



Investor Day 2023

Cautionary statement

concerning forward-looking statements

This presentation includes forward-looking statements. The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements made by or on behalf of CVS Health Corporation (“CVS Health”). Certain statements made in the presentations today and information included in the presentation slides and other documents related to Investor Day 2023 are forward-looking, including information related to full year 2023 and 2024 financial guidance. By their nature, all forward-looking statements are not guarantees of future performance or results and are subject to risks and uncertainties that are difficult to predict and/or quantify. Actual results may also differ materially from those contemplated by the forward-looking statements due to the risks and uncertainties described in our Securities and Exchange Commission filings, including those set forth in the Risk Factors section and under the heading “Cautionary Statement Concerning Forward-Looking Statements” in our most recent Annual Report on Form 10-K, our most recent Quarterly Report on Form 10-Q and our recent Current Reports on Form 8-K.

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This presentation includes non-GAAP financial measures that we use to describe CVS Health’s performance. In accordance with SEC regulations, you can find the definitions of these non-GAAP measures, as well as reconciliations to the most directly comparable GAAP measures, on the Investor Relations portion of our website.

<https://investors.cvshealth.com/2023investordaynongaap>

Today's agenda



Welcome and introductions

Larry McGrath



Building a world of health

Karen S. Lynch



Driving accelerated performance

Thomas F. Cowhey



Growth and differentiation

Business Presidents



Executive Q & A

CVS Health
management team



Building a world of health



OUR VISION

**Building a
world of health around
every consumer**

Powered by a committed team

with deep industry expertise and a passion for improving health care

Karen S. Lynch
President and CEO



Kyle Armbrester

EVP and Chief Executive Officer,
Signify Health



Sreekanth K. Chaguturu

EVP and
Chief Medical Officer



Thomas F. Cowhey

Interim
Chief Financial Officer



Katerina Guerraz

EVP and Chief Strategy
and Enterprise Affairs Officer



Laurie P. Havanec

EVP and
Chief People Officer



J. David Joyner

EVP and President,
Caremark



Brian Kane

EVP and President,
Aetna



Samrat S. Khichi

EVP and Chief Policy Officer and
General Counsel



Tilak Mandadi

EVP and Chief Digital, Data,
Analytics and Technology Officer



Michelle A. Peluso

EVP and Chief Customer and
Experience Officer



Mike Pykosz

EVP and Interim President,
Health Care Delivery



Prem S. Shah

EVP and Chief
Pharmacy Officer

Delivering on our commitments

What we stated we would do

Advance all-payor primary care delivery capabilities

Optimize retail portfolio

Diversify growth portfolio with new health services

Enhance omni-channel health experiences

Return capital to shareholders



What we delivered

- ✓ Acquired Oak Street Health
- ✓ Launched new formats and enhancing MinuteClinic® experience

- ✓ On track to close 900 stores between 2022 and 2024
- ✓ Exceeded script and colleague retention goals

- ✓ Acquired Signify Health
- ✓ Launched CVS Healthspire™ and Cordavis™
- ✓ Launched MSO with \$10 billion in managed spend in 2023

- ✓ Grew digital customers to over 55 million, up 20 million since 2021

- ✓ Returned more than \$11 billion dollars to shareholders through dividends and share repurchases in the last 24 months

CVS Health, a trusted brand in health care

\$355B

Annual revenue¹

120M+

Consumers we serve

\$17.4B

Adjusted operating income¹

2.3B+

Pharmacy claims processed^{1,2}

\$13B+

Operating cash flow³

10M+

Annual health services visits

300K+

Purpose driven colleagues

85%

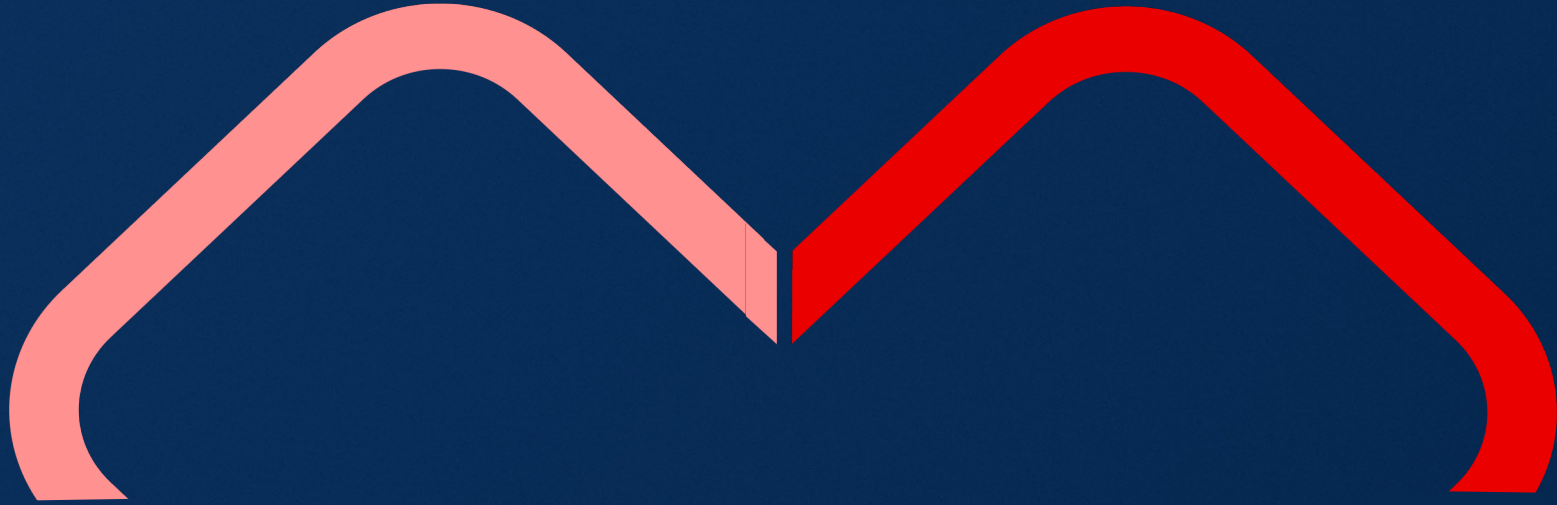
Of U.S. population lives within 10 miles of a CVS location



1. Reflects midpoint of full year 2023 guidance

2. Includes an adjustment to convert 90-day prescriptions to the equivalent of three 30-day prescriptions.

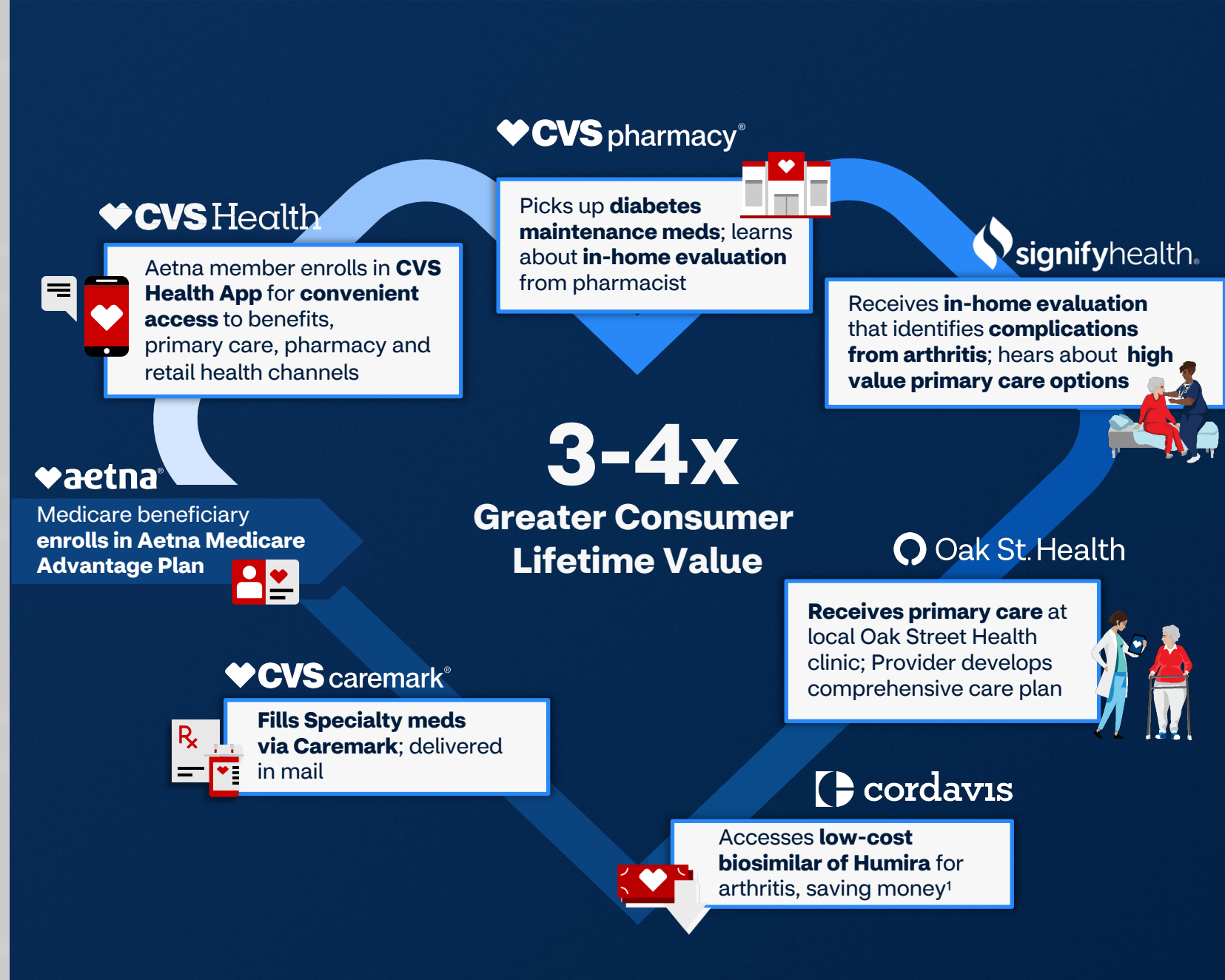
3. Expect to be at upper-end of full year 2023 guidance range



Superior assets. Superior care. Superior value.



Fully engaged member unlocks sizeable value for payors and CVS Health



1. Available beginning January 1, 2024

Our businesses deliver strong value



Health Care Benefits

\$104.2B
Annual revenue¹

\$5.70B
Adjusted operating income¹

35M+
Unique members²

50%+
Medicare revenue as a percentage of HCB revenue¹



Health Services

\$182.7B
Annual revenue¹

\$7.25B
Adjusted operating income¹

90M+
Members & patients³

10M+
Annual Health Services visits



Pharmacy & Consumer Wellness

\$115.9B
Annual revenue¹

\$5.81B
Adjusted operating income¹

120M
Unique customers

9K+
CVS pharmacies

1. Reflects midpoint of full year 2023 guidance
2. Reflect 2023E total membership, including PDP
3. Projected as of January 1, 2024

Advancing the future of health care



**Driving deeper
engagement and
harnessing innovative
technologies**



**Bringing excellence
in hyper-local
convenience**



**Innovating
and evolving
our PBM model**

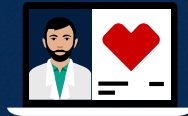


**Increasing
transparency in
retail pharmacy**

Setting the standard for digital engagement and utility



Engaging consumers in unique and connected experiences



55+ million digital customers



New CVS Health app will provide an integrated and personalized experience

Realizing significant value with responsible AI

Increase efficiency of operations

Automate workflows and improve safety



Personalize member experience and engagement

Improve patient and provider experience

While preserving the human connection in health care

Excellence in hyper-local convenience



Over 90 million pharmacy customers

~5 million daily interactions across over 9,000 locations



1,000 retail health clinics

Over 6 million in-person health visits annually



200+ clinics in 25 states

51% reduction in hospitalizations



Over 11,000 licensed clinicians delivering **2.7 million** annual in-home evaluations

~1 million Medicare ACO beneficiaries

Connected care when, where and how patients want it **Lower cost of care with better outcomes and experiences**

A history of innovating our PBM model to meet customer needs

98%+

Of rebates passed through to clients

~19%

Of Pharmacy Services profit driven by retained rebates and network spread

75%+

Of claims had fully transparent pass-through pricing¹

1. As of June 2023

Increasing transparency in retail pharmacy

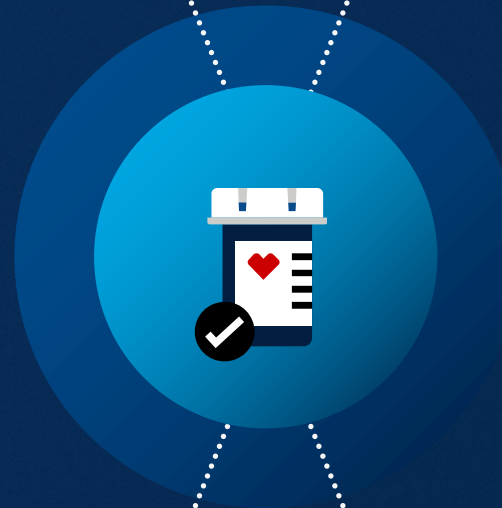
Evolving our reimbursement model

Transparently pass through
cost improvements

Remove cross-subsidization

Reasonably compensate us
for value created

Align to underlying costs
of the business





**Bringing CVS Health's powerful assets
together to create more value**

Enterprise Key Measures of Success



Number of
**consumers
we serve**



Number of
**unique digital
customers**



Number of consumers
**accessing 2 or more
CVS Health offerings**



% increase in CVS Health
**consumer
lifetime value**

RESULTING IN

Enrollment
growth

Margin
improvement

Accelerating
earnings from
Health Care Delivery

More members in
value-based
arrangements

Performance
in Stars

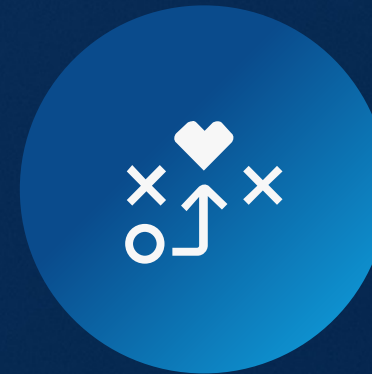
Enabling us to deliver on our financial commitments

Long-term financial guidance

- Adjusted EPS **growth floor of 6%**
- Growth **increasing over time**
- Opportunities to **outperform**, including Medicare Advantage margin improvement, are projected to add **3% to 4% to Adjusted EPS in 2025**



Segment commitments anchored to market growth



Disciplined investments and capital deployment



Clear opportunities to outperform

Why CVS Health



Strong, sustainable growth, including accelerating growth from Health Care Delivery



Powerful cash flow generation



Balanced capital deployment with growing dividend



Commitment to sustainable business practices and employee development



Accelerating our Adjusted EPS growth over time



Driving Accelerated Performance

Closing out 2023

On track to deliver another strong year while navigating a challenging environment

a testament to the power of our enterprise

\$8.70 - \$8.90

2023 ADJUSTED
EPS GUIDANCE
as of Q4 2022

▼ (\$0.35)

Net impact of Signify
and Oak Street
acquisitions,
including financing

▲ +\$0.15

TAILWINDS

- ▲ Pharmacy services outperformance
- ▲ Net investment income, fees and expenses
- ▲ Prior year development
- ▲ Share repurchases

HEADWINDS

- ▼ Medicare utilization
- ▼ 340B program
- ▼ COVID volumes and softening consumer spend

\$8.50 - \$8.70

2023 ADJUSTED
EPS GUIDANCE
as of December 5, 2023



2023 Guidance

as of December 5, 2023

In billions,
except per share amounts

Full year
2023 guidance

Total revenues **\$351.5 to \$357.3**

Adjusted operating income **\$17.21 to \$17.57**

Adjusted earnings per share **\$8.50 to \$8.70**

Cash flow from operations **Upper-end of
\$12.5 to \$13.5**

Note: For segment specific detail, please reference the CVS Health Investor Relations website

2024 outlook and trends



Health Care Benefits

At least

\$119.8B

Revenue

+15%

YOY Revenue Growth¹

~87.2%

MBR

At least

\$5.77B

Adj. Operating Income (AOI)

+1%

YOY AOI Growth¹

~26.2M

Medical members

2024 TAILWINDS & HEADWINDS

- ▲ Cost savings
- ▲ Medicare Advantage membership growth
- ▲ Individual Exchange margin expansion
- ▲ Stable Commercial enrollment with disciplined pricing
- ▲ Net investment income
- ▼ Medicare Stars rating
- ▼ Medicare utilization
- ▼ Prior years reserve development (\$0.08)²
- ▼ Medicaid redeterminations impact to membership / acuity

1. Growth rates calculated versus midpoint of 2023 full year guidance

2. As of September 30, 2023



Pharmacy & Consumer Wellness

At least
\$123.4B
Revenue

+6%
YOY Revenue
Growth¹

~1.69B
Prescriptions
Filled²

At least
\$5.51B
Adj. Operating
Income (AOI)

(5%)
YOY AOI Decline¹

2024 TAILWINDS & HEADWINDS

- ▲ Pharmacy cost of goods improvements
- ▲ Script growth
- ▲ Front store margin growth
- ▲ Store footprint optimization
- ▼ Pharmacy reimbursement pressure
- ▼ COVID volumes
- ▼ Labor investments
- ▼ Softening consumer spending

1. Growth rates calculated versus midpoint of 2023 full year guidance

2. Includes an adjustment to convert 90-day prescriptions to the equivalent of three 30-day prescriptions



Health Services

At least

\$169.7B

Revenue

(7%)

YOY Revenue Growth¹

~1.87B

Pharmacy Claims Processed²

At least

\$7.49B

Adj. Operating Income (AOI)

+3%

YOY AOI Growth¹

2024 TAILWINDS & HEADWINDS

- ▲ Script volume growth & inflation
- ▲ Purchasing economics
- ▲ Specialty growth
- ▲ Growth from Signify and Oak Street
- ▲ Cordavis™ value
- ▲ Cost savings
- ▼ Client price improvements
- ▼ Centene contract loss
- ▼ Annualization of 340B headwind
- ▼ Oak Street incremental clinic expansion

1. Growth rates calculated versus midpoint of 2023 full year guidance

2. Includes an adjustment to convert 90-day prescriptions to the equivalent of three 30-day prescriptions



2024 Guidance

In billions, except per share amounts	Full year 2024 guidance
Total revenues	At least \$366B
Adjusted operating income	At least \$17.24B
Adjusted earnings per share	At least \$8.50
Cash flow from operations	At least \$12.5B

Note: For segment specific detail, please reference the CVS Health Investor Relations website

Long-term guidance framework

Long-term guidance framework

will ensure we deliver on our commitments with opportunities to outperform



Long-term growth guidance

- ✓ Market-based segment growth expectations
- ✓ Flexibility for disciplined growth investments



Opportunities for potential outperformance

- Driving growth above market-based rates
- Upside from investments
- Accelerated synergy capture

Establishing our Adjusted EPS growth baseline

Adjusted operating
income growth from
our segments will
contribute

**at least 4% to
our Adjusted
EPS growth**

Capital
deployment
**at least
2% growth**

drives a floor expectation
of at least

= 6% growth

**increasing
over time**

with opportunities for
near-term outperformance

Establishing our Adjusted EPS growth baseline

Adjusted operating
income growth from
our segments will
contribute

at least **4%** to
our Adjusted
EPS growth



7% growth
Health Care Benefits



(5%) decline
Pharmacy & Consumer Wellness



7%+ growth
Health Services

Establishing our Adjusted EPS growth baseline

(5%)
Pharmacy &
Consumer
Wellness



Adjusted operating
income growth from
our segments will
contribute

**at least 4% to
our Adjusted
EPS growth**



7%+
Health
Services



7% growth Health Care Benefits

- Medicare Advantage growth
- Individual Exchange growth
- Targeted Medicaid growth
- Commercial revenue growth

Establishing our Adjusted EPS growth baseline



Establishing our Adjusted EPS growth baseline

7%
Health Care
Benefits



Adjusted operating
income growth from
our segments will
contribute

**at least 4% to
our Adjusted
EPS growth**



7%+ growth Health Services

Pharmacy Services

- Claims growth
- Value from services
- Specialty growth
- Purchasing economics

Health Care Delivery

- Clinic expansion
- Patient growth

Innovative Services

- Cordavis™ growth

(5%)
Pharmacy &
Consumer
Wellness



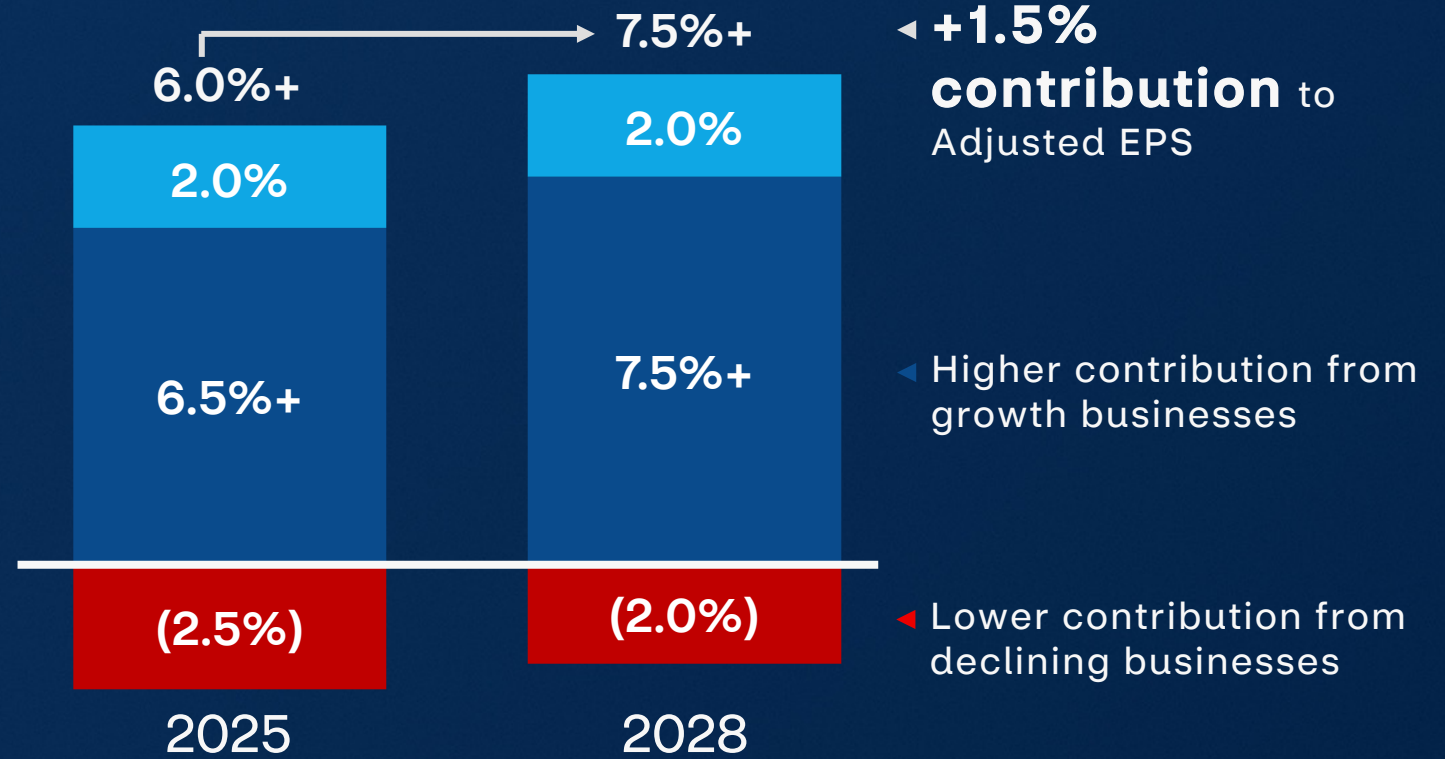
Accelerating baseline growth

through shifting contributions from each of our segments over time

 **Contribution from growth businesses**
HCB | HSS

 **Contribution from declining businesses**
PCW | Corporate

 **Contributions from share repurchases**



Opportunities for outperformance

drive towards or above the upper-end of market growth rates

+ **Medicare Advantage** margin improvement starting in 2025

+ **New retail pharmacy pricing model**

+ Increased **patient enrollment, product offerings** and **growth of Health Care Delivery**

+ Benefits from **future investments**

Opportunities for outperformance, including Medicare Advantage margin improvement, are projected to add 3% to 4% to 2025 Adjusted EPS



Powerful cash flow generation

Powerful cash flow generation

drives value creation and enables our strategy

CUMULATIVE
2024 TO 2026

\$35 to \$40 billion
Cash flows from operations

+

\$5 to \$10 billion
Incremental debt capacity

=

\$40 to \$50 billion
Cumulative deployable
cash

~35% | Invest in our business

- Capital expenditures
- Risk-based capital

~25% | Compelling dividend

- Targeted **payout ratio of ~30%**

~40% | Available for flexible deployment

- **Execute share repurchases** to drive at least 2% Adjusted EPS growth
- Capacity for **value-added** and **capability-focused M&A**

Committed to our current investment grade ratings while maintaining flexibility

Robust, diverse sources of free cash flow

from all business segments

EXPECTED ANNUAL AVERAGE (2024 to 2026)

\$12.5+ billion
Cash flows from operations

—

\$5.5 billion
Capital expenditures and risk-based capital

=

\$7+ billion
Free cash flow



1. Includes other corporate expenses including opioid litigation settlements



Value creation across the enterprise

Serving more than a quarter of the U.S. population

provides a unique opportunity to expand engagement



♥ **CVS pharmacy**[®]

120M CUSTOMERS¹

♥ **CVS caremark**[®]

90M MEMBERS²

♥ **aetna**[®]

35M MEMBERS³

Our national footprint and local community presence engage **millions of consumers** in high-quality care and help **accelerate growth**



**Health Care
Delivery**

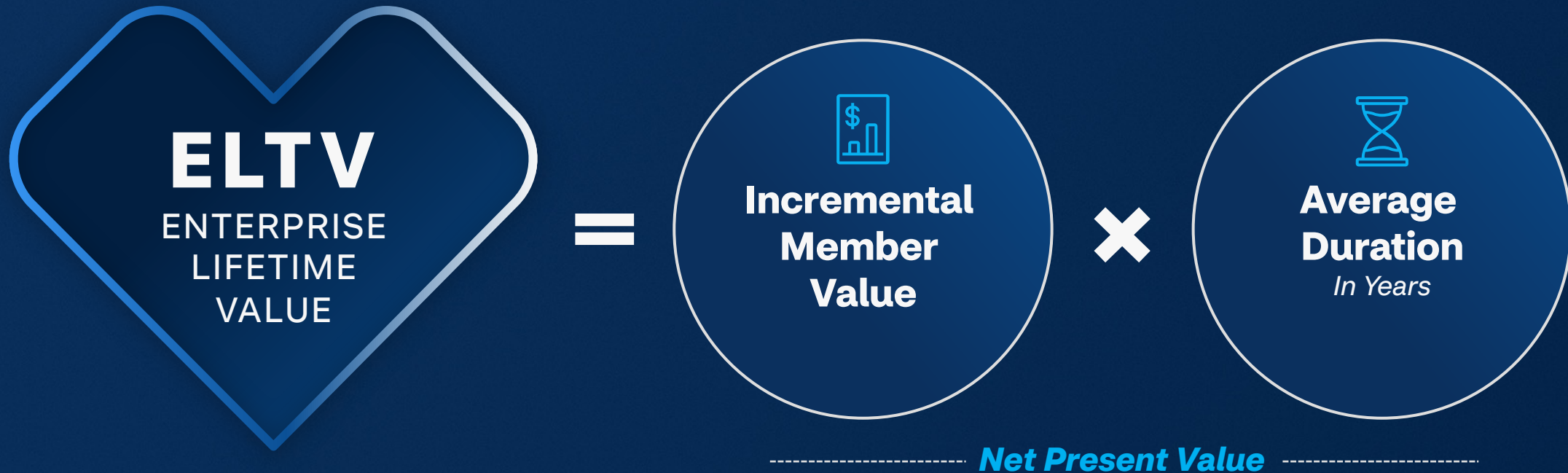
1. Reflects retail pharmacy and front store customers

2. Projected as of January 1, 2024

3. Reflects 2023E total membership, including PDP

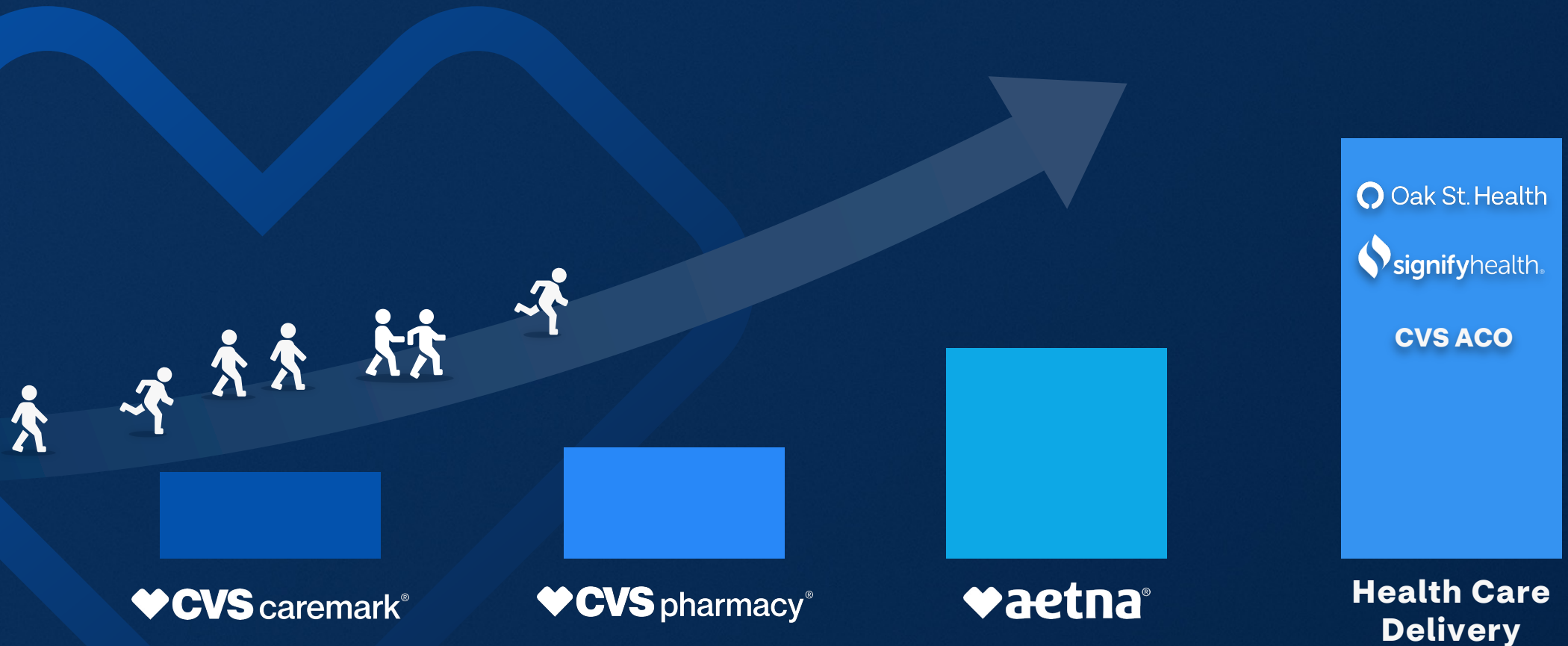


What is the lifetime value of a customer?



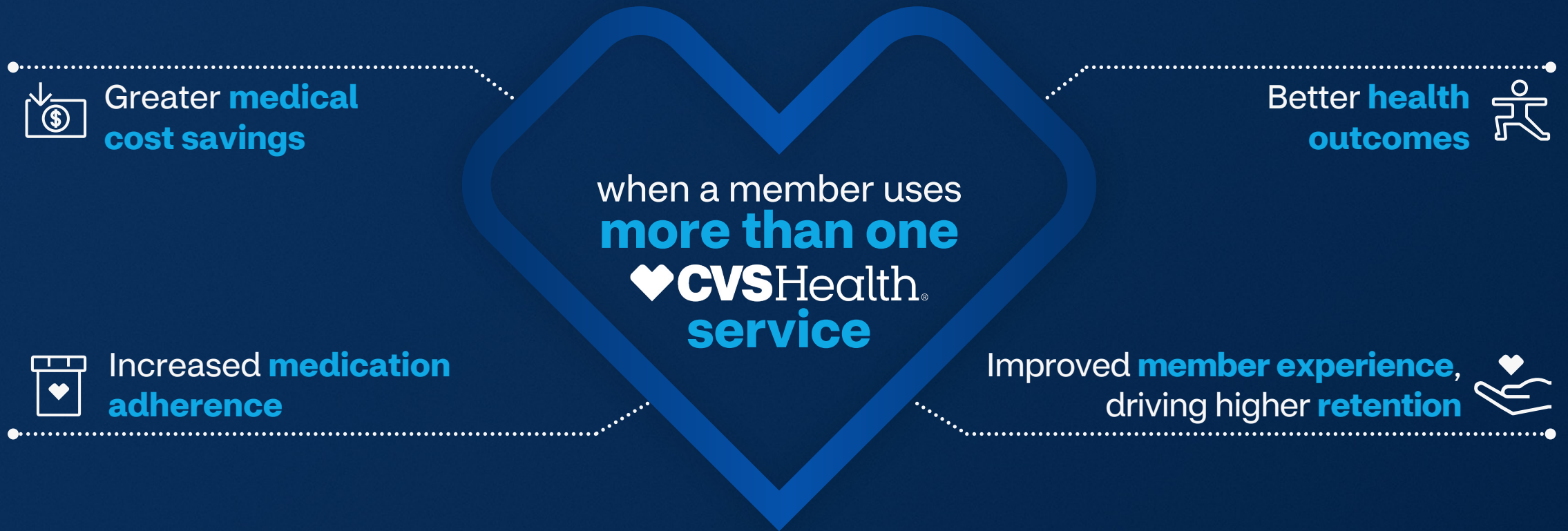
Looking at the unit economics of our portfolio

opportunity to materially expand lifetime value through our CVS Health Care Delivery assets is clear



Health Care Delivery generates significantly higher lifetime value

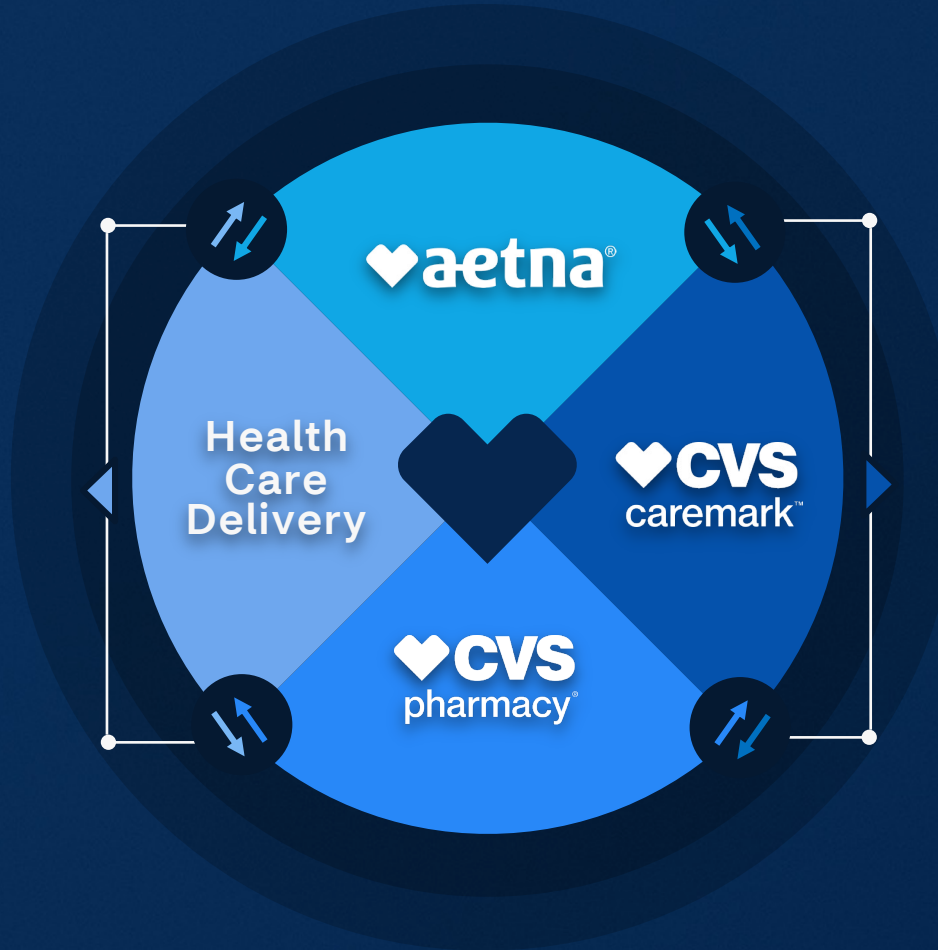
Unlocking the power of CVS Health



Creating integrated value that is up to 10% greater than the sum of our parts

Opportunity of increasing penetration

♥
New Opportunity
Highest value per incremental consumer engaged



Over 70% of Aetna members are integrated with Caremark

♥
Strong Value Capture
with room to grow

Caremark members use CVS Pharmacy about 1/3 of the time

Small gains in penetration can drive a meaningful increase in enterprise lifetime value

Enterprise Key Measures of Success



Number of
**consumers
we serve**



Number of
**unique digital
customers**



Number of consumers
**accessing 2 or more
CVS Health offerings**



% increase in CVS Health
**consumer
lifetime value**

RESULTING IN

Enrollment
growth

Margin
improvement

Accelerating
earnings from
Health Care Delivery

More members in
value-based
arrangements

Performance
in Stars

Enabling us to deliver on our financial commitments

Why CVS Health, why now?

our powerful strategy and unique combination of assets position us to **build a world of health around the consumer**



Reliable,
diversified and
accelerating
earnings growth



Powerful cash generation
that supports strategic
goals and opportunistic
capital deployment



Attractive return
profile, anchored
on a compelling
dividend

Transforming health care requires engagement and breadth - no one is better positioned to engage, deliver clinical services and simplify health care than CVS Health



Health Care Benefits

The health care market continues to be dynamic



**Aging
population**



**Demographic and
funding shifts**



**Shift towards full-risk
value-based care**

**Well-positioned to deliver a differentiated health care
experience and drive growth across all product lines**



Leading Medicare
Advantage business and
CVS Health capabilities



Flexible and diverse
product portfolio



Increasing full-risk
value-based care
penetration is an opportunity

Aetna has a proven history of delivering growth

supported by a diversified portfolio of products uniquely tailored for varying customer needs

Our results

10%

Medicare Advantage
4-year membership
growth CAGR¹

11%

Aetna 4-year revenue
growth CAGR¹

Our customers

50%+

Fortune 100
companies served²

35M+

Unique members
served³

Our value

87%

Medicare Advantage
membership in 4+ Star
rated plans⁴

70%

Commercial members
have integrated medical /
pharmacy benefits

1. Reflects growth 2019 – 2023E

2. As of March 2023

3. Reflects 2023E total membership, including PDP

4. In Plan Year 2025

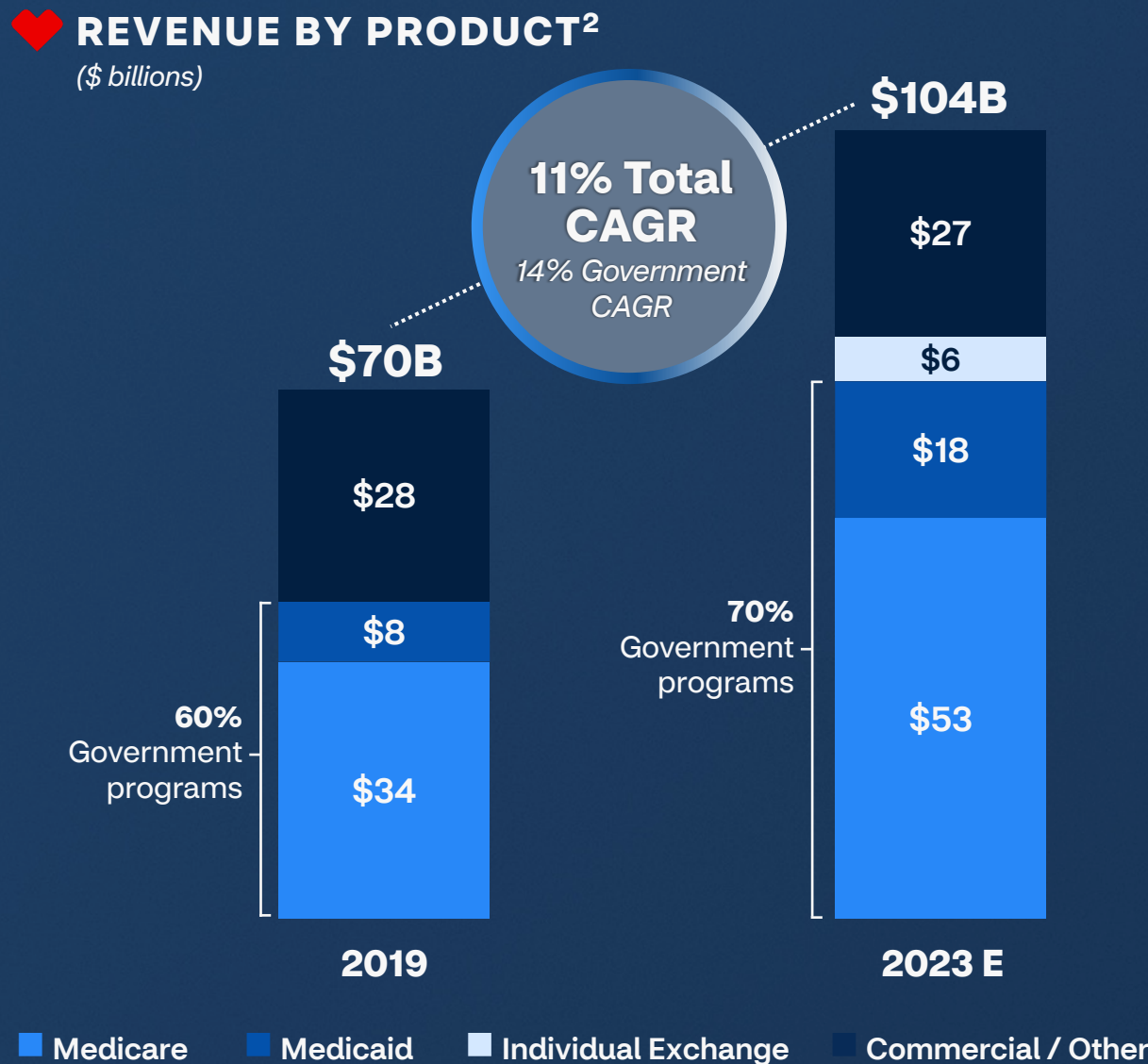
THE COMBINATION WITH CVS Health has accelerated our momentum

Since 2019, we have...

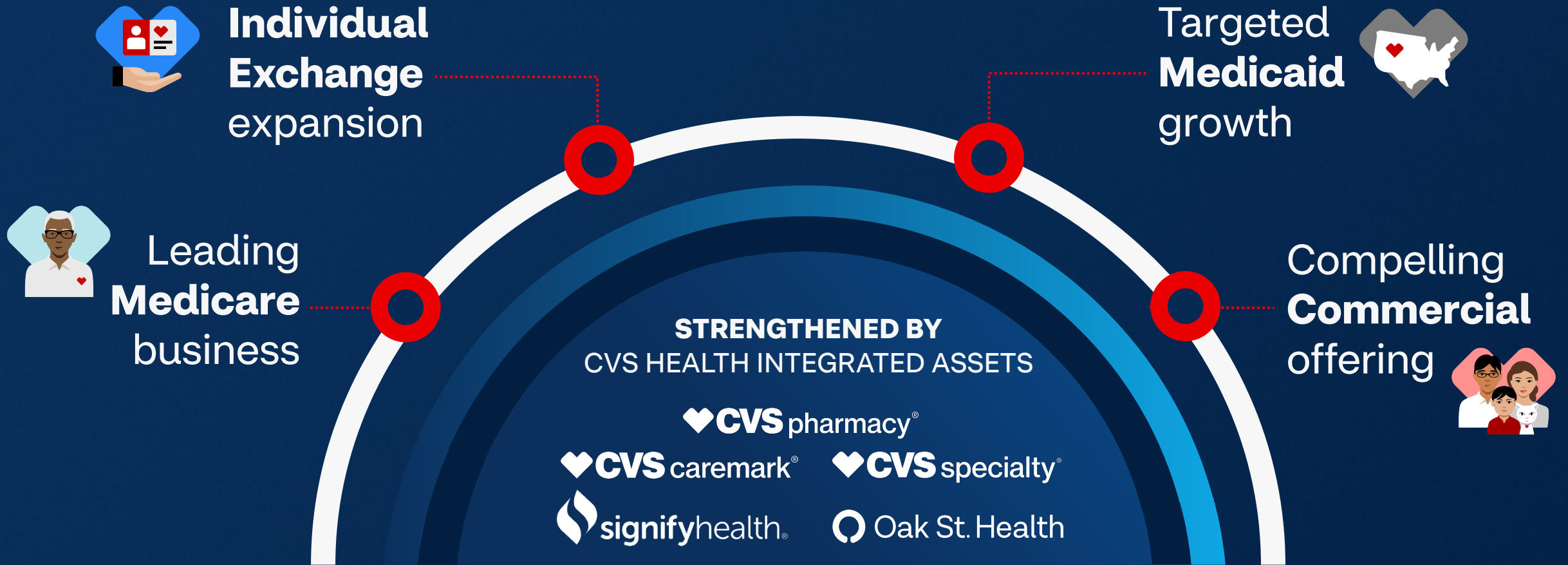
- ✓ Grown core businesses¹
- ✓ Significantly grown **Government businesses**
- ✓ Re-entered the **Individual Exchange** market

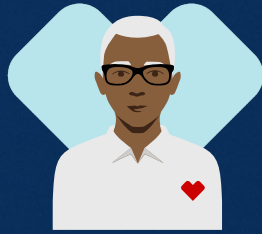
We are the **trusted partner** for a lifetime of health

1. Excluding divested non-core businesses including Aetna International, bSwift and PayFlex
 2. Midpoint of 2023 full year guidance



Well-positioned for core growth

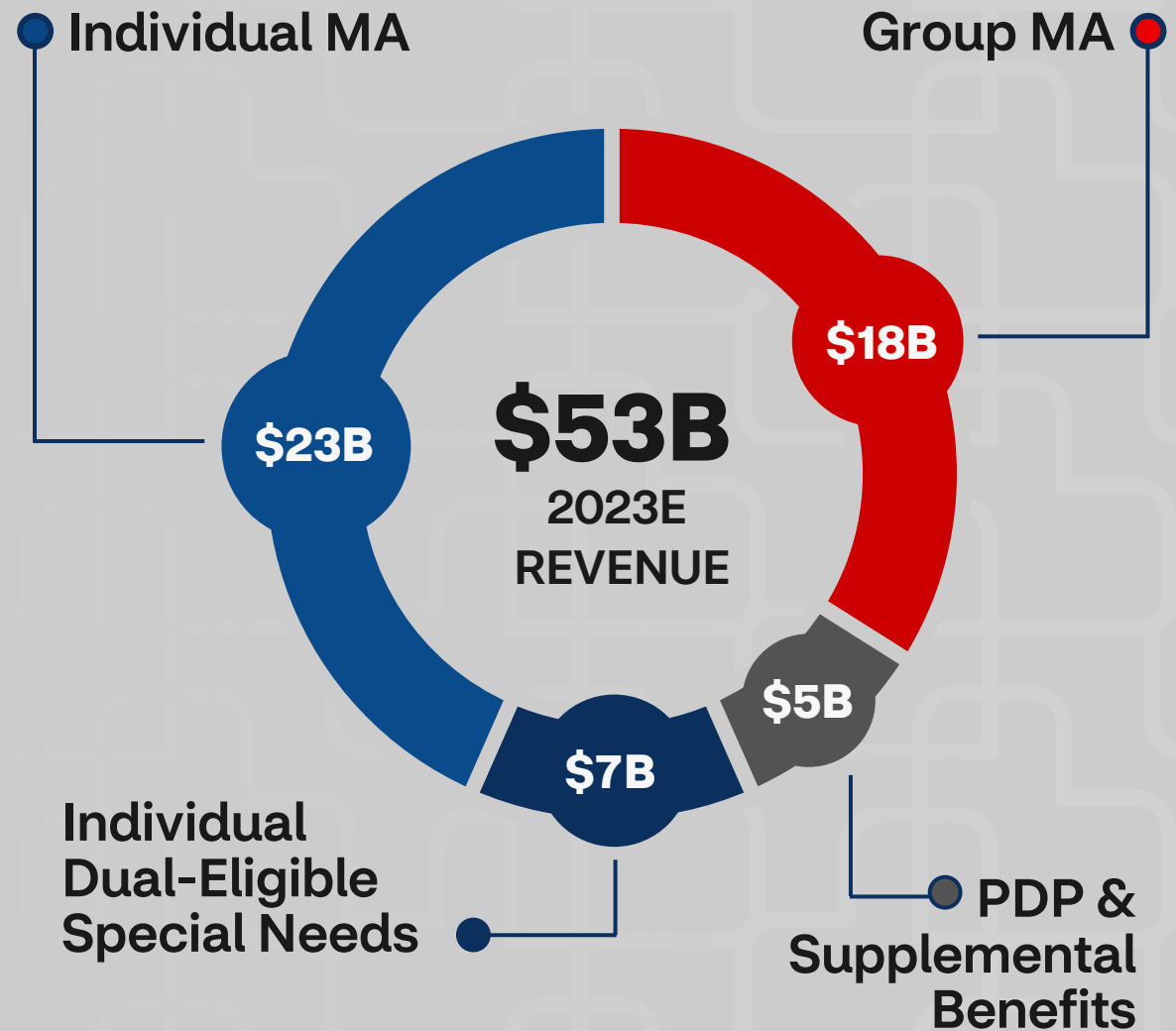




Medicare

A broad product portfolio representing **more than 50%** of Aetna's revenue and **servicing ~11M members¹**

1. Reflect 2023E; includes Medicare Advantage, PDP and Supplemental Benefits



A strong Medicare Advantage business

KEYS TO SUCCESS

WE WILL

**Drive
profitable
growth**



- ♥ Sustain best-in-class **Star Ratings**
- ♥ Increasing focus on **special needs populations**
- ♥ Strengthen **value-based care capabilities**
- ♥ Deliver **product innovation** powered by CVS Health integrated assets, digital tools and technology

GROW TOPLINE

Grow at least
market rate

MARGIN OPPORTUNITY

Path to recapture target
margin provides outperformance potential

Path to Medicare Advantage margin recapture



Individual Exchange expansion

powered by CVS Health integrated assets

KEYS TO SUCCESS

WE WILL

Drive
disciplined
growth

- ♥ Differentiated and integrated product offerings
- ♥ Innovative distribution and marketing
- ♥ Consumer-centric clinical programs
- ♥ Unique and accessible networks focused on value-based care



GROW TOPLINE

High-single digit
growth

MARGIN OPPORTUNITY

Target mid-single
digit margins

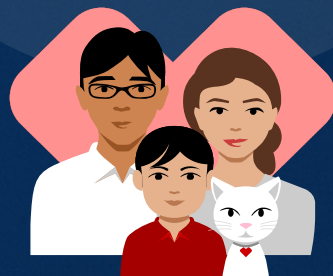
Compelling Commercial offering

driven by product innovation to meet customer needs

KEYS TO SUCCESS

WE WILL

**Balance
margin and
membership
growth**



- ♥ **Grow share** in priority geographies
- ♥ Differentiate through **innovative, integrated product offerings**
- ♥ Achieve **best-in-class network discounts**
- ♥ Drive engagement and simplicity through **innovative digital capabilities**

GROW TOPLINE

Low-single digit
growth

MARGIN OPPORTUNITY

Preserve competitive
margins

We will target Medicaid growth in geographies

where we can bring the full portfolio of CVS Health assets to bear

KEYS TO SUCCESS

WE WILL
Retain key contracts
and
drive de novo growth



- ♥ Execute coordinated, **Duals-focused market entry** strategy
- ♥ Deliver **data-driven quality and population health excellence**
- ♥ **Deepen provider relationships** through value-based care
- ♥ Maintain **strong state relationships** and **leading RFP capabilities**

GROW TOPLINE

Mid-single digit growth

MARGIN OPPORTUNITY

Stabilize margins post-redeterminations

HEALTH CARE BENEFITS

We remain committed to Enterprise growth



The value
of our
integrated
model



87% of Medicare Advantage membership in 4+ Star rated plans¹

17M+ integrated medical / pharmacy benefit members²



2M+ members with access to OTC/HS benefits²

~41% penetration of Aetna members at CVS Pharmacy²



~800K members accessing Signify in-home services³

Will double Aetna members accessing Oak Street Health services⁴

1. In Plan Year 2025

2. As of September 30, 2023

3. Expected as of year-end 2023

4. Expected Q1 2024; since Oak Street transaction close



Health Care Benefits Key Measures of Success



At or above market
**enrollment
growth**



Deliver on
**target margins
by line of business**



% of MA members in
**4+ Star rated
plans**



% penetration in
**CVS Caremark,
Retail and Health
Care Delivery**

HEALTH CARE BENEFITS

We are committed to delivering strong results

Key takeaways

- Leading business with diverse product offering
- Attractive growth opportunities in all products
- Clear and deliberate path to improve margins in Medicare Advantage and Individual Exchange
- Compelling value capture through cross-enterprise assets, including Health Care Delivery

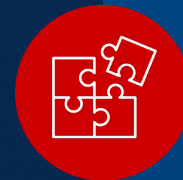
The path forward



Leading Medicare Advantage Star ratings



Increasing value-based arrangements



Product innovation and integrated offerings



Pharmacy & Consumer Wellness

Retail Pharmacy - critical to the health care system



Health care
is local



Pharmacy is
trusted



Role of pharmacy
is expanding

CVS is the leading national pharmacy chain

Our results

26.6%
Pharmacy share¹

1.6B+
Scripts filled
in 2023²

Our customers

~14M
Weekly pharmacy
interactions³

73M+
Members enrolled
in ExtraCare³

Value delivered

#1
National retail chain in
adherence performance⁴

~90%
Trust their local
pharmacist⁵

1. IQVIA data as of Q3 2023, excluding COVID vaccines

2. Reflects midpoint of full year 2023 guidance

3. As of October 2023

4. #1 in Cholesterol, Diabetes and Hypertension Stars Adherence measures amongst top 10 largest competitors for major health plans, Pharmacy Quality Solutions

5. Harris Poll survey conducted from March 9-20, 2023

Technology-enabled operating model



AI-powered
quality and safety
capabilities



Tech-driven
workflow
initiatives



Digital &
omnichannel
innovation

Unlocking labor capacity to deliver more clinical services

Our differentiator is consumer engagement



A sustainable retail business

Delivering health care that is:

Seamless and omnichannel

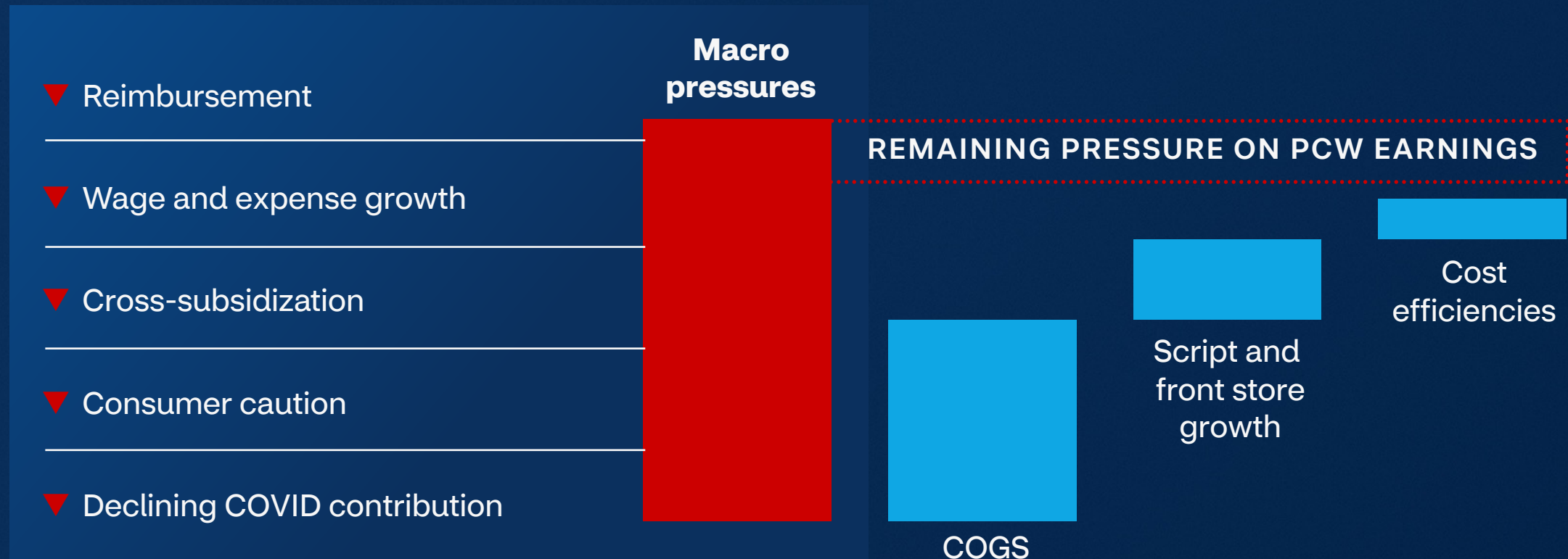
Connected and convenient

Easier to navigate

Local and accessible

Our engagement will drive better health outcomes and lower costs

Pressures outpace efficiencies and growth



Leading change in pharmacy reimbursement



Moving to a new, transparent model beginning in 2025

CVS CostVantage™

We will continue to lower the cost of drugs and will pass through cost improvements to our clients

Drug cost × Markup %

+

Patient management fee

New model benefits the drug supply ecosystem





Pharmacy & Consumer Wellness Key Measures of Success



% Retail
**pharmacy
share**



Industry-leading
**drug purchasing
economics**



Providing patients and payors with
**value-add
services**



Consumers connected to
**Health Care
Delivery**



% of pharmacy scripts
**reimbursed
under new
model**

We are committed to delivering strong results

Key takeaways

- Create a more sustainable and transparent pharmacy economic model
- Differentiate as the pharmacy and employer of choice
- Deliver excellent service and health outcomes for consumers
- Drive consumer engagement and enable enterprise value

The path forward



**Market-leading
retail pharmacy**



**Roll-out of
CVS CostVantage™**



**Consumer engagement
and enterprise value**



Pharmacy Services

Strong results based on value provided to clients

Our customers

~98%
2024 retention¹

50%+
Fortune 100²

Our value

\$1B+
2023 Specialty
cost savings³

70%
GLP-1 savings³

Our results

13.4%
Adj. Op. Income
2019-2023 CAGR⁴

14%
Specialty Revenue
2017-2022 CAGR⁵

1. As of November 13, 2023, excluding Centene; including Centene, 2024 retention is 78.1%

2. Based on 2024 clients

3. As of Q2 2023

4. As of October 2023

5. CVS Specialty revenue excludes Coram and rebate value, includes Specialty Mail, CarePlus, Wellpartner, Novologix, and Accordant

Offering flexibility, lower cost, better outcomes

End-to-end pharmacy benefits management



**PBM
services**



**Purchasing
economics**



**Dispensing
assets**

96% of PBM clients utilize our integrated services¹

12% higher member NPS²

47% annual client savings potential³

1. As of September 2023, based on percentage of claims from PBM clients across PBM, mail, and Specialty

2. Reflects difference between integrated PBM and Specialty members versus standalone Specialty members; based on Medallia CVS Specialty Care and Fulfillment Survey year-to-date through October 31, 2023

3. Reflects savings potential for clients who adopt our full suite of PBM and Specialty cost management strategies; based on June YTD 2023 results from Commercial clients

We're setting the record straight on our business model

98%+

Of rebates passed through to clients

~19%

Of Pharmacy Services profit driven by network spread and retained rebates


75%+

Of claims had fully transparent pass-through pricing¹

1. As of June 2023

Strong Specialty growth opportunity

U.S. Specialty market

 | **52%** Specialty as a portion of Commercial pharmacy spend¹

 | **\$360B** Specialty market size by 2025²

 | **\$100B** Biosimilar market size by 2029³

14%

CVS Specialty revenue
2017-2022 CAGR

(vs. 9% industry growth)⁴

1. Commercial Book of Business Q1-Q2 2023

2. CVS analysis based on Evaluate Pharma and market research as of September 2023; represents sales by pharma manufacturers, not dispensing revenue; includes pharmacy and medical benefit drugs; may not account for full value of generics

3. Fortune Business Insights (May 2022) and company estimates

4. CVS Specialty revenue excludes Coram and rebate value, includes Specialty Mail, CarePlus, Wellpartner, Novologix, and Accordant to align with Drug Channels Institute methodology

CVS Specialty positioned to outpace the market

Leading Specialty pharmacy

	What we offer	Why it matters
Expertise	Unparalleled reach across 38 centers of excellence ¹	Decades of market-leading clinical support
Technology	80%+ of patient records accessible via EMR connectivity ² 95% digital reach for Specialty patients ³	Omnichannel patient and provider relationships
Efficiency	AI-enabled end-to-end prescription management process	Unlocking new value from technology

1. CVS Specialty Therapy Operations team
2. CVS Health Analytics 2023
3. Specialty Product team

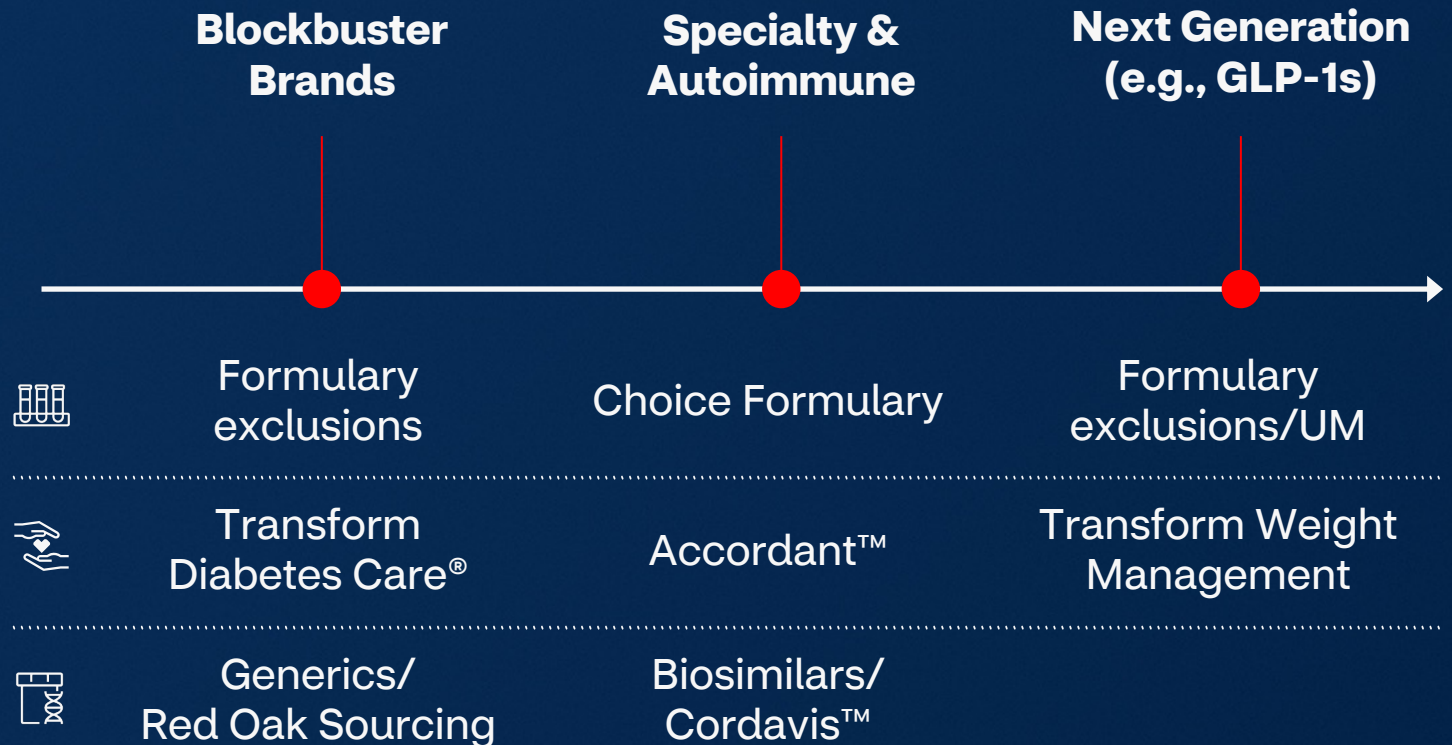
Proven expertise to navigate drug innovations

OUR MODEL

 **Formulary & Utilization Management**

 **Care Management**

 **Generics & Biosimilars**



New model will shape the future PBM industry



CVS Caremark TrueCost™

- Simplified pricing enabling members to stay on benefit
- Client pricing that reflects actual net drug costs
- Acquisition cost-based pharmacy reimbursement



Differentiation

- Best-in-class cost of goods
- Stability of national pharmacy network access
- Transparency in client markup and admin fees



Our clients will

- Continue to have choices
- Maintain access to lowest net cost options
- Have innovative tools to reduce total cost of pharmacy, including member out-of-pocket costs

PHARMACY SERVICES

We remain committed to Enterprise growth



The value
of our
integrated
model

Omnichannel Pharmacy

**>8 in 10 Maintenance
Choice** prescriptions
filled at CVS retail¹

Specialty Connect
prescriptions picked
up at CVS retail

Integrated Pharmacy & Medical

**Nearly 70%
growth** in
Integrated
Pharmacy and
Medical business
following the
Aetna integration²

Value-Based Care

Expanding in-home
care gap closure
for **PBM health
plan clients**

Establishing **value-
based primary care**
collaboration
opportunities

1. Based on analysis of mail versus retail preferences on non-Specialty 90-day supply prescriptions filled for Maintenance Choice members in 2023

2. Integrated membership growth from 2018-2023



Pharmacy Services Key Measures of Success



Increase in
script volume



Industry leading
**drug purchasing
economics**



% penetration across
**CVS Health
assets**



Growth in
Specialty



Adoption rate of
biosimilars

PHARMACY SERVICES

We are committed to delivering strong results

Key takeaways

- Continued sustainable growth
- Specialty and biosimilar capabilities drive value
- Leading with innovation, including:
 - TrueCost™ pricing model
 - Modernized technology
 - Choice formulary design
 - Biosimilar adoption

The path forward



Specialty growth



Lowest net cost



PBM innovation



Health Care Delivery

Transformative Health Care Delivery organization



Core assets
with proven results



Flywheel effect
within Health Care
Delivery businesses



**A differentiated
platform poised for
continued growth
and impact**

Health Care Delivery platform in 2023

Our results

\$6B
pro-forma
2023 revenue¹

14M+
2023 patient
and member visits^{1,2}

Our customers

8.7M
2023 patients and
members¹

220+
unique payors
served

Our value

21%
Oak Street Health
gross savings rate^{3,4}

2.5x longer
spent with members
in-home⁵

1. Estimated as of year end

2. Across Oak Street Health, Signify, CVS Accountable Care and MinuteClinic

3. Achieved in Direct Contracting program (predecessor to ACO Reach) PY2022

4. The statements contained in this document are solely those of the authors and do not necessarily reflect the views or policies of CMS; the authors assume responsibility for the accuracy and completeness of the information contained in this document

5. Signify In-Home Evaluation compared to the average primary care physician visit

Opportunity for providers of higher quality care

Unsustainable Cost ^{1,2}

\$4.3 trillion

U.S. annual health
care spend

~\$1 trillion

Estimated 'wasteful'
health care spend

Poor Outcomes ³

-2 years

U.S. life expectancy
vs OECD average

+52%

U.S. diabetes hospital admits
vs OECD average

Negative Experience ^{4,5}

>40%

U.S. physician
burnout rate

-1.2

Average Net Promoter Score
for primary care physicians

1. CMS 2021 data

2. Journal of the American Medical Association

3. Organisation for Economic Co-operation and Development

4. Medscape National Physician Burnout and Suicide Report

5. The Advisory Board, 2019

Our Health Care Delivery Vision



A fully integrated value-based health care ecosystem utilizing virtual, community and home-based mediums of care, along with traditional provider channels, to drive superior health care outcomes.

Powered by

A fully interoperable IT
infrastructure

Monetized through

Risk bearing mechanisms
around all products

Driven by national multi-payor care offerings



1. Across Oak Street Health and MinuteClinic

Differentiated results on quality and experience



LEADING CARE MODEL

51% reduction in hospital admissions
for Oak Street patients¹

300+ clinical and social data points
captured during a Signify In-Home Evaluation

#1 average gross and net savings

across PY2021 and PY2022 Direct Contracting program out of ~50 total participants²



UNMATCHED PATIENT EXPERIENCE

Oak Street patient satisfaction: 96%³

MinuteClinic NPS: 81.2

97%
of members **highly satisfied** with their **Signify In-Home Evaluation** indicate they would **complete another** in the future⁴

1. Oak Street Health 2021 Social Impact Report; as compared to Medicare benchmarks
2. The statements contained in this document are solely those of the authors and do not necessarily reflect the views or policies of CMS; the authors assume responsibility for the accuracy and completeness of the information contained in this document
3. Oak Street Health Q3 2023 Patient Experience Insights survey; results indicate 96% of providers received satisfaction rankings of at least 80% across primary visit types
4. Based on May 2023 member survey conducted by external third-party

Signify's strategic growth fueled by CVS Health



Leader in comprehensive In-Home Evaluations



11K+ licensed
clinicians

2.7M projected
home visits in 2023

HOW IT WORKS



up to
34K+
members
scheduled per day

2.5x
longer spent with
members in-home¹

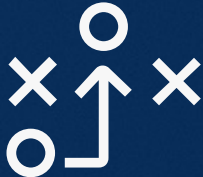
250K+
case management
referrals in 2023

1. Signify In-Home Evaluation compared to the average primary care physician visit

Expanding capabilities through innovation



Engage & Schedule



Optimizing provider drive time through **robust logistics and routing**



In-Home Evaluation



Expanding diagnostic tests offered during the home visit



Post-Visit



Enhancing connection points through advanced technology

Signify is delivering promising early results



65%+
of hard to reach
Aetna members



Increasing access
with online scheduling



Connecting to
immunization
appointments



55%

Welcome Visit
schedule rate for
seniors connected to
Oak Street by Signify¹

1. ~19% of Aetna members who were educated about Oak Street Health chose to be connected for additional information

National leader in provider enablement



~1M lives under management in 2024E

\$10B spend under management in 2023E

OUR SERVICES



Clinical programs



Practice transformation



Analytics & technology



Embedded care management

Supporting **60K+ provider partners** across rural, suburban and urban areas from clinics to academic medical centers

Combination of CVS Accountable Care and Signify improves quality and lowers costs for members

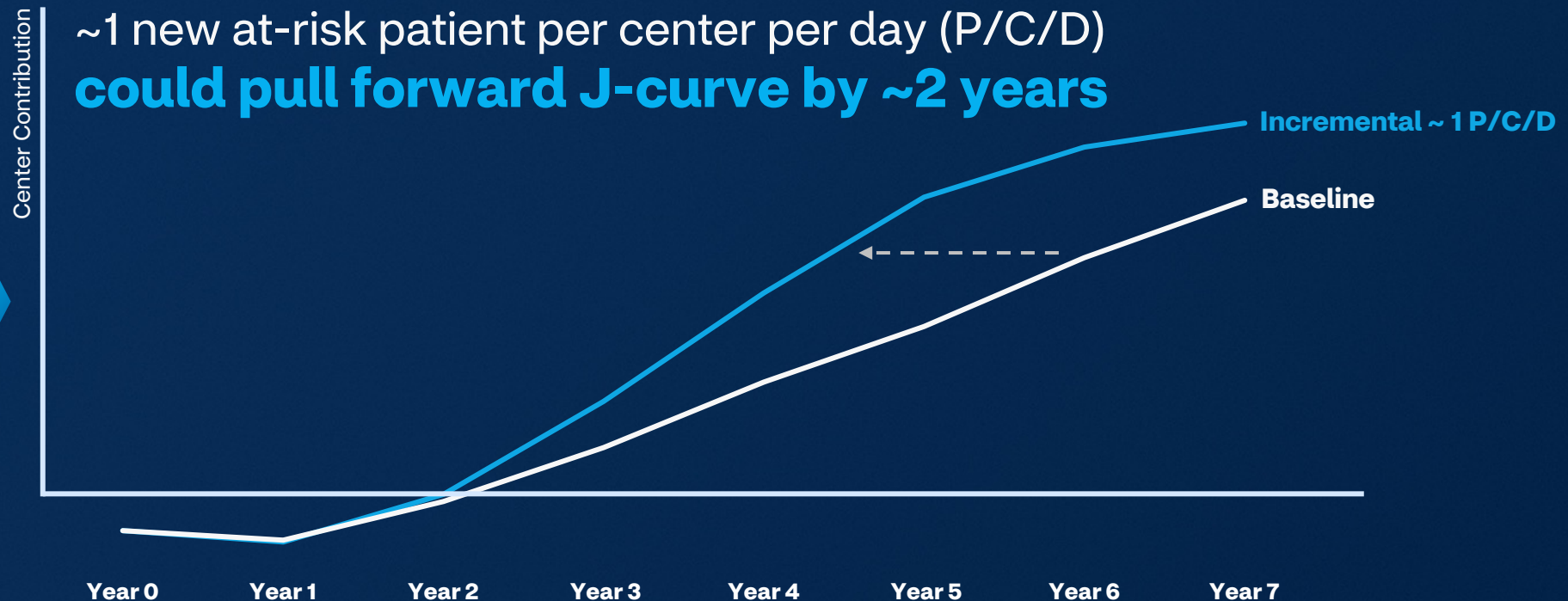


Enabled by a unified best-in-class Value-Based Care MSO and technology platform

1. Realizing Equity, Access and Community Health

Strong Oak Street unit economics can further improve with patient growth

- + Oak St. Health
- + CVSHealth.
- + aetna
- + signifyhealth.



CVS Health has ability to meaningfully accelerate Oak Street's growth

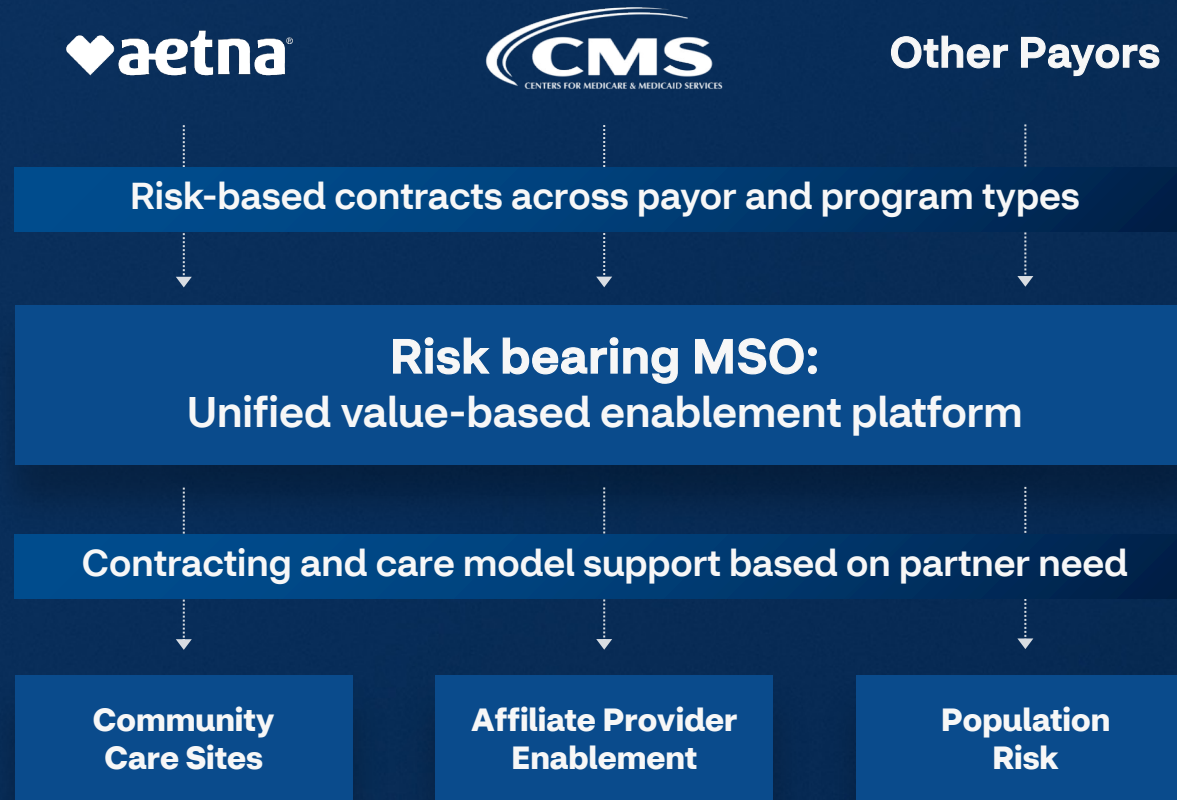
Our opportunities

Initial results

<p>>650K Medicare beneficiaries visit CVS stores in Oak Street geographies each week</p>	<p>✓ Approximately 1 in 6 customers engaged in store scheduled a visit</p>
<p>>850K Aetna MA and PDP Members geographically aligned</p>	<p>✓ >120K Aetna members with need for improved primary care prioritized for outreach in 2023</p>
<p>>300K Signify Home visits annually in Oak Street geographies</p>	<p>✓ 10% of Aetna seniors educated by Signify about Oak Street as a primary care option scheduled a Welcome Visit</p>

Opportunity will continue to increase as Oak Street adds additional centers

Combining assets improves VBC capabilities across portfolio



Best-in-class population health technology



Leading care model and provider engagement programs



Powered by CVS Health digital, data and analytics capabilities

CHICAGO: An example of our local density and presence in the community¹



28
clinics

51K
patients



215
Signify providers

~32K
home visits



1,500
provider partners

40K
at-risk lives

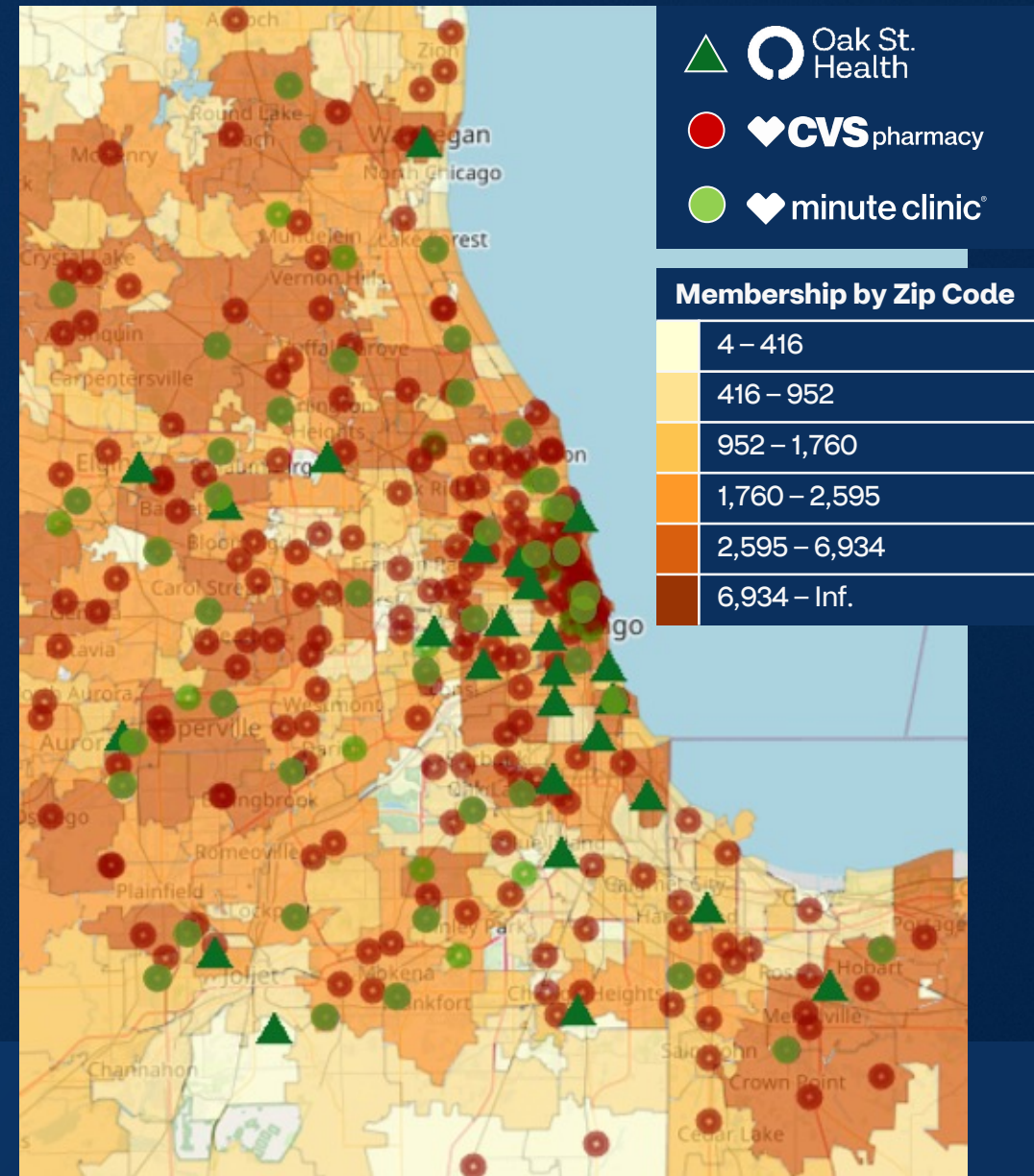


120
providers

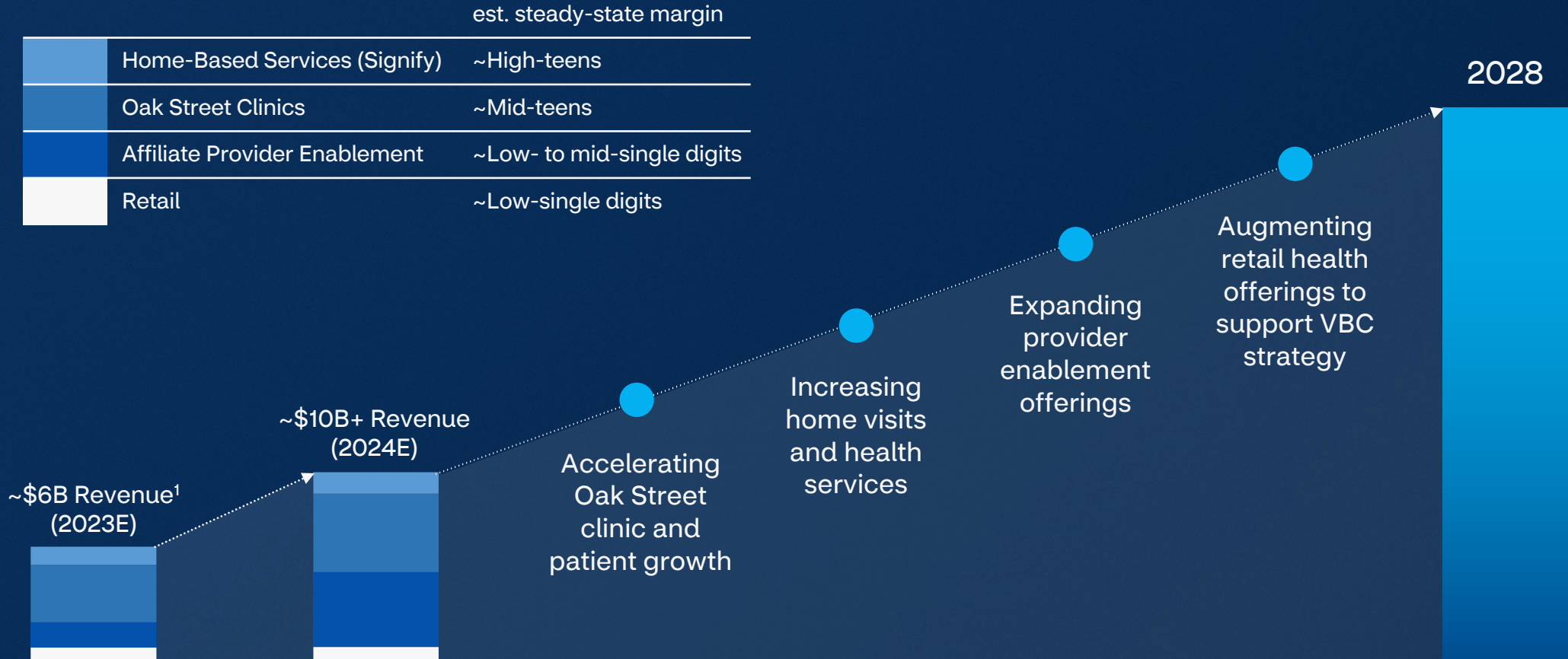
~170K
patients

Footprint currently serving ~290K patients with opportunity to increase impact

1. As of September 2023



Projecting mid-double digit revenue CAGR over the next 5+ years



1. Reflects pro-forma basis for Signify and Oak Street



Health Care Delivery Key Measures of Success



of
**Oak Street
Health centers**



of
**profitable Oak
Street Health
centers**



Combined # of
at-risk lives



of
**in-home
visits**



of
**owned, affiliated
and contracted
providers**

HEALTH CARE DELIVERY

We are committed to delivering strong results

Key takeaways

- Large opportunity to provide higher quality care
- Our businesses create a differentiated, multi-payor value proposition
- Early enterprise initiatives demonstrate the power of our combined assets
- Significant growth potential as we scale our capabilities and services

The path forward



Patient and clinic growth



In-home visit growth and expansion of services



Enabling value-based arrangements

Why CVS Health



Strong, sustainable growth, including accelerating growth from Health Care Delivery



Powerful cash flow generation



Balanced capital deployment with growing dividend



Commitment to sustainable business practices and employee development



Accelerating our Adjusted EPS growth over time