

Capital Cost Comments...

Value-Based Care stocks increased on average 4.3% from December 10th through December 17th, while decreasing 40.5% since the firms went public. The broader market, measured by the S&P 500, was lower by 1.9% for the week, and is higher by 23.0% for the year. The Value-Based Care market capitalization increased by 4.3% for the week.

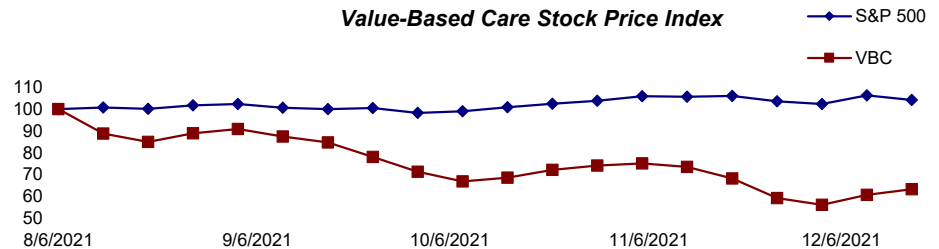
Individual stock price performance among the companies in our universe increased with four out of five plans gaining ground. Oak Street Health increased by 7.9%, followed by Privia Health with a gain of 6.8%. One Medical and agilon Health moved higher by 2.4% and 2.1%, respectively. Cano Health was flat on the week.

Valuation indicators improved with Price per Total Member or Member Equivalent gaining by 5.1% to \$21,771. Price per Risk Member increased by 5.3% to \$43,186. Price-to-Sales gained by 4.4% to 3.89 times. Price to Net Worth was higher by 6.7% to 13.44. Please see the Financial Tables on Pages A - D for more data.

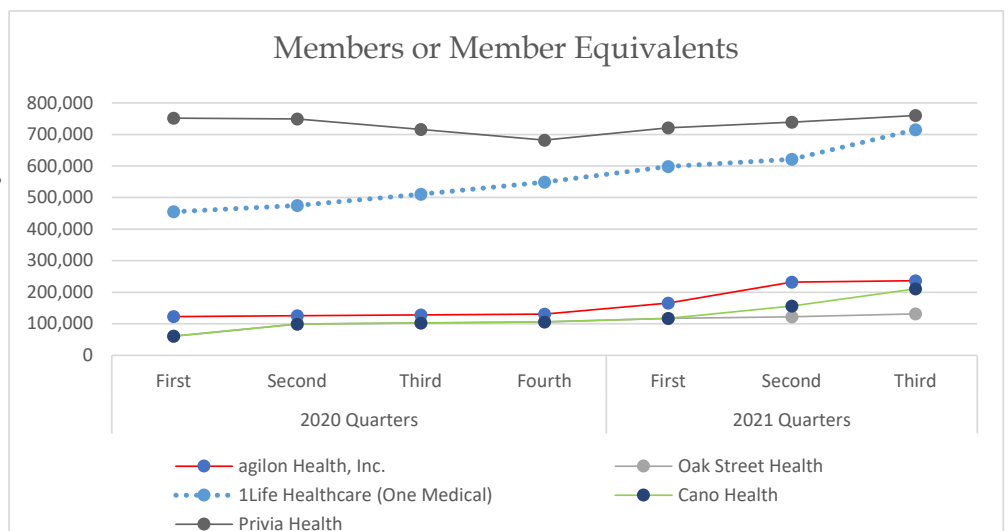
Value-Based Care stock prices and valuation metrics were higher reflecting bullish investor sentiment as no plans reported earnings.

The Value-Based Care beta and discount rate were 1.730 and 13.29%, respectively. *All rates of change are calculated holding the universe of firms constant.*

Value-Based Care Dashboard			
Capital Cost Indicators	VBC	Operational Metrics	
Equity Capital Costs		Growth (Year-Over-Year)	
Price-to-Sales	3.89	Patient Growth	18.5%
Price per Risk Member	\$43,186	Cap. Member Growth	668.5%
Price / Tot.Member or Equivalent	\$21,771	Center Growth	65.1%
Price-to-Operating Earnings	(33.1)		
Price / EBITDA LTM	19.3		
Price / Earnings	(7.4)	VBC Beta	1.730
Price / 2021 Earnings	(204.5)	VBC Discount Rate	13.29%



Operational Metrics			
Growth			
Revenue Growth (Year-Over-Year)			68.4%
Capitation Price Change (Year-Over-Year)			1.6%
Profit Margin			
	Quarterly	Latest Year	LTM
Operating Margin	-12.0%	-8.3%	-8.1%
Medical Expense / Revenue	91.7%	83.1%	71.0%
Administrative Exp. to Revenue	15.5%	14.6%	13.3%
Return on Equity - Last Twelve Months			-112.7%
Leverage and Solvency Quarterly			
Debt to Capital		5.5%	
Medical Months of Tangible Book Value		1.52	
Days of Claims Payable		74.7	
Accounts Receivable Days		49.1	



Upcoming Events and Filings

agilon, Inc.

10-28-2021 – 10-Q – Third Quarter 2021 Results

9-13-2021 – 424B4 – 17 Million Share Secondary Offering

Oak Street Health

11-8-2021 – News Release – Oak Street Health Reports Third Quarter 2021 Results

10-21-2021 – 8-K - Oak Street Health, Inc. announced that it had acquired RubiconMD Holdings, Inc.

1Life Healthcare (One Medical)

11-3-2021 – News Release – Third Quarter 2021 Results

9-1-2021 – 8-K – Completion of Acquisition of Iora Health

Cano Health

11-10-2021 – 10-Q – Third Quarter 2021 Results

9-21-2021 – 8-K – Debt offering of \$300 million aggregate principal amount of its senior notes due 2028

Privia

11-8-2021 – 10-Q – Third Quarter 2021 Results



P • U • L • S • E
Value-Based Care

Company Specific Comments

P3 Health Partners (P3) completed its business combination with Foresight Acquisition Corp on December 3rd, 2021. The combination began trading on December 6th, 2021 on the Nasdaq under the ticker “PIII”.

All comparisons are between third quarter 2021 and third quarter 2020.

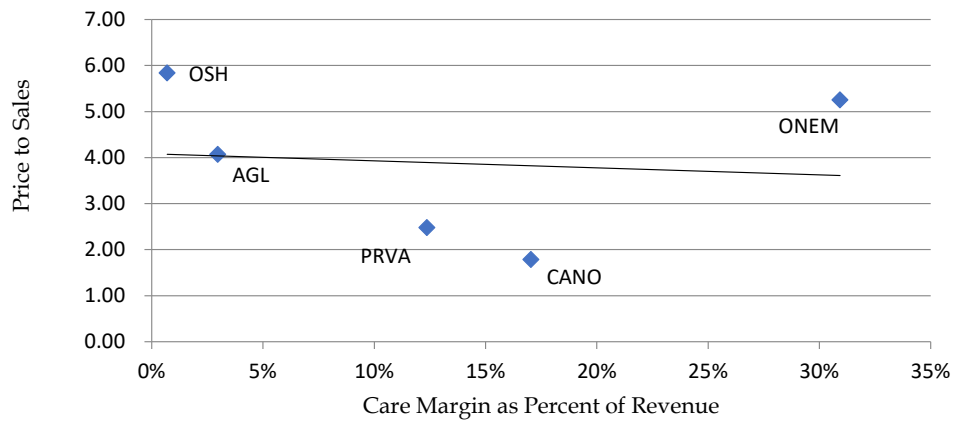
As of September 30, 2021, P3 has 60,300 At-Risk Members compared to 49,300 in the comparable period. P3 has 1,700 affiliate PCPs. Total revenue for the third quarter 2021 was \$157 million and \$129 million in the same quarter 2020. Capitated revenue comprised 97.3% of total revenue at \$153 million. The total capitated revenue per member was \$846 PMPM compared to \$872 PMPM in the comparable quarter.

P3 focuses on Medicare Advantage patients. The firm has arrangements with physician groups and independent physicians via a delegated model. Payors provide monthly payments for their members attributed to P3 participating physicians.

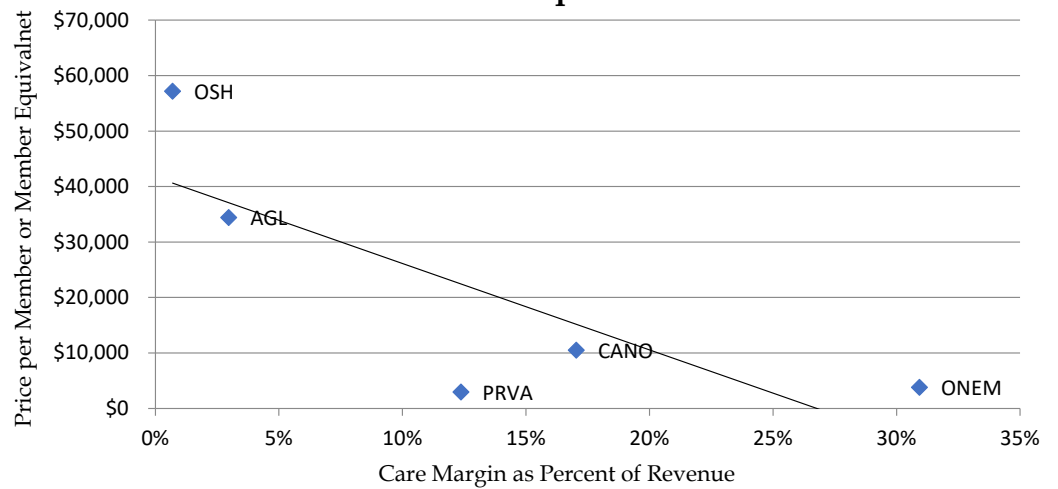
P3’s membership grows through patients of PCPs aging into Medicare, conversion of Medicare FFS patients to Medicare Advantage and the addition of new payor and physician contracts.

Note : Privia Health Group has relationships with payers yielding revenues that are low per member relative to other firms.

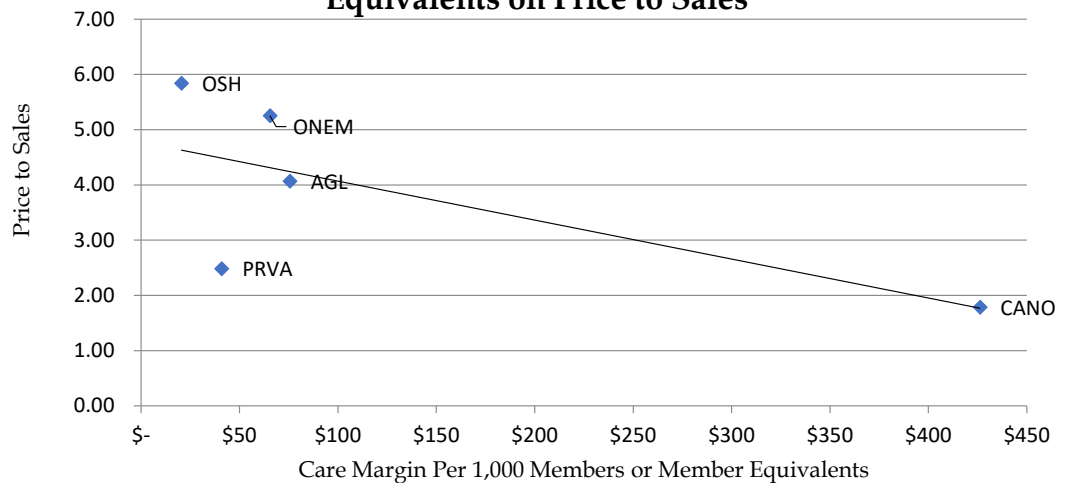
Effect of Care Margin on Price to Sales



Effect of Care Margin to Revenue on Price per Member or Member Equivalent



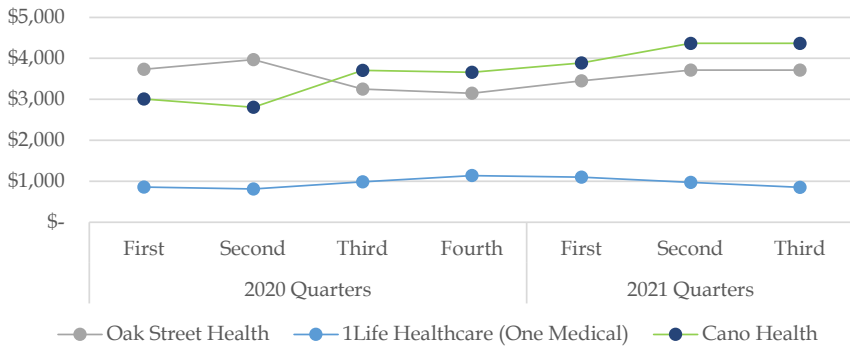
Effect of Care Margin per 1,000 Members or Member Equivalents on Price to Sales





Operating Trends

Revenue per Center

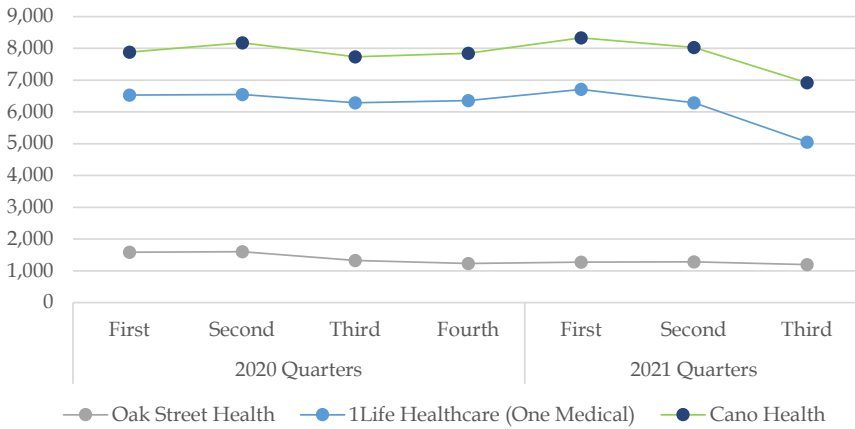


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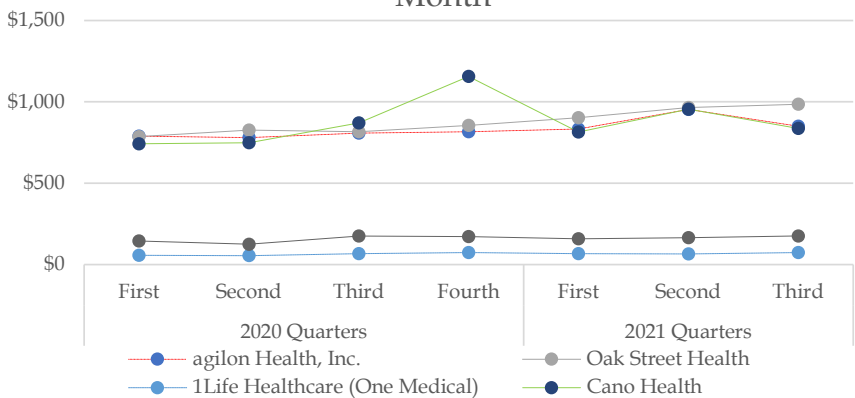
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Member or Member Equivalent per Center



Revenue per Member or Member Equivalent/ Month



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Market Statistics

(000, Except Ratios)

	Ticker	Year End Data	Interim Data (Int.)	Stock Price 12/17/21	Shares Out-standing (Int.)	Current Market Cap.	Valuation Ratios (a)								
							Price / Earnings Multiples (P/E)			Price to Op. Income LTM	Price to EBITDA LTM	Price to Sales LTM	Price Per Capitation	Price to Net Worth	Price to Tang. Book
							Latest Year	Last 12 Mo.	Est. 2021						
agilon Health, Inc.	AGL	12/31/20	9/30/21	\$23.33	391,229	\$9,127,373	(119.4)	(71.6)	(23.1)	(69.4)	(79.2)	4.07	\$34,427	8.10	8.9
(i)															
Oak Street Health	OSH	12/31/20	9/30/21	\$33.97	223,436	\$7,590,111	(39.5)	(22.8)	(18.8)	(23.4)	(24.6)	5.84	\$74,831	49.58	55.4
One Medical	ONEM	12/31/20	9/30/21	\$17.41	153,700	\$2,675,917	(23.2)	(22.4)	(18.5)	(31.0)	(49.2)	5.25	NA	1.50	115.8
Cano Health	CANO	12/31/20	9/30/21	\$9.49	170,871	\$1,621,570	(60.6)	(14.1)	(949.0)	(107.1)	187.7	1.79	\$10,501	1.89	(3.3)
Privia Health	PRVA	12/31/20	9/30/21	\$23.57	105,897	\$2,495,983	72.4	94.0	(13.1)	65.3	62.0	2.48	NA	6.16	9.1
Average or Total Value-Based Care		5				\$23,510,953	(34.1)	(7.4)	(204.5)	(33.1)	19.3	3.89	\$39,919	13.44	47.3
													(b)		

- Notes:**
- (a) Price Includes long-term debt and excludes working capital, except Price/Earnings, Price to Tangible Book and Price to Net Worth
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 - (e) Pro forma.
 - (f) Previous quarter data.
 - (g) Annualized Data
 - (h) Sherlock Company Estimates
 - (i) Includes Direct Contracting



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(000, Except Ratios)

	Revenue Trends					Price Trends				Patient and Member Trends					
	Annual Trends		Quarterly Trends			PMPM		Fees		Members (000's) Capitated		Patients FFS		Members or Equivalents	
	Latest Year	Pct. Chg.	Last 12 Months	Interim Quarter	Percent Change	Interim Quarter	Percent Change	Interim Quarter	Percent Change	Interim Quarter	Percent Change	Interim Quarter	Percent Change	Interim Quarter	Percent Change
						Capitation									
agilon Health, Inc. (i)	\$1,218,333	53.4%	\$2,000,595	\$603,544	93.0%	\$849	5.5%	NA	NA	184	42.6%	NA	NA	237	83.2%
Oak Street Health	\$882,765	58.6%	\$1,287,202	\$388,700	78.4%	\$1,249	4.4%	\$129.03	90.2%	101	70.3%	31	3.3%	132	47.8%
One Medical	\$380,223	37.6%	\$514,901	\$151,333	48.9%	NA	NA	\$58.99	-11.1%	NA	NA	683	33.7%	715	39.9%
Cano Health	\$829,418	124.1%	\$1,237,804	\$526,798	100.2%	\$794	-5.2%	NA	NA	211	105.0%	NA	NA	211	105.0%
Privia Health	\$817,075	3.9%	\$904,586	\$251,524	21.4%	NA	NA	NA	NA	NA	NA	NA	NA	760	17.6%
Average or Total Value-Based Care	\$4,127,814	55.5%		\$1,921,899	68.4%	\$964	1.6%	\$94.01	40.1%	527	72.6%	714	18.5%	2,054	58.7%

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(000, Except Ratios)**Earnings Trends**

	Net Income			Operating Income				Op. Margin		Earnings per Share				
	Prev. Year	Latest Year	Pct. Chg.	Last 12 Months	Comp. Quarter	Interim Quarter	Pct. Chg.	Last 12 Months	Comp. Qtr.	Int. Qtr.	Prev. Year	Latest Year	Last 12 Mo.	Est. 2021
agilon Health, Inc.	-\$114,455	-\$63,208	NM	-\$118,799	-\$9,844	-\$35,601	NM	-\$117,355	-3.1%	-5.9%	(\$0.39)	(\$0.20)	(\$0.33)	(\$1.01)
(i)	(c)	(c)		(c)	(c)	(c)		(c)						
Oak Street Health	-\$107,862	-\$187,990	NM	-\$329,092	-\$55,349	-\$109,300	NM	-\$320,831	-25.4%	-28.1%	NA	(\$0.86)	(\$1.49)	(\$1.81)
	(c)	(c)		(c)	(c)	(c)		(c)						
One Medical	-\$54,836	-\$90,125	NM	-\$106,014	-\$2,187	-\$44,156	NM	-\$87,202	-2.2%	-29.2%	(\$2.84)	(\$0.75)	(\$0.78)	(\$0.94)
	(c)	(c)		(c)	(c)	(c)		(c)						
Cano Health	-\$10,525	-\$74,072	NM	-\$111,694	\$6,700	-\$9,635	NM	-\$20,646	2.5%	-1.8%	NA	(\$0.16)	(\$0.67)	(\$0.01)
	(c)	(c)		(c)	(c)	(c)		(c)						
Privia Health	\$8,244	\$31,245	279.0%	\$25,454	\$8,543	12,991	52.1%	\$34,390	4.1%	5.2%	\$0.09	\$0.33	\$0.25	(\$1.80)
	(c)	(c)		(c)	(c)	(c)		(c)						
Average or			NM			-\$185,701	52.1%		-4.8%	-12.0%				
Total Value-Based Care			(b)				(b)							

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(000, Except Ratios)

	Operating Ratios			Balance Sheet Data and Ratios (Interim)												
	Med. Exp / Rev		Admin to Revenue Int. Qtr	Long Term Debt(d)	Debt to Capital Ratio	Net Worth	ROE, Last 12 Mo.	Intangi- bles	Tangible Book Value	Net Worth Per Share	Tang. Book Per Share	Med Exp Mos. of Tang. B.V.	Working Capital	Days of Claims Payable		
	Int. Qtr.	Pct. Chg.												Comp.	Int.	Chg.
agilion Health, Inc.	97.0%	5.2%	8.4%	\$44,628	0.5%	\$1,127,439	-10.5%	\$99,687	\$1,027,752	\$2.88	\$2.63	5.26	\$1,030,085	NA	44.9	NA
(i)																
Oak Street Health	99.3%	8.5%	28.8%	\$900,300	10.6%	\$153,100	-215.0%	\$16,000	\$137,100	\$0.69	\$0.61	1.07	\$969,900	118.7	104.6	(14.1)
One Medical	69.1%	11.3%	60.1%	\$571,196	17.6%	\$1,787,682	-5.9%	\$1,764,568	\$23,114	\$11.63	\$0.15	0.88	\$542,111	14.3	17.8	3.6
Cano Health	83.0%	0.9%	14.4%	\$916,111	36.1%	\$858,013	-13.0%	\$1,349,776	(\$491,763)	\$5.02	(\$2.88)	(3.38)	\$325,548	NA	16.0	NA
Privia Health	87.6%	-2.0%	7.2%	\$31,664	1.3%	\$404,995	6.3%	\$129,538	\$275,457	\$3.82	\$2.60	3.75	\$282,182	NA	60.0	NA
Average or Total Value Based Care	87.2%	4.8%	14.7%		5.5%		-112.7%					1.52		59.3	74.7	15.4

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