

Supplemental Financial Information

Third Quarter Ended September 30, 2019

November 6, 2019



GROUP

Our Culture:

With an unwavering commitment to integrity, quality, professionalism, and compassion, we make healthcare work better for the patients, families, and communities we are privileged to serve. It's all about helping people.

Forward-Looking Statements

Nasdaq: LHCG

Please visit the Investors section on our website at Investor.LHCgroup.com for additional information on LHC Group and the industry.

This presentation contains “forward-looking statements” (as defined in the Securities Litigation Reform Act of 1995) regarding, among other things, future events or the future financial performance of the Company. Words such as “anticipate,” “expect,” “project,” “intend,” “believe,” “will,” “estimate,” “may,” “could,” “should,” “outlook,” and “guidance” and words and terms of similar substance used in connection with any discussion of future plans, actions, events or results identify forward-looking statements.

Forward-looking statements are based on information currently available to the Company and involve estimates, expectations and projections. Investors are cautioned that all such forward-looking statements are subject to risks and uncertainties that could cause actual events or results to differ materially from the events or results described in the forward-looking statements, including, but not limited to, the risks and uncertainties described in our filings with the Securities and Exchange Commission, including our most recent Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. Many of these risks, uncertainties and assumptions are beyond the Company’s ability to control or predict. Because of these risks, uncertainties and assumptions, investors should not place undue reliance on these forward-looking statements.

Furthermore, forward-looking statements speak only as of the information currently available to the Company on the date they are made, and the Company does not undertake any obligation to update publicly or revise any forward-looking statements to reflect events or circumstances that may arise after the date of this presentation. The Company does not give any assurance (1) that the Company will achieve its guidance or expectations, or (2) concerning any result or the timing thereof. All subsequent written and oral forward-looking statements concerning the Company and attributable to the Company or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements above.”

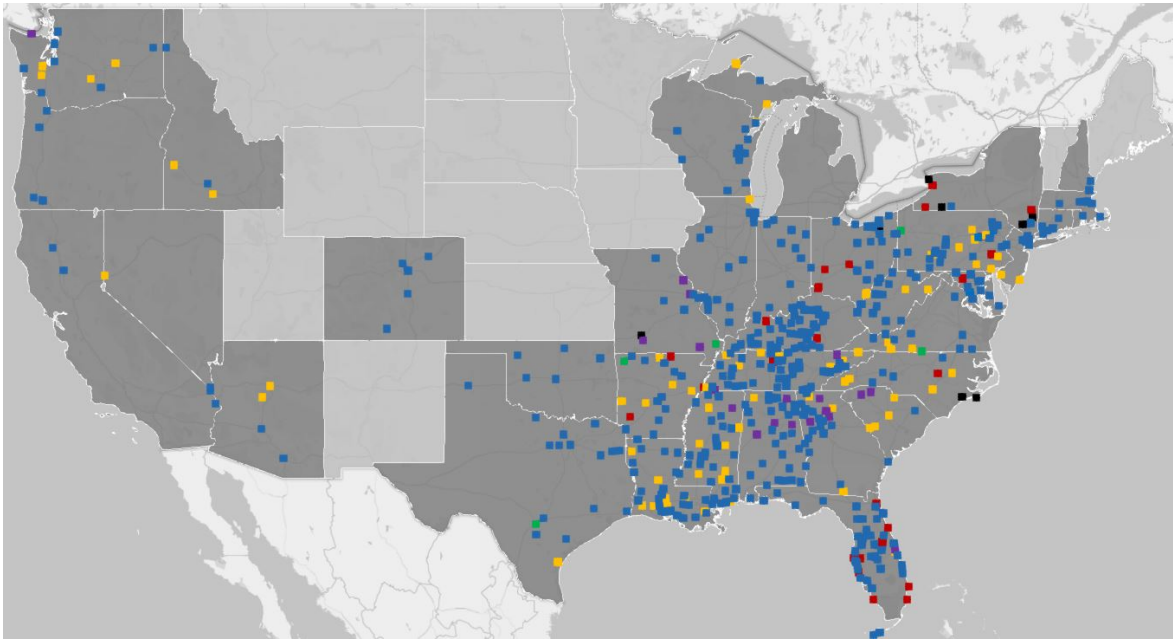
Non-GAAP Financial Information

This presentation includes certain financial measures that were not prepared in accordance with U.S. generally accepted accounting principles (“GAAP”), including EBITDA and Adjusted EBITDA. The company uses these non-GAAP financial measures in operating its business because management believes they are less susceptible to variances in actual operating performance that can result from the excluded items. The company presents these financial measures to investors because they believe they are useful to investors in evaluating the primary factors that drive the company’s operating performance. The items excluded from these non-GAAP measures are important in understanding LHC Group’s financial performance, and any non-GAAP measures presented should not be considered in isolation of, or as an alternative to, GAAP financial measures. Since these non-GAAP financial measures are not measures determined in accordance with GAAP, have no standardized meaning prescribed by GAAP and are susceptible to varying calculations, these measures, as presented, may not be comparable to other similarly titled measures of other companies. EBITDA of LHC Group is defined as net income (loss) before income tax benefit (expense), interest expense, and depreciation and amortization expense. Adjusted EBITDA of LHC Group is defined as net income (loss) before income tax expense benefit (expense), depreciation and amortization expense, and transaction costs related to previous transactions.

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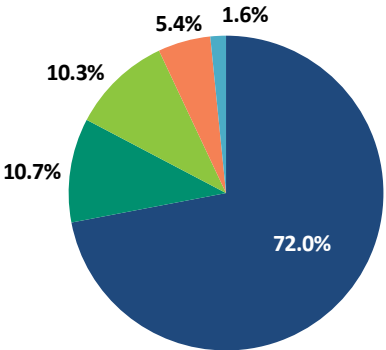
LHC Group Overview



- Home Health
- Hospice
- HCBS
- Home Health & Hospice
- Home Health & HCBS
- Home Health, Hospice, & HCBS

% of Revenue

- HH
- Hospice
- HCBS
- Facility-based
- HCI



555

home health locations



60%

Of U.S. population aged 65+ included in service area



109

hospice locations



105*

home & community based services locations



13

Long term acute care hospitals locations



27

other service locations



809

total locations



350

leading hospital JV partners



35

states and District of Columbia



* The number of locations for HCBS has been updated to not only include the physical standalone locations but also the locations that are part of a home health provider.

Commentary on Q3 2019

- Net service revenue up 4.2% for Q3 as compared to Q3 2018
- Adjusted Earnings Per Share increases 32.6% for Q3 2019 as compared to Q3 2018
- Organic growth in admissions for Legacy LHC Group home health locations was 11.1% for the quarter and 8.6% year to date.
- Organic growth in admissions for hospice was 2.1% for the quarter and 5.9% year to date.
- LHC Group quality and patient satisfaction scores continue to lead the industry
- Maintained strong pace of acquisitions – acquired or announced acquisitions of \$86.7 million in annualized revenue year to date in 2019
- 130 Almost Family locations fully converted to LHC Group's version of Homecare Homebase prior to the third quarter and demonstrated sequential organic growth in home health admissions of 1.2% in the third quarter as compared to the second quarter.

Select Key Segment Statistical and Financial Data

3Q 2019 Consolidated Growth

- Revenue: +4.2%
- Adjusted EPS: +32.6%
- Adjusted EBITDA: +22.2%

YTD 2019 Consolidated Growth

- Revenue: +19.1%
- Adjusted EPS: +33.3%
- Adjusted EBITDA: +42.2%



Home Health

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
Organic growth excluding Almost Family: ⁽¹⁾⁽²⁾				
Net revenue	7.9%	9.3%	7.2%	9.1%
Net Medicare revenue	4.1%	4.6%	3.5%	4.8%
Total new admissions	11.1%	9.7%	8.6%	8.1%
Medicare new admissions	5.4%	4.6%	2.5%	4.8%
Average daily census	7.2%	2.9%	5.1%	2.9%
Average Medicare daily census	2.6%	(0.9)%	0.0%	(0.8)%
Medicare completed and billed episodes	3.6%	0.7%	1.0%	1.0%



Hospice

Admissions	4,522	4,557	13,746	13,139
Average daily census	4,187	3,763	4,002	3,525
Patient days	385,164	346,153	1,093,039	962,839
Average revenue per patient day	\$152.47	\$155.40	\$153.74	\$154.03
Organic growth excluding Almost Family: ⁽¹⁾⁽²⁾				
Total new admissions	2.1%	5.1%	5.9%	4.2%
Average daily census	9.2%	(3.5)%	8.9%	(7.1)%



Home and Community-Based

Average daily census	13,676	14,455	13,914	14,491
Billable hours	2,276,984	2,295,450	6,841,598	5,002,064
Revenue per billable hour	\$23.97	\$23.30	\$23.62	\$24.30



Facility-Based

Patient days	18,918	21,617	58,524	65,480
Average revenue per patient day	\$1,377	\$1,183	\$1,310	\$1,244
Occupancy rate	66.3%	75.8%	69.2%	73.5%

(1) Organic growth is calculated as the sum of same store plus *de novo* for the period divided by total from the same period in the prior year.

(2) Almost Family locations remain counted as acquired locations due to continued system integrations, which is expected to be completed by the end of 2019.

2019 Adjusted Consolidated Results

	Three months ended September 30		
	Consolidated	Total Adjustments	Adjusted Consolidated
Net service revenue	\$528,499	\$0	\$528,499
Cost of service revenue	334,768	(3,335)	331,433
Gross margin	193,731		197,066
General and administrative expenses	146,829	(9,501)	137,328
Impairment of intangibles and other	197	(197)	0
Operating income	\$46,705	\$13,033	\$59,738
Add back depreciation	4,412	0	4,412
Less noncontrolling interests	(4,534)	0	(4,534)
Earnings before interest, tax, and depreciation (EBITDA less NCI)	\$46,583	\$13,033	\$59,616
EBITDA less NCI as a percentage of revenue	8.8%		11.3%

	Nine months ended September 30		
	Consolidated	Total Adjustments	Adjusted Consolidated
Net service revenue	\$1,548,926	\$0	\$1,548,926
Cost of service revenue	981,620	(10,945)	970,675
Gross margin	567,306		578,251
General and administrative expenses	440,634	(22,362)	418,272
Impairment of intangibles and other	7,534	(7,534)	0
Operating income	\$119,138	\$40,841	\$159,979
Add back depreciation	12,812	0	12,812
Less noncontrolling interests	(14,017)	0	(14,017)
Earnings before interest, tax, and depreciation (EBITDA less NCI)	\$117,933	\$40,841	\$158,774
EBITDA less NCI as a percentage of revenue	7.6%		10.3%

Adjusted Consolidated Results – 2019 vs 2018

	Three months ended September 30				Nine months ended September 30			
	2019 Adjusted Consolidated	% of rev	2018 Adjusted Consolidated	% of rev	2019 Adjusted Consolidated	% of rev	2018 Adjusted Consolidated	% of rev
Net service revenue	\$528,499		\$507,043		\$1,548,926		\$1,300,671	
Cost of service revenue	331,433	62.7%	319,326	63.0%	970,675	62.7%	827,922	63.7%
Gross margin	197,066	37.3%	187,717	37.0%	578,251	37.3%	472,749	36.3%
General and administrative expenses	137,328	26.0%	139,622	27.5%	418,272	27.0%	362,507	27.9%
Operating income	\$59,738	11.3%	\$48,095	9.5%	\$159,979	10.3%	\$110,242	8.5%
Depreciation	4,412		4,438		12,812		11,986	
Noncontrolling interests	(4,534)		(3,751)		(14,017)		(10,593)	
Earnings before interest, tax, and depreciation (EBITDA less NCI)	\$59,616		\$48,782		\$158,774		\$111,635	
EBITDA less NCI as a percentage of revenue	11.3%		9.6%		10.3%		8.6%	

- Consolidated Adjusted Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) increased 170 basis points as a percentage of revenue. This was due to an improvement of 30 basis points in gross margin and 160 basis point improvement in general and administrative expense in the third quarter of 2019 as compared to the same period in 2018.
- For the nine months ended September 30, 2019, adjusted EBITDA increased 170 basis points due to 100 basis point improvement in gross margin and 90 basis point improvement in general and administrative expense.

Adjustments to Net Income

PRE-TAX ADJUSTMENTS	Q3 2019	Q3 2018	YTD 2019	YTD 2018
Almost Family and other acquisition expenses (1)	\$11,731	\$9,914	\$28,305	\$27,114
Closures/relocations/consolidations (2)	\$1,302	\$3,251	\$6,536	\$6,765
Provider moratorium impairment (3)	\$0	\$0	\$6,000	\$0
Total	\$13,033	\$13,165	\$40,841	\$33,879

ADJUSTMENTS NET OF TAX	Q3 2019	Q3 2018	YTD 2019	YTD 2018
Almost Family and other acquisition expenses (1)	\$8,482	\$7,118	\$20,463	\$19,289
Closures/relocations/consolidations (2)	\$941	\$2,335	\$4,722	\$4,799
Excess tax benefit (4)	\$0	\$(1,200)	\$0	\$(1,200)
Income tax effect of adjustments to income	\$0	\$0	\$0	\$689
Provider moratorium impairment (3)	\$0	\$0	\$4,332	\$0
Total	\$9,423	\$8,253	\$29,517	\$23,577

ADJUSTMENTS NET OF TAX	Q3 2019	Q3 2018	YTD 2019	YTD 2018
Almost Family and other acquisition expenses (1)	\$0.27	\$0.23	\$0.66	\$0.72
Closures/relocations/consolidations (2)	\$0.03	\$0.08	\$0.15	\$0.18
Excess tax benefit (4)	\$0.00	\$(0.04)	\$0.00	\$(0.05)
Income tax effect of adjustments to income	\$0.00	\$0.00	\$0.00	\$0.03
Provider moratorium impairment (3)	\$0.00	\$0.00	\$0.14	\$0.00
Total	\$0.30	\$0.27	\$0.95	\$0.88

Footnotes:

(1) Transition, integration and Homecare Homebase conversion expenses and other costs associated with the acquisition of Almost Family and other recently announced or completed acquisitions (\$11.7 million pre-tax in the three months ended Sept 30, 2019 and \$28.3 million in the nine months ended Sept 30, 2019).

(2) Expenses and impairments associated with the closure or consolidation of 3 locations in the third quarter of 2019 along with residual costs and expenses in connection with closures in prior periods (\$1.3 million pre-tax in the three months ended Sept 30, 2019 and \$6.5 million in the nine months ended Sept 30, 2019).

(3) During the nine months ended Sept 30, 2019, the Company recorded \$6.0 million of moratoria impairment as a result of the Centers for Medicare and Medicaid Services ("CMS") action to remove all federal moratoria with regard to Medicare provider enrollment.

(4) Tax benefit due to the exercise of stock options related to the Almost Family acquisition.

Three Months Ended September 30, 2019 Adjusted Segment Results

	Home health services	Adjustments	Adjusted Home health services	Hospice services	Adjustments	Adjusted Hospice services	HCBS services	Adjustments	Adjusted HCBS services
Net service revenue	\$375,599		\$375,599	\$62,028		\$62,028	\$53,411		\$53,411
Cost of service revenue	237,414	(2,685)	234,729	35,819	(322)	35,497	39,694	(328)	39,366
Gross margin	138,185		140,870	26,209		26,531	13,717		14,045
General and administrative expenses	108,318	(9,275)	99,043	15,218	(137)	15,081	10,809	(89)	10,720
Impairment of intangibles and other	197	(197)	0	0	0	0	0	0	0
Operating income	\$29,670	\$12,157	\$41,827	\$10,991	\$459	\$11,450	\$2,908	\$417	\$3,325
Add back depreciation	2,557		2,557	455		455	338		338
Less noncontrolling interests	(3,577)		(3,577)	(1,213)		(1,213)	180		180
Earnings before interest, tax, and depreciation (EBITDA less NCI)	\$28,650	\$12,157	\$40,807	\$10,233	\$459	\$10,692	\$3,426	\$417	\$3,843
EBITDA less NCI as a percentage of revenue	7.6%		10.9%	16.5%		17.2%	6.4%		7.2%

	Facility-based services	Adjustments	Adjusted Facility-based services	HCI	Adjustments	Adjusted HCI services
Net service revenue	\$28,715		\$28,715	\$8,746		\$8,746
Cost of service revenue	18,508		18,508	3,333		3,333
Gross margin	10,207		10,207	5,413		5,413
General and administrative expenses	9,498		9,498	2,986		2,986
Impairment of intangibles and other	0	0	0	0	0	0
Operating income (loss)	\$709	\$0	\$709	\$2,427	\$0	\$2,427
Add back depreciation	785		785	277		277
Less noncontrolling interests	67		67	9		9
Earnings before interest, tax, and depreciation (EBITDA less NCI)	\$1,561	\$0	\$1,561	\$2,713	\$0	\$2,713
EBITDA less NCI as a percentage of revenue	5.4%		5.4%	31.0%		31.0%

Nine Months Ended September 30, 2019 Adjusted Segment Results

	Home health services	Adjustments	Adjusted Home health services	Hospice services	Adjustments	Adjusted Hospice services	HCBS services	Adjustments	Adjusted HCBS services
Net service revenue	\$1,113,887	\$0	\$1,113,887	\$168,821	\$0	\$168,821	\$157,610	\$0	\$157,610
Cost of service revenue	\$694,082	(\$8,892)	685,190	\$103,853	(\$662)	103,191	\$119,054	(\$522)	118,532
Gross margin	419,805		428,697	64,968		65,630	38,556		39,078
General and administrative expenses	322,115	(18,930)	303,185	45,167	(1,787)	43,380	33,004	(995)	32,009
Impairment of intangibles and other	7,263	(7,263)	0	271	(271)	0	0	0	0
Operating income	\$90,427	\$35,085	\$125,512	\$19,530	\$2,720	\$22,250	\$5,552	\$1,517	\$7,069
Add back depreciation	7,369		7,369	1,311		1,311	966		966
Less noncontrolling interests	(11,305)		(11,305)	(2,712)		(2,712)	757		757
Earnings before interest, tax, and depreciation (EBITDA less NCI)	\$86,491	\$35,085	\$121,576	\$18,129	\$2,720	\$20,849	\$7,275	\$1,517	\$8,792
EBITDA less NCI as a percentage of revenue	7.8%		10.9%	10.7%		12.3%	4.6%		5.6%

	Facility-based services	Adjustments	Adjusted Facility-based services	HCI	Adjustments	Adjusted HCI services
Net service revenue	\$84,391	\$0	\$84,391	\$24,217	\$0	\$24,217
Cost of service revenue	\$53,812	(\$158)	53,654	\$10,819	(\$711)	10,108
Gross margin	30,579		30,737	13,398		14,109
General and administrative expenses	28,010	(239)	27,771	12,338	(411)	11,927
Impairment of intangibles and other	0	0	0	0	0	0
Operating income (loss)	\$2,569	\$397	\$2,966	\$1,060	\$1,122	\$2,182
Add back depreciation	2,310		2,311	856		855
Less noncontrolling interests	(779)		(779)	22		22
Earnings before interest, tax, and depreciation (EBITDA less NCI)	\$4,101	\$397	\$4,498	\$1,937	\$1,122	\$3,059
EBITDA less NCI as a percentage of revenue	4.9%		5.3%	8.0%		12.6%



Home Health Segment Adjusted Segment Results – 2019 vs 2018

	Three months ended September 30,				Nine months ended September 30,			
	2019 Adjusted Home health services	% of rev	2018 Adjusted Home health services	% of rev	2019 Adjusted Home health services	% of rev	2018 Adjusted Home health services	% of rev
Net service revenue	\$375,599		\$360,000		\$1,113,887		\$925,013	
Cost of service revenue	234,729	62.5%	221,806	61.6%	685,190	61.5%	575,439	62.2%
Gross margin	140,870	37.5%	138,194	38.4%	428,697	38.5%	349,574	37.8%
General and administrative expenses	99,043	26.4%	97,973	27.2%	303,185	27.2%	256,427	27.7%
Operating income	\$41,827	11.1%	\$40,221	11.2%	\$125,512	11.3%	\$93,147	10.1%
Depreciation	2,557		2,469		7,369		6,934	
Noncontrolling interests	(3,577)		(3,425)		(11,305)		(9,471)	
Earnings before interest, tax, and depreciation (EBITDA less NCI)	\$40,807		\$39,265		\$121,576		\$90,610	
EBITDA less NCI as a percentage of revenue	10.9%		10.9%		10.9%		9.8%	

- Home Health Adjusted EBITDA margin in the third quarter of 2019 was in line with the Adjusted EBITDA margin in the same period in 2018. Gross margin declined by 90 basis points but was offset by 80 basis improvement in general and administrative expenses.
- For the nine months ended September 30, 2019, EBITDA increased 110 basis points due to 70 basis point improvement in gross margin and 50 basis point improvement in general and administrative expense.



Hospice Segment Adjusted Segment Results – 2019 vs 2018

	Three months ended September 30,				Nine months ended September 30,			
	2019 Adjusted Hospice services	% of rev	2018 Adjusted Hospice services	% of rev	2019 Adjusted Hospice services	% of rev	2018 Adjusted Hospice services	% of rev
Net service revenue	\$62,028		\$52,962		\$168,821		\$146,142	
Cost of service revenue	35,497	57.2%	34,119	64.4%	103,191	61.1%	95,135	65.1%
Gross margin	26,531	42.8%	18,843	35.6%	65,630	38.9%	51,007	34.9%
General and administrative expenses	15,081	24.3%	13,518	25.5%	43,380	25.7%	39,951	27.3%
Operating income	\$11,450	18.5%	\$5,325	10.1%	\$22,250	13.2%	\$11,056	7.6%
Depreciation	455		636		1,311		1,764	
Noncontrolling interests	(1,213)		(386)		(2,712)		(1,215)	
Earnings before interest, tax, and depreciation (EBITDA less NCI)	\$10,692		\$5,575		\$20,849		\$11,605	
EBITDA less NCI as a percentage of revenue	17.2%		10.5%		12.3%		7.9%	

- Hospice Adjusted EBITDA margin was 17.2% in the third quarter of 2019 which included a \$3.0m improvement in the implicit price concession that was a result of better overall cash collections. Normalized Adjusted EBITDA margin for the third quarter is 13.0%.
- For the nine months ended September 30, 2019, EBITDA increased 440 basis points due to improved gross margin and general and administrative expense driven by higher patient days.



Home and Community Based Services Segment Adjusted Segment Results – 2019 vs 2018

Three months ended September 30,					Nine months ended September 30,			
	2019 Adjusted HCBS services	% of rev	2018 Adjusted HCBS services	% of rev	2019 Adjusted HCBS services	% of rev	2018 Adjusted HCBS services	% of rev
Net service revenue	\$53,411		\$52,773		\$157,610		\$119,617	
Cost of service revenue	39,366	73.7%	39,691	75.2%	118,532	75.2%	90,163	75.4%
Gross margin	14,045	26.3%	13,082	24.8%	39,078	24.8%	29,454	24.6%
General and administrative expenses	10,720	20.1%	11,944	22.6%	32,009	20.3%	26,353	22.0%
Operating income	\$3,325	6.2%	\$1,138	2.2%	\$7,069	4.5%	\$3,101	2.6%
Depreciation	338		151		966		458	
Noncontrolling interests	180		87		757		156	
Earnings before interest, tax, and depreciation (EBITDA less NCI)	\$3,843		\$1,376		\$8,792		\$3,715	
EBITDA less NCI as a percentage of revenue	7.2%		2.6%		5.6%		3.1%	

- Home and Community-Based Services Adjusted EBITDA margin improved 460 basis points in the third quarter of 2019 compared to the same period in 2018. This was due to 150 basis point improvement in the gross margin and 250 basis point improvement in general and administrative expenses.
- For the nine months ended September 30, 2019, EBITDA increased 250 basis points due to 20 basis point improvement in gross margin and 170 basis point improvement in general and administrative expense.



Facility-Based Services Segment Adjusted Segment Results – 2019 vs 2018

	Three months ended September 30,				Nine months ended September 30,			
	2019 Adjusted Facility-based services	% of rev	2018 Adjusted Facility-based services	% of rev	2019 Adjusted Facility-based services	% of rev	2018 Adjusted Facility-based services	% of rev
Net service revenue	\$28,715		\$27,891		\$84,391		\$86,345	
Cost of service revenue	18,508	64.5%	19,007	68.1%	53,654	63.6%	57,105	66.1%
Gross margin	10,207	35.5%	8,884	31.9%	30,737	36.4%	29,240	33.9%
General and administrative expenses	9,498	33.1%	9,386	33.7%	27,771	32.9%	27,588	32.0%
Operating income (loss)	\$709	2.5%	(\$502)	-1.8%	\$2,966	3.5%	\$1,652	1.9%
Depreciation	785		767		2,310		2,031	
Noncontrolling interests	67		(27)		(779)		(129)	
Earnings before interest, tax and depreciation (EBITDA less NCI)	\$1,561		\$238		\$4,497		\$3,554	
EBITDA less NCI as a percentage of revenue	5.4%		0.9%		5.3%		4.1%	

- Facility-based Adjusted EBITDA margin improved 450 basis points in the third quarter of 2019 compared to the same period in 2018. This was due to an improvement in revenue per patient day from higher acuity driven by higher percentage of patients that meet the criteria for LTACH rates.
- For the nine months ended September 30, 2019, EBITDA increased 120 basis points.



Home Care Innovations Segment Adjusted Segment Results – 2019 vs 2018

	Three months ended September 30,				Nine months ended September 30,			
	2019 Adjusted HCI services	% of rev	2018 Adjusted HCI services	% of rev	2019 Adjusted HCI services	% of rev	2018 Adjusted HCI services	% of rev
Net service revenue	\$8,746		\$13,417		\$24,217		\$23,554	
Cost of service revenue	3,333	38.1%	4,703	35.1%	10,108	41.7%	10,080	42.8%
Gross margin	5,413	61.9%	8,714	64.9%	14,109	58.3%	13,474	57.2%
General and administrative expenses	2,986	34.1%	6,801	50.7%	11,927	49.3%	12,188	51.7%
Operating income (loss)	\$2,427	27.7%	\$1,913	14.3%	\$2,182	9.0%	\$1,286	5.5%
Depreciation	277		415		856		799	
Noncontrolling interests	9		0		22		66	
Earnings before interest, tax and depreciation (EBITDA less NCI)	\$2,713		\$2,328		\$3,060		\$2,151	
EBITDA less NCI as a percentage of revenue	31.0%		17.4%		12.6%		9.1%	

- Home Care Innovation Services Adjusted EBITDA margin improved in the third quarter of 2019 compared to the same period in 2018 due to the improvement in general and administrative expense driven by cost restructuring and synergies.
- The decrease in revenue in the third quarter of 2019 as compared to the third quarter in 2018 is mainly due to the sale of the Ingenios Health business which occurred in March 2019.
- For the nine months ended September 30, 2019, EBITDA increased 350 basis points.

2019 Guidance compared to 2018

	FY 2018 Adjusted Results <i>(in millions except for EPS data)</i>	FY 2019 Guidance Midpoint <i>(in millions except for EPS data)</i>	Growth in 2019 over 2018
Revenue	\$1,810	\$2,115	+16.9%
EPS	\$3.55	\$4.40	+23.9%
EBITDA	\$162	\$217	+34.0%

- Raised EPS guidance to a range of \$4.35 to \$4.45
 - Tax benefit in the third quarter of 2019 in the amount of \$1.4 million, or \$0.05 per diluted share
 - Improvement in adjusted hospice and HCBS segment margins
- Affirmed revenue and EBITDA guidance:
 - Net service revenue of \$2.09 billion to \$2.14 billion
 - Adjusted EBITDA of \$214 million to \$220 million

Almost Family Integration Updates

- ✓ On pace to finish system conversions by end of 2019
- ✓ 87% of Almost Family locations are converted to LHC Group version of Homecare Homebase; those locations have already demonstrated 1.2% sequential growth since conversion.
- ✓ The quality star ratings of Almost Family agencies was up to 3.82 in the CMS October release, compared with 3.62 at the time of merger. 60% of AFAM agencies are now 4 stars or greater compared to 47% at the time of merger.
- ✓ AFAM sequential home health same store admission growth from Q3 2019 to Q4 2019 is pacing to approximately a positive 2% as compared to negative 3% from Q3 2018 to Q4 2018 as system conversions wind down.

Accelerated Acquisition and Joint Venture Momentum in 2019

Acquisition/Joint Venture	Partner	State	Date Closed	Locations	Annual Revenue
Unity Health Homecare	Unity Health	Arkansas	1/31/2019	2	\$3,500,000
Geisinger Home Health and Hospice	Geisinger/AtlantiCare	Pennsylvania/ New Jersey	4/1/2019 6/1/2019	13	\$35,000,000
VNA of Maryland	N/A	Maryland	8/1/2019	2	\$35,000,000
Central Missouri Home Health	Capital Regional Medical Center	Missouri	8/1/2019	3	\$3,500,000
Atmore Hospital Home Health	Atmore Community Hospital	Alabama	8/1/2019	1	\$2,000,000
Comfort Home Care	N/A	Ohio	8/1/2019	2	\$2,000,000
LifePoint Health	LifePoint Health	Arizona/Idaho/ Ohio	12/1/2019E	3	\$3,600,000
Life Wellness Home Health	N/A	Nevada	12/1/2019E	1	\$2,100,000
Total acquired or announced revenue in 2019					\$86,700,000

Industry-Leading Quality and Patient Satisfaction

Quality	Oct 2019 LHC Actual	Oct 2019 National Average	July 2019 LHC Actual	July 2019 National Average
LHC Group	4.65	3.28	4.65	3.27
Almost Family	3.82	3.28	3.78	3.27
Combined	4.30	3.28	4.27	3.27

Patient Satisfaction	Oct 2019 LHC Actual	Oct 2019 National Average	July 2019 LHC Actual	July 2019 National Average
LHC Group	4.41	3.72	4.26	3.64
Almost Family	3.86	3.72	3.72	3.64
Combined	4.19	3.72	4.05	3.64

- 97% of LHC locations have CMS 4 stars or greater for quality



- 93% of LHC same-store locations have CMS 4 stars or greater for patient satisfaction



- 100% of LHC Group agencies are Joint Commission accredited or are in the accreditation process
- Fewer than 15% of all home care agencies nationwide earn Joint Commission accreditation



Debt and Liquidity Metrics

Outstanding Debt <i>(amounts in thousands)</i>	As of Sept 30, 2019	Credit Facility <i>(amounts in thousands)</i>	As of Sept 30, 2019
Total Debt – Balance Sheet	\$232,000	Revolver Size	\$500,000
Less: Cash	\$29,302	Less: Outstanding Revolver	\$232,000
Net Debt	\$202,698	Less: Letters of Credit	<u>\$22,300</u>
Net debt to estimated 2019 adjusted EBITDA ratio	0.93x	Available Revolver	\$245,700
		Plus: Cash	\$29,302
		Plus: Accordion	<u>\$200,000</u>
		Total Liquidity	\$475,002

Cash Flow <i>(amounts in thousands)</i>	As of Sept 30, 2019
Free Cash Flow (9 Months Ended)	\$75,372
+ Cash adjustments to Q3 2019 EBITDA	33,227
= Adjusted Free Cash Flow (9 Months Ended)	\$108,599
DSO's	50 days

Focus for 2020

- ✓ Successful execution of our PDGM clinical pathway and efficiency plan
- ✓ Continue to lead the industry in quality and patient satisfaction scores
- ✓ Continue to capture incremental growth from raising Almost Family quality scores to LHCG standards
- ✓ Maintain disciplined capital allocation with new joint ventures and other M&A activity
- ✓ Accelerate plans for unlocking untapped potential of co-location strategy
- ✓ Maximize value of Healthcare Innovations business
- ✓ Capture market share gains and incremental contributions from recent joint ventures and other acquisitions
- ✓ Capture opportunistic share in each market from anticipated consolidation caused by PDGM and RAP elimination
- ✓ Continue our focus as an industry leader in key areas around employee recruitment and retention including vacancy rate and voluntary turnover

Non-GAAP Reconciliations (Amounts in thousands, unaudited)

RECONCILIATION OF REVENUE AFTER ADOPTION OF ASU 2014-09

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
Net Service Revenue, pre-adoption	\$532,026	\$514,118	\$1,568,084	\$1,319,840
Less: Implicit price concession ⁽¹⁾	3,527	7,075	19,158	19,719
Net Service Revenue, post-adoption	\$528,499	\$507,043	\$1,548,926	\$1,300,121

RECONCILIATION OF ADJUSTED NET INCOME ATTRIBUTABLE TO LHC GROUP

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
Net income attributable to LHC Group, Inc.'s common stockholders	\$30,067	\$21,230	\$73,923	\$43,022
Add (net of tax):				
Almost Family and other acquisition expenses ⁽²⁾	8,482	7,118	20,463	19,289
Closures/relocations/consolidations ⁽³⁾	941	2,335	4,722	4,799
Excess tax benefit ⁽⁴⁾	—	(1,200)	—	(1,200)
Income tax effect of adjustments to income	—	—	—	689
Provider moratorium impairment ⁽⁵⁾	—	—	4,332	—
Adjusted net income attributable to LHC Group, Inc.'s common stockholders	\$39,490	\$29,483	\$103,440	\$66,599

Non-GAAP Reconciliations (Amounts in thousands, unaudited)

RECONCILIATION OF ADJUSTED NET INCOME ATTRIBUTABLE TO LHC GROUP PER DILUTED SHARE

	Three Months Ended September 30,		Six Months Ended September 30,	
	2019	2018	2019	2018
Net income attributable to LHC Group, Inc.'s common stockholders	\$0.96	\$0.68	\$2.37	\$1.61
Add (net of tax):				
Almost Family and other acquisition expenses ⁽²⁾	0.27	0.23	0.66	0.72
Closures/relocations/consolidations ⁽³⁾	0.03	0.08	0.15	0.18
Excess tax benefit ⁽⁴⁾	—	(0.04)	—	(0.05)
Income tax effect of adjustments to income	—	—	—	0.03
Provider moratorium impairment ⁽⁵⁾	—	—	0.14	—
Adjusted net income attributable to LHC Group, Inc.'s common stockholders	\$1.26	\$0.95	\$3.32	\$2.49

Footnotes:

1. All amounts previously classified as provision for bad debts are now classified as implicit price concessions in determining the transaction price of the Company's net service revenue.
2. Transition, integration and Homecare Homebase conversion expenses and other costs associated with the acquisition of Almost Family and other recently announced or completed acquisitions (\$11.7 million pre-tax in the three months ended Sept 30, 2019 and \$28.3 million in the nine months ended Sept 30, 2019).
3. Expenses and impairments associated with the closure or consolidation of 3 locations in the third quarter of 2019 along with residual costs and expenses in connection with closures in prior periods (\$1.3 million pre-tax in the three months ended Sept 30, 2019 and \$6.5 million in the nine months ended Sept 30, 2019).
4. Tax benefit due to the exercise of stock options related to the Almost Family acquisition.
5. During the six months ended June 30, 2019, the Company recorded \$6.0 million of moratoria impairment as a result of the Centers for Medicare and Medicaid Services ("CMS") action to remove all federal moratoria with regard to Medicare provider.

Non-GAAP Reconciliations (Amounts in thousands, unaudited)

- Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (Adjusted EBITDA)

	Three Months Ended Sept 30,		Nine Months Ended Sept 30,	
	2019	2018	2019	2018
Net income	\$30,067	\$21,230	\$73,923	\$43,022
Add:				
Income tax expense	9,508	6,685	22,665	14,832
Interest expense, net	2,596	3,264	8,533	7,916
Depreciation and amortization	4,412	4,438	12,812	11,986
Adjustment items (1)	13,033	13,165	40,841	33,879
Adjusted EBITDA	\$59,616	\$48,782	\$158,774	\$111,635

(1) Adjustment items (pre-tax):

Almost Family merger and other acquisition expenses	\$11,731	\$9,914	\$28,305	\$27,114
Closures/relocation/consolidations	1,302	3,251	6,536	6,765
Provider moratorium impairment	0	0	6,000	0
Total adjustments	\$13,033	\$13,165	\$40,841	\$33,879



It's all about helping people.