

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

Form 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report: February 15, 2000

LanVision Systems, Inc.

(Exact name of registrant as specified in its charter)

Delaware

0-28132

31-1455414
-----(State or other jurisdiction
of incorporation)(Commission
File Number)(IRS Employer
Identification No.)4700 Duke Drive, Suite 170, Mason, Ohio 45040-9374

(Address of principal executive offices)

Registrant's telephone number, including area code (513) 459-5000

- Item 1. Changes in Control of Registrant.
- Item 2. Acquisition or Disposition of Assets.
- Item 3. Bankruptcy or Receivership.
- Item 4. Changes in Registrant's Certifying Accountant.
- Item 5. Other Events.

On November 24, 1999, pursuant to an oral hearing held on November 18, 1999, the Nasdaq Listing Qualifications panel determined to transfer the listing of LanVision Systems, Inc. to The Nasdaq SmallCap Market pursuant to an exception to the bid price and net tangible asset requirements. The exception required the Company to evidence a minimum of \$3,200,000 in net tangible assets as of January 31, 2000. In addition, on or before February 15, 2000, the Company must make a public filing with the Securities and Exchange Commission and Nasdaq evidencing a minimum of \$3,200,000 in net tangible assets. The filing must contain a balance sheet no older than 45 days, including pro forma adjustments for any significant events or transactions occurring on or before the filing date. Accordingly, attached as exhibit 99 is the Unaudited Condensed Consolidated Pro Forma Balance Sheet of LanVision Systems, Inc. as of January 31, 2000. The Unaudited Condensed Consolidated Pro Forma Balance Sheet reflects approximately \$3,700,000 in net tangible assets.

The accompanying Unaudited Condensed Consolidated Pro Forma Balance Sheet has been prepared by the Company without audit, in accordance with generally accepted accounting principles for interim financial information, pursuant to the rules and regulations applicable to quarterly reports on Form 10-Q of the Securities and Exchange Commission. Accordingly, it does not include all of the information and footnotes required by generally accepted accounting principles for a complete Balance Sheet presentation. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation of the Unaudited Condensed Consolidated Pro Forma Balance Sheet have been included. This Unaudited Condensed Consolidated Pro Forma Balance Sheet should be read in conjunction with the financial statements and notes thereto included in the LanVision Systems, Inc., fiscal year 1998, Annual Report on Form 10-K, Commission File Number 0-28132

A summary of the Company's significant accounting policies is presented beginning on page 21 of its 1998 Annual Report to Stockholders. Users of financial information for interim periods are encouraged to refer to the footnotes contained in the Annual Report to Stockholders when reviewing interim financial results. There has been no material change in the accounting policies followed by the Company during fiscal 1999.

"Safe Harbor" statement under the Private Securities Litigation Reform Act of 1995:

Statements made by LanVision that are not historical facts are forward looking statements that are subject to risks and uncertainties. LanVision's future financial performance could differ materially from expectations of management and from results reported now or in the past. Factors that could cause LanVision's financial performance to so differ include, but are not limited to, the impact of competitive products and pricing, product development, reliance on strategic alliances, availability of products procured from third party vendors, the healthcare regulatory environment, fluctuations in operating results, and other risks detailed from time to time in LanVision's filings with the U.S. Securities and Exchange commission.

Item 6. Resignations of Registrant's Directors.

Item 7. Financial Statements and Exhibits.

Exhibit No. -----	Description of Exhibit -----
99	Unaudited Condensed Consolidated Pro Forma Balance Sheet as of January 31, 2000 of LanVision Systems, Inc.

Item 8. Change in Fiscal Year

SIGNATURES

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

LanVision Systems, Inc.

Date: February 15, 2000

By: /s/ J. Brian Patsy
J. Brian Patsy
Chief Executive Officer

INDEX TO EXHIBITS

Exhibit No.	Description of Exhibit
99	Unaudited Condensed Consolidated Pro Forma Balance Sheet as of January 31, 2000 of LanVision Systems, Inc.

Exhibit 99
LANVISION SYSTEMS, INC.

CONDENSED CONSOLIDATED PRO FORMA BALANCE SHEET
As of January 31, 2000
Assets

UNAUDITED

Current assets:		Pro Forma Entries	Pro Forma Balances
Cash and cash equivalents	\$ 5,411,920	2,949,815	8,361,735
Accounts receivable, net of allowance for doubtful accounts of \$385,000	3,936,326	(900,000)	3,036,326
Unbilled receivables	986,323		986,323
Note receivable	--	900,000	900,000
Other	465,190	(49,815)	415,375

Total current assets	10,799,759	2,900,000	13,699,759
 Property and equipment:			
Computer equipment	4,423,753	(1,755,957)	2,667,796
Computer software	659,993	(156,480)	503,513
Office furniture, fixtures and equipment	1,379,043	(78,785)	1,300,258
Leasehold improvements	648,230	(507,034)	141,196

	7,111,019	(2,498,256)	4,612,763
Accumulated depreciation and amortization	(4,478,444)	1,074,795	(3,403,649)

	2,632,575	(1,423,461)	1,209,114
Capitalized software development costs, net of accumulated amortization of \$1,100,228	869,701	--	869,701
Other	293,084	--	293,084

	\$ 14,595,119	1,476,539	16,071,658
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Liabilities, Convertible Redeemable Preferred Stock and Stockholders' Equity

UNAUDITED

Current liabilities:		Pro Forma Entries	Pro Forma Balances
Accounts payable	\$ 666,646		666,646
Accrued compensation	433,046		433,046
Accrued other expenses	2,283,080	87,000	2,370,080
Deferred revenues	1,539,596		1,539,596

Total current liabilities	4,922,368	87,000	5,009,368
Long-term debt	6,000,000		6,000,000
Long-term accrued interest	1,331,289		1,331,289
Convertible redeemable preferred stock, \$.01 par value per Share, 5,000,000 shares authorized	--		--
Stockholders' equity:			
Common stock, \$.01 par value per share, 25,000,000 shares authorized, 8,896,500 shares issued	88,965		88,965
Capital in excess of par value	35,003,931		35,003,931
Treasury stock, at cost, 58,467 shares	(277,921)		(277,921)
Accumulated (deficit)	(32,473,513)	1,389,539	(31,083,974)

Total stockholders' equity	2,341,462	1,389,539	3,731,001

	\$ 14,595,119	1,476,539	16,071,658
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Notes:

On January 20, 2000, the Company entered into an Asset Purchase Agreement ("The Agreement") to sell its Virtual Healthcare Services division's centralized data center. Under the terms of The Agreement, the buyer agreed to pay LanVision \$2,900,000 and assume certain liabilities. The transaction closed on February 11, 2000. The Company received \$2,000,000 at the time of the closing and a \$900,000 promissory note from the buyer, which is payable in twelve equal monthly installments beginning March 1, 2000. During the first quarter of Fiscal 2000, the Company will record an approximately \$1,400,000 gain on the sale. Simultaneous with the sale, the Company entered into a services agreement with the buyer. Under the terms of this service agreement, in exchange for processing fees, the Company can use the data center to provide outsourcing services to LanVision customers.

In connection with the above sale, the Company's lender amended the loan agreement to require, among other new covenants, that the Company maintain a minimum cash and investments balance of \$4,400,000, increasing to \$5,300,000 as the \$900,000 note receivable is collected from the purchaser of the data center.

Included in the above Accounts Receivable is \$1,800,000 due from one of the Company's customers. Approximately \$900,000 was paid prior to the filing of the above Unaudited Condensed Consolidated Pro Forma Balance Sheet and has been included in the pro forma entries.