



option care health™

Q4 2019

Investor Presentation

NASDAQ: BIOS

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Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following: (i) changes in laws and regulations applicable to our business model; (ii) changes in market conditions and receptivity to our services and offerings; (iii) results of litigation; and (iv) the loss of one or more key payers. For a detailed discussion of the risk factors that could affect our actual results, please refer to the risk factors identified in our reports as filed with the SEC.

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Option Care Health at a Glance

46

states

96%

of U.S. population covered

\$2.7bn+

combined 2018 revenue

~2,900

skilled clinicians

Top 10

payers all in-network

500+

frontline selling resources

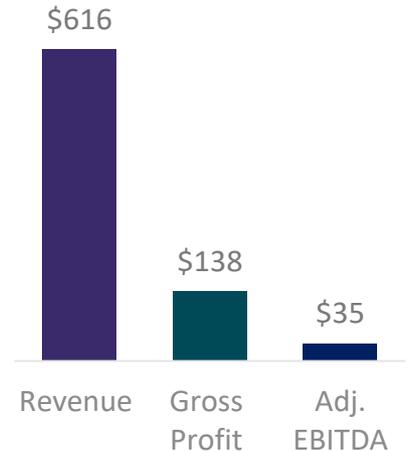
- Nation's largest independent provider of home and alternate site infusion services
- Clinical leadership and technology-enabled patient-centered model

National Footprint



3Q'19 Results

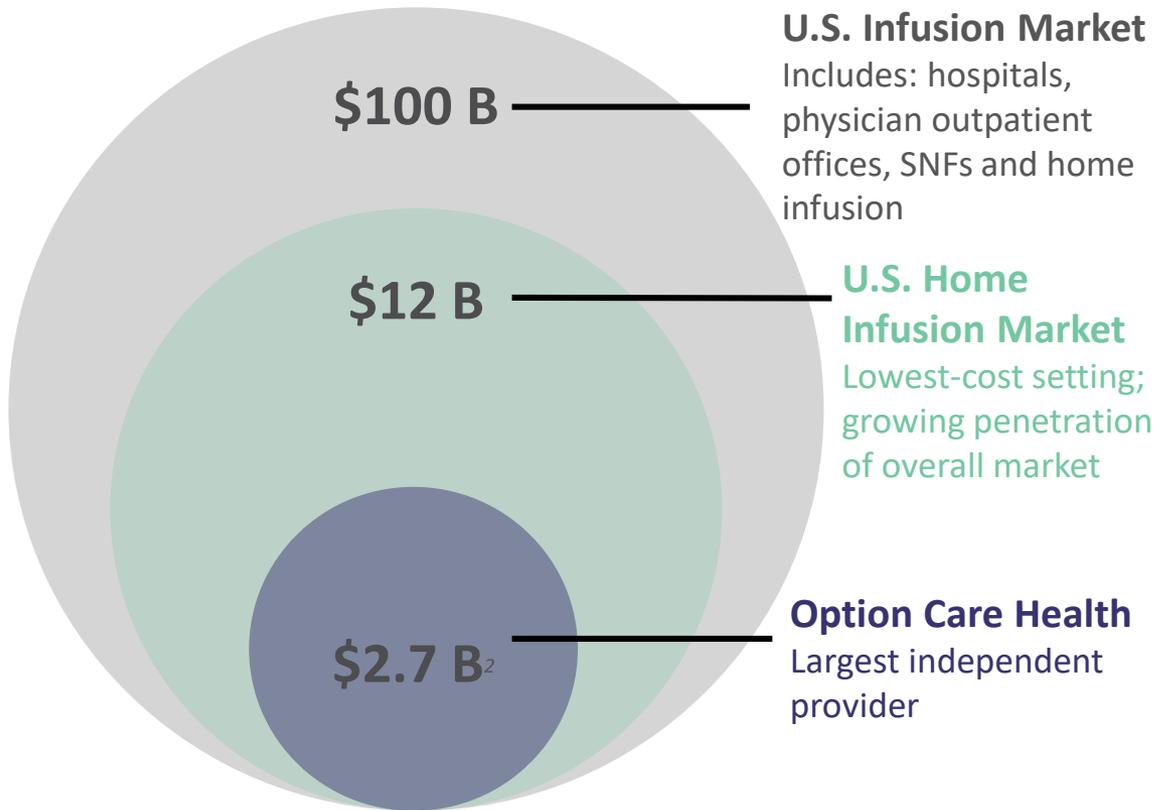
(in millions)



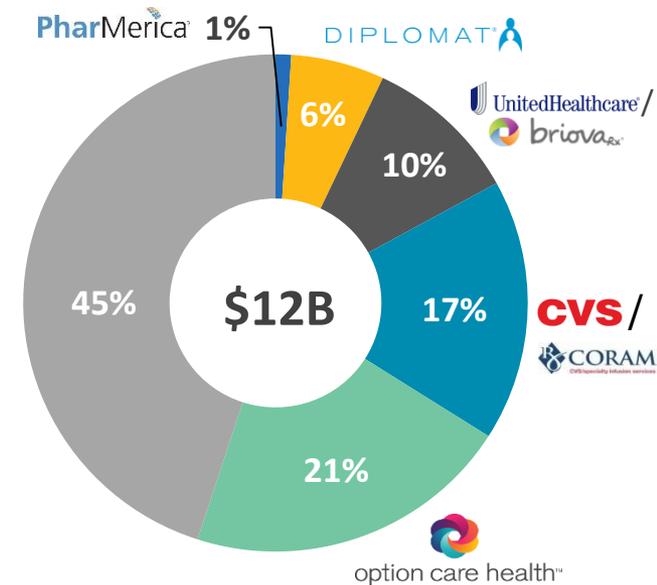
Option Care Health is reimagining the infusion care experience for patients, customers and employees



Leading Position in a Large and Growing Market¹



U.S. Competitive Landscape – Home



- Top 5 providers account for approximately half of the U.S. market
- Significant **market opportunity** with 800+ infusion companies in the U.S.

The U.S. Home Infusion Market is Growing by an Estimated 5-7% Per Year



Investment Highlights

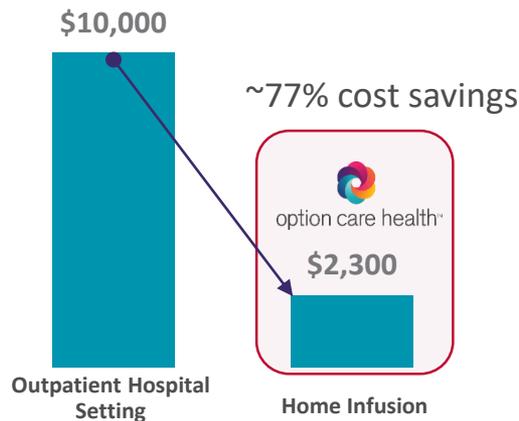
- ✓ Only independent national provider in network with all national payers
- ✓ Right side of healthcare – independent, low cost care setting, patient centric
- ✓ Large, growing and highly fragmented market
- ✓ Significant merger-related cost synergies expected
- ✓ Improved free cash flow generation
- ✓ Balanced payer mix with mostly commercial reimbursement... low “pen stroke” risk
- ✓ Seasoned management team



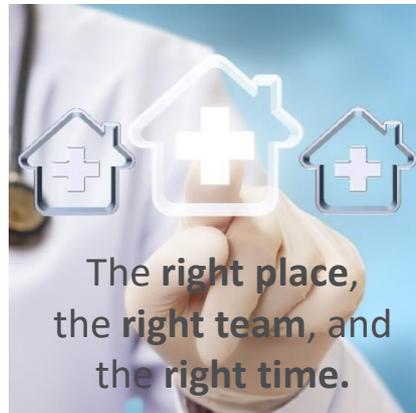
On the Right Side of Healthcare Trends

The Home is the Disruptive Service Model within the Infusion Market

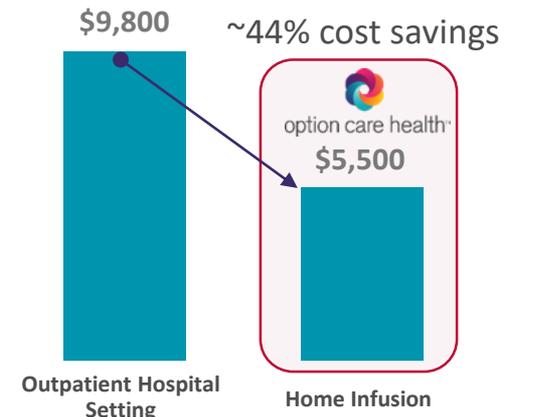
Remicade infusion example



Average cost for one infusion therapy cycle of Remicade (includes cost of drug)



IG infusion example



Average cost for one infusion therapy cycle (includes cost of drug)

Care is moving from the Hospital...

- **Higher cost** setting
- Potential for significant **waste**
- **Less desirable outcomes**, including infections and preventable deaths

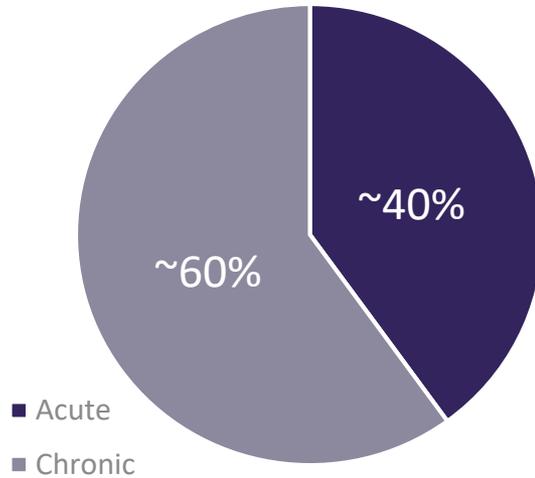
...to the Home

- **\$4 billion potentially saved** annually by shifting care to the home or alternate site
- **Lower cost, safer** site of care; lower risk of infection
- **Patient preference**, resulting in better quality of life



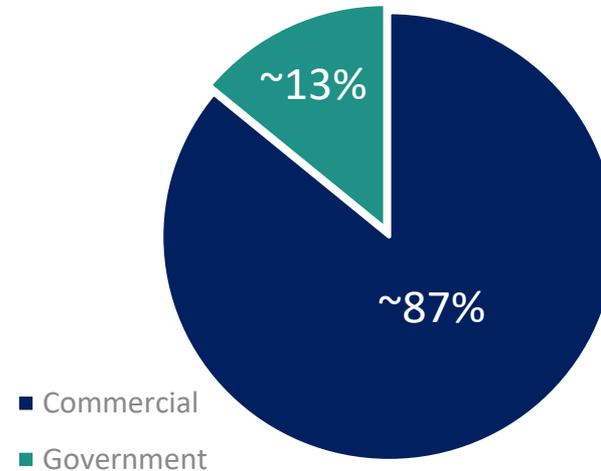
Strength in Diversity

Therapy Revenue Split



- No therapy category represents more than 20% of revenue
- Broad portfolio of chronic and acute therapies including more than 50 limited distribution therapies

Payer Mix¹



- No payer more than 15% of revenue
- Low direct government reimbursement risk
- Productive payer relationships given independence

¹Commercial also includes Medicare Advantage, Managed Medicaid and Patient Pay

Balanced revenue base across therapies and payers



Acute vs Chronic Therapy Portfolios

Acute		Chronic
~40%	% of Net Revenue	~60%
50-70%	Product Margin	10-25%
Shorter, typically 1-12 weeks	Average length of treatment	Longer, typically months or for life
Anti-infectives, nutritional support, inotropic therapy	Therapies	Immunoglobulin, inflammatory, other chronic conditions
Generic, branded	Type of drug utilized	Branded, specialty biologic, limited distribution
Hospital Case Management / Physician	Typical referral source	Physician / Specialist



Roadmap for Growth

Realize synergy opportunities

- Execution of defined short and longer-term integration synergies
- Utilize improved capital structure and liquidity position to create investment plan

Optimize and expand offerings

- Alignment of acute and chronic sales activity against top market opportunities
- Therapeutic-level market penetration and potential to increase share

Capture the ambulatory setting

- Optimization of Ambulatory Infusion Suite footprint and business model
- Implement strategies to drive utilization

Add value to payer relationships

- Partnerships and site-of-care initiatives to drive patient volume
- Opportunities to expand and evolve economic relationship

Invest in growth enablers

- Technology investments (internal and customer facing applications)
- Additional opportunities to leverage clinical expertise
- Data analytics and outcome reporting



Synergy Capture Roadmap

Network Savings

\$20-\$25M

18-24 months to realization

Optimize assets to best serve the market

SG&A Optimization

\$35-\$40M

12-18 months to realization

Streamline corporate and administrative functions

\$60M+

Annualized
Net Savings¹

Procurement Synergies

\$10-\$15M

9 -12 months to realization

Maximize procurement savings and combined organization

3Q 2019

Year End 2021

¹Represents high-confidence level synergies estimate before cost to implement



Proven, Experienced Leadership Team



John Rademacher
Chief Executive Officer

- Joined Option Care in 2015 as COO and was appointed CEO in 2018
- Served as President and General Manager at Cardinal Health Ambulatory Care and Nuclear and Pharmacy Services divisions
- Former President at CareAllies and COO of the CIGNA Behavioral Health business



Mike Shapiro
Chief Financial Officer

- Joined Option Care in 2015 as CFO
- Served as SVP and CFO of Catamaran Corporation and as CFO of Rexnord Corporation
- Spent fifteen years with Baxter International, holding multiple positions of increasing responsibility
- Began career at Deloitte and is a CPA (inactive)



Harriet Booker
Chief Operating Officer

- Joined Option Care Health in August 2019 as COO following the merger with Bioscrip, where she held the same position since 2018
- Former Executive Vice President of Sales and COO for Coram/CVS Specialty Infusion Services
- Prior to that, served in various senior and executive-level roles at Walgreens – Option Care



Chris Hartman
Chief Growth Officer

- Joined Option Care in 2018 as Chief Commercial Officer, named Chief Growth Officer of Option Care Health in August 2019
- Served as Vice President, North America for Stryker Neurovascular
- Led U.S. Sales for Baxter International's BioSurgery Group and spent sixteen years with Boston Scientific Corporation in sales and marketing leadership roles



Rich Denness
Chief Strategy Officer

- Joined Option Care Health in August 2019 as Chief Strategy Officer following the merger with Bioscrip, where he served as Chief Commercial officer since 2018
- Former GM at Schering-Plough, President at IVAX Laboratories, VP, Neurology at UCB, and CEO at Vycor Medical



Q3 2019 Financial Highlights

\$ in millions

Net Revenue



Adjusted EBITDA



Quarterly Highlights

- **Revenue** of \$616M, up 24.7% on a reported basis; up 2.3% on a comparable basis
- **Gross margin** of 22.4% increased 50 bps on a reported basis
- **Adj. EBITDA** of \$35M, up 32.1% on a reported basis, mid-teens growth on a comparable basis
 - Impacted by bad debt policy harmonization
- **Strong liquidity** with \$53M in cash and no borrowings on \$150M revolver
- Funded initial integration strategy with cash on hand
- Management expects to provide 2020 guidance with Q4 2019 results

Note: Results on an as reported basis unless otherwise stated

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Improved Capital Structure

\$ in millions

Q3'19 Capital Structure

Key Highlights

Pro Forma Capitalization

First Lien Term Loan	\$925
Second Lien	400
\$150mm ABL Revolver	-
Total Debt	\$1,325
Cash	53
Net Debt	\$1,272

- Simple capital structure
- Strong liquidity
- Covenant-lite
- Path to deleveraging

Leverage Profile

Total First Lien Debt / PF Adj. EBITDA	4.1x ¹
Total Debt / PF Adj. EBITDA	5.9x ¹

¹ Based on Adj. EBITDA of \$214.1mm as of 9/30/19 as defined by the First Lien Credit Agreement



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