



# Investor Presentation

February 2021

---



# → Forward Looking Statements

This presentation contains forward-looking statements that reflect our current views with respect to, among other things, the operations and financial performance of Signify Health, Inc. and its subsidiaries (collectively, the “Company”, “Signify Health”, “we” or “our”). All statements other than statements of historical facts contained in this presentation, including statements regarding matters such as our industry, business strategy, goals, and expectations concerning our market position, future operations, margins, profitability, capital expenditures, liquidity and capital resources and other financial and operating information, may be forward-looking statements. We may, in some cases, use the words “may,” “might,” “will,” “should,” “expects,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” “potential” or “continue,” the negative of these terms and other comparable terminology to identify forward-looking statements in this presentation. These forward-looking statements contained in this presentation, which are subject to risks, uncertainties and assumptions about us, may include projections of our future financial performance, our anticipated growth strategies and anticipated trends in our business. Although we believe that the assumptions underlying the forward-looking statements are reasonable, there can be no assurance that management’s expectations, beliefs and projections will result or be achieved. These statements are only predictions based on our current expectations and projections about future events. There are important factors that could cause our actual results, level of activity, performance or achievements to differ materially from the results, level of activity, performance or achievements expressed or implied by the forward-looking statements, including: the COVID-19 pandemic; our dependence upon a limited number of key customers; our dependence on certain key government programs; our failure to maintain and grow our network of high-quality providers; our failure to continue to innovate and provide services that are useful to customers and achieve and maintain market acceptance; our limited operating history with certain of our solutions; our failure to compete effectively; the length and unpredictability of our sales cycle; failure of our existing customers to continue or renew their contracts with us; seasonality that may cause fluctuations in our sales and results of operations; our failure to achieve or maintain profitability; our revenue not growing at the rates they historically have, or at all; our failure to successfully execute on our growth initiatives, business strategies, or operating plans; inaccurate estimates and assumptions used to determine the size of our total addressable market; changes in accounting principles applicable to us; incorrect estimates or judgments relating to our critical accounting policies; increase in our level of indebtedness; our failure to effectively adapt to changes in the healthcare industry, including changes in the rules governing Medicare or other federal health care programs; our failure to adhere to complex and evolving governmental laws and regulations; our failure to comply with current and future federal and state privacy, security and data protection laws, regulations or standards; our employment of and contractual relationships with our providers subjecting us to licensing or other regulatory risks; adverse findings from inspections, reviews, audits and investigations from health plans; inadequate investment in or maintenance of our operating platform and other information technology and business systems; security breaches or incidents, loss or misuse of data, a failure in or breach of our operational or security systems or other disruptions; disruptions in our disaster recovery systems or management continuity planning; our ability to comply with, and changes to, laws, regulations and standards relating to privacy or data protection; our ability to obtain, maintain, protect and enforce our intellectual property; our dependence on distributions from Cure TopCo, LLC to fund dividend payments, if any, and to pay our taxes and expenses, including payments under the Tax Receivable Agreement; our status as a controlled company; and our ability to realize any benefit from our organizational structure. Should one or more of these risks or uncertainties materialize, or should any of our assumptions prove incorrect, our actual results may vary in material respects from those projected in these forward-looking statements. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. By their nature, forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors because they relate to events and depend on circumstances that will occur in the future whether or not outside the control of the Company. Any forward looking statement made by us in this presentation speaks only as of the date of this presentation and the Company does not undertake any obligation to update these forward-looking statements.

This presentation contains certain financial measures not presented in accordance with generally accepted accounting principles in the United State (“GAAP”), including Adjusted EBITDA, which is used by management in making operating decisions, allocating financial resources, and internal planning and forecasting and for business strategy purposes. Adjusted EBITDA is not a measure of financial performance in accordance with GAAP and may exclude items that are significant in understanding and assessing our financial results. Therefore, this measure should not be considered in isolation or as an alternative to GAAP measures. Our presentation of Adjusted EBITDA may not be comparable to similarly-titled measures used by other companies. Management believes that such measures are commonly reported by issuers and widely used by investors as indicators of a company’s operating performance. There are other non-GAAP financial measures which should be considered only as a supplement to, and not as a superior measure to, financial measures prepared in accordance with GAAP. Please refer to the Appendix of this document for a reconciliation of Adjusted EBITDA to the most directly comparable financial measure prepared in accordance with GAAP.

This presentation includes market and industry data and forecasts that we have derived from independent consultant reports, publicly available information, various industry publications, other published industry sources, and our internal data and estimates. Independent consultant reports, industry publications, and other published industry sources generally indicate that the information contained therein was obtained from sources believed to be reliable. The inclusion of market estimations, rankings, and industry data in this presentation is based upon such reports, publications, and other sources and our internal data and estimates and our understanding of industry conditions. Although we believe that such information is reliable, we have not had this information verified by any independent sources. You are cautioned not to give undue weight to such estimates. All trademarks, service marks, and trade names appearing in this presentation are the property of their respective holders.

# → Healthcare is undergoing a tectonic shift

## Unsustainable trends...

**~\$4T**

U.S. healthcare spend outpacing GDP growth

**80%**

of rapidly growing 65+ population has a chronic condition

**>30%**

Readmission rates for BPCI-A patients

## ...Driven by a broken model...



Facility-centric



Break-fix model

(fee-for-service)



Poor patient engagement

## ...Pushing catalysts for change



Untethering toward the home and virtual



Preventative, holistic model (value-based)

**60%-70%**

U.S. healthcare spending expected to be tied to value-based care by 2025

**72%**

of patients prefer in-home recovery

**~40%**

growth of mobile / digital health management

# → Propelling the rise of value-based programs where Signify's platform helps enable our partners' success

## Value-based programs we help enable are thriving

Medicare Advantage (MA)

Managed Medicaid

BPCI-A Episodes

(Bundled Payment for Care Improvement – Advanced Model)

ACO

(Accountable Care Organizations)

Commercial Episodes

(Bundled Payment for Payors & Employers)

## Our mission

Transform how care is paid for and delivered so that people can enjoy **more healthy, happy days at home**



## Our vision

To build a healthier place for us all to live and age in

## Clients are succeeding in value-based care on our platform



# → “Homeward”: what it means for Signify

We’ve focused on activating the home as a key part of the care continuum



## VALUE-BASED CARE PLATFORM DRIVING OUTCOMES

**~1.4M**  
in-home evaluations<sup>(1)</sup>

**\$6.1B**  
episodes program size<sup>(2)</sup>

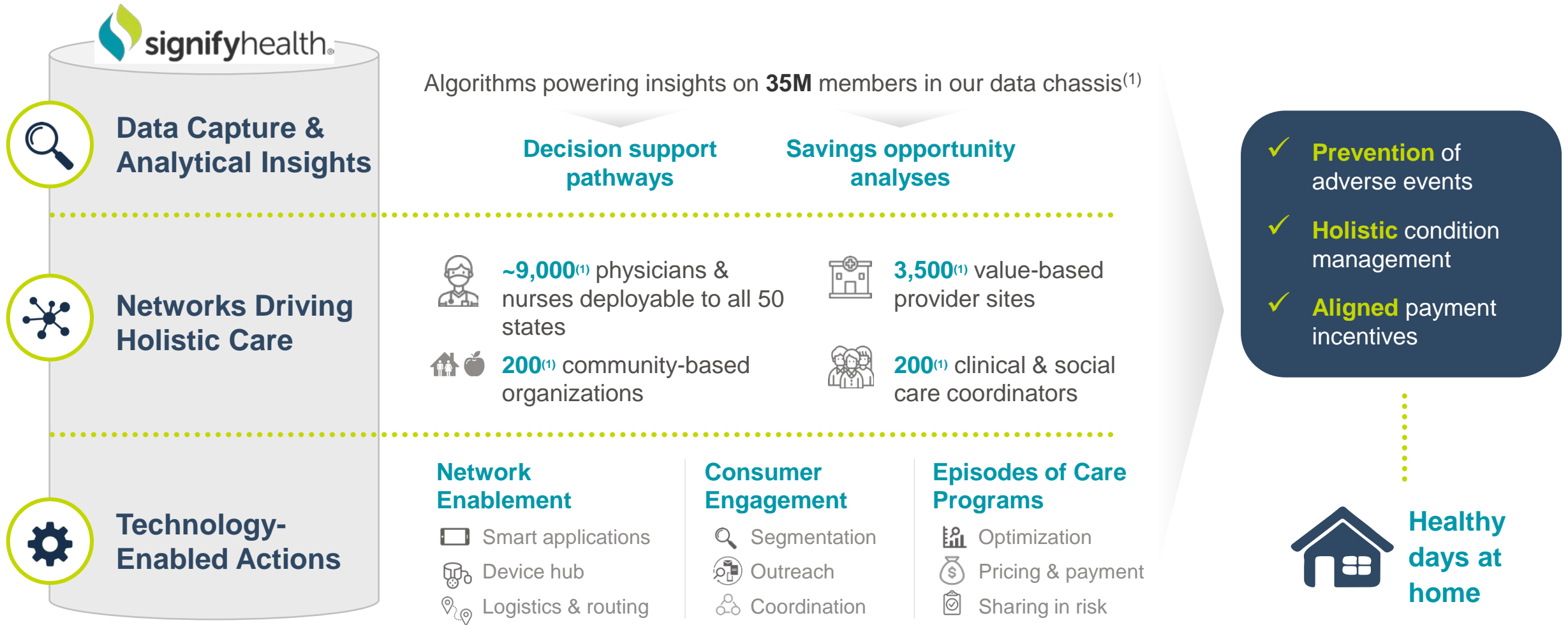
**~15%**  
more discharges home<sup>(3)</sup>

**~10%**  
reduced readmissions<sup>(3)</sup>

**Fueling double-digit growth with strong margins and cash flow**

1) Preliminary estimated results as of, or for the year ended 2020. Actual results may differ materially from this preliminary estimated data 2) For the year ended 2019 3) Results represent At Risk episodes in BPCI Advanced initiated during 2019Q4 compared to the historical performance of similar episodes. Performance period statistics are based on BPCI Advanced claims provided by CMS in November 2020

# → The Signify platform combines analytics, networks, and technology to power and create value-based arrangements



1) As of, or for the nine months ended 9/30/2020

→ Our platform creates a flywheel effect driving improvement and growth within value-based programs

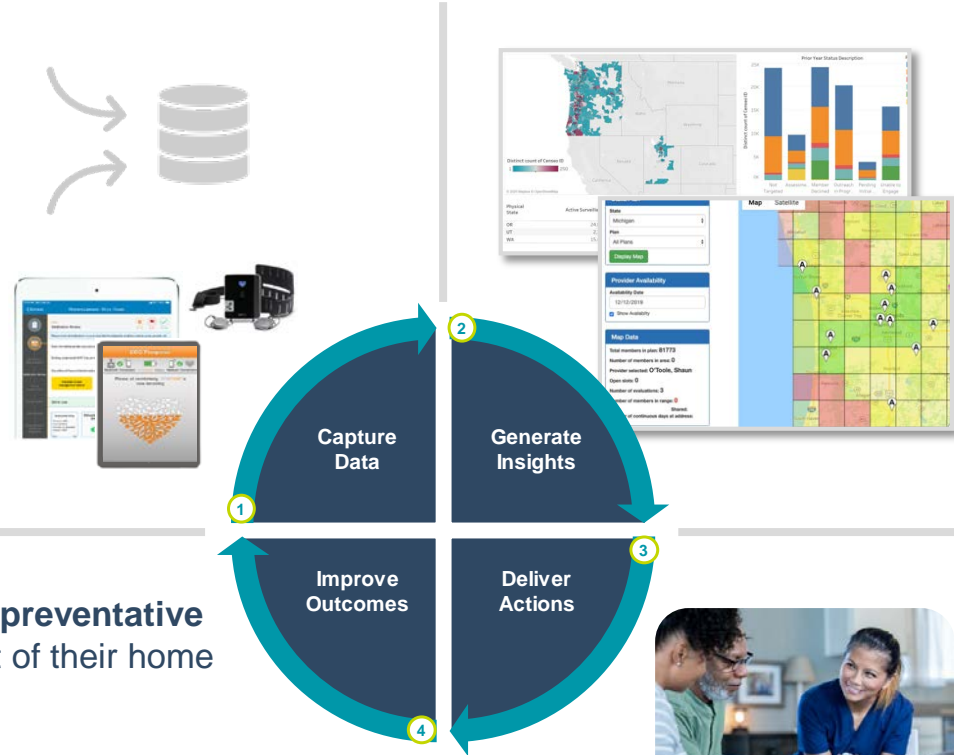


# Leading platform powering Medicare Advantage

~1.4 million<sup>(1)</sup> unique in-home evaluations performed nationwide in 2020

- Payor data (claims, eligibility, demographic, pharmacy, labs, provider, outreach, quality, diagnosis, MMR, MOR, RAPS, etc.)

- Compounding data from in-home visit (evaluation, meds, SDOH, diagnostic data)
- Social care coordination data from community-based network actions



- Member risk stratification
- AI-driven acceptance modeling
- Consumer engagement profiling
- Socioeconomic insights informing needs from community networks
- Logistics & routing algorithms to optimally deploy providers to the home

✓ Enabling consumers to receive holistic preventative services extending the PCP in the comfort of their home

↑ Healthy days at home

✓ MA plans able to manage benefits and capitated payments for beneficiaries based on comprehensive capture of individuals' health & risk profiles

↑ Quality (e.g. Star, HEDIS gap closure) and consumer experience

- In-home evaluation (IHE)
- Diagnostic testing & screening services via device hub
- Medication review
- SDOH assessment and social care coordination to close loop
- PCP / specialist follow-up
- Telehealth evaluation

<sup>1)</sup> Preliminary estimated results as of, or for the year ended 2020. Actual results may differ materially from this preliminary estimated data

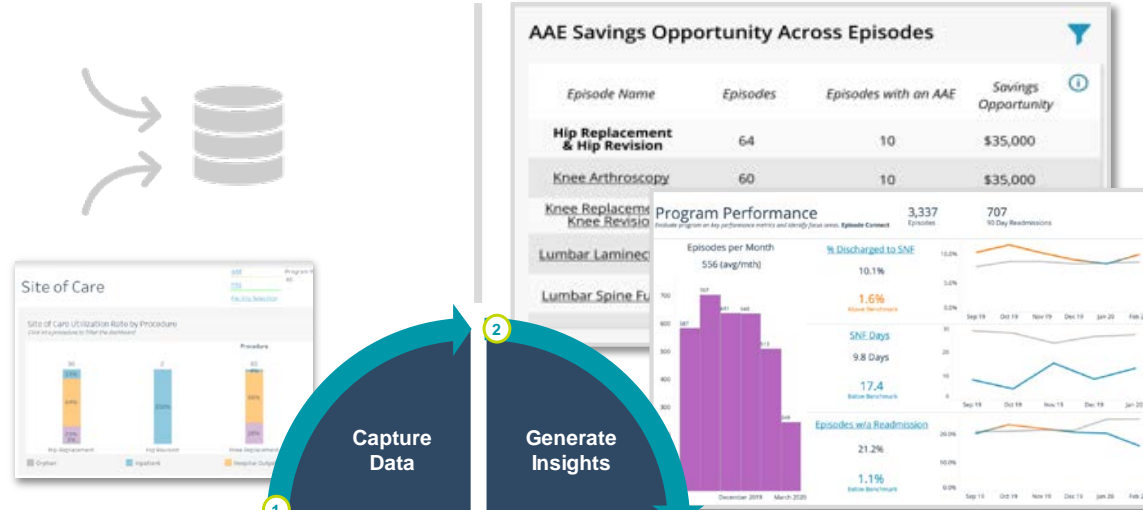


# Leading platform powering episodes of care in BPCI-A

→ \$6.1B<sup>(1)</sup> program spend under management in 2019

- Claims and CMS data
- EMR and practice management system data

Signify's episode application data (historical and benchmark data from amassed episode volume)



- Opportunity analyses to inform savings potential and program design
- Prediction engine for timely identification of patients attributed to episodes
- Performance analytics to inform care redesign

## Improved patient outcomes...

- ↓ Unnecessary readmissions
- ↓ Days in acute or high-cost post acute facilities
- ↑ Discharges home
- ↑ Days at home
- ... and results for value-based participants
- ↑ Shared savings for participating providers and Signify

- Predictively identify episodes for timely management of performance levers and the patient's care journey
- Deliver provider workflow, connectivity, and decision support to track and manage an episode
- Coordinate the right next-site-of-care and facility length-of-stay to drive program performance and episode savings

<sup>1)</sup> As of, or for the year ended 2019

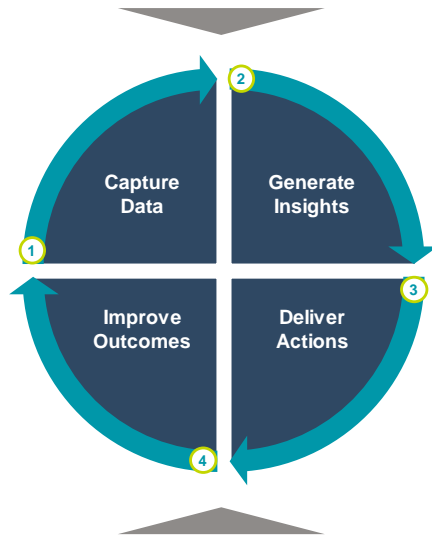
# → Our homeward-focused platform powers improved outcomes and growth in episodes and other value-based programs

## Combined platform

## Amplifying improved outcomes

## Driving revenue growth

Tech-enabled holistic networks and services in the home



Episode-based incentives alignment



- ↑ Preventative services at home
- ↑ Quality of care & experience
- ↓ Admissions to hospital / ED
- ↓ Unnecessary readmissions
- ↓ Days in acute or post acute facility
- ↑ Discharges home
- ↑ Days at home



Success and continued improvement in shared savings



Confidence to grow spend under management and diversify into new programs together with our risk-bearing partners

# → Extending our leading platform into novel value-based arrangements and growing participation by new healthcare constituents

## Program Enablement

Long-standing experience as a leading enablement platform for programs driving value-based payment innovation

## Program Creation

Leveraging our established infrastructure to launch novel program arrangements in commercial market

Designing value-based programs

Partnering in value-based programs

Supporting value-based programs

**In-Home Evaluations, Clinical & Social Care Coordination**

➤ Health plans in Medicare Advantage and Managed Medicaid



**Episode Bundled Payments**

➤ Health system and provider group partner network in BPCI and BPCI-A



**Expanded Program Innovation in Commercial Market**

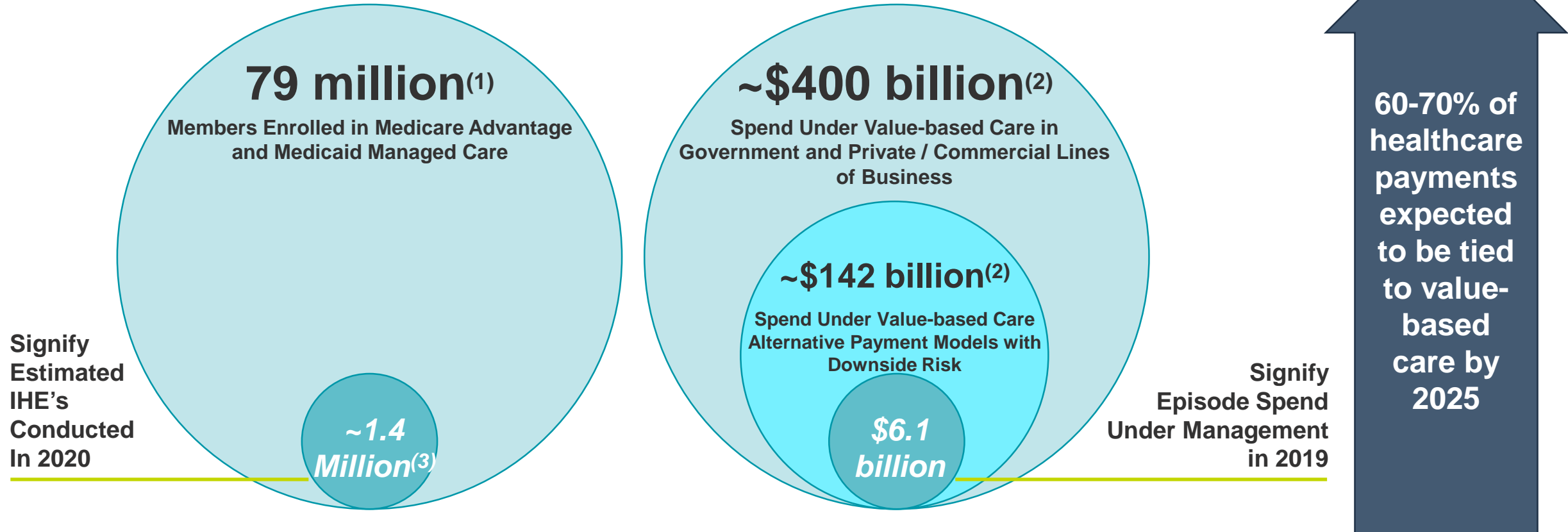
➤ Novel commercial episode programs for payors & employers, covering procedural and chronic conditions



# → Our addressable market is supported by strong tailwinds

## Enrollment in Addressable Programs

## Value-Based Spend



1) Reflects 2020 Medicare Advantage enrollment per CMS and 2018 Medicaid Managed care enrollment per Medicaid.gov

2) Health Care Payment Learning & Action Network 2018 Alternative Payment Model (APM) Report

3) Preliminary estimated results as of, or for the year ended 2020. Actual results may differ materially from this preliminary estimated data

# We help solve healthcare's last mile problem of meeting consumers where they are



## Signify technology & insights

Mobile & cloud applications with decision support algorithms and integrated proprietary device hub



## Actions through our flexible network

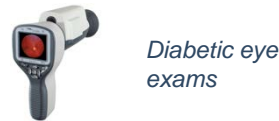
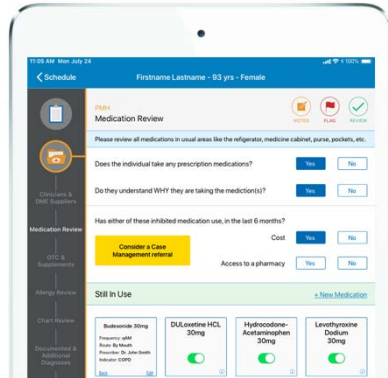


## Healthcare consumers

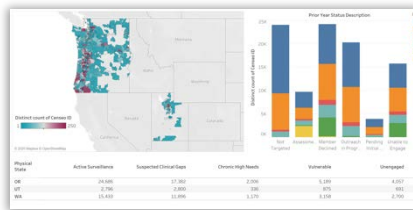


## Healthcare participant data

- Payors
- Health systems
- Government agencies
- Pharma & life sciences
- Employers
- Device companies



Analytics to align incentives and engage consumers



and optimally deploy the right provider



Comprehensive in-home evaluation



Preventative diagnostic tests



SDOH / social care coordination



Transition-to-home services



Telehealth evaluations

## Prevention

(More healthy days at home)

- ✓ Prevented readmission in a BPCI-A episode saves ~\$17,000
- ✓ Prevented initial admission in a commercial episode saves ~\$22,000<sup>(1)</sup>
- ✓ Return to care: >90% of members evaluated follow up with a primary care visit<sup>(2)</sup>

1) <https://www.beckershospitalreview.com/finance/average-cost-per-inpatient-admission-tops-22k.html#:~:text=The%20average%20outpatient%20visit%20in,in%20The%20Lancet%20Public%20Health>

2) As of, or for the year ended 2019

# Client case study: how Signify's integrated solutions drive outcomes in value-based episode programs



partnered with Signify

## 2018 In-Home Evaluations (IHE)

- Tenured relationship as top strategic growth partner

## 2019 In-Home Diagnostic Services

- Add-on of peripheral artery disease (PAD) & ancillary testing

## 2020 IHE+

- Deepening our engagement in the home with social care coordination

## Commercial Episodes

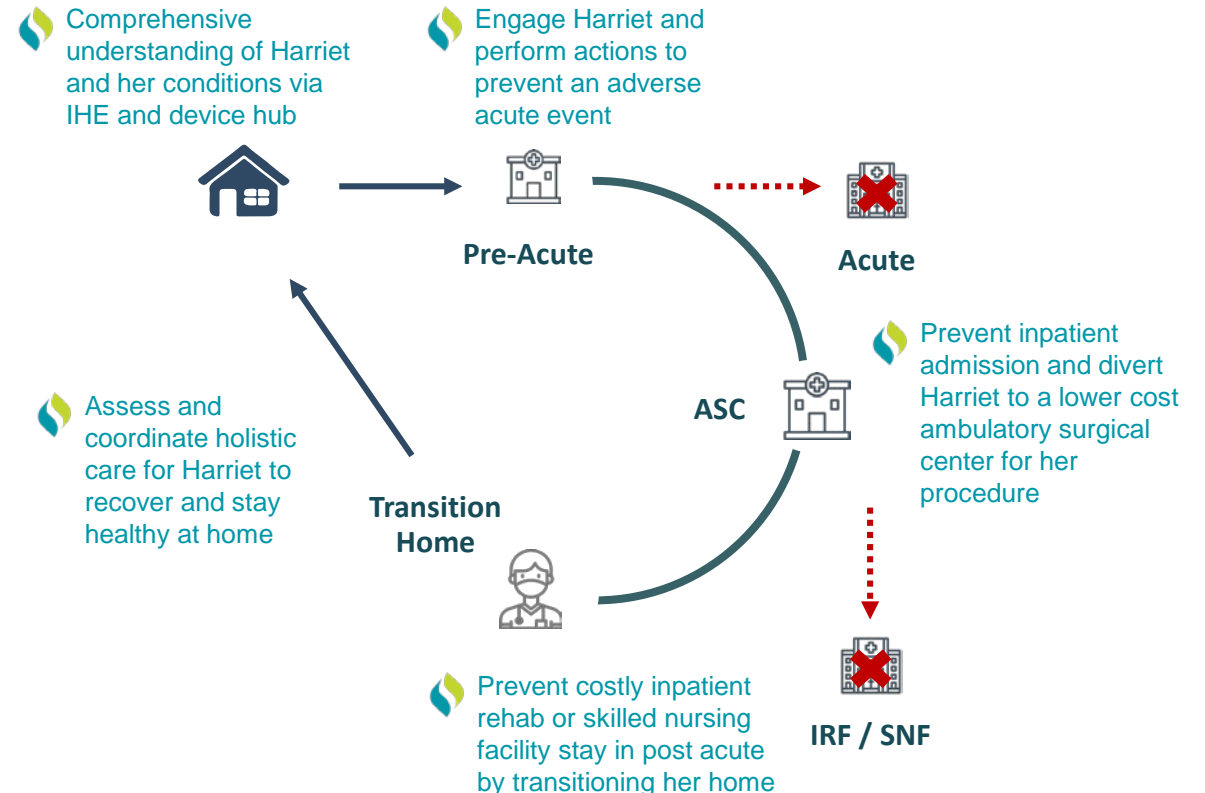
- Expanded partnership to launch novel episode-based arrangements, now live with providers in the region



## Harriet (illustrative patient journey)

Health plan's Medicare Advantage member

71 yrs with complex comorbid illness; needs hip surgery from a recent fall



# → Leading nationwide scale with ability to send clinicians into every county and state across the U.S.

## Networks

**~9,000<sup>(2)</sup>**  
mobile providers

**200<sup>(2)</sup>**  
community sites

**500<sup>(2)</sup>**  
health systems &  
provider groups

**3,000<sup>(2)</sup>**  
post acute facilities

**200<sup>(2)</sup>**  
social & clinical care  
coordinators

## Actions

**~1.4M<sup>(1)</sup>**  
in-home evaluations

**~1M<sup>(2)</sup>**  
cumulative episodes managed

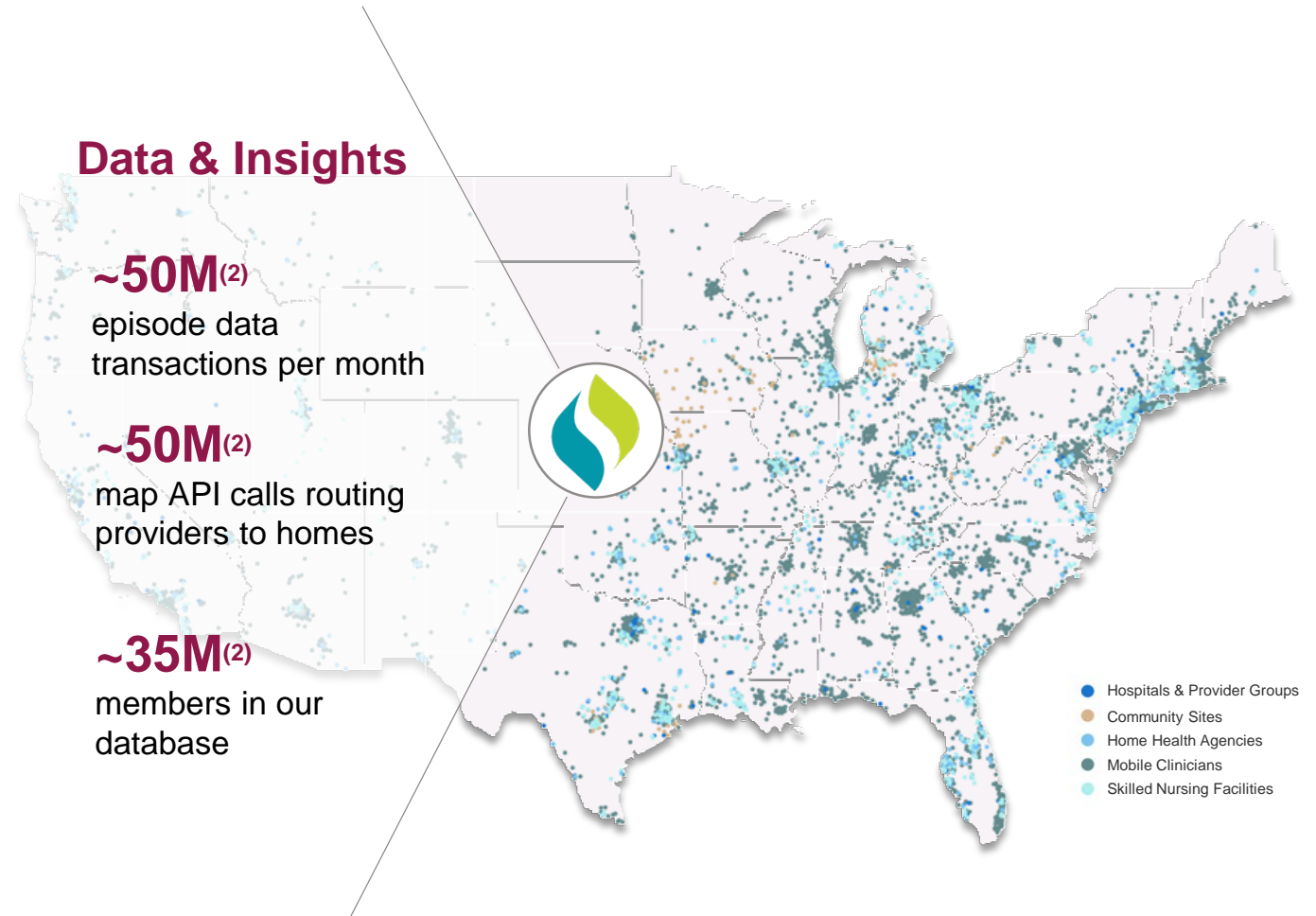
**~260K<sup>(2)</sup>**  
members assisted with SDOH  
services

## Data & Insights

**~50M<sup>(2)</sup>**  
episode data  
transactions per month

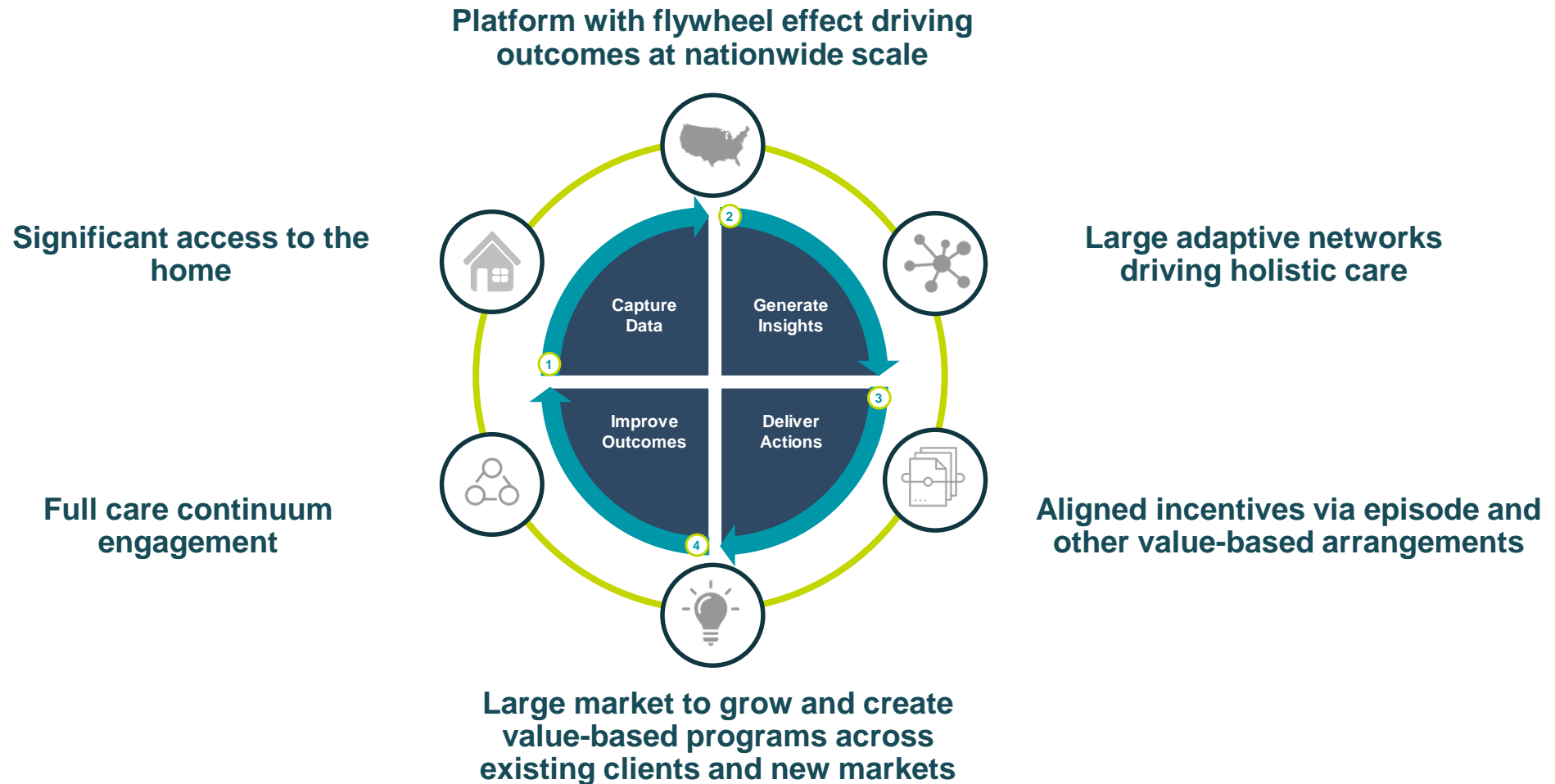
**~50M<sup>(2)</sup>**  
map API calls routing  
providers to homes

**~35M<sup>(2)</sup>**  
members in our  
database



1) Preliminary estimated results as of, or for the year ended 2020. Actual results may differ materially from this preliminary estimated data 2) As of the nine months ended 9/30/2020

# → Signify Health: a leading platform powering and creating value-based payment programs





# Compelling growth path and strong financial performance



## → Multiple drivers of financial performance

Robust **top line growth** and attractive **EBITDA margin**

**Continued margin expansion** to fund growth and diversification

Differentiating combination of **scale, growth, and profitability**

**We believe strong core volume and program size growth** drives predictable, visible business model

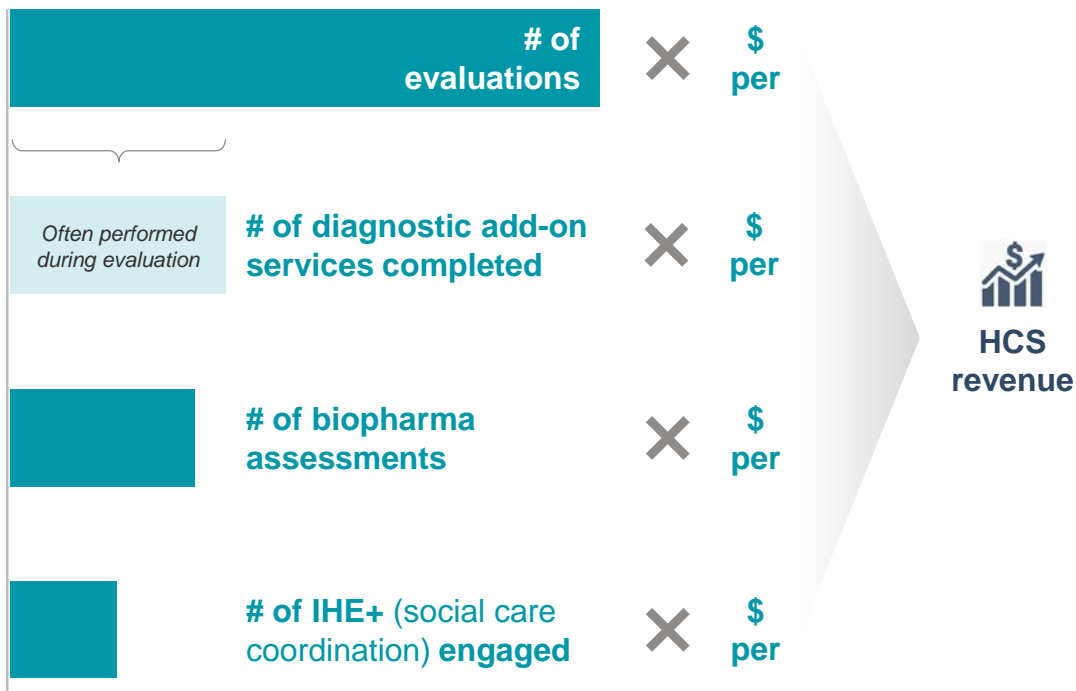
Still **scratching the surface** in value-based care TAM

**Efficient balance sheet** with **low** leverage

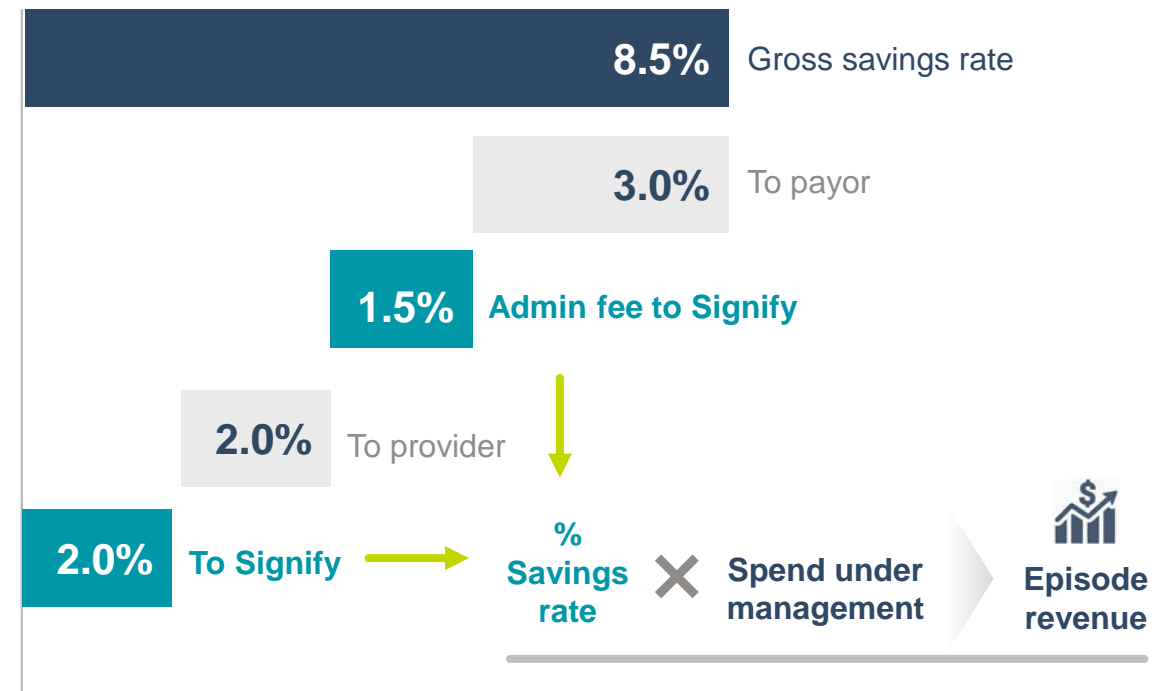
# -> Compelling revenue model (illustrative examples)



Based on per member evaluated (or other preventative action performed)



Based on generation of cost savings with partners



# Deep and diversified anchor customer base with attractive growth levers

## Payors



## Health systems & provider groups



## New entrants



## Multiple levers for growth



Headroom to deepen wallet share



Ability to improve program performance



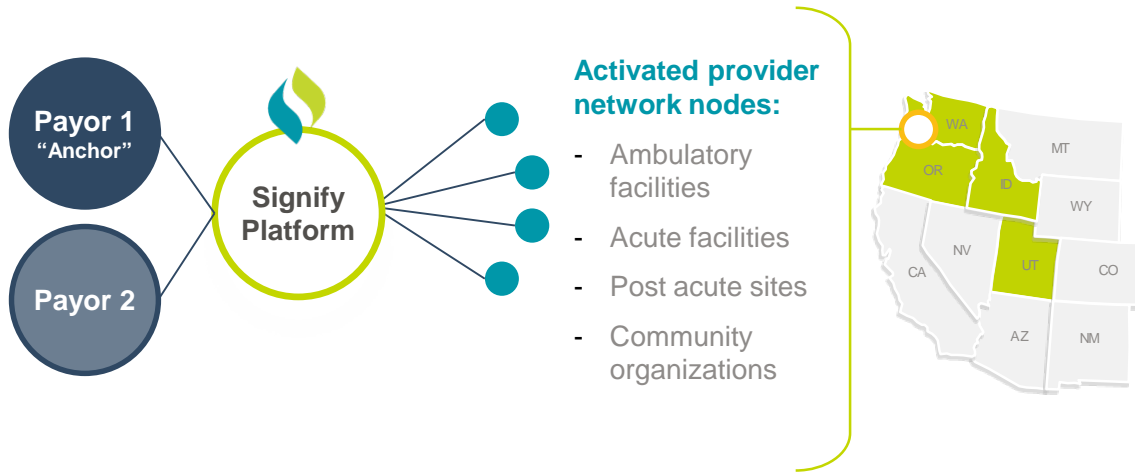
Cross-sell of new services and VBC programs



New customers

# → The “network effect” as we stack value-based programs

As we recruit and “light up” provider participants for one payor’s program...



... new programs “stacked” in the same region benefit from network nodes already activated in our platform

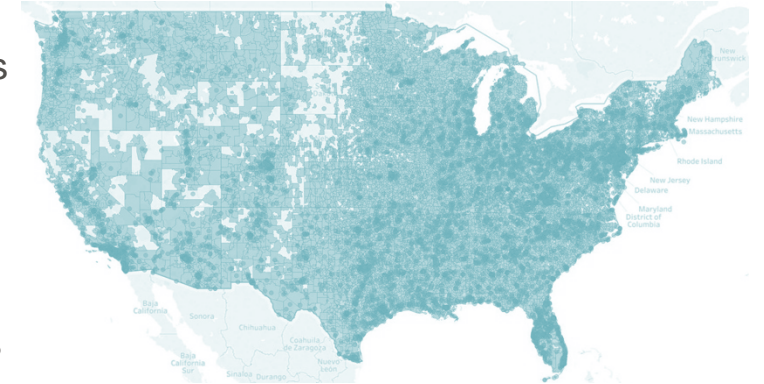
Engagement of more individuals each year in the home unlocks access...



**~9,000<sup>(1)</sup>**  
MDs & NPs  
mobilized  
nationwide



**~1.4M<sup>(2)</sup>**  
unique in-  
home visits  
in 2020E



...to cross-sell and stack new programs and preventative services, while more optimally utilizing network resources

↑ *Performance benefits*

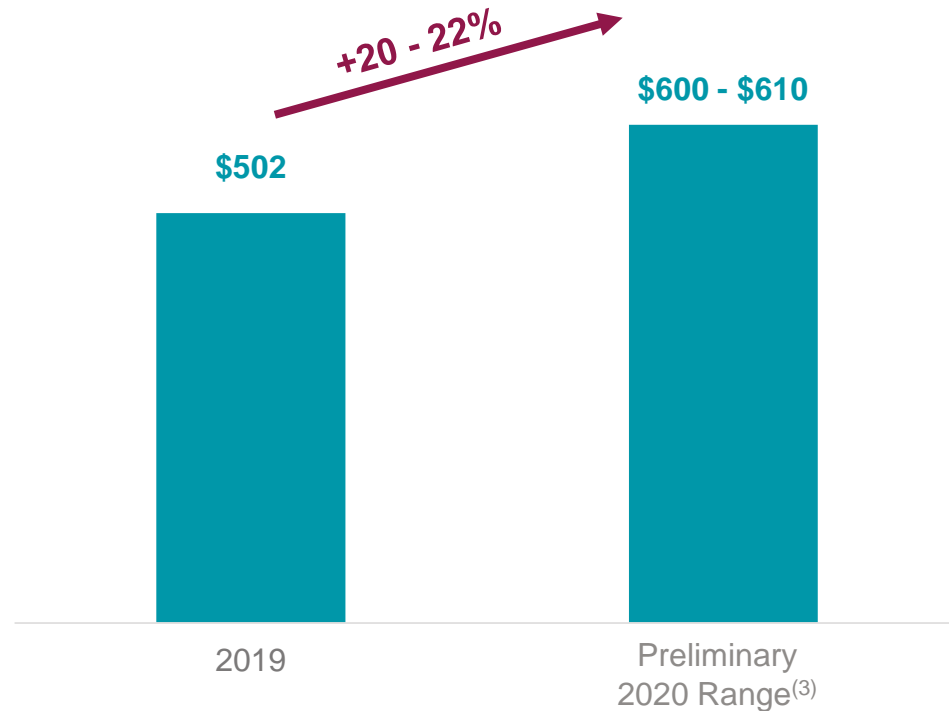
↑ *Speed to value*

↑ *Improved efficiencies*

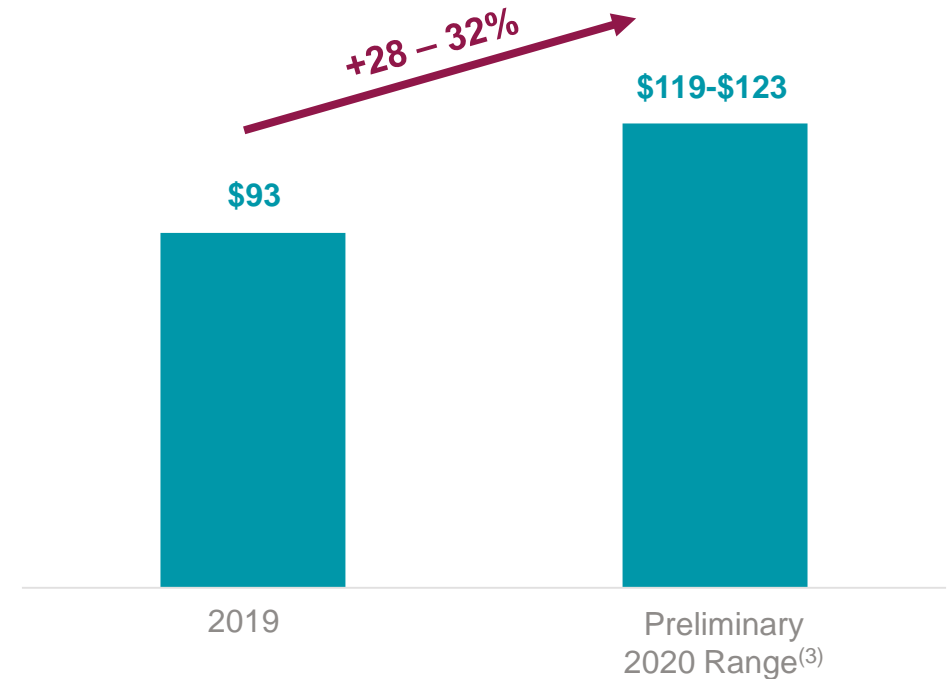
1) As of the nine months ended 9/30/2020 2) Preliminary estimated results as of, or for the year ended 2020. Actual results may differ materially from this preliminary estimated data

# → Attractive financial model, growth, and profitability

Revenue<sup>(1)</sup> (\$ in millions)



Adj. EBITDA<sup>(1,2)</sup> (\$ in millions)



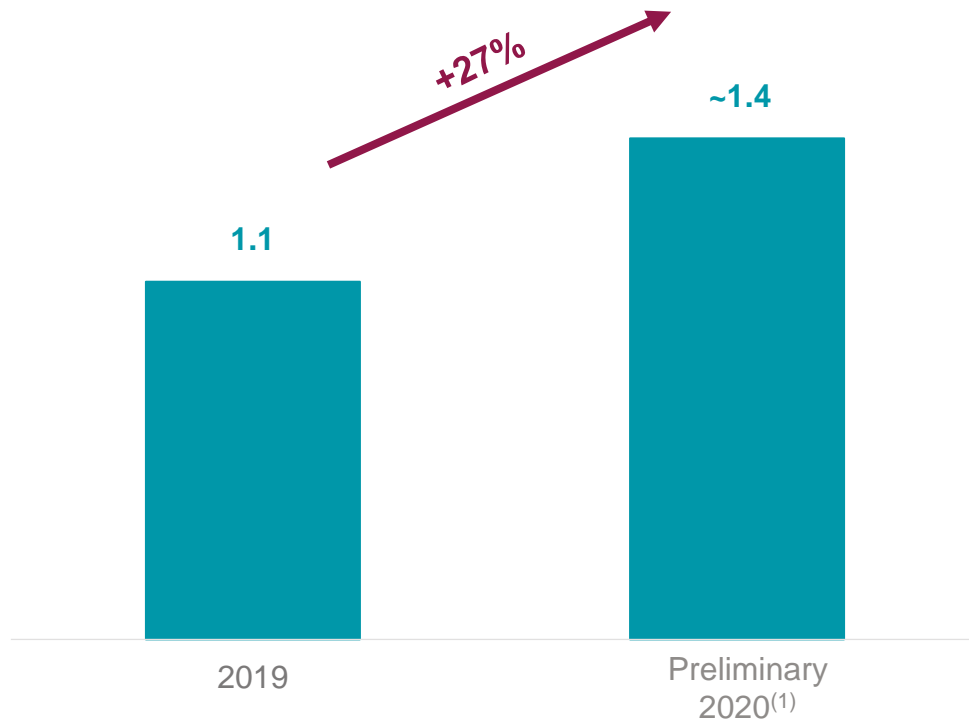
1) Remedy acquisition completed on 1/15/2019

2) We define Adjusted EBITDA as net income (loss) before interest expense, income tax expense, depreciation and amortization and certain items of income and expense, including asset impairment, other (income) expense, net transactions-related expenses, equity-based compensation, remeasurement of contingent consideration, management fees and non-recurring expenses. See slide titled "Reconciliation from GAAP net loss to Adjusted EBITDA" for a reconciliation of Adjusted EBITDA to net loss and the calculation of Adjusted EBITDA Margin

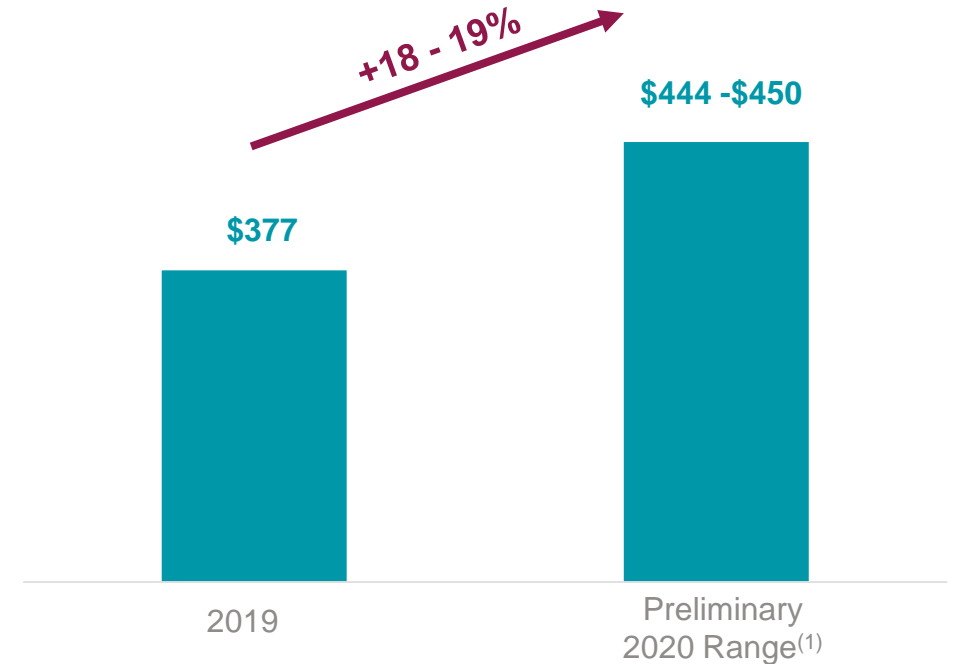
3) Preliminary estimated unaudited financial results as of, or for the year ended 2020. Actual results may differ materially from this preliminary estimated data

# → Significant growth in IHE volume driving HCS top-line

Home & Community Services - IHE Volume (in millions)



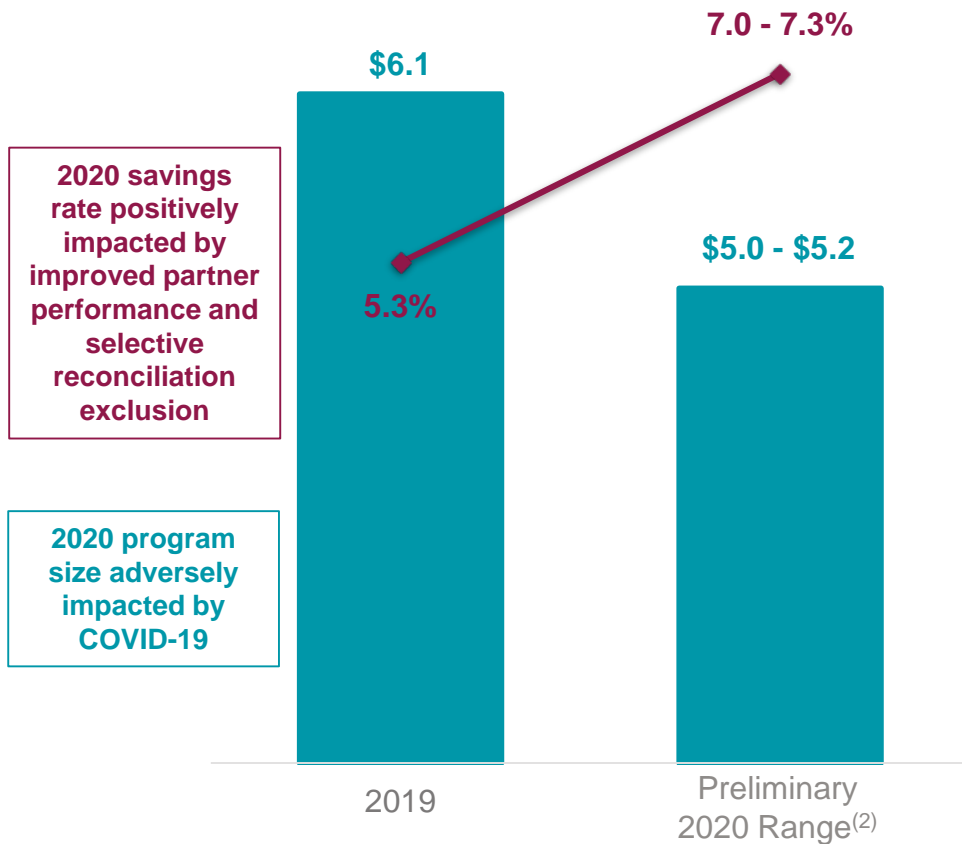
Home & Community Services Revenue (\$ in millions)



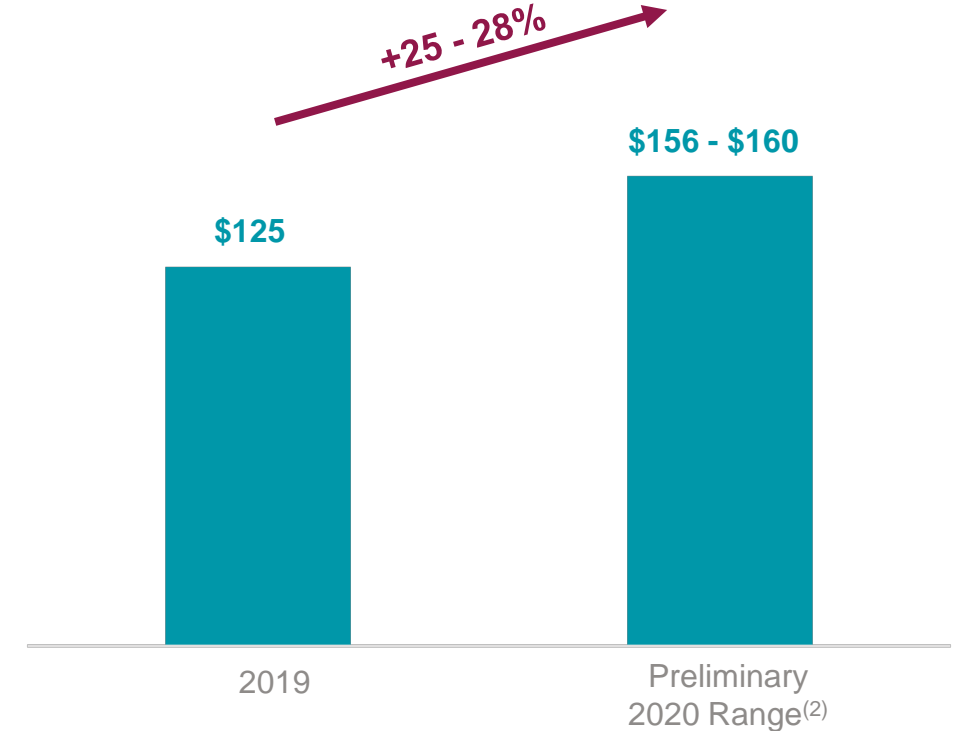
1) Preliminary estimated unaudited financial results as of, or for the year ended 2020. Actual results may differ materially from this preliminary estimated data

# → ECS performance driven by strong savings rate growth

Program Size (\$ billions) & Savings Rate (%)



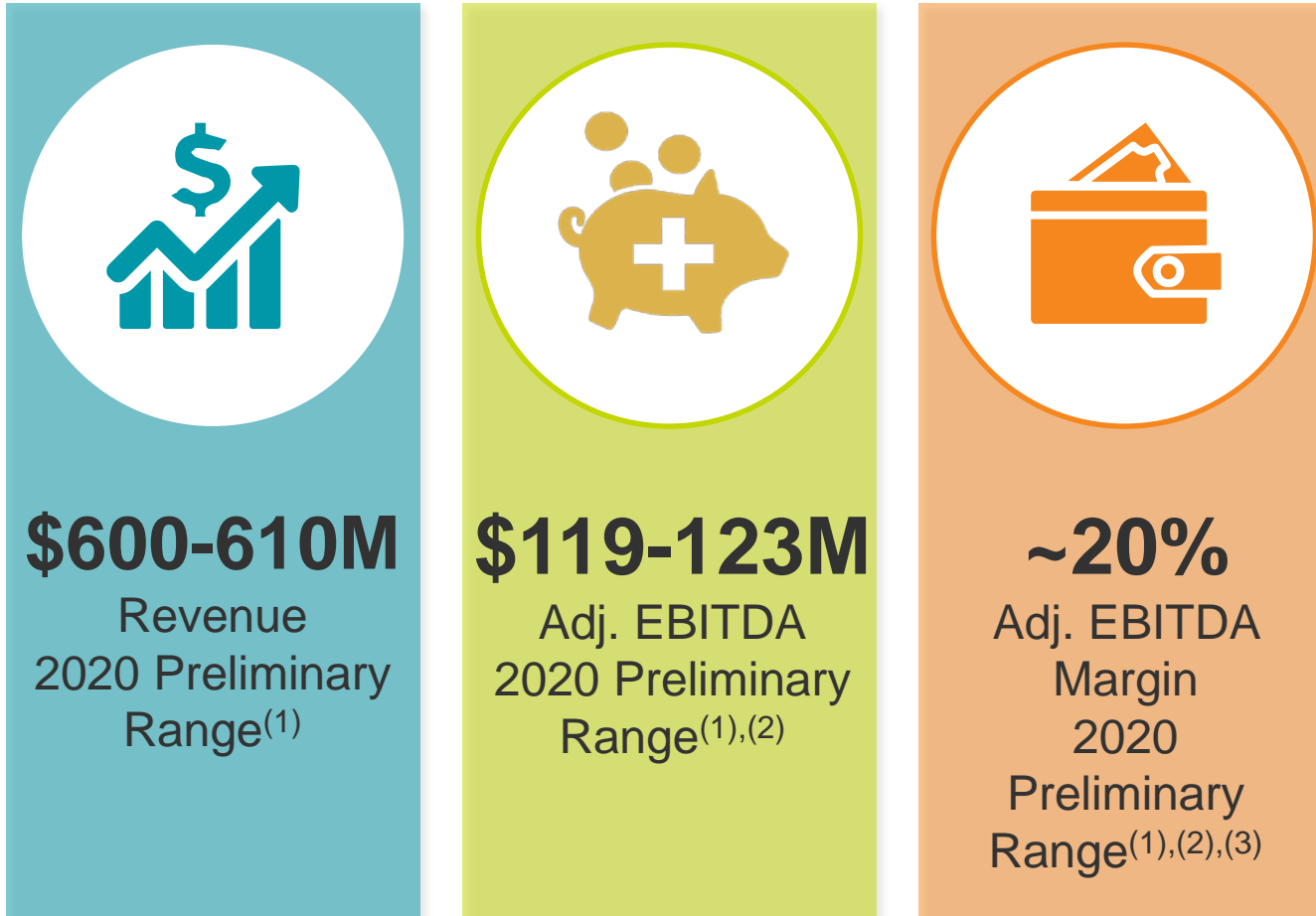
Episodes of Care Services Revenue<sup>(1)</sup> (\$ in millions)



1) Remedy acquisition completed on 1/15/2019 2) Preliminary estimated unaudited financial results as of, or for the year ended 2020. Actual results may differ materially from this preliminary estimated data



## → Financial highlights



1) Preliminary estimated unaudited financial results as of, or for the year ended 2020. Actual results may differ materially from this preliminary estimated data

2) We define Adjusted EBITDA as net income (loss) before interest expense, income tax expense, depreciation and amortization and certain items of income and expense, including asset impairment, other (income) expense, net transactions-related expenses, equity-based compensation, remeasurement of contingent consideration, management fees and nonrecurring expenses. See slide titled "Reconciliation from GAAP net loss to Adjusted EBITDA" for a reconciliation of Adjusted EBITDA to net loss and the calculation of Adjusted EBITDA Margin

3) Represents the midpoint of the estimated preliminary range for the year ended 2020

# Appendix



## → Reconciliation from GAAP net loss to Adjusted EBITDA

	Year Ended December 31 (Audited)	Year Ended December 31, 2020 Preliminary and Unaudited Range <sup>(3)</sup>	
\$ in millions	2019 <sup>(1)</sup>	Low	High
<b>Net loss</b>	<b>(28.5)</b>	<b>(17.0)</b>	<b>(24.0)</b>
Interest expense	21.2	22.0	23.0
Income tax expense	0.1	0.5	1.0
Depreciation and amortization	66.0	62.0	63.0
Asset impairment	6.4	0.5	1.0
Equity-based compensation	4.5	12.0	13.0
Customer equity appreciation rights	--	12.0	13.0
Transaction-related expenses	22.4	16.0	17.0
Other <sup>(2)</sup>	1.2	11.0	16.0
<b>Adjusted EBITDA</b>	<b>93.3</b>	<b>119.0</b>	<b>123.0</b>
<b>Adjusted EBITDA Margin</b>	<b>18.6%</b>	<b>19.8%</b>	<b>20.2%</b>

1) Remedy acquisition completed on 1/15/2019.

2) Other includes remeasurement of contingent consideration, non-recurring expenses, management fees, and other income expense, net

3) Preliminary estimated unaudited financial results as of, or for the year ended 2020. Actual results may differ materially from this preliminary estimated data