Elevance Health

2Q 2025 Earnings Presentation

July 17, 2025

The Value We Deliver

We advance whole health through innovative solutions that integrate physical, behavioral, and social care to achieve our purpose of improving the health of humanity

For Consumers

Simple, Affordable, and Accessible Health Care

1. **Simplifying** healthcare through enhanced digital capabilities that personalize member experiences
2. **Affordability** at the core of our innovative plan designs
3. **Accessibility** through advocacy and data driven solutions that elevate whole health

For Care Providers

Deepen Clinical and Business Partnerships

1. Differentiated **clinical partnerships** built on shared expertise and coordinated care
2. Advanced **clinical collaboration** and **value-based care**
3. Aligned **business partner** through digital tools that enhance information exchange and reduce administrative burden

Key Highlights

1 2Q 2025 Results

- **Elevance Health second quarter results reflect disciplined execution**
- Operating revenue of $49.4B grew more than 14%
- Medical loss ratio of 88.9% increased 260 bps
- Adjusted diluted EPS[1] of $8.84
- **Returned $2.0B to shareholders year-to-date** through dividends and share repurchases

2 2025 Outlook

- **Revising full year adjusted diluted EPS[1] guidance to approximately $30.00**
- 2025 benefit expense ratio to be approximately 90.0%, reflecting the **ongoing and industry-wide impact of elevated cost trends in our ACA and Medicaid businesses**
- **Updating operating cash flow guidance to approximately $6.0 billion**, primarily reflecting our revised earnings outlook and unfavorable working capital impacts

3 Strategic Focus Areas

- **Elevance Health is executing a clear strategy to strengthen performance and drive our enterprise flywheel**
- **Accelerating our capabilities through advanced digital and AI tools** to personalize the healthcare journey
- **Actively streamlining prior authorizations,** with over half of electronic requests now processed in real time
- **Investing in advanced analytics** to identify and reduce wasteful spending and enhance system integrity
- **Ensuring long-term, sustainable growth** through disciplined pricing, growth in Carelon, and expansion of value-based care models to deliver value for our members and shareholders over time

1. See “GAAP Reconciliation” on slides 12 and 13 herein.

2Q 2025 Results

Elevance Health	2Q 2025	2Q 2024	Change (%/bps)
Operating Revenue[1]	$49.4B	$43.2B	14.3%
Medical Loss Ratio	88.9%	86.3%	260 bps
Adjusted Operating Expense Ratio[1,2]	10.0%	11.4%	(140) bps
Adjusted Operating Gain[1,2]	$2.5B	$2.9B	(14.2%)
Adjusted Operating Margin[1,2]	5.0%	6.7%	(170) bps
Net Investment Income	$486M	$508M	(4.3%)
Adjusted Diluted EPS[2]	$8.84	$10.30	(14.2%)
Operating Cash Flow	$2.1B	$0.4B	$1.6B

Key Highlights

- **Elevance Health second quarter results reflect the diversity and resilience of our business as we navigate an elevated trend environment**
- **Operating revenue** of $49.4B grew 14.3%, attributable to higher premium yields in Health Benefits, recently closed acquisitions, and increased Medicare Advantage membership (partially offset by Medicaid attrition)
- **Medical loss ratio** of 88.9% primarily reflects slower Medicaid rate alignment and higher ACA cost trends
- **Adjusted operating expense ratio** was 10.0%, an improvement of 140 bps, reflecting expense leverage and our ongoing commitment to disciplined cost management
- **Operating cash flow** of $2.1B included an improved working capital position

1. See “Basis of Presentation” on slide 11 herein.
2. See “GAAP Reconciliation” on slides 12 and 13 herein.

2Q 2025 Results

Health Benefits	2Q 2025	2Q 2024	Change (%/bps)
Operating Revenue[1]	$41.6B	$37.2B	11.9%
Adjusted Operating Gain[1,2]	$1.6B	$2.2B	(27.8%)
Adjusted Operating Margin[1,2]	3.8%	5.8%	(200) bps
Membership	45.6M	45.8M	(0.3%)

Key Highlights

- **Health Benefits second quarter results reflect accelerated revenue growth; membership mix shifts and elevated utilization weighed on operating gain**
- **Operating revenue** grew 11.9% year over year, driven by higher premium yields, recently closed acquisitions, and growth in Medicare Advantage membership (partially offset by Medicaid attrition)
- **Adjusted operating margin** of 3.8% declined by 200 bps, due to higher Medicaid and ACA cost trend, partly offset by operating efficiencies
- **Membership of 45.6M** reflects Medicaid redeterminations, offset by targeted growth and higher retention rates in Medicare Advantage, and increases in Commercial risk-based membership

1. See "Basis of Presentation" on slide 11 herein.
2. See "Reportable Segment Highlight Details" on slide 14 herein.

2Q 2025 Results

Carelon	2Q 2025	2Q 2024	Change (%/bps)
Operating Revenue[1]	$18.1B	$13.3B	35.8%
Adjusted Operating Gain[1,2]	$0.9B	$0.7B	25.0%
Adjusted Operating Margin[1,2]	5.2%	5.6%	(40) bps
Adjusted Scripts	83.3M	78.2M	6.5%
Consumers Served	97.3M	102.3M	(4.9%)

Key Highlights

- **Strong revenue growth fueled by the scaling of innovative risk-based capabilities and integration of acquisitions, underscoring our strategic focus on advancing our enterprise flywheel for growth**
- **CarelonRx** operating revenue includes growth in adjusted scripts and contribution from recent acquisitions in specialty pharmacy services; adjusted operating margin impacted by ongoing initiatives to accelerate growth as we expand up market
- **Carelon Services** operating revenue expansion of over 60% reflects the addition of CareBridge and the scaling of risk-based solutions; adjusted operating margin reflects improved Carelon Health performance, slightly offset by the dilutive effect of CareBridge

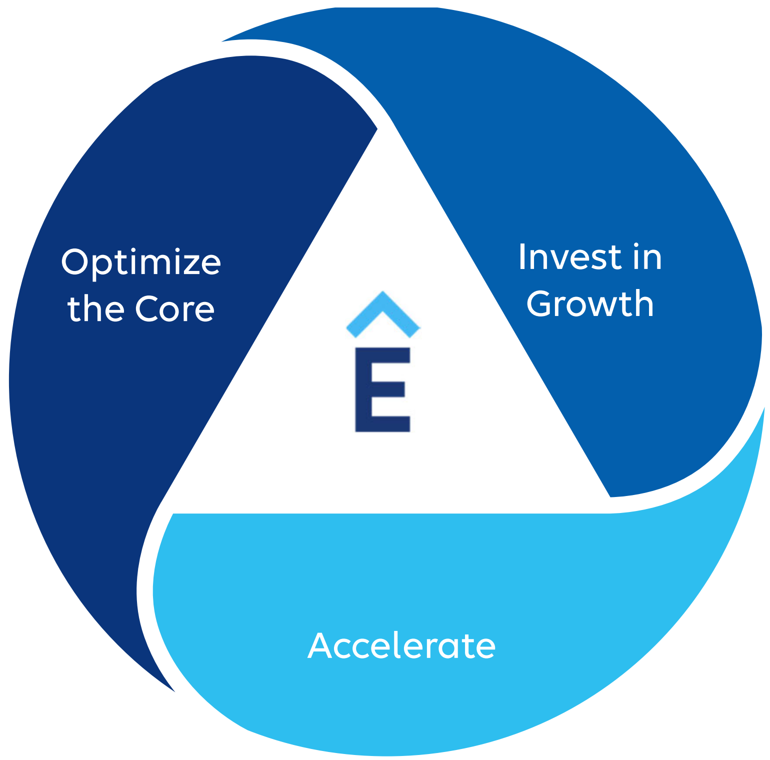
1. See “Basis of Presentation” on slide 11 herein.
2. See “Reportable Segment Highlight Details” on slide 14 herein.

Flywheel Supports Our Long-Term Growth Algorithm

Health Benefits

Anthem Wellpoint

Approximately 46M medical members balanced across commercial, Medicaid and Medicare, leveraging the assets and capabilities of Carelon to accelerate growth



Health Services

carelon

As an integrated portfolio of whole health solutions serving approximately 100M consumers, Carelon connects care across physical, behavioral, social, home health, and pharmacy needs to bend the cost curve, enhance consumer experiences, and deliver whole health, affordably

Targeting at least 12% average annual growth in Adjusted Diluted Earnings Per Share

Long-Term Growth Algorithm

Targeting at least 12% average annual growth in Adjusted Diluted EPS

Adjusted Operating Gain – High Single Digit to Low Double Digit CAGR[1]

Revenue Growth
High Single Digit CAGR[1]

Health Benefits
Mid to High Single Digit CAGR
Driven by membership growth, cost trend, geographic expansion, and growth in specialized populations

Carelon Services
High Teens to Low Twenties CAGR
Driven by risk-based revenue growth including M&A

CarelonRx
Low Double Digit CAGR
Driven by script volumes and drug mix

+

Adjusted Operating Margin
Expanding to 6.5% - 7.0%

Transforming our business processes by leveraging new technologies across operations

Commitment to operating efficiency and optimizing core businesses

Effective medical management

Underwriting discipline

+

Capital Deployment
Approximately 4% Contribution to Adjusted Diluted EPS CAGR[1]

Share Repurchases

Organic Reinvestment

Programmatic M&A targeting integrated solutions that strengthen health plan competitiveness

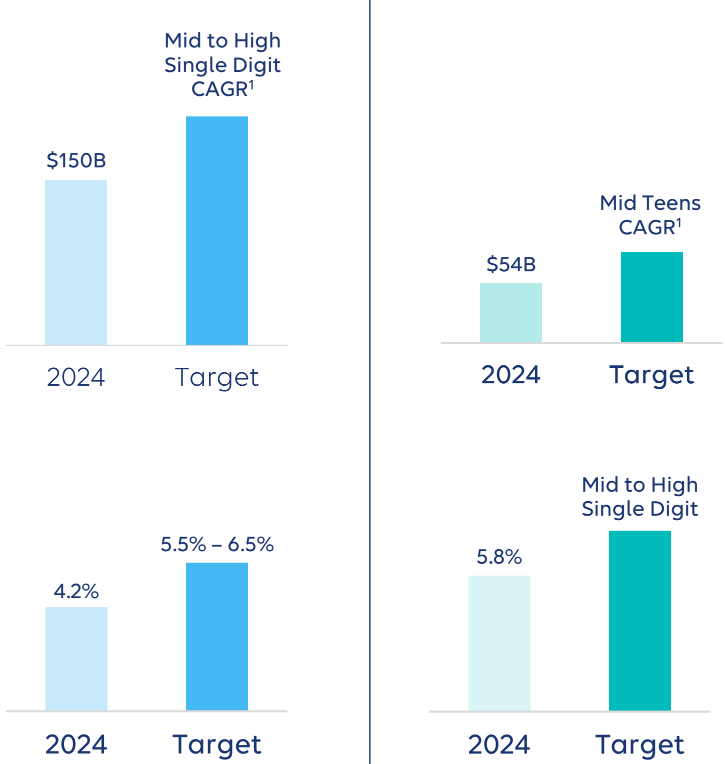
1. CAGR = Compound Annual Growth Rate Target.

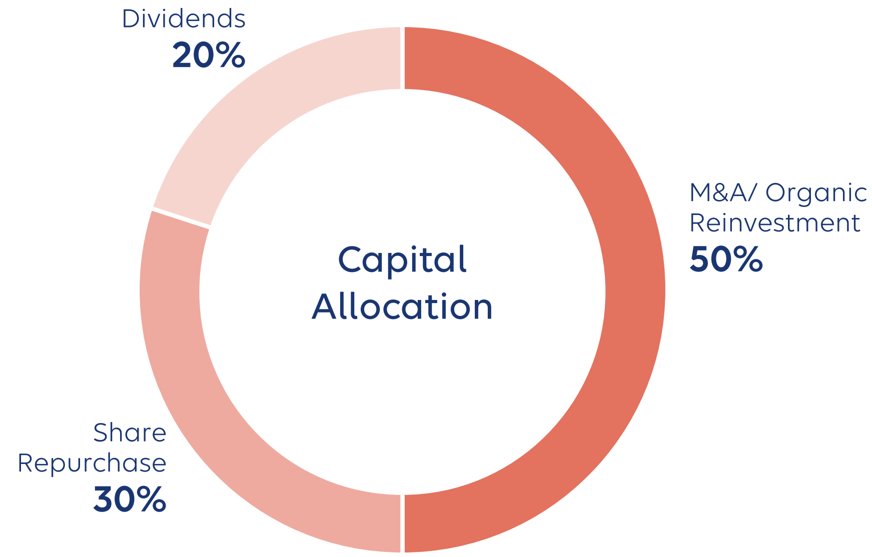
Committed to Strong Growth Over the Long-Term

Health Benefits | Carelon[2] | Elevance Health

Revenue (in billions)

Adjusted[3] Operating Margin





Targeting at least 12% average annual growth in Adjusted Diluted EPS

1. CAGR = Compound Annual Growth Rate Target.
2. The CAGR target for revenue and the operating margin target for Carelon includes: (i) a low double-digit revenue CAGR and 6.0% – 6.5% operating margin target for CarelonRx, and (ii) a high teens to low twenties revenue CAGR and mid to high single digit operating margin for Carelon Services.
3. See "GAAP Reconciliation" on slides 12 and 13 herein.

Forward-Looking Statements

This document contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements reflect our views about future events and financial performance and are generally not historical facts. Words such as “expect,” “feel,” “believe,” “will,” “may,” “should,” “anticipate,” “intend,” “estimate,” “project,” “forecast,” “plan” and similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to: financial projections and estimates and their underlying assumptions; statements regarding plans, objectives and expectations with respect to future operations, products and services; and statements regarding future performance. Such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond our control, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking statements. You are cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof. You are also urged to carefully review and consider the various risks and other disclosures discussed in our reports filed with the U.S. Securities and Exchange Commission from time to time, which attempt to advise interested parties of the factors that affect our business. Except to the extent required by law, we do not update or revise any forward-looking statements to reflect events or circumstances occurring after the date hereof. These risks and uncertainties include, but are not limited to: trends in healthcare costs and utilization rates; reduced enrollment; our ability to secure and implement sufficient premium rates; the impact of large scale medical emergencies, such as public health epidemics and pandemics, and other catastrophes; the impact of new or changes in existing federal, state and international laws or regulations, including laws and regulations impacting healthcare, insurance, pharmacy services and other diversified products and services, or their enforcement or application; the impact of cyber-attacks or other privacy or data security incidents or our failure to comply with any privacy, data or security laws or regulations, including any investigations, claims or litigation related thereto; failure to effectively maintain and modernize our information systems, or failure of our information systems or technology, including artificial intelligence, to operate as intended; failure to effectively maintain the availability and integrity of our data; changes in economic and market conditions, as well as regulations that may negatively affect our liquidity and investment portfolios; competitive pressures and our ability to adapt to changes in the industry and develop and implement strategic growth opportunities; risks and uncertainties regarding Medicare and Medicaid programs, including those related to non-compliance with the complex regulations imposed thereon; our ability to maintain and achieve improvement in Centers for Medicare and Medicaid Services Star Ratings and other quality scores and funding risks with respect to revenue received from participation therein; a negative change in our healthcare product mix; costs and other liabilities associated with litigation, government investigations, audits or reviews; our ability to contract with providers on cost-effective and competitive terms; risks associated with providing healthcare, pharmacy and other diversified products and services, including medical malpractice or professional liability claims and non-compliance by any party with the pharmacy services agreement between us and CaremarkPCS Health, L.L.C.; the effects of any negative publicity related to the health benefits industry in general or us in particular; risks associated with mergers, acquisitions, joint ventures and strategic alliances; possible impairment of the value of our intangible assets if future results do not adequately support goodwill and other intangible assets; possible restrictions in the payment of dividends from our subsidiaries and increases in required minimum levels of capital; our ability to repurchase shares of our common stock and pay dividends on our common stock due to the adequacy of our cash flow and earnings and other considerations; the potential negative effect from our substantial amount of outstanding indebtedness and the risk that increased interest rates or market volatility could impact our access to or further increase the cost of financing; a downgrade in our financial strength ratings; events that may negatively affect our licenses with the Blue Cross and Blue Shield Association; intense competition to attract and retain employees; risks associated with our international operations; and various laws and provisions in our governing documents that may prevent or discourage takeovers and business combinations.

Non-GAAP Measures and Basis of Presentation

This document references non-GAAP measures. These non-GAAP measures are intended to aid investors when comparing Elevance Health's financial results among periods and are not intended to be alternatives to any measure calculated in accordance with GAAP. Reconciliations of these non-GAAP measures to the most directly comparable measures calculated in accordance with GAAP are available on Slides 12-13 of this document.

Operating revenue and operating gain/loss are the key measures used by management to evaluate performance in each of its reporting segments, allocate resources, set incentive compensation targets and to forecast future operating performance. Operating gain/loss is calculated as total operating revenue less benefit expense, cost of products sold and operating expense. It does not include net investment income, net gains/losses on financial instruments, interest expense, amortization of other intangible assets and gains/losses on extinguishment of debt or income taxes, as these items are managed in a corporate shared service environment and are not the responsibility of operating segment management. Operating Margin is defined as operating gain divided by operating revenue. Each of these measures is provided to further aid investors in understanding and analyzing Elevance Health's operating and financial results.

Elevance Health GAAP Reconciliation — Shareholders' Net Income and Shareholders' Earnings Per Diluted Share

(In millions, except per share data)	Three Months Ended Jun 30 2025	Three Months Ended Jun 30 2024	Change	Six Months Ended Jun 30 2025	Six Months Ended Jun 30 2024	Change
Shareholders' net income	$1,743	$2,300	(24.2)%	$3,926	$4,546	(13.6)%
Add / (Subtract):						
Amortization of other intangible assets	147	162		302	278	
Net losses on financial instruments	131	85		595	246	
Transaction and integration related costs[1]	53	64		133	116	
Litigation and settlement expenses[1]	10	9		15	11	
Business dispositions and related items[2]	—	59		—	119	
Business optimization charges[1]	—	4		—	—	
Gain on sale of business	—	(240)		—	(240)	
Tax impact of non-GAAP adjustments	(87)	(38)		(255)	(134)	
Net adjustment items	254	105		790	396	
Adjusted shareholders' net income	$1,997	$2,405	(17.0)%	$4,716	$4,942	(4.6)%
Shareholders' earnings per diluted share	$7.72	$9.85	(21.6)%	$17.33	$19.44	(10.9)%
Add / (Subtract):						
Amortization of other intangible assets	0.65	0.69		1.33	1.19	
Net losses on financial instruments	0.58	0.36		2.63	1.05	
Transaction and integration related costs[1]	0.23	0.27		0.59	0.50	
Litigation and settlement expenses[1]	0.04	0.04		0.07	0.05	
Business dispositions and related items[2]	—	0.25		—	0.51	
Business optimization charges[1]	—	0.02		—	—	
Gain on sale of business	—	(1.03)		—	(1.03)	
Tax impact of non-GAAP adjustments	(0.39)	(0.16)		(1.13)	(0.57)	
Net adjustment items	1.12	0.45		3.49	1.40	
Adjusted shareholders' earnings per diluted share	$8.84	$10.30	(14.2)%	$20.82	$21.14	(1.5)%

(In millions)	Three Months Ended Jun 30 2025	Three Months Ended Jun 30 2024	Change	Six Months Ended Jun 30 2025	Six Months Ended Jun 30 2024	Change
Income before income tax expense	$2,292	$2,986	(23.2)%	$5,089	$5,925	(14.1)%
Net investment income	(486)	(508)		(1,076)	(973)	
Gain on sale of business	—	(240)		—	(240)	
Net losses on financial instruments	131	85		595	246	
Interest expense	341	280		685	545	
Amortization of other intangible assets	147	162		302	278	
Reportable segments operating gain	$2,425	$2,765	(12.3)%	$5,595	$5,781	(3.2)%

1. Adjustment item resides in the Corporate & Other reportable segment.
2. Adjustment item resides in the Health Benefits and Carelon Services reportable segments.
3. Totals may not foot due to rounding.

Elevance Health GAAP Reconciliation — Operating Gain, Operating Expense Ratio, and 2025 Outlook

(In millions)	Three Months Ended Jun 30 2025	Three Months Ended Jun 30 2024	Change	Six Months Ended Jun 30 2025	Six Months Ended Jun 30 2024	Change
Reportable segments operating gain	$2,425	$2,765	(12.3)%	$5,595	$5,781	(3.2)%
Add / (Subtract):						
Transaction and integration related costs[1]	53	64		133	116	
Litigation and settlement expenses[1]	10	9		15	11	
Business dispositions and related items[2]	—	59		—	119	
Business optimization charges[1]	—	4		—	—	
Net adjustment Items	63	136		148	246	
Reportable segments adjusted operating gain	$2,488	$2,901	(14.2)%	$5,743	$6,027	(4.7)%

(In millions)	Three Months Ended Jun 30 2025	Three Months Ended Jun 30 2024	Change	Six Months Ended Jun 30 2025	Six Months Ended Jun 30 2024	Change
Operating expense	$4,997	$5,066	(1.4)%	$10,297	$9,952	3.5%
Add / (Subtract):						
Transaction and integration related costs[1]	(53)	(64)		(133)	(116)	
Litigation and settlement expenses[1]	(10)	(9)		(15)	(11)	
Business dispositions and related items[2]	—	(59)		—	(119)	
Business optimization charges[1]	—	(4)		—	—	
Net adjustment items	(63)	(136)		(148)	(246)	
Adjusted operating expense	$4,934	$4,930	0.1%	$10,149	$9,706	4.6%
Operating revenue	$49,421	$43,223	14.3%	$98,186	$85,496	14.8%
Operating expense ratio	10.1%	11.7%	(160) bp	10.5%	116%	(110) bp
Adjusted operating expense ratio	10.0%	11.4%	(140) bp	10.3%	11.4%	(110) Bp

	Full Year 2025 Outlook
Shareholders' earnings per diluted share	Approximately $24.10
Add / (Subtract):	
Net losses on financial instruments[3]	$3.28
Amortization of other intangible assets[3]	$2.98
Transaction and integration related costs[1,3]	$1.35
Litigation and settlement expenses[1,3]	$0.10
Tax impact of non-GAAP adjustments[3]	Approximately ($1.81)
Net adjustment items	$5.90
Adjusted shareholders' earnings per diluted share	Approximately $30.00

1. Adjustment item resides in the Corporate & Other reportable segment.
2. Adjustment item resides in the Health Benefits and Carelon Services reportable segments.
3. Adjustment item represents the midpoint of a projected range and serves as the estimated full year adjustment amount.

Elevance Health
Reportable Segment Highlight Details

Elevance Health has four reportable segments: Health Benefits (comprised of Individual, Employer Group risk-based, Employer Group fee-based, BlueCard®, Medicare, Medicaid, and Federal Employee Program businesses); CarelonRx; Carelon Services; and Corporate & Other (comprised of businesses that do not individually meet the quantitative thresholds for an operating division as well as corporate expenses not allocated to our other reportable segments).

	Three Months Ended Jun 30			Six Months Ended Jun 30		
(In millions, Unaudited)	2025	2024	Change	2025	2024	Change
Operating Revenue						
Health Benefits	$41,582	$37,159	11.9%	$83,013	$74,417	11.6%
CarelonRx	10,643	8,774	21.3%	20,759	16,841	23.3%
Carelon Services	7,441	4,545	63.7%	13,977	8,554	63.4%
Corporate & Other	232	122	90.2%	397	249	59.4%
Eliminations	(10,477)	(7,377)	NM[5]	(19,960)	(14,565)	NM[5]
Total Operating Revenue[1]	$49,421	$43,223	14.3%	$98,186	$85,496	14.8%
Operating Gain (Loss)						
Health Benefits[2]	$1,560	$2,145	(27.3)%	$3,777	$4,432	(14.8)%
CarelonRx	536	497	7.8%	1,138	1,020	11.6%
Carelon Services[2]	400	208	92.3%	891	498	78.9%
Corporate & Other[2,3]	(71)	(85)	NM[5]	(211)	(169)	NM[5]
Total Operating Gain[1,4]	$2,425	$2,765	(12.3)%	$5,595	$5,781	(3.2)%
Operating Margin						
Health Benefits	3.8%	5.8%	(200) bp	4.5%	6.0%	(150) bp
CarelonRx	5.0%	5.7%	(70) Bp	5.5%	6.1%	(60) bp
Carelon Services	5.4%	4.6%	80 bp	6.4%	5.8%	60 bp
Total Operating Margin[1]	4.9%	6.4%	(150) Bp	5.7%	6.8%	(110) bp

1. See “Basis of Presentation” on slide 14 herein.
2. Operating Gain for the three and six months ended June 30, 2024, included $59 and $119 million, respectively, of 2024 business dispositions and related items; including $44 and $88 million, respectively, for the Carelon Services segment; and $15 and $31 million, respectively, for the Health Benefits segment. Operating Gain for the three and six months ended June 30, 2024, included $64 and $116 million, respectively, of transaction and integration related costs, $9 and $11 million, respectively, of litigation and settlement expenses, and $4 and $0 million, respectively, of business optimization charges, all of which reside in the Corporate & Other reportable segment.
3. Operating Gain for the three and six months ended June 30, 2025, included $53 and $133 million, respectively, of transaction and integration related costs and $10 and $15 million, respectively, of litigation and settlement expenses, which reside in the Corporate & Other reportable segment.
4. Operating Gain for the three and six months ended June 30, 2025, and June 30, 2024, included items excluded from adjusted shareholders' net income. See "GAAP Reconciliation" on slides 13 and 14 herein.
5. "NM" = calculation not meaningful.

Elevance Health