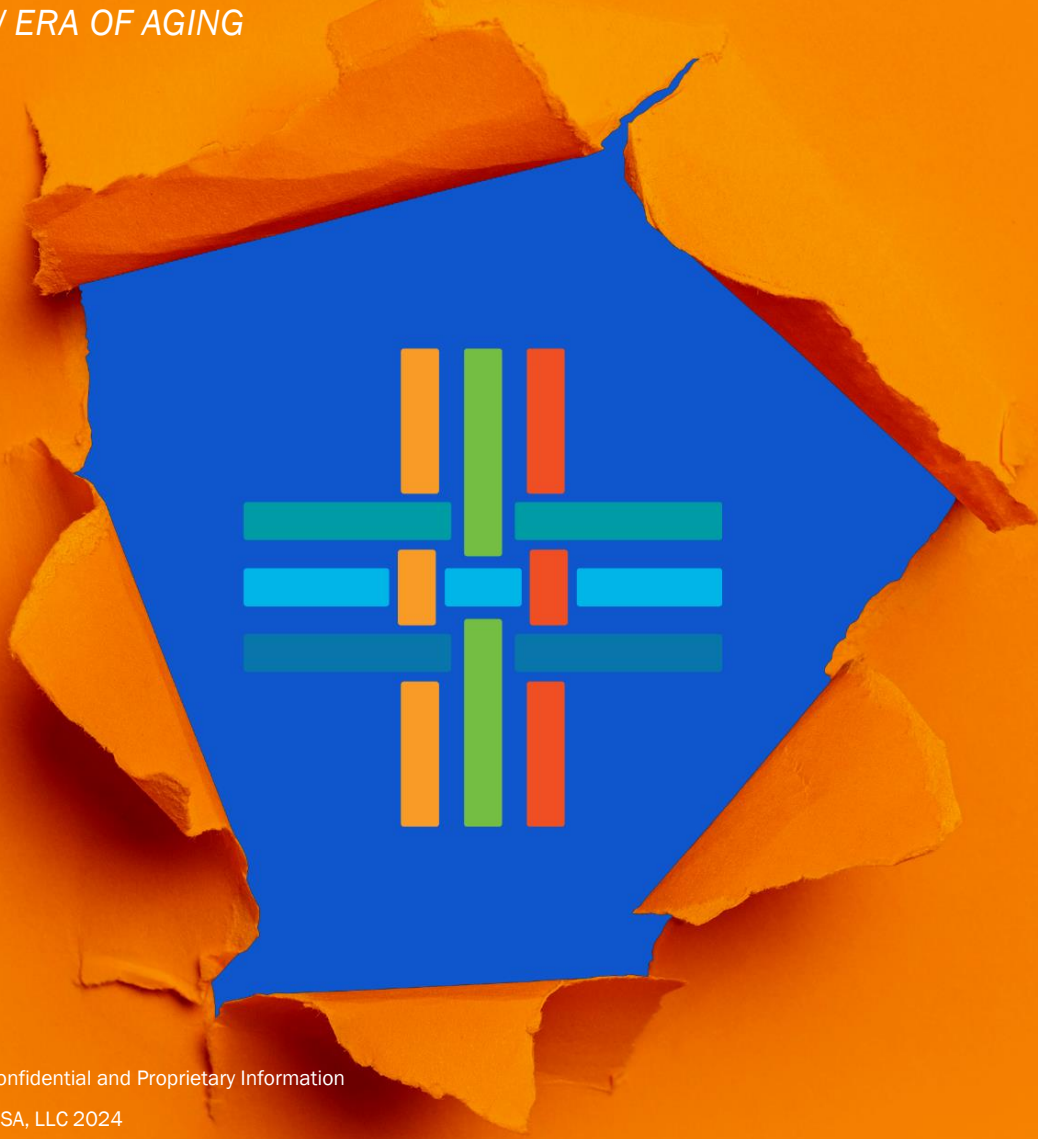




Alignment Healthcare  
*A NEW ERA OF AGING*



# William Blair 44th Annual Growth Stock Conference

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# Legal Disclaimer

## Forward Looking Statements

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995, as amended. Forward-looking statements are subject to risks and uncertainties and are based on assumptions that may prove to be inaccurate, which could cause actual results to differ materially from those expected or implied by the forward-looking statements. Actual results may differ materially from the results predicted, and reported results should not be considered as an indication of future performance. Important risks and uncertainties that could cause the Company's actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following: the Company's ability to attract new members and enter new markets, including the need for certain governmental approvals; its ability to maintain a high rating for its plans on the Five Star Quality Rating System; our ability to develop and maintain satisfactory relationships with care providers that service our members; risks associated with being a government contractor; changes in laws and regulations applicable to its business model; risks related to its indebtedness, including the potential for rising interest rates; changes in market or industry conditions and receptivity to its technology and services; results of litigation or a security incident; and the impact of shortages of qualified personnel and related increases in its labor costs. For a detailed discussion of the risk factors that could affect the Company's actual results, please refer to the risk factors identified in its Annual Report on Form 10-K for the year ended December 31, 2023, and the other periodic reports it files with the SEC. All information provided in this Current Report on Form 8-K is as of the date hereof, and the Company undertakes no duty to update or revise this information unless required by law.

This presentation includes certain market and industry data and statistics, which are based on publicly available information, industry publications and surveys, reports from government agencies, reports by market research firms and our own estimates based on our management's knowledge of, and experience in, the industry and market in which we compete. Third-party industry publications and forecasts have been obtained from sources we generally believe to be reliable. In addition, certain information contained in this presentation represents management estimates. While we believe our internal estimates to be reasonable, they have not been verified by any independent sources. Such data involve risks and uncertainties and are subject to change.

This presentation contains certain "non-GAAP" financial measures within the meaning of Item 10 of Regulation S-K promulgated by the SEC. We believe that non-GAAP financial measures provide an additional way of viewing aspects of our operations that, when viewed with the GAAP results, provide a more complete understanding of our results of operations and the factors and trends affecting our business. These non-GAAP financial measures are also used by our management to evaluate financial results and to plan and forecast future periods. However, non-GAAP financial measures should be considered as a supplement to, and not as a substitute for, or superior to, the corresponding measures calculated in accordance with GAAP. Non-GAAP financial measures used by us may differ from the non-GAAP measures used by other companies, including our competitors. To supplement our consolidated financial statements presented on a GAAP basis, we disclose the following non-GAAP measures: Medical Benefits Ratio, Adjusted EBITDA and Adjusted Gross Profit, as these are performance measures that our management uses to assess our operating performance. Because these measures facilitate internal comparisons of our historical operating performance on a more consistent basis, we use these measures for business planning purposes and in evaluating acquisition opportunities. For a reconciliation of these non-GAAP measures to the corresponding measures calculated in accordance with GAAP, see the Appendix to this presentation.

# Year-to-Date Recap

Successful First Quarter Positions Alignment to Deliver Upon 2024 Outlook and 2025 Growth and Profitability Objectives



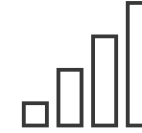
## Exceptional Growth Results

- 165,100 health plan members as of Mar. 31, 2024
- 51% YoY membership growth
- 30% YoY reduction in new member voluntary disenrollment during the first quarter
- Investments in AVA, network, sales operations and member experience continue to drive growth momentum



## 2024 Profitability Outlook

- 2024 outlook implies 260 basis points of YoY operating cost ratio leverage
- Disciplined product bids and strong clinical engagement resulted in an adj. MBR excluding ACO REACH increase of only 150 basis points in Q1 while driving substantial membership growth
- Ramping new member engagement supports MBR outlook through the remainder of the year



## Strong 2025 Positioning

- Strong Stars positioning in California
  - Roughly 95% of Alignment's California members are in plans that will have a 4-star payment level in 2025.
  - ~700,000 individuals in competing plans that will decline below a 4-star payment level in 2025
- Alignment's weighted average benchmark update of 5.0% is more than double the national average of 2.4%
- Retention of 2024 members presents margin expansion opportunity in 2025
- Well positioned to execute in second phase-in of v28 risk model changes

# Payvider Model: Visibility, Control and Durability

1

## Product and Network Control

- **Curated Products** tailored to senior lifestyles
- **High-quality provider networks**
- **Concierge-level support** for a premium member experience

2

## Data Proximity and Richness: AVA

- **Alignment Virtual Application (AVA):** Purpose-built technology platform
- **Detailed, real time member data** to support health plan operations
- **Actionable insights** enable timely medical intervention by our Care Anywhere teams

3

## Capital Efficient Clinical Engagement: CAW

- **Care Anywhere (CAW):** Employed clinical teams who act on AVA insights
- **Engage proactively** with our highest-risk seniors to improve member health
- Agile teams **deployed at home and virtually**

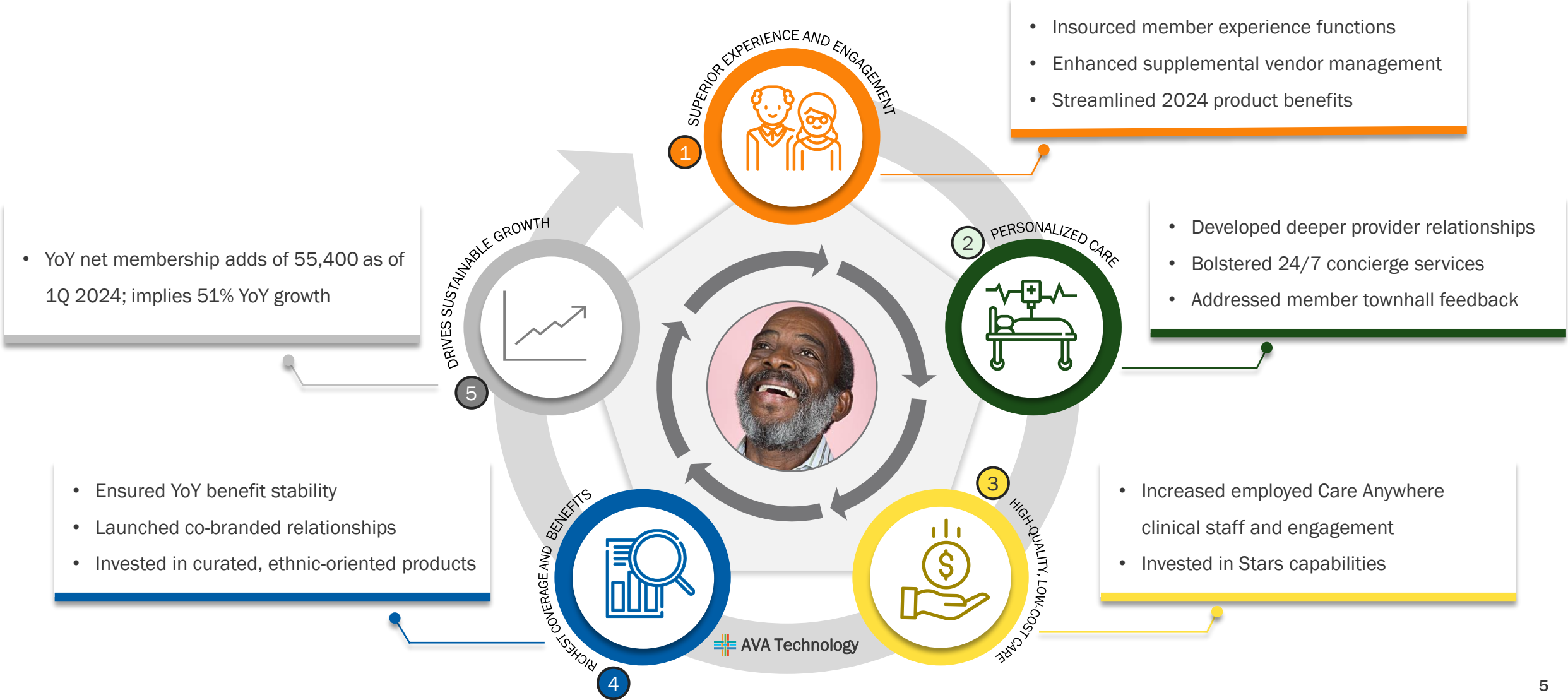
4

## MA Platform Enables Virtuous Cycle

- **Improve health outcomes** through AVA insights and Care Anywhere clinical intervention
- **Medical savings** result from lowering avoidable costs
- **Reinvestment** into superior products using savings derived from medical savings

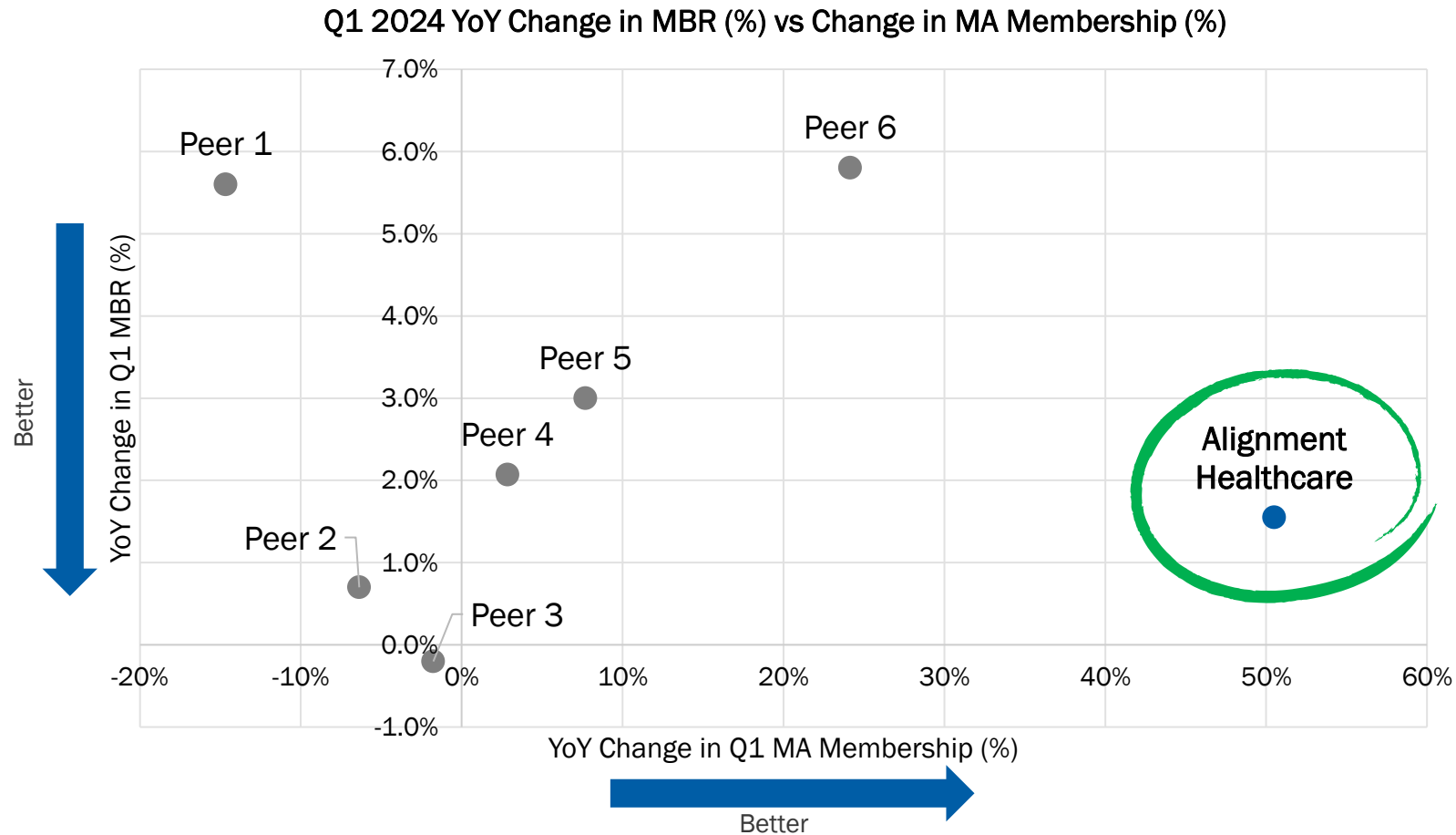
# Purpose-Built Medicare Advantage Platform Company

Virtuous Cycle: Doing Well by Doing Good



# Our Model Enables Us to Manage Costs while Growing Quickly

- Alignment has differentiated itself by achieving superior growth while leveraging its care model and AVA to manage MBR
- In comparison to a peer group of national publicly traded health plans, Alignment was the fastest growing MA plan growing at a rate 25x the average of the peer set
- MBR for the peer set increased an average of 280bps year-over-year, with higher growth health plans among the peer set showing even greater MBR increases



**Notes:**

1. Alignment MBR reflects adj. MBR excluding ACO REACH. MBR metrics for peers represent the most comparable reported measure to an individual MA MBR. YoY membership comparisons exclude the impact of acquired membership.

# AVA Platform

Creates Visibility, Control, and Durability Across Value Drivers Required for Success

**Performance Management**  
Real-time outcome tracking and performance measurement across value drivers

**Value Drivers**  
Product • Sales • Retention • Stars • Risk Adjustment • Utilization • Unit Cost • G&A Scale



## Care Management Applications

Population health and care management



## Quality / Stars Applications

Effective quality program management



## Quality / Risk Adjustment Applications

Timely, complete, accurate and compliant documentation



## Core Infrastructure Applications

Integrated applications and data across the company



## Growth Applications

Broker and member portals

**Unified Data Platform**  
Actionable Data and Insights | Accurate, Timely, Complete

# We Control Costs by Managing Care

AVA stratifies members into risk categories; Care Anywhere teams proactively target interventions for chronic, high-risk members <sup>(1)</sup>

## AVA | Member Risk Stratification

**74%** MEMBERSHIP  
**5%** INSTITUTIONAL COSTS



74% MEMBERSHIP

5% INSTITUTIONAL CLAIMS

**26%** MEMBERSHIP  
**95%** INSTITUTIONAL COSTS



7% MEMBERSHIP

19% INSTITUTIONAL CLAIMS



7% MEMBERSHIP

1% INSTITUTIONAL CLAIMS



12% MEMBERSHIP

74% INSTITUTIONAL CLAIMS

Average Member Primary Care Physician (PCP) Visits Per Year: ~5 <sup>(2)</sup>

Estimated Care Anywhere Member Touches Per Year: ~25 <sup>(3)</sup>

## Care Anywhere Team

Proactive Outreach | 24/7 access | Enhanced Care Coordination



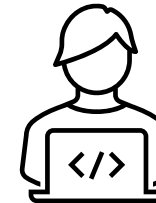
Physician



Advanced Practice Clinician



Medical Assistant



Social Worker



Behavioral Health Coach



Case Manager



Care Coordinator

Notes:

1. Based on at-risk members, Aug 2022 - Jul 2023 dates of service.

2. Based on October 2022 to September 2023 encounter data.

3. Estimated number of visits per year includes members who had an initial CAW visit plus estimates including program-based follow-up activities and engagement (telephonic and virtual).



# Personalized Healthcare

Delivered at the Home and Virtually

- Extreme risk indicates high priority for Care Anywhere clinical engagement
- Members predicted to be “Extreme” and “High Risk” account for 64% of hospital admissions

- AVA algorithms identify potential undocumented conditions and generate supporting clinical logic

- Clinical alerts and lab results provide medical context for medical staff and PCPs during Care Anywhere and doctor visits



**TYLER, JANE (83) F** DOB: 4/3/1936 Member ID: 0000001000027 Language: English

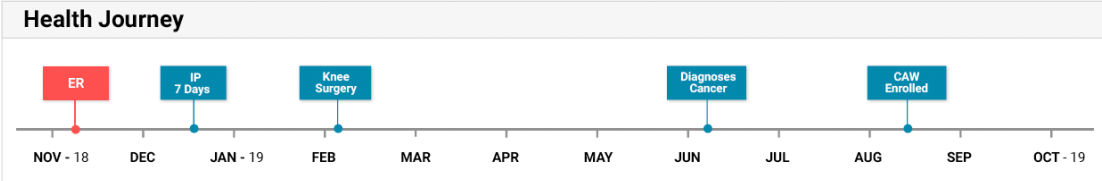
Address: 46923 Bell Ave, Orange CA, 92857  
T: 715-235-4754 C: 949-123-4583  
Email: aellyn@yahoo.com

PCP | IPA: Sanchez, Elias | PMSJ  
Case Manager: Jane Doe  
Member Since: 01/01/2019

Product: CalPlus Plan  
Care Anywhere: Enrolled  
JSA: Completed

**ARS: 13** Admission Risk: Extreme Dual Status: Medicaid Enrolled SDOH: Homeless

Registry: Home Oxygen, History of Fall, Liver Disease DME: Wheelchair, Cane, Walker



**HCC Alerts**

Potential Condition	Previously Reported Related Diagnoses		Provider	Additional Insights	Potential Condition Diagnosed at Visit?			
	ICD10	Date			Yes	No	Referred	Not Assessed
HCC-57 Schizophrenia	F20.9 Schizophrenia, Unspecified	08/05/2019	Block Michael	Patient is currently taking Seroquel	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	F20.9 Paranoid Schizophrenia	07/25/2019	Jeffery Leinen					

**HEDIS Gaps**

Measure Name	Action Notes
Breast Cancer Screening	Refer member to a radiology office for a mammogram screening within the measurement year.
Comprehensive Diabetes Care - Hba1c>8	Member has been identified to have diabetes and would benefit from a diabetic eye exam. Refer member to an eye care professional (ophthalmologist, optometrist) for at least one diabetic retinal eye exam in the measurement year to check for damage from diabetes. The results should mention presence or absence of retinopathy.

**Clinical Alerts**

Registry	Clinical Alert	Date
Psychiatric Diagnosis	New Narcotic Prescription	05/08/2019
Dementia	EGD Performed	04/22/2019

**Lab Results**

Description	Results	Date
Cholesterol in LDL [Mass/volume] in Serum or Plasma by calculation	79.00	09/05/2018
Creatinine [Mass/volume] in Serum or Plasma	1.25	09/05/2018
Glomerular filtration rate/1.73 sq M,predicted [Volume Rate/Area] in Serum or Plasma by Creatinine-based formula (MDRD)	53.00	09/05/2018
Glucose [Mass/volume] in Serum or Plasma	117.00	09/05/2018

- Homelessness and Duals tags suggest the member could benefit from deployment of Care Anywhere social worker to address underlying social determinants of health

- Wheelchair usage prompts a care coordinator to arrange transportation to the next medical appointment using the member’s transportation benefit
- Increases likelihood of follow-through on a medically necessary visit, thereby improving member health and reducing cost

- HEDIS gaps indicate Stars improvement opportunity
- AVA algorithms generate detailed action notes for Care Anywhere staff to address during a virtual or in-person visit

**Notes:**

1. All identifying patient information is changed to conceal patient identity. Underlying medical information contains real patient data. This report has been truncated for display purposes.

# Visibility and Control at the Patient Level

**Panel Management**

My Panel | Census | Admission | Discharge

**Search Filters**

Health Plan | IPA | PCP | APC Name | County | Zip | DOB | Member ID

Member First Name | Clinical Programs | Admission Risk Score Cate... | Disease Registry | Acuity Level | In Census | In Discharge | Has Appointment in Nex...

Hospice | Stable-CAW | LTC-Custodial Care

CLEAR SEARCH

**333**  
All Members

**8**  
In Census

**2**  
Discharge

**333**  
+ Open Care Gaps

**186**  
No Visits Last 60 Days

**288**  
No CAW AWW This Year

**1**  
30 Days Readmits

**0**  
VCC Visit Within Last 72 hours

**5**  
Discharged in Last 7 Days

**240**  
No Visits Last 30 Days

**Member List**

<input type="checkbox"/>	DOB	ARS	At Risk Admission Category	Admission Risk Score Category	Stable-CAW	PCP	Next CAW Visit Date	LTC-Custodial Care
<input type="checkbox"/>	11/13/1949	9	Polychronic 2	High	No	BACAY, BERNARD	03/04/2024	No
<input type="checkbox"/>	08/14/1933	7	Polychronic 2	Very High	Yes	BACAY, MARIA		No
<input type="checkbox"/>	11/25/1933	4	Polychronic 1	Very High	No	CAMACHO, RICHARD		No
<input type="checkbox"/>	01/24/1945	15	Advanced Illness	Very High	No	PATEL, RAHUL		No
<input type="checkbox"/>	07/13/1939	6	Polychronic 1	Very High	No	DALEY, JAMES		No
<input type="checkbox"/>	12/28/1944	15	Advanced Illness	Extreme	No	MALAK, TAYMOUR	02/12/2024	No

< > 1 2 3 4 5 6 7 8 9 10 ... > 12 Items per page

- Filtering criteria used to precisely analyze and address specific population cohorts with targeted campaigns

- Key information callouts provide Care Anywhere APCs with a snapshot overview of their patient panels

- The admission risk score category leverages the entirety of AVA's data feeds and proprietary AI algorithms to stratify and rank the admission risk of Alignment's members
- Care Anywhere clinicians target engagement of "Extreme" and "Very High" risk categories

**Notes:**

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# Visibility and Control at the Market Level

1

## Data Collection & Ingestion Under a Single Source of Truth

- 200+ unique data sources
- Admission, discharge, transfer (ADT) feeds from approximately 11,000 hospitals and facilities
- Same-day pharmacy and lab data connections from the vast majority of pharmacies and labs in the US
- Over 13,000 distinct demographic attributes

2

## Daily KPI Tracking & Score Cards

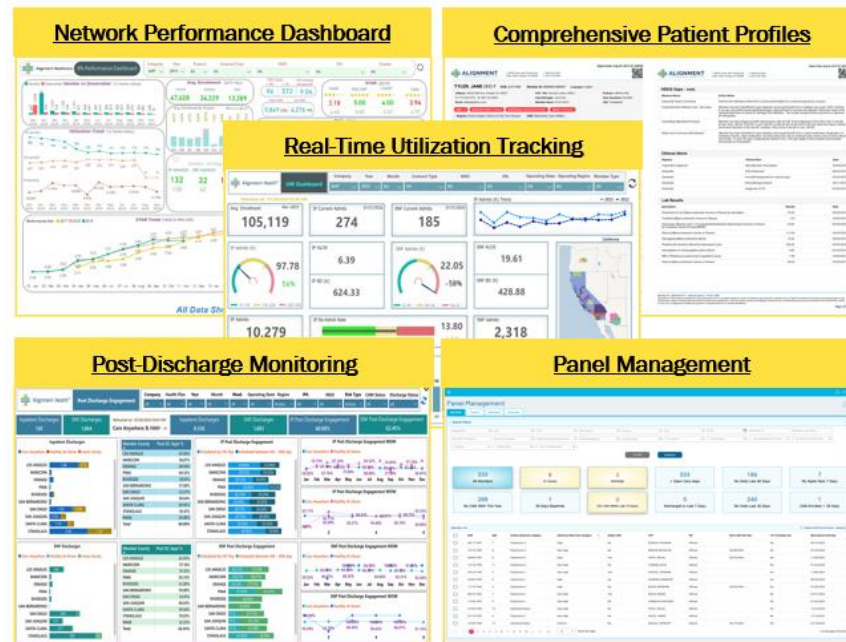
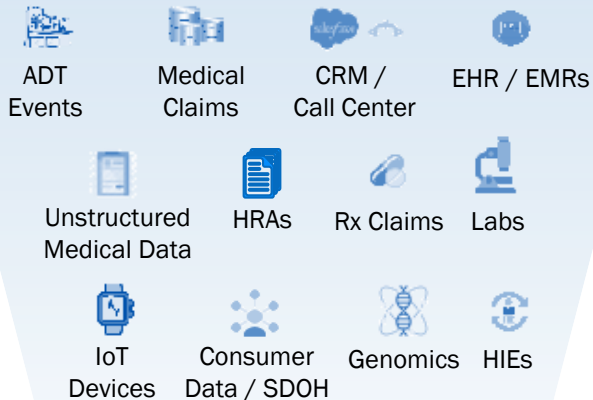
- Data and predictive insights are aggregated into KPI dashboards across the enterprise for daily performance monitoring
- Workflow tools support daily clinical, financial and operational activities
- Detailed patient information, clinical gaps and care journey conveniently accessible for virtual calls and home visits

3

## Actionable Operations

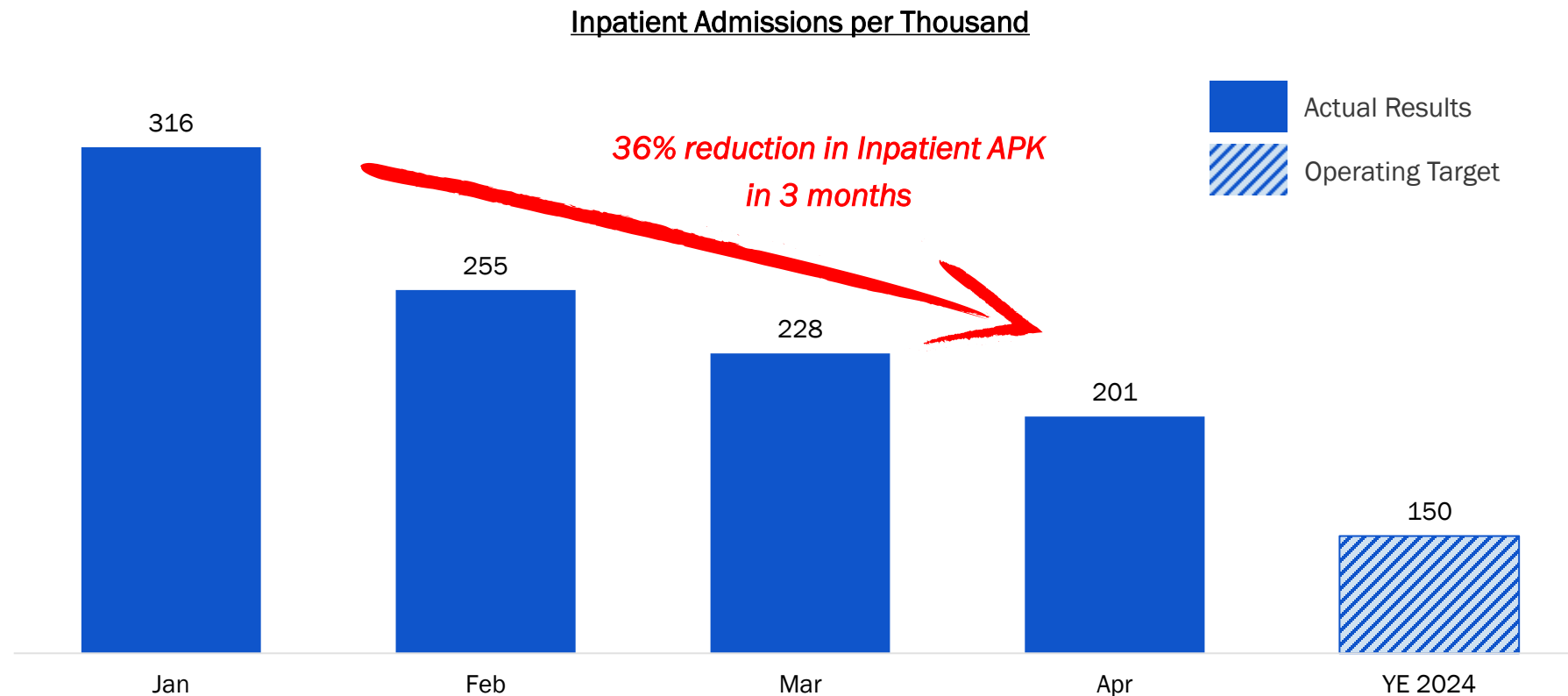
- **Medical cost management foundations:** In-home visits, network provider reviews, 24/7 telephonic and electronic support are all supported by AVA intelligent insights
- Clinical leaders and regional operators meet daily to address utilization hotspots
- Management of key clinical metrics drives financial outcomes: inpatient admissions per thousand, obs. rate, 30-day readmission, etc.

### Unified Data Platform Actionable Data | Accurate, Timely, Complete



# IPA Case Study: Rapid Response to Utilization Hotspots

- Alignment grew membership substantially with a new IPA relationship during the 2024 AEP. Members in this IPA were previously not well managed.
- AVA's real time admission, discharge and transfer feeds immediately flagged signs of high utilization in January, signaling the need for clinical intervention.
- Care Anywhere rapidly deployed clinical resources toward post-discharge management and ongoing chronic disease management for those identified as high risk .
- Alignment medical leadership collaborated with the IPA on after-hours case management and joint operating reviews.
- Inpatient admissions per thousand were reduced by 36% in the first 3 months due to AVA's timely insights and Care Anywhere's quick clinical response. Targeting another ~35% reduction by year-end.



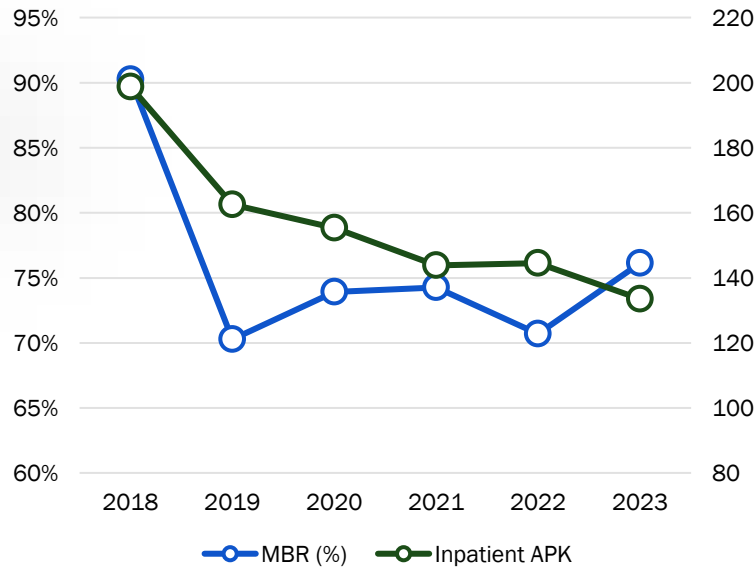
# IPA Case Study: MBR Management Drives Virtuous Cycle

- **Initial Entry:** Members who were paneled to doctors affiliated with the IPA were extremely complex (70% dually-eligible) but received only basic case management services that were insufficient for their health profile.
- **Market Improvement:** Care Anywhere deployment leveraged greater use of health coaches and social workers to address the social and clinical issues in this population. AVA insights jointly used by Alignment and IPA's case management teams to coordinate on chronic care management and member outreach. Financial alignment created by shared-upside risk pool arrangement supported collaborative efforts to improve member health.
- **Results:** AVA insights and market actions resulted in visibility into and management of member chronic conditions, social issues, and inpatient admission reductions. A portion of medical cost savings were reinvested in product benefits which resulted in high-margin growth.

1

## Medical Outcomes

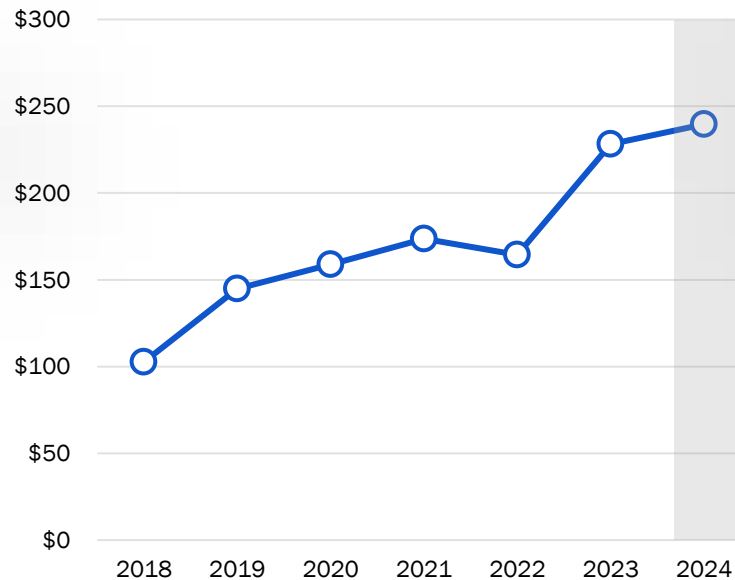
MBR (%) and Inpatient Admissions per Thousand



2

## Product Investment

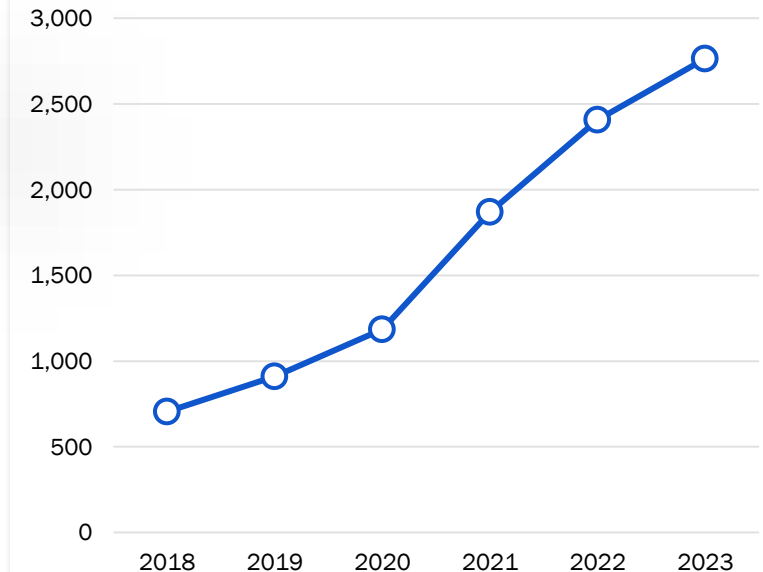
Average Rebate Value (\$ pmpm)



3

## Membership Growth

Average Medicare Advantage Enrollment



# The Medicare Advantage Platform for the Future



Disruptive, purpose-built Medicare Advantage platform



Investments in operations and AVA accelerating our virtuous cycle



Medical cost visibility and control supports 2024 profitability outlook



Widening advantages versus incumbents on Stars and risk model changes



Positioned to expand margin and grow at or above 20% in 2025 and beyond