



Oscar Health, Inc.
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News Release

Oscar Health Announces Financial Results for Second Quarter 2025 and Reaffirms Updated 2025 Guidance

New York, NY, August 6, 2025 – Oscar Health, Inc. (“Oscar” or the “Company”) (NYSE: OSCR) announced today its financial results for the second quarter ended June 30, 2025, and reaffirmed its updated full year 2025 outlook across all metrics as provided in its preliminary financial results press release dated July 22, 2025.

“We believe the individual market has long-term upside and is the future of healthcare,” said Mark Bertolini, CEO of Oscar Health. “Oscar is well-positioned to manage through the market reset in 2025. We believe the market will stabilize next year, and expect to return to profitability in 2026. We are building the individual market into a healthcare marketplace for more consumers and businesses, and continue to position the company for long-term growth.”

Second Quarter 2025 Financial Highlights

(in thousands, except percentages)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Total revenue	\$2,863,945	\$2,219,341	\$5,910,208	\$4,361,646
Medical loss ratio	91.1%	79.0%	83.0%	76.7%
SG&A expense ratio	18.7%	19.6%	17.2%	19.0%
Earnings (loss) from operations	\$(230,483)	\$67,812	\$66,640	\$253,370
Net income (loss) attributable to Oscar Health, Inc.	\$(228,361)	\$56,207	\$46,910	\$233,575
Adjusted EBITDA ⁽¹⁾	\$(199,404)	\$104,126	\$129,424	\$323,440

(1) Adjusted EBITDA is a non-GAAP measure. See “Key Operating and Non-GAAP Financial Metrics - Adjusted EBITDA” in this release for a reconciliation to net loss, the most directly comparable GAAP measure, and for information regarding Oscar’s use of Adjusted EBITDA.

Membership by Offering	As of June 30,	
	2025	2024
Individual and Small Group	2,017,058	1,522,432
Cigna+Oscar ⁽¹⁾	10,090	58,293
Total Members⁽²⁾	2,027,148	1,580,725

(1) Represents total membership for our former co-branded partnership with Cigna.

(2) A member covered under more than one of our health plans counts as a single member for the purposes of this metric.

Second Quarter 2025 Key Metrics and Non-GAAP Financial Metrics

- Total revenue was approximately \$2.9 billion for the second quarter of 2025 compared to \$2.2 billion for the second quarter of 2024. The increase was primarily driven by higher membership, partially offset by an increase in the net risk adjustment transfer accrual.
- The medical loss ratio was 91.1% for the second quarter of 2025 compared to 79.0% for the second quarter of 2024. The increase was primarily driven by an increase in average market morbidity that resulted in an increase in the net risk adjustment transfer accrual.
- The SG&A expense ratio was 18.7% for the second quarter of 2025 compared to 19.6% for the second quarter of 2024. The decrease was primarily due to lower exchange fee rates and greater fixed cost leverage, partially offset by the impact of higher risk adjustment as a percentage of premium.
- Loss from operations was \$230.5 million for the second quarter of 2025 compared to a gain from operations of \$67.8 million for the second quarter of 2024. The decrease was primarily driven by an increase in average market morbidity that resulted in an increase in the risk adjustment transfer accrual.
- Net loss attributable to Oscar Health, Inc. was \$228.4 million, or \$(0.89) of diluted earnings per share, for the second quarter of 2025 compared to Net income attributable to Oscar Health, Inc. of \$56.2 million, or \$0.20 of diluted earnings per share, for the second quarter of 2024.
- Adjusted EBITDA loss was \$199.4 million for the second quarter of 2025 compared to positive Adjusted EBITDA of \$104.1 million for the second quarter of 2024.

Quarterly Conference Call Details

Oscar will host a conference call to discuss the financial results today, August 6, 2025, at 8:00 a.m. (ET). Investors and other interested parties are invited to listen to the conference call by dialing 1-855-761-5600 and entering the following conference ID: 7768132. A live audio webcast will also be available via the Investor Relations page of Oscar's website at ir.hioscar.com. A replay of the webcast will be available for on-demand listening shortly after the completion of the call, at the same web link, and will remain available for approximately 90 days.

Non-GAAP Financial Information

This release presents Adjusted EBITDA, a non-GAAP financial metric, which is provided as a complement to the results provided in accordance with accounting principles generally accepted in the United States of America ("GAAP"). A reconciliation of historical non-GAAP financial information to the most directly comparable GAAP financial measure is provided in the accompanying tables found at the end of this release. For more information regarding Adjusted EBITDA, please see "Key Operating and Non-GAAP Financial Metrics" below.

Cautionary Note Regarding Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact contained herein are forward-looking statements. These statements include, but are not limited to, statements about our financial outlook and estimates, including Total revenue, Medical Loss Ratio, SG&A Expense Ratio, Earnings from Operations, and other financial performance metrics, and the related underlying assumptions, our business and financial prospects, including management's plans and objectives for future operations, expectations and business strategy, such as our 2026 pricing actions, and industry and market dynamics and expected trends. In some cases, you can identify forward-looking statements by terms such as "may," "will," "should," "expects," "plans," "anticipates," "could," "intends," "targets," "projects," "contemplates," "believes," "estimates," "forecasts," "predicts," "potential," or "continues" or the negative of these terms or other similar expressions. Accordingly, we caution you that any such forward-looking statements are not guarantees of future performance and are subject to risks, assumptions, and uncertainties that are difficult to predict and generally beyond our control.

Although we believe that the expectations reflected in these forward-looking statements are reasonable as of the date made, there are or will be important factors that could cause our actual results to differ materially from those indicated in these forward-looking statements, including, but not limited to, the following: our ability to execute our strategy and manage our growth effectively (including our ability to successfully integrate strategic acquisitions); our ability to retain and expand our member base; our ability to accurately estimate our incurred medical expenses or to effectively manage our medical costs or related administrative costs; our ability to maintain profitability in the future; unanticipated results of, or changes to, risk adjustment programs or, our estimates thereof; our ability to arrange for the delivery of quality care and maintain good relations with brokers and the physicians, hospitals, and other providers within and outside our provider networks; evolving federal or state laws or regulations (including any changes in the interpretation or enforcement of existing laws and regulations), including changes with respect to the Patient Protection and Affordable Care Act ("ACA") and any regulations enacted thereunder, non-renewal of the enhanced Advanced Premium Tax Credits ("APTCs"), the implementation of new program integrity rules or other government actions, such as the imposition of tariffs; our ability to comply with ongoing regulatory requirements, including capital reserve and surplus requirements and applicable performance standards; changes or developments in the health insurance markets in the United States; our, or any of our vendors', ability to comply with laws, regulations, and standards related to the handling of information about individuals or applicable consumer protection laws, including as a result of our participation in government-sponsored programs; heightened competition in the markets in which we participate; our ability to utilize quota share reinsurance to meet our capital and surplus requirements and protect against downside risk on medical claims; unfavorable or otherwise costly outcomes of lawsuits, audits, investigations, and other third party claims; incurrence of data security breaches of our and our partners' information and technology systems; our ability to attract and retain qualified personnel; our ability to detect and prevent material weaknesses or significant control deficiencies in our internal controls over financial reporting or other failure to maintain an effective system of internal controls; adverse publicity or other adverse consequences related to our dual class structure or "controlled company" status; and the other factors set forth under the caption "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2024, filed with the Securities and Exchange Commission ("SEC"), as well as our other filings with the SEC, including our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2025 filed with the SEC and our Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2025 to be filed with the SEC.

You are cautioned not to place undue reliance on any forward-looking statements made in this press release. Any forward-looking statement speaks only as of the date as of which it is made, and, except as otherwise required by law, we do not undertake any obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise. New factors emerge from time to time, and it is not possible for us to predict which will arise.

About Oscar Health

Oscar Health, Inc. (“Oscar”) is a leading healthcare technology company built around a full stack technology platform and a relentless focus on serving our members. We have been challenging the status quo in the healthcare system since our founding in 2012, and are dedicated to making a healthier life accessible and affordable for all. Oscar offers Individual & Family plans and health technology solutions that power the healthcare industry through +Oscar. Our technology drives superior experiences, deep engagement, and high-value clinical care, earning us the trust of approximately 2.0 million members, as of June 30, 2025.

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Source: Oscar Health, Inc.

Oscar Health, Inc.
Condensed Consolidated Statements of Operations
(unaudited)

(in thousands, except per share amounts)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Revenue				
Premium	\$ 2,803,444	\$ 2,164,116	\$ 5,799,265	\$ 4,257,798
Investment income	54,004	49,994	100,116	92,983
Other revenues	6,497	5,231	10,827	10,865
Total revenue	2,863,945	2,219,341	5,910,208	4,361,646
Operating Expenses				
Medical	2,552,973	1,708,722	4,812,624	3,263,496
Selling, general, and administrative	534,485	435,206	1,017,244	829,368
Depreciation and amortization	6,970	7,601	13,700	15,412
Total operating expenses	3,094,428	2,151,529	5,843,568	4,108,276
Earnings (loss) from operations	(230,483)	67,812	66,640	253,370
Interest expense	5,847	5,991	11,841	11,893
Other expenses (income)	(2,794)	872	124	2,050
Earnings (loss) before income taxes	(233,536)	60,949	54,675	239,427
Income tax expense (benefit)	(5,045)	4,637	7,660	5,633
Net income (loss)	(228,491)	56,312	47,015	233,794
Less: Net income (loss) attributable to noncontrolling interests	(130)	105	105	219
Net income (loss) attributable to Oscar Health, Inc.	\$ (228,361)	\$ 56,207	\$ 46,910	\$ 233,575
Earnings (loss) per Share				
Basic	\$ (0.89)	\$ 0.24	\$ 0.19	\$ 0.99
Diluted	\$ (0.89)	\$ 0.20	\$ 0.17	\$ 0.82
Weighted Average Common Shares Outstanding				
Basic	255,531	238,672	253,417	235,056
Diluted	255,531	303,965	270,244	299,186

Oscar Health, Inc.
Condensed Consolidated Balance Sheets
(unaudited)

(in thousands, except per share amounts)	June 30, 2025	December 31, 2024
Assets		
<u>Current Assets:</u>		
Cash and cash equivalents	\$ 2,598,942	\$ 1,527,186
Short-term investments	938,102	624,461
Premiums and accounts receivable (net of allowance for credit losses of \$7,350 and \$31,300)	465,399	315,891
Risk adjustment transfer receivable	87,617	64,779
Reinsurance recoverable	192,698	291,537
Other current assets	30,464	21,320
Total current assets	4,313,222	2,845,174
Property, equipment, and capitalized software, net	77,669	66,793
Long-term investments	1,845,884	1,815,254
Restricted deposits	31,086	30,878
Other assets	116,266	82,397
Total assets	\$ 6,384,127	\$ 4,840,496
Liabilities and Stockholders' Equity		
<u>Current Liabilities:</u>		
Benefits payable	\$ 1,551,632	\$ 1,356,730
Risk adjustment transfer payable	2,647,187	1,558,341
Unearned premiums	69,489	74,389
Accounts payable and other liabilities	583,871	432,428
Reinsurance payable	13,380	41,346
Total current liabilities	4,865,559	3,463,234
Long-term debt	299,944	299,555
Other liabilities	57,274	61,282
Total liabilities	5,222,777	3,824,071
Commitments and contingencies (Note 12)		
Stockholders' Equity		
Class A common stock (\$0.00001 par value; 825,000 thousand shares authorized, 222,912 thousand and 214,974 thousand shares outstanding as of June 30, 2025 and December 31, 2024, respectively)	2	2
Class B common stock (\$0.00001 par value; 82,500 thousand shares authorized, 35,514 thousand shares outstanding as of June 30, 2025 and December 31, 2024)	—	—
Treasury stock (315 thousand shares as of June 30, 2025 and December 31, 2024)	(2,923)	(2,923)
Additional paid-in capital	3,951,980	3,869,617
Accumulated deficit	(2,804,373)	(2,851,283)
Accumulated other comprehensive income (loss)	13,720	(1,827)
Total Oscar Health, Inc. stockholders' equity	1,158,406	1,013,586
Noncontrolling interests	2,944	2,839
Total stockholders' equity	1,161,350	1,016,425
Total liabilities and stockholders' equity	\$ 6,384,127	\$ 4,840,496

Oscar Health, Inc.
Condensed Consolidated Statements of Cash Flows
(unaudited)

(in thousands)	Six Months Ended June 30,	
	2025	2024
Cash Flows from Operating Activities:		
Net income	\$ 47,015	\$ 233,794
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Deferred taxes	—	51
Net realized gain on sale of financial instruments	(131)	—
Depreciation and amortization expense	13,700	15,412
Amortization of debt issuance costs	389	389
Stock-based compensation expense	49,084	54,658
Net accretion of investments	(15,667)	(12,219)
Change in provision for credit losses	(23,950)	(1,200)
Changes in assets and liabilities:		
(Increase) / decrease in:		
Premium and other receivables	(124,810)	(195,898)
Risk adjustment transfer receivable	(22,838)	(20,211)
Reinsurance recoverable	98,839	(89)
Other assets	(26,512)	(13,001)
Increase / (decrease) in:		
Benefits payable	194,902	286,242
Unearned premiums	(4,900)	(5,947)
Premium deficiency reserve	—	(2,888)
Accounts payable and other liabilities	141,608	71,254
Reinsurance payable	(27,966)	(930)
Risk adjustment transfer payable	1,088,846	722,097
Net cash provided by operating activities	1,387,609	1,131,514
Cash Flows from Investing Activities:		
Purchase of investments	(607,838)	(1,362,993)
Sale of investments	15,761	—
Maturity and paydowns of investments	267,419	596,838
Purchase of property, equipment and capitalized software	(18,303)	(13,512)
Change in restricted deposits	526	1,451
Net cash used in investing activities	(342,435)	(778,216)
Cash Flows from Financing Activities:		
Tax payments related to net settlement of share-based awards	(2,289)	—
Proceeds from exercise of stock options	29,295	46,011
Net cash provided by financing activities	27,006	46,011
Increase in cash, cash equivalents and restricted cash equivalents	1,072,180	399,309
Cash, cash equivalents, restricted cash and cash equivalents—beginning of period	1,551,118	1,891,971
Cash, cash equivalents, restricted cash and cash equivalents—end of period	2,623,298	2,291,280
Cash and cash equivalents	2,598,942	2,268,154
Restricted cash and cash equivalents included in restricted deposits	24,356	23,126
Total cash, cash equivalents and restricted cash and cash equivalents	\$ 2,623,298	\$ 2,291,280
Supplemental Disclosures:		
Interest payments	\$ 11,360	\$ 11,269
Income tax payments	\$ 15,478	\$ 84

Key Operating and Non-GAAP Financial Metrics

We regularly review the following key operating and Non-GAAP financial metrics, to evaluate our business, measure our performance, identify trends in our business, prepare financial projections, and make strategic decisions. We believe these operational and financial measures are useful in evaluating our performance, in addition to our financial results prepared in accordance with GAAP.

Total Revenue

Total revenue includes Premium revenue (net of risk adjustment transfers), Investment income, and Other revenues. We believe Total revenue is an important metric to assess the growth of our business, as well as the earnings potential of our investment portfolio.

Medical Loss Ratio

Medical Loss Ratio is a metric used to calculate medical expenses as a percentage of net premiums before ceded quota share reinsurance. Medical expense primarily consists of both paid and unpaid medical expenses incurred to provide medical services and products to our members. Medical claims include fee-for-service claims, pharmacy benefits, capitation payments to providers, provider disputed claims and various other medical-related costs. The impact of the federal risk adjustment program is included in the denominator of our MLR. We believe MLR is an important metric to demonstrate the ratio of our costs to pay for healthcare of our members to the net premium before ceded quota share reinsurance. MLR in our existing products are subject to various federal and state minimum requirements.

(in thousands, except percentages)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Medical	\$ 2,552,973	\$ 1,708,722	\$ 4,812,624	\$ 3,263,496
Less: Ceded quota share reinsurance claims ⁽¹⁾	—	(3,860)	—	(4,915)
Net claims before ceded quota share reinsurance ^(A)	\$ 2,552,973	\$ 1,712,582	\$ 4,812,624	\$ 3,268,411
Premiums	\$ 2,803,444	\$ 2,164,116	\$ 5,799,265	\$ 4,257,798
Less: Ceded quota share reinsurance premiums ⁽¹⁾	—	(2,820)	—	(4,836)
Net premiums before ceded quota share reinsurance ^(B)	\$ 2,803,444	\$ 2,166,936	\$ 5,799,265	\$ 4,262,634
Medical Loss Ratio ^(A divided by B)	91.1 %	79.0 %	83.0 %	76.7 %

(1) Represents prior period development for claims and premiums, respectively, ceded to reinsurers pursuant to quota share treaties accounted for under reinsurance accounting, which are in runoff

SG&A Expense Ratio

The SG&A Expense Ratio reflects the Company's selling, general, and administrative ("SG&A") expenses, as a percentage of Total revenue (net of risk adjustment transfers). Selling, general and administrative expenses primarily include distribution and servicing costs, premium taxes, exchange fees, and other taxes and fees, employee-related expenses, costs of software and hardware, stock-based compensation, the impact of quota share reinsurance, and other administrative costs. We believe the SG&A Expense ratio is a valuable metric to evaluate our ability to manage our overall selling, general, and administrative cost base.

Earnings from Operations

Earnings from Operations is a new primary metric for assessing operating performance. Earnings from Operations is the Company's Total revenue less Total operating expenses.

Net Income attributable to Oscar Health, Inc.

Net Income attributable to Oscar Health, Inc. is Net earnings allocated to the Company after income attributable to noncontrolling interests. It is a key indicator of the Company's profitability and operational efficiency, allowing management to evaluate performance and make informed decisions on strategic planning, cost management, and resource allocation.

Adjusted EBITDA

Adjusted EBITDA is defined as Net income (loss) for the Company and its consolidated subsidiaries before interest expense, income tax expense (benefit), and depreciation and amortization, as further adjusted for stock-based compensation and other items that are considered unusual or not representative of underlying trends of our business, where applicable for the period presented. We present Adjusted EBITDA because we believe it is frequently used by securities analysts, investors, and other interested parties in the evaluation of companies in our industry. Adjusted EBITDA is a non-GAAP measure. Management believes that investors' understanding of our performance is enhanced by including this non-GAAP financial measure as a reasonable basis for comparing our ongoing results of operations. We caution investors that amounts presented in accordance with our definition of Adjusted EBITDA may not be comparable to similar measures disclosed by our competitors, because not all companies and analysts calculate Adjusted EBITDA in the same manner.

By providing this non-GAAP financial measure, together with a reconciliation to the most comparable U.S. GAAP measure, Net income (loss), we believe we are enhancing investors' understanding of our business and our results of operations, as well as assisting investors in evaluating how well we are executing our strategic initiatives. Adjusted EBITDA has limitations as an analytical tool, and should not be considered in isolation, or as an alternative to, or a substitute for Net income (loss) or other financial statement data presented in our Condensed Consolidated Financial Statements as indicators of financial performance.

(in thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net income (loss)	\$ (228,491)	\$ 56,312	\$ 47,015	\$ 233,794
Interest expense	5,847	5,991	11,841	11,893
Other expenses	(2,794)	872	124	2,050
Income tax expense (benefit)	(5,045)	4,637	7,660	5,633
Earnings (loss) from operations	(230,483)	67,812	66,640	253,370
Depreciation and amortization	6,970	7,601	13,700	15,412
Stock-based compensation(1)	24,109	28,713	49,084	54,658
Adjusted EBITDA	\$ (199,404)	\$ 104,126	\$ 129,424	\$ 323,440

(1) Represents non-cash expenses related to equity-based compensation programs, which vary from period to period depending on various factors including the timing, number, and the valuation of awards. Additionally, these expenses are reported net of any stock-based compensation that has been capitalized for software development costs.

Appendix

Reinsurance Impact

(in thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Quota share ceded premiums	\$ —	\$ 574	\$ —	\$ (4,420)
Quota share ceded claims	—	3,860	—	4,915
Deposit Accounting impact, net of ceding commission	(11,517)	(13,354)	(22,838)	(25,526)
Experience refund	—	(3,395)	—	(416)
Net quota share impact	\$ (11,517)	\$ (12,315)	\$ (22,838)	\$ (25,447)

The Company records Premium revenue net of reinsurance. The following table reconciles total reinsurance premiums ceded and reinsurance premiums assumed, which are included as components of total Premium revenue in the Condensed Consolidated Statements of Operations:

(in thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Direct policy premiums	\$ 3,482,764	\$ 2,544,115	\$ 6,832,435	\$ 4,854,215
Assumed premiums	15,615	60,460	38,056	118,072
Risk adjustment transfers	(692,245)	(432,895)	(1,065,994)	(702,293)
Reinsurance premiums ceded	(2,690)	(7,564)	(5,232)	(12,196)
Premium	\$ 2,803,444	\$ 2,164,116	\$ 5,799,265	\$ 4,257,798

The Company records Medical expenses net of reinsurance recoveries. The following table reconciles total Medical expenses to the amount presented in the Condensed Consolidated Statements of Operations:

(in thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Direct claims incurred	\$ 2,562,117	\$ 1,680,066	\$ 4,830,401	\$ 3,203,712
Ceded reinsurance claims	(22,203)	(29,954)	(53,215)	(49,652)
Assumed reinsurance claims	13,059	58,610	35,438	109,436
Medical expenses	\$ 2,552,973	\$ 1,708,722	\$ 4,812,624	\$ 3,263,496

The Company records Selling, general and administrative ("SG&A") expenses net of reinsurance ceding commissions and assumed SG&A expenses. The following table reconciles total Selling, general and administrative expenses to the amount presented in the Condensed Consolidated Statements of Operations:

(in thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Selling, general, and administrative expenses, gross	\$ 534,485	\$ 435,144	\$ 1,017,244	\$ 829,840
Reinsurance ceding commissions	—	62	—	(472)
Selling, general, and administrative expenses	\$ 534,485	\$ 435,206	\$ 1,017,244	\$ 829,368

The Company classifies Reinsurance recoverable within current assets on its Condensed Consolidated Balance Sheets. The composition of the Reinsurance recoverable balance is as follows:

(in thousands)	June 30, 2025	December 31, 2024
Reinsurance premium and claim recoverables	\$ 190,938	\$ 288,878
Reinsurance ceding commissions	7,002	6,996
Experience refunds on reinsurance agreements	(5,242)	(4,338)
Reinsurance recoverable	\$ 192,698	\$ 291,537