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The Associated Press

Hospital business services provider Accretive Health Inc. priced a smaller initial public offering below the expected price range Wednesday night, raising \$120 million.

The Chicago company and its stockholders sold 10 million shares to initial investors for \$12 apiece.

Accretive Health had planned to raise as much as \$213 million by selling 13.3 million shares for \$14 to \$16 each.

On Wednesday, the company sold 6.7 million shares. Stockholders offered 3.3 million, half of what had earlier been planned. Underwriters led by Goldman Sachs may buy another 1.5 million shares to cover excess demand.

Accretive helps hospitals manage their revenue with services related to patient registration, health insurance verification, treatment coding, and bill preparation and collections.

Demand for IPOs remains tepid in a volatile stock market. Nearly half of the deals this year have priced below expectations. Nine out of the 11 IPOs so far in May have priced at the bottom of or below expected ranges, while another seven IPOs have been withdrawn or postponed this month.

Accretive Health shares are expected to begin trading Thursday on the New York Stock Exchange under ticker symbol "AH."

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