



**Jefferies 2017 Health Care Conference**

New York June 2017

# Forward Looking Statements

This presentation contains, and answers given to questions that may be asked today may constitute, forward-looking statements that are subject to a number of risks and uncertainties, many of which are outside our control. All statements regarding our strategy, future operations, financial position, estimated revenues or losses, projected costs, prospects, plans and objectives, other than statements of historical fact included in the presentation, are forward-looking statements. When used in this presentation or in answers given to questions asked today, the words “may,” “will,” “could,” “would,” “expect,” “intend,” “plan,” “anticipate,” “believe,” “estimate,” “project,” “potential,” “continue,” and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. You should not place undue reliance on forward-looking statements. While we believe that we have a reasonable basis for each forward-looking statement that we make, we caution you that these statements are based on a combination of facts and factors currently known by us and projections of future events or conditions, about which we cannot be certain. For a more complete discussion regarding these and other factors which could affect the Company's financial performance, refer to the Company's various filings with the Securities and Exchange Commission, including its filing on Form 10-K for the year ended December 30, 2016 and subsequently filed Forms 10-Q and 8-K, in particular information under the headings "Special Caution Regarding Forward-Looking Statements" and "Risk Factors." These cautionary statements qualify all of the forward-looking statements. In addition, market and industry statistics contained in this presentation are based on information available to us that we believe is accurate. This information is generally based on publications that are not produced for purposes of securities offerings or economic analysis.

The information provided in some of the tables in this release includes certain non-GAAP financial measures as defined under SEC rules, including Adjusted EBITDA and Pro Forma Adjusted EBITDA. Because Adjusted EBITDA and Pro Forma Adjusted EBITDA may be defined differently by other companies in our industry, our definition of Adjusted EBITDA and Pro Forma Adjusted EBITDA may not be comparable to similarly titled measures of other companies, thereby diminishing its utility. Reconciliations of Adjusted EBITDA and Pro Forma Adjusted EBITDA to net loss (income), the most directly comparable GAAP financial measure, can be found in this presentation.



All forward-looking statements speak only as of the date of this presentation. Except as required by law, we assume no obligation to update these forward-looking statements publicly or to update the factors that could cause actual results to differ materially, even if new information becomes available in the future.



We use various Center for Medicare Services (CMS) national data throughout the presentation which may be either from specific CMS reports or derived from public data readily available from CMS.

# Who We Are

Founded in **1976**, Almost Family is the third largest Medicare home health provider in the US

Seasoned senior management team with decades in home health



~**\$800M** revenue run-rate based in Louisville KY (Q1-17Ann)



**332** branches in **26** states



# 1 Leading provider of home health services with national scale



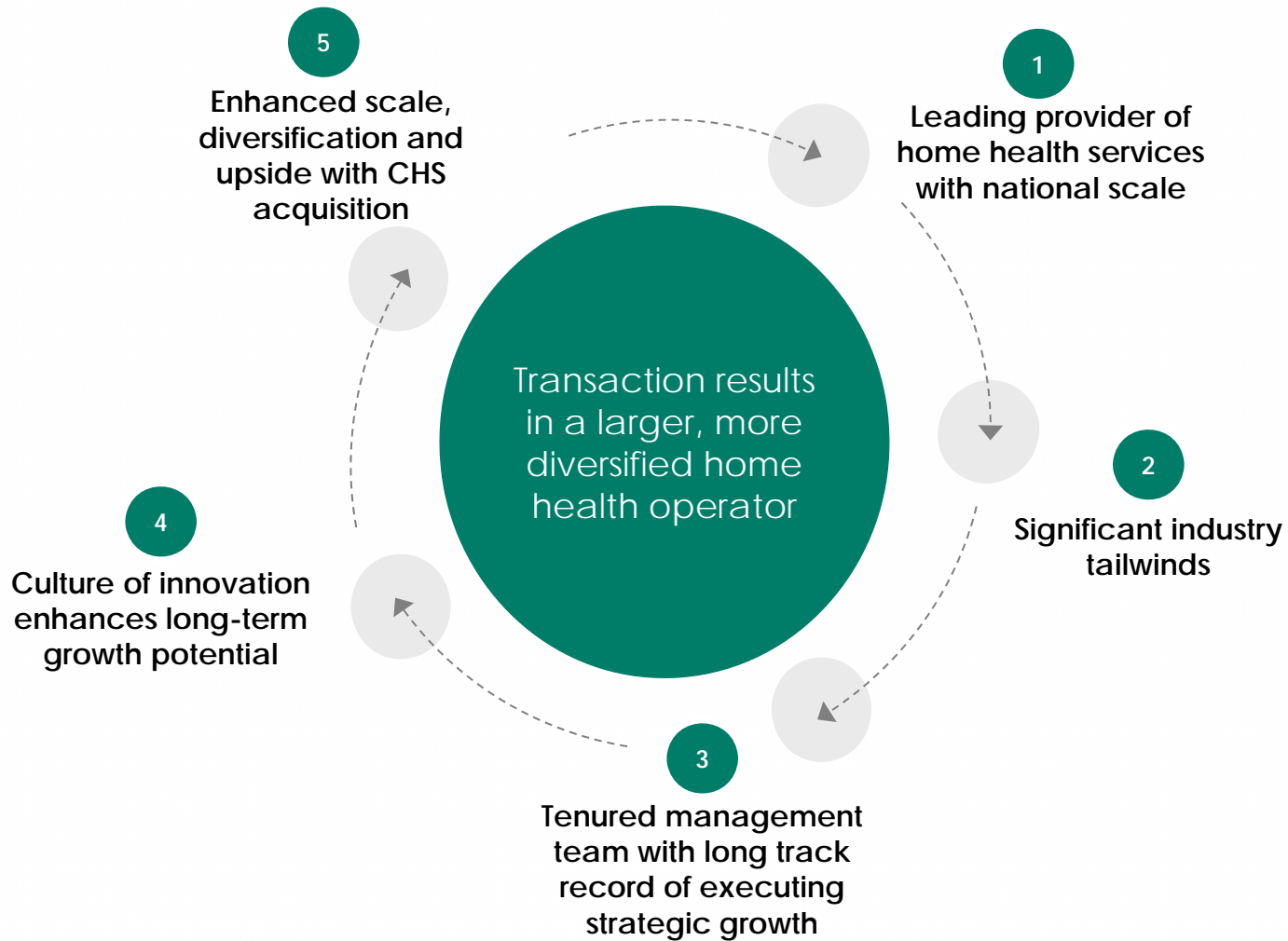
## Who We Are

Leading Provider of cost efficient, high quality home healthcare care services and related innovations to drive savings for payers and improve patient outcomes and experience



Note: All financials as of latest fiscal year end; Statistics pro forma for acquisition of 80% stake in CHS home health agencies unless otherwise noted  
(1) Q1 2017 annualized

# Transformative CHS Acquisition



# 5 Significant Scale Enhancement and Diversification from the CHS Acquisition

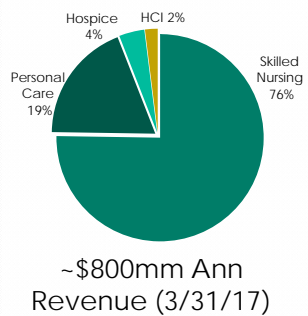


*Opens up 10 new states for AFAM today with an incremental ~60 hospital markets to grow the JV over time*

## CHS Overview

- 80% of Community Health Systems existing home health and hospice operations for \$128MM
- 74 HH branches across 22 states
- 15 hospice branches across 7 states

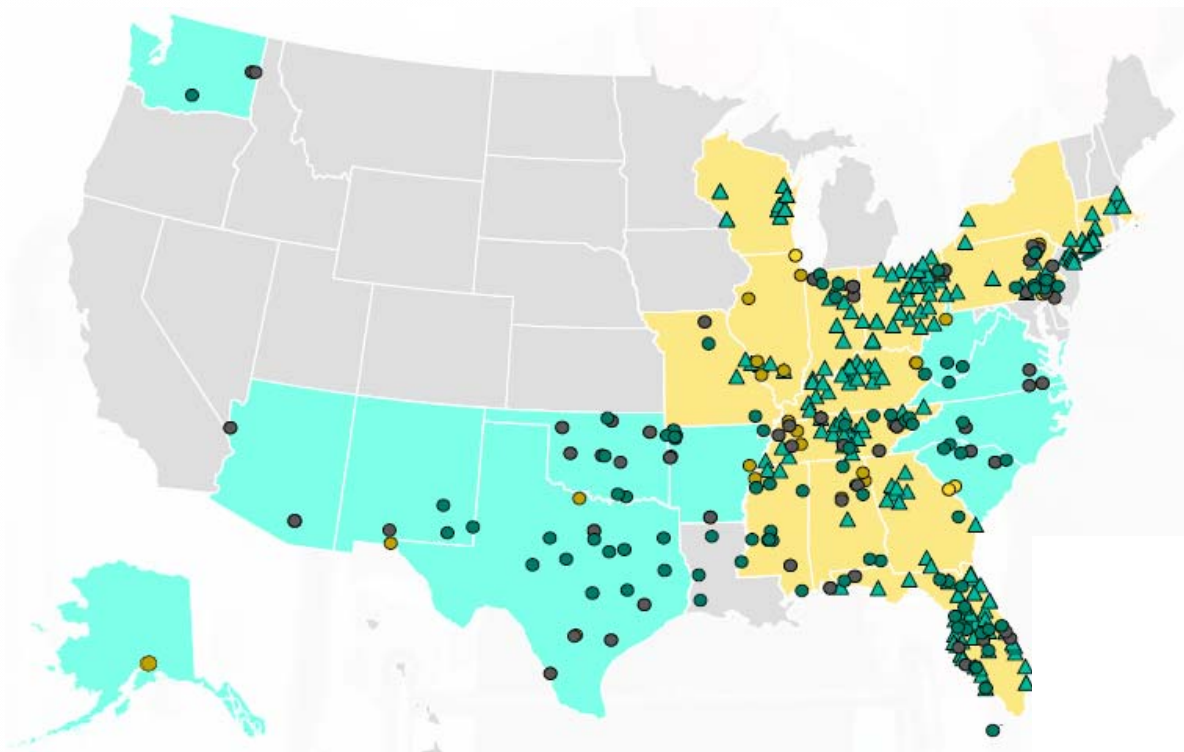
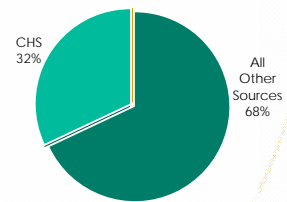
## PF Service Mix



## Compelling Relationship

- ✓ Transformational scale benefit
- ✓ Material synergy benefit
- ✓ Exclusive JV partner for CHS hospitals
- ✓ Significant geographic diversification

## Referral Mix



- ▲ AFAM agencies
- CHS Hospice
- CHS Hospitals with No HH
- CHS Hospitals with HH
- New States Via CHS JV (10)
- Existing AFAM State (16)

# Unprecedented Growth 2006-2016



<i>(\$ in thousands, except per share amounts)</i>	Q1 2017	2016	Year 10 2015	2005	CAGR Yrs 1-10
<b>States</b>	26	15	15	7	7.9%
Branches	332	250	238	52	16.4%
<b>Revenue</b>	<b>\$ 201,312</b>	<b>\$ 623,541</b>	<b>\$ 532,214</b>	<b>\$ 72,514</b>	<b>22.1%</b>
Adj. EBITDA	\$ 16,595 <sup>(1)</sup>	\$ 53,515 <sup>(1)</sup>	\$ 42,459 <sup>(1)</sup>	\$ 4,949	24.4%
<b>Adj. EPS diluted</b>	<b>\$ 0.55<sup>(1) (2)</sup></b>	<b>\$ 2.38<sup>(1)</sup></b>	<b>\$ 2.13<sup>(1)</sup></b>	<b>\$ 0.35</b>	<b>20.2%</b>
Share Price	\$ 59.30 <sup>(3)</sup>	\$ 44.10	\$ 38.23	\$ 7.26	18.1%
<b>Market Cap</b>	<b>\$ 826,523 <sup>(3)</sup></b>	<b>\$ 463,226</b>	<b>\$ 383,118</b>	<b>\$ 37,887</b>	<b>26.0%</b>
Enterprise Value	\$ 942,358 <sup>(2)</sup>	\$ 728,072	\$ 495,969	\$ 31,014	31.9%
<b>Debt, net of cash</b>	<b>\$ 115,835</b>	<b>\$ 264,846</b>	<b>\$ 112,851</b>	<b>\$ (6,873)</b>	
Debt to Adj. EBITDA	2.06 <sup>(4)</sup>	3.54 <sup>(4)</sup>	2.66 <sup>(4)</sup>	(1.39)	

(1) Non-GAAP reconciliation is included on Appendix I (2) Includes \$0.13 effect of January 2017 equity sale

(3) As of June 2, 2017

(4) Computed on bank covenant basis

## Innovation – Building on Our Current Capabilities



Assessments **Identify Risks** and **Inform Care Plans** for **Managed Care** and **Long Term Care Insurance**



**Imperium** provides strategic management services to ACO's – one of the most successful and sizable ACO enablement companies in terms of MSSP dollars



**NavHealth Tools** allow providers to combine patient mediated and open data with internal information for new insights

Data plays a key role in advancing new care models



**Goal – Deliver savings to Payors through enhanced utilization of Home Health Care and Patient and Caregiver Engagement**



## Committed to Ongoing Innovation....



**Rapidly expanding** markets and demand for value-based care enabling companies



Deliver **meaningful value to risk sharing**/taking **providers** and **payors** - **Fee for Value** replaces fee for service



Potential for **strong returns and positive financial/economic impact** of growing Innovations Segment



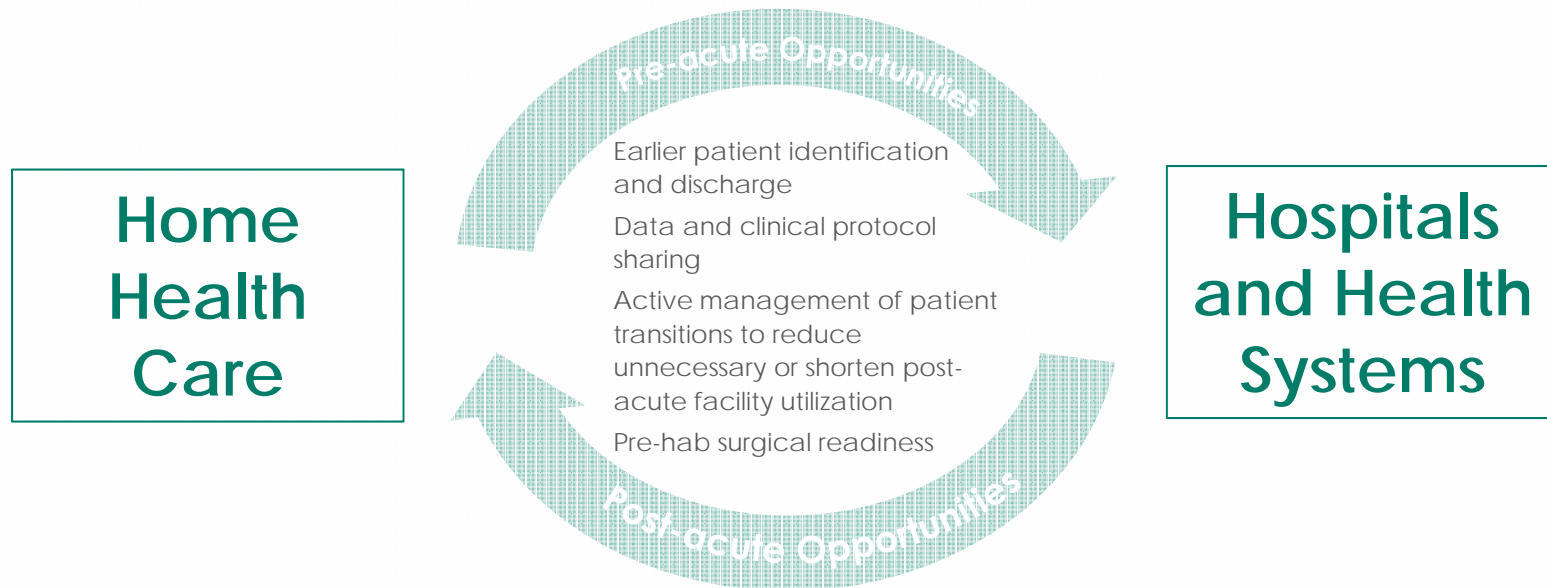
**Gain translatable insights and partnership opportunities for core home healthcare business**

# Clinical Enhancement and Alternate Care Delivery Model Opportunities

There are many opportunities for greater clinical alignment to improve patient experience and outcomes

Changing reimbursement causes Health Systems to seek economic alignment with other providers

- Joint venture for home health can significantly improve Health system performance in these arrangements



## Key Standalone Considerations

- Underutilized alternative to emergency department
- Ability to manage discharge and post-acute utilization
- Patient preferred setting of care

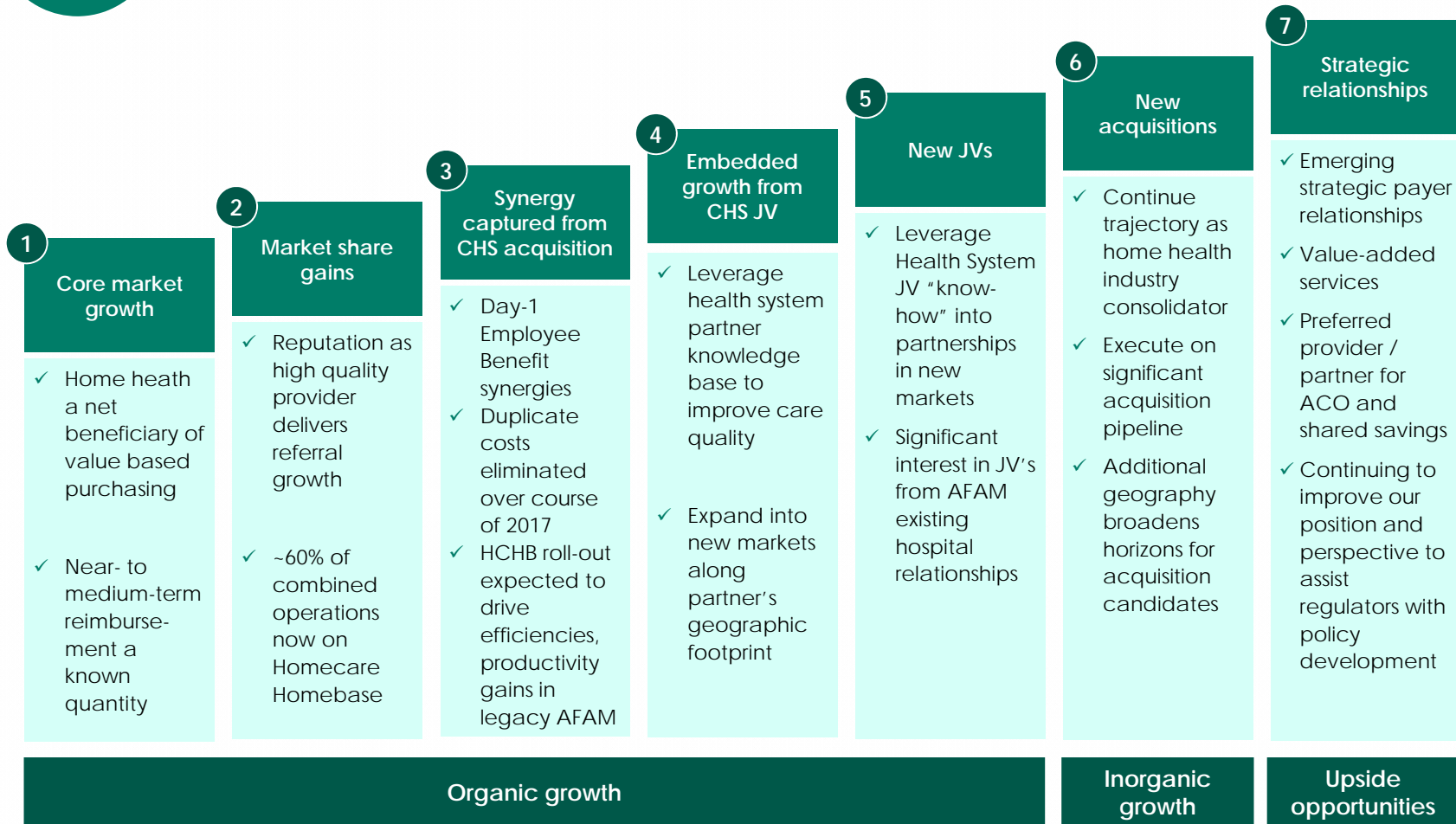
## Key Standalone Considerations

- Key component of delivery system
- High acuity capabilities
- Patient stabilization and discharge

# ...enhances long-term growth potential

## How We Grow

*Capitalize on our position of strength as a scaled, innovative and partnership-oriented home health provider to grow faster than the market organically, and further enhance our growth through business development activities and strategic relationships with payers and health systems*



# Value Creation – Low Cost Care Delivery Platform

As care delivery,  
reimbursement  
and risk-sharing  
models evolve --  
those responsible  
will seek to  
optimize cost and  
quality by  
providing more  
care in more  
homes than ever  
before

