

# FT PARTNERS FINTECH INDUSTRY RESEARCH

October 6, 2016

## Welltok®

### Welltok Raises \$33.7 million in Series E Financing From 14 Investors

NEA®

BESSEMER  
VENTURE PARTNERS

Georgian  
Partners

emergence  
CAPITAL

edbi

SIGMA+  
PARTNERS

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Okäpi®  
Venture Capital

Trustmark

QUALCOMM®  
VENTURES

MIRAMAR  
VENTURE PARTNERS

HH  
HEARST HEALTH  
ventures

## Overview of FT Partners

- Financial Technology Partners ("FT Partners") was founded in 2001 and is the only investment banking firm focused exclusively on FinTech
- FT Partners regularly publishes research highlighting the most important transactions, trends and insights impacting the global Financial Technology landscape. Our unique insight into FinTech is a direct result of executing hundreds of transactions in the sector combined with over 15 years of exclusive focus on Financial Technology

### FT Partners' Advisory Capabilities



### FT Partners' FinTech Industry Research

FINTECH RESEARCH & INSIGHTS

- In-Depth Industry Research Reports
- Proprietary FinTech Infographics
- Monthly FinTech Market Analysis
- FinTech M&A / Financing Transaction Profiles



**The Information**

Named Silicon Valley's #1 FinTech Banker (2016) and ranked #2 Overall by *The Information*



Ranked #4 Most Influential Person in all of FinTech in *Institution Investor's* "FinTech Finance 35"



Numerous Awards for Transaction Excellence including "Deal of the Decade"

Steve McLaughlin: *Founder & CEO*

Tel: 415.992.8880

[steve.mclaughlin@ftpartners.com](mailto:steve.mclaughlin@ftpartners.com)

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# Welltok Raises \$33.7 million in Series E Financing

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## Transaction Summary

### Transaction Summary

- On October 6, 2016, Welltok raised \$33.7 million in Series E financing
  - Investors participating in the financing round include New Enterprise Associates, Bessemer Venture Partners, Georgian Partners, Emergence Capital, InterWest Partners, Sigma Partners, HLM Venture Partners, Flare Capital Partners, Trustmark, Qualcomm Life Fund, Hearst Health Ventures, Singapore-based EDBI, Okapi Venture Capital and Miramar Ventures
  - In addition, Welltok secured a \$13 million debt facility from Silicon Valley Bank
- The Company will use the financing to continue developing its CaféWell Health Optimization Platform and other complementary tech-enabled services, as well as expand into new market segments
  - CaféWell helps population managers customize health “itineraries” for patients
- The additional funding is a significant milestone for Welltok, which was most recently recognized as an Inc. 5000 fastest growing company in America for the second consecutive year
  - Company growth has been driven through strong organic as well as inorganic growth, including the strategic acquisitions of Silverlink Communications, Predilytics and IncentOne

### Transaction Commentary

*“We have clearly defined and established the need for a consumer enterprise platform that systematically connects individuals with the resources, benefits and support available to help them achieve and sustain their optimal health. What continues to attract investors and customers is the maturity of our platform and services, and our ability to deliver an unparalleled personalized experience for consumers on behalf of their sponsors.”*

Welltok®

Jeff Margolis  
Chairman & CEO



### Management



Jeff Margolis  
Chairman & CEO



Linda Fenton  
SVP, CFO



Philip Tamminga  
COO



Brian Garcia  
CTO



Scott Rotermund  
Co-Founder, Chief  
Growth Officer



Maneesh Goyal  
SVP, Corporate  
Development

# Welltok Raises \$33.7 million in Series E Financing

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Welltok®

## Welltok Overview

### Company Overview

CEO: Jeff Margolis  
Headquarters: Denver, CO  
Founded: 2009

Welltok®

- Welltok provides the healthcare industry with a SaaS-based consumer enterprise platform for patient engagement, analytics and rewards programs
- The Company enables health plans and other sponsors to efficiently and effectively engage, activate and reward consumers, to drive greater healthcare value across all types of populations

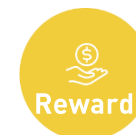
### Selected Previous Equity Financings

Date	Type	Size (\$ mm)	Investor(s)
01/08/15	Series D	\$37	Catholic Health Initiatives, BESSEMER VENTURE PARTNERS, NEA, HEARSTHEALTH ventures, QUALCOMM VENTURES, EMERGENCE CAPITAL PARTNERS, iw INTERWEST PARTNERS
03/13/14	Series C	22	MIRAMAR VENTURE PARTNERS, NEA, QUALCOMM VENTURES, iw INTERWEST PARTNERS, Okäpi Venture Capital, EMERGENCE CAPITAL PARTNERS, IBM Ventures
04/10/13	Series B	19	NEA, EMERGENCE CAPITAL PARTNERS, iw INTERWEST PARTNERS
08/24/11	Series A	5	Okäpi Venture Capital, Jeffrey Margolis

### Products & Services Overview



- CaféWell Health Optimization Platform is a Software as a Service (SaaS) solution that leverages cognitive computing to create personalized, adaptive health itineraries
- The platform factors in patient variables that impact an individual's health such as demographics, health status and available benefits to provide personalized guidance toward optimized health
- The platform enables organizations to effectively target, engage and guide behavior at the individual level—helping users meet their personal goals and optimize their health



### Multi-Channel Engagement Services

- Drives engagement by delivering the right combination of automated calls, email, SMS text, direct mail, web and live agent calls based on consumer preferences and needs
- Welltok has conducted more than 80,000 campaigns, sending out over one billion communications on behalf of the nation's largest health plans and pharmacy benefit management plans
- Services are proven to elevate your programs by communicating with consumers in a highly personalized way, which helps organizations improve Star ratings, HEDIS measures, outreach efficiencies, and the consumer experience



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Welltok®

## Engagement in Health Insurance

### Key Drivers

**Engagement in health insurance has become a major focus...**<sup>(1)</sup>

- The ACA has and will continue to cause increased competition in the market and poses new regulatory challenges to providers, payers and consumers
- With more competition, health insurers need **greater product differentiation** achieved through better member experience or customization
- Regulatory changes that **ban payers from denying coverage** are driving innovation for reimbursement models
  - Transition from “fee-for-service” to pay-for-performance or value-based care & bundled payments
- ACA highlights the need for **improved communication and information sharing**
  - Focus on programs to facilitate evidence-based medicine and point of service tools

### Other key trends include...

- **Big Data** and the increase in use of **wearable technology** are enabling and creating higher levels of engagement and involvement in consumers’ personal health
- **mHealth / Telehealth** makes it easier to become involved with a provider or payer on a frequent basis

### Example Companies



A leader in the space, Eliza is an engagement and population analytics platform integrating proprietary data assets and omni-channel outreach technology to deliver mission-critical results for providers and health plans

eliza®

ACCOLADE®



Welltok®

### Acquisitions in the Space

Welltok®

Silverlink®

Welltok’s CafeWell Health Optimization Platform, combined with Silverlink’s proactive engagement technology will enable population health managers, health plans, and government programs to reach and influence all types of consumers on an individual level

IBM Watson Health

PHYTEL

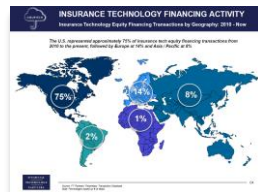
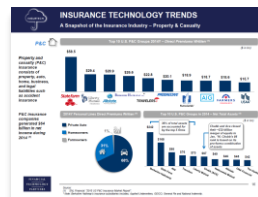
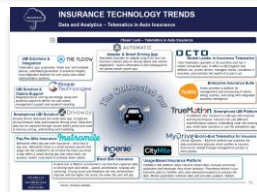
explorys

IBM Watson Health was launched in April 2015 alongside the acquisition of clinical health data company, Explorys. One month later IBM also acquired population health management provider, Phytel; the acquisitions strengthened IBM’s new (at the time) Watson Health division in its efforts to utilize advanced analytics and cognitive computing to help providers, hospitals and payers improve health outcomes.



## FT Partners Research – InsurTech Industry Report

### Prepare for the InsurTech Wave: Overview of Key Insurance Technology Trends



**FT Partners' 248-page report** provides an in-depth look at the major waves of innovation and disruption that are beginning to radically alter the insurance industry.

*Additional highlights of the report include:*

- An analysis of specific trends across: Insurance Distribution, Sales, Marketing and Engagement, Data and Analytics and Insurance Administration
- The responses of incumbents to date including the innovations, investments, partnerships and acquisitions being made to stay ahead of the game
- Proprietary InsurTech financing and M&A statistics and a comprehensive list of transactions in the space
- A detailed industry landscape of InsurTech providers as well as other innovative, tangential companies and profiles of 54 companies operating in the InsurTech ecosystem

**Please visit our [website](#) for more proprietary FinTech Research & Follow FT Partners on [Twitter](#) and [LinkedIn](#) for real time updates on our Research Publications**

## Selected FT Partners' Research – Click to View

September 29, 2016  
Financial Technology Partners

FT Partners Research – Transaction Profile

**InstaMed**  
Healthcare Payments Simplified

secures  
**\$50 million**  
from  
**CARRICK**  
Investing more than capital

Courtesy of:  
The Only Investment Bank  
Focused Exclusively on Financial Technology

Steve McLaughlin  
Managing Partner  
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www.ftpartners.com

InstaMed Secures \$50 mm in Financing

September 14, 2016  
Financial Technology Partners

FT Partners Research – Transaction Profile

**AtoS**  
acquires  
**onthelio**  
A digital anti-Arrest solution  
for approximately  
**\$275 million**

Courtesy of:  
The Only Investment Bank  
Focused Exclusively on Financial Technology

Steve McLaughlin  
Managing Partner  
Tel: 415.512.8700  
www.ftpartners.com

AtoS acquires Onthelio for \$275 mm

August 26, 2016  
Financial Technology Partners

FT Partners Research – Transaction Profile

**ClearCare**  
Helping you care for others

raises  
**\$60 million**  
in financing led by  
**BV**  
Bancroft Ventures

Courtesy of:  
The Only Investment Bank  
Focused Exclusively on Financial Technology

Steve McLaughlin  
Managing Partner  
Tel: 415.512.8700  
www.ftpartners.com

ClearCare Raises \$60 mm in Financing

August 15, 2016  
Financial Technology Partners

FT Partners Research – Transaction Profile

**ACCOLADE**  
raises  
**\$70 million**  
in additional Series E financing led by  
**ANDREESSEN  
HOROWITZ** & **MADRONA  
VENTURE GROUP**

Courtesy of:  
The Only Investment Bank  
Focused Exclusively on Financial Technology

Steve McLaughlin  
Managing Partner  
Tel: 415.512.8700  
www.ftpartners.com

Accolade Raises \$70 mm in Additional Series E Financing

July 18, 2016  
Financial Technology Partners

FT Partners Research – Transaction Profile

**evolent**  
HEALTH  
acquires  
**Valence Health**  
for  
**\$145 million**

Courtesy of:  
The Only Investment Bank  
Focused Exclusively on Financial Technology

Steve McLaughlin  
Managing Partner  
Tel: 415.512.8700  
www.ftpartners.com

Evolent Health Acquires Valence Health for \$145 mm

July 21, 2016  
Financial Technology Partners

FT Partners Research – Transaction Profile

**McKESSON**  
and  
**CHANGE**  
HEALTHCARE  
form new HCIT company

Courtesy of:  
The Only Investment Bank  
Focused Exclusively on Financial Technology

Steve McLaughlin  
Managing Partner  
Tel: 415.512.8700  
www.ftpartners.com

McKesson and Change Healthcare form new HCIT Company

June 22, 2016  
Financial Technology Partners

FT Partners Research – Transaction Profile

**MedData**  
acquires  
**CARDON OUTREACH**  
for  
**\$400 million**

Courtesy of:  
The Only Investment Bank  
Focused Exclusively on Financial Technology

Steve McLaughlin  
Managing Partner  
Tel: 415.512.8700  
www.ftpartners.com

MedData Acquires Cardon Outreach for \$400 mm

October 15, 2015  
FINANCIAL TECHNOLOGY PARTNERS  
FTP Securities LLC

is pleased to announce its exclusive role as sole strategic and financial advisor to

**benaissance**  
in its sale to  
**wex**  
for a total consideration of  
**\$80,000,000**

Courtesy of:  
The Only Investment Bank  
Focused Exclusively on Financial Technology

Steve McLaughlin  
Managing Partner  
Tel: 415.512.8700  
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Benaissance's Sale to WEX for \$80 mm

VIEW MORE FT PARTNERS RESEARCH

## FT Partners is the Leader in Financial Technology Investment Banking

<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p><b>enaissance</b></p> <p>in its sale to</p> <p><b>wex</b></p> <p>for a total consideration of</p> <p><b>\$ 80,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as Capital Markets &amp; IPO Advisor to</p> <p><b>ACCRETIVE HEALTH</b> results providers trust</p> <p>in its</p> <p><b>\$138,000,000</b> <b>Initial Public Offering</b> valuing the equity at approximately</p> <p><b>\$ 1,200,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as Capital Markets &amp; IPO Advisor to</p> <p><b>Performant</b></p> <p>in its</p> <p><b>\$93,150,000</b> <b>Initial Public Offering</b> valuing the equity at approximately</p> <p><b>\$ 453,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p><b>AmWINS</b> Group, Inc.</p> <p>in its growth recapitalization by</p> <p><b>NMC</b> NEW MOUNTAIN CAPITAL LLC</p> <p>valued at approximately</p> <p><b>\$ 1,300,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as exclusive Strategic and Financial advisor to</p> <p><b>ZYWAVE</b></p> <p>in its sale of</p> <p><b>Zywave Insurance Solutions</b> to</p> <p><b>AURORA</b> CAPITAL GROUP</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>
<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p><b>insureon</b></p> <p>in its equity capital raise led by</p> <p><b>OAK HC/FT</b></p> <p>for total consideration of</p> <p><b>\$ 31,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p><b>aplifi</b> We Simply Selling Insurance</p> <p>in its sale to</p> <p><b>iPipeline</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p><b>square</b> trade protection plans</p> <p>in its recapitalization by</p> <p><b>BainCapital</b> <b>Ventures</b></p> <p>of approximately</p> <p><b>\$ 238,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as strategic and financial advisor to</p> <p><b>SAFE-GUARD</b></p> <p>on its sale to an Affiliate of</p> <p><b>Goldman Sachs</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p><b>insureon</b></p> <p>in its acquisition of</p> <p><b>IN insurance NOODLE</b></p> <p>a subsidiary of</p> <p><b>Willis</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>

FT Partners has advised on some of the most prominent transactions in the Healthcare and Insurance IT sectors



## FT Partners Advises on \$80 million Sale of Benaissance

### Overview of Transaction

- On October 15, 2015, Benaissance, LLC (“Benaissance” or the “Company”) announced it has entered into a definitive agreement to be acquired by WEX for \$80mm
- Headquartered in Omaha, NE, Benaissance is a leading provider of integrated Software-as-a-Service (SaaS) technologies and services for healthcare premium billing, payment and workflow management
  - Existing investors include Omaha-based, McCarthy Capital
- WEX is a leading, multi-channel provider of corporate payment solutions representing more than 9 million vehicles and serving a wide variety of business sectors
- The transaction is expected to close in the fourth quarter of 2015 and is subject to applicable regulatory approvals and other customary closing conditions

### Significance of Transaction

- Represents a highly-attractive outcome for both Benaissance and WEX
- Combined resources and expertise of Benaissance and WEX position the Company extraordinarily well to further its leadership in the marketplace
- Enables WEX to provide an expanded and differentiated payments solution in order to grow its addressable market opportunity and wallet share in the healthcare market
- Benaissance will be integrated with WEX’s existing Evolution1 platform creating an opportunity for potential synergies as the businesses already share a number of mutual partners and customers

### FT Partners’ Role

- FT Partners served as exclusive strategic and financial advisor to Benaissance and its Board of Directors
- Transaction highlights FT Partners’ continued success advising leading companies and generating highly successful outcomes in the Healthcare / Benefits IT and Services space

### Financial Technology Partners LP FTP Securities LLC

*is pleased to announce its role as  
exclusive strategic and financial advisor to*



*in its sale to*



*for total consideration of*

**\$ 80,000,000**



*The Only Investment Bank  
Focused Exclusively on Financial Technology*

## Award-Winning Investment Banking Franchise Focused on Superior Client Results

**FT Partners has been recognized as Investment Banking Firm of the Year and regularly achieves Merger and Financing Deal of the Year recognition**



M&A Advisor Awards



Middle Market Financing Awards

2016	<ul style="list-style-type: none"> <li>Investment Banking Firm of the Year</li> <li>Cross Border Deal of the Year</li> </ul>
2015	<ul style="list-style-type: none"> <li>Dealmaker of the Year</li> <li>Technology Deal of the Year</li> </ul>
2014	<ul style="list-style-type: none"> <li>Equity Financing Deal of the Year</li> <li>Professional Services Deal of the Year, Above \$100mm</li> </ul>
2012	<ul style="list-style-type: none"> <li>Dealmaker of the Year</li> <li>Professional Services Deal of the Year, Above \$100mm</li> </ul>
2011	<ul style="list-style-type: none"> <li>Boutique Investment Bank of the Year</li> <li>Deal of the Decade</li> <li>10 Deal of the Year Nominations Across 9 Categories</li> </ul>
2010	<ul style="list-style-type: none"> <li>Upper Middle Market Deal of the Year, Above \$500 mm</li> <li>IT Services Deal of the Year, Below \$500mm</li> <li>Cross-Border Deal of the Year, Below \$500mm</li> </ul>
2007	<ul style="list-style-type: none"> <li>Dealmaker of the Year – Steve McLaughlin</li> <li>Business to Business Services Deal of the Year</li> <li>Computer and Information Technology Deal of the Year, Above \$100mm</li> <li>Financial Services Deal of the Year, Above \$100mm</li> </ul>
2015	<ul style="list-style-type: none"> <li>Steve McLaughlin ranked #4 in Institutional Investor's FinTech 35 List</li> </ul>
2006 - 2008	<ul style="list-style-type: none"> <li>Consecutively ranked (2006, 2007 and 2008) among the top Bankers in Financial Technology</li> </ul>
2008	<ul style="list-style-type: none"> <li>Equity Financing Dealmaker of the Year – Steve McLaughlin</li> <li>Information Technology Deal of the Year</li> <li>Financial Services Deal of the Year</li> </ul>
2006	<ul style="list-style-type: none"> <li>Financing Professional of the Year – Steve McLaughlin</li> <li>Financing Deal of the Year - Equity</li> <li>Financing Deal of the Year - Debt</li> </ul>

## The FT Partners Senior Banker Team

Name / Position	Prior Background	Experience / Education	Years of Experience
<b>Steve McLaughlin</b> <i>Founder, CEO and Managing Partner</i>		<ul style="list-style-type: none"> <li>Formerly with Goldman, Sachs &amp; Co. in New York and San Francisco from 1995-2002</li> <li>Formerly Co-Head of Goldman Sachs' Financial Technology Group (#1 market share)</li> <li>Wharton M.B.A.</li> </ul>	21
<b>Larry Furlong</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly with Goldman, Sachs &amp; Co. in New York, London and Los Angeles beginning in 1995</li> <li>Wharton M.B.A.</li> </ul>	21
<b>Greg Smith</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly award winning Equity Research Analyst at Merrill Lynch / J.P. Morgan / Sterne Agee</li> <li>Recent coverage included DST, ENV, FISV, FIS, V, MA, GPN &amp; HPY among others</li> </ul>	20
<b>Steve Stout</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly with J.P. Morgan and UBS</li> <li>Formerly Global Head of Strategy at First Data</li> </ul>	18
<b>Tim Wolfe</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly with Goldman, Sachs &amp; Co. beginning in 2000</li> <li>Started at FT Partners in 2002</li> <li>40 Under 40 M&amp;A Advisor Award Winner 2013</li> <li>Harvard M.B.A.</li> </ul>	14
<b>Andrew McLaughlin</b> <i>Managing Director, Research &amp; Business Development</i>		<ul style="list-style-type: none"> <li>Leads FT Partners' Research and Business Development Team</li> <li>Formerly with Deloitte Consulting</li> </ul>	10