



Privia Health Enters into Capitated Medicare Advantage Agreements

Jan 5, 2022

ARLINGTON, Va., Jan. 05, 2022 (GLOBE NEWSWIRE) -- Privia Health Group, Inc. (Nasdaq: PRVA) announced that two of its Accountable Care Organizations ("ACOs") in Florida and the Mid-Atlantic region have entered into capitated arrangements with HealthFirst Health Plan and Humana, respectively. These agreements will cover healthcare services provided to approximately 23,000 Medicare Advantage beneficiaries effective January 1, 2022.

"Our strategy is to align with our provider partners and provide the tools, technology and talent to better manage patient care and leverage our expertise in underwriting risk to help drive sustainable success as we move into capitated arrangements," said Privia Health CEO Shawn Morris. "These contracts represent our forward progress in having our ACOs take increasing financial risk for a breadth of healthcare services delivered to Medicare Advantage beneficiaries.

"Privia Health's ACOs and our physician and provider partners have been successful in a variety of value-based arrangements that contain upside and significant downside financial risk. Along with our payer partners, we and our providers are aligned and engaging these Medicare patients to succeed together in reducing unnecessary costs, achieving better outcomes, and improving patient health and provider well-being," Morris added.

The Company expects to recognize approximately \$230 million in practice collections and GAAP revenue in full-year 2022 related to these two arrangements. The per member per month ("PMPM") care management fees will cover the cost of additional medical services to be provided under these contractual arrangements and will replace the significantly lower fee-for-service practice collections previously recognized for services rendered to these Medicare Advantage beneficiaries.

The Company's physician and practice expense will now include all medical costs covered under these contracts associated with these Medicare Advantage beneficiaries.

Privia Health expects to provide its initial financial guidance for full-year 2022 when it reports fourth quarter and year-end 2021 financial results in March, including the assumed impact of these contracts.

About Privia Health

Privia Health™ is a technology-driven, national physician enablement company that collaborates with medical groups, health plans, and health systems to optimize physician practices, improve patient experiences, and reward doctors for delivering high-value care in both in-person and virtual settings. The Company's platform is led by top industry talent and exceptional physician leadership, and consists of scalable operations and end-to-end, cloud-based technology that reduces unnecessary healthcare costs, achieves better outcomes, and improves the health of patients and the well-being of providers. For more information, visit priviahealth.com.

Safe Harbor Statement

This release may contain forward-looking statements within the meaning of the safe-harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements involve a number of risks, uncertainties (some of which are beyond the Company's control) or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include, but are not limited to, those factors described in filings with the Securities and Exchange Commission ("SEC"), including those under "Risk Factors" therein. Should one or more of these risks or uncertainties materialize, or should any of the assumptions prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. Forward-looking statements speak only as of the date made. The Company does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

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