

**APRIA HEALTHCARE GROUP INC.
AUDIT COMMITTEE CHARTER**

Purpose

The Audit Committee is appointed by the Board to represent and assist the Board with the oversight of: (1) the integrity of the financial statements and internal controls of the Company, (2) the outside auditor's independence and qualifications, and (3) the performance of the Company's internal audit function and external auditor. The Audit Committee also is responsible for overseeing the preparation of the report of the Audit Committee required by the rules of the Securities and Exchange Commission ("SEC") to be included in the Company's annual proxy statement.

Members

The Audit Committee shall have at least three members, each of whom shall meet the independence requirements of the New York Stock Exchange, as determined by the Board. Each member of the Company's Audit Committee must also be financially literate and at least one member must have accounting or related financial management expertise, as determined by the Board. The Board, after due consideration of the recommendation of the Corporate Governance and Nominating Committee, shall appoint the members of the Audit Committee and designate its chair.

Duties and Responsibilities

The Audit Committee shall:

1. Annually retain, evaluate and, if appropriate, terminate the Company's outside auditor. The Audit Committee shall be directly responsible, in its capacity as a committee of the Board, for the appointment, compensation and oversight of the work of the outside auditor. The Audit Committee shall approve in advance audit engagement fees and the overall terms of services to be provided by the outside auditor. (By approving the audit engagement, an audit service within the scope of the engagement shall be deemed to have been pre-approved.)
2. Pre-approve all permitted non-audit services to be performed by the outside auditor.
3. Annually (a) obtain and review a report from the outside auditor describing any relationships that may adversely affect the auditor's independence, and (b) consider the independence of the outside auditor, including considering whether the provision of non-audit services by the outside auditor is compatible with the auditor's independence.

4. Annually obtain and review a report by the outside auditor describing its own internal quality-control procedures, any material issues raised by its most recent quality-control review or peer review, and any material inquiry or investigation by governmental or professional authorities respecting any of its audits within the past five years, together with any steps taken to deal with any such issues.
5. Establish policies for the hiring of employees and former employees of the outside auditor.
6. Discuss corporate policies with respect to earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies.
7. Meet with management to review the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures.
8. Review the annual audited and quarterly financial statements, including the "Management's Discussion and Analysis of Financial Condition and Results of Operations" with management and the outside auditor.
9. Review from time to time (but in no event less often than annually) with the outside auditor and management, as appropriate:
 - a. Significant financial reporting issues and judgments identified by them and made in connection with the preparation of the Company's financial statements;
 - b. Major issues identified by them regarding the Company's accounting and auditing principles and practices, including critical accounting policies, and major changes in auditing and accounting principles and practices suggested by the outside auditor, internal auditor or management;
 - c. Matters required to be discussed by Statement on Auditing Standards No. 61 relating to the conduct of the audit;
 - d. Audit problems or difficulties encountered and raised by the outside auditor in the course of the audit work and reported by the outside auditor to the Audit Committee, including restrictions on the scope of activities or access to required personnel or information, and disagreements with management; and

- e. Principles of accounting proposed or promulgated by regulatory accounting authorities and brought to the attention of the Audit Committee.
10. Recommend to the Board, following the review described in paragraphs 3, 8 and 9 above, whether the financial statements should be included in the annual report on Form 10-K.
11. Review the scope and results of the internal audit program, including the internal audit department's responsibilities, budget and staffing as reported by the internal auditor.
12. Meet with the Company's General Counsel to review his reports on legal matters that he believes may have a material impact on the Company's financial statements and any material reports or inquiries received by the Company from regulators or governmental agencies.
13. Review the adequacy and effectiveness of the Company's disclosure controls and procedures and the Company's internal controls, including any significant deficiencies and significant changes in internal controls as reported to the Audit Committee by management and the internal auditor and outside auditor.
14. Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and for employees to make confidential and anonymous submissions of concern regarding questionable accounting or auditing matters.
15. Assess annually the Audit Committee's performance of the duties specified in this Charter and the adequacy of this Charter, and recommend any proposed changes to the Board.

Outside Advisors

The Audit Committee shall have the authority to retain, compensate and terminate such outside advisors as it determines appropriate to assist the Committee in the performance of its functions.

Meetings

The Audit Committee shall meet as it deems necessary or appropriate in its judgment, either in person or telephonically. The Audit Committee shall meet periodically with management, the General Counsel, the senior internal audit officer, and the outside auditor in separate executive sessions. The Audit Committee shall make regular reports to the Board with respect to its activities.