

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 1.5em; font-weight: bold;">2012</div> This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2012 or fiscal plan year beginning <u>01/01/2012</u> and ending <u>12/31/2012</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information				
1a Name of plan <u>HEALTH DIALOG SERVICES CORPORATION RETIREMENT PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>01/01/1997</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>01/01/1997</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>01/01/1997</u>					
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>HEALTH DIALOG SERVICES CORPORATION</u> <u>60 STATE STREET</u> <u>FLOOR 10</u> <u>BOSTON, MA 02109</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>04-3274661</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>617-406-5200</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>561420</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>04-3274661</u>	2c Sponsor's telephone number <u>617-406-5200</u>	2d Business code (see instructions) <u>561420</u>	
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2c Sponsor's telephone number <u>617-406-5200</u>					
2d Business code (see instructions) <u>561420</u>					

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature. Signature of plan administrator	10/15/2013 Date	THOMAS HART Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature. Signature of employer/plan sponsor	10/15/2013 Date	GREGG SPIRO Enter name of individual signing as employer or plan sponsor
SIGN HERE	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)			Preparer's telephone number (optional)

3a Plan administrator's name and address ☐ Same as Plan Sponsor Name ☐ Same as Plan Sponsor Address HEALTH DIALOG SERVICES CORPORATION 60 STATE STREET FLOOR 10 BOSTON, MA 02109		3b Administrator's EIN 04-3274661
		3c Administrator's telephone number 617-406-5200
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name		4b EIN 4c PN
5 Total number of participants at the beginning of the plan year		5 1497
6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	409
b Retired or separated participants receiving benefits.....	6b	11
c Other retired or separated participants entitled to future benefits.....	6c	779
d Subtotal. Add lines 6a , 6b , and 6c	6d	1199
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	3
f Total. Add lines 6d and 6e	6f	1202
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	1146
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	74
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)		7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2F 2G 2J 2K 2T 3D		
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:		
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)		
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2012
		This Form is Open to Public Inspection.

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan HEALTH DIALOG SERVICES CORPORATION RETIREMENT PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 HEALTH DIALOG SERVICES CORPORATION	D Employer Identification Number (EIN) 04-3274661

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
FID.INV.INST.OPS.CO.

04-2647786

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
64 37 65 60	RECORDKEEPER	3138	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
GS MIDCAP VALUE INST - GOLDMAN, SAC 13-5108880	0.10%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
LOOMIS SM CP GRTH IS - BOSTON FINAN 330 W. 9TH STREET KANSAS CITY, MO 66160	0.15%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
MSIF MID CAP GRTH I - MORGAN STANLE 13-3799749	0.15%	

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
PIMCO TOTAL RETURN P - BOSTON FINAN P.O. BOX 8480 BOSTON, MA 02266		0.10%
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
RS PARTNERS A - BOSTON FINANCIAL DA P.O. BOX 8480 BOSTON, MA 02266		0.55%
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
TRP EQUITY INCOME - T. ROWE PRICE S 52-2269240		0.15%

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
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(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 <div style="border: 1px solid black; padding: 5px; font-size: 1.2em; font-weight: bold;">2012</div> This Form is Open to Public Inspection
For calendar plan year 2012 or fiscal plan year beginning <u>01/01/2012</u> and ending <u>12/31/2012</u>		
A Name of plan <u>HEALTH DIALOG SERVICES CORPORATION RETIREMENT PLAN</u>		B Three-digit plan number (PN) <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>HEALTH DIALOG SERVICES CORPORATION</u>		D Employer Identification Number (EIN) <u>04-3274661</u>

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.				
	Assets			
a	Total noninterest-bearing cash	1a		
b	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions	1b(1)		
	(2) Participant contributions	1b(2)		
	(3) Other	1b(3)		
c	General investments:			
	(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	3640457	2752973
	(2) U.S. Government securities	1c(2)		
	(3) Corporate debt instruments (other than employer securities):			
	(A) Preferred	1c(3)(A)		
	(B) All other	1c(3)(B)		
	(4) Corporate stocks (other than employer securities):			
	(A) Preferred	1c(4)(A)		
	(B) Common	1c(4)(B)		
	(5) Partnership/joint venture interests	1c(5)		
	(6) Real estate (other than employer real property)	1c(6)		
	(7) Loans (other than to participants)	1c(7)		
	(8) Participant loans	1c(8)	594869	422128
	(9) Value of interest in common/collective trusts	1c(9)		
	(10) Value of interest in pooled separate accounts	1c(10)		
	(11) Value of interest in master trust investment accounts	1c(11)		
	(12) Value of interest in 103-12 investment entities	1c(12)		
	(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	44254869	45007028
	(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
	(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	48490195	48182129

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k		

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	48490195	48182129
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	927409	
(B) Participants	2a(1)(B)	3734405	
(C) Others (including rollovers)	2a(1)(C)	429121	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		5090935
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	339	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	30377	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		30716
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	1226454	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		1226454
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		5097208
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		11445313

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	11744076	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		11744076
f Corrective distributions (see instructions)	2f		5955
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	3348	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		3348
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		11753379

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		-308066
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: **KPMG**

(2) EIN: **13-5565207**

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X	
e Was this plan covered by a fidelity bond?	X		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.		X	

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
 If "Yes," enter the amount of any plan assets that reverted to the employer this year..... ☐ Yes ☒ No Amount:

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)

5b(2) EIN(s)	5b(3) PN(s)

Part V Trust Information (optional)

6a Name of trust

6b Trust's EIN

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2012 This Form is Open to Public Inspection.
---	--	--

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan <u>HEALTH DIALOG SERVICES CORPORATION RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>HEALTH DIALOG SERVICES CORPORATION</u>	D Employer Identification Number (EIN) <u>04-3274661</u>

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>04-6568107</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
----------------	--

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☐ Yes	☐ No	☐ N/A

Part III	Amendments
-----------------	-------------------

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☐ No
--	-----------------------------------	-----------------------------------	-------------------------------	-----------------------------

Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.).....	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____



**HEALTH DIALOG SERVICES
CORPORATION RETIREMENT PLAN**

Financial Statements and Supplemental Schedule

December 31, 2012 and 2011

(With Independent Auditors' Report Thereon)

**HEALTH DIALOG SERVICES
CORPORATION RETIREMENT PLAN**

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Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year) as of December 31, 2012	13
Note: Certain supplemental schedules specified by the Employee Retirement Income Security Act of 1974 (ERISA) are not applicable and have been omitted.	



KPMG LLP
Two Financial Center
60 South Street
Boston, MA 02111

Independent Auditors' Report

The Board of Directors and Plan Administrator
Health Dialog Services Corporation Retirement Plan:

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Health Dialog Services Corporation Retirement Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2012 and 2011, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matters described in the *Basis for Disclaimer of Opinion* paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administration instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in note 3, which was certified by Fidelity Management Trust Company, the trustee and custodian of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee and custodian hold the Plan's investment assets and execute investment transactions. The plan administrator has obtained the certification from the trustee and custodian as of December 31, 2012 and 2011, and for the years then ended, that the information provided to the Plan Administrator by the trustee and custodian is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matters described in the *Basis for Disclaimer of Opinion* paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.



Other Matter

The supplemental schedule, Schedule H line 4i, Schedule of Assets (Held at End of Year) at December 31, 2012, is required by the Department of Labor (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and not a required part of the financial statements. Because of the significance of the matters described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on this supplemental schedule.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the custodians, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

KPMG LLP

Boston, Massachusetts
September 19, 2013

**HEALTH DIALOG SERVICES
CORPORATION RETIREMENT PLAN**

Statements of Net Assets Available for Benefits

December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Assets:		
Investments, at fair value (note 8)	\$ 47,760,001	47,895,326
Notes receivable from participants	422,128	594,869
Total assets	<u>48,182,129</u>	<u>48,490,195</u>
Contributions receivable:		
Participants	15,969	32,474
Employer	4,559	9,464
Total contributions receivable	<u>20,528</u>	<u>41,938</u>
Total assets	<u>48,202,657</u>	<u>48,532,133</u>
Net assets available for benefits	<u>\$ 48,202,657</u>	<u>48,532,133</u>

See accompanying notes to financial statements.

**HEALTH DIALOG SERVICES
CORPORATION RETIREMENT PLAN**

Statements of Changes in Net Assets Available for Benefits
Years ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Additions:		
Net appreciation (depreciation) in fair value of investments (note 3)	\$ 5,097,208	(2,969,227)
Interest and dividends (note 3)	1,257,170	1,336,303
Total income (loss)	<u>6,354,378</u>	<u>(1,632,924)</u>
Contributions:		
Participants	3,717,900	5,856,401
Rollover	429,121	441,249
Employer	922,504	1,162,166
Total contributions	<u>5,069,525</u>	<u>7,459,816</u>
Total additions	<u>11,423,903</u>	<u>5,826,892</u>
Deductions:		
Benefits paid directly to participants	11,750,031	8,614,578
Administrative expenses	3,348	7,915
Total deductions	<u>11,753,379</u>	<u>8,622,493</u>
Net decrease	<u>(329,476)</u>	<u>(2,795,601)</u>
Net assets available for benefits:		
Beginning of year	<u>48,532,133</u>	<u>51,327,734</u>
End of year	<u>\$ 48,202,657</u>	<u>48,532,133</u>

See accompanying notes to financial statements.

**HEALTH DIALOG SERVICES
CORPORATION RETIREMENT PLAN**

Notes to Financial Statements

December 31, 2012 and 2011

(1) Description of the Plan

The following description of Health Dialog Services Corporation Retirement Plan (the Plan) is provided for general information. Participants should refer to the plan document for a more complete description of the Plan's provisions.

(a) General

The Plan is a defined contribution plan sponsored by Health Dialog Services Corporation (the Company) and was established effective January 1, 1997 and is subject to applicable provisions of the Internal Revenue Code (the Code). The Plan covers all eligible employees of the Company and its subsidiaries who choose to participate in the Plan. An employee is eligible to participate in the Plan on the first day of each month following their date of hire provided that the employee has reached the age of 21. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

(b) Contributions and Vesting

Participants may make tax deferred contributions up to an annual maximum of the lesser of 60% of their eligible compensation, as defined, or the Internal Revenue Service limit of \$17,000 and \$16,500 for 2012 and 2011, respectively. ERISA regulations also allowed participants over the age of 50 to contribute an additional catch-up amount of \$5,500 for 2012 and 2011 allowing a total maximum contribution of \$22,500 and \$22,000 for 2012 and 2011, respectively. The Plan was amended on July 21, 2006 to offer participants the ability to make Roth deferral contributions and Roth direct rollovers into the Plan. Participants are vested immediately in their contributions plus actual earnings thereon. Contributions are recognized each pay period. For 2012 and 2011, the Company elected to make matching contributions in an amount equal to 50% of the first 6% of a participant's compensation contributed to the Plan. Participants vest in the employer matching contribution and earnings thereon at a rate of 20% per year for a period of five years. Participants automatically become 100% vested in their account balances when they attain age 65.

At December 31, 2012 and 2011 forfeited nonvested accounts totaled \$44,514 and \$16,271, respectively. These accounts will be used to reduce future employer contributions. Also, in 2012 and 2011 employer contributions were reduced by \$184,983 and \$231,395, respectively, from forfeited nonvested accounts.

(c) Participant Accounts

Each participant's account is credited with the participant's contribution and an allocation of plan earnings plus the Company's matching contribution and earnings thereon and charged with administrative expenses, as applicable. Participants were provided with the option to allocate their contributions into any of 33 and 32 different investment options in 2012 and 2011, respectively, through Fidelity Management Trust Company, a party-in-interest.

**HEALTH DIALOG SERVICES
CORPORATION RETIREMENT PLAN**

Notes to Financial Statements

December 31, 2012 and 2011

(d) *Distribution of Benefits*

Amounts may be distributed to participants only (i) upon termination of employment, (ii) upon attaining the age of 59½, or (iii) upon demonstration by the participant to the plan administrator that the participant is suffering from "hardship" (as defined in applicable regulations promulgated or to be promulgated pursuant to Section 401(k) of the Internal Revenue Code of standards established by the Secretary of the Treasury or his delegate).

If employment is terminated because of death, disability, retirement or any other reason, a participant (or in the event of death, a designated beneficiary) may receive the vested accrued benefit credited to his or her account in a lump sum or installment distributions.

(e) *Notes Receivable from Participants*

In accordance with the Plan's provisions, employees may borrow against their individual account balances. Participants may borrow a minimum of \$1,000 up to a maximum of the lesser of 50% of their vested account balance or \$50,000 reduced by their highest outstanding note receivable during the prior 12-month period. Only one note may be outstanding at any given time. Notes receivable from participants are collateralized by the participant's account. Notes receivable from participants are to be repaid in level payments through payroll deductions on at least a quarterly basis over a five-year period, or over a ten-year period if it is for the purchase of a principal residence. Notes receivable from participants shall bear interest at a rate determined by the plan administrator. The interest rate was between 4.25% and 8.25% for 2012 and 2011.

(2) *Summary of Significant Accounting Policies*

(a) *Basis of Accounting*

The accompanying financial statements have been prepared on the accrual basis of accounting.

(b) *Investment Valuation and Income Recognition*

The Plan's investments are stated at fair value. Shares of mutual funds are valued at quoted market prices which represent the net asset values of shares held by the Plan at year-end.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation or depreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

(c) *Notes Receivable from Participants*

Notes receivable from participants are carried at their outstanding balance plus unpaid accrued interest.

(d) *Payment of Benefits*

Benefits are recorded when paid.

**HEALTH DIALOG SERVICES
CORPORATION RETIREMENT PLAN**

Notes to Financial Statements

December 31, 2012 and 2011

(e) Administrative Expenses

Administrative expenses are generally paid by the Company.

(f) Use of Estimates

The preparation of the Plan's financial statements in conformity with accounting principles generally accepted in the United States of America requires the plan administrator to make estimates and assumptions that affect the reported amounts of net assets available for benefits, changes therein, and, when applicable, disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

(g) Risk and Uncertainties

The Plan provides for various investment options in any combination of mutual funds. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amount reported in the statements of net assets available for benefits.

The Plan's exposure to a concentration of credit risk is limited by the diversification of investments across a variety of participant-directed fund elections. Additionally, the investments within each participant-directed fund election are further diversified into varied financial instruments.

(h) Recent Accounting Pronouncements

In May 2011, FASB released ASU No. 2011-04, *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs*. This ASU amends FASB Accounting Standards Codification (ASC) Topic 820, *Fair Value Measurement*, to establish common requirements for measuring fair value and for disclosing information about fair value measurements in accordance with GAAP. The ASU is effective for fiscal years and interim periods beginning after December 15, 2011. The adoption of ASU No. 2011-04 did not have a material impact on the Plan's financial statements.

(i) Subsequent Events

The Plan has evaluated subsequent events through September 19, 2013, the date the financial statements were available to be issued.

(3) Information Certified by Trustee

All information certified by Trustee disclosed in the accompanying financial statements and supplemental schedule, including investments and notes receivable from participants held at December 31, 2012 and 2011, and net appreciation or depreciation in fair value of investments, and interest and dividend income for the years ended December 31, 2012 and 2011, was obtained or derived from information supplied to the plan administrator and certified as complete and accurate by Fidelity Management Trust Company.

**HEALTH DIALOG SERVICES
CORPORATION RETIREMENT PLAN**

Notes to Financial Statements

December 31, 2012 and 2011

The plan administrator has elected the method of compliance as permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the plan administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to investments and notes receivable from participants held at December 31, 2012 and 2011, and net appreciation or depreciation in fair value of investments, and interest and dividend income for the years ended December 31, 2012 and 2011.

Investments that represent 5% or more of the fair value of the Plan's net assets available for benefits are as follows:

Description	2012	2011
Fidelity Contrafund	\$ 7,622,168	7,459,530
Fidelity Diversified International Fund	4,036,532	3,949,721
Fidelity Dividend Growth Fund	3,521,506	3,617,038
Fidelity Freedom 2020	2,641,262	2,113,051
Fidelity Puritan Fund	4,547,257	4,957,534
Fidelity Retirement Money Market Portfolio	2,752,973	3,640,457
MSIF Mid Cap Growth I	2,948,006	3,043,362
Pimco Total Return	4,453,154	4,251,541

During 2012 and 2011, the Plan's investments (including investments purchased, sold, as well as held during the year) appreciated or depreciated in fair value as determined by quoted market prices as follows:

	2012	2011
Net appreciation (depreciation) in fair value of investments:		
Mutual funds	\$ 5,097,208	(2,969,227)
Interest and dividends:		
Mutual funds	\$ 1,226,793	1,284,712
Notes receivable from participants	30,377	51,591
	<u>\$ 1,257,170</u>	<u>1,336,303</u>

(4) Plan Termination

Although it has not expressed any intention to do so, the Company has the right under the Plan to discontinue, terminate, amend, or modify the Plan subject to the provisions of ERISA. In the event the Plan terminates, participants will become 100% vested in their accounts.

During the 2010 plan year, a partial plan termination was triggered due to a series of reductions in force related to the Company's restructuring initiatives, which began in July 2009. As a result of the partial plan termination, the Company executed an amendment on October 5, 2011 which has vested all affected plan

**HEALTH DIALOG SERVICES
CORPORATION RETIREMENT PLAN**

Notes to Financial Statements

December 31, 2012 and 2011

participants. At December 31, 2010, the Plan recorded a receivable for amounts funded by the Company in 2011 and paid out during the 2011 Plan year forfeited balances and lost earnings to the affected plan participants for \$260,665.

(5) Plan Tax Status

The Internal Revenue Service (IRS) has issued an opinion letter dated March 31, 2008 to the sponsor of the Plan that the form of the Plan and underlying trust, as designed, are in compliance with the applicable requirements of the Internal Revenue Code and therefore the Plan is exempt from income taxes. Although the Plan has been amended since receiving the opinion letter, the Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the Internal Revenue Code.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or de-recognize an asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2012 and 2011, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or de-recognition of an asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2010.

(6) Party-in-Interest Transactions

Plan assets include investments that are managed by affiliates of Fidelity Management Trust Company (the trustee and custodian of the Plan) and notes receivable from participants and, therefore, these transactions qualify as party-in-interest transactions.

**HEALTH DIALOG SERVICES
CORPORATION RETIREMENT PLAN**

Notes to Financial Statements

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(7) Reconciliation of Financial Statements to Form 5500

The Plan prepares its Form 5500 on a cash basis of accounting. The following is a reconciliation of net assets available for benefits as presented on the statements of net assets available for benefits in the financial statements to Form 5500 as of December 31, 2012 and 2011:

	<u>2012</u>	<u>2011</u>
Net assets available for benefits per the financial statements	\$ 48,202,657	48,532,133
Participant contributions receivable	(15,969)	(32,474)
Employer contributions receivable	(4,559)	(9,464)
Net assets available for benefits per Form 5500	<u>\$ 48,182,129</u>	<u>48,490,195</u>

The following is a reconciliation of the net increase or decrease as presented in the statements of changes in net assets available for benefits in the financial statements to Form 5500 for the years ended December 31, 2012 and 2011:

	<u>2012</u>	<u>2011</u>
Net decrease per the financial statements	\$ (329,476)	(2,795,601)
Change in participant contributions receivable	16,505	236,843
Change in employer contributions receivable	4,905	447,345
Net decrease per Form 5500	<u>\$ (308,066)</u>	<u>(2,111,413)</u>

(8) Fair Value Measurements

Financial Accounting Standards Board (FASB) ASC Subtopic 820-10 establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under FASB ASC Subtopic 820-10 are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;

**HEALTH DIALOG SERVICES
CORPORATION RETIREMENT PLAN**

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- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value.

Mutual funds: Valued at quoted market prices of shares held by the Plan at year end.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table summarizes the valuation and investment strategies of the Plan's financial instruments under the fair value hierarchy levels as of December 31, 2012:

Fair value measurements at December 31, 2012						
	Level 1	Level 2	Level 3	Total	Redemption frequency	Days notice
Mutual funds:						
Money market	\$ 2,752,973	—	—	2,752,973	Daily	1
Mid/large cap stock	32,651,305	—	—	32,651,305	Daily	1
Fixed income	5,616,384	—	—	5,616,384	Daily	1
Small cap stock	1,509,067	—	—	1,509,067	Daily	1
International	5,230,272	—	—	5,230,272	Daily	1
Total	\$ 47,760,001	—	—	47,760,001		

**HEALTH DIALOG SERVICES
CORPORATION RETIREMENT PLAN**

Notes to Financial Statements

December 31, 2012 and 2011

The following table summarizes the valuation and investment strategies of the Plan's financial instruments under the fair value hierarchy levels as of December 31, 2011:

Fair value measurements at December 31, 2011						
	Level 1	Level 2	Level 3	Total	Redemption frequency	Days notice
Mutual funds:						
Money market	\$ 3,640,457	---	---	3,640,457	Daily	1
Mid/large cap stock	32,153,070	---	---	32,153,070	Daily	1
Fixed income	5,638,758	--	—	5,638,758	Daily	1
Small cap stock	1,374,994	--	—	1,374,994	Daily	1
International	5,088,047	—	—	5,088,047	Daily	1
Total	\$ 47,895,326	---	---	47,895,326		

**HEALTH DIALOG SERVICES
CORPORATION RETIREMENT PLAN**

Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)
December 31, 2012

	Identity of issue, borrower, lessor, or similar party	Description of investments	Current value
Mutual Funds Held by Fidelity as Custodian	MSIF Mid Cap Growth I	84,859 Shares	\$ 2,948,006
	* Fidelity Cap Appreciation	25,614 Shares	752,534
	* Fidelity Contrafund	98,262 Shares	7,622,168
	* Fidelity Diversified International Fund	134,821 Shares	4,036,532
	* Fidelity Dividend Growth Fund	117,776 Shares	3,521,506
	* Fidelity Focused Stock	163 Shares	2,465
	* Fidelity Freedom 2000	13,784 Shares	170,503
	* Fidelity Freedom 2005	2,984 Shares	33,448
	* Fidelity Freedom 2010	27,059 Shares	382,078
	* Fidelity Freedom 2015	86,908 Shares	1,026,389
	* Fidelity Freedom 2020	184,575 Shares	2,641,262
	* Fidelity Freedom 2025	90,079 Shares	1,076,442
	* Fidelity Freedom 2030	75,637 Shares	1,076,321
	* Fidelity Freedom 2035	49,534 Shares	585,990
	* Fidelity Freedom 2040	127,535 Shares	1,053,443
	* Fidelity Freedom 2045	51,259 Shares	501,314
	* Fidelity Freedom 2050	47,376 Shares	456,707
	* Fidelity Freedom 2055	389 Shares	3,846
	* Fidelity Freedom Income	11,209 Shares	131,260
	* Fidelity International Discovery	29,665 Shares	981,034
	TRP Equity Income	2,363 Shares	62,496
	* Fidelity Leveraged Co Stock	53,102 Shares	1,710,938
	* Fidelity Puritan Fund	234,274 Shares	4,547,257
	* Fidelity Retirement Money Market Portfolio	2,752,973 Shares	2,752,973
	GS Midcap Value Inst	28,516 Shares	1,120,381
	Loomis Small Cap Growth IS	30,150 Shares	568,638
	Pimco Total Return	396,188 Shares	4,453,154
	RS Partners A	29,453 Shares	940,429
	* Spartan Extended Market Index	8,089 Shares	322,845
	* Spartan 500 Index	16,216 Shares	818,773
	* Spartan International Index	6,205 Shares	212,706
	* Fidelity US Bond Index	97,833 Shares	1,163,230
	* Fidelity Four In One Index	2,839 Shares	82,933
	Total mutual funds		47,760,001
* Notes receivable from participants	Participants loans, interest rate 4.25% – 8.25%		422,128
			<u>\$ 48,182,129</u>

* Indicates party-in-interest to the Plan.

See accompanying independent auditors' report.



**HEALTH DIALOG SERVICES
CORPORATION RETIREMENT PLAN**

Financial Statements and Supplemental Schedule

December 31, 2012 and 2011

(With Independent Auditors' Report Thereon)

**HEALTH DIALOG SERVICES
CORPORATION RETIREMENT PLAN**

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Supplemental Schedule	
Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year) as of December 31, 2012	13
Note: Certain supplemental schedules specified by the Employee Retirement Income Security Act of 1974 (ERISA) are not applicable and have been omitted.	



KPMG LLP
Two Financial Center
60 South Street
Boston, MA 02111

Independent Auditors' Report

The Board of Directors and Plan Administrator
Health Dialog Services Corporation Retirement Plan:

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Health Dialog Services Corporation Retirement Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2012 and 2011, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matters described in the *Basis for Disclaimer of Opinion* paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administration instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in note 3, which was certified by Fidelity Management Trust Company, the trustee and custodian of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee and custodian hold the Plan's investment assets and execute investment transactions. The plan administrator has obtained the certification from the trustee and custodian as of December 31, 2012 and 2011, and for the years then ended, that the information provided to the Plan Administrator by the trustee and custodian is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matters described in the *Basis for Disclaimer of Opinion* paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.



Other Matter

The supplemental schedule, Schedule H line 4i, Schedule of Assets (Held at End of Year) at December 31, 2012, is required by the Department of Labor (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and not a required part of the financial statements. Because of the significance of the matters described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on this supplemental schedule.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the custodians, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

KPMG LLP

Boston, Massachusetts
September 19, 2013

**HEALTH DIALOG SERVICES
CORPORATION RETIREMENT PLAN**

Statements of Net Assets Available for Benefits

December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Assets:		
Investments, at fair value (note 8)	\$ 47,760,001	47,895,326
Notes receivable from participants	422,128	594,869
Total assets	<u>48,182,129</u>	<u>48,490,195</u>
Contributions receivable:		
Participants	15,969	32,474
Employer	4,559	9,464
Total contributions receivable	<u>20,528</u>	<u>41,938</u>
Total assets	<u>48,202,657</u>	<u>48,532,133</u>
Net assets available for benefits	<u>\$ 48,202,657</u>	<u>48,532,133</u>

See accompanying notes to financial statements.

**HEALTH DIALOG SERVICES
CORPORATION RETIREMENT PLAN**

Statements of Changes in Net Assets Available for Benefits
Years ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Additions:		
Net appreciation (depreciation) in fair value of investments (note 3)	\$ 5,097,208	(2,969,227)
Interest and dividends (note 3)	1,257,170	1,336,303
Total income (loss)	<u>6,354,378</u>	<u>(1,632,924)</u>
Contributions:		
Participants	3,717,900	5,856,401
Rollover	429,121	441,249
Employer	922,504	1,162,166
Total contributions	<u>5,069,525</u>	<u>7,459,816</u>
Total additions	<u>11,423,903</u>	<u>5,826,892</u>
Deductions:		
Benefits paid directly to participants	11,750,031	8,614,578
Administrative expenses	3,348	7,915
Total deductions	<u>11,753,379</u>	<u>8,622,493</u>
Net decrease	<u>(329,476)</u>	<u>(2,795,601)</u>
Net assets available for benefits:		
Beginning of year	<u>48,532,133</u>	<u>51,327,734</u>
End of year	<u>\$ 48,202,657</u>	<u>48,532,133</u>

See accompanying notes to financial statements.

**HEALTH DIALOG SERVICES
CORPORATION RETIREMENT PLAN**

Notes to Financial Statements

December 31, 2012 and 2011

(1) Description of the Plan

The following description of Health Dialog Services Corporation Retirement Plan (the Plan) is provided for general information. Participants should refer to the plan document for a more complete description of the Plan's provisions.

(a) General

The Plan is a defined contribution plan sponsored by Health Dialog Services Corporation (the Company) and was established effective January 1, 1997 and is subject to applicable provisions of the Internal Revenue Code (the Code). The Plan covers all eligible employees of the Company and its subsidiaries who choose to participate in the Plan. An employee is eligible to participate in the Plan on the first day of each month following their date of hire provided that the employee has reached the age of 21. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

(b) Contributions and Vesting

Participants may make tax deferred contributions up to an annual maximum of the lesser of 60% of their eligible compensation, as defined, or the Internal Revenue Service limit of \$17,000 and \$16,500 for 2012 and 2011, respectively. ERISA regulations also allowed participants over the age of 50 to contribute an additional catch-up amount of \$5,500 for 2012 and 2011 allowing a total maximum contribution of \$22,500 and \$22,000 for 2012 and 2011, respectively. The Plan was amended on July 21, 2006 to offer participants the ability to make Roth deferral contributions and Roth direct rollovers into the Plan. Participants are vested immediately in their contributions plus actual earnings thereon. Contributions are recognized each pay period. For 2012 and 2011, the Company elected to make matching contributions in an amount equal to 50% of the first 6% of a participant's compensation contributed to the Plan. Participants vest in the employer matching contribution and earnings thereon at a rate of 20% per year for a period of five years. Participants automatically become 100% vested in their account balances when they attain age 65.

At December 31, 2012 and 2011 forfeited nonvested accounts totaled \$44,514 and \$16,271, respectively. These accounts will be used to reduce future employer contributions. Also, in 2012 and 2011 employer contributions were reduced by \$184,983 and \$231,395, respectively, from forfeited nonvested accounts.

(c) Participant Accounts

Each participant's account is credited with the participant's contribution and an allocation of plan earnings plus the Company's matching contribution and earnings thereon and charged with administrative expenses, as applicable. Participants were provided with the option to allocate their contributions into any of 33 and 32 different investment options in 2012 and 2011, respectively, through Fidelity Management Trust Company, a party-in-interest.

**HEALTH DIALOG SERVICES
CORPORATION RETIREMENT PLAN**

Notes to Financial Statements

December 31, 2012 and 2011

(d) *Distribution of Benefits*

Amounts may be distributed to participants only (i) upon termination of employment, (ii) upon attaining the age of 59½, or (iii) upon demonstration by the participant to the plan administrator that the participant is suffering from "hardship" (as defined in applicable regulations promulgated or to be promulgated pursuant to Section 401(k) of the Internal Revenue Code of standards established by the Secretary of the Treasury or his delegate).

If employment is terminated because of death, disability, retirement or any other reason, a participant (or in the event of death, a designated beneficiary) may receive the vested accrued benefit credited to his or her account in a lump sum or installment distributions.

(e) *Notes Receivable from Participants*

In accordance with the Plan's provisions, employees may borrow against their individual account balances. Participants may borrow a minimum of \$1,000 up to a maximum of the lesser of 50% of their vested account balance or \$50,000 reduced by their highest outstanding note receivable during the prior 12-month period. Only one note may be outstanding at any given time. Notes receivable from participants are collateralized by the participant's account. Notes receivable from participants are to be repaid in level payments through payroll deductions on at least a quarterly basis over a five-year period, or over a ten-year period if it is for the purchase of a principal residence. Notes receivable from participants shall bear interest at a rate determined by the plan administrator. The interest rate was between 4.25% and 8.25% for 2012 and 2011.

(2) *Summary of Significant Accounting Policies*

(a) *Basis of Accounting*

The accompanying financial statements have been prepared on the accrual basis of accounting.

(b) *Investment Valuation and Income Recognition*

The Plan's investments are stated at fair value. Shares of mutual funds are valued at quoted market prices which represent the net asset values of shares held by the Plan at year-end.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation or depreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

(c) *Notes Receivable from Participants*

Notes receivable from participants are carried at their outstanding balance plus unpaid accrued interest.

(d) *Payment of Benefits*

Benefits are recorded when paid.

**HEALTH DIALOG SERVICES
CORPORATION RETIREMENT PLAN**

Notes to Financial Statements

December 31, 2012 and 2011

(e) Administrative Expenses

Administrative expenses are generally paid by the Company.

(f) Use of Estimates

The preparation of the Plan's financial statements in conformity with accounting principles generally accepted in the United States of America requires the plan administrator to make estimates and assumptions that affect the reported amounts of net assets available for benefits, changes therein, and, when applicable, disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

(g) Risk and Uncertainties

The Plan provides for various investment options in any combination of mutual funds. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amount reported in the statements of net assets available for benefits.

The Plan's exposure to a concentration of credit risk is limited by the diversification of investments across a variety of participant-directed fund elections. Additionally, the investments within each participant-directed fund election are further diversified into varied financial instruments.

(h) Recent Accounting Pronouncements

In May 2011, FASB released ASU No. 2011-04, *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs*. This ASU amends FASB Accounting Standards Codification (ASC) Topic 820, *Fair Value Measurement*, to establish common requirements for measuring fair value and for disclosing information about fair value measurements in accordance with GAAP. The ASU is effective for fiscal years and interim periods beginning after December 15, 2011. The adoption of ASU No. 2011-04 did not have a material impact on the Plan's financial statements.

(i) Subsequent Events

The Plan has evaluated subsequent events through September 19, 2013, the date the financial statements were available to be issued.

(3) Information Certified by Trustee

All information certified by Trustee disclosed in the accompanying financial statements and supplemental schedule, including investments and notes receivable from participants held at December 31, 2012 and 2011, and net appreciation or depreciation in fair value of investments, and interest and dividend income for the years ended December 31, 2012 and 2011, was obtained or derived from information supplied to the plan administrator and certified as complete and accurate by Fidelity Management Trust Company.

**HEALTH DIALOG SERVICES
CORPORATION RETIREMENT PLAN**

Notes to Financial Statements

December 31, 2012 and 2011

The plan administrator has elected the method of compliance as permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the plan administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to investments and notes receivable from participants held at December 31, 2012 and 2011, and net appreciation or depreciation in fair value of investments, and interest and dividend income for the years ended December 31, 2012 and 2011.

Investments that represent 5% or more of the fair value of the Plan's net assets available for benefits are as follows:

Description	2012	2011
Fidelity Contrafund	\$ 7,622,168	7,459,530
Fidelity Diversified International Fund	4,036,532	3,949,721
Fidelity Dividend Growth Fund	3,521,506	3,617,038
Fidelity Freedom 2020	2,641,262	2,113,051
Fidelity Puritan Fund	4,547,257	4,957,534
Fidelity Retirement Money Market Portfolio	2,752,973	3,640,457
MSIF Mid Cap Growth I	2,948,006	3,043,362
Pimco Total Return	4,453,154	4,251,541

During 2012 and 2011, the Plan's investments (including investments purchased, sold, as well as held during the year) appreciated or depreciated in fair value as determined by quoted market prices as follows:

	2012	2011
Net appreciation (depreciation) in fair value of investments:		
Mutual funds	\$ 5,097,208	(2,969,227)
Interest and dividends:		
Mutual funds	\$ 1,226,793	1,284,712
Notes receivable from participants	30,377	51,591
	<u>\$ 1,257,170</u>	<u>1,336,303</u>

(4) Plan Termination

Although it has not expressed any intention to do so, the Company has the right under the Plan to discontinue, terminate, amend, or modify the Plan subject to the provisions of ERISA. In the event the Plan terminates, participants will become 100% vested in their accounts.

During the 2010 plan year, a partial plan termination was triggered due to a series of reductions in force related to the Company's restructuring initiatives, which began in July 2009. As a result of the partial plan termination, the Company executed an amendment on October 5, 2011 which has vested all affected plan

**HEALTH DIALOG SERVICES
CORPORATION RETIREMENT PLAN**

Notes to Financial Statements

December 31, 2012 and 2011

participants. At December 31, 2010, the Plan recorded a receivable for amounts funded by the Company in 2011 and paid out during the 2011 Plan year forfeited balances and lost earnings to the affected plan participants for \$260,665.

(5) Plan Tax Status

The Internal Revenue Service (IRS) has issued an opinion letter dated March 31, 2008 to the sponsor of the Plan that the form of the Plan and underlying trust, as designed, are in compliance with the applicable requirements of the Internal Revenue Code and therefore the Plan is exempt from income taxes. Although the Plan has been amended since receiving the opinion letter, the Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the Internal Revenue Code.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or de-recognize an asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2012 and 2011, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or de-recognition of an asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2010.

(6) Party-in-Interest Transactions

Plan assets include investments that are managed by affiliates of Fidelity Management Trust Company (the trustee and custodian of the Plan) and notes receivable from participants and, therefore, these transactions qualify as party-in-interest transactions.

**HEALTH DIALOG SERVICES
CORPORATION RETIREMENT PLAN**

Notes to Financial Statements

December 31, 2012 and 2011

(7) Reconciliation of Financial Statements to Form 5500

The Plan prepares its Form 5500 on a cash basis of accounting. The following is a reconciliation of net assets available for benefits as presented on the statements of net assets available for benefits in the financial statements to Form 5500 as of December 31, 2012 and 2011:

	<u>2012</u>	<u>2011</u>
Net assets available for benefits per the financial statements	\$ 48,202,657	48,532,133
Participant contributions receivable	(15,969)	(32,474)
Employer contributions receivable	(4,559)	(9,464)
Net assets available for benefits per Form 5500	<u>\$ 48,182,129</u>	<u>48,490,195</u>

The following is a reconciliation of the net increase or decrease as presented in the statements of changes in net assets available for benefits in the financial statements to Form 5500 for the years ended December 31, 2012 and 2011:

	<u>2012</u>	<u>2011</u>
Net decrease per the financial statements	\$ (329,476)	(2,795,601)
Change in participant contributions receivable	16,505	236,843
Change in employer contributions receivable	4,905	447,345
Net decrease per Form 5500	<u>\$ (308,066)</u>	<u>(2,111,413)</u>

(8) Fair Value Measurements

Financial Accounting Standards Board (FASB) ASC Subtopic 820-10 establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under FASB ASC Subtopic 820-10 are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;

**HEALTH DIALOG SERVICES
CORPORATION RETIREMENT PLAN**

Notes to Financial Statements

December 31, 2012 and 2011

- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value.

Mutual funds: Valued at quoted market prices of shares held by the Plan at year end.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table summarizes the valuation and investment strategies of the Plan's financial instruments under the fair value hierarchy levels as of December 31, 2012:

Fair value measurements at December 31, 2012						
	Level 1	Level 2	Level 3	Total	Redemption frequency	Days notice
Mutual funds:						
Money market	\$ 2,752,973	—	—	2,752,973	Daily	1
Mid/large cap stock	32,651,305	—	—	32,651,305	Daily	1
Fixed income	5,616,384	—	—	5,616,384	Daily	1
Small cap stock	1,509,067	—	—	1,509,067	Daily	1
International	5,230,272	—	—	5,230,272	Daily	1
Total	\$ 47,760,001	—	—	47,760,001		

**HEALTH DIALOG SERVICES
CORPORATION RETIREMENT PLAN**

Notes to Financial Statements

December 31, 2012 and 2011

The following table summarizes the valuation and investment strategies of the Plan's financial instruments under the fair value hierarchy levels as of December 31, 2011:

Fair value measurements at December 31, 2011						
	Level 1	Level 2	Level 3	Total	Redemption frequency	Days notice
Mutual funds:						
Money market	\$ 3,640,457	---	---	3,640,457	Daily	1
Mid/large cap stock	32,153,070	---	---	32,153,070	Daily	1
Fixed income	5,638,758	--	—	5,638,758	Daily	1
Small cap stock	1,374,994	--	—	1,374,994	Daily	1
International	5,088,047	—	—	5,088,047	Daily	1
Total	\$ 47,895,326	---	---	47,895,326		

**HEALTH DIALOG SERVICES
CORPORATION RETIREMENT PLAN**

Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)
December 31, 2012

	Identity of issue, borrower, lessor, or similar party	Description of investments	Current value
Mutual Funds Held by Fidelity as Custodian	MSIF Mid Cap Growth I	84,859 Shares	\$ 2,948,006
	* Fidelity Cap Appreciation	25,614 Shares	752,534
	* Fidelity Contrafund	98,262 Shares	7,622,168
	* Fidelity Diversified International Fund	134,821 Shares	4,036,532
	* Fidelity Dividend Growth Fund	117,776 Shares	3,521,506
	* Fidelity Focused Stock	163 Shares	2,465
	* Fidelity Freedom 2000	13,784 Shares	170,503
	* Fidelity Freedom 2005	2,984 Shares	33,448
	* Fidelity Freedom 2010	27,059 Shares	382,078
	* Fidelity Freedom 2015	86,908 Shares	1,026,389
	* Fidelity Freedom 2020	184,575 Shares	2,641,262
	* Fidelity Freedom 2025	90,079 Shares	1,076,442
	* Fidelity Freedom 2030	75,637 Shares	1,076,321
	* Fidelity Freedom 2035	49,534 Shares	585,990
	* Fidelity Freedom 2040	127,535 Shares	1,053,443
	* Fidelity Freedom 2045	51,259 Shares	501,314
	* Fidelity Freedom 2050	47,376 Shares	456,707
	* Fidelity Freedom 2055	389 Shares	3,846
	* Fidelity Freedom Income	11,209 Shares	131,260
	* Fidelity International Discovery	29,665 Shares	981,034
	TRP Equity Income	2,363 Shares	62,496
	* Fidelity Leveraged Co Stock	53,102 Shares	1,710,938
	* Fidelity Puritan Fund	234,274 Shares	4,547,257
	* Fidelity Retirement Money Market Portfolio	2,752,973 Shares	2,752,973
	GS Midcap Value Inst	28,516 Shares	1,120,381
	Loomis Small Cap Growth IS	30,150 Shares	568,638
	Pimco Total Return	396,188 Shares	4,453,154
	RS Partners A	29,453 Shares	940,429
	* Spartan Extended Market Index	8,089 Shares	322,845
	* Spartan 500 Index	16,216 Shares	818,773
	* Spartan International Index	6,205 Shares	212,706
	* Fidelity US Bond Index	97,833 Shares	1,163,230
	* Fidelity Four In One Index	2,839 Shares	82,933
Total mutual funds			47,760,001
* Notes receivable from participants	Participants loans, interest rate 4.25% – 8.25%		422,128
			<u>\$ 48,182,129</u>

* Indicates party-in-interest to the Plan.

See accompanying independent auditors' report.