

BEDFORD FUNDING MAKES \$50 MILLION INVESTMENT IN TELEHEALTH LEADER MDLIVE

\$1.4B Private Equity Firm Expands HealthTech Portfolio in Burgeoning Virtual Care Sector

WHITE PLAINS, NY – June 24, 2015 – [Bedford Funding](#), a private equity firm specializing in technology investments in the Healthcare and Human Capital Management markets, today announced an investment from its HealthTech Fund, Bedford Funding II, with a \$50 million growth equity investment in [MDLIVE, Inc.](#), a Florida-based telehealth solutions provider through voice, video and mobile devices. Bedford Funding II is exclusively focused on strategic investments within the Healthcare IT arena designed to increase efficiency, enable collaboration, accelerate improved diagnostic outcomes and address the changing models of provider-patient delivery and care.

“MDLIVE is delivering a transformative virtual care technology and services platform that meets the healthcare industry at an important pivot point. We are in the midst of a critical shift in the US as the control over health and wellness action and decision-making transitions from the provider to the patient and consumer,” said John Sculley, vice chairman of the board of MDLIVE and former CEO of Pepsi and Apple. “We find in Bedford Funding the like-minded passion for innovation that enables progress and change in the healthcare sector.”

“With increasing costs and inefficiencies impacting a healthcare system already taxed by a clinical shortage and growing expectation to improve patient outcomes, a perfect storm is brewing,” said Charles S. Jones, Managing Partner of Bedford Funding. “Our investment in MDLIVE underscores Bedford Funding’s strongly focused commitment to accelerating advancements in the HealthTech sector. As government intervention and public policy fail, technology innovation and human ingenuity, powered by a strengthening economy and increasing technology adoption, come together to solve problems and drive better healthcare experiences and results. Through our strategic investment focus, we intend to continue to be an advocate for change and improvement by identifying and propelling innovative technology solutions at this important inflection point for healthcare in America.”

MDLIVE solves access, cost and quality of care patient challenges through a telehealth platform that matches consumer demand and physician availability in real time, while offering employers, insurers and health care systems an attractive, cost-effective and innovative alternative for their beneficiaries through the MDLIVE platform. The company recently announced a strategic partnership with Walgreens extending the pharmacy chain’s reach to provide customers nationwide with around the clock access to physicians through a direct-to-consumer program targeting over 100 million individuals across the U.S. MDLIVE also developed a strategic video collaboration partnership with Microsoft that has resulted in the first delivery of telehealth services through the Skype platform. In addition, MDLIVE has executed

contracts with three of the top five U.S. health plans, representing 800 hospital partners, as telehealth emerges as an essential service asset for providers.

To view a brief video about MDLIVE, [click here](#).

“MDLIVE is building out a comprehensive, integrated virtual care offering that will fundamentally change the way people relate to doctors and insurers,” said Rock Morphis, Managing Director of Heritage Group and MDLIVE Board member. “We are very pleased that Bedford Funding passionately embraces the MDLIVE mission and the company will benefit from its long and proven track record of creating value in growing technology companies.”

“Bedford Funding is an ideal financial partner for MDLIVE, with its focus on healthcare information technology and operational expertise,” said Randy Parker president and chief executive officer of MDLIVE. “Together, we will accelerate the adoption of a fully integrated virtual health system that transforms health care in the United States as we know it – expanding access to care, improving quality and ultimately reducing costs.”

Today’s news expands Bedford Funding’s commitment in HealthTech with another investment in transformational technology that will redefine the healthcare industry and the ways in which consumers, providers and insurers operate and collaborate. In the spring of 2013, Bedford Funding acquired Virginia-based KZO Innovations, a leading video collaboration platform, and, in the beginning of 2014, the private equity firm made a strategic investment in Florida-based Voalte, a pioneer in enterprise mobile healthcare communications. Following the investment and Board involvement from Bedford Funding, KZO and Voalte each have realized dramatic growth, with 50 percent year-over-year revenue growth for KZO and more than 110 percent year-over-year growth for Voalte.

Mr. Jones concluded, “Today, we are investing in a business that has already seen incredible market success, impressive prior investment, strong intellectual capital and experience at the Board level and compelling, inspirational leadership in its CEO, Randy Parker. MDLIVE is well-positioned to become a multi-billion dollar business in a very large industry currently experiencing a rapid expansion phase. We have every confidence that this company will be a major winner in the space, and we anticipate follow-on investments in support of the strategy and execution of this business.”

Raymond James Health Care Investment Banking was the financial advisor and Goodwin Proctor and Jones Day provided legal and regulatory advice to Bedford on the transaction.

About MDLIVE

Founded in 2009 and headquartered in Sunrise, Florida, MDLIVE is a leading provider of integrated virtual health services, offering online and on-demand health care that benefits consumers, employers, payers, hospitals, physician practice groups and accountable care organizations.

MDLIVE has established a business-to-business-to-consumer model to bring to patients the confidence and assurance of trusted services across their health care needs, from health care provider to pharmacy. By combining the power of leading health care systems, health IT leaders and retail health partners with MDLIVE's HIPAA-compliant cloud-based Virtual Medical Office platform, consumers can access the care they desire, transitioning from virtual to in-person offerings as needed.

MDLIVE's virtual health system makes it possible for patients, health care professionals and plan administrators to collaborate seamlessly and securely. This approach also enables payers and providers to collect and share clinical data from patient medical records, lab results and in-home biometric devices for real-time risk assessments, wellness advice, diagnosis and treatment. To learn more, visit MDLIVE.com.

About Bedford Funding

Bedford Funding is a private equity firm providing long-term capital to businesses in the consolidating and fragmented technology industry with experienced industry focus in the software and IT services segments. With proven success as operating executives, the firm's leadership team has a keen understanding of the opportunities inherent in technology enterprises. Bedford Funding was founded in 2006 with launch of its initial fund, Bedford Funding I, and recently raised Bedford Funding II in December 2011. Bedford Funding makes investments worldwide from its headquarters located in White Plains, New York. For more information, please visit the company's website at www.bedfordfunding.com.

Press Contact:

Alys Scott

(617) 821-9200

alys@whistlehillgroup.com