

Overview Presentation

May 2022



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In addition to the Company’s GAAP financial information, this presentation includes certain non-GAAP financial measures. The non-GAAP measures have limitations as analytical tools and you should not consider them in isolation or as a substitute for the most directly comparable financial measures prepared in accordance with GAAP. There are a number of limitations related to the use of these non-GAAP financial measures versus their nearest GAAP equivalents. Other companies, including companies in our industry, may calculate non-GAAP financial measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of our non-GAAP financial measures as tools for comparison. We urge you to review the reconciliation of our non-GAAP financial measures to the most directly comparable GAAP financial measures set forth in the Company’s most recent Annual Report on form 10-K and Quarterly Report on Form 10-Q on file with the SEC and our other filings with the SEC, and not to rely on any single financial measure to evaluate our business.

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Health Catalyst Overview

We are a leading provider of data and analytics technology and services to healthcare organizations

Components of Our Solution



Data
Platform

**Integrate data in a flexible,
open, and scalable
platform**



Analytics
Applications

**Deliver insights on how
to measurably improve**



Services
Expertise

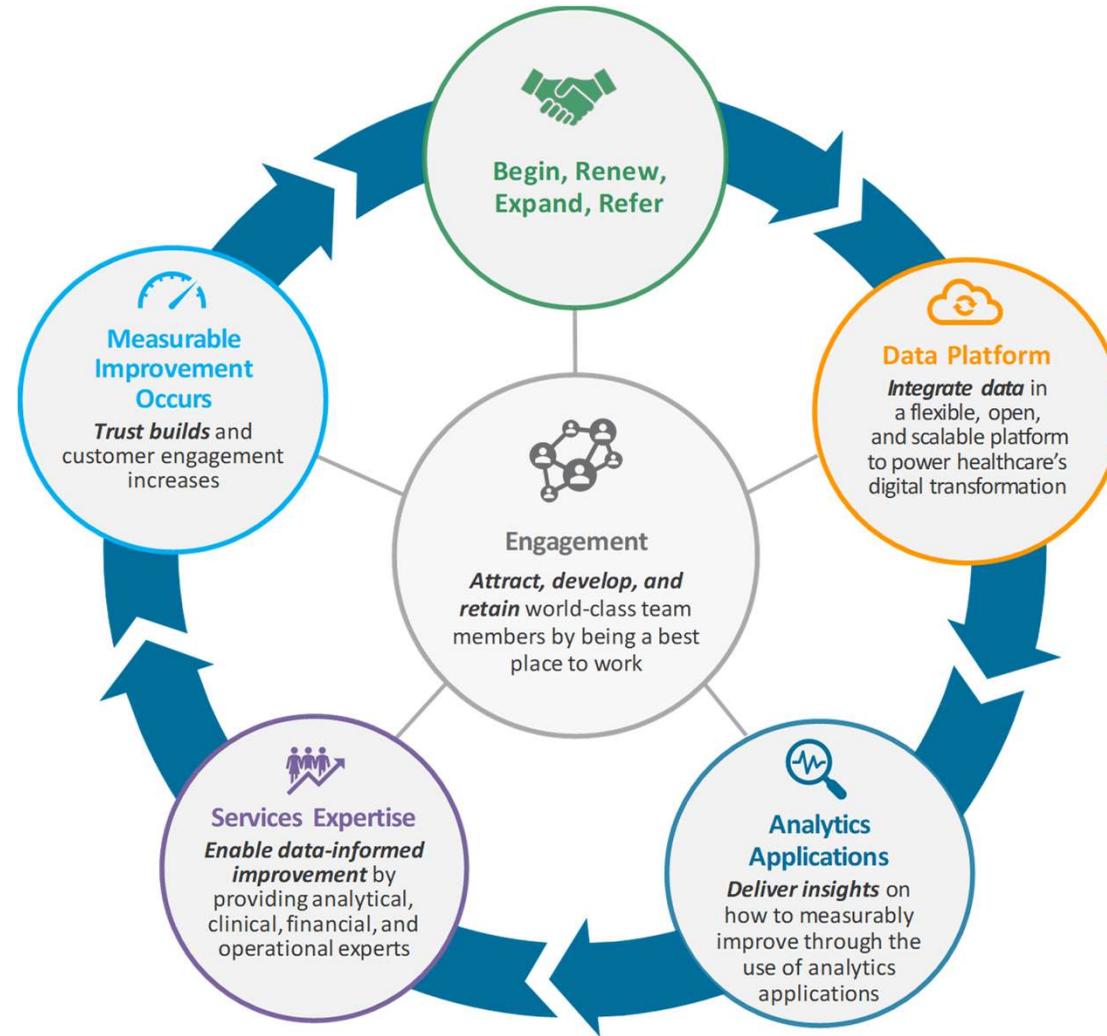
**Enable and accelerate
data-informed
improvement**

Our customers, which are primarily healthcare providers, use our Solution to manage their data, derive analytical insights to operate their organizations, and produce measurable clinical, financial, and operational improvements



Our mission is to be the catalyst for massive, measurable, data-informed healthcare improvement

Our flywheel represents how we accomplish our mission—our company strategy



Investment Highlights

- (1) According to estimates in 2019. Research estimates 25% of U.S. healthcare spending is wasteful in nature, implying approximately \$1 trillion of waste amongst \$3.8 trillion of total healthcare expenditure in 2019
- (2) As of March 2019
- (3) Represents 2015 - 2019 CAGR for documented improvements achieved.
- (4) In 2021
- (5) Long-term annual revenue growth goal. Given the unknown timeline and the near-term uncertainty of COVID-19 on our business, we are unable to predict the extent to which the global COVID-19 pandemic may adversely impact our business operations, financial performance, and results of operations. Please refer to our recent earnings release and our associated Form 10-K and Form 10-Q for more details.
- (6) Overall range from 2017 – 2021 for DOS Subscription Customers, as further defined in our Form 10-K (e.g., excludes customers acquired in Medicity, Able Health, Healthfinch, Vitalware, Twistle, KPI Ninja and ARMUS acquisitions and other non-DOS Subscription Customers). 2020 performance of 102% impacted by COVID-19 pandemic.



Recognized industry leader in healthcare data & analytics

~\$1T⁽¹⁾
WASTE

\$8B⁽²⁾
TAM



Comprehensive solution: data platform, analytics applications & services expertise

>300
DATA
SOURCES

~10-100
TBs
/ CUSTOMER

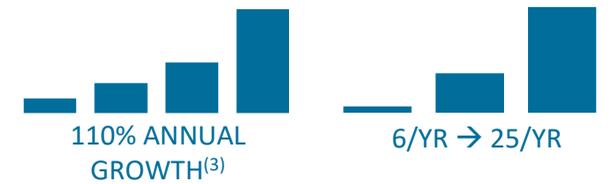
12
APP SUITES
+ LIBRARY

>525
ANALYTICS &
DOMAIN EXPERTS



Measurable clinical, financial & operational improvements

~1,400
IMPROVEMENTS



World-class team member engagement

95th-99th
PERCENTILE
ENGAGEMENT

74
BEST PLACE TO WORK
AWARDS



Attractive operating model

>90%⁽⁴⁾
RECURRING
REVENUE

20%+⁽⁵⁾
LONG-TERM REVENUE
GROWTH TARGET

102%-112%⁽⁶⁾
DOLLAR-BASED
RETENTION RATE



The Problems Health Systems Face



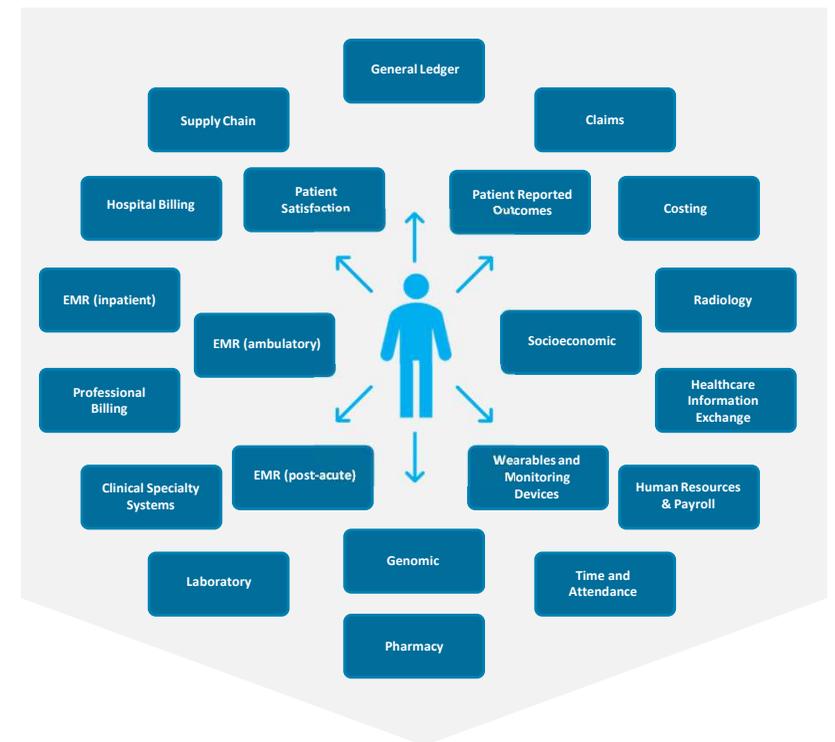
Waste

- A volume-based US healthcare reimbursement model with \$1 trillion/year of overspend⁽¹⁾
- This has led insurers to change to a value-based reimbursement model, but this will take time

Changing Economics

- During the next few decades, both margin pressure and the move to value-based care present economic complexity and change that require **data, analytics & improvement** expertise

Data Complexity



Managing this long-term complexity requires advanced capabilities in data, analytics & improvement

(1) According to estimates in 2019. Research estimates 25% of U.S. healthcare spending is wasteful in nature, implying approximately \$1 trillion of waste amongst \$3.8 trillion of total healthcare expenditure in 2019



Blue Chip Customer Base



>440 customers⁽¹⁾ include academic medical centers, integrated delivery networks, community hospitals, large physician practices, ACOs, health information exchanges, health insurers, and other risk-bearing entities



(1) As of 12/31/21; total customers inclusive of DOS Subscription and Other customers
 Note: Representative customer list



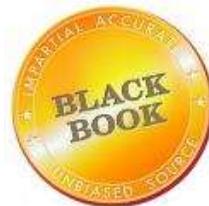
Externally-Validated Industry Leadership



Broad Recognition



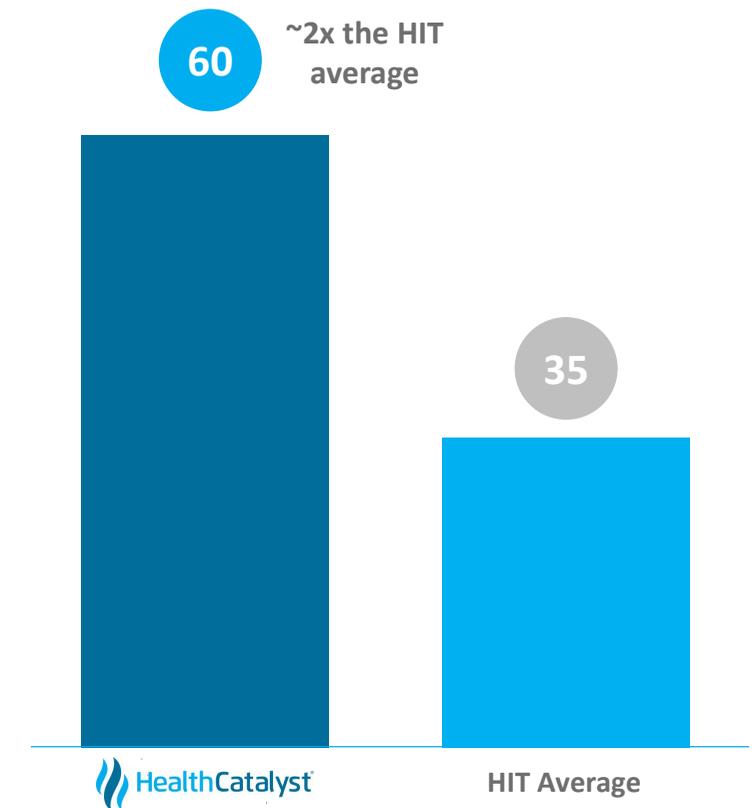
2019 Highest Client Satisfaction



Chilmark Healthcare Analytics Report⁽¹⁾

Vendor	Product Grade	Market Grade
Allscripts	B+	B
Arcadia	A-	A-
Athenahealth	B+	B+
CareEvolution	A-	A-
Cerner	A	A-
Change Healthcare	B-	B-
eCW	C+	B-
Epic	A	A
Forward Health Group	B-	B
Health Catalyst	A	A
HealthEC	B+	C+
IBM Watson Health	B	B-
Innovaccer	B-	C+
Lightbeam	B-	B
MedeAnalytics	B	B
Meddecision	C	C-
MEDITECH	B	C+
NextGen	B	B+
Optum	B+	B+
Philips	C+	C+
SCIO-EXL	C+	C-
SpectraMedix	C	C+
SPH Analytics	B-	B-

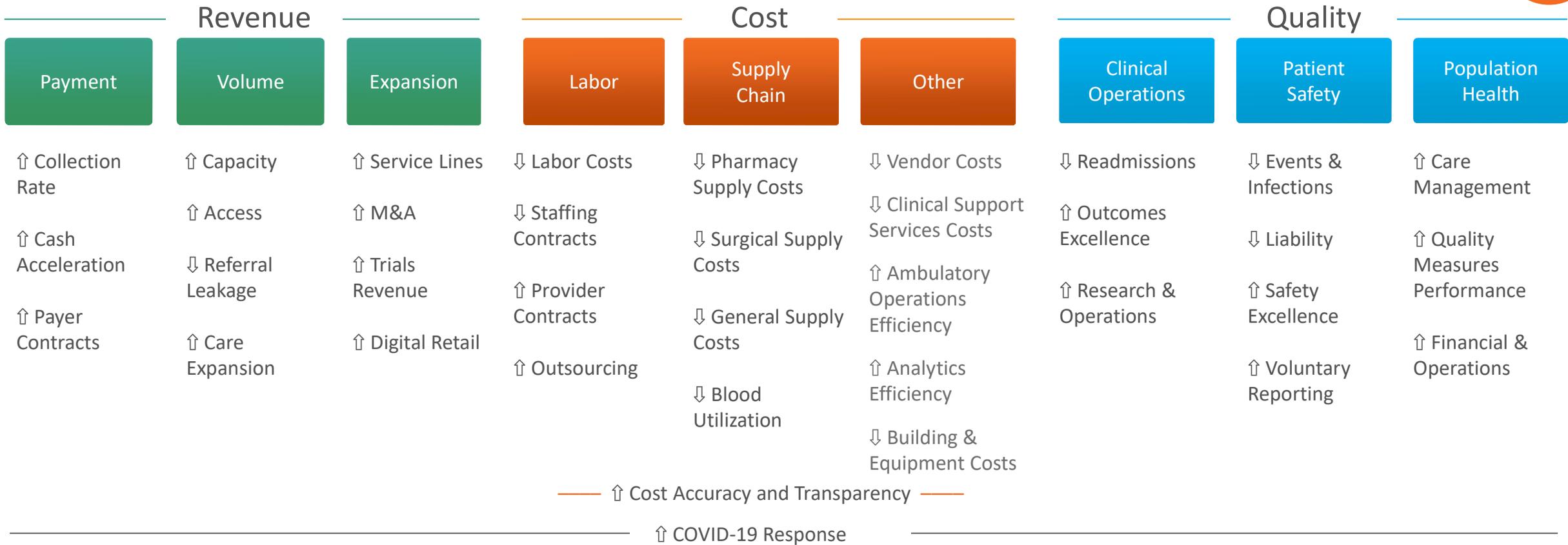
KLAS Evangelism Score⁽²⁾



(1) © 2019 Chilmark Research. Source: 2019 Provider Analytics Market Trends Report.
 (2) Similar to a net promoter score, as of 12/31/21. Overall evangelism score is an average of each Health Catalyst solution's average evangelism scores.



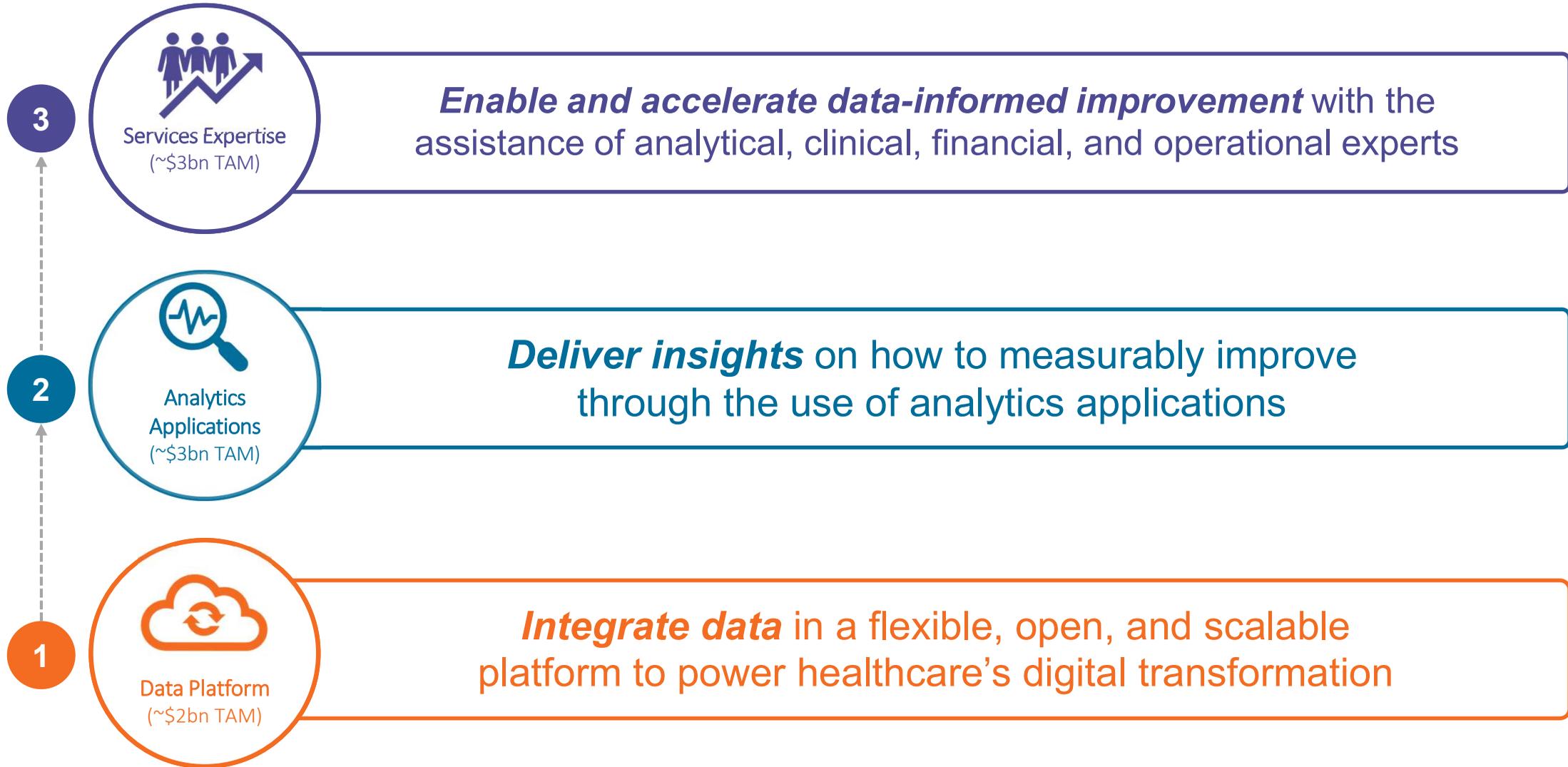
Healthcare Success: Proven Methodology



- 1** Integrate All Revenue, Cost, and Quality Data
- 2** Identify Variation and Generate Actionable Analytics Insights
- 3** Apply Expertise to Drive Sustainable Improvements
- 4** Quantify and Communicate Value



Comprehensive Solution for Data-informed Improvement



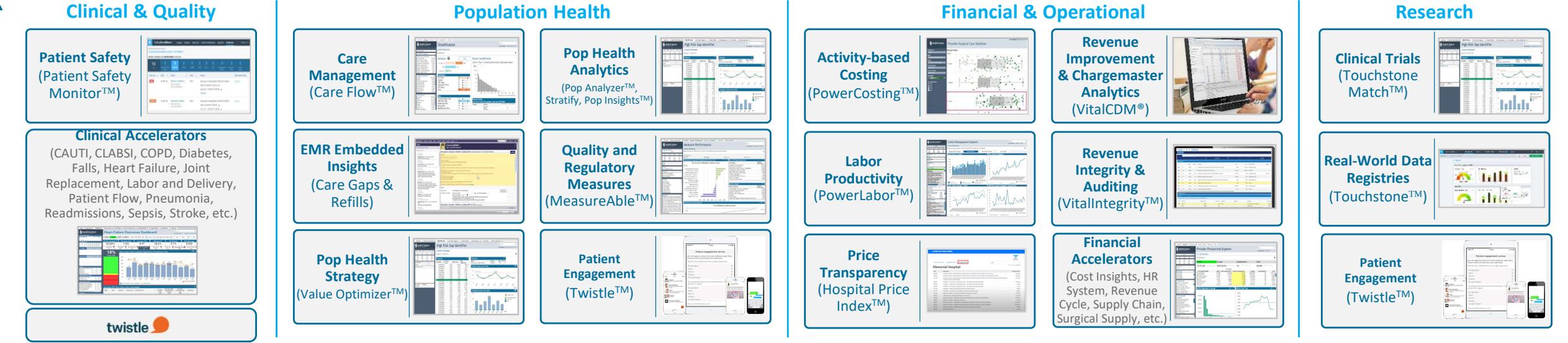
Comprehensive Solution for Data-informed Improvement



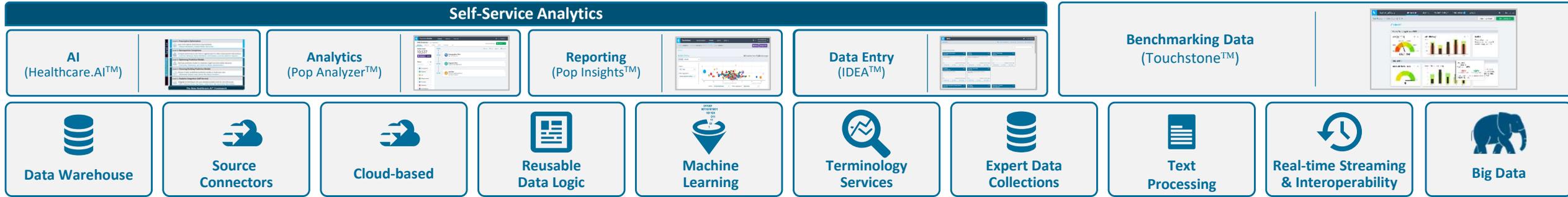
3 Services and Improvement Expertise: Analytical, clinical, financial, and operational experts facilitate and accelerate measurable improvement



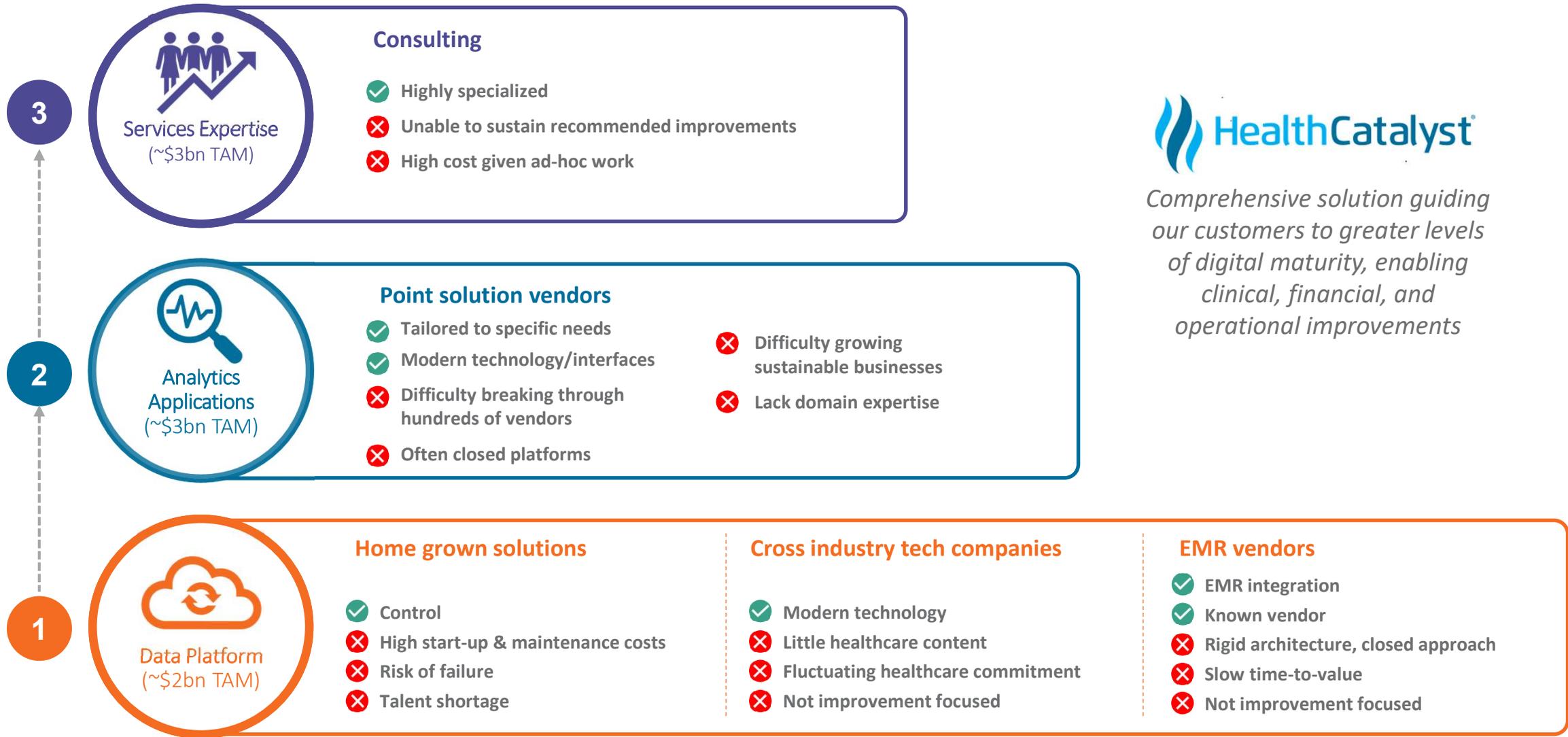
2 Analytics Applications: A robust set of applications, built on top of DOS, that generate meaningful insights for improvement



1 Data and Analytics Platform (DOS™): A healthcare-specific, open, flexible, scalable and self-service platform for analytics, app development & interoperability



Highly Differentiated, Comprehensive Solution



Comprehensive solution guiding our customers to greater levels of digital maturity, enabling clinical, financial, and operational improvements

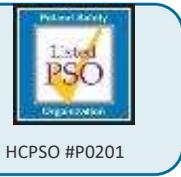


Allina Health Uses the Patient Safety Monitor™ Suite & Analytics Accelerators to Improve Patient Safety



3 Professional Services

The Health Catalyst patient and improvement experts work with client teams to **identify opportunities for focused improvement** efforts using 7-guiding questions methodology. Clients have the opportunity to integrate into the Health Catalyst Patient Safety Organization (PSO).



Patient safety **events** are analyzed by client experts, and shared with HC partners for analysis and improvement work.



Other Health Catalyst applications can be used to track and visualize key metrics in intuitive dashboards (**Leading Wisely**); compare and explore performance via benchmarking (**Touchstone**).

Data-Driven Insights

Opportunities identified:
Sepsis, Opioids, Elective Colorectal Surgery, PIs

Tangible Improvements

Clinical & Financial	<ul style="list-style-type: none"> • Over \$1M in sepsis cost savings. • 30% reduction in severe sepsis/septic shock mortality rate. • Approximately 2M fewer opioids prescribed in 2017 vs. 2016, an 8% relative reduction. • 78% relative reduction in elective colorectal surgical site infections.
Operational	<ul style="list-style-type: none"> • 18% reduction in length of stay (LOS) for patients with severe sepsis and septic shock. • 19% reduction in systemwide LOS for elective colorectal surgery. • 216 more cases of pressure injuries (PIs) identified by trigger tool than by voluntary reporting.

2 Analytics Applications

Analytics Applications and Analytics Accelerators

- Patient Safety Monitor™ Suite, plus a multitude of Analytics Accelerators, including the examples noted below:
- Sepsis Prevention Analytics Accelerator enables early recognition and intervention for sepsis, reducing mortality, morbidity, and cost.
- Colorectal Surgery Analytics Accelerator supports optimizing recovery after surgery.

The DOS™ platform integrates **multiple sources of data** from Allina. The Analytics Accelerators are built on the DOS™ platform.

Patient safety **triggers** use machine learning and NLP capabilities. The app also supports development of custom predictive models.

1 Data Integration

Data Warehouse

Source Connectors

Cloud-based

Reusable Data Content

Terminology Services

Machine Learning

NLP

Up to **\$125M** of savings in a given year using our **Solution**



UPMC Uses the CORUS™ Suite to Drive Financial & Clinical Improvement



3 Professional Services

Nationally recognized domain experts work with UPMC teams to **define what should be measured** and to **quantify the projected value and effort** for each improvement opportunity.



Data-Driven Insights

Opportunity identified:
\$42M in net savings for FY2017



Tangible Improvements

Clinical and Financial

\$38M in improvements, including:

- **\$15M in supply, drug, and pharmaceutical reduction** initiatives.
- **\$13M** through **reduction of under-utilized clinical space**.
- **\$5M** after **restructure of OB programs**.

Operational

- **3-day reduction in time to close** -executives receive **financial data up to 3 days sooner**.
- **Up to 97% improvement in time to access** service line performance information.
- **50% reduction in FTE** required for interdepartmental cost management integration.

2 Analytics Applications

Example - Service Line Report

Service Center Class	Revenue	Cost	Profit
Cardiology	1,200,000	800,000	400,000
Orthopedics	900,000	600,000	300,000
Neurology	700,000	500,000	200,000
Internal Medicine	500,000	350,000	150,000
Emergency	300,000	200,000	100,000
Total	3,600,000	2,450,000	1,150,000

Integrated **financial and clinical outcome reports** are provided to UPMC leadership teams for eleven different service lines.

Service Line P&L - Activity by Hospital

Service Line	Hospital 1	Hospital 2	Hospital 3	Total
Cardiology	400,000	300,000	500,000	1,200,000
Orthopedics	300,000	200,000	400,000	900,000
Neurology	200,000	150,000	350,000	700,000
Internal Medicine	150,000	100,000	250,000	500,000
Emergency	100,000	75,000	125,000	300,000
Total	1,150,000	825,000	1,625,000	3,600,000

Accessible and interactive financial application shows how improvement efforts are impacting **service-line margins**.

The CORUS™ Suite

Activity-Based Costing



Cost Insights



- Activity-based costing and insights into the true cost of patient care to drive decisions.
- Support for service line reporting relating cost to patient outcomes.
- Acceleration of cost-management transformation.

The CORUS Suite is built on the DOS platform and integrates **multiple sources of data** from UPMC.

1 Data Integration

Data Warehouse

Source Connectors

Cloud-based

Reusable Data Content

Terminology Services

Machine Learning

NLP



Memorial Hospital at Gulfport Used Analytics to Avoid Regulatory Penalties, Lower Length of Stay, and Improve Care Coordination



3 Professional Services

To further build their knowledge and skills in implementing organizational improvement and change, a cross-functional team from Memorial attended the Health Catalyst **Accelerated Practices Program**, an immersive and experiential program designed to prepare healthcare teams to accelerate improvement and lead change throughout the organization supported through the effective use of analytics.

DOS and analytics enabled Memorial to quickly identify and report its regulatory measures, and to track and monitor progress on its LOS initiatives, including the improvement of its weekend discharge process, and the active monitoring of readmission rates to ensure any decreases in LOS did not adversely impact its readmission rates.

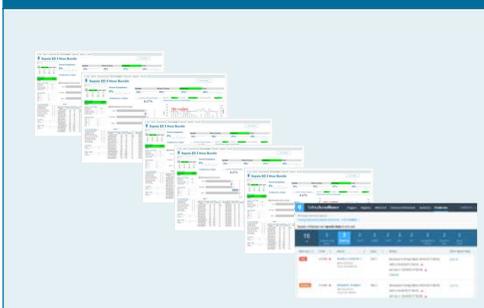


Data-Driven Insights

Opportunities identified:
Centers for Medicare and Medicaid Services (CMS) penalty avoidance. LOS, which impacts clinical outcomes by minimizing the risk of hospital-acquired conditions and reduces costs (i.e., supplies, medication, staffing). Care coordination and physician engagement.

2 Analytics Applications

DOS and Analytics Accelerators



- Experiencing declining revenue related to changes in reimbursements, Memorial partnered with Health Catalyst to establish a systematic, data driven approach to reduce its LOS in an effort to lower costs and risk for patients.
- Additionally, faced with a potential 4 percent regulatory penalty, Memorial needed a way to quickly integrate and analyze its outcome measures.
- Memorial leveraged DOS and analytics accelerators to address these challenges.

DOS integrates and organizes over 20 of Memorial's different data sources, many of which were necessary for regulatory reporting and its length of stay (LOS) initiative.

Tangible Improvements

Clinical & Financial	<ul style="list-style-type: none"> \$2M in cost savings, the result of decreased LOS and decreased utilization of supplies and medications. 0.47-day percentage point reduction in LOS, enabled by improved care coordination and physician engagement. Avoided a 4% Medicare reimbursement adjustment from the Physician Quality Reporting System (PQRS) and the CMS' Value-Based Payment Modifier (VM) programs by being able to quickly pull together the data that was needed by the submission deadline—data that was locked in two separate EHRs.
Operational	<ul style="list-style-type: none"> 3% increase in the number of discharges occurring on the weekend over one year.

1 Data Integration

- Data Warehouse
- Source Connectors
- Cloud-based
- Reusable Data Content
- Terminology Services
- Machine Learning
- NLP



World-class Team Member Engagement

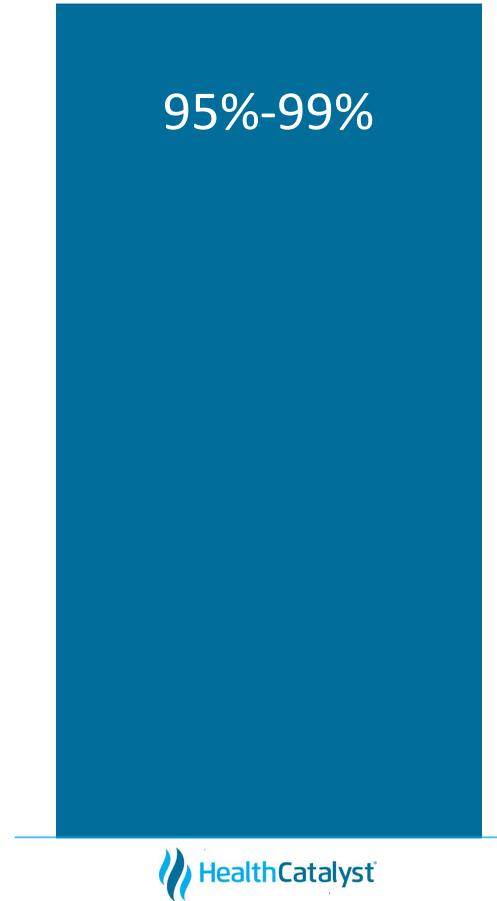
Driving Industry-leading Customer Satisfaction, Renewal, Expansion & Referral



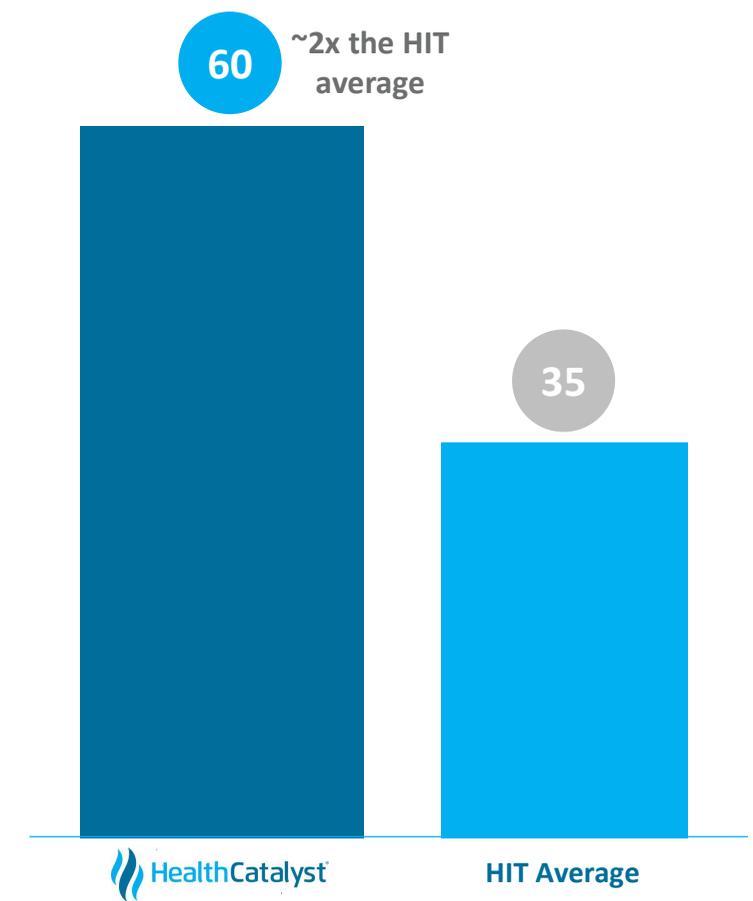
Consistently Recognized as One of the "Best Places to Work"



2015 – 2021 Gallup Overall Engagement Score Percentile



KLAS Evangelism Score⁽¹⁾



(1) Similar to a net promoter score, as of 12/31/21. Overall evangelism score is an average of each Health Catalyst solution's average evangelism scores.



Experienced and Visionary Management Team



Anne Marie Bickmore
Chief Product Officer
Tenure at Health Catalyst: 9 years



Daniel Burton
Chief Executive Officer and Director
Tenure at Health Catalyst: 11 years



Bryan Hinton
Chief Technology Officer
Tenure at Health Catalyst: 10 years



Paul Horstmeier
Chief Operating Officer
Tenure at Health Catalyst: 11 years



Bryan Hunt
Chief Financial Officer
Tenure at Health Catalyst: 8 years



Linda Llewelyn
Chief People Officer
Tenure at Health Catalyst: 9 years



Patrick Nelli
President
Tenure at Health Catalyst: 9 years



Daniel Orenstein
General Counsel
Tenure at Health Catalyst: 6 years



Holly Rimmasch
Chief Clinical Officer
Tenure at Health Catalyst: 10 years



Trudy Sullivan
Chief Communications and Diversity, Equity & Inclusion Officer
Tenure at Health Catalyst: 3 years



The Health Catalyst Operating Principles

The principles that govern our daily interactions



Improvement

- We are deeply committed to enabling our customers to achieve and sustain measurable clinical, financial, and operational improvements
- We nurture deep, long-term partnerships because achieving and sustaining improvement is a transformational journey (not a quick trip)
- We pragmatically balance the vision, priority, and pace of innovation for data and analytics technology. We prioritize innovations that accelerate improvement
- We attract, develop, & retain experts who know best practice in their domain, leverage analytics for insight, & accelerate adoption for sustained improvement

Ownership

- We are accountable, as owners, to enable our customers' measurable improvements
- We make decisions that balance and optimize the interests of our teammates, customers, patients, and owners
- We avoid an entitlement mentality and are good stewards of our assets
- We don't micro-manage and we encourage autonomy while also supporting scalable consistency

Respect

- We recognize the immeasurable value of every individual
- We listen carefully to one another and learn from each of our colleagues
- We care deeply about our colleagues, including teammates, customers, patients, and owners
- We benefit from one another's diverse backgrounds and experiences

Transparency

- We courageously tell the truth and we face the truth
- We are the same company, culture, and people in all settings
- We treat confidential information appropriately, and we protect the private data of our customers' patients
- We recommend the best solutions for our customers, whether or not those solutions come from Health Catalyst



The Health Catalyst Cultural Attributes

The attributes we prioritize in our hiring, retention, and promotion



Continuous Learner

- I can learn from anyone
- I love to learn, and I am a lifelong student
- I recognize my mistakes and correct them quickly; I fail fast
- I am open to and respond favorably to feedback and coaching
- I value my autonomy and use it to gain new knowledge and skills
- I recognize that diversity of perspectives leads to better decisions
- I am self-aware and seek improvement, personally and professionally
- I watch, listen, and learn from others; thank them for their teachings; and apply the teachings to the mastery of my profession

Hard Working

- I have a deep commitment to massive healthcare improvement
- I stick to the task until the job is completed, then take on new work
- I lead a balanced, healthy life that enables me to sustain my pace
- I am willing to contribute more than my fair share to a project
- I make personal sacrifices, as needed, to get the work done
- I recognize that not every part of my job will be fun

Humble

- I listen first
- I assume positive intent
- I ask for help when I need it
- I serve others without looking for recognition
- I am secure in my own abilities (quiet self-confidence)
- I seek to improve myself before trying to improve others
- I am excited when others succeed and I offer sincere praise
- I often acknowledge others for their contributions to my success
- I frequently express gratitude and appreciation to those around me

World-Class

- I strive to be the best in the world at what I do by continuously learning
- I recognize the importance of excellence in pursuit of our mission
- I am well informed about events & trends in healthcare, data & analytics
- I actively contribute to the company's pursuit of excellence—in the data and analytics technology we build, in the domain expertise we provide, and in the functions that support this important work



Strategic Levers to Drive Long-Term Growth



Expand within our current customer base

Sell additional applications and services

Built-in, annual technology escalators

High dollar-based retention rate of **102%-112%**⁽¹⁾

Grow our overall customer base

90 DOS subscription customers⁽²⁾ amidst ~1,200 potential customers → ~8% penetration

Cross-sell DOS to hundreds of application-specific customers & cross-sell applications to DOS customers

Add new applications and services

Developed a multitude of new software applications in last few years⁽³⁾

Partnerships and open platform provide insights into new offerings

Accelerates as relationships deepen and dataset grows

Grow addressable market through adjacencies

Life Sciences market

International

Additional types of healthcare organizations

Partnerships and M&A

Consolidate data assets and best-of-breed applications

Selectively pursue complementary capabilities

Best-in-class culture a differentiating factor in sourcing opportunities

Monetize Core

Expand Opportunity

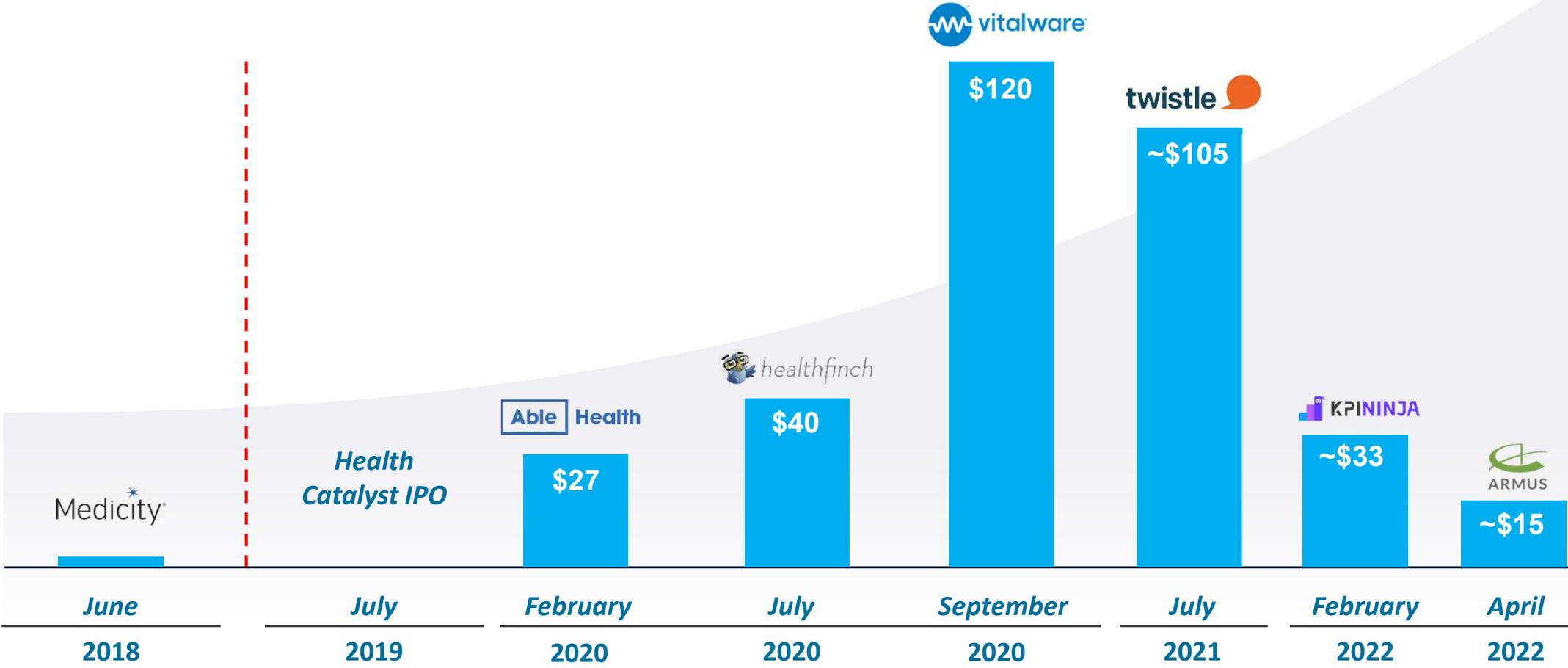
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 (2) As of 12/31/21
 (3) Added to this figure recently via M&A



Continued Execution of M&A Strategy

\$mm

Transaction value amount ⁽¹⁾



M&A Strategy

- Ability to integrate and scale software applications on top of DOS platform
- Broadens value proposition to existing and new customers
- Primary focus on applications layer
 - Hundreds of opportunities
 - Gross margin accretive
 - Faster time to market (buy vs. build)
- Additional focus areas in adjacent markets
 - Life Sciences
 - International
- Wide range of targets → tuck-ins to larger transactions
- COVID-19 accelerated certain M&A opportunities
- HCAT is destination of choice for many targets given cultural differentiation



Note: Transaction close date shown
 (1) Transaction value includes only the upfront purchase price amount anticipated at the time of the execution of the respective acquisition agreements



Attractive Financial Model



1) In 2021
 2) Long-term annual revenue growth goal. Given the unknown timeline and the near-term uncertainty of COVID-19 on our business, we are unable to predict the extent to which the global COVID-19 pandemic may adversely impact our business operations, financial performance, and results of operations. Please refer to our recent earnings releases and our associated Form 10-K and 10-Q for more details.
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 4) DOS Subscription Customers only.
 5) Adjusted Gross Margin is a non-GAAP financial measure we define as our Adjusted Gross Profit divided by our revenue – see Appendix and our most recent Annual Report on Form 10-K and our Quarterly Report on Form 10-Q for more information. See Appendix for reconciliation to GAAP.
 6) Adjusted Operating Expense is a non-GAAP financial measure we define as our Operating Expense excluding D&A, stock-based compensation, tender offer payments deemed compensation, acquisition-related costs, net and non-recurring lease-related charges - see Appendix and our most recent Annual Report on Form 10-K and our Quarterly Report on Form 10-Q for more information. See Appendix for reconciliation to GAAP.



Recurring revenue streams across technology, analytics and services

>90%⁽¹⁾
 Recurring Revenue



Long-term Revenue Growth Target

20%+⁽²⁾
 Long-term Growth Target



Strong customer retention and stickiness

102%-112%⁽³⁾ **34**⁽⁴⁾ → **90**⁽⁴⁾
 Dollar-based 2017 2021
 Retention Rate Customers Customers



Improving gross margin

41%⁽⁵⁾ → **55%**⁽⁵⁾
 2017 Q1 2022
 Adj. Gross Margin Adj. Gross Margin



Continued operating leverage

90%⁽⁶⁾ → **54%**⁽⁶⁾
 2017 Q1 2022
 Adj. Operating Expense Adj. Operating Expense
 % of Revenue % of Revenue

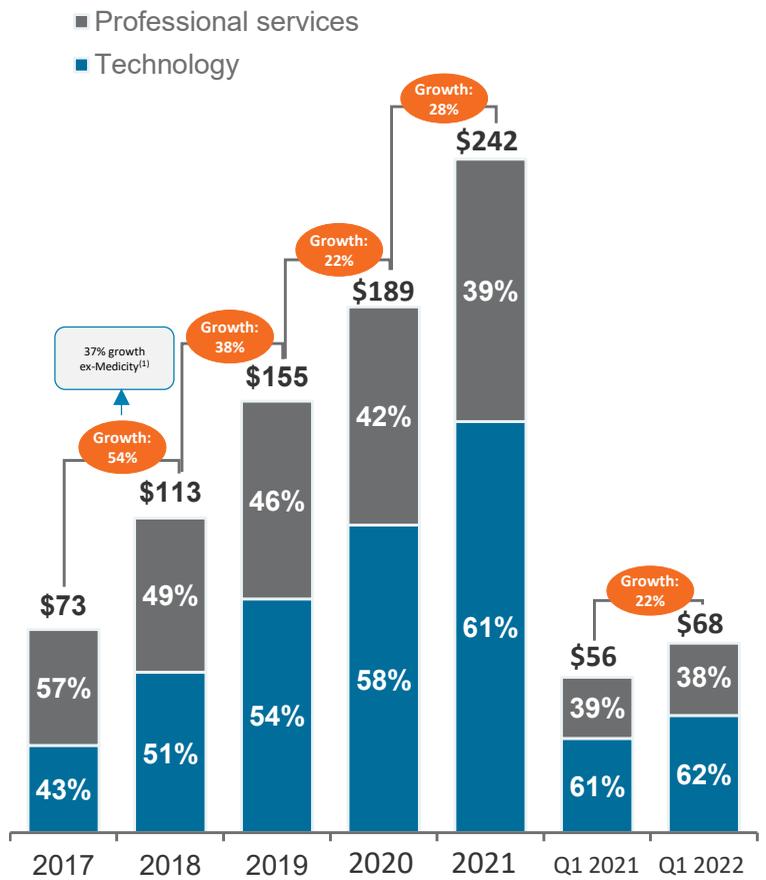


High Engagement, Satisfaction & Expansion

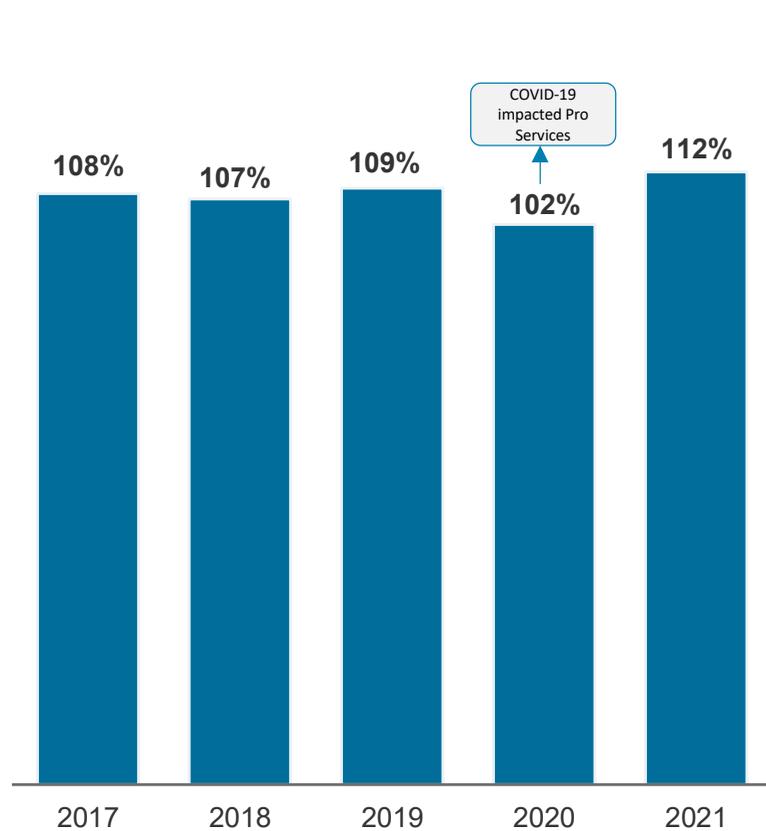
Produces a High-Growth, Predictable, Recurring Revenue Business



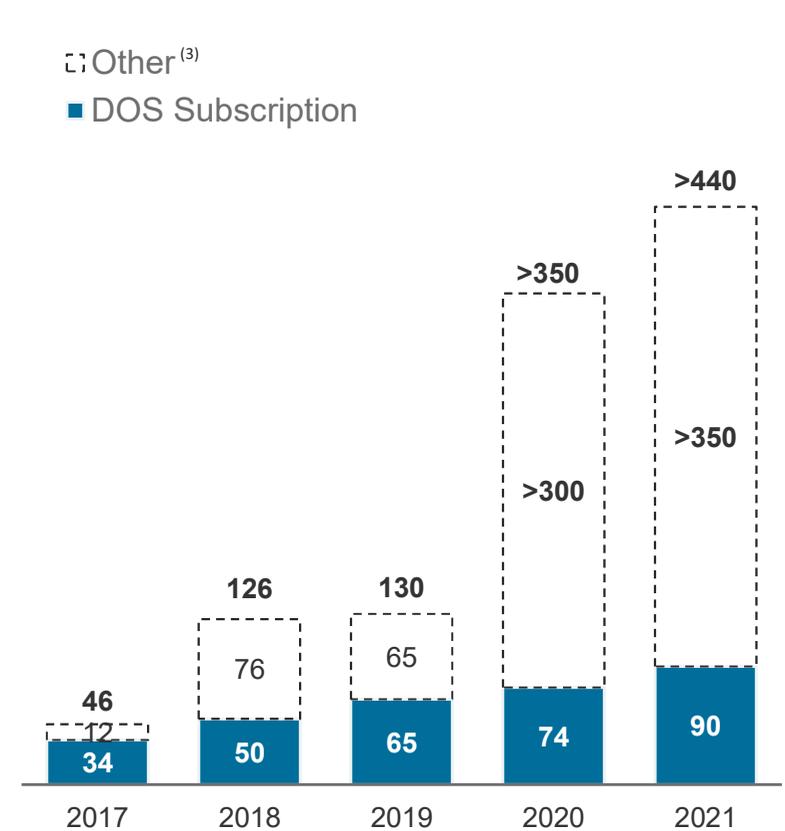
Total Revenue (\$mm)



Dollar-based Retention Rate⁽²⁾



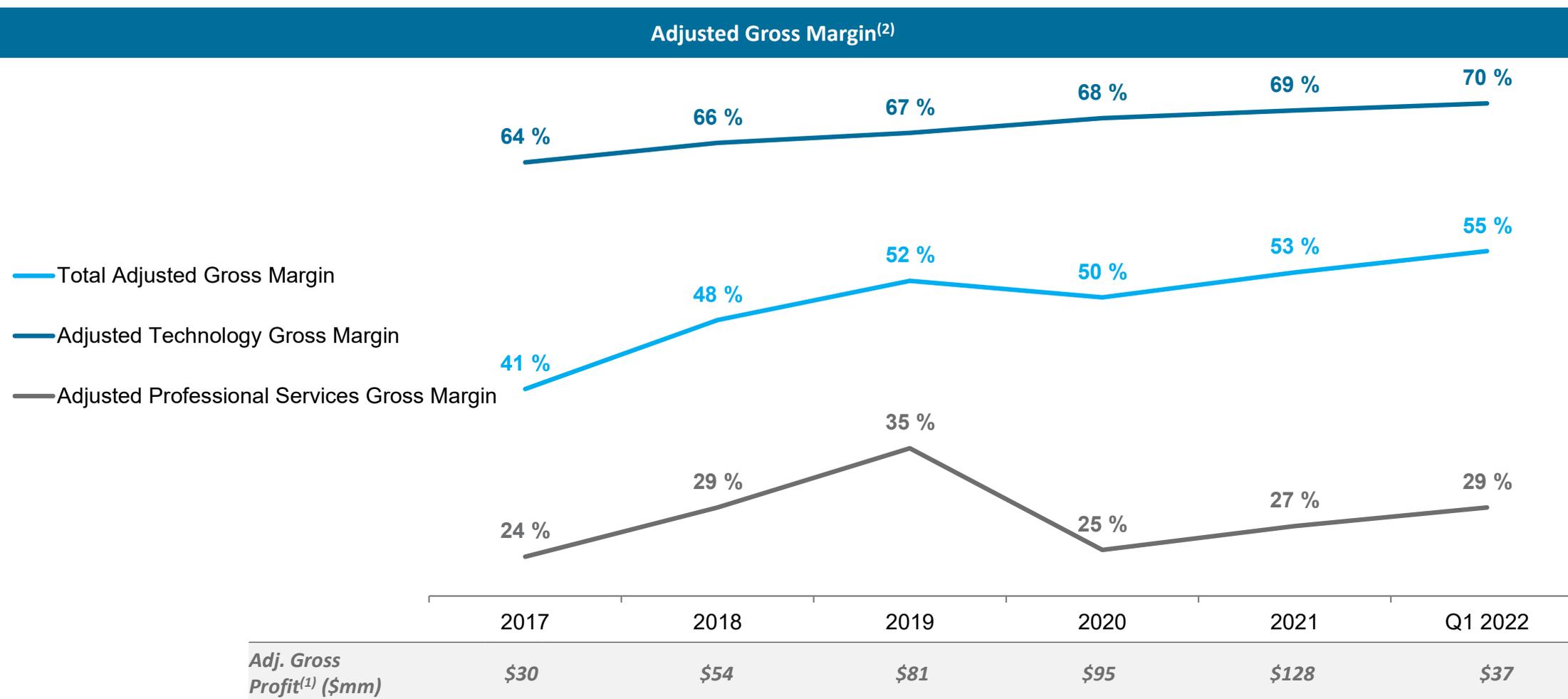
Total Customers



(1) Excludes impact of Medicity acquisition, which occurred on June 29, 2018. (2) We calculate our dollar-based retention rate as of a period end by starting with the sum of the Annual Recurring Revenue (ARR) from all DOS subscription customers as of the date 12 months prior to such period end (prior period ARR). We then calculate the sum of the ARR from these same customers as of the current period end (current period ARR). (3) Vast majority of Other customers were acquired via 2018 Medicity acquisition and 2020 and 2021 acquisitions of Vitalware, Healthfinch, Able Health and Twistle.



High Engagement, Satisfaction & Expansion Leads to Technology Gross Margin Expansion



(1) Adjusted Gross Profit is a non-GAAP financial measure that we define as revenue less cost of revenue, excluding depreciation and amortization, stock-based compensation, tender offer payments deemed compensation, and acquisition-related costs, net. Please see the Appendix and our recent Annual Report on Form 10-K and our Quarterly Report on Form 10-Q for more details.

(2) Adjusted Gross Margin is a non-GAAP financial measure that we define as our Adjusted Gross Profit divided by our revenue. Please see the Appendix and our most recent Annual Report on Form 10-K and Quarterly Report on Form 10-Q for more information.



Long Term Target Model (Non-GAAP)



	2017	2018	2019	2020	2021	Q1 2022	Long-Term Goals ⁽⁴⁾
Total Revenue Growth		54% <hr/> 37% <i>Excl. Medicity⁽¹⁾</i>	38%	22%	28%	22%	20%+
Adj. Gross Margin⁽²⁾	41%	48%	52%	50%	53%	55%	<i>Tech: mid-70%</i> <i>Pro Serv: mid-30%</i> <i>Overall: high 50%</i>
Operating Expenses⁽³⁾	S&M as % of Revenue	34%	34%	28%	22%	21%	20%
	R&D as % of Revenue	38%	32%	27%	24%	21%	20%
	G&A as % of Revenue	18%	16%	15%	15%	15%	14%
Adj. EBITDA Margin⁽³⁾	(48%)	(34%)	(18%)	(11%)	(5%)	1%	20%+

(1) We acquired Medicity on June 29, 2018. We expect flat to declining revenue from Medicity customers in the foreseeable future. As the Medicity acquisition closed on June 29, 2018, we expect Medicity will impact our organic overall growth rate moving forward.

(2) Adjusted Gross Profit is a non-GAAP financial measure that we define as revenue less cost of revenue, excluding depreciation and amortization, stock-based compensation, tender offer payments deemed compensation, and acquisition-related costs, net. We define Adjusted Gross Margin as our Adjusted Gross Profit divided by our revenue. Please see the Appendix and our recent Annual Report on Form 10-K and our Quarterly Report on Form 10-Q for more details.

(3) Excluding D&A, stock-based compensation, tender offer payments deemed compensation, loss on extinguishment of debt, acquisition-related costs, net and non-recurring lease-related charges. Please see the Appendix and our recent Annual Report on Form 10-K and our Quarterly Report on Form 10-Q for more details.

(4) Given the unknown timeline and the near-term uncertainty of COVID-19 on our business, we are unable to predict the extent to which the global COVID-19 pandemic may adversely impact our business operations, financial performance, and results of operations. Please refer to our recent earnings release and our recent Annual Report on Form 10-K and our Quarterly Report on Form 10-Q for more details.



Appendix

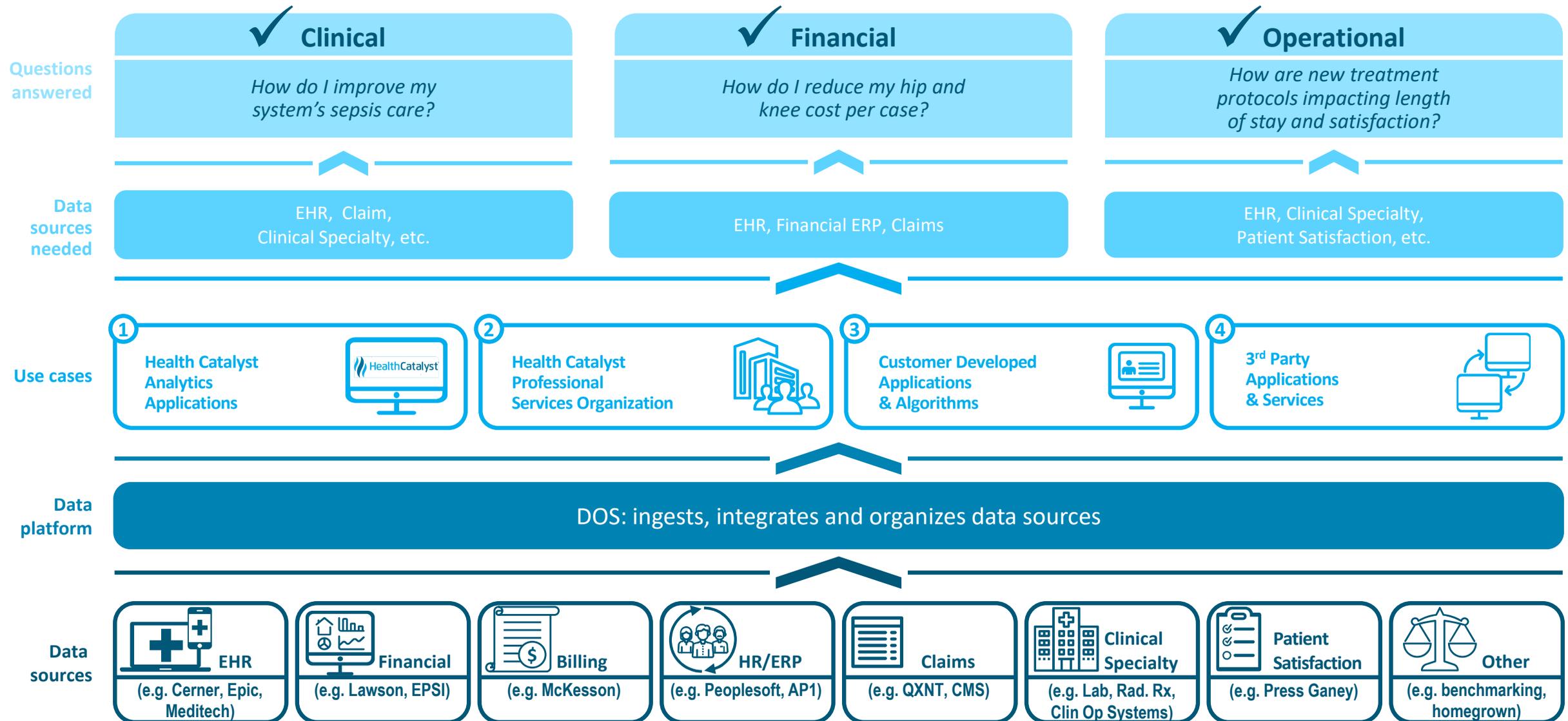


How We Engage With Our Customers

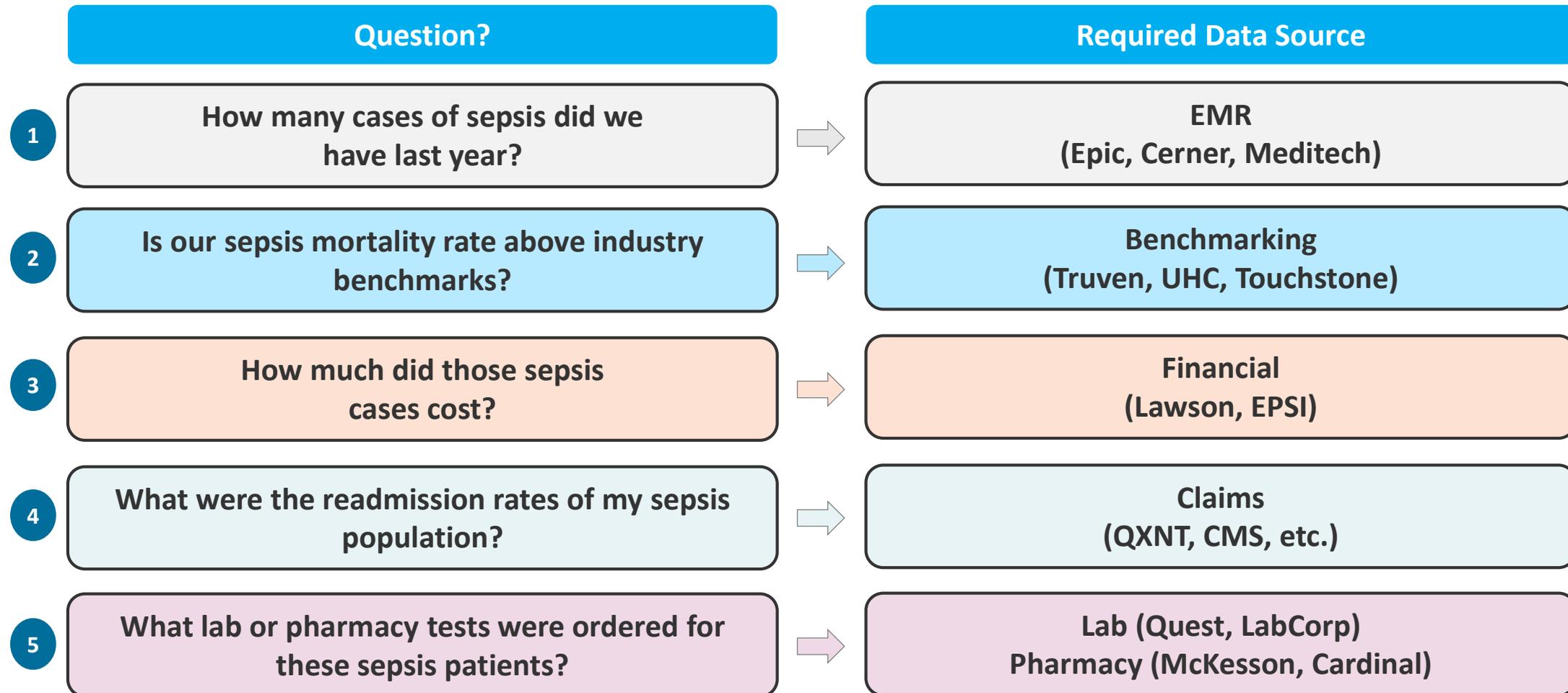
	Option 1	Option 2
	All-Access	Limited-Access / Modular
Overview	Includes subscription access to DOS and all Analytics Applications	Includes subscription access to DOS only or DOS plus selected Analytics Applications
Technology Access Subscription	Based on customer size and data footprint; includes annual price escalators	Includes opportunity to upsell additional applications
Professional Services Subscription	Recurring access to a specific number of FTEs that is listed in the contract	
<p>Historically ~70% of our DOS Subscription customers have chosen the all-access model</p> <p>All-access provides customers budget predictability and use-case flexibility and aligns with customers' increases in improvements, data sources, users, and analytics applications</p>		



A single clinical, financial, or operational question often requires integrated data from multiple source systems

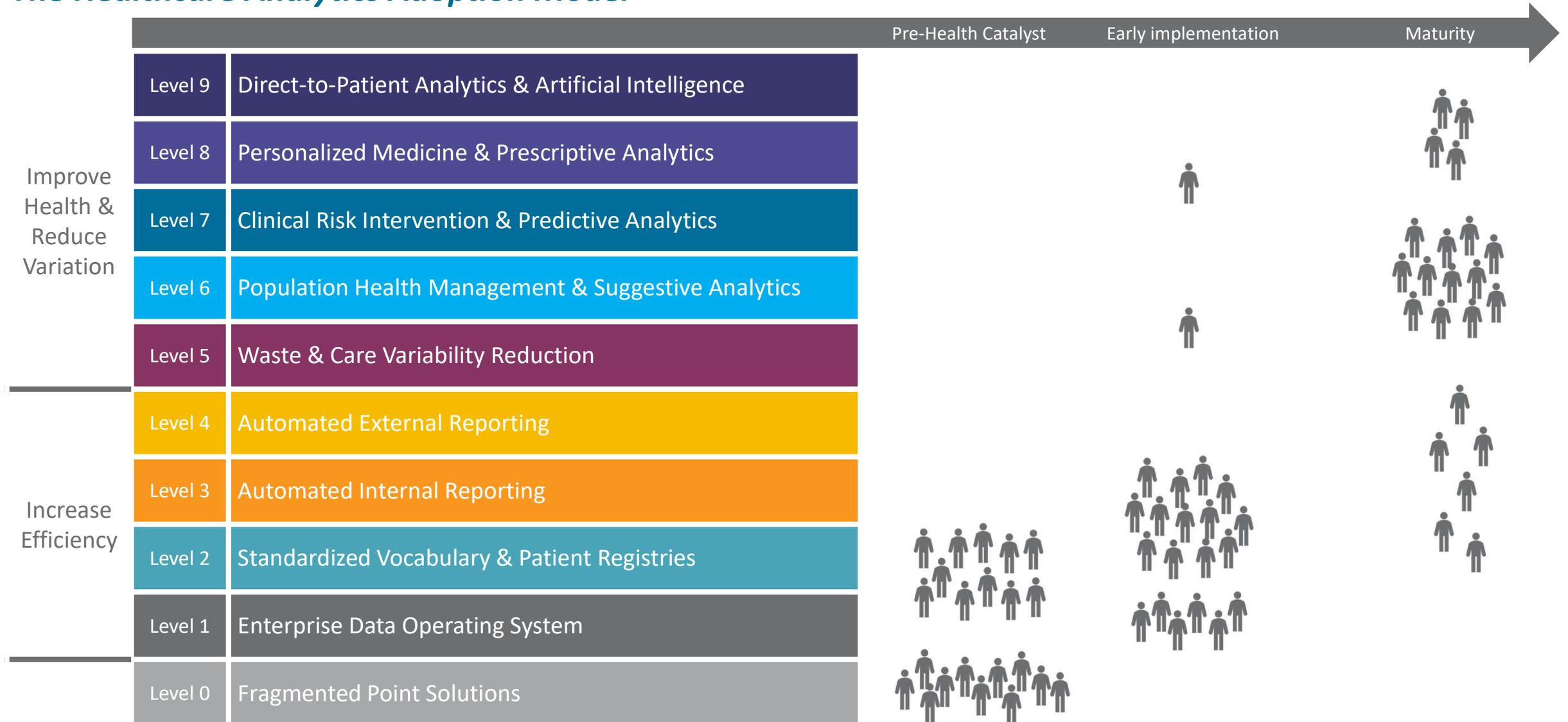


A typical problem facing a healthcare organization most often requires data from multiple source systems: Sepsis example



A Customer's Path to Greater Digital Maturity with Health Catalyst

The Healthcare Analytics Adoption Model



(1) Healthcare Analytics Adoption Model created by Health Catalyst's former CTO Dale Sanders; HIMSS was granted a creative commons copyright, which they call HIMSS Analytics Adoption Model for Analytics Maturity (AMAM) <https://www.himssanalytics.org/amam>



GAAP to Non-GAAP Reconciliation: Gross Profit and Gross Margin

<i>(in thousands, except percentages)</i>	Year Ended 31-Dec-2017		
	Technology	Professional Services	Total
Revenue	\$31,693	\$41,388	\$73,081
Cost of Revenue, Excluding Depreciation and Amortization	(\$11,610)	(\$32,032)	(\$43,642)
Gross Profit, Excluding Depreciation and Amortization	\$20,083	\$9,356	\$29,439
Add:			
Stock-Based Compensation	65	514	579
Adjusted Gross Profit	\$20,148	\$9,870	\$30,018
Gross Margin, Excluding Depreciation and Amortization	63%	23%	40%
Adjusted Gross Margin	64%	24%	41%

<i>(in thousands, except percentages)</i>	Year Ended 31-Dec-2018		
	Technology	Professional Services	Total
Revenue	\$57,224	\$55,350	\$112,574
Cost of Revenue, Excluding Depreciation and Amortization	(\$19,429)	(\$40,423)	(\$59,852)
Gross Profit, Excluding Depreciation and Amortization	\$37,795	\$14,927	\$52,722
Add:			
Stock-Based Compensation	78	480	558
Tender Offer Payments Deemed Compensation ⁽¹⁾	28	284	312
Acquisition-related costs, net ⁽²⁾	0	337	337
Adjusted Gross Profit	\$37,901	\$16,028	\$53,929
Gross Margin, Excluding Depreciation and Amortization	66%	27%	47%
Adjusted Gross Margin	66%	29%	48%

<i>(in thousands, except percentages)</i>	Year Ended 31-Dec-2019		
	Technology	Professional Services	Total
Revenue	\$83,975	\$70,966	\$154,941
Cost of Revenue, Excluding Depreciation and Amortization	(\$27,797)	(\$47,548)	(\$75,345)
Gross Profit, Excluding Depreciation and Amortization	\$56,178	\$23,418	\$79,596
Add:			
Stock-Based Compensation	200	968	1,168
Acquisition-related costs, net ⁽²⁾	0	108	108
Adjusted Gross Profit	\$56,378	\$24,494	\$80,872
Gross Margin, Excluding Depreciation and Amortization	67%	33%	51%
Adjusted Gross Margin	67%	35%	52%

<i>(in thousands, except percentages)</i>	Year Ended 31-Dec-2020		
	Technology	Professional Services	Total
Revenue	\$110,467	\$78,378	\$188,845
Cost of Revenue, Excluding Depreciation and Amortization	(\$35,604)	(\$62,473)	(\$98,077)
Gross Profit, Excluding Depreciation and Amortization	\$74,863	\$15,905	\$90,768
Add:			
Stock-Based Compensation	803	3,453	4,256
Adjusted Gross Profit	\$75,666	\$19,358	\$95,024
Gross Margin, Excluding Depreciation and Amortization	68%	20%	48%
Adjusted Gross Margin	68%	25%	50%

<i>(in thousands, except percentages)</i>	Year Ended 31-Dec-2021		
	Technology	Professional Services	Total
Revenue	\$147,718	\$94,208	\$241,926
Cost of Revenue, Excluding Depreciation and Amortization	(\$47,516)	(\$76,838)	(\$124,354)
Gross Profit, Excluding Depreciation and Amortization	\$100,202	\$17,370	\$117,572
Add:			
Stock-Based Compensation	2,063	8,047	10,110
Acquisition-related costs, net ⁽²⁾	61	127	188
Adjusted Gross Profit	\$102,326	\$25,544	\$127,870
Gross Margin, Excluding Depreciation and Amortization	68%	18%	49%
Adjusted Gross Margin	69%	27%	53%

<i>(in thousands, except percentages)</i>	3-Months Ended 31-Mar-2022		
	Technology	Professional Services	Total
Revenue	\$42,230	\$25,857	\$68,087
Cost of Revenue, Excluding Depreciation and Amortization	(\$13,327)	(\$20,669)	(\$33,996)
Gross Profit, Excluding Depreciation and Amortization	\$28,903	\$5,188	\$34,091
Add:			
Stock-Based Compensation	589	2,167	2,756
Acquisition-related costs, net ⁽²⁾	106	219	325
Adjusted Gross Profit	\$29,598	\$7,574	\$37,172
Gross Margin, Excluding Depreciation and Amortization	68%	20%	50%
Adjusted Gross Margin	70%	29%	55%

- (1) Tender offer payments deemed compensation relate to employee compensation from repurchases of common stock at a price in excess of its estimated fair value.
- (2) Acquisition-related costs, net included in the Adjusted Gross Profit reconciliation relate to post acquisition restructuring costs and deferred retention expenses incurred as part of business combinations.

GAAP to Non-GAAP Reconciliation: Adjusted EBITDA

<i>(in thousands)</i>	3 Months Ended March 31,		Year Ended December 31,				
	2022	2021	2021	2020	2019	2018	2017
Net loss	(\$22,458)	(\$28,370)	(\$153,210)	(\$115,017)	(\$60,096)	(\$61,984)	(\$47,035)
Add:							
Interest and other expense, net	\$1,662	\$3,952	\$16,458	\$11,572	\$3,419	\$2,024	\$1,469
Loss on extinguishment of debt	\$0	\$0	\$0	\$8,514	\$1,670	\$0	\$0
Income tax provision (benefit)	(\$3,551)	\$101	(\$6,898)	(\$1,194)	\$142	(\$135)	\$26
Depreciation and amortization	\$11,649	\$7,814	\$37,528	\$18,725	\$9,212	\$7,412	\$5,892
Stock-based compensation	\$18,120	\$13,510	\$65,145	\$37,957	\$17,844	\$4,198	\$4,241
Tender offer payments deemed compensation ⁽¹⁾	\$0	\$0	\$0	\$0	\$0	\$8,318	\$0
Acquisition-related costs, net ⁽²⁾	(\$4,751)	\$2,156	\$27,929	\$16,758	\$446	\$2,114	\$0
Non-recurring lease-related charges ⁽³⁾	\$0	\$0	\$1,800	\$1,398	\$0	\$0	\$0
Adjusted EBITDA	\$671	(\$837)	(\$11,248)	(\$21,287)	(\$27,363)	(\$38,053)	(\$35,407)

(1) Tender offer payments deemed compensation relate to employee compensation from repurchases of common stock at a price in excess of its estimated fair value.

(2) Acquisition-related costs, net impacting Adjusted EBITDA includes third party fees associated with due diligence, deferred retention expenses, and post-acquisition restructuring costs incurred as part of business combinations, and changes in fair value of contingent consideration liabilities for potential earnout payments.

(3) Includes the lease-related impairment charge for the subleased portion of our corporate headquarters and duplicate rent expense incurred during the relocation of our corporate headquarters.



GAAP to Non-GAAP Reconciliation: Adjusted Operating Expenses

<i>(in thousands)</i>	3 Months Ended March 31,		Year Ended December 31,				
	2022	2021	2021	2020	2019	2018	2017
Operating expenses	\$58,438	\$52,825	\$261,222	\$186,893	\$134,461	\$112,817	\$74,979
Less:							
Depreciation and amortization	(\$11,649)	(\$7,814)	(\$37,528)	(\$18,725)	(\$9,212)	(\$7,412)	(\$5,892)
Stock-based compensation	(\$15,364)	(\$11,701)	(\$55,035)	(\$33,701)	(\$16,676)	(\$3,640)	(\$3,662)
Tender offer payments deemed compensation	\$0	\$0	\$0	\$0	\$0	(\$8,006)	\$0
Acquisition-related costs, net	\$5,076	(\$2,156)	(\$27,741)	(\$16,758)	(\$338)	(\$1,777)	\$0
Non-recurring lease-related charges	\$0	\$0	(\$1,800)	(\$1,398)	\$0	\$0	\$0
Adjusted Operating Expenses	\$36,501	\$31,153	\$139,118	\$116,311	\$108,235	\$91,982	\$65,425
<i>Adjusted Operating Expenses as % of Revenue</i>	<i>54%</i>	<i>56%</i>	<i>58%</i>	<i>62%</i>	<i>70%</i>	<i>82%</i>	<i>90%</i>

