

October 21, 2021

Oak Street Health announces acquisition of RubiconMD



OAK
STREET
HEALTH

Rebuilding Healthcare as it Should Be



RubiconMD

Expert insights. Better care.

SEC / Legal Disclaimer

This presentation contains “forward-looking statements” –that is, statements related to future, not past, events. In this context, forward looking statements often address our expected future business and financial performance and financial condition, and often contain words such “anticipate,” “believe,” “contemplate,” “continue,” “could,” “estimate,” “expect,” “guidance,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “should,” “target,” “will,” or “would” or similar expressions. Forward-looking statements by their nature address matters that are, to different degrees, uncertain. For us, particular uncertainties that could cause our actual results to be materially different than those expressed in our forward-looking statements include , among others, the following: (i) risks associated with (a) the failure to receive the anticipated benefits from the transaction, including due to Oak Street’s inability to successfully integrate RubiconMD into its business, (b) diverting management attention from ongoing business operations, (c) the commencement or outcome of any legal proceedings that may be instituted against us or RubiconMD

Holdings, Inc. in connection with the proposed transaction and (d) the effects of the transaction on the combined business, including on operating costs, customer loss and business disruption; (ii) changes in laws and regulations applicable to our or RubiconMD's business model; (iii) changes in market or industry conditions, regulatory environment and receptivity to our or RubiconMD's technology and services; (iv) results of litigation or a security incident; (v) the loss of one or more of our or RubiconMD's key customers or partners; (vi) the impact of COVID-19 on our or Rubicon MD's business and results of operation; (vii) changes to our or RubiconMD's abilities to recruit and retain qualified team members; and the risks described in the other filings Oak Street Health, Inc. makes with the Securities and Exchange Commission from time to time, including the risks described under the heading “Risk Factors” in Oak Street Health's Annual Report on Form 10-K filed with the SEC on March 10, 2021 and its Quarterly Reports on Form 10-Q filed with the SEC on May 10, 2021 and August 9, 2021, which should be read in , which should

be read in conjunction with its financial results and forward-looking statements. All forward-looking statements in these materials or any exhibit hereto are based on information available to Oak Street Health, Inc. as of the date hereof, and it does not assume any obligation to update the forward-looking statements provided to reflect events that occur or circumstances that exist after the date on which they were made, except as required by law.



OAK
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HEALTH

&


RubiconMD

Rebuilding healthcare
as it should be



The U.S. Healthcare System has many well-documented problems



Economically unsustainable

- ~\$3.8 trillion in healthcare spending, growing ~4% annually
- Healthcare spending at 18% of GDP, an all-time high
- Rapidly aging U.S. population



Poor outcomes

- Lower life expectancy in U.S. vs. developed countries
- Growth in prevalence of chronic disease, reflecting 96% of Medicare spend
- \$760-935 billion annually is wasteful spending (~25% of healthcare)



Dissatisfied patients

- Fragmented and disorganized infrastructure
- Average primary care physician has a Net Promoter Score of 3
- Average PCP is overloaded, seeing an unsustainable number of patients per day



Oak Street Health is at the forefront of **rebuilding healthcare as it should be** with a value-based, consumer-centric approach

The Specialty Care approach in the U.S. is broken

Expensive

High cost of care and copays, redundant tests, misaligned incentives

Uncoordinated

Poor care coordination, leading to suboptimal outcomes

Poor patient experience

Complicated approval process and challenges navigating networks

~40%

of specialty visits are avoidable

1 in 4

patients lack easy access to specialty care



The Oak Street Health approach to rebuilding Specialty Care

**High-Value Local
Specialty Networks**



**National Virtual
Specialist Network**

- Curated using analytics and primary care provider feedback
- Subject to local specialist availability
- Specialist care and advice delivered into Oak Street centers using virtual technology
- Same specialist network available in all Oak Street centers
- Build on success with psychiatry program



RubiconMD



RubiconMD is rebuilding specialty care

RubiconMD, founded in 2013, is a leader in **virtual specialty care**

The organization's network is large with **230+ specialists**, covering every major specialty area

Today, RubiconMD primarily focuses on web-based **eConsults**, serving 5,000+ primary care providers

RubiconMD's mission is well-aligned with Oak Street Health's

RubiconMD strives to democratize medical expertise so that all patient populations have access to the care they need



RubiconMD has proven results with both clinicians and patients



eConsult

A clinical question from a PCP answered by a RubiconMD specialist asynchronously via RubiconMD's proprietary web-based platform.



\$500-\$800

average savings per eConsult



45%

avoided service rate
(referral, diagnostic, or procedure)



4.9

average rating by primary care providers

Oak Street Health is continuing to build the most comprehensive & patient friendly care model for seniors

Oak Street Health Care Model



Near-term impact:

eConsults are an ideal fit for the Oak Street Health Platform



PCP has a clinical question and would appreciate specialist guidance



PCP uses Canopy to submit a question for clinical decision support



RubiconMD specialist replies to the clinical question via the RubiconMD platform



RubiconMD eConsult response is seamlessly delivered back to PCP through Canopy



PCP is able to manage patient's care locally without an external referral

The Oak Street Health Platform is well-suited to integrate eConsults in a value creating way

Our smaller patient panels and more frequent patient visits allow specialty expertise to be synthesized into overall care plan by the primary care team

Canopy, our proprietary technology platform, allows for seamless integration of RubiconMD service into clinical workflows

Near-term impact:

Integrated eConsults will enhance patient experience and drive medical cost savings



Better patient experience

More comprehensive service and avoid patients navigating networks and co-pays



Improve clinical outcomes

More specialty access and better care coordination



Reduce medical expense

Avoids duplicative specialist costs & decreases avoidable hospitalizations

Today:

~15%

total Oak Street Health medical cost spend related to specialists

Potential impact by 2023:

>3x

increase in Oak Street Health eConsults completed

~10%

reduction in specialist medical cost

Longer-term change:

Leverage virtual specialist network for video consultations & care model innovation



Real-time specialist video visits, built on RubiconMD network, delivered in Oak Street centers



Transaction details

Base Consideration: \$130M paid in cash

Contingent consideration: Up to \$60 million, subject to achievement of defined performance milestones.
To be paid in cash or cash & stock combination

Total consideration: Up to \$190M

Guidance: Combined FY21 guidance will be provided with Oak Street 3Q results

