Overview Presentation
March 2024

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Health Catalyst Overview

We are a leading provider of data and analytics technology and services to healthcare organizations

Comprehensive Solution

1
Data Platform

Integrate data in a flexible, open, and scalable platform

2
**Applications**

Deliver insights on how to measurably improve

3
Services Expertise

Enable and accelerate data-informed improvement

Our clients, which are primarily healthcare providers, use our Solution to manage their data, derive analytical insights to operate their organizations, and produce measurable clinical, financial, and operational improvements

HealthCatalyst

Our mission is to **be the catalyst** for massive, measurable, data-informed healthcare **improvement**

Our flywheel represents **how** we accomplish our mission with each client—**our company strategy.**

Begin, Renew, Expand, Share

Data and Analytics Platform
Integrate data in a flexible, open, scalable, and modular platform to power insights

Measurable Improvement Occurs
Trust builds, client engagement increases, and learnings expand across the ecosystem

Engagement
Attract, develop, retain, and empower extraordinary team members deeply engaged and committed to the mission of improvement

Expertise
Enable data-informed improvement by providing expertise and managed services

Applications
Deliver analytics insights on how to measurably improve and automate processes to drive efficiency

Investment Highlights

Recognized industry leader in healthcare data & analytics

~$1T[1] WASTE $8B+[2] TAM

Comprehensive solution: data platform, applications & services expertise

>300 DATA SOURCES   Up to 100 TBs / CLIENT   12 APP SUITES + LIBRARY   >1,000 ANALYTICS & DOMAIN EXPERTS

Measurable clinical, financial & operational improvements

$1.5B IMPROVEMENTS   350+ CLIENT CASE STUDIES   6/YR → 25/YR
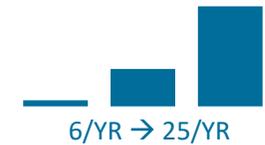
World-class team member engagement

94th-99th[3] PERCENTILE ENGAGEMENT   89 BEST PLACE TO WORK AWARDS

Attractive operating model

>90%[4] RECURRING REVENUE   100%-112%[5] DOLLAR-BASED RETENTION RATE   FY2023E Adj. EBITDA POSITIVE $500M+/$100M+ 2028 REVENUE/Adj. EBITDA TARGET

HealthCatalyst®

We Solve the Key Problems Facing Healthcare Today

Waste & Financial Pressure

- A volume-based US healthcare reimbursement model with $1 trillion/year of waste [1] continues to put pressure on providers' operating margins

- This has led insurers to change to a value-based reimbursement model, but this will take time

Changing Economics

- During the next few decades, both margin pressure and the move to value-based care present economic complexity and change that require **data, analytics & improvement** expertise

Data Complexity

General Ledger
Supply Chain
Claims
Hospital Billing
Patient Satisfaction
Patient Reported Outcomes
Costing
EMR (inpatient)
EMR (ambulatory)
Socioeconomic
Radiology
Professional Billing
Healthcare Information Exchange
Clinical Specialty Systems
EMR (post-acute)
Wearables and Monitoring Devices
Human Resources & Payroll
Laboratory
Genomic
Time and Attendance
Pharmacy

Managing this long-term challenge and complexity requires a strategic partner who offers an end-to-end, comprehensive solution across data, analytics & improvement, allowing health systems to focus on their core competency of care delivery

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(1) *According to estimates in 2019. Research estimates 25% of U.S. healthcare spending is wasteful in nature, implying approximately $1 trillion of waste amongst $3.8 trillion of total healthcare expenditure in 2019*

Blue Chip Client Base

>630 clients[1] include academic medical centers, integrated delivery networks, community hospitals, large physician practices, ACOs, health information exchanges, health insurers, and other risk-bearing entities

Externally-Validated Industry Leadership

Broad Recognition

2019 Highest Client Satisfaction
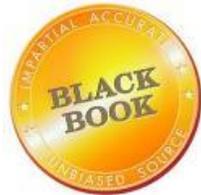
Chilmark Healthcare Analytics Report[1]

Vendor	Product Grade	Market Grade
Allscripts	B+	B
Arcadia	A-	A-
Athenahealth	B+	B+
CareEvolution	A-	A-
Cerner	A	A-
Change Healthcare	B-	B-
eCW	C+	B-
Epic	A	A
Forward Health Group	B-	B
Health Catalyst	A	A
HealthEC	B+	C+
IBM Watson Health	B	B-
Innovaccer	B-	C+
Lightbeam	B-	B
MedeAnalytics	B	B
Medecision	C	C-
MEDITECH	B	C+
NextGen	B	B+
Optum	B+	B+
Philips	C+	C+
SCIO-EXL	C+	C-
SpectraMedix	C	C+
SPH Analytics	B-	B-

KLAS Evangelism Score[2]
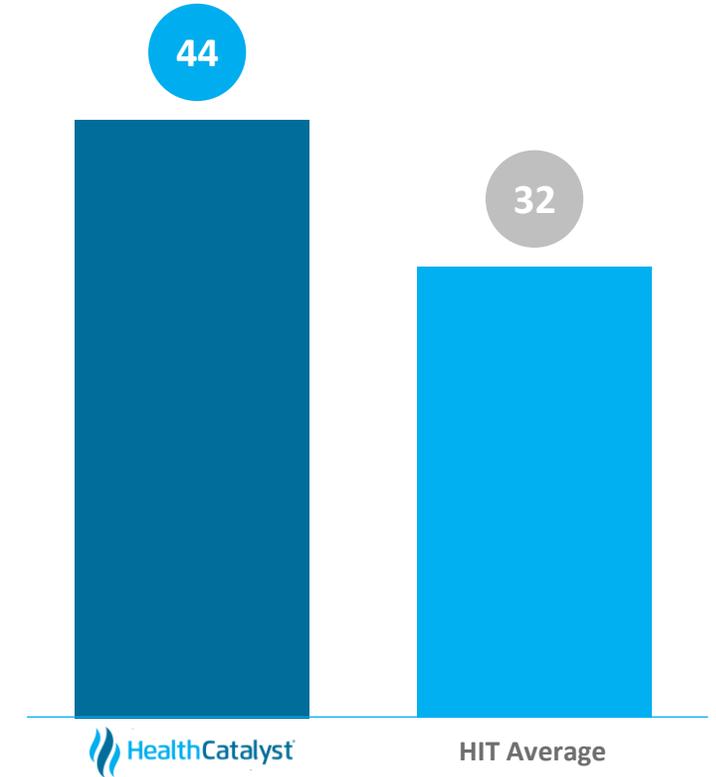
44 — HealthCatalyst

32 — HIT Average

Health Catalyst Solution for Data-informed Improvement

Simplify and focus on 5 core areas of differentiated client value. With every client and across every solution, ensure that consistent, measurable improvement goals are set, achieved, and communicated regularly

Use Case Areas of Focus

Clinical Improvement

Technology	Services

▪ Embedded Refills
▪ Twistle Patient Engagement
▪ Analytics accelerators in pareto areas of clinical improvement
	▪ Domain Expertise:
	  –Clinical improvement
	  –Patient flow
	  –Perioperative supplies
	  –Population health
	  –Care management
	  –Patient safety
	
	TEMS:
	  –Improvement

Revenue & Cost Improvement

Technology	Services

▪ VitalIntegrity
▪ VitalCDM
▪ VitalKnowledge
▪ PowerCosting
▪ PowerLabor
▪ Hospital Price Index
	▪ Domain Expertise:
	  –Labor management
	  –Supply chain
	  –Charge capture
	  –Claims denial
	  –Revenue cycle
	
	TEMS:
	  –Costing
	  –Chargemaster mgmt

Ambulatory Operations

Technology	Services

▪ Ambulatory operations analytics accelerators and dashboards
▪ Embedded Refills
▪ Twistle Patient Engagement
▪ Value Optimizer
	▪ Domain Expertise:
	  –Provider productivity
	  –Patient access
	  –Quality metrics
	  –Value-based care contract performance
	
	TEMS:
	  –Ambulatory operations
	  –Practice management

Infrastructure Areas of Focus

Measures & Registries

Technology	Services

▪ MeasureAble
▪ ARMUS registries
▪ CRStar cancer registry
▪ Pop Analyzer
▪ Value Optimizer
	▪ Domain Expertise:
	  –Measures
	
	TEMS:
	  –Chart abstraction
	  –Registry submission

Data & Analytics

Technology	Services

▪ Next-generation data and analytics platform and AI: more modularity, flexibility, scalability, and support
▪ Expert Data Collections
▪ Healthcare.AI
▪ Ninja Universe
	▪ Domain Expertise:
	  –Healthcare.AI
	  –Visualization migration
	
	TEMS:
	  –Data science
	  –Data and analytics engineering, operations, certification, strategy

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= Technology Enabled Managed Services (TEMS)

Measurable Data-Informed Improvement for 2024 Focus Areas

Examples from all 5 areas of focus

Use Case Areas of Focus

Clinical Improvement

- **$22M** cost savings and **$1.9M** in new revenue – improved patient flow*
- **$17.4M** AI-enabled patient blood management improvements
- **$3.4M** cost savings from automating medication refill processes

Revenue & Cost Improvement

- **$75M** cardiovascular service line cost savings*
- **$10M** revenue increase enabled by PowerCosting
- **$7.8M** charge capture improvements

Ambulatory Operations

- **$25.4M** revenue increase through improved patient access
- **$7M** cost savings over three and a half years
- **$2.2M** increase in revenue and **55K** care gaps closed*

Infrastructure Areas of Focus

Measures & Registries

- **38%** relative improvement in quality scores
- **10% to 25%** reduction in abstraction time
- **93%** percent inter-rater reliability*

Data & Analytics

- **$32.2M** cost reduction through AI-enabled care management
- **$10M** AI-enabled variable cost reduction
- **>$3M** indirect labor cost savings*

*Enabled by TEMS (Technology Enabled Managed Services (TEMS)

Meaningful Investment in the Scalability, Modularity and Flexibility of Our Next-Generation Data Platform

Best-in-class standardized platforms complimented by best-in-class open platforms

Best-in-class standardized platforms

- Standardized use case excellence
- Operational excellence (speed, cost, scale)

Best-in-class open platforms

- Tailorable for healthcare
- Optimized to support your highest value use cases

Winning Position

– A "Standardize to Customize" approach from acquisition through analytics –
– Built for today and the future –

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Next-Generation Data Platform: *Highlights*
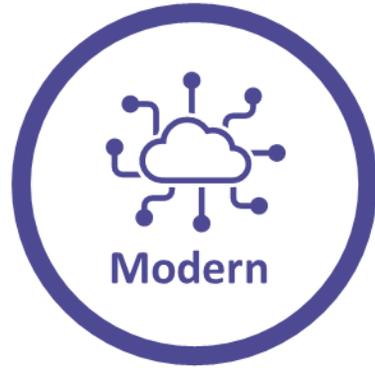
Integrated

- End-to-end technology integration
- Unified data model that is extensible
- Interoperability

Intelligent

- Plug-and-play data acquisition, curation, & enrichment
- Plug-and-play healthcare data quality
- Embedded AI/ML

Modern

- Elastic compute
- Event-driven processing
- DataOps

Extensible

- Extensible data acquisition, curation, & enrichment
- Prebuilt APIs & FHIR APIs
- Extensible technology integration

Accessible

- Self-service reporting
- Self-service data science
- Enabling data scientists and other technical experts

Next-Generation Data Platform: *Architecture*
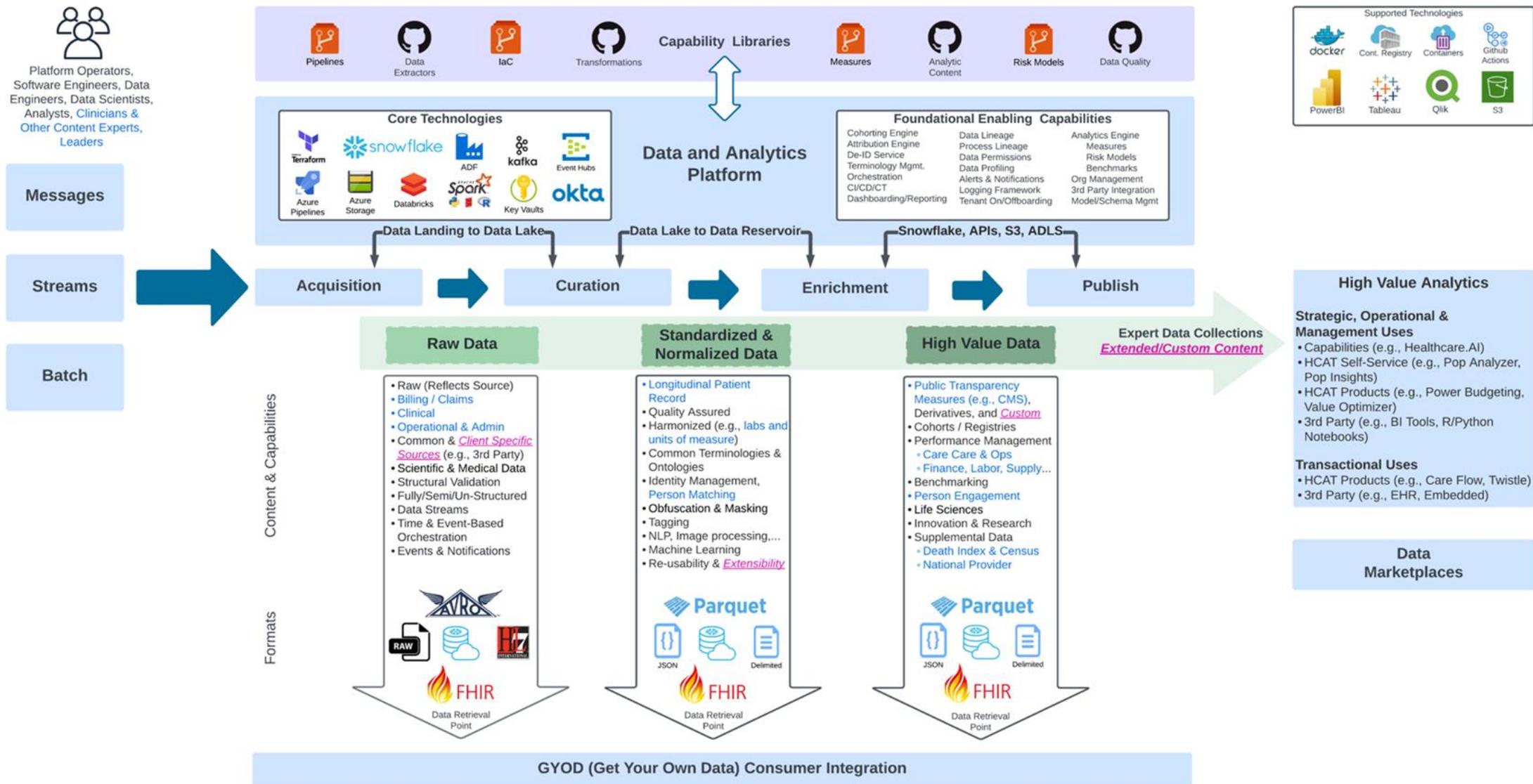
Leveraging Healthcare.AI

Health Catalyst has invested in machine learning and augmented intelligence models over the past few years, primarily through its Healthcare.AI cloud-native platform

Healthcare.AI™ by Health Catalyst

- Deployment of machine learning/predictive models to optimize client workflows. Examples include:
  - Point of care (e.g., readmission prevention)
  - Point of service (e.g., financial assistance predictive models)
  - Revenue generation (e.g., marketing outreach)
  - Management (e.g., forecasting and budgeting)
  - Operations (e.g., COVID and staffing "war rooms")
  - Effect estimation (e.g., drug/device/program evaluations)
- **Impact:** Helping healthcare leaders face an unprecedented list of increasingly critical issues across revenue, cost, and quality

Level 5: Prescriptive Optimization
Learn from data to drive future improvements
—PROBLEM REFINEMENT, LEARNING DESIGN, SIMULATION—

Level 4: Retrospective Comparison
Compare performance over time or against peers to refine improvement interventions
—STATISTICAL MODELING, GROUP DIFFERENCES, CONFOUNDING, CAUSATION, SENSITIVITY ANALYSIS—

Level 3: Optimizing Predictive Models
Optimize predictive models to maximize insight and drive better decisions
—FUNCTIONAL, OPERATIONAL, AND CONTEXTUAL MODEL UNDERSTANDING—

Level 2: Choosing/Building Predictive Models
Choose or tailor predefined predictive models, or build your own
—REGRESSION, RANDOM FOREST, NEURAL NET, MODEL EFFICIENCY—

Level 1: Analytics Integration (Self-Service)
Integrate AI techniques into your everyday analytic tools for one-touch access
—SPC, FORECAST, FOREST PLOTS, CORRELATION, POWER ANALYSIS, RISK ADJUSTMENT, PEER FINDING—

Expansive AI™ Framework

Tailwinds

- Health Catalyst will continue to differentiate itself by leveraging cross-industry technologies and layering them on top of healthcare-specific content for end markets
- Anticipate AI integration will increasingly play a role in tech enablement and improved efficiency of TEMS relationships
- Importance of clean, comprehensive data sets for AI use cases serves as a long-term tailwind for our data platform
- The increasing prevalence of AI will increase the necessity for technology expert services as well as seamless integration with business intelligence tools

Generative AI

- Health Catalyst is actively leveraging Generative AI for internal efficiency use-cases including
  - Chart abstraction for registries and related submissions
  - Code generation and translation
- Generative AI can enable clients to make data-informed decisions to increase quality, speed, and cost of healthcare delivery
  - Building on Health Catalyst reputation of improvement, optimization, and ensuring aims are met
  - Helping clients convert hopes and concerns into plans and measurable improvement

Leveraging Healthcare.AI Cloud-Native Platform Module

High-Value Analytics Enables Users to See What Is Right In Front Of Them

- 96% of people draw meaningfully erroneous insights

- Improve >10x with Healthcare.AI

- True of analysts through board of directors

- True of people who are confident or question their abilities

- >75% of clients using Healthcare.AI for substantive decisions

- >90% of clients using Healthcare.AI for some purpose (including Data Quality)

- 5-25K calls per day
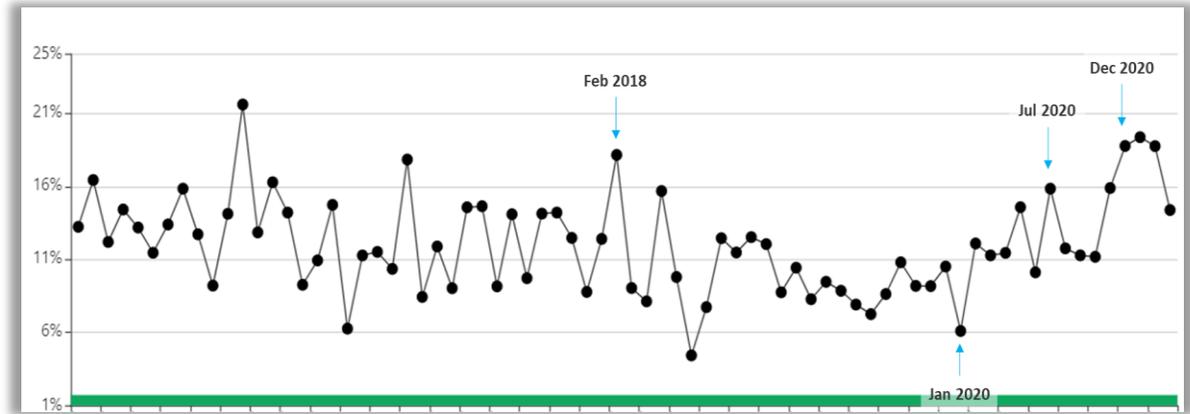
Typical Time Series
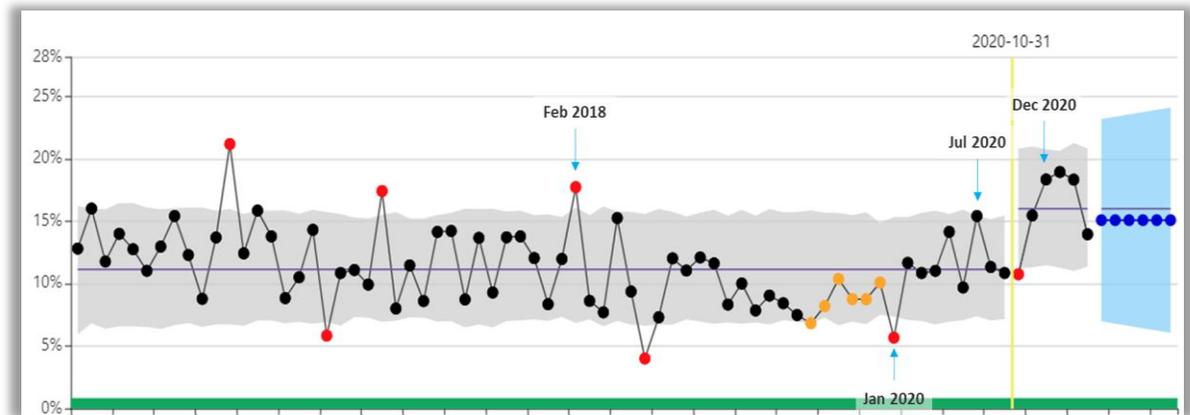
Healthcare.AI

HealthCatalyst®

Highly Differentiated, Comprehensive Solution
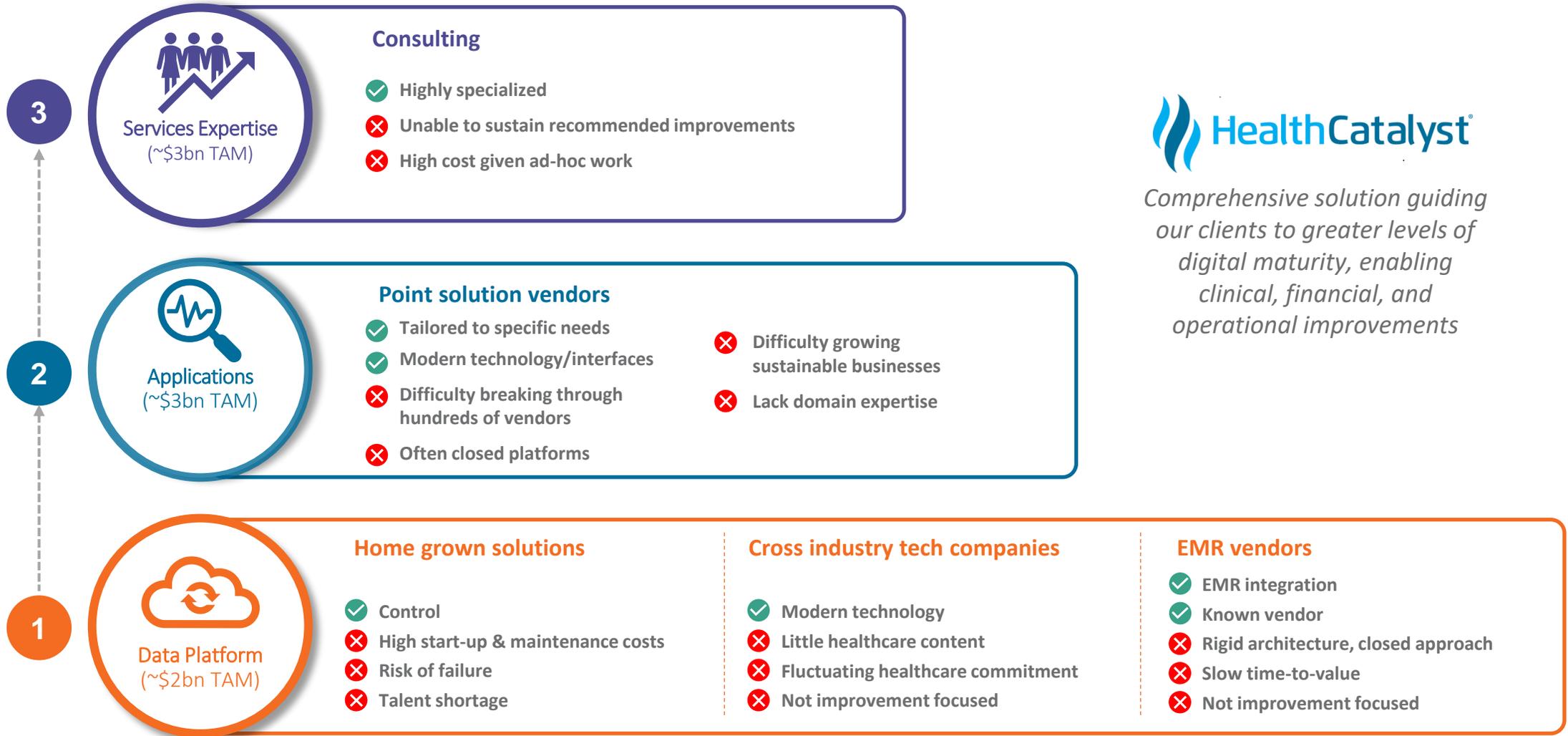
3 — Services Expertise (~$3bn TAM)

Consulting
- ✓ Highly specialized
- ✗ Unable to sustain recommended improvements
- ✗ High cost given ad-hoc work

2 — Applications (~$3bn TAM)

Point solution vendors
- ✓ Tailored to specific needs
- ✓ Modern technology/interfaces
- ✗ Difficulty breaking through hundreds of vendors
- ✗ Often closed platforms
- ✗ Difficulty growing sustainable businesses
- ✗ Lack domain expertise

1 — Data Platform (~$2bn TAM)

Home grown solutions
- ✓ Control
- ✗ High start-up & maintenance costs
- ✗ Risk of failure
- ✗ Talent shortage

Cross industry tech companies
- ✓ Modern technology
- ✗ Little healthcare content
- ✗ Fluctuating healthcare commitment
- ✗ Not improvement focused

EMR vendors
- ✓ EMR integration
- ✓ Known vendor
- ✗ Rigid architecture, closed approach
- ✗ Slow time-to-value
- ✗ Not improvement focused

HealthCatalyst

Comprehensive solution guiding our clients to greater levels of digital maturity, enabling clinical, financial, and operational improvements

Clients' Realized Improvements Accelerate Over Time, Reinforcing Decisions to Renew and Expand

Together with our clients, celebrating an important milestone in our journey to fulfill our mission

300 SUCCESS STORIES
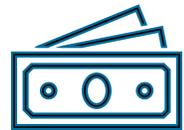
$1.5B client-approved measurable healthcare improvements

5.4M lives positively impacted

2.9M care gaps closed

More

A Health Catalyst Success Story

Tech-Enabled Managed Services Improves Quality, Reduces Costs, and Optimizes Engagement

As the financial and operational burden of reporting quality measurement in healthcare continues to increase, systems such as Banner Health and Community Health Network (CHNw) look for options to ease their resource spend in this area. These organizations partnered with Health Catalyst in a tech-enabled managed services arrangement for clinical chart abstraction.

The result: lower costs, increased value from data, and a positive experience for team members.

Challenges & Impact

- Huge and increasing demand for data collection and abstraction, driven by registry reporting
- Numerous clinicians involved in documentation, abstraction
- Data used only for reporting, not analysis for improvement
- **Impact:** Difficulty obtaining timely, accurate data; lost opportunity to learn from data; high costs of manual chart abstraction

Solution

- Leveraged DOS™ platform to automate the extraction of required data.
- Tech-Enabled Managed Services provided by Health Catalyst:
  - Clinical data abstraction
  - Data analysis: identify variation and trends in cost, quality, and productivity
  - Support for the prioritization of improvement opportunities

Results

Tech-Enabled Managed Services has improved data quality and yielded these measurable results:

- **15% reduction** in labor costs for clinical chart abstraction at CHNw
- **49% relative improvement** in clinical chart abstraction efficiency at Banner Health
- **30% relative improvement** in team member engagement

Carle Health: Long-term, Significant Partnership Expansion

Carle

Five-year Deal Signed in Dec 2022, Worth Up to ~$80M Over the Life of the Contract

"Carle Health is excited to announce this novel partnership with Health Catalyst. When combined with our own clinical expertise, **Health Catalyst will help us transform the way we use data to support organizational decisions and improve patient outcomes**. As a transformative health care system, it's important that we lay the groundwork to ensure we're able to provide the right solutions that **blend data, analytics, and medical expertise to optimize the quality of care we provide** for everyone who depends on us."

- Matt Kolb [1], Executive Vice President, Chief Operating Officer at Carle Health

Partnership Expansion Overview

- **Carle Health is an integrated health system based in Urbana, Illinois** that includes 5 hospitals, multi-specialty physician group practices with >1,000 docs & Health Alliance Medical Plans

- Health Catalyst and Carle first entered a partnership in 2020. This **five-year expansion** includes an all-access technology subscription, **plus tech-enabled managed services in the areas of analytics, data management, reporting, abstraction and project management**

- This significant expansion **makes Carle one of Health Catalyst's largest enterprise & tech-enabled managed services** clients

Contractual Terms

- Five-year deal with Carle Health, worth up to **~$80M** over the life of the contract **($16M ARR)**

- At **$11M+ ARR expansion,** it represents one of the **largest expansion contracts in the company's history**

- The contractual growth is inclusive of both technology expansion and **tech-enabled managed services** (more heavily weighted toward this revenue stream)

Strengthening the Partnership

- **Carle Health made recent decision to become a meaningful shareholder** with the open market purchase of Health Catalyst common stock

- Matt Kolb [1], Executive Vice President and COO of Carle Health, was **appointed to Health Catalyst's Board of Directors, effective July 1, 2023**

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(1)   *Matt Kolb also serves as a member of our Board of Directors.*

World-class Team Member Engagement

Health Catalyst benefits from highly-engaged team members with low turnover rates, which enables client satisfaction, renewal, and expansion

Consistently Recognized as One of the "Best Places to Work"	2015 – 2023 Gallup Overall Engagement Score Percentile	KLAS Evangelism Score[1]

94%-99%

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44 HealthCatalyst

32 HIT Average

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Experienced and Visionary Management Team

Daniel Burton
Chief Executive Officer
and Director
Tenure at Health Catalyst: 13 years

HB Ventures · Micron · hp · BCG

Jason Alger
Chief Financial Officer
Tenure at Health Catalyst: 11 years

EY

Tarah Neujahr Bryan
Chief Marketing &
Communications Officer
Tenure at Health Catalyst: 11 years

Bonner General Health · Billings Clinic · inferno

TJ Elbert
SVP, Chief Data Officer, and GM of
the Data Platform Business Unit
Tenure at Health Catalyst: 5 years

Northwestern Medicine · Cerner

Kevin Freeman
Chief Commercial Officer
Tenure at Health Catalyst: 4 years

vitalware · GAFFEY HEALTHCARE · netorange · MedAssets

Leslie Falk
Chief Client Success Officer
Tenure at Health Catalyst: 11 years

hp

Jason Jones
Chief Analytics and Data Science
Officer
Tenure at Health Catalyst: 6 years

KAISER PERMANENTE · Intermountain Healthcare · United Healthcare

Ben Landry
General Counsel &
Corporate Secretary
Tenure at Health Catalyst: 5 years

athenahealth · NIXON PEABODY

Dan LeSueur
Chief Operating Officer
Tenure at Health Catalyst: 12 years

Practice Advisory Group
AG ANALYSIS GROUP

Linda Llewelyn
Chief People Officer
Tenure at Health Catalyst: 11 years

ON · BD · 1800 contacts

Holly Rimmasch
Chief Clinical Officer and
SVP & GM of Clinical Quality
Tenure at Health Catalyst: 12 years

Intermountain Healthcare · hms

Dave Ross
Chief Technology Officer
Tenure at Health Catalyst: 3 years

twistle · ALBANY MEDICAL CENTER

HealthCatalyst

The Health Catalyst Operating Principles

The principles that govern our daily interactions

Improvement
- We are deeply committed to enabling our clients to achieve and sustain measurable clinical, financial, and operational improvements
- We nurture deep, long-term partnerships because achieving and sustaining improvement is a transformational journey (not a quick trip)
- We pragmatically prioritize innovations that accelerate improvement
- We attract, develop, and retain experts who know best practice in their domain, leverage analytics for insight, and accelerate adoption for sustained improvement

Accountability
- We are all accountable to ourselves and to one another to proactively show up every day in support of our company's mission
- We make decisions that balance and optimize the interests of our teammates, clients, patients, and shareholders
- We avoid an entitlement mentality and are good stewards of our assets
- We don't micro-manage and we show trust while also having high expectations of ourselves and of one another

Respect
- We recognize the immeasurable value of every individual
- We listen carefully to one another and learn from each of our colleagues
- We care deeply about our colleagues, including teammates, clients, patients, and shareholders
- We benefit from one another's diverse backgrounds and experiences, and are unified by our company's mission

Transparency
- We are honest and compassionate in our interactions with others and with ourselves, even if the truth is hard
- We strive to live up to the Health Catalyst Way in all settings
- We treat confidential information appropriately, and we protect the private data of our clients' patients
- We recommend the best solutions for our clients whether or not those solutions come from Health Catalyst

The Health Catalyst Cultural Attributes
The attributes we prioritize in our hiring, retention, and promotion

Continuous Learning
- I can share with and learn from others
- I love to learn, and I am a lifelong student
- I recognize my mistakes and correct them quickly
- I seek and respond favorably to feedback and coaching
- I value my autonomy and use it to gain new knowledge and skills
- I recognize that diversity of perspectives leads to better decisions
- I am self-aware and seek improvement, personally and professionally
- I watch, listen, and learn from others; thank them for their teachings; and apply the teachings to the mastery of my profession; and I do the same for others

Humility
- I listen first
- I serve others without looking for recognition
- My first assumption with others is positive intent
- I often acknowledge others for their contributions
- I am secure in my own abilities (quiet self-confidence)
- I seek to improve myself before trying to improve others
- I am excited when others succeed, and I offer sincere praise
- I empower others to do their best and give proper credit to others
- I frequently express gratitude and appreciation to those around me

Commitment
- I stick to the task until the job is completed
- I recognize that not every part of my job will be fun
- I make personal sacrifices, as needed, to get the work done
- I am willing to contribute more than my fair share to a project
- I have a deep, long-term commitment to healthcare improvement
- I lead a balanced, healthy life that enables me to sustain my pace

Excellence
- I strive for excellence and quality in all aspects of my work; I show up to fulfil my role in the company's mission to the best of my ability
- I recognize the importance of excellence in pursuit of our mission
- I strive to be well informed about events and trends in healthcare, data and analytics, and improvement
- I actively contribute to the company's pursuit of excellence—in the technology we build, in the services we provide, and in the functions that support this important work
- I recognize and ask for help when I need it

Multiple Strategic Levers to Drive Durable, Long-Term Growth

Expand within our current client base

Upsell TEMS offering to existing clients (~10% TEMS clients out of our ~110 DOS clients and 525+ other existing clients)

Built-in, annual technology escalators

Sell additional apps & services

High dollar-based retention rate: **100%-112%**[1]

Grow our overall client base

109 DOS subscription clients[2] amidst ~1,200 potential clients → ~9% penetration

Cross-sell DOS to hundreds of application-specific clients & cross-sell applications to DOS clients

Continue M&A and Partnerships

Combine data assets and best-of-breed applications

Selectively pursue transformative M&A to accelerate scale

Best-in-class culture a differentiating factor in sourcing opportunities

Add new applications and services

Developed a multitude of new software applications in last few years[3]

Partnerships and open platform provide insights into new offerings

Recent development of new TEMS offerings (Abstraction and Ambulatory Ops) plus existing technology to support potential new TEMS offerings areas

Accelerates as relationships deepen and dataset grows

Grow addressable market through adjacencies

Additional types of healthcare organizations

International

Monetize Core

Expand Opportunity

(1)   Overall range from 2017 - 2023 for DOS Subscription Clients, as further defined in our Form 10-K (e.g., excludes clients acquired in Medicity, Able Health, Healthfinch, Vitalware, Twistle, KPI Ninja, ARMUS and ERS acquisitions and other non-DOS Subscription Clients).
(2)   As of 12/31/23
(3)   Added to this figure recently via M&A

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Health Catalyst 2023 Financial Highlights, 2024 Guidance & Key Themes

Q4 and FY 2023 Revenue and Adjusted EBITDA

- Q4 2023 Total Revenue: $75.1M; actual results exceeded guidance midpoint (range of $70.1M to $75.1M)
- Q4 2023 Adjusted EBITDA: $1.4M; actual results in line with guidance midpoint (range of $0.3M to $2.3M)
- FY 2023 Total Revenue: $295.9M; actual results exceeded guidance midpoint (range of $291.0M to $296.0M)
- FY 2023 Adjusted EBITDA: $11.0M; actual results in line with guidance midpoint (range of $10.0M to $12.0M)

2023 Bookings Performance

- 2023 Net New DOS Subscription Clients: 11; actual results in line with our previously shared expectations (both in number of net additions and in average ARR per net new client)
- 2023 Dollar-Based Retention Rate: 100%; actual results below our forecasted range of 102% - 110%, primarily due to a delay of a few larger Tech-Enabled Managed Services (TEMS) expansion opportunities. One of these TEMS opportunities has recently signed and is slated to begin mid-year. We anticipate we will sign multiple other TEMS expansion opportunities in 2024, but as we have shared previously, precisely predicting the timing of these larger deals can be challenging.

2024 Guidance and Forward-Looking Commentary

- 2024 Total Revenue guidance range: $304M - $312M and Q1 2024 Total Revenue guidance range: $72.5M - $76.5M
- 2024 Adjusted EBITDA guidance range: $24M - $26M, representing ~125% growth year-over-year at the midpoint and Q1 2024 Adjusted EBITDA guidance range: $2.0M - $4.0M
- As we continue to drive growth, we anticipate improvement in 2024 Net New DOS Subscription Client bookings and Dollar-Based Retention Rate metrics relative to 2023, supported by continued improvement in the operating environment of our end market.
  - For 2024, we anticipate Net New DOS Subscription Clients in the mid-teens range
  - For 2024, we anticipate Dollar-Based Retention Rate in the range of 104% - 110%
- We have introduced new mid-term and long-term financial targets, as well as provided updates relative to our previously shared financial targets (see related slide).

Key Themes

- While health system operating margins continue to be challenged relative to longer-term historical levels, we are encouraged to see operating margins steadily improving in recent months; we anticipate this will be a tailwind related to our bookings metrics in 2024 and beyond.
- Our meaningful investment and early rollout of the next-generation of our data platform software is enabling significant increases in scalability and modularity.
- As we have seen our end market improve, we have begun to strategically allocate more of our growth resources toward new client and cross-selling efforts, with a focus on Technology, especially with the benefit of our next-generation data platform rollout.
- Vitalware Chargemaster Management software solution was recently ranked 'Best in KLAS' for 2024, marking the fifth year that Vitalware has achieved this distinction.
- Our 10th annual Healthcare Analytics Summit (HAS) conference will be held at the end of February. We anticipate we will host approximately 1,000 attendees, primarily composed of existing and prospective clients; HAS represents a meaningful investment in new client and existing client relationship development.

Health Catalyst Updated Growth & Financial Targets

2024 Targets

Revenue
$304M to $312M

Adjusted EBITDA
$24M to $26M (*~125%+ YoY Growth*)

Net New DOS Subscription Client Additions
Mid-Teens

Dollar-Based Retention Rate
104% to 110%

Business Unit Adjusted EBITDA Margin[1]
Technology: Low-to-Mid-Teens

Pro Services: ~0%

2025 Targets

Revenue
10% to 15% Growth

Adjusted EBITDA
10% - 12% Margin

Business Unit Adjusted EBITDA Margin[1]

Technology: ~20%

Pro Services: Slightly Positive

2028 Targets

Revenue
$500M+ Revenue
Technology >55% of Revenue
Technology Revenue Growth of 10%+

Adjusted EBITDA
$100M+

Business Unit Adjusted EBITDA Margin[1]

Technology: ~30%

Pro Services: ~10%

Technology BU with 'Rule of 40' Profile

Highly Attractive Operational and Financial Model

Poised for Growth Reacceleration and Profitability
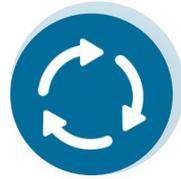
Recurring revenue streams across technology, analytics and services	**>90%**[1] Recurring Revenue	
2025 and 2028 Revenue targets	**10% - 15%** 2025 Revenue Growth Rate	**$500m+** 2028 Revenue Target
Strong client retention and stickiness	**100%-112%**[2] Dollar-based Retention Rate	**34**[3] → **109**[3] 2017 Clients → 2023 Clients
Improving gross margin	**41%**[4] → **49%**[4] 2017 Adj. Gross Margin → 2023 Adj. Gross Margin	
Continued Adj. EBITDA progress	**(1%)**[5] → **4%**[5] → **10%-12%**[5] → **$100M+**[5] 2022 Adj. EBITDA % of Revenue → 2023 Adj. EBITDA % of Revenue → 2025 Target Adj. EBITDA % of Revenue → 2028 Target Adj. EBITDA	

High Engagement, Satisfaction & Expansion

Produces a High-Growth, Predictable, Recurring Revenue Business

Total Revenue ($mm)
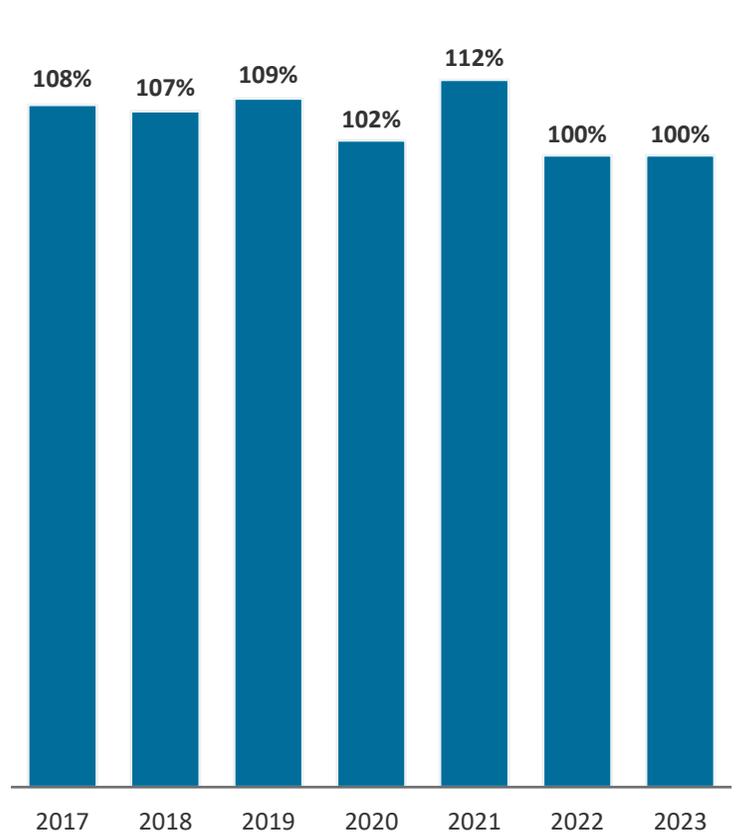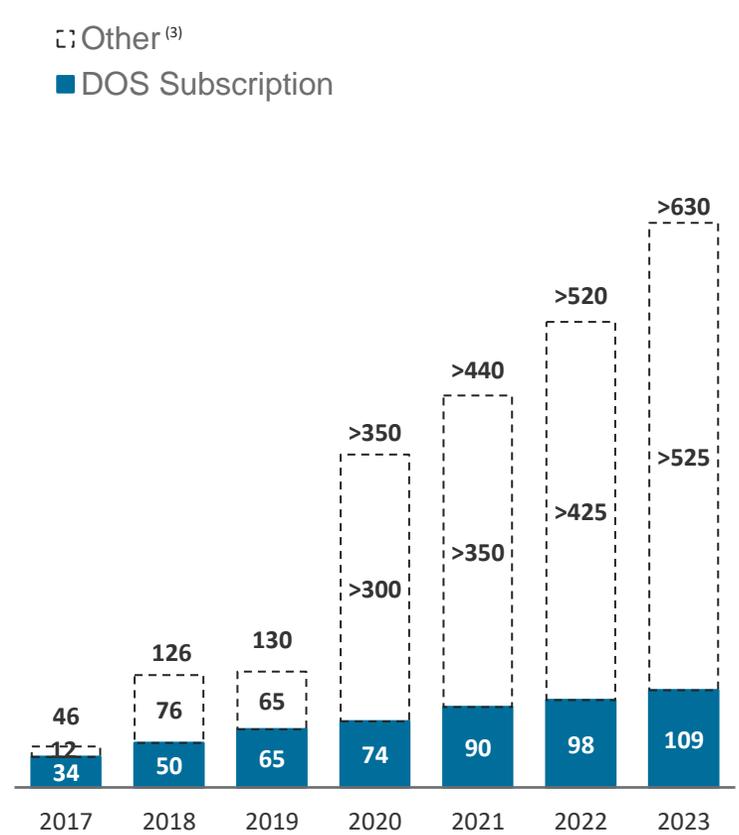
- ■ Professional services
- ■ Technology

Year	Total	Technology	Professional services
2017	$73	43%	57%
2018	$113	51%	49%
2019	$155	54%	46%
2020	$189	58%	42%
2021	$242	61%	39%
2022	$276	64%	36%
2023	$296	63%	37%

Growth: 54% (2017–2018)
37% growth ex-Medicity[1]
Growth: 38% (2018–2019)
Growth: 22% (2019–2020)
Growth: 28% (2020–2021)
Growth: 14% (2021–2022)
Growth: 7% (2022–2023)

Dollar-based Retention Rate[2]

Year	Rate
2017	108%
2018	107%
2019	109%
2020	102%
2021	112%
2022	100%
2023	100%

Total Clients

- ⬚ Other [3]
- ■ DOS Subscription

Year	DOS Subscription	Total
2017	34	46 (12 Other)
2018	50	126 (76 Other)
2019	65	130 (65 Other)
2020	74	>350 (>300 Other)
2021	90	>440 (>350 Other)
2022	98	>520 (>425 Other)
2023	109	>630 (>525 Other)

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Mid-term and Long-term Target Model (Non-GAAP)

		2019 (IPO year)	2020	2021	2022	2023	2025 Targets[3]	2028 Targets[3]
Total Revenue Growth		38%	22%	28%	14%	7%	10% - 15%	$500M+
Adj. Gross Margin[1]		52%	50%	53%	53%	49%		
Operating Expenses[2]	**S&M as % of Revenue**	28%	22%	21%	20%	15%		
	R&D as % of Revenue	27%	24%	21%	20%	19%		
	G&A as % of Revenue	15%	15%	15%	14%	11%		
Adj. EBITDA Margin[2]		(18%)	(11%)	(5%)	(1%)	4%	10% - 12%	$100M+

2025 mid-term targets of 10% - 12% Adj. EBITDA margin and meaningful positive adjusted free cash flow

Appendix

Healthcare Success: Proven Methodology

Revenue

Payment	Volume	Expansion
⇧ Collection Rate	⇧ Capacity	⇧ Service Lines
⇧ Cash Acceleration	⇧ Access	⇧ M&A
⇧ Payer Contracts	⇩ Referral Leakage	⇧ Trials Revenue
	⇧ Care Expansion	⇧ Digital Retail

Cost

Labor	Supply Chain	Other
⇩ Labor Costs	⇩ Pharmacy Supply Costs	⇩ Vendor Costs
⇩ Staffing Contracts	⇩ Surgical Supply Costs	⇩ Clinical Support Services Costs
⇧ Provider Contracts	⇩ General Supply Costs	⇧ Ambulatory Operations Efficiency
⇧ Outsourcing	⇩ Blood Utilization	⇧ Analytics Efficiency
		⇩ Building & Equipment Costs

Quality

Clinical Operations	Patient Safety	Population Health
⇩ Readmissions	⇩ Events & Infections	⇧ Care Management
⇧ Outcomes Excellence	⇩ Liability	⇧ Quality Measures Performance
⇧ Research & Operations	⇧ Safety Excellence	⇧ Financial & Operations
	⇧ Voluntary Reporting	

⟶ ⇧ Cost Accuracy and Transparency ⟵

⇧ COVID-19 Response

1 Integrate All Revenue, Cost, and Quality Data

2 Identify Variation and Generate Actionable Analytics Insights

3 Apply Expertise to Drive Sustainable Improvements

4 Quantify and Communicate Value

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Comprehensive Solution for Data-informed Improvement
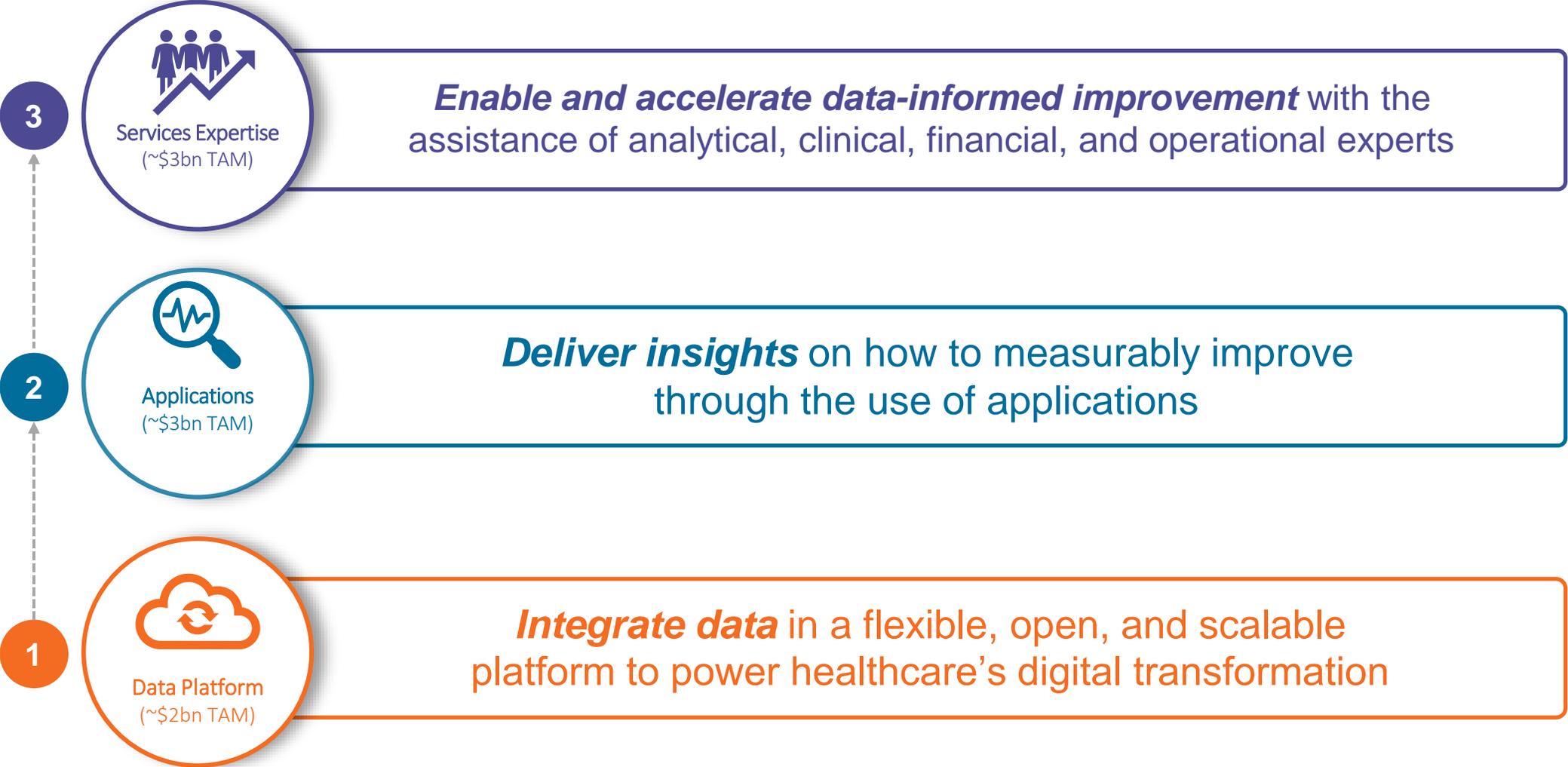
3 Services Expertise (~$3bn TAM)

Enable and accelerate data-informed improvement with the assistance of analytical, clinical, financial, and operational experts

2 Applications (~$3bn TAM)

Deliver insights on how to measurably improve through the use of applications

1 Data Platform (~$2bn TAM)

Integrate data in a flexible, open, and scalable platform to power healthcare's digital transformation

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Tech-Enabled Managed Services ("TEMS"): Unit Economics

Our Tech-enabled Managed Services arrangements include long-term contracts (~5 years) for both Tech and Pro Services, which create loyal client relationships. These deals are typically large & require limited incremental Opex, which drives Adj. EBITDA margin in line with our long-term targets over time.

Typical Contract Structure

- TEMS relationships are structured as **long-term contracts** with **technology subscription renewal or expansion** (at typical technology gross margin levels)

- Health Catalyst typically **re-badges existing health system team members** within the applicable functional area

- **Health Catalyst provides a cost savings to the client's existing spend**, typically starting nine months after contract signing

- The **TEMS Pro Services gross margin starts out low in Year 1 and aims to grow to ~25%** over a few year period by leveraging our technology, finding scale efficiencies, and improving processes to reduce the labor footprint

- Year 5 margin profile roughly represents the steady state margin profile

Illustrative TEMS Pro Services Gross Margin Over Time

~25%

As these contracts ramp over a few year period and efficiencies are realized, gross margins increase to ~25%. Additionally, **we generally anticipate little incremental Opex associated with these contracts, which should drive Adj. EBITDA margin in line with our long-term targets over time.**

~10%

Contracts typically start at a low gross margin in year 1, typically between 0% - 10%

~0%

| | Year 1 | Run Rate |
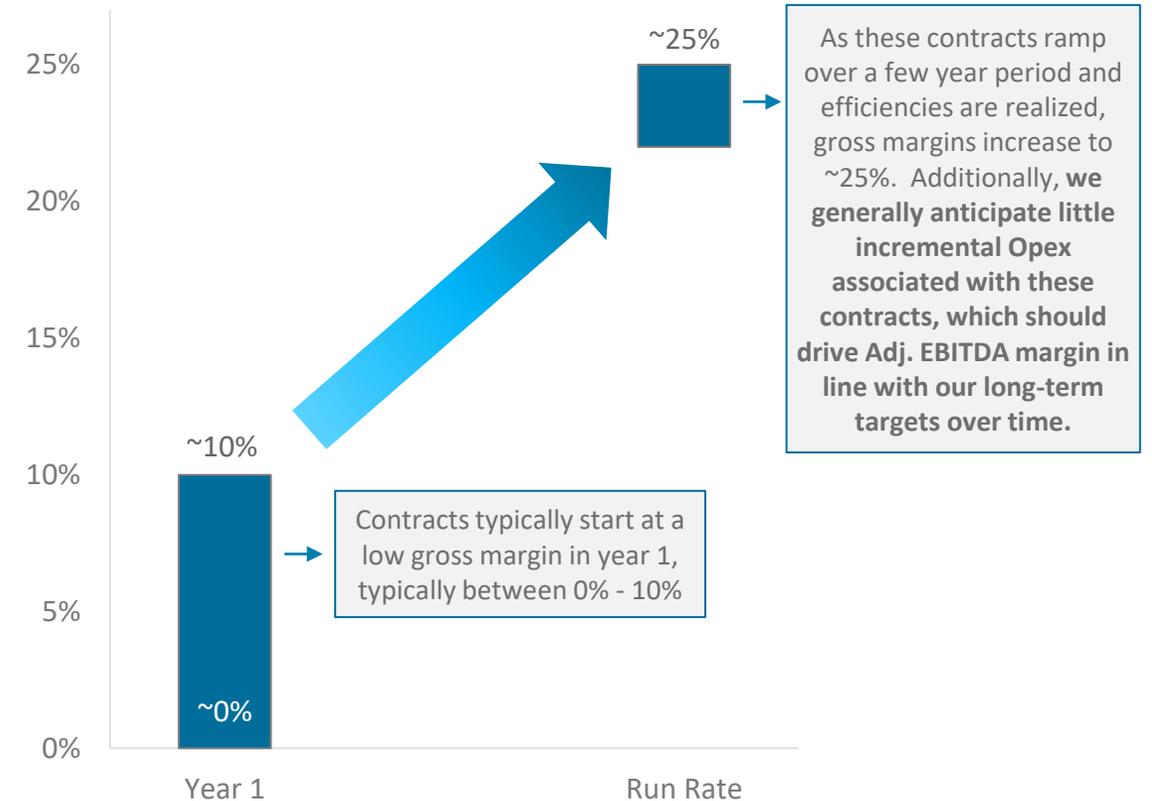
High Engagement, Satisfaction & Expansion

Leads to Technology Gross Margin Expansion

Adjusted Gross Margin[2]

Adjusted Technology Gross Margin
64 % · 66 % · 67 % · 68 % · 69 % · 69 % · 68 %

Total Adjusted Gross Margin
41 % · 48 % · 52 % · 50 % · 53 % · 53 % · 49 %

Adjusted Professional Services Gross Margin
24 % · 29 % · 35 % · 25 % · 27 % · 24 % · 15 %

— Total Adjusted Gross Margin
— Adjusted Technology Gross Margin
— Adjusted Professional Services Gross Margin

	2017	2018	2019	2020	2021	2022	2023
Adj. Gross Profit[1] ($mm)	$30	$54	$81	$95	$128	$146	$144

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(1) Adjusted Gross Profit is a non-GAAP financial measure that we define as revenue less cost of revenue, excluding depreciation and amortization, stock-based compensation, tender offer payments deemed compensation, acquisition-related costs, net, and restructuring charges. Please see the Appendix and our recent Annual Report on Form 10-K and our Quarterly Report on Form 10-Q for more details.

(2) Adjusted Gross Margin is a non-GAAP financial measure that we define as our Adjusted Gross Profit divided by our revenue. Please see the Appendix and our most recent Annual Report on Form 10-K and Quarterly Report on Form 10-Q for more information.

Allina Health: High-Value Data & Analytics Drive $33M+ in Quality & Operations Improvements

***The Challenge:** As the Breadth, Complexity, and Volume of Healthcare Data Grow, Allina Health Recognized the Need to Manage Data as a Strategic Asset by Ensuring Ongoing Data Utilization and Building Capacity for Continuous, Data-driven Improvement.*

The Health Catalyst Solution

3

Expert Services

Health Catalyst **analytics engineers**, **data scientists**, and **domain experts** partnered closely with Allina teams to **use high-value data and analytics to unlock the highest value use cases** and **accelerate time to value**.

2

Applications

90+ applications and accelerators surface **high-value data and analytics** to **augment insights**, **stratify risk**, **prioritize opportunities**, and **monitor and report outcomes**. *Key examples:*

Key Process Analysis (KPA)
Identify highest value opportunities

Blood Utilization
Improve blood management

Spine Pain
Improve care and outcomes

Patient Safety (e.g., CAUTI)
Prevent and manage complications

1

Data and Analytics Platform (DOS™)

DOS data and analytics platform enabled Allina Health to **integrate, organize, and enhance 65 different data sources**—clinical, financial, and operational. *Key capabilities used:*

Source Connectors

Reusable Data Logic

Expert Data Collections

Self-Service Analytics—Pop Insights, Pop Analyzer, Healthcare.AI, IDEA (data entry)—enable both technical and non-technical users to easily build populations; create reusable data elements; and explore, analyze, and report on data.

Data-Driven Insights and Measurable Results

Key Opportunities Identified

Length of stay | Readmissions | Supply costs

Key Improvements

Operational Improvements

- **$33M+ in positive margin impact** by expense reduction and additional hospital inpatient and outpatient revenue.

- **$2.3M** decrease in **annual blood product acquisition costs**.

- **Improved care for patients undergoing spine surgery**
  - **31%** of expected **complications** avoided
  - **22%** relative reduction in **surgical site infections**
  - **8.8%** relative reduction in **length of stay**

- **350K+ unique sessions** in Allina Health's top 10 analytics applications and accelerators in one year.

> *Unleashing the data at Allina Health*
> *has been key to increasing organizational efficiency, reducing costs, and improving outcomes for our patients.*
>
> —Jonathan Shoemaker, SVP, CIO, Allina Health

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Carle Health & Health Alliance: Solution Uncovers $10M+ in Population Health Opportunities

***The Challenge:** For Carle Health and Health Alliance[1], Burdensome Manual Data Collection and Reporting Processes made it Difficult—and Time-consuming—to Identify and Address Opportunities for Value-based Care Improvement Across its Populations.*

The Health Catalyst Solution

3 — Expert Services

Health Catalyst **population health domain expert** partnered with Carle Health and Health Alliance teams to surface **compelling, actionable insights** for the **best opportunities for success in value-based care**—providing **practical guidance for transformation** to reduce cost and utilization, increase quality scores, improve patient outcomes, and **accelerate time to value**.

2 — Applications

Value Optimizer
surfaces insights—mined from claims data and enhanced by terminology, groupers, logic, and additional data from DOS—to instantly identify the most promising and impactful opportunities for value-based care (VBC) performance improvement.

1 — Data and Analytics Platform (DOS™)

DOS data and analytics platform enabled integration, organization, and enhancement of **13** Carle source systems, **+10** Health Alliance source systems, **+37** different physician claim formats from the Carle clinically integrated network (CIN). *Key capabilities used:*

Source Connectors

Cloud-based

Reusable Data Logic

Expert Data Collections

Self-Service Analytics—Pop Insights, Pop Analyzer, Healthcare.AI— enable both technical and non-technical users to easily build populations; create reusable data elements; and explore, analyze, and report on data.

Data-Driven Insights and Measurable Results

Key Opportunities Identified

Cost, utilization, and performance metrics across **10** key population health areas, *including:*

Emergency department utilization | Inpatient utilization
Ambulatory utilization | Post-acute care

Key Improvements

Financial Improvements

- **$10M+** in **cost and utilization** opportunity identified

- **$100K manual labor costs avoided** by eliminating multiple iterations and meetings to obtain the necessary data and analyses

Operational Improvements

- **>90%** improvement in **analytic efficiency;** analyses that previously required months to complete are now complete in minutes

"

Value Optimizer allows us to uncover opportunities quickly and easily without building a data set to see the likely impact. We can quickly drill down into the data and recommend potential interventions.

—Rich Balbach, Director
Clinical and Business Intelligence
Health Alliance

(1) *Health Alliance Medical Plans is a leading provider-driven health plan.*

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MultiCare Health System: *Operational and Charge Capture Improvements Help Realize $75M+ in Annual Revenue*

The Challenge: *Inconsistent Improvement Methods, Differing Competencies, and Inefficient Data Collection and Analytics were Impeding MultiCare Health System's Ability to Improve—Leaving Financial and Operational Metrics Below Expectations.*

The Health Catalyst Solution

3 — Expert Services

Health Catalyst experts partnered with MultiCare teams to help increase **organizational alignment**, boost **data utilization** and **analytic acumen** for more **proactive revenue management**, and realize **new efficiencies** by optimizing technology and processes.

2 — Applications

20+ applications and accelerators surface **high-value data and analytics** to **augment insights**, **stratify risk**, **prioritize opportunities**, and **monitor and report outcomes**. *Key examples:*

Key Process Analysis (KPA)
Identify highest value opportunities

VitalIntegrity
Improve charge capture and revenue performance

Departmental Explorer
Review and improve operational efficiency

1 — Data and Analytics Platform (DOS™)

DOS data and analytics platform enabled MultiCare Health System to **integrate, organize, and enhance 35** different **data sources**—clinical, financial, and operational. *Key capabilities used:*

Source Connectors

Cloud-based

Reusable Data Logic

Expert Data Collections

Self-Service Analytics—Pop Insights, Pop Analyzer, Healthcare.AI, IDEA (data entry)—enable both technical and non-technical users to easily build populations; create reusable data elements; and explore, analyze, and report on data.

Data-Driven Insights and Measurable Results

Key Opportunities Identified

Charge capture | Contribution margins | Length of stay

Key Improvements

Financial Improvements

- **$6.1M net revenue retained,** the result of resolving more than 350 charge capture issues.

- **$48M in revenue,** surpassing three-year market share goals in year two.
  - **Overall market share** improved in every submarket.

Clinical Improvements

- **$24M in savings,** the result of a 0.6-day reduction in LOS across the health system.

> *VitalIntegrity enabled us to **efficiently identify and resolve charge capture issues,** retaining **$6.1M** in net revenue in just three months, while supporting **root cause analyses** for ongoing process improvement."*
>
> —Nicole Gorder, MBA,
> Executive Director of Revenue Integrity & CDM
> MultiCare Health System

INTEGRIS: Healthcare.AI Helps Drive Executive Alignment and Decision-making

The Challenge: INTEGRIS Health had High Volumes of Data but Lacked the Timely, Accurate, and Actionable Insight Needed to Support Key Leadership Decisions and Drive Meaningful Improvements.

The Health Catalyst Solution

3 Expert Services

Health Catalyst's **analytics engineers, data scientists**, and **domain experts** partnered with INTEGRIS teams to **optimally leverage integrated data, analytics, and machine-learning-driven algorithms** to identify and realize meaningful opportunities for improvement.

2 Applications

Touchstone® enabled INTEGRIS to analyze risk-adjusted benchmarks and integrated machine-learning algorithms to enhance understanding of performance compared to peer organizations—and proactively prioritize improvement opportunities.
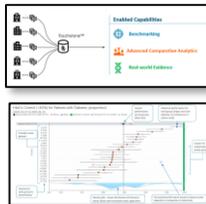
Healthcare.AI capabilities, integrated within Touchstone and other BI tools, deliver **easy-to-use statistical and AI capabilities** to help analysts produce **more accurate, faster insights.**

1 Data and Analytics Platform (DOS™)

DOS data and analytics platform **enabled integration, organization, and enhancement of 10 different data source systems**. *Key capabilities used:*
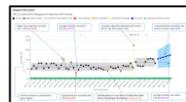
Source Connectors

Cloud-based

Reusable Data Logic

Expert Data Collections

Self-Service Analytics—Pop Insights, Pop Analyzer, Healthcare.AI enable both technical and non-technical users to easily build populations; create reusable data elements; and explore, analyze, and report on data

Data-Driven Insights and Measurable Results

Key Opportunities Identified

Value-based care measures performance | Patient safety targeted mortality and readmissions (e.g., sepsis)

Key Improvements

Financial Improvements

- **Aligned executive incentives** based on shared understanding of **highest value and most actionable improvement opportunities**

- **$500K** saved **annually** by sunsetting a third-party benchmarking tool

Clinical Improvements

- **50x faster data refresh** than previous benchmarking tool—and benchmarks are now **more adaptive** as well as **more detailed**

> *Using DOS and Touchstone has been transformational for our organization. The data and analytics are exactly what our CEO, CMO, and CNE need to set our organization's course. We've effectively separated the signals from noise in the data and are able to clearly see where the organization needs to go.*
>
> —Benjamin Mansalis, MD
> Chief Information Officer, INTEGRIS Health

> *We are using generative AI to exponentially increase the efficiency and overall business success of specific human capital-intensive tasks. Generative AI has been especially powerful when workflows are driven by narrative/written language, which is common in our chart abstraction use cases today, and we expect to be equally powerful as we expand our TEMS offerings into other workflow-heavy areas.*
>
> —Dave Ross
> Chief Technology Officer, Health Catalyst

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Historical M&A Transactions

$mm

 Transaction value amount [1]

Medicity	Health Catalyst IPO	Able Health $27	healthfinch $40	vitalware $120	twistle ~$105	KPININJA ~$33	ARMUS ~$15	ERS ~$13.5
June	**July**	**February**	**July**	**September**	**July**	**February**	**April**	**October**
2018	**2019**	**2020**	**2020**	**2020**	**2021**	**2022**	**2022**	**2023**
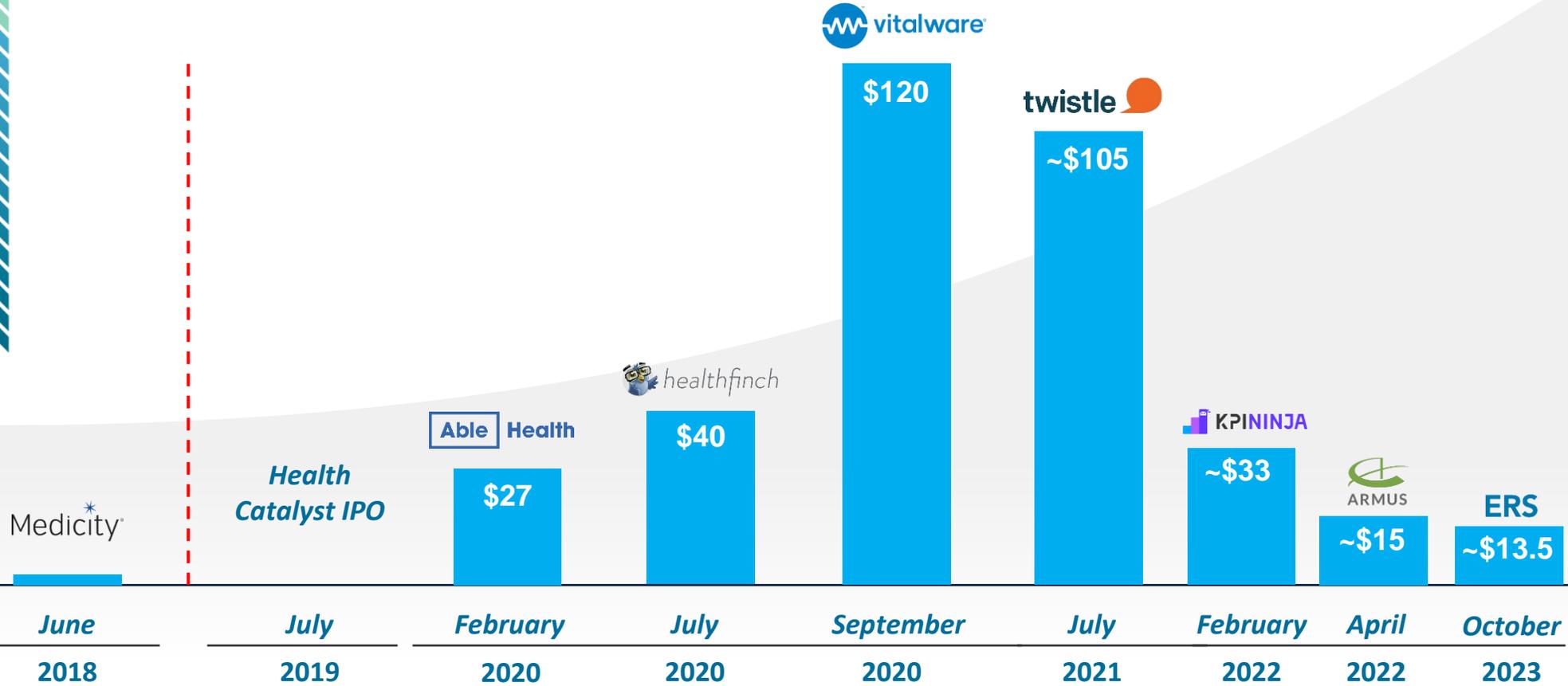
M&A Strategy

- **Ability to integrate and scale software applications on top of DOS platform**

- **Broadens value proposition to existing and new clients**

- **Primary focus on applications layer**
  - Hundreds of opportunities
  - Gross margin accretive
  - Faster time to market (buy vs. build)

- **Additional focus areas in adjacent markets**
  - Life Sciences
  - International

- **Wide range of targets → tuck-ins to larger transactions**

- **COVID-19 accelerated certain M&A opportunities**

- **HCAT is destination of choice for many targets given cultural differentiation**

Note: Transaction close date shown
(1)   Transaction value includes only the upfront purchase price amount anticipated at the time of the execution of the respective acquisition agreements

How We Engage With Our Clients

	Option 1	**Option 2**
	Enterprise	**Limited-Access / Modular**
Overview	Includes subscription access to **DOS and most/all Applications**	Includes subscription access to **DOS only or DOS plus selected Analytics Applications**
Technology Access Subscription	Based on client size and data footprint; **includes annual price escalators**	Includes opportunity to **upsell additional applications**
Professional Services Subscription	**Recurring access to a specific number of FTEs that is listed in the contract**	
Tech-enabled Managed Services	**Typically re-badges existing health system team members within the applicable functional area**	

Historically the majority of our DOS Subscription Clients have chosen an enterprise contract model

Enterprise subscription provides clients budget predictability and use-case flexibility and aligns with clients' increases in improvements, data sources, users, and applications

A Single Clinical, Financial, or Operational Question Often Requires Integrated Data from Multiple Source Systems

	✓ **Clinical**	✓ **Financial**	✓ **Operational**
Questions answered	*How do I improve my system's sepsis care?*	*How do I reduce my hip and knee cost per case?*	*How are new treatment protocols impacting length of stay and satisfaction?*
Data sources needed	EHR, Claim, Clinical Specialty, etc.	EHR, Financial ERP, Claims	EHR, Clinical Specialty, Patient Satisfaction, etc.

Use cases

1. Health Catalyst Applications
2. Health Catalyst Professional Services Organization
3. Client Developed Applications & Algorithms
4. 3rd Party Applications & Services

Data platform

DOS: ingests, integrates and organizes data sources

Data sources

| EHR (e.g. Cerner, Epic, Meditech) | Financial (e.g. Lawson, EPSI) | Billing (e.g. McKesson) | HR/ERP (e.g. Peoplesoft, AP1) | Claims (e.g. QXNT, CMS) | Clinical Specialty (e.g. Lab, Rad. Rx, Clin Op Systems) | Patient Satisfaction (e.g. Press Ganey) | Other (e.g. benchmarking, homegrown) |

A typical problem facing a healthcare organization most often requires data from multiple source systems: *Sepsis example*

Question?		Required Data Source
1	**How many cases of sepsis did we have last year?**	**EMR** (Epic, Cerner, Meditech)
2	**Is our sepsis mortality rate above industry benchmarks?**	**Benchmarking** (Truven, UHC, Touchstone)
3	**How much did those sepsis cases cost?**	**Financial** (Lawson, EPSI)
4	**What were the readmission rates of my sepsis population?**	**Claims** (QXNT, CMS, etc.)
5	**What lab or pharmacy tests were ordered for these sepsis patients?**	**Lab (Quest, LabCorp) Pharmacy (McKesson, Cardinal)**

Customer's Path to Greater Digital Maturity with Health Catalyst
The Healthcare Analytics Adoption Model

Pre-Health Catalyst | Early implementation | Maturity

Improve Health & Reduce Variation

Level 9	Direct-to-Patient Analytics & Artificial Intelligence
Level 8	Personalized Medicine & Prescriptive Analytics
Level 7	Clinical Risk Intervention & Predictive Analytics
Level 6	Population Health Management & Suggestive Analytics
Level 5	Waste & Care Variability Reduction

Increase Efficiency

Level 4	Automated External Reporting
Level 3	Automated Internal Reporting
Level 2	Standardized Vocabulary & Patient Registries
Level 1	Enterprise Data Operating System
Level 0	Fragmented Point Solutions

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GAAP to Non-GAAP Reconciliation: Gross Profit and Gross Margin

(in thousands, except percentages)	Year Ended 31-Dec-2017		
	Technology	Professional Services	Total
Revenue	$31,693	$41,388	$73,081
Cost of Revenue, Excluding Depreciation and Amortization	($11,610)	($32,032)	($43,642)
Gross Profit, Excluding Depreciation and Amortization	**$20,083**	**$9,356**	**$29,439**
Add:			
Stock-Based Compensation	65	514	579
Adjusted Gross Profit	**$20,148**	**$9,870**	**$30,018**
Gross Margin, Excluding Depreciation and Amortization	*63%*	*23%*	*40%*
Adjusted Gross Margin	*64%*	*24%*	*41%*

(in thousands, except percentages)	Year Ended 31-Dec-2018		
	Technology	Professional Services	Total
Revenue	$57,224	55,350	$112,574
Cost of Revenue, Excluding Depreciation and Amortization	($19,429)	($40,423)	($59,852)
Gross Profit, Excluding Depreciation and Amortization	**$37,795**	**$14,927**	**$52,722**
Add:			
Stock-Based Compensation	78	480	558
Tender Offer Payments Deemed Compensation [1]	28	284	312
Acquisition-related costs, net [2]	0	337	337
Adjusted Gross Profit	**$37,901**	**$16,028**	**$53,929**
Gross Margin, Excluding Depreciation and Amortization	*66%*	*27%*	*47%*
Adjusted Gross Margin	*66%*	*29%*	*48%*

(in thousands, except percentages)	Year Ended 31-Dec-2019		
	Technology	Professional Services	Total
Revenue	$83,975	$70,966	$154,941
Cost of Revenue, Excluding Depreciation and Amortization	($27,797)	($47,548)	($75,345)
Gross Profit, Excluding Depreciation and Amortization	**$56,178**	**$23,418**	**$79,596**
Add:			
Stock-Based Compensation	200	968	1,168
Acquisition-related costs, net [2]	0	108	108
Adjusted Gross Profit	**$56,378**	**$24,494**	**$80,872**
Gross Margin, Excluding Depreciation and Amortization	*67%*	*33%*	*51%*
Adjusted Gross Margin	*67%*	*35%*	*52%*

(in thousands, except percentages)	Year Ended 31-Dec-2020		
	Technology	Professional Services	Total
Revenue	$110,467	$78,378	$188,845
Cost of Revenue, Excluding Depreciation and Amortization	($35,604)	($62,473)	($98,077)
Gross Profit, Excluding Depreciation and Amortization	**$74,863**	**$15,905**	**$90,768**
Add:			
Stock-Based Compensation	803	3,453	4,256
Adjusted Gross Profit	**$75,666**	**$19,358**	**$95,024**
Gross Margin, Excluding Depreciation and Amortization	*68%*	*20%*	*48%*
Adjusted Gross Margin	*68%*	*25%*	*50%*

(in thousands, except percentages)	Year Ended 31-Dec-2021		
	Technology	Professional Services	Total
Revenue	$147,718	$94,208	$241,926
Cost of Revenue, Excluding Depreciation and Amortization	($47,516)	($76,838)	($124,354)
Gross Profit, Excluding Depreciation and Amortization	**$100,202**	**$17,370**	**$117,572**
Add:			
Stock-Based Compensation	2,063	8,047	10,110
Acquisition-related costs, net [2]	61	127	188
Adjusted Gross Profit	**$102,326**	**$25,544**	**$127,870**
Gross Margin, Excluding Depreciation and Amortization	*68%*	*18%*	*49%*
Adjusted Gross Margin	*69%*	*27%*	*53%*

(in thousands, except percentages)	Year Ended 31-Dec-2022		
	Technology	Professional Services	Total
Revenue	$176,288	$99,948	$276,236
Cost of Revenue, Excluding Depreciation and Amortization	($56,642)	($86,407)	($143,049)
Gross Profit, Excluding Depreciation and Amortization	**$119,646**	**$13,541**	**$133,187**
Add:			
Stock-Based Compensation	2,058	8,230	10,288
Acquisition-related costs, net [2]	351	655	1,006
Restructuring Charges [3]	229	1,139	1,368
Adjusted Gross Profit	**$122,284**	**$23,565**	**$145,849**
Gross Margin, Excluding Depreciation and Amortization	*68%*	*14%*	*48%*
Adjusted Gross Margin	*69%*	*24%*	*53%*

(in thousands, except percentages)	Year Ended 31-Dec-2023		
	Technology	Professional Services	Total
Revenue	$187,583	$108,355	$295,938
Cost of Revenue, Excluding Depreciation and Amortization	($62,474)	($101,631)	($164,105)
Gross Profit, Excluding Depreciation and Amortization	**$125,109**	**$6,724**	**$131,833**
Add:			
Stock-Based Compensation	1,866	7,369	9,235
Acquisition-related costs, net [2]	273	391	664
Restructuring Charges [3]	496	1,832	2,328
Adjusted Gross Profit	**$127,744**	**$16,316**	**$144,060**
Gross Margin, Excluding Depreciation and Amortization	*67%*	*6%*	*45%*
Adjusted Gross Margin	*68%*	*15%*	*49%*

(1) Tender offer payments deemed compensation relate to employee compensation from repurchases of common stock at a price in excess of its estimated fair value.
(2) Acquisition-related costs, net included in the Adjusted Gross Profit reconciliation relate to post acquisition restructuring costs and deferred retention expenses incurred as part of business combinations.
(3) Restructuring charges include severance and other team member costs from workforce reductions.

GAAP to Non-GAAP Reconciliation: Adjusted EBITDA

(in thousands)	Year Ended December 31,						
	2023	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**
Net loss	($118,147)	($137,403)	($153,210)	($115,017)	($60,096)	($61,984)	($47,035)
Add:							
Interest and other expense, net	($9,106)	$1,678	$16,458	$11,572	$3,419	$2,024	$1,469
Loss on extinguishment of debt	$0	$0	$0	$8,514	$1,670	$0	$0
Income tax provision (benefit)	$356	($4,280)	($6,898)	($1,194)	$142	($135)	$26
Depreciation and amortization	$42,223	$48,297	$37,528	$18,725	$9,212	$7,412	$5,892
Stock-based compensation	$55,756	$72,104	$65,145	$37,957	$17,844	$4,198	$4,241
Tender offer payments deemed compensation[1]	$0	$0	$0	$0	$0	$8,318	$0
Acquisition-related costs, net[2]	$5,757	$4,894	$27,929	$16,758	$446	$2,114	$0
Restructuring costs[3]	$8,822	$8,425	$0	$0	$0	$0	$0
Non-recurring lease-related charges[4]	$4,081	$3,798	$1,800	$1,398	$0	$0	$0
Litigation costs[5]	$21,279	$0	$0	$0	$0	$0	$0
Adjusted EBITDA	**$11,021**	**($2,487)**	**($11,248)**	**($21,287)**	**($27,363)**	**($38,053)**	**($35,407)**

(1) Tender offer payments deemed compensation relate to employee compensation from repurchases of common stock at a price in excess of its estimated fair value.
(2) Acquisition-related costs, net impacting Adjusted EBITDA includes third party fees associated with due diligence, deferred retention expenses, and post-acquisition restructuring costs incurred as part of business combinations, and changes in fair value of contingent consideration liabilities for potential earnout payments.
(3) Restructuring costs include severance and other team member costs from workforce reductions, impairment of discontinued capitalized software projects, and other minor miscellaneous charges.
(4) Includes the lease-related impairment charges for the subleased portion of our corporate headquarters and duplicate rent expense incurred during the relocation of our corporate headquarters.
(5) Reflects costs related to litigation that are outside the ordinary course of our business. We believe it is useful to exclude such charges because we do not consider such amounts to be part of the ongoing operations of our business and because of the singular nature of the claims underlying the matter.

GAAP to Non-GAAP Reconciliation: Adjusted Operating Expenses

(in thousands)	Year Ended December 31,						
	2023	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**
Operating expenses	$258,730	$273,192	$261,222	$186,893	$134,461	$112,817	$74,979
Less:							
Depreciation and amortization	($42,223)	($48,297)	($37,528)	($18,725)	($9,212)	($7,412)	($5,892)
Stock-based compensation	($46,521)	($61,816)	($55,035)	($33,701)	($16,676)	($3,640)	($3,662)
Tender offer payments deemed compensation [1]	$0	$0	$0	$0	$0	($8,006)	$0
Acquisition-related costs, net [2]	($5,093)	($3,888)	($27,741)	($16,758)	($338)	($1,777)	$0
Restructuring costs [3]	($6,494)	($7,057)	$0	$0	$0	$0	$0
Non-recurring lease-related charges [4]	($4,081)	($3,798)	($1,800)	($1,398)	$0	$0	$0
Litigation costs [5]	($21,279)	$0	$0	$0	$0	$0	$0
Adjusted Operating Expenses	**$133,039**	**$148,336**	**$139,118**	**$116,311**	**$108,235**	**$91,982**	**$65,425**
Adjusted Operating Expenses as % of Revenue	*45%*	*54%*	*58%*	*62%*	*70%*	*82%*	*90%*