



Healthcare Leadership Council
The Impact of Telehealth

April 11, 2017

What we do



PROVIDE 24/7/365 ACCESS

Provide access to board-certified providers via video, phone or mobile app anytime, anywhere



TREAT HEALTH ISSUES

Provide virtual care for an expanding number of patient needs



DELIVER ROI

Partner to deliver unmatched value across our diverse portfolio of stakeholders

Today's healthcare system struggles to meet current demands

Consumers lack convenient, cost effective access... but bear an increasing share of costs

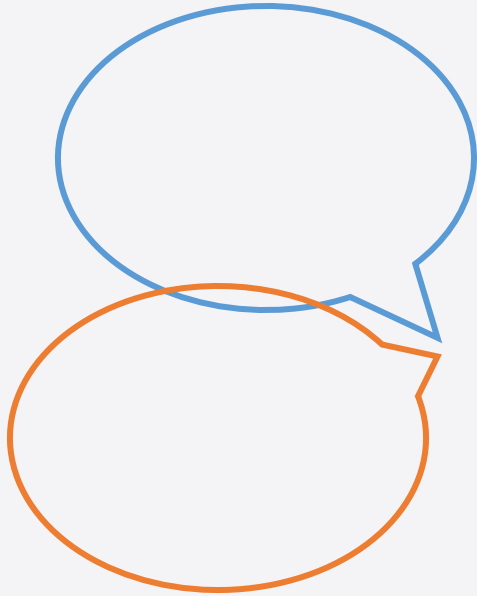


Employers & payors lack effective solutions for reducing costs while enhancing access

Providers lack flexibility to increase productivity, to deliver care on their terms

Reimbursement has lagged technology innovation

Today's consumer is ready for digital health



- **It's an app world.** People are increasingly comfortable with personal technology and accessing remote services
- **Access issues are more pervasive.** Widespread frustration with the healthcare system includes lack of access to physicians
- **Dr Google will see you now.** Consumers feel increasingly empowered to take charge of their health

\$29 Billion+ Total Market Opportunity

Industry is <1% penetrated with opportunity for long-term, sustainable growth

AMBULATORY CARE

1.25B Annual Visits⁽¹⁾



One-third of visits or ~417M visits
treatable via telehealth⁽²⁾

x

Average \$40 per
telehealth visit⁽³⁾

= \$17B+

BEHAVIORAL HEALTH

168M Annual Visits⁽⁴⁾



80% of visits or ~131M visits
treatable via telehealth⁽²⁾

x

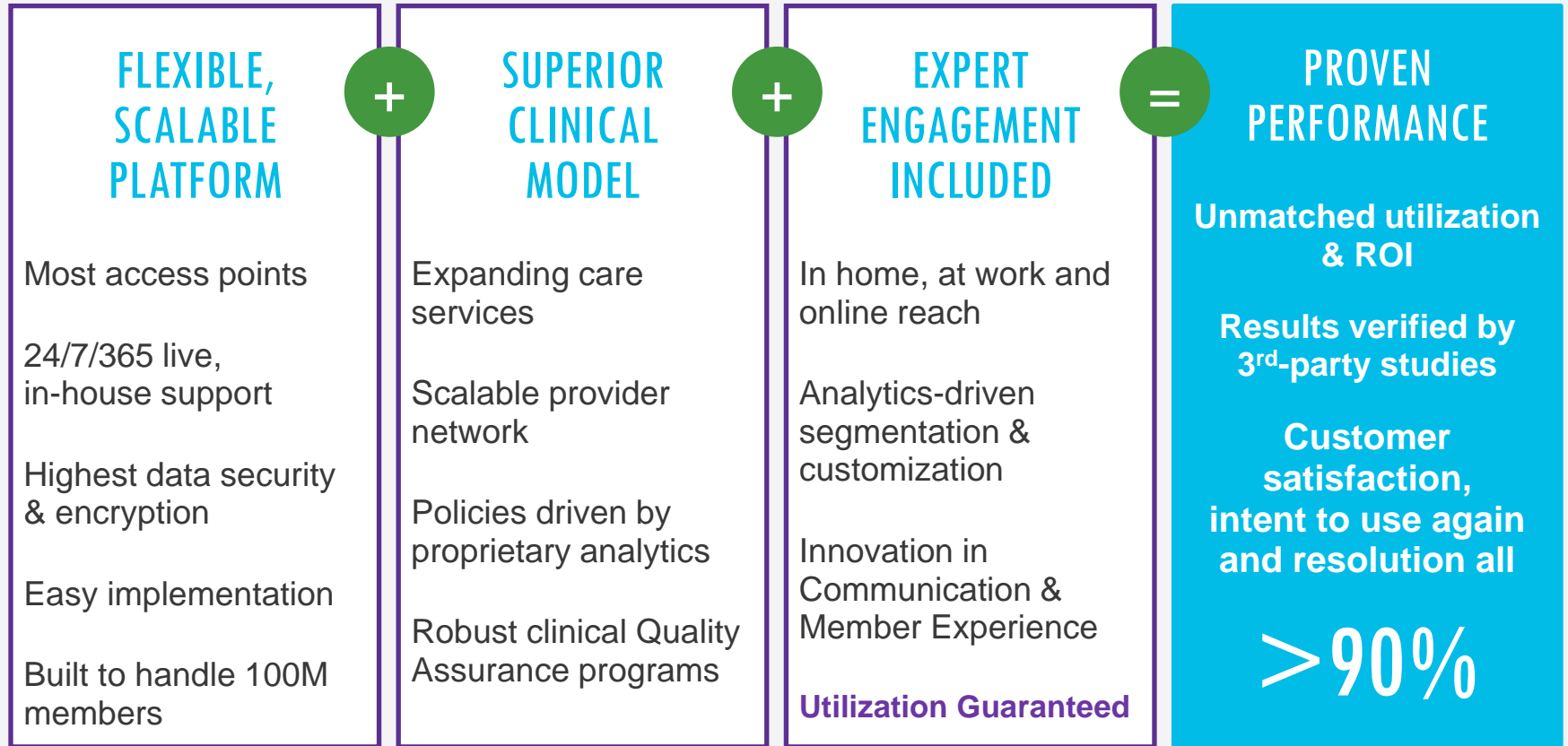
Average \$89 per
telehealth visit⁽⁴⁾

= \$12B+

Total
\$29B+

- (1) According to a CDC report of annual ambulatory care visits in the United States per year, including those at primary care offices, ER, outpatient clinics and other settings.
- (2) Based on Teladoc's internal estimates and industry data.
- (3) Based on Teladoc estimates for average cost of a telehealth visit (does not include monthly membership fees or premium pricing for products such as dermatology).
- (4) Behavioral Health visits from Agency for Healthcare Research and Quality report including only outpatient provider offices.

We follow a proven model to drive impact



Our Foundation: Teladoc Care

A **consistently better** care experience

90%+
average member satisfaction



Reliable access to **high quality** providers



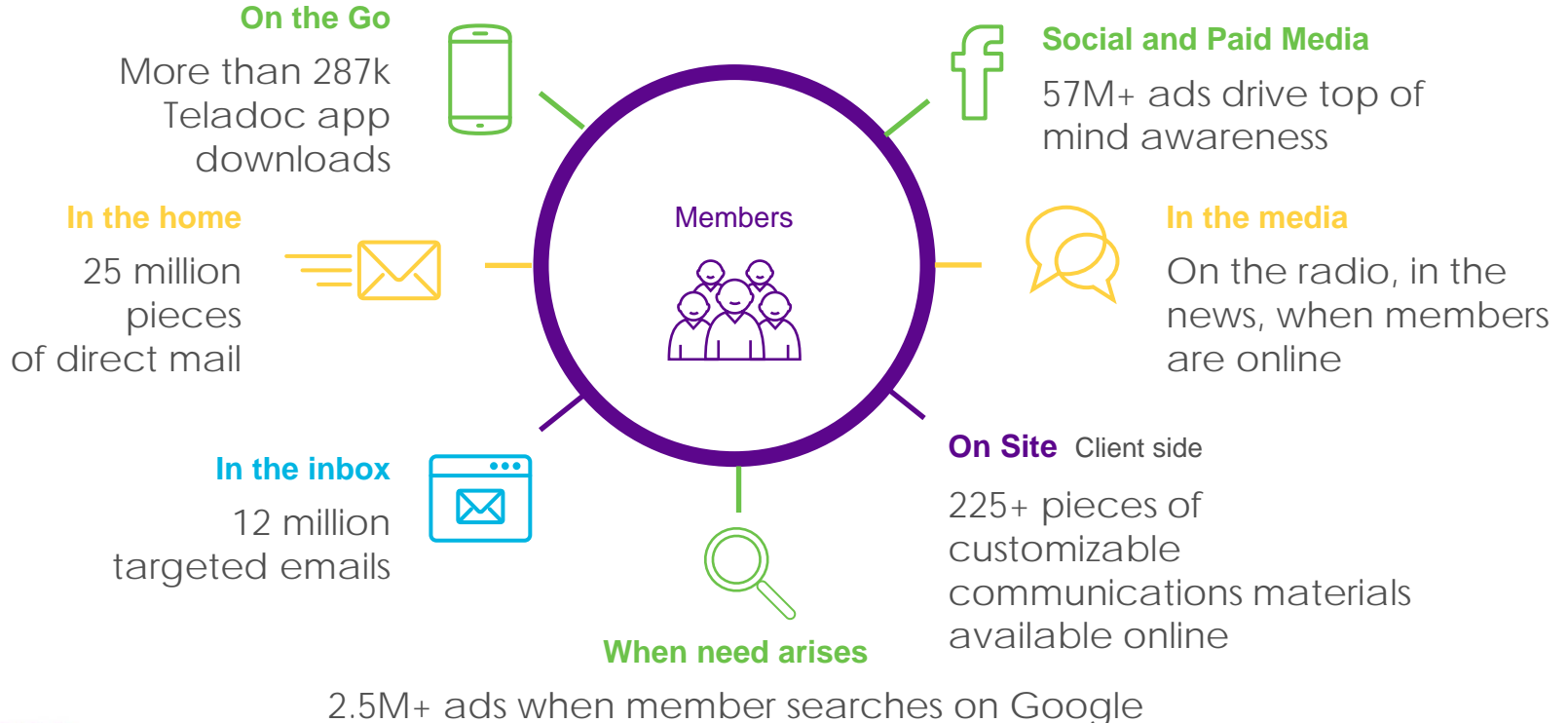
Equipped to deliver **highest quality care**

92%+
Issue resolution



General Medical * Pediatrics
* Behavioral Health *
Dermatology * Tobacco
Cessation * Sexual Health *
Caregiver services

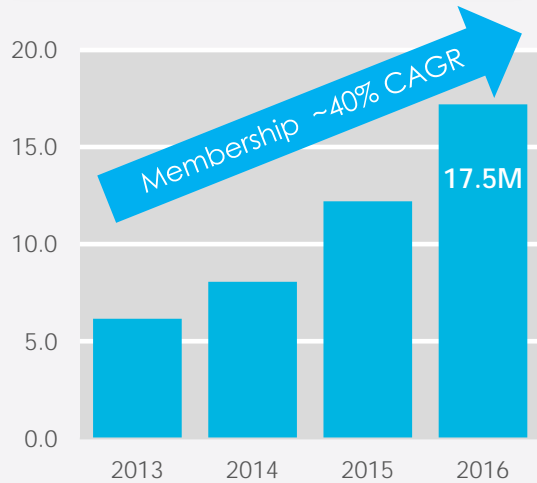
Our engagement strategy is rooted in surround sound



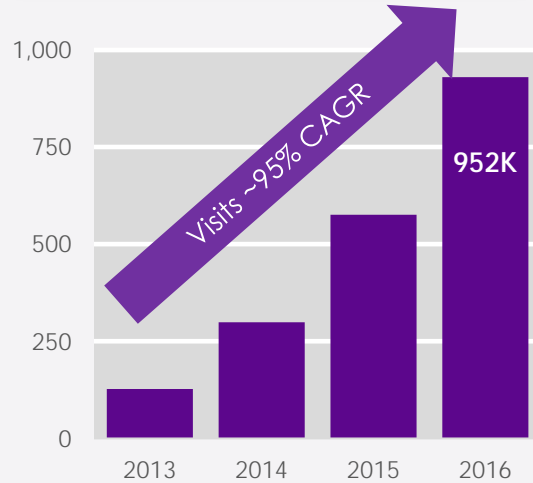
Robust Visit and Utilization Growth

Visits growing faster than membership driven by consumer engagement efforts

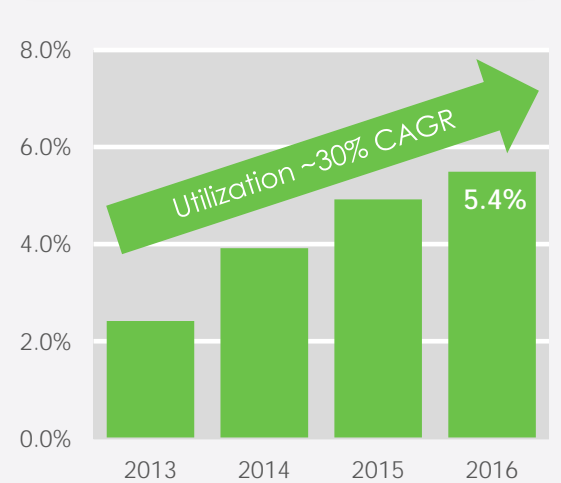
Membership



Visits



Utilization



Telebehavioral health is gaining momentum

MARKET REALITY

ACCESS CHALLENGES

+

SOCIAL STIGMA

+

EXPENSIVE CARE

INCONSISTENT CARE

Major provider shortages

~50% of mental health professionals do not accept insurance

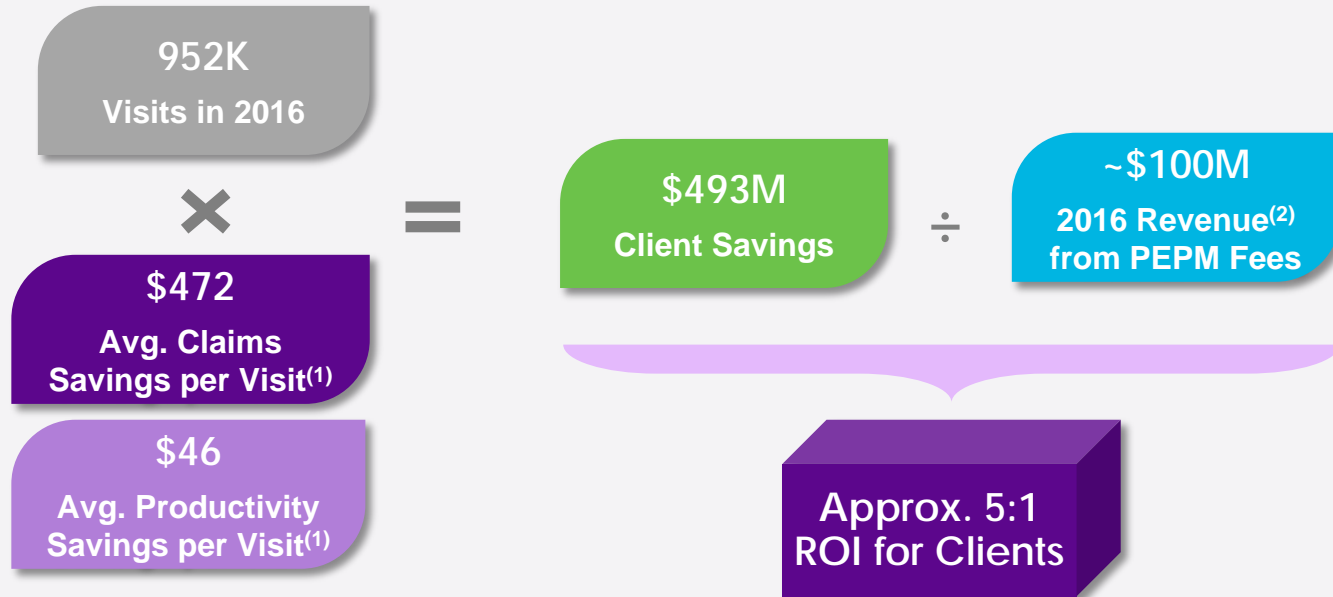
Only 45% of adults with a mental health condition received services in past year



- Ramp up beginning amongst health plan & employer clients
- Strong consumer response
- Pent up demand amongst health systems

Sources: JAMA Psychiatry, 2014. SAMHSA: Receipt of Services for Behavioral Health Problems: Results from the 2014 National Survey on Drug Use and Health.

Proven Record of Delivering Value



(1) Average claims and productivity savings per visit based on an independent study by Veracity Analytics conducted over a period of 24 months.

(2) 2016 revenue from membership per employee per month ("PEPM") subscription fees of \$100 million, and 2016 total revenue of \$123 million represent preliminary unaudited figures.