Encompass Health

Baird Global Healthcare Conference

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Forward-Looking Statements

The information contained in or references in connection with this presentation includes certain estimates, projections and other forward-looking information that reflect Encompass Health's current outlook, views and plans with respect to future events. These estimates, projections and other forward-looking information are based on assumptions Encompass Health believes, as of the date stated, are reasonable. Inevitably, there will be differences between such estimates and actual events or results, and those differences may be material.

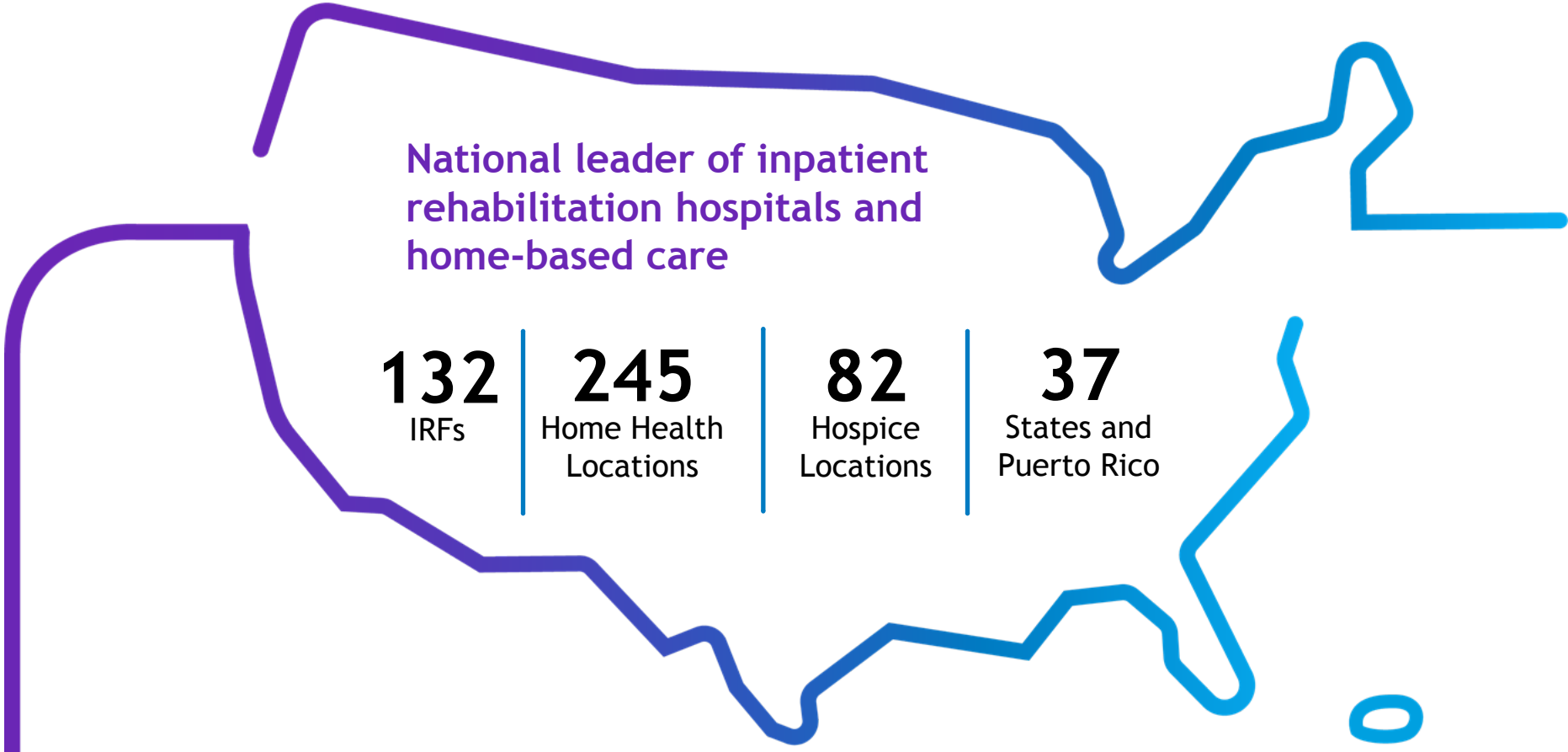
There can be no assurance any estimates, projections or forward-looking information will be realized.

All such estimates, projections and forward-looking information speak only as of the date stated. Encompass Health undertakes no duty to publicly update or revise the information contained herein.

You are cautioned not to place undue reliance on the estimates, projections and other forward-looking information in this presentation as they are based on current expectations and general assumptions and are subject to various risks, uncertainties and other factors, including those set forth in the Form 10-K for the year ended December 31, 2018, the Form 10-Q for the quarters ended March 31, 2019 and June 30, 2019, and in other documents Encompass Health previously filed with the SEC, many of which are beyond Encompass Health's control, that may cause actual events or results to differ materially from the views, beliefs and estimates expressed herein.

Note Regarding Presentation of Non-GAAP Financial Measures
Certain "non-GAAP financial measures" as defined in Regulation G under the Securities Exchange Act of 1934, including Adjusted EBITDA, leverage ratios, adjusted earnings per share, and adjusted free cash flow, may be referenced in connection with the following presentation. Schedules that reconcile the non-GAAP financial measures included in the following presentation to the most directly comparable financial measures calculated and presented in accordance with Generally Accepted Accounting Principles in the United States are available on Encompass Health's website.

Company Overview - Encompass Health



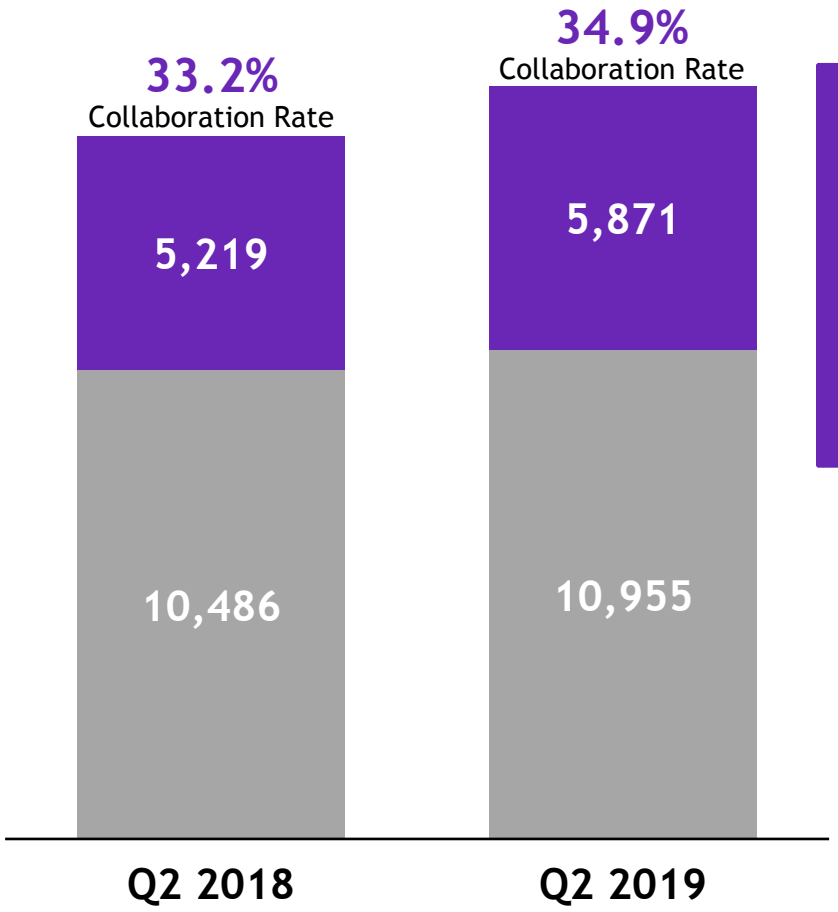
National leader of inpatient rehabilitation hospitals and home-based care

132	245	82	37
IRFs	Home Health Locations	Hospice Locations	States and Puerto Rico

Committed to delivering high-quality, cost-effective integrated care across the healthcare continuum

Clinical Collaboration

Improving the Patient Experience and Reducing Total Costs Through Integrated Care Delivery



170 Basis Points Year-Over-Year Increase

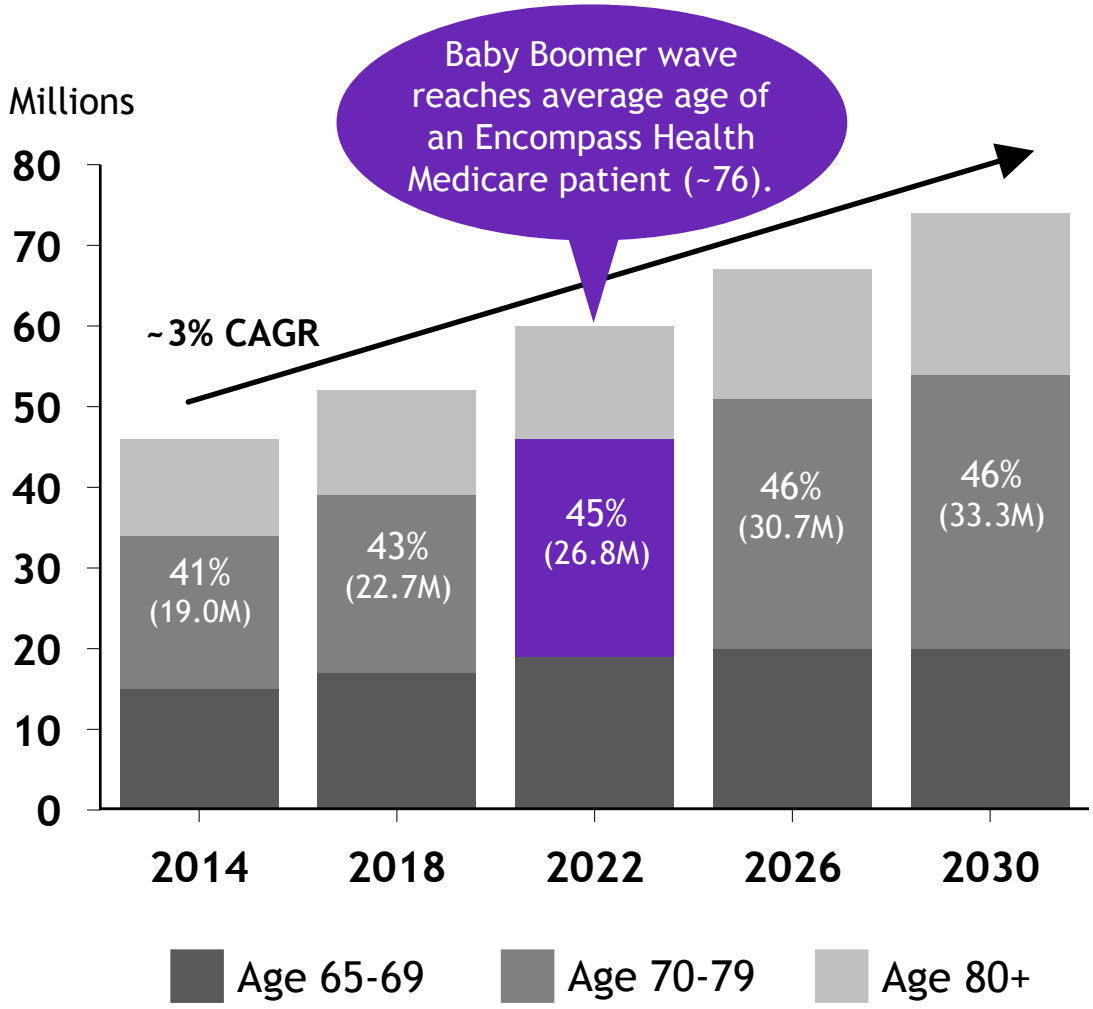
Near-term Goal = 40%

Encompass Health IRF Discharges to:

- Encompass Health Home Health
- Non-Encompass Health Home Health

Both Segments Benefit from a Demographic Tailwind: Growth in the Medicare Beneficiary Population

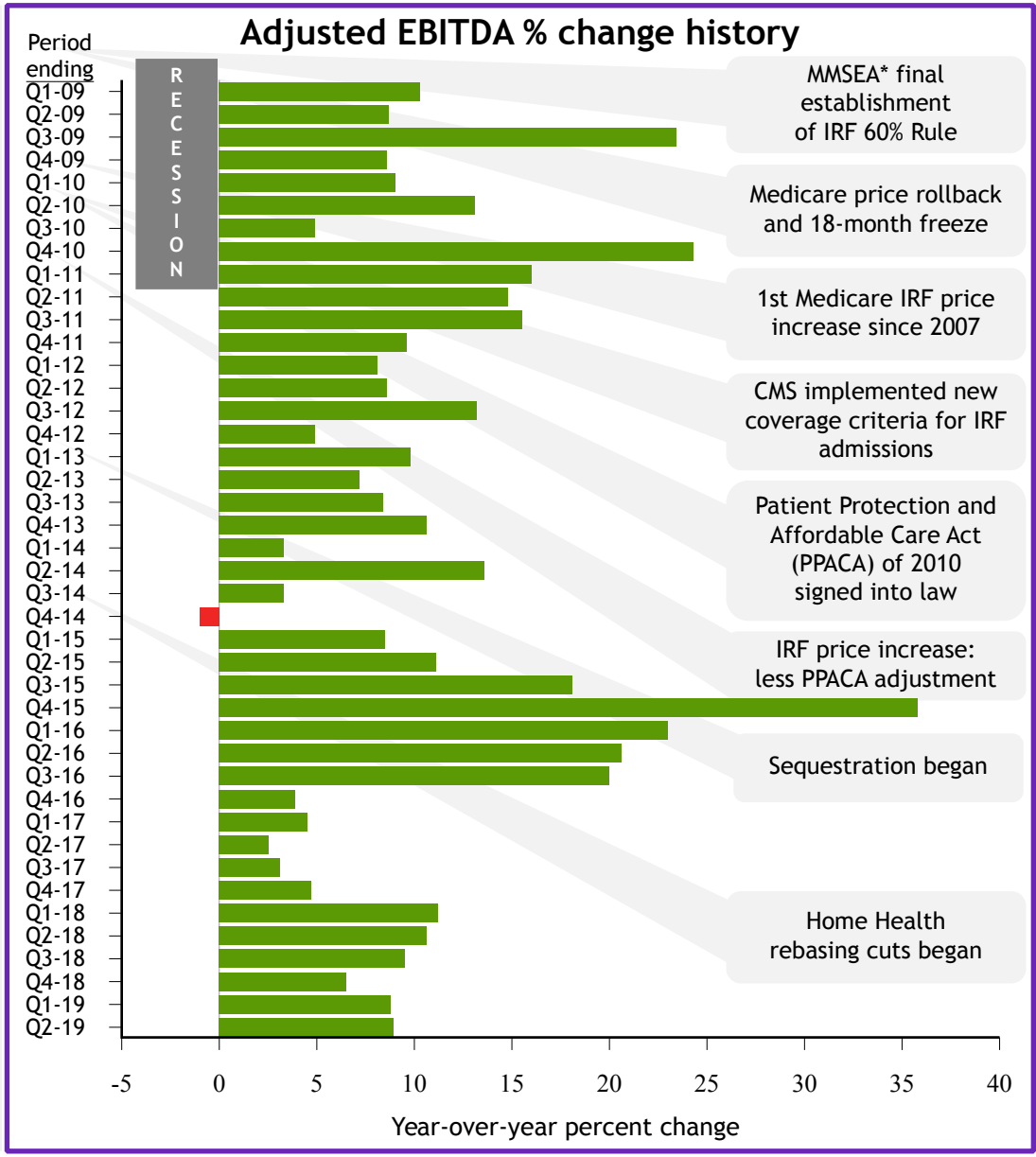
Projected Population of Age 65+



CAGR (Population Growth by Age)			
Age	2014 to 2018	2018 to 2022	2022 to 2026
70-74	4.9%	3.7%	2.5%
75-79	4.0%	5.0%	4.9%

Proven track record

We have posted a year-over-year increase in Adjusted EBITDA in **41 of the last 42 quarters** despite numerous challenges.



* Medicare, Medicaid, and State Children's Health Insurance Program Extension Act of 2007



Committed to Delivering High-Quality, Cost-Effective Integrated Care Across the Healthcare Continuum