



Federal Court rules in favor of Teladoc, blocking Texas Medical Board rule and preserving telehealth in Texas

Teladoc service to millions of Texans continues uninterrupted

DALLAS (May 29, 2015) – Millions of Texans will continue to benefit from telehealth, the increasingly popular health care delivery method, after a federal court today blocked a recent action by the Texas Medical Board. Issuing his injunction, Judge Robert Pitman, U.S. District Court for the Western District of Texas, indicated that Teladoc is likely to succeed in showing that the revisions to Rule 190.8 adopted in April by the Texas Medical Board illegally limit competition by requiring a face-to-face visit before physicians are allowed to prescribe medication to patients.

Judge Pitman's ruling prohibits the enforcement of the revised rule until after trial to determine whether it violates the law. This decision marks the sixth occasion in the last four years that the courts have sided with Teladoc against the Texas Medical Board's repeated attempts to limit access to affordable, quality health care in the state.

"Not only is telehealth the wave of the future, but Texas physicians have been treating patients without a prior in-person visit for decades," said Jason Gorevic, chief executive officer of Teladoc, the nation's first and largest telehealth company. "We are happy to be able to continue serving Texas citizens, employers and health plans by enabling them to access high-quality care in a cost-effective manner."

Teladoc provides 24/7 access to affordable, high-quality medical care via phone or interactive video, and treats people experiencing non-emergency medical issues such as sinus problems, urinary tract infections, bronchitis and poison ivy. The company, which operates across the country, has been serving Texans for more than 10 years and has more than 2.4 million members in the state.

The medical board, charged with regulating medical practice in Texas, adopted revisions to Rule 190.8 on April 10. Teladoc filed a lawsuit on April 29 against the Texas Medical Board and its members asserting that, in adopting its revisions to the rule, they violated federal law, including the Sherman Antitrust Act, which has protected free-market business innovations from cartels and monopolies for more than 100 years.

Prior to adopting the revised rule, the Texas Medical Board received hundreds of comments from consumers, physicians, and businesses opposing the revisions to Rule 190.8 and supporting both the efficacy and the safety of telehealth. "The medical board claims to be motivated by concerns about patient safety," said Adam Vandervoort, chief legal officer of Teladoc. "However, they failed to produce evidence during their rulemaking process to support the position that telehealth poses a patient safety risk. Additionally, the board offered no evidence of any harm done by telehealth during the federal court proceeding in opposition to Teladoc's request for an injunction."

In fact, Teladoc reports independently verified results of 95 percent customer satisfaction and 92 percent of patient medical issues resolved. All Teladoc physicians are board-certified and state-licensed, with an average of 20 years of experience. Teladoc is the first and only telehealth provider certified by the National Committee for Quality Assurance and has never been the subject of a malpractice claim.

“With this latest episode behind us, we look forward to delivering the full value of telehealth to the people of Texas indefinitely,” said Gorevic. “In the face of increasing physician shortages and rising health care costs, other states across the country have found solutions that embrace telehealth, and all its benefits, while ensuring patient safety. Today’s court ruling allows Texans to continue enjoying these benefits as well.”

About Teladoc

Founded in 2002, Teladoc is the nation’s first and leading telehealth provider with 10 million members and is on track to conduct more than 500,000 consults during 2015. Teladoc provides 24/7 access to affordable, high-quality medical care for adults and children experiencing non-emergency medical issues via phone, secure online video, mobile app or web. Through a directly-managed network of U.S.-based, board-certified physicians, Teladoc delivers a 95 percent patient satisfaction rate with an average response time of less than 10 minutes. Teladoc is the first and only telehealth provider to receive certification from the National Committee for Quality Assurance (NCQA) for its physician credentialing process, scoring 100 percent. Recognized by *Fast Company* as “One of World’s Most Innovative Companies in Health Care” in 2013, Teladoc partners with health plans, corporations, organizations and patients seeking accessible and affordable high-quality medical care. For more information, please visit teladoc.com.

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