AMERICAN HOMEPATIENT

News Release

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For Immediate Release

AMERICAN HOMEPATIENT REPORTS FINANCIAL RESULTS FOR THE THIRD QUARTER AND NINE MONTHS ENDED SEPTEMBER 30, 2001

BRENTWOOD, Tenn. (November 7, 2001) – American HomePatient, Inc. (OTC: AHOM) today reported its financial results for the three months and nine months ended September 30, 2001. Excluding a one-time charge of $2.6 million associated with a loss on the sale of the assets of the Company's rehab centers, earnings before interest, taxes, depreciation and amortization (EBITDA) for the third quarter of 2001 was $12.0 million, compared to $12.6 million for the same period in 2000. The Company's EBITDA for the first nine months of 2001, excluding the one-time charge, was $36.5 million, representing an increase of $2.9 million over EBITDA for the first nine months of 2000. Excluding the one-time charge, the Company's net loss for the third quarter of 2001 was $3.2 million compared to $5.4 million for the same quarter of 2000. The Company's net loss for the first nine months of 2001, excluding the one-time charge, was $11.9 million, compared to a net loss of $19.8 million for the same nine month period of 2000. Including the one-time charge of $2.6 million, the Company reported a net loss of $5.9 million for the third quarter of 2001 and $14.6 million for the nine-month period ended September 30, 2001.

Effective September 1, 2001, the Company sold the assets of its rehab centers to United Seating and Mobility, L.L.C. for approximately $7.7 million, of which $7.2 million was

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received in cash at closing with the remainder to be paid on February 28, 2002. The rehab centers provided custom-built seating and positioning systems and custom-built wheelchairs to patients with impaired mobility. At the time of the sale, the rehab centers generated annualized revenues of approximately $22.0 million with minimal EBITDA. The cash proceeds of the sale have been used to pay down debt under the Company's bank credit facility.

Revenues for the three months ended September 30, 2001 were $87.6 million, down from $91.5 million reported for the same three-month period of 2000. For the first nine months of 2001, the Company reported revenues of $268.5 million, down from $270.5 million for the same period of 2000. The termination of a services contract in January, the sale of two unprofitable infusion centers in April, the sale of an unprofitable respiratory and home medical equipment center in July, and the sale of the rehab centers in September have negatively impacted revenues by approximately $4.8 million in the third quarter of 2001 and by $9.5 million during the first nine months of 2001. A portion of this lost revenue was offset by the consolidation of several of the Company's hospital joint ventures during the second and third quarters of 2000.

Excluding the one-time charge associated with the loss on the sale of the assets of the rehab centers, EBITDA margin for the third quarter of 2001 was 13.7% of revenues compared to 13.8% for the third quarter of 2000. For the first nine months of 2001, EBITDA margin was 13.6%, compared to 12.4% for the same period in 2000. Overall, operating expenses decreased in the current nine-month period compared to last year, due primarily to improvements in bad debt expense. As a percentage of revenues, bad debt expense for the first nine months of 2001 was 4.7%, compared to 7.0% for the same period of 2000. This improvement in bad debt expense is largely the result of improved

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cash collections resulting from the redesign and standardization of reimbursement processes and the consolidation of certain billing locations into larger regional billing centers. For the third quarter of 2001, bad debt expense was 6.1% of revenues, compared to 5.7% for the third quarter of 2000. Bad debt expense in the current quarter reflects a temporary reduction in cash collections in September, resulting primarily from payment processing problems experienced by Texas Medicaid during the month and a general delay in payments received by the Company during the first few weeks following the September 11th terrorists attack.

American HomePatient is one of the nation's largest home health care providers with 293 centers in 36 states. Its product and service offerings include respiratory services, infusion therapy, parenteral and enteral nutrition, and medical equipment for patients in their home. American HomePatient's common stock is currently traded over-the-counter under the symbol AHOM.

American HomePatient
Summary Financial Data
(In thousands, except per share data)

	Three Months Ended Sept. 30,		Nine Months Ended Sept. 30,	
	2001	2000	2001	2000
Revenues	$ 87,615	$ 91,504	$ 268,511	$ 270,528
Cost of sales and related services	18,611	21,102	62,205	64,107
Operating expenses	53,183	53,699	158,127	161,654
General and administrative expenses	3,792	4,110	11,682	11,141
Depreciation and amortization	8,771	10,122	26,046	30,216
Loss on sale of rehab assets	2,629	-	2,629	-
Earnings before interest and taxes	629	2,471	7,822	3,410
Pre-tax loss	(5,705)	(5,259)	(14,112)	(19,364)
Net loss	$ (5,855)	$ (5,409)	$ (14,562)	$ (19,814)
Basic loss per share	$ (0.34)	$ (0.35)	$ (0.87)	$ (1.27)
Diluted loss per share	$ (0.34)	$ (0.35)	$ (0.87)	$ (1.27)
Weighted average shares outstanding - Basic	*17,020*	*15,661*	*16,704*	*15,620*
Weighted average shares outstanding - Diluted	*17,020*	*15,661*	*16,704*	*15,620*

	Sept. 30, 2001	Dec. 31, 2000
Cash & Equivalents	$ 13,857	$ 12,081
Restricted Cash	166	179
Net Patient Receivables	62,190	74,498
Other Receivables	1,281	967
Total Receivables	63,471	75,465
Other Current Assets	13,991	17,011
Total Current Assets	91,485	104,736
Property and Equipment, Net	47,915	52,998
Goodwill	191,088	197,491
Other Assets	22,172	23,289
Total Assets	**$ 352,660**	**$ 378,514**
Accounts Payable	$ 17,388	$ 16,449
Current Portion of Long Term Debt	7,435	2,679
Other Current Liabilities	28,501	30,937
Total Current Liabilities	53,324	50,065
Long Term Debt, less current portion	282,734	296,473
Other Liabilities	4,723	5,737
Total Liabilities	340,781	352,275
Total Stockholders' Equity	11,879	26,239
Total Liabilities and Equity	**$ 352,660**	**$ 378,514**

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