UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

x **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.**

For the quarterly period ended June 30, 2024

OR

o **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number 001-40332

agilon health, inc.

(Exact name of registrant as specified in its charter)

Delaware	**37-1915147**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

6210 E Hwy 290 , Suite 450
Austin, TX 78723
(Address of principal executive offices)
(562) 256-3800
(Registrant's telephone number, including area code)
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common stock, $0.01 par value	AGL	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x NO o

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or such shorter period that the registrant was required to submit such files). Yes x No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	x	Accelerated Filer	o
Non-accelerated Filer	o	Smaller Reporting Company	o
		Emerging Growth Company	o

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act) YES o NO x

At August 1, 2024, there were 411,482,837 shares of the registrant's $0.01 par value common stock outstanding.

agilon health, inc.

INDEX

PART I. FINANCIAL INFORMATION

PART II. OTHER INFORMATION

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements
agilon health, inc.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except per share data)

	June 30, 2024	December 31, 2023
	(unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 109,490	$ 107,570
Restricted cash and equivalents	6,846	6,759
Marketable securities	291,622	380,773
Receivables, net	1,437,040	942,461
Prepaid expenses and other current assets, net	39,012	42,513
Total current assets	1,884,010	1,480,076
Property and equipment, net	27,821	27,576
Intangible assets, net	74,821	63,769
Goodwill	24,133	24,133
Other assets	152,530	145,312
Total assets	$ 2,163,315	$ 1,740,866
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
Current liabilities:		
Medical claims and related payables	$ 1,097,664	$ 737,724
Accounts payable and accrued expenses	280,899	233,182
Current portion of long-term debt	8,750	6,250
Total current liabilities	1,387,313	977,156
Long-term debt, net of current portion	27,360	32,308
Other liabilities	72,775	70,381
Total liabilities	1,487,448	1,079,845
Commitments and contingencies		
Stockholders' equity (deficit):		
Common stock, $0.01 par value: 2,000,000 shares authorized; 411,447 and 406,387 shares issued and outstanding, respectively	4,114	4,064
Additional paid-in capital	2,038,540	1,986,899
Accumulated deficit	(1,363,572)	(1,326,826)
Accumulated other comprehensive income (loss)	(2,447)	(2,298)
Total agilon health, inc. stockholders' equity (deficit)	676,635	661,839
Noncontrolling interests	(768)	(818)
Total stockholders' equity (deficit)	675,867	661,021
Total liabilities and stockholders' equity (deficit)	$ 2,163,315	$ 1,740,866

The condensed consolidated balance sheets include assets and liabilities of consolidated variable interest entities ("VIEs") as agilon health, inc., together with its consolidated subsidiaries and VIEs (the "Company"), is the primary beneficiary of these VIEs. The condensed consolidated balance sheets include total assets that can only be used to settle obligations of the Company's consolidated VIEs totaling $1.60 billion and $1.07 billion as of June 30, 2024 and December 31, 2023, respectively, and total liabilities of the Company's consolidated VIEs for which creditors do not have recourse to the general credit of the primary beneficiary of $1.36 billion and $930.6 million as of June 30, 2024 and December 31, 2023, respectively. See Note 14 for additional details.

See accompanying Notes to the Condensed Consolidated Financial Statements.

agilon health, inc.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share data)
(unaudited)

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Revenues:				
Medical services revenue	$ 1,479,579	$ 1,067,234	$ 3,080,774	$ 2,120,353
Other operating revenue	3,179	1,881	6,338	3,074
Total revenues	1,482,758	1,069,115	3,087,112	2,123,427
Expenses:				
Medical services expense	1,374,060	932,823	2,817,902	1,830,395
Other medical expenses	76,523	81,716	161,947	165,333
General and administrative (including noncash stock-based compensation expense of $18,207, $19,446, $35,116, and $33,031, respectively)	69,612	79,254	146,034	149,006
Depreciation and amortization	5,907	4,279	11,751	7,233
Total expenses	1,526,102	1,098,072	3,137,634	2,151,967
Income (loss) from operations	(43,344)	(28,957)	(50,522)	(28,540)
Other income (expense):				
Income (loss) from equity method investments	9,955	8,472	15,639	9,848
Other income (expense), net	4,841	7,087	10,733	14,979
Interest expense	(1,697)	(1,555)	(2,981)	(3,048)
Income (loss) before income taxes	(30,245)	(14,953)	(27,131)	(6,761)
Income tax benefit (expense)	(417)	(1,073)	(284)	686
Income (loss) from continuing operations	(30,662)	(16,026)	(27,415)	(6,075)
Discontinued operations:				
Income (loss) before gain (loss) on sales	—	(769)	(518)	5,239
Gain (loss) on sales of assets, net	—	—	(8,763)	—
Total discontinued operations	—	(769)	(9,281)	5,239
Net income (loss)	(30,662)	(16,795)	(36,696)	(836)
Noncontrolling interests' share in (earnings) loss	(20)	46	(50)	109
Net income (loss) attributable to common shares	$ (30,682)	$ (16,749)	$ (36,746)	$ (727)
Net income (loss) per common share, basic and diluted				
Continuing operations	$ (0.07)	$ (0.04)	$ (0.07)	$ (0.01)
Discontinued operations	$ —	$ —	$ (0.02)	$ 0.01
Weighted average shares outstanding				
Basic	411,271	410,338	409,152	411,748
Diluted	411,271	410,338	409,152	411,748

See accompanying Notes to the Condensed Consolidated Financial Statements.

agilon health, inc.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(in thousands)

(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net income (loss)	$ (30,662)	$ (16,795)	$ (36,696)	$ (836)
Other comprehensive income (loss):				
Net unrealized gain (loss) on marketable securities, net of tax	325	(2,768)	(132)	(872)
Foreign currency translation adjustment	(25)	(52)	(17)	63
Total comprehensive income (loss)	(30,362)	(19,615)	(36,845)	(1,645)
Comprehensive (income) loss attributable to noncontrolling interests	(20)	46	(50)	109
Total comprehensive income (loss) attributable to agilon health, inc.	$ (30,382)	$ (19,569)	$ (36,895)	$ (1,536)

See accompanying Notes to the Condensed Consolidated Financial Statements.

agilon health, inc.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)
(in thousands)
(unaudited)

For the three months ended June 30, 2024:

	Total Stockholders' Equity						
	Common Stock						
	Shares	Amount	Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interest	Total Stockholders' Equity (Deficit)
April 1, 2024	410,843	$ 4,108	$ 2,020,803	$ (1,332,890)	$ (2,747)	$ (788)	$ 688,486
Net income (loss)	—	—	—	(30,682)	—	20	(30,662)
Other comprehensive income (loss)	—	—	—	—	300	—	300
Exercise of stock options	42	1	170	—	—	—	171
Vesting of restricted stock units	690	6	(6)	—	—	—	—
Shares withheld related to net share settlement	(128)	(1)	(634)	—	—	—	(635)
Stock-based compensation expense	—	—	18,207	—	—	—	18,207
June 30, 2024	411,447	$ 4,114	$ 2,038,540	$ (1,363,572)	$ (2,447)	$ (768)	$ 675,867

For the three months ended June 30, 2023:

	Total Stockholders' Equity						
	Common Stock						
	Shares	Amount	Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interests	Total Stockholders' Equity (Deficit)
April 1, 2023	414,465	$ 4,145	$ 2,130,126	$ (1,048,208)	$ (3,549)	$ (674)	$ 1,081,840
Net income (loss)	—	—	—	(16,749)	—	(46)	(16,795)
Other comprehensive income (loss)	—	—	—	—	(2,820)	—	(2,820)
Exercise of stock options	265	2	926	—	—	—	928
Vesting of restricted stock units	373	4	(4)	—	—	—	—
Shares withheld related to net share settlement	(61)	(1)	(1,714)	—	—	—	(1,715)
Common stock repurchase	(9,615)	(96)	(201,468)	—	—	—	(201,564)
Stock-based compensation expense	—	—	19,572	—	—	—	19,572
June 30, 2023	405,427	$ 4,054	$ 1,947,438	$ (1,064,957)	$ (6,369)	$ (720)	$ 879,446

agilon health, inc.

CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)

(in thousands)

(unaudited)

For the six months ended June 30, 2024:

	Total Stockholders' Equity						
	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interest	Total Stockholders' Equity (Deficit)
	Shares	Amount					
January 1, 2024	406,387	$ 4,064	$ 1,986,899	$ (1,326,826)	$ (2,298)	$ (818)	$ 661,021
Net income (loss)	—	—	—	(36,746)	—	50	(36,696)
Other comprehensive income (loss)	—	—	—	—	(149)	—	(149)
Exercise of stock options	1,476	15	2,611	—	—	—	2,626
Vesting of restricted stock units	1,860	17	(17)	—	—	—	—
Shares withheld related to net share settlement	(250)	(2)	(1,279)	—	—	—	(1,281)
Issuance of common stock	1,974	20	15,210	—	—	—	15,230
Stock-based compensation expense	—	—	35,116	—	—	—	35,116
June 30, 2024	411,447	$ 4,114	$ 2,038,540	$ (1,363,572)	$ (2,447)	$ (768)	$ 675,867

For the six months ended June 30, 2023:

	Total Stockholders' Equity						
	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interest	Total Stockholders' Equity (Deficit)
	Shares	Amount					
January 1, 2023	412,385	$ 4,124	$ 2,106,886	$ (1,064,230)	$ (5,560)	$ (611)	$ 1,040,609
Net income (loss)	—	—	—	(727)	—	(109)	(836)
Other comprehensive income (loss)	—	—	—	—	(809)	—	(809)
Exercise of stock options	2,267	22	10,523	—	—	—	10,545
Vesting of restricted stock units	452	5	(5)	—	—	—	—
Shares withheld related to net share settlement	(62)	(1)	(1,742)	—	—	—	(1,743)
Common stock repurchase	(9,615)	(96)	(201,468)	—	—	—	(201,564)
Stock-based compensation expense	—	—	33,244	—	—	—	33,244
June 30, 2023	405,427	$ 4,054	$ 1,947,438	$ (1,064,957)	$ (6,369)	$ (720)	$ 879,446

agilon health, inc.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(unaudited)

	Six Months Ended June 30,	
	2024	**2023**
Cash flows from operating activities:		
Net income (loss)	$ (36,696)	$ (836)
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Depreciation and amortization	11,751	9,704
Stock-based compensation expense	35,116	33,244
Loss (income) from equity method investments	(15,639)	(9,848)
Distributions of earnings from equity method investments	3,340	—
(Gain) loss on sale of assets, net and impairments	3,784	—
Other noncash items	(837)	(2,322)
Changes in operating assets and liabilities:	(67,312)	(111,957)
Net cash provided by (used in) operating activities	(66,493)	(82,015)
Cash flows from investing activities:		
Purchase of property and equipment	(6,451)	(7,811)
Purchase of intangible assets	(17,893)	(1,837)
Investment in loans receivable and other	(9,742)	(8,468)
Investments in marketable securities	(12,006)	(65,568)
Proceeds from maturities of marketable securities and other	115,747	97,269
Net cash paid in business combination	—	(44,367)
Net cash provided by (used in) investing activities	69,655	(30,782)
Cash flows from financing activities:		
Proceeds from equity issuances, net	1,345	8,802
Common stock repurchase	—	(200,000)
Repayments of long-term debt	(2,500)	(2,500)
Net cash provided by (used in) financing activities	(1,155)	(193,698)
Net increase (decrease) in cash, cash equivalents and restricted cash and equivalents	2,007	(306,495)
Cash, cash equivalents and restricted cash and equivalents from continuing operations, beginning of period	114,329	475,912
Cash, cash equivalents and restricted cash and equivalents from discontinued operations, beginning of period	—	31,768
Cash, cash equivalents and restricted cash and equivalents, beginning of period	114,329	507,680
Cash, cash equivalents and restricted cash and equivalents from continuing operations, end of period	116,336	184,550
Cash, cash equivalents and restricted cash and equivalents from discontinued operations, end of period	—	16,635
Cash, cash equivalents and restricted cash and equivalents, end of period	$ 116,336	$ 201,185

See accompanying Notes to the Condensed Consolidated Financial Statements.

agilon health, inc.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 1. Business

Description of Business

agilon health, inc., through its partnerships and platform, provides the necessary capabilities, capital, and business model for existing physician groups to create a Medicare-centric, globally capitated line of business. As of June 30, 2024, the Company, through its contracted physician networks, provided care to approximately 512,800 Medicare Advantage members enrolled with private health plans. Beginning January 1, 2024, the Company expanded its operations into: (i) Lexington, Kentucky and (ii) Augusta, Georgia, along with additional partnerships in the Company's existing Texas, Pennsylvania, and Michigan markets. Additionally, beginning January 1, 2024, the Company began participating in the Centers for Medicare & Medicaid Services' ("CMS") Medicare Shared Savings Program ("MSSP"), along with its existing participation in the Accountable Care Organization Realizing Equity, Access, and Community Health ("ACO REACH") Model, (collectively, "CMS ACO Models") through its equity method investments.

See Note 14 for additional discussions related to the Company's involvement with VIEs.

The Company's largest shareholder is an investment fund associated with Clayton Dubilier & Rice, LLC ("CD&R"), a private equity firm. All funds affiliated with CD&R are considered related parties.

NOTE 2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying condensed consolidated financial statements have been prepared by management in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The condensed consolidated financial statements include the accounts of agilon health, inc., its wholly-owned subsidiaries, and both joint ventures and VIEs that it controls through voting rights or other means. Intercompany transactions and balances have been eliminated upon consolidation. All adjustments (consisting of normal recurring adjustments unless otherwise indicated), which the Company considers necessary to present fairly its financial position, results of operations, and cash flows, have been included. Operating results for the three and six months ended June 30, 2024 are not necessarily indicative of the results that may be expected for the year ending December 31, 2024. The accompanying condensed consolidated financial information should be read in conjunction with the consolidated financial statements and notes thereto for the year ended December 31, 2023 included in the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission.

Use of Estimates

Management is required to make estimates and assumptions in the preparation of financial statements. These estimates and assumptions affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates can include, among other things, those used to determine revenues and related receivables from risk adjustments, medical services expense and related payables (including the reserve for incurred but not reported ("IBNR") claims), and valuation of long-lived assets, goodwill and intangible assets (acquired in business combinations and analysis of impairment). Management's estimates for revenue recognition, medical services expense, and other estimates, judgments, and assumptions, may be materially and adversely different from actual results. These estimates are based on knowledge of current events and anticipated future events, and accordingly, actual results may ultimately differ materially from those estimates.

Property and Equipment

As of June 30, 2024 and December 31, 2023, the Company's gross carrying amount of property and equipment was $ 47.3 million and $41.9 million, with accumulated depreciation of $19.5 million and $14.3 million, respectively. For the three months ended June 30, 2024 and 2023, the Company recognized $2.9 million and $1.8 million, respectively, in depreciation expense, which is included in depreciation and amortization expense in the condensed consolidated statements of operations. For the six months ended June 30, 2024 and 2023, the Company recognized $ 5.8 million and $3.5 million, respectively, in depreciation expense, which is included in depreciation and amortization expense in the condensed consolidated statements of operations.

Income Taxes

The Company determines the income tax provision for interim periods using an estimate of the Company's annual effective tax rate, applied to year-to-date results, adjusted for discrete items arising in that quarter. In each quarter, the Company updates its estimated annual effective tax rate, and if the estimated annual effective tax rate changes, a cumulative catch-up adjustment is recorded in that quarter. The Company applied the intra-period tax allocation rules to allocate income taxes between continuing operations and discontinued operations as prescribed in U.S. GAAP, where the tax effect of income (loss) before income taxes from continuing operations is computed without regard to the tax effects of income (loss) before income taxes from the other categories.

Recent Accounting Pronouncements

In November of 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-07, *Segment Reporting—Improvements to Reportable Segment Disclosures* ("ASU 2023-07"), which amends certain reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. Additionally, the amendments enhance interim disclosure requirements, clarify circumstances in which an entity can disclose multiple segment measures of profit or loss, provide new segment disclosure requirements for entities with a single reportable segment, and contain other disclosure requirements. The amendments in ASU 2023-07 are effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. The amendments in ASU 2023-07 are required to be applied retrospectively to all prior periods presented in the financial statements. Early adoption is permitted. The Company is currently evaluating the potential impact of the adoption of ASU 2023-07 on the disclosures in its condensed consolidated financial statements.

In December of 2023, the FASB issued ASU 2023-09, *Income Taxes—Improvements to Income Tax Disclosures* ("ASU 2023-09"), which amends certain disclosure requirements related to income taxes. The amendments in ASU 2023-09 require public business entities on an annual basis to: (i) disclose specific categories in the rate reconciliation and (ii) provide additional information for reconciling items that meet a quantitative threshold. The amendments in ASU 2023-09 are effective for annual periods beginning after December 15, 2024. The amendments in ASU 2023-09 can be applied on a prospective basis or retrospective application. Early adoption is permitted. The Company is currently evaluating the potential impact of the adoption of ASU 2023-09 on the disclosures in its condensed consolidated financial statements.

NOTE 3. Revenue, Receivables, and Concentration of Credit Risk

Medical Services Revenue

Medical services revenue consists of capitation fees under contracts with various Medicare Advantage payors ("payors"). Under the typical capitation arrangement, the Company is entitled to monthly per-member, per-month ("PMPM") fees to provide a defined range of healthcare services for Medicare Advantage health plan members ("members") attributed to the Company's contracted primary care physicians. PMPM fees are determined as a percent of the premium payors receive from CMS for these members. The Company generally accepts full financial risk for members attributed to its contracted primary care physicians and therefore is responsible for the cost of all healthcare services required by those members. Fees are generally recorded gross in revenue because the Company is acting as a principal in coordinating and controlling the range of services provided (other than clinical decisions) under its capitation contracts with payors. Capitation contracts with payors are generally multi-year arrangements and have a single performance obligation that constitutes a series, as defined by Accounting Standards Codification ("ASC") 606, *Revenue From Contracts With Customers* ("ASC 606"), to stand ready on a monthly basis to provide all aspects of necessary medical care to members for the contracted period. The Company recognizes revenue in the month in which eligible members are entitled to receive healthcare benefits during the contract term.

The transaction price for the Company's capitation contracts is variable, as the PMPM fees to which the Company is entitled are subject to periodic adjustment under CMS's risk adjustment payment methodology. CMS deploys a risk adjustment model that determines premiums paid to all payors according to each member's health status and certain demographic factors. Under this risk adjustment methodology, CMS calculates the risk adjusted premium payment using diagnosis data from various settings. The Company and healthcare providers collect and submit the necessary and available diagnosis data to payors and such data is utilized by the Company to estimate risk adjustment payments to be received in subsequent periods. Risk adjustment-related revenues are estimated using the most likely amount methodology and amounts are only included in revenue to the extent that it is probable that a significant reversal of cumulative revenue will not occur once any uncertainty is resolved. PMPM fees are also subject to adjustment for incentives or penalties based on the achievement of certain quality metrics defined in the Company's contracts with payors. The Company recognizes incentive revenue as earned using the most likely amount methodology and only to the extent that it is probable that a significant reversal of cumulative revenue will not occur once any uncertainty is resolved.

Neither the Company nor any of its affiliates is a registered insurance company because state law in the states in which it operates does not require such registration for risk-bearing providers.

Receivables

Receivables primarily consist of amounts due under capitation contracts with various payors. Receivables due under capitation contracts are recorded monthly based on reports received from payors and management's estimate of risk adjustment payments to be received in subsequent periods for open performance years. Receivables are recorded at the amount expected to be realized.

Concentration

The Company contracts with various payors whereby the Company is entitled to monthly PMPM fees to provide a defined range of healthcare services for members attributed to its contracted primary care physicians. The Company generally accepts full financial risk for such members and therefore is responsible for the cost of all healthcare services required by them. Substantially all of the Company's receivable balances are from a small number of payors. Revenue from Medicare Advantage payors constitutes substantially all of the Company's total revenue for the three and six months ended June 30, 2024 and 2023.

The following table provides the Company's revenue concentration with respect to major payors as a percentage of the Company's total revenues:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Payor A	22 %	23 %	22 %	21 %
Payor B	19 %	15 %	17 %	16 %
Payor C	*	14 %	*	13 %
Payor D	*	11 %	*	11 %

* Less than 10% of total revenues.

The following table provides the Company's concentration of credit risk with respect to major payors as a percentage of receivables, net:

	June 30, 2024	December 31, 2023
Payor A	12 %	13 %
Payor B	16 %	11 %
Payor D	14 %	21 %

During the second quarter ended June 30, 2024, the Company completed the termination of certain payor contracts. As a result, during the three months ended June 30, 2024, a reduction of $55.9 million is included in medical services revenue from selected payor contract terminations that were retroactively effective January 1, 2024.

NOTE 4. Marketable Securities and Fair Value Measurements

Marketable Securities

The following table summarizes the Company's marketable securities (in thousands):

	June 30, 2024				December 31, 2023			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Marketable securities:								
Corporate debt securities	$ 168,357	$ 26	$ (1,317)	$ 167,066	$ 234,821	$ 180	$ (1,604)	$ 233,397
U.S. Treasury notes	125,774	11	(1,229)	124,556	138,329	261	(1,206)	137,384
Other	—	—	—	—	10,000	—	(8)	9,992
	$ 294,131	$ 37	$ (2,546)	$ 291,622	$ 383,150	$ 441	$ (2,818)	$ 380,773

For the three months ended June 30, 2024, the Company recognized total interest income of $ 4.8 million, of which $3.3 million was related to its marketable securities investments and $1.5 million was related to interest on cash and cash equivalent balances. For the three months ended June 30, 2023, the Company recognized total interest income of $7.2 million, of which $4.8 million was related to its marketable securities investments and $2.4 million was related to interest on cash and cash equivalent balances. For the six months ended June 30, 2024, the Company recognized total interest income of $10.2 million, of which $7.2 million was related to its marketable securities investments and $ 3.0 million was related to interest on cash and cash equivalent balances. For the six months ended June 30, 2023, the Company recognized total interest income of $15.5 million, of which $9.6 million was related to its marketable securities investments and $ 5.9 million was related to interest on cash and cash equivalent balances.

The following table summarizes the Company's marketable securities maturity as of June 30, 2024 (in thousands):

Year	Amortized Cost	Fair Value
2024	$ 63,282	$ 63,063
2025	177,274	175,292
2026	53,575	53,267
	$ 294,131	$ 291,622

The following table summarizes the Company's marketable securities with gross unrealized losses by security type aggregated by the length of time the investments have been in a continuous unrealized loss position as of June 30, 2024 (in thousands):

	Less Than 12 Months		12 Months or Greater	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
Marketable securities:				
Corporate debt securities	$ 29,142	$ 115	$ 109,829	$ 1,202
U.S. Treasury notes	24,062	109	88,538	1,120
	$ 53,204	$ 224	$ 198,367	$ 2,322

The following table summarizes the Company’s marketable securities with gross unrealized losses by security type aggregated by the length of time the investments have been in a continuous unrealized loss position as of December 31, 2023 (in thousands):

	Less Than 12 Months		12 Months or Greater	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
Marketable securities:				
Corporate debt securities	$ 55,343	$ 167	$ 126,189	$ 1,437
U.S. Treasury notes	37,486	303	75,980	903
Other	9,992	8	—	—
	$ 102,821	$ 478	$ 202,169	$ 2,340

The Company’s unrealized losses from marketable securities as of June 30, 2024 and December 31, 2023 were caused primarily by interest rate increases. The Company does not intend to sell marketable securities that are in an unrealized loss position, and it is not more likely than not that the Company will be required to sell the investments before recovery of their amortized cost bases, which may be maturity. There was no allowance for credit losses on available-for-sale marketable securities at June 30, 2024 or December 31, 2023.

Fair Value Measurements

The Company’s financial instruments consist of cash and cash equivalents, restricted cash and cash equivalents, marketable securities, receivables, other liabilities, accounts payable, certain accrued expenses, and borrowings which consist of a term loan and a revolving credit facility. The carrying values of the financial instruments classified as current in the consolidated balance sheets approximate their fair values due to their short-term maturities. The Company's cash and cash equivalents are classified within Level 1 of the fair value hierarchy. The Company may be required, from time to time, to measure its loans to physician partner groups, primarily in connection with taxes payable on shares distributed to them upon completion of the Company's initial public offering ("IPO"), at fair value on a nonrecurring basis. Such measurements are classified within Level 2 of the fair value hierarchy. The carrying values of the term loan and revolving credit facility are a reasonable estimate of fair value because the interest rates on such borrowings approximate market rates as of the reporting date. Such borrowings are classified within Level 2 of the fair value hierarchy. During the three and six months ended June 30, 2024 and 2023, there were no material transfers of financial assets or liabilities within the fair value hierarchy.

The Company measures and discloses the fair value of nonfinancial and financial assets and liabilities utilizing a hierarchy of valuation techniques based on whether the inputs to a fair value measurement are considered to be observable or unobservable in a marketplace. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Company’s market assumptions. This hierarchy requires the use of observable market data when available. These inputs have created the following fair value hierarchy:

- Level 1—quoted prices for identical instruments in active markets;
- Level 2—quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which significant inputs and significant value drivers are observable in active markets; and
- Level 3—fair value measurements derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

The table below summarizes the Company’s financial instruments measured at fair value on a recurring basis (in thousands):

	June 30, 2024			December 31, 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Marketable securities:						
Corporate debt securities	$ —	$ 167,066	$ —	$ —	$ 233,397	$ —
U.S. Treasury notes	124,556	—	—	137,384	—	—
Other	—	—	—	9,992	—	—
	$ 124,556	$ 167,066	$ —	$ 147,376	$ 233,397	$ —

NOTE 5. Other Assets

The following table summarizes the Company’s other assets (in thousands):

	June 30, 2024	December 31, 2023
Loans to physician partners	$ 71,385	$ 71,862
Health plan deposits	2,051	2,051
Equity method investments[(1)]	51,008	44,753
Right-of-use lease assets	12,626	13,411
Other	15,460	13,235
	$ 152,530	$ 145,312

(1) See Note 14 for additional discussion related to the Company's equity method investments.

Loans to Physician Partners

Loans to physician partners primarily represent loans in connection with taxes payable on shares distributed to them in connection with the IPO. These loans mature between 2026 and 2031 with nominal interest compounding annually and no prepayment penalties. Such loans are stated at the amount expected to be collected.

NOTE 6. Medical Claims and Related Payables

Medical services expense represents costs incurred for medical services provided to members by physicians, hospitals and other ancillary providers for which the Company is financially responsible and are paid by payors with whom the Company has contracted. Medical services expenses are recognized in the period in which services are provided and include estimates of claims that have been incurred but have either not yet been received, processed, or paid and as such, not reported.

Such estimates are developed using actuarial methods commonly used by health insurance actuaries that include a number of factors and assumptions including medical service utilization trends, changes in membership, observed medical cost trends, historical claim payment patterns and other factors. Generally, for the most recent months, the Company estimates claim costs incurred by applying observed medical cost trend factors to the average PMPM medical costs incurred in prior months for which more complete claims data are available.

Each period, the Company re-examines previously established medical claims payable estimates based on actual claim submissions and other changes in facts and circumstances. As more complete claims information becomes available, the Company adjusts its estimates and recognizes those changes in estimates in the period in which the change is identified. The difference between the estimated liability and the actual settlements of claims is recognized in the period the claims are settled. The Company’s medical claims payable balance represents management’s best estimate of its liability for unpaid medical costs as of June 30, 2024 and 2023. The Company uses judgment to determine the appropriate assumptions for developing the required estimates.

Table of Contents

The following table presents the components of changes in medical claims and related payables (in thousands):

	June 30,	
	2024	2023
Medical claims and related payables, beginning of the year	$ 723,071	$ 339,748
Components of incurred costs related to:		
Current year	2,802,803	1,790,634
Prior years	15,099	39,761
Discontinued operations - current year	—	146,585
Discontinued operations - prior years	—	4,581
	2,817,902	1,981,561
Claims paid related to:		
Current year	(1,806,692)	(774,743)
Prior years	(650,106)	(304,682)
Discontinued operations - current year	—	(107,907)
Discontinued operations - prior years	—	(47,017)
	(2,456,798)	(1,234,349)
Medical claims and related payables, end of the period	$ 1,084,175	$ 1,086,960

Medical claims and related payables also include $ 13.5 million and $14.7 million, as of June 30, 2024 and December 31, 2023, respectively, that is recoverable from other parties under risk sharing arrangements and is presented as prepaid expenses and other current assets, net in the condensed consolidated balance sheets.

During the second quarter ended June 30, 2024, the Company completed the termination of certain payor contracts. As a result, during the three months ended June 30, 2024, a reduction of $54.3 million is included in medical services expense from selected payor contract terminations that were retroactively effective January 1, 2024.

NOTE 7. Other Liabilities

The following table summarizes the Company’s other liabilities (in thousands):

	June 30, 2024	December 31, 2023
Other long-term contingencies	$ 49,000	$ 49,000
Lease liabilities, long-term	10,063	10,905
Equity method liabilities – CMS ACO Models	4,895	1,199
Other	8,817	9,277
	$ 72,775	$ 70,381

As of both June 30, 2024 and December 31, 2023, the Company’s accruals for contingent liabilities related to unasserted claims were $ 49.0 million. The accrued amounts represent the Company’s estimate of probable losses in accordance with ASC Topic 450, *Contingencies*.

See Note 14 for equity method liabilities related to the Company's CMS ACO Models investments.

NOTE 8. Debt

On February 18, 2021, the Company executed a credit facility agreement (as amended by the First Amendment to Credit Agreement, dated as of March 1, 2021 and the Second Amendment to Credit Agreement, dated as of May 25, 2023, the “Credit Facility”). The Credit Facility includes: (i) a $100.0 million secured term loan (the “Secured Term Loan Facility”) and (ii) a $ 100.0 million senior secured revolving credit facility (the “Secured Revolving Facility”) with a capacity to issue standby letters of credit in certain circumstances up to a maximum of $ 100.0 million. Subject to specified conditions and receipt of commitments, the Secured Term Loan Facility may be expanded (or a new term loan facility, revolving credit facility or letter of credit facility added) by up to (i) $50.0 million plus (ii) an additional amount determined in accordance with a formula tied to repayment of certain of the Company's indebtedness. The maturity date of the Credit Facility is February 18, 2026.

As of June 30, 2024, the Company had $ 36.2 million outstanding under the Secured Term Loan Facility and availability under the Secured Revolving Facility was $51.4 million, as the Company had outstanding letters of credit totaling $ 48.6 million. The standby letters of credit are automatically extended without amendment for one-year periods, unless the Company notifies the institution in advance of the expiration date that the letter will be terminated. No amounts have been drawn on the outstanding letters of credit as of June 30, 2024.

Effective with the Second Amendment to Credit Agreement on May 25, 2023, the Company transitioned to the Secured Overnight Financing Rate ("SOFR") as a benchmark interest rate used in the Credit Agreement. At the Company's option, borrowings under the Credit Agreement can be either: (i) SOFR Rate Loans, (ii) Daily Simple SOFR Rate Loans, or (iii) Base Rate Loans. Daily Simple SOFR Rate Loans and SOFR Rate Loans bear interest at a rate equal to the sum of 3.50% and the higher of (a) SOFR, as defined in the credit agreement, and (b) 0%. Base Rate Loans bear interest at a rate equal to the sum of 2.50% and the highest of: (a) 0.50% in excess of the overnight federal funds rate, (b) the prime rate established by the administrative agent from time to time, (c) the one-month SOFR rate (adjusted for maximum reserves) plus 1.00% and (d) 0%. Additionally, the Company pays a commitment fee on the unfunded Secured Revolving Facility amount of 0.375%. The Company must also pay customary letter of credit fees. As of June 30, 2024, the effective interest rate on the Secured Term Loan Facility was 9.376%.

The Credit Facility is guaranteed by certain of the Company's subsidiaries, including those identified as VIEs, and contain customary covenants including, among other things, limitations on restricted payments including: (i) dividends and distributions from restricted subsidiaries, (ii) requirements of minimum financial ratios, and (iii) limitation on additional borrowings based on certain financial ratios. Failure to meet any of these covenants could result in an event of default under the Credit Agreement. If an event of default occurs, the lenders could elect to declare all amounts outstanding under the Credit Agreement to be immediately due and payable. The Company was in compliance with all covenants under the Credit Facilities.

As of both June 30, 2024 and December 31, 2023, the Company had $ 25.1 million outstanding surety bonds related to health plan payor risk-bearing capital contributions.

NOTE 9. Commitments and Contingencies

Legal Proceedings

From time to time, the Company is a party to, or has a significant relationship to, legal proceedings, lawsuits, and other claims that arise in the ordinary course of the Company's business. Except as described in this Note 9, the Company is not aware of any other legal proceedings or claims that it believes may have, individually or taken together, a material adverse effect on the Company's business, prospects, financial condition, results of operations or cash flows. The Company's policy is to expense legal costs as they are incurred.

In February and March 2024, three putative class action lawsuits, (1) *New England Teamsters Pension Fund v. agilon health, inc. et al.* , 1:24-cv-00297 (W.D. Tex., March 19, 2024); (2) *Hope v. agilon health, inc. et al.* , 1:24-cv-00305 (W.D. Tex., March 25, 2024); and (3) *Indiana Public Retirement System v. agilon health et al.*, 1:24-cv-02506 (S.D.N.Y., April 2, 2024), were filed. The lawsuits name the Company and certain current and former members of the Company's executive team and Board of Directors as defendants. The lawsuits generally assert securities fraud claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, as amended and under Sections 11, 12(a)(2) and 15 of the Securities Act of 1933, as amended, in connection with statements made in the Company's annual and quarterly reports and earnings releases related to, among other things, the Company's medical utilization and claims rates, medical margin, incurred but not reported reserve, and profit margins between April 2021 to February 2024. The lawsuits seek compensatory damages, attorney's fees and other unspecified equitable and/or injunctive relief. The Company is unable to estimate the ultimate individual or aggregate amount of monetary liability or financial impact due to the early stages of the litigation.

NOTE 10. Common Stock

Common Stock

2024. During the three months ended June 30, 2024, the Company issued approximately 0.6 million shares of common stock primarily in connection with exercises and vesting of stock-based awards. During the six months ended June 30, 2024, the Company issued approximately 3.1 million shares of common stock primarily in connection with exercises and vesting of stock-based awards. Additionally, during the six months ended June 30, 2024, the Company issued approximately 2.0 million shares of common stock to settle liabilities related to the exchange of common stock for reduced physician partner compensation percentage in certain ACO REACH entities.

2023. During the three months ended June 30, 2023, the Company issued approximately 0.6 million shares of common stock primarily in connection with exercises and vesting of stock-based awards. During the six months ended June 30, 2023, the Company issued approximately 2.7 million shares of common stock primarily in connection with exercises and vesting of stock-based awards.

On May 18, 2023, the Company repurchased and retired approximately 9.6 million shares of common stock pursuant to an underwritten secondary public offering of approximately 94.6 million shares of its common stock sold by CD&R. The Company paid approximately $ 20.80 per share, which is the same per share price paid by the underwriters to CD&R in the offering.

NOTE 11. Net Income (Loss) Per Common Share

Basic net income (loss) per common share ("EPS") is computed based upon the weighted average number of common shares outstanding. Diluted net income (loss) per common share is computed based upon the weighted average number of common shares outstanding plus the impact of common shares issuable from the assumed conversion of stock options, certain performance restricted stock units, and unvested restricted stock units. Only those instruments having a dilutive impact on basic net income (loss) per share are included in diluted net income (loss) per share during the periods presented.

The following table illustrates the computation of basic and diluted EPS (in thousands, except per share amounts):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Numerator				
Income (loss) from continuing operations	$ (30,662)	$ (16,026)	$ (27,415)	$ (6,075)
Noncontrolling interests' share in (earnings) loss from continuing operations	(20)	46	(50)	109
Net income (loss) attributable to common stockholders before discontinued operations	(30,682)	(15,980)	(27,465)	(5,966)
Income (loss) from discontinued operations	—	(769)	(9,281)	5,239
Net income (loss) attributable to common stockholders	$ (30,682)	$ (16,749)	$ (36,746)	$ (727)
Denominator				
Weighted average shares outstanding – basic	411,271	410,338	409,152	411,748
Weighted average shares outstanding – diluted	411,271	410,338	409,152	411,748
Net income (loss) per share attributable to common stockholders				
Net income (loss) per common share from continuing operations, basic and diluted	$ (0.07)	$ (0.04)	$ (0.07)	$ (0.01)
Net income (loss) per common share from discontinued operations, basic and diluted	$ —	$ —	$ (0.02)	$ 0.01

The following table provides the weighted-average potential shares of common stock that were excluded from the calculation of diluted net income (loss) per share attributable to common stockholders because their effect would have been anti-dilutive (in thousands):

	June 30,	
	2024	2023
Stock options	17,421	17,865
Restricted stock units	20,177	9,021

NOTE 12. Goodwill and Amortizable Intangible Assets

As of both June 30, 2024 and December 31, 2023, the Company’s goodwill balance was $ 24.1 million. There were no events or circumstances that warranted an interim impairment test for goodwill during the six months ended June 30, 2024.

As of June 30, 2024 and December 31, 2023, the Company’s gross carrying amount of amortizable intangible assets was $ 124.6 million and $108.0 million, with accumulated amortization of $ 49.8 million and $ 44.2 million, respectively. For the three months ended June 30, 2024 and 2023, the Company recognized $3.0 million and $ 2.5 million, respectively, in amortization expense, which is included in depreciation and amortization expense in the condensed consolidated statements of operations. For the six months ended June 30, 2024 and 2023, the Company recognized $6.0 million and $ 3.7 million, respectively, in amortization expense, which is included in depreciation and amortization expense in the condensed consolidated statements of operations.

Acquisition

On February 28, 2023, the Company completed the acquisition of My Personal Health Record Express, Inc. (the “Acquisition”), a leading provider of value-based care technology and interoperability solutions for cash consideration of $45.3 million, net of cash acquired and subject to certain post-closing adjustments. The Company accounted for the Acquisition utilizing the acquisition method of accounting, which requires assets and liabilities to be recognized based on estimates of their acquisition date fair values. The determination of the values of the acquired assets and assumed liabilities, including other intangible assets and deferred taxes, requires significant judgment. While the Company uses its best estimates and assumptions to accurately value assets acquired and liabilities assumed at the acquisition date, the Company estimates are inherently uncertain and subject to refinement. As a result, during the measurement period, which may be up to one year from the acquisition date, the Company may record adjustments to the assets acquired and liabilities assumed with the corresponding offset to goodwill. Measurement period adjustments are recorded in the period in which they are determined, as if they had been completed at the acquisition date. Upon the conclusion of the final determination of the values of assets acquired or liabilities assumed, or one year after the date of acquisition, whichever comes first, any subsequent adjustments are recorded within the Company's consolidated results of operations. The following allocation of the purchase price related to the Acquisition based upon the fair value of assets, which included developed technology of $27.5 million, and assumed net liabilities of $ 3.8 million, with the residual amount being recorded as goodwill of $21.6 million. The intangible assets acquired have a weighted-average life of 10 years.

NOTE 13. Supplemental Cash Flow Information

The following table provides supplemental cash flow information (in thousands):

	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Supplemental cash flow information:		
Interest paid	$ 1,981	$ 3,174
Income taxes paid	355	1,653
Supplemental disclosure of non-cash investing and financing activities:		
Right-of-use asset obtained in exchange for new operating lease liability	326	435
Settlement of liabilities through issuance of stock	15,230	—

The following table summarizes cash, cash equivalents and restricted cash equivalents (in thousands):

	June 30, 2024	December 31, 2023
Cash and cash equivalents	$ 109,490	$ 107,570
Restricted cash and equivalents[(1)]	6,846	6,759
Cash, cash equivalents and restricted cash equivalents	$ 116,336	$ 114,329

(1) Restricted cash and equivalents primarily consist of amounts used as collateral to secure letters of credit that the Company is required to maintain pursuant to contracts with payors.

NOTE 14. Variable Interest Entities

Consolidated Variable Interest Entities

agilon health, inc.'s consolidated assets and liabilities as of June 30, 2024 and December 31, 2023 include certain assets of VIEs that can only be used to settle the liabilities of the related VIE. The VIE creditors do not have recourse to agilon health, inc.

agilon health, inc.'s consolidated assets and liabilities include VIE assets and liabilities as follows (in thousands):

	June 30, 2024	December 31, 2023
Assets		
Cash and cash equivalents	$ 74,639	$ 62,154
Restricted cash equivalents	6,844	6,757
Receivables, net	1,435,410	940,618
Prepaid expenses and other current assets, net	22,704	21,907
Property and equipment, net	1,472	1,754
Intangible assets, net	50,035	25,561
Other assets, net	6,013	6,334
Liabilities		
Medical claims and related payables	1,097,664	737,724
Accounts payable and accrued expenses	255,440	188,671
Other liabilities	4,201	4,184

Risk-bearing Entities. At June 30, 2024, the Company operates 34 wholly-owned risk-bearing entities ("RBEs") for the purpose of entering into risk-bearing contracts with payors. Each RBE's equity at risk is considered insufficient to finance its activities without additional support, and, therefore, each RBE is considered a VIE. The Company consolidates the RBEs as it has determined that it is the primary beneficiary because it has: (i) the ability to control the activities that most significantly impact the RBEs' economic performance; and (ii) the obligation to absorb losses or right to receive benefits that could potentially be significant to the RBEs. Specifically, the Company has the unilateral ability and authority, through the RBE governance and management agreements, to make significant decisions about strategic and operating activities of the RBEs, including negotiating and entering into risk-bearing contracts with payors, and approving the RBEs' annual operating budgets. The Company also has the obligation to fund losses of the RBEs and the right to receive a significant percentage of any financial surplus generated by the RBEs. The assets of the RBEs primarily consist of cash and cash equivalents, receivables, net, intangible assets, net, and other assets. Its obligations primarily consist of medical claims and related payables as well as operating expenses of the RBEs (accounts payable and accrued expenses), including incentive compensation obligations to the Company's physician partners. On February 18, 2021, the Company executed the Credit Facility, which is guaranteed by certain of the Company's VIEs. Assets generated by the RBEs (primarily from medical services revenues) may be used, in certain limited circumstances, to settle the Company's contractual debt obligations.

Unconsolidated Variable Interest Entities

As of June 30, 2024, the Company had 11 equity method investees that were deemed to be VIEs. The Company has determined that the activities that most significantly impact the performance of these VIEs consist of the allocation of resources to and other decisions related to clinical activities and provider contracting decisions. Because the Company does not have the ability to control these activities due to another party's control of the VIEs' board of directors, the Company has determined that it is not the primary beneficiary of and therefore does not consolidate these VIEs. The Company provided support to assist its CMS ACO Models investments in obtaining surety bonds related to risk-bearing capital contributions to CMS. As of June 30, 2024 and December 31, 2023, the ACOs had $103.0 million and $38.5 million outstanding surety bonds. The Company's maximum loss exposure as a result of the Company's involvement with the VIEs cannot be quantified as the Company has the obligation to provide ongoing operational support to the unconsolidated VIEs, as needed.

Equity Method Investments

The following table summarizes the Company's equity method investees (in thousands):

	June 30, 2024	December 31, 2023
Equity method investments - Other(1)	$ 9,511	$ 9,148
Equity method investments - CMS ACO Models [1]	41,497	35,605
Equity method liabilities - CMS ACO Models [2]	(4,895)	(1,199)

(1) Included in Other assets, net in the condensed consolidated balance sheets.

(2) Included in Other liabilities in the condensed consolidated balance sheets.

The Company is a partner in 10 wholly-owned CMS ACO Models entities in collaboration with 15 of its physician group partners operating in 13 geographies. The combined summarized operating results of the Company's CMS ACO Models entities are as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Medical services revenue	$ 446,914	$ 280,820	$ 887,074	$ 561,349
Medical services expense	(406,921)	(241,844)	(805,713)	(499,321)
Other medical expenses [1]	(22,268)	(23,424)	(47,673)	(39,168)
Income (loss) from operations	11,325	11,184	20,857	13,185
Net income (loss) [2]	9,921	8,426	15,552	9,760

(1) For the three months ended June 30, 2024 and 2023, includes physician incentive expenses of $13.7 million and $16.6 million, respectively. For the six months ended June 30, 2024 and 2023, includes physician incentive expenses of $30.4 million and $26.3 million, respectively.

(2) Included in Income (loss) from equity method investments in the condensed consolidated statements of operations.

Table of Contents

The combined summarized balance sheet of the Company's CMS ACO Models entities are as follows (in thousands):

	June 30, 2024	December 31, 2023
Current assets	$ 429,516	$ 174,967
Noncurrent assets	3,342	3,341
Total assets	432,858	178,308
Current and total liabilities	396,256	142,027

NOTE 15. Discontinued Operations

Discontinued operations is a component of an entity that has either been disposed of or is deemed held-for-sale and, (i) the operations and cash flows of the component have been or will be eliminated from ongoing operations as a result of the disposal transaction, and (ii) the entity will not have any significant continuing involvement in the operations of the component after the disposal transaction. On October 31, 2023, the Company completed the disposition of MDX Hawaii, Inc. and its related operations. The Company's decision to exit Hawaii and the Independent Practice Association line of business represents a strategic shift that will have a major effect on its operations and financial results. As such, the Company's Hawaii operations are reflected in the consolidated financial statements as discontinued operations for all periods presented.

The results of discontinued operations are as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Revenues:				
Medical services revenue	$ —	$ 79,810	$ —	$ 161,521
Other operating revenue	—	127	—	251
Total revenues	—	79,937	—	161,772
Expenses:				
Medical services expense	—	75,911	—	151,166
Other medical expenses	—	1,409	—	3,816
General and administrative	—	2,245	518	(661)
Depreciation and amortization	—	1,236	—	2,471
Income (loss) from operations	—	(864)	(518)	4,980
Other income (expense), net	—	128	—	332
Gain (loss) on sales of assets, net	—	—	(8,763)	—
Interest expense	—	(33)	—	(73)
Net income (loss) from discontinued operations attributable to common shares	$ —	$ (769)	$ (9,281)	$ 5,239

The following table provides significant non-cash operating items for discontinued operations that are included in the consolidated statements of cash flows for the six months ended June 30, 2023 (in thousands):

Non-cash operating activities from discontinued operations:		
Depreciation and amortization	$	2,471
Stock-based compensation expense		213

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

All references in this report to "agilon," "the Company", "we," "us" or "our" mean agilon health, inc., together with its consolidated subsidiaries. Unless the context suggests otherwise, references to "agilon health, inc." mean the parent company without its subsidiaries.

Cautionary Language Regarding Forward-Looking Statements

Statements in this Quarterly Report on Form 10-Q (the "Report") that are not historical factual statements are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Some of the forward-looking statements can be identified by the use of forward-looking terms such as "believes," "expects," "may," "will," "shall," "should," "would," "could," "seeks," "aims," "projects," "is optimistic," "intends," "plans," "estimates," "anticipates" or the negative versions of these words or other comparable terms. Forward-looking statements include, without limitation, all matters that are not historical facts. They appear in a number of places throughout this Report and include, without limitation, statements regarding our intentions, beliefs, assumptions or current expectations concerning, among other things, our financial position, results of operations, cash flows, prospects, and growth strategies.

Forward-looking statements are subject to known and unknown risks and uncertainties, many of which may be outside our control. We caution you that forward-looking statements are not guarantees of future performance or outcomes and that actual performance and outcomes, including, without limitation, our actual results of operations, financial condition and liquidity, and the development of the market in which we operate, may differ materially from those made in or suggested by the forward-looking statements contained in this Report. In addition, even if our results of operations, financial condition, and cash flows, and the development of the market in which we operate, are consistent with the forward-looking statements contained in this Report, those results or developments may not be indicative of results or developments in subsequent periods. A number of important factors, including, without limitation, the risks and uncertainties discussed under Part I, Item 1A. "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023, could cause actual results and outcomes to differ materially from those reflected in the forward-looking statements. As explained in greater detail under Item 9A. "Controls and Procedures" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023, we are undertaking a broad range of remedial procedures to address the material weaknesses in our internal control over financial reporting identified as of December 31, 2023. Our efforts to improve our internal controls are ongoing. Furthermore, new risks and uncertainties emerge from time to time, and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this Report. Factors that could cause actual results and outcomes to differ from those reflected in forward-looking statements include, without limitation:

- our history of net losses and the expectation that our expenses will increase in the future;
- failure to identify and develop successful new geographies, physician partners and payors, or execute upon our growth initiatives;
- success in executing our operating strategies or achieving results consistent with our historical performance;
- medical expenses incurred on behalf of our members may exceed revenues we receive;
- our ability to maintain and secure additional contracts with Medicare Advantage ("MA") payors on favorable terms, if at all;
- our ability to grow new physician partner relationships sufficient to recover startup costs;
- availability of additional capital, on acceptable terms or at all, to support our business in the future;
- significant reduction in our membership;
- transition to a Total Care Model may be challenging for physician partners;
- public health crises, such as COVID-19, could adversely affect us;
- inaccuracy in estimates of our members' risk adjustment factors, medical services expense, incurred but not reported claims, and earnings pursuant to payor contracts;
- the impact of restrictive clauses or exclusivity provisions in some of our contracts with physician partners;

- our ability to hire and retain qualified personnel;
- our ability to realize the full value of our intangible assets;
- security breaches, cybersecurity attacks, loss of data and other disruptions to our information systems;
- our ability to protect the confidentiality of our know-how and other proprietary and internally developed information;
- reliance on our subsidiaries to perform and fund their operations;
- environmental, social, and governance issues;
- our reliance on a limited number of key payors;
- the limited terms of contracts with our payors and our ability to renew them upon expiration;
- our ability to navigate the changing healthcare payor market;
- reliance on our payors, physician partners and other providers to operate our business;
- our ability to obtain accurate and complete diagnosis data;
- reliance on third-party software, data, infrastructure and bandwidth;
- consolidation and competition in the healthcare industry;
- the impact of changes to, and dependence on, federal government healthcare programs;
- uncertain or adverse economic and macroeconomic conditions, including a downturn or decrease in government expenditures;
- regulation of the healthcare industry and our physician partners' ability to comply with such laws and regulations;
- federal and state investigations, audits and enforcement actions;
- repayment obligations arising out of payor audits;
- negative publicity regarding the managed healthcare industry generally;
- our use, disclosure and processing of personally identifiable information, protected health information, and de-identified data;
- our failure to obtain or maintain an insurance license, a certificate of authority or an equivalent authorization;
- lawsuits not covered by insurance;
- changes in tax laws and regulations, or changes in related judgments or assumptions;
- our indebtedness and our potential to incur more debt;
- dependence on our subsidiaries for cash to fund all of our operations and expenses;
- provisions in our governing documents;
- ability to achieve a return on investment depends on appreciation in the price of our common stock;
- the material weakness in our internal control over financial reporting and our ability to remediate such material weakness; and
- risks related to other factors discussed under Part I, Item 1A "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023.

Except as required by law, we do not undertake, and hereby disclaim, any obligation to update any forward-looking statements, which speak only as of the date on which they are made.

The information set forth in this Item 2 is intended to provide readers with an understanding of our financial condition, changes in financial condition, and results of operations. We will discuss and provide our analysis in the following order:

- Overview and Recent Developments

Overview and Recent Developments

Our business is transforming healthcare by empowering the primary care physicians (“PCPs”) to be the agent for change in the communities they serve. We believe that PCPs, with their intimate patient-physician relationships, are best positioned to drive meaningful change in quality, cost, and patient experience when provided with the right infrastructure and payment model. Through our combination of the agilon platform, a long-term partnership model with existing physician groups and a growing network of like-minded physicians, we are poised to revolutionize healthcare for seniors across communities throughout the United States. Our purpose-built model provides the necessary capabilities, capital, and business model for existing physician groups to create a Medicare-centric, globally capitated line of business. Our model operates by forming risk-bearing entities (“RBEs”) within local geographies, that enter into arrangements with payors providing for monthly payments to manage the total healthcare needs of our physician partners’ attributed patients (or, global capitation arrangements). The RBEs also contract with agilon to perform certain functions and enter into long-term professional service agreements with one or more anchor physician groups pursuant to which the anchor physician groups receive a base compensation rate and share in the savings from successfully improving quality of care and reducing costs.

Our business model is differentiated by its focus on existing community-based physician groups and is built around three key elements: (1) agilon’s platform; (2) agilon’s long-term physician partnership approach; and (3) agilon’s network. With our model, our goal is to remove the barriers that prevent community-based physicians from evolving to a Total Care Model, where the physician is empowered to manage health outcomes and the total healthcare needs of their attributed Medicare patients.

Second Quarter 2024 Results:

- Medicare Advantage members of approximately 512,800 as of June 30, 2024 increased 38% from June 30, 2023.
- CMS ACO Models (defined below) attributed beneficiaries of approximately 131,700 as of June 30, 2024 increased 51% from June 30, 2023.
- Total revenue of $1.5 billion increased 39% from the second quarter of 2023.
- Gross profit of $32 million, compared to $55 million in the second quarter of 2023.
- Medical margin of $106 million, compared to $134 million in the second quarter of 2023.
- Net loss of $31 million, compared to $17 million in the second quarter of 2023.
- Adjusted EBITDA loss of $3 million, compared to earnings of $12 million in the second quarter 2023.

Year to Date 2024 Results as of June 30, 2024:

- Total revenue of $3.1 billion increased 45% from the first half of 2023.
- Gross profit of $107 million, compared to $128 million in the first half of 2023.
- Medical margin of $263 million, compared to $290 million in the first half of 2023.
- Net loss of $37 million, compared to $1 million in the first half of 2023.
- Adjusted EBITDA of $26 million, compared to $37 million in the first half 2023.

Membership Details

Medicare Advantage members increased 38% from June 30, 2023, which includes contributions from new geographies and growth within geographies existing prior to 2023. Total members live on the platform includes 512,800 Medicare Advantage members and 131,700 attributed CMS ACO Models beneficiaries.

Average Medicare Advantage membership was 507,000 during the second quarter of 2024.

Key Financial and Operating Metrics

All of our key metrics exclude historical results from our Hawaii operations (which are included as discontinued operations in our condensed consolidated financial statements).

We monitor the following key financial and operating metrics to help us evaluate our business, identify trends affecting our business, formulate business plans and make strategic decisions. We believe the following key metrics are useful in evaluating our business (dollars in thousands):

	As of and For the Three Months Ended June 30,			As of and For the Six Months Ended June 30,		
	2024	2023	% Change	2024	2023	% Change
MA members	512,800	372,800	38	512,800	372,800	38
Medical services revenue	$ 1,479,579	$ 1,067,234	39	$ 3,080,774	$ 2,120,353	45
Gross profit	$ 32,175	$ 54,576	(41)	$ 107,263	$ 127,699	(16)
Medical margin[1]	$ 105,519	$ 134,411	(21)	$ 262,872	$ 289,958	(9)
Platform support costs	$ 41,687	$ 42,041	(1)	$ 87,399	$ 85,333	2
Net income (loss)	$ (30,662)	$ (16,795)	(83)	$ (36,696)	$ (836)	(4,289)
Adjusted EBITDA[1]	$ (2,830)	$ 12,469	(123)	$ 26,224	$ 36,507	(28)

(1) Medical margin and Adjusted EBITDA are non-GAAP financial measures. Gross profit is the most directly comparable financial measure calculated in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") to medical margin. Net income (loss) is the most directly comparable financial measure calculated in accordance with U.S. GAAP to Adjusted EBITDA. See "—Non-GAAP Financial Measures" below for additional information.

Medicare Advantage Members

Our MA members include all individuals enrolled in an MA plan that are attributed to the PCPs on our platform at the end of a given period.

Medical Services Revenue

Our medical services revenue consists of capitation revenue under contracts with various payors. Under the typical capitation arrangement, we are entitled to per member per month ("PMPM") fees to provide a defined range of healthcare services for MA health plan members through our contracted physician partners and affiliated PCPs. Such fees are typically based on a defined percentage of corresponding premium that payors receive from the Centers for Medicare & Medicaid Services' ("CMS"). We recognize capitation revenue over the period eligible members are entitled to receive healthcare services.

Gross Profit

Gross profit represents the amount earned from total revenues less medical services expense and other medical expenses. Total revenues include medical services revenue and other operating revenue. The Company's costs of revenues consist of medical services expense and other medical expenses, which represents the costs that are directly related to providing the services that generate revenue.

The following table presents our gross profit (dollars in thousands):

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Total revenues	$ 1,482,758	$ 1,069,115	$ 3,087,112	$ 2,123,427
Medical services expense	(1,374,060)	(932,823)	(2,817,902)	(1,830,395)
Other medical expenses[1]	(76,523)	(81,716)	(161,947)	(165,333)
Gross profit	$ 32,175	$ 54,576	$ 107,263	$ 127,699

(1) Represents physician compensation expense related to surplus sharing and other care management expenses that help to create medical cost efficiency. Includes costs in geographies that are in implementation and are not yet generating revenue and investments to grow existing markets. For the three months ended June 30, 2024 and 2023, costs incurred in implementing geographies were $18,000 and $7.7 million, respectively. For the six months ended June 30, 2024 and 2023, costs incurred in implementing geographies were $0.6 million and $10.0 million, respectively.

Medical Margin

We define medical margin as medical services revenue after medical services expense is deducted. Medical services expense represents costs incurred for medical services provided to our members. As our platform matures over time, we expect medical margin to increase in absolute dollars. However, medical margin PMPM may vary as the percentage of new members brought onto our platform fluctuates. New membership added to the platform is typically dilutive to medical margin PMPM.

See "—Non-GAAP Financial Measures" for information regarding our use of medical margin and a reconciliation of gross profit to medical margin.

Platform Support Costs

Our platform support costs, which include regionally-based support personnel and other operating costs to support our geographies, are expected to decrease over time as a percentage of revenue as our physician partners add members and our revenue grows. Our operating expenses at the enterprise level include resources and technology to support payor contracting, clinical program development, quality, data management, finance, and legal and compliance functions.

The table below represents costs to support our live geographies and enterprise functions, which are included in general and administrative expenses (dollars in thousands):

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Platform support costs	$ 41,687	$ 42,041	$ 87,399	$ 85,333
% of Revenue	3 %	4 %	3 %	4 %

Net Income (Loss) and Adjusted EBITDA

Net income (loss) is the most directly comparable U.S. GAAP measure to Adjusted EBITDA. We define Adjusted EBITDA as net income (loss) adjusted to exclude: (i) income (loss) from discontinued operations, net of income taxes, (ii) interest expense, (iii) income tax expense (benefit), (iv) depreciation and amortization, (v) stock-based compensation expense, (vi) severance and related costs, and (vii) certain other items that are not considered by us in the evaluation of ongoing operating performance. We reflect our share of Adjusted EBITDA for equity method investments by applying our actual ownership percentage for the period to the applicable reconciling items on an entity-by-entity basis.

See "—Non-GAAP Financial Measures" for information regarding our use of Adjusted EBITDA and a reconciliation of net income (loss) to Adjusted EBITDA.

Key Components of Our Results of Operations

Revenues

Medical Services Revenue

Our medical services revenue consists of capitation revenue under contracts with various payors. Under the typical capitation arrangement, we are entitled to PMPM fees to provide a defined range of healthcare services for MA health plan members through our contracted physician partners and affiliated PCPs. Such fees are typically based on a defined percentage of corresponding premium that payors receive from CMS. We recognize capitation revenue over the period eligible members are entitled to receive healthcare services.

Medical services revenue constitutes substantially all of our total revenue for the three and six months ended June 30, 2024 and 2023.

Operating Expenses

Medical Services Expense

In each of our geographies, a network of physicians, hospitals, and other healthcare providers provide care to our members. Medical services expense represents costs incurred for medical services provided to our members. Our medical services expense trends primarily relate to changes in per visit costs incurred by our members, along with changes in health system and provider utilization of services. Medical services expenses are recognized in the period in which services are provided and include estimates of our obligations for medical services that have been rendered by third parties but for which claims have either not yet been received, processed, or paid.

Other Medical Expenses

Other medical expenses include: (i) partner physician compensation expense and (ii) other provider costs. Partner physician compensation expense represents obligations to our physician partners corresponding to a portion of the surplus generated in our geographies, which is a function of medical services revenues less the sum of medical services expenses, other provider costs and market operating costs, for the respective geography. Physician payment obligations are reconciled quarterly, and settlement payments are typically issued to providers on an annual basis in arrears, with interim payments issued periodically. Other provider costs include payments to support physician-patient engagement, certain other medical costs, and other care management expenses that help to create medical cost efficiency. Other provider costs include costs incurred for geographies that are in implementation and are not yet generating revenue.

General and Administrative

General and administrative expenses consist of market-based support personnel and other operating costs to support our geographies, personnel and other operating costs to support our enterprise functions, and investments to support development and expansion of our physician partners. Our enterprise functions include salaries and related expenses, stock-based compensation (including shares issued under partner physician group equity agreements), operational support expenses, technology infrastructure, finance, and legal, as well as other costs associated with the continued growth of our platform. For the purposes of calculating physician partner incentive expense, we allocate a portion of our enterprise general and administrative expenses to our geographies. General and administrative expenses also include severance and accruals for unasserted claims.

Depreciation and Amortization

Depreciation and amortization expenses are associated with our property and equipment and acquired intangible assets. Depreciation includes expenses associated with computer equipment and software, furniture and fixtures, and leasehold improvements. Amortization primarily includes expenses associated with acquired intangible assets.

Other Income (Expense)

Income (loss) from equity method investments

Income (loss) from equity method investments consists primarily of income associated with our participation in the CMS Shared Savings Program ("MSSP"), along with its existing participation in the Accountable Care Organization Realizing Equity, Access, and Community Health ("ACO REACH") Model, (collectively, "CMS ACO Models").

Other Income (Expense), Net

Other income (expense), net includes interest income, which consists primarily of interest earned on our cash and cash equivalents, restricted cash and cash equivalents, and marketable securities, including amortization/accretion of discount/premium.

Interest Expense

Interest expense consists primarily of interest expense associated with our outstanding debt, including amortization of debt discounts and costs.

Income Tax Benefit (Expense)

We are subject to corporate U.S. federal, state, and local income taxation. Deferred tax assets are reduced by a valuation allowance to the extent management believes it is not more likely than not to be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income. Management makes estimates and judgments about future taxable income based on assumptions that are consistent with our plans and estimates.

Total Discontinued Operations

Total discontinued operations primarily consist of the results of our Hawaii operations. For certain of our divestiture transactions, we continue to be responsible for any liabilities arising from the business that were incurred prior to the closing date of such transaction, including any fines, penalties, and other sanctions, the payment of claims for medical services incurred prior to the effective date of each transaction, a liability for unrecognized tax benefits for which we are indemnified, and other contingent liabilities that we currently believe are remote. For additional discussion, see Note 15 to the Condensed Consolidated Financial Statements.

Results of Operations

The following table summarizes key components of our results of operations (dollars in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Revenues:				
Medical services revenue	$ 1,479,579	$ 1,067,234	$ 3,080,774	$ 2,120,353
Other operating revenue	3,179	1,881	6,338	3,074
Total revenues	1,482,758	1,069,115	3,087,112	2,123,427
Expenses:				
Medical services expense	1,374,060	932,823	2,817,902	1,830,395
Other medical expenses	76,523	81,716	161,947	165,333
General and administrative (including noncash stock-based compensation expense of $18,207, $19,446, $35,116 and $33,031, respectively)	69,612	79,254	146,034	149,006
Depreciation and amortization	5,907	4,279	11,751	7,233
Total expenses	1,526,102	1,098,072	3,137,634	2,151,967
Income (loss) from operations	(43,344)	(28,957)	(50,522)	(28,540)
Other income (expense):				
Income (loss) from equity method investments	9,955	8,472	15,639	9,848
Other income (expense), net	4,841	7,087	10,733	14,979
Interest expense	(1,697)	(1,555)	(2,981)	(3,048)
Income (loss) before income taxes	(30,245)	(14,953)	(27,131)	(6,761)
Income tax benefit (expense)	(417)	(1,073)	(284)	686
Income (loss) from continuing operations	(30,662)	(16,026)	(27,415)	(6,075)
Discontinued operations:				
Income (loss) before gain (loss) on sales	—	(769)	(518)	5,239
Gain (loss) on sales of assets, net	—	—	(8,763)	—
Total discontinued operations	—	(769)	(9,281)	5,239
Net income (loss)	(30,662)	(16,795)	(36,696)	(836)
Noncontrolling interests’ share in (earnings) loss	(20)	46	(50)	109
Net income (loss) attributable to common shares	$ (30,682)	$ (16,749)	$ (36,746)	$ (727)

The following table summarizes our results of operations as a percentage of total revenues:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Revenues:				
Medical services revenue	100 %	100 %	100 %	100 %
Other operating revenue	—	—	—	—
Total revenues	100	100	100	100
Expenses:				
Medical services expense	93	87	91	86
Other medical expenses	5	8	5	8
General and administrative (including noncash stock-based compensation expense of 1%, 2%, 1% and 2%, respectively)	5	7	5	7
Depreciation and amortization	—	—	—	—
Total expenses	103	103	102	101
Income (loss) from operations	(3)	(3)	(2)	(1)
Other income (expense):				
Income (loss) from equity method investments	1	1	1	—
Other income (expense), net	—	1	—	1
Interest expense	—	—	—	—
Income (loss) before income taxes	(2)	(1)	(1)	—
Income tax benefit (expense)	—	—	—	—
Income (loss) from continuing operations	(2)	(1)	(1)	—
Discontinued operations:				
Income (loss) before gain (loss) on sales	—	—	—	—
Gain (loss) on sales of assets, net	—	—	—	—
Total discontinued operations	—	—	—	—
Net income (loss)	(2)	(2)	(1)	—
Noncontrolling interests' share in (earnings) loss	—	—	—	—
Net income (loss) attributable to common shares	(2)%	(2)%	(1)%	— %

Comparison of the Three and Six Months Ended June 30, 2024 to the Three and Six Months Ended June 30, 2023

Medical Services Revenue

	Three Months Ended June 30,		Change	
(dollars in thousands)	2024	2023	$	%
Medical services revenue	$ 1,479,579	$ 1,067,234	$ 412,345	39 %
% of total revenues	*100 %*	*100 %*		

Medical services revenue increased for the three months ended June 30, 2024 due primarily to growth in average membership of 36%, which was attributable to seven new geographies that began to generate revenue in 2024 and growth in our existing geographies. The increase in medical services revenue for the three months ended June 30, 2024 was also driven, to a lesser extent, by an increase in PMPM capitation rates of 2%. Medical services revenue for the three months ended June 30, 2024 includes a $55.9 million reduction related to selected payor contract terminations that were retroactively effective January 1, 2024.

	Six Months Ended June 30,		Change	
(dollars in thousands)	**2024**	**2023**	**$**	**%**
Medical services revenue	$ 3,080,774	$ 2,120,353	$ 960,421	45 %
% of total revenues	*100 %*	*100 %*		

Medical services revenue increased for the six months ended June 30, 2024 due primarily to growth in average membership of 39%, which was attributable to seven new geographies that began to generate revenue in 2024 and growth in our existing geographies. The increase in medical services revenue for the six months ended June 30, 2024 was also driven, to a lesser extent, by an increase in PMPM capitation rates of 4%.

Medical Services Expense

	Three Months Ended June 30,		Change	
(dollars in thousands)	**2024**	**2023**	**$**	**%**
Medical services expense	$ 1,374,060	$ 932,823	$ 441,237	47 %
% of total revenues	*93 %*	*87 %*		

Medical services expense increased for the three months ended June 30, 2024 due primarily to growth in average membership of 36%, which was attributable to seven new geographies that became operational in 2024 and growth in our existing geographies. The increase in medical services expense for the three months ended June 30, 2024 was also driven, to a lesser extent, by an increase in average medical services expense per member of 9%. Medical services expense for the three months ended June 30, 2024 includes a $54.3 million reduction related to selected payor contract terminations that were retroactively effective January 1, 2024.

	Six Months Ended June 30,		Change	
(dollars in thousands)	**2024**	**2023**	**$**	**%**
Medical services expense	$ 2,817,902	$ 1,830,395	$ 987,507	54 %
% of total revenues	*91 %*	*86 %*		

Medical services expense increased for the six months ended June 30, 2024 due primarily to growth in average membership of 39%, which was attributable to seven new geographies that became operational in 2024 and growth in our existing geographies. The increase in medical services expense for the six months ended June 30, 2024 was also driven, to a lesser extent, by an increase in average medical services expense per member of 11%.

Other Medical Expenses

	Three Months Ended June 30,		Change	
(dollars in thousands)	**2024**	**2023**	**$**	**%**
Other medical expenses	$ 76,523	$ 81,716	$ (5,193)	(6)%
% of total revenues	*5 %*	*8 %*		

Other medical expenses decreased by $5.2 million, or 6%, for the three months ended June 30, 2024 compared to the same period in 2023. Partner physician incentive expense declined by $14.4 million to $30.3 million in 2024 compared to $44.7 million in 2023. Other provider costs increased by $9.2 million to $46.2 million in 2024 compared to $37.0 million in the same period in 2023, resulting from the increase in the number of geographies and members on our platform. Other provider costs for the three months ended June 30, 2023 include $7.7 million of costs related to geographies that became operational in 2024.

(dollars in thousands)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	Change $	Change %
Other medical expenses	$ 161,947	$ 165,333	$ (3,386)	(2)%
% of total revenues	*5 %*	*8 %*		

Other medical expenses decreased by $3.4 million, or 2%, for the six months ended June 30, 2024 compared to 2023. Partner physician incentive expense declined by $22.3 million to $80.1 million in 2024 compared to $102.4 million in 2023. Other provider costs increased by $18.9 million to $81.8 million in 2024 compared to $62.9 million in 2023, resulting from the increase in the number of geographies and members on our platform. Other provider costs for the six months ended June 30, 2024 and 2023 include $0.6 million and $10.0 million, respectively, of costs related to geographies that became operational in the following year.

General and Administrative

(dollars in thousands)	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Change $	Change %
General and administrative	$ 69,612	$ 79,254	$ (9,642)	(12)%
% of total revenues	*5 %*	*7 %*		

General and administrative expenses decreased $9.6 million, or 12%, for the three months ended June 30, 2024 compared to the same period in 2023. Operating costs to support our live geographies and enterprise functions (platform support costs) of $41.7 million in 2024 remained relatively flat compared to $42.0 million in the same period in 2023. Operating costs to support our live geographies and enterprise functions as a percentage of revenue decreased to 3% for the three months ended June 30, 2024 compared to 4% for the same period in 2023. Investments to support geography entry decreased to $4.8 million in 2024, compared to $11.3 million in the same period in 2023 due to decreased costs associated with our geographies that are expected to become operational in the following calendar year and expansion into existing geographies.

(dollars in thousands)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	Change $	Change %
General and administrative	$ 146,034	$ 149,006	$ (2,972)	(2)%
% of total revenues	*5 %*	*7 %*		

General and administrative expenses decreased $3.0 million, or 2%, for the six months ended June 30, 2024 compared to the same period in 2023. Operating costs to support our live geographies and enterprise functions (platform support costs) increased by $2.1 million to $87.4 million in 2024 compared to $85.3 million in the same period in 2023 due primarily to growth in operating costs incurred to support geographies that became operational in 2024. Operating costs to support our live geographies and enterprise functions as a percentage of revenue decreased to 3% for the six months ended June 30, 2024 compared to 4% for the same period in 2023. Investments to support geography entry decreased to $15.3 million in 2024, compared to $20.6 million in the same period in 2023 due to decreased costs associated with our geographies that are expected to become operational in the following calendar year and expansion into existing geographies.

Income (loss) from equity method investments

(dollars in thousands)	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Change $	Change %
Income (loss) from equity method investments	$ 9,955	$ 8,472	$ 1,483	18 %
% of total revenues	*1 %*	*1 %*		

Income (loss) from equity method investments increased $1.5 million, or 18%, for the three months ended June 30, 2024 compared to the same period in 2023 primarily from two new equity investments that began to generate revenue in 2024 and growth in our existing CMS ACO Models investments.

	Six Months Ended June 30,		Change	
(dollars in thousands)	2024	2023	$	%
Income (loss) from equity method investments	$ 15,639	$ 9,848	$ 5,791	59 %
% of total revenues	*1 %*	*— %*		

Income (loss) from equity method investments increased $5.8 million, or 59%, for the six months ended June 30, 2024 compared to the same period in 2023 primarily from two new equity investments that began to generate revenue in 2024 and growth in our existing CMS ACO Models investments.

Other income (expense), net

	Three Months Ended June 30,		Change	
(dollars in thousands)	2024	2023	$	%
Other income (expense), net	$ 4,841	$ 7,087	$ (2,246)	(32)%
% of total revenues	*— %*	*1 %*		

Other income (expense), net decreased $2.2 million, or 32%, for the three months ended June 30, 2024 compared to the same period in 2023 primarily from interest income as a result of the maturities of various marketable securities investments.

	Six Months Ended June 30,		Change	
(dollars in thousands)	2024	2023	$	%
Other income (expense), net	$ 10,733	$ 14,979	$ (4,246)	(28)%
% of total revenues	*— %*	*1 %*		

Other income (expense), net decreased $4.2 million, or 28%, for the six months ended June 30, 2024 compared to the same period in 2023 primarily from interest income as a result of the maturities of various marketable securities investments.

Total Discontinued Operations

	Six Months Ended June 30,		Change	
(dollars in thousands)	2024	2023	$	%
Total discontinued operations	$ (9,281)	$ 5,239	$ (14,520)	(277)%
% of total revenues	*— %*	*— %*		

Total discontinued operations is related to the sale of our Hawaii operations in October 2023. Total discontinued operations for the six months ended June 30, 2024 is primarily related to loss on sale of our Hawaii operations compared to income from discontinued operations for the six months ended June 30, 2023.

Non-GAAP Financial Measures

In addition to providing results that are determined in accordance with U.S. GAAP, we present medical margin and Adjusted EBITDA, which are non-GAAP financial measures.

We define medical margin as medical services revenue after medical services expense is deducted. Medical services expense represents costs incurred for medical services provided to our members. As our platform matures over time, we expect medical margin to increase in absolute dollars. However, medical margin PMPM may vary as the percentage of new members brought onto our platform fluctuates. New membership added to the platform is typically dilutive to medical margin PMPM. We believe this metric provides insight into the economics of our capitation arrangements as it includes all medical services expense directly associated with our members' care.

We define Adjusted EBITDA as net income (loss) adjusted to exclude: (i) income (loss) from discontinued operations, net of income taxes, (ii) interest expense, (iii) income tax expense (benefit), (iv) depreciation and amortization, (v) stock-based compensation expense, (vi) severance and related costs, and (vii) certain other items that are not considered by us in the evaluation of ongoing operating performance. We reflect our share of Adjusted EBITDA for equity method investments by applying our actual ownership percentage for the period to the applicable reconciling items on an entity-by-entity basis.

Gross profit is the most directly comparable U.S. GAAP measure to medical margin. Net income (loss) is the most directly comparable U.S. GAAP measure to Adjusted EBITDA.

We believe medical margin and Adjusted EBITDA help identify underlying trends in our business and facilitate evaluation of period-to-period operating performance of our operations by eliminating items that are variable in nature and not considered by us in the evaluation of ongoing operating performance, allowing comparison of our recurring core business operating results over multiple periods. We also believe medical margin and Adjusted EBITDA provide useful information about our operating results, enhance the overall understanding of our past performance and future prospects, and allow for greater transparency with respect to key metrics we use for financial and operational decision-making. We believe medical margin and Adjusted EBITDA or similarly titled non-GAAP measures are widely used by investors, securities analysts, ratings agencies, and other parties in evaluating companies in our industry as a measure of financial performance. Other companies may calculate medical margin and Adjusted EBITDA or similarly titled non-GAAP measures differently from the way we calculate these metrics. As a result, our presentation of medical margin and Adjusted EBITDA may not be comparable to similarly titled measures of other companies, limiting their usefulness as comparative measures.

Adjusted EBITDA is not considered a measure of financial performance under U.S. GAAP, and the items excluded therefrom are significant components in understanding and assessing our financial performance. Adjusted EBITDA has limitations as an analytical tool and should not be considered in isolation or as an alternative to such U.S. GAAP measures as net income (loss), cash flows provided by or used in operating, investing, or financing activities or other financial statement data presented in our consolidated financial statements as an indicator of financial performance or liquidity. Some of these limitations are:

- Adjusted EBITDA does not reflect changes in, or cash requirements for, working capital needs;
- Adjusted EBITDA does not reflect interest expense or the requirements necessary to service interest or principal payments on debt;
- Adjusted EBITDA does not reflect income tax expense (benefit) or the cash requirements to pay taxes;
- Adjusted EBITDA does not reflect historical cash expenditures or future requirements for capital expenditures or contractual commitments;
- Although depreciation and amortization charges are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and Adjusted EBITDA does not reflect any cash requirements for such replacements; and
- The expenses and other items that we exclude in our calculation of Adjusted EBITDA may differ from the expenses and other items, if any, that other companies may exclude from similarly titled non-GAAP financial measures.

The following table sets forth a reconciliation of gross profit to medical margin using data derived from our condensed consolidated financial statements for the periods indicated (dollars in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Gross profit[1]	$ 32,175	$ 54,576	$ 107,263	$ 127,699
Other operating revenue	(3,179)	(1,881)	(6,338)	(3,074)
Other medical expenses	76,523	81,716	161,947	165,333
Medical margin	$ 105,519	$ 134,411	$ 262,872	$ 289,958

(1) Gross profit is defined as total revenues less medical services expense and other medical expenses.

The following table sets forth a reconciliation of net income (loss) to Adjusted EBITDA using data derived from our condensed consolidated financial statements for the periods indicated (dollars in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net income (loss)	$ (30,662)	$ (16,795)	$ (36,696)	$ (836)
(Income) loss from discontinued operations, net of income taxes	—	769	9,281	(5,239)
Interest expense	1,697	1,555	2,981	3,048
Income tax expense (benefit)	417	1,073	284	(686)
Depreciation and amortization	5,907	4,279	11,751	7,233
Severance and related costs	868	—	3,283	188
Stock-based compensation expense	18,207	19,446	35,116	33,031
EBITDA adjustments related to equity method investments	1,404	2,757	5,306	4,724
Other[1]	(668)	(615)	(5,082)	(4,956)
Adjusted EBITDA	$ (2,830)	$ 12,469	$ 26,224	$ 36,507

(1) Includes interest income and transaction-related costs.

Liquidity and Capital Resources

We have historically financed our operations primarily through funds generated from our capitation arrangements with payors, issuances of equity securities, and borrowings under credit agreements. We generally invest any excess cash in money market accounts, which are classified as cash equivalents, and marketable securities. Our investment strategies are designed to provide safety and preservation of capital, sufficient liquidity to meet the cash flow needs of our business operations, and attainment of a competitive return. As of June 30, 2024, we had cash and cash equivalents and restricted cash and equivalents of $116.3 million and investments in marketable securities of $291.6 million.

We expect to continue to incur operating losses and generate negative cash flows from operations for the foreseeable future due to the investments we intend to continue to make in expanding our business and additional general and administrative costs we expect to incur related to our operation as a public company. As a result, we may require additional capital resources in the future to execute strategic initiatives to grow our business.

Our primary uses of cash include payments for medical claims and other medical expenses, general and administrative expenses, costs associated with the development of new geographies and expansion of existing geographies, debt service, and capital expenditures. Final reconciliation and receipt of amounts due from payors are typically settled in arrears, following completion of the contractual program year.

Based on our planned operations, we believe that our existing cash and cash equivalents, investments in marketable securities, as well as available borrowing capacity under the Credit Facility (defined below), will be sufficient to meet our working capital and capital expenditure needs over at least the next 12 months, though we may require additional capital resources in the future. We have based these estimates on assumptions that may prove to be wrong and we could utilize our available capital resources sooner than we expect.

We may require additional financing in the future to fund working capital and pay our obligations. We may seek to raise any necessary additional capital through a combination of public or private equity offerings and/or debt financings. There can be no assurance that we will be successful in acquiring additional funding at levels sufficient to fund our operations or on terms favorable to us, if at all. If adequate funds are not available on acceptable terms when needed, we may be required to significantly reduce operating expenses, which may have a material adverse effect on our business, financial condition, cash flows, and results of operations. If we do raise additional capital through public or private equity, the ownership interest of our existing stockholders will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect our existing stockholders' rights. If we raise additional capital through debt financing, we may be subject to covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures, or declaring dividends.

Our ability to pay dividends to holders of our common stock is significantly limited as a practical matter by our growth plans as well as the Credit Facility insofar as we may seek to pay dividends out of funds made available to us by agilon health management, inc. ("agilon management") or its subsidiaries because the Credit Facility restricts agilon management's ability to pay dividends or make loans to us. The borrower on the Credit Facility is agilon management, our wholly-owned subsidiary. The Credit Facility is guaranteed by certain of our subsidiaries, including those identified as variable interest entities, and contain customary covenants including, among other things, limitations on restricted payments including: (i) dividends and distributions from restricted subsidiaries, (ii) requirements of minimum financial ratios, and (iii) limitation on additional borrowings based on certain financial ratios.

As of June 30, 2024, we had $25.1 million outstanding surety bonds related to health plan payor risk-bearing capital contributions.

Cash Flows

The following summary discussion of our cash flows is based on the condensed consolidated statements of cash flows. The following table sets forth changes in cash flows (dollars in thousands):

	Six Months Ended June 30,		
	2024	2023	Change
Net cash provided by (used in) operating activities	$ (66,493)	$ (82,015)	$ 15,522
Net cash provided by (used in) investing activities	69,655	(30,782)	100,437
Net cash provided by (used in) financing activities	(1,155)	(193,698)	192,543

Net Cash Provided By (Used In) Operating Activities

Net cash used in operating activities was $66.5 million for the six months ended June 30, 2024 compared to $82.0 million for the six months ended June 30, 2023. The decrease in net cash used in operating activities was primarily as a result of the timing of settlements with payors from new and existing geographies. Our cash flow from operations is dependent upon the number of members on our platform, the timing of settlements with payors, and the level of operating and general and administrative expenses necessary to operate and grow our business, among other factors.

Net Cash Provided By (Used In) Investing Activities

Net cash provided by investing activities was $69.7 million for the six months ended June 30, 2024 compared to net cash used in investing activities of $30.8 million for the six months ended June 30, 2023. During the six months ended June 30, 2024, we received proceeds from the maturities of marketable securities of $103.3 million and made investments of $34.1 million primarily for the acquisition of intangible assets and property and equipment. During the six months ended June 30, 2023, we completed the acquisition of My Personal Health Record Express, Inc. for $44.4 million.

Net Cash Provided By (Used In) Financing Activities

Net cash used in financing activities was $1.2 million for the six months ended June 30, 2024 compared to $193.7 million for the six months ended June 30, 2023. During the six months ended June 30, 2023, we used $200.0 million to repurchase shares of our common stock in an underwritten secondary public offering.

Debt Obligations

On February 18, 2021, we executed a credit facility agreement (as amended by the First Amendment to Credit Agreement, dated as of March 1, 2021 and the Second Amendment to Credit Agreement, dated as of May 25, 2023, the “Credit Facility”). The Credit Facility includes: (i) a $100.0 million senior secured term loan (the “Secured Term Loan Facility”) and (ii) a $100.0 million senior secured revolving credit facility (the “Secured Revolving Facility”) with a capacity to issue standby letters of credit in certain circumstances up to a maximum of $100.0 million. Subject to specified conditions and receipt of commitments, the Secured Term Loan Facility may be expanded (or a new term loan facility, revolving credit facility or letter of credit facility added) by up to (i) $50.0 million plus (ii) an additional amount determined in accordance with a formula tied to repayment of certain of our indebtedness. The maturity date of the Credit Facility was extended to February 18, 2026.

Effective with the Second Amendment to Credit Agreement on May 25, 2023, we transitioned to the Secured Overnight Financing Rate ("SOFR") as a benchmark interest rate used in the Credit Agreement. At our option, borrowings under the Credit Facilities, as defined in the credit agreement, can be either: (i) SOFR Rate Loans, (ii) Daily Simple SOFR Rate Loans, or (iii) Base Rate Loans. Daily Simple SOFR Rate Loans and SOFR Rate Loans bear interest at a rate equal to the sum of 3.50% and the higher of (a) SOFR, as defined in the credit agreement, and (b) 0%. Base Rate Loans bear interest at a rate equal to the sum of 2.50% and the highest of: (a) 0.50% in excess of the overnight federal funds rate, (b) the prime rate established by the administrative agent from time to time, (c) the one-month SOFR rate (adjusted for maximum reserves) plus 1.00% and (d) 0%. Additionally, we pay a commitment fee on the unfunded 2021 Revolving Credit Facility amount of 0.375%. We must also pay customary letter of credit fees.

The Credit Facility contains customary covenants including, among other things, limitations on restricted payments including: (i) dividends and distributions from restricted subsidiaries, (ii) requirements of minimum financial ratios, and (iii) limitation on additional borrowings based on certain financial ratios.

For additional discussion on our debt obligations, see Note 8 to the Condensed Consolidated Financial Statements.

Equity

As of June 30, 2024, we had 411.4 million shares of common stock outstanding. See Note 10 to the Condensed Consolidated Financial Statements for additional information about our equity transactions.

Critical Accounting Estimates

Management’s discussion and analysis of our financial condition and results of operations is based on our financial statements, which have been prepared in accordance with U.S. GAAP. The preparation of financial statements in conformity with U.S. GAAP requires us to use judgment in the application of accounting policies, including making estimates and assumptions. We base estimates on the best information available to us at the time, our historical experience, known trends and events, and various other assumptions that we believe are reasonable under the circumstances. These estimates affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting periods. If our judgment or interpretation of the facts and circumstances relating to various transactions or other matters had been different, it is possible that different accounting would have been applied, resulting in a different presentation of our condensed consolidated financial statements. From time to time, we re-evaluate our estimates and assumptions. In the event estimates or assumptions prove to be different from actual results, adjustments are made in subsequent periods to reflect more current estimates and assumptions about matters that are inherently uncertain. A summary of our critical accounting policies is included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023 in Part II, Item 7 “Management’s Discussion and Analysis of Financial Conditions and Results of Operations - Critical Accounting Policies” and Note 2 to the Condensed Consolidated Financial Statements. There have been no significant changes to our critical accounting policies during 2024.

Recent Accounting Pronouncements

For the impact of new accounting standards, see Note 2 to the Condensed Consolidated Financial Statements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to various market risks, including the potential loss arising from adverse changes in interest rates. We do not use derivative financial instruments in the normal course of business or for speculative or trading purposes.

Our exposures to market risk for changes in interest expense relate primarily to the Credit Facility. Indebtedness under the Credit Facility is floating rate debt and is carried at amortized cost. Therefore, fluctuations in interest rates will impact our consolidated financial statements. A rising interest rate environment will increase the amount of interest paid on this debt. A hypothetical 100 basis point change in interest rates would not have a material impact on our interest expense.

We held cash, cash equivalents, restricted cash equivalents, and marketable securities of $408.0 million and $495.1 million as of June 30, 2024 and December 31, 2023, respectively, consisting of bank deposits, certificates of deposits, money market funds, U.S. Treasury notes, and corporate debt securities. Such interest-earning instruments carry a degree of interest rate risk. A hypothetical 100 basis point change in interest rates would not have a material impact on the fair value of our marketable securities. Declines in interest rates over time will reduce our investment income. The goals of our investment policy are liquidity and capital preservation. We do not enter into investments for trading or speculative purposes.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures. Our Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), with the assistance of other members of management, have evaluated the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) as of the end of the period covered by this report. Our disclosure controls and procedures are intended to ensure that information required to be disclosed by us in the reports we file or submit under the Exchange Act is (1) recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission's ("SEC") rules and forms and (2) accumulated and communicated to our management, including our CEO and CFO, as appropriate to allow timely decisions regarding required disclosure. Based on this review, although we continue to work to remediate the material weakness in internal control over financial reporting as described in our Annual Report on Form 10-K for the year ended December 31, 2023, and progress has been made to date, our CEO and CFO have concluded that the disclosure controls and procedures related to this material weakness were not effective as of June 30, 2024.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect every misstatement. An evaluation of effectiveness is subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with policies or procedures may decrease over time.

Changes in Internal Control Over Financial Reporting. Under applicable SEC rules (Exchange Act Rules 13a-15(d) and 15d-15(d)), management is required to evaluate any change in internal control over financial reporting that occurred during each fiscal quarter that had materially affected, or is reasonably likely to materially affect, our internal control over financial reporting. There were no changes in our internal control over financial reporting that occurred during our most recently completed fiscal quarter ended June 30, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting

As explained in greater detail under Part II, Item 9A. "Controls and Procedures" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023, we are undertaking a broad range of remedial procedures to address the material weakness in our internal control over financial reporting identified as of December 31, 2023. Our efforts to improve our internal controls are ongoing. Therefore, while we determined, with the participation of our CEO and CFO, that there have been no changes in our internal control over financial reporting in the three-month period ended June 30, 2024, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting, we continue to monitor the operation of these remedial measures through the date of this report.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

See the “Legal Proceedings” section of Note 9 to the Condensed Consolidated Financial Statements for information regarding legal proceedings, which information is incorporated by reference in this Item 1.

Item 1A. Risk Factors

In addition to the information set forth in this Form 10-Q, you should carefully consider the risk factors disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023. There have been no material changes to the risk factors disclosed in the Form 10-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

(a)

None.

(b)

None.

(c)

None.

Item 5. Other Information

On August 1, 2024, Veeral Desai resigned from his position as the Company’s Chief Strategy and Development Officer and assumed a new, long-term strategic advisor role focused on future growth opportunities and payor strategies for the Company.

Item 6. Exhibits

Exhibit Number	Description
10.1†	Employment Agreement, as amended, with an effective date of June 3, 2024, by and among Jeffrey Schwaneke and agilon health, inc.†*
10.2†	Form of Employee Performance Restricted Stock Unit Agreement – Stock Appreciation Goal.†*
31.1	Certification by Steven J. Sell, agilon's Principal Executive Officer, Pursuant to Securities Exchange Act Rule 13a-14(a).*
31.2	Certification by Jeffrey Schwaneke, agilon's Principal Financial Officer, Pursuant to Securities Exchange Act Rule 13a-14(a).*
32.1	Certification by Steven J. Sell, agilon's Principal Executive Officer, Pursuant to Securities Exchange Act Rule 13a-14(b) and 18 U.S.C. Section 1350.**
32.2	Certification by Jeffrey Schwaneke, agilon's Principal Financial Officer, Pursuant to Securities Exchange Act Rule 13a-14(b) and 18 U.S.C. Section 1350.**
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.*
101.SCH	Inline XBRL Taxonomy Extension Schema Document.*
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.*
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.*
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.*
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.*
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).*

* Filed herewith.

** Furnished herewith.

† Identifies each management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: August 6, 2024	agilon health, inc.
	(Registrant)
	/s/ JEFFREY SCHWANEKE
	Jeffrey Schwaneke
	Chief Financial Officer
	(Principal Financial Officer)

Exhibit 10.1

FINAL CONFIDENTIAL

EMPLOYMENT AGREEMENT

This Employment Agreement (this "Agreement"), dated as of June _, 2024 is entered into by and between Jeffrey Schwaneke (the "Executive") and agilon health, inc., a Delaware corporation (the "Company").

W I T N E S S E T H:

WHEREAS, the Company desires to employ Executive as its Chief Financial Officer, and Executive desires to provide services to the Company in such capacity, pursuant to the terms set forth in this Agreement;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, and intending to be legally bound hereby, the parties hereto agree as follows:

1. Nature of Employment

During the Term of Employment (as defined below), the Company shall employ Executive, and Executive agrees to be employed, as the Chief Financial Officer of the Company and in such position to perform the duties and responsibilities commensurate with such position and as may be reasonably assigned to Executive from time to time by the Company. During the Term of Employment (as defined below), Executive shall report to the Chief Executive Officer of the Company (the "CEO").

2. Extent of Employment

(a) During the Term of Employment, Executive shall perform his obligations hereunder faithfully and to the best of his ability at the place of employment provided in Section 2(d), as directed pursuant to Section 1, and shall abide by the policies from time to time established by the Company.

(b) During the Term of Employment, Executive shall devote all of his business time, energy and skill as may be reasonably necessary for the performance of his duties, responsibilities and obligations hereunder (except for vacation periods and reasonable periods of illness or other incapacity).

(c) As of the date hereof, other than those previously disclosed, Executive does not have any ownership interests (other than ownership of less than 1% of the outstanding stock of a publicly-traded company) or professional relationships with (whether as an employee, director, officer, consultant or advisor, and whether or not for compensation) or professional commitments to any person or entity (other than the Company and its affiliates) and will not have additional ownership interests, commitments or professional relationships without first receiving prior approval from the Company's board of directors.

(d) During the Term of Employment, the principal place of Executive's employment shall be in his home office, with travel as necessary or appropriate to all Company offices where Company personnel are located.

(e) At the commencement of Executive's employment, Executive will electronically sign the Company's Confidential Information Policy and Procedure (the "Confidentiality Policy").

3. Term of Employment; Termination

(a) The "Term of Employment" shall be from July 1, 2024 (the 'Effective Date") and continuing until Executive's employment is terminated by the Company pursuant to Section 3(b) or by Executive pursuant to Section3(c).

(b) Subject to the payments contemplated by Section3(f), Executive's employment may be terminated at any time *by the Company*:

(i) upon the death of Executive;

(ii) in the event that, because of physical or mental disability, Executive is unable to perform, and does not perform, in the opinion of the Company and as certified in writing by a competent medical physician selected by the mutual agreement of the Company and Executive or his legal representative, his duties hereunder for a period of 180 days out of any 270-day period ("Disability");

(iii) for Cause; or

(iv) for any other reason or no reason, it being understood that no reason shall be required for termination of Executive's employment.

(v) Executive acknowledges that nothing contained herein or otherwise stated by or on behalf of the Company modifies or amends the right of the Company to terminate Executive at any time, with or without Cause. Termination shall become effective upon death or the delivery by the Company to Executive of notice specifying such termination and the reasons therefor (*i.e.*, Sections 3(b)(ii) – (iv)) subject to any requirement for advance notice and an opportunity to cure provided in this Agreement, if and to the extent applicable.

(c) Subject to the payments contemplated by Section3(f), Executive's employment may be terminated at any time *by Executive*:

(i) upon the death of Executive;

(ii) in the event of Disability; or

(iii) for any other reason or no reason (a "Voluntary Termination").

(d) As used in this Agreement, "Cause" shall mean any of the following:

(i) Executive's conviction of (or entering a plea of guilty, *nolo contendere*, or a similar plea to) a crime involving moral turpitude, embezzlement, fraud, conversion of property or false statements or other similar acts or any other felony;

(ii) Executive's gross negligence or continued willful failure (other than by reason of death or Disability) to perform his material employment-related duties for the Company and its subsidiaries;

(iii) Executive's violation of a material provision of any written Company policy as in effect from time to time that has been communicated to Executive, which violation (if reasonably capable of a cure) is not cured within 30 days after the Company delivers written notice to Executive that identifies and describes the alleged violation in reasonable detail (the "Cure Period");

(iv) Executive's material breach of any written agreement with the Company or any of its affiliates to which Executive is a party or by which Executive is bound (including, but not limited to, this Agreement and the Confidentiality Policy which breach (if reasonably capable of a cure) is not cured within the Cure Period;

(v) Executive's breach of Section 2(c) or the last sentence of Section8; or

(vi) Executive engaging in conduct that causes material harm to the name, reputation or business interests of the Company, or any of its respective affiliates, including any affiliated independent physician association.

(a) For purposes of this provision:

(i) (A) no act or failure to act on the part of Executive shall be considered "willful" unless it is done, or omitted to be done, by Executive in bad faith or without reasonable belief that Executive's action or omission was in the best interests of the Company and (B) any act, or failure to act, based upon authority given pursuant to a resolution duly adopted by the board of directors of the Company or upon the advice of counsel for the Company shall be conclusively presumed to be done, or omitted to be done, by Executive in good faith and in the best interests of the Company.

(ii) A termination for Cause shall be deemed to include a determination by the Company within 90 days following Executive's Voluntary Termination that circumstances existed prior to such termination for the Company to have terminated Executive's employment for Cause; provided that in such event Executive shall first be provided with any applicable cure rights to the extent available; and provided, further, that this sentence shall not apply to any circumstances actually known to the CEO 60 or more days prior to the date of such termination.

(b) Executive shall be entitled to certain payments upon termination of his employment with the Company, as follows:

(i) In the event Executive's employment is terminated for any reason, Executive shall be entitled to receive his Base Salary through the effective date of termination, any accrued benefits unpaid as of the effective date of termination, any expense reimbursements related to expenses reimbursable hereunder that are incurred through the effective date of termination, and other benefits required by law to be provided to him after termination of employment (and, if applicable as provided in Section 4(b), any annual bonus for fiscal year 2025 if such termination of employment occurs 18 months or more after the Effective Date and before the time such fiscal year 2025 bonus was otherwise paid), in each case when paid according to the Company's applicable lawful policies and standard practices and the lawful terms of this Agreement (the "Base Termination Compensation").

(ii) In the event Executive's employment is terminated by the Company for any reason other than for Cause (and for the avoidance of doubt not death or Disability), then Executive shall be entitled to (A) the Base Termination Compensation, (B) if the effective date of such termination of employment is before the date that is 18 months after the Effective Date, severance pay equal to 12 months of Executive's base salary and target annual bonus, at the rate in effect at the effective time of termination, to be paid in equal installments over 12 months on the Company's normal payroll dates following the date of termination, except that the first installment of such payment shall be paid on the 60th day following the termination date and shall include all installments that would have been paid if the release of claims referred to in Section 3(h) had been effective at the date of termination, and (C) for avoidance of doubt, any equity awards granted by the Company to Executive pursuant to Sections 4(d) and 4(e) shall be treated, for vesting and exercise purposes, as though Executive had remained employed with the Company through the applicable vesting schedule (for clarity, with the vesting of any PSUs remaining subject to the achievement of the applicable performance goal(s) during the applicable performance period(s)). Any payment of Executive's Base Salary after termination of his employment shall be made in accordance with the Company's regular payroll practices. There will be no additional amounts owing by the Company to Executive from and after a termination of Executive's employment of the nature contemplated by this clause of Section 3(f). This clause (ii) of Section 3(f) is subject to Sections 3(h) and 3(i) below.

(iii) If Executive's employment is terminated for Cause, then Executive shall be entitled to the Base Termination Compensation. There will be no additional amounts owing by the Company to Executive from and after such termination of the nature contemplated by this clause (iii) of Section 3(f).

(iv) If Executive's employment is terminated due to a Voluntary Termination, then Executive shall be entitled to the Base Termination Compensation. For avoidance of doubt, any equity awards granted by the Company to Executive pursuant to Sections 4(d) and 4(e) shall be treated, for vesting and exercise purposes, as though Executive had remained employed with the Company through the applicable vesting schedule (for clarity, with the vesting of any PSUs remaining subject to the achievement of the applicable performance goal(s) during the applicable performance period(s)). There will be no additional amounts owing by the Company to Executive from and after such termination of the nature contemplated by this clause (iv) of Section 3(f).

(v) If Executive's employment is terminated due to Executive's death or Disability, then Executive shall be entitled to the Base Termination Compensation and, if terminated due to Disability, the Benefit Continuation. The effect of termination of Executive's employment under the circumstances identified in this Section 3(f)(v) will be governed by the applicable equity agreement.

(e) Termination of Executive's employment will not terminate Sections 3(f) through 3(i) and 7 through 21, or any other provisions not associated specifically with the Term of Employment.

(f) Any provision herein to the contrary notwithstanding, if, following termination of his employment, Executive materially breaches any restrictive covenant contained in the Confidentiality Policy or, without the Company's prior written consent, competes with the business of the Company and its subsidiaries as then conducted, then from and after the date of such breach, employment or engagement, as applicable, the Company shall have no further payment, continued vesting or other benefit obligations under Section 3(f)(ii).

(g) In the event Executive's employment is terminated and the Company is obligated to make payments, or provide continued vesting or other benefits, pursuant to Section 3(f)(ii), other than the Base Termination Compensation, it shall be a condition to such payments that, within 30 days following the date of termination, Executive enter into a general release of claims with the Company, substantially in the form customarily used by the Company.

(h) Upon termination of Executive's employment for any reason, Executive shall be deemed to have resigned from all positions with the Company and its affiliates, including the Company, and, at the Company's request, Executive shall promptly deliver written evidence of such resignation.

4. Compensation

The Company shall pay compensation to Executive as follows:

(a) Base Salary. During the Term of Employment, the Company shall pay to Executive as base compensation for his services hereunder, on the Company's regular payroll dates, a base salary at a rate of not less than $625,000 per annum ("Base Salary").

(b) Annual Bonus. For each fiscal year during the Term of Employment, Executive will be eligible for an annual bonus with a target payment equal to 75% of Executive's annual rate of Base Salary, subject to pro-ration as provided below, based on Executive's achievement of pre-established performance goals and conditions determined by the Company on an annual basis in accordance with the annual bonus plan then applicable to senior management of the Company (the "Bonus Plan"). Under the Bonus Plan, the actual amount of any bonus paid for any fiscal year shall be determined by the Company based on its assessment of the actual performance against the goals and conditions established for the year. Any annual bonus payable to Executive for a fiscal year shall be paid to Executive not later than five months following the end of such fiscal year to which the performance relates. It shall be a condition to the payment of any annual bonus that Executive remain employed through the last day of the applicable fiscal year; provided that, if Executive remains employed with the Company through the date that is 18 months after the Effective Date, Executive shall be entitled to an annual bonus with respect to the Company's fiscal year 2025, determined and paid as though Executive had remained employed with the Company through the date that the Company pays annual bonuses for fiscal year 2025 to its executives generally but subject to pro-ration as provided below, even if Executive's employment with the Company terminates before the date of such bonus payment. If Executive is entitled to an annual bonus for fiscal year 2024, and if Executive is entitled to an annual bonus for fiscal year 2025 but Executive's employment with the Company terminates before the end of fiscal year 2025, Executive's bonus amount for such year shall be pro-rated based on the number of calendar days Executive was employed with the Company during such fiscal year over the total number of calendar days in such fiscal year.

(c) Sign-On Bonus. The Company will pay Executive a sign-on bonus ("Sign-On Bonus") of $300,000, such amount to be paid in a single lump sum between 30 and 45 days after the Effective Date. The Company and Executive agree that the Sign-On Bonus is an unvested wage advance, and that Executive shall earn such amount in its entirety only by remaining employed by the Company through the date that is 12 months after the Effective Date. In the event Executive's employment with the Company terminates for any reason other than due to (a) Executive's death or (b) a termination by the Company by the Company without Cause pursuant to Section 3(b)(iv), Executive shall not have earned, and Executive agrees to immediately repay to the Company, the full (before applicable withholding) amount of the Bonus, less eight-point thirty-three percent (8.333%) for each full month of Executive's employment with the Company following the Effective Date until such termination of Executive's employment with the Company. Executive agrees that such repayment obligation shall not be reduced by any partial months of employment. Executive further agrees that if such a repayment obligation is triggered, Executive will repay to the Company the applicable portion of the Sign-On Bonus by no later than the effective date of the termination of Executive's employment with the Company, and that any outstanding balance on such repayment obligation is delinquent and immediately collectable the day following such effective date of termination. Executive agrees that any repayment (in whole or in part) due to the Company under this Section 4(c) may be deducted to the extent permitted by law from any amounts due to Executive from the Company at the time Executive ceases to be employed with the Company, including from wages, accrued vacation pay, incentive compensation payments, bonuses and commissions, and Executive hereby expressly consents to and authorizes such deduction(s).

(d) Equity Awards. On or promptly following the Effective Date, the Company will grant the Executive a one-time sign-on grant with time/service-based vesting restricted stock units ("RSUs") with a grant-date fair value of $2,500,000 and performance-based vesting requirements ("PSUs") with a grant-date fair value of $1,000,000, in each case rounded to the nearest whole unit. The RSUs will be scheduled to vest on a 3-year pro-rata basis, or 1/3rd each year. The performance-based vesting requirement for the PSUs will be a +100% share price appreciation hurdle (measured with reference to the fair market value of a share of the Company's common stock on the date of the grant of the award and subject to the performance period being cut short in the event of a change in control of the Company). The share price appreciation hurdle will have two components: (i) a 40-day trading period that has an average price above the price hurdle; and (ii) if the 40-day average price is met prior to the 18-month period, then the award is delivered at the end of the 18-month period. If the 40-day average price is met after 18 months, then the shares are delivered once it is met, so long as that occurs before the end of the three (3) year or thirty-six (36) month period from the date of grant of the award.

The number of RSUs granted will equal $2,500,000 divided by the simple average of the closing prices for a share of the Company's common stock (in regular trading) on the New York Stock Exchange over trading days in the period of time the day the employment agreement is signed (or the first applicable trading day) and ending with the last trading day before the Effective Date, rounded to the nearest whole stock unit. The number of PSUs granted will equal

$1,000,000 divided by the simple average of the closing price for a share of the Company's common stock, rounded to the nearest whole stock unit.

(e) On or promptly following the Effective Date, the Company will also grant Executive additional equity awards having a grant-date fair value of $3,500,000 in the aggregate, with an equity award mix of 50% PSUs, 25% RSUs and 25% stock options, based on the grant-date fair value of the awards, and other terms and conditions of such awards, to be consistent with the Company's annual equity awards for fiscal year 2024 for its executive officers generally (except that the time-based vesting schedule for such awards shall be measured based on the actual date of grant of the award and the per share exercise price of any stock options shall be equal to the closing price (in regular trading) of a share of the Company's common stock on the New York Stock Exchange date of grant of the award (or, if the grant date is not a trading day, on the last trading day prior to the date of grant of the award), and subject to rounding each particular type of award to the nearest whole unit. To determine the number of shares to award, simple average of the closing prices for a share of the Company's common stock (in regular trading) on the New York Stock Exchange over trading days in the period of time the day the employment agreement is signed (or the first applicable trading day) and ending with the last trading day before the Effective Date, rounded to the nearest whole stock unit beginning with the date of this Agreement set forth above and ending with the last trading day before the Effective Date, rounded to the nearest whole stock unit. If Executive is employed by the Company when the Company grants annual equity awards for fiscal year 2025 to its executive officers generally, the Company will also grant Executive grant-date fair value of $3,500,000 in the aggregate, with the mix of awards, and other terms and conditions of such awards, to be consistent with the Company's annual equity awards for fiscal year 2025 for its executive officers generally, and subject to rounding each particular type of award to the nearest whole unit. The grant-date fair value of each equity award will be determined by the Company in accordance with its usual equity award valuation methodologies. Each RSU, PSU, stock option or other equity award granted by the Company to Executive will be granted under and subject to the Company's 2021 Omnibus Equity Incentive Plan, and shall be subject to such further terms and conditions as set forth in a written award agreement to be entered into by the Company and Executive to evidence such award. Each such award agreement shall be in substantially the same form as used by the Company at the time of grant for granting that particular type of award to the Company's executive officers generally.

5. Reimbursement of Expenses

During the Term of Employment, the Company will promptly reimburse Executive (or pay directly) for reasonable and documented travel, entertainment and other expenses reasonably incurred by Executive in connection with the performance of his duties hereunder and, in each case, in accordance with the policies, rules, customs and usages promulgated by the Company and in effect from time to time and applicable law. Any payments due under this Section 5 will be payable in accordance with the Company's usual payroll practices.

6. Benefits

During the Term of Employment, Executive shall be entitled to participate in and be covered by any insurance plan (including but not limited to medical, dental, health, accident, hospitalization and disability), 401(k), profit sharing or other employee benefit plan of the Company, to the same extent and on substantially the same terms as such benefits are or may be provided by the Company, at its sole discretion, from time to time to other members of the senior management of the Company, and in all circumstances in accordance with the policies, rules, customs and usages promulgated by the Company and in effect from time to time.

7. Notice

Any notice, request, demand or other communication required or permitted to be given under this Agreement shall be given in writing and if delivered personally, or sent by certified or registered mail, return receipt requested, as follows (or to such other addressee or address as shall be set forth in a notice given in the same manner):

(a) If to Executive, to Executive at the address most recently contained in the Company's records (which Executive shall update as necessary):

2739 Turnberry Park Lane
St. Louis, MO 63131

(b) If to the Company:

agilon health, inc.
6210 E. Highway 290
Suite 450
Austin, TX 78723
Attention: Chief Legal Officer

Any such notices shall be deemed to be given on the date personally delivered or such return receipt is issued.

8. Executive's Representation

Executive hereby represents and warrants to the Company that Executive has carefully reviewed this Agreement and has consulted with such advisors as Executive considers appropriate in connection with this Agreement, and is not subject to any covenants, agreements or restrictions, including without limitation any covenants, agreements or restrictions arising out of Executive's prior employment, which would be breached or violated by Executive's execution of this Agreement or by Executive's performance of his duties hereunder. In addition, Executive hereby represents, warrants and covenants to the Company that, as of the date hereof he does not have and during the Term of Employment (without the Company's prior approval) will not have any professional relationships with (whether as an employee, director, officer, consultant or advisor, and whether or not for compensation) or commitments to any individual or entity (other than the Company) that operates or conducts (or, to Executive's knowledge, intends to operate or conduct) any business of the types in which the Company, or any of its subsidiaries or affiliated independent physician associations is engaged.

9. Other Matters

Executive agrees and acknowledges that the obligations owed to Executive under this Agreement are solely the obligations of the Company, and that none of the stockholders, directors, officers, affiliates, representatives, agents or lenders of or to Company or any of its affiliates will have any obligations or liabilities in respect of this Agreement and the subject matter hereof, to the extent allowed by law.

10. Partial Invalidity; Severability

In case any one or more of the provisions or parts of a provision contained in this Agreement shall, for any reason, be held to be invalid, illegal or unenforceable in any respect in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or part of a provision of this Agreement or any other jurisdiction, but this Agreement shall be reformed and construed in any such jurisdiction as if such invalid or illegal or unenforceable provision or part of a provision had never been contained herein and such provision or part shall be reformed so that it would be valid, legal and enforceable to the maximum extent permitted in such jurisdiction.

11. Waiver of Breach; Specific Performance

The waiver by the Company or Executive of a breach of any provision of this Agreement by the other party shall not operate or be construed as a waiver of any other breach of any other party. Each of the parties to this Agreement will be entitled to enforce its respective rights under this Agreement and to exercise all other rights existing in its favor. In the event either party takes legal action to enforce any of the terms or provisions of this Agreement, the nonprevailing party shall pay the successful party's costs and expenses, including but not limited to, attorneys' fees, incurred in such action.

12. Assignment

Neither Executive, on the one hand, nor the Company, on the other hand, may assign, transfer, pledge, hypothecate, encumber or otherwise dispose of this Agreement or any of his or its respective rights or obligations hereunder, without the prior written consent of the other, provided that the Company may assign its rights and obligations under this Agreement to another wholly owned subsidiary of Parent that employs members of agilon health's senior management.

13. Amendment; Entire Agreement

This Agreement may not be changed orally but only by an agreement in writing agreed to by the party against whom enforcement of any waiver, change, modification, extension or discharge is sought. This Agreement (together with the Confidentiality Policy) embodies the entire agreement and understanding of the parties hereto in respect of the subject matter of this Agreement, and supersedes and replaces all prior agreements, understandings and commitments with respect to such subject matter.

14. Governing Law; Choice of Forum

THIS AGREEMENT SHALL BE GOVERNED BY, CONSTRUED, APPLIED AND ENFORCED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF DELAWARE. IN THE EVENT ANY PARTY TO THIS AGREEMENT COMMENCES ANY LITIGATION, PROCEEDING OR OTHER LEGAL ACTION IN CONNECTION WITH OR RELATING TO THIS AGREEMENT, ANY RELATED AGREEMENT OR ANY MATTERS DESCRIBED OR CONTEMPLATED HEREIN OR THEREIN, THE PARTIES TO THIS AGREEMENT HEREBY (1) AGREE UNDER ALL CIRCUMSTANCES ABSOLUTELY AND IRREVOCABLY TO INSTITUTE ANY LITIGATION, PROCEEDING OR OTHER LEGAL ACTION IN A COURT OF COMPETENT JURISDICTION LOCATED WITHIN THE WESTERN DISTRICT OF TEXAS, WHETHER A STATE OR FEDERAL COURT; (2) AGREE THAT IN THE EVENT OF ANY SUCH LITIGATION, PROCEEDING OR ACTION, SUCH PARTIES WILL CONSENT AND SUBMIT TO THE PERSONAL JURISDICTION OF ANY SUCH COURT DESCRIBED IN CLAUSE (1) OF THIS SECTION AND TO SERVICE OF PROCESS UPON THEM IN ACCORDANCE WITH THE RULES AND STATUTES GOVERNING SERVICE OF PROCESS (IT BEING UNDERSTOOD THAT NOTHING IN THIS SECTION SHALL BE DEEMED TO PREVENT ANY PARTY FROM SEEKING TO REMOVE ANY ACTION TO A FEDERAL COURT IN THE WESTERN DISTRICT OF TEXAS); (3) IRREVOCABLY CONSENT TO THE SERVICE OF ANY AND ALL PROCESS IN ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT TO SUCH PARTY AT SUCH PARTY’S ADDRESS SPECIFIED IN SECTION 7; (4) AGREE TO WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY OBJECTION THAT THEY MAY NOW OR HEREAFTER HAVE TO THE VENUE OF ANY SUCH LITIGATION, PROCEEDING OR ACTION IN ANY SUCH COURT OR THAT ANY SUCH LITIGATION, PROCEEDING OR ACTION WAS BROUGHT IN ANY INCONVENIENT FORUM; AND (5) AGREE, AFTER CONSULTATION WITH COUNSEL, TO WAIVE ANY RIGHTS TO A JURY TRIAL TO RESOLVE ANY DISPUTES OR CLAIMS RELATING TO THIS AGREEMENT. THE CHOICE OF FORUM SET FORTH IN THIS SECTION 14 SHALL NOT BE DEEMED TO PRECLUDE THE ENFORCEMENT OF ANY ACTION UNDER THIS AGREEMENT IN ANY OTHER JURISDICTION.

15. Further Action

Executive and the Company agree to perform any further acts and to execute and deliver any documents which may be reasonable to carry out the provisions hereof.

16. Payments by Subsidiaries

Executive acknowledges that one or more payments hereunder may be paid by one or more of the Company's subsidiaries, and Executive agrees that any such payment made by such subsidiary shall satisfy the obligations of the Company hereunder with respect to (but only to the extent of) such payment.

17. Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original as against any party whose signature appears thereon, and all of which together shall constitute one and the same instrument. This Agreement shall become binding when one or more counterparts hereof, individually or taken together, shall bear the signatures of all of the parties reflected hereon as the signatories. Photographic and PDF copies of such signed counterparts may be used in lieu of the originals for any purpose.

18. Legal Counsel; Mutual Drafting

Each party recognizes that this is a legally binding contract and acknowledges and agrees that they have had the opportunity to consult with legal counsel of their choice. Each party has cooperated in the drafting, negotiation and preparation of this Agreement. Hence, in any construction to be made of this Agreement, the same shall not be construed against either party on the basis of that party being the drafter of such language. The Executive agrees and acknowledges that he or she has read and understands this Agreement, is entering into it freely and voluntarily, and has been advised to seek counsel prior to entering into this Agreement and has had ample opportunity to do so.

19. Tax Matters

Executive acknowledges that the payments and benefits provided under the terms of this Agreement shall constitute taxable income to the extent provided in the applicable provisions of the United States Internal Revenue Code of 1986, as amended, and any successor thereto and applicable regulations thereunder (the "Code") and other applicable tax laws. Moreover, Executive understands and acknowledges that the Company have not provided any advice regarding his tax liability resulting from this Agreement and that they have been advised to consult with his personal tax advisor or legal counsel as to the taxability of the payments and benefits provided under this Agreement. Executive shall be solely responsible for taxes imposed on him by reason of any payments or benefits provided under this Agreement and all such payments and benefits shall be subject to applicable federal, state, local and foreign withholding requirements. All payments to be made or benefits to be provided to Executive pursuant to this Agreement shall be made net of all applicable income and employment taxes required to be withheld from such payments pursuant to any applicable law or regulation.

20. Applicability of Section 409A of the Code

To the extent that any reimbursement, fringe benefit or other, similar plan or arrangement in which Executive participates during the term of Executive's employment under this Agreement or thereafter provides for a "deferral of compensation" within the meaning of Section 409A of the Code, (i) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, (ii) the amount eligible for reimbursement or payment under such plan or arrangement in one calendar year may not affect the amount eligible for reimbursement or payment in any other calendar year (except that a plan providing medical or health benefits may impose a generally applicable limit on the amount that may be reimbursed or paid), (iii) subject to any shorter time periods provided in any expense reimbursement policy of the Company, any reimbursement or payment of an expense under such plan or arrangement must be made on or before the last day of the calendar year following the calendar year in which the expense was incurred and (iv) the reimbursements shall be made pursuant to objectively determinable and nondiscretionary Company policies and procedures regarding such reimbursement of expenses. In addition, with respect to any payments or benefits subject to Section 409A of the Code, reference to Executive's "termination of employment" (and corollary terms) with the Company shall be construed to refer to Executive's "separation from service" (as determined under Treas. Reg. Section 1.409A-1(h), as uniformly applied by the Company) with the Company. Whenever a provision under this Agreement specifies a payment period with reference to a number of days, the actual date of payment within the specified period shall be within the sole discretion of the Company. Executive's right to receive any installment payments hereunder shall, for purposes of Section 409A, be treated as a right to receive a series of separate and distinct payments. If the timing of Executive's execution of a general release of claims pursuant to Section 3(h) could impact the calendar year in which any payment under this Agreement that is subject to Section 409A of the Code will be made, such payment will be made in the later calendar year.

Notwithstanding anything to the contrary in this Agreement, if Executive is a "specified employee" within the meaning of Section 409A of the Code at the time of Executive's separation from service (other than due to death), then any payment under this Agreement that is subject to Section 409A of the Code and that is payable by reason of Executive's separation from service within the first six months following Executive's separation from service will become payable on the first payroll date that occurs on or after the date six months and one day following the date of Executive's separation from service. All subsequent related payments, if any, will be payable in accordance with the payment schedule applicable to each payment or benefit. Notwithstanding anything herein to the contrary, if Executive dies following Executive's separation from service, but prior to the six-month anniversary of the separation from service, then any payments delayed in accordance with this paragraph will be payable in a lump sum as soon as administratively practicable after the date of Executive's death and all other related payments will be payable in accordance with the payment schedule applicable to each payment or benefit.

The foregoing provisions are intended to comply with the requirements of Section 409A of the Code so that none of the severance payments and benefits to be provided hereunder will be subject to the additional tax imposed under Section 409A of the Code, and, if any ambiguity is found herein with respect to such payments or benefits, any such ambiguities will be interpreted to so comply. If any payment or benefits subject to Section 409A of the Code could be construed not to comply with Section 409A of the Code, the Company and Executive agree to work together in good faith to consider amendments to this Agreement and to take such reasonable actions which are necessary, appropriate or desirable to avoid imposition of any additional tax or income recognition prior to actual payment to Executive under Section 409A of the Code.

[*Signature Page Follows*]

IN WITNESS WHEREOF, this Agreement has been executed as of the date first written above.

EXECUTIVE

/s/ JEFFREY SCHWANEKE
Jeffrey Schwaneke

AGILON HEALTH, INC.

/s/ STEVEN J. SELL ___________
Name: Steven J. Sell ___________

AMENDMENT TO
EMPLOYMENT AGREEMENT
BETWEEN JEFFREY SCHWANEKE AND agilon health, inc.

This AMENDMENT (the "Amendment") to the Employment Agreement, dated June 3, 2024, between Jeffrey Schwaneke and agilon health, inc. ("agilon" or the "Company") (the "Agreement") is made as of August __, 2024 and is effective as of June 3, 2024 (the "Effective Date") by and among the parties. Capitalized terms used and not defined in this Amendment have the same meanings ascribed to such terms in the Agreement and section references included in this Amendment refer to sections of the Agreement.

WHEREAS Section 13 of the Agreement provides for amending the Agreement in writing between the parties.

WHEREAS the parties desire to amend the Agreement to provide that the Company shall be responsible for and indemnify Jeffrey Schwaneke and hold him harmless from any increased tax, penalty, interest, or other liabilities, losses or costs relating to or arising from the failure of any nonqualified deferred compensation plan of the Company to comply with the documentary and operational requirements of Section 409A of the US Internal Revenue Code of 1986, as amended, and regulations promulgated thereunder..

NOW THEREFORE, the Agreement shall be amended as follows:

AMENDMENT I

Section 20 of the Agreement is hereby revised to read, in its entirety, as follows:

> "To the extent that any reimbursement, fringe benefit or other, similar plan or arrangement in which Executive participates during the term of Executive's employment under this Agreement or thereafter provides for a "deferral of compensation" within the meaning of Section 409A of the Code, (i) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, (ii) the amount eligible for reimbursement or payment under such plan or arrangement in one calendar year may not affect the amount eligible for reimbursement or payment in any other calendar year (except that a plan providing medical or health benefits may impose a generally applicable limit on the amount that may be reimbursed or paid), (iii) subject to any shorter time periods provided in any expense reimbursement policy of the Company, any reimbursement or payment of an expense under such plan or arrangement must be made on or before the last day of the calendar year following the calendar year in which the expense was incurred and (iv) the reimbursements shall be made pursuant to objectively determinable and nondiscretionary Company policies and procedures regarding such reimbursement of expenses. In addition, with respect to any payments or benefits subject to Section 409A of the Code, reference to Executive's "termination of employment" (and corollary terms) with the Company shall be construed to refer to Executive's "separation from service" (as determined under Treas. Reg. Section 1.409A-1(h), as uniformly applied by the Company) with the Company. Whenever a provision under this Agreement specifies a payment period with reference to a number of days, the actual date of payment within the specified period shall be within the sole discretion of the Company. Executive's right to receive any installment payments hereunder shall, for purposes of Section 409A, be treated as a right to receive a series of separate and distinct payments. If the timing of Executive's execution of a general release of claims pursuant to Section 3(h) could impact the calendar year in which any payment under this Agreement that is subject to Section 409A of the Code will be made, such payment will be made in the later calendar year.
>
> Notwithstanding anything to the contrary in this Agreement, if Executive is a "specified employee" within the meaning of Section 409A of the Code at the time of Executive's separation

from service (other than due to death), then any payment under this Agreement that is subject to Section 409A of the Code and that is payable by reason of Executive's separation from service within the first six months following Executive's separation from service will become payable on the first payroll date that occurs on or after the date six months and one day following the date of Executive's separation from service. All subsequent related payments, if any, will be payable in accordance with the payment schedule applicable to each payment or benefit. Notwithstanding anything herein to the contrary, if Executive dies following Executive's separation from service, but prior to the six-month anniversary of the separation from service, then any payments delayed in accordance with this paragraph will be payable in a lump sum as soon as administratively practicable after the date of Executive's death and all other related payments will be payable in accordance with the payment schedule applicable to each payment or benefit.

The foregoing provisions are intended to comply with the requirements of Section 409A of the Code so that none of the severance payments and benefits to be provided hereunder will be subject to the additional tax imposed under Section 409A of the Code, and, if any ambiguity is found herein with respect to such payments or benefits, any such ambiguities will be interpreted to so comply. If any payment or benefits subject to Section 409A of the Code could be construed not to comply with Section 409A of the Code, the Company and Executive agree to work together in good faith to consider amendments to this Agreement and to take such reasonable actions which are necessary, appropriate or desirable to avoid imposition of any additional tax or income recognition prior to actual payment to Executive under Section 409A of the Code.

Notwithstanding any contrary provision of this Agreement, the Company shall be responsible for and shall indemnify you for and hold you harmless from any increased tax, penalty, interest, or other liabilities, losses or costs relating to or arising from the failure of any nonqualified deferred compensation plan of the Company to comply with the documentary and operational requirements of Section 409A of the US Internal Revenue Code of 1986, as amended, and regulations promulgated thereunder."

Except as amended by this Amendment, all provisions of the Agreement shall remain in full force and effect.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK - SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date.

/s/ JEFFREY SCHWANEKE
Jeffrey Schwaneke

agilon health, inc.

/s/ STEVEN J. SELL
Name: Steven J. Sell

Exhibit 10.2

Employee Performance Restricted Stock Unit Agreement

This Employee Performance Restricted Stock Unit Agreement (the "Agreement"), by and between agilon health, inc., a Delaware corporation (the "Company"), and the Employee whose name is set forth on Exhibit A hereto, is being entered into pursuant to the agilon health, inc. 2021 Omnibus Equity Incentive Plan (as amended from time to time, the "Plan"). This Agreement shall be dated as of the date it is accepted and agreed to by the Employee in accordance with Section
6(r) of this Agreement. Capitalized terms that are used but not defined herein shall have the respective meanings given to them in the Plan.

Section 1. Grant of Performance Restricted Stock Units. The Company hereby evidences and confirms its grant to the Employee, effective as of the date set forth on Exhibit A hereto (the "Grant Date"), of the number of Performance Restricted Stock Units ("PRSUs", and such award of PRSUs, this "Award") as shall be determined pursuant to Exhibit A and Section 2 hereof, subject to adjustment pursuant to the Plan. This Agreement is entered into pursuant to, and the PRSUs granted hereunder are subject to, the terms and conditions of the Plan, which are incorporated by reference herein. If there is any inconsistency between any express provision of this Agreement and any express term of the Plan, the express term of the Plan shall govern.

In consideration of the receipt of the PRSUs, the Employee confirms his or her agreement to comply with the restrictive covenants to which he or she has agreed or is agreeing to be bound by in respect of the Company and the Subsidiaries; it being understood that the Employee shall be required to comply with such restrictive covenants for the periods provided thereby, to the extent permitted by applicable law, even if the Employee has vested in or forfeited all of the PRSUs.

Section 2. Vesting of Performance Restricted Stock Units.

(a) Vesting. The PRSUs shall become earned and vested, if at all, in accordance with the terms and conditions of this Agreement (including, but not limited to, the provisions relating to the earning, vesting and forfeiture of PRSUs as set forth on Exhibit A hereto) and the Plan. PRSUs that become vested shall be settled as provided in Section 3 of this Agreement.

(b) Effect of Termination of Employment.

(i) If the Employee's employment is terminated by reason of the Employee's death or Disability (such termination, a "Special Termination") while any PRSUs subject to this Award remain outstanding and unvested, the outstanding unvested PRSUs subject to this Award shall be treated as follows:

(x) in the event the Special Termination occurs before the date the Stock Appreciation Goal (as such term is defined in Exhibit A hereto) has been satisfied, all the outstanding PRSUs shall be forfeited and canceled for no consideration effective as of the date of such Special Termination; and

(y) in the event the Special Termination occurs on or after the date the Stock Appreciation Goal has been satisfied, the outstanding unvested PRSUs shall vest, as of the date of such Special Termination, on a pro rata basis, with the number of PRSUs vesting on such date equal to (i) the total number of PRSUs subject to this Award multiplied by a fraction, the numerator of which is the number of calendar days that have elapsed from the Grant Date as of the date of such Special Termination and the denominator of which is the number of calendar days in the Performance Period (as such term is defined in Exhibit A hereto), less (ii) the number of PRSUs subject to this Award that vested (before giving effect to this

Section 2(b)(i)(y)) on or before the date of such Special Termination (and any other PRSUs that remain unvested shall automatically be forfeited). Vested PRSUs shall be settled as provided in Section 3 of this Agreement.

(ii) Any Other Reason. Upon termination of the Employee's employment prior to the conclusion of the Performance Period for any reason other than a Special Termination (whether initiated by the Company or by the Employee), all outstanding and unvested PRSUs shall be forfeited and canceled for no consideration effective as of the date of such termination.

(c) Effect of a Change in Control. In the event of a Change in Control, the treatment of any unvested PRSUs shall be governed by Exhibit A.

(d) Discretionary Acceleration. Notwithstanding anything contained in this Agreement to the contrary, but subject to any limits prescribed in the Plan, the Administrator, in its sole discretion, may accelerate the vesting with respect to any PRSUs under this Agreement, at such times and upon such terms and conditions as the Administrator shall determine.

(e) No Other Accelerated Vesting. The vesting and settlement provisions set forth in this Section 2, in Exhibit A, or in Section 3, or expressly set forth in the Plan, shall be the exclusive vesting and settlement provisions applicable to the PRSUs and shall supersede any other provisions relating to vesting and settlement, unless such other such provision expressly refers to the Plan by name and this Agreement by name and date.

Section 3. Settlement of PRSUs.

(a) Timing of Settlement. Subject to Section 6(a), any PRSUs that become vested shall be settled into an equal number of shares of Company Common Stock on a date selected by the Company that is on or within 30 days following the date of the Administrator's certification of achievement of the applicable vesting conditions, but not later than March 15th of the calendar year immediately following the calendar year in which the PRSUs become vested (the "Settlement Date"); provided that, in the case of accelerated vesting of PRSUs pursuant to Section 2(b)(i) or pursuant to Exhibit A in connection with a Change in Control, the Settlement Date shall occur on a date selected by the Company that is within 30 days following the vesting of such PRSUs.

(b) Mechanics of Settlement. On the Settlement Date, the Company shall electronically issue to the Employee one whole share of Company Common Stock for each PRSU that became earned and vested as of the Settlement Date (except as provided in Section 6(a)), and, upon such issuance, the Employee's rights in respect of such PRSU shall be extinguished. In the event that there are any fractional PRSUs that became vested on such date, such fractional PRSUs shall be settled through a cash payment equal to such fractional PRSU multiplied by the Fair Market Value of one share of Company Common Stock on the Settlement Date. No fractional shares of Company Common Stock shall be issued in respect of the PRSUs.

Section 4. Securities Law Compliance. Notwithstanding any other provision of this Agreement, the Employee may not sell the shares of Company Common Stock acquired upon settlement of the PRSUs unless such shares are registered under the Securities Act of 1933, as amended (the "Securities Act"), or, if such shares are not then so registered, such sale would be exempt from the registration requirements of the Securities Act. The sale of such shares must also comply with other applicable laws and regulations governing the Company Common Stock, and the Employee may not sell the shares of Company Common Stock if the Company determines that such sale would not be in material compliance with such laws and regulations.

Section 5. Restriction on Transfer; Non-Transferability of PRSUs. The PRSUs are not assignable or transferable, in whole or in part, and they may not, directly or indirectly, be offered, transferred, sold, pledged, assigned, alienated, hypothecated or otherwise disposed of or encumbered (including, but not limited to, by gift, operation of law or otherwise) other than by will or by the laws of descent and distribution to the estate of the Employee upon the Employee's death. Any purported transfer in violation of this Section 5 shall be void *ab initio*.

Section 6. Miscellaneous.

(a) Tax Withholding. In the event that the Company settles any PRSUs using Company Common Stock, the Company or one of the Subsidiaries shall require the Employee to remit to the Company an amount in cash sufficient to satisfy any applicable U.S. federal, state and local and non-U.S. tax withholding obligations that may arise in connection with the vesting of the PRSUs and the related issuance of shares of Company Common Stock. Notwithstanding the preceding sentence, if the Employee elects not to remit cash in respect of such obligations, (x) the Company shall retain a number of shares of Company Common Stock issued in respect of the PRSUs then vesting that have an aggregate Fair Market Value as of the Settlement Date equal to the amount of such taxes required to be withheld not in excess of such amount as may be necessary to avoid liability award accounting and any remaining amount shall be remitted in cash or withheld and (y) the number of shares of Company Common Stock to be issued in respect of the PRSUs shall thereupon be reduced by the number of shares of Company Common Stock so retained (and the Employee shall thereupon be deemed to have satisfied his or her obligations under this Section 6(a)). The method of withholding set forth in the immediately preceding sentence shall not be available if withholding in this manner would violate any financing instrument of the Company or any of the Subsidiaries. In the event of a cash payment or any other withholding event in respect of the PRSUs, the Company (or a Subsidiary) shall be entitled to require a cash payment by or on behalf of the Employee and/or to deduct from other compensation payable to the Employee any sums required by federal, state or local tax law to be withheld with respect to such distribution or payment.

(b) Dividend Equivalents. In the event that the Company pays any ordinary dividend in cash on a share of Company Common Stock following the Grant Date and prior to the Date with respect to any PRSUs, there shall be credited to the account of the Employee in respect of each outstanding PRSU an amount equal to the amount of such dividend. The amount so credited shall be deferred (without interest, unless the Administrator determines otherwise) until the applicable Settlement Date of the PRSUs and then paid in cash proportionate to the amount of the PRSUs, if any, that have been earned or vested, but to the extent any PRSUs are canceled a proportionate amount of such accumulated amounts shall be forfeited.

(c) Authorization to Share Personal Data. The Employee authorizes the Company or any Affiliate of the Company that has or lawfully obtains personal data relating to the Employee to divulge or transfer such personal data to the Company or to a third party, in each case in any jurisdiction, if and to the extent reasonably appropriate in connection with this Agreement or the administration of the Plan.

(d) No Rights as Stockholder; No Voting Rights. Except as provided in Section 6(b), the Employee shall have no rights as a stockholder of the Company with respect to any shares of Company Common Stock covered by the PRSUs prior to the issuance of such shares of Company Common Stock.

(e) No Right to Awards. The Employee acknowledges and agrees that the grant of any PRSUs (i) is being made on an exceptional basis and is not intended to be renewed or repeated,

(ii) is entirely voluntary on the part of the Company and the Subsidiaries and (ii) should not be construed as creating any obligation on the part of the Company or any of the Subsidiaries to offer any PRSUs or other Awards in the future.

(f) No Right to Continued Employment. Nothing in this Agreement shall be deemed to confer on the Employee any right to continue in the employ of the Company or any Subsidiary, or to interfere with or limit in any way the right of the Company or any Subsidiary to terminate such employment at any time.

(g) Nature of Award. This award of PRSUs and any delivery or payment in respect thereof constitutes a special incentive payment to the Employee and shall not be taken into account in computing the amount of salary or compensation of the Employee for the purpose of determining any retirement, death or other benefits under (x) any retirement, bonus, life insurance or other employee benefit plan of the Company, or (y) any agreement between the Company and the Employee, except as such plan or agreement shall otherwise expressly provide.

(h) Interpretation. The Administrator shall have full power and discretion to construe and interpret the Plan (and any rules and regulations issued thereunder) and this Award. Any determination or interpretation by the Administrator under or pursuant to the Plan, this Agreement (including Exhibit A) or this Award shall be final and binding and conclusive on all persons affected hereby.

(i) Forfeiture of Awards. The PRSUs granted hereunder (and gains earned or accrued in connection therewith) shall be subject to such generally applicable policies as to forfeiture and recoupment (including, without limitation, upon the occurrence of material financial or accounting errors, financial or other misconduct or Competitive Activity) as may be adopted by the Administrator or the Board from time to time and communicated to the Employee or as required by Applicable Law, and are otherwise subject to forfeiture or disgorgement of profits as provided by the Plan.

(j) Consent to Electronic Delivery. By entering into this Agreement and accepting the PRSUs evidenced hereby, the Employee hereby consents to the delivery of information (including, without limitation, information required to be delivered to the Employee pursuant to applicable securities laws) regarding the Company and the Subsidiaries, the Plan, this Agreement and the PRSUs via Company website or other electronic delivery.

(k) Binding Effect; Benefits. This Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their respective successors and assigns. Nothing in this Agreement, express or implied, is intended or shall be construed to give any person other than the parties to this Agreement or their respective successors or assigns any legal or equitable right, remedy or claim under or in respect of any agreement or any provision contained herein.

(l) Waiver; Amendment.

(i) Waiver. Any party hereto or beneficiary hereof may by written notice to the other parties (A) extend the time for the performance of any of the obligations or other actions of the other parties under this Agreement, (B) waive compliance with any of the conditions or covenants of the other parties contained in this Agreement and (C) waive or modify performance of any of the obligations of the other parties under this Agreement. Except as provided in the preceding sentence, no action taken pursuant to this Agreement, including, without limitation, any investigation by or on behalf of any party or beneficiary, shall be deemed to constitute a waiver by the party or beneficiary taking such action of compliance with any representations, warranties, covenants or agreements contained herein. The waiver by any party hereto or beneficiary hereof of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any preceding or succeeding breach and no failure by a party or beneficiary to exercise any right or privilege hereunder shall be deemed a waiver of such party's or beneficiary's rights or privileges hereunder or shall be deemed a waiver of such party's or beneficiary's rights to exercise the same at any subsequent time or times hereunder.

(ii) Amendment. This Agreement may not be amended, modified or supplemented orally, but only by a written instrument executed by the Employee and the Company.

(m) Assignability. Neither this Agreement nor any right, remedy, obligation or liability arising hereunder or by reason hereof shall be assignable by the Company or the Employee without the prior written consent of the other party.

(n) Applicable Law. This Agreement shall be governed in all respects, including, but not limited to, as to validity, interpretation and effect, by the internal laws of the State of Delaware, without reference to principles of conflict of law that would require application of the law of another jurisdiction.

(o) Waiver of Jury Trial. Each party hereby waives, to the fullest extent permitted by applicable law, any right he, she or it may have to a trial by jury in respect of any suit, action or proceeding arising out of this Agreement or any transaction contemplated hereby. Each party
(i) certifies that no representative, agent or attorney of any other party has represented, expressly or otherwise, that such other party would not, in the event of litigation, seek to enforce the foregoing waiver and (ii) acknowledges that he, she or it and the other party hereto have been induced to enter into the Agreement by, among other things, the mutual waivers and certifications in this Section 6(o).

(p) Limitations of Actions. No lawsuit relating to this Agreement may be filed before a written claim is filed with the Administrator and is denied or deemed denied as provided in the Plan and any lawsuit must be filed within one year of such denial or deemed denial or be forever barred.

(q) Section and Other Headings, etc. The section and other headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

(r) Acceptance of PRSUs and Agreement. The Employee has indicated his or her consent and acknowledgement of the terms of this Agreement pursuant to the instructions provided to the Employee by or on behalf of the Company. The Employee acknowledges receipt of the Plan, represents to the Company that he or she has read and understood this Agreement and the Plan, and, as an express condition to the grant of the PRSUs under this Agreement, agrees to be bound by the terms of both this Agreement and the Plan. The Employee and the Company each agrees and acknowledges that the use of electronic media (including, without limitation, a clickthrough button or checkbox on a website of the Company or a third-party administrator) to indicate the Employee's confirmation, consent, signature, agreement and delivery of this Agreement and the PRSUs is legally valid and has the same legal force and effect as if the Employee and the Company signed and executed this Agreement in paper form. The same use of electronic media may be used for any amendment or waiver of this Agreement.

Exhibit A to
Employee Performance Restricted Stock Unit Agreement

Employee: [______________]

Grant Date: [________________], 2024

Number of Performance
Restricted Stock Units granted: [_______________]

A. Subject to Section D below, the total number of PRSUs subject to this Award will be earned and vested only if both the time/service-based vesting condition, and the performance-based vesting condition, set forth below are timely satisfied during the vesting and performance period with respect to this Award (which period is the Grant Date through and ending with the date that is three years after the Grant Date, the "<u>Performance Period</u>"):

(i) If the Stock Appreciation Goal (as defined below) is satisfied on or before the date that is twelve (12) months after the Grant Date, then the total number of PRSUs subject to this Award will, subject to Section 2(b) of this Agreement, vest in three equal installments with one-third (1/3) of the total number of PRSUs subject to this Award vesting on each of the date that is twelve (12) months after the Grant Date, the date that is twenty-four (24) months after the Grant Date, and the date that is thirty-six (36) months after the Grant Date.

(ii) If the Stock Appreciation Goal is satisfied after the date that is twelve (12) months after the Grant Date, and on or before the date that is twenty-four (24) months after the Grant Date, then the total number of PRSUs subject to this Award will, subject to Section 2(b) of this Agreement, vest in three equal installments with one-third (1/3) of the total number of PRSUs subject to this Award vesting on each of the date on which the Stock Appreciation Goal is satisfied, the date that is twenty-four (24) months after the Grant Date, and the date that is thirty-six (36) months after the Grant Date (for clarity, if the Stock Appreciation Goal is satisfied on the date that is twenty-four (24) months after the Grant Date, then two of the three installments shall vest on that date).

(ii) If the Stock Appreciation Goal is satisfied after the date that is twenty-four (24) months after the Grant Date, and on or before the date that is thirty-six (36) months after the Grant Date, then the total number of PRSUs subject to this Award will, subject to Section 2(b) of this Agreement, vest in two installments with two-thirds (2/3) of the total number of PRSUs subject to this Award vesting on the date on which the Stock Appreciation Goal is satisfied and one-third (1/3) of the total number of PRSUs subject to this Award vesting on the date that is thirty-six (36) months after the Grant Date (for clarity, if the Stock Appreciation Goal is satisfied on the date that is thirty-six (36) months after the Grant Date, then both of such installments shall vest on that date).

B. Subject to Section D below, if the Stock Appreciation Goal is not satisfied on or before the date that is three (3) years after the Grant Date, then the PRSUs subject to this Award will be forfeited and canceled on the date that is three (3) years after the Grant Date (to the extent not cancelled earlier than that date pursuant to Section 2(b) of this Agreement).

C. The "Stock Appreciation Goal" will be satisfied only if, on a particular date after the Grant Date, the 40-Day Simple Average (as defined below) determined on that date equals or exceeds two times the closing price for a share of Company Common Stock (in regular trading) on the New York Stock Exchange on the Grant Date (or, if the Grant Date is not a trading day, on the last trading day prior to the Grant Date) (such closing price, the "Grant Date Closing Price"). For this purpose, "40-Day Simple Average" means the simple average of the closing prices for a share of Company Common Stock (in regular trading) on the New York Stock Exchange over the forty (40) consecutive trading days ending with the date in question (or, if the date in question is not a trading day, on the last trading day prior to the date in question).

D. In the event a Change in Control occurs after the Grant Date and on or before the date that is three (3) years after the Grant Date, and in connection with such Change in Control the Company Common Stock will no longer be listed or admitted to trade on a national securities exchange, then the PRSUs subject to this Award (to the extent outstanding and not otherwise vested immediately prior to such Change in Control) shall be treated as follows:

(i) If the Change in Control Price (as such term is defined in the Plan) in connection with such Change in Control is equal to or greater than two times the Grant Date Closing Price, the PRSUs subject to this Award will, subject to Section 2(b) of this Agreement, vest and be earned upon (or, as may be necessary to effect such acceleration, immediately prior to) such Change in Control.

(ii) If the Change in Control Price in connection with such Change in Control is less than two times the Grant Date Closing Price, the PRSUs subject to this Award will be forfeited and canceled upon (or, as the Administrator may provide, immediately prior to) such Change in Control.

E. The Administrator shall make equitable and proportionate adjustments to the determination of the 40-Day Simple Average and the determination of Change in Control Price, as applicable, to:

(i) exclude the impact of any stock split, reverse stock split, or stock dividend; and

(ii) include the value of any dividends and other distributions (other than a stock dividend accounted for pursuant to the preceding clause (a)) made by the Company on a share of Company Common Stock after the Grant Date and before the applicable date in question by adding the dollar value of such dividends and other distributions (any non-cash distributions having a value determined in good faith by the Administrator) to the applicable closing market prices of a share of Company Common Stock (or the Change in Control Price, as applicable) after the corresponding ex-dividend date.

F. Any determination by the Administrator as to whether the Stock Appreciation Goal has been satisfied, or as to whether the vesting conditions of Section D(i) above have been or are satisfied in connection with a Change in Control, will be final and binding.

Omnibus Equity Incentive Plan

Exhibit 31.1

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Steven J. Sell, certify that:

1. I have reviewed this quarterly report on Form 10-Q of agilon health, inc. for the period ended June 30, 2024;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 6, 2024

By: /s/ STEVEN J. SELL

Steven J. Sell

Chief Executive Officer

(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Jeffrey Schwaneke, certify that:

1. I have reviewed this quarterly report on Form 10-Q of agilon health, inc. for the period ended June 30, 2024;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 6, 2024

By: /s/ JEFFREY SCHWANEKE
Jeffrey Schwaneke
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of agilon health, inc. (the “Company”) on Form 10-Q for the period ending June 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Steven J. Sell, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 6, 2024

By: /s/ STEVEN J. SELL

Steven J. Sell
Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of agilon health, inc. (the “Company”) on Form 10-Q for the period ending June 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Jeffrey Schwaneke, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 6, 2024	By:	/s/ JEFFREY SCHWANEKE
		Jeffrey Schwaneke
		Chief Financial Officer
		(Principal Financial Officer)