

BioScrip, Inc.
Form 8-K
August 21, 2006

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

**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 17, 2006

BioScrip, Inc.

(Exact Name of Registrant as Specified in its Charter)

Delaware

(State or Other Jurisdiction of
Incorporation)

0-28740

(Commission
File Number)

05-0489664

(IRS Employer
Identification No.)

100 Clearbrook Road, Elmsford, New York

(Address of Principal Executive Offices)

10523

(Zip Code)

Registrant's telephone number, including area code **(914) 460-1600**

(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:

- Written communications pursuant to Rule 425 under the Section 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)).
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Item 1.01 Entry Into a Material Definitive Agreement.

On August 17, 2006, BioScrip, Inc. (BioScrip) entered into a letter agreement with Brian Reagan, BioScrip s Executive Vice President, providing Mr. Reagan with severance payment protection in the event he is terminated other than for Cause (as defined in the agreement) or he terminates his employment for Good Reason (as defined in the agreement). If at any time Mr. Reagan is terminated other than for Cause or if he terminates his employment with the Company (or any successor) for Good Reason, (i) he is entitled to receive severance payments equal to one (1) year of salary at his then current salary level, payable in accordance with BioScrip s then applicable payroll practices and subject to all applicable federal, state and local withholding, and (ii) all outstanding securities contemplated to be issued under the terms of BioScrip s 2001 Incentive Stock Plan granted to him and held by him at the time of termination shall vest and become immediately exercisable and shall otherwise be exercisable in accordance with their terms and conditions. If Mr. Reagan s employment with BioScrip is terminated for any reason whatsoever, whether by BioScrip or him, BioScrip would not be liable for, or obligated to pay him, any stock or cash bonus compensation, incentive or otherwise, or any other compensation contemplated by the letter agreement not already paid, earned or accrued as of the date of such termination, and no other benefits shall accrue or vest subsequent to such date. The foregoing summary is qualified in its entirety by reference to the complete text of the Letter Agreement, a copy of which is filed with this report as Exhibit 10.1.

Item 9.01 Financial Statements and Exhibits.

(c) The following information is furnished as an exhibit to this Current Report:
Exhibits.

Exhibit No.	Description of Exhibit
10.1	Severance Letter Agreement between BioScrip, Inc. and Brian Reagan.

SIGNATURES

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

Date: August 21, 2006

BIOSCRIP, INC.

By: /s/ Barry A. Posner
Barry A. Posner,
Executive Vice President and General
Counsel