



News Release

Encompass Health makes investment in Medalogix

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BIRMINGHAM, Ala., June 24, 2019 /PRNewswire/ -- Encompass Health Corp. (NYSE: EHC), a leader in integrated healthcare services, today announced it has made a minority equity investment in Medalogix, a leader in predictive analytics and data science for home health and hospice.

Medalogix is assisting Encompass Health in preparing for the impending changes to the Patient-Driven Groupings Model, a new home health payment model for Medicare patients expected to take effect Jan. 1, 2020.

"Our investment in Medalogix underscores our excitement for working with an innovative, predictive analytics company that shares our standards and dedication to doing what's best for patients. Medalogix is helping us prepare for an array of value-based payment models," said Luke James, chief strategy officer at Encompass Health - Home Health & Hospice.

In 2016, Encompass Health and Medalogix entered into a co-development arrangement focused on the development of Medalogix Care, an analytical tool that provides evidence-based and patient-specific recommended care plans focused on improving patient outcomes. In addition to providing clinical decision support for the plan of care, the Medalogix Care recommendation provides a basis for inter-disciplinary collaboration and ongoing cross-functional case management throughout the episode of care.

"Our core focus right now is helping our clients transition to PDGM. Our products, especially Medalogix Care, provide a playbook to manage resources in a way that is sustainable through this industry shift while focusing on what is right for each patient," said Elliott Wood, president and chief executive officer of Medalogix. "Leveraging Medalogix in a meaningful way requires the home health agency to have great leadership and a culture that can sustain transformation with technology. Encompass Health has consistently demonstrated an ability to execute on these types of transformational initiatives, and we are thrilled to enhance our relationship with Encompass Health and make a difference together in the industry."

Encompass Health was the first organization to adopt Medalogix Care, which helps to improve patient outcomes by developing an optimal care plan.

About Encompass Health

As a national leader in integrated healthcare services, Encompass Health (NYSE: EHC) offers both facility-based and home-based patient care through its network of inpatient rehabilitation hospitals, home health agencies and hospice agencies. With a national footprint that includes 131 hospitals, 221 home health locations, and 59 hospice locations in 37 states and Puerto Rico, the Company is committed to delivering high-quality, cost-effective, integrated care across the healthcare continuum. Encompass Health is ranked as one of Fortune's 100 Best Companies to Work For. For more information, visit encompasshealth.com, or follow us on our [newsroom](#), [Twitter](#) and [Facebook](#).

About Medalogix

Medalogix was founded in 2012 with the desire to help home health agencies identify patients on census at-risk for unplanned rehospitalization. Since that time, Medalogix has developed products and services which help home health providers create clinical programs, manage large populations more efficiently, and drive value to strategic partnerships. Medalogix products have been recognized by Harvard Business Review, HIMSS, Fierce Healthcare, and Becker's Hospital Review as innovative solutions for improving America's healthcare system. For more information, please visit Medalogix at <http://medalogix.com/> or follow on Twitter at: @Medalogix.

Forward-Looking Statements

Statements contained in this press release which are not historical facts, such as the nature of the investment and predictions regarding adapting to regulatory changes and initiatives including PDGM and value-based payment models, are forward-looking statements. In addition, Encompass Health, through its senior management, may from time to time make forward-looking public statements concerning the matters described herein. All such estimates, projections, and forward-looking information speak only as of the date hereof, and Encompass Health undertakes no duty to publicly update or revise such forward-looking information, whether as a result of new information, future events, or otherwise. Such forward-looking statements are necessarily estimates based upon current information and involve a number of risks and uncertainties. Actual events or results may differ materially from those anticipated in these forward-looking statements as a result of a variety of factors. While it is impossible to identify all such factors, factors which could cause actual events or results to differ materially from those estimated by Encompass Health include, but are not limited to, Medalogix's ability to develop and implement data and analytic tools that provide value for home health and hospice providers; Encompass Health's ability to comply with extensive, complex, and ever-changing regulations in the healthcare industry; any adverse outcome of various lawsuits, claims, and legal or regulatory proceedings involving Encompass Health, including its pending DOJ and

HHS-OIG investigations and any matters related to yet undiscovered issues, if any, at acquired companies; potential disruptions, breaches, or other incidents affecting the proper operation, availability, or security of Encompass Health's, Medalogix's or other third-party's information systems, including unauthorized access to or theft of patient, business associate, or other sensitive information; changes, delays in (including in connection with resolution of Medicare payment reviews or appeals), or suspension of reimbursement for Encompass Health's services by governmental or private payors; and other factors which may be identified from time to time in Encompass Health's SEC filings and other public announcements, including Encompass Health's Form 10-K for the year ended Dec. 31, 2018 and Form 10-Q for the quarter ended March 31, 2019.

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