



Bright Health Group

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Investor Update

October 11, 2022

Disclaimer



Statements made in this presentation that are not statements of historical fact, including statements about our beliefs and expectations, are forward-looking statements and should be evaluated as such. Forward-looking statements include information concerning possible or assumed future results of operations, including descriptions of our business plan and strategies. These statements often include words such as “anticipate,” “expect,” “plan,” “believe,” “intend,” “project,” “forecast,” “estimates,” “projections,” “outlook,” and other similar expressions. These forward-looking statements include any statements regarding our plans and expectations with respect to Bright Health Group, Inc. and the closing of our committed convertible preferred equity capital. Such forward-looking statements are subject to various risks, uncertainties and assumptions. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. Factors that might materially affect such forward-looking statements include: our ability to continue as a going concern if we do not obtain additional financing; our ability to comply with ongoing regulatory requirements, including consent decrees or governmental orders; a lack of acceptance or slow adoption of our updated business model; our ability to retain existing consumers and expand consumer enrollment; our ability to obtain and accurately assess, code, and report Individual and Family Plan and Medicare Advantage risk adjustment factor scores for consumers; our ability to contract with high-quality care partners, maintain healthy relationships with them, and arrange for the provision of quality care; our ability to accurately estimate our medical expenses, effectively manage our costs and claims liabilities or appropriately price our products and charge premiums; our ability to obtain claims information timely and accurately; the impact of the ongoing COVID-19 pandemic on our business and results of operations; the risks associated with our reliance on third-party providers to operate our business; the impact of modifications or changes to the U.S. health insurance markets; our ability to manage any growth of our business; our ability to operate, update or implement our technology platform and other information technology systems; our ability to retain key executives; our ability to successfully pursue acquisitions and integrate acquired businesses; the occurrence of severe weather events, catastrophic health events, natural or man-made disasters, and social and political conditions or civil unrest; our ability to prevent and contain data security incidents and the impact of data security incidents on our members, patients, employees and financial results; our ability to comply with requirements to maintain effective internal controls; our ability to adapt to the new risks associated with our expansion into Direct Contracting / ACO Reach program; adverse outcomes of regulatory investigations or audits or lawsuits, actions or claims against us; our ability to successfully exit insurance markets in a cost and resource effective and efficient manner; and the other factors set forth under the heading “Risk Factors” in the Company’s reports on Form 10-K and Form 10-Q (including all amendments to those reports) and our other filings with the SEC. Except as required by law, we undertake no obligation to update publicly any forward-looking statements for any reason after the date of this release to conform these statements to actual results or changes in our expectations.



Bright Health Group: A Technology Enabled, Value-Based Healthcare Company

Focused on serving aging and underserved consumers through our Fully Aligned Care Model



Bright Health Group™

Our Mission

Making Healthcare Right. Together.

Our Vision

Through aligned relationships with **Care Partners**, we help all people live healthy and brighter lives.



Focused on **Affordable Healthcare** for **Aging and Underserved Populations** with unmet needs in the largest healthcare markets



Delivered through a **Fully Aligned Care Model** where we align stakeholders financially, clinically, and through data and technology

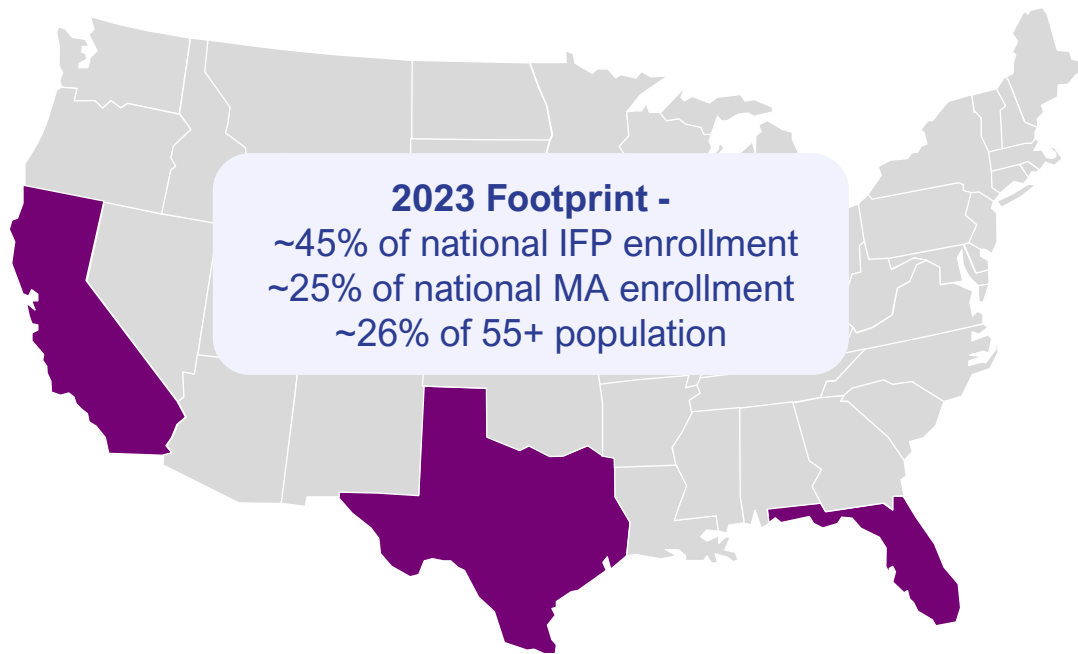


Powered by an **Integrated Technology Platform** that is purpose built to empower the Fully Aligned Care Model

Bright Health Group Sharpening Focus on the Fully Aligned Care Model

Scaled and profitable business serving consumers in the largest US healthcare markets

2023 Expectations: A Focus on the Fully Aligned Care Model Serving Aging and Underserved Populations



Medicare Advantage Health Plans
NeueHealth Value-Based Care Networks
National ACO Reach business

\$3 billion +

Forecasted Bright Health Group
Net Revenue

Profitable

2023E Adjusted EBITDA⁽¹⁾

90%

Revenue from Senior Population

~125k

Forecasted 2023 Medicare
Advantage Members

~150k

Forecasted 2023 NeueHealth ACO
and Value-Based Care Members

75+

NeueHealth Owned Clinics

2,400+

ACO REACH Care Partner
Affiliates

(1) Please see the appendix to this presentation for a discussion of why a reconciliation of projected Adjusted EBITDA to the most directly comparable GAAP measure is not provided.

Positioning Bright Health Group for Long-Term Success

Differentiated model aligning payors and care providers to serve diversified set of consumers

1

Profitable with an Efficient Capital Model

- Strong performance in 2022 in Medicare Advantage supports faster path to breakeven and profitability
- ACA Insurance Plan exit reduces capital need, lowers operating expense burden to reflect the size of the business, and allows for recapture of restricted capital

2

Focused Business Model in the Largest US Healthcare Markets

- Focus on Fully Aligned Care Model in the largest states with strong opportunities for growth and profitability in each business
- Strong alignment between Medicare Advantage business and our Care Partners, NeueHealth offering value-based care to external payors

3

Balanced and Diversified Business

- 2023 Revenue is expected to be balanced between NeueHealth commercial payors, ACO Reach, and Medicare Advantage
- Diversified across markets and consumer groups

4

Power of the Alignment Model

- Financial, Clinical, and Technology Alignment, drives differential results and durable value
- Expect continued growth of NeueHealth with external payors driven by the value of the Fully Aligned Care Model



2022 Outlook

Bright Health Group Enterprise

- Revenue of \$6.8 – \$7.1 billion
- Medical Cost Ratio of 90% – 94%
- Adjusted EBITDA of (\$500) – (\$800) million
- Intercompany revenue elimination of ~\$1.2 billion
- Stable trends on utilization and updated risk adjustment forecasts confirm expectations for MCR and Adj. EBITDA at midpoint of guidance ranges

Bright HealthCare

- End of year membership ~1,000,000
- Medical Cost Ratio of 88.5% - 92.5%

NeueHealth

- Value-based patients of 450,000 to 500,000
- Revenue of ~\$2.2 billion⁽¹⁾ with ~40% from external sources

(1) Segment revenue before intercompany eliminations



Capital Update

\$175 million capital raise fully funds business to profitability

Focused Model Lowers Capital Need

- Focus on NeueHealth and Medicare Advantage reduces overall capital need
- Expect to release approximately \$250 million in the future from regulated capital subject to claims run out for plan year 2022 and regulatory approval
- Expect profitable Adjusted EBITDA in 2023

Fully Committed Capital Raise

- \$175 million convertible preferred equity sale to existing investors
- Total capital need is lower due to faster path to profitability and focused footprint



Capital to Support Self-Sustaining Growth

- Bright HealthCare and NeueHealth expected to grow in a capital efficient structure
- Well positioned for future growth in large and fast-growing consumer healthcare markets

2023 Financial Profile

Expect 2023 Adjusted EBITDA to be Profitable

Value-Based Patient and Member Expectations

85k – 90k

**NeueHealth Value-
Based Patients**

~60k

ACO Reach Members

~125k

**Bright HealthCare
Medicare Advantage
Members**

Financial Expectations

**\$3.0+
Billion**

2023E Revenue

14.5-15.5%

**2023E Operating
Expense Ratio**

Profitable

2023E Adjusted EBITDA⁽¹⁾

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Appendix

Forward-Looking Non-GAAP Measures



A reconciliation of projected Adjusted EBITDA, which is a forward-looking non-GAAP financial measure that is presented in this presentation, to the most directly comparable GAAP financial measure is not provided because the Company is unable to provide such reconciliation without unreasonable effort. The inability to provide a reconciliation is due to the uncertainty and inherent difficulty predicting the occurrence, the financial impact and the periods in which the non-GAAP adjustments may be recognized. This non-GAAP measure may include the impact of such items as interest expense, income tax expense, depreciation and amortization, impairment of intangible assets, transaction costs, share-based compensation expense, changes in the fair value of equity securities, changes in the fair value of contingent consideration, contract termination costs, restructuring costs; and the tax effect of all such items. Historically, the Company has excluded these items from non-GAAP financial measures. The Company currently expects to continue to exclude these items in future disclosures of non-GAAP financial measures and may also exclude other items that may arise (collectively, “non-GAAP adjustments”). The decisions and events that typically lead to the recognition of non-GAAP adjustments, such as a decision to exit part of the business, are inherently unpredictable as to if or when they may occur. For the same reasons, the Company is unable to address the probable significance of the unavailable information, which could be material to future results.

