Good afternoon, ladies and gentlemen, and welcome to Huron Consulting Group's webcast to discuss financial results for the third quarter 2015. At this time all conference call lines are on a listen-only mode. Later we will conduct a question-and-answer session for conference call participants and instructions will follow at that time. As a reminder, this conference call is being recorded.

Before we begin, I would like to point all of you to the disclosure at the end of the Company's news release for information about any forward-looking statements that may be made or discussed on this call. The news release is posted on here, on the website. Please review that information along with the filings with the SEC for a disclosure of factors that may impact subjects discussed on this afternoon's webcast.

The Company will be discussing one or more non-GAAP financial measures. Please look at the earnings release on Huron's website for all the disclosures required by the SEC, including reconciliation to the most comparable GAAP numbers.

And now I would like turn the call over to Jim Roth, Chief Executive Officer and President of Huron Consulting Group. Mr. Roth, please go ahead.

Jim Roth - Huron Consulting Group Inc. - CEO and President

Good afternoon and welcome to Huron Consulting Group's third-quarter 2015 earnings call. With me today is Mark Hussey, our Chief Operating Officer and Chief Financial Officer.

Since we issued our initial 2015 revenue guidance in February, we have reduced and narrowed that guidance twice. Let me provide some color on our latest guidance and how we believe this will impact the remainder of the year. Our revised guidance is primarily attributable to performance in two segments, Healthcare and Legal.

Let me start with the changes stemming from our Healthcare practice. When the year began, we expected that three large engagements would provide the base from which we would achieve our Healthcare revenue projections. Essentially, we had anticipated three large projects would follow the traditional pattern where we perform an assessment and then quickly transition to implementation.

While that had largely been our historical experience, that pattern did not occur in two of the three large projects that began this year. Instead, as we have indicated on recent calls, the complexity of academic medical center and large health system projects requires substantially more time to achieve alignment at the client before we begin implementation.
While these large projects are beneficial in the sense that they yield large intricate engagements that are perfectly aligned with our core competencies, we are learning that these projects do not always follow the traditional norms in terms of timing and scope evolution.

Turning to the three large projects to which we referred, we expect the first project will end the year as we anticipated. The second of our larger projects has also proceeded as expected with one notable exception. This project started later in the year than we had initially anticipated but is otherwise proceeding in terms of scope and scale in line with our expectations. The third large project has progressed far differently than we initially anticipated. It started much later than we originally expected and is not evolving like our traditional engagements. The client has chosen to be very deliberate in how they are engaging us to help them with their business challenges, causing the pace to be more measured and the scope to be narrower in which we typically see.

We anticipate the first two projects will progress over time as we have described, and although the third project is proceeding we are unable to estimate the final scope and timing.

In addition to the aforementioned projects, there is one other factor that has impacted our 2015 Healthcare revenue estimates. In our quarterly re-forecasting process, we have seen a softening in demand for our performance improvement solutions. Over the last three years, this part of our business had seen very solid growth, so we were surprised by how quickly the demand for these solutions appears to be softening. We have spent considerable time assessing the cause of the softening for the performance improvement solutions, in light of its strong performance in the past few years.

The most reasonable rationale that we can determine is that some hospital margins have stabilized over the last year or so, in part due to the renewed revenue from previously uninsured patients gaining coverage under the Affordable Care Act, to the point where cost reduction work at some hospitals is no longer seen as such an urgent concern.

However, we believe the softness in demand for our performance improvement solutions is temporary. As we assess various market reports about healthcare trends, there are diverging views on issues that are impacting hospital financial performance. Most reports regarding hospital margins not only reiterate our view of the short-term stabilization of hospital financial performance but also see the long-term need for continued transformational change within the industry.

For example, Moody’s Investors Service outlook for the healthcare sector has been negative since 2008 but was recently revised to stable, citing, "improvement across the industry’s financial business, financial and economic conditions." The Moody's report goes on to say that "the outlook revision represents significant gains in the number of people with insurance, growing patient volumes and sizable reductions in bad debt that are contributing to very strong growth in operating cash flow."

However, the same report goes on to say that, "the not-for-profit and public health care sector industry faces long-term challenges stemming from who pays for care, how providers are reimbursed and changes in patient behavior. These risks may weigh on profitability and growth."

Another report from the Massachusetts’ Center for Health Information and Analysis again indicates a mixed outlook for the healthcare sector. The report on acute care hospital financial performance quoted a vice president from Massachusetts Hospital Association, where he said, "we are in a complex transition with all the challenges that implies" But challenges still remain, such as declining volume, the need to invest in new technologies, forming integrated delivery systems to provide coordinated care, retraining healthcare workers and accepting increasing risks while caring for populations."

He goes on to predict that "ACA cuts to hospital reimbursements are programmed to increase in the coming years."

So turning back to Huron, despite the uncertainties in the market, we have seen no indication that we are losing market share or that our presence in the market has diminished. However, in response to the change in demand and the continued evolution of the healthcare market we are reviewing the adjustments we need to make to our go-to-market strategy and will be taking some actions to better align resources with market demand in this segment.
As you may recall, we experienced a similar market disruption in our Education practice in late 2013 and early 2014. The higher education market was and still is changing rapidly, and in early 2014 we adjusted our go-to-market strategy to be more reflective of market demand. It took a few quarters, but we emerged stronger than before.

From Huron’s planning and forecasting perspective, we are balancing slightly conflicting healthcare market signals. On the one hand, there clearly have been improved margins at some hospitals, likely reducing the urgency to reduce costs. Conversely, we continue to have a steady stream of new clients and are aware of some pending decisions among additional hospitals that are evaluating their need to initiate significant cost reduction efforts.

While we have to maneuver through some variations in demand for our performance improvement practice, over half of our healthcare business, specifically our revenue cycle and Studer Group practices, continue to perform well. And we expect that performance to continue for the rest of the year.

Now let me turn to Legal. When we started the year, we had anticipated a mid-teens percentage decline in growth for this business, primarily due to the reduction in credit crisis-related work in late 2014. When we issued updated guidance in July, our pipeline indicated continuing improvement over the levels of revenue we saw in Q4 2014 and early 2015. But, as we have mentioned on prior calls, among all of our businesses, Legal has the least visibility to the ebbs and flows associated with the transactional business.

In addition, we experienced a few project deferrals which we believe are temporary. As a result, we now expect a year-over-year reduction in annual revenue in the low 20% range for this practice.

Despite a very slow first two months of the year and the deferral of some recent engagements, the Legal practice has picked up nicely, due in part to winning some notable projects. A large, highly publicized transaction that was deferred is now underway and transactional activity has already picked up with the start of multiple second-request engagements. We remain encouraged by the backlog of work in this business despite the reduction to our initial 2015 estimates.

Now let me turn to our other businesses. Our Education and Life Sciences segment had a strong third quarter, reflecting 15% growth compared to the prior period. In our Education practice, the solid demand we saw in the first half of the year continued throughout the third quarter. Our Education service offerings are all experiencing growing demand as the higher education industry faces significant change. Our clients are facing similar cost and quality issues that our Healthcare clients face and we are well-positioned to help them address these issues through our portfolio of service offerings.

Our Life Sciences practice also performed well during the third quarter. Strong performance in the first half of 2015 continued into the third quarter, driven by market share gains and growth at key clients. The life sciences industry continues to face immense competitive pressure and increasingly substantial regulatory and pricing pressure. Our Life Sciences business continues to grow as we expand our competencies throughout the product lifecycle from the initial strategic analysis to operational and compliance support.

Our Business Advisory segment continued its momentum in the third quarter, reflecting 24% growth over the same period last year. Our legacy business advisory practice continues to be successful in obtaining new clients and recruiting experienced personnel. New hires are attracted to Huron’s culture and reputation and, most importantly, we continue to provide highly valuable restructuring and turnaround services to our middle-market clients.

Our Enterprise Performance Management and Analytics, or EPM&A, practice had another quarter of strong double-digit growth, reflecting solid demand for our services. This practice continues to penetrate the corporate market while collaborating nicely with clients in our Healthcare, Education and Life Sciences practices, positioning EPM&A for what we expect to be solid future growth in multiple industry sectors.

The integration of our Rittman Mead India acquisition, which closed in the third quarter, is going well. We are also excited about our recent acquisition of Cloud 62, which expands our current Salesforce offerings to clients across multiple industries, including healthcare and education.
So where does this leave us for the rest of the year? We have lowered our revenue guidance range to $835 million to $850 million to reflect our expectations for reduced revenue from one of our large healthcare clients, the temporary reduction in demand for our healthcare performance improvement solutions, and the lack of visibility in our Legal business. We expect a decline of approximately 10% to 12% in our legacy Healthcare business in 2015, following an average annual growth rate of approximately 12% without the acquisition of Vonlay over the past three years.

With this projected revenue shortfall, we are also lowering our earnings guidance for the year. We now expect to generate adjusted EBITDA of $170 million to $175 million and adjusted earnings per share of $3.60 to $3.70.

Let me conclude my remarks by saying that this is not where we wanted to end the quarter, let alone the year. While I take comfort that two of our segments are well on their way to solid years, their strong performance in the third quarter was not enough to cover the challenges in Healthcare and Legal. We are currently starting our 2016 planning process and I am excited about our prospects for the coming year.

I expect our Education and Life Sciences and Business Advisory segments to continue their recent strong performance. Our Legal business has adjusted to the post-credit crisis environment and is poised to resume growth. Our Healthcare business, having had its first challenging year since 2012, is well-prepared to address the continuously evolving changes in the provider industry.

I participate in the market with our Healthcare team on a weekly basis and I have the privilege of seeing our incredibly talented people help our clients address complex challenges. Our clients have a lot at stake as they maneuver through a very difficult and rapidly changing market.

Given my closeness to the market and my knowledge of the complexities of the issues that are likely to continue to face the healthcare industry over the foreseeable future, I am confident that our Healthcare business will continue its position at the top of the industry for a long time to come. Irrespective of any short-term variations in demand, we believe we will meet our targeted long-term mid- to upper single-digit growth range over time.

Now let me turn it over to Mark for a more detailed discussion of our financial results. Mark?

**Mark Hussey - Huron Consulting Group Inc. - EVP, CFO, COO and Treasurer**

Thank you, Jim. Good afternoon, everyone.

Before I begin, please note that I will be discussing non-GAAP financial measures such as EBITDA, adjusted EBITDA, adjusted net income and adjusted EPS. Our press release, website and 10-Q each have reconciliations of these non-GAAP measures to the most comparable GAAP measures, along with a discussion of why management uses these non-GAAP measures.

Also, our acquisition of Rittman Mead India, which closed in July, is included in our third-quarter financial results within our Business Advisory segment. Our acquisition of Cloud 62 closed effective October 1, so our Q3 financial results do not include this acquisition. Their results will also be included within our Business Advisory segment beginning in the fourth quarter.

Now let me walk you through some of the key financial results for the quarter. Revenues for the third quarter of 2015 were $209.9 million, up 6% from $198 million in the same quarter of 2014. Revenues for the third quarter of 2015 reflect our acquisitions of Threshold Consulting, Sky Analytics, Studer Group and Rittman Mead India, which in the aggregate generated $23.1 million of incremental revenues, representing 11% of total revenue in Q3.

The year-over-year increase in revenues is primarily attributable to our acquisition of Studer Group and strong quarterly performance from our Education and Life Sciences and Business Advisory segments.

Operating income increased $15.5 million or 73.1% to $36.8 million in Q3 of 2015 from $21.3 million in Q3 2014. Operating income margin was 17.5% in Q3 2015 compared to 10.7% in Q3 2014. Adjusted EBITDA was $50.9 million in Q3 2015 or 24.3% of revenues compared to $28.9 million in Q3 2014 or 14.6% of revenues. Net income was $19.4 million or $0.86 per diluted share in the third quarter of 2015 compared to $12.2 million

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or $0.53 per diluted share in the same quarter last year. Adjusted non-GAAP net income was $25.7 million or $1.14 per diluted share in the third quarter of 2015 compared to $14.2 million or $0.62 per diluted share in the same period of 2014.

Our effective income tax rate in the third quarter of 2015 was 37.1% compared to 36.8% a year ago.

Now I will make a few comments about the performance of each of our operating segments. The Healthcare segment generated 54% of total Company revenues during the third quarter of 2015. This segment posted revenues of $112.1 million for the third quarter of 2015, up $14.3 million or 14.6% from the $97.8 million reported in the third quarter of 2014. Revenues for the third quarter of 2015 included $22.3 million of incremental revenues from our acquisition of Studer Group, which closed in mid-February of this year. Excluding Studer Group, revenue decreased 8.2% compared to the year-ago quarter. The decline in revenue compared to the prior-year quarter was driven by lower revenue from our performance equipment solutions as well as lower performance-based fees.

With respect to our outlook for the year, the primary factors driving the reduction in guidance assumptions for the Healthcare segment are primarily lower revenue from the large, complex engagements noted by Jim, along with recent softness in our outlook for performance improvement solutions.

Utilization was 81.1% in the third quarter, improving more than 500 basis points sequentially. We now expect the full-year utilization for this business to average in the mid- to upper 70% range.

Performance-based fees in Q3 2015 were $9.9 million compared to $19 million in the same quarter last year. Our full-year expectation for the range of performance-based fees is now $50 million to $60 million. As we have indicated throughout the year, the mix of our engagements in 2015 has been more weighted to fixed-fee arrangements than we have seen in prior years.

We now expect this trend to continue throughout the full year. And we believe this shift simply reflects the risk preferences of our clients.

Operating income margin for Huron Healthcare was 42.5% for Q3 2015 compared to 28.3% for the same quarter in 2014. The increase in margin was primarily due to a decrease in bonus expense.

The Education and Life Sciences segment generated 20% of total Company revenues during the third quarter of 2015. This segment posted revenues of $42.1 million in Q3 2015, an increase of 15.1% compared to revenues for Q3 2014 of $36.5 million. As Jim noted, the increase in revenue during the quarter was driven by strong demand across all service lines within the Education and Life Sciences practices. The operating income margin for Huron Education and Life Sciences was 24.9% for Q3 2015 compared to 25.9% for the same quarter in 2014.

Operating margin remained relatively flat quarter over quarter, which is primarily attributable to an increase in utilization and bill rate due to a favorable mix, partially offset by an increase in bonus expense. We also continued to invest in our Workday capabilities and are pleased to announce we deployed resources on multiple Workday engagements during the quarter.

Our Legal segment generated 16% of total Company revenues in the third quarter. The segment posted revenues of $34.4 million in Q3 2015 compared to $46.1 million in Q3 of 2014. The year-over-year decline in revenue is primarily attributable to the reduction in credit crisis-related work that occurred during late 2014 and early Q1 2015.

As Jim mentioned, out of all our businesses, Huron Legal has the least visibility due to the transactional nature of their work. However, we are encouraged by the backlog of work in this business, which includes continuing demand for M&A-related second requests, investigations and litigation work among some of the most complex clients.

Operating income margin for Huron Legal was 27.8% in the third quarter of 2015 compared to 23.7% in the same quarter of 2014. The increase in margin was primarily due to lower bonus expense in Q3 2015 compared to the prior year quarter.
The Business Advisory segment generated 10% of total Company revenues in the third quarter. The segment posted revenues of $21.2 million for the third quarter of 2015, an increase of 24% compared to $17.1 million in Q3 2014. The Rittman Mead India acquisition did not materially impact revenue growth in the quarter. The operating income margin for Huron Business Advisory was 24.6% for Q3 2015 compared to 25.7% for the same quarter in 2014.

Two factors drove the slight decline in margin. First, the level of performance-based fees in the third quarter of 2015 was lower than the same period in the prior year. Performance-based fees in Q3 2015 were $0.5 million compared to $2.7 million in Q3 2014, all strictly related to the timing of engagements.

Second, our EPM&A practice grew at a faster pace than our legacy Business Advisory practice in the quarter, and as a result the blended operating margin slightly declined, as expected. Other corporate expenses not allocated at the segment level were $26.9 million in Q3 2015 compared with $24.3 million in Q3 of 2014. Approximately $2.7 million of Studer Group’s costs are included in unallocated G&A, as these activities are consistent with other corporate activities. Excluding the impact of Studer Group, other corporate expenses were flat year over year.

Now, turning to the balance sheet and cash flows, DSO came in at 74 days for the third quarter of 2015, an increase of three days compared to the second-quarter DSO of 71 days. Total debt includes both a $250 million face value of convertible notes and $201.3 million in senior bank debt for total debt of $451.3 million. We finished the quarter with cash of $13.5 million or net debt of $437.8 million, a reduction of $46.7 million compared to net debt of $484.5 million as of the June quarter. We ended Q3 2015 with a leverage ratio adjusted for Studer group’s LTM EBITDA of approximately 2.6 times.

Our cash flows continue to remain quite strong. Cash provided by operating activities for the quarter was $64.9 million. Capital expenditures are expected to be approximately $20 million for full-year 2015. And we continue to expect free cash flow for the year of approximately $125 million.

Finally, as Jim mentioned, we are updating our annual guidance ranges, which include our acquisition of Cloud 62. We now expect revenue of $835 million to $850 million, adjusted EBITDA of $170 million to $175 million and adjusted EPS of $3.60 to $3.70 per share. Finally, our full-year income tax rate is expected to be approximately 40%.

With that, I would now like to open up the call to questions. Operator?
Tim McHugh  - William Blair & Company - Analyst

Okay. And I guess ask about the contingent fees here. Also that was a number that was a lot less than we thought, and you brought down your number a lot for this year. Recognizing there's a shift in the mix of engagements, there's also, I would assume, the dynamics of where you are at in some of these large engagements.

I know you normally don't like to look out a year. But where are we? Can you give us some help in terms of what would be a normalized level for next year? I'm trying to balance performance improvement being weak with where you are at in the lifecycle of some engagements.

Jim Roth  - Huron Consulting Group Inc. - CEO and President

I don't know that we know enough at this point in time to really give an accurate sense as to where it's going. As we have always seen, we have -- some of our performance-based work sometimes accelerates, sometimes it gets pushed back. And we get visibility into that as the year progresses, so for us to look into 2016 at this point is too much.

We've had some instances this year where we've actually had a conversion of things that had been contingent into fixed. And so, given all these kind of dynamics, particularly at this time of the year we are a little bit reluctant to take a stab at what next year might look like in terms of contingent revenue.

Mark Hussey  - Huron Consulting Group Inc. - EVP, CFO, COO and Treasurer

I'm just going to add to that to say, when we think about contingent fees in terms of the planning process, it really is one element that we don't always control. So we take our best estimate at the beginning of the year as to how we expect the engagements to unfold in terms of that mix of fixed versus contingent. And as we look at the full year adjustment guidance, the reduction in performance-based fees was really not the core of the story at all.

Tim McHugh  - William Blair & Company - Analyst

Okay. Mathematically, it's a big number relative to the change. But -- .

Mark Hussey  - Huron Consulting Group Inc. - EVP, CFO, COO and Treasurer

There was -- I will add one thing. In the quarter there was some shift from Q3 into Q4 that's reflected in our updated guidance. But that, again, I think is not the primary driver of why we have a reduction in guidance.

Tim McHugh  - William Blair & Company - Analyst

Okay. And maybe just talk about, more broadly, the idea that the M&A activity in the hospital sector which you talked about driving demand -- do you think the engagements you've had have just proven to be more complicated? You referred to the fact that there are some opportunities out there you are waiting to hear on. Just broadly, the aggregate demand picture -- is this a function of individual engagements that we are seeing your numbers? Or has your view of the aggregate opportunity with regard to that changed?

Jim Roth  - Huron Consulting Group Inc. - CEO and President

I don't think our view of the aggregate activity has changed at all. We continue to look at this as being an industry that's going to be going through a very significant change. And irrespective of whether we have a great quarter or a lesser quarter, I don't think anything has changed in terms of...
where we see the industry going. And as we indicated in my comments, in my part of the script, we don't see any change in terms of our competitive position, either. I think we've gone through a pretty robust period of time, over the last two or three years, and you've seen our healthcare practice rise along with that robust activity.

And as we indicated, the Affordable Care Act has introduced some new metrics into our hospital clients in terms of their financial performance, which I think has provided, in some cases, a little bit of less urgency, in some cases, around the need to do cost reduction.

That's not to say that we're not -- we still continue to see clients that come to us for help in cost reduction efforts. We are certainly aware of a number of clients that are, on the horizon, have some significant cost reduction efforts in mind. How and when they come about, whether we get that work is -- we can't speculate on.

But there really is nothing at the macro level in the industry that we look at that gives us any reason to believe that things are going to be different. Now, having said that, as we indicated, our clients' business, all of our clients' businesses are going through evolution. And I've seen -- every single professional services firm has to go through changes in order to meet shifts in market demand. We started out and we built a very solid clinical solutions practice that we didn't really have probably four years ago. We've introduced a lot more effort around strategy and physician integration. And so we are constantly evolving our service lines to meet the demands in the business.

We think that there's going to be a very strong need for continued performance improvement work, as we think there's going to be continued demand around M&A that has led to a lot of our other efforts as well.

So it's a long way of saying I don't think we see any structural changes in the market that tells us that we should be overly concerned about the future. I think we are simply going to have to work with some of the vagaries around some of the specific demands we have for our solutions, for one of our solutions in particular, as we begin to wait this out.

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Tim McHugh - William Blair & Company - Analyst
Okay, thanks.

Operator
Paul Ginocchio with Deutsche Bank.

Paul Ginocchio - Deutsche Bank - Analyst
Jim, I don't know if you want to try to size or help us size, break out the various components here. One, where the scope changed on the big project, maybe how much less revenue that's going to be. And for the one that's pushed out at the same scope on those big hospital contracts, does that mean it's just going to be more in 2016?

And then when you talk about just lower demand for performance improvement, if normal demand was growing for performance improvement high single digits, is it just a step down that we are going to regrow at high single digits or has it stepped down and stabilized? is there any way -- and is there a way to understand the step down or the new growth rate? Thanks.

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Jim Roth - Huron Consulting Group Inc. - CEO and President
Okay, so let me see if I can respond to all that. I think I may start from the last question and move back to the first.
I think in terms of the lower demand I don't -- we have been pretty clear that I think we think that the longer term trends in the industry are going to continue to be very solid for performance improvement services. What we don't want to do is to -- we have been very surprised just at the downturn, particularly given the fact that we've had such a pretty significant growth rate over the last three years.

So, that caught us by surprise. So rather than go back and say, well, it's just temporary and it's only going -- we think it is temporary. But rather than estimate the timing as to whether it's one quarter or two quarters or more, I don't think we have enough information right now, particularly given the pace at which this has evolved.

So we know what's in front of us right now. And it really wasn't that evident earlier in the year. It's much more evident right now. Our sense is that it's not going to be very long, but I don't want to begin to conjecture in terms of how long that's going to be.

In terms of the other larger projects that you referenced, certainly we had indicated that the one project started later than we had thought this year but that it was progressing as we had planned. And as a result, I think that probably would mean that some of the revenue that we had originally anticipated would be in 2015 will now be pushed to 2016 and possibly even 2017. So that's, I think, consistent with what we have been saying all along.

The first one, the other large project that we have been talking about -- I prefer not to get into the specifics about the scope part of it because I think it's still evolving for us. And it evolves at the client for all the right reasons. We've said before they may start with some specific initiatives. But as we've seen in some of these large projects, it takes a while and it takes a lot of effort to get organizationally in sync that there's one systemwide objective that they are trying to get at. And when that's not optimal from the client's perspective there's no way that we are going to be successful at helping them achieve their goals.

So even though things are pushed out and even though there's going to be sensitivity or uncertainty around the scope, I think that is something that we are perfectly prepared to deal with in terms of being patient and letting our client get to the position where they are the most comfortable that we and they are prepared for success.

So I wish we had more specificity we can offer there. But it's just hard for us to do right now.

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**Paul Ginocchio - Deutsche Bank - Analyst**

Maybe, Jim, I could ask it a different way. If you could rank from the biggest to the smallest, legal, performance improvement, the re-scope or just the delayed project, which is the biggest impact to guidance? Which is the least?

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**Mark Hussey - Huron Consulting Group Inc. - EVP, CFO, COO and Treasurer**

If you look at the guidance reduction I would attribute probably 60% to Healthcare and about 40% to Legal. And again, we did not want to get into the breakout within the 60% related to healthcare.

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**Paul Ginocchio - Deutsche Bank - Analyst**

Understood, thank you.

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**Operator**

Tobey Sommer with SunTrust.
Tobey Sommer - SunTrust Robinson Humphrey - Analyst

Some of my questions have been asked and answered, but I wanted to ask something about utilization in the Healthcare segment in the quarter, which was pretty good. But the bill rates kind of lower, at least, than I had expected. Is that a function of more people on the assessment phase of a project? Or is there another explanation?

Mark Hussey - Huron Consulting Group Inc. - EVP, CFO, COO and Treasurer

Let me take it this way. You've got the reduction in the bill really, if you take it contingent fees, is really almost essentially even year on year. So --

Tobey Sommer - SunTrust Robinson Humphrey - Analyst

Understood.

Mark Hussey - Huron Consulting Group Inc. - EVP, CFO, COO and Treasurer

But when you look at the utilization, again, we have had people much better deploy. Again, I think what we are saying on, as an example, the performance improvement area, we've got some softness. And that is one of the factors that's likely to show up in a little bit, and utilization. We are trying to manage that, as we always talk about, because normally when we talk about utilization we talk about hiring, we talk about all the elements that go into that. And clearly, utilization is one of the most important margin measures that we try to manage.

And so we are trying to manage that through just the overall normal attrition, the hiring process, etc., just to keep the utilization numbers in a range that is going to deliver the margins that we'd like to deliver. It's also associated with the mix as well, but I think that probably gives you the flavor.

Tobey Sommer - SunTrust Robinson Humphrey - Analyst

Perfect. If you look at the hospital customers and break them apart in two different buckets, either nonprofit, public, for-profit, academic medical research centers, is there a discernible difference in the behavior of those different slices of the hospital market?

Jim Roth - Huron Consulting Group Inc. - CEO and President

We still, prior to our acquisition of the Studer Group, I think nearly 99% or more of our work was with not for profits. And the AMCs are all non-for-profit as well. So when the Studer Group acquisition came along, they have some for-profit clients. But it still is a relatively small piece of our overall business.

So I don't know that there's any discernible difference really in terms of the margins or anything else, in terms of the way we are looking at the businesses. Most of the -- as I said, most of the non-Studer Group work within the Healthcare practice is all done for non-for-profits.

Tobey Sommer - SunTrust Robinson Humphrey - Analyst

Last question for me, and I'll get back in the queue, relates to the share repurchase. That has been on the books now for a while for them and you renewed it. Would you give us any color on where you expect to deploy capital near term, where the leverage is that you are comfortable, you might think about perhaps getting more aggressive on that?
Mark Hussey - Huron Consulting Group Inc. - EVP, CFO, COO and Treasurer

Well, clearly I would say the renewal of the program just suggests our commitment to continue to be active in the market from time to time. And I'd say that the cash flow and the flexibility around the balance sheet, with leverage now down to let's call it roughly 2.5 and continued strong cash flow expected -- we will continue to look for probably, number one, acquisitions that really continue to fit within our businesses because we think that's the best value creating strategy over time. But we will continue to be active in just managing the balance sheet and the capacity that we have to include share repurchase as part of that mix.

Tobey Sommer - SunTrust Robinson Humphrey - Analyst

Thank you.

Operator

Randy Reece with Avondale Partners.

Randy Reece - Avondale Partners - Analyst

I wanted to discuss a little bit how the timetable of, let's say, sales pipeline to revenue materializes in your performance improvement consulting. It looks like a fairly short-term relationship if you look at the sequential revenue decline, which was kind of surprising. But it also seems like you would have seen something developing over the previous quarters.

Mark Hussey - Huron Consulting Group Inc. - EVP, CFO, COO and Treasurer

I would say that, as we've seen the mix of the kinds of things coming into the pipeline, that's -- as we've seen that trend starting to happen, I think that really is where you start to see a little bit of the shift away and some of the softness happening. And so the key is at any point in time we have a lot of different assessments going on. And it's hard to look at a data point at any single time to really understand the full context. Our quarterly re-forecasting process certainly helps that come together in a more comprehensive way. But then I think with perfect hindsight you can go back and probably to data points that may have happened. But it's contemporaneously a little bit difficult to figure out if that is indeed a trend.

So I would say in retrospect, we probably had seen some signs but not really that many. And I think this last assessment is really where we said the market really has softened in this particular area and is going to have some impact in the pipeline going forward and that we need to make some adjustments in terms of how we are approaching the market.

Randy Reece - Avondale Partners - Analyst

And am I interpreting it correctly that your guidance adjustment for Legal implies that the fourth-quarter revenue level will be similar to the second-quarter level?

Mark Hussey - Huron Consulting Group Inc. - EVP, CFO, COO and Treasurer

Correct. It's probably somewhere in that range. I think, as Jim described, probably for a full year down in the low 20% range. Clearly, in Q4 there's a much easier comparison because of the prior year being so low. So likely to be a strong double-digit performance versus prior year.
Randy Reece - Avondale Partners - Analyst

Do you have any expectations for how long that sequential surge of business could carry into next year? Do you have any concern about that rolling off at some point?

Jim Roth - Huron Consulting Group Inc. - CEO and President

This is the part of our business, as we've said, we just have the least visibility. And we've had large projects come out of nowhere and pick up very quickly. And we've had decent-sized project that end much more quickly than we thought. So I think we -- if we ever have any practice that we tend to look at quarter by quarter, it's this one. It's too hard for us to look out that far in the year right now, given the transactional nature of the business.

Randy Reece - Avondale Partners - Analyst

Thank you very much.

Operator

(Operator Instructions) Kevin Steinke with Barrington Research.

Kevin Steinke - Barrington Research Associates, Inc. - Analyst

I just wanted to circle back on the third large project with the reduced scope. I don't know if you can characterize or are willing to characterize just the types of activities that are being scaled back, at least for now. If you could characterize them in terms of the types of services that are being scaled back, either performance improvement, revenue cycle, clinical solutions or any other way that you might characterize the services.

Jim Roth - Huron Consulting Group Inc. - CEO and President

I think we prefer not to do it. I will tell you that again, when we talk about -- there's a tendency to talk about one large project. As you have indicated and you are aware, there's a number of work streams within any one of these large projects. And the larger the project, the more work streams there are. Some of the work streams are across multiple hospitals. Others are unique to one specific hospital.

So really, the only way I could really answer your question directly would be to go back and look at each of the individual work streams, of which there still are many. And so I think it just -- it's the kind of information we are not going to provide. But I think these things -- we talk about them as being large projects. On the surface they are much more complex than even that, and they require just a whole bunch of give-and-take in terms of whether it is across the whole system or unique to one specific hospital.

Kevin Steinke - Barrington Research Associates, Inc. - Analyst

Sure. Okay, understood. And you mentioned that you are starting to see the ramp-up of some projects with your Workday effort. Is that happening in line with your expectations or a little faster? Or how would you characterize how that effort is going?

Jim Roth - Huron Consulting Group Inc. - CEO and President

I think that effort is probably going -- we are ramping up quicker than we had originally anticipated and it is probably, at this stage, going better than we had anticipated.
Kevin Steinke - Barrington Research Associates, Inc. - Analyst

Okay, good. So I don't know if you would care to revisit -- you updated your outlook for the Education and Life Sciences practice on the last call, mentioned high single to low double-digit growth for full-year 2015. Is it the range we should still think about? Or any update there?

Mark Hussey - Huron Consulting Group Inc. - EVP, CFO, COO and Treasurer

Kevin, let me add a couple of comments, one about Education and Life Sciences and the other, really, about Business Advisory, because I think that will help paint the full picture for everyone. In the Education and Life Sciences practices, I think we'll end up finishing the year in the low teens on a full-year basis. And I think, in the Business Advisory practice we are likely to finish in the high 20% range. So good momentum on a full-year basis. We've seen that continuing on. As you get to the end of this year, you've got a little bit tougher comparison, and that's one of the reasons the growth rate is just a little bit less coming into the end of the year.

Kevin Steinke - Barrington Research Associates, Inc. - Analyst

Okay, perfect. Just one last question, just circling back to an announcement that you made earlier in the quarter about hiring a Chief Marketing Officer -- is that a new position for you?

Mark Hussey - Huron Consulting Group Inc. - EVP, CFO, COO and Treasurer

No. Let me take that one, Kevin, as well. We took the position which it previously been a Vice President of Marketing and we really looked at it more comprehensively across the organization. And so I would say our objective is to really take our marketing efforts to a different level. And so it was an existing position that we really expanded into somebody who is much more seasoned and impactful within the organization.

So we have high hopes, as the market has become more sophisticated, whether it's around digital marketing or really even just the selling efforts. It's part of the overall go-to-market strategy to get better executive leadership in the area of marketing.

Kevin Steinke - Barrington Research Associates, Inc. - Analyst

Okay, thanks for taking my questions.

Operator

Mr. Roth, we have concluded the allotted time for this call. I'd like to turn the conference back over to you.

Jim Roth - Huron Consulting Group Inc. - CEO and President

Thank you for spending time with us this afternoon. We look forward to speaking with you again in February, when we announce our fourth-quarter and year-end results. Good evening.

Operator

That concludes today's conference call. Thank you, everyone, for your participation.