



Compensation Committee

PURPOSE

The purpose of the Compensation Committee (the "Committee") shall be to assist the Board of Directors of LHC Group, Inc. (the "Company") in the discharge of its responsibilities with respect to the compensation of the Company's executive officers and the administration of certain incentive compensation plans.

COMPOSITION OF THE COMMITTEE

The members of the Committee shall be independent directors meeting the requirements of the NASDAQ Stock Market. At least two of the directors appointed to serve on the Committee shall be "non-employee directors" (within the meaning of Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended) and "outside directors" (within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder). The Committee members will be appointed by the Board of Directors on the recommendation of the Nominating and Corporate Governance Committee and may be removed by the Board of Directors in its discretion. In addition, the Chairman of the Committee shall be designated by the Board of Directors. The Committee shall have authority to delegate any of its responsibilities to subcommittees as the Committee may deem appropriate.

For purposes of this Charter, the term "executive officers" shall refer to those employees of the Company who are identified as "officers" of the Company for purposes of Section 16 of the Securities Exchange Act of 1934, as amended.

RESPONSIBILITIES OF THE COMMITTEE

The Committee shall:

- Annually review and approve the Company's goals and objectives relevant to the compensation of the chief executive officer and evaluate the performance of the chief executive officer in light of those goals and objectives;
- Annually determine and approve the compensation, including, without limitation, base salary, benefits, annual incentive compensation opportunity, and long-term incentive compensation opportunity, of the chief executive officer based on the evaluation of the chief executive officer's performance relative to the Company's goals and objectives (the chief executive officer shall not be present during any Committee or Board deliberations or voting with respect to his or her compensation);
- Annually review, evaluate and approve the compensation, including, without limitation, base salary, benefits, annual incentive compensation opportunity, and long-term incentive compensation opportunity, of the Company's other executive officers;



- Review and approve employment agreements and severance arrangements for the Company's executive officers;
- Periodically review and make recommendations to the Board of Directors with respect to the Company's incentive-compensation plans and equity-based plans;
- Annually review and assess the risks associated with the Company's incentive compensation arrangements, including a consideration of the counterbalance of risk-taking incentives and risk-mitigating factors in our practices and policies, to confirm that they do not encourage unnecessary risk-taking;
- Make regular reports to the Board of Directors concerning the activities of the Committee;
- Annually review and assess the adequacy of this Charter and recommend any proposed changes to the Board of Directors for approval;
- Produce a report as required by the Securities and Exchange Commission (the "SEC") to be included in the Company's annual proxy statement and annual report on Form 10-K filed with the SEC, stating whether the Committee has reviewed and discussed with management the Compensation Discussion and Analysis required to be filed with the Company's annual proxy statement and Form 10-K;
- Perform an annual performance evaluation of the Committee; and
- Perform any other activities consistent with this Charter, the Company's Certificate of Incorporation and Bylaws and governing law as the Committee or the Board of Directors deem appropriate.

COMPENSATION COMMITTEE ADVISERS

The Committee shall have authority to retain or obtain the advice of a compensation consultant, independent legal counsel or other adviser. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, independent legal counsel or other adviser retained by the Committee.

The Company will provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to a compensation consultant, independent legal counsel or any other adviser retained by the Committee.

The Committee may select a compensation consultant, legal counsel or other adviser to the Committee (other than in-house legal counsel) only after taking into consideration, all factors relevant to that person's independence from management, including the following:

- (a) The provision of other services to the Company by the person that employs the compensation consultant, legal counsel or other adviser;



- (b) The amount of fees received from the Company by the person that employs the compensation consultant, legal counsel or other adviser, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel or other adviser;
- (c) The policies and procedures of the person that employs the compensation consultant, legal counsel or other adviser that are designed to prevent conflicts of interest;
- (d) Any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the Committee;
- (e) Any stock of the Company owned by the compensation consultant, legal counsel or other adviser; and
- (f) Any business or personal relationship of the compensation consultant, legal counsel, other adviser or the person employing the adviser with an executive officer of the Company.

COMMITTEE MEETINGS

The Committee shall meet as often as its members deem necessary to perform the Committee's responsibilities, but no less frequently than two times per year and such meetings may be by telephone or video conference. The Committee shall keep minutes of each of these meetings and may take action by written consent.

(as of August 15, 2013)