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# Highmark Health

# 1<sup>st</sup> Quarter 2022 Financials

*For Public Release*

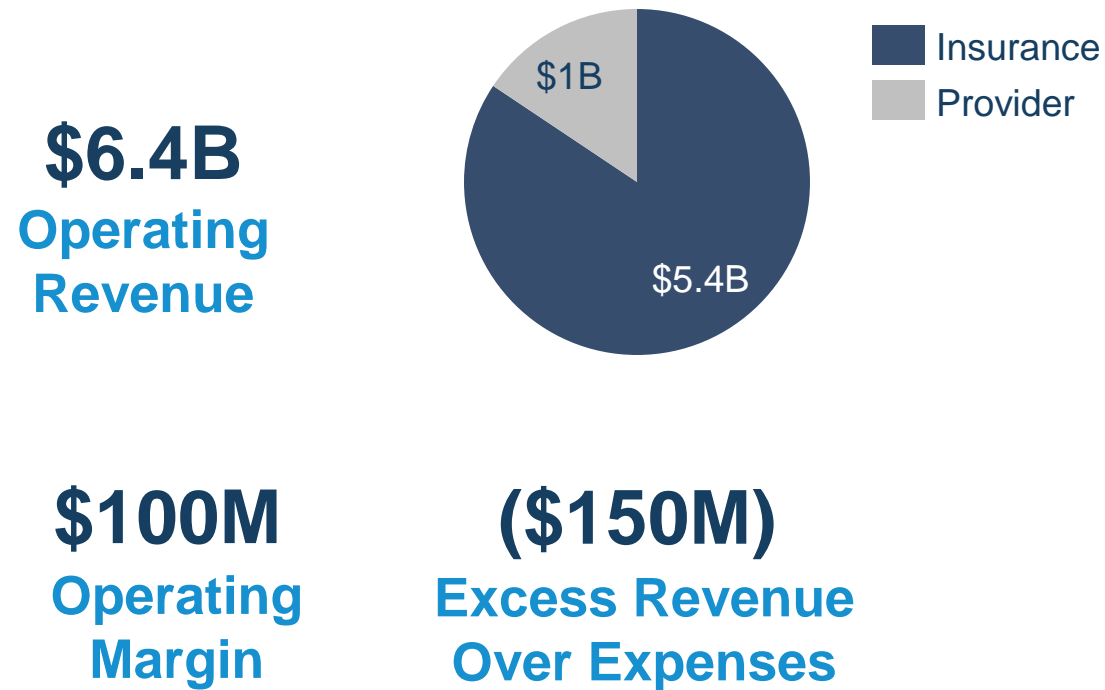
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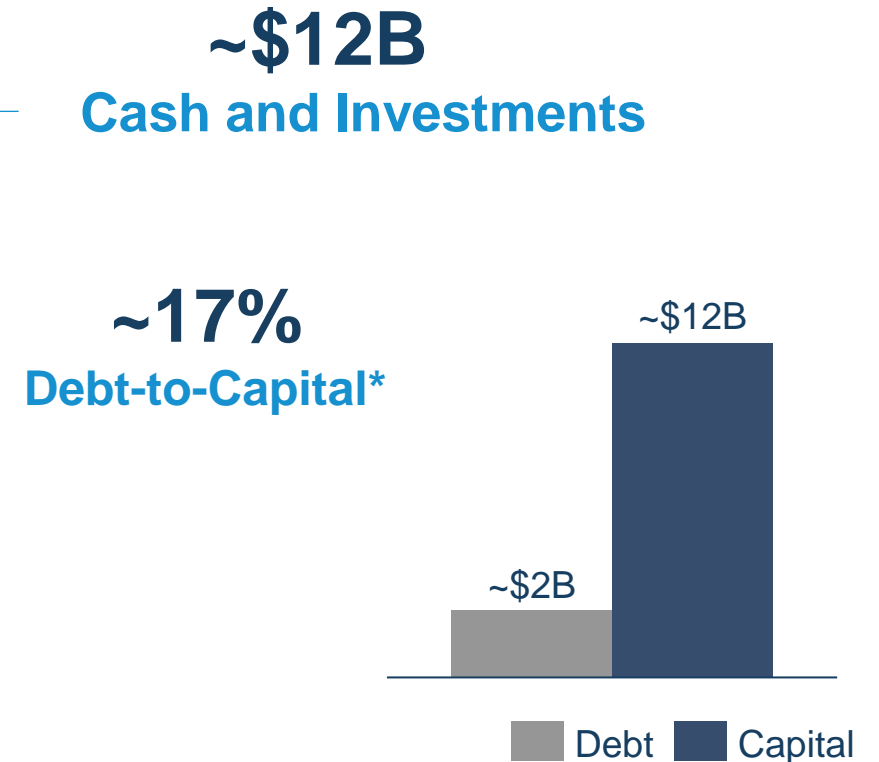
March 31, 2022

# Highmark Health Q1 2022 Financial Overview

## Financial Results



## Balance Sheet



\*Debt-to-Capital ratio excludes line of credit utilization

# Insurance performance bolsters provider

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- **Highmark Health Plans:** Operating gain >\$150M
- Positive performance driven by favorable claims performance and strong member enrollment



- **Allegheny Health Network:** EBITDA\* (\$67M), operating revenue \$1B
- Addressing cost pressures related to labor shortage, supply chain, and inflation.
- Inpatient discharges and observations down 2%, outpatient registrations up 14% excluding vaccination appointments, physician visits up 4%, ER visits up 17%, births up 7% vs. Q1 2021

# Diversified Businesses strengthen Highmark Health

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Diversified Businesses contributed >\$50M of combined operating earnings.

UNITED CONCORDIA®  
DENTAL

- Ranks among the top 10 dental companies in the US with **>\$410M in revenue**
- **\$35M operating margin**
- Licensed in **every state, DC, and PR** with **>9M members**

HM INSURANCE  
GROUP

- **Net Revenue of \$221M**
- **Operating margin of \$18M**
- Licensed in **every state and DC**

 enGen  
*Formerly known as  
HM Health Solutions*

- **Technology related revenue of ~\$270M**
- **Strong operating margin** while making **investments in platform capabilities**
- Platform membership of **~11M** across numerous Blues plans