Transforming how people access and experience healthcare

Jason Gorevic, CEO

Jefferies Healthcare Conference
June 4, 2019
Safe harbor

- This presentation contains, and our officers may make, “forward-looking” statements that are based on our management’s beliefs and assumptions and on information currently available to management. These forward-looking statements include, without limitation, information concerning possible or assumed future results of operations, including descriptions of our business plan and strategies. These statements often include words such as “anticipate,” “expect,” “suggest,” “plan,” “believe,” “intend,” “estimate,” “target,” “project,” “should,” “could,” “would,” “may,” “will,” “forecast,” and other similar expressions.

- Forward-looking statements involve known and unknown risks, uncertainties, and other factors that may cause our actual results, performance, or achievements to be materially different from any future results, performance, or achievements expressed or implied by the forward-looking statements. These statements are based on certain assumptions that we have made in light of our experience in the industry and our perception of historical trends, current conditions, expected future developments, and other factors we believe are appropriate under the circumstances as of the date hereof. These and other important factors may cause our actual results, performance, or achievements to differ materially from those expressed or implied by these forward-looking statements. Such risks and other factors that may impact management’s beliefs and assumptions are more particularly described in our filings with the U.S. Securities and Exchange Commission (the “SEC”), including under “Item 1A—Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2018, and under similar headings in our subsequently filed Quarterly Reports on Form 10-Q, and could cause our results to differ materially from those expressed in forward-looking statements. As a result, we cannot guarantee future results, outcomes, levels of activity, performance, developments, or achievements, and there can be no assurance that our expectations, intentions, anticipations, beliefs, or projections will result or be achieved or accomplished. The forward-looking statements in this presentation are made only as of the date hereof. Except as required by law, we assume no obligation to update these forward-looking statements, or to update the reasons actual results could differ materially from those anticipated in the forward-looking statements, even if new information becomes available in the future.

- This presentation also contains estimates and other statistical data made by independent parties and by us relating to market size and growth and other data about our industry. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates.

- This presentation may include certain non-GAAP financial measures as defined by SEC rules. We believe that the presentation of such non-GAAP financial measures enhances an investor’s understanding of our financial performance. We use certain non-GAAP financial measures for business planning purposes and in measuring our performance relative to that of our competitors. For additional information regarding these non-GAAP financial measures, including reconciliations to the most directly comparable financial measure calculated according to GAAP, refer to our Annual Report on Form 10-K for the year ended December 31, 2018 and any subsequently filed Quarterly Reports on Form 10-Q.
At Teladoc Health, we are transforming how people access healthcare around the world.

We are creating a new kind of healthcare experience – one with greater convenience, outcomes, and value.
Teladoc Health – the global virtual care leader

- **TDOC** publicly-traded on NYSE since 2015
- +2,200 employees worldwide
- +50,000 experts across 450+ specialties
- +7,000 network clinicians
- >9 million cumulative visits through YE 2019
Strong revenue growth and financial performance

**Highlights**

- **64%** Revenue CAGR (2016-2019E)
- **58%** Visit CAGR (2016-2019E)

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>US paid access membership</td>
<td>26.7 mm</td>
</tr>
<tr>
<td>Q1 2019</td>
<td></td>
</tr>
<tr>
<td>US visit fee only lives</td>
<td>10.2 mm</td>
</tr>
<tr>
<td>Q1 2019</td>
<td></td>
</tr>
<tr>
<td>Gross margin</td>
<td>65%</td>
</tr>
<tr>
<td>Q1 2019</td>
<td></td>
</tr>
</tbody>
</table>

**Revenue & Profitability ($ in millions)**

- **Revenue**
  - 2016: $123
  - 2017: $233
  - 2018: $418
  - 2019E: $540

- **Adj. EBITDA**
  - 2016: ($40)
  - 2017: ($13)

- **Opex as % of Rev**
  - 2016: 36%
  - 2017: 26%

- **G&A as % of Rev**
  - 2016: 66%
  - 2017: 79%
  - 2019E: 21%

[1] Full-year and quarter management guidance; midpoint of range, unless otherwise noted.

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Global trends are driving innovation in healthcare

<table>
<thead>
<tr>
<th>Healthcare Trends</th>
<th>Macro Trends</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rising costs of care</td>
<td>Aging population</td>
</tr>
<tr>
<td>Physician shortages in critical specialties</td>
<td>Consumer empowerment</td>
</tr>
<tr>
<td>Limited or no access to a family doctor</td>
<td>Data and device integrations</td>
</tr>
<tr>
<td>Significant volume resulting in multi-day wait times and shorter appointments</td>
<td>Offline to online transitions</td>
</tr>
<tr>
<td>Growth in HDHP enrollees</td>
<td>Convenience expectations</td>
</tr>
</tbody>
</table>
Teladoc Health is uniquely positioned to tackle industry challenges and grow
Positioned to serve patients wherever they are

12,000+ clients across diversified markets

<table>
<thead>
<tr>
<th>Employers</th>
<th>Insurers</th>
<th>Government</th>
<th>Hospital &amp; Health Systems</th>
<th>Direct to Consumer</th>
</tr>
</thead>
<tbody>
<tr>
<td>• 40% of Fortune 500</td>
<td>• 40+ US health plan client including commercial, Medicare and Medicaid populations</td>
<td>• Public sector: US federal, state and local municipalities</td>
<td>• ~300 hospitals and health systems</td>
<td>• Leading behavioral health platform</td>
</tr>
<tr>
<td>• Thousands of small businesses, labor unions and employer coalitions</td>
<td>• 70 global insurance and financial services firms</td>
<td>• Medicare</td>
<td></td>
<td>• Partnership with leading national retailer</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Medicaid</td>
<td></td>
<td></td>
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</tbody>
</table>

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A foundation of clinical quality innovation & leadership

<table>
<thead>
<tr>
<th>Quality leadership</th>
<th>Clinical collaborations &amp; partnerships</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Teladoc Health Physicians Network</strong></td>
<td>First &amp; only Patient Safety Organization (PSO)</td>
</tr>
<tr>
<td>Staff Clinicians (MDs, APs, Nurses)</td>
<td>AHRQ</td>
</tr>
<tr>
<td>Telemedicine Practice</td>
<td>National Quality Forum</td>
</tr>
<tr>
<td>Global Expert Panel</td>
<td>Jefferson</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Quality &amp; Strategic Oversight</th>
<th>Unique clinical partnerships</th>
</tr>
</thead>
<tbody>
<tr>
<td>Teladoc Health Global Medical Advisory Board</td>
<td>USC University of Southern California</td>
</tr>
<tr>
<td>Clinical Leadership Team</td>
<td>Cincinnati Children's</td>
</tr>
<tr>
<td>Teladoc Health Quality and Care Committee</td>
<td></td>
</tr>
</tbody>
</table>

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Teladoc Health is positioned for continued growth

**Growth levers**
- New distribution
- Penetration of existing
- Upsell/cross sell
- Visits/utilization

**Distribution Channels**
- International markets
- Hospitals & Health Systems
- DTC
- Insurers
- Employers

**Products & Services**
- Telemedicine
- Virtual COE specialty services
- Behavioral health
- Licensed platform

**Expand footprint & distribution**

**Clinical services innovation**

**Accelerate consumer adoption**

**Broaden role in healthcare delivery**
## Teladoc Health growth strategies

<table>
<thead>
<tr>
<th>Expand footprint &amp; distribution</th>
<th>Clinical services innovation</th>
<th>Accelerate consumer adoption</th>
<th>Broaden role in healthcare delivery</th>
</tr>
</thead>
<tbody>
<tr>
<td>Existing distribution channels</td>
<td>Virtual Primary Care</td>
<td>Integrated, intuitive</td>
<td>Health System use cases</td>
</tr>
<tr>
<td>Product cross sell / upsell</td>
<td>Integrated Behavioral</td>
<td>consumer experiences</td>
<td>Insurer scope of services</td>
</tr>
<tr>
<td>Government programs</td>
<td>Health solutions</td>
<td>Engagement science &amp;</td>
<td>In home solutions</td>
</tr>
<tr>
<td>Direct to consumer</td>
<td>Virtual Center of Excellence</td>
<td>Surround Sound investments</td>
<td></td>
</tr>
<tr>
<td>Global markets leadership</td>
<td>specialty services</td>
<td>Virtual First experience</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Chronic care</td>
<td>Expanding access points and</td>
<td>Integration with local</td>
</tr>
<tr>
<td></td>
<td>Clinical quality leadership</td>
<td>modalities</td>
<td>delivery system</td>
</tr>
</tbody>
</table>

- **Commercial** 177
- **Government** 131
  - **Military** 5
  - **Medicaid** 72
  - **Medicare FFS** 39
  - **Medicare Advantage** 20

Note: Amounts may not sum due to rounding.
Source: CMS; Kaiser Family Foundation.

New addressable market for 2020
Global opportunity

Estimated Global Market Size by Minimum Insurance Coverage (millions of lives)

Source: NIH; OECD; CIA Factbook,
Note: Rest of Europe excludes Russia. Numbers may not sum due to rounding.
Privately insured reflects a minimum level of privately administered primary, duplicate, complementary, or supplementary health insurance.
Delivering the Virtual First experience

Components
✓ Virtual front door member experience
✓ Innovative physical & mental health services
✓ Integrated delivery platform

Benefits
✓ Superior utilization & member satisfaction
✓ Greater impact on healthcare costs
✓ Deeper client partnerships
Measures of success
Early snapshot of global selling season trends
Year-over-year through April 2019

- Strong demand across all channels
- Increased level of new and existing client bookings
- Increased RFP volume
- Demand for Virtual First ™ plan designs
- Strong interest for comprehensive, integrated solutions
Paid membership revenue drivers

**Utilization**

- **2014**: 6.2%, 6.1%
- **2015**: 7.8%
- **2016**: 6.5%
- **2017**: 9.4%
- **2018**: 10.5%
- **2019**: 10.9%, 11.0%

- **Q1**:
  - **2014**: 6.2%
  - **2015**: 7.8%
  - **2016**: 9.4%
  - **2017**: 10.5%
  - **2018**: 10.9%
  - **2019**: 11.0%

- **FY**
  - **2014**: 6.1%
  - **2015**: 6.5%
  - **2016**: 8.5%
  - **2017**: 8.5%
  - **2018**: 9.4%
  - **2019**: 11.0%

**Consolidated Average PMPM**

- **Paid Membership Net Adds (millions)**
  - **2014**: $0.42
  - **2015**: +1.0
  - **2016**: +0.3
  - **2017**: +0.7
  - **2018**: +1.5
  - **2019**: +2.7
- **PMPM**
  - **2014**: +0.2
  - **2015**: +0.3
  - **2016**: +0.3
  - **2017**: +0.2
  - **2018**: +0.4
  - **2019**: +0.1

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(1) US Paid Membership Only.  
(2) Pro forma to exclude Aetna Fully Insured, Amerigroup, and VFO.
Accelerating adoption

Cumulative Visits (millions) Since 2014

>9 million cumulative by YE 2019

2015: 0.9
2016: 1.8
2017: 3.3
2018: 5.9
2019E: 9.7

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Utilization increases over time

**Median Direct Employer Utilization by Cohort**(1)

1.0x 1.2x
1.0x 1.6x
1.0x 1.7x
1.0x 2.4x

2017 Cohort 2016 Cohort 2015 Cohort 2014 Cohort

(1) First year utilization measured as annualized utilization of first calendar year with eligibility. 2018 utilization reflects annualized YTD 2018 through November.
Multi-product adoption drives usage and revenue

U.S. population by product access count\(^1\)

<table>
<thead>
<tr>
<th>Access Count</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>≥2 products</td>
<td>40%</td>
</tr>
<tr>
<td>≥3 products</td>
<td>13%</td>
</tr>
<tr>
<td>≥4 products</td>
<td>1%</td>
</tr>
</tbody>
</table>

Average visits per member by product access\(^2\)

- General Medical: 1 visit
- General Medical + Behavioral Health: 4.2x visits

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(1) Products include General Medical, Expert Medical Services, Behavioral Health, and Dermatology.
(2) Visits per member by product access for registered members with at least one visit YTD through November 2018.
Teladoc Health: compelling financial model

- Multiple vectors driving sustainable top-line growth in a large addressable global market
- High degree of visibility into future revenue streams
- Scalable model
- Approach to growth: build, buy and partner
- Strong & flexible balance sheet – $480 million of cash and marketable securities on balance sheet as of March 31, 2019
Strong liquidity position as of March 31, 2019

<table>
<thead>
<tr>
<th>Liquidity</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash &amp; Short Term Investments</td>
<td>$479.7</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Debt</th>
<th>Cash</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Interest</td>
<td>Fair</td>
</tr>
<tr>
<td>Debt</td>
<td>Rate</td>
<td>Outstanding</td>
</tr>
<tr>
<td>------</td>
<td>-------</td>
<td>--------------</td>
</tr>
<tr>
<td>Convertible Notes 2022</td>
<td>3.0%</td>
<td>$275.0</td>
</tr>
<tr>
<td>Convertible Notes 2025</td>
<td>1.4%</td>
<td>$285.0</td>
</tr>
<tr>
<td>Total</td>
<td>2.2%</td>
<td>$560.0</td>
</tr>
</tbody>
</table>
On track to achieve second quarter and full-year guidance

<table>
<thead>
<tr>
<th></th>
<th>Q2 2019E</th>
<th>FY 2019E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue (M)</td>
<td>$128–$131</td>
<td>$535–$545</td>
</tr>
<tr>
<td>Adjusted EBITDA (M)</td>
<td>$5–$7</td>
<td>$25–$35</td>
</tr>
<tr>
<td>Visits (K)</td>
<td>775–875</td>
<td>3,600–3,900</td>
</tr>
<tr>
<td>Members (M)</td>
<td>27–28</td>
<td>27–29</td>
</tr>
<tr>
<td>EPS (GAAP)</td>
<td>$(0.42)–$(0.44)</td>
<td>$(1.52)–$(1.66)</td>
</tr>
</tbody>
</table>