CalPERS/PCG (which was then the record owner of all 10,000 shares of HLTH Convertible Redeemable Exchangeable Preferred Stock) in a Schedule 13G filed with the SEC jointly with PCG Corporate Partners Investments LLC (PCG) and Pacific Corporate Group Holdings, LLC (Pacific Corporate Group), but reflects the subsequent conversion of all the outstanding HLTH Preferred Stock. PCG, the manager of CalPERS/PCG, is a wholly owned subsidiary of Pacific Corporate Group. In the Schedule 13G, PCG and Pacific Corporate Group expressly disclaim their beneficial ownership of the shares owned by CalPERS/PCG.
- (5) Represents 10,000 shares held by Dr. Adler and 600 shares held by Dr. Adler's son.
- (6) Represents 170,000 shares held by Mr. Brooke and 201,667 shares held by PMSV Holdings LLC, of which Mr. Brooke is the managing member.
- (7) Represents 147,625 shares held by Mr. Cameron, 156 401(k) Plan Shares and 477,375 unvested shares of HLTH Restricted Stock.
- (8) Represents 60,000 unvested shares of HLTH Restricted Stock.
- (9) Represents 503,018 shares held by Mr. Manning (including 12,500 through an IRA), 3,000 shares held by Mr. Manning's wife through an IRA, and 62,497 shares held by the WebMD Health Foundation, Inc., a charitable foundation of which Messrs. Manning and Wygod are trustees and share voting and dispositive power.
- (10) Represents 61,591 shares held by Mr. Mele, 1,855 401(k) Plan Shares, 100,000 unvested shares of HLTH Restricted Stock and 115,000 shares held by the Rose Foundation, a private charitable foundation of which Messrs. Mele and Wygod are trustees and share voting and dispositive power.
- (11) Represents 6,977,071 shares held by Mr. Wygod, 236 401(k) Plan Shares, 400,000 shares of unvested HLTH Restricted Stock, 5,000 shares held by Mr. Wygod's spouse through an IRA, 2,600 shares held in a trust for which Mr. Wygod's spouse is a trustee, 161,332 shares held by SYNC, Inc., which is controlled by Mr. Wygod, 62,497 shares held by the WebMD Health Foundation, Inc., a charitable foundation of which Messrs. Wygod and Manning are trustees and share voting and dispositive power, and 115,000 shares held by the Rose Foundation, a private charitable foundation of which Messrs. Wygod and Mele are trustees and share voting and dispositive power.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires our executive officers and directors, and persons who beneficially own more than ten percent of a registered class of our equity securities, to file reports of ownership and changes in ownership of these securities with the SEC. Officers, directors and greater than ten percent beneficial owners are required by applicable regulations to furnish us with copies of all Section 16(a) forms they file.

Edgar Filing: HLTH CORP - Form DEF 14A

Based solely upon a review of the forms furnished to us during or with respect to our most recent fiscal year, all of our directors and officers subject to the reporting requirements and each beneficial owner of more than ten percent of our Common Stock satisfied all applicable filing requirements under Section 16(a), except that Messrs. Gattinella and Midgette each reported in February 2007 on a Form 5 that shares of HLTH Common Stock held in a 401(k) Plan for their account (150 shares for Mr. Gattinella and 2,401 shares for Mr. Midgette) were tendered by the plan trustee, on their behalf, to HLTH in its tender offer in December 2006 for \$12.00 per share, which should have been reported on Form 4 within two business days of completion of the tender offer.

Table of Contents

PROPOSAL 1:

ELECTION OF DIRECTORS

Our Board of Directors has eight members and is divided into three classes, two of which currently have three directors and one of which currently has two directors. At each Annual Meeting, the term of one of the classes of directors expires and HLTH stockholders vote to elect nominees for the directorships in that class for a new three-year term. At this year's Annual Meeting, the terms of the three Class III directors, Mark J. Adler, M.D., Kevin M. Cameron and Herman Sarkowsky, will expire. The terms of Messrs. Dimick and Smith will expire at our Annual Meeting in 2008; and the terms of Messrs. Brooke, Manning and Wygod will expire at our Annual Meeting in 2009.

The Board of Directors, based on the recommendation of the Nominating Committee of the Board, has nominated Dr. Adler and Messrs. Cameron and Sarkowsky for re-election at the Annual Meeting, each to serve a three-year term expiring at our Annual Meeting of Stockholders in 2010 or until his successor is elected and has qualified or his earlier resignation or removal. For biographical information regarding the nominees and our other directors, see Directors and Executive Officers above.

The persons named in the enclosed proxy intend to vote for the election of Dr. Adler and Messrs. Cameron and Sarkowsky, unless you indicate on the proxy card that your vote should be withheld.

Our Board of Directors recommends a vote FOR the election of these nominees as directors.

We have inquired of each nominee and have determined that each will serve if elected. While our Board of Directors does not anticipate that any of the nominees will be unable to serve, if any nominee is not able to serve, proxies will be voted for a substitute nominee unless the Board of Directors chooses to reduce the number of directors serving on the Board.

For information regarding corporate governance and related matters involving our Board of Directors and its committees, see Corporate Governance below. For information regarding the compensation of our non-employee directors, see Non-Employee Director Compensation below. Employees of HLTH who serve on our Board of Directors do not receive additional compensation for Board service.

Table of Contents

CORPORATE GOVERNANCE

Board of Directors

Our Board of Directors has eight members. Two of the members are also members of management and executive officers of HLTH: Mr. Cameron, our Chief Executive Officer; and Mr. Wygod, Chairman of the Board. Six of the members are non-employee directors: Dr. Adler and Messrs. Brooke, Dimick, Manning, Sarkowsky and Smith.

Our Board of Directors met 15 times during 2006. During 2006, each of our directors attended 75% or more of the meetings held by our Board and the Board committees on which he served. In addition to meetings, our Board and its committees reviewed and acted upon matters by unanimous written consent. The non-employee directors meet regularly in private sessions with the Chairman of the Board and also meet regularly without any employee directors or other HLTH employees present. HLTH's Board of Directors encourages its members to attend our Annual Meetings of Stockholders. All but one of our directors attended our 2006 Annual Meeting.

Director Independence

Our Board of Directors has delegated to the Governance & Compliance Committee of the Board the authority to make determinations regarding the independence of members of the Board. The Governance & Compliance Committee has determined that Dr. Adler, and Messrs. Brooke, Dimick, Manning, Sarkowsky and Smith (all six of our non-employee directors) are independent in accordance with the published listing requirements of the Nasdaq Global Select Market applicable generally to members of our Board and, with respect to the committees of our Board on which they serve, those applicable to the specific committees. The other two directors, Messrs. Cameron and Wygod, as current employees of our company, are not independent.

The Nasdaq independence definition includes a series of objective tests, including one relating to current employment and other tests relating to specific types of transactions or business dealings between a director (or persons or entities related to the director) and the listed company. In addition, as further required by the Nasdaq Marketplace Rules, the Governance & Compliance Committee of our Board has made a subjective determination as to each non-employee director that no relationships exist which, in the opinion of the Governance & Compliance Committee, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In considering whether Mr. Manning qualified as independent, the Governance & Compliance Committee considered (1) that he had previously served as an executive officer of a predecessor of HLTH, more than eight years ago and (2) that he and Mr. Wygod both serve as trustees of the WebMD Health Foundation, Inc., a charitable foundation. In considering whether Mr. Sarkowsky qualified as independent, the Governance & Compliance Committee considered the fact that he and Mr. Wygod have jointly owned race horses. Each member of the Governance & Compliance Committee abstained from voting with respect to his own independence.

Communications with Our Directors

Our Board of Directors encourages our security holders to communicate in writing to our directors. Security holders may send written communications to our Board of Directors or to specified individual directors by sending such communications care of the Corporate Secretary's Office, HLTH Corporation, 669 River Drive, Center 2, Elmwood Park, New Jersey 07407-1361. Such communications will be reviewed by our Legal Department and, depending on the content, will be:

forwarded to the addressees or distributed at the next scheduled Board meeting; or

if they relate to financial or accounting matters, forwarded to the Audit Committee or discussed at the next scheduled Audit Committee meeting; or

if they relate to the recommendation of the nomination of an individual, forwarded to the Nominating Committee or discussed at the next scheduled Nominating Committee meeting; or

Table of Contents

if they relate to the operations of HLTH, forwarded to the appropriate officers of HLTH, and the response or other handling reported to the Board at the next scheduled Board meeting.

Committees of the Board of Directors

This section describes the roles of each of the Committees of our Board in the corporate governance of our company. Our Board of Directors currently has six standing committees: an Executive Committee, a Compensation Committee, an Audit Committee, a Governance & Compliance Committee, a Nominating Committee, and a Related Parties Committee. The Compensation Committee, the Audit Committee, the Governance & Compliance Committee, the Nominating Committee and the Related Parties Committee each has the authority to retain such outside advisors as it may determine to be appropriate.

With respect to certain committees, including the Audit Committee, the Compensation Committee and the Nominating Committee, a portion of their responsibilities are specified by SEC rules and NASDAQ listing standards. These Committees work with their counterparts at WHC where their responsibilities overlap or where they otherwise believe it is appropriate to do so. To assist in that coordination of responsibilities, the Chairpersons of our Audit Committee, Compensation Committee Governance & Compliance Committee and Nominating Committee are the same persons who hold those positions on those committees of the WHC Board.

Executive Committee. The Executive Committee, which met three times during 2006, is currently comprised of Messrs. Brooke, Cameron, Manning, Smith and Wygod. The Executive Committee has the power to exercise, to the fullest extent permitted by law, the powers of the entire Board.

Audit Committee. The Audit Committee, which met 13 times during 2006, is currently comprised of Messrs. Brooke, Manning and Smith; Mr. Manning is its Chairman. Each of the members of the Audit Committee meets the standards of independence applicable to audit committee members under applicable SEC rules and NASDAQ Global Select Market listing standards and is financially literate, as required under applicable NASDAQ Global Select Market listing standards. In addition, the Board of Directors of HLTH has determined that Mr. Manning qualifies as an audit committee financial expert, as that term is used in applicable SEC regulations implementing Section 407 of the Sarbanes-Oxley Act of 2002, based on his training and experience as a certified public accountant, including as a partner of a major accounting firm, and based on his service as a senior executive and chief financial officer of public companies.

The Audit Committee operates under a written charter adopted by the Board of Directors, which sets forth the responsibilities and powers delegated by the Board to the Audit Committee. A copy of the Audit Committee Charter, as amended through July 26, 2007, is included as Annex A to this Proxy Statement. The Audit Committee's responsibilities are summarized below in Report of the Audit Committee and include oversight of the administration of HLTH's Code of Business Conduct. A copy of the joint HLTH and WHC Code of Business Conduct, as amended, was filed as Exhibit 14.1 to the Current Report on Form 8-K that we filed on February 9, 2006. The Code of Business Conduct applies to all directors and employees of HLTH and its subsidiaries. Any waiver of applicable requirements in the Code of Business Conduct that is granted to any of our directors, to our principal executive officer, to any of our senior financial officers (including our principal financial officer, principal accounting officer or controller) or to any other person who is an executive officer of HLTH requires the approval of the Audit Committee and waivers will be disclosed on our corporate Web site, www.hlth.com in the About HLTH section, or in a Current Report on Form 8-K.